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Attorney General Bonta and District Attorney Spitzer Announce Criminal Charges Against Amplify Energy for Huntington Beach Oil Spill

SANTA ANA – California Attorney General Rob Bonta and Orange County District Attorney Todd Spitzer today announced the filing of misdemeanor charges against Amplify Energy, Beta Operating Company, and San Pedro Bay Pipeline (collectively, “Amplify”) for discharging approximately 25,000 gallons of petroleum from an underwater pipeline off the coast of Huntington Beach in October 2021. The charges are the result of an investigation led by the California Department of Justice, the California Department of Fish and Wildlife, and the Orange County District Attorney's Office. As part of a plea agreement entered today in the Orange County Superior Court, Amplify will plead no contest to six misdemeanor charges, pay \$4.9 million in fines and penalties to the state and the county in what is believed to be the largest state misdemeanor criminal fine in Orange County history, and be placed on probation for 12 months. Amplify separately will pay a \$7.1 million federal fine and also will reimburse federal agencies for expenses incurred during the response to the spill.

“The oil spill off the coast of Huntington Beach polluted state waterways, shut down local beaches, and wreaked havoc on our fish and wildlife,” **said Attorney General Bonta**. “While the exact cost of the spill is still unknown, today's announcement marks an important step toward accountability. Amplify will face six criminal charges and pay the state and county nearly \$5 million in penalties and fines for their misconduct. Most importantly, Amplify will be required to implement new employee training and technology to prevent future spills. I want to thank all our local, state, and federal partners for their assistance in this investigation and for their ongoing efforts to clean up this environmental disaster. In times of crisis, it takes all of us – working together – to get the job done.”

“This plea and its probationary terms will enable us to best protect the health and safety of the people of Orange County and our environment by changing the way Amplify conducts its business practices so it will be safer and a more conscientious steward of our precious natural resources,” **said Orange County District Attorney Todd Spitzer**. “The \$4.9 million in criminal fines represents one of the largest criminal fines in Orange County’s history and serves to bring Amplify to justice for its actions that had such a devastating impact to our beautiful coastline and business activities. My prosecutors are not going to stand idly by when companies fail to take the necessary steps to protect our environment while trying to make a profit.”

“Our law enforcement personnel and the Office of Spill Prevention and Response led the response to this incident on behalf of State of California, and also conducted a separate investigation into potential crimes against our state’s natural resources,” **said California Department of Fish and Wildlife Deputy Director and Chief of Enforcement David Bess**. “We consider this plea to be justice served for the unacceptable oil spill that impacted seabirds, mammals and other wildlife along our state’s pristine coastline.”

Amplify's San Pedro Bay pipeline runs from Platform Elly, located approximately eight miles off the coast of Orange County, to on-shore processing tanks in Long Beach. On October 1, 2021, the San Pedro Bay pipeline ruptured and began leaking oil being pumped by Amplify from Platform Elly. Months before, in January of 2021, high winds pushed two ships away from their anchoring spots, causing the ships' anchors to drag across the seafloor until eventually catching on the pipeline. The pipeline was displaced about 100 feet, bending, bowing, and eventually cracking its cement casing.

Amplify's leak detection system first indicated a potential leak on the pipeline at approximately 4:10pm on October 1st. Amplify then shut down and restarted the pipeline seven additional times. Each time, the leak detection system alerted Amplify to a potential leak. Yet no reports of a leak or potential leak were made for over 16 hours. By the time Amplify first reported the leaks around 8:30am on October 2nd, Amplify had already alerted and mobilized personnel, and was attempting to locate a visual observation of a leak and run the manual leak detection on the pipeline.

Approximately 25,000 gallons of petroleum was discharged before the spill was contained, shutting down local beaches and requiring a coordinated incident response from local, state, and federal agencies. 116 live and dead birds were recovered by wildlife operations. Fourteen birds were rehabilitated and released, including 7 protected snowy plovers. The full economic impact of the oil spill to surrounding shoreline and businesses is still unknown.

As part of the proposed agreement, Amplify will plead no contest to the criminal charges of failing to immediately report a discharge of oil into waters of the state, water pollution, and killing of protected wildlife. Amplify will pay approximately \$3.45 million to the state and \$1.45 million to the county in penalties and fines. This is in addition to the \$956,352 Amplify previously agreed to pay the county for clean-up costs. Amplify will also be placed on probation for 12 months. The terms of the probation include:

- Amplify must train and instruct employees to immediately notify and update all appropriate agencies of potential spills in compliance with California laws;
- Amplify must install an improved leak detection system on its pipeline that utilizes the most advanced technology to provide the best possible protection against leaks; and
- Amplify must conduct additional operational safety measures, including biannual visual inspections of the pipeline.

Attorney General Bonta and District Attorney Spitzer are committed to protecting California's people, environment, and natural resources. Last year, the Attorney General announced the sentencing of SFPP, operating as Kinder Morgan, for discharging over 63,000 gallons of gasoline from a cracked pipeline into a waterway that ultimately flowed to the Walnut Creek Canal in November 2020.

For any person and/or business who has suffered financial losses as a result of this oil spill and has not yet been compensated for those losses by Amplify, please contact the Orange County District Attorney's Office at OCOilSpillRestitution@ocdapa.org.

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