



# **PIPELINE SAFETY DIVISION 2020 REPORT TO THE LEGISLATURE**

**PURSUANT TO SB 840 (COMMITTEE ON BUDGET AND FISCAL REVIEW  
CHAPTER 341, STATUTES OF 2016)**

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*The California Department of Forestry and Fire Protection serves and safeguards the people and protects the property and resources of California.*

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## Executive Summary

On May 19, 2015, a hazardous liquid pipeline failure released 2,934 barrels of oil into the ocean near Refugio State Beach in the County of Santa Barbara (Refugio Spill). The Legislature responded to this devastating event by adding key prevention measures to the Elder California Pipeline Safety Act of 1981, and specific reporting requirements for the affected lines.

This report provides the status of inspection and enforcement activities performed by CAL FIRE - OSFM pursuant to those prevention measures during the 2020 inspection cycle. It includes both Statewide reporting and individual reporting for Lines 901 and 903 in the County of Santa Barbara, operated by Plains Pipeline, L.P.

**Assembly Bill 864 (Williams, Chapter 592, Statutes of 2015)** established Government Code Section 51013.1, which requires hazardous liquid pipelines near Environmentally and Ecologically Sensitive Areas in the Coastal Zone to use the “best available technology,” as defined by OSFM regulation, to reduce the amount of oil released during the accidental failure of a hazardous liquid pipeline. This includes automatic shutoff systems

The AB 864 “Coastal Best Available Technology” (CBAT) regulations went into effect October 2020. Under the CBAT regulations, pipeline operators have until October 2021 to submit an implementation plan which addresses risk on their hazardous liquid pipelines. The OSFM will review these plans as they are received and monitor implementation. Pipeline operators have until April 1, 2023, to complete retrofits.

**Senate Bill 295 (Jackson, Chapter 607, Statutes of 2015)** established Government Code Section 51015.1, which requires the OSFM to annually inspect all intrastate hazardous pipelines and pipeline operators, and to adopt regulations regarding these inspections.

The first phase of the 2020 inspection cycle is complete. As of October 2020, a total of 624 out of 635 second phase inspections have been scheduled or completed. The OSFM anticipates that the remaining 11 will be completed by the end of 2020.

**Senate Bill 840 (Committee on Budget and Fiscal Review, Chapter 341, Statutes of 2016)** established Government Code Section 51015.6, which requires the OSFM to submit an annual report to the Legislature with the status of activities performed pursuant to AB 864 and SB 295, and status updates for Lines 901 and 903.

Lines 901 and 903 are still purged of hazardous liquid. The pipeline operator has submitted local applications to replace the majority of both lines.

## Background

Under the Elder California Pipeline Safety Act of 1981, the State Fire Marshal exercises safety regulatory jurisdiction over approximately 5,850 miles of intrastate hazardous liquid transportation pipelines, and to the extent authorized by federal law, interstate pipelines used for the transportation of hazardous liquid. “Intrastate” pipeline is located entirely within State borders, including offshore State waters.



In 2015, 2,934 barrels of oil were released into the ocean near Refugio State Beach in the County of Santa Barbara, as a result of a hazardous liquid pipeline failure (Refugio Spill). The Refugio Spill impacted 9.5 square miles of ocean and 8.7 miles of coastline. In response to this devastating event, the California State Legislature passed AB 864 (Williams, Chapter 592, Statutes of 2015), SB 295 295 (Jackson, Chapter 607, Statutes of 2015), and SB 840 (Committee on Budget and Fiscal Review, Chapter 341, Statutes of 2016). Due to the far reaching environmental and economic impacts of the Refugio Spill, the legislation included both safety and transparency requirements.

The OSFM’s statutory authority includes inspection, enforcement, and reporting requirements for hazardous liquid pipelines under their statutorily defined jurisdiction. The OSFM Pipeline Safety Division consists of engineers, analytical staff, and clerical support located in northern, central, and southern California. Pipeline Safety Division staff inspect pipeline operators and hazardous liquid pipelines to ensure compliance with federal and State pipeline safety laws and regulations. There are currently 50 hazardous liquid pipeline operators and 636 pipelines that fall within the OSFM’s jurisdiction. In addition, the Pipeline Safety Division is responsible for investigating all spills, ruptures, fires, or pipeline incidents for cause and determination of probable violations. The OSFM may also work with stakeholders to develop additional or more stringent regulatory standards for intrastate pipeline facilities, provided such standards are compatible with federal regulation.

In 2020, CAL FIRE launched a secure online portal for pipeline operators to submit and review their SB 295 inspection information. The Annual Pipeline Operator Report (APOR) secure online portal is anticipated to both increase the overall efficiency of the SB 295 inspection process and to provide the OSFM’s Pipeline Safety Division with better resources to respond to hazardous liquid pipeline emergencies. The APOR Project is a collaboration between CAL FIRE IT, the OSFM, and stakeholders. The APOR creates a secure online option for pipeline operators to submit their documentation and combines two existing forms, the Pipeline Operator Questionnaire and the PSD-101, for overall efficiency.

## AB 864, Status of Automatic Shutoff System Installations

AB 864 defined best available technology as “technology that provides the greatest degree of protection by limiting the quantity of release in the event of a spill,” and requires new, replacement, and existing pipelines near Environmentally and Ecologically Sensitive Areas in the Coastal Zone, as defined, to comply with the “Coastal Best Available Technology” (CBAT) regulations. Automatic shutoff systems are one of the safety technologies required by AB 864 and included in the CBAT regulations.

SB 840 requires that the State Fire Marshal provide a detailed report on the status of the installation of automatic shutoff systems, among other provisions.

The CBAT regulations became effective as of October 1, 2020. As required by AB 864, these regulations include a definition of “automatic shutoff systems”. The 50 pipeline operators under the jurisdiction of OSFM have been formally notified of the effective date. Additionally, OSFM provided required documentation and direction to these pipeline operators for compliance.

Pipeline operators have until October 1, 2021, to submit an implementation plan to mitigate the risk of oil spills. At this time, the OSFM has not been formally notified of the installation of any automatic shutoff systems pursuant to Government Code Section 51013.1. As plans are received from pipeline operators, the OSFM will review them for compliance and then monitor operators’ implementation. Pipeline operators are required to complete all proposed retrofits of existing non-compliant pipelines, including the installation of automatic shutoff systems, by April 1, 2023.



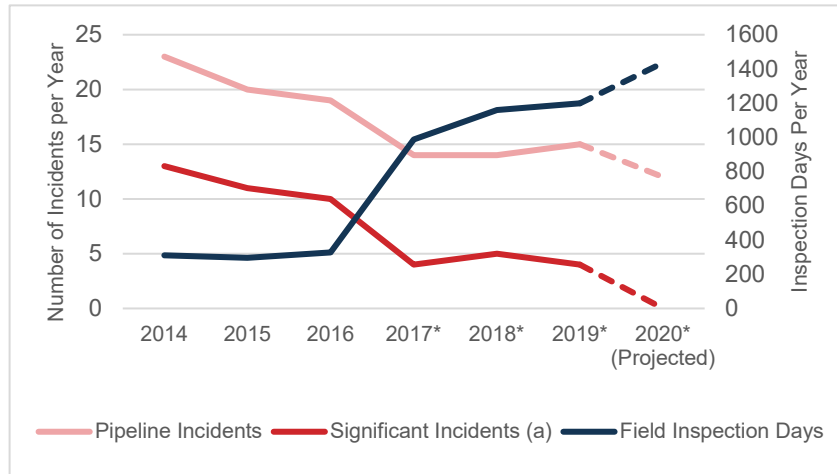
The finalized CBAT regulations define an automatic shutoff system as “an automated system not dependent upon human interaction capable of shutting down a pipeline system.” Automatic shutoff systems can significantly reduce the amount of oil released in an oil spill, limiting the impact of a spill. For context, 123,000 gallons of heavy crude oil were released during the Refugio Spill, impacting 9.5 square miles of ocean and 8.7 miles of coastline.

## SB 295, Annual Inspection Activities

SB 295 directs the State Fire Marshal to conduct annual inspections of intrastate hazardous liquid pipelines in order to reduce the risk of future pipeline accidents.

SB 840 requires the State Fire Marshal to report annually on the inspections.

The 2021 cycle of annual inspections commenced in November 2020; this inspection cycle will continue to the end of 2021.



Since the SB 295 regulations became effective, there has been a significant decrease in the number of accidents involving jurisdictional pipelines. The annual inspections consist of two phases: pipeline operator inspections and physical pipeline inspections.

In the first phase of the annual inspection process, OSFM engineers review data and validated inspection results from the previous calendar year for each pipeline, as well as scheduled projects for the next calendar year. This inspection of the 50 pipeline operators was completed in the fourth quarter of 2019.



In the second phase of the annual inspection cycle, OSFM Pipeline Safety Division engineers conduct targeted physical inspections of the pipelines. As of October 2020, the OSFM has completed or scheduled a total of 624 out of 635 intrastate hazardous liquid pipelines inspections. The OSFM anticipates the remaining 11 pipelines will be inspected by the end of 2020.

<b>Year</b>	<b>Field Inspection Days</b>	<b>Pipeline Accidents</b>	<b>Significant Accidents</b>	<b>Pipeline Operators Inspected</b>
<b>2014</b>	<b>311</b>	<b>23</b>	<b>13</b>	<b>75%</b>
<b>2015</b>	<b>296</b>	<b>20</b>	<b>11</b>	<b>46%</b>
<b>2016</b>	<b>328</b>	<b>19</b>	<b>10</b>	<b>64%</b>
<b>2017*</b>	<b>988</b>	<b>14</b>	<b>4</b>	<b>100%</b>
<b>2018*</b>	<b>1159</b>	<b>14</b>	<b>5</b>	<b>100%</b>
<b>2019*</b>	<b>1199</b>	<b>15</b>	<b>4</b>	<b>100%</b>
<b>2020*</b>	<b>1436</b>	<b>12</b>	<b>2</b>	<b>100%</b>
<b>*SB 295 inspections in effect.</b>				

"Significant Accidents" are those including any of the following conditions: (1) Fatality or serious injury; (2) \$50,000 or more in total costs (1984 dollars); (3) A release of 50 barrels or more (5 barrels or more of a highly volatile liquid); or (4) Liquid releases resulting in an unintentional fire or explosion.

Field inspection Days for 2020 are projected through end of year. Pipeline Accidents, Significant Accidents, and Pipeline Operators Inspected are current as of November 2020.

<b>Year</b>	<b>Number of Enforcement Actions</b>
<b>2014</b>	<b>54</b>
<b>2015</b>	<b>16</b>
<b>2016</b>	<b>26</b>
<b>2017*</b>	<b>15</b>
<b>2018*</b>	<b>74</b>
<b>2019*</b>	<b>44</b>
<b>2020* (as of October)</b>	<b>88</b>

**\*SB 295 inspections in effect.**



## Status of Plains Pipeline Line 901 and Line 903 in the County of Santa Barbara

Due to the far reaching environmental and economic impacts of the Refugio Spill, SB 840 also included transparency requirements specific to those affected pipelines.

Line 901 in Santa Barbara County, Los Flores Canyon to Gaviota Pump Station, has been purged of hazardous liquid and is currently not in operation. A return to service date has not been set for the line. This pipeline cannot be restarted until the pipeline operator receives approval from the OSFM and federal authorities.

The section of Line 903 in Santa Barbara County has also been purged of hazardous liquid and is not in operation.



Plains Pipelines, L.P. submitted various plan and permit applications to the Counties of Santa Barbara and San Luis Obispo requesting approval of the Lines 901 and 903 replacement plans. This permitting process is expected to take an additional two (2) years to approve. OSFM Pipeline Safety Division inspectors are monitoring permitting and eventual construction activities on Lines 901 and 903.

However, another section of Line 903, from Pentland Pump Station to Emidio Pump Station in Kern County remains in operation and, following authorization from OSFM and federal authorities, has returned to operating at normal operating pressures. Federal authorities consulted with the OSFM and determined that the extensive inspection, repairs, and preventative maintenance required following the Refugio Spill had been completed and that section of the line was safe to return to normal operating pressures.

The OSFM continues to maintain close communication with local, State, and federal agencies regarding the status of Lines 901 and 903. As such, OSFM inspectors are monitoring activities on these lines.

## References

Pursuant to Government Code Section 9795(d), this report can be viewed and downloaded from the CAL FIRE – OSFM website at:

<https://osfm.fire.ca.gov/divisions/pipeline-safety-and-cupa/pipeline-safety-reports/>

A hard copy of this report can be obtained by calling the OSFM’s Pipeline Safety Division at (916) 263-6300.

CAL FIRE – OSFM regulations can be found at the link below.

<https://osfm.fire.ca.gov/divisions/code-development-and-analysis/title-19-development/>

The CBAT regulations are the regulations page under the heading,

“Prior Rulemaking Activities,” then

“(PLS) Intrastate Hazardous Liquid Pipelines - Best Available Technologies AB864.”

<b>Additions to the Elder California Pipeline Safety Act of 1981</b>	<b>California Government Code Sections 51010-51019.1</b>	<b>Summary</b>
AB 864 (Williams, Chapter 592, Statutes of 2015)	Government Code Section 51013.1	CBAT, Environmentally and Ecologically Sensitive Areas in the Coastal Zone regulations.
SB 295 (Jackson, Chapter 607, Statutes of 2015)	Government Code Section 51015.1	Annual Inspections of liquid hazardous pipelines under the OSFM’s jurisdiction.
SB 840 (Budget on Budget and Fiscal Review, Chapter 341, Statutes of 2016)	Government Code Section 51015.6	Report on AB 864 and SB 295 activities, and also include the status of Line 901 and sections of 903 in the County of Santa Barbara, operated by Plains Pipelines, L.P.