

House of Representative Committee on Energy and Commerce

Subcommittee on Energy and Power

Testimony on “Oversight of Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 and Related Issues”

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Summary of Remarks:

- Information regarding the limited County authority over the Plains All American Pipeline that failed on May 19, 2015
- Santa Barbara County’s experience in review of oil and gas projects, including associated pipelines
- Santa Barbara County’s review of the whole of a project under the California Environmental Quality Act
- Oil Company applicant’s inclusion of state of the art leak detection and spill prevention technology, including automatic shutoff systems, in their project descriptions
- Review of major pipelines in the County and their leak detection and spill prevention systems, including automatic shutoff systems

Good morning, Chair Whitfield, Ranking Member Rush, and other members of the subcommittee. Thank you for inviting me to testify this morning. My name is Dianne Black and I am the Assistant Director of the Planning and Development Department for the County of Santa Barbara in California. I have been involved in the emergency response, permitting and recovery for the Refugio Oil Spill, which was the result of a ruptured pipeline onshore in the County. I have also overseen the permitting of oil and gas facilities in the County for nearly 20 years, and have been involved in other oil spill responses, including the Torch oil spill from Platform Irene in 1997. I am appreciative of being invited here to share the experiences of Santa Barbara County in the review and permitting of oil and gas projects and associated pipelines.

Within the Refugio Oil Spill Response, I may be a decision-maker again, for either Emergency Permits or other permits. If that occurs, I will need to approach each permit application on a case-by-case basis. As a practical matter, this means that today:

- I can provide you with general information; but
- I cannot discuss how I might act on a particular permit application before I review that application, including review of the public comment that our County's land use codes include within the process for emergency permits;

With respect to the pipeline in Santa Barbara County that recently failed, the County of Santa Barbara entered into a settlement agreement with Celeron Pipeline Company in 1988 concerning the presumption that the County is preempted by federal law from regulating the design and operation of that pipeline. That precluded the county from inspecting operations by and most

permitting of what is now known as the Plains All American Pipeline, the line central to the Refugio Spill.

For the past decade or more, the County has not prescribed to oil company applicants the construction and safety systems required for inter and intra-state pipelines. Instead, subsequent to changes to federal law in 2002, the County has evaluated oil and gas projects, including the associated pipeline systems, in their entirety as is required under the California Environmental Quality Act. The federal Pipeline Safety Improvement Act of 2002 does not preempt local jurisdictions in California from their obligations under CEQA to study the potentially significant environmental effects of the whole of a project, including the potential environmental effects from oil spills. Working with oil company applicants, this has resulted in oil companies in Santa Barbara County routinely including state of the art leak detection and spill prevention technology, including automatic shutoff systems, in their project descriptions which are then analyzed under CEQA. Pipeline systems which include automatic shut off systems minimize the potential impacts from oil spills, including biological, hazardous materials and risk, air quality, and recreational impacts, that would be expected to occur as a result of a spill.

Within the CEQA process, the County of Santa Barbara does not dictate what equipment oil companies must use in their pipelines in order to minimize impacts from oil spills. Instead, it is the oil companies themselves -- through their own engineers -- who determine what technology to build into pipeline projects in order to minimize impacts from oil spills.

Automatic shutoff systems rely on pipeline sensors which detect changes in pressure and flow which indicate when there may be a problem in the pipeline. When pressure or flow anomalies are detected, the system automatically shuts down the pumps and valves associated with the pipeline to limit the potential release of oil. Automatic shutoff systems are distinguished from remotely operated systems by the fact that automatic shutoff systems do not require human action, decision-making or intervention to shut down the pipeline system. In other words, there are preset parameters which, if triggered, result in a pipeline system being automatically shut down without any human action. To be clear, the Plains All American Pipelines, both Line 901 which is the subject of the spill and Line 903, to which it connects, do not have automatic shutoff systems.

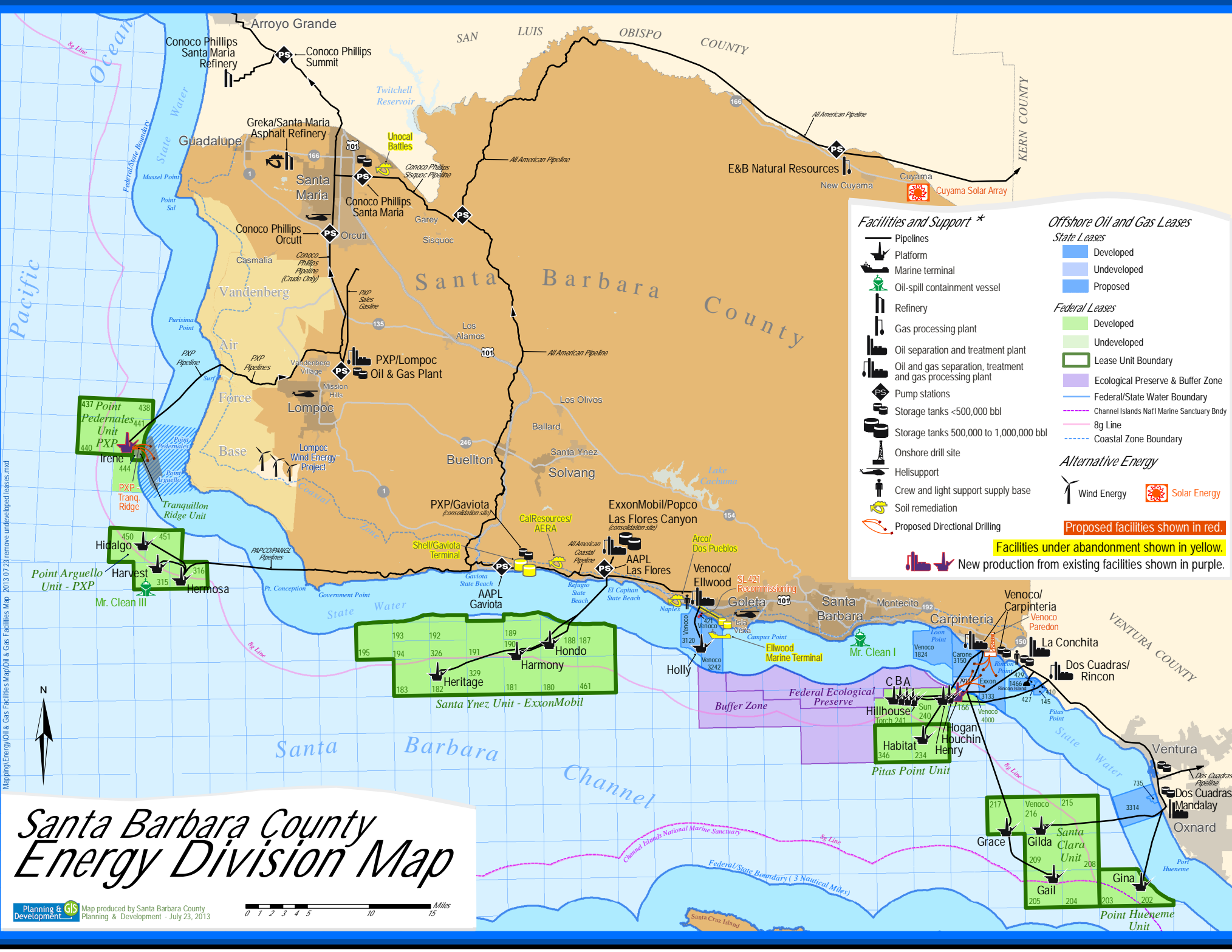
With the exception of the Plains pipelines, all of the major transmission pipelines in the County are equipped with automatic shutoff systems. These include all of the pipelines that transport oil and gas from the offshore platforms to facilities in Santa Barbara County: Platform Irene; the three Point Arguello platforms; the three ExxonMobil Platforms; Platform Holly; and, the numerous platforms offshore the City of Carpinteria.

Additional pipelines within the County that are equipped with automatic shutoff systems include: Line 96 which transports oil from the Ellwood onshore facility to Las Flores Canyon; Line 300, the onshore length of the pipeline from Platform Irene to the Lompoc Oil and Gas Plant and on to the Santa Maria Refinery; the Sisquoc Pipeline which transports oil from the Sisquoc Pump Station to the Santa Maria Pump Station; and the permitted but not yet constructed Foxen

Petroleum Pipeline that will transport oil from the Cantin Tank Battery to the Sisquoc Pipeline at Garey. Again, all of these automatic shutoff systems were incorporated into the project description for individual projects by oil company applicants prior to environmental review.

That concludes my prepared comments. I'm happy to answer questions at the appropriate time in this hearing.

Attachment: Santa Barbara County Oil and Gas Map



Facilities and Support *

- Pipelines
- Platform
- Marine terminal
- Oil-spill containment vessel
- Refinery
- Gas processing plant
- Oil separation and treatment plant
- Oil and gas separation, treatment and gas processing plant
- Pump stations
- Storage tanks <500,000 bbl
- Storage tanks 500,000 to 1,000,000 bbl
- Onshore drill site
- Helisupport
- Crew and light support supply base
- Soil remediation
- Proposed Directional Drilling

Offshore Oil and Gas Leases

State Leases

- Developed
- Undeveloped
- Proposed

Federal Leases

- Developed
- Undeveloped
- Lease Unit Boundary
- Ecological Preserve & Buffer Zone
- Federal/State Water Boundary
- Channel Islands Nat'l Marine Sanctuary Bndy
- 8g Line
- Coastal Zone Boundary

Alternative Energy

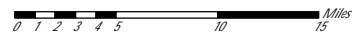
- Wind Energy
- Solar Energy

Proposed facilities shown in red.

Facilities under abandonment shown in yellow.

New production from existing facilities shown in purple.

Santa Barbara County Energy Division Map



Mapping/Energy/Oil & Gas Facilities Map/DI & Gas Facilities Map 2013 0723 remove undeveloped leases.mxd