

# **The Dirty Four: The Case Against Letting BP Amoco, ExxonMobil, Chevron, and Phillips Petroleum Drill in the Arctic Refuge**

By:  
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## EXECUTIVE SUMMARY

**“Ninety- five percent of Alaska’s most promising oil-bearing lands are already open for development, but it is imperative that we continue to protect the wildlife, fish, and the wilderness that make up the rest of this invaluable part of our American heritage.” – former President Jimmy Carter**

Oil drilling and development are not compatible with the coastal plain of the Arctic National Wildlife Refuge. This fragile and pristine region simply can not withstand the pollution and pressures associated with oil and gas exploration and production.

The oil and gas industry is one of the dirtiest and most destructive industries on the planet. Onshore or offshore, in the United States or abroad, in Alaska or the lower 48, the environmental track record of the oil industry is a dirty one. But despite this record of pollution, President George W. Bush, Interior Secretary Gale Norton, and their allies in Congress support opening up the coastal plain of the Arctic Refuge – America’s Arctic – for oil drilling.

Pressure to drill in the Arctic is also coming from the oil and gas industry. On November 7, 2000, BP Amoco’s Chief Executive Sir John Browne announced that “BP is interested in exploring Alaska’s [Arctic National Wildlife Refuge] if Bush wins the White House.” ExxonMobil, Chevron, and Phillips Petroleum would also like to get their hands on the coastal plain of the Arctic Refuge.

But these four companies – the Dirty Four – have an extensive track record of spills and pollution, ranging from the largest environmental disaster in U.S. history - the 11 million gallon Exxon Valdez oil spill - to a 9,700 gallon oil spill on February 20, 2001 caused by BP Amoco in Prudhoe Bay, Alaska, the area to the west of the Refuge and the starting point for the Trans Alaska Pipeline system (TAPS). An industry with a track record of spills, leaks, and habitat destruction should not be allowed access to the coastal plain of the Arctic Refuge.

The track record of the Dirty Four refutes the notion that drilling in the Arctic Refuge would only leave a small “footprint.” In addition to the Exxon Valdez and the recent BP Amoco spills in Prudhoe Bay, the Dirty Four are responsible for a numbingly long list of accidents, including:

- BP Amoco, despite impressive environmental rhetoric, has their own list of shame. On Sept. 23, 1999, BP Amoco pled guilty to a federal felony connected to illegal dumping of hazardous waste at their Endicott Oil Field near Prudhoe Bay, Alaska. As part of a plea agreement BP Amoco agreed to pay \$22 million in criminal and civil penalties. In 1995, the BP subcontractor working the Endicott Field was found guilty of illegally injecting hazardous waste back into the groundwater. The subcontractor was ordered to pay a \$15 million fine for violating the Clean Water Act.

- As of the release of this report, BP had already had four substantial oil spills in 2001 – the most recent taking place March 17 in the Texas City port. 3,000 gallons of oil were spilled into the port.
- On July 24, 2000, BP Amoco launched a new public relations campaign claiming that the company was “Beyond Petroleum.” The same day they made the announcement, the company agreed to pay \$10 million in penalties for environmental and pollution violations discovered by the EPA.
- BP is responsible for the second largest oil spill in California history, a 400,000 gallon spill that covered twenty square miles near Huntington Beach, in 1991.
- Phillips Petroleum is responsible for two lethal explosions in Pasadena, Texas that killed more than 20 people
- The Environmental Protection Agency (EPA) accused Exxon of nearly 200 violations of the Clean Air Act, and demanded \$4.7 million in fines, in 1998 alone.
- In August 1998, Exxon and Tosco agreed to pay \$4.8 million in damages and for environmental restoration after discharging selenium, a carcinogen, into San Francisco Bay.
- Chevron has paid more than \$70 million in fines, settlements, and penalties stemming from environmental violations.
- The President of Chevron U.S.A. appeared in federal court in May 1992 to plead guilty to 65 violations of the Clean Water Act and pay \$8 million in fines, for illegal discharges from the company's offshore oil- and gas-production platform "Grace" off the California Coast.
- In the last 25 years there have been at least 36 spills, leaks, blowouts, or illegal discharges from Chevron oil fields, drilling rigs, or pipelines, including a spill in the Gulf of Mexico.

Overall, the Dirty Four have been ordered to pay close to \$1 billion in fines, penalties and settlements. BP Amoco, ExxonMobil, Chevron, and Phillips Petroleum are responsible for more than 150 spills over the past ten years. They have demonstrated their inability to provide safe working conditions with over 40 deaths from explosions or accidents, and their disregard for community health is just as egregious. Finally, the Dirty Four are responsible for over 100 Superfund sites.

And this “footprint” of spills and accidents would not be confined to a small tract of land. The Interior Department estimated that 12,500 acres of the coastal plain of the Arctic Refuge would be directly impacted by a web of roads, drill pads, processing facilities and

airports extending over hundreds of square miles, hardly a compact area. A recent US Geological Survey study concluded that the potential resources are located in many small accumulations in complex geological formation, instead of in one giant field like Prudhoe Bay, further debunking the myth that drilling in the Refuge as being compatible with the current ecosystem.<sup>1</sup>

Industrialization of Alaska's North Slope has already had significant consequences for the environment. Prudhoe Bay is now one of the world's largest industrial complexes, with more than 1,500 miles of roads and pipelines and thousands of acres of industrial facilities. Development at Prudhoe Bay has permanently altered more than 400 square miles of formerly pristine wilderness.

Juxtapose the destruction associated with oil and gas drilling with the fragile ecosystem of America's Arctic. Because of the very short summer growing season, extreme cold, nutrient-poor soils, and permafrost, vegetation grows very slowly. Any physical disturbance, from tractor tire tracks to large oil spills, can scar the land for decades.

Oil exploration and drilling would turn the Arctic National Wildlife Refuge into a sprawling industrial complex and would destroy wilderness, yet it would do virtually nothing to ease our energy problems. Five years ago Congress lifted the export ban on oil shipped through the Trans-Alaska Pipeline system, allowing oil from Prudhoe Bay to be exported to Asia. How does that help our national security?

The chances of finding commercially recoverable amounts of oil in the coastal plain appear remote. The latest U.S. Geological Survey (USGS) assessment of the coastal plain, released in May 1998, estimates that there are only 3.4 billion barrels of economically recoverable oil in the coastal plain. At current rates of consumption that's less than **six months**, or **157 days** worth of oil from the coastal plain. Any oil thought to be in the Refuge would probably take at least 10 to 12 years to reach American consumers.

**“ It is our belief that the future of the Gwich'in and the future of the caribou are the same. We cannot stand by and let them sell our children's heritage to oil companies”- Jonathan Soloman, Gwich'in Steering Committee**

A national energy policy that emphasizes energy efficiency and promotes renewable energy would help preserve sensitive areas like the Arctic Refuge, produce clean energy, slow global warming, reduce pollution, and create jobs.

Instead of allowing oil and gas drilling in America's Arctic, the U.S. should increase fuel economy in all new cars to 39 miles per gallon within the next ten years, promote programs that provide tax credits to individuals who buy clean and efficient advanced-

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<sup>1</sup> *Potential Impacts of Proposed Oil and Gas Development on the Arctic Refuge's Coastal Plain: Historical Overview and Issues of Concern*, U.S. Fish and Wildlife Service Arctic National Wildlife Refuge web page, <http://arctic.fws.gov/issues1.html>.

technology vehicles employing hybrid gasoline-electric drive, and mandate that SUVs meet the same clean air standards as passenger cars. Putting these solutions in place would save far more oil than what is estimated to lie beneath the coastal plain of the Arctic Refuge.

This report, part of the PIRGs' Arctic Wilderness campaign, shows that BP Amoco, ExxonMobil, Chevron, and Phillips Petroleum have an abysmal track record when it comes to environmental stewardship. The report documents spills, explosions, and various degrees of poor corporate citizenship. More importantly, it documents behavior and corporate activity incompatible with an area as pristine, unique, and vital as the coastal plain of the Arctic National Wildlife Refuge.

## INTRODUCTION

The oil industry dominates much of Alaska. Cook Inlet and the Kenai Peninsula were the first areas claimed by the oil industry. Drilling started there in the late 1950s. The rush for the North Slope started in 1968, when Arco (now a part of BP Amoco) and Humble Oil (now Exxon) discovered oil in the Prudhoe Bay area. Five years later, after much debate and controversy, Congress authorized the construction of the Trans Alaska Pipeline System (TAPS). The tie breaking vote in the Senate was cast by Vice President Spiro Agnew, just one month before he resigned.

With the completion of the TAPS in 1976, the rush was on to rig Alaska's North Slope. Since 1976, almost the entire American Arctic – 95 percent of the Alaska's North Slope - has been opened up for leasing or drilling. The only area off limits is the coastal plain of the Arctic National Wildlife Refuge.

In 1960, President Dwight Eisenhower established the Arctic Wildlife Range, in northeast Alaska, in recognition of the area's unparalleled scenic, wildlife, and recreational values. In 1980 Congress renamed the Range as the Arctic National Wildlife Refuge, and enlarged it to its present size of 19 million acres. Most of the former Range was given wilderness protection and became part of the Wilderness Preservation System.

The only area not protected as wilderness was the 1.5 million acre coastal plain, also known as the 1002 area. Environmentalists wanted the area designated wilderness, but the oil industry wanted access to the coastal plain. Congress decided to leave the fate of the coastal plain to future Congresses and designated the area for study. As a study area, the coastal plain is not open for drilling, neither is it permanently protected from drilling or development.

Though it lacks official designation, the coastal plain contains spectacular wilderness values. The Refuge is the only conservation area in the nation that provides a complete range of Arctic and sub-Arctic ecosystems balanced with a wide variety of wildlife. The

**“My view was, in 1968 and '69, ‘It’ll only be five years before the oil industry controls the government of Alaska.’ I was dead wrong. It took them 25 years to do it.”**

**– Charlie Cole,  
former Alaska  
Attorney General,  
1997**

U.S. Fish and Wildlife Service (FWS) calls the coastal plain of the Arctic Refuge the “center of wildlife activity.”

## WHAT'S AT STAKE: PROTECTING AMERICA'S ARCTIC

The coastal plain of the Arctic Refuge is one of the most pristine ecosystems left in the United States. There are no roads, development, or trails, and you must fly, boat, or walk to get there.

**The Refuge is valued, even by those who never travel within its borders, as a symbol of America's vast and remote wilderness - a place of inspiration and beauty - a promise for the future for all Americans. – U.S. Fish and Wildlife Service Arctic National Wildlife Refuge web page**

The coastal plain is home to large populations of caribou, muskoxen, all three species of bear – brown, black, and polar -- gray wolves, Dall sheep, snow geese, and hundreds of other migratory birds.

- The annual migration of the 129,000 member Porcupine caribou herd evokes images of the long-gone buffalo herds of the Great Plains. For centuries this vast herd has traveled hundreds of miles from the Porcupine River region of Canada to the coastal plain to give birth each spring. The herd undertakes this arduous migration because the plain is a perfect nursery - almost no predators, fewer mosquitoes, and a lush garden of flowers, lichen, and plants to support pregnant and newborn caribou alike.
- Reintroduced muskoxen thrive in the Arctic. They disappeared from Alaska's north slope more than 100 years ago but were brought back to the Refuge in 1969. Today about 350 muskoxen live on the Refuge. The Arctic Refuge protects habitat for this ice-age relic, and it's one of the many reasons this special Refuge was created.
- The Arctic Refuge is the only conservation area in the United States where polar bears regularly den and the most consistently used polar bear land denning area in Alaska. Denning polar bears are very sensitive to human activity. Females may abandon dens - with fatal results for newborn cubs - if disturbed.
- The Refuge contains North America's northernmost Dall sheep population. Year-round resident of the Refuge, Dall sheep have lived since the Pleistocene era in places such as the Arctic Refuge.
- Among the 134 bird species that gather on the coastal plain of the Refuge for breeding, nesting, and migratory stopovers are snow geese, tundra swans, red-throated loons, sandhill cranes and a variety of shorebirds. Most states, and a number of nations in South America, throughout the Pacific Rim and beyond are visited each year by birds from the Arctic coastal plain. The snow geese, for example, depend on the coastal plain as a place to rapidly build their fat reserves for the 1200 mile non-stop winter migration to Southern California and Mexico.

## WHY OIL AND THE ARCTIC DON'T MIX<sup>2</sup>

The Refuge has one of the most fragile ecosystems in the world. Its plants are more sensitive to air pollutants than species in warmer climates. Lichens, an important food source for the caribou, are especially vulnerable to air pollution. Toxic substances persist for longer periods of time than in more temperate areas, and the impacts of oil spills are more far-reaching. Moreover, the Arctic's short growing season leaves little time for regeneration when species are harmed. Due to the short food chain, the loss of a single species can have disastrous consequences for many others.

Alaska's Arctic ecosystem is much more sensitive to oil and gas drilling than other temperate ecosystems. For almost two months each winter the sun never rises above the horizon. Snow usually remains on the ground for nine or ten months. Nine months of winter translates into a very short growing season.

Due to the slow rate of plant growth, the disturbances caused by drilling and development, like oil wells and tractor tracks, can remain as scars for decades. Unlike other areas, the Arctic ecosystem simply can not recover from problems caused by the oil and gas industry.

Many people now argue that the "footprint," or even "thumbprint" of oil development is smaller than ever before, due to technological developments that allow horizontal drilling thousands of feet from a drill pad. Unfortunately, lasting effects such as seismic testing, water and gravel extraction take their toll on the Arctic.

Toxic chemicals persist for longer periods of time in the cold Arctic environment. The same goes for crude oil. Recovery from oil spills can take years or decades. Clean up usually takes longer as well.

Permafrost, Arctic subsoil, remains frozen all year round. Since only the top layer of soil thaws in the summer and most of the coastal plain is flat, drainage is limited. That means that much of the Arctic is wetlands. Wetlands, combined with cool summer temperatures, cause organic material to decompose very slowly. Low temperatures, a short growing season, and restricted nutrients limits the amount of plant growth.

**"We are caribou people. Oil development in the birthplace and nursery grounds of the Porcupine Caribou Herd would hurt the caribou and threaten the future of the Gwich'in"- Sarah James, Gwich'in Steering Committee**

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<sup>2</sup> From *"Tracking Arctic Oil: The Environmental Price of Drilling the Arctic National Wildlife Refuge,"* Natural Resources Defense Council, National Wildlife Federation, and Trustees for Alaska, 1992

Almost any disturbance to the tundra can damage the insulating organic mat covering the permafrost, causing ice to melt and the permafrost to collapse. The process is known as thermal erosion, or “thermokarst.”

The Arctic Refuge is drier than Prudhoe Bay with few large lakes to provide the millions of gallons of water it would take for a single oil well. Therefore, permanent scars would result from huge water reservoirs dug out along rivers where muskoxen and other wildlife now feed. Scars still remain on the sensitive tundra from the seismic exploration program Congress allowed in 1980.

### **A LOOK AT PRUDHOE BAY: THE OIL INDUSTRY IN AMERICA’S ARCTIC<sup>2</sup>**

Once part of the largest intact wilderness area in the United States, the area around Prudhoe Bay, now hosts one of the world's largest industrial complexes. Development at Prudhoe Bay has permanently altered more than 400 square miles of formerly pristine wilderness, and there are more than 1,500 miles of roads and pipelines and thousands of acres of industrial facilities.

The following activities currently plague the Prudhoe Bay area:

- A 1988 Fish and Wildlife Service summary of impacts from oil drilling on the North Slope found that destruction of habitat has led to more than 15,000 birds killed or displaced, that an undetermined number of polar and grizzly (brown) bears have been killed as “nuisances,” and that intake from just one seawater treatment plant annually kills up to 400,000 larval fish.
- The Congressional Office of Technology Assessment has noted that the numbers of bears and wolves have declined in the Prudhoe Bay area.
- More than 43,000 tons of nitrogen oxides pollute the air each year at Prudhoe Bay. That is more than twice the amount emitted

#### **The Gwich’in**

**Near the northern Yukon village of Old Grow, at Bluefish Cave, is the oldest evidence of human occupation in North America. For more than 20,000 years, the Gwich’in people of northern Alaska and Canada have lived off the land. Countless generations have raised their children and sustained their culture from their single most important resource – the Porcupine River caribou herd. Their story is a testament to their knowledge and ability to live in harmony with nature.**

**Gwich’in means "people of the caribou." And the Porcupine River caribou herd is central to their way of life, providing food, clothing and a critical link to their traditional ways. For the Gwich’in to survive the caribou herd must survive.**

**The clash over the Arctic Refuge finds the Gwich’in face to face with the oil and gas industry. Decisions made in corporate board rooms in Great Britain and California may have a devastating affect on a people and their way of life. To the Gwich’in the coastal plain is sacred. They recognize that drilling for oil in the Arctic Refuge would harm the caribou herd and their culture. That is why they oppose opening up the Refuge for drilling and development.**

<sup>2</sup> “The Impact of Oil Development in the North Slope,” Natural Resources Defense Council and Alaska Wilderness League fact sheet.

annually in the Washington, DC area.

- Decreased caribou densities within a 4km zone of pipelines and roads show that the “footprint” of drilling reaches the animals that inhabit the coastal plain.
- Hundreds of spills involving tens of thousands of gallons of crude oil and hazardous waste occur annually. In 1995 alone, approximately 500 spills occurred involving more than 80,000 gallons of oil, diesel fuel, acid, biocide, ethylene glycol, drilling fluid, produced water, and other materials. That is one spill every 18 hours.
- Gravel fill, excavation, and waste disposal alone have destroyed 12,000 acres of wildlife habitat and 508 acres of marine and estuarine habitat.
- Oil facilities may emit as much as 100,000 metric tons of methane each year, a greenhouse gas that contributes to global warming.
- Each day, oil industry operations generate 3,000 cubic yards of drilling waste, which can contain toxic metals and additives, 40 million gallons of “produced waters” or “toxic brine” which is brought up along with oil from wells, 40,000 gallons of liquid oily waste, and 300 cubic yards of oil contaminated solid waste and sludge.
- Although technological advances have reduced the size of individual drilling pads, the North Slope oil fields continue to sprawl across America’s Arctic with new roads, pipelines, drill sites and production facilities constructed each year.

### Habitat Destruction

Exploratory drilling, the final stage of exploration, can involve considerable surface disturbance, including: construction of drilling sites, camp sites, and airstrips; overland transport of equipment and personnel to drilling sites; and gravel mining. Transporting heavy equipment to drilling sites can cause removal or compaction of tundra, which in turn can cause thawing of permafrost. The combination of thermal erosion (thermokarst) and hydraulic erosion over longer periods of time can create further slumping or gullies and ravines. Using ice to construct exploratory drill pads and roads, although less damaging than using gravel, can require up to 15 million gallons of water and can drain tundra ponds and streams.

Transportation facilities have produced some of the worst effects on the tundra. In 1987, the USFWS estimated that oil fields near Prudhoe Bay contained 430 miles of roads, covering 2,500 acres, numbers which do not include the 145 mile TAPS haul road. The need for gravel is great within the Arctic and 13 gravel mines have been created to meet the need. Gravel aids in the creation of all types of transportation, and it is being used as filler for the valuable wetlands of the Refuge. Ice roads are also created for winter transportation. In order to build these, water must be displaced from its natural location, which damages aquatic life and vegetation. Airports and docks also take up a huge

amount of land and resources, disrupting the patterns of migration patterns of fish, other sea life, and birds.<sup>3</sup>

To decide where to drill wells for oil, the industry employs seismic testing. Millions of acres of America's Arctic have already been exposed to seismic testing. This type of exploration uses sound waves to search underground for oil. Huge vibroseismic trucks or explosives produce sounds at or near the land surface. This type of testing has a profound effect on the Arctic. It has been shown that this type of testing could displace Bowhead whales 12 miles from their migration path. Seismic testing also employs a huge number of people, bulldozers, trucks, and other tracked vehicles. These vehicles mark and damage hundreds of square miles of Arctic wilderness permanently damaging the tundra.<sup>3</sup>

Oil and gas drilling and development of the North Slope has resulted in much more extensive disturbance of wetlands, because it requires fill material (usually gravel) to construct an infrastructure. This infrastructure, which consists of drill pads, storage areas, transportation facilities, gravel mines, and other developments, alters terrain, disrupts natural drainage patterns, and changes or eliminates fish and wildlife habitat. The existing infrastructure for oil and gas operations in the Prudhoe Bay-Kuparuk complex is spread over more than 800 square miles of tundra. Nevertheless, the amount of wetland acreage affected is relatively small.

It is not realistic to believe the concept of a "small footprint" when it comes to oil exploration. Even with the new technological advances in drilling it is impossible to create the necessary infrastructure without initiating long term damage to the habitat.

In addition to the direct impacts associated with placing gravel on tundra, petroleum development on the Arctic coastal plain has resulted in significant indirect impacts. In the wettest parts of the Prudhoe Bay oil field, flooding and thermokarst covered more than twice the area directly affected by roads and other construction activities. As with other types of developmental activities, stream crossings (e.g., for pipelines or access roads) can affect water quality through changes to stable stream banks, erosion, siltation, and stream bottom disturbance.

Other secondary effects such as release of contaminants, sewage dumping, oil spills, and dust have damaged or degraded wide areas of tundra wetlands adjacent to oil and gas facilities. Contaminants released from reserve pits by overflows, leaching, or breaching has released diesel fuel, heavy metals, ethylene glycol, and soluble salts onto the tundra, and has killed vegetation surrounding reserve pits. Diesel and crude oil, which can cause severe damage to tundra vegetation and can remain toxic for more than 4 years after the spill, accounted for almost half of the spills<sup>4</sup>.

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<sup>3</sup> "Under the Influence," Trustees for Alaska 1998 p. 144

<sup>3</sup> "Under the Influence," Trustees for Alaska 1998, p.40

<sup>4</sup> *Potential Impacts of Proposed Oil and Gas Development on the Arctic Refuge's Coastal Plain: Historical Overview and Issues of Concern*, U.S. Fish and Wildlife Service Arctic National Wildlife Refuge web page, <http://arctic.fws.gov/issues1.html>.

## Air Pollution

Oil operations on Alaska's North Slope annually emit roughly 43,000 tons of oxides of nitrogen, which contribute to smog and acid rain. This is more than emitted in Hawaii, Rhode Island, or Vermont and more than twice the amount emitted annually by Washington, DC, according to EPA's 1994 inventory of emissions. In addition, North Slope oil facilities release some 24,000 tons of methane, a potent "greenhouse gas" that contributes to global warming. Emissions from the Prudhoe Bay area can be detected in Barrow, Alaska, almost 200 miles away.

## Oil Industry Waste

The North Slope is pocked with hundreds of "reserve pits" holding millions of gallons of drilling and other waste. Reserve pit waste typically contains a variety of toxic metals as well as petroleum hydrocarbons and other harmful substances. The way this waste has been handled on the North Slope has improved, but a cleanup job of enormous proportions remains. In the thirty years since oil was first discovered in Prudhoe Bay, the industry has closed only a small fraction of these pits.

Oil field activities also produce tens of thousands of cubic yards of sewage sludge, scrap metal, garbage, and other waste every year. Seven large sewage treatment plants and ten smaller ones currently operate in the North Slope oil fields. They are collectively permitted to discharge over a million gallons a day, and six of the seven discharge directly into tundra ponds.

The Alaska Department of Environmental Conservation (ADEC) lists more than sixty contaminated sites associated with oil industry operations on the North Slope. These sites contain a variety of toxic materials, including acids, lead, pesticides, solvents, diesel fuel, caustics, corrosives, and petroleum hydrocarbons. Leakage from some sites has contaminated the surrounding environment.

## Spills

Each year, hundreds of spills involving tens of thousands of gallons of crude oil and other petroleum products and hazardous materials occur on the North Slope. In 1995, approximately 500 spills occurred involving more than 80,000 gallons of oil, diesel fuel, acid, biocide, ethylene glycol, drilling fluid, produced water, and other materials. In the Arctic, the environmental impacts of oil spills are more far-reaching and last longer than in more temperate climates.

**According to the Mellman-Bellweather poll of 1,000 voters conducted on February 14-18, 2001, by a 52 percent to 35 percent margin, American voters oppose changing the law to allow the oil industry to drill on the coastal plain of the Arctic Refuge.**

## Bottom Line

No matter how well done, oil exploration and development have a lasting impact on the environment. Oil development poses threats through habitat destruction; noise disturbances from helicopters, ships, road construction and traffic, seismic surveys, drilling and oil transportation; and both on and offshore spills. The oil industry promises no harm but remember the Exxon Valdez spill, which was crude oil from America's Arctic.

### **THE TRACK RECORD OF THE DIRTY FOUR:**

Oil Spills, offshore pollution and water pollution; Explosions and worker safety; Illegal air pollution; Hazardous waste dumping; Miscellaneous nefarious acts.

Unfortunately, each of the four companies that want to open up the Refuge has a long record of significant pollution releases, safety violations, and other incidents. Each company pledges to protect the environment and respect the rights of native peoples, but this list of pollution incidents and safety hazards casts serious doubt upon any such claim.

### **BP AMOCO – “POLICIES ARE EASY TO STATE, BUT THEIR ULTIMATE EXPRESSION LIES IN THE WAY WE BEHAVE,” SIR JOHN BROWNE <sup>5</sup>**

BP Amoco's Health, Safety, and Environment program boasts that "our goals are no accidents, no harm to people, and no damage to the environment." Sadly, BP Amoco has not lived up to its goal. They have a record of oil spills, explosions, and accidents. BP Amoco's model oil field at Endicott recently had to pay a \$22 million fine for injecting hazardous waste back into the ground. Despite some small steps forward on climate change, BP Amoco's track record shows that it is just another oil company, not beyond petroleum.

### Oil Spills, Drilling Pollution, and Illegal Air and Water Pollution

- BP Amoco spilled between 3,200 to 5,800 gallons of a lubricant mixture of mud, sea water and rock cuttings from a cracked pipeline at the Prudhoe Bay oil field on March 6, 2001. The spill is the third oil-related accident reported by BP this year. According to the Alaska Department of Environmental Conservation the spill was about 750 feet wide and 1,000 feet long and traces of the spill extend up to a quarter mile from the site.<sup>6</sup>
- On February 20, 2001, two separate spills occurred on Alaska's North Slope. According to BP Amoco, the two spills totaled 5,000 to 9,700 gallons. Four hundred

<sup>5</sup> Michael Sean Gillard, Melinda Jones, Andrew Rowell, and John Vidal, "BP in Colombia: A Tale of Death, Pollution, and Deforestation," *The Guardian*, August 15, 1998.

<sup>6</sup> Spiess, Ben, *Anchorage Daily News*, March 7, 2001.

square yards were covered, and it is thought that the first spill may have reached the surface of a nearby lake.<sup>7</sup>

- On March 17, 2001, 3,000 gallons of BP Amoco oil were spilled into the Galveston Bay in the Texas City port, causing the port to be closed and irreparable environmental damage.<sup>8</sup>
- In January of 2001, a family who lived two doors down from a gas station in Kankakee, Illinois filed suit against BP Amoco, claiming gas leaked into their well and may have caused two of their children to test positive for benzene ( a known carcinogen ) in their blood. Underneath the gas station were at least four leaking storage tanks located next to 17 private wells.<sup>9</sup>
- On January 18, 2001, BP Amoco was ordered in U.S. District Court in Hammond, Indiana, to pay \$650 million to settle a federal clean-air lawsuit in conjunction with the July 24, 2000 lawsuit. The EPA found that BP had violated several clean air laws at the company's eight refineries in Whiting, IN; Los Angeles, CA; Bellingham, WA; Mandan, ND; Salt Lake City, UT; Toledo, OH; Texas City, TX; and Yorktown, VA.<sup>10</sup>
- On Sept. 23, 1999, BP Amoco pled guilty to a federal felony connected to illegal dumping of hazardous waste at their Endicott Oil Field near Prudhoe Bay. As part of a plea agreement BP Amoco agreed to pay \$22 million in criminal and civil penalties. Most of the money, \$15 million, will go towards an environmental management system at BP Amoco facilities in the U.S. and the Gulf of Mexico. BP Amoco agreed to pay \$6.5 million to settle civil claims related to the illegal dumping and the maximum \$500,000 criminal fine for violating federal safe drinking water laws.<sup>11</sup>

BP Amoco admitted in U.S. District Court in Anchorage that it violated the federal Superfund law when it failed to immediately notify the Environmental Protection Agency (EPA) that it had injected the hazardous waste down the outer rim of its oil wells. The waste included toxic solvents containing benzene, lead, methylene chloride and toluene.<sup>12</sup>

- On October 2, 1998, BP's underwater Mississippi Canyon Block 109 pipeline leaked more than 150,000 gallons of oil. The pipeline was part of an offshore oil platform 100 miles south of the mouth of the Mississippi River.<sup>13</sup>

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<sup>7</sup> [www.enn.com](http://www.enn.com)

<sup>8</sup> "Harbor Reopens Amid Cleanup After Oil Spill," *The Houston Chronicle*, March 17, 2001

<sup>9</sup> <http://www.msnbc.com/local/wmaq/83566.asp>

<sup>10</sup> <http://www.msnbc.com/local/rttol/m9054.asp>

<sup>11</sup> Don Hunter, "Dumping to cost BP \$22 million," *Anchorage Daily News*, Sept. 24, 1999.

<sup>12</sup> Bryan Lee, "BP Exploration Pleads Guilty to Environmental Crime," *Dow Jones Newswire*, Sept. 23, 1999.

<sup>13</sup> "Oil Leaks into Gulf of Mexico," *Associated Press*, Oct. 2, 1998.

- Between January 1997 and March 1998, BP Amoco was responsible for 104 oil spills in America's Arctic totaling almost 20,000 gallons. Most spills were of either crude oil or produced waters from drilling operations on Alaska's North Slope. The spills ranged from 10 gallons to two spills of more than 2500 gallons of pollution.<sup>14</sup>
- BP Oil was fined \$20,000 for a 800 gallon fuel spill in Wellington Harbor, England in May 1997. The judge said severe negligence was shown in BP's inadequate precautions.<sup>15</sup>
- In February 1991, a 400,000-gallon spill from a BP-charted oil tanker covered twenty square miles near Huntington Beach, California. The oil slick reached the Boca Chica Wetlands Wildlife Sanctuary. At least 286 oily birds were found, and 66 endangered California brown pelicans died. BP agreed to pay almost \$9.1 million for the environmental and economic damage caused by the spill, the worst since the famous Santa Barbara blowout in 1969.<sup>16</sup>
- In 1991 BP offshore oil rigs were fined twice, for \$5,000 and \$4,000, for violating their National Pollutant Discharge Elimination System (NPDES) permit. The rigs dumped oil and grease into the Gulf of Mexico.<sup>17</sup>
- In 1991 the EPA filed complaints against Exxon, British Petroleum, and the Alyeska Pipeline Service Corporation for dumping ballast water wastes at the Valdez Alaska tanker terminal.<sup>18</sup>
- BP's Paulsboro Terminal tank farm in southern New Jersey leaked oil for more than 10 years. Investigators found a large pool of oil under the tank farm floating on groundwater in a shallow aquifer beneath the site.<sup>19</sup>

### Plant Explosions and Worker Safety

- A three-year investigation found that occupational hazards may have contributed to the development of brain tumors in as many as 19 employees at a BP Amoco Corp. research facility in Naperville, IL. Since 1989, 19 BP workers have been diagnosed with brain tumors. Twelve people of those people worked together in the same building.<sup>20</sup>
- In May 1999, BP Amoco was ordered to pay the maximum fine, approximately

<sup>14</sup> "Under the Influence," Trustees for Alaska, 1998.

<sup>15</sup> "Harbour Petrol Spill Costs BP Oil \$20,000," *The (Wellington) Evening Post*, Oct. 7, 1998, pg. News-2.

<sup>16</sup> David Haldane, "Oil Firm, Industry to Pay Spill Settlement," *Los Angeles Times*, Feb. 8, 1995, pg. B-11.

<sup>17</sup> EPA, Region 6, NPDES, Dec. 22, 1992

<sup>18</sup> Patrick Lee, "Toxics Disposal Probe Targets Exxon, Arco, BP," *Los Angeles Times*, Feb. 20, 1991, pg. D-1.

<sup>19</sup> Doyle, *Crude Awakening*, page 30

<sup>20</sup> <http://www.cnn.com/HEALTH/cancer/9908/06/bp.amoco.study/index.html>

\$32,000, by the Aberdeen, Scotland, Sheriff Court for an explosion and a fire aboard a North Sea offshore rig. The company admitted to violating health and safety regulations on the platform in October 1998. The blast injured two workers and threatened the lives of more than 170 workers on the rig.<sup>21</sup>

- A ten hour fire in October 1996 at the BP Toledo plant caused a release of as much as 10 to 20 tons of catalyst from a fluid catalytic unit and smaller amounts of desoxycatalyst. Large sulfur dioxide and smoke emissions also occurred in the following days as a result of the fire.<sup>22</sup>
- Seven people were killed when a BP oil tanker collided with a cargo ship on a foggy night in June 1993 in the North Sea.<sup>23</sup>
- In 1990 two explosions within 10 days at BP's Grangemouth refinery killed three workers. The company was fined 750,000 pounds for violating the Health and Safety at Work Act.<sup>24</sup>
- A January 1991 refinery explosion in Ferndale, Washington killed 1 person and injured six.<sup>25</sup>
- In Lima, Ohio a fire and ruptured natural gas pipeline at the BP refinery killed one person in 1996.<sup>26</sup>

#### Hazardous Waste Violations

- BP was ordered to pay \$1.75 million to settle environmental charges in its Toledo refinery. BP violated the Clean Air Act by emitting excess quantities of sulfur dioxide.<sup>27</sup>
- In October 1996 BP Exploration, Inc. was fined \$59,500 for violating NPDES discharge limits for fecal coliform bacteria, BOD, TRC, pH, and flow. The violations occurred at BP's remote oil exploration and development facility in Beaufort Sea, Alaska.<sup>28</sup>

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<sup>21</sup> "Maximum Fine for Oil Firm Over Gas Explosion," *The Herald (United Kingdom)*, May 11, 1999.

<sup>22</sup> Doyle, *Crude Awakening*, Table 14-2; Oil, Chemical, and Atomic Workers International; *Chemical Week*, and other sources.

<sup>23</sup> "Tanker Explodes in Flames; 7 Killed, 2 Missing After Ships Collide in Foggy North Sea," *Houston Chronicle*, June 3, 1993, pg. A-1

<sup>24</sup> Kirsty Scott, "BP Admits Need for Clean-Up at Plants," *The (Glasgow) Herald*, pg. 6.

<sup>25</sup> Doyle, *Crude Awakening*, Table 14-2; Oil, Chemical, and Atomic Workers International; *Chemical Week*, and other sources.

<sup>26</sup> *Ibid*

<sup>27</sup> [www.epa.gov](http://www.epa.gov)

<sup>28</sup> FY 1997 EPA Enforcement and Compliance Assurance Accomplishment Report, B-59

- BP Amoco is a Potentially Responsible Party for 23 hazardous waste Superfund sites in the United States.
- From February 1979 to August 1990 BP's Marcus Hook, Pennsylvania oil refinery on the Delaware River violated discharge permits 6,500 times. In October 1990, BP agreed to pay the Federal Government \$2.3 million in Clean Water Act fines. At the time the fine was the second largest Clean Water Act fine in history.<sup>29</sup>

### Miscellaneous Nefarious Deeds

- In January of 2001, BP Amoco was accused of jacking up west coast oil prices by exporting Alaska crude oil to Asia for less than it could have sold it to U.S. refiners. The result was higher prices for West Coast motorists, whose gasoline is among the nation's most expensive.<sup>30</sup>
- Amoco, now part of BP Amoco, was brought before the Supreme Court in 1999 by the Southern Ute Indian Tribe in a dispute over the ownership of the natural gas supply in Colorado. The Ute Indians owned the land that Amoco was drilling, and the Utes were receiving none of the profits of the drilling. They went through a trial in both the Supreme and the U.S. Circuit Courts in which the Utes won once and lost once.<sup>31</sup>
- A January 1997 report by Jose Castro Caycedo, the Colombian government ombudsman, criticizes BP's behavior in the Casanare region. The report details damage caused by 12 oil wells and two oil processing facilities from 1991-1997. BP paid a \$125,000 fine, the largest in Columbian history, for environmental damage caused by 5 oil rigs in 1994.<sup>32</sup>
- In 1994 BP signed an agreement with Columbia's Ministry of Defense to create a battalion of 150 officers and 500 soldiers to monitor construction of a 550 mile long pipeline to the Caribbean coast. Since 1994 at least six people have been assassinated by the army for speaking out against the environmental excesses of the BP-led oil boom in Casanare. Human Rights Watch has written to BP, saying the company "has not taken adequate steps to prevent abuses and to address those that have occurred." Gabriel Narvaez, advisor to the community association in El Morro says "to speak out about environmental abuses in Casanare is often an act of suicide."<sup>33</sup>

<sup>29</sup> Doyle, *Crude Awakening*, pg. 67

<sup>30</sup> <http://www.msnbc.com/local/rtor/m6830.asp>

<sup>31</sup> [www.durangoherald.com](http://www.durangoherald.com)

<sup>32</sup> Michael Sean Gillard, Melissa Jones, Andrew Rowell, and John Vidal, "BP in Colombia: A Tale of Death, Pollution, and Deforestation." *The (London) Guardian*, August 15, 1998, pg. 4,

<sup>33</sup> "Oil Groups Slammed Over Human Rights Allegations," *The (London) Financial Times*, Apr. 22, 1998, Latin American section, pg. 4, and Nicholas Schoon, "BP Accused on Death Threats," *The (London) Independent*, Feb. 17, 1997, News pg. 3.

## EXXONMOBIL – THEY’RE NOT JUST THE EXXON VALDEZ PEOPLE

Exxon’s Environment Policy states that “It is Exxon's policy to conduct its business in a manner that is compatible with the balanced environmental and economic needs of the communities in which it operates.” The communities in which they operate would probably disagree.

The Valdez is the most spectacular of Exxon’s spills and violations, but the company is also responsible for a series of pollution problems and explosions. Less than a year after the Valdez spill, Exxon was responsible for another major oil spill, between Staten Island and New Jersey.

### Oil Spills, Offshore Drilling Pollution, and Illegal Water Pollution

- Exxon agreed to pay the Texas Natural Resource Conservation Commission \$600,000 for dumping almost 2 billion gallons of chemical wastewater from their Baytown, Texas refinery.<sup>34</sup>
- In 1991, the EPA filed complaints against Exxon, British Petroleum, and the Alyeska Pipeline Service Corporation for dumping ballast water wastes at the Valdez Alaska tanker terminal.<sup>35</sup>
- On January 1, 1990, 567,000 gallons of oil spilled from an Exxon pipeline into the Arthur Kill waterway between Staten Island and New Jersey. In February 1990 the City of New York sued Exxon for submitting false pipeline safety reports. Prior to the lawsuit Exxon admitted that its leak detection system had not worked properly for 12 years. A year later Exxon settled out of court, agreeing to spend \$10 to \$15 million on environmental improvements.<sup>36</sup>
- Oil that leaked from Exxon’s Paulsboro, New Jersey petroleum storage facility has contaminated groundwater and soil in southern New Jersey.<sup>37</sup>

<sup>34</sup> “Texas Enviro. Group Sues Exxon Over Wastewater,” *Wall Street Journal*, March 15, 1996

<sup>35</sup> Patrick Lee, “Toxics Disposal Probe Targets Exxon, Arco, BP,” *Los Angeles Times*, Feb. 20, 1991, pg. D-1.

<sup>36</sup> Leonard Butler “New York City Accuses Exxon of Fraud in Spill,” *New York Times*, February 8, 1990, pg. B-2, and “New York City Sues Exxon Over Oil Spill in January,” *Wall Street Journal*, February 8, 1990

<sup>37</sup> NJ Dept. of Env. Protection and Energy, *Site Remediation Program – Site Status Report*. Lance R. Miller, Assistant Commissioner, Fall 1991, pg. 224

- In January 1989, an Exxon pipeline spilled 588,000 gallons of crude oil in Eugene Island, Louisiana.<sup>38</sup>
- An Exxon-owned service station in East Meadow, New York leaked 30,000 gallons of gasoline in 1978. Exxon bought 23 nearby homes, and twenty-one families agreed to settlements of \$8,000 per adult and \$3,000 per child. The company paid a total of \$5 to \$10 million to remedy problems caused by the leak.<sup>39</sup>
- In 1970 gas stations owned by Exxon and Mobil contaminated an aquifer in Richmond, Rhode Island. EPA ordered the companies to provide drinking water to about 15 homes and clean up the aquifer and surrounding soil.<sup>40</sup>

**One industry observer noted,**  
**“... the Exxon Valdez showed ... [that] there is no room for even a moment’s relaxation.”**

### Plant Explosions and Worker Safety

- In September 1998 an Esso (Exxon) natural gas plant in Australia exploded, killing two maintenance workers and injuring eight others. At least five explosions occurred at the plant in Sale, Victoria.<sup>41</sup>
- Exxon paid \$252 million as part of a \$760 million punitive damage award in August 1998 to Lockheed Corporation workers. The workers sued after being exposed to chemicals while working at the top-secret “Skunk Works” aircraft plant in Burbank, California.<sup>42</sup>
- In November 1992 a drilling crew working on an Exxon rig near Hawkins, Texas hit a pocket of natural gas, causing an explosion and well fire. Thirty-one families in the area had to be evacuated.<sup>43</sup>
- An August 1993 fire at a Exxon Baton Rouge, Louisiana refinery coker killed 3 people.<sup>44</sup>
- Again at Baton Rouge a December 1989 refinery explosion and fire killed two workers and injured seven.<sup>45</sup>

<sup>38</sup> Doyle, “Crude Awakening,”

<sup>39</sup> “Chevron and Exxon Pay Out Millions in Damages Caused by Undetected Leaks in Residential Areas,” *National Petroleum News*, July 1982

<sup>40</sup> “Chevron and Exxon Pay Out Millions in Damages Caused by Undetected Leaks in Residential Areas,” *National Petroleum News*, July 1982

<sup>41</sup> “Melbourne Ordered to Shut Gas” *Melbourne Press*, Sept. 27, 1998

<sup>42</sup> Michael Fitzpatrick, “California Jury Awards \$760 Million Against Exxon, Others,” *Reuters Limited*, August 8, 1998.

<sup>43</sup> Robert Suro, “Abandoned Oil and Gas Wells Are Now Portals of Pollution,” *New York Times*, May 3, 1992, pg. 20.

<sup>44</sup> Doyle, *Crude Awakening*, Table 14-2; Oil, Chemical, and Atomic Workers International; *Chemical Week*, and other sources.

### Illegal Air Pollution

- In February 1998, the Department of Justice filed a civil complaint accusing Exxon of nearly 200 Clean Air Act violations and demanding \$4.7 million in fines.<sup>46</sup>
- In October 1996 Exxon paid a civil penalty of \$20,000 for violating the Clean Air Act at its Baton Rouge, Louisiana refinery.<sup>47</sup>
- In 1993 Exxon paid \$1 million in air pollution fines for its Bayway refinery in Linden, N.J. The penalties stem from Exxon bypassing air pollution control equipment.<sup>48</sup>

### Hazardous Waste Violations

- In August 1998, Exxon and Tosco agreed to pay \$4.8 million in damages and for environmental restoration after discharging selenium, a carcinogen, into San Francisco Bay.<sup>49</sup>
- In August 1998 Exxon was ordered to pay \$35,000 to four plaintiffs as part of the Campbell Wells oilfield waste suit. The residents of Grand Bois, Louisiana sued Exxon and Campbell Wells alleging that the waste exceeded limits on toxins such as benzene, a known carcinogen.<sup>50</sup>
- In October 1996, Exxon paid a civil penalty of \$73,000 for violating the Resource Conservation and Recovery Act and \$116,000 for Clean Water Act violations at its Baton Rouge, Louisiana refinery.<sup>51</sup>
- Exxon is a PRP for 41 hazardous waste Superfund sites in seventeen states.
- In 1991, EPA fined Exxon \$125,000 for discharging contaminated fluids from service stations into or directly above underground drinking water sources.<sup>52</sup>

### Miscellaneous Nefarious Deeds

- ExxonMobil agreed to pay \$7 million to settle claims it underpaid royalties for oil it extracted from federal lands in 2000. It was part of a \$282 million agreement reached

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<sup>45</sup> Ibid

<sup>46</sup> "DOJ Sues Exxon for Clean Air Violations," *Greenwire/National Journal Group*, February 13, 1998.

<sup>47</sup> FY 1997 EPA Enforcement and Compliance Assurance Accomplishment Report, B-39

<sup>48</sup> "Exxon to Pay Pollution Fines on Refinery It Sold," *Associated Press*, Apr. 10, 1993.

<sup>49</sup> "Oil Refineries Settle Over Selenium," *Contra Costa Times*, August 26, 1998.

<sup>50</sup> "New Rules on Oilfield Wastes Expected After Tests Finished," *Saturday State Times/Morning Advocate*, August 31, 1998.

<sup>51</sup> FY 1997 EPA Enforcement and Compliance Assurance Accomplishment Report, B-39

<sup>52</sup> FY 91 EPA Enforcement and Compliance Assurance Accomplishments Report

by 10 oil companies for underpaying the government by hundreds of millions of dollars in drilling royalties on federal land in the western United States.<sup>53</sup>

- A Montgomery County jury returned a verdict in December 2000, finding that Exxon defrauded Alabama on royalties from natural gas wells in state waters. The jury awarded the state \$87.7 million in compensatory damages and \$3.42 billion in punitive damages.<sup>54</sup>
- ExxonMobil is part of an international consortium of oil companies lobbying the World Bank to finance an oil and gas pipeline from Chad to Cameroon. The project would link oil fields in southern Chad to the coast of Cameroon, slashing through fragile rainforest and the traditional homelands of the Baka and Bakola peoples, indigenous communities of hunter-gatherers.<sup>55</sup>

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<sup>53</sup> [http://cnniw.yellowbrix.com/pages/cnniw/Story.nsp?story\\_id=17255174&ID=cnniw](http://cnniw.yellowbrix.com/pages/cnniw/Story.nsp?story_id=17255174&ID=cnniw)

<sup>54</sup> <http://www.msnbc.com/local/wvtm/229470.asp>

<sup>55</sup> "Drilling to the Ends of the Earth," Project Underground report, July 1998, and "Help Stop World Bank Loan to Exxon for Chad-Cameroon Pipeline," Friends of the Earth and Environmental Defense Fund fact sheet.

## **ExxonMobil Case Study: The Exxon Valdez -- 12 Years After**

The Exxon Valdez oil spill was the greatest ecological disaster in U.S. history. Crude oil from the Valdez fouled 1,500 miles of beaches and polluted three national parks and four national wildlife refuges. The spill demonstrated that one catastrophic spill can devastate a fragile ecosystem and economy. One industry observer noted, "... the Exxon Valdez showed ... [that] there is no room for even a moment's relaxation."<sup>56</sup>

The spill killed more wildlife than any other spill worldwide – and ten times as many birds as any other U.S. spill. At least 250,000 birds, 300 harbor seals, 2,800 sea otters, and possibly 13 whales died. Human communities also suffered. Commercial fishing harvests declined substantially. Twenty-four archaeological sites on public lands are known to have been adversely affected by cleanup activities or looting and vandalism linked to the oil spill.

Twelve years later the effects of the spill are evident. A report from the panel overseeing restoration of Alaska's Prince William Sound says that only **two** of the nearly two dozen species hurt are fully recovered. Among the species recovering are common murrelets, a black-and-white seabird that accounted for about three-quarters of the 30,000 oiled bird carcasses collected in the four months after the spill. Clams and mussels are still healing after the spill. Six species of birds and marine mammals—common loons, cormorants, harbor seals, harlequin ducks, pigeon guillemots, and a key population of killer whales have shown no significant recovery. The only two species that have fully recovered are the bald eagles and the river otters. Another study found that oil is 100 times more toxic to developing fish than previously believed. Two types of trout, the pink salmon and the area's rockfish, still face an uncertain future.

In October 2000, the U.S. Supreme Court refused to throw out the \$5 billion punitive damages verdict against ExxonMobil for the Valdez spill. ExxonMobil has made several appeals to the ruling, and none have been accepted.

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<sup>56</sup> Roger Vielvoye, "Protecting the Wadden Zee," Oil and Gas Journal, May 8, 1989, pg. 17.

## CHEVRON: AN ALMOST UNBELIEVABLE PATTERN OF POLLUTION

Chevron's Environmental Conservation program states "Wherever they work, Chevron employees bring with them a commitment to preserving the culture and environment of the community they share." That is simply not happening. Chevron's activities in Nigeria are not preserving the culture of the Ogoni people, and their environmental track record is equally shocking. Chevron's El Segundo plant is one of the largest polluters in the United States. In the last 20 years Chevron has paid more than \$30 million in fines, penalties, and settlements to cover spills, explosions, and leaks at El Segundo. In total they have paid more than \$75 million in fines.

### Oil Spills, Drilling Pollution, and Illegal Air and Water Pollution

- In August 2000, Chevron was forced to pay a \$6 million fine, \$1 million fee for improvements, and \$500,000 to build and operate a health clinic in Wilmington, California for air pollution stemming from the El Segundo facility. The Justice Department and the EPA said that the settlement set a record high as the largest penalty ever paid under the Clean Air Act for a single facility.<sup>57</sup>
- On October 4, 1998, the underwater Chevron-operated South Pass 49 pipeline leaked more than 3,000 gallons of oil into the Gulf of Mexico.<sup>58</sup>
- In 1997, residents of Kennedy Heights, a primarily African-American neighborhood in Houston, Texas, sued Chevron for contaminating their drinking water and causing wide-spread illness. Chevron allegedly left behind oil, sludge, and carcinogenic chemicals. The contaminants (which include known carcinogens), are claimed to be the cause of many of the residents' illnesses, including high rates of cancer, lupus and other diseases.<sup>59</sup>
- In March 1997, Chevron was assessed a \$1.2 million fine for operating an oil well off of the Ventura, California, coast with a broken anti-blowout valve, described by authorities as a key pollution prevention feature. The penalty represents the largest fine in history for violations of the federal Outer Continental Shelf Lands Act, eclipsing a \$1 million penalty against Chevron in 1970 for safety violations in the Gulf of Mexico.<sup>60</sup>

<sup>57</sup> <http://www.cnn.com/2000/NATURE/08/23/chevron.cleanair/index.html>

<sup>58</sup> "Clean-Up Crews Demobilize Response to Gulf Oil Spill," PRNewswire, Oct. 5, 1998.

<sup>59</sup> Charles Zewe, "Houston residents sue Chevron over health problems," CNN, May 26, 1997, and "Kennedy Heights vs. Chevron: A Case of Environmental Injustice, Fenton Communications, Aug. 22, 1997

<sup>60</sup> Daryl Kelley, "Chevron Agrees to Pay Fine of \$1.2 Million," Los Angeles Times. March 6, 1997. pg. A-3.

- Chevron Pipeline Co., a subsidiary of Chevron, agreed to pay a \$89,433 fine in connection with a January 1994 pipeline leak in North Richmond, California.<sup>61</sup>
- The President of Chevron U.S.A. appeared in federal court in May 1992 to plead guilty to 65 violations of the Clean Water Act and pay \$8 million in fines, for illegal discharges from the company's offshore oil- and gas-production platform "Grace" off the California Coast.<sup>62</sup>
- In 1992 a refinery pipeline break at Kenai terminal owned by Arco and Chevron spilled 47,000 gallons of a North Slope crude oil water mix into Cook Inlet. Frozen water in the tank prevented a helicopter spray of dispersants; only 2,400 gallons of oil were recovered. The companies had to pay a \$90,000 fine to the State of Alaska.<sup>63</sup>
- The Washington state Department of Ecology fined Chevron \$35,000 for a 176,000 gallon oil spill at the company's Richmond Beach asphalt refinery in January 1991.<sup>64</sup>
- Chevron paid \$500,000 in fines and restitution from a March 1991, oil spill a mile from the El Segundo refinery. An oil tanker chartered by Chevron ripped open the undersea pipeline connected to the refinery, spilling more than 27,000 gallons of oil into Santa Monica Bay. The company pleaded no contest to violations of California's Oil Spill Prevention and Response Act.<sup>65</sup>
- In 1990, New Jersey fined Chevron \$335,500 for violating a wastewater discharge permit at the company's Perth Amboy refinery.<sup>66</sup>
- A ruptured pipeline at a Chevron ship terminal dumped about 8,000 gallons of oil into the Willamette River in Oregon in 1989.<sup>67</sup>
- In December 1989 a Chevron pipeline in Beaumont, Texas spilled more than 230,000 gallons, polluting the Hildebrandt Bayou.<sup>68</sup>
- In May 1988, a California state agency formally ordered Chevron to clean up as much as six million barrels of gasoline and other hydrocarbons that leaked from the company's El Segundo refinery.<sup>69</sup>

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<sup>61</sup> "Chevron Pipe to Pay Penalty for Leak," San Francisco Chronicle. June 29, 1995.

<sup>62</sup> Environment – Chevron U.S.A. Inc.," *Oil and Gas Journal*, July 27, 1992, pg. 44

<sup>63</sup> Pamela A. Miller, *The Reach of Oil in the Arctic*, Greenpeace report, August 1997

<sup>64</sup> Washington State Department of Ecology, "Spill Enforcement Actions, 1/1/85 to 10/7/92, pg. 12 and "Chevron Chases Oil Spill," *The Seattle Post-Intelligencer*, Sunday, Sept. 2, 1990, pg. B-1

<sup>65</sup> "Chevron Agrees to Pay \$500,000 in 1991 Spill," *Los Angeles Times*, May 20, 1993, pg. B-2.

<sup>66</sup> Bill Wood, *Don't Rig Florida's Future: The Case Against Drilling Off Florida's Gulf Coast*, Florida PIRG, June 1993

<sup>67</sup> "Oil Pipeline Rupture Fouls Oregon River," *Chicago Tribune*, July 1, 1989, pg. News 4.

<sup>68</sup> Leonard Butler, "New York City Accuses Exxon of Fraud in Spill," *The New York Times*, February 8, 1990, pg. B-2

- Between 1956 and 1998, Chevron-offshore rigs in the Gulf of Mexico have experienced at least:

-- 10 gas blowouts, and an additional 5 blowouts of oil or a combination of gas, oil and condensate. Several resulted in substantial damage, including the complete destruction of rigs and equipment and oil spills; one blowout took over 40 days to bring under control and released 30,000 barrels of oil into the Gulf.

-- 65 fires and explosions, of which at least 28 originated from natural gas or natural gas equipment on the rigs; several fires and explosions, resulted in fatalities.

-- 14 of what the federal government terms "significant pollution incidents," and 40 "major accidents," resulting in at least 19 fatalities in addition to those already noted.

-- 5 pipeline breaks or leaks.<sup>70</sup>

#### Plant Explosions and Worker Safety

- Chevron agreed to pay an undisclosed amount in December 1992 to settle a federal court case in Mississippi in which the company was accused of contaminating workers with naturally occurring radioactive materials (NORM) from equipment from the company's rigs.<sup>71</sup>
- In January 1992 a steam blast at Chevron's El Segundo refinery injured 10 workers.<sup>72</sup>
- In April 1989, a fire and explosion at Chevron's Richmond, Calif. refinery sent seven plant workers to hospitals. The Labor Department fined Chevron \$877,000 for 114 safety violations in connection with the fire, five of them "serious" legal violations. The company eventually settled for \$275,000 in penalties. As part of the settlement Chevron agreed to reinforce its fire protection efforts at U.S. refineries.<sup>73</sup>
- In November 1985, a Chevron plant in Mont Belview, Texas exploded, killing two workers, incinerating dozens of cars, and filling the sky with smoke visible from 30 miles away.<sup>74</sup>

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<sup>69</sup> Jack Doyle, *Crude Awakening. The Oil Mess In America: Wasting Energy, Jobs & the Environment*, Friends of the Earth, 1994, Appendix B.

<sup>70</sup> Bill Wood, *Don't Rig Florida's Future: The Case Against Drilling Off Florida's Gulf Coast*, Florida PIRG, June 1993

<sup>71</sup> Ibid

<sup>72</sup> Doyle, *Crude Awakening*, Table 14-2; Oil, Chemical, and Atomic Workers International; *Chemical Week*, and other sources.

<sup>73</sup> "Chevron Faces \$877,000 Fine," *Los Angeles Times*, Sept. 27, 1989, pg. 1-2.

<sup>74</sup> Doyle, *Crude Awakening*, Table 14-2; Oil, Chemical, and Atomic Workers International; *Chemical Week*, and other sources.

- In May 1984, Chevron U.S.A. agreed to pay \$15 million to settle a lawsuit filed by survivors of two workers killed in a 1980 fire at a Chevron storage plant in Honolulu, Hawaii.<sup>75</sup>
- In 1980, a Chevron-owned gas station in Denver's Northglenn suburb leaked more than 30,000 gallons and caused a sewer explosion. During a federal court case in 1981 Chevron's inventory records helped determine that the station was responsible. Chevron had to buy 41 homes in Northglenn for \$10 to \$12 million.<sup>76</sup>

### Illegal Air Pollution

- In March 2001 smog regulators slapped Chevron with \$242,500 in fines for failing to repair leaking pipe connectors at a Richmond, California refinery. The fines were based on 241 separate leaks during three months in 1998.<sup>77</sup>
- In July 1998 Communities for a Better Environment sued Chevron and two other oil companies (Ultramar, Unocal), for violating the Clean Air Act. The suit charged that the companies failed to install pollution control equipment at their tanker docks in the South Bay area of L.A. They charged that the lack of pollution control equipment had exposed workers and residents of surrounding communities to tons of toxic and carcinogenic chemicals - as much as 1.4 million pounds since 1994. Most of the toxic releases occurred in majority Latino and African American communities.<sup>78</sup>
- In 1996, the EPA announced a \$698,349 penalty settlement with Chevron after charging the company with almost 10 years of noncompliance with the Clean Air Act and sulfur oxide regulations. The violations occurred at Chevron's Perth Amboy, New Jersey asphalt facility.<sup>79</sup>
- In the fall of 1996 Chevron and three other oil companies entered into a consent decree with the Northern and Central District Courts of California. The decree required the company to install pollution control equipment in order to comply with the Clean Air Act's New Source Performance Standards.<sup>80</sup>
- In May 1994, Chevron was fined \$8,750 by the South Coast (CA) Air Quality Management District for operating a boiler contrary to permit conditions, excessive volatile organic compound emissions from equipment leaks, and excessive particulate emissions from its El Segundo refinery in Santa Monica.<sup>81</sup> The refinery was fined

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<sup>75</sup> Ibid

<sup>76</sup> "Chevron and Exxon Pay Out Millions in Damages Caused by Undetected Leaks in Residential Areas," *National Petroleum News*, July 1982

<sup>77</sup> "Chevron Plant Hit With Fine," *San Francisco Chronicle*, March 27, 2001, pg. A14

<sup>78</sup> Communities for a Better Environment Press Release, July 7, 1998

<sup>79</sup> FY 1996 EPA Enforcement and Compliance Assurance Accomplishment Report, B-7

<sup>80</sup> FY 1996 EPA Enforcement and Compliance Assurance Accomplishment Report, B-65

<sup>81</sup> "Top Air Pollution Penalties," *Los Angeles Times*, May 25, 1994

again, for \$13,000 in August 1994, for excessive volatile organic compound emissions.<sup>82</sup>

- In October 1992, the El Segundo refinery was fined \$41,500 by the South Coast (CA) Air Quality Management District for excessive hydrocarbons and various violations from leaking valves and flanges.<sup>83</sup>
- In August 1992, Chevron U.S.A. agreed to pay \$1 million in penalties for illegal airborne emissions of benzene, a potent carcinogen, at its Philadelphia, Pennsylvania, petroleum refinery.<sup>84</sup>
- El Segundo was fined \$174,500 in August 1990, for failure to repair leaky valves, operating surge and waste water tanks contrary to permit conditions, failure to obtain a permit to operate a crude oil production separation facility and a vapor recovery system.<sup>85</sup>
- In 1988 the El Segundo oil refinery was the number one producer of reactive hydrocarbons and nitrogen oxides in the South Coast Air Basin (Los Angeles, Orange, Riverside, and San Bernardino counties).<sup>86</sup>
- In October 1985, the EPA won a \$6 million penalty judgment against Chevron U.S.A. for violating the Clean Air Act at its El Paso, Texas oil refinery.<sup>87</sup>

#### Hazardous Waste Violations

- The EPA considers Chevron a PRP for 49 hazardous waste Superfund sites. Chevron is responsible for more Superfund sites than any other oil company.
- In 1994 Chevron was fined \$40,000 for failing to treat industrial waste from the El Segundo refinery before discharging it to municipal sewage treatment plants.<sup>88</sup>
- Chevron Chemical was fined \$17 million by the EPA in 1993 for violating the Toxic Substance Control Act. Chevron made and imported six different chemicals without receiving prior approval from the agency.<sup>89</sup>

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<sup>82</sup> "Top Air Pollution Penalties," *Los Angeles Times*, August 31, 1994

<sup>83</sup> "Top Air Pollution Penalties," *Los Angeles Times*, Oct. 22, 1992, pg. B-2.

<sup>84</sup> "Chevron USA to Pay EPA Penalties," *Wall Street Journal*, Aug. 6, 1992, pg. A-4.

<sup>85</sup> "Top Air Pollution Penalties," *Los Angeles Times*, Aug. 24, 1990, pg. B-2.

<sup>86</sup> George Hatch, "SCAB Ranks Top Air Polluters," *Los Angeles Times*, Jan. 15, 1996

<sup>87</sup> "Chevron Fined \$6 Million in EPA Air-Pollution Suit," *Wall Street Journal*, Oct. 7, 1985, pg. 1-2.

<sup>88</sup> Myron Levin, "EPA Fines 5 Firms \$750,000 in Toxics Case," *Los Angeles Times*, 1994

<sup>89</sup> Jeff Peline, "EPA Slaps Chevron With Hefty Fine," *San Francisco Chronicle*, Oct. 1, 1993, pg. B1.

- In 1991, Chevron agreed to pay more than \$200,000 in fines to settle a lawsuit by the Orange County District Attorney's office after the company allegedly failed to obey state laws governing underground fuel tanks at 57 gas stations.<sup>90</sup>
- In January 1989 Chevron paid \$450,000 in civil penalties and \$100,000 in investigatory costs to the State of California for violating the state hazardous-waste-handling regulations in its Richmond refinery.<sup>91</sup>
- In January 1988 Chevron agreed to pay a \$1.5 million civil penalty to settle a lawsuit brought by the EPA. The suit alleged that Chevron polluted Santa Monica Bay by dumping thousands of pounds of oil, grease, ammonia, and other pollutants in excess of its discharge permits. Chevron settled a similar suit brought by the Sierra Club, and agreed to pay \$100,000 towards the purchase of Malibu's Solstice Canyon.<sup>92</sup>
- The day the Sierra Club lawsuit was settled, the Los Angeles Times reported that the largest oil leak in U.S. history had been discovered at El Segundo. A 250 million gallon lake of oil had accumulated under the factory.<sup>93</sup>
- In 1985 the Regional Water Quality Control Board fined Chevron \$38,000 for discharging illegal levels of chemical wastes into Santa Monica Bay. According to Chevron documents, the company violated its discharge permits more than 250 times from 1978 to 1985.<sup>94</sup>

#### Miscellaneous Nefarious Deeds

- On May 28, 1998 two Nigerian activists were killed on a Chevron oil platform. The attack was carried out by the Nigerian Navy and the Nigerian Mobile Police. Chevron spokesperson Sola Omole admitted that the company transported Nigerian soldiers, via Chevron-leased helicopters, to their Parabe oil platform and barge in the Niger Delta. Dozens of community activists had occupied the platform as part of a campaign to have Chevron contribute more to the development of the impoverished Niger Delta region. The spokesperson revealed that Chevron management authorized the use of the military.<sup>95</sup>
- Chevron is a major oil producer in Nigeria. Ken Saro-Wiwa, the late president of the Movement for the Survival of the Ogoni People, was quoted as saying "What Shell

<sup>90</sup> "Chevron Agrees to Pay More Than \$200,000 in Fines," *The Orange County Register*, June 4, 1991, pg. B-6.

<sup>91</sup> "Chevron Corp. Pays \$550,000 Settlement on Waste Handling," *Wall Street Journal*, Sept. 2, 1988. pg. 1-2.

<sup>92</sup> Kim Murphy, "Chevron Will Help Pay for Canyon to End Pollution Suit," *Los Angeles Times*, Apr. 15, 1988, pg. 2-3.

<sup>93</sup> Ibid

<sup>94</sup> Patricia Lopez, "Chevron USA Fined \$38,000 for Illegal Chemical Dumping," *Los Angeles Times*, June 25, 1985, pg. Metro 2-1.

<sup>95</sup> Democracy NOW! newsmagazine, Pacifica Radio, Sept. 30, 1998

and Chevron have done to Ogoni people, land, streams, creeks, and atmosphere amount to genocide.”<sup>96</sup>

- In 1998 Chevron paid the State of Texas \$18 million to settle claims it undervalued oil pumped from public and Indian lands.<sup>97</sup>

### **PHILLIPS PETROLEUM - UNSAFE FOR EVERYONE**

Phillips Petroleum claims that they “support a corporate culture based on community involvement and the health and safety of its employees and neighbors.” So far Phillips has not provided safety for either.

They have an almost unbelievable list of workplace explosions, resulting in 26 deaths and 308 injuries. Phillips Petroleum and Phillips 66 have been listed as the suspected responsible party by the National Response Center for 942 oil spills, 542 of which were in Texas.

#### Oil Spills, Drilling Pollution, and Illegal Water Pollution

- On May 18, 1999, a Phillips pipeline broke spilling 200,000 gallons of wastewater into a creek in Borger, Texas.<sup>98</sup>
- In October 1998, 12,200 gallons of gas, 14,500 lbs of hexane, 1100 lbs of benzene went into an earthen dike at a Phillips plant in Utah.<sup>99</sup>
- On September 23, 1992, 1700 barrels of produced water were released into the Gulf of Mexico by Phillips, caused by an equipment failure where oil was not being removed in the water treatment system.<sup>100</sup>
- On February 24, 1994, a Phillips pipeline ruptured and 80,000 gallons of gasoline were released in Borger, Texas.<sup>101</sup>
- The EPA filed a complaint against Phillips for violating its sulfur dioxide emission limit since 1994 at its Woods Cross, Utah refinery.<sup>102</sup>

#### Plant Explosions and Worker Safety

<sup>96</sup> Joshua Karliner, *The Corporate Planet: Ecology and Politics in the Age of Globalization*, Sierra Club Books, October 1998

<sup>97</sup> “Mobil Agrees to Settle Claims Company Allegedly Undervalued Oil Pumped from Public Lands,” *Tulsa World*, August 20, 1998

<sup>98</sup> “EPA Oil Spill Program,” [www.epa.gov/oilspill/](http://www.epa.gov/oilspill/)

<sup>99</sup> Ibid

<sup>100</sup> Ibid

<sup>101</sup> Ibid

<sup>102</sup> “EPA Enforcement and Compliance Assurance” 1998

- On March 27, 2000, an explosion at Phillips Chemical Co. in Pasadena, Texas killed one worker and injured 69 others. The explosions resulted in allegations of 50 violations of safety standards. Phillips was fined \$2.5 million by the Occupational Safety and Health Administration (OSHA).<sup>103</sup>
- In April 1991, a refinery fire at a Phillips Chemical plant in Sweeny, Texas injured two workers.<sup>104</sup>
- In March 1991, an explosion and fire at the Phillips chemical plant in Lefors, Texas injured 5 people.<sup>105</sup>
- In October 1989, Phillips was fined \$5.7 million after an explosion in their Pasadena plant killed 23 workers and injured 232 others. Phillips was issued 566 willful and 9 serious violations by OSHA.<sup>106</sup>
- In August 1989, 2 workers at a Phillips Chemical plant in Pasadena, TX were killed when a fire broke out.<sup>107</sup>

## **WE DO NOT NEED TO OPEN UP THE ARCTIC REFUGE**

Drilling for oil in the Arctic Refuge will not reduce the price of a barrel of oil or solve our nation's energy problems. The chances of finding commercially recoverable amounts of oil in the coastal plain of the Arctic Refuge appear remote. The latest U.S. Geological Survey (USGS) assessment, released in May 1998, estimate that at current rates of consumption there is enough oil – about 3.4 billion barrels - in the Arctic Refuge to last the U.S. for about **six months**. Any oil thought to be in the Refuge would take 10 to 12 years to reach U.S. consumers.

Five years ago Congress lifted the export ban on oil shipped through the Trans-Alaska Pipeline system, allowing oil from Prudhoe Bay to be exported to Asia. Alaska oil is currently being exported to Asia. How does that help our national security?

Clearly, allowing oil drilling in the Arctic Refuge will not solve our energy problems but it would turn the coastal plain into a sprawling industrial complex and destroy wilderness.

A national energy policy that emphasizes energy efficiency and promotes renewable energy would help preserve sensitive areas like the Arctic

"It is a short-term solution. There is only one wilderness. Once you take away wilderness, it is gone."  
-Sen. Bob Smith (R-NH), Chair, Senate Environment and Public Works Committee, on drilling in Arctic Refuge

<sup>103</sup> <http://www.cnn.com/2000/LOCAL/southwest/09/22/hci.phillips.blast/index.html>

<sup>104</sup> <http://www.osha.gov>

<sup>105</sup> <http://www.osha.gov>

<sup>106</sup> <http://www.osha.gov>

<sup>107</sup> <http://www.osha.gov>

Refuge, produce clean energy, slow global warming, reduce pollution, and create jobs.

Instead of allowing oil and gas drilling in America's Arctic, Congress should pass legislation that, among other things, provides tax credits to individuals who buy clean and efficient advanced-technology vehicles employing hybrid gasoline-electric drive, raises fuel economy in all new cars to 39 miles per gallon within the next ten years, requires replacement tires to be as fuel efficient as the original tires on new vehicles, and expands programs to weatherize low-income Americans' housing and help pay their energy bills. Putting these solutions in place would save far more oil than what is estimated to lie beneath the coastal plain of the Arctic Refuge.

### **WAYS TO PROTECT THE ARCTIC REFUGE**

PIRG's Arctic Wilderness campaign is calling on the Dirty Four to cancel their drilling plans for the Arctic Refuge and support wilderness designation for the coastal plain.

It is time for the oil industry to recognize that oil drilling and development are not compatible with the wilderness values of the Arctic Refuge. We urge BP Amoco, ExxonMobil, Chevron, and Phillips Petroleum to act as responsible corporate citizens and pledge not to drill for oil or gas in the Arctic Refuge.

Congress has the ultimate authority to protect the Arctic Refuge from drilling by passing legislation designating the coastal plain as wilderness. Wilderness designation would protect the coastal plain from drilling and development by adding 1.5 million acres of the coastal plain of the Refuge to the National Wilderness Preservation System.

### **CONCLUSION**

The world has plenty of oil wells but precious few areas like the Arctic National Wildlife Refuge. Clearly, an industry as dirty and irresponsible as the oil and gas industry should not be allowed to open up the Arctic Refuge.

BP Amoco, ExxonMobil, Chevron and Phillips Petroleum should listen to the American people and cancel their drilling plans. Poll after poll shows that Americans support protecting the Arctic Refuge as wilderness, and oppose plans to develop the coastal plain. Americans understand that drilling means pollution, both routine and catastrophic. As we mark the 12th anniversary of the wreck of the Exxon Valdez on March 24<sup>th</sup> attention should once more be focused on corporate behavior and responsibility.

At a congressional hearing in August 1997, then-Secretary of the Interior Bruce Babbitt argued against opening up the Arctic Refuge for oil and gas drilling by invoking the "ancient pageant of wildlife moving through the seasons of an enchanted landscape" and predicted that drilling would "inevitably shatter the delicate balance of land and life into a thousand fragments, like pan ice in the spring breakup." He closed by saying, "Opening the Arctic Refuge to oil drilling is the equivalent of offering Yellowstone National Park for geothermal drilling or calling for bids to construct hydropower dams in the Grand Canyon."

This report shows that companies like BP Amoco, ExxonMobil, Chevron, and Phillips Petroleum would do just that, "shatter the delicate balance of land and life." The oil industry needs to clean up their act and behave like responsible corporate citizens. The Dirty Four should recognize that the wilderness and cultural values of the Arctic Refuge outweigh the short-term profits associated with oil and gas development. BP Amoco, ExxonMobil, Chevron, and Phillips Petroleum should act as good corporate citizens, cancel their drilling plans for the Arctic Refuge, and support wilderness designation for the coastal plain.

**“ In some places, such as the Arctic Refuge, the wildlife and natural values are so magnificent and so enduring that they transcend the value of any mineral that might lie beneath the surface. Such minerals are finite. Production inevitably means changes whose impacts will be measured in geologic time in order to gain marginal benefits that may last a few years.”- then Interior Secretary Cecil Andrus, in a 1978 speech before the Outdoor Association of America**