

New Secret Offshore Deal

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In the latest twist in the Tranquillon Ridge saga, Calbuzz has learned that PXP oil company and its environmental allies have submitted a new proposed agreement to the State Lands Commission aimed at authorizing expanded drilling off the coast of Santa Barbara.

Our efforts to learn how the new proposal differs from an earlier version, which the commission rejected last year, were unsuccessful, however, because neither the parties nor the commission would release a copy, saying the document is a draft, and the deal is still under review.

“We signed a confidentiality agreement,” Paul Thayer, Executive Officer of the Lands Commission, told us. “They want to get our reaction to it. It’s being reviewed at a staff level, and we’ve also asked the (Attorney General’s) office to look at it.”

The previous PXP-EDC agreement, reached in 2008, was kept secret until Calbuzz obtained a copy and published the document. At a time when controversy is still simmering over elements of the first agreement, key opponents of the project are unhappy with the news that an amended version of the proposed deal is, at least for now, being kept confidential.

“I’m disappointed that PXP and EDC are going down the same failed road,” said Democratic Assemblyman Pedro Nava, whose district adjoins the proposed new drilling. “Whatever the new agreement says, apparently both PXP and EDC believe it can’t stand public scrutiny and so they are hiding it.”

“PXP likes to claim some kind of oil company executive privilege,” he added.

As a political matter, the secrecy of the first agreement played a key role, both in its defeat before the commission, and in the widespread opposition to the T-Ridge deal generated among other environmental groups.

When Calbuzz disclosed the text of that agreement, representatives of both PXP and the Santa Barbara-based Environmental Defense Center told us they were working on a second version, aimed at addressing various concerns that commissioners expressed in voting against the plan last year. Both organizations said that the amended agreement would be made public.

“No, it is not final yet,” Linda Krop, chief counsel for the EDC, emailed us when we asked for a copy of the new agreement.

“We have nothing to hide,” said Scott Winters, a spokesman for PXP. “Once the agreement is final, we will release to the public.”

“Substantial amendments have been added to clarify the enforceability concerns raised by the State Lands Commission (SLC) staff and members of the environmental community,” Winters added in email responses to our questions.

Thayer said the Commission’s review of the proposal was conditioned on keeping its contents confidential.

Nava said the Commission's willingness to enter into a confidentiality agreement with an applicant "certainly piques my interest."

"I'll be inquiring into the terms and conditions under which (SLC) entered into such an agreement."

Weed whacker alert: PXP's Winters said that release of the new agreement depended entirely on when the lands commission scheduled another hearing on the project.

"As of right now, the SLC has not calendared this matter for a re-hearing. PXP's hope is that the SLC will move expeditiously to hold a re-hearing," he said. "The sooner the SLC schedules a hearing, the sooner the public will have another chance to consider the benefits offered by the project to discuss whether approval is in fact in the best interest of the state."

We asked Thayer when PXP might get a new hearing in front of the commission. He said it depended on whether they filed a new application for the project, or requested a rehearing on their previous application. A new application would require staff to review it within 30 days, and commissioners to act in 180 or fewer days, he said. But PXP has asked for a faster method to gain approval, such as a rehearing. "We've never done one," Thayer said, adding that the staff is investigating the possibility of such a procedure.