

**STATE OF CALIFORNIA  
REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL COAST REGION**

**STAFF REPORT FOR REGULAR MEETING OF APRIL 17-18, 2025**

Prepared on April 7, 2025

**ITEM NUMBER:** 12

**SUBJECT:** **CONSIDERATION OF A PROPOSED RESOLUTION TO REFER THE SABLE OFFSHORE CORP. MATTER TO THE CALIFORNIA ATTORNEY GENERAL FOR POTENTIAL JUDICIAL ENFORCEMENT**

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**ACTION:** **Adopt Proposed Resolution R3-2025-0024**

**SUMMARY**

This item is to address potential enforcement against Sable Offshore Corp. (Sable or Discharger). Central Coast Regional Water Quality Control Board (Central Coast Water Board) Prosecution staff<sup>1</sup> prepared this staff report. This staff report provides background and a summary of various noncompliance issues associated with Sable's pipeline remediation work on CA-324 and CA-325 and includes a recommendation from the Central Coast Water Board Prosecution staff to adopt the proposed Resolution R3-2025-0024 (Resolution) authorizing referral to the Office of the Attorney General of the State of California (Attorney General). Central Coast Water Board Prosecution staff recommends referral to the Attorney General to address failure to obtain permit coverage before discharging and/or proposing to discharge waste that may impact waters of the state and United States, unauthorized discharges of waste to waters of the state and the United States, and failure to provide required technical information via judicial enforcement, because the Attorney General has a wider range of enforcement mechanisms to address the noncompliance.

**DISCUSSION**

**Background**

Sable operates the onshore pipelines identified as Line 324 and Line 325, which were formerly identified as Line 901 and Line 903, respectively, and were the sources of the

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<sup>1</sup> Prosecution staff consists of staff from the Central Coast Water Board Enforcement Program, Central Coast Water Board 401 Water Quality Certification Program, Central Coast Water Board Stormwater Program, and State Water Resources Control Board (State Water Board) Office of Enforcement.

2015 Refugio Oil Spill.<sup>2</sup> Line 324 and Line 325 are designed to convey crude oil from offshore platforms to an onshore receiving plant. Line 324 and Line 325 start on the Gaviota Coast and are located in Santa Barbara County, San Luis Obispo County, and Kern County and within the Central Coast Water Board and Central Valley Regional Water Quality Control Board's boundaries. Since the 2015 Refugio Oil Spill, Line 324 and Line 325 have not been conveying crude oil. In February 2024, Sable closed on a purchase agreement to become the legal owner of the Las Flores Pipelines. Sable is developing the Santa Ynez Unit oil and gas operation and conducting work on the Las Flores Pipeline System, which includes Line 324 and Line 325. The Line 324 and Line 325 remediation work consists, in part, of a series of repair projects designed to repair the lines and prepare the lines for operation. Portions of Line 324 and Line 325 cross and/or are near waters of the state and/or United States.

### **Summary of Noncompliance**

Since August 2024, Central Coast Water Board staff have been made aware by the public of pipeline remediation work along Line 324 and Line 325 and observed and documented evidence demonstrating that Sable performed work in and discharged waste to waters of the state and United States, associated with the pipeline remediation work. Sable did not file a report of waste discharge to obtain permit coverage, as required by the California Water Code (Water Code), before conducting the work. In December 2024, the Central Coast Water Board issued an order requiring Sable to submit such a report prior to discharging waste or proposing to discharge waste that could affect the quality of waters of the state. While Sable responded to the order to obtain permit coverage and submitted after-the-fact permit applications to perform restoration work at some of the sites in which it had already performed unauthorized work in waters of the state and United States, it continued to perform work in or discharge waste to waters of the state and United States at new locations without filing required reports of waste discharge despite having received notices of the requirement.

Additionally, in January 2025, the Central Coast Water Board issued an investigative order requiring Sable to submit technical information, including an inventory of all of its land disturbance activities, and discharges to waters of the state and United States. While Sable responded in part to the order, it failed to provide Central Coast Water Board staff with critical required information such as a detailed assessment of waste discharges to surface waters resulting from its line remediation work activities, and identification of the locations and sizes of the areas of waters of the state and United States affected by its work.

Sable's practice of performing unauthorized work in waters of the state and United States has inhibited the Central Coast Water Board from ensuring that appropriate mitigation and best management practices are in place to protect water quality.

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<sup>2</sup> In July 2015, the Central Coast Water Board approved a resolution to refer enforcement to the Attorney General for the 2015 Refugio Oil Spill matter. For more information about the referral and 2015 Refugio Oil Spill, see the following staff report:

[https://www.waterboards.ca.gov/centralcoast/board\\_info/agendas/2015/july/item11/index.shtml](https://www.waterboards.ca.gov/centralcoast/board_info/agendas/2015/july/item11/index.shtml)

Furthermore, Sable's refusal to provide the Central Coast Water Board with specified information regarding its work locations and work scope has inhibited the Board's ability to assess impacts to beneficial uses.

### **Referral for Enforcement to California Attorney General**

Central Coast Water Board Prosecution staff is recommending a referral to the Attorney General to receive counsel and consider options available to prevent future unauthorized discharges and potential violations that impair the Central Coast Water Board's ability to perform its statutory or regulatory functions, seek civil liability that provides a meaningful deterrent to future violations by Sable and the regulated community and to ensure that no competitive economic advantage is attained through noncompliance, and to ensure that previous unpermitted actual or potential impacts to waters of the state and United States are properly addressed.

Adoption of the proposed Resolution, included as Attachment 1 to this staff report, approves a formal referral to the Attorney General to pursue potential judicial enforcement, including, but not limited to, imposition of civil liabilities pursuant to Water Code sections 13261, 13265, 13268, 13350, and 13385, bring other applicable causes of action, and/or seek other relief including but not limited to an injunction or temporary restraining order pursuant to Water Code section 13262, or other provisions as may be appropriate.

Prior to requesting the Attorney General to petition the Superior Court to impose civil liability pursuant to Water Code section 13350, the Central Coast Water Board must first hold a public hearing and provide notice to all affected persons. On April 7, 2025, notice was given to Sable and interested persons regarding the April 17-18, 2025, Central Coast Water Board hearing in Watsonville, California.

### **Analysis and Basis for Recommendation**

Given Sable's continued failure to comply with permitting requirements despite receiving notice, and its refusal to provide required information regarding its work in waters of the state and United States, the Central Coast Water Board Prosecution staff are recommending a referral to the Attorney General to address current violations and prevent future violations. Judicial enforcement, to the extent it is pursued, will be more effective than administrative enforcement for the following reasons:

#### *Judicial Enforcement Allows Injunctive Relief and Consent Judgment Options*

Judicial enforcement of the Water Code allows for injunctive relief and the issuance of a consent judgment. Injunctive relief is a remedy which restrains a person from doing certain acts or requires a person to act in a certain way (e.g., forego undertaking work in waters of the state until permit coverage is obtained) and prevents future noncompliance. Violations of certain judicially imposed injunctions can be punished as contempt of court. A consent judgment is a judgment issued by a judge based on an agreement between the parties to a lawsuit; a judge therefore effectively approves the

parties' settlement. Any settlement considered by the Central Coast Water Board resolves only administrative civil liability for Water Code violations. In contrast, a consent judgment can contain broader and more specific terms to which multiple parties agree, including other state agencies. The ability to pursue injunctive relief and/or a consent judgment would allow the Central Coast Water Board, through the Attorney General, to restrain Sable from continuing work until it has complied with the Water Code and regulatory requirements.

#### *Judicial Enforcement Allows More Appropriate Maximum Civil Liability Limits*

Judicial enforcement allows greater penalties to be imposed under Water Code sections 13261, 13265, 13268, 13350, and 13385. For example, for each day a person discharges waste in violation of a prohibition issued by the Central Coast Water Board, Water Code section 13350 allows the Central Coast Water Board to impose civil liability up to five thousand (\$5,000) for each day the violation occurs, but allows the court to impose civil liability up to fifteen thousand dollars (\$15,000) for each day the violation occurs.

Central Coast Water Board Prosecution staff finds that the potential imposition of higher civil liabilities through judicial enforcement is warranted for the following reasons: (1) Sable is willfully and/or negligently violating the Water Code and regulatory requirements; (2) Sable is willfully and/or negligently refusing to comply with investigative orders; and (3) civil liabilities provide a meaningful deterrent to future violations by better ensuring that competitive economic advantages associated with noncompliance are not attained.

#### *Judicial Enforcement Allows Better Opportunity for Inter-Agency Coordination*

Judicial enforcement of the Water Code provides additional inter-agency coordination opportunities and consolidation of potential cases. Consolidation could be an effective and efficient option, depending on the potential remedies sought.

#### **Alignment with Central Coast Water Board Enforcement Program Priorities**

This action to refer the Sable matter to the Attorney General aligns with [Central Coast Water Board enforcement priorities](#)<sup>3</sup> because it addresses violations that pose an immediate and potentially significant threat to water quality and addresses violations involving a noncompliant discharger that may realize a significant competitive economic advantage over compliant members of the regulated public.

#### **Notification of Public Hearing and Opportunity for Public Comment**

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<sup>3</sup> Central Coast Water Board enforcement priorities are at the following web address: [https://www.waterboards.ca.gov/centralcoast/water\\_issues/programs/enforcement/](https://www.waterboards.ca.gov/centralcoast/water_issues/programs/enforcement/) and the staff report that describes the annual update of the Central Coast Water Board enforcement program priorities is available at: [https://www.waterboards.ca.gov/centralcoast/board\\_info/agendas/2024/jun/item10\\_stfrpt.pdf](https://www.waterboards.ca.gov/centralcoast/board_info/agendas/2024/jun/item10_stfrpt.pdf)

On April 7, 2025, notice was given to Sable and interested persons regarding the proposed Resolution and April 17-18, 2025 Central Coast Water Board public hearing in Watsonville, California.

## **CONCLUSION**

The recommendation to refer alleged violations associated with Sable's activities to the Attorney General aligns with Central Coast Water Board enforcement priorities and the State Water Board's 2024 Water Quality Enforcement Policy.<sup>4</sup> Given Sable's repeated failure to comply with regulatory requirements, referral to the Attorney General will allow the Central Coast Water Board to contemplate pursuing more appropriate civil liability and injunctive relief than would otherwise be allowed if the Central Coast Water Board pursued an administrative liability action. This action will support an effective solution to protect water quality and beneficial uses and is necessary to achieve the general deterrence needed to encourage the regulated community to anticipate, identify, and correct potential noncompliance issues before they occur.

## **RECOMMENDATION**

Central Coast Water Board Prosecution staff recommend that the Central Coast Water Board adopt the proposed Resolution referring Sable's violations to the Attorney General for judicial enforcement.

## **ATTACHMENT**

Proposed Resolution R3-2025-0024

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<sup>4</sup> The State Water Board amended the 2017 Enforcement Policy on December 5, 2023, and those amendments became effective on November 7, 2024. The 2024 Enforcement Policy is at the following web address: [https://www.waterboards.ca.gov/water\\_issues/programs/enforcement/docs/2024/2024-enforcement-policy.pdf](https://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/2024/2024-enforcement-policy.pdf).

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL COAST REGION  
[PROPOSED] RESOLUTION R3-2025-0024**

**AUTHORIZING REFERRAL FOR POTENTIAL JUDICIAL CIVIL ENFORCEMENT TO  
THE CALIFORNIA ATTORNEY GENERAL**

**WHEREAS:**

1. Sable Offshore Corp. (Sable or Discharger) operates the onshore pipelines identified as CA-324 (formerly Line 901) and CA-325 (formerly Line 903). The pipelines are part of the Santa Ynez Unit oil and gas operation in Santa Barbara County, San Luis Obispo County, and Kern County.
2. In August 2024, Central Coast Regional Water Quality Control Board (Central Coast Water Board) staff were made aware by the public of pipeline remediation work along Line 324 and Line 325 along the Gaviota Coast in Santa Barbara County. Central Coast Water Board staff informed a Sable representative that intermittent and ephemeral streams are waters of the state and work within those waters requires permitting. The Sable representative confirmed Sable's knowledge of the regulatory requirements and confirmed Sable had surveyed all work locations and found no project impacts to waters of the state. On November 4, 2024, Central Coast Water Board staff inspected various project work locations. During this inspection, Central Coast Water Board staff observed and documented evidence demonstrating that Sable had performed work in and discharged waste to waters of the state. Sable did not file a report of waste discharge to obtain permitting, as required, before conducting the work.
3. On December 13, 2024, Central Coast Water Board staff issued a Notice of Violation (NOV) to Sable notifying it that any person discharging waste, or proposing to discharge waste, that could affect the quality of waters of the state is required to file a report of discharge prior to initiating the discharge; that Sable's activities observed at the November 4, 2024 inspection constituted a violation of the California Water Code (Water Code); and, that Sable's activities were likely also subject to stormwater permitting. The Central Coast Water Board also issued a directive to Sable pursuant to Water Code section 13260 ordering Sable to submit a report of waste discharge and providing additional notice to Sable of the requirements in Water Code sections 13260 and 13264.
4. On January 22, 2025, the Central Coast Water Board issued an investigative order pursuant to Water Code section 13267 requiring Sable to submit technical information, including an inventory of all of its land disturbance activities, and discharges to waters of the state and United States. While Sable responded in part to the order, it failed to provide Central Coast Water Board staff with critical required information such as a detailed assessment of waste discharges to surface waters resulting from its line remediation work

- activities, and identification of the locations and sizes of the areas of waters of the state and United States affected by its work.
5. While Sable has submitted after-the-fact permit applications to perform restoration work at some of the sites in which it had already performed unauthorized work in waters of the state and United States, it continued to perform work and discharge waste at new locations without filing required reports of waste discharge as required by Water Code sections 13260 and 13376 despite having received notices of the requirement.
  6. On February 28, 2025, Central Coast Water Board staff inspected project work locations it had not previously been aware of and had discovered as a result of public complaints. Central Coast Water Board staff observed that Sable had performed work at new locations in waters of the state. Staff also observed that Sable had discharged waste to Arroyo Quemado, a water of the United States. Sable did not file reports of waste discharge prior to performing the work at these locations as required by Water Code sections 13260 and/or 13376. Additionally, the Water Quality Control Plan for the Central Coastal Basin (Basin Plan), June 2019 Edition prohibits, pursuant to Water Code section 13243, the following 1) the discharge or threatened discharge of earthen and organic materials into any stream in the basin in quantities deleterious to beneficial uses and 2) unless otherwise authorized, waste discharges to all coastal surface streams and natural drainageways that flow directly to the ocean within the South Coast Hydrologic Units<sup>1</sup> except where discharge is associated with an approved wastewater reclamation program.
  7. Sable's practice of performing unauthorized work in waters of the state and United States has inhibited the Central Coast Water Board from ensuring that appropriate mitigation and best management practices are in place to protect water quality. Furthermore, Sable's refusal to provide the Central Coast Water Board with specified information regarding its work locations and work scope, has inhibited the Board's ability to assess impacts to beneficial uses.
  8. The Central Coast Water Board may request that the Office of the Attorney General of the State of California (Attorney General) file a petition in Superior Court to impose liability pursuant to California Water Code sections 13261, 13265, 13268, 13350, and 13385; and may request that the Attorney General seek a temporary restraining order or injunction requiring compliance with Section 13260, pursuant to California Water Code section 13262.
  9. Given repeated failure to comply with regulatory requirements, referral to the Attorney General will allow the Central Coast Water Board to consider pursuing more appropriate civil liability and injunctive relief than would otherwise be allowed if the Central Coast Water Board pursued an administrative liability action.

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<sup>1</sup> Sable's pipeline remediation work along Line 324 and Line 325 along the Gaviota Coast in Santa Barbara County is within the South Coast Hydrologic Units defined in the Basin Plan.

10. After providing, pursuant to Water Code section 13350, subdivision (g), requisite notice to the public and to Sable and holding a public hearing on April 17, 2025, the Central Coast Water Board finds it necessary and appropriate to refer this matter to the Attorney General for enforcement, to potentially seek injunctive relief, bring other applicable causes of action, and/or judicially imposed civil liabilities under applicable sections of the Water Code.

**THEREFORE BE IT RESOLVED THAT:**

The Central Coast Water Board:

1. Hereby requests that the California Attorney General petition the Superior Court for an assessment of civil liability, for appropriate injunctive and declaratory relief, if any, and for any other form of relief the Superior Court deems necessary and proper against Sable for violations of and in accordance with California Water Code sections 13260, 13261, 13262, 13264, 13265, 13267, 13268, 13350, 13361, 13376, and 13385, and any other applicable statutes, as may be appropriate.
2. Any person affected by this action may petition the State Water Resources Control Board (State Water Board) to review the action in accordance with section 13320 of the California Water Code and Title 23, California Code of Regulations, Section 2050. The State Water Board must receive the petition within 30 days of the date of this Resolution. Copies of the law and regulations applicable to filing petitions will be provided upon request.

**CERTIFICATION**

I, Ryan E. Lodge, Executive Officer, hereby certify that the foregoing is a full, true, and correct copy of the Resolution adopted by the California Regional Water Quality Control Board, Central Coast Region, at its regular meeting on April 17-18, 2025.

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Ryan E. Lodge  
Executive Officer