

Proposed oil rig divides a quiet beach town

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Steve Chawkins, Los Angeles Times, 5-25-10

Idled fishermen, oil-slathered pelicans, tar balls washing up on beaches: The daily deluge of sad images from the Gulf of Mexico aren't exactly a choice backdrop for a pro-oil political campaign, especially in an environmentally sensitive California beach town.

But on June 8, just seven weeks after the deadly explosion on the Deepwater Horizon drilling rig, Carpinteria voters will decide on an oil company's bid to expand its operations in the Santa Barbara Channel.

If it succeeds, an initiative by Denver-based Venoco Inc. will pave the way for an onshore drilling rig that would extend pipes into the ocean floor and suck out as many as 11,000 barrels of oil a day.

Located at a facility Venoco has owned since 1999, the initial exploratory rig would be about 17 stories tall and stay in place for up to a year. It would then be replaced by a rig either 10 or 14 stories tall. At either height, it would be encased in a faux lighthouse; at 14 stories, the structure would be taller than all but one of the actual lighthouses on the California coast.

It's a tough sell in a small town that boasts "the world's safest beach" and whose weekly newspaper, the Coastal View News, runs a regular feature titled "What's New at the Harbor Seal Rookery?" Carpinteria takes its coastal setting seriously; the most visible demonstration against Venoco's plan hasn't been a march or a rally, but a "paddle-out," with several hundred surfers and kayakers taking to the water.

Months before the gulf disaster rattled pro-oil politicians, Carpinteria's city government took a stand against the Paredon project, named after the undersea oil field it seeks to tap.

"It's a very slick initiative by some very smart people," said Mayor Gregg Carty, who sees it as a blatant maneuver to sidestep city control. "I'm glad people are reading the fine print."

Carty said the measure could set a terrible precedent statewide, allowing companies with controversial plans to bypass environmental reviews by local governments. "It's an abuse of the initiative process," he said.

If Measure J passes, the project would still have to withstand scrutiny from the Coastal Commission and other regulatory agencies — an examination company officials say would be at least as exhaustive as any conducted by the city. And, they say, the tradeoff for the one-in-a-million risk of a serious spill could be royalties to Carpinteria and Santa Barbara County of as much as \$200 million.

If exploratory drilling uncovers the bonanza the company is seeking, Chief Executive Officer Tim Marquez has said he'll donate up to \$5 million to Carpinteria schools, which have been forced by budget cuts to cancel summer sessions and increase class sizes.

Venoco has spent about \$400,000 — more than \$60 per registered voter — on ads and mailings to drive home

its message. In an open letter to Carpinteria residents, Marquez, who already is a big local school donor, called the measure "a one-time opportunity to generate enough royalty and tax revenue to double city revenues and meet critical needs of local schoolchildren."

The project's critics contend Venoco has vastly inflated the possible income to the city. And the Gulf disaster has underscored their fears about additional drilling in the Santa Barbara Channel — even drilling conducted from dry land.

"It's not right for Carpinteria," said Rudy Perez, a painting contractor who lives in a subdivision of \$800,000 homes next to the existing Venoco complex. "In the Gulf, they said they had fail-safe technology. But what failed? The fail-safe technology!"

Almost every home in Perez's neighborhood has an anti-Measure J "Save Our Town" sign in the frontyard. "Yes on J" signs are a lot less visible in the town of 15,000, but the measure has some prominent backers. The Carpinteria Valley Chamber of Commerce supports it, and a full-page ad in the local paper offers endorsements from 16 of the chamber's "Carpinterians of the Year."

On 55 acres that command a stunning ocean view, Venoco treats oil and natural gas delivered by pipeline from offshore platforms. The complex, built by another oil company 50 years ago, transports the de-watered oil and compressed natural gas through pipelines to refineries in the Los Angeles area.

Next to the facility, hikers ramble through a nature preserve whose land was purchased by local citizens after it was slated for development. On a recent afternoon, more than 200 harbor seals lazed at the base of Venoco's bluff. On a trail above them, a volunteer had a red stop sign at the ready to wave off people who might ignore posted warnings and get too close.

"This is a fabulous little town that depends on tourism and pristine beaches," said Donna Jordan, a former mayor who served on the City Council for 16 years. "Why would we gamble with those things?"

The oil company's proposal didn't start at the ballot box. In 2005, Venoco filed an application for the project with the city. It quickly became controversial — especially when an environmental report found 11 "significant and unavoidable impacts," including the remote possibility of a spill and the adverse effects of noise and vibrations on the seal rookery.

Last year, Venoco withdrew its application. In four days, it gathered more than 1,000 signatures for its initiative, which would change the city's general plan to allow drilling from onshore into the ocean.

"There wasn't going to be an approval of this project from the seated council," said Lisa Rivas, a spokeswoman for the company. "There were three 'no' votes before they even saw the EIR."

Besides, she said, the city lacks the technical expertise of the county, state and federal agencies that would have the final say on whether the project gets built and how it would operate. She cast the initiative as a necessary civic exercise.

"The vote of the people is not an end run around the desire of the people," Rivas said. "It's as democratic a process as you can get."

Rivas blamed an "anti-oil" minority for exaggerating the project's potential environmental hazards. She said the rigs would run on electricity, not a noisier diesel engine. They would be soundproofed to avoid harming the

seals, which bask beside a working pier for boats that service the oil platforms. She also said that comparisons with the gulf are misplaced: Oil in the gulf is a lot deeper and more pressurized than oil in the Santa Barbara Channel, and much of Venoco's equipment would be shore-based, making it more likely that any spills would be contained on dry land.

Even if Measure J fails, the company's pursuit won't end, Rivas said. Because it already owns the oil lease, it might try to access the field from an offshore platform.

The Environmental Defense Center, a Santa Barbara activist group, calls that a "veiled threat" — and an empty one. The Paredon field is unreachable from existing platforms, the EDC says, and politically, the chances of building a new platform in the channel are minuscule.

The project's supporters say its risks are also minuscule — but that its potential benefits are great.

Lynn Ransom, a local real estate agent, said opponents fail to see the big picture: "Every dime we make off oil here," she said, "will be one less dime that'll be spent in some foreign country or sent to some terrorist."