

Open Letter to the People of Ecuador

Chevron is sympathetic to the plight of the citizens of the Oriente. The area is plagued by a lack of infrastructure, crime and poor living conditions. However, we firmly reject the notion that Chevron should be held accountable for addressing the overall problems of the region, caused because the government and the state oil company who are unwilling or unable to shoulder their responsibility.

For almost four years, a Court in Lago Agrio, Ecuador has been collecting evidence to determine the validity of claims that Texaco Petroleum Company is somehow responsible for the current environmental condition of the Oriente region of the Ecuadorian Amazon.

During this time, there have been many headlines from lawyers and activists condemning Texaco Petroleum Company for its environmental track record, despite the fact the company has not operated in Ecuador for the last 17 years.

While this very aggressive extrajudicial campaign makes for interesting news, the publicity is silently overshadowed by a mountain of evidence and a legal, science and factual record that has been generated over three years through 47 court-ordered oil field inspections and more than 1,200 water and soil samples. From the credible evidence submitted to the Court, the record shows that Texaco Petroleum Company's remediation was properly conducted and met the requirements of the Government of Ecuador. In fact:

- Between 1995 and 1998, Texaco completed a \$40 million environmental remediation program reflective of Texaco's approximate 1/3 share of the oil-producing consortium with Petroecuador.
- In 1998, the Government of Ecuador declared the remediation met Ecuadorian and international standards and released Texaco from future obligations or liabilities.
- Greater than 99 percent of all drinking water samples meet safe drinking limits for petroleum compounds as defined by the World Health Organization.
- Greater than 99 percent of all soil samples collected from Texaco Petroleum Company-remediated areas confirm that the remediation met the standards set by the Government of Ecuador and that the remediated areas pose no significant risk to human health.

The scientific evidence is clear. The people of the Oriente region face no significant oil-related threat to public health in the areas remediated by Texaco Petroleum Company.

This is not to say that oil production in the Oriente has been without impact. To the contrary, one needs to look no further than the legacy of environmental contamination attributable to Petroecuador. The simple truth is that the existing oil contamination of the Oriente is the acknowledged responsibility of Petroecuador.

But lawyers and their activists don't want you to know this since there's no money to be made in taking Petroecuador to Court. Yet, these are the facts:

- Petroecuador owned 62.5 percent of the consortium and has been the sole operator of the oil fields for almost two decades.

- For 17 years, Petroecuador has ignored its legal obligations to remediate the areas outside of Texaco Petroleum Company's responsibility, for which Texaco Petroleum Company was fully released of any further environmental obligations under an agreement between the Government, Petroecuador and Texaco Petroleum Company.
- According to publicly available information, Petroecuador has recorded 882 oil spills just in the period from 2002 to 2006 alone.
- Petroecuador has publicly admitted that it is responsible for cleaning up the pits and spills in the Amazon.

Simply put, anyone looking for the source of oil contamination in the Oriente need look no further than Petroecuador. But trial lawyers don't want to talk about Petroecuador. And there's a lot more they don't want to talk about as well, like the fact they are failing to prove their case in the Lago Agrio Court.

The plaintiffs' attorneys don't want you to know that:

- More than 75 percent of the soil and water samples collected by the plaintiffs come from areas outside of Texaco Petroleum Company's responsibility, often from areas around Petroecuador pits and spills.
- Every soil and water sample submitted by the plaintiffs' experts during the first three and half years of the case has been analyzed by an unaccredited laboratory, meaning that the results are scientifically unreliable and pose little legal value.
- For more than 15 months, the Civil Court of Pichincha has been trying to inspect the plaintiffs' main laboratory in order to determine if it is qualified to perform the necessary soil and water analyses. On seven separate occasions lawyers for the plaintiffs and the laboratory have obstructed justice and blocked the Judge's inspection.
- According to the Government of Ecuador's official data, cancer death rates are higher around Quito than they are in the area around Lago Agrio.
- Some of the world's leading epidemiologists and scientific experts have reviewed studies used by the plaintiffs to support their claims and each expert independently determined that they are flawed, biased and inconclusive.
- Bacterial contamination from human or animal waste has been found in 90 percent of drinking water samples taken by Chevron experts in the Oriente and is likely the origin of many of the area's health problems.
- The Government of Ecuador declared that Texaco Petroleum Company's clean up was effective and released Texaco Petroleum Company from any future environmental liabilities.

Chevron will always encourage the international community to visit Ecuador as we believe that if the complete legal and scientific record from the trial is objectively analyzed, irrefutable evidence shows that Texaco acted responsibly.

Citizens of Ecuador, as well as the international community, deserve to know that the government of Ecuador and Petroecuador are responsible for what is happening in the Oriente. The health of its people and the environment are too important for the dishonesty to continue.