

BP to pay \$373 million in fines to settle charges

'ENVIRONMENTAL CRIMES': Explosion, oil spill, price manipulation cited in case against energy company

MCCLATCHY NEWSPAPERS

WASHINGTON — Oil and gas giant BP agreed to pay \$373 million to settle criminal charges involving the manipulation of energy markets and violations of environmental laws, the government announced Thursday.

The fines are the largest criminal assessments ever against a corporation for Clean Air Act violations and the first criminal

prosecution of the requirement that refineries and chemical plants take steps to prevent accidental releases, the Justice Department and the Environmental Protection Agency said.

BP agreed to pay \$50 million in connection with an explosion that killed 15 people and injured more than 170 at its refinery in Texas City, Texas.

BP will pay \$20 million in con-

nection with leaks in its Alaska pipeline in 2006. The 201,000-gallon leak was the largest oil spill ever on Alaska's North Slope.

"BP committed serious environmental crimes in our two largest states, with terrible consequences for people and the environment," said Granta Nakayama, the assistant administrator for EPA's Office of Enforcement and Compliance As-

surance. "Today's agreement sends a message that these types of crimes will be prosecuted."

BP, Europe's second-largest energy company, also was fined \$303 million in connection with price manipulation of the propane market. A 20-count indictment returned Thursday by a federal grand jury in Chicago charged four former employees of a BP America subsidiary of mail

and wire fraud charges connected to the price-fixing scheme.

In addition to the \$50 million fine for the Texas refinery explosion, the company pleaded guilty to a felony violation of the Clean Air Act and will serve three years of probation. BP also is required to conduct a safety study and complete renovations at the facility at an estimated cost of \$265 million.