

Communication from Public

Name: Pico Robertson Health and Safety Coalition
Date Submitted: 04/14/2023 08:54 PM
Council File No: 21-1025
Comments for Public Posting: Please see the attached cover note with documents concerning the PCEC Pipeline Leak, Illegal Pipeline Work Conducted in 2001, Violations of the Pipeline Franchise Agreement, Violations of CEQA, and the Water Board Supervised Cleanup of the December 2021 spill.

Cover Note from Pico Robertson Coalition with Appended Documents Concerning the PCEC Pipeline Leak, Illegal Pipeline Work Conducted in 2001, Violations of the Pipeline Franchise Agreement, and the Water Board Supervised Cleanup of the December 2021 spill

It has come to our attention that some important documents concerning the causes and consequences of the PCEC pipeline leak that spilled onto the surface on December 11, 2021 may have been overlooked by PCEC's attorney, so we will present them here in one location.

The soil and groundwater clean-up is being directed and supervised by the Los Angeles Regional Water Quality Control Board (Water Board), not CalGEM. The Water Board case is #1549. The main records can be viewed on the Geotracker system at this address:

https://geotracker.waterboards.ca.gov/profile_report.asp?global_id=T10000018621

The Water Board case is still open. The testing required by the Water Board has not been completed. Such testing that has been done has demonstrated levels of Total Petroleum Hydrocarbons and Benzene above the applicable threshold limits and above the Water Board's criteria for ground water protection. Some soil removal was done by PCEC's contractors in September 2022 but it is our understanding from communication with the Water Board that in-situ remediation of soil and ground water is almost certainly going to be required.

The evidence that the root cause of the pipeline leak was an illegal pipeline abandonment executed in 2001 comes from PCEC, with the assessment of illegality confirmed by CalGEM's Notice of Violation for the spill and pipeline leak.

Our post to the Council File dated April 28, 2022 includes a copy of CalGEM's Notice of Violation (https://clkrep.lacity.org/online/docs/2021/21-1025_PC_AB_04-28-2022.pdf). See page 4 of the pdf for the passages of the CalGEM Notice of Violation that cite a violation for "Out-of-Service Production Facility Requirements: CCR section 1773.5 (a) . . . (6) 'Pipelines associated with Out-of-Service tanks and pressure vessels shall be removed or flushed, filled with an inert fluid, and blinded,'" and a violation for "Well Site and Lease Restoration: CCR section 1776 (f) . . . 'Remaining buried pipelines shall be purged of oil and filled with an inert fluid.'" The pipeline that leaked and caused the spill had been illegally abandoned, in contravention of those sections of the California Code of Regulations.

Our post to the Council File dated May 5, 2022 includes a copy of the ZA's March 24, 2022 letter to PCEC about the pipeline leak and spill, and that letter had appended documents including the LA County FD Hazardous Material Incident Report in which the County FD inspector recorded PCEC's long time site foreman, Pat Vigeant, stating that the leaking pipeline "had been abandoned for more than 20 years." See the highlighted passage on page 12 of the pdf (https://clkrep.lacity.org/online/docs/2021/21-1025_PC_AB_05-05-2022.pdf).

Public Records Act requests to CalGEM and another tranche of CalGEM records obtained by the Office of State Senator Henry Stern and the staff of the Natural Resources

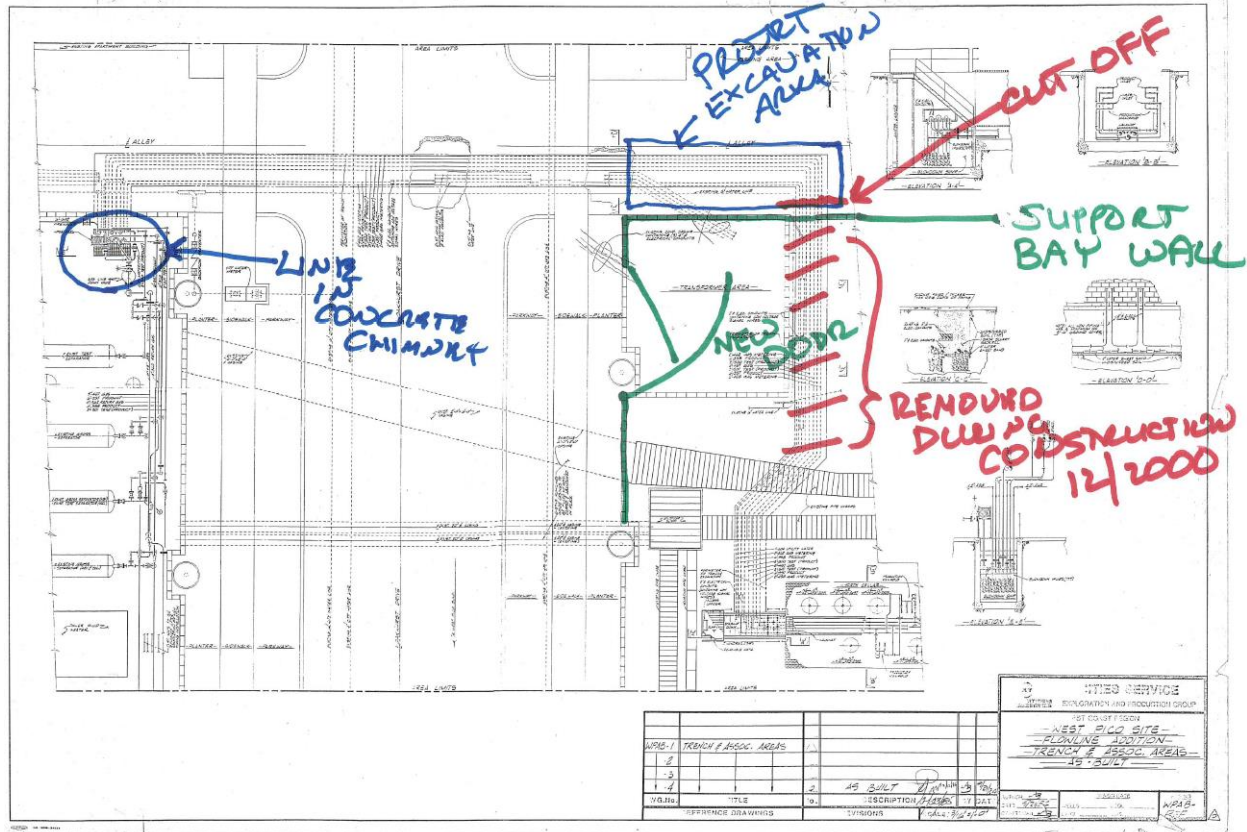
Committee he chaired in 2022 showed that CalGEM needed to make repeated requests from January through March 2022 to get PCEC to send them site plans of the pipelines that were involved in the leak. Such site plans are supposed to be part of Federal and State Spill Prevention Plans and also are supposed to be part of State required Pipeline Management Plans. The site plans and schematics in those Spill Prevention Plans and Pipeline Management Plans since the 2000s do not show the pipelines that were improperly abandoned that caused the spill. Those are regulatory violations.

The site plans and schematics of pipelines that PCEC sent to CalGEM in March 2022 (some of which were also sent to the ZA) tell a story of illegal work and CEQA violations.

DOCUMENT # 1: After months of failing to provide it, PCEC finally sent CalGEM a site plan on March 3, 2022 showing the path of the pipeline that leaked and what PCEC says was done to the pipeline two decades ago (document from CalGEM records released to Sen. Stern's staff).

Zoom in to see:

- The date of the site plan - 1984 - in the legend box at the bottom right.
- PCEC's use of colored markers in 2022 to show where it claims the pipeline was "cut off" on an East-West line at the base of the Eastern compound's wall adjacent to the alley.
- Where PCEC claims the pipeline under the Drill Site's Eastern compound at 9101 W Pico was "removed during construction 12/2000." The construction project, approved by the ZA in April 2000, was conducted 2001-03 only after NASE's lawsuit was settled in June 2001; construction before the settlement would have been illegal; and the ZA approval did not authorize changes to pipelines running between the two compounds.

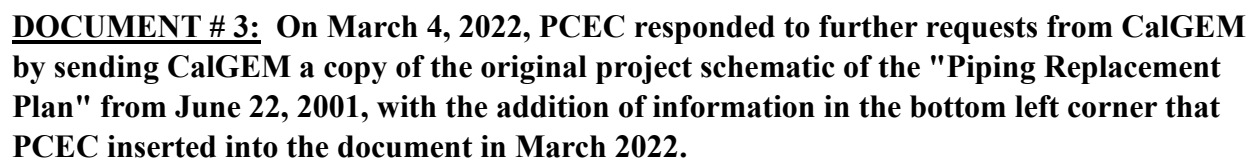


DOCUMENT # 2: PCEC sent a copy of the same 1984 site plan to the ZA on April 20, 2022 as part of their response to the ZA's March 24 letter to PCEC, but drew in different colored markings that described different changes to the pipeline (obtained from the Office of the Zoning Administrator).

Zoom in to see:

- The use of a purple colored marker to indicate where PCEC told the ZA that the pipelines were "abandoned." This line runs North-South across the alley, not East-West along the compound wall. PCEC is saying different things to different agencies about what was done 20 years ago and providing no documentation from 2000-2001 as evidence of either of their different assertions.
- The blue type near the top-right telling the ZA that the highlighted run of pipelines under the Drill Site's eastern compound at 9101 W Pico were "removed for 2000 Lease Modernization Project" and the blue type in the center showing where new pipelines were installed.
- **The "Modernization Project" that the ZA approved in the April 2000 determination ZA-1989-17683-PAD did not commence until after the June 2001 Settlement Agreement. The 2000 ZA approval did not approve the removal of pipelines and their replacement with new pipelines in a different location. The 2000 ZA approval**

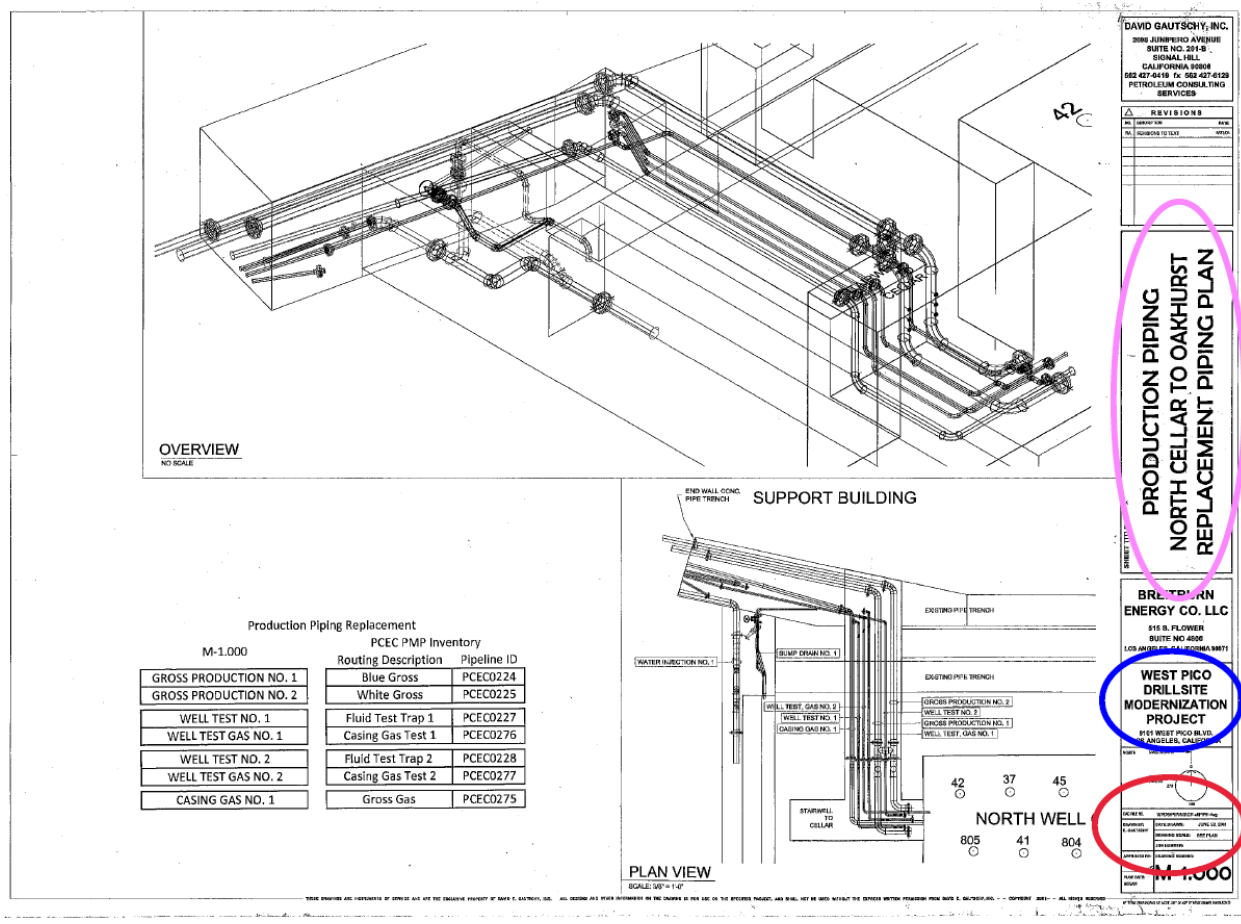
- The “Modernization Project” included the construction of 25 foot tall concrete block walls around the perimeter of the Eastern compound. The footings for the walls are deep and excavation permits on record at LADBS and the Bureau of Engineering indicate that shoring was necessary due to the depth of excavation. The excavation and footings conflicted with the old pipeline route and prompted the need to abandon the existing pipelines and replace them with a new set running across Oakhurst Drive to the South of the alley rather than under the alley.







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The critical information for you to look at is in the legend box on the right side of the schematic. We will show you zoomed-in blow-ups of the legend box so you can see the smoking guns, which we circled in colors:

- Breitbart considered it part of the "West Pico Drill Site Modernization Project," but did not tell the ZA about it when they applied for ZA approval of that project. The 2000 ZA approval in ZA-1989-17683-PAD did not address pipeline abandonment and replacement.
- Look at the date in the blow-up of the legend box: The schematic is dated June 22, 2001. As we will show you in the next documents, this was sixteen days after Breitbart told the City it had no plans to alter pipelines and thereby the renewal of Breitbart's Pipeline Franchise Agreement was completed with a Categorical Exemption from environmental review under CEQA because Breitbart declared no alterations to pipelines were being made.**



BREITBURN ENERGY CO. LLC	SHEET TITLE:
	PRODUCTION PIPING NORTH CELLAR TO OAKHURST REPLACEMENT PIPING PLAN

   	BREITBURN ENERGY CO. LLC
	515 S. FLOWER SUITE NO 4000 LOS ANGELES, CALIFORNIA 90071
	WEST PICO DRILLSITE MODERNIZATION PROJECT
	9101 WEST PICO BLVD. LOS ANGELES, CALIFORNIA
	<small>NORTH</small>

BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: August 9, 2001

To: Board of Transportation Commissioners

Subject: APPLICATION OF BREITBURN ENERGY COMPANY LLC FOR A PIPELINE
FRANCHISE TO OPERATE PIPELINES WITHIN THE CITY

RECOMMENDATION:

The Department recommends that the Board:

- a. **Find** that Breitburn Energy Company LLC is in need of a pipeline franchise to install, retain, operate and maintain pipelines and adjunct communication lines associated with the production and distribution of oil and natural gas.
- b. **Recommend** to the Mayor and City Council that a franchise to install, retain, operate and maintain pipelines and adjunct communication lines be offered for sale, and be granted in accordance with the attached Notice of Sale of a Franchise and Instructions to Bidders, and that a date for opening of the bids be set by the City Clerk, and if Breitburn Energy Company LLC is the highest responsible bidder, then the franchise be awarded to that company.

INITIATED BY:

On July 16, 1993, the Department received an application from Breitburn Energy Company LLC (Breitburn), located at 515 South Flower Street, Suite 4800, Los Angeles, CA 90071, for a franchise to operate existing pipelines in City streets (Attachment 1). On June 6, 2001, the Department received additional materials from Breitburn to complete their application for a pipeline franchise.

The next snapshot is from page 77 of the pdf. **It says the project of reviewing the application to renew the Pipeline Franchise Agreement is being given a Categorical Exemption from environmental review under CEQA because "Breitburn has no plans to construct new pipelines or modify any of their existing pipelines." That is obviously what Breitburn told the City on June 6, 2001, when it completed its application for the Franchise renewal, even**

though Breitburn was at that very time planning to abandon one set of pipelines and replace them.

Breitburn did not tell the ZA that pipeline changes were part of the “Modernization Project” and Breitburn did not tell the DOT during the Franchise renewal process that it was making changes. Breitburn said the opposite.

The pattern of evading required approvals, evading CEQA, and executing unapproved projects runs deep at the West Pico Drill Site, and it has consequences.

Environmental Clearance

Breitburn has no plans to construct new pipelines or modify any of their existing pipelines. Since this application is for a franchise to operate existing pipelines, it is exempt from the provisions of the California Environmental Quality Act (CEQA). Article 7, Class 1, Section 14 of the City of Los Angeles CEQA Guidelines exempts the “issuance, renewal or amendment of any lease, license or permit to use an existing structure or facility involving negligible or no expansion of use.” (Attachment 3)

Document #5: The 2002 Pipeline Franchise Agreement with Breitburn, like the preceding Franchise Agreement and the one that followed in 2017 with PCEC, contains requirements to obtain City approvals before replacing pipelines or constructing new pipelines or sections, and requirements to report all changes in pipeline to the City. Breitburn and PCEC have violated the terms of the Franchise Agreements for 20 years.

Section 2.3 of the Franchise Agreements sets the requirement to obtain approvals, from the Board of Transportation Commissioners up until 2017, and then after October 2017 from the Board of Public Works. Here is Section 2.3 from the 2002 Franchise, which can be found on pdf page 8 of the [full Council File record for the 2002 Pipeline Franchise Agreement renewal, CF 01-1994](#).

Section 2.3 - AUTHORIZATION OF ADDITIONAL FACILITIES.

- (a) Upon application to the Board by the Grantee for authorization of additional pipelines or the replacement of existing pipelines or the construction or installation of adjunct communication lines, as contemplated in Section 2.1(a) and (b) hereof, the Board shall fix a date for a hearing on the application, and after the hearing, the Board may deny or approve such application. Facilities constructed, installed or replaced pursuant to any authorization by the Board shall be subject to all the provisions of this franchise and to any additional conditions relating to construction, specifications, protective or sectionalizing facilities, testing, operation or such other conditions as may be prescribed by such authorization.

Section 2.6 of the Franchise Agreement establishes monetary penalties (for unauthorized pipeline changes, failing to report changes, “fraudulent reporting,” and violating pipeline regulations – all of which were done in this case and continued for more than 20 years. These projects were never

reported to the DOT and Board. The pipeline abandonment did not comply with State law. Required reporting to regulators was not made. The application for franchise renewal in 2001-02 misrepresented plans to alter pipeline and thereby obtained an improper Categorical Exemption. None of these violations was later rectified, but they were all continued for years, and repeated again in the 2016-17 Franchise renewal process. See pages 10-11 of the pdf for Section 2.6:

Section 2.6 - MONETARY PENALTIES FOR VIOLATIONS OF FRANCHISE ORDINANCE TERMS AND CONDITIONS.

- (a) The Board may levy a monetary penalty on Grantee as an alternative to, or in addition to, suspending all or part of the franchise privileges for Grantee's failure to abide by the terms and conditions of the franchise ordinance for activities listed in Sec. 2.6(b). The amount of penalty shall be assessed per the schedule listed in Sec. 2.6(c).
- (b) Any of the following activities shall constitute a Grantee violation of the terms, and conditions of the franchise ordinance which may subject Grantee to a monetary penalty:
 - (i) Unauthorized sale, lease, transfer or other disposition of facilities for which consent of the City is required.
 - (ii) Failure to maintain City required insurance, including late submission of insurance documentation to the City resulting in missing coverage periods even if the coverage documentation and policies are later adjusted to full coverage duration.
 - (iii) Failure to conduct pressure tests or facilities inspections as required by State and Federal Codes, and as may be required by the Board.
 - (iv) Failure to maintain in full force and effect or upgrade the amount, as directed by the Board, the required faithful performance bond.
 - (v) Failure to provide the Board and Department access to facilities and records.
 - (vi) Late application/notification or failure to submit application/notification to the Board or the Department for changes, additions to or repair of franchise facilities.
 - (vii) Failure to promptly make necessary repairs and modifications to facilities, City property or to pay compensation for damage to private property.
 - (viii) Failure to submit to the Department or Board any information required by this franchise or which is requested or required by the Board as provided for in this franchise ordinance or in any Board or City directive.
 - (ix) Fraudulent reporting to the Department or Board of any requested or required information.
 - (x) Using the facilities in any manner not specifically authorized under the franchise ordinance.
 - (xi) Failure to comply with the rules, regulations, and standards of local, state, federal, and other governmental entities, to the extent that they may have safety or regulatory

authority over pipeline operations.

(c) Following a due process procedure as established by the Board, the Board may levy the following monetary penalties against Grantee for the violations in Section 2.6(b):

- (i). Up to \$10,000 for the first offense.
- (ii). Up to \$25,000 for the second offense within a 12-month period.
- (iii). Up to a maximum of \$50,000 for third and subsequent offenses within the same 12-month period.

The Board's assessment of monetary penalties for a second, third and subsequent offense, as noted in the schedule herein, shall only be applied to the same offense.

Section 2.5 of the Franchise Agreement states that violating the Franchise Agreements can be cause for termination. Indeed, Section 2.5 (v) states that the Franchise Agreement can be terminated by the City on the grounds solely that "The public interest would be served by such termination."

Communication from Public

Name: Eric Schwartz

Date Submitted: 04/14/2023 05:16 PM

Council File No: 21-1025

Comments for Public Posting: I support the NASE appeal to overturn the improper categorical exemptions from environmental review at the West Pico drilling site, near the intersection of Doheny and West Pico. The actions taken, and proposed to be taken, at the site by the leaseholder are endangering the environment and our community. They certainly are significant and deserve a thorough environmental review.

Communication from Public

Name: Abraham Havivi

Date Submitted: 04/14/2023 03:10 PM

Council File No: 21-1025

Comments for Public Posting: I have concerns about the long history of violations at the West Pico drill site, and I support NASE's appeal.