

**CALIFORNIA COASTAL COMMISSION**

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VIA CERTIFIED AND ELECTRONIC MAIL

February 18, 2025

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Sable Offshore Corp.  
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Goleta, CA 93117

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Subject: **Executive Director Cease and Desist Order No. ED-25-CD-01 and Notice of Intent to Commence Proceedings for a Commission Cease and Desist Order, Restoration Order, and Administrative Penalty Order**

Date Issued: 02/18/2025

Expiration Date: 05/19/2025

Violation Nos.: V-9-25-0013 and V-9-24-0152

Location: The properties that are subject to this order are at various locations along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone, between the Gaviota coast and the Las Padres National Forest, and areas surrounding the pipelines that are being or could be impacted by the development activities at issue here, in which the parties subject to this order are performing or intend to perform any of the activities described below, all within Santa Barbara County. The properties that are subject to the Notice of Intent to commence further enforcement proceedings are those same properties as well as areas previously impacted by similar work and offshore locations along the larger Santa Ynez Unit pipeline, in state waters, where the parties subject to this notice have undertaken unpermitted development in placing sand/cement bags

and pallets on the seafloor below and adjacent to Sable's out-of-service offshore oil and water pipelines as part of an effort to restart SYU oil production operations and bring the pipelines back into use.

Violation Description:

Activities onshore including, but not limited to, excavation with heavy equipment; removal of major vegetation; grading and widening of roads; installation of metal plates over water courses; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; installation of shutoff valves; and other development associated with the Las Flores Pipelines CA-324 and CA-325; as well as offshore development including, but not necessarily limited to, placing sand/cement bags and pallets on the seafloor below and adjacent to Sable's out-of-service offshore oil and water pipelines; all without the requisite Coastal Act authorization, as part of an effort to restart Santa Ynez Unit oil production operations and bring the pipelines back into use<sup>1</sup>

Dear Sirs,

This is in furtherance of our discussions regarding the recent activities of Sable. I want to note that we are not taking a position regarding the underlying merits of the pipeline and of Sable's recent activities here, but want to work with you to ensure that any actions taken here, in this iconic area, are done in a way that protects the fragile ecosystem, and the humans and animals in the area. We remain more than willing to work with you to ensure that any work contains any necessary protections and conforms with applicable laws. We again offer to work with you and the County on a consolidated permit to move forward in the most efficient and streamlined manner possible and are available to discuss options with you going forward.

**I. Order**

Pursuant to my authority under California Public Resources Code ("PRC") Section 30809, as the Executive Director of the California Coastal Commission ("Commission"), I hereby issue this Executive Director Cease and Desist Order ("EDCDO" or "this Order"), which orders you, Sable Offshore Corp. ("Sable"), as the owner and operator of Las Flores Pipelines CA-324 and CA-325 ("Pipeline"), to cease further work along the Pipeline and immediately surrounding areas unless and until authorized by a new, final coastal development permit ("CDP").<sup>2</sup>

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<sup>1</sup> Please note that the description herein of the violations at issue is not necessarily a complete list of all unpermitted development on the properties in violation of the Coastal Act.

<sup>2</sup> A "final" coastal development permit as used here means one that is: (a) no longer subject to appeal, either within the County system or to the Commission, and whether because the time period for such appeals has elapsed or because all such appeals have been completed.

Compliance with the following terms is intended to ensure that all development described in Section E, below, remains halted, ensuring that further unnecessary damaging effects to coastal resources are avoided, while Sable obtains the legally necessary authorization for future, proposed development, and/or for any steps needed restore the site, as follows.

Pursuant to my authority under PRC Section 30809, I hereby order Sable:

1. To cease and desist from conducting any further development at the onshore locations described above unless you have submitted evidence, for my review and approval, demonstrating that you possess the necessary Coastal Act authorization for the work and have received my written approval to proceed.
2. If you decide you wish to proceed, either: (a) demonstrate, to my satisfaction, that Sable already possesses the necessary Coastal Act authorization for the work, which Sable has not yet demonstrated;<sup>3</sup> or (b) obtain a new, final, operative CDP or other valid Coastal Act authorization specifically covering the work at issue and comply with the terms of any final, validly issued CDPs.

#### **A. ENTITIES SUBJECT TO THE ORDER**

The parties whose actions or inactions are subject to this Order are Sable Offshore Corp; all employees, agents, and contractors of the foregoing; and any other person or entity acting in concert with the foregoing.

#### **B. IDENTIFICATION OF THE PROPERTIES**

The properties that are subject to this are various locations along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone, between the Gaviota coast and the Las Padres National Forest, areas surrounding the Pipeline and impacted by the development activities at issue here, all within Santa Barbara County.

#### **C. DESCRIPTION OF THE VIOLATIONS**

The Coastal Act violations and threatened violations addressed by this Order involve development that has occurred in the Coastal Zone without the requisite Coastal act authorization, including, but not necessarily limited to, excavation with heavy equipment; removal of major vegetation; grading and widening of roads; installation of metal plates over water courses; placement of fill in wetlands and coastal waters; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; any installation of shutoff valves; and other development associated with Pipeline.

#### **D. COMMISSION AUTHORITY TO ACT**

The Executive Director is issuing this Order pursuant to her authority under PRC Section 30809, including, but not necessarily limited to, subdivision (a)(2) thereof. The County has

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<sup>3</sup> We offer this option as an accommodation and remain willing to review and consider any additional permit language Sable may provide at any time, including after issuance of this EDCDO.

indicated that it believes the work at issue is authorized by prior permits, and thus, it does not agree with Commission staff's conclusion that the recently completed, ongoing and threatened, future work constitutes a violation of the Coastal Act and LCP. Commission staff has explained its contrary position to the County on multiple occasions, most recently in a letter dated February 14, 2025. In addition, on February 17, 2025, after a representative of Sable responded to my request that Sable forestall further activities and instead indicated that "Sable intends to proceed,"<sup>4</sup> Commission staff specifically requested that the County either take enforcement action or confirm that they were, in fact, not willing to take action to address the alleged violations noted above, pursuant to PRC Section 30809(a)(2). Having received no response from the County by 12pm February 18, 2025, I am moving forward with issuing this EDCDO.

## E. EXECUTIVE DIRECTOR'S FINDINGS

As the Executive Director of the Commission, I am issuing this Order pursuant to my authority under PRC Sections 30809(a) to prevent further significant damage to coastal resources that, without this order, would be likely to occur. As noted in our Notice, Sable's continued work on the Pipeline would be likely to contribute to environmental impacts that could have been avoided, including the destabilization of rain-soaked hillsides and habitat areas, discharge of mud and debris into watercourses and wetlands, disturbance to nesting birds that could lead to nest and habitat abandonment, and declines in breeding success. Further, the history of this site has made it clear that the utmost caution, and safety, must be taken to avoid catastrophic damage to coastal resources such as those seen after the 2015 pipeline failure and resulting Refugio Oil Spill.

Commission enforcement staff informed Sable of the violations of the Coastal Act in an initial Notice of Violation letter sent to Sable on September 27, 2024, a follow-up letter sent October 4, 2024, and continued to discuss the violations in multiple virtual meetings over the course of the following weeks. On November 12, 2024, an EDCDO was issued directing Sable to immediately cease and desist from conducting any further unpermitted development along the Pipeline, submit an interim restoration plan to safely secure those sites where unpermitted development had occurred, and apply for a CDP for any proposed future work to be undertaken along the Pipeline, as well as for after-the-fact (ATF) authorization for unpermitted development that had already occurred. On February 11, 2025, Commission staff additionally issued a Notice of Violation letter for unpermitted development undertaken by Sable at locations offshore, in state waters. A more detailed recitation of the history is provided below.

With limited exceptions not applicable here, PRC Section 30600(a) states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the coastal zone must obtain a CDP. "Development" is defined by Section 30106 of the Coastal Act as follows:

*"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or*

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<sup>4</sup> February 17, 2025, letter from DJ Moore, of Latham & Watkins LLP, writing on behalf of Sable.

*extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility...* (emphasis added)

The Development described herein clearly constitutes “development” within the meaning of the above-quoted definition and therefore requires a CDP. Sable has not submitted an application for a CDP for any of its proposed future work at either onshore, or offshore locations, as described above, nor has Sable submitted any ATF application for work previously undertaken along the Pipeline and within the Coastal Zone.

On September 27, 2024, Commission staff sent a “Notice of Violation” letter informing Sable that the Commission had become aware of unpermitted development activities taking place within the Coastal Zone, including excavation with heavy machinery, grading, and other activities at various locations along the Pipeline, apparently in connection with a proposed restart of the Santa Ynez Unit, consisting of three offshore platforms, Las Flores Canyon processing facility, and associated electrical transmission and onshore and offshore oil and gas transport pipelines. Commission staff requested Sable immediately cease all unpermitted development within the Coastal Zone, including all activities associated with Lines 324 and 325, as well as any potential development activities taking place along the offshore platforms and Pipeline. Commission staff further detailed the need for Coastal Act authorization for any development in the Coastal Zone, which should be sought through the submittal of an application(s) for the required CDP(s).

On October 1, 2024, Sable met with Commission staff to discuss the above-mentioned Coastal Act violations. In this conversation, Commission staff conveyed to Sable that all unpermitted development activities, along the Pipeline, must cease immediately. Immediate cessation of all work would result in several open pit sites, where excavation activities had already begun. Because of this, Commission staff and Sable discussed steps necessary to ensure the open pit sites could be temporarily secured. However, my staff made it clear to Sable that all work must stop immediately. Nonetheless, Commission staff received an email from Sable on October 2, 2025, stating that work had been suspended, “subject to taking interim measures”. Commission staff met with Sable on October 3, 2025, to reiterate that all work must fully cease, and including any such “interim measures” which still amounted to development requiring Coastal Act authorization.

Despite these conversations, Commission staff received notice that Sable had yet to cease all work. Thus, on October 4, 2024, Commission staff sent a letter to Sable providing formal notice of the Executive Director’s intent to issue an order, if necessary, to halt the ongoing project work, and requested written assurances by 2:00 pm that day, that Sable had, in fact ceased work entirely. Though Sable did send an email to Commission staff before this deadline to state that all work, including the actions in which Sable characterized as interim work measures, had ceased, Commission staff continued to

receive messages that work had not ceased and therefore, again, requested Sable provide written assurances that all work had, in fact, ceased. In response, Sable, confirmed all work, including any such interim measures, had ceased.

In addition to the cessation of all work, the October 4, 2024 letter required Sable provide information as to work undertaken along the Pipeline, specific plans as to future, proposed work, and written confirmation of intent to apply for a CDP(s) for ATF authorization for any work that had already occurred in the Coastal Zone and prospective authorization for any proposed future work.

Because Sable did not satisfactorily provide, as required by PRC Section 30809, detailed information as requested in Commission staff's October 4 letter, and further, failed to provide written confirmation as to its commitment to apply for an ATF CDP for work previously undertaken within the Coastal Zone, I issued a EDCDO on November 12, 2024. In this EDCDO, I directed Sable to complete an Interim Restoration Plan to safely secure the sites in the interim period necessary for Sable to apply for both an ATF CDP for all work previously undertaken along the Pipeline as well as CDP for future, proposed work. As an accommodation, I granted 120 days from the issuance of the EDCDO for Sable to apply for requisite CDPs. On December 20, 2024, Sable successfully completed the Interim Restoration Plan. However, to date, Sable has not submitted any application for an ATF CDP for work previously undertaken, or for a CDP for any future, proposed work to be taken along the Pipeline. Commission staff had repeatedly asked for greater information, including any full-scale workplans, so as to better understand the overall project. Without detailed information as to these plans, it is difficult for Commission staff to fully understand the scope of the work Sable has undertaken, as well as any proposed future plans and it is further difficult for Commission staff to provide a fully analysis as to what, if any, work has been authorized under applicable law.

Instead, Sable shifted operations offshore and carried out additional development activities without the benefit of a CDP including, but not limited to, the deployment of an unspecified number of "tea-bag pallets," sand-to-concrete bags, and soft-concrete bags, as part of an effort to restart oil production operations and bring the Santa Ynez Unit pipeline back into use. Specifically, the project deployed a remotely operated vehicle ("ROV") to place concrete bags and pallets along more than 750 linear feet of the pipelines to create support piers along 14 identified spans of between 41 and 70 feet. These activities took place over three days from November 29, 2024, to December 1, 2024.

Sable also sought authorization for the onshore violations described in the EDCDO through the County's zoning clearance process. On November 22, 2024, and December 5, 2024, Sable submitted applications to the County requesting authorization for pipeline "anomaly repair work" conducted along the Las Flores Pipelines, CA-324 and CA-325.

On January 10, 2025, the Commission held a conference call with the Santa Barbara County Planning and Development Department ("County") to discuss Sable's pending Zoning Clearance applications, as well as the potential for a consolidated coastal development permit covering both onshore and offshore development activities. During this conversation, the County agreed to follow up with information, including the citations

and provisions within existing County issued permit(s) that the County believed might have pre-authorized the recently completed and proposed Pipeline work, as well as any other evidence Sable provided that the County found to be compelling. The parties to the call further confirmed that they would have a follow-up discussion before any County approval of Sable's Zoning Clearance applications. Despite this, however, no such information was received, and the Commission, therefore, followed up on this conversation through email, on February 7, 2025, again requesting this information.

On February 12, 2025, Commission staff received a letter from the County, in response to the prior request made by Commission staff that the County agree to the Commission's review of a consolidated permit application, pursuant to California Public Resources Code section 30601.3(a)(2). In this letter, the County stated that it had concluded that the "anomaly repair work" addressed in Sable's zoning clearance applications "is authorized by existing permits" and therefore no further application to, or action by, the County is required. However, the County expressed its support for the Commission's review of a consolidated permit application, if submitted by Sable.

In addition to this letter, the County provided the Commission with copy of an additional letter, which the County sent to Sable, notifying Sable that work addressed in Sable's zoning clearance permits "is covered by prior permits," though neither letter provided any citation to or quotation of any language in any such permits to support this assertion.

In response to these two letters and a February 14 request from the Environmental Defense Center, on February 16, 2025, I issued a letter to the County initiating a review of the County's determination, pursuant to Section 13569 of the Commission's regulations, and requesting a complete copy of any coastal development permit applications submitted by Sable and/or its predecessor(s) for the shutoff valve installation work on the Pipeline and Sable's application for the zoning clearance(s) for the repair anomaly work along the Pipeline.

Additionally, on February 16, 2025, I provided Sable with notice of my intention to issue a new EDCDO to Sable. In this letter, I responded to arguments that Sable submitted on February 14, purporting to support the position the County had taken, and I explained why, despite those argument, based on the information I had received to date, I continued to believe that Sable's proposed activities lacked the necessary Coastal Act authorization. I therefore directed Sable to confirm in writing by February 17, 2025, that Sable would cease all development as described in, and subject of, that letter unless and until Sable either: (a) demonstrates, to my satisfaction, that it already possesses the necessary Coastal Act authorization for the work, which Sable has not yet demonstrated.<sup>5</sup> On February 17, 2025, I received a letter from Sable reiterating their position that Sable's work "does not constitute a violation of the Coastal Act or the County's LCP because it is authorized under the pipelines' existing CDPs and other approvals,".

As a jurisdictional requirement to issue this Order, I have determined that Sable is undertaking or is threatening to undertake development that may require a CDP, without

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<sup>5</sup> We offer this option as an accommodation and remain willing to review and consider any additional permit language Sable may provide either before, or after, issuance of Coastal Act authorization.

first securing a CDP and further determined Santa Barbara County has declined to act in a timely manner regarding the coastal act violations as detailed in the EDCDO, and this failure to act will cause damage to coastal resources.

Thus, as of the issuance of this Order, I have concluded that Sable has yet to apply for any CDP, or other valid Coastal Act authorization, covering the work at issue, nor has Sable demonstrated that it possesses the necessary Coastal Act authorization for this work. As such, I am issuing this EDCDO pursuant to my authority under PRC Sections 30809(a)(2).

#### **F. COMPLIANCE OBLIGATION**

Respondent's strict compliance with this Consent Order is required. Failure to comply with any term or condition of this Consent Order, including any deadline contained herein, unless the Executive Director grants an extension under Section I.5, above, will constitute a violation of this Consent Order and shall result in Respondent being liable for stipulated penalties in the amount of \$1,000 per day per violation. Respondent shall pay stipulated penalties within 10 days of receipt of written demand by the Executive Director, regardless of whether Respondent subsequently complies. If Respondent violates this Consent Order, nothing in this agreement shall be construed as prohibiting, altering, or in any way limiting the ability of the Commission to seek any other remedies available, including the imposition of civil penalties and other remedies pursuant to PRC Sections 30820, 30821, 30821.6, and 30822, as a result of the lack of compliance with this Consent Order.

#### **G. CHALLENGE**

Pursuant to PRC Section 30803(b), any person or entity to whom this Consent Order is issued may file a petition with the Superior Court and seek a stay of this Consent Order. Also pursuant to PRC Section 30803(a), any person may maintain an action for declaratory and equitable relief to restrain any violation of this division, including of any orders issued pursuant to Section 30809, 30810 or 30811.

#### **H. EFFECTIVE DATE**

This Order shall be effective upon its issuance and shall expire 90 days from the date issued on 02/18/2025 unless extended consistent with the applicable regulations.

### **II. NOTICE OF INTENT TO COMMENCE A CEASE AND DESIST ORDER, RESTORATION ORDER, AND ADMINISTRATIVE CIVIL PENALTY PROCEEDINGS**

While we hope that these matters can be addressed quickly via the EDCDO and that a Commission-issued order may not be necessary, I am also notifying you, as is provided for in Section 13187(B) and Section 13191(a) of the Commission's regulations (Title 14, Division 5.5 of the California Code of Regulations), of my intent to commence proceedings for issuance by the Commission of a Cease and Desist Restoration Order and Administrative Penalty Proceeding, which would include a direction to cease and desist from undertaking further unpermitted development, should such an order be required.

The EDCDO provides an interim solution to safeguard against damage to coastal resources immediately, and an interim period needed for Sable to obtain necessary CDPs. However, it does not address the work that has already been completed without the necessary authorization, including the additional work described below which will require a future order.

In addition to the above actions regarding Sable's unpermitted development activities undertaken onshore, Commission staff were additionally made aware of unpermitted activities undertaken offshore, at locations along the Santa Ynez Unit pipeline, and in state waters. On February 11, 2025, Commission staff provided a Notice of Violation letter to Sable regarding unpermitted development including, but not limited to, deploying sand/cement fill materials and pallets on the seafloor adjacent to and below Sable's out-of-service offshore oil and water pipelines as part of an effort to restart SYU oil production operations and bring the Pipeline back into use.

In an email sent on November 21, 2024, from Cassidy Teufel, Deputy Director of the Commission, to Steve Rusch of Sable, Mr. Teufel stated that it was his understanding, based on previous email correspondence, that Sable was not proceeding with any work associated with the offshore pipeline until Commission staff had an opportunity to discuss it and work through any authorizations that may be required. He noted that Mr. Rusch had indicated via email that a recent ROV survey had identified pipeline spans that Sable identified as needing to be addressed, and Mr. Teufel asked for clarification as to when this work was carried out, and for a description of its scope, including equipment and vessels used and the location, timing, and duration of that work. Mr. Teufel also reiterated that Sable needed to submit to the Commission a complete CDP application for the proposed span remediation work. Mr. Rusch never disputed or contested anything in this email from Mr. Teufel. Nevertheless, without having received any such application, circa mid-December 2024, the Commission received reports that span remediation work was underway.

On January 10, 2025, Mr. Teufel sent a follow up message informing Sable that the Commission had yet to receive the aforementioned permit application, and requesting a status update. The January email also asked Sable to clarify if Sable did in fact carry out activities and reemphasized the Coastal Act permitting requirements as previously explained.

In a letter dated January 15, 2025, from DJ Moore of Latham & Watkins, LLC (representing Sable) to Mr. Teufel, Mr. Moore acknowledged that the span remediation activities had occurred, specifically the placement of concrete fill material across 14 separate areas totaling over 750 linear feet adjacent to and below two seafloor pipelines, but claimed those activities did not require a new CDP or Consistency Certification ("CC") under the Coastal Act and the Coastal Zone Management Act, 16 U.S.C. §§ 1541 *et seq.* ("CZMA"), respectively. He asserted that these activities were already authorized by the existing Development and Production Plan ("DPP") previously authorized by the Department of the Interior's Minerals Management Service ("MMS"); the Coastal Commission-approved CDP No. E-88-1, which originally authorized the SYU pipeline in 1988; and the Coastal

Commission's concurrence in CC No. CC-64-87, all of which occurred more than 30 years ago and did not address the work undertaken in 2024-2025. Thus, on February 11, 2025, Commission staff issued a Notice of Violation letter directing Sable to immediately cease from performing any unpermitted development activities in state coastal waters (or elsewhere in the Coastal Zone) until and unless proper authorization is obtained.

Contrary to these claims, and as individually answered and described in greater detail in the Notice of Violation letter, the span remediation work conducted was not, and could not have been, pre-authorized by the permit in which the Commission issued for the original installation of the SYU Pipeline, nor was this work otherwise pre-authorized by the Commission. While the Commission has, on occasion in the past, specifically authorized future maintenance activities for certain projects it has approved, when it has done so, it is explicit about that, and it has not done so here. Further, Mr. Moore's claim that the DPP requires the pipeline to be in "good working condition" or that the Pipeline must meet federal standards has no bearing on the question as to whether pre-authorization of specific work was granted. The Pipeline in question is not currently in service, have been purged off all oil and does not pose a risk of oil spill if not addressed. Mr. Moore's letter additionally asserts that inclusion of Commission staff on an email, sent from Exxon to a third party, 13 years ago, evidences the Commission's agreement with Sable's position that no further coastal act authorization is needed for this work. Again, this bears no evidence to support that the Commission pre-authorized future work or span remediation activities on the site.

In order to resolve this violation, Sable must complete a CDP application seeking ATF authorization for the unpermitted span remediation activities that have already taken place in state coastal waters, and which addresses any necessary restoration, and payment of administrative penalties to resolve civil liability.

I am hopeful that Sable will work with my staff to reach a consensual resolution of the entirety of this matter through a future Consent Cease and Desist Order and Restoration Order and Consent Administrative Penalty ("Consent Agreement"), which would then be taken to the California Coastal Commission ("Commission") for its approval in a formal public hearing. We are available to assist you in this process.

Prior to bringing an order to the Commission, including a consent order, unless the requirement is waived, our regulations require notification of the initiation of formal proceedings. Therefore, in accordance with those regulations, this letter notifies you of my intent, as the Executive Director of the Commission, to commence formal enforcement proceedings to address the Coastal Act violations noted above by bringing to the Commission a recommendation for a Cease and Desist Order, Restoration Order, and assessment of an Administrative Penalty. The intent of this letter is not to discourage or supersede productive settlement discussions; rather it is to provide formal notice of our intent, consistent with our regulations, to resolve these issues through the order process, which in no way precludes a consensual resolution. However, please note that should we be unable to reach an amicable resolution in a timely manner this letter also lays the foundation for Commission staff to initiate a hearing before the Commission unilaterally, during which a proposed order or orders, including an assessment of administrative

penalties against you, would be presented for the Commission's consideration and possible adoption.

Again, if we are to settle this matter, such actions still must be addressed through this formal order process. This letter is intended to facilitate the resolution here, whether we address this matter through a consent or unilateral action, in providing you with the notice required under the Commission's Regulations; it in no way is intended to subvert the possibility of resolving this matter collaboratively.

The Commission's authority to issue Cease and Desist Orders is set forth in Section 30810(a) of the Coastal Act, which states, in part:

**If the commission, after public hearing, determines that any person ... has undertaken, or is threatening to undertake, any activity that (1) requires a permit from the commission without securing the permit or (2) is inconsistent with any permit previously issued by the commission, the commission may issue an order directing that person ... to cease and desist. The order may also be issued to enforce any requirements of a certified local coastal program or port master plan, or any requirements of this division which are subject to the jurisdiction of the certified program or plan, under any of the following circumstances:**

- (1) The local government or port governing body requests the commission to assist with, or assume primary responsibility for, issuing a cease and desist order.**
- (2) The commission requests and the local government or port governing body declines to act, or does not take action within a timely manner, regarding an alleged violation which could cause significant damage to coastal resources.**

Section 30810(b) of the Coastal Act states that the cease and desist order may be subject to such terms and conditions that the Commission determines are necessary to ensure compliance with the Coastal Act, including removal of any items of unpermitted development.

Section 30600(a) of the Coastal Act states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the Coastal Zone must obtain a CDP through Section 35-169.2 of the County's certified LCP. As stated above, "Development" is defined by Section 30106 of the Coastal Act and Section 35-58 of the City's LCP.

The various instances of unpermitted development at issue here clearly constitute "development" within the meaning of the above-quoted definition and therefore are subject to the permit requirement of Section 30600(a) and Section 312-3.1.5 of the County's certified LCP. A CDP has not been issued to authorize the unpermitted development, thus

independent criteria for issuance of a cease and desist order under Section 30810(a) of the Coastal Act are thus satisfied.

In addition to the aforementioned items, any resolution of this matter via Consent Agreement would also include settlement of monetary claims associated with your civil liability under the Coastal Act for these violations. If a consensual resolution is not reached, resolution of penalties under Section 30821.3 of the Coastal Act would be addressed unilaterally via an Administrative Penalty Action, as described below.

## **Restoration Order**

The Commission's authority to issue Restoration Orders is set forth in Section 30811 of the Coastal Act, which states, in part:

**In addition to any other authority to order restoration, the commission...may, after a public hearing, order restoration of a site if it finds that the development has occurred without a coastal development permit from the commission..., the development is inconsistent with this division, and the development is causing continuing resource damage.**

Pursuant to Section 13191 of the Commission's regulations, I have determined that the activities specified in this letter meet the criteria of Section 30811 of the Coastal Act, based on the following:

- 1) "Development" as that term is defined by section 30106 of the Coastal Act, has occurred without a CDP from the Commission.
- 2) This unpermitted development is inconsistent with the resource protection policies of the Coastal Act including, but not necessarily limited to Coastal Act Section 30240 (protection of environmentally sensitive habitat areas), Section 30233 (protection of wetlands from filling), Section 30230 (protection of marine resources) and Section 30231 (protecting biological productivity).
- 3) The unpermitted development remains in place and/or unaddressed and therefore continues to cause resource damage, which is defined by Section 13190 of the Commission's regulations as: "any degradation or other reduction in quality, abundance, or other quantitative or qualitative characteristic of the resource as compared to the condition the resource was in before it was disturbed by unpermitted development." The unpermitted development continues to exist and therefore, it continues to cause damage to resources and prevent the Coastal Act resources that were displaced from re-establishing, and it continues to cause degradation and reduction in quality of surrounding resources as compared to their condition before the unpermitted development occurred.

For the reasons stated above, I am therefore issuing this "Notice of Intent" letter to commence proceedings for a Restoration Order before the Commission in order to require the restoration of the Property. The procedures for the issuance of Restoration Orders are

described in Sections 13190 through 13197 of the Commission's regulations, which are codified in Title 14 of the California Code of Regulations.

### **Administrative Civil Penalties, Civil Liability, and Exemplary Damages**

Under Section 30821.3 of the Coastal Act, in cases involving violations of the Coastal Act, the Commission is authorized to impose administrative civil penalties by a majority vote of the Commissioners present at a public hearing. In this case, as described above, there are multiple violations of the resource protection provisions of the Coastal Act; and therefore, the criteria of Section 30821.3 have been satisfied. The penalties imposed may be in an amount up to \$11,250, for each violation, for each day each violation has persisted or is persisting, for up to five (5) years. In addition, the 60-day time period to correct a violation that is allowed under the statute does not apply to violations of a CDP. If a person fails to pay an administrative penalty imposed by the Commission, under 30821.3(e) the Commission may record a lien on that person's property in the amount of the assessed penalty. This lien shall be equal in force, effect, and priority to a judgment lien.

The Coastal Act also includes several other penalty provisions that may be applicable as well. Section 30820(a)(1) provides for civil liability to be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission in an amount that shall not exceed \$30,000 and shall not be less than \$500 for each instance of development that is in violation of the Coastal Act. Section 30820(b) provides that additional civil liability may be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission when the person intentionally and knowingly performs or undertakes such development. Civil liability under Section 30820(b) shall be imposed in an amount not less than \$1,000 per day and not more than \$15,000 per day, for each violation and for each day in which each violation persists. Section 30821.6 also provides that a violation of a Cease and Desist Order of the Commission can result in civil liabilities of up to \$6,000 for each day in which each violation persists. Lastly, Section 30822 provides for additional exemplary damages for intentional and knowing violations of the Coastal Act or a Commission Cease and Desist Order.

### **Response Procedure**

In accordance with Sections 13181(a) and 13191 of the Commission's regulations, you have the opportunity to respond to the Commission staff's allegations as set forth in this notice of intent to commence Cease and Desist and Restoration Order proceedings by completing the enclosed statement of defense ("SOD") form. The SOD form would be directed to the attention of Stephanie Cook, no later than March 10, 2025.

We remain hopeful that we can reach an agreeable solution and that a Consent Order will fully address this matter so that we will not have to resort to bringing a formal action before our Commission. This additional notice to commence Commission proceedings is to give us options for the possibility that Sable fails to comply with the Consent Order or that the actions required in the Consent Order do not completely resolve the violations. Therefore, should this matter be resolved via the Consent Order (or if we do have to proceed with a

Commission action and we are able to still resolve this matter via a Consent Commission Order), an SOD form would not be necessary. In any case and in the interim, staff would be happy to accept any information you wish to share regarding this matter and staff can extend deadlines for submittal of the SOD form to account for the goal of resolving this via this Consent Order and specifically allow additional time to discuss terms of Commission consent orders if that is necessary. If it is necessary, Commission staff would schedule the hearings for the Cease and Desist and Restoration Order for the Commission's April or May 2025 hearing. Again, we are hopeful that this matter can be fully resolved by compliance with this Consent Order and there will not be a need to commence a formal proceeding before the Commission.

For additional information you may contact Stephanie Cook at (415) 904-5220, Stephanie.Cook@Coastal.ca.gov, or at our Headquarters Enforcement Office at:

California Coastal Commission  
Attn: Stephanie Cook  
455 Market Street, Suite 300  
San Francisco, CA 94105

Again, we remain willing and available to work with you to resolve these matters quickly and amicably and look forward to hearing from you.

Signed,



Kate Huckelbridge  
Executive Director  
California Coastal Commission

Enclosure: Notice of Intent to Issue an Executive Director's Cease and Desist Order,  
dated February 16, 2025  
Statement of Defense Form

Cc:

Lauren Paull, Latham & Watkins, LLP  
Cassidy Teufel, CCC, Deputy Director  
Lisa Haage, CCC, Chief of Enforcement  
Aaron McLendon, Deputy Chief of Enforcement  
Alex Helperin, CCC, Deputy Chief Counsel  
Sarah Esmaili, CCC, Senior Staff Attorney  
Wesley Horn, CCC, Environmental Scientist  
Stephanie Cook, CCC, Enforcement Counsel