



Enforcement News

State Water Board Reaches \$6 Million Settlement With Petroleum Firm Over Violations in 17 Counties

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SACRAMENTO – The State Water Board, in coordination with the Office of the State Attorney General and district attorney's in 17 counties, today announced a \$6 million settlement with Golden Gate Petroleum Co. (GGP) following a two year investigation that found widespread violations of environmental rules on storage of petroleum in underground tanks owned or operated by GGP.

The settlement covers violations at approximately 30 gasoline stations located in 17 counties throughout Northern California. Dennis O'Keefe, president and sole shareholder of GGP and its affiliated companies is a defendant in the action and is jointly liable for payment of the penalties.

"The case against GGP is another in a series of underground storage tank cases brought by the State Water Board against facilities that substantially threaten water quality and public safety," Reed Sato, Director of the State Water Board's Office of Enforcement, said. "The judgment against GGP compels the defendants to operate and maintain its fuel storage tanks in a manner protective of the environment."

Under the terms of the settlement, GGP will pay \$3 million in cash over a period of five years. The remaining \$3 million will be suspended conditioned on GGP maintaining compliance with underground storage tank requirements. GGP must also employ an environmental coordinator to oversee compliance in the future. The amount of the liability was based on the financial inability of GGP to pay higher penalties.

A two year investigation conducted by the State Water Board's Office of Enforcement and various counties environmental protection staff revealed that GGP had extensive violations including the failure to install and repair leak detection equipment designed to prevent releases of petroleum to the environment. This action does not resolve any liability or responsibility that GGP has to cleanup leaks of petroleum from its tank systems.

Parties to the lawsuit include district attorney's offices in Alameda, Butte, Colusa, Contra Costa, Glenn, Humboldt, Kings, Lake, Mendocino, Monterey, San Luis Obispo, San Mateo, Santa Clara, Solano, Sonoma, Sutter, and Yuba Counties.



The lawsuit is the latest in a series of major enforcement actions that the state Attorney General's Office and local prosecutors have jointly brought against violators of California's Underground Storage Tank laws. To date, these actions have resulted in numerous multi-million dollar penalties and extensive corrective action and operational improvements by the violators to prevent unauthorized spills of motor vehicle fuel to the environment.

A copy of the complete settlement, which was filed with the Contra Costa County Superior Court, can be found on the State Water Board's website at:

http://www.waterboards.ca.gov/water_issues/programs/enforcement/orders_actions.shtml

For more information on the activities of the State Water Board Office of Enforcement, please visit this location: http://www.waterboards.ca.gov/water_issues/programs/enforcement/

To review the latest Office of Enforcement Annual Report, visit this location:

http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/annl_rpt2010.pdf