


County of Ventura Planning Division
MEMORANDUM

To: The Honorable Board of Supervisors

From: Jay Dobrowalski, Planner 
Commercial and Industrial Permits

Brian R. Baca, Manager 
Commercial and Industrial Permits

Date: October 19, 2015

Re: **CRC Oil and Gas Project, PL13-0150:**
Review of the October 15, 2015 letter by the Los Padres Forest Watch and
Center for Biological Diversity

INTRODUCTION

Los Padres Forest Watch (LPFW) and Center for Biological Diversity (CBD) submitted a letter in support of the appeal of the Planning Commission decision to approve the CRC oil and gas project. County staff reviewed this document and prepared responses to the key points made therein for the Board's information. In response to this letter, the conditions of approval have been clarified to reflect the applicant's proposal to limit the number of new wells on Drill Site #7 and to include an automatic field shutoff system. The LPFW/CBD letter does not provide substantial evidence of a potentially significant environmental impact that would result from the proposed project or an inconsistency of the project with applicable policies and regulations. Thus, the staff recommendation that the project be approved remains unchanged.

Provided in the table below are comments (excerpts) from the October 15, 2015 letter along with a response prepared by County staff.

Comment No.	Page No.	Excerpt from the October 1, 2015 letter	Staff Response
1	1	<i>"The Planning Director approved the project without preparing an EIR, instead relying on a nine-page addendum to an EIR prepared in 1978"</i>	The subject oil and gas facility (including the proposed total of 36 wells) has been evaluated for environmental effects in two EIRs (certified in 1978 and 1984) and an EIR Addendum. Pursuant to Section 15162 of the CEQA Guidelines, the current proposal does not require a Subsequent or

			<p>Supplemental EIR, as no new environmental impacts have been identified that are not addressed in previous certified environmental documents.</p> <p>The time to challenge the adequacy of the two EIRs in disclosing the environmental effects of the installation of the existing oil and gas facility expired 30 years ago. The adequacy of the EIR Addendum to address the addition of 19 new wells to this facility will be considered by the Board of Supervisors at the October 20, 2015 public hearing.</p>
2	2	<p><i>"...changed circumstances and new information that has surfaced in the three decades since this permit was initially reviewed."</i></p>	<p>The most recent well to be drilled at the subject oil and gas facility was installed in 1990. The facility has not substantially changed in the 25 years from 1990 to today. As indicated in the EIR Addendum, no new information or change in circumstance has been identified that constitutes substantial evidence that the proposed addition of 19 oil wells to the existing facility will result in a significant impact on the environment.</p> <p>No significant impacts on biological resources (including aquatic life in Santa Paula Creek) was identified in the certified EIRs or the EIR Addendum. No substantial evidence has been presented or identified that the placement of five additional oil wells on the existing Drill Site #7 graded pad will result in a significant impact on biological resources. The listing of the</p>

			Steelhead as endangered does not, in itself, constitute an environmental impact.
3	3	<i>"Surrounding land uses- including an avocado ranch and a quaint college campus – are incompatible with intensive oil development"</i>	The subject oil and gas operation is an existing permitted facility that was originally constructed prior to the development of the Thomas Aquinas College. The four drill sites cannot be seen from the college and no trucking of produced fluids is authorized or proposed. The existing four drilling pads, access roads, and production equipment were found compatible with the college multiple times by the County decision-makers with the granting of several modified permits. The administration of the college has expressed in writing that they do not oppose the proposed project. Staff has not identified any aspect of the proposed project that is incompatible with surrounding land uses, including the college.
4	3	<i>"Various...oil production facilities have been authorized in this area since 1971 in piecemeal fashion with no or little environmental review."</i>	The subject oil and gas facility (including the proposed total of 36 wells) has been reviewed for environmental effects in two EIRs (certified in 1978 and 1984) and an EIR Addendum prepared in accordance with the requirements of CEQA.
5	4	<i>"The Division has never prepared a comprehensive Environmental Impact Report ("EIR") for this facility throughout its forty-year life span."</i>	The subject oil and gas facility (including the proposed total of 36 wells) has been reviewed for environmental effects in two EIRs (certified in 1978 and 1984) and an EIR Addendum prepared in accordance with the requirements of CEQA. Environmental documents (such as an EIR) are only prepared at

			the time a permit application is under review and serve to inform the decision-makers and the public of the potential future effects of a project. They are not prepared "throughout" the lifespan of a permitted facility. Absent a request for a modified permit, no additional environmental review is required for a permitted facility.
6	6	<i>"...would also exacerbate the graffiti and trash problems that currently afflict the canyon."</i>	Graffiti has been spray painted on parts of Drill Site #7 by persons unknown. The facility operator is not responsible for the illegal acts of others.
7	6	<i>"While the Division states that the applicant has 'clarified' the project description to allow no more than five new wells at Drill Site #7, no such requirement is actually included in the permit conditions."</i>	In response to this comment, the language of Condition of Approval #1 will be augmented to include the following statement: <i>"No more than five new wells shall be installed on Drill Site #7."</i>
8	7	<i>"impacts to outdoor recreation and trails were not adequately evaluated in the previous EIRs."</i>	<p>The public trail to Santa Paula Canyon that extends from the Thomas Aquinas College and past Drill Site #7 did not exist prior to the installation of Drill Site #7. The requirement to provide and maintain a public trail was part of the approved project authorized under CUP 3344, Modification #8. Thus, the project had (and has) no impact on the adjacent recreational trail because the trail is part of the project. The existing public trail has been maintained by the operator of Drill Site #7 since its construction in 1987.</p> <p>The installation of a public trail was considered by the County decision-makers in the approval</p>

			of CUP 3344 Modification #8 and the certification of the 1984 EIR.
9	7	<p><i>“...the 1982 MND for the installation of Drill Site #7 requires the following to mitigate identified public safety impacts:</i></p> <p><i>That the permittee shall reroute the Santa Paula Creek trail so that it completely avoids Drill Site Nos. 1 and 7 and the access road to proposed Drill Site No 7. The cost of construction and maintenance for the rerouted trail shall be borne by the permittee. The location and design shall be approved by both the U.S. Forest Service and the surface owner prior to construction. All required trail improvements shall be completed by November 1, 1982.</i></p> <p><i>Thus, the applicant’s longstanding failure to implement this mitigation measure – coupled with an increase in truck and other vehicle traffic along the access route to Drill Site #7 – will cause a significant recreational and public safety impact that must be appropriately evaluated and mitigated in a Subsequent EIR.</i></p>	<p>Environmental documents (e.g. EIR, MND) prepared pursuant to CEQA are informational in nature and do not constitute a permit. A permittee is only required to comply with the terms and conditions of a granted permit and any applicable regulations.</p> <p>As pointed out in the 5-26-15 staff memorandum prepared in response to the 2-11-15 letter of comment by the LPFW, the original language of the cited mitigation measure included in the MND (a part of the certified 1984 EIR) was not incorporated into the conditions of approval for CUP 3344. The trail issue is addressed in this permit in Condition of Approval No. 50 as follows:</p> <p><i>“The Permittee shall cooperate with Thomas Aquinas College, the Ferndale Ranch (or their successors in interest and the U.S. Forest Service to establish a permanent hiking trail in the Santa Paula Canyon. In the meantime, the Permittee shall reconstruct and maintain a temporary hiking trail in the vicinity of Drill Site Nos. 1 and 7. In no case shall the oil operations obstruct the hikers access to Santa Paula Canyon.”</i></p> <p>The above condition of approval constitutes the method chosen by the Board of Supervisors to address the hiking trail issue. It requires only that the permittee “cooperate” with the other listed</p>

			entities in the establishment of a permanent trail. There is no timeframe or allocation of costs specified in this condition. The Permittee (now CRC) continues to maintain the temporary trail in the vicinity of Drill Sites 1 and 7 and is in compliance with the above condition.
10	10	<i>"the risks from oil spills have increased since the previous analysis"</i>	This comment is a conclusionary statement made without any evidence or analysis. The previous certified EIRs evaluated a total of 36 wells as would result from the current proposed to add 19 wells to the existing 17 wells. The Topical Response to Comment included in the EIR Addendum (Exhibit 4d of the Board Agenda Letter for the 10-20-15 hearing) addresses the overall risk of oil spills. This risk is very low based on a 20-year (1994-2014) record of spill incidents for the Ventura Basin maintained by the California Division of Oil and Gas and Geothermal Resources (DOGGR). Recent regulatory changes (e.g. AB 1960) increased maintenance requirements for oil and gas facilities and has reduced the potential for oil spills. In any case, no substantial oil spills have occurred at the subject oil and gas facility in four decades of operation.
11	11	<i>"The 1978 EIR found that potential oil spills would result in an unavoidable adverse impact."</i>	The 1978 EIR did not conclude that the potential for oil spills would result in an unavoidable adverse impact. This EIR stated that <i>"the applicant will install shutoff valves in the line on both sides of Santa Paula Creek which</i>

		<p>would confine the amount of oil spilled in the event of line breakage to 45 barrels (1,890 gallons)." Thus, this potential effect was found to be mitigated by the installation of shutoff valves. Non-automatic shutoff valves were installed on the pipeline and remain in place today.</p> <p>Although CUP 3344, Modification #3 required "automatic shutoff valves", this requirement was deleted from subsequent modified permits for the existing facility granted by the County after 1982.</p> <p>The applicant has included in the project description the installation of pressure-sensing equipment that would automatically shut down all operations and oil flow on the Ferndale Lease in the event of a break in the pipeline suspended over Santa Paula Creek. Condition of approval No. 1 will include the following: "<i>An automatic field shutoff system will be installed to minimize any spill that may result from a break in the pipeline that crosses Santa Paula Creek.</i>"</p> <p>The maintenance and inspection of oil field pipelines is the responsibility of the California Division of Oil and Gas and Geothermal Resources (DOGGR) pursuant to Section 3106 of the Public Resources Code. The subject pipeline was inspected and pressure-tested on June 15, 2015 and found by DOGGR to be</p>
--	--	--

			in good working order. No spills have resulted from the operation of this pipeline in the 37 years from 1978 to 2015.
12	13	<i>"Activity of California condors near the project site has increased dramatically since the previous analysis"</i>	<p>Increased condor activity near the project site does not indicate that the project will have a significant impact on the condor. According to the USFWS (as stated at the 10-15-15 County-sponsored condor workshop), the condor population has increased from 22 individuals to more than 400, including 65 to 70 in the Los Padres National Forest, since re-introduction of these birds into the wild in 1992. Thus, an adverse effect on the condor population due to oil activities is not discernible.</p> <p>No evidence has been identified that a condor has been killed or injured by operating oil equipment. According to the USFWS (presentation at the 10-15-15 County condor workshop), six condor chicks have died due to ingestion of "microtrash" brought to the nest by adult birds in the 23-year period from 1992 to 2015. Most of the microtrash collected from condor chicks is comprised of broken glass and bottle caps that are unrelated to any oil and gas activity. In any case, the management practices recommended by the USFWS to prevent adverse effects on the condor (including the removal of microtrash) are included in the conditions of approval for the requested modified permit.</p>

			<p>The subject oil and gas facility was inspected by staff of the USFWS, DOGGR and the County Planning Division on August 20, 2015. According to the USFWS (9-28-15 email by Steve Kirkland, USFWS Condor Program Field Coordinator), no significant hazards to the condor were observed on the project site.</p> <p>Inspections of the oil fields located within or adjacent to the condor habitat area in the Los Padres National Forest were conducted by staff of DOGGR, USFWS and the County Planning Division between July 10, 2015 and September 23, 2015. The Ojai Oil Field (CRC Ferndale Lease), Hopper Canyon Oil Field, Sespe Oil Field and Temescal Oil Field were inspected. By email dated October 15, 2015 (attached), Mr. Steve Kirkland of the USFWS reported on the results of these site inspections. He indicates that the operators of the inspected facilities have implemented or agreed to implement the recommended condor protection measures. No further actions are recommended by the USFWS.</p> <p>Mr. Kirkland also clarified that that measure number 1 of the 7-18-13 USFWS letter (setback of oil facilities from condor nesting sites) is not required for existing oil pads such as is the case with the current proposal. He states: <i>"Additional wells placed on existing and operating pads do</i></p>
--	--	--	--

			<i>not pose any additional threats to condors, as long as the protective measures are being implemented and maintained."</i>
13	11	<i>"The previous analysis fails to evaluate impacts to endangered southern steelhead."</i>	<p>The two certified EIRs and the EIR Addendum evaluate impacts on biological resources. No significant impacts on biological resources (including aquatic life in Santa Paula Creek) have been identified. The graded and engineered pad that comprises Drill Site #7 is part of the existing environmental setting and not proposed to be altered. The placement of an additional five oil wells on this existing pad would not result in any discernible new adverse effect on the aquatic life in Santa Paula Creek. The new wells would be set back from the creek in accordance with the requirements of Section 8107-5.6 of the NCZO.</p> <p>Refer to response to comment 10 above regarding the potential for oil spills.</p>
14	17	<i>"The prior analysis fails to evaluate new air pollution standards and greenhouse gas emissions."</i>	<p>The Ventura County Air Pollution Control District evaluated the potential generation of greenhouse gases that would result from project implementation. The estimated annual volume of greenhouse gases is less than the applicable threshold of significance.</p> <p>With regard to non-GHG air pollutant emissions, oil and gas wells are facilities subject to ministerial permits issued by the VCAPCD. Such permitted facilities are not subject to the</p>

			Thresholds of Significance for air quality impacts under the adopted Air Quality Assessment Guidelines.
15	19	<i>"Nearly every well on the Ferndale Lease has been fracked, and the prior analyses fail to evaluate the risks of fracking the new wells."</i>	<p>The proposed project under consideration by the County does not include well stimulation activities (such as hydraulic fracturing or "fracking") that are subject to the provisions of Section 3157 of the Public Resources Code for the implementation of Senate Bill 4. The commenter acknowledges that the requested permit would not authorize fracking. Thus, review of the environmental effects of fracking is not required for the proposed project.</p> <p>Any future proposal to employ fracking as a well stimulation technique would require a modification of the permit, additional environmental review and a public hearing as stated in recommended Condition of Approval No. 1.</p>
16	21	<i>"The County cannot prepare an addendum for multiple EIRs and MNDs."</i>	The State CEQA Guidelines do not prohibit the preparation of an Addendum to two previously certified EIRs prepared to evaluate the potential environmental effects of a project. The EIR Addendum was prepared pursuant to Sections 15162 and 15164 of the CEQA Guidelines. Note that the 1983 MND was not separately adopted as it is part of the 1984 certified EIR.
17	22	<i>"The permit improperly defers analysis of impacts and mitigation measures"</i>	There has been no deferral of the analysis of potential impacts of the proposed project. There are no mitigation measures that rely

			<p>on future studies. No future studies are required by the conditions of approval of the requested permit.</p> <p>Detailed final plans are commonly required to be submitted and certified (with the issuance of a Zoning Clearance) to be in conformance with a previously-granted discretionary permit. Such final plans are not required at the time an application for a discretionary permit undergoes environmental review and the decision-making process.</p>
18	23	<i>“Significant ongoing violations of the existing permit should be abated before considering permit renewal.”</i>	<p>Permit applications may be processed on a property for which zoning violations have been identified if the requested permit would abate the violations. The permit violations alleged by LPFW and staff’s response to these allegations is presented in Exhibit 1b of the Board Agenda Letter for the October 20, 2015 hearing. With the granting of the requested permit, there will be no outstanding violations of the NCZO or conditions of approval.</p>
19	30	<i>“Appellants are entitled to a refund of appeal fees.”</i>	<p>Should the appeal be granted in full by the Board of Supervisors, all appeal fees will be refunded. Should the appeal be granted in part, the Board will determine the amount of any refund.</p>
20	30	<i>“...if Division staff makes any changes to the project in response to our appeal, we are entitled to a refund.”</i>	<p>Refer to response to comment 19 above.</p>

SUMMARY

As indicated in the staff responses to comments listed above, the October 15, 2015 Los Padres Forest Watch/Center for Biological Diversity letter does not provide substantial evidence of a potentially significant impact that would result from the proposed project. The letter also does not provide any evidence that the proposed project is inconsistent with any law or regulation.

The staff recommendation for project approval included in the Board Agenda Letter for the October 20, 2015 hearing on the PL13-0150 application remains unchanged.

Attachment:

October 15, 2015 email by Steve Kirkland (USFWS)

Baca, Brian

From: Kirkland, Steve <steve_kirkland@fws.gov>
Sent: Thursday, October 15, 2015 10:12 AM
To: Baca, Brian
Cc: Dobrowalski, Jay; Roger Root; Jeff Phillips; Colleen Draguesku; Joseph Brandt
Subject: Re: Site visits to oil field facilities

Brian,

Following recent site visits to the Hopper Canyon, Temescal, CRC Fernadale leases, and Sespe Oil Field we found that the measures to protect the California condor, recommended by the Ventura Fish and Wildlife Office, in its July 18, 2013 letter to the County, are being implemented, or were discussed in detail at the site visit and the operator agreed to implement them. At this time we do not recommend any additional actions beyond those identified in the July 18, 2013 letter.

Additionally, measure number one in Service's July 18, 2013 letter need not be applied to existing oil pads with operating oil and gas facilities. Additional wells placed on existing and operating pads do not pose any additional threats to condors, as long as the protective measures are being implemented and maintained.

Please let me know if you have any additional questions.

Steve

On Thu, Sep 24, 2015 at 12:39 PM, Baca, Brian <Brian.Baca@ventura.org> wrote:

Dear Steve:

Thanks to you and your team for participating in yesterday's visit to the Hopper Canyon and Temescal oil fields. I also appreciate your assistance in the earlier visits to the Ojai Oil Field (CRC Ferndale Lease) and the Sespe Oil Field. The County is working with both the wildlife agencies and the oil industry to ensure that permitted facilities do not pose a substantial threat to the California condor. A memorandum or email summarizing your observations made during these visits would be much appreciated. Thanks again.

Brian R. Baca

Manager, Commercial and Industrial Permits

Ventura County Planning Division

805-654-5192

Steve Kirkland
California Condor Field Coordinator
U.S. Fish and Wildlife Service
Hopper Mountain National Wildlife Refuge Complex
Ventura, California 93003

(805) 644-5185 ext. 294
(805) 766-4630 (mobile)
Steve_Kirkland@fws.gov