



## Exxon increases estimate of Yellowstone River oil spill by 50%



JANUARY 19, 2012 11:15 AM • [BY ROB ROGERS OF THE GAZETTE STAFF AND MATTHEW BROWN ASSOCIATED PRESS](#)

ExxonMobil agreed Thursday to pay the state of Montana \$1.6 million in penalties over water pollution caused by a pipeline break last July that fouled dozens of miles of shoreline along the scenic Yellowstone River.

Montana Department of Environmental Quality Director Richard Opper said the penalty marks the largest in the agency's history.

The Texas oil company will pay \$300,000 in cash and spend \$1.3 million on future environmental projects, Opper said. Exxon will reimburse more than \$760,000 in emergency response costs racked up by state agencies.

Also Thursday, Exxon increased by 50 percent its estimate of how much crude spilled into the river during the July 1 accident near Laurel. The company now says at least 1,509 barrels of oil, or more than 63,000 gallons, was released into the river. That's up from earlier estimates of 1,000 barrels spilled — a number that Gov. Brian Schweitzer had disputed as too low.

Only about 10 barrels of crude were recovered by cleanup crews, less than 1 percent of the total spilled, federal officials have said.

Opper said the adjusted oil spill estimate had no bearing on Exxon's \$1.6 million settlement with the state.

"The state has always thought the estimate (of the amount of oil spilled) was higher" than Exxon's first estimate, he said.

The settlement was based primarily on the extent of the damage done by the spill, Opper said. As such, the new spill estimate "doesn't really change anything."

Exxon waited to adjust its estimate until it had gathered all the data it could from the break and the spill, which included pulling the ruptured pipe out of the ground to examine the break, said Alan Jeffers, media relations manager for ExxonMobil Pipeline Co.

"It was an effort to get as much data as we could," he said.

Early electrical conductivity tests in July following the spill suggested that the pipe had

separated. Once the pipeline was removed from the riverbed in December and officials found the pipe had split in two, they calculated the final number.

Thursday's settlement came after more than three months of negotiations between attorneys for Exxon and the state. It contains provisions to shield the company against future lawsuits from state agencies, although it will not become final until after a 30-day public comment period.

"It was a significant violation. There were hundreds and hundreds of acres of land affected and it was a major oil spill," Opper said. He added that the penalties probably would have been "a lot higher" if Exxon had not cooperated on the cleanup.

"It doesn't mean they were perfect," he said. "They were responsible, but they really were committed to undoing the damage that was caused."

Jeffers declined to make a comment specific to the settlement. He did say the higher estimate would not have changed his company's response to the spill, which at its peak involved more than 1,000 Exxon contractors working to clean up oil-soaked sandbars, logjams and vegetation.

"ExxonMobil Pipeline Co. has entered into an agreed Administrative Order on Consent with the Montana DEQ for the July 1, 2011, Silvertip Pipeline incident," Jeffers said in a statement released late Thursday. "ExxonMobil Pipeline Co. regrets that this incident occurred and takes full responsibility for the cleanup. We are committed to completing this effort from start to finish."

Still pending against the company is a lawsuit from a group of riverfront property owners seeking tens of millions of dollars in damages over allegations that the company failed to properly clean up after the spill.

The landowners are represented by Billings attorney Cliff Edwards.

Attorneys for Exxon have asked U.S. District Judge Richard Cebull in Billings to dismiss that case. A decision is pending.

Edwards said he was "mystified" by the state's willingness to settle for \$1.6 million.

"This is chump change to what was done," Edwards said. Exxon "got off for soiling one of the greatest rivers in America."

The state was stigmatized by the spill and it negatively affected tourism, he said.

"That's hurts our economy," Edwards said. "This is outrageous."



[Top of Page](#)   [Home](#)   [Full Site](#)

© Copyright 2012, [The Billings Gazette](#), Billings, MT