

SPECIAL NEWS RELEASE

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SETTLEMENTS REACHED IN TWO SPILLS INVOLVING ARCO PIPE LINE COMPANY

ARCO Pipe Line Company agreed to combined \$8.4 million settlement for two separate spills that occurred in 1993 and 1994 with the California Department of Fish and Game's Office of Oil Spill Prevention and Response (OSPR), the Regional Water Quality Control Board (RWQCB)-Los Angeles represented by the Attorney General, and the U.S. Department of Justice.

The settlements, encompassed in a Consent Decree filed today in federal court in Los Angeles, include compensation for natural resource damages for injuries to wildlife and the environment caused by the spills, civil penalties and future water quality monitoring. The settlements, a result of three years of negotiation between the parties, also include payment for costs associated with responding to the spills and damage assessment activities.

The first oil spill in 1993 occurred on the Grapevine when a pipeline owned by ARCO Pipe Line Company ruptured and spilled approximately 260,000 gallons of crude oil into Grapevine Creek. No threatened or endangered species or critical habitat were impacted by the spill. The Consent Decree provides a \$300,000 civil settlement with ARCO Pipe Line Company for this incident.

The second spill occurred when an ARCO Pipe Line Company pipeline ruptured in at least eight separate locations during and following the Northridge earthquake on January 17, 1994. Approximately 190,000 gallons of crude oil spilled into the Santa Clara River located near the city of Santa Clarita, Los Angeles County. It oiled 16 miles of the river. The oil spill and cleanup affected birds and fish, including the federally endangered unarmored three-spine stickleback, and 100 acres of riparian vegetation, including critical habitat for the federally endangered least Bell's vireo. ARCO Pipe Line Company agreed to an \$8.1 million settlement with the OSPR, RWQCB, and the Department of Justice. An additional \$500,000 will also be paid to the Los Angeles District Attorney.

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“I am very pleased with these settlements which will allow for full recovery of the injuries in each spill and restoration of wildlife habitat in the Santa Clara River system,” said Pete Bontadelli, Administrator of the OSPR. “OSPR is committed to ensuring the environment is made whole. These settlements are a success because all of the parties focused on a common goal, namely restoration of the environment.”

Specific components of the earthquake/Santa Clara River civil settlement are:

1. \$7.1 million for restoration of wildlife habitat restoration within the Santa Clara river watershed, including revegetation and/or protection, and wildlife projects which will benefit threatened or endangered species in this area such as the least Bell’s vireo. This includes \$250,000 to the U.S. Fish and Wildlife Service (USFWS) for costs of developing and implementing the restoration plan. The natural resource trustees which include the OSPR and the USFWS are responsible for developing and implementing the restoration plan.
2. \$250,000 will be set aside to cover OSPR’s costs of developing and implementing a restoration plan as well as monitoring and oversight costs.
3. \$250,000 will go to the Department of Fish and Game’s (DFG) Wildlife Pollution Account to provide funds for the DFG’s oil pollution program.
4. \$500,000 will go to the RWQCB, a portion of which will go into the RWQCB Cleanup and Abatement Account, and the remainder to be used for water quality monitoring and watershed management activities.
5. \$25,000 in civil penalties will go to the USFWS for violations of the Endangered Species Act.
6. Costs for responding to the spills, including damage assessment costs.

Specific components of the Grapevine Creek settlement are:

1. \$250,000 will go to the DFG’s Wildlife Pollution Account to provide funds for the DFG’s oil pollution program.
2. \$50,000 will go to the RWQCB Cleanup and Abatement Act.

The settlement with the Los Angeles County District Attorney requires the following:

1. \$100,000 penalty to the Los Angeles District Attorney.
2. \$400,000 to be divided between the Los Angeles District Attorney Crime Prevention Foundation, Los Angeles County Sanitation Districts, the California Conservation Corps, and various environmental organizations.

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