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**For Immediate Release
February 14, 2006**

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Bay Area Air District Announces \$1.1 Million Penalty Settlement with Tesoro Refinery

Tesoro Refining & Marketing Co. will pay \$1.1 million in penalties to the Bay Area Air Quality Management District (Air District) and Contra Costa County in connection with sooty particulate pollution that Tesoro emitted from its Golden Eagle refinery in Martinez, California, over a 19-day period in January of 2005. The penalty is one of the largest ever recovered in the Bay Area for a single air pollution incident.

"This substantial penalty should send a clear message that the Air District is serious about air quality violations and protecting the public's health," said Air District Executive Officer Jack P. Broadbent.

The incident occurred when a boiler failed on a piece of equipment known as a coker, allowing exhaust gas to be emitted into the atmosphere. The exhaust gas contained large amounts of particulate pollution, generating a dark plume over the refinery, and causing sooty fallout in Martinez and surrounding areas. Particulate matter (PM) pollution is a harmful air contaminant that can be inhaled deeply into the lungs and cause tissue damage.

The penalty is part of a joint settlement between Tesoro, the Air District, and the Contra Costa County District Attorney (DA) to resolve violations of Air District regulations. The \$1.1 million will be shared between Contra Costa County and the Air District, which will use it to further its efforts to promote clean air and pursue violators.

"The Air District plays the primary role in enforcing air pollution violations," said Brian C. Bunger, Esq., the Air District's chief counsel. "But in cases like this, we are very pleased to work with the local DAs, who can provide additional resources, and help assure their citizens that illegal air pollution will not be tolerated in their counties."

In addition to the penalty, the Air District has also ordered Tesoro to upgrade its pollution prevention equipment to prevent future violations. The Conditional Order for Abatement, agreed to by Tesoro, was issued on December 22, 2005, by the Air District's Hearing Board, an independent, quasi-judicial five-member panel. The order requires Tesoro to replace the existing fluidized coker technology with more modern delayed coking technology. The upgrade, estimated to cost \$300 million, will result in emission reductions of over 3,000 tons per year for all air pollutants combined.

For more information about the penalty or the abatement order, contact the Bay Area Air Quality Management District, Public Information and Outreach office at (415) 749-4900.

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