

FIFTH MOBIL ENVIRONMENTAL SEMINAR

"Environmental Perspective"

J. P. McCullough

April 24, 1984

It will probably surprise most of you to realize that Mobil's commitment to the environment is now in its 4th decade. We know that this role will not be an easy one. In the business world, we are accustomed to identifying problems, solving them and going on to the next challenge. But when we apply this methodology to problems of environment and product safety, we find a peculiar difficulty. Just when we think a problem solved, we look up and find that the public has moved the goal and made new demands. However successful we are, we are constantly called to do better. To put this issue into perspective, I would like to examine the early driving forces, the accomplishments, present and future problems, and our roles and responsibilities to the public.

Early Driving Forces

The early driving forces that led to our heightened concern about the environment were many, varied and

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219 complex. They range from the appearance of serious smog in Los Angeles in the 1940's, to the killer fogs in London and Donora, Pa. in the same period. But there were three events in the 1960's that focused popular attention on the environment.

SLIDE 2
220 In 1962, Rachel Carson's book, "Silent Spring" appeared. It introduced a note of fear as to what man was doing to the environment.

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221 In 1967, the 100,000 ton Torrey Canyon ran aground off Land's End, England, spilling oil on the beaches and raising questions

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222 about the impact of tanker traffic on the oceans. Then in 1969, a blowout took place on a drilling platform off Santa Barbara, and over 10,000 barrels of oil washed ashore. The cleanup was prompt and thorough, and later studies reported no long-term damage. But public pressure caused a drilling halt and delays in many offshore areas.

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The 1970's represent the beginning of comprehensive environmental legislation and regulations, primarily in the developed nations. The Earth Day demonstrations of April, 1970 marked the emergence of a strong public view and the growing influence of groups like the Sierra Club and the National Wildlife Federation. In the decade of the 70's, most of the major pieces of environmental legislation were passed in the U.S., and amended, reauthorized, reconsidered and revised, almost endlessly.

(5a = Times Beach; 5b = Chlorane on Child at Seveso, Italy)

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New issues began to emerge, while many old issues were still

5a, 5b

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without solutions. Love Canal, dioxin, Times Beach, acid rain and the Valley of the Drums became media jargon for environmental disasters.

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ACID RAIN

Mobil's Early Environmental Activities

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Although Mobil's major efforts dealing with environmental conservation started in the mid-1960's, we were alert to the

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growing environmental pressures far earlier. For example, the (Ferndale) Ferndale Refinery started up in 1954, 30 years ago, was designed with enormous concern for the sensitive Puget Sound environment it operates in. For example, its water treating system would meet today's stringent refinery effluent guidelines. In 1954, General Petroleum hired several consultants and conducted what may have been the first environmental impact study (EIS). This study included surveys of vegetation and marine life in the surrounding Georgia Straits area.

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Back in 1965, when environmental concerns began to make newspaper headlines almost every day, Mobil was one of the first companies to recognize that a continuous coordinating effort would be required.

An inter-departmental Conservation Task Force was set up to study the problem, and a Coordinator of Air & Water Conservation was appointed - Curtis Cortelyou. The first effort of the Conservation Task Force was to develop a Company Policy on Environmental Protection. This was completed in October, 1965, and approved by Mobil Management. This policy was revised in 1981.

The functional environmental groups followed in the late 1960's and 1970's, and the Corporate group was restructured in 1978.

SLIDE 10
231 Mobil's involvement in environmental issues is world-wide. Over the past 10 years, we have spent over 4 billion dollars on environmental expenditures. These costs presently run about \$400,000,000/year, and require the effort of about 250 people full-time.

Although we're all familiar with Mobil's written environmental policy, you should realize that Mobil's unwritten policy is to deal appropriately with any employee who willfully and deliberately violates environmental regulations, and that includes termination.

Important Issues Evolve Over-Time

SLIDE 10a The major issues of the middle 1960's are not strangers to
232 us in the mid-1980's. We were concerned then about lead
in gasoline because of its effect on auto emission con-
trols. Now we are concerned with lead in gasoline because
of the potential health impact of the lead emitted in the
exhaust. Incidentally, Mobil, through its involvement in
the Inter-Industry Emission Control Program, IIEC, was a
pioneer in auto emission control technology. In the 60's
we were concerned about fuel sulfur restrictions, because
there was an ambient air standard for SO₂ to protect pub-
lic health. Now we are again concerned about fuel sulfur
and SO₂, but this relates to acid rain.

Oil spills are still major concerns. But in the 15 years
since the Santa Barbara spill, the industry has learned
how to handle all but the largest spills, and has also
learned that proper management of spill cleanup can elimi-
nate long term ecological effects. The Atlantic Empress
was the largest ship to sink; only a few weeks ago we were
involved with a spill in the Columbia River.

SLIDE 11 = The Atlantic Empress

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SLIDE 11a = Mobil Oil - Columbia River

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Environmental Philosophy from Different Viewpoints

I've heard people wonder out loud why all the fuss about the environmental revolution; after all it is only one of several similar recent revolutions. These include the consumer revolution, sexual revolution, racial revolution, women's "lib" revolution, etc.

SLIDE 12 What makes environmental issues different are:

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- o Lack of scientific knowledge.
 - o Political involvement.
 - o Very high public interest and media attention.
 - o Many special interest groups involved.

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Last year, Dick Tucker gave a speech before the CIAT, the Chemical Industry Institute of Toxicology. His title was "If We've Done So Much, Why are People Worried?"

SLIDES 13 All groups want different things. For example, industry
14, 15, would like to see better data on which to base standards,
16, 17, and proof of harm, along with greater attention to
18 cost-effective solutions. But it is the public's view
241 that we should recognize.

- They want to be relieved of the fear of involuntary exposure to a toxic substance.

- They want understandable answers to environmental questions.

- And overall, they want a clean and safe environment, and are willing to pay for it.

Industry Responsibility

SLIDE 19 Last year, Dick Tucker gave a speech before the CIIT, the
242 Chemical Industry Institute of Toxicology. His title fits neatly at this point.

" If We've Done So Much, Why are People Worried? "

He pointed out that after all of our efforts to defend ourselves, to show what a good job we've been doing, or to blame others, we come back to a basic fact - People are afraid of chemicals. We should recognize that the public will not only continue to insist that industry observe strict standards of product safety and pollution control, but that the standards will be more rigorous than we could have possibly anticipated. We will also have to recognize that the public has a perfectly legitimate right to hold us to those high standards.

SLIDE 20 243 Here are several steps that need to be taken to respond to the legitimate public concern about our responsibility for environmental protection:

- (1) Comply with the letter and the spirit of environmental laws and regulations.
- (2) Encourage scientists to communicate to the public on scientific issues.
- (3) Open up dialogues with public interest groups.
- (4) Communicate a clearer understanding of risk.

- o Environmental Risks that merit thoughtful attention.
- (5) Develop better basic data on the impact of environmental emissions on health and the environment.

SLIDE 21 MEHSL, Princeton

SLIDE 22 MEHSL, Princeton

SLIDE 23 Risk Assessment

Permeating all decisions dealing with the environment is the issue of risk. The public has a dangerously unsophisticated perception of risk, often demanding zero risk, an impossibility and a dangerous illusion in any field.

Frankly, industry has not done a good job explaining that there are different kinds of risks:

- o Ordinary Risks we take every day without thinking about them. (Crossing the street.)

- o Significant Risks that merit thoughtful warning.
(Do not smoke while pumping gas.)
- o Serious Risks that warrant emergency action.
(High toxic chemical levels in drinking water.)

Present and Future Environmental Issues

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The major environmental issues listed here will be discussed at length on the main program or at the panel sessions. However, these concerns have characteristics of the types just described.

For example, the acid rain issue has been marred by emotional and inaccurate media reporting. What is needed is better basic information; more research.

Lead in gasoline, a major issue in Europe, is an example of an issue that needs compromise between the parties, so that unnecessarily stringent controls are not imposed.

The benzene issue is another good example of the need for realistic risk assessment. Recent mediation efforts were attempted to settle some aspects of this issue, but failed.

The groundwater contamination problem may turn out to be the most serious environmental issue of this decade. It is in an early stage, and it will require our best efforts to prevent it from becoming a classic example of a problem that is intractable for familiar reasons, including:

fair media involvement and room for compromise by all parties involved.

- o Difficulty in obtaining adequate data.
- o Potential for emotional over-reaction.
- o Inadequate risk assessment.

The hazardous waste disposal issue has characteristics similar to the groundwater issue, and, in fact, is related to it.

SLIDE 26 To summarize, we have accomplished a lot in the pollution control area, but the public does not perceive these efforts.

249

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We have the capability, commitment and resources to handle present and future environmental problems, but to be effective we must communicate the need for good science, fair media involvement and room for compromise by all parties involved.

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