

CHAPTER 1.0 INTRODUCTION

1.1 BACKGROUND

Pursuant to the California Environmental Quality Act (CEQA), this is a Subsequent Environmental Impact Report (SEIR) for the proposed Plains Exploration and Production (PXP) ~~Reverse Osmosis~~ Produced Water Reclamation Project (project).

1.1.1 Project Location

The project is located in Price Canyon approximately three miles northeast of the City of Pismo Beach in San Luis Obispo County, California (project site). The proposed project is in the Arroyo Grande Oil Field. The project site is located east and west of Price Canyon Road near its intersection with Ormonde Road, midway between Highway 101 and Highway 227. Figures 3-1 and 3-2 are location and vicinity maps of the proposed project site. The proposed project would take place within the area shown in Figure 3-3 - Property Plan.

1.1.2 Project Components

The project involves construction and operation of a 20,000 barrel per day water reclamation facility utilizing primarily reverse osmosis (RO) treatment technology and associated water distribution/disposal infrastructure. Two 210,000 gallon filtered water tanks, a 420,000 gallon Recovery Water Tank, and two 420,000 gallon day tanks would be designed to contain 12 hours of treated water. Additionally, three air stripping towers (air strippers), two heat exchangers and various other tanks and silos would be constructed. Infrastructure would be built on five combined building pads ranging in size from approximately 100-foot by 150-foot to 175-foot by 450-foot. Pipelines, a tempering pond, and an outfall to Pismo Creek would be constructed for disposal of the treated water. Please see Chapter 3.0 - Project Description for a detailed explanation of project components.

1.2 TYPE OF ENVIRONMENTAL IMPACT REPORT (EIR)

Pursuant to Section 15162 of the Guidelines for Implementation of California Environmental Quality Act (CEQA Guidelines), once an EIR has been certified for a project, no SEIR is required unless there is a substantial change in the conditions analyzed in the original EIR, indicating that there is a new or more severe significant effect. Specifically, an SEIR is necessary when the lead agency determines, on the basis of substantial evidence in light of the whole record, that substantial changes proposed in the project or conditions under which the project would be undertaken, including new information that was not known when the previous EIR was certified, will require major revisions to the previous EIR because of the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects.

In the case of the proposed project, a previous EIR was prepared and certified in 2005 (Padre, 2005). Due to changes in the project as identified in Chapter 3.0, preparation of this SEIR was determined to be necessary. This SEIR will be used by the lead agency (County of San Luis Obispo) to evaluate the proposed project's environmental impacts; it can be further used to modify, approve, or deny approval of the proposed project based on the analysis it provides.

Guidance for preparing project-specific SEIRs is contained under Sections 15161-15162 of the CEQA Guidelines which clarifies the scope and content of the EIR. In summary, an EIR examines the environmental impacts of a specific development project by focusing on the changes in the environment that would result from implementation of the project. The project EIR should examine all phases of the project, including planning, construction, and operations (CEQA Guidelines, Section 15161, 2006).

1.3 USES OF THE SEIR

In accordance with Section 15121 of the *State of California Environmental Quality Act Guidelines (State CEQA Guidelines)*, the purpose of this SEIR is to serve as an informational document that:

"...will inform public agencies, decision-makers and the public generally of significant environmental effects of the project, identify ways to minimize significant effects, and describe reasonable alternatives to the project..."

It has been prepared consistent with CEQA, which has the following main objectives:

- Disclose to decision makers and the public the significant environmental effects of proposed activities;
- Identify ways to avoid or reduce environmental damage;
- Prevent environmental damage by requiring implementation of feasible alternatives or mitigation measures;
- Disclose to the public reasons for agency approval of projects with significant environmental effects;
- Foster interagency coordination in the review of projects; and,
- Enhance public participation in the planning process.

This SEIR addresses potential impacts that would logically and foreseeably occur from project implementation. The basis for the environmental impact analysis in this SEIR is the project description as presented in Chapter 3. This SEIR is based on a project-specific analysis for the proposed project. Where significant impacts are identified, project-specific mitigation measures will be developed to reduce impacts to less than significant levels. If project-specific mitigation measures cannot reduce the level of impacts to less than significant, the impact will remain significant and unavoidable.

1.4 ENVIRONMENTAL PROCEDURES

This SEIR has been prepared in accordance with CEQA, as amended (Public Resources Code, Section 21000, et seq.) and the Guidelines for Implementation of CEQA as amended (California Administrative Code Section 15000, et seq.). It complies with the rules, regulations, and procedures for implementation of the CEQA.

1.4.1 Notice of Preparation

A Notice of Preparation (NOP) was prepared for the proposed project and distributed to the Distribution List included in Appendix A. The NOP (State Clearinghouse No. 2007051143) was released on May 29, 2007, and was circulated to interested agencies, groups, and individuals for a 30-day review period, which concluded on June 27, 2007. Responses received on the NOP are included in Appendix B.

1.4.2 Public Draft SEIR

The SEIR will initially be published as a Draft SEIR and will be subject to review and comment by the public as well as responsible agencies and other interested organizations during the 45-day review period.

1.4.3 Final SEIR

Following public review and comment on the Draft SEIR, written responses to comments on the Draft SEIR will be prepared. The responses to comments may specify changes to the Draft. The responses to comments, and any changes to the Draft SEIR therein specified, will become the Final SEIR. The Final SEIR will be presented to the San Luis Obispo County Planning Commission for certification as to its adequacy under CEQA.

1.4.4 Mitigation Monitoring Program

In accordance with CEQA (Section 21081.6), when changes have been incorporated into a project that avoid significant environmental effects or reduce them to a level of insignificance, the lead agency must adopt a Mitigation Monitoring Program (MMP) to ensure compliance during implementation.

The MMP for the proposed project will be prepared for presentation to the Planning Commission along with the Final SEIR. The MMP will include all adopted mitigation measures and will describe how the mitigation measures will be implemented and monitored,

The County shall be responsible for recording and tracking implementation of the MMP. The County record shall include:

- Personnel responsible for monitoring mitigation measures;
- Verification and schedule of compliance; and,
- A record of any remedial action taken for non-compliance with the MMP.

1.5 ORGANIZATION OF THE SEIR

This document provides an array of environmental information in different levels of detail depending upon the scope of potential impacts to each issue area. The document is structured in a manner to allow the reader to easily track information from the Summary (Chapter 2) through the Project Description (Chapter 3) and the Impact Analyses (Chapter 5). Impacts are numbered consecutively, and where appropriate, are associated with a mitigation measure that is correspondingly numbered. This numbering system is carried over into the summary to allow easy location of the document's discussion regarding a particular impact.

This SEIR includes a project-specific level of analysis for the proposed project. Chapters in the SEIR include general information, such as the environmental setting and relevant regulatory considerations for each environmental resource area as related to the proposed project, and proposed project impacts, which includes a discussion of the impacts and mitigation measures specific to the proposed project.

This document is organized to be read in several ways depending upon the reader's available time or interest in a particular issue area. The briefest approach to the document involves reading only the project summary (Chapter 2), which contains general information about the project, potential impacts, and mitigation measures. A somewhat more detailed review of the document might involve careful reading of the full project description (Chapter 3) and description of the alternatives (Chapter 6), as well as the summary. For those with an interest in a particular issue area, it may be appropriate to review a specific chapter or set of chapters based on the reader's interest in a particular environmental resources area (e.g., air quality, water quality, etc.). Finally, one can read the entire document for a detailed presentation of all potential environmental effects of the project as proposed, and alternatives to the project.

The CEQA Guidelines require that each SEIR contain areas of description and analysis. The following subsections identify areas of particular interest and the corresponding chapters in this SEIR:

1.0 Introduction

The Introduction Section discusses procedural matters, document format and organization, and project sponsors and contact persons.

2.0 Summary

The Summary (Section 15123 of the CEQA Guidelines) includes: an Executive Summary of the SEIR; and a summary table listing significant impacts of the proposed project, any recommended mitigation measures, and the effect of the mitigation measures.

3.0 Project Description

The Project Description (Section 15124 of the CEQA Guidelines) includes a description of the project location and vicinity. It also identifies the applicant's objective, project characteristics, and required discretionary actions.

4.0 Land Use Policy Consistency

This section provides information on the community setting and reviews the General Plan, applicable community plans and land use ordinances, and assesses the consistency of the proposed project with these adopted plans, policies, and ordinances. This section also examines the compatibility of the proposed project with existing land uses in the project vicinity.

5.0 Environmental Impact Analysis

This section is the substantive portion of the SEIR and contains the full environmental analysis as required under Sections 15126 and 15143 of the CEQA Guidelines. This section achieves the following:

- Identifies significant environmental impacts of the proposed project and alternatives, including thresholds for significance; both project-specific and cumulative impacts by issue area will be identified and assessed;
- Discloses any significant environmental effects of the proposed project and alternatives, which cannot be avoided if the proposal is implemented;
- Discusses issues addressed in previous EIR; and,
- Develops mitigation measures to avoid or minimize the significant effects. Mitigation measures are reasonably expected to reduce significant adverse impacts of development to a less-than-significant level. Where no mitigation measures are available to reduce an impact to less-than-significant, the impact is termed significant and unavoidable. Mitigation measures will be incorporated into a monitoring program.

Where feasible, County-approved thresholds of significance are used to aid in determining the significance of environmental effects. A threshold of significance is an identifiable quantitative, qualitative, or performance level of a particular environmental effect. Noncompliance with this performance level is considered a significant impact and compliance is considered less than significant under CEQA Guidelines Section 15064.7.

Where there are multiple thresholds of significance for a given issue area, more than one specific threshold associated with an impact is identified.

6.0 Alternatives

The Alternatives Section examines a variety of suggested project alternatives as well as options currently under consideration or which may conceivably reduce the project's environmental impacts. The alternatives include a "no project" alternative in order to allow decision-makers to compare the effects of not approving a project or alternative. The purpose of this section is to provide decision-makers with a summary assessment of the comparative effects of each of the alternatives, focusing on the significant, unavoidable impacts, both short and long-term, and on mitigation measures for such impacts. The CEQA Guidelines (Section 15126) require that a reasonable range of alternatives to the proposed project be discussed in the SEIR and state that "the discussion of alternatives should focus on those alternatives capable of eliminating significant physical environmental effects or reducing them to a level of insignificance, even if these alternatives would impede to some degree the attainment of the project objectives, or would be more costly."

7.0 Growth Inducement and Significant Irreversible Impacts

This section describes the Growth Inducing Impacts and Irreversible Environmental Changes associated with the project.

8.0 Cumulative Analyses

This section describes the cumulative effects of project impacts considered in the context of other approved or reasonably anticipated projects in the area.

1.6 FOCUS OF THE SEIR ANALYSIS AND ISSUES TO BE STUDIED AND RESOLVED

Preliminary review of the proposed project and discussions with the County of San Luis Obispo (County) determined that the SEIR should be focused on the following issue areas:

- Air Quality
- Biological Resources
- Geology and Soils
- Hazards
- Hydrology and Water Quality

The following issue areas were determined to not require further analysis or would implement standard prescriptive mitigation measures and are briefly discussed in Section 5.1 - Issues Previously Addressed:

- Aesthetics
- Agricultural Resources
- Cultural Resources
- Noise

- Population and Housing
- Public Services
- Traffic and Circulation
- Utilities and Service Systems
- Wastewater

1.7 IMPACT CATEGORIES

Short-term and long-term impacts are analyzed. Each impact statement is classified as to the level of significance, based on the significance thresholds, and the availability of measures to feasibly mitigate project effects. Impact categories include:

- Class 1. Significant unavoidable adverse impacts that cannot be mitigated. A Class I impact is one for which a solution has not been formulated, either because of the limits of technical and/or scientific knowledge, or unfeasibility from a technical, economic, and/or political perspective. Under CEQA, a Class I impact would require a “finding of overriding consideration” by the County to approve the project.
- Class 2. Adverse environmental impacts that can be mitigated to less than significant levels. Measures have been identified that can feasibly be implemented and will avoid the impact altogether by not taking a certain action or parts of an action; minimize impacts by limiting the degree or magnitude of the action and its implemented; rectify the impact by repairing, rehabilitating, or restoring the affected environment; or compensate for the impact by replacing or providing substitute resources or environments.
- Class 3. Adverse environmental impacts that are less than significant or have no identified impact. These impacts, while adverse, are not of a sufficient magnitude, intensity, or duration to disrupt the environment, and have no serious consequences. As a result, no mitigation is required.
- Class 4. Beneficial impacts benefit or improve the environment and no mitigation is required.

1.8 LEAD, RESPONSIBLE, AND INTERESTED AGENCIES

1.8.1 Lead Agency

The County is the lead agency for the project in accordance with Sections 15050 and 15367 of the State CEQA Guidelines. The lead agency is defined as the public agency, which has the principal responsibility for carrying out or disapproving a project.

1.8.2 Responsible/Trustee Agencies

Section 15381 of the State CEQA Guidelines defines a Responsible Agency as a “public agency, which proposes to carry out or approve a project for which a Lead Agency is preparing or has prepared an SEIR or Negative Declaration.” For the purposes of the CEQA, the term

“Responsible Agency” includes all public agencies other than the lead agency, which have a discretionary approval power over the project. The responsible agency must notify the lead agency during the NOP period as to the scope and content of the environmental information related to the responsible agency’s area of statutory responsibility that must be included in the draft SEIR (CEQA Section 15082(b)). Trustee Agencies are listed in the State CEQA Guidelines Section 15386 and defined as a State agency having jurisdiction by law over natural resources affected by a project which are held in trust for the people of California.

The County is the lead agency for this project. The following agencies could be expected to use this document for future permits or other approvals for the project:

- County of San Luis Obispo - Conditional Use Permit approval;
- Central Coast Regional Water Quality Control Board - National Pollution Discharge Elimination System (NPDES) for discharge into Pismo Creek, General construction NPDES, and Clean Water Act Section 401 Water Quality Certification;
- San Luis Obispo Air Pollution Control District - Authority to Construct/Permit to Operate;
- California Department of Fish and Game - Streambed Alteration Agreement;
- U.S. Army Corps of Engineers - Section 404 permit;
- CALFIRE/San Luis Obispo County Fire Department - Fire Protection;
- U.S. Fish and Wildlife Service and NOAA Fisheries - Federal Endangered Species Act consultation (Section 7 Consultation).

1.9 PROJECT APPLICANT AND CONTACTS

The project applicant is Plains Exploration and Production (PXP). Contacts for this SEIR are:

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