

**MOTION BY SUPERVISORS HOLLY J. MITCHELL
AND SHEILA KUEHL**

December 21, 2021

Modernized and Updated Terms for Pipeline Franchise Agreements

The County of Los Angeles (County) currently holds multiple franchise agreements with operators of oil and gas pipelines that transport oil, gas, and other toxic substances in the public right of way. Pipeline operators hold agreements with and pay fees to agencies and/or jurisdictions whose right of way their pipelines pass through. The County must ensure that future amendments or extensions of franchise agreements are in line with policies approved by the County Board of Supervisors regarding oil and gas operations, including priorities adopted through the OurCounty Sustainability Plan.

With two recent motions, Developing a [Comprehensive Strategy for a Just Transition Away from Fossil Fuels in Los Angeles County](#) and [Protecting Communities Near Oil and Gas Drilling Operations in Los Angeles County](#), both approved on September 15, 2021, the County established itself as a leader in the pursuit to phase out oil and gas. Considering such a clear, long-term policy direction, we must examine and modernize oil and gas pipeline franchise agreements to ensure consistency with existing policy.

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MOTION

SOLIS	_____
KUEHL	_____
HAHN	_____
BARGER	_____
MITCHELL	_____

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Instruct the Director of the Department of Public Works (DPW) in coordination with the Chief Sustainability Office (CSO), County Counsel, and the Office of Anti-Racism, Diversity, and Inclusion Initiative to identify pathways to implement recommendations from the December 2021 *Report on Developing an Oil Well Cleanup Pilot Program and a Comprehensive Strategy for a Just Transition Away From Fossil Fuels (Items no. 9 and 24, Agenda of September 15, 2021)* and return to the Board of Supervisors (Board) within 90 days to seek approval of any documents, including draft ordinances, Board policies, or model language for franchise agreements, necessary to implement the recommendations.
2. Instruct the Director of DPW to implement additional recommendations detailed in the section titled “Franchise Fees” of the December 2021 Report, including but not limited to:
 - a. Recommendations contained in the attachment’s “Summary Findings” section on “Other Recommendations” for Franchise Fees;
 - b. Recommendations on updating application fees to include cost recovery for staff time to process applications, as well as deposits;
 - c. Recommendations on processes for approving changes of ownership or operators.
3. Instruct the Director of DPW and the CSO, to report back in writing within 120 days with a long-term plan and projection for aligning pipeline franchise agreements with the County’s priorities of phasing out oil and gas.
4. Direct the CEO, in consultation with DPW and the CSO, to report back during the 2022-23 Recommended Budget on the feasibility of providing additional funding for both the Office of Oil and Gas and the County’s Just Transition work.

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(LO/JW)