From: BILL WOODBRIDGE

To: CSLC CommissionMeetings

Subject: Sable pipeline issue in Santa Barbara

Date: Wednesday, March 27, 2024 2:03:58 PM

Attention: This email originated from outside of SLC and should be treated with extra caution.

PLEASE do not allow the transfer of Exxon's 901 & 903 pipeline and its operation plant in S.B. County to Sable and please do not allow them to restart this proven decrepit, decomposing, unsafe pipeline. Exxon is trying to remove itself from any future liability with regard to these issues. Sable will not be able to afford any liabilities. They will just walk away leaving the expense of any cleanups to our tax payers (as is usually the case with oil companies). This pipeline is the one that spilled 840,000 gallons of crude oil on our coastline in 2015. If put back into operation, there will soon be another break and another spill. We CANNOT allow that to happen.

Thank you,

Bill Woodbridge Santa Barbara From: <u>John Brooks</u>

To: <u>CSLC CommissionMeetings</u>
Subject: Item 50 on the agenda

**Date:** Wednesday, March 27, 2024 3:29:36 PM

Attention: This email originated from outside of SLC and should be treated with extra caution.

Item 50 Exxon to Sable. I object to the transfer of ownership to an entity that could easily go bankrupt and not pay for a spill, decommissioning, etc. Your commission is well aware of the issues and costs as they have had to deal with Venoco's bankruptcy in Santa Barbara County.

John Brooks

First Amendment Foundation of Ventura County.

Comment on April 4, 2024 SLC meeting, agenda #50: Exxon/Sable Wednesday, March 27, 2024 1:24:57 PM

Attention: This email originated from outside of SLC and should be treated with extra caution.

Dear State Lands Commissioners,

I urge you not to approve transfers of ownership from Exxon to startup energy-company, Sable. Exxon is loaning the money to Sable to finance the sale. This is a clear example of a major oil company trying to get out of their liability for an aging oil operation that is decades past its projected lifespan. You well know the costs associated with the big oil companies selling to small ones that then go bankrupt -- as there is the example right here in the Santa Barbara channel with the decommissioning of Venoco. Even though Exxon maintained some liability, there have been costs to taxpayers, agency costs, emergency actions to protect public health, such as taking over the EOF, frivolous lawsuits, and more, and this was a case where a major company, Plains, caused the onshore oil spill and was responsible for paying for it. If a small startup oil company like Sable was responsible for a major spill or other

disaster, there would be no one to pick up the bill.

The potential disasters that could come from a startup oil company operating some of the oldest, largest platforms in the world, and associated aging pipelines including those in state waters is enormous. BP's bill for the Deepwater Horizon disaster was \$61 billion. Imagine if Sable had a disaster of that magnitude. A smaller spill such as the 2021 Amplify Energy pipeline spill off San Pedro Bay has cost over \$60 million between settlements and fines. Sable could not cover costs of any spill or disaster and they are also likely to cut costs and operate less safely than an energy major, making problems more likely. This includes worker safety. (There were 83 known offshore oil worker fatalities between 2005 and 2019.) With climate change, offshore storm damage and onshore fires are increasing in risk as well. Then there are the costs associated with proper abandonment and decommissioning. Of course, the real issue is not cost, but the permanent environmental and human harm that can result from risky operations. Exxon should not be allowed to get out of any liability for their operation and there should be no expectation that the state will allow a new lease for such aging infrastructure, as the state is under no obligation to do so. We encourage you to negotiate a permanent decommissioning of the operation. The recently published article below discusses the situation in more detail. Regards, Katie Davis Chair, Sierra Club Santa Barbara-Ventura Chapter, and Vice-Chair, Sierra Club California

https://www.noozhawk.com/katie-davis-sable-offshore-faces-big-hurdles-in-restarting-exxonmobils-oil-operations/

## Katie Davis: Sable Offshore Faces Big Hurdles in Restarting ExxonMobil's Oil Operations

February 25, 2024 | 3:30 pm

Startup energy company Sable Offshore Corp. has announced plans for a quick restart of ExxonMobil's three shuttered offshore oil platforms off the Gaviota coast, but it will face stiff resistance to plans that put coastal Santa Barbara County at risk of more oil spills and pollution.

ExxonMobil's oil platforms were once the major local oil producer responsible for 90% of the offshore oil in the Santa Barbara Channel, but production had been trending down since peaking in the 1990s.

Then in 2015, a pipeline burst, spilling 142,800 gallons of oil into one of the richest and most biologically diverse stretches of the Pacific coastline, killing hundreds of animals, tanking tourism and closing our beaches and fisheries for a time.

The oil operation has been shut down ever since, now almost nine years.

The truth is that there is no safe route to the market for oil from these platforms. The spill uncovered the fact that the pipeline was badly corroded and unsafe to use.

At the criminal sentencing hearing after the operator, Plains All-American Pipeline, was convicted in Santa Barbara County Superior Court for negligence in failing to maintain the pipeline and causing an oil spill, the prosecutor tried to prohibit the company from restarting or even threatening to restart the pipeline transporting the oil to refineries.

ExxonMobil seemed to agree that the pipeline is unsafe and impossible to fix, which is why it proposed trucking the oil and building a new pipeline instead.

Trucking oil on dangerous, windy roads was denied by Santa Barbara County, and a judge upheld that decision when ExxonMobil sued. ExxonMobil later dropped the new pipeline plan due to environmental impacts.

Now the only possible route to market is using the damaged pipeline. Work on that pipeline was denied by the county due to huge risks of restarting and was opposed by landowners where the pipeline is located.

ExxonMobil decided to cut its losses and divest itself of the operation. ExxonMobil loaned Sable Offshore \$623 million to purchase the oil field and associated assets, including pipelines and the Las Flores Canyon processing plant on the coast.

Sable Offshore is raising additional funds through a blank check company called Flame Acquisition Corp. This is not a well-funded company with any track record at all, but a highly speculative venture.

Sable Offshore will face opposition to restarting the shuttered oil operation from a broad coalition of organizations as well as regulatory hurdles.

For instance, Sable Offshore claims that the <u>state Fire Marshal's Office</u> will immediately approve the restart of the damaged pipeline. Given the well-documented issues with the pipeline, that seems unlikely.

In addition, the lease for another pipeline through state waters to the platforms has expired. At its December 2023 meeting, the <a href="State Lands Commission">State Lands Commission</a> declined to renew the lease and is undertaking a study of the risks of doing so.

Given that these 40-year-old platforms were designed to last 25 years, and the State Lands Commission is on record opposing new offshore oil leases, it seems unlikely that the state will risk issuing a new lease that could result in future oil spills.

Offshore oil is wildly unpopular, opposed by 72% of Californians. Most of our population and economic output is in coastal counties that would be damaged by another coastal oil spill.

The State Lands Commission may not approve the transfer of the lease from ExxonMobil to Sable Offshore or to renew the lease at all.

Santa Barbara County would also have to approve the transfer of ownership from ExxonMobil to Sable Offshore.

County decision makers should be highly skeptical of ExxonMobil offloading liability for its aging oil operation to a startup company that would disappear in the event of a spill or other disaster.

In addition to oil spills, a restart of these oil platforms goes against state and local goals for reducing greenhouse gas emissions, and it would cause local air pollution to soar.

When operating, ExxonMobil's Las Flores Canyon oil processing facility was the largest facility source of greenhouse gas emissions in the county.

The facility was also the largest source of pollution in the county for methane, VOCs, PM2.5 and formaldehyde, and one of the largest sources for SOx, NOx, PM10, benzene and hydrochloric acid.

PM2.5 is so small it can penetrate deep into the lungs, enter the bloodstream, and be deposited in human organs and tissues, causing DNA damage, inflammation and chronic disease.

It is linked to heart and lung disease, heart attacks, asthma and premature death. The <u>Harvard T.H. Chan School of Public Health</u> found that "a small increase in long-term exposure to PM2.5 leads to a large increase in the <u>COVID-19</u> death rate."

Prior to the 2015 spill, Exxon Mobil's coastal plant was about 43% of PM2.5 facility emissions in the county.

Given the pollution, the risks of offshore oil spills, the lack of a safe route to market and the fact that the big companies — Plains All-American Pipeline and ExxonMobil — have both abandoned the operation, now is the time to shutter and properly decommission these oil platforms for good — not restart them.