



DEEP WATER HORIZON

Claims Process

June 15, 2010



The Responsible Party

- BP serves as the responsible party under OPA 90
- ESIS – Serves as the third party claims administrator hired by BP
- CG – oversight of BP claims process and National Pollution Funds Center (NPFC)
- NPFC – administers the Oil Spill Liability Trust Fund (OSLTF)
- OSLTF - OPA 90, \$2.7 billion max fund
 - \$0.05 cents per barrel sold since 1990
 - Transfers from other environmental funds (\$550 million)
 - Penalties and interest
 - http://www.uscg.mil/npfc/About_NPFC/osltf.asp



Claims Process



Deepwater Horizon Response

Home Maps Images Press Releases Claims Videos Scams Additional Resources Contacts

Attorney General Actions

The links below provide information regarding the Gulf oil rig disaster.

- [June 11: Letter to President Obama](#)
- [June 10: Letter to BP](#)
- [June 4: Letter to Governor Crist](#)
- [June 3: Letter to U.S. Attorney General](#)
- [May 25: Letter to BP](#)
- [May 25: Letter to BP](#)
- [May 20: Letter to BP](#)
- [May 18: Letter to BP](#)
- [May 6: Letter to President Obama](#)
- [May 5: Letter to Responsible Parties](#)
- [May 5: Letter to BP](#)
- [May 5: Letter to Transocean, Ltd.](#)
- [May 3: Executive Order 10-100](#)
- [April 30: Executive Order 10-99](#)

Status Updates

The links below provide information regarding the status of the response.

- [June 14 Response Report](#)
- [June 14 Situation Report](#)

Search: This Site Web

BP and ESIS CLAIMS PROCESS

NOTE - BP has provided the following information to assist in submitting a claim. ESIS is the third party claims administrator hired by BP to process claims. [Download the BP Claims manual](#) for detailed information regarding the claims process.

BP Claims Process Guidelines

- [for Local Government Entities](#)
- [for Individuals and Businesses](#)

1. Claimants can initiate a claim 1 of 3 ways:

1. Phone:

1-800-440-0858

2. Online: www.bp.com/claims

3. BP has ten Claims Offices in Florida. These offices will help facilitate payments on legitimate and objectively verifiable claims for other loss and damage caused by the spill. These offices are open from 8:00 am to 7:00 pm daily.

Pensacola, FL. (Escambia County)
3960 Navy Blvd, Suite 16/17
Pensacola, FL 32507

Report Deepwater Horizon Fraud/Scams

1-866-9-NO-SCAM

Please report information to help in the fight against price gouging and fraud.

[File a Complaint On-line](#)

Claims

1-800-440-0858

Press Releases

June 13, 2010

[Media Statement from Attorney General McCollum on the President's call for a BP escrow account](#)

June 11, 2010

[Attorney General McCollum calls on President to waive federal act hindering oil spill response efforts](#)

June 10, 2010

[Attorney General McCollum sends letter to BP asking for \\$2.5](#)



Claims Numbers

June 14, 2010

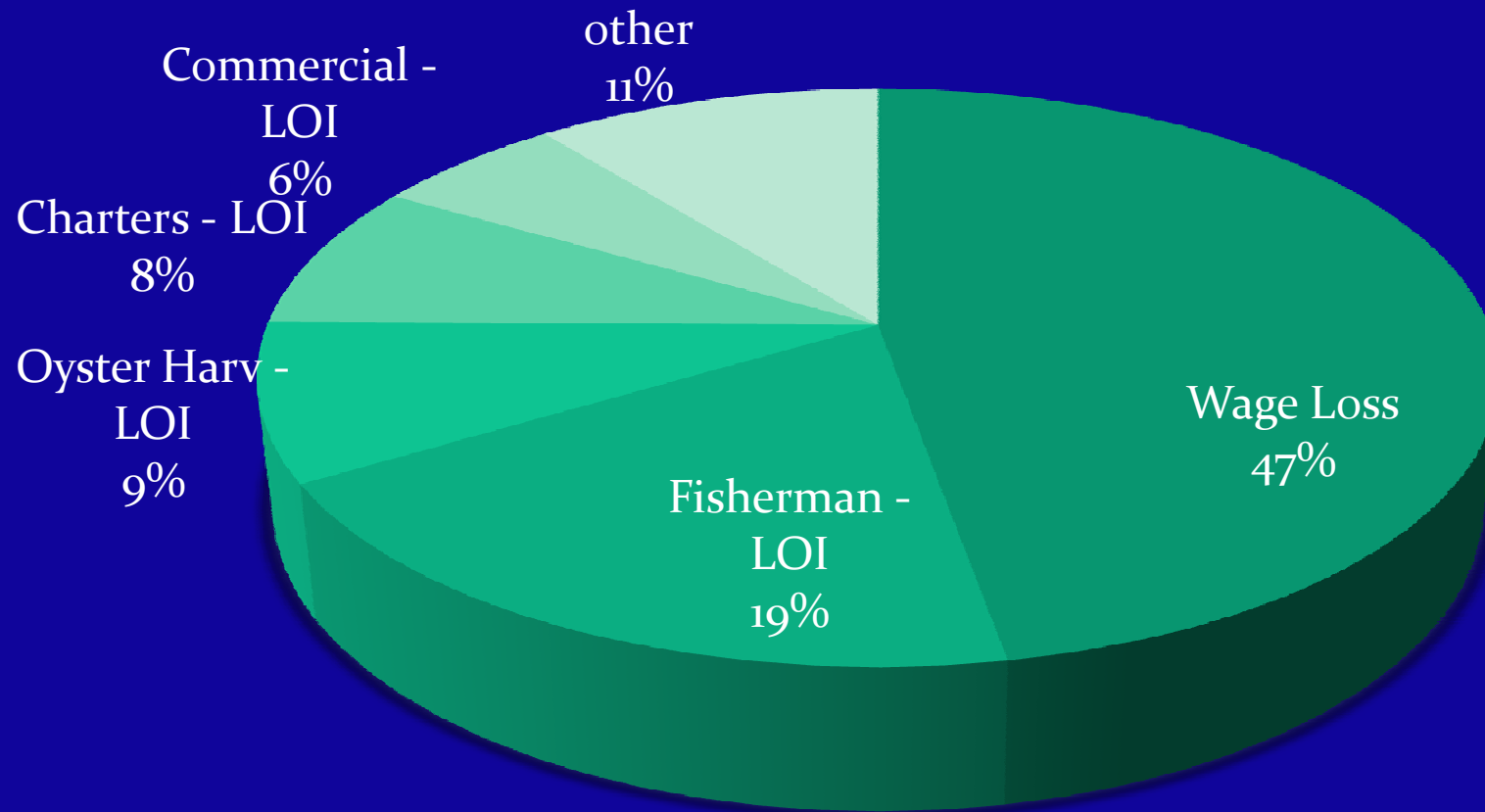
Number of Claims: 12633

Total Paid: \$8,489,727

Number of Open Files: 12626

Number of Closed Files: 7

Denied Claims: 0

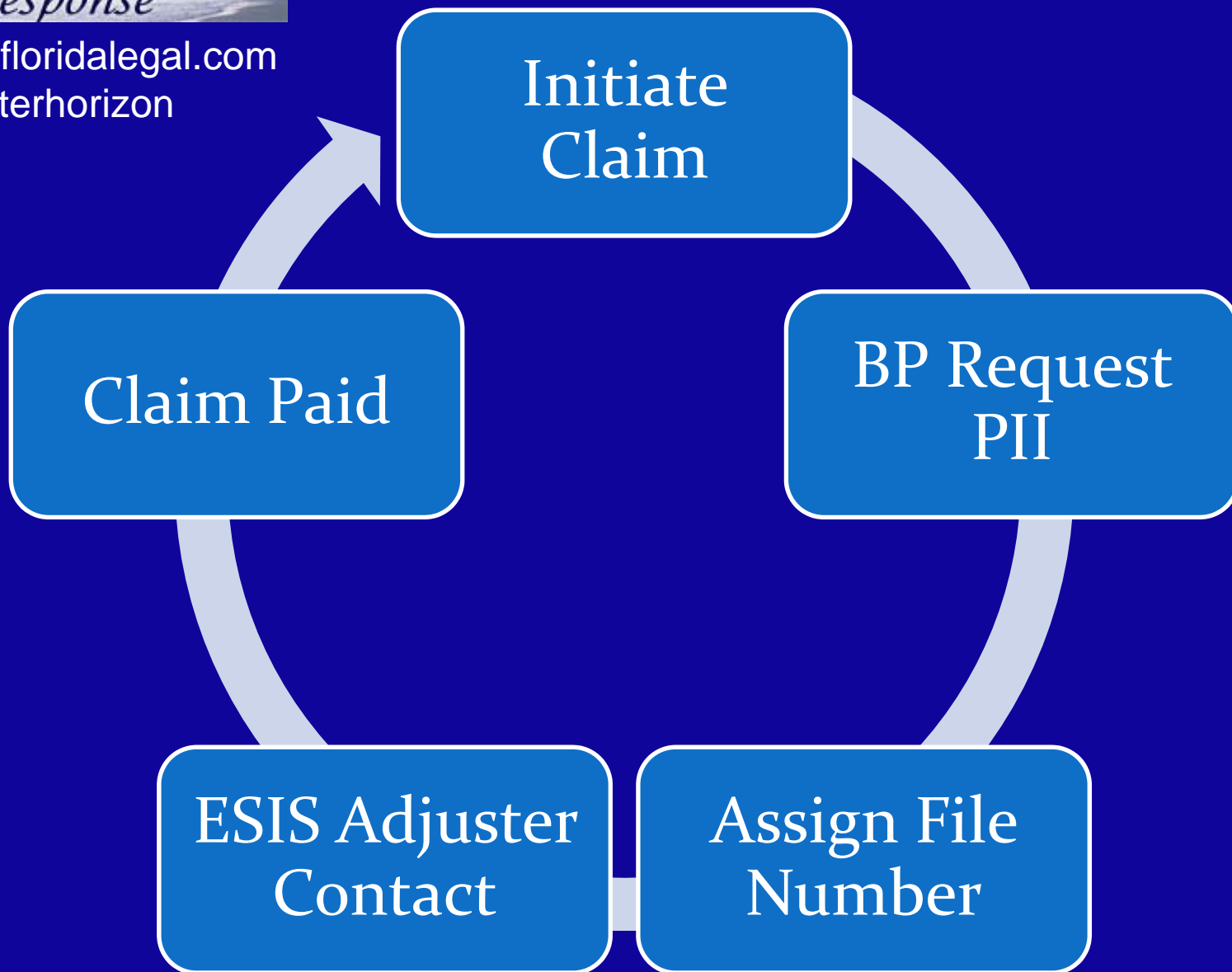




Claims Process

*Deepwater Horizon
Response*

<http://myfloridalegal.com/deepwaterhorizon>





Claims Process

Initiate Claim

1. Via Phone

1-800-440-0858

2. Online: www.bp.com/claims

3. Claims Centers: 10 Florida

- Pensacola
- Fort Walton Beach
- Gulf Breeze
- Santa Rosa Beach
- Panama City Beach
- Crawfordville
- Apalachicola
- Port Saint Joe
- Key West
- Marathon



Claims Process

BP Request PII

- Name*
- Address*
- Location of the loss – if known
- Primary contact number*
- Social Security number
- Date of birth*
- Type of Loss* (damage to property, economic loss, bodily injury etc)

* Mandatory for claim data entry



Claims Process

Assign File Number

- Provides claim number to claimant
- BP transmits file number to ESIS systems
- TPA - ESIS provides further interaction with claimant



Claims Process

ESIS Adjuster Contact

- Phone call
- ESIS Claims office or onsite visitation
- The information requested to support an economic loss claim can include:
 - tax records
 - trip tickets
 - wage loss statements
 - deposit slips
 - boat registration
 - copy of their current fishing license



Claims Process

Claim Paid

- Up to 5k initial interim payment
 - ESIS authority to 5k interim payment on scene.
 - Mischaracterized as “hush money”
- Time to evaluate greater claim
- Ongoing claims payments set up on monthly basis



Ground Experience

- Information sources:
 - Community meetings with shrimp and charter boat captains
 - OAG testing of claims process by investigators
 - State agencies
 - Field meetings with BP community offices
 - On site tours
 - Calls with BP America general counsel
 - Calls with ESIS claims director



Ground Experience

- Lack of information flowing from BP to distressed citizens created ill will, mistrust, misinformation, rumor
- Vertical communication not occurring; one way
- Claims offices and community outreach centers lacked guidance; presenting different information
- ESIS adjusters asking for different documentation
- No standard claims manual, document requests
- Fraud message...off script, edited fraud script
- 5-7 days for ESIS adjuster contact, assemble documents, then payment occurs upon evaluation
- 48 hour mischaracterization on interim payments



Ground Experience

- Severe lack of information flowing from BP to distressed citizens created ill will, mistrust, misinformation, rumors
 - Claims offices and community outreach centers lacked guidance; presenting different information
 - Vertical communication not occurring; one way flow
 - OAG communicating info from BPs operations up the chain
 - BP CEO, Tony Hayward meeting at EOC



Ground Experience

Mr. Dudley:

It was nice meeting you today at the Florida Emergency Operations Center... You may recall leaving me your card and that I addressed with you and Mr. Hayward, in our meeting, the significant issues surrounding the claims process and the Vessels of Opportunity contract. In response to my statements, Mr. Hayward stated there was a 48 hour turnaround on claims and no issues with the Vessels of Opportunity Contract (VoO) as the contract is the same in all Gulf states and that he was in Louisiana just recently and no issues were reported to him. Just to elaborate further on those items, we have been directly interacting with the citizens engaged in the claims process and VoO program, the general counsel at BP America, and ESIS (third party claims administrator) to address the issues I raised which they have confirmed. Should you wish for informational purposes to discuss this further, **I would welcome the opportunity to speak with you as it seemed that BP's leadership was unaware if not dismissive of any problems relative to these areas.**

5/17/2010 - email



Ground Experience

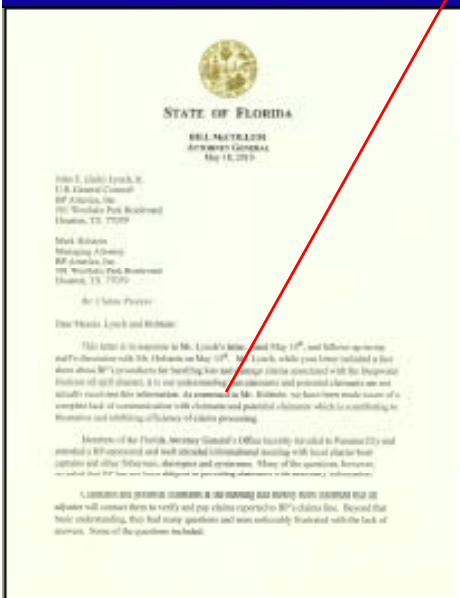
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Other Issues

- Worked to address issues via conf calls with BP's GC and ESIS
- Memorialized actions via May 18 letter reinforcing requests

“We have been made aware of a complete lack of communication with claimants which is contributing to frustration and inhibiting the claims process.”



- Established a claims guide
- Process flow chart
- Notice of standard documents required for particular claims
- What claims are covered
- When is payment to occur
- Who is ESIS



Other Issues...

Tropical Event Claims

STATE OF FLORIDA
BILL MCCOLLUM
ATTORNEY GENERAL
May 20, 2010

John E. (Jack) Lynch Jr.
Global Exploration and Production
Global Supply and Trading
U.S. General Counsel
BP America, Inc.
300 Westlake Park Boulevard
Houston, TX 77059

Dear Mr. Lynch:

In a May 17 letter, the Chief Counsel of the Department of Insurance requested that BP and other companies involved in the operations or maintenance of the Deepwater Horizon oil rig immediately commit to fund the prompt and complete cleanup of any oil spill, including but not limited to the removal of any and all oil from the Gulf of Mexico, and to provide compensation for any economic losses suffered by individuals, businesses and governmental entities which participate in the program, including communications between BP and the office. I am writing today to those additional concerns as we approach the 100th Anniversary of the State.

Due to the seriousness of oil in the Gulf, the risk to fragile ecosystems, as well as to coastal and adjacent properties, there is no time to wait until the next storm. As hurricanes or tropical waves in the Gulf will significantly increase the environmental damage, as the storm will continue to do so as it moves toward the coast, it is imperative that we act now to prevent further damage to the Gulf of Mexico's wildlife, coral reefs, and fisheries, and to protect the health, safety, and long-term interests of Florida's residents and economy. I will continue to be in contact with the Department of Insurance to discuss Florida's concerns, but I only hope you can see that this year will be a long, hard one for Florida and the other Gulf Coast states.

The uncontrolled flow from BP's Deepwater Horizon well has put Florida at risk and the state will be affected in many ways. The additional damage caused by the oil contamination must be paid for by BP. However, we must engage with the state of Florida, Florida business owners and the Florida residents. If there is a spill, the state of Florida's business owners must be able to pay for the cleanup of their own property. This request could mean that the state will be able to pay for the cleanup of their own property.

May 20, 2010

STATE OF FLORIDA
BILL MCCOLLUM
ATTORNEY GENERAL
May 25, 2010

John E. (Jack) Lynch Jr.
U.S. General Counsel
Global Exploration and Production
Global Supply and Trading
300 Westlake Park Boulevard
Houston, TX 77059

Mark Robinson
Managing Attorney
BP America, Inc.
300 Westlake Park Boulevard
Houston, TX 77059

Dear Mr. Lynch and Mr. Robinson:

I am in receipt of Mr. Robinson's letter of May 21st which has been distributed to both the law and content. The issues of all being deposited into a trust account or otherwise to ensure a "legitimate escrow" for an oil spill remains. It is imperative that BP is prepared to acknowledge and accept responsibility for the contamination of the surrounding Gulf area in this state.

Your reference to OPA, Interstate Commerce Act, and Coast Guard regulations is disheartening. BP has consistently and repeatedly stated to the public that it will pay all cleanup (cleanup) costs associated with the oil spill and all legitimate claims for other losses and damage without regard to any potentially applicable statutory cap on liability. I need not mention you of BP's statement of the same to me and my fellow attorneys located in the State of Florida.

In any event, BP is also liable to Florida and its residents and businesses for cleanup costs and other damages under the "Pollution Discharge Prevention and Control Act" (11 F.S. 116.11, 116.11(2)(b), Florida Statutes. There is no statutory limit on BP's liability for natural resources and other damage under this statute.

May 25, 2010

STATE OF FLORIDA
BILL MCCOLLUM
ATTORNEY GENERAL
June 10, 2010

John E. (Jack) Lynch Jr.
U.S. General Counsel
BP America, Inc.
300 Westlake Park Boulevard
Houston, TX 77059

Dear Mr. Lynch:

As this week's meeting of the Governor and Florida Cabinet, BP senior vice president Robert Fryar stated, in response to my question, that he was not aware of whether BP has set aside any funds dedicated to paying our claims to the state of Florida, Florida business owners and individual Floridians, arising from the Deepwater Horizon oil spill catastrophe.

Florida is already suffering significant economic difficulties as a result of this catastrophic oil spill. The ongoing, national, local and global industries have already been severely impacted. Based on recent estimates from an assessment associated with one of our state oil workers, Florida could ultimately see losses as great as \$2.2 billion, as well as a sharp decline in employment in the industries directly impacted by the Deepwater Horizon oil spill.

As Florida faces the what will likely be a staggering flow of its citizens, with significant requests to our state's military and the federal government, it is essential that BP immediately establish a dedicated escrow account solely for the purpose of paying claims and damages to Florida and its citizens. I will open BP's statements on how the \$2.2 billion loss on income-earning revenue sources as we can be used for the stability of Florida, its citizens and businesses, over the long-term recovery period, with the acknowledgment that the successful account may need to be increased in the future.

Sincerely,
Bill McCollum

cc: Chief of Staff, Director's Office of Tourism, Trade and Economic Development

June 10, 2010 - \$2.5 billion escrow fund for Florida claims

Cabinet meeting Tuesday June 8, 2010...

AG McCollum asks BP if it has set aside reserves to pay claims

BP Vice President Mr. Fryar stated no funds had been set aside for that purpose, rather paying claims as they are presented

Letter calls on BP to escrow \$2.5 billion to ensure Florida claims are paid



Other Issues...



June 10, 2010 - \$2.5 billion escrow fund for Florida claims

Letter did not call for state control of the funds

Letter did not call for federal or state take over of primary claims process.

1. Feds are engaged in portion of claims process after admin process exhausted.
 - Statutory structure designates BP as responsible party for claims. Present claims structure and OSLTF is managed by CG.
2. Cost to US taxpayers
 - BP response costs taxpayers nothing
 - Govt. engagement at some level requires tax payer funds and injects politics
3. No standing army of federal claims administrators
 - Feds would potentially hire a TPA to handle process
 - Require same docs as BP and ramp-up period
4. Slow federal response and lack of oversight
 - Administration/federal agencies slow to respond
 - Lack of oversight, MMS
5. Katrina
 - Waste fraud and abuse; now entire Gulf Coast
 - \$2000 Debit cards

Other Issues...

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- June 14, 2010: U.S. Chamber of Commerce... “US taxpayers should shoulder more of the burden for BP oil spill cleanup efforts”
 - US taxpayers are funding through OSLTF barrel tax.
 - OPA 90 does not contemplate any other responsible party than those named, BP, Transocean etc.
 - Such a move would remove RPs from full responsibility
 - Compounds economic injury to gulf coast residents and businesses
 - The region will never be made truly whole from claims process, additional losses may be borne by taxpayers



Other Issues...

Vessels of Opportunity

- Clarification of contract terms
 - Activation/deployment pay
 - HAZMAT Training
 - Damage to vessels
 - Pay schedules
 - Different contracts
- Answers for BP reps
- Out of state vessels and workers
 - Contractors/subcontractors

May 25 letter to BP

