



Jane Stricker

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**BP CONFIDENTIAL**

September 6, 2016

Ms. Peggy Anthony  
U. S. Environmental Protection Agency  
Office of Grants and Debarment  
Suspension & Debarment Division (3902-R)  
Room #51235  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460  
Fed Ex Tracking #777154635910

RE: Compliance with BP / EPA Administrative Agreement –  
Response to the Independent Auditor's Report and Corrective Action Plan

This letter is with regards to the 2015 EPA Independent Auditor Report (the "Audit Report"), submitted August 8, 2016 as required under Section XI of the 2014 BP / EPA Administrative Agreement (as modified on December 24, 2014) (the "Agreement").

The Audit Report covers the audit period of January 1, 2015 through December 31, 2015. The Audit Report identified one deficiency in compliance with the Agreement. BP is providing its corrective action plan to address the identified deficiency.

The one deficiency in compliance identified by the EPA Independent Auditor is noted below (in italics) and is followed by BP's response and corrective action plan.

**1. SECTION IX.5 – SEMS AUDIT REPORTING TO PROCESS SAFETY MONITOR**

*We obtained the submission to the Process Safety Monitor ("PSM") on November 19, 2015, which included the 2015 SEMS Audit Report and Corrective Action Plan. This was within sixty (60) days of the conclusion of the SEMS Audit on September 30, 2015. However, the submission did not include the 2015 SEMS Audit Plan as required by IX.5. Corrected versions of the SEMS Audit Report and Corrective Action Plan were submitted on December 2, 2015. The second corrected submission also did not include the SEMS Audit Plan and was beyond the sixty (60) day requirement of IX.5. We brought this to BP's attention during our procedures in April 2016. On April 15, 2016, BP submitted notice to the PSM and the EPA Authorized Representative of the error and included a copy of the 2015 SEMS Audit Plan.*

BP acknowledges this deficiency and, as noted, did disclose this oversight to the PSM and EPA Authorized Representative upon identification and submitted the missing document to the PSM. BPXP has enhanced its compliance processes to ensure that

the SEMS Audit Plan is provided to the PSM in advance of the SEMS Audit, at the same time it is provided to other stakeholders, rather than upon conclusion of the SEMS Audit when the SEMS Audit Report and SEMS Corrective Action Plan are submitted.

This response and corrective action plan is being provided in accordance with the following terms of the Agreement:

XI. EPA INDEPENDENT AUDITOR

3. SCOPE OF INDEPENDENT AUDITOR'S COMPLIANCE DUTIES

A. Particular Duties. The EPA Independent Auditor shall:

6. If either (a) BPA's certification or report identifies a deficiency in compliance, or (b) the EPA Independent Auditor identifies a deficiency in compliance, the EPA Independent Auditor shall so report to the EPA Authorized Representative(s) and the BP Authorized Representative(s), and the relevant BP Covered Entity shall develop a timely and appropriate corrective action plan for the identified non-compliance, the implementation of which the EPA Independent Auditor shall review as part of its compliance assessment.

Please let me know if you have any questions or if you require any further information.

Sincerely,



Jane Stricker  
Director, Regulatory Agreements Compliance  
Gulf of Mexico

JS/kp

cc: Gabriel Cuadra