

Chevron to pay \$2 million for refinery fire

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A woman holds a sign during a press conference over Richmond's Chevron suit. Photo: Ian C. Bates, The Chronicle

A day before the first anniversary of the destructive fire at Chevron's oil refinery in Richmond, the company pleaded no contest Monday to six criminal charges arising from the incident.

As part of the deal, Chevron agreed to pay \$2 million in fines and restitution and accept additional oversight and inspection of its operations during a 3 1/2-year probation period, authorities said.

The misdemeanor charges, alleging violations of California's health and labor codes, were filed

Monday by the Contra Costa County district attorney and the state attorney general after an investigation of the fire in a crude oil processing unit on Aug. 6, 2012.

In a prearranged deal, an attorney for the company immediately entered pleas of no contest before Superior Court Judge William Kolin in Martinez, said Deputy District Attorney Steve Moawad.

State and federal investigators have said a pipe that was badly thinned by corrosion - and should have been replaced - leaked and then burst, igniting a fire that nearly engulfed 19 workers and sent a plume of smoke through the region. About 15,000 people went to hospitals complaining of breathing problems.

Moawad said prosecutors filed four counts accusing Chevron of violating labor standards and two counts of negligently discharging air contaminants.

The company agreed to pay a fine of \$1.28 million and to contribute \$145,000 to RichmondBuild, a public-private partnership that seeks to train workers for high-paying jobs in the fields of construction and renewable energy.

Chevron must also repay costs that three agencies incurred responding to the fire and investigating it: \$300,000 to Cal/OSHA, the state's workplace safety agency, \$185,000 to the Bay Area [Air Quality Management District](#) and \$90,000 to the state attorney general.

A spokeswoman for Chevron, [Melissa Ritchie](#), said in a statement that the company was "committed to continuous improvement in process safety and reliability at the refinery."

She said Chevron was working to address problems identified by state and federal regulators, with employees putting in "more than 1.9 million hours" repairing and improving the damaged crude unit and inspecting more than 16,000 piping components at the Richmond refinery.

[Andres Soto](#), an organizer in Richmond for the advocacy group [Communities for a Better Environment](#), said he was glad to see Chevron take responsibility for its actions.

But he said the fine was "just a minor cost of doing business" for the company, adding, "Only when we start holding corporate directors and managers responsible for the corporation's behavior will we see a change in culture."

Several agencies have taken action against Chevron since the fire. The company is appealing a proposed fine of nearly \$1 million leveled by Cal/OSHA, and it faces a number of lawsuits.

Federal charges are also possible. In a statement released Monday, the [U.S. Environmental Protection Agency](#) said it is "in the final stages of investigating potential violations of the [Clean Air Act](#)" stemming from the fire.

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