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GENERAL ELECTRIC ENTERS CLEAN AIR SETTLEMENT WITH JUSTICE DEPARTMENT AND EPA

G.E.'s Own Discovery and Disclosure Results in Reduced Fine

WASHINGTON, D.C. -- General Electric Corporation will pay a $60,684 penalty to resolve Clean Air Act violations, voluntarily disclosed by the company, at a facility outside of Albany, New York, the United States announced today.

The settlement, filed today in U.S. District Court in Syracuse, New York, is an application of the Administration’s new policy, "Incentives for Self-Policing", under which the EPA provides companies with a powerful incentive to evaluate their environmental compliance through self-audits and to disclose and correct any violations discovered. It represents the Administration's commitment to recognize the efforts of companies that seek to actively identify and promptly correct violations of federal environmental law. The penalty reflects the money General Electric saved by not initially installing the proper pollution control equipment. The United States decided not to pursue any additional fines because General Electric discovered, promptly disclosed to the government and corrected the violations.

In a complaint filed with the settlement, the Justice Department alleged that General Electric violated the Clean Air Act by failing to install the proper pollution control equipment on two methanol storage tanks at its silicone products division in Waterford, New York. Methanol fumes are a hazardous air pollutant that contribute to the formation of smog and can cause serious health problems. In January of 1994, when General Electric recognized the violations, they promptly reported them to federal officials. In addition, General Electric made the necessary modifications at the facility.

"I applaud General Electric for taking the initiative to comply with our nation's environmental laws," said Lois J. Schiffer, Assistant Attorney General in charge of the Environment and Natural Resources Division. "This case is a great example of what happens when companies examine their facilities, identify problems, fix them, and let the public know. It illustrates this Administration's commitment to provide incentives for those who perform prompt and responsible environmental audits."

Steve Herman, EPA's Assistant Administrator for Enforcement and Compliance Assurance said, "The G.E. settlement demonstrates that EPA's new audit policy offers real incentives to companies that take the initiative to discover, disclose and correct violations."
Safeguards are built into EPA's Self-Policing Policy to ensure that companies do not benefit if they have behaved irresponsibly or have endangered public health or the environment. The policy requires companies to promptly correct any harm caused by the violations and to act to prevent future violations. In order for a company to be eligible for a penalty reduction under the policy it must satisfy a number of conditions regarding discovery, disclosure, and correction of violations, while taking steps to prevent repeat violations. Repeated violations or those which result in actual harm or pose an imminent and substantial risk are not eligible for penalty reduction under the Self-Policing Policy.

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