



California Regional Water Quality Control Board

Santa Ana Region



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Arnold Schwarzenegger
Governor

October 19 2010

Ms. Susan Perrell
AERA Energy LLC
20101 Goldenwest Street
Huntington Beach, CA 92648

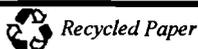
**CLEAN WATER ACT SECTION 401 WATER QUALITY STANDARDS
CERTIFICATION FOR PLATFORM EMMY TO SHORE PRODUCTON PIPELINE
SUPPORT PROJECT, HUNTINGTON BEACH, ORANGE COUNTY
(ACOE REFERENCE NO. SPL-2010-00543-SME)
(SARWQCB REFERENCE NO. 302010-31)**

To whom it may concern:

On August 6, 2010, we received an application for Clean Water Act Section 401 Water Quality Standards Certification (Certification) for the proposed work to repair erosion and aid substrate supporting an active oil production pipeline, which connects oil production platform "Emmy," off the coast of Huntington Beach, to shore. This letter responds to AERA Energy LLC's request for certification that the proposed project, described in its application and summarized below, will comply with State water quality standards outlined in the Water Quality Control Plan for the Santa Ana River Basin (1995) and subsequent Basin Plan amendments:

Project Description: Project includes the placement of 148 square feet of sandbags, along 18 linear feet of ocean floor, beneath three unsupported spans of oil production pipeline. The areas where sandbags will be placed are where ocean bottom sand that previously supported the pipeline has been eroded away by currents. Sandbags will be filled with flood shoal/sandspit deposits, collected from the northwest portion of the Bolsa Chica Inlet. Material from the area has been previously dredged and deposited offshore under USACOE Individual Permit No. 9700-19300-RLK. The project lies off shore of Huntington Beach, within the southwest portion of Section 3 of Township 6 South, Range 11 West, of the U.S. Geological Survey *Seal Beach, California*, 7.5-minute topographic quadrangle map (33°40'05"N /-118°02'15"W)

California Environmental Protection Agency



Receiving water: Pacific Ocean

Fill area: 0.00186 acre of permanent impact to ocean habitat (18-linear feet).

Dredge/Fill volume: < five cubic yards

Federal permit: U.S. Army Corps of Engineers Nationwide Permit No. 18

You have proposed to mitigate water quality impacts as described in your Certification application and subsequent submittals. The proposed mitigation is summarized below:

Onsite Water Quality Standards Mitigation Proposed:

- Site-specific best management practices ("BMPs") will be utilized throughout the duration of this project.
- The applicant will conduct annual inspections of the platform Emmy to shore pipeline. The sandbag supports that will be installed during this project will be inspected and monitored as part of the annual inspection

Offsite Water Quality Standards Mitigation Proposed:

- Sand bagging operations will be conducted during low tide, to avoid or minimize impact to the surrounding waters.

Should the proposed project impact state- or federally-listed endangered species or their habitat, implementation of measures identified in consultation with U.S. Fish and Wildlife Service and the California Department of Fish and Game will ensure those impacts are mitigated to an acceptable level.

You have applied for a Permit from the U.S. Army Corps of Engineers in compliance with Section 404 of the Clean Water Act. Pursuant to the California Environmental Quality Act (CEQA), on June 28, 2010, the California State Lands Commission determined that the proposed project is categorically exempt from provisions of CEQA according to CEQA Guidelines Section 15304, because this project is a minor alteration of an existing facility that involves negligible or no expansion of an existing use. The Regional Board has independently reviewed the project and concludes that it is properly considered a minor alteration of an existing facility that involves negligible or no expansion of an existing use and is therefore categorically exempt pursuant to CEQA Guidelines section 15304.

This 401 Certification is contingent upon the execution of the following conditions:

1. Materials must not be placed in a manner where they could be discharged to surface waters except as authorized by this certification. In the event that trash or debris is discharged to surface waters, the discharger must recover the material to the maximum extent practical.
2. Floating particulates and grease and oil shall not be visible.
3. The discharge of waste shall not cause aesthetically undesirable discoloration of the ocean surface.
4. The rate of deposition of inert solids and the characteristics of inert solids in ocean sediments shall not be changed such that benthic communities are degraded.
5. An effective monitoring plan must be developed and implemented to document compliance with the conditions above. Any suspected violation of these conditions must be reported to Regional Board staff in writing within 24-hours of discovery. The monitoring plan and records of monitoring activities must be maintained on site for the duration of the proposed discharge and be available for inspection by Regional Board staff.
6. This Water Quality Certification is subject to the acquisition of all local, regional, state, and federal permits and approvals as required by law. Failure to meet any conditions contained herein or any the conditions contained in any other permit or approval issued by the State of California or any subdivision thereof may result in the revocation of this Certification and civil or criminal liability.
7. A copy of this Certification must remain at the project site for the duration of the work and be available for inspection upon request.

Under California Water Code, Section 1058, and Pursuant to 23 CCR §3860, the following shall be included as conditions of all water quality certification actions:

- (a) Every certification action is subject to modification or revocation upon administrative or judicial review, including review and amendment pursuant to Section §13330 of the Water Code and Article 6 (commencing with Section 3867) of this Chapter.
- (b) Certification is not intended and shall not be construed to apply to any activity involving a hydroelectric facility and requiring a FERC license or an amendment to a FERC license unless the pertinent certification application was filed pursuant to Subsection §3855(b) of this Chapter and that

application specifically identified that a FERC license or amendment to a FERC license for a hydroelectric facility was being sought.

- (c) Certification is conditioned upon total payment of any fee required under this Chapter and owed by the applicant.

Although we anticipate no further regulatory involvement, if the above stated conditions are changed, any of the criteria or conditions as previously described are not met, or new information becomes available that indicates a water quality problem, we may formulate Waste Discharge Requirements.

In the event of any violation or threatened violation of the conditions of this certification, the violation or threatened violation shall be subject to any remedies, penalties, process or sanctions as provided for under state law. For purposes of section 401(d) of the Clean Water Act, the applicability of any state law authorizing remedies, penalties, process or sanctions for the violation or threatened violation constitutes a limitation necessary to assure compliance with the water quality standards and other pertinent requirements incorporated into this certification.

In response to a suspected violation of any condition of this certification, the Santa Ana Regional Water Quality Control Board (Regional Board) may require the holder of any permit or license subject to this certification to furnish, under penalty of perjury, any technical or monitoring reports the Regional Board deems appropriate. The burden, including costs, of the reports shall be reasonable in relation to the need for the reports and the benefits to be obtained from the reports.

In response to any violation of the conditions of this certification, the Regional Board may add to or modify the conditions of this certification as appropriate to ensure compliance. Pursuant to California Code of Regulations Section 3857, we will take no further action on your application. Please notify our office five (5) days before construction begins on this project.

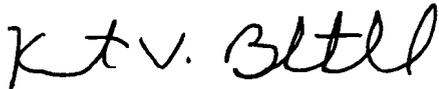
This letter constitutes a Water Quality Standards Certification issued pursuant to Clean Water Act Section 401. I hereby issue an order certifying that any discharge from the referenced project will comply with the applicable provisions of Sections 301 (Effluent Limitations), 302 (Water Quality Related Effluent Limitations), 303 (Water Quality Standards and Implementation Plans), 306 (National Standards of Performance), and 307 (Toxic and Pretreatment Effluent Standards) of the Clean Water Act, and with other applicable requirements of State law.

This discharge is also regulated under State Water Resources Control Board Order No. 2003-0017-DWQ (Order No. 2003-0017-DWQ), "General Waste Discharge Requirements for Dredge and Fill Discharges That Have Received Water Quality

Certification" which requires compliance with all conditions of this Water Quality Standards Certification. Order No. 200-0017-DWQ is available at www.swrcb.ca.gov/resdec/wqorders/2003/wqo/wqo2003-0017.pdf.

Should there be any questions, please contact Marc Brown at (951) 320-6363, or Mark Adelson at (951) 782-3234.

Sincerely,



Kurt V. Berchtold
Executive Officer

cc (via electronic mail):

U. S. Army Corps of Engineers, Los Angeles Office – Jason Lambert
State Water Resources Control Board, OCC – Bill Rice
State Water Resources Control Board, DWQ-Water Quality Certification Unit – Bill Orme
California Department of Fish and Game – Naeem Siddiqui
U.S. EPA, Supervisor of the Wetlands Regulatory Office WTR- 8 – Eric Raffini and Dave Smith

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