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Government & Policy Concentrates

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Contractor can sue Pentagon for cleanups

The <u>U.S. Supreme Court</u> last week opened the door for federal contractors to seek money from the government when they voluntarily clean up contaminated Superfund sites. The case involved Atlantic Research Corp., which contaminated groundwater with rocket propellant when it retrofitted rocket motors for the military in Camden, Ark. The company voluntarily cleaned up the site at its own expense and sued the government under the federal Superfund law to recover some of its cleanup costs. In its unanimous decision, the high court dismissed Bush Administration arguments that Superfund law prohibited such suits. The Court's decision only affects companies that clean up pollution on their own before EPA takes legal action against them under Superfund law. The June 11 decision allows contractors that have voluntarily cleaned up a site to seek reimbursement from the agency they worked for. The decision is expected to have major ramifications for many companies that are or were Pentagon contractors that created contamination while working for the military. It potentially could encourage the companies to remediate the pollution voluntarily and then seek government reimbursement.

Better biofuels coordination needed

The <u>Department of Energy</u> should develop a comprehensive approach to better coordinate its strategy to expand biofuels production, says a recent report by the <u>Government Accountability Office</u>. The report (GAO-07-713) notes that federal efforts to increase production of biofuels-ethanol and biodiesel-are succeeding and production is growing. However, it says, the government has failed to develop a strategy that includes fuel delivery infrastructure and vehicles. It notes, for instance, that DOE has not determined the mixture of gasoline and ethanol-10%, 85%, or something in between-that will be sold in fueling stations so new vehicles can be manufactured that are capable of using the fuel. GAO notes that 4.5 million U.S. vehicles are now capable of running on 85% ethanol; this is about 1.8% of all U.S. vehicles, yet only about 1% of fueling stations can actually provide the fuel. Meanwhile, DOE and the Department of Agriculture continued with their drive to increase biofuel production, announcing \$18 million in new biofuel-related R&D funding. DOE noted that since the beginning of 2007, it has provided nearly \$1 billion for biofuels R&D.



Chertoff

Chemical managers meet on security rules

Several hundred plant operators and security managers for the nation's chemical industry met with officials of the <u>Department of Homeland Security</u> last week to hear details about DHS regulations for plant security, which went into effect June 8. Highlighted by an address by DHS Secretary Michael Chertoff, the meeting emphasized that the government wants to work in cooperation with industry on this issue. "We want to work as partners. We cannot know everything about all chemical plants; this is not a command and control exercise," Chertoff said. "We need to share our knowledge and to network with others to reduce any vulnerability and to incorporate that information into the rulemaking." DHS officials said that Appendix A, the long list of chemicals of concern on which every facility housing any of the chemicals will have to file a report, will be completed in about four weeks. Publication of the appendix will trigger several deadlines leading to the establishment of formal site security plans, the officials added. Participants also learned about plans for DHS inspections, enforcement, and the protection of confidential security information.

OSHA to inspect petroleum refineries

<u>OSHA</u> is beginning a new National Emphasis Program for the inspection of petrochemical plants to eliminate risks from the release of highly hazardous chemicals. The workplace health and safety agency says it will conduct 81 refinery inspections over the next two years to improve process safety management in the industry. "By initiating this program, we are taking positive steps to maximize the protection of employees and eliminate workplace hazards at petroleum refiners," OSHA chief Edwin G. Foulke Jr. said in a statement. Over the past 15 years, OSHA notes, there have been 36 catastrophic releases or explosions at refineries that led to 52 deaths and 250 injuries, including the March 23, 2005, explosion at the Texas City, Texas, BP refinery that killed 15 workers. The agency also has regional programs operating in Louisiana, Arkansas, Oklahoma, Texas, and New Mexico focusing on safety in oil, gas drilling, and petrochemicals operations.

Appeals court vacates EPA incinerator rule

A panel of federal judges has reaffirmed that <u>EPA</u> violated the Clean Air Act by relaxing limits on emissions of smog-forming compounds from large power plants, factories, and other industrial sources. As a result, chemical plants, refineries, and other facilities that burn their waste in on-site incinerators must comply with the law's most stringent rules governing hazardous air pollutants. The June 8 decision by a three-judge panel of the U.S. Circuit Court of Appeals for the District of Columbia upheld a December 2006 ruling by the same court that struck down an attempt by EPA to exempt thousands of waste incinerators from the emissions standard. The agency had argued that it could set less stringent controls for these incinerators by treating them as though they were "boilers" or "process heaters" that burn only fossil fuels. The court rejected that argument, stating that facilities that burn waste are incinerators and must meet the Clean Air Act's strictest emissions standard. The panel denied petitions by EPA and industry groups for a rehearing, and sent the incinerator rule back for "wholesale revision."

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