

State Waiver

A State Waiver allows adjustments to regulations if alternative measures provide equal or better safety. The operator must obtain a State Waiver from the OSFM and approval from Pipeline and Hazardous Materials Safety Administration (PHMSA) as required by the Consent Decree before restarting CA-324 and CA-325.



What is the State Waiver and how long does it last?

- A State Waiver is an official allowance granted to ensure safety standards are met or exceeded for specific operations.
- The waiver's duration is ten years, but it may be terminated or modified by the Office of the State Fire Marshal if there is non-compliance or if new information or technology emerges.

Process of State Waiver Approval

- Before a State Waiver is granted, the Office of the State Fire Marshal must send it to the Pipeline and Hazardous Materials Safety Administration (PHMSA) for a 60-day review period.

PHMSA can approve, object to, or remain silent on the waiver within 60 days. If PHMSA has no objections or issues an approval, the waiver takes effect.

Does the State Waiver Allow Pipeline Operation?

- No, the waiver alone doesn't clear Sable to operate the pipeline.
- Sable must complete further safety steps set by the Office of the State Fire Marshal and secure approvals from other state and federal agencies.

The State Waiver is one of six requirements for restarting pipelines CA-324 and CA-325, which transport crude oil from the Las Flores processing plant to Emidio.

Cathodic Protection and the State Waiver

- Cathodic Protection (CP) helps reduce corrosion on pipelines but may have limited effectiveness when insulation around the pipeline shields it.

To compensate, the State Waiver mandates stricter inspection and repair standards. For instance, Sable must use In-Line Inspection tools to check for corrosion twice per year in the first two years and then annually.