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POLITICS & POLICY

Bush Task Force in '81 Targeted Oil-Tanker Rule Affecting Firm That Was an Investment Partner

By THOMAS PETZINGER JR.
And EDWARD T. POUND

Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON — In August 1981, Vice President Bush unveiled a hit list of federal regulations that his Task Force on Regulatory Relief had targeted for review. Among them: a pending Coast Guard measure that would outlaw single-hull oil tankers for environmental reasons.

What Mr. Bush didn't say was that the oil-barge company leading the fight against the regulation was also one of his investment partners at the time — Hollywood Marine Inc. of Houston. Together with James Baker, now secretary of state, and Robert Mosbacher, the former commerce secretary now heading the president's re-election campaign, Mr. Bush had become a partner in a barge venture managed by Hollywood Marine.

The regulation would have been devastating to Hollywood Marine, ultimately sending nearly half of its barge fleet to the scrap heap — including four barges in which Mr. Mosbacher held an interest. Under pressure from the White House, the Coast Guard withdrew the regulation, which would have required all oil-tanker barges to have double hulls. Mr. Bush's individual role in the final decision isn't clear, but the deregulation task force he headed didn't hesitate to claim credit. In an August 1982 report, the task force listed the withdrawal of the "expensive and controversial proposed double-hull requirement" as one of its achievements.

The Coast Guard measure wouldn't

have directly affected the barges in which Messrs. Bush and Baker held an interest. In Mr. Bush's case, all four barges carried pressurized gasses, ~~not oil~~, while the Baker barges either carried gasses or were double-hulled. But the close business relationship between Mr. Bush and Hollywood Marine raises at least the appearance of a conflict of interest.

Spared the regulatory blow, Hollywood went on to become the nation's largest tank barge operator. Mr. Mosbacher eventually acquired 28.5% of the company's stock, some of it with an interest-free loan of more than \$250,000 from the president of Hollywood Marine. Two of the company's single-hull barges, meanwhile, went on to be involved in serious oil spills.

News organizations have looked into Mr. Bush's Hollywood Marine investment for years and found little worth writing about. But a liberal Washington think tank called the Project on Government Oversight discovered the link between the company and the actions of Mr. Bush and his task force, and plans to write about them today in its newsletter, Informed Sources. The Wall Street Journal independently confirmed and expanded on the project's findings.

Despite the long downturn in the energy-service industry, Mr. Bush alone has received nearly \$240,000 in partnership income since investing \$50,000 in Hollywood LPG No. 2 Ltd. in 1978, making it one of the most lucrative investments he has held in his 12 years as vice president and president. Messrs. Baker and Mosbacher,

having purchased interests individually and through family trusts in a much larger number of partnerships, have also made out well.

The White House didn't contest that the task force's actions under Mr. Bush's leadership benefited Hollywood Marine. However, Marlin Fitzwater, the White House press secretary, says that Mr. Bush's actions did not represent a conflict and that Mr. Bush had made "appropriate" disclosures of his investment. "The then vice president's holdings in Hollywood Marine were listed in his financial disclosure statements in 1981-1989," Mr. Fitzwater said.

The disclosure forms filed by Mr. Bush while he was serving as chairman of the task force don't describe the nature of the partnership's business, nor do they identify Hollywood Marine as the general partner. (For years, Mr. Bush held the interest outside his blind trust, but in April 1989, weeks after the disastrous oil spill in Alaska involving the tanker Exxon Valdez, he placed the holding in his trust.) According to a 1974 Justice Department legal opinion, the president and vice president aren't subject to conflict-of-interest laws.

"We've really tried to be careful," says Mr. Mosbacher. "When George Bush became vice president it became sensitive. We never talked about it." He says that his actions and Mr. Bush's were proper. A State Department spokesman says that because Mr. Baker's Hollywood investments were placed in a trust when he joined the government, he isn't even aware of whether he still holds them.

In Houston, Hollywood Marine's president, Berdon Lawrence, says he hasn't

discussed his company's business with Mr. Mosbacher since he became Mr. Bush's secretary of commerce in 1989. And he says he doesn't even know Messrs. Bush and Baker. A photo of himself and Mr. Bush, hanging on the wall of his office, was just a quick snapshot taken at a Republican fund-raiser, he explains.

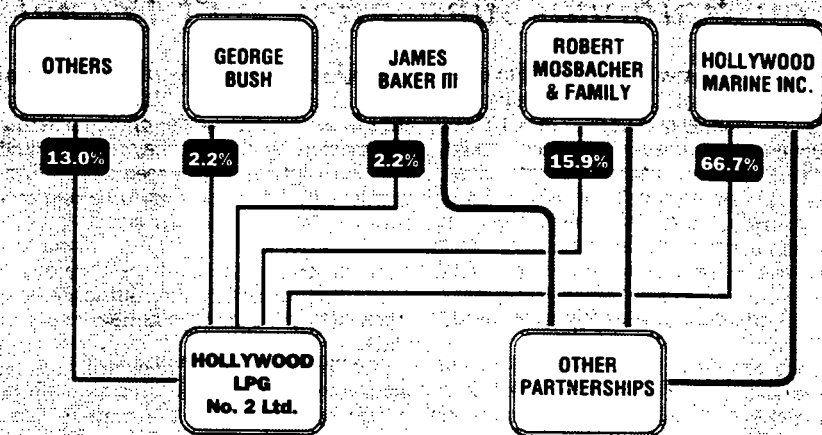
Last week, one of Mr. Bush's partly owned barges, the Hollywood Chem 104, floated listlessly in the Houston sun, laden with liquefied propylene, a plastic raw material. Nearly the size of a football field, and with a replacement value of more than \$2 million, the barge was one of a dozen vessels lashed together at Hollywood's staging area on the Houston Ship Channel between downtown Houston and the Gulf of Mexico.

It was Mr. Mosbacher, a self-made Houston oil man, who brought Mr. Bush and Mr. Baker into the Hollywood Marine fold in 1978. In need of capital to buy new barges, Hollywood — named for a small town in Louisiana — established limited partnerships to raise money from investors looking for good returns and tax breaks. Individually and through family trusts, Mr. Mosbacher had become a major investor in the early 1970s, and eventually began bringing others into the deals.

Messrs. Bush, Baker and Mosbacher wound up together as minority partners in Hollywood LPG No. 2 — so named for liquefied petroleum gas. Mr. Baker bought interests in eight additional Hollywood limited partnerships and Mr. Mosbacher in 14, many through family trusts. Mr. Mosbacher would go on to acquire a 28.5% interest in the parent company itself, becoming the only non-company outsider given the chance to buy stock.

A few headline-grabbing oil leaks prompted the Coast Guard, in 1979, to propose its sweeping double-hull reform. The barge industry instantly went into high gear, attacking the Coast Guard's pollution data and cost-benefit studies.

Barge Deal



Under the leadership of Hollywood Marine's Mr. Lawrence, the American Waterways Operators, a trade group, began pushing its own studies.

"It would've been serious," says Mr. Lawrence, who is the founder and largest shareholder of Hollywood Marine. At the time, Hollywood Marine counted among its fleet of 87 barges some 39 with single hulls—a lower proportion than the industry average, he says, but still a huge part of the company's assets. "We would've made it through, but it would've set us back," Mr. Lawrence says.

The Guard agreed to commission a study by the National Academy of Sciences. Among the members of the study group chosen by the academy was Mr. Lawrence and several other industry officials. The study found that although double hulls would prevent some oil spills, it was not a cost-effective way of doing so.

Enter Mr. Bush. No sooner was the study completed than the new vice president and deregulation czar listed the double-hull rule among the regulations the

Reagan White House would attack. Officials at the White House Office of Management and Budget began jawboning Coast Guard officials, citing the NAS study. "They would call you over there and give you hell," recalls Stanley Colby, then a Coast Guard lawyer who was working on the regulation. In March 1982, the Coast Guard formally withdrew the regulation.

Some of the oil spills that later involved Hollywood vessels occurred from single-hull barges that would have been eliminated under the scuttled Coast Guard rule. Just last May, municipal water intakes upriver from New Orleans had to be shut down when a Hollywood barge leaked, spreading oil for miles in the Mississippi River. In 1985, a single-hull Hollywood barge hit a submerged barge, leaking oil into Louisiana's Atchafalaya River, the heart of one of the most delicate swamps in the country. Hollywood says that in both incidents other companies were transporting its barges. It adds that in any case it's unclear whether double hulls would have made any difference.

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Ann. Rich Wals do?
TO: Senator Gore
FR: Michael Waldman
RE: A visit to the Houston Ship Channel, Bush's "Boston Harbor"

George Bush has a "Boston Harbor": the heavily polluted Houston Ship Channel. The channel, which connects Houston to Galveston Bay, is lined by a pollution zone of petrochemical and oil company facilities. Bush has done little to help clean up the region: the Council on Competitiveness has killed a rule that would reduce toxic pollution; the White House has refused to implement a key worker safety provision of the Clean Air Act; and several Superfund sites have yet to see federal cleanup money. Worse, one of the firms that has polluted the channel was partly owned by Bush, James Baker and Robert Mossbacher.

This confluence of circumstances offers an opportunity to point out the way the Bush administration have let powerful polluters secretly block environmental initiatives, and to do so in a way that embarrasses the President in his hometown right before his renomination. It also would be a preemptive strike against the expected attacks against our environmental record and positions. This memo outlines a proposed visit and press event at the Ship Channel, possibly for Friday morning.

I. HOUSTON SHIP CHANNEL

The Ship Channel is a controversial, heavily polluted zone. In several respects, Bush has either not helped -- or, through his company, has made matters worse.

* Bush's barge company: Hollywood Marine -- Hollywood Marine Inc. of Houston is a barge company that was investment partners with George Bush, James Baker and Robert Mossbacher. Bush's initial investment was \$50,000; he has since made a total of \$240,000. Hollywood Marine led the fight to weaken a federal rule that would have strengthened ship hulls to prevent oil spills (by requiring a second hull). In 1981 the Task Force on Regulatory Relief, chaired by Bush, killed the rule. The Wall Street Journal last month wrote that "the close business relationship between Mr. Bush and Hollywood Marine raises at least the appearance of a conflict of interest."

Not analyzed to
Since then, Hollywood Marine has grown into the nation's largest tank barge operator. Bush did not put his oil barge holdings into a blind trust until 1989, following the Exxon Valdez spill. Hollywood Marine barges have leaked oil into the ship channel on several occasions. In 1985 a Hollywood Marine barge exploded on the Channel, killing two workers, and in 1986 another barge exploded, killing one worker (these were owned by Baker and Mossbacher).

In addition, if Bush had required double-hulled tankers, the Exxon Valdez spill could have been averted, or minimized.

Ship Channel heavily polluted.
Clean Air - failed to set program up re: Chemical plants

The press has recently shown a growing interest in this issue, when the Wall Street Journal and Project on Government Accountability broke the story of the Task Force's intervention. In the next week, we expect a story on CNN, and another story in the Wall Street Journal. (See attached news clip.) A local television report, which aired last week, ties many of these elements together.

* *Air pollution and the Quayle Council* -- The Ship Channel is lined by petrochemical and oil company facilities that spew pollution into the air. Texans suffer more toxic air pollution emissions by far than the residents of any other state. Much of this toxic pollution is concentrated in the Houston area; EPA data identify more than 30 million pounds of toxic emissions from Harris County Texas alone.

One of the most important rules stemming from the Clean Air Act that would affect the Houston area is the "hazardous organics rule." The EPA sent this rule to the White House for review last Christmas Eve, and it has languished there ever since -- held up by the Council on Competitiveness. According to the staff of the House Subcommittee on Health and the Environment, this rule alone would reduce toxic emissions in the Houston area by more than 15 million pounds per year.

We know that the oil and chemical industries gave substantial sums of money to the Bush-Quayle campaign from 1988 to the present, and we will be determining which firms line the channel, and which gave to the GOP.

* *Superfund sites, with no federal help* -- We believe that there are between 7-12 Superfund sites in the area surrounding the ship channel. It is our understanding that federal funds to clean up these sites have not been forthcoming, despite local efforts to speed the arrival of funds. *Clyde*

* *Worker safety.* A month-and-a-half ago, 27 workers were injured in an accident at a chemical plant on the Ship Channel. The Oil, Chemical and Atomic Workers Union is agitating for improved standards in the factories along the channel.

One of the provisions of the 1990 Clean Air Act would establish a Chemical Safety Board. Shortly after he signed the law, President Bush declared that the Chemical Safety Board provision is unconstitutional; he later abandoned that argument, but still has not taken the required steps to implement the program. Ironically, the impetus for the provision was a massive chemical accident that occurred in Texas City, Texas, just outside of Houston, in 1988.

II. PROPOSED EVENT

We propose that you visit the ship channel before the Republican Convention to sharply attack the Bush administration's

environmental record, its practice of granting special access to big polluters, and the apparent conflict of interest in Bush's barge company and his own intervention in the safety rule. The basic theme is: "Bush cares so little about the environment, he couldn't even clean up his own back yard. In fact, his barge company is one of the problems." The visibly grimy and polluted scene would make a compelling backdrop for a press event.

It would make sense to do this visit with local officials, such as Gov. Richards and/or Lands Commissioner Gary Mauro, so that all the fire is aimed at the Republican administration, and not (by implication) local officials. We will be able to argue: we are trying to clean this up, but the federal government has not done its part. Perhaps you should be accompanied by Sen. Wirth, to underscore the environmental argument.

Local homeowner groups are clamoring for a cleanup, too, and could be brought in. The local Oil, Chemical and Atomic Workers Union is working to remedy the safety problems, and would participate, too, if we want.

Before we commit to doing this, we need to make sure that all possible political complications are ironed out. Gary Mauro has expressed concern that the event not focus on the quality of the water, which is primarily regulated by Texas government, but on Hollywood Marine and other Bush/federal issues. I believe it should be possible to fashion a powerful event without focusing on the water.

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Please
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Texas.
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*Please under file
for energy answer -
"offshore drilling."*

Outer Continental Shelf Leasing and Development: Issues in the 102d Congress

Updated May 2, 1991

by
Malcolm M. Simmons
Environment and Natural Resources Policy Division

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LEGISLATION

Outer Continental Shelf Leasing and Development: Issues in the 102 Congress

SUMMARY

The Federal Outer Continental Shelf (OCS) is one of the principal sources of U.S. hydrocarbon production, accounting for 10% of the Nation's domestically produced oil and 25% of its natural gas. Approximately 89% of OCS oil and 99% of OCS natural gas are produced in the Central and Western Gulf of Mexico. The only other OCS producing area is off southern California. Interior Department officials and industry spokesmen have maintained that the exploration of other promising areas is prevented by OCS leasing moratoria and that OCS production may decline in the future if leasing and exploration of promising new areas do not begin now. They point out that since the lead time from tract leasing to production is 8 to 10 years, action must occur now to prevent future declines.

The 1978 OCS Lands Act Amendments require the Federal Government not only to develop OCS oil and gas, but also to protect coastal and marine resources in the process. Many coastal States and environmental groups have maintained that environmental risks from OCS activities have not been adequately considered, and they have convinced Congress to impose leasing moratoria. These moratoria have had the effect of closing down the Federal OCS leasing and production program in areas other than the Central and Western Gulf of Mexico, where coastal States generally view the program favorably.

President Bush called for developing the OCS in an environmentally safe manner on two occasions. In June 1990, he supported sharing new OCS revenues with impacted communities as an incentive for development; he also generally supported Congress on leasing moratoria off California, southwest Florida, the Georges Bank, and the Pacific Northwest, and the buying back of existing Federal leases off southwest Florida. In February 1991, the President released his National Energy Strategy (NES), in which he recommended increased development of domestic OCS hydrocarbons and, again, OCS revenue sharing.

The Department of the Interior released the draft of a new 5-year OCS leasing plan for mid-1992 through mid-1997 in February 1991. The plan contains fewer sales (23 sales) than the plan it replaces (37 sales), offers for lease only defined areas, and limits the total number of leases sold in all sales except those off Alaska.

At issue for the 102d Congress is the appropriate direction to give the OCS leasing and development program, particularly in light of the President's June 1990 OCS decision on the program and the 1991 NES. Debate on this "appropriate" direction will likely attempt to balance the statutory goals of promoting OCS oil and gas development with other statutory goals, such as protection of coastal and marine resources. It is unclear to what extent energy security, particularly in the aftermath of the Persian Gulf crisis, may become part of the debate. Because of concerns over the Nation's increasing dependence on foreign oil (now 50%), Congress may decide to visit policy issues that address both the environmental risk posed by OCS activities and the moratoria that restrict increased leasing.

ISSUE DEFINITION

At issue for the 102d Congress is the appropriate direction to give the OCS leasing and development program, in the aftermath of the Persian Gulf War and in regard to the President's National Energy Strategy (NES). Debate on this "appropriate" direction will likely attempt to balance the statutory goals of promoting OCS oil and gas development with other statutory goals, such as protection of coastal and marine resources. One vehicle for this debate will be the proposed leasing program (mid-1992 to mid-1997), recently released in draft form by the Department of the Interior.

BACKGROUND AND ANALYSIS

The Federal OCS provides a significant share of the Nation's domestically produced hydrocarbons: 10% of its oil, and 25% of its gas. The Interior Department's most recent estimates of the Nation's undiscovered reserves indicate that 14% of the United States' remaining oil and 24% of its gas is under the OCS.

The first petroleum development in submerged lands occurred in near-shore, shallow waters in warm climates. Large-scale commercial development of offshore oil and gas resources did not begin until the mid-1950s in the Gulf of Mexico. As drilling, production, and safety technology improved, however, the development of petroleum in deeper waters and harsher climates became possible. While the shallow waters of the delta region of the Gulf of Mexico and later the coast of California had been the initial sites of large-scale development, the deeper waters in these same regions and the submerged lands off the North Atlantic and Alaska coasts became candidate areas. Today, commercial development occurs in water depths of 1,300 feet for fixed platforms and 1,700 feet for tension-leg platforms, while exploration is possible at depths of 7,500 feet.

Offshore oil and gas development occurs in both Federal and State jurisdictions. The Federal jurisdiction, called the Outer Continental Shelf (OCS), is composed of all Federal submerged lands beyond the 3-mile area of State jurisdiction in most offshore waters, and beyond the 10-mile (approximately) area of State jurisdiction in the Gulf of Mexico waters off Texas and Florida. This issue brief discusses the program for development of hydrocarbon resources in the areas under Federal jurisdiction.

The Federal OCS leasing process is carried out by the Minerals Management Service (MMS) in the Department of the Interior. MMS prepares a 5-year plan (see Table 3) for the upcoming sales in the leasing regions (Atlantic, Gulf, Pacific, and Alaskan). At the time of the sale, prospective lessees offer sealed bids -- called bonus bids -- on tracts, which, if accepted, entitle the winning lessee to explore and develop a tract. Once acquired, the lessee pays rent on the tract, until either the lease expires or is relinquished, or development of oil and gas occurs. If oil or gas production occurs in commercial quantities, the lessee pays royalties on the oil and gas produced (see Table 2 for types of OCS revenues).

The principal authority for OCS petroleum development is the OCS Lands Act of 1953, as amended. Important amendments in 1978 provided for balancing between expedited exploration and development, and protection of the human, marine, and

coastal environments. Additionally, the 1978 amendments provided coastal and State governments a mechanism for input into this balancing of values. Section 18 authorizes the Department of the Interior/MMS to implement a 5-year lease sale planning process. Section 19 requires the Secretary to consult with the affected States during the lease sale process, accepting the State's recommendations as to the "size, timing, or location" of a proposed sale, if these recommendations "provide for a reasonable balance between the national interest and the well-being of the citizens of the affected State."

The Interior Department must fulfill statutory responsibilities relating to OCS activities under the Coastal Zone Management Act (CZMA) of 1972, as amended. The Interior Department must also fulfill statutory responsibilities under the National Environmental Policy Act of 1970, by preparing environmental impact statements (EISs) for major Federal actions significantly affecting the quality of the human environment. The Interior Department prepares an EIS for every lease sale. Finally, the Interior Department must also fulfill statutory responsibilities required by the Marine Protection, Research and Sanctuaries Act, the Endangered Species Act, the Federal Water Pollution Control Act, the Clean Air Act, and the Marine Mammal Protection Act.

In addition to EISs, there are two other possible sources for environmental information on which the Department of Interior's MMS bases leasing decisions: (1) The Environmental Studies Program established under Section 20 of the OCSLAA produces technical and geologic studies for a variety of purposes in the lease sale process; and (2) Section 18 of the OCSLAA (5-year OCS plan) and Section 19 (State consultation) processes provide additional environmental information.

World Oil Prices

With the exception of the short-term price escalation caused by the Persian Gulf crisis, world oil prices have remained generally stable in the range of the high teens to the low 20's per barrel for the last 2 years. This 2-year period follows a 9-year downward trend, during which world oil prices declined from a peak of \$38 per barrel in 1981 to \$16 per barrel in the late 1980s. Today, even without Iraqi and Kuwaiti oil, world oil supply has reached pre-war levels because of additional production from other world suppliers.

All other factors being equal, the generally moderate level of current world oil prices tends to shrink industry's interest in exploration activity to the more developed and proven areas in the Gulf of Mexico. In this environment, industry interest is likely to be less keen in the high risk/high cost "frontier" areas where no commercial quantities of oil or gas have been discovered previously. A rise in world oil prices is likely to increase industry's interest in high risk/high cost areas, while a further decline is likely to further dampen it.

Record of the OCS Program

Although the current leasing program offers the possibility of leasing more acreage, which could result in more oil and gas production and higher Federal revenues, it does not assure this will occur. Success in these endeavors is dependent on a variety of factors. First and foremost is the world price of oil. Other important factors include

the petroleum potential of the acreage, the expected cost of extraction of the petroleum, the financial and technical capacity of oil companies to develop increased offshore acreage, the bidding system used for the lease sale, the attractiveness to oil companies of other energy development alternatives, and, finally, the extent to which environmental concerns cause deletion of tracts, delay, or increased costs of tract development. A more recent factor which may also affect OCS leasing and development is the possibility of OCS revenue sharing (see discussion below).

Leasing and Production. Table 1 shows the acreage offered and leased, and production, from 1970-1989.

**TABLE 1: Acreage Offered/Leased and Production for
Federal OCS Leasing Program, Calendar Years 1970-1989**

Year	Offered	<u>Acreage</u>		<u>Production</u>	
		Leased	Oil ^a (mbbl)	Gas ^b (tcf)	
1970	666,845	598,540	361	2.419	
1971	55,872	37,222	419	2.777	
1972	970,711	826,195	412	3.039	
1973	1,514,940	1,032,570	395	3.212	
1974	5,006,881	1,762,158	361	3.515	
1975	7,247,327	1,679,877	330	3.459	
1976	2,827,342	1,277,937	317	3.596	
1977	1,843,116	1,100,734	304	3.738	
1978	3,140,696	1,297,274	292	4.385	
1979	3,412,249	1,767,443	286	4.673	
1980	2,563,452	1,134,227	277	4.641	
1981	7,680,378	2,265,537	290	4.850	
1982	7,637,074	1,886,360	321	4.680	
1983	119,811,784	6,587,823	348	4.041	
1984	154,383,680	7,397,939	370	4.538	
1985	87,028,709	3,573,554	389	4.001	
1986	58,670,103	734,418	389	3.949	
1987	59,762,077	3,447,809	366	4.426	
1988	158,016,214	8,694,943	321	4.310	
1989	60,097,672	5,580,867	305	4.200	

Source: U.S. Department of the Interior, Minerals Management Service. Federal Offshore Statistics: 1989 (1990). See Tables 3, 19, and 20.

Notes: ^a Includes oil and condensate. Measurement in millions of barrels.

^b Measurement in trillion cubic feet.

Annual acreage leased appears to vary with annual acreage offered. For example, during 3 years of the Reagan Administration's accelerated leasing program -- 1983, 1984, and 1988 -- acreage **offered** for leasing jumped dramatically to 121.0, 154.4, and 158.0 million acres, respectively. Correspondingly, acreage **actually leased** also

jumped dramatically during these years, to 6.6, 7.5, and 8.3 million acres, respectively.

Because production does not begin until 8 to 10 years after the leasing of a tract, it is only now possible to begin to evaluate the extent to which the Reagan Administration's accelerated leasing program, which began in June 1982, may or may not lead to production increases. Current production data does reflect, to some extent, on the earlier Carter Administration expanded leasing program. Table 1 shows that, although OCS oil production increased slightly between 1980 and 1985, since that time production has declined to about 75% of production in the highest year -- 1971. OCS gas production, on the other hand, reached its highest level in 1981, and has since declined slowly.

Revenues. OCS revenues are an important source of income to the Federal Government, and during the high production years (1979 through 1984) were the second largest source, after Federal income taxes. OCS revenues take three forms: bonuses, royalties, and rents. Bonuses are paid "up-front" for a lease, and royalties are paid on oil and gas produced from a lease. A rent is the yearly amount paid to hold a lease when no production has occurred. Table 2 shows the bonuses, royalties, and rents from the Federal OCS leasing program from 1970 through 1989.

Table 2 shows that the high year for bonus revenues was 1981 (\$6.6 billion) -- the year before the Reagan Administration's accelerated leasing program took effect. Probable causes of the high bonuses in 1981 were the increased acreage leased (over 1 million acres more than the previous year) and expectations of higher future world oil prices. Other possible factors, however, could have been that the slower pace of the leasing program at this time did not produce an excess supply of leasable tracts, and the then-higher expectations regarding undiscovered reserves in many areas (such as Gulf of Alaska, East Coast, and Florida). Since 1981, bonuses have declined substantially.

Royalties, on the other hand, generally increased through the 1970s to a high of \$4.0 billion in 1984. Since 1984, however, royalties have declined as well. Today, largely because of even more rapid bonus declines, royalties as a percentage of total OCS revenues have increased. In 1989 royalties were 75.1% of total revenues, in contrast to 1979 when they represented 22.9% of the total.

Rents make up a relatively small amount (generally 2%-3%) of total OCS revenues. The current rental fee of \$3/acre has not been raised since the Federal OCS program was initiated in the 1950s. The rise in rental revenue starting in 1983 reflects the increased amount of leased acreage.

Since current royalties are based on production, which begins 8 to 10 years after leasing occurs, their use as a measure of the success of the current 5-year leasing program is not possible until after the program expires. Bonuses, which are paid at the beginning of the leasing process, may be an indicator of program trends, but equally importantly a reflection of a variety of factors affecting the rate and pattern of leasing. These factors include world oil price, expected cost of extraction, the technical capability of companies to increase exploration of offshore acreage, the bidding system, the amount of competition for leases, non-OCS alternatives available to oil companies, and the extent to which environmental concerns are estimated to increase costs.

**TABLE 2. Revenues from the Federal OCS Leasing Program,
Calendar Year 1970 through 1989**
(\$ in billions)

Year	Bonus	Royalty	Rent	Total
1970	0.945	0.285	0.009	1.239
1971	0.096	0.352	0.008	0.456
1972	2.251	0.366	0.008	2.625
1973	3.082	0.404	0.009	3.495
1974	5.023	0.562	0.014	5.599
1975	1.088	0.618	0.018	1.723
1976	2.243	0.702	0.023	2.968
1977	1.568	0.921	0.020	2.510
1978	1.767	1.152	0.022	2.941
1979	5.079	1.517	0.020	6.616
1980	4.205	2.139	0.019	6.363
1981	6.653	3.291	0.022	9.966
1982	3.987	3.817	0.020	7.825
1983	5.749	3.459	0.032	9.240
1984	4.037	3.968	0.036	8.040
1985	1.539	3.643	0.062	5.244
1986	0.187	2.565	0.053	2.805
1987	0.497	2.372	0.075	2.944
1988	1.224	2.095	0.061	3.380
1989	0.646	2.190	0.079	2.915
TOTAL	51.129	31.213	0.481	82.823

Source: (1) U.S. Department of the Interior, Minerals Management Service, "Mineral Revenues: Federal Offshore Statistics: 1989" (1990). See Table 16.

Environmental Risk

The risk of an oil spill from domestic OCS oil exploration and development activities has declined dramatically since 1970, although it still remains. The reasons for this improved environmental record are probably both the success of new drilling and production technologies and more stringent environmental controls. An example of successful technology is improved blowout preventers. Examples of more stringent environmental controls include requirements for burial of pipelines, worker training programs, inspection programs, and oil spill contingency plans.

It is widely recognized that the spill risk from domestically produced OCS oil, piped to a shore facility, is far less than that for tankered oil both from abroad and from domestic onshore production (the *Exxon Valdez* spill was Prudhoe Bay onshore-produced oil). The volume of oil spilled into U.S. waters is more likely to increase the more tankered imported oil is substituted for OCS production.

The spill risk from development of OCS gas is much less than the risk for OCS oil development. Many undeveloped OCS areas, such as the Baltimore Canyon in the Mid-Atlantic OCS, the Georges Bank in the North Atlantic OCS, and the Pacific Northwest OCS, are thought to be gas-prone, and the risk of spills to be minor.

Public perception of OCS-related spill damage appears inconsistent with the improved environmental record, possibly because the oil industry in general is blamed for oil spill damage whether or not related to a particular activity. The public does not appear to distinguish between the oil spill risk from OCS oil development -- where it is very low relative to tankered oil -- and OCS gas development -- where the risk is almost nonexistent.

Environmentalists and other critics of OCS production, particularly with regard to pristine areas with few people, maintain that massive coastal infrastructure development (such as refining and attendant industries, and transportation) would accompany large-scale OCS development and that oil rigs on the horizon would ruin ocean views. To some extent, onshore oil and gas pipeline technology may make possible the "export" of infrastructure development to other areas more amenable to it. To a lesser extent, rigs can be made less obtrusive, and, through subsea horizontal drilling, provide an extended extraction network that can ultimately require fewer rigs.

President's Decision on OCS Leasing

In his FY1990 budget proposal released in January 1989, President Bush indefinitely postponed leasing in sale areas #91 off Northern California, #95 off Southern California, and #116 off Southwest Florida until a Presidential task force reviewed environmental concerns involving these three sensitive areas. Following public workshops in California and Florida in 1989, and submission of a background report from the National Academy of Sciences (NAS), the Presidential task force submitted its report in January 1990.

In June 1990, the President drew on the task force report when he announced the following decisions on the Federal OCS oil and gas leasing.

-- First, implementing a moratorium until the year 2000 offshore:

Northern California;
Central California;
Southern California, except for 87 tracts in the Santa Maria Basin and Santa Barbara Channel;
Southwest Florida;
Georges Bank (southern New England); and
Washington/Oregon.

-- Second, preparing of a legislative initiative that would provide coastal communities directly affected by OCS development with a greater share of the financial benefits of new development, and with a larger voice in decisionmaking.

-- Third, restructuring of the Federal OCS program by targeting areas with "truly promising resource potential" and low environmental risk.

- Fourth, improving ability of industry and the Federal Government to respond to offshore oil spills, whatever their source.
- Fifth, developing plans by Federal agencies to reduce the possibility of oil spills offshore from whatever source, "including and especially" from tanker traffic.
- Sixth, canceling of existing leases off Florida and the initiation of discussions with the State of Florida for its participation in a joint Federal-State buyback of these leases.
- Seventh, adopting the proposed Monterey Bay National Marine Sanctuary, and permanent prohibition of all oil and gas leasing in this sanctuary.
- And eighth, controlling air quality from OCS development off California in substantially the same manner as controlling onshore air quality.

In the announcement, the President also indicated that oil supply disruptions might require a reevaluation of the OCS program.

President's National Energy Strategy

The President released his National Energy Strategy (NES) in February 1991. The NES proposed development of domestic sources of hydrocarbons, indicating the OCS as a candidate for expanded production. Within this context, the NES proposed environmentally responsible development for certain areas of the OCS and recommended that OCS areas currently under congressional moratoria, along with those now available for leasing, be considered in the formulation of the 5-year leasing plan for mid-1992 through mid-1997. The Administration will request that Congress not enact leasing moratoria on areas included in the new 5-year program. Finally, the NES reiterated the Administration's proposed legislative initiative from the June 1990 OCS decision to provide coastal communities directly affected by OCS development with both a greater share of the revenues from new development and a larger voice in decisionmaking.

●OCS Moratoria

Through imposition of increasingly larger annual leasing moratoria during the past 10 years, Congress has limited the program to exploration and development in the largest OCS producing region, the Central and Western Gulf of Mexico, by excluding leasing in other OCS areas, many considered to be among the most promising. The imposition of moratoria has occurred because many coastal States and environmental groups have convinced Congress that their input into the planning process has not been adequately considered in the drive for increased offshore oil and gas production and that leasing tracts in environmentally sensitive areas might lead to activities that could cause irreversible damage.

The most recent moratoria, enacted as part of the FY1991 Interior Department appropriations legislation (P.L. 101-512), incorporated the President's recommendations for California, southwest Florida, the Georges Bank, and Washington/Oregon. Additionally, the legislation continued the previous year's moratorium in the North

Aleutian Basin, and a 50-mile-wide stretch in the Mid-Atlantic from Rhode Island through Maryland; and added a new moratorium for the Eastern Gulf OCS off northwest Florida. The total acreage in the FY1991 moratoria is 283 million acres.

Additionally, an oil spill liability enactment (P.L. 101-380) contains a moratorium provision (Section 6003) affecting the North Carolina OCS. The provision prohibits lease sales and related activities through Oct. 1, 1991, or until 45 days after the Interior Secretary certifies to Congress that new information is sufficient to authorize the prohibited activity. This certification is to be based on a report (submitted March 1991), developed by a panel jointly selected by the Interior Department and the State of North Carolina, which assesses the adequacy of the scientific data on which to base leasing and development decisions. The Administration has indicated that it will attempt to repeal the North Carolina moratorium provision.

Current and Proposed 5-Year Lease Plans

The current lease plan is for sales from mid-1987 through mid-1992. The plan continues with the "areawide" leasing approach (where whole lease subregions are offered), although deferring certain environmentally sensitive areas. The five sales remaining in the current plan include three in Alaska (Beaufort Sea #124 in June, 1991; Chukchi Sea #126 in August 1991; Navarin Basin #107 in September 1991) and two in the Gulf of Mexico (Western Gulf #135 in August 1991; and Central Gulf #139 in March 1992).

The MMS released the draft of the next 5-year plan, which covers the period mid-1992 through mid-1997, in February 1991. The release of this draft was delayed until after the President released his recommendations for a National Energy Strategy (NES). The document is coordinated with the emphasis on environmentally safe development contained in both the President's June 1990 OCS decision and NES.

The proposed plan has fewer sales (23) than the current one (originally 37). Except in the Central and Western Gulf of Mexico, the proposed plan does not employ the "areawide approach;" rather, the plan would target leasing to smaller areas within planning regions. All sales, except those in Alaska, would be limited to a fixed number of tracts: 250 in the Atlantic sales, 200 in the Gulf of Mexico sales, and 87 in southern California.

Table 3 lists the lease sales that will be considered, by planning subregion, and when leasing is proposed. The MMS proposes not to consider any leasing in 11 subregions during the 5-year period. Five of these subregions are areas for which the President recommended and Congress enacted moratoria, one subregion (North Aleutian Basin) is an additional area for which Congress recommended a moratorium, and one subregion (Straits of Florida) where the Interior Department had to cancel a sale in the current 5-year plan because of State opposition.

The only areas of the proposed plan that do not coincide with congressional intent, as reflected in the FY 1991 moratoria, are the mid-Atlantic region, southern California, and the Eastern Gulf of Mexico off northwest Florida. In these areas, the plan proposes leasing.

**TABLE 3: Draft Proposed 5-Year OCS Oil and Gas Leasing Schedule
Mid-1992 through Mid-1997**

Regions & Subregions	Sale No.	Proposed Date of Sale
Alaska Region		
Gulf of Alaska		
Yakutat	--	1995
Middleton	--	--
Kodiak	--	--
Cook Inlet	--	1994
Shumagin	--	--
Aleutian Arc	--	--
North Aleutian Basin	--	--
Bowers Basin	--	--
Aleutian Basin	--	--
Either of following:	--	1996
Norton Basin		
Navarin Basin		
St. Matthew Hall		
Either of following:	--	1995
Hope Basin		
St. George Basin		
Chukchi Sea	--	1994
Chukchi Sea	--	1997
Beaufort Sea	--	1993
Beaufort Sea	--	1996
Atlantic Region		
North Atlantic	--	--
Both of following:		
Mid-Atlantic	--	1994
South Atlantic	--	1994
Both of following:		
Mid-Atlantic	--	1997
South Atlantic	--	1997
Straits of Florida	--	--
Gulf of Mexico Region		
Eastern Gulf (n. of 26 deg)	--	1994
Eastern Gulf (n. of 26 deg)	--	1997
Eastern Gulf (s. of 26 deg)	--	--
Central Gulf	--	1994
Central Gulf	--	1995
Central Gulf	--	1996
Central Gulf	--	1997
Western Gulf	--	1993
Western Gulf	--	1994
Western Gulf	--	1995
Western Gulf	--	1996

Pacific Region

Southern California	--	after 1996
Central California	--	--
Northern California	--	--
Washington-Oregon	--	--

Source: U.S. Department of the Interior, Minerals Management Service, Draft Proposed "Outer Continental Shelf Natural Gas and Oil Resource Management Comprehensive Program 1992-1997." February 1991.

Issues for the 102d Congress

Issues relating to the Federal OCS leasing program that may be addressed in the 102d Congress include evaluation of oil spill risk, OCS revenue sharing, development as part of the NES, moratoria, and development of the next 5-year plan.

Evaluation of Oil Spill Risk

Underlying the congressional imposition of moratoria is the concern over oil spill risk. Before the possibility of increased OCS production may be addressed, it is likely that the public will press for re-examination of the relative risk potential of OCS development compared to other hydrocarbon development options. The outcome of such an evaluation may be an important factor in congressional willingness to consider the President's NES recommendations for increased OCS production, revenue sharing, and moratoria.

It is sometimes difficult for an interested party, such as an affected State, to review all the sources of OCS environmental information (Environmental Studies Program, EISs, and Section 18 and Section 19 OCSLAA processes), look at this information as a comprehensive whole, and determine its adequacy for making leasing decisions. Review and adequacy determinations are often done by an independent agency such as the National Academy of Sciences (NAS); it has undertaken such reviews for OCS areas off California, south Florida, and the Georges Bank. Congress may request the NAS to perform such a review; the most recent reviews have taken at least a year to complete.

Specific questions the 102d Congress may wish to evaluate include the different oil spill risks posed by tankered and OCS-produced oil, and how (and when) the new oil spill liability law (P.L. 101-380) will affect these different risks.

Revenue Sharing

Revenue sharing legislation is likely to be considered in the 102d Congress. The principal participants in the debate -- environmentalists, industry, coastal communities, States, and the Administration -- all seem to be in agreement as to the desirability of enacting revenue sharing legislation, although their rationale for such a program, as well as how such a program would be structured, may still differ.

Most coastal States, except those in the central and western Gulf of Mexico, have opposed OCS activities off their coasts, in large part because of environmental concerns,

but also because they do not share these revenues (except in the case of shared revenues from so-called "8g" tracts). Some of these same coastal States, in particular those now experiencing revenue shortfalls, might support revenue sharing, if they see their share of revenues as compensating for, or mitigating, possible environmental risks/costs.

The Administration's favorable view towards revenue sharing, expressed in the President's June 1990 statement on Federal OCS leasing program, is clearly intended to be an inducement to new OCS leasing and development activities. The statement, however, is silent as to the amount of revenues the Federal Government would be willing to share, how the State share of these revenues would be allocated among the States, and how these revenues may be used.

A final consideration is how revenue sharing may relate to Congress's views towards OCS moratoria, which have increased acreage unavailable for leasing every year since FY1982. To the extent that revenue sharing is based on a State's new OCS activities, more acreage under moratoria would mean less potential revenue to share. It is unclear if, or to what extent, States now opposing OCS development through support of moratoria would drop that support if offered a share of the revenues. To a large extent, such a change would likely be conditioned on a State's careful evaluation (or reevaluation) of both the potential spill risk and the interaction between petroleum and other coastal industries; and to a lesser extent, it would likely be conditioned by a State's current fiscal situation.

In the 102d Congress, three bills -- S. 341, S. 49, and H.R. 94 -- would provide increased sharing of OCS revenues with coastal States and localities. (For further information on OCS revenue sharing see CRS Report 91-182 ENR, *OCS Revenue Sharing*.)

OCS Development as Part of a Comprehensive National Energy Strategy

The United States now depends on imports for 50% of its oil, and this percentage is growing. Consistent with this trend, production from OCS sources is declining, in part due to declining world oil prices, but also, possibly, due to congressional moratoria. Meanwhile, tankered oil from abroad and from onshore production in Alaska is filling the gap. The NES recommends increasing OCS oil and gas production in an environmentally safe manner and has offered sharing the Federal revenues with States as an incentive.

Expanded OCS production, in the context of a continued threat of international supply disruptions, has possible benefits and risks. The most obvious benefit is that it could diminish dependence on imported oil. Also, it could increase Federal revenues, improve the balance of trade, and improve the economies of both some producing regions, such as the Central and Western Gulf of Mexico, and regions where OCS development currently does not occur. A final possible benefit is reduced spill potential.

On the other hand, there are a number of environmental concerns. The pressure for increased OCS exploration activity is likely to exacerbate a continuing debate between many coastal States and the Interior Department/petroleum industry over whether revived leasing and exploration in many areas now under moratoria should be

allowed, and whether Congress should provide financial incentives, such as revenue sharing and tax benefits, for these OCS activities. It is unclear at this time to what extent revenue sharing would affect this debate.

Various bills in the 102d Congress would implement a national energy strategy, but not necessarily with the emphasis proposed in the NES. Many bills (e.g., H.R. 776, H.R. 777, H.R. 560, S. 324) stress energy conservation and development of alternative sources of energy. H.R. 1543, S. 341, and S. 741 emphasize increasing domestic hydrocarbon production along with conservation measures. The Bush Administration NES may be seen in H.R. 1301/S. 570.

Moratoria

It is likely that Congress, to the extent that it is unsatisfied with Administration assurances, will consider enactment of moratoria legislation. The question is how much acreage Congress may place under moratoria, and whether it will exceed the current 283 million acres in the FY1991 legislation. Also, will other factors, such as the possible enactment of OCS revenue sharing legislation, influence a State's desire to limit the acreage it wants placed under moratoria?

A related question may be whether to enact multiyear moratoria. In previous years, congressional OCS moratoria have been enacted through annual Department of the Interior appropriations legislation. With the 1990 Presidential OCS Decision and its recommendations for moratoria until the year 2000 for many OCS areas, it is unclear to what extent Congress may pursue enactment of annual or multiyear moratoria.

The House Interior Department appropriations subcommittee held hearings on OCS moratoria in March 1991.

Development of Next 5-Year Plan

The entire process for developing a 5-year plan takes 2 to 3 years. The current process began in July 1989 when the MMS issued a *Federal Register* notice soliciting information from the States, local governments, industry, and the public. The MMS developed its draft proposed plan from information received through the notice. The draft also reflects recommendations in the President's June 1990 OCS decision and the NES.

The MMS released its first draft of the proposed 5-year leasing plan (mid-1992 through mid-1997) in February 1991. After a 60-day comment period, which ended in April 1991, the MMS reviews the comments and modifies the proposed plan. The MMS expects to release the second draft plan after mid-1991, at which time there will be a 90-day comment period. After reviewing these comments and modifying the second draft plan, the MMS will release the final plan in mid-1992. There follows a 60-day congressional notification period, after which the plan is approved.

Congress may wish to conduct oversight hearings on the development of the next plan, to evaluate issues such as the plan's relationship to the NES and congressional moratoria and such as adequate balancing of development and environmental protection.

LEGISLATION**Revenue Sharing****H.R. 94 (Fields, Young)**

Establishes fund for sharing Federal OCS revenues with coastal States. Introduced Jan. 3, 1991; referred to the Committee on Merchant Marine and Fisheries.

H.R. 536 (Bennett)

Amends the Submerged Lands Act to extend a coastal State's jurisdiction to 12 miles. Introduced Jan. 16, 1991; referred jointly to Committees on Interior and Insular Affairs, on the Judiciary, and on Merchant Marine and Fisheries.

S. 49 (Stevens, Murkowski)

Establishes fund for sharing Federal OCS revenues with coastal States and local governments. Introduced Jan. 14, 1991; referred to Committee on Commerce, Science, and Transportation.

S. 341 (Johnston)

Provision in legislation would establish fund for sharing Federal OCS revenues with coastal States and local governments. Introduced Feb. 5, 1991; referred to Committee on Energy and Natural Resources.

Evaluation of Oil Spill Risk**S. 736 (Graham)**

Amends the OCSLAA Section 20 environmental studies program to require peer review for the adequacy of environmental studies, not just that environmental studies be completed, before a lease sale is held. Also, would reverse burden of proof in OCSLA Section 18 and Section 19 processes to give the Governors' of the affected States the first position as to what should be leased. Introduced Mar. 21, 1991; referred to Committee on Energy and Natural Resources.

OCS Development as Part of a Comprehensive National Energy Strategy**H.R. 138 (McEwen)**

Requires the President to report annually to Congress on national energy and environmental strategy. Introduced Jan. 3, 1991; referred to Committee on Energy and Commerce.

H.R. 560 (Panetta)

Establishes a comprehensive national energy policy, including conservation. Introduced Jan. 18, 1991; referred to Committees on Energy and Commerce, on Science and Technology, and on Ways and Means.

H.R. 776 (Sharp)

Provides for energy efficiency. Introduced Feb. 4, 1991; referred to Committee on Energy and Commerce.

H.R. 777 (Sharp)

Amends the Energy Policy and Conservation Act. Introduced Feb. 4, 1991; referred to Committee on Energy and Commerce.

H.R. 1301 (Dingell, by req.)/S. 570 (Johnston, by req.)

Bills to implement a National Energy Strategy. H.R. 1301 introduced Mar. 6, 1991; referred to more than one committee. S. 570 introduced Mar. 6, 1991; referred to Committee on Energy and Natural Resources.

H.R. 1543 (Lent)

Encourages cost effective energy conservation and development of domestic energy sources. Introduced Mar. 21, 1991; referred to more than one committee.

S. 324 (Wirth)

Establishes a comprehensive national energy strategy to promote energy conservation and efficiency. Introduced Jan. 31, 1991; referred to Committee on Environment and Natural Resources.

S. 341 (Johnston, Wallop)

Reduces the Nation's dependence on imported oil and provides for the Nation's energy security. Introduced Feb. 5, 1991; referred to Committee on Energy and Natural Resources.

S. 741 (Wirth)

Promotes cost effective energy efficiency improvements, use of natural gas, and increased energy production. Introduced Mar. 21, 1991; referred to Committee on Finance.

Moratoria**H.R. 1667 (Fascell)**

Prohibits OCS activities, except required environmental studies, off Florida. Introduced Apr. 9, 1991; referred to more than one committee.

S. 734 (Graham)

Imposes a 100-mile buffer around Florida. Introduced Mar. 21, 1991; referred to Committee on Energy and Natural Resources.



FACSIMILE COVER SHEET

TO: Kertie McGinty
FROM: Doug Hall
RE:
DATE: 8/10
PAGES FOLLOWING: 3

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If you have received this communication in error, please notify us immediately, and return the message to us at the below address via the US Postal Service. Thank you for your cooperation.

TO: Senator Gore
FR: Michael Waldman
RE: A visit to the Houston Ship Channel, Bush's "Boston Harbor"

George Bush has a "Boston Harbor": the heavily polluted Houston Ship Channel. The channel, which connects Houston to Galveston Bay, is lined by a pollution zone of petrochemical and oil company facilities. Bush has done little to help clean up the region: the Council on Competitiveness has killed a rule that would reduce toxic pollution; the White House has refused to implement a key worker safety provision of the Clean Air Act; and several Superfund sites have yet to see federal cleanup money. Worse, one of the firms that has polluted the channel was partly owned by Bush, James Baker and Robert Mossbacher.

This confluence of circumstances offers an opportunity to point out the way the Bush administration have let powerful polluters secretly block environmental initiatives, and to do so in a way that embarrasses the President in his hometown right before his renomination. It also would be a preemptive strike against the expected attacks against our environmental record and positions. This memo outlines a proposed visit and press event at the Ship Channel, possibly for Friday morning.

I. HOUSTON SHIP CHANNEL

The Ship Channel is a controversial, heavily polluted zone. In several respects, Bush has either not helped -- or, through his company, has made matters worse.

*-Bush's barge company: Hollywood Marine -- Hollywood Marine Inc. of Houston is a barge company that was investment partners with George Bush, James Baker and Robert Mossbacher. Bush's initial investment was \$50,000; he has since made a total of \$240,000. Hollywood Marine led the fight to weaken a federal rule that would have strengthened ship hulls to prevent oil spills (by requiring a second hull). In 1981 the Task Force on Regulatory Relief, chaired by Bush, killed the rule. The Wall Street Journal last month wrote that "the close business relationship between Mr. Bush and Hollywood Marine raises at least the appearance of a conflict of interest."

Since then, Hollywood Marine has grown into the nation's largest tank barge operator. Bush did not put his oil barge holdings into a blind trust until 1989, following the Exxon Valdez spill. Hollywood Marine barges have leaked oil into the ship channel on several occasions. In 1985 a Hollywood Marine barge exploded on the Channel, killing two workers, and in 1986 another barge exploded, killing one worker (these were owned by Baker and Mossbacher).

In addition, if Bush had required double-hulled tankers, the Exxon Valdez spill could have been averted, or minimized.

The press has recently shown a growing interest in this issue, when the Wall Street Journal and Project on Government Accountability broke the story of the Task Force's intervention. In the next week, we expect a story on CNN, and another story in the Wall Street Journal. (See attached news clip.) A local television report, which aired last week, ties many of these elements together.

* *Air pollution and the Quayle Council* -- The Ship Channel is lined by petrochemical and oil company facilities that spew pollution into the air. Texans suffer more toxic air pollution emissions by far than the residents of any other state. Much of this toxic pollution is concentrated in the Houston area; EPA data identify more than 30 million pounds of toxic emissions from Harris County Texas alone.

One of the most important rules stemming from the Clean Air Act that would affect the Houston area is the "hazardous organics rule." The EPA sent this rule to the White House for review last Christmas Eve, and it has languished there ever since -- held up by the Council on Competitiveness. According to the staff of the House Subcommittee on Health and the Environment, this rule alone would reduce toxic emissions in the Houston area by more than 15 million pounds per year.

We know that the oil and chemical industries gave substantial sums of money to the Bush-Quayle campaign from 1988 to the present, and we will be determining which firms line the channel, and which gave to the GOP.

* *Superfund sites, with no federal help* -- We believe that there are between 7-12 Superfund sites in the area surrounding the ship channel. It is our understanding that federal funds to clean up these sites have not been forthcoming, despite local efforts to speed the arrival of funds.

* *Worker safety.* A month-and-a-half ago, 27 workers were injured in an accident at a chemical plant on the Ship Channel. The Oil, Chemical and Atomic Workers Union is agitating for improved standards in the factories along the channel.

One of the provisions of the 1990 Clean Air Act would establish a Chemical Safety Board. Shortly after he signed the law, President Bush declared that the Chemical Safety Board provision is unconstitutional; he later abandoned that argument, but still has not taken the required steps to implement the program. Ironically, the impetus for the provision was a massive chemical accident that occurred in Texas City, Texas, just outside of Houston, in 1988.

II. PROPOSED EVENT

We propose that you visit the ship channel before the Republican Convention to sharply attack the Bush administration's

environmental record, its practice of granting special access to big polluters, and the apparent conflict of interest in Bush's barge company and his own intervention in the safety rule. The basic theme is: "Bush cares so little about the environment, he couldn't even clean up his own back yard. In fact, his barge company is one of the problems." The visibly grimy and polluted scene would make a compelling backdrop for a press event.

It would make sense to do this visit with local officials, such as Gov. Richards and/or Lands Commissioner Gary Mauro, so that all the fire is aimed at the Republican administration, and not (by implication) local officials. We will be able to argue: we are trying to clean this up, but the federal government has not done its part. Perhaps you should be accompanied by Sen. Wirth, to underscore the environmental argument.

Local homeowner groups are clamoring for a cleanup, too, and could be brought in. The local Oil, Chemical and Atomic Workers Union is working to remedy the safety problems, and would participate, too, if we want.

Before we commit to doing this, we need to make sure that all possible political complications are ironed out. Gary Mauro has expressed concern that the event not focus on the quality of the water, which is primarily regulated by Texas government, but on Hollywood Marina and other Bush/federal issues. I believe it should be possible to fashion a powerful event without focusing on the water.

Texas Contacts on Toxics

Rick Abraham
Texans United
Houston, Tx.
713-453-0853

Gary Weathersby (District Rep.)
or Sonny Sanders (Local Rep.)
Oil Chemical and Atomic Workers,
International Representative
Texas City, Tx
409-945-2355

(The Washington Rep. for the Oil, Chemical and Atomic Workers Union is Nolan Hancock 703-876-9300. He has suggested that the union President might be willing to accompany Clinton, Gore, or whoever at an event in Houston. He is checking into this.)

Carol Alvarado
Precent Judge
713-926-9847)

(Leader in a Hispanic Community right on the Houston ship channel. The community is very upset about both routine air toxics, and chemical accidents. An accident at the chemical plant next door injured 27 people only a month ago. This community might be an excellent backdrop for an event.)

I can provide a list of major air toxic sources in Houston (several pages long) and some background on the long list of chemical accidents in Houston in recent years.

The effort to block these new standards is only the beginning of the White House effort to undermine the program to protect the public and workers from dangerous toxic emissions.

The Bush, Quayle White House has also been arguing behind closed doors that the new law's mandate to reduce toxic air pollution with the best control technology should be read to require not the technology that gets the most emissions reductions, but the one that controls pollution most cheaply. While this reading may sit well with polluters, it is brazenly illegal, and would take the teeth out of the new toxics control program.

And then, of course, there is the infamous Bush, Quayle effort to assure that big polluters will be allowed to increase pollution levels in secret. EPA was strong-armed by the Council on Competitiveness into revising Clean Air Act rules to allow industrial polluters to increase emissions of dangerous pollution without informing nearby communities, regardless of the pollution control requirements in the company's clean air permits. Such secret emission increases were expressly rejected by the Senate, and clearly barred by the law George Bush signed.

[This loophole is so egregiously illegal that EPA's chief lawyer took the unprecedented step of concluding in writing that the regulation would be overturned in court. But that did not deter George Bush. He sided with Dan Quayle on the issue when EPA Administrator Bill Reilly objected that the loophole allowing secret emission increases was illegal.]

As the tons of toxic emissions continue to spew into that city's air supply every day, and chemical accidents continue to occur, the people of Houston, the workers at risk, are seeing that George Bush's pledge to bring clean air to every American was no more sincere than his commitment on taxes.

Air Toxics in Houston and George Bush's Failure to Implement the Clean Air Act

Texans suffer more toxic air pollution emissions, and chemical accidents than residents of any other state. According to industry self reporting in the Toxic Release Inventory, more than 790 million pounds of hazardous emissions were released into Texas skies in 1989. (By contrast, the number two state, Louisiana, released 473 million pounds.)

Much of this toxic pollution is concentrated in the Houston area, where residents are exposed to a variety of dangerous pollutants from the chemical plants and oil refineries along the Houston Ship channel. EPA data identify more than _____ pounds of toxic emissions emitted routinely each year in Harris County Texas alone. [The number should be available very soon. It is extremely high.]

In addition, many communities in the Houston area are especially vulnerable to chemical accidents. Only a month ago an accident at a plant chemical plant on the Houston Ship channel injured 27 workers. This was only the latest in a long list of chemical accidents that have terrified workers and neighboring communities for years.

The 1990 Clean Air includes important new programs to prevent chemical accident and to cut back dramatically on the routine release of hazardous air pollutants. But Houston residents may never see the benefits of these vital programs, because the Bush, Quayle White House is actively working to undermine them.

For example, the President has failed to fulfill his obligation under the law to put in place a program to help prevent chemical accidents. This board was actually in response to a massive chemical accident in Texas City in 1988 that left 17 (? checking) workers dead. Shortly after the signing the law, the President asserted that the independent board called for in the law to investigate chemical accidents and establish preventive safeguards was unconstitutional. He later abandoned that unsupportable argument, but has still not taken the required steps to establish the Chemical Safety Board, and help protect communities and workers from the ever present threat of dangerous accidents.

Another brazen example concerns one of most important efforts under the new clean air law, the program for control of hazardous air pollution from chemical plants and oil companies known as the "hazardous organics rule." EPA sent this urgently needed rule to the Bush White House last Christmas eve, and it has languished there ever since -- held up indefinitely by the irresponsible intervention of Dan Quayle's Council on Competitiveness. It is estimated that this rule alone would reduce dangerous toxic emissions in the Houston area by more than _____ pounds -- if George Bush would allow the requirements of the law to be carried out. Without this rule, responsible companies who have come forward on their own to reduce emissions are put at a competitive disadvantage.

TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	PASADENA	WELCHEM INC. BAYPORT PLAN	ETHYLENE GLYCOL	3054
HARRIS	PASADENA	WELCHEM INC. BAYPORT PLAN	ETHYLENE OXIDE	4910
HARRIS	PASADENA	WELCHEM INC. BAYPORT PLAN	FORMALDEHYDE	2434
HARRIS	SEABROOK	HOECHST CELANESE	METHANOL	6924
HARRIS	SEABROOK	HOECHST CELANESE	METHYL ACRYLATE	5272
HARRIS	SEABROOK	HOECHST CELANESE	VINYL ACETATE	10629
HARRIS	SHELDON	CHAMPION INTERNATIONAL CO	SULFURIC ACID	20482
HARRIS	SHELDON	CHAMPION INTERNATIONAL CO	CHLORINE	8535
HARRIS	SHELDON	CHAMPION INTERNATIONAL CO	1,1,1-TRICHLOROETHANE	12265
HARRIS	SHELDON	CHAMPION INTERNATIONAL CO	METHANOL	102653
HARRIS	SHELDON	CHAMPION INTERNATIONAL CO	CHLOROFORM	174407
HARRIS	SHELDON	CHAMPION INTERNATIONAL CO	SODIUM HYDROXIDE (SOLUT)	16537
HARRISON	KARNACK	LONGHORN ARMY AMMUNITION	DICHLOROMETHANE	4200
HARRISON	KARNACK	LONGHORN ARMY AMMUNITION	ACETONE	4898
HARRISON	KARNACK	LONGHORN ARMY AMMUNITION	METHYL ETHYL KETONE	64000
HARRISON	KARNACK	LONGHORN ARMY AMMUNITION	1,1,1-TRICHLOROETHANE	46750
HARRISON	LONGVIEW	STEMCO INC.	METHYL ETHYL KETONE	34325
HARRISON	LONGVIEW	STEMCO INC.	CUMENE HYDROPEROXIDE	5152
HARRISON	LONGVIEW	STEMCO INC.	TOLUENE	106464
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	METHANOL	51000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ACETONE	86000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	CHLOROFORM	13300
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	N-BUTYL ALCOHOL	152000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	BENZENE	24600
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	1,1,1-TRICHLOROETHANE	2002
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ETHYLENE	3100000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	CHLOROMETHANE	590600
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	CHLOROETHANE	423500
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ACETALDEHYDE	800000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	DICHLOROMETHANE	2500
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ETHYLENE OXIDE	13900
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	TERT-BUTYL ALCOHOL	35100
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ISOBUTYRALDEHYDE	410000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	DIETHYL PHTHALATE	12100
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	NAPHTHALENE	27000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ETHYLBENZENE	20300
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	STYRENE	11400
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	1,3-BUTADIENE	14200
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	ETHYLENE GLYCOL	400000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	VINYL ACETATE	7900
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	METHYL ISOBUTYL KETONE	28300
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	MALEIC ANHYDRIDE	8800
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	TOLUENE	181000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	2-ETHOXYETHANOL	50000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	CYCLOHEXANE	10500
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	PROPYLENE	634000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	PROPIONALDEHYDE	207000
HARRISON	LONGVIEW	TEXAS EASTMAN CO.	BUTYRALDEHYDE	194000

TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	HOUSTON	PRECOAT METALS	GLYCOL ETHERS	32294
HARRIS	HOUSTON	PRECOAT METALS	METHYL ETHYL KETONE	4290
HARRIS	HOUSTON	PRECOAT METALS	METHYL ISOBUTYL KETONE	6541
HARRIS	HOUSTON	PRECOAT METALS	N-BUTYL ALCOHOL	10192
HARRIS	HOUSTON	PRECOAT METALS	TOLUENE	4498
HARRIS	HOUSTON	RECTORSEAL CORP.	METHYL ETHYL KETONE	15721
HARRIS	HOUSTON	REED TOOL CO.	1,1,1-TRICHLOROETHANE	45000
HARRIS	HOUSTON	REICHOLD CHEMICALS INC.	STYRENE	6990
HARRIS	HOUSTON	REYNOLDS METALS CO.	N-BUTYL ALCOHOL	214819
HARRIS	HOUSTON	REYNOLDS METALS CO.	METHYL ETHYL KETONE	12810
HARRIS	HOUSTON	REYNOLDS METALS CO.	1,1,1-TRICHLOROETHANE	60021
HARRIS	HOUSTON	REYNOLDS METALS CO.	GLYCOL ETHERS	249658
HARRIS	HOUSTON	RIVERSIDE PRESS INC.	ACETONE	16290
HARRIS	HOUSTON	RUSSELL STANLEY SOUTHWEST	METHYL ETHYL KETONE	86223
HARRIS	HOUSTON	RUSSELL STANLEY SOUTHWEST	N-BUTYL ALCOHOL	34180
HARRIS	HOUSTON	RUSSELL STANLEY SOUTHWEST	TOLUENE	64432
HARRIS	HOUSTON	RUSSELL STANLEY SOUTHWEST	XYLENE (MIXED ISOMERS)	166659
HARRIS	HOUSTON	SANDVIK-MISSON DRILLING	1,1,1-TRICHLOROETHANE	39523
HARRIS	HOUSTON	SMITH INDUSTRIES INC.	ZINC COMPOUNDS	14914
HARRIS	HOUSTON	SOUTHLINE METAL PRODUCTS	METHYL ETHYL KETONE	100000
HARRIS	HOUSTON	SOUTHLINE METAL PRODUCTS	1,1,1-TRICHLOROETHANE	13000
HARRIS	HOUSTON	SOUTHLINE METAL PRODUCTS	XYLENE (MIXED ISOMERS)	35000
HARRIS	HOUSTON	SOUTHLINE METAL PRODUCTS	TOLUENE	20000
HARRIS	HOUSTON	SOUTHLINE METAL PRODUCTS	N-BUTYL ALCOHOL	21000
HARRIS	HOUSTON	SOUTHWEST GALVANIZING INC	ZINC COMPOUNDS	31890
HARRIS	HOUSTON	SOUTHWEST GALVANIZING INC	SULFURIC ACID	3069
HARRIS	HOUSTON	STAUFFER CHEMICAL CO.	SULFURIC ACID	771830
HARRIS	HOUSTON	TEXAS PETROCHEMICALS CORP	AMMONIA	57698
HARRIS	HOUSTON	TEXAS PETROCHEMICALS CORP	1,3-BUTADIENE	133133
HARRIS	HOUSTON	TEXAS PETROCHEMICALS CORP	METHANOL	26260
HARRIS	HOUSTON	TEXAS PETROCHEMICALS CORP	METHYL TERT-BUTYL ETHER	68680
HARRIS	HOUSTON	UNITED STRUCTURE OF AMER	XYLENE (MIXED ISOMERS)	40000
HARRIS	HOUSTON	VADCO MARBLE INC.	STYRENE	4216
HARRIS	LA PORTE	Witco CORPORATION-ARGUS D	CUMENE HYDROPEROXIDE	2250
HARRIS	LA PORTE	AIR PRODUCTS MANUFACTURING	1,1,1-TRICHLOROETHANE	7525
HARRIS	LA PORTE	ARISTECH CHEMICAL CORP.	ETHYLENE	2040
HARRIS	LA PORTE	ARISTECH CHEMICAL CORP.	PROPYLENE	77600
HARRIS	LA PORTE	DOW CHEMICAL CO.	AMMONIA	9400
HARRIS	LA PORTE	DOW CHEMICAL CO.	ANILINE	4600
HARRIS	LA PORTE	DOW CHEMICAL CO.	CHLORINE	2940
HARRIS	LA PORTE	DOW CHEMICAL CO.	CHLOROBENZENE	790000
HARRIS	LA PORTE	DOW CHEMICAL CO.	CYCLOHEXANE	82000
HARRIS	LA PORTE	DOW CHEMICAL CO.	HYDROCHLORIC ACID	12100
HARRIS	LA PORTE	DOW CHEMICAL CO.	METHANOL	14000
HARRIS	LA PORTE	DOW CHEMICAL CO.	1,1,1-TRICHLOROETHANE	8300
HARRIS	LA PORTE	DU PONT LA PORTE PLANT	ACETALDEHYDE	20674
HARRIS	LA PORTE	DU PONT LA PORTE PLANT	CHLOROBENZENE	3320
HARRIS	LA PORTE	DU PONT LA PORTE PLANT	ETHYLENE	48921

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HARRIS	HOUSTON	KOCIDE CHEMICAL CORP.	COPPER COMPOUNDS	5162
HARRIS	HOUSTON	KOPPERS INDUSTRIES INC.	AMINOMACENE	3382
HARRIS	HOUSTON	KOPPERS INDUSTRIES INC.	BENZENE	5373
HARRIS	HOUSTON	KOPPERS INDUSTRIES INC.	NAPHTHALENE	5379
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	ALUMINUM OXIDE	420000
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	AMMONIA	359000
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	XYLENE (MIXED ISOMERS)	102400
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	M-XYLENE	21700
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	P-XYLENE	66000
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	CUMENE	3830
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	METHYL ETHYL KETONE	20500
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	NAPHTHALENE	26155
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	METHYL TERT-BUTYL ETHER	20200
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	PROPYLENE	69000
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	ETHYLENE	156000
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	TERT-BUTYL ALCOHOL	54500
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	O-XYLENE	43100
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	ETHYLBENZENE	35500
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	TOLUENE	195500
HARRIS	HOUSTON	LYONDELL PETROCHEMICAL CO	BENZENE	139000
HARRIS	HOUSTON	MASTER BUILDERS INC. (FOR	STYRENE	6735
HARRIS	HOUSTON	MERCHANTS METALS INC.	HYDROCHLORIC ACID	3900
HARRIS	HOUSTON	MERICHEN CO.	CRESOL (MIXED ISOMERS)	9676
HARRIS	HOUSTON	MERICHEN CO.	PHENOL	2750
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	CHLORINE	21074
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	CHLOROPRENE	373100
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	NITRIC ACID	2900
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	XYLENE (MIXED ISOMERS)	19294
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	SODIUM HYDROXIDE (SOLUT)	5410
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	MALEIC ANHYDRIDE	23600
HARRIS	HOUSTON	MOBAY SYNTHETICS CORP.	1,3-BUTADIENE	69400
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	1,3-BUTADIENE	5750
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	CHLORINE	2600
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	ETHYLENE	420000
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	PROPYLENE	233000
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	TOLUENE	5750
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	BENZENE	8750
HARRIS	HOUSTON	MOBIL CHEMICAL CO.	STYRENE	4850
HARRIS	HOUSTON	NABISCO BISCUIT CO.	AMMONIA	118461
HARRIS	HOUSTON	O & M MANUFACTURING CO.	XYLENE (MIXED ISOMERS)	16096
HARRIS	HOUSTON	O'BRIEN CORP.	METHYL ETHYL KETONE	22011
HARRIS	HOUSTON	PENNWALT CORP.	CARBON DISULFIDE	6994
HARRIS	HOUSTON	PILOT INDUSTRIES OF TEXAS	BENZENE	7596
HARRIS	HOUSTON	PILOT INDUSTRIES OF TEXAS	TOLUENE	2447
HARRIS	HOUSTON	PILOT INDUSTRIES OF TEXAS	O-XYLENE	4618
HARRIS	HOUSTON	POWELL ELECTRICAL MFG. CO	XYLENE (MIXED ISOMERS)	17860
HARRIS	HOUSTON	POWELL ELECTRICAL MFG. CO	TOLUENE	11910

TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	HOUSTON	FERMENTA ASC CORP.	CHLORINE	39734
HARRIS	HOUSTON	FERMENTA ASC CORP.	CHLOROMETHANE	8060
HARRIS	HOUSTON	FERMENTA ASC CORP.	CHLOROTHALONIL	18374
HARRIS	HOUSTON	FERMENTA ASC CORP.	ETHYLBENZENE	15976
HARRIS	HOUSTON	FERMENTA ASC CORP.	HYDROCHLORIC ACID	51657
HARRIS	HOUSTON	FERMENTA ASC CORP.	METHANOL	44369
HARRIS	HOUSTON	FERMENTA ASC CORP.	P-XYLENE	2002
HARRIS	HOUSTON	FERMENTA ASC CORP.	M-XYLENE	18380
HARRIS	HOUSTON	FERMENTA ASC CORP.	XYLENE (MIXED ISOMERS)	77997
HARRIS	HOUSTON	FOSTER PRODUCTS CORP.	DICHLOROMETHANE	19200
HARRIS	HOUSTON	FOSTER PRODUCTS CORP.	TOLUENE	2050
HARRIS	HOUSTON	FOSTER PRODUCTS CORP.	XYLENE (MIXED ISOMERS)	4750
HARRIS	HOUSTON	GAZELLE INC. DBA HOUSTON	AMMONIA	9640
HARRIS	HOUSTON	GENERAL FOODS CORP.	Isotures or Trade names	16340
HARRIS	HOUSTON	GIRARD INDUSTRIES INC.	DICHLOROMETHANE	16100
HARRIS	HOUSTON	GOODMAN MANUFACTURING COR	1,1,1-TRICHLOROETHANE	43725
HARRIS	HOUSTON	GOODYEAR TIRE & RUBBER CO	ACRYLONITRILE	32400
HARRIS	HOUSTON	GOODYEAR TIRE & RUBBER CO	AMMONIA	102500
HARRIS	HOUSTON	GOODYEAR TIRE & RUBBER CO	1,3-BUTADIENE	257600
HARRIS	HOUSTON	GOODYEAR TIRE & RUBBER CO	STYRENE	934200
HARRIS	HOUSTON	GUARDSMAN PRODUCTS INC.	GLYCOL ETHERS	3550
HARRIS	HOUSTON	GUARDSMAN PRODUCTS INC.	METHYL ISOBUTYL KETONE	3550
HARRIS	HOUSTON	GUARDSMAN PRODUCTS INC.	TOLUENE	10800
HARRIS	HOUSTON	GUARDSMAN PRODUCTS INC.	XYLENE (MIXED ISOMERS)	11900
HARRIS	HOUSTON	GULF METAL INDUSTRIES	ZINC COMPOUNDS	17000
HARRIS	HOUSTON	HAHN & CLAY	1,1,1-TRICHLOROETHANE	2400
HARRIS	HOUSTON	HENPEL COATINGS INC. USA	TOLUENE	2350
HARRIS	HOUSTON	HENPEL COATINGS INC. USA	METHYL ETHYL KETONE	3450
HARRIS	HOUSTON	HENPEL COATINGS INC. USA	XYLENE (MIXED ISOMERS)	2350
HARRIS	HOUSTON	HILL PETROLEUM CO.	ALUMINUM OXIDE	116475
HARRIS	HOUSTON	HILL PETROLEUM CO.	BENZENE	24223
HARRIS	HOUSTON	HILL PETROLEUM CO.	ETHYLBENZENE	13336
HARRIS	HOUSTON	HILL PETROLEUM CO.	ETHYLENE	3217
HARRIS	HOUSTON	HILL PETROLEUM CO.	METHANOL	3840
HARRIS	HOUSTON	HILL PETROLEUM CO.	METHYL TERT-BUTYL ETHER	3870
HARRIS	HOUSTON	HILL PETROLEUM CO.	PROPYLENE	8571
HARRIS	HOUSTON	HILL PETROLEUM CO.	TOLUENE	122416
HARRIS	HOUSTON	HILL PETROLEUM CO.	XYLENE (MIXED ISOMERS)	86726
HARRIS	HOUSTON	HUGHES TOOL CO.	FREON 113	56283
HARRIS	HOUSTON	HUGHES-MPD	METHANOL	11600
HARRIS	HOUSTON	HUGHES-MPD	ACETONE	6450
HARRIS	HOUSTON	INTERNATIONAL GRATING INC	STYRENE	3600
HARRIS	HOUSTON	INTERNATIONAL PAINT (USA)	N-BUTYL ALCOHOL	2500
HARRIS	HOUSTON	INTERNATIONAL PAINT (USA)	TOLUENE	3050
HARRIS	HOUSTON	INTERNATIONAL PAINT (USA)	XYLENE (MIXED ISOMERS)	7700
HARRIS	HOUSTON	JOHANN HALTERMANN LTD.	TERT-BUTYL ALCOHOL	8435
HARRIS	HOUSTON	JOHANN HALTERMANN LTD.	ISOBUTYRALDEHYDE	5084
HARRIS	HOUSTON	JUNIPER ENTERPRISES	STYRENE	7230

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TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	DEER PARK	W.R. GRACE & CO. DEER PAR	ACETONE	34370
HARRIS	DEER PARK	W.R. GRACE & CO. DEER PAR	ACETALDEHYDE	25000
HARRIS	DEER PARK	W.R. GRACE & CO. DEER PAR	ACETONITRILE	34900
HARRIS	FAIRBANKS	CHAMPION COATINGS INC.	XYLENE (MIXED ISOMERS)	5750
HARRIS	FAIRBANKS	CHAMPION COATINGS INC.	TOLUENE	2000
HARRIS	HARRISBURG	NEWARK SHIPBUILDING & RE	METHANOL	12700
HARRIS	HARRISBURG	NEWARK SHIPBUILDING & RE	METHYL ETHYL KETONE	4460
HARRIS	HARRISBURG	NEWARK SHIPBUILDING & RE	STYRENE	7080
HARRIS	HARRISBURG	NEWARK SHIPBUILDING & RE	TOLUENE	6102
HARRIS	HARRISBURG	NEWARK SHIPBUILDING & RE	XYLENE (MIXED ISOMERS)	9910
HARRIS	HOUSTON	AMERICAN NATIONAL CAN CO.	GLYCOL ETHERS	203077
HARRIS	HOUSTON	AMERICAN NATIONAL CAN CO.	N-BUTYL ALCOHOL	122102
HARRIS	HOUSTON	AMERICAN STEEL BUILDING C	M-XYLENE	116000
HARRIS	HOUSTON	ANHEUSER-BUSCH INC.	AMMONIA	31600
HARRIS	HOUSTON	ARCHER CO.	MALEIC ANHYDRIDE	6649
HARRIS	HOUSTON	BOYLES GALVANIZING CO.	HYDROCHLORIC ACID	3948
HARRIS	HOUSTON	BTL SPECIALTY RESINS CORP	METHANOL	37808
HARRIS	HOUSTON	BTL SPECIALTY RESINS CORP	FORMALDEHYDE	5649
HARRIS	HOUSTON	BTL SPECIALTY RESINS CORP	METHANOL	37808
HARRIS	HOUSTON	C.E. SHEPHERD CO. INC.	TOLUENE	60464
HARRIS	HOUSTON	C.E. SHEPHERD CO. INC.	METHYL ISOBUTYL KETONE	51370
HARRIS	HOUSTON	CARGILL STEEL & WIRE	ZINC COMPOUNDS	11879
HARRIS	HOUSTON	CAROLINA MIRROR CO.	AMMONIA	13100
HARRIS	HOUSTON	CBT MA-COM, INC.	XYLENE (MIXED ISOMERS)	13000
HARRIS	HOUSTON	CHEM GRIND CHEMICAL CO.	CHLOROTHALONIL	8000
HARRIS	HOUSTON	CHILDERS PRODUCTS CO.	XYLENE (MIXED ISOMERS)	23000
HARRIS	HOUSTON	CHILDERS PRODUCTS CO.	ETHYLENE GLYCOL	2277
HARRIS	HOUSTON	CHILDERS PRODUCTS CO.	DICHLOROMETHANE	15000
HARRIS	HOUSTON	COMPAQ COMPUTER CORP.	FREON 113	180000
HARRIS	HOUSTON	COMPAQ COMPUTER CORP.	METHANOL	16000
HARRIS	HOUSTON	CONTINENTAL CAN CO. INC.	METHYL ETHYL KETONE	10362
HARRIS	HOUSTON	CONTINENTAL CAN CO. INC.	N-BUTYL ALCOHOL	125067
HARRIS	HOUSTON	CONTINENTAL CAN CO. INC.	GLYCOL ETHERS	114285
HARRIS	HOUSTON	CUSTOM PIPE COATING INC.	METHYL ETHYL KETONE	21000
HARRIS	HOUSTON	DAIMOND PAINT MANUFACTUR	XYLENE (MIXED ISOMERS)	2707
HARRIS	HOUSTON	DEE FOUNDRIES INC.	COPPER	4056
HARRIS	HOUSTON	DEVOS & RAYNOLDS CO.	XYLENE (MIXED ISOMERS)	2347
HARRIS	HOUSTON	EXXON CHEMICAL CO.	XYLENE (MIXED ISOMERS)	9730
HARRIS	HOUSTON	EXXON CHEMICAL CO.	METHANOL	7330
HARRIS	HOUSTON	EXXON CHEMICAL CO.	ETHYLENE OXIDE	5000
HARRIS	HOUSTON	EXXON CHEMICAL CO.	TOLUENE	2400
HARRIS	HOUSTON	EXXON CHEMICAL CO.	XYLENE (MIXED ISOMERS)	16000
HARRIS	HOUSTON	EXXON CHEMICAL CO.	TOLUENE	3870
HARRIS	HOUSTON	EXXON CHEMICAL CO.	METHANOL	5500
HARRIS	HOUSTON	EXXON CHEMICAL CO.	ETHYLENE OXIDE	14800
HARRIS	HOUSTON	EXXON CHEMICAL CO.	PROPYLENE OXIDE	12200
HARRIS	HOUSTON	FERMENTA ASC CORP.	AMMONIA	68840
HARRIS	HOUSTON	FERMENTA ASC CORP.	CARBON TETRACHLORIDE	88036

TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	VINYL CHLORIDE	25000
HARRIS	DEER PARK	ROHM & HAAS INC.	ACETONE	71300
HARRIS	DEER PARK	ROHM & HAAS INC.	CYANIDE COMPOUNDS	4200
HARRIS	DEER PARK	ROHM & HAAS INC.	ACRYLIC ACID	5700
HARRIS	DEER PARK	ROHM & HAAS INC.	AMMONIA	220000
HARRIS	DEER PARK	ROHM & HAAS INC.	BUTYL ACRYLATE	34600
HARRIS	DEER PARK	ROHM & HAAS INC.	ETHYL ACRYLATE	17300
HARRIS	DEER PARK	ROHM & HAAS INC.	ETHYLENE OXIDE	9992
HARRIS	DEER PARK	ROHM & HAAS INC.	HYDROGEN CYANIDE	130410
HARRIS	DEER PARK	ROHM & HAAS INC.	METHANOL	2000840
HARRIS	DEER PARK	ROHM & HAAS INC.	METHYL METHACRYLATE	252700
HARRIS	DEER PARK	ROHM & HAAS INC.	PHENOL	2530
HARRIS	DEER PARK	ROHM & HAAS INC.	PROPYLENE	8900
HARRIS	DEER PARK	ROHM & HAAS INC.	N-BUTYL ALCOHOL	26600
HARRIS	DEER PARK	ROHM & HAAS INC.	SULFURIC ACID	150000
HARRIS	DEER PARK	ROHM & HAAS INC.	ETHYLENE	16000
HARRIS	DEER PARK	SHELL OIL CO.	O-XYLENE	11500
HARRIS	DEER PARK	SHELL OIL CO.	PHENOL	120000
HARRIS	DEER PARK	SHELL OIL CO.	PROPYLENE	330000
HARRIS	DEER PARK	SHELL OIL CO.	N-BUTYL ALCOHOL	24500
HARRIS	DEER PARK	SHELL OIL CO.	TOLUENE	210000
HARRIS	DEER PARK	SHELL OIL CO.	1,2,4-TRIMETHYLBENZENE	5650
HARRIS	DEER PARK	SHELL OIL CO.	XYLENE (MIXED ISOMERS)	68000
HARRIS	DEER PARK	SHELL OIL CO.	4,4'-ISOPROPYLDIENEDIPNE	36250
HARRIS	DEER PARK	SHELL OIL CO.	METHYL TERT-BUTYL ETHER	15000
HARRIS	DEER PARK	SHELL OIL CO.	METHANOL	87800
HARRIS	DEER PARK	SHELL OIL CO.	METHYL ETHYL KETONE	70000
HARRIS	DEER PARK	SHELL OIL CO.	METHYL ISOBUTYL KETONE	93000
HARRIS	DEER PARK	SHELL OIL CO.	ALUMINUM OXIDE	158000
HARRIS	DEER PARK	SHELL OIL CO.	AMMONIA	23000
HARRIS	DEER PARK	SHELL OIL CO.	BENZENE	380000
HARRIS	DEER PARK	SHELL OIL CO.	1,3-BUTADIENE	75800
HARRIS	DEER PARK	SHELL OIL CO.	CYCLOHEXANE	19100
HARRIS	DEER PARK	SHELL OIL CO.	DIETHANOLAMINE	4500
HARRIS	DEER PARK	SHELL OIL CO.	EPICHLOROHYDRIN	68000
HARRIS	DEER PARK	SHELL OIL CO.	ETHYLBENZENE	18100
HARRIS	DEER PARK	SHELL OIL CO.	ETHYLENE	141000
HARRIS	DEER PARK	SHELL OIL CO.	BUTYRALDEHYDE	19688
HARRIS	DEER PARK	SHELL OIL CO.	CHROMIUM COMPOUNDS	11000
HARRIS	DEER PARK	SHELL OIL CO.	CUMENE	241000
HARRIS	DEER PARK	SHELL OIL CO.	CUMENE HYDROPEROXIDE	26000
HARRIS	DEER PARK	SHELL OIL CO.	ACETONE	551000
HARRIS	DEER PARK	SOLTEX POLYMER CORP.	ETHYLENE	415973
HARRIS	DEER PARK	SOLTEX POLYMER CORP.	PROPYLENE	225105
HARRIS	DEER PARK	TEXAS ALKYL INC.	TOLUENE	2250
HARRIS	DEER PARK	TEXAS ALKYL INC.	CHLOROETHANE	5900
HARRIS	DEER PARK	TEXAS ALKYL INC.	ETHYLENE	13900
HARRIS	DEER PARK	M.R. GRACE & CO. -DEER PA	2-NITROPROPANE	19000

TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	STYRENE	119730
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	TERT-BUTYL ALCOHOL	86715
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	TOLUENE	6190
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	ACETONE	10600
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	ACETONITRILE	25200
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	BENZENE	33000
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	1,3-BUTADIENE	229000
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	CUMENE	2340
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	ETHYLBENZENE	2530
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	ETHYLENE	93000
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	METHANOL	97000
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	METHYL ETHYL KETONE	19000
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	METHYL TERT-BUTYL ETHER	468300
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	NAPHTHALENE	16044
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	PROPYLENE	80000
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	SEC-BUTYL ALCOHOL	8100
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	STYRENE	17900
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	TOLUENE	3300
HARRIS	CHANNELVIEW	LYONDELL PETROCHEMICAL CO	XYLENE (MIXED ISOMERS)	2110
HARRIS	CHANNELVIEW	PULLMAN RAILCAR SERVICES	XYLENE (MIXED ISOMERS)	46500
HARRIS	CROSBY	PENNWALT CORP.	TERT-BUTYL ALCOHOL	93722
HARRIS	CROSBY	PENNWALT CORP.	METHYL ETHYL KETONE	18184
HARRIS	CROSBY	PENNWALT CORP.	ACETONE	30485
HARRIS	CROSBY	PENNWALT CORP.	HYDROCHLORIC ACID	2339
HARRIS	CYPRESS	BOLFING BROTHERS MARBLE I	ACETONE	18000
HARRIS	CYPRESS	BOLFING BROTHERS MARBLE I	STYRENE	15000
HARRIS	CYPRESS	TEXAS INSTRUMENTS INC.	FREON 113	19650
HARRIS	DEER PARK	BF GOODRICH CO.	VINYL CHLORIDE	17400
HARRIS	DEER PARK	LUBRIZOL PETROLEUM CHEMIC	METHANOL	145780
HARRIS	DEER PARK	LUBRIZOL PETROLEUM CHEMIC	XYLENE (MIXED ISOMERS)	6059
HARRIS	DEER PARK	LUBRIZOL PETROLEUM CHEMIC	ETHYLENE GLYCOL	2224
HARRIS	DEER PARK	LUBRIZOL PETROLEUM CHEMIC	PHENOL	7970
HARRIS	DEER PARK	LUBRIZOL PETROLEUM CHEMIC	HYDROCHLORIC ACID	15256
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	CARBON TETRACHLORIDE	51000
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	CHLOROFORM	7200
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	1,2-DICHLOROETHANE	82000
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	DICHLOROMETHANE	5070
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	ETHYLENE	6400
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	HYDROCHLORIC ACID	12210
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	METHANOL	7100
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	TETRACHLOROETHYLENE	81000
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	TRICHLOROETHYLENE	3600
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	CHLORINE	221700
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	ETHYLENE	27500
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	1,2-DICHLOROETHANE	54100
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	HYDROCHLORIC ACID	12210
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	PROPYLENE	6300
HARRIS	DEER PARK	OCCIDENTAL CHEMICAL CORP.	1,1,2-TRICHLOROETHANE	5800

TEXAS
1988 EPA TOXIC RELEASE INVENTORY
AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
HARRIS	BAYTOWN	EXXON	ETHYLBENZENE	17400
HARRIS	BAYTOWN	EXXON	ETHYLENE	28000
HARRIS	BAYTOWN	EXXON	METHYL ETHYL KETONE	752000
HARRIS	BAYTOWN	EXXON	METHYL TERT-BUTYL ETHER	11400
HARRIS	BAYTOWN	EXXON	PHENOL	3300
HARRIS	BAYTOWN	EXXON	PROPYLENE	53000
HARRIS	BAYTOWN	EXXON	TOLUENE	450000
HARRIS	BAYTOWN	EXXON	XYLENE (MIXED ISOMERS)	105000
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	METHANOL	43600
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	ACETONE	6900
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	BENZENE	33000
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	CHLOROMETHANE	406000
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	ETHYLBENZENE	21100
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	TOLUENE	27400
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	XYLENE (MIXED ISOMERS)	227000
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	AMMONIA	53190
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	1,2,4-TRIMETHYLBENZENE	2600
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	ETHYLENE	31000
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	TERT-BUTYL ALCOHOL	68400
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	PROPYLENE	73000
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	METHYL TERT-BUTYL ETHER	14100
HARRIS	BAYTOWN	EXXON CHEMICAL AMERICAS	CHROMIUM COMPOUNDS	3200
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	METHANOL	5000
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	BENZENE	31200
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	ETHYLBENZENE	12700
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	STYRENE	8600
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	TOLUENE	29100
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	XYLENE (MIXED ISOMERS)	10700
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	1,3-BUTADIENE	83000
HARRIS	BAYTOWN	EXXON CHEMICAL CO. BAYTOWN	ETHYLENE	112000
HARRIS	BAYTOWN	J.M. HUBER	ETHYLENE	216674
HARRIS	BAYTOWN	J.M. HUBER BAYTOWN	AMMONIA	6645
HARRIS	BAYTOWN	J.M. HUBER BAYTOWN	CARBON DISULFIDE	260653
HARRIS	BAYTOWN	J.M. HUBER BAYTOWN	CARBONYL SULFIDE	103493
HARRIS	BAYTOWN	STAUFFER CHEMICAL CO.	SULFURIC ACID	29150
HARRIS	BAYTOWN	STAUFFER CHEMICAL CO.	AMMONIA	18000
HARRIS	BAYTOWN	STAUFFER CHEMICAL CO.	AMMONIUM SULFATE (SOLUT)	33350
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	ACETALDEHYDE	207220
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	ACETONE	8450
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	BENZENE	62150
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	ETHYLBENZENE	256390
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	ETHYLENE	17270
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	ETHYLENE OXIDE	2190
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	METHANOL	14610
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	METHYL ETHYL KETONE	2985
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	METHYL TERT-BUTYL ETHER	15480
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	PROPYLENE	69600
HARRIS	CHANNELVIEW	ARCO CHEMICAL CO.	PROPYLENE OXIDE	287210

LIST OF MAJOR TOXIC EMITTERS IN HOUSTON'S HARRIS COUNTY

Page No. 17
06/22/90

TEXAS 1988 EPA TOXIC RELEASE INVENTORY AIR EMISSIONS GREATER THAN OR EQUAL TO 2,000 POUNDS

COUNTY	CITY	FACILITY	CHEMICAL NAME	AIR EMISSIONS (POUNDS)
GREGG	LONGVIEW	FLEETWOOD TRAVEL TRAILERS	TOLUENE	21565
GREGG	LONGVIEW	GARLAND CREOSOTING CO.	NAPHTHALENE	36740
GREGG	LONGVIEW	GILLESPIE COATINGS INC.	XYLENE (MIXED ISOMERS)	8250
GREGG	LONGVIEW	JLM MARINE CORP.	ACETONE	18651
GREGG	LONGVIEW	PARAMOUNT PACKAGING CORP.	METHANOL	3700
GREGG	LONGVIEW	SARATHON LE TOURNEAU CO.	MANGANESE	3250
GREGG	LONGVIEW	SARATHON LE TOURNEAU CO.	XYLENE (MIXED ISOMERS)	20250
GREGG	LONGVIEW	STROM CONTAINER CO.	GLYCOL ETHERS	243290
GREGG	LONGVIEW	STROM CONTAINER CO.	CYCLOHEXANE	56980
GREGG	LONGVIEW	STROM CONTAINER CO.	N-BUTYL ALCOHOL	143050
GUADALUPE	SEGUIN	HOLLY FARMS OF TEXAS INC.	AMMONIA	25715
GUADALUPE	SEGUIN	MOTOROLA INC.	FREON 113	190000
GUADALUPE	SEGUIN	MOTOROLA INC.	METHANOL	11000
GUADALUPE	SEGUIN	OLSON METAL PRODUCTS CO.	TETRACHLOROETHYLENE	42250
GUADALUPE	SEGUIN	SERVIS RHINO INC.	XYLENE (MIXED ISOMERS)	69736
GUADALUPE	SEGUIN	SERVIS RHINO INC.	TOLUENE	12808
GUADALUPE	SEGUIN	STRUCTURAL METALS INC.	ZINC (FUME OR DUST)	134000
GUADALUPE	SEGUIN	XERXES CORP.	STYRENE	150000
GUADALUPE	SEGUIN	XERXES CORP.	ACETONE	29000
HALE	PLAINVIEW	EXCEL CORP.	AMMONIA	12225
HARDIN	SILSBEE	SOUTH HAMPTON REFINING CO	ETHYLBENZENE	4640
HARDIN	SILSBEE	SOUTH HAMPTON REFINING CO	BENZENE	8968
HARDIN	SILSBEE	SOUTH HAMPTON REFINING CO	TOLUENE	12048
HARDIN	SILSBEE	SOUTH HAMPTON REFINING CO	STYRENE	14202
HARDIN	SILSBEE	SOUTH HAMPTON REFINING CO	NAPHTHALENE	16195
HARRIS	BARKER	CRAIG BAKER MARBLE CO. IN	STYRENE	7325
HARRIS	BARKER	CRAIG BAKER MARBLE CO. IN	ACETONE	47434
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	N-BUTYL ALCOHOL	5607
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	METHYL ETHYL KETONE	12131
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	ETHYLENE GLYCOL	17430
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	TERT-BUTYL ALCOHOL	3484
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	METHANOL	9099
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	NAPHTHALENE	32099
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	ISOBUTYRALDEHYDE	2589
HARRIS	BAYTOWN	ADVANCED AROMATICS INC.	ACETONE	4548
HARRIS	BAYTOWN	AMOCO CHEMICAL CO. - CEDA	PROPYLENE	86400
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	BENZENE	7680
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	1,3-BUTADIENE	3840
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	ETHYLBENZENE	2378
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	ETHYLENE	827860
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	METHANOL	3077
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	NAPHTHALENE	3080
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	PROPYLENE	33640
HARRIS	BAYTOWN	CHEVRON CHEMICAL CO.	TOLUENE	2288
HARRIS	BAYTOWN	EXXON	ALUMINUM OXIDE	280000
HARRIS	BAYTOWN	EXXON	AMMONIA	23250
HARRIS	BAYTOWN	EXXON	BENZENE	43000
HARRIS	BAYTOWN	EXXON	CYCLOHEXANE	30000

Continued from Page 1B.

Program.

Toxic output in Texas declined from 700 million pounds in 1987 to 418 million pounds three years later. On paper, that's a reduction of 60 percent — but the actual reduction was about 11 percent, she said.

Factories in Texas accounted for 418 million of the 3.5 billion pounds of toxic chemicals released by the nation's industries in 1990 — second only to Louisiana's factories.

Texas led the nation in the amount of toxic chemicals released into the air, accounting for 7 percent of the U.S. total. Of the 2.2 billion pounds released nationwide into the atmosphere, Texas accounted for 163 mil-

Texas was among the biggest smokestack polluters in the country, its smokestacks accounting for 5.7 percent of the 1.3 billion pounds of toxins spewed into the nation's atmosphere. Only Utah and Tennessee had higher stack emissions.

The state ranked first in disposal of toxic chemicals in wells, accounting for 230 million, or a third, of the 725 million pounds of liquid wastes injected into underground wells.

The state also ranked first in amount of toxic chemicals released into the atmosphere from equipment leaks, spills and other so-called fugitive releases. Those releases accounted for 75 million, or 11 percent, of the 681 million pounds generated nationally.

The main toxic chemicals released into the environment by Texas industries were ammonia, nitric acid,

nitrate.

Texas didn't take top honors in the use of toxic chemicals dumped in its landfills or buried on other property. The state ranked 13th in releases to land, accounting for 2.5 percent, or 11 million pounds, of the 441 million generated nationally.

The state also fared better in amount of toxic chemicals released into streams, lakes and other bodies of water, ranking at the lower end of the scale with 4 million of the 197 million pounds poured into waterways.

Texas also transfers more toxic chemicals to off-site locations than any other state. Of the 1.2 billion pounds of chemicals hauled to off-site treatment locations nationwide, Texas accounted for 116 million pounds, or 9 percent.

The state hopes to make real re-

program implemented in April, Pitts said. The program targets the 40 top toxic chemical and hazardous waste producers in the state, seeking to find ways to reduce their emissions.

Monsanto Co. in Alvin ranked as the biggest producer of toxic chemicals in 1990, accounting for almost 65 million pounds, the EPA said.

The vast majority of that was ammonium sulfate, which the company has been pumping into a pocket far below the Earth's surface, said plant spokesman Don Meade.

"We are injecting into an area a mile deep in the ground that already contains salt water. It's too salty to be used for anything else," he said.

Monsanto has pledged to cut its air emissions by 90 percent at the end of this year and its organic waste by 70 percent by the end of 1995.

Houston Chronicle
Section B
Thursday, May 28, 1992

Polluters mess with Texas air

State industries tops in chemical releases

By MICHELLE MITTELSTADT
Associated Press

WASHINGTON — Texas shares remain among the dirtiest in the country, helping the state retain its dubious ranking as the nation's leading industrial air polluter, the nation's leading industrial air polluter, the Environmental Protection Agency said Wednesday.

Texas industries are among the nation's leading sources for toxic chemical releases into the air, ground and water, according to an annual EPA inventory of toxic releases.

The petrochemical industry in Texas — which accounts for 57 percent of the nation's petrochemical production — is responsible for much of the toxic chemical releases.

Although the state has made strides to slash its toxic chemical output in recent years, much of the reduction in 1990 was due to changes in reporting techniques, EPA and state officials cautioned.

"It is an improvement, but more or less we realize it's a paper improvement," said Helen Pitts, a spokeswoman for the Texas Water Commission, which compiles state data for the EPA's Toxics Release Inventory.

See POLLUTERS on Page 4B.

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Today I want to talk with you about the environment.

With election time rolling around again, George Bush is apparently rediscovering the environment, or at least environmental rhetoric. A few weeks ago, George Bush traveled to Sequoia National Forest and sought once again to claim the mantle of the "environmental President." It was a spectacle that would have been laughable, had it not been so sad -- had the American public not seen our nation humiliated only a few weeks earlier when the President made the United States an environmental pariah at the Earth Summit in Rio de Janeiro.

But the fiasco in Rio was only one of the more recent chapters in a long record of hypocrisy and double speak on the environment.

On the campaign trail in 1988, presidential candidate George Bush made a number of important promises to the American people. We all remember "read my lips: no new taxes." But there were a number of other promises addressed specifically to the strong environmental concerns of Americans across the country.

In speeches that summer, George Bush pledged to assure "no net loss of wetlands," to battle the greenhouse effect with the "White House effect," to "exceed" EPA's goal of 25 percent recycling in his first term, and to give EPA officials, and I quote, "my support... my ear... my confidence... my mandate."

These pledges fared no better than the President's ill-fated commitment on taxes. Once elected, George Bush not only abandoned his commitments to environmental protection, as he abandoned his tax pledge, but abused the voters' trust by actively working against progress in the very areas where he promised strong support.

Let's look point by point at the President's performance on his environmental campaign promises and you'll see what I mean.

In numerous campaign speeches George Bush pledged to assure "no net loss" of wetlands. Once elected though, the "environmental President" saw things differently. He empowered the anti-environment crowd at Dan Quayle's Council on Competitiveness to overrule the professionals at EPA and rewrite EPA's definition of what constitutes a wetland.

We'll talk more about the Competitiveness Council in a moment. But keep in mind -- this is a group has no training or expertise on environmental issues, or for that matter competitiveness.

This group instructed a dismayed collection of experts at EPA as to what should and should not be considered a wetland. And when the scientists, the people who actually know something about wetlands, looked at what the Dan Quayle and company had done, they discovered that the area of protected wetlands was pared back by a staggering

total of about 100 million acres.

The White House professed embarrassed surprise when studies revealed that the Competitiveness Council's new definition would eliminate protection for fully half of the nation's wetlands, including much of the Florida Everglades.

Sad to say, this is typical of environmental decision-making in the Bush Presidency -- a frightening twilight zone where Dan Quayle gets to overrule the experts and conclude that the Everglades is not a wetland. I'm sure the flamingos and alligators down there will be surprised to learn they have been wrong about their habitat all these years.

The Clinton Gore Administration will assure that the Everglades remain protected, and leave it up to scientists to make technical judgements about what is and is not a wetland. More importantly, we will take our commitments to the American public seriously.

So much for the environmental President's promise on wetlands. Let's move on to another Bush campaign promise. On the campaign trail George Bush repeatedly committed to exceed EPA's goal of 25 percent recycling in his first term.

Once elected, however, George Bush's interest in recycling quickly evaporated. Instead of promoting compliance with the recycling program he had touted, the "environmental President" turned a complete about face. Through the Competitiveness Council, he forced EPA to completely eliminate the recycling requirement, which had been broadly supported as a way to help reduce dangerous pollution from big garbage incinerators. Dan Quayle and company decreed that no recycling whatsoever would be required -- once again to the consternation of the environmental experts who had documented huge cost saving from the proposal. It is difficult to imagine a more brazen disregard of a campaign promise.

Another of George Bush's environmental commitments in the last campaign was his pledge to fight the greenhouse effect with the "White House effect." We all know how the "environmental President" did on this pledge. Despite the fact that the future of the world we will leave to our children and their children may hang in the balance, the President showed no more respect for this promise than for any of his others.

Ignoring the entreaties of scientists and world leaders, George Bush refused to join the rest of the world in a meaningful program to protect the earth from greenhouse warming. He refused to take the energy conservation steps needed to at least stop the increase in global warming emissions from the United States. In fact, he went so far as to actually strip energy conservation initiatives from the National Energy Plan developed by his own Energy Department.

He made the U.S. the central obstacle to a meaningful international accord on global climate change, joining Turkey as one of

only two developed nations in the entire world unwilling to support stabilization of carbon dioxide emissions. He made a major issue of refusing to support any greenhouse warming treaty with targets or timetables. Our closest allies were dismayed and disappointed, and in the end George Bush was humiliated in Rio at a meeting that commentators have called the most important ever held. Above all, a unique opportunity to make real progress on one of the most difficult issue faced by the planet was wasted.

It seems that, where George Bush is concerned, the White House effect was that he forgot completely about everything he promised the American people before he was elected.

The Clinton Administration will take advantage of the many opportunities to conserve energy, and exercise real leadership, national and international, to protect our planet from global warming.

Another long forgotten pledge by the President was that "each and every American should breathe clean air."

The President does deserve credit for helping to break the legislative logjam on clean air, and for signing a tough new clean air law despite the fact that he opposed many of the new law's most important provisions, including the program for protection of the stratospheric ozone layer.

But the President's support for clean air legislation means little if it is not followed up with efforts to carry out the statute's new programs. It has not been.

The Bush White House, again through the Council on Competitiveness, has again and again stepped in to delay or weaken vitally important Clean Air Act programs developed by EPA, in many cases in direct conflict with the law itself. In short, the "environmental President" seems to think it okay to insert loopholes into the law on behalf of big polluters, even where such loopholes were expressly rejected by Congress.

In the most flagrant example, EPA was strong-armed by the Council on Competitiveness into revising Clean Air Act rules to allow industrial polluters to increase emissions of dangerous pollution beyond the levels allowed in their clean air permits without telling those living in the nearby communities. Such secret emission increases were expressly rejected by the Senate, and clearly barred by the law George Bush signed.

In fact, this loophole is so egregiously illegal that EPA's chief lawyer took the unprecedented step of concluding in writing that the regulation would be overturned if challenged in court. But that did not deter George Bush, who sided with Dan Quayle on the issue when EPA Administrator Bill Reilly objected that the loophole allowing secret emission increases was illegal.

Most disturbing about this turn of events is that George Bush was

apparently unbothered by knowingly violating the new clean air law he proudly signed only two years ago. This is a different matter than his usual practice of flip flopping on campaign promises, which is shameful.

Flip flopping on a duly enacted law is something worse -- it is illegal. The notion that the President cannot change the law on his own, regardless of what big business wants, is basic to our democratic process and clearly required by our Constitution.

In time the Courts will overturn George Bush's brazenly illegal clean air loopholes. Meanwhile, however, Americans will breath years of dangerous pollution that should have been controlled under the law -- a result which flies in the face of the commitment to bring clean air to every American.

The Clinton Gore Administration will not allow our environmental laws to be carved up to give special loopholes to big polluters. More importantly, the Clinton, Gore Administration will respect the rule of law -- as our Constitution requires.

Another promise by candidate George Bush, but one that until now has received little notice, was that he would give support and a tough new mandate to officials at EPA. To a public weary of Ronald Reagan's anti-environment policies, candidate George Bush promised a new era where EPA officials would be allowed to do their jobs with support rather than interference from the White House.

Once again, the President ignored his promise and turned a complete about face after his election. The "environmental President" has sanctioned an unprecedented level of White House interference in EPA actions, with disastrous results for environmental protection.

Beleaguered EPA officials report having been forced to attend more than 50 meetings with the White House Council on Competitiveness on Clean Air Act issues alone. The results of such interference include the flagrantly illegal Clean Air Act loophole for increases in pollution levels, the catastrophic new wetlands definition, the gutting of the recycling program, special new clean air relaxations for electric utilities, and innumerable more technical, but equally destructive, changes. What's more, EPA has been largely shut out of Bush Administration policy-making on the vitally important global climate change issue.

If George Bush is standing behind the EPA, as he pledged he would be, he does so with a knife at the back of his EPA Administrator Bill Reilly. In a recent letter to EPA employees, Reilly, who tried to resurrect some respect for the U.S. at the Earth Summit, analogized his treatment there by the White House to having the chord cut while he was bungee jumping.

The record shows clearly that environmental policy under George Bush is made not by poor Bill Reilly at EPA, but by Dan Quayle's Council on Competitiveness -- a group whose activities are totally at

odds with the most fundamental notions of responsible government.

The Council knows only so much about the issues they work on as they are told by the big campaign contributors who come in through the back door. They have no real understanding of either environmental issues or competitiveness.

They work in secret, ignoring all the requirements for openness and fairness in government.

They ignore safeguards designed to prevent conflicts of interest, and have, as a result, been implicated in a variety of important ethical improprieties.

They have absolutely no respect for the environmental laws under which they operate. In fact, one of their first actions, gutting an EPA rule to protect children from lead produced by burning lead batteries at incinerators, has already been overturned in court as illegal. Others are sure to follow.

Guided by Dan Quayle's simplistic view of the world, and unhindered by meaningful restraint from George Bush, the competitiveness council is more than just a threat to our environment, although they certainly are that. They are a threat to our democratic process.

It is time to put a stop to this renegade operation.

It is time to put an end to the hypocrisy, the endless flip flops, and the broken promises.

It is time to end George Bush's distorted view of it takes to be an "environmental President."

The Clinton, Gore Administration will mean what we say about environmental protection.

The Clinton, Gore Administration will move beyond the outdated Bush, Quayle anti-environment thinking that is putting the U.S. further and further behind our economic competitors, while Japan and Germany continue to work hard to develop and market environmentally friendly technologies.

The Clinton, Gore Administration will make environmental protection as efficient and cost effective as possible, and do so without reducing protection for public health and our environment.

The Clinton, Gore Administration will carry out the environmental laws as the Congress passed them, rather than seeking to rewrite them with illegal loopholes.

The Clinton, Gore Administration will show how much can be done to conserve energy, reduce greenhouse emissions, and protect our planet -- saving money and creating jobs in the process.

The Clinton, Gore Administration will do its part to help bring clean air to cities like Los Angeles and show that environmental protection is an integral part of economic growth, not a hindrance.

Help us. Together we'll elect a real environmental President, and take back our natural heritage before it is squandered away.