

# Intel to be its own pollution watchdog

■ **Cutting red tape:** Chip maker strikes deal with EPA on waste at Arizona plant.

BY RICARDO SANDOVAL

*Mercury News Staff Writer*

Intel Corp. and federal pollution regulators signed a major agreement Tuesday in which the computer chip maker promises to reduce pollution in exchange for less government red tape.

The five-year pilot program allows the Santa Clara microprocessor manufacturer to avoid the often cumbersome process of filing many environmental-impact reports on chemical wastes from its microprocessor facility in Chandler, Ariz., and frees it from seeking new permits each time its manufacturing process changes.

The deal is good for the environment, regulators said, because Intel has promised to cut the total amount of chemicals it releases into the central

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# Intel to be its own waste watchdog in Arizona

■ INTEL

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recycle much of the water, solid waste and non-hazardous chemical waste produced at the facility. Intel's Arizona plant will be the world's second largest chip facility once it reaches its intended size. Its "clean room," where thin wafers of silicon are etched with electrons in an envelope of air 100 times cleaner than a hospital operating room, takes up four acres and eventually will double in size. Intel employs 700 people in the Phoenix area.

"There is a firm understanding by Intel that we will meet or exceed all state and federal regulations," Barrett said. "We will work consistently toward further reducing and even eliminating emissions from this facility."

But while there appeared to be a consensus among the participants in Arizona, many national environmental groups blasted the agreement as too lenient for Intel. The Natural Resources Defense Council and the San Jose-based Silicon Valley Toxics Coalition insist that monitoring of Intel's emissions has been gutted with this deal. They pointed to Intel's manufacturing practices, which in the past have created significant pollution problems in Santa Clara County, and whose manufacturing employees, environmentalists say, face health risks.

The NRDC is a supporter of the EPA's effort to streamline environmental reporting requirements to make life easier for Intel. But in this agreement with Intel, the government has conceded too much control over the protection of workers, the community and the local environment in Arizona, the NRDC says. And, it says, if the government hopes to replicate this pact in other states with tougher environmental rules than Arizona, it must deliver greater protections for the environment.

"We would have hoped there would be a more obvious breakthrough for the environment," said Chris Van Loben Sels, project analyst with the NRDC in San Francisco. "There is a trouble-some aspect to this in that under this agreement, Intel, with some restrictions, will be able to trade less toxic (emissions) for more toxic emissions, so long as the total amount remains under their promised cap."

Intel strongly denied that prediction, saying its experts modeled out all possible emissions of various chemicals and found that the Arizona facility will produce emissions well below existing standards.

Van Loben Sels also complained that most environmental groups — including the Silicon Valley Toxics Coalition, which has monitored Intel emissions for more than a decade — were left out of the negotiations over the Arizona agreement.

## 'A giveaway'

The result, said Ted Smith of the coalition, is a deal that gives Intel too much. "We have nothing as long as the trade-off is solid. . . . If you don't have someone replacing the watchdog, then the whole thing becomes a giveaway."

But Intel officials said the negotiations were exhaustive and open to anyone who wanted to participate. Tim Mohin, Intel's government affairs manager, suggested that the NRDC and other national environmental groups were more upset that local activists took the lead in the talks and

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Arizona air and groundwater to amounts well below state and federal safety standards.

Intel's agreement with the federal Environmental Protection Agency, the first major deal between industry and the government in an experimental program to cut bureaucracy, met a cool response from environmentalists. Groups like the Natural Resources Defense Council criticized the agreement for being too lenient to Intel. But regulators defended the arrangement and said it could serve as a model for other similar deals throughout the country.

The agreement is part of the EPA's so-called Project XL (Excellence and Leadership), which the Clinton administration calls a "crown jewel" in its drive to cut away government red tape that can bog down the economy. The test program, however, has not done well to date. Intel's deal is the first to be implemented out of 14 being negotiated with corporations by the government. Other proposals have been rejected or are stalled in negotiations.

"We are recognizing the commitment to superior environmental performance," said EPA Administrator Carol Browner, who joined Intel Vice President Craig Barrett in Arizona to unveil the agreement. "This is about going further than the current environmental (regulatory) process. I believe this is where we will find the next generation of environmental improvement, the next generation of environmental technology."

## Recycling waste

Intel says it will cap overall air pollution at 50 tons annually and