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Petrobras settles air pollution suit against Pasadena refinery

Company will upgrade plant equipment, fund \$3 million electric vehicles project

HOUSTON – Environment Texas and Sierra Club announced today that they have filed a proposed consent decree in federal court to settle their citizen enforcement lawsuit against Pasadena Refining System, Inc. PRSI is owned by Petrobras (Petróleo Brasileiro S.A.), the state-controlled oil company of Brazil.

The settlement still requires court approval. It would mandate pollution reduction upgrades at the 100-year-old PRSI refinery in Pasadena; enhanced preparedness for hurricanes and electrical grid failures; investigation of citizen complaints; and stipulated penalties for future violations. The settlement also provides \$3,525,000 in civil penalties, most of which will fund a project to help local communities buy electric vehicles and other clean vehicles for their municipal fleets.

"We welcome PRSI's decision to resolve this case rather than spend years litigating it in court," said Brian Zabcik, Clean Air Advocate at Environment Texas. "Pasadena and Galena Park residents will benefit twice. Refinery upgrades will reduce illegal air pollution, while the electric vehicles project will further improve air quality."

The lawsuit alleges that PRSI's refinery repeatedly violated its hourly and annual limits on emissions of fine particulate matter, sulfur dioxide, nitrogen oxides, volatile organic compounds, and other air pollutants over a period of five years. Citizen enforcement suits can be filed under the federal Clean Air Act.

"We brought this suit to address the repeated mechanical breakdowns and operational flaws that have plagued the Pasadena refinery for years," explained Neil Carman, Clean Air Program Director for Sierra Club's Lone Star Chapter. "These so-called 'emission events' have released millions of pounds of illegal air pollution into surrounding neighborhoods."

The proposed consent decree is subject to a 45-day waiting period so that the U.S. Environmental Protection Agency and the Department of Justice can review it. It can then be approved by U.S. District Judge Kenneth Hoyt and put it into effect.

This lawsuit is the fourth case brought by Environment Texas and Sierra Club since 2008 to successfully address illegal air emissions from oil refineries and petrochemical facilities along the Houston Ship

Channel. Shell Oil Company, Chevron Phillips Chemical Company, and now Petrobras have agreed to binding settlements resolving the violations at issue in their suits. ExxonMobil Corporation chose to go to trial, where it was found liable for over 16,000 Clean Air Act violations. Exxon was ordered to pay \$19.95 million in penalties, but is continuing to appeal the case.

Sierra Club and Environment Texas have recovered a total of \$27.8 million in the three suits against Shell, Chevron, and ExxonMobil. That amount is more than double the \$13.5 million in penalties assessed by the Texas Commission on Environmental Quality (TCEQ) against all sources of air pollution in Texas combined for emission events in the state from 2011 through 2016, a recent analysis found.

The groups are represented by Josh Kratka, a senior attorney at the National Environmental Law Center; attorney David Nicholas of Newton, Mass.; and Houston attorney Philip Hilder. Copies of the proposed consent decree are available upon request.

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Sierra Club has approximately 27,000 members in Texas who are dedicated to exploring, enjoying, and protecting Texas' environment and natural resources.

Environment Texas advocates for clean air, clean water, and preservation of Texas' natural areas on behalf of 35,000 members and online activists statewide.