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April 3, 2026

Linda Daugherty
Acting Associate Administrator for Pipeline Safety
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Pipeline Safety Trust Comment on Special Permit Request of Sable Offshore Corp. (Docket No. PHMSA–2026–0464)

Dear Ms. Daugherty:

Please consider the comments in this letter in your deliberations on the special permit request of Sable Offshore Corp. (Sable). These comments are filed on behalf of the Pipeline Safety Trust (PST).[1] PST is the only national non-profit organization that focuses on pipeline safety. We do this through education and advocacy, increasing access to information, and building partnerships with residents, safety advocates, government, and industry to promote safe communities and a healthy environment.

According to the Federal Register notice, Sable is "requesting a waiver from the requirement in 49 CFR § 195.452(h)(4)(iii)(H) to remediate certain longitudinal seam weld corrosion on hazardous liquid pipelines within 180 days of discovery." 91 Fed. Reg. 8949 The waiver would apply to two pipeline segments known as Lines CA-324 and CA-325 (inclusive of CA-325A and CA-325B). PHMSA also stated that "Sable filed this application for a special permit to implement the terms of a Consent Decree" and that "the Consent Decree required the prior operator of the pipeline to obtain a waiver before restarting Lines CA-324 and CA-325 to make sure that effective measures were in place to mitigate the risk of corrosion."[2]

As PHMSA knows, a special permit application can only be granted if the waiver of the regulation or standard is not "inconsistent with pipeline safety."[3] In doing so, the Associate Administrator may impose conditions if a conclusion is made that they "are necessary to assure safety, environmental protection, or are otherwise in the public interest." *Id.* Sable has the burden of demonstrating that the regulatory standards found at § 190.341 are met by submitting documentation to PHMSA about the pipeline's conditions, the regulations it seeks relief from, the unique circumstances that make the applicability of the standard unnecessary, the activities the operator proposes to undertake as an alternative, impacts

1 http://www.pstrust.org/.
[2] 91 Fed. Reg. 8949.
[3] 49 C.F.R. § 190.341(d)(2).

on stakeholders, and a certification that the grant of the special permit will not be inconsistent with pipeline safety.

On March 20, 2026, PHMSA published an additional notice in the Federal Register extending the comment period for the special permit application to give members of the public "time to review the proposed special permit in light of recent developments." On March 13, 2026, the U.S. Secretary of Energy directed Sable to restart these pipeline segments invoking the Defense Production Act (DPA).[4] PHMSA now seeks comments not only on the proposed special permit itself, but the "impact that the DPA order might have on this proceeding, including whether the special permit remains necessary and, if so, whether safety or environmental analysis should be adjusted in light of the restart of the pipeline segments."[5]

PST has reviewed the materials submitted (SP Application) by Sable and PHMSA's proposed special permit (Proposed SP). PST is submitting these comments in response to PHMSA's invitation for "interested persons to review and submit comments…on any potential safety, environmental, and other relevant considerations implicated by the special permit request."[6] PST is also responding to PHMSA's request for comments relating to the DPA, the special permit's necessity, and the environmental analysis.

1. The DPA Order Has No Bearing on This Proceeding

PHMSA requests comment on the impact the DPA order might have on this proceeding and whether a special permit remains necessary. PST appreciates the opportunity to comment on this proceeding. Public comment on the safety merits of a special permit is appropriate, important, and required by the regulations, but an agency's statutory obligations are not a matter on which public input is determinative. The special permit surely remains necessary even in light of the administration's invocation of the DPA, as it does not and cannot displace PHMSA's independent statutory obligations under the Pipeline Safety Act. The fact that PHMSA has framed this as an open question suggests a concerning ambiguity about its own understanding of its duties, which it should know are fixed by statute.

The DPA is a national defense contracting tool that gives the executive branch authority to prioritize government contracts for goods and services deemed critical to the national defense.[7] It does not, however, amend, repeal, or supersede the Pipeline Safety Act, and it does not give the U.S. Secretary of Energy authority to interfere or unilaterally waive safety requirements. PHMSA is authorized under a wholly separate statute from the U.S. Department of Energy (DOE). Whatever effect the Secretary of Energy's order may or may or not have on other regulatory frameworks, it has no bearing on PHMSA's congressionally assigned safety mandate.

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[4] 91 Fed. Reg. at 13,698.
[5] *Id.* at 13,698–99.
[6] 91 Fed. Reg. 8950.
[7] 49 U.S.C. §§ 4501 et seq.

PHMSA must also know that the U.S. Secretary of Energy order invoking the DPA in this scenario is questionable and is actively being challenged. According to DOE's own Title I regulations, a proper prioritization or allocation requires reference to specific government contracts or orders, a specific delivery date, a start and end date, and a description of required allocation action.[8] The order includes none of these elements, meaning it is facially invalid. PST is also unaware of an existing government contract selling the product that would be subject to the order to the government—indeed it is framed broadly as an order for Sable to "immediately prioritize and allocate transportation services for hydrocarbons[.]"[9] Even if PHMSA took the order, and the Presidential Energy Emergency that it is based upon, as true, its duty as a safety regulator remains.

At the baseline, PHMSA should be exercising caution in its deliberation about whether it should end this special permit review. As PHMSA well knows, Sable is seeking to waive the very corrosion-related safety requirements implicated by the 2015 Refugio Beach spill. PHMSA's determination on this SP requires its independent safety judgment that takes into consideration the history and condition of this pipeline and the public record should reflect that it took that responsibility seriously.

2. The Proposed SP Is Inconsistent with Pipeline Safety

The Proposed SP is inconsistent with pipeline safety because PHMSA failed to follow or otherwise require Sable to follow the regulations governing special permits at 49 C.F.R. § 190.341. First PHMSA proposes to limit its own regulatory language at § 190.341(j)(3). Second, PHMSA proposes, unsolicited by Sable, to issue the special permit for the "operational life of Lines CA-324 and CA-325" contrary to PHMSA's granting authority at § 190.341(d)(2) which is specified "for a period of time." Third, the SP Application does not include a list of the specific regulation(s) from which Sable seeks relief, as required by § 190.341(c)(3) and 49 U.S.C. § 60118. Fourth, the SP Application fails to include any "description of…negative impacts on affected stakeholders" as required by §190.341(c)(6). Fifth, the SP Application fails to include any measures or activities Sable proposes to undertake in response to the regulatory relief sought from § 195.452(h)(4)(iii)(H) despite stating that such measures are included in the SP Application. Sixth, PHMSA fails to require conditions in the Proposed SP that would prevent another failure or otherwise make operation of CA-324 and CA-325A/B as safe as if these pipelines were adequately coated and were able to be effectively cathodically protected. Seventh and finally, PHMSA grants relief from § 195.452(h)(4)(iii)(H) that was not requested by Sable for CA-325A/B.

For the reasons summarized above and explained in further detail in this comment, PST believes that the Associate Administrator has erred in its determination that Sable's SP Application complete.[10] PST also believes that the Associate Administrator has erred in its determination that the waiver of the relevant regulation or standard in not inconsistent with

[8] 10 C.F.R. § 217.32.
[9] Pipeline Capacity Prioritization and Allocation Order 3 (Mar. 13, 2026).
[10] 49 C.F.R. § 190.341(d)(2).

pipeline safety.[11] Accordingly, the Associate Administrator must deny the SP Application, or risk violating the Administrative Procedure Act's prohibition on arbitrary decisionmaking.[12]

2.1. PHMSA has Arbitrarily Limited and Interpreted its Own Authority in the Proposed Special Permit

PST observes that in translating the draft special permit provided by Sable in its application to a proposed special permit, PHMSA took it upon itself to substantially expand the "limitations" section beyond that of what was requested. Sable requested a 10-year special permit term that could be revoked if it failed to comply with the terms of the permit.[13] Inexplicably, PHMSA proposed terms that allow the special permit to remain in place "for the operational life" of the pipelines, and limits its ability to revoke the permit pursuant to § 190.341(j)(1)(ii) for a "material change in conditions or circumstances" to only include "conditions or circumstances arising *after the issuance of this special permit that implicate directly the national security interests of the United States or that result directly from an emergency as declared by the President of the United States.*"[14] The legality of the expanded time frame and this limitation on revocation are questionable at best.

PST notes that PHMSA has provided absolutely no rationale for making this special permit indefinite, potentially violating the Administrative Procedure Act's requirement that agencies engage in reasoned decisionmaking. The regulatory text requires that waivers be time limited.[15] The waiver regulations state that the Associate Administrator "may grant the application. . . for a period of time from the date granted."[16] In contravention of this requirement, PHMSA proposes to grant the permit "for the operational life of the pipeline." This term appears nowhere in the regulation, and Sable did not even request it. Renewals are the mechanism for extending the life of a special permit and provide the critical opportunity for PHMSA to ensure the conditions are sufficient for the safety of the pipeline and to protect the public.[17] Instead, without explanation, PHMSA proposes to extend the term of the Proposed SP from the 10 years requested by Sable to the operational life of the pipeline, shifting the action from a temporary, narrow, and tightly conditioned exception to pipeline safety regulations, to a limitless deregulatory action that abandons the structured oversight mechanism contemplated expressly by the regulations. Considering this unprecedented expansion of scope PHMSA's questions about whether a special permit is necessary in light of the DOE Secretary's restart order, it is reasonable for members of the public to be wondering if pipeline safety is being considered at all by PHMSA.

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[11] *Id.*
[12] *Id.*; 5 U.S.C. § 706(2)(A).
[13] SP Application at 40.
[14] *Id.* (emphasis added).
[15] 49 C.F.R. § 190.341(d)(2); 5 U.S.C. § 706(2)(A).
[16] 49 C.F.R. § 190.341(d)(2).
[17] *Id.*

The latter part of the limitation in which PHMSA rewrites the text of the regulation violates basic APA requirements. PHMSA has neither acknowledged its departure from the regulatory standard, nor has it provided a reasoned explanation for it as required by the APA.[18] If PHMSA wishes to change the text of this regulation, it should notice it for comment rather than using a special permit as a mechanism for rewriting a substantive standard for permit revocation in contravention of the notice and comment contemplated by the APA. Under the existing standard at § 190.341(j)(1)(ii), PHMSA may "revoke, suspend, or modify a special permit on a finding that…" "based on a material change in condition or circumstances, continued adherence to the terms of the special permit would be inconsistent with safety[.]" The proposed special permit *limits* the conditions that would meet this standard to only include "national security interests" or an "emergency" declared by the President, rather than an inconsistency with safety. In doing so, PHMSA abdicates its mission "to protect people and the environment by advancing the safe transportation and energy [. . .] that are essential to our daily lives."[19]

Finally, PHMSA creates a scenario for revocation that is so narrow, Sable is essentially entitled to operate this pipeline no matter how unsafe the conditions are, and whether or not Sable addresses the corrosion issue that the special permit conditions are ostensibly drafted to remediate. PST reads this limitation as so broad that Sable could wholly reject the Pipeline Safety Regulations (PSRs), leak massive amounts of product, or even damage its pipeline through overt negligence, and the special permit could not be revoked.

2.2. The SP Application Does Not Include a List of the Specific Regulation(s) from which Sable Seeks Relief

The primary purpose of the special permit is in response to the third Amendment to the CAO and the Consent Decree[20] where, in lieu or replacement, coating remediation, or abandonment, Sable is required to obtain a special permit for the limited effectiveness of the corrosion prevention of CA-324 and segments of CA-325A/B, prior to restart. At its root, why would the Consent Decree require Sable to submit a state waiver for the effectiveness of corrosion control prior to restart if that was not the substantive issue affecting the pipeline? The substantive issue is that a defective coating shields cathodic protection, making subpart H compliance as intended by the regulations impossible. Yet Sable's current application seeks no relief from those regulations in subpart H. Instead, Sable bases its application on a non-specific reference to the Consent Decree and the completely unrelated requirement for selective seam weld corrosion (SSWC) , without acknowledging the corrosion control compliance gap that the 2015 failure, FIR, and the Consent Decree had already established.

In its application, Sable argues that its cathodic protection system is compliant, however Sable has ample information to know that the coating system installed on CA-324 and

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[18] 5 U.S.C. §§ 553; 706.

[19] PHMSA, *PHMSA's Mission* https://www.phmsa.dot.gov/about-phmsa/phmsas-mission.

[20] Consent Decree, United States v. Plains All American Pipeline, L.P., 75 (No. 20-CV-02415) (Mar. 13, 2020) [hereinafter "Consent Decree"].

segments of CA-325A/B is shielding cathodic protection meant to prevent external corrosion.[21]However, it is clear that Sable misunderstands its responsibilities for cathodic protection under 49 C.F.R. part 195 subpart H.[22]

Accordingly, Sable does not propose a single measure to systematically resolve the threat posed by the defective and continuously deteriorating coating system and the ineffective cathodic protection system. As a result, Sable and PHMSA fail to appropriately address the primary purpose of this special permit in a manner consistent with pipeline safety. Accordingly, a special permit application for CA-324 and CA-325A/B for the limited effectiveness of corrosion prevention that fails to identify regulations pertaining to corrosion control at subpart H or corrective action at 49 C.F.R. § 195.401(b) does not meet the requirement that the special permit list the specific regulation(s) from which Sable seeks relief.

2.3. The SP Application Fails to Include a Description of Negative Impacts on Affected Stakeholders

Sable's SP Application also fails to comply with the requirement at 49 C.F.R. § 190.341(c)(6) to provide "[a] description of any positive or negative impacts on affected stakeholders and a statement indicating how operating the pipeline pursuant to a special permit would be in the public interest." Sable's response to this requirement describes only positive impacts, framing the SP exclusively in terms of energy supply benefits to the West Coast and citing Executive Order 14156. Sable does not describe any negative impacts on affected stakeholders.

The absence of any discussion of negative impacts is a material omission. CA-324 and CA-325A/B traverse approximately 125 miles through Santa Barbara, San Luis Obispo, and Kern Counties. The 2015 failure on CA-324 resulted in approximately 123,000 gallons of crude oil being released into the environment, killing fish, invertebrates, birds, and marine mammals and affecting over 150 miles of coastline.[23] The root causes of the 2015 failure, namely the defective external coating system and ineffective cathodic protection, remain present on both pipelines. Affected stakeholders include communities along the pipeline route, commercial fisheries, recreational users of the Gaviota Coast, and the ecological resources that were directly harmed by the 2015 failure and remain at risk.

Sable's omission of any negative stakeholder impact is particularly notable given the nature of the relief sought. A special permit, by definition, waives compliance with one or more pipeline safety regulations.[24] Any such waiver inherently carries risk to the people, property, and environment in proximity to the pipeline. An application that acknowledges only the economic benefits of pipeline operation while omitting the safety and

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[21] SP Application at 8.
[22] 66 Fed. Reg. 66,994–99.
[23] Pipeline and Hazardous Materials Safety Admin., Failure Investigation Report: Plains Pipeline, LP, Line 901 Crude Oil Release, May 19, 2015, Santa Barbara County, CA, at 3 (May 19, 2016) [hereinafter "FIR"].
[24] 49 C.F.R. § 190.341(a)

environmental risks to affected stakeholders does not comply with the requirements this section.

PHMSA is required under 49 C.F.R. § 190.341(d)(2) to determine that an application "complies with the requirements of this section" before granting a special permit. PHMSA's acceptance of Sable's incomplete response to § 190.341(c)(6) without requiring supplementation represents administrative failure.

2.4. The SP Application Fails to Include Any Measures or Activities Sable Proposes to Undertake in Response to the Regulatory Relief Sought in the SP Application

Sable states that its application includes "measures specific to SSWC."[25] PST observes no such measures. PHMSA did not identify that Sable did not in fact propose any measures specific to SSWC when it published the Proposed SP. PHMSA also made no attempt to explain why the absence of these measures is not inconsistent with pipeline safety or otherwise unnecessary.

2.5. PHMSA Fails to Require Conditions in the Proposed SP That Would Prevent Another Failure or Otherwise Make Operation of CA-324 and CA-325A/B as Safe as Effectively Protected Pipelines

As discussed in Section 2.2 of this comment, both Sable and PHMSA fail to identify that the primary issue for which the special permits are required is the defective coating and ineffective cathodic protection of CA-324 and segments of CA-325A/B. This failure stems from Sable apparently failing to consider the full context of PHMSA's Corrective Action Order (CAO)[26] and the Consent Decree. That provides an understanding that the pipeline is coated in a way that prevents the application of effective cathodic protection.

Accordingly, the primary methods of remediation considered by PHMSA in the CAO and the U.S. District Court in the Consent Decree after the 2015 failure involved replacing, recoating, or abandoning affected pipeline segments. As an alternative to those options, a special permit could be considered. Neither PHMSA's nor Sable's special permit documents characterize the restarting of Lines CA-324 and CA-325A/B as an ordered alternative to pipe replacement consistent with the Consent Decree. The purpose for the special permits is stated "as an alternative to replacement" and that Sable "may restart the existing pipelines in accordance with the Consent Decree (including Appendix D) and applicable law."[27] The approach taken in the Consent Decree is derived from the CAO (third amendment) and PHMSA's FIR in response to the 2015 failure wherein replacement or recoating are the primary objectives.[28]

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[25] SP Application at 19.
[26] U.S. Dep't of Transp., Pipeline and Hazardous Materials Safety Admin., Corrective Action Order and subsequent amendments (CPF No. 5-2015-5011H) (November 12, 2015).
[27] Consent Decree at 2/76.
[28] Amendment 3 to the CAO, *supra* note 26, at 8.

However, a special permit proceeding in which Sable and PHMSA avoid acknowledging and addressing the root issue of the pipeline coating system being defective, is wholly unable to prescribe conditions that are adequate to prevent another failure. As a result, external corrosion is allowed to grow in a widespread and progressive manner without bounds between in-line inspections (ILIs). Granted, the SP Application proposes accelerated ILIs, but the public might not take much comfort in this measure considering Plains attempted using this same measure to prevent the eventual 2015 failure. In fact, such a measure (accelerated assessments) is already explicitly contemplated in the federal pipeline safety regulations.[29] Similarly, the remainder of the integrity management-related measures proposed by Sable and PHMSA, are no more stringent than those a prudent operator with a pipeline with a defective coating and widespread, progressive external corrosion would take as part of their mandated integrity management program.[30]

2.6. PHMSA Grants Relief That Was Not Requested by Sable

The Proposed SP proposes to grant relief that is both unrequested and unnecessary. PHMSA applies relief from 49 C.F.R. § 195.452(h)(4)(iii)(H) to CA-325A/B despite Sable requesting that waiver only for CA-324 (at least inconsistently). PHMSA takes this action without providing countermeasures or justifying their absence. Sable also claimed in its SP Application that it includes measures specific to SSWC but did not actually propose any. PHMSA neither identified this omission nor explained why such measures were excluded from the Proposed SP.

Further, PHMSA's own FAQ guidance clarifies that corrosion coincident with a longitudinal seam does not need to be mitigated under § 195.452(h)(4)(iii)(H).[31] This would allow Sable to assert, without the need for a special permit, that corrosion detected near a seam is coincident with, rather than of or along, the seam. This makes the waiver unnecessary on its face.

In other words, the Proposed SP is framed as addressing SSWC but contains no measures or considerations for SSWC and is unnecessary in light of published PHMSA guidance. Instead, the conditions in the Proposed SP focus on lagging integrity management measures responsive primarily to the Consent Decree. These conditions do not remedy the root causes of the external corrosion that caused the 2015 failure. This external corrosion will continue to spread and grow on CA-324 and segments of CA-325A/B. For these reasons, the Proposed SP is inconsistent with pipeline safety because it does not properly address the unremediated external corrosion threat to CA-324 and segments of CA-325A/B.

3. PHMSA Must Revise its Environmental Analysis

[29] 49 C.F.R. § 195.452(i)(1).
[30] *See* 49 C.F.R. § 195.452(i)(1) ("An operator must take measures to prevent and mitigate the consequences of a pipeline failure that could affect a high consequence area").
[31] PHMSA, Liquid Integrity Management Rule Frequently Asked Questions, (Sept. 12, 2025), at 31.

PHMSA requested input on whether the environmental analysis should be adjusted in light of the restart of the pipeline segments.[32] PST notes that the initial environmental assessment, which made a finding of no significant impact (FONSI), was issued December 23, 2025.[33] This was before the restart of the pipeline, and before PHMSA published its Proposed SP. As discussed above, the Proposed SP contains significant limitations on PHMSA's regulatory oversight, even in the event of a failure, proposes a SP term for the operational life of the pipeline, and grants relief from provisions of code that were not requested. As such, the EA fails to address the change in conditions relating to the restart of the pipeline. It also could not have possibly contemplated the breadth of the Proposed SP and should be adjusted significantly.

The EA analysis is severely lacking. The Purpose and Need section discusses granting the permit based on the supposed energy emergency of questionable validity rather than grappling with the actual reason why Sable cannot comply with the regulations. The analysis does not identify the obviously foreseeable impact that a failure attributable to the lack of effective corrosion control would have and instead touts that the requirements would minimize the risk of an oil spill. The EA presents a false dichotomy between the action and the no-action alternatives, treating pipeline remediation as the environmental harm due to excavation/ground disturbance while failing to weigh that against the documented environmental consequences of an actual failure. PHMSA and Sable have the 2015 failure as a baseline for a failure analysis but mention of that is missing here. It also lacks a specific discussion of the sensitive nature of the coastal and marine environment that would be affected by the action and instead focuses only on riparian zones, oak woodlands, rangelands, irrigated croplands, and mountainous areas. PHMSA must amend this EA to address these issues.

4. Application of PHMSA's Notice of Limited Enforcement

On February 13, 2026, Sable notified PHMSA of its intent to continue operating under the emergency special permit despite its expiration "consistent with the National Energy Emergency Declaration in E.O[sic] 14156 and PHMSA's January 12, 2026 Notice of Limited Enforcement Discretion and Statement of Policy for Issuing Special Permits In Response to National Energy Emergency."[34] PST remains apprehensive about the legality of this policy, and this proceeding is a prime example as to why. As PST has pointed out, PHMSA lacks a mechanism for controlling or monitoring its use. PHMSA Administrator Paul Roberti testified at a recent hearing that in his view these waivers would only be used for "serious exigencies that warrant a strong public need to assist communities because of a deprivation of energy supplies" and that it might be "the difference between whether a community is able to heat their homes at night[.]" This circumstance fits none of that description. Instead, it appears to function as an unlimited license to operate under a

[32] 91 Fed. Reg. 13,999.
[33] PHMSA, Environmental Assessment for Sable Offshore Corp. Special Permit (Docket No. PHMSA-2025-1502) (PHMSA-2026-0464-0005).
[34] Letter from J. Caldwell Flores, President, Sable Offshore Corp., to Linda Daugherty, Acting Associate Administrator for Pipeline Safety, PHMSA, (Feb. 13, 2026) (PHMSA-2026-0464-0001).

questionable legal background. PHMSA owes it to the public to seek to fulfill its mission rather than catering to one operator.

Thank you for the opportunity to provide feedback on this special permit application. Please contact me if you have any questions at erin@pstrust.org or (360) 543-5686 x107.

Sincerely,



Erin Sutherland
Policy & Program Director/Counsel