

Feds open criminal probe of Chevron

By David DeBolt Contra Costa Times

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TV news crews, along with the curious, gather on a hillside in Point Richmond to photograph the Chevron fire.

RICHMOND -- For four years, Chevron failed to monitor pollutants released from one of its refinery pipes, leaving air quality officials with no way of knowing how much gas escaped into the atmosphere above thousands of residents -- a violation that has prompted a federal criminal investigation.

The revelation of a criminal probe comes more than a month after the Aug. 6 refinery fire -- and while the two are unrelated, politicians on Sunday said it further erodes the public's trust in the oil giant.

"Clearly either what Chevron did was negligent or intentional," said Contra Costa Supervisor John Gioia, who is also the chair of the air quality board. "Under either circumstance, it's a serious violation."

"How do we ever trust them about anything now? That's where I am," said Richmond Councilman Jeff Ritterman. "Once you are lied to once by somebody, it's very hard for them to establish trust."

A Chevron spokesman did not immediately return calls.

The U.S. Environmental Protection Agency's criminal investigation, which surfaced Sunday, follows a two-year investigation by the Bay Area Air Quality Management District.

Air quality district inspectors found that Chevron used a pipe to circumvent a required monitoring device, a violation of a 2005 air quality district rule intended to reduce flaring

and emissions at Bay Area refineries. The rule was recognized at the time by air quality board executive officer Jack Broadbent as a "historic step."

The Chevron pipe existed before the rule was effective, but Chevron should have removed it or properly installed a monitoring device, said Wayne Kino, an enforcement manager for the air quality district.

In the wake of the massive Aug. 6 fire, local politicians have pointed to the monitoring rule as evidence that Chevron's refinery in Richmond and others in the Bay Area have cleaned up their act from previous decades.

The severity of accidents at the four oil refineries in Contra Costa County have dropped since stricter safety regulations were put in a place 13 years ago, according to officials.

Ritterman, who is one of the politicians that has praised Chevron in recent weeks, said Sunday he was "outraged."

"The idea that they put a pipe in to avoid community monitoring is, I think, criminal and I'm really very disappointed in their management for having done that," said Ritterman.

"Somebody knew full well what they were doing," he added. "If they don't know what's going on at the refinery ... how can they operate a refinery safely? If they do know, how come they had to be found out? It's very hard for me to see a real defense on this. I think they got caught and it's really sad for us."

It all began on Aug. 17, 2009, when two air quality inspectors visited the Richmond refinery and noticed something suspicious, said Kino. They could see steam coming from a pipe, but when they checked a monitoring device it showed that nothing had flowed through the equipment.

They then discovered that a pipe Chevron installed was bypassing the monitoring system. As part of the investigation, inspectors looked at images of the pipe taken by a camera every five minutes for three years, amounting to nearly 315,360 images. From those, investigators discovered the pipe bypassed 27 times between 2005 and 2009, said Kino.

The violations cost Chevron \$170,000 to settle, the largest fine the Chevron refinery has paid in the past decade, according to Gioia.

Kino said Chevron cooperated with the air district's investigation and has removed the equipment.

Now, the federal investigation will determine if what was done was intentional or not.

Gioia this week will be asking the air quality district to review all the flare management plans for each of the Bay Area's five refineries to ensure the Chevron incident is isolated. Gioia also will ask for a new policy on how the district discloses the fines it issues.

"When a fine is issued we need a much more transparent process," he said.

Contact David DeBolt at 925-943-8048. Follow him at [Twitter.com/daviddebolt](https://twitter.com/daviddebolt).

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