



FOR IMMEDIATE RELEASE

EPA:

(202) 564-4355

TUESDAY, JULY 25, 2000

DOJ: (202) 514-2008

TDD (202) 514-1888

**U.S. ANNOUNCES UNPRECEDENTED CLEAN AIR ACT AGREEMENTS**

**WITH TWO PETROLEUM COMPANIES**

**Deals With BP Amoco, Koch Petroleum Would  
Cut Emissions By 60,000 Tons**

As part of an ongoing enforcement effort to ensure cleaner, healthier air for all Americans, the Environmental Protection Agency and Justice Department today announced record agreements in principle with two of the nation's largest petroleum refiners -- BP Amoco and the Koch Petroleum Group. The agreements, valued at nearly \$600 million, are the largest for clean air ever reached with companies from the petroleum refining industry. When fully implemented, these agreements will eliminate almost 60,000 tons of air pollution every year.

"I am pleased that these companies have come forward and promised to change the way they do business," said Attorney General Janet Reno. "These agreements should send a simple message to refiners that it's time to do the right thing."

Together, the agreements with BP Amoco and Koch account for 15 percent of total U.S. refining capacity. Under the agreement, BP Amoco, the nation's second-largest refiner, is expected to spend more than \$500 million on up-to-date pollution-control technologies and work practices at nine refineries to reduce emissions from all sources - from stacks, leaking valves, wastewater vents and flares. Koch Industries, the first refiner to enter into an agreement, will invest as much as \$80 million at three refineries to achieve the same goals.

The agreements represent a major breakthrough in EPA's enforcement strategy for U.S. refineries by achieving comprehensive, across-the-board compliance on a cooperative basis under the Clean Air Act.

"Today's action by the Clinton-Gore Administration will provide all Americans with significantly cleaner air," said EPA Administrator Carol Browner. "This action is the largest ever reached with oil refiners to ensure significant reductions in air pollution that triggers such illnesses as childhood asthma and cancer. We appreciate the unprecedented cooperation from BP Amoco and Koch Petroleum Group in stepping forward to work with us to reach this innovative and comprehensive agreement," Browner added. "We hope that other companies will follow suit. If they do not, however, the Clinton-Gore Administration is prepared to take whatever enforcement action is necessary to protect public health by upholding environmental laws."

The air pollutants addressed by today's agreements can cause serious respiratory problems, exacerbate cases of childhood asthma, and in the case of toxic air pollutants, can cause cancer and death. They include toxic air pollutants and smog-causing compounds such as nitrogen oxides, sulfur dioxides and volatile organic compounds.

"I am proud that we've reached agreements in principle that will slash emissions from these refineries," said Lois J. Schiffer, Assistant Attorney General in charge of the Justice Department's Environment and Natural Resources Division. "The result of these unprecedented agreements will be cleaner air from California to the Eastern Seaboard."

The agreements will cut nitrogen oxide and sulfur dioxide emissions by 49,000 tons annually from the 12 refineries by 2004, and by an additional 6,000 tons by 2008, by upgrading the use of new technologies. Improved leak detection and repair practices and other pollution control upgrades will reduce smog-causing volatile organic compounds by 3,600 tons per year, and the carcinogen benzene by an estimated 400 tons per year. The agreements also include measures to improve safety for workers and local communities sharply reducing accidental releases of pollutants.

In addition, BP Amoco agreed to pay a \$10 million penalty and Koch agreed to pay a \$4.5 million penalty.

BP Amoco and Koch took the initiative to begin talks with EPA earlier this spring, rather than wait for possible EPA enforcement action. In return for the company's cooperation and ambitious commitment to a cleaner environment, EPA has offered a "clean slate" for certain past violations, and greater flexibility and incentives for new technology. EPA is conducting a sector-by-sector enforcement strategy that also includes coal-fired utilities and the paper manufacturing sector. In the past several months, EPA and the Department of Justice have taken major enforcement actions in those areas, the most recent coming last week against Willamette Industries.

The agreements in principle with BP Amoco and Koch Industries set the framework for a comprehensive consent decree, which is expected to be completed within the next several weeks. EPA has consulted with the states in the negotiations, and invites their continued participation as the consent decree is finalized.

BP Amoco refineries:

Alliance Belle Chase, La.

Carson Los Angeles

Cherry Point Bellingham, Wash.

Mandan Mandan, N.D.

Salt Lake City Salt Lake City

Toldeo Toledo, Ohio

Texas City Texas City, Tex.

Whiting Whiting, Ind.

Yorktown Yorktown, Va.

Koch Petroleum Group refineries::

Pine Bend Rosemont, Minn.

Corpus Christi Corpus Christi, Tex. (2 refineries)

###

00-426