



Pathways for Restarting CA-324 and CA-325 Frequently Asked Questions

1. Who is involved in the restart process?

In addition to Office of the State Fire Marshal (OSFM), the agencies listed below have a role in reviewing and approving the restart for these pipelines.

The OSFM's jurisdiction is limited to these onshore hazardous liquid pipelines – CA-324 and CA-325. The Las Flores Canyon processing facility, onshore gas pipelines, offshore platforms, and offshore pipelines are regulated by other agencies, including but not limited to the following:

- Pipeline and Hazardous Materials Safety Administration (PHMSA) Western Region
- California State Lands Commission
- Bureau of Safety and Environmental Enforcement (BSEE)
- California State Parks
- California Coastal Commission
- Santa Barbara County
- United States Coast Guard
- Regional Air Quality Management District
- California Fish and Wildlife – Office of Oil Spill Prevention and Response
- Bureau of Land Management
- California Geologic Energy Management Division
- Gas Safety and Reliability Branch of the California Public Utilities Commission (CPUC)

2. What is different now than in 2015 when the Refugio oil spill happened? Why did that line fail and how can we be assured it won't happen again?

It's important to note that prior to the 2015 Refugio spill the line did not fall within the jurisdiction of the CAL FIRE – Office of the State Fire Marshal (OSFM) but was brought in following the passage of Assembly Bill 864 and the OSFM's new Coastal Best Available Technology. To ensure that an event like the Refugio spill does not happen again, the OSFM has implemented several proactive measures targeting the key causes of the spill, which were identified as external corrosion under insulation and a delayed response. Here's how the OSFM addresses these issues:

- Enhanced Integrity Management Program and State Waiver: The OSFM has improved its Integrity Management Program and introduced a State Waiver to ensure strict compliance with regulations. These programs are focused on better monitoring and maintenance to prevent pipeline failures like corrosion under insulation.
- Coastal Best Available Technology (CBAT) Regulation Implementation: The OSFM has also introduced the CBAT regulation, which focuses on improving response times in case of a significant release. This regulation is designed to minimize the amount of



release during an incident, allowing for faster containment and reducing potential environmental impact.

Under the Coastal Best Available Technology (CBAT) regulation, the OSFM has mandated significant improvements to pipeline safety.

One key requirement is the use of real-time transient models, which greatly enhance leak detection by reducing response times. In addition to this, the OSFM reviewed the existing pipeline layouts and identified ways to reduce maximum discharge in the event of a release. A critical part of this effort is the requirement for operators to install 16 remote-controlled safety valves on CA-324 and additional valves on CA-325. These valves enable the rapid shutdown of the pipeline system without the need for technicians to travel to the site, significantly improving response time and minimizing potential damage during a release.

By addressing both the root causes—corrosion and delayed response—the OSFM aims to prevent similar incidents from occurring in the future.

As mentioned, when then Line 901 ruptured, causing the Refugio Oil Spill in 2015, the line was under federal jurisdiction, under the authority of the U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA) and [CFR 49 Part 195](#) regulations. After the 2015 spill, authority over the pipeline was granted to the state, specifically the OSFM.

Prior to the Refugio spill, PHMSA conducted inspections on the pipeline every five years, with a focus on potential risk factors identified during their assessments. After OSFM took over regulatory authority for these pipelines, the inspection frequency increased to an annual basis, ensuring frequent oversight.

OSFM also introduced specialized inspections, targeting seven critical areas: field and records, control room operations, public awareness, operator qualification, drug and alcohol programs, integrity management, and operation, maintenance, and emergency procedures. If the pipelines are reactivated, OSFM will conduct these specialized inspections at least once every five years, in addition to maintaining the annual inspections. This layered approach strengthens regulatory oversight by combining routine annual inspections with in-depth evaluations of high-risk areas.

The OSFM also requires operators to address the risk of corrosion under insulation, enhance integrity assessment testing, and hydrostatic pressure tests and mandate the repair of any anomalies that meet the repair criteria.

Corrosion under insulation was not known to be a concern until this pipeline leaked due to this type of corrosion. The OSFM performs inspections every year per state requirements and applies the federal rules to those inspections as well. The operator is inspected every 3-5 years for different types of Federal inspections. Operators are generally visited by the



OSFM at least twice a year for specific California-required meetings and inspections, such as the Annual Operator Meeting and the Annual Operator Inspection(s).

3. What role does the Office of the State Fire Marshal play in environmental protection?

The Office of the State Fire Marshal (OSFM) plays a critical role in environmental protection by ensuring that products remain contained within pipelines, and our focus is on maintaining the safety and integrity of the pipeline systems.

Operators must work closely with other agencies to secure the necessary permits before constructing a pipeline. Once operators have obtained the required permits and received permission to proceed, they are obligated to notify our office. At this point, the OSFM evaluates whether the proposed pipeline meets safety standards in accordance with federal and state regulations. Our involvement begins with this evaluation process, where we enforce minimum safety standards as outlined in [49 CFR Part 195](#) and California Pipeline Safety Act (CAPSA).

In addition to our initial evaluations, the OSFM conducts regular and specialized inspections of existing pipelines. These inspections involve reviewing records and performing physical checks to ensure that operators maintain their pipelines properly. This oversight is essential for preventing leaks and minimizing environmental impact.

4. Why did Pacific Pipeline, a subsidiary of Sable, rehabilitate the existing pipeline instead of replacing it with a new one?

The Office of the State Fire Marshal (OSFM) is responsible for overseeing pipeline safety under federal regulations (49 CFR Part 195) and the California Pipeline Safety Act (CAPSA). These laws focus on ensuring the safety and integrity of pipelines, but they do not require that pipelines be replaced. Instead, our role is to assess the condition of pipelines and make sure they meet safety standards, with an emphasis on reducing risks and ensuring safe operation.

While the previous owners, Plains, had considered replacing the pipeline, such decisions involve more than just OSFM oversight. Local and state agencies are responsible for additional requirements like permits and environmental reviews. Although we were aware of the replacement proposal, the OSFM does not have authority over the permitting and environmental impact review process.

Before any new pipeline construction could move forward, the owner (Plains or now Pacific Pipeline under either ExxonMobil or Sable Offshore) would have needed to obtain permits and approvals from local authorities, including environmental assessments. However, Pacific Pipeline under ExxonMobil withdrew its application to the Santa Barbara Planning Commission and chose to rehabilitate the existing pipeline instead of building a new one.

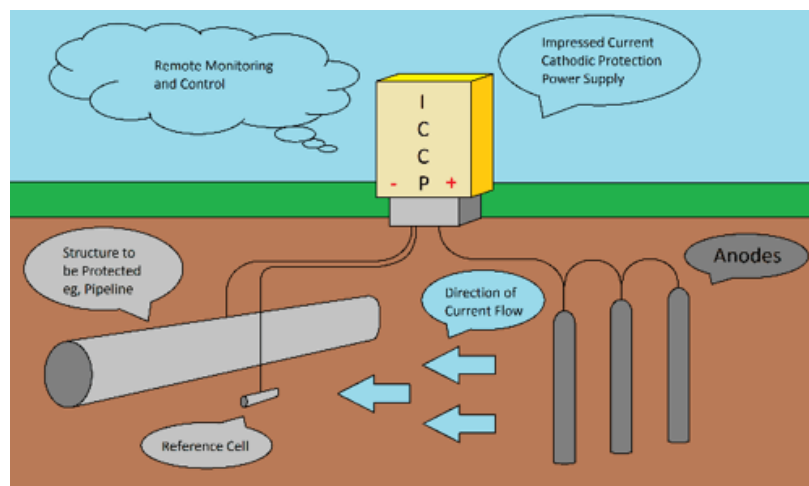
Currently, the OSFM is reviewing the rehabilitation plans to ensure they comply with safety regulations under 49 CFR Part 195 and CAPSA. Our focus is on ensuring the project

maintains the pipeline's structural integrity, prevents potential hazards, and upholds the highest standards of public and environmental safety.

5. Will these pipelines have cathodic protection? If so, what will that be? If not, why?

Yes. The pipelines are required to have cathodic protection, and these pipelines have always had cathodic protection. However, due to the insulation, cathodic protection is not fully effective in all locations of the pipe. There will be additional requirements for inspection and verification to ensure that corrosion is being mitigated and managed. All pipelines rust, and the process of corrosion control and management is to mitigate and prevent that rust from causing damage to the pipelines that could cause a release.

A cathodic protection system will be in place on the pipelines. Here is an example of how it works:



6. Will Sable be allowed to restart these pipelines without cathodic protection?

No. Sable will be required to provide additional protections and increased monitoring with more stringent thresholds for required maintenance and repairs than the national average along with cathodic protection as required by regulations. This is a requirement of the Consent Decree, the State Waiver, and Coastal Best Available Technology (CBAT).

7. What role does Office of the State Fire Marshal have in the pipeline restart process?

Office of the State Fire Marshal's role involves ensuring pipeline safety and pipeline integrity before and during operations and maintenance. This includes Coastal Best Available Technology (CBAT), Integrity Management Program, Restart Plan, State Waiver, Deferred Maintenance, and the Consent Decree. Our office is one of many agencies involved in the restart process.

Additional details can be found on the [Pipeline Restart](#) webpage.



8. What is the State Waiver and how long are the terms of the waiver?

Ten years. The waiver can be terminated or modified at any time by the Office of the State Fire Marshal for non-compliance by the operator or as new information or proven technology becomes available. The State Waiver ensures that minimum safety requirements are met or exceeded.

9. Once the State Waiver is signed, what happens next?

Prior to issuing a State Waiver, the Office of the State Fire Marshal (OSFM) is required to provide Pipeline and Hazardous Materials Safety Administration (PHMSA) with a 60-day review period. Once the OSFM signs a State Waiver, it provides PHMSA a copy of the waiver and an opportunity to comment. The State Waiver does not become effective until (1) PHMSA issues an Order approving the waiver or stating it has no objection to the waiver or (2) PHMSA takes no action on the waiver within sixty (60) days after approval from the OSFM.

10. Once the State Waiver is signed, does that mean Sable is cleared to operate the pipeline?

No. They must complete numerous other actions, as required by the Office of the State Fire Marshal (OSFM), designed to ensure the safe operation of the pipelines. Sable must also secure all necessary approvals from all other state and federal agencies before putting the pipeline into operation.

The State Waiver is one of the six requirements that Pacific Pipeline must meet before restarting pipelines CA-324 and CA-325. It's important to note that these pipelines transport only crude oil from the Las Flores processing plant to Emidio. The crude oil and other hydrocarbons are produced at offshore platforms, transported via the offshore pipeline, and processed at the plant. Since these facilities are regulated by other agencies, the OSFM recommends reaching out to those agencies for guidelines specific to those areas.

11. The State Waiver addresses the limited effectiveness of cathodic protection. What does that mean?

Cathodic protection (CP) is a technique that reduces corrosion on a protected pipeline. The design of Line CA-324 and CA-325 consists of an insulating wrap installed along the pipeline that can shield cathodic protection and results in limited effectiveness in areas where insulation exists. To mitigate the limited effectiveness of cathodic protection, in addition to what is already required by state and federal regulations, the State Waiver imposes much more stringent inspection and repair requirements. For example, pipelines are typically checked for corrosion using In-Line Inspection tools once every 5 years; however, Sable will be required to check the pipeline for corrosion using In-Line Inspection tools twice per year for the first two years and once per year thereafter.



12. Who determines if a new CEQA analysis/EIR should be completed? Why isn't one being done now?

The determination of whether a new CEQA analysis or Environmental Impact Report (EIR) is required is made by the lead agency, which is the relevant local city, county, or other permitting agencies that have the principal responsibility for permitting a project. CEQA review and approval occur prior to the commencement of construction. Once the necessary permits are secured by the operator and construction is initiated, the Office for the State Fire Marshal (OSFM) ensures compliance with safety regulations.

13. What is the Coastal Best Available Technology (CBAT) and why was it enacted?

CBAT was enacted following the Refugio Beach pipeline incident in May 2015. Its purpose is to ensure that the best available technology is used on pipelines located in environmentally sensitive coastal areas to minimize the impact of oil spills. The requirements stem from the passage of Assembly Bill 864 (2015).

14. Does the Coastal Best Available Technology (CBAT) regulation require an operator to reduce the likelihood of releasing hazardous liquids from the pipeline?

The primary objective of the CBAT regulation is to minimize the worst-case discharge from regulated pipelines. This involves assuming a potential line break and estimating the maximum volume that could be released. The Office of the State Fire Marshal (OSFM) reviews risk analyses to explore strategies for minimizing releases during such worst-case scenarios. If viable options exist to significantly reduce the worst-case discharge, operators are required to upgrade their systems. For CA-324 and CA-325, we accepted a proposal that includes upgrading the leak detection system and installing new safety valves to minimize releases during worst-case discharges.

While the CBAT regulation does not explicitly mandate a reduction in the likelihood of releases, the OSFM has adopted an integrity management program that requires operators to assess the integrity of their pipelines and address any anomalies to help mitigate the risk of releases.

15. Why is Sable installing valves on CA-324?

Sable is installing safety valves to meet the requirements of the Coastal Best Available Technology (CBAT) regulation. The approved CBAT risk analysis included these safety valves, which will improve the ability to expedite the shutdown and isolation of the pipelines in the event of a release. This directly addresses one of the major findings from the Pipeline and Hazardous Materials Safety Administration's (PHMSA) investigation into the 2015 Refugio spill.

Additionally, Sable is upgrading certain existing valves and installing new ones that can be controlled remotely. This capability allows Sable to shut down the pipeline remotely if the leak detection system detects any release before a technician arrives on site. These enhancements aim to minimize crude oil releases compared to current operating conditions, thereby reducing the potential impact of an oil spill.



16. Does the installation of valves below ground align with the previously approved risk analyses for the Coastal Best Available Technology (CBAT) regulation?

Under the CBAT regulation, the objective is to minimize oil release in the event of a worst-case spill. Whether safety valves are installed aboveground or below ground does not affect the ability to shut down the pipelines or alter the expected worst-case discharge volume. If the valves are installed at the locations specified in the approved risk analysis, the spill volume is anticipated to remain consistent with what was previously reported. Therefore, the placement of the valves—whether above or below ground—does not impact the overall effectiveness of the system in preventing hazardous liquid spills.

17. Is the Office of the State Fire Marshal involved in natural seepage or tar balls?

No, the Office of the State Fire Marshal's focus is on pipeline safety. We receive reports of natural seepage or tar balls through the Office of Emergency Services (OES), but these issues are not related to pipeline safety. We recommend contacting experts in environmental science for more information on natural seepage or tar balls.

18. What was the Office of the State Fire Marshal's involvement in the Refugio spill?

The Office of the State Fire Marshal was not involved in regulatory oversight over pipelines then known as 901 and 903, when the 2015 Refugio oil spill occurred. At the time of the 2015 spill, regulatory oversight was under the jurisdiction of the Pipeline and Hazardous Materials Safety Administration (PHMSA). OSFM regulatory oversight of these pipelines began in 2020 after Plains signed a consent decree.

19. How does the Office of the State Fire Marshal handle restart plans for pipelines?

The Office of the State Fire Marshal (OSFM) works with operators to ensure any proposed restart plans comply with safety standards in accordance with 49 USC 60100 et seq., 49 CFR Part 195, and California Pipeline Safety Act statutes and related regulations. If other permits are required for a restart, we direct the operator to the appropriate agencies, as this falls outside of our jurisdiction.

Sable is required to file a plan. It is a two-fold process. One document is required to present how Sable is meeting the legal requirements. The second document will be detailed on the procedures and processes, and the order of actions taken. It is a step-by-step road map on the line filling and start-up of operations as agreed upon by the Office of the State Fire Marshal. Specific protections are put in place to minimize and eliminate potential damage to the environment and citizens of California.

20. What is the role of the Office of the State Fire Marshal in the Santa Ynez Production Unit?

The Santa Ynez Production Unit encompasses offshore oil and gas extraction at three platforms—Hondo, Heritage, and Harmony—along with the Las Flores Canyon processing facility. Crude oil and natural gas are transported from these platforms to the Las Flores Canyon facility via offshore pipelines for processing. After processing, natural gas is transported to market via onshore gas pipelines, while crude oil is delivered via onshore



pipelines known as CA-324 and CA-325. The Office of the State Fire Marshal is responsible for ensuring safety and enforcing regulations on the intrastate hazardous liquid pipelines CA-324 and CA-325, which transport crude oil from the Santa Ynez Production Unit to Emidio.

21. Where can I get information about the approval process for restarting CA-324 & CA-325 and Environmental Impact Reports (EIR)?

For details about the approval process or Environmental Impact Reports related to the Santa Ynez Unit, citizens should contact agencies such as the county or city planning and development departments or the relevant regulatory authorities mentioned above. For information for Office of the State Fire Marshal involvement in the pipeline restart process visit our [website](#).

22. Where can I ask additional questions on this topic?

Additional questions can be sent to: CA324andCA325.publicquestions@fire.ca.gov.

DEFINITIONS

Hydrotest

A hydrotest is when the pipeline is filled with water and pressurized up to greater than the operating pressure to test the integrity of the pipeline. The purpose of a hydrotest is to identify leaks and weak points along the pipeline. Hydrotests are one of the methods a pipeline operator can use to test their pipeline as required by the Office of the State Fire Marshal. Hydrotesting of liquid pipelines requires testing to a minimum of 125% of the operating pressure for a continuous 8-hours.

In-Line Inspection (Smart Pig)

An In-line Inspection is a tool that travels inside a pipeline and captures data about the pipeline. In-Line Inspection tools help find irregularities in a pipeline such as corrosion, cracks, dents, metal loss, and gouges. Once the operator knows where these irregularities are on the pipeline they can excavate and repair the anomalies identified by the smart pig. Operators are required to provide a detailed report of the findings to the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Office of the State Fire Marshal for review. Operators are also required to validate the information and provide corrections based on requirements in regulation and law. The OSFM reviews all hydrotest and smart pig data under our authority to ensure compliance.

Consent Order

Under Section 2071.2 of 19 CCR, the State Fire Marshal, or designee, and the respondent may agree to resolve the case by execution of a consent agreement and order, which may be jointly executed by the parties and issued by the State Fire Marshal.

A consent order shall include:



- (1) An admission by the respondent of all jurisdictional facts;
- (2) An express waiver of further procedural steps and of all right to seek judicial review or otherwise challenge or contest the validity of that order;
- (3) An acknowledgment that the notice of probable violation may be used to construe the terms of the consent order; and
- (4) A statement of the actions required of the respondent and the time by which such actions shall be accomplished.

With respect to Sable's Lines CA-324 and CA-325, the consent order is a decree or order made by a judge with the consent of all parties. The Office of the State Fire Marshal is responsible for monitoring the Consent Decree (CD) of Lines CA-324 (formerly Line 901) and CA-325 (formerly Line 903) to ensure that the operator adheres to the terms within the Consent Decree. On October 14th, 2020, the United States District Court Central District of California issued an Order to enter Consent Decree which was signed by the Honorable Phillips S. Guitierrez, United States District Judge. The terms set forth below are used in the Consent Decree on lines CA-324 and CA-325.

Appendix B is the Injunctive Relief that the Operator is required to perform under the Consent Decree.

Appendix D is the list of remaining corrective actions from the Pipeline and Hazardous Materials Safety Administration (PHMSA) Correction Action Order that the Operator is still required to implement under the CD.

Integrity Management Program

An integrity management program (IMP) specifies regulations to assess, evaluate, repair, and validate through a comprehensive analysis of the integrity of hazardous liquid pipeline segments that, in the event of a leak or failure, could affect populated areas, unusually sensitive areas to environmental damage and coastal areas, and commercially navigable waterways. An operator is required to develop and follow an integrity management program that provides for continually assessing the integrity of all pipeline segments that could affect these high-consequence areas, through integrity assessments, such as in-line inspection, pressure testing, or other equally effective assessment means. The IMP must also provide for periodically evaluating the pipeline segments through comprehensive information analysis, remediating potential problems found through the assessment and evaluation, and ensuring additional protection to the segments and the high-consequence areas through preventive and mitigative measures.

High Consequence Area (HCA)

High Consequence Area means:

- (1) A commercially navigable waterway, which means a waterway where a substantial likelihood of commercial navigation exists.
- (2) A high population area, which means an urbanized area, as defined and delineated by the Census Bureau, that contains 50,000 or more people and has a population density of at least 1,000 people per square mile.



(3) Another populated area, which means a place, as defined and delineated by the Census Bureau, that contains a concentrated population, such as an incorporated or unincorporated city, town, village, or other designated residential or commercial area.

(4) An unusually sensitive area, as defined in §195.6.

Emergency Flow Restricting Device (EFRD)

Emergency Flow Restricting Device (EFRD) means a check valve or remote-control valve as follows:

(1) A check valve is a valve that permits fluid to flow freely in one direction and contains a mechanism to automatically prevent flow in the other direction.

(2) Remote control valve or RCV means any valve that is operated from a location remote from where the valve is installed. The RCV is usually operated by the supervisory control and data acquisition (*SCADA*) system. The linkage between the pipeline control center and the RCV may be by fiber optics, microwave, telephone lines, or satellite.

Supervisory Control and Data Acquisition (SCADA)

Supervisory Control and Data Acquisition (SCADA) system is a computer-based system, or systems used by a controller in a control room that collects and displays information about a pipeline facility or pipeline and may have the ability to send commands back to the pipeline or a facility.

Computation Pipeline Monitoring (CPM)

Computation Pipeline Monitoring (CPM) is a software-based monitoring tool that alerts the pipeline dispatcher of a possible pipeline operating anomaly that may be indicative of a commodity release. The tool models the pipeline using historical and current information to validate what information is being presented. It is a proactive process to determine a pipeline leak and provides timely response recommendations or actions to the SCADA system. Actions can include immediate shutdown and isolation of a facility and/or a pipeline.

Rupture-mitigation Valve (RMV)

Rupture-mitigation valve (RMV) is an automatic shut-off valve (ASV) or a remote-control valve (RCV) that a pipeline operator uses to minimize the volume of hazardous liquid or carbon dioxide released from the pipeline and to mitigate the consequences of a rupture. This definition does not apply to any gathering line.

Automatic Shut-off Valve (ASV)

An ASV is a block valve equipped with an electric, pneumatic, or natural gas-powered actuator capable of closing the valve automatically when a change in pressure or flow rate exceeds a specified limit.

Remote-control Valve (RCV)

An RCV is a block valve equipped with an electric, pneumatic, or natural gas-powered actuator capable of closing the valve based on a signal from a remote location such as a control room.