

CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

Background

On May 19, 2015, a pipeline owned by Houston-based Plains All American Pipeline ruptured spilling up to 101,000 gallons of heavy crude oil along the Gaviota coast in Santa Barbara County. It is estimated that as much as 21,000 gallons of the oil that came out of the pipe went down a storm culvert, onto cliffs, and into the Pacific Ocean. The immediate oil spill area stretched over nine miles of California coastline and tar balls have washed up as far as one hundred miles from the spill site. The pipeline that ruptured is known as Line 901 and is a common carrier pipeline that transports oil that was produced on platforms offshore in both state and federal waters to be refined in either Santa Maria or Kern County. The spill was reported to the National Response Center at 2:56 p.m. on May 19 and to the State Warning Center at approximately the same time. Federal agencies established a Unified Command, which consisted of:

- Federal On Scene Coordinators: U.S. Coast Guard and U.S. Environmental Protection Agency;
- State On Scene Coordinators: California State Parks and California Fish and Wildlife/Office of Spill Prevention and Response (OSPR);
- Local On Scene Coordinator: Santa Barbara County Office of Emergency Management;
- Responsible Party: Plains All American Pipeline, LLC;
- Tribal Representatives: Santa Ynez Chumash Tribe; and,
- Tribal Representatives: Owl Clan Consultant representing the three Clans: Barbareno, Coastal and Southern Owl.

On May 20, 2015, Governor Brown issued an emergency proclamation for Santa Barbara County due to the effects of the oil spill. Refugio State Beach and El Capitan State Beach have been closed for over a month because of the oil spill. Fisheries from Canada de Alegria to Coal Oil Point remain closed, which has negatively impacted several commercial fisheries — including lobster, crab, shrimp, halibut, urchin, squid, whelk, and sea cucumber. The Oiled Wildlife

Care Network has recovered 192 dead birds and 106 dead marine mammals from the spill to date. Dead marine mammals recovered included dolphins, sea lions and seals. Sensitive habitat of the California Least Tern and the Snowy Plover, birds protected by the Endangered Species Act, has been damaged. Hotels, tour outfits and other tourism businesses have experienced cancelations and decreased bookings due to the spill. More than 1,000 workers from local, state and federal agencies have been working to clean up the beaches. Since May 20, approximately 132 volunteers have participated in clean-up efforts. 14,267 gallons of oily water have been recovered to date.

On May 21, 2015, the Pipeline and Hazardous Material Safety Administration (PHMSA) issued a Corrective Action Order to require Plains All American Pipeline to take certain corrective actions to protect the public, property, and the environment from potential hazards associated with Line 901 in Santa Barbara County. PHMSA issued an amendment to the Corrective Action Order on June 3, 2015. The Corrective Action Order specifies actions Plains All American Pipeline must take for the investigation and precautions it must take at other near-by pipelines. The Corrective Action Order also found that Line 901 was a 24-inch-diameter line that was installed in 1987, and the section that ruptured had extensive corrosion. The deepest metal loss at each area ranged between 54 and 74% of the original pipe wall thickness. The failure site wall thickness had degraded to an estimated 1/16 of an inch.

California's Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (Act) requires pipeline owners to develop, submit and implement an Oil Spill Contingency Plan, and these plans must not conflict with a National Contingency Plan. The Act also requires the party who causes oil to be discharged in or on the waters of the state to immediately report the spill to the California Office of Emergency Services and immediately contain, clean up, and remove the oil in the most effective manner that minimizes environmental damage, and in accordance with the applicable contingency plans, unless ordered otherwise by the Coast Guard or the Administrator of OSPR. Plains All American Pipeline does have an Oil Spill Contingency Plan and will pay for the over \$92 million in clean-up costs that have been incurred so far.

National Oceanic and Atmospheric Administration (NOAA) and the Unified Command are in the process of doing a Natural Resource Damage Assessment (NRDA) for the oil spill. NRDA is the legal process that federal agencies, together with the states and Indian tribes, use to evaluate the impacts of oil spills on natural resources.

NRDAs identify the extent of natural resource injuries, the best methods for restoring them, and the type and amount of restoration required. In addition to studying impacts to the environment, the NRDA process includes assessing and restoring the public's lost use of injured natural resources (e.g., closed recreational fishing or swimming). In the event that the Responsible Party refuses to pay damages, NOAA may file a lawsuit or in the case of an oil spill, submit a claim to the Oil Spill Liability Trust Fund, which is funded through a tax on the petroleum industry.