ONE HUNDRED ELEVENTH CONGRESS

Congress of the United States

House of Representatives

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Statement of Rep. Henry A. Waxman
Chairman, Committee on Energy and Commerce
Legislation to Respond to the BP Oil Spill and to Prevent Future Oil Well Blowouts
Subcommittee on Energy and Environment
June 30, 2010

Chairman Markey, I want to thank you for holding today's hearing on the Blowout Prevention Act of 2010.

We are now more than two months into the largest environmental disaster in U.S. history. Eleven workers are dead. The Macondo well continues to pour thousands of barrels of oil into the Gulf of Mexico each day. BP's cleanup effort continues to be inadequate. And an entire way of life along the Gulf Coast is being threatened.

It is time for Congress to act. Investigations are ongoing and will continue to tell us more about the causes of this accident. But we know enough already to begin crafting legislative solutions.

We know – thanks to the work of this Subcommittee and Chairman Stupak's Subcommittee on Oversight and Investigations – that this disaster could have been prevented. BP made a series of risky decisions before the explosion that destroyed the Deepwater Horizon. These decisions saved time and money for BP, but increased the risks of a catastrophic blowout.

When BP CEO Tony Hayward appeared before the Subcommittee on Oversight and Investigations, we asked him to explain these decisions. He tried to dodge responsibility, telling us repeatedly that he was not involved in the critical decisions. And he tried to shift blame to others.

BP chose a risky well design on the Macondo well that provided minimal barriers to prevent dangerous gases from flowing to the wellhead. They ignored their contractor's advice about how to properly cement the well. They failed to conduct a critical cement test. And they failed to properly circulate well fluids.

The legislation we are considering would set strict new requirements to ensure that these basic well control guidelines cannot be ignored at any high-risk well.

BP says it relied on the well's blowout preventer as the last line of defense. But we know blowout preventers are not foolproof – not even close. They can't shear pipe to seal the well if there is a tool joint or other obstruction preventing blind shear rams from closing. They do not have appropriate redundancy built in. Too often, a single problem can cause systematic blowout preventer failure. And blowout preventers and their emergency control systems are not adequately tested once they are put in place.

The Blowout Prevention Act of 2010 would fix these problems. It requires redundant systems to shut down runaway wells. It requires third-party testing to make sure blowout preventers will work when needed. And it establishes a new aggressive oversight and testing regime, with unannounced site visits by federal regulators.

BP also took advantage of a lack of resources and a failure in the regulatory culture at the Minerals Management Service. The agency has handed over too much authority, relying on industry to police itself instead of aggressively stepping in to make sure that drilling operations were safe. This self-policing approach can only work if everybody behaves responsibly. All it takes is one bad actor, one well that falls behind schedule, and one too many corners cut before disaster results.

The legislation before the Committee sets out to change this culture of complacency. It requires the appropriate regulator to set tough standards and creates a committee of independent experts to check their work and make sure they do their jobs. This independent committee must review available technologies, assess industry practices and regulations, and provide the best, most up-to-date technical and regulatory advice so that we have the best possible set of rules for drilling high-risk wells.

It's too late to stop the explosion and blowout on the Deepwater Horizon. But we can continue our work to determine what happened, hold the appropriate parties accountable, and make sure that this type of catastrophic blowout never happens again.

This legislation is a good first step to ensuring drilling safety at high-risk wells, and I am looking forward to hearing from our witnesses about how we can make it even better.

I look forward to working with my colleagues on both sides of the aisle to make sure we can act decisively and rapidly in response to the disaster in the Gulf.