



Drill, baby, drill: Oil platforms line California's South Coast.

Frack Attack

Report says offshore drilling controversy goes deeper than we thought.

By Karen Pelland, Oct. 18, 2013

Federal regulators took some serious lumps for a lack of oversight and regulation after the Deepwater Horizon horror show of 2010 resulted in the largest oil spill in U.S. history. A new report by the Santa Barbara-based Environmental Defense Center revealing that our coastal waters have been fracked for oil more often and over a longer period of time than anybody had ventured isn't likely to boost confidence that all is well offshore.

According to the 32-page report, oil companies have been engaged in the hyper-controversial energy-extraction process known as fracking in Southern California's oil-rich coastal waters for "at least" the past 20 years. There have been 15 confirmed fracking operations, or fracks, during that period, according to the report, up from previous estimates of a dozen. The report also details how as recently as this year, the feds green-lit four more fracks in the Santa Barbara Channel, planned for early 2014.

The fracking chronicled in the EDC report includes two operations from Platform Gail in the Santa Barbara Channel. The earliest on record was in 1992, when the platform was operated by Chevron, and another in 2010, when Carpinteria-based Venoco, Inc. had assumed operations.

Other fracks occurred at platforms owned by various companies, some even in state waters, but mostly by Ventura-based Dos Cuadras Offshore Resources, which in recent years has become California's most prolific offshore driller, managing 11 of the state's 23 offshore platforms. According to the EDC report, both DCOR and Venoco have a checkered history of violations and oil spills.

DCOR reported at least three spills over a three-week period earlier this year from Platform Gilda off the Ventura

coast and a 1,100-gallon oil leak from Platform A (site of the historic 1969 Santa Barbara oil spill) back in December 2008. At Venoco's nearby Platform Gail, "losses of well control and pipeline ruptures" have caused a series of spills over the years. A *Ventura County Star* investigation revealed that between 2005 and 2010, Venoco was issued 32 operations violations by the federal government, "the smallest number of any company working in the [Santa Barbara] Channel."

Unfortunately, the Bureau of Safety and Environmental Enforcement (BSEE, formerly the Minerals Management Service), the much-maligned federal agency that approved all these fracks, had little idea what it was actually approving.

It wasn't until a series of Freedom of Information Act (FOIA) requests from the press and the EDC earlier this year that forced the agency to comb through its records, when it began to understand, little by little, just how much offshore fracking it had approved in the region. Internal agency emails and approval letters do indicate a tiny inner circle of BSEE personnel knew exactly what they were approving and were knowingly doing so without additional environmental review. And as *Truthout.org*—one of the news organizations behind the FOIA requests—reported in July, agency officials admit that learning the full extent of offshore fracking would take years due to the high volume of well records they'd have to dig through.

So is it 15 fracks, or 30, or even more?

We may never know, according to the EDC's Brian Segee, co-author of the new report, who estimates the BSEE has "thousands of well files." Segee adds that the number of fracks surfaced through the FOIA may only be the tip of the drill, because FOIA requests can sometimes fall into a "legal gray area" wherein compliance may not necessarily paint a full picture.

Fracking, short for hydraulic fracturing, involves high-pressure drilling using water, sand and potentially hazardous chemicals to blast through tough shale rock to reach energy reserves. A typical fracking operation takes one to three weeks. Though best known for bringing the nouveaux oil boom to landlocked areas such as the Dakotas, Michigan and Pennsylvania—with attendant tales of fracking-adjacent residents being able to light their tap water on fire due to alleged natural-gas seepage into ground water—the process has proven attractive to oil companies drilling offshore.

Drilling, in this case, into the very same waters fouled by the 1969 oil spill off the coast of Santa Barbara. For those with any memory of the 3 million gallons of oil that defiled 35 miles of coastline, killing thousands of sea birds and crippling local economies, fears of offshore fracking mishaps are understandable, especially when failure of federal oversight was widely blamed for the spill.

BSEE officials maintain that offshore fracking should not be confused with its much-vilified onshore cousin, because it requires only a tiny fraction of the materials (2 percent of the liquids, 7 percent of the sand) typically used for onshore fracks.

From environmentalists' standpoint, though, it's not just the potential toxicity of fracking that's a concern but also the renewed interest in fossil-fuel energy sources that enhanced extraction technologies have sparked despite climate change and disasters such as Deepwater Horizon and the more recent Tar Sands oil leak into Cold Lake, Alberta.

Indeed, the 1969 spill catalyzed the modern environmental movement and put into place a host of environmental protection laws, including the National Environmental Policy Act, the Clean Water Act and, particularly germane to California's current fracking fracas, the Coastal Zone Management Act.

The CZMA allows coastal states to enforce their own Coastal Management Programs. These management programs give states authority to require what's called "consistency certifications" when oil companies want to drill offshore in federal waters (waters beyond three miles from the coast). Basically, this means that oil companies operating in federal waters must comply with California's rigorous environmental safeguards. It's then up to the BSEE to provide the state—specifically, the California Coastal Commission—with data to determine if the proposed project passes muster.

But that didn't happen. The California Coastal Commission said in August it "had no idea until recently that ocean fracking was even happening."



Bad memories: Workers clean up a South Coast spill. (Robert Sollen / Environmental Defense Center)

The report suggests that the decades-long fracking affair in local federal waters slipped under the radar because of a loophole in the National Environmental Policy Act known as “categorical exclusions.” Whereas NEPA would normally require extensive environmental assessments for all federal projects with potential environmental impact, categorical exclusions (CEs) are granted when such projects are deemed to not warrant all that fuss. When CEs are issued, the BSEE is not required to notify the California Coastal Commission.

CEs are meant for “routine activities that clearly don’t have an impact on the environment, such as maintaining the landscaping around a forest service ranger station,” says the EDC’s Segee. Offshore fracking, says Segee, is “the antithesis of what a categorical exclusion was originally intended for.”

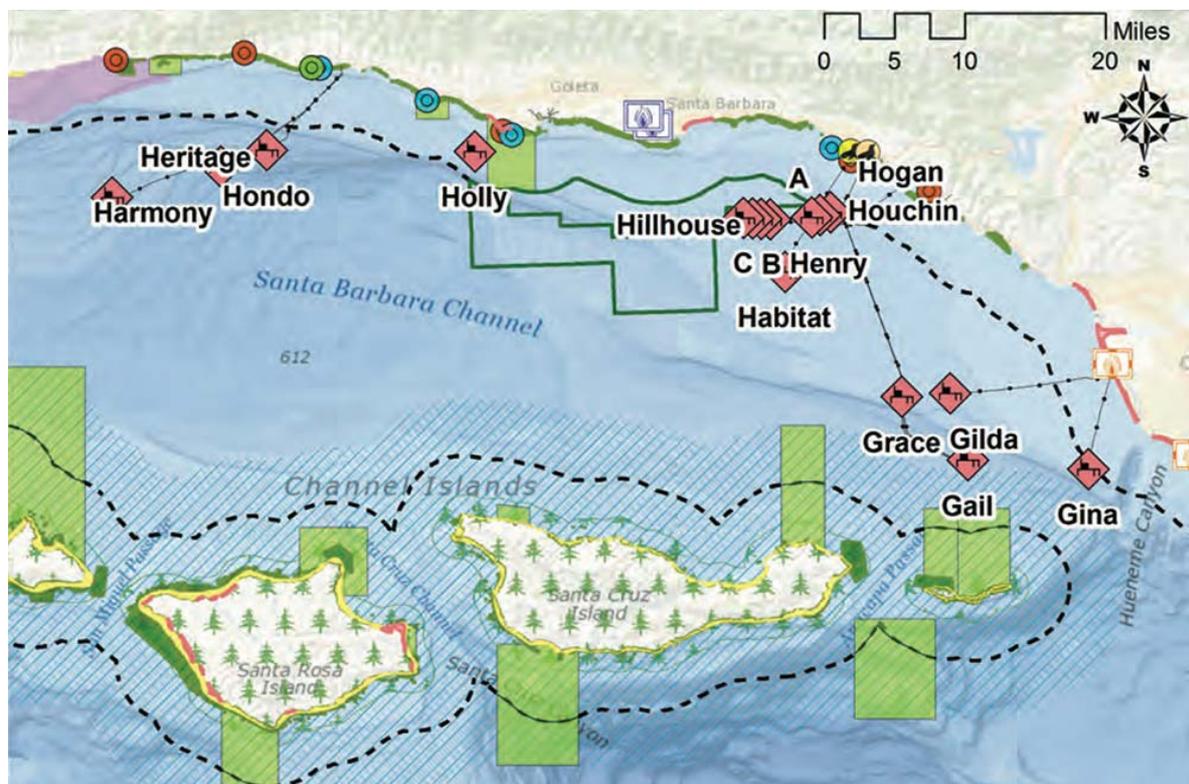
FOIA documents reveal that CEs were indeed used just this year to approve the four pending fracking operations for DCOR at Platform Gilda. The legalese boils down to the feds approving what they consider minor modifications (fracking) to Gilda’s operations portfolio, since they are “consistent with the original Plan of Development,” which was assessed and approved in 1980. The CE review also notes, among other exclusion qualifications, that “Platform Gilda is not located near natural resources considered to be ecologically, historical or culturally important.”

Furthermore, says Segee, CEs crush the two primary purposes of NEPA reviews. One is the “look before you leap” principal, wherein federal agencies must consider “a reasonable range of alternatives” to a proposal to best minimize any potential impact. And the other is public transparency. “Those both essentially disappear when [the feds] rely on CEs,” says Segee.

Calls to the BSEE (placed since the agency reopened following the government shutdown) seeking an explanation of how offshore fracking can be approved under decades-old environmental reviews were not returned.

Attempts to reach DCOR were unsuccessful. Venoco spokesperson Lisa Rivas wrote in an email that the company currently “does not have plans for fracturing offshore.” When asked about undertaking the 2010 fracking operation at Platform Gail without additional environmental review, Rivas wrote, “We are part of a highly regulated industry. Our regulators for our operations in federal waters are the Department of the Interior, Bureau of Safety and Environmental Compliance. We also have state regulators for both onshore and offshore operations. Our pipelines are regulated by yet additional and separate entities. We have local regulators as well at the county and city levels. Those regulators issue permits for operations and we follow the requirements of those permits. We receive regular inspections, file reports as required and conduct regular operator safety training.”

Meanwhile, the coastal commission says it is investigating the matter, explaining that limited resources and the recent government shutdown have made progress difficult.



The pink diamonds indicate the location of oil rig platforms in the Santa Barbara Channel. (FracTracker Alliance / Environmental Defense Center).

The recent revelations about fracking off Santa Barbara's coast have ruffled the feathers of area politicians. State Assemblyman Das Williams (D-Santa Barbara) has long opposed any fracking, be it onshore or off, and calls the BSEE's circumvention of the California Coastal Commission's safeguards "scandalous."

In a lengthy letter to federal regulators dated August 6—co-signed by Assemblyman Mark Stone (D-Scotts Valley) and state Senators Hannah-Beth Jackson (D-Santa Barbara) and Fran Pavley (D-Agoura Hills)—Williams asked what, how and why fracking is happening in our coastal waters. So far, Williams has received no response. If that continues, he says, "I hope, I urge, environmental groups to sue the federal regulators."

Earlier this month, the Center for Biological Diversity threatened just such legal action unless there is "an immediate halt to offshore fracking before chemical pollution or an oil spill poisons the whales and other wildlife that depend on California's rich coastal water."

Rep. Lois Capps (D-Santa Barbara) says the EDC's new report "underscores key questions regarding the scale, frequency and environmental impacts of offshore fracking activities in the Santa Barbara Channel." Capps says she's been pressing federal regulators for answers for months now but so far has come up empty.

The EDC report also outlines recommendations the group believes would go a long way to preventing disasters such as Deepwater Horizon, which a federal investigation blamed on lack of agency oversight and unwarranted categorical exclusions for the relatively new process of deep-water drilling.

At the top of the EDC's wish list is a moratorium on offshore fracking until—and if—the technology is proven safe by a thorough and transparent environmental review. The recommendations also urges a ban on categorical exclusions being used for offshore fracking and other risky well-stimulation techniques. The EDC is also calling for improved protocols for delivering consistency certifications and more vigorous enforcement of the Endangered Species and Clean Water acts.

Jackson cheers a moratorium and says the future is at stake, not the past. "Rather than get mired in what's already happened, we need to protect it from happening again without the proper research and determinations that what is going on is safe and appropriate," she says.

Williams, meanwhile, is urging a concerted and urgent local response to the bigger-than-we-thought offshore frack attack. "The people of Santa Barbara and Ventura counties should be alarmed, and should join together and demand answers," he says.