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Chevron pays State \$1.8 million in Petroleum Fund Claims

Salt Lake City, Utah – The state of Utah has received \$1.8 million as part of a settlement agreement with Chevron to resolve a potential claim by the State that the oil company unlawfully received a number of payments from the state's Petroleum Storage Tank Fund (PST Fund).

The settlement marks the first agreement reached between the State and oil companies that received disbursements from the PST Fund – a pool of money used to cover the cost of cleaning up petroleum released from underground storage tanks at stations that participate in the fund – even though the companies had insurance to cover cleanups.

“The PST Fund must be protected and we are satisfied with how this issue has been addressed,” said Brent Everett, director of the Division of Environmental Response and Remediation (DERR), which oversees the PST Fund. “Over the years, Chevron has demonstrated a desire to be a responsible corporate citizen.”

The Utah Attorney General's Office, on behalf of DERR, filed claims in Third District Court against ConocoPhillips earlier this year, and most recently, BP Amoco, for similar allegations.

“Utah is among several states seeking to recoup the state PST Fund monies paid for cleanups to oil companies who failed to disclose the existence of insurance,” said Paul McConkie, assistant attorney general.

The PST Fund was created by the Utah Legislature in 1989 to help gas station owners and operators meet the federal financial assurance requirements for underground storage tanks. The state is now seeking reimbursements of the PST Fund for monies that oil companies were ineligible to receive.

The AG's Office is representing DERR, a Division of the Utah Department of Environmental Quality, whose mission is protecting public health and Utah's environment through cleanup of chemically contaminated sites, and by ensuring that underground storage tanks are used properly and by providing chemical usage and emission data to the public and local response agencies.

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