

**MINUTE ITEM**  
This Calendar Item No. C83 was approved as  
Minute Item No. 83 by the California State Lands  
Commission by a vote of 3 to 2 at its  
6-27-00 meeting.

**CALENDAR ITEM  
C83**

A	33, 35	06/27/00
		C2000-14
S	18	PRC 145
		PRC 410
		PRC 429
		PRC 1466
		D. Brown

**REQUEST FOR AUTHORITY TO AWARD AND EXECUTE CONTRACT FOR  
PERFORMANCE OF A ELECTRICAL SYSTEMS SAFETY  
AUDIT OF RINCON ISLAND, VENTURA COUNTY**

**PARTY:**

California State Lands Commission  
100 Howe Avenue, Suite 100 South  
Sacramento, CA 95825

**PROPOSED ACTIVITY:**

Rincon Island and the associated onshore facilities and leases are operated by Rincon Island Limited Partnership (RILP), a small independent oil company owned by Windsor Energy US Corporation. It is located in an environmentally sensitive residential area one-half mile off the coast at Mussel Shoals in northern Ventura County. The man-made Island, built in the early 1950's, has one acre of usable surface area and is located in about 45 feet of water. It is connected to the mainland by a 2,700-foot wooden and steel causeway. Two six inch pipelines (oil and gas) exit the Island and are affixed to the causeway. A high voltage power line and telecommunications lines run from the shore to the Island along the causeway. The facility has about 28 active producers and 8 injectors. Current oil and gas production is about 500 barrels and 300 thousand cubic feet per day respectively.

RILP has experienced several incidents that raise concerns about the design and functioning of the alarm/control system and condition of the facilities and the operations. Due to public safety considerations and the potential threat to State property and environmental resources, staff has initiated a safety assessment of the Island and onshore facilities. The facilities will be audited to ensure that they are in compliance with the National Electric Code and American Petroleum Institute Recommended Practice RP14F and RP-500 as well as other applicable codes, regulations, standards,

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recommended practices and industry practices. Recent incidents dictate that this work be initiated immediately.

The Commission's staff includes qualified mechanical, civil, and petroleum engineers to evaluate the facilities, but does not have an electrical engineer to analyze and verify proper design functioning of the alarm and shutdown system. Based on the recent issues, the electrical systems seem to be most at risk. A qualified electrical engineer is needed immediately to evaluate these systems and prescribe necessary remediation. Staff has identified an electrical engineering safety assessment specialist and obtained a proposal from Mr. Douglas Effenberger, P.E. Mr. Effenberger is an electrical engineer familiar with oil field operations, facilities, and equipment and is President of Power Engineering Services which is located in Brea, California. He worked on the June 1999 Platform Holly and onshore facility engineering safety audit with State Lands Commission. It is estimated that this work will cost less than \$35,000.

**STATUTORY AND OTHER REFERENCES:**

- A. Public Resources Code Section 6106 (Delegation to execute written instruments)
- B. Public Contract Code Section 10355 et. seq. (Consulting Services Contracts)
- C. State Administrative Manual Section 1200 (Contracts)

**IT IS RECOMMENDED THAT THE COMMISSION:**

1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL CODE REGS. 10561 BECAUSE THIS ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL. CODE REGS. 15378.
2. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO AWARD AND EXECUTE A CONTRACT NOT TO EXCEED \$35,000 AND IN ACCORDANCE WITH CURRENT STATE POLICIES AND PROCEDURES FOR COMPETITIVELY BID AND SOLE SOURCE CONTRACTS.