

CHARLIE MELANCON
3RD DISTRICT, LOUISIANA

COMMITTEE ON ENERGY
AND COMMERCE

COMMITTEE ON
SCIENCE AND TECHNOLOGY



Congress of the United States
House of Representatives

Washington, DC 20515

June 22, 2010

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Carl-Henrik Svanberg
Chairman of the Board, BP
200 Westlake Park Blvd.
Houston, TX 77079

Dear Chairman Svanberg,

I am writing you today regarding the issue of bonus payments to top-ranking BP executives. According to company filings, BP's executive directors were awarded millions of dollars in bonuses for 2009 and are eligible for another round of payments in 2010. Chief Executive Officer Tony Hayward collected a bonus of \$3 million dollars last year. That bonus alone would cover the costs of salaries for 50 offshore workers who have lost their jobs due to a moratorium for which Mr. Hayward himself accepts responsibility. It is also my understanding that Mr. Hayward is eligible for another, similar bonus this year.

I find it inexcusable for top BP executives to claim seven-figure bonuses while Louisianians suffer as a result of your company's drilling disaster in the Gulf. In light of the persistent failures by BP's top management, I am calling for all future bonus payments to BP's executive directors to be suspended indefinitely.

These bonuses would be better applied toward meeting the company's obligations to the thousands of Louisianians whose lives have been destroyed as a result of this disaster. As Mr. Hayward admitted at a recent hearing before the US House of Representatives, BP is responsible for the current moratorium on offshore drilling. The recently-announced \$100 million fund set aside by BP for workers affected by the moratorium is woefully inadequate. The economic losses that threaten Louisiana have been widely reported in recent weeks. One trade group estimates that lost wages for employees of the 33 rigs could reach \$330 million per month.

Executives who preside over a corporate culture that promotes cutting corners over safety, mislead the public, and stonewall Congress in their testimony do not deserve performance bonuses by any standard or measure. Suspending bonuses for top-ranking executives represents, in my view, a small first step in the long process of restoring some semblance of trust between the people of Louisiana and BP.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charlie Melancon".

CHARLES J. MELANCON
MEMBER OF CONGRESS