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## **Environment Department Reaches \$43,000 Settlement of Alleged Air Violations at Phelps Dodge Chino Mine**

(Santa Fe, NM) — The New Mexico Environment Department (NMED) has entered into a settlement agreement with Chino Mines Company to resolve alleged air violations at the company's gas turbine electrical generator located at the Hurley Smelter in Grant County. Chino Mines Company is a wholly owned subsidiary of Phelps Dodge Mining Company.

"This agreement is a fair resolution to these environmental issues," said NMED Secretary Ron Curry. "I am pleased with this settlement. It shows that NMED and Phelps Dodge can work together to get issues resolved and continue to protect the health of local citizens."

This agreement settles two air permit violations alleged following an April 2003 inspection of the facility. The alleged violations were failure to complete fuel monitoring requirements for sulfur content and failure to conduct required tests of emissions monitors in 2002.

"We are glad we have been able to resolve this issue," said Rick N. Mohr, general manager for the New Mexico Operations of Phelps Dodge. "Importantly, there were no emission violations associated with this new turbine generator. In fact, it operated fewer than 12 days during the 2002-2003 period. However, Chino did conduct a late test, but we passed the test and we have taken steps to address the state's record keeping concerns" he said.

Under the agreement Chino will pay a total civil penalty of \$43,389. Chino is required to pay this amount to the State of New Mexico within 30 days. These monies will go to the State of New Mexico General Fund where they will be used for state programs including environmental enforcement.

Sulfur and continuous emissions monitoring requirements were included in Chino's air permit to limit public exposure to potentially harmful air pollutants. In the case of sulfur, the U.S. Environmental Protection Agency (EPA) has found that emissions can contribute to respiratory illness, especially in children and the elderly, as well as aggravating existing heart and lung diseases and contributing to the formation of acid rain.

As a result of the settlement negotiations, Chino has proven to NMED's satisfaction that no actual harm to the environment occurred as a result of these alleged violations.

For further information contact Jon Goldstein, Communications Director, NMED at (505) 827-0314.

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