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Exemption for Pipelines Located Outside the Coastal Zone §2103	The proposed regulations provide for an exemption for pipelines that are not near the coastal zone if an operator can demonstrate that a spill from a pipeline will not impact the coastal zone portion of an environmentally and ecologically sensitive area. As noted above, the proposed definition of "near" may pose unacceptable risks to environmentally and ecologically sensitive areas. W1-3	OSFM disagrees. See discussion of "Definition of Near" above. If an operator can demonstrate through the risk analysis required by Section 2111 that a release cannot impact the Coastal Zone portion of an environmentally and ecologically sensitive area, then there's no need for their pipeline to be subject to this regulation.
Exemption for Pipelines Located Outside the Coastal Zone §2103	The proposed regulations provide for an exemption for pipelines that are not near the coastal zone if an operator can demonstrate that a spill from a pipeline will not impact the coastal zone portion of an environmentally and ecologically sensitive area. As noted above, the proposed definition of "near" may pose unacceptable risks to environmentally and ecologically sensitive areas. W1-6	See response to W1-3.
Testing Requirements and Test Failures §2115	Commenter recommends changing the text of this section to require testing of leak detection on an annual basis. W1-7	The OSFM rejects the need to amend language as proposed by commenter because the language as drafted achieves the goal of testing and calibrating the overall effectiveness of the system and components on an annual basis.
§2100(a)(9) Definition of "Near"	Environmentally and ecologically sensitive areas must be defined broadly enough to ensure that the regulation comports with the mandate of the law, which is "to reduce the amount of oil released in an oil spill to protect state waters and wildlife." The proposed half- mile distance is inadequate to protect state waters and wildlife from an oil spill from a pipeline. W1-3a	See response to W9-1 and W1-4. There is no need to adjust the distance attached to the definition of "near."

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§2100(a)(9) Definition of "Near"	Commenter recommends amending the definition of near to the following because a half mile may not be adequate to protect sensitive areas: " <u>Near</u> " means a location from which a <u>spill from a pipeline may impact an</u> <u>Environmentally and Ecologically Sensitive</u> Area in the Coastal Zone. W1-3b	See response to W9-1, W1-3, W1-3a, and W1-4. There is no need to adjust the distance attached to the existing definition of "near."
General	Further modifications must be made to ensure compliance with both AB 864 and SB 295. These modifications include: ensuring protection of all potentially affected environmentally and ecologically sensitive areas, requiring annual inspections of all pipelines, and requiring automatic shutoff systems unless deemed infeasible. W1-9a	The OSFM sees no need to make further modifications to the language of the text. SB 295 is not part of this rulemaking and therefore outside the scope. Broadly, the OSFM finds the regulations as drafted to ensure protection of environmentally and ecologically sensitive areas through submitted risk analysis. All pipelines are inspected annually under the SB 295 regulations, which are not subject to this rule making. The statute does not state that automatic shutoff systems are the only way to comply with the mandates of AB 864, however they must be considered as part of a risk analysis. Therefore, automatic shutoff systems will be considered by operators, while the OSFM will evaluate for effectiveness.
General	We are concerned, however, that the regulations as drafted do not ensure full compliance with AB 864 and SB 295, and that they expose environmentally and ecologically sensitive areas to potential harm from future oil spills by limiting the scope of regulated pipelines, failing to require annual inspections of leak detection systems, and failing to require automatic shutdown systems. W1-9b	See response to W1-2 and W1-9a.
General	The proposed regulation must be modified to protect all potentially affected environmentally and ecologically sensitive areas, require annual inspections of all pipelines, and require	See response to W1-2 and W1-9a.

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automatic shutoff systems unless deemed	
infeasible. W1-9c	