WASHINGTON, D.C. – The U.S. Department of Justice, together with the U.S. Fish and Wildlife Service, the U.S. Environmental Protection Agency and the California Department of Fish and Game, today announced a settlement under which ExxonMobil Oil Corporation will pay the United States and the state of California $4.7 million in compensation for a spill of crude oil from a pipeline operated by the former Mobil Oil Company. The bulk of the money will go towards restoration of natural resources injured by the spill; the remainder will be paid as federal and state civil penalties and other damages.

The spill occurred when a segment of pipeline beneath the Valencia Golf Course in Valencia, Los Angeles County, Calif., ruptured in 1991. The oil flowing from the ruptured pipeline fouled a 15-mile stretch of the Santa Clara River between Los Angeles and...
UNITED STATES AND EXXONMOBIL OIL SETTLE FOR $4.7 MI... http://yosemite.epa.gov/opa/admpress.nsf/b1ab9f485b098972852562e7... Ventura Counties. The Santa Clara River and surrounding habitat are home to a rich abundance of plant and animal life, including numerous endangered and threatened species, protected under federal and California law.

Despite Mobil's prompt response to the spill, damages to flora and fauna in and along the river were unavoidable. This settlement resolves past violations by the former Mobil and will pay for habitat restoration and preservation projects in and along the Santa Clara River to compensate for the natural resources injured by the oil spill.

"Today's settlement provides needed funds that can be effectively used to offset the losses caused by the Santa Clara River spill," said Tom Sansonetti, Assistant Attorney General for the Justice Department's Environment and Natural Resources Division. "It is also an example of what can be accomplished through a close federal-state working relationship, such as we have with the state of California."

"This cases underscores the harm oil spills can cause despite a rapid response by the company – at least 1,777 barrels of crude oil were discharged and the spill caused extensive damage. Enforcement in this area is crucial to ensure companies have plans in place for preventing, preparing for, and responding to oil spills," said John Peter Suarez, EPA's Assistant Administrator, Office of Enforcement and Compliance Assurance. "These settlement funds will eventually be put to work to benefit the many species along the Santa Clara River," said Diane Noda, field supervisor for the Ventura Fish and Wildlife Office. "We've already worked in partnership with conservation groups, state agencies, and stakeholders on a resource plan from a previous oil spill in the river, and now we'll build on these relationships to come up with further proposals to protect and enhance this unique Southern California river system."

"The Department of Fish and Game is pleased that this case could finally be settled, and we can begin restoring the ecosystem," said Harlan Henderson, Administrator of the Department's Office of Spill Prevention and Response. "The high rate of human population growth and urbanization in the area makes this remediation all the more pressing." The federal government and states are actively enforcing the nation's environmental laws to prevent and reduce the destruction caused by ruptures and leaks in the hundreds of thousands of miles of aging and unseen underground pipelines in this country. For example, in the past six months, there have been two significant case developments:

- In May, the United States filed a civil suit against Shell Pipeline Company LP and Olympic Pipeline Company in connection with the June 1999 gasoline pipeline rupture near Bellingham, Wash. The complaint alleges that the rupture was caused by gross negligence or willful misconduct in the operation and maintenance of the pipeline. The rupture resulted in the discharge of over 230,000 gallons of gasoline into two creeks and caused the deaths of three young people, as well as severe property and environmental damage.

- Similarly, in March, the United States reached a settlement with Texaco Exploration and Production, Inc., that requires the company to make major upgrades to its leaking pipelines at its production field in Aneth, Utah, on Navajo Nation land, to pay a civil penalty and to carry out supplemental environmental projects to provide adequate drinking water to nearby residents.

The settlement was lodged today in the U.S. District Court in Los Angeles and is subject to a 30-day public comment period.

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