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REGION

Exxon fined \$1 million for 2011 Montana oil spill

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Cleanup workers use oil-absorbent materials alongside the Yellowstone River in Laurel, Mont., in 2011. (Associated Press)

By Matthew Brown

Associated Press



BILLINGS – Federal officials have issued a \$1 million penalty against Exxon Mobil Corp. for safety violations stemming from a pipeline rupture in 2011 that spilled 63,000 gallons of crude into Montana’s Yellowstone River.

The Department of Transportation order issued Friday reduces the penalty as originally proposed by about \$700,000. That comes after the Irving, Texas-based oil company challenged some claims that it didn’t do enough to prevent the accident.

The pipeline break during summer flooding near Laurel left oil along an 85-mile stretch of the Yellowstone, killing fish and wildlife and prompting a cleanup that took months.

Safety regulators said in part that Exxon Mobil had failed to adequately heed warnings that its 20-year-old Silvertip Pipeline was at risk.

The company “did not evaluate the likelihood of a release caused by flooding of the Yellowstone River, and failed to consider risk factors relevant to flooding,” wrote Jeffrey Wiese, associate administrator for the Transportation Department’s Pipeline and Hazardous Materials Safety Administration.

Exxon Mobil has 20 days to ask for reconsideration. Company spokesman Christian Flathman said it “has received and is reviewing PHMSA’s final order.”

Also Friday, attorneys for property owners damaged by the spill announced that Exxon Mobil agreed to pay the landowners \$2 million to settle a civil lawsuit.

The landowners noted in their lawsuit that other pipeline owners with lines beneath the Yellowstone shut down during the July 2011 flood that broke the line. They characterized Exxon Mobil’s decision to keep moving oil as a “profit-driven” one.

Plaintiffs' attorney Jory Ruggiero said the case "held a powerful company like Exxon accountable."

"We trust that Exxon and other pipeline companies will better inspect their pipelines in the future," Ruggiero said.

Flathman did not immediately respond to a request for comment about the settlement.

Exxon Mobil spent \$135 million on its response to the spill, including cleanup and repair work. The damaged section of pipeline has since been replaced with a new section buried dozens of feet beneath the riverbed.

In 2013, Exxon Mobil agreed to a \$1.6 million settlement with Montana officials to resolve water pollution violations stemming from the spill.

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