

GREGORY D. TOTTEN District Attorney

NEWS RELEASE

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Pipeline Company and Contractor Responsible for 2016 Ventura Oil Spill Reach \$1.6 Million Civil Settlement with State and County Agencies

VENTURA, California – District Attorney Gregory D. Totten announced today that state and local officials reached a comprehensive civil settlement with Crimson Pipeline, L.P. (Crimson), and its contractor CD Lyon Construction, Inc. and CD Lyon, Inc. (collectively CD Lyon), the companies responsible for a June 2016 crude oil spill in Hall Canyon, Ventura. The spill occurred from a crude oil pipeline owned by Crimson following a valve replacement operation and restart of the pipeline. New valve flanges were not properly tightened by Crimson's contractor, CD Lyon, which caused the release of more than 44,000 gallons of crude oil, damaged local natural resources, and required a comprehensive cleanup and investigation effort.

In total, Crimson has agreed to pay \$1,307,700 in civil penalties, costs, and natural resources damages. Additionally, CD Lyon has agreed to pay civil penalties and a portion of the outstanding costs totaling \$300,000.

The Crimson settlement includes \$900,000 in civil penalties, of which \$600,000 will be paid to the California Department of Fish and Wildlife and the District Attorney's Office, based on Crimson's negligent conduct in violation of the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (Lempert-Keene Act), unlawful discharge in violation of the Fish and Game Code, and failure to comply with pipeline safety laws in violation of the Business and Professions Code. The Crimson settlement also includes a \$387,700 reimbursement for investigative and attorneys' costs; \$20,000 to compensate for injuries to natural resources; and injunctive relief requiring compliance with the Lempert-Keene Act and all applicable pipeline safety laws, and improvement of oil spill prevention and response measures.

The CD Lyon settlement requires payment of \$185,000 to the California Department of Fish and Wildlife, including approximately \$175,000 in civil penalties based on CD Lyon's negligent conduct in violation of the Lempert-Keene Act and unlawful discharge in violation of the Fish and Game Code. CD Lyon will also reimburse the District Attorney's Office for additional investigative and attorneys' costs in the amount of \$115,000.

"With this settlement, Crimson and their contractor will pay a significant penalty, improve its oil spill preparedness and response operations, and compensate the public for natural resource damages," said Thomas Cullen, administrator of the California Department of Fish and Wildlife's Office of Spill Prevention and Response. "The public should know that when an oil spill happens in California, we will hold those responsible accountable and require a thorough and rapid cleanup and restoration."

The crude oil spill, which came to be known as the Grove Incident, occurred in the early morning of June 23, 2016, when the pipeline restarted following a faulty valve replacement. Crude oil was released into a small canyon with vegetation running through a residential neighborhood. Local residents discovered the release and quickly alerted Crimson and first responders. A prompt response by Crimson personnel as well as local first responders kept the crude oil from reaching the ocean and prevented more extensive injuries to natural resources. Nevertheless, Hall Canyon required months of cleanup and some local residents were forced to leave their homes due to the strong odor of petroleum in the area after the spill occurred.

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The Ventura County District Attorney's Office is the public prosecutor for the county's 850,000 residents. The office employs approximately 280 employees including attorneys, investigators, victim advocates, and other professional support staff who strive to seek justice, ensure public safety, and protect the rights of crime victims.

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