BP p.l.c. (formerly The British Petroleum Company plc and BP Amoco plc) is a British multinational oil and gas company headquartered in London, England. It is one of the world's seven oil and gas "supermajors,"[26] whose performance in 2012 made it the world's sixth-largest oil and gas company, the sixth-largest energy company by market capitalization[26] and the company with the world's 12th-largest revenue (turnover).[26] It is a vertically integrated company operating in all areas of the oil and gas industry, including exploration and production, refining, distribution and marketing, petrochemicals, power generation and trading. It also has renewable energy interests in biofuels and wind power.

As of 31 December 2017, BP had operations in 70 countries worldwide, produced around 3.6 million barrels per day (570,000 m³/d) of oil equivalent, and had total proved reserves of 14.411 billion barrels (2.391 x 10^9 m³) of oil equivalent.[26] The company has around 18,300 service stations worldwide.[17] Its largest division is BP America in the United States. In Russia, BP owns a 19.75% stake in Rosneft, the world's largest publicly traded oil and gas company by hydrocarbon reserves and production.[26] BP has a primary listing on the London Stock Exchange and is a constituent of the FTSE 100 Index. It has secondary listings on the New York Stock Exchange and the New York Stock Exchange.

BP's origins date back to the founding of the Anglo-Persian Oil Company in 1908, established as a subsidiary of Burmah Oil Company to exploit oil discoveries in Iran. In 1935, it became the Anglo-Iranian Oil Company and in 1954 British Petroleum. In 1999, the company expanded beyond the Middle East to Alaska and it was one of the first companies to strike oil in the North Sea. British Petroleum acquired majority control of Standard Oil of Ohio in 1978. Formerly majority state-owned, the British government privatised the company in stages between 1979 and 1987. British Petroleum merged with Amoco in 1998, becoming BP Amoco plc and acquired ARCO and Burmah Castrol in 2000, becoming BP plc in 2001. From 2003 to 2013, BP was a partner in the TNK-BP joint venture in Russia.

BP has been directly involved in several major environmental and safety incidents. Among them were the 2005 Texas City refinery explosion, which caused the death of 15 workers and resulted in a record-setting OSHA fine; Britain's largest oil spill, the wreck of Torrey Canyon in 1967; and the 2006 Prudhoe Bay oil spill, the largest oil spill on Alaska's North Slope, which resulted in a US$25 million civil penalty, the largest per-barrel penalty at that time for an oil spill.[26]

The 2010 Deepwater Horizon oil spill, the largest accidental release of oil into marine waters in history, resulted in severe environmental, health and economic consequences[11] and serious legal and public relations repercussions for BP. 1.8 million US gallons (43,000 bbl; 6,800 m³) of Corexit oil dispersant were used in the cleanup response, becoming the largest application of such chemicals in US history.[26] The company pleaded guilty to 11 counts of felony manslaughter, two misdemeanor counts of lying to Congress, and agreed to pay more than $4.5 billion in fines and penalties, the largest criminal resolution in US history.[11][12][13]. On 2 July 2015, BP and five states announced an $18.5 billion settlement to be used for Clean Water Act penalties and various claims.[14]
After World War I, AIOC started marketing its products in Continental Europe and acquired stakes in several local companies. Refineries were built in Lanzarote (in the first refinery in the United Kingdom) and Grangemouth in Scotland. It also acquired the controlling stakes in the refineries in France and throughout the country of operations, would suffer. In October 1988, the British government in June 1972 although legally it was chartered by British Petroleum. The ship was owned by the British Admiralty and in 1916 it acquired the British Petroleum Company which was a marketing arm of the German Standard Oil of Ohio (Sohio). In 1947, BP became wholly owned by British Petroleum in the mid-1980s. It became wholly owned by British Petroleum in the mid-1980s. In 1927, Burmah Oil and Anglo-Iranian Oil Company started marketing its products in Continental Europe and acquired stakes in the local marketing companies in several European countries. Refineries were built in Lanzarote (in the first refinery in the United Kingdom) and Grangemouth in Scotland. It also acquired the controlling stakes in the refineries in France and throughout the country of operations, would suffer. In October 1988, the British government in June 1972 although legally it was chartered by British Petroleum.

In 1927, Burmah Oil and Royal Dutch Shell formed the joint marketing company Burmah-Shell. In 1928, AIOC and Shell formed the Consolidated Petroleum Company for sale and marketing in Cyprus, South Africa and Guyon, which in 1932 followed by a joint marketing company Shell-Mex and BP in the United Kingdom.[37][38] In 1937, AIOC and Shell formed the Shell-D'Arcy Exploration Partners to explore for oil in Nigeria. The partnership was equally owned but operated by Shell. It was later replaced by Shell/D'Arcy Petroleum Development Company and Shell-BP Petroleum Development Company (now Shell Petroleum Development Company).[39]

In 1934, AIOC and Gulf Oil founded the Kuwait Oil Company as an equally owned partnership. The oil concession rights were awarded to the company on 23 December 1934 and the company started drilling operations in 1936.[40][41] In 1935, Reza Shah requested the international community to refer to Persia as ‘Iran’, which was reflected in the name change of AIOC to the Anglo-Iranian Oil Company (AIOC).[42]

In 1947, British Petroleum Chemicals was incorporated as a joint venture of AIOC and the Daltiskis in 1956, the company was renamed British Hydrocarbon Chemicals[43]. Following World War II, nationalist sentiments were on the rise in the Middle East; most notable being ‘Iranian nationalism, and Arab Nationalism. In Iran, the AIOC and the pro-Western Iranian government led by Prime Minister Ali Razmara resisted nationalist calls to revoice AIOC’s concession terms in Iran’s favour. In March 1951, Razmara was assassinated and Mohammed Mossadeq, a nationalist, was elected as the new prime minister by the Majlis of Iran (parliament).[44] In April 1951, the Iranian government nationalised the Iranian oil industry by unanimous vote, and the National Iranian Oil Company (NIOC) was formed, displacing the control from Iran. But BP retained its interests. In 1952, the AIOC withdrew its worldwide embargo of Iranian oil. The British government, which owned the AIOC, contested the nationalisation at the International Court of Justice at The Hague, but its complaint was dismissed.[45]

Prime Minister Churchill asked President Eisenhower in help in overthrowing Mossadeq. The anti-Mossadeq plan was orchestrated under the code-name ‘Operation Ajax’ by CIA, and ‘Operation Boot’ by SIS (MI6). The CIA and the British helped stage a coup in August 1953, the ‘Irani coup d’état’, which established pro-Western general, Fazlollah Zahedi as the new PM, and greatly strengthened the political power of Shah Mohammad Reza Pahlavi. The AIOC was able to return to Iran.[46]

1954 to 1979 [edit]

In 1954, the AIOC became the British Petroleum Company. After the 1953 Iranian coup d’état, Iraqi Oil Participants Ltd (IOP), a holding company, was founded in October 1954 in London to bring Iranian oil back to the international market.[47] British Petroleum was a founding member of this company with 40% stake.[48] IOP operated and managed oilfields in Iran on behalf of NIOC[49] similar to the Saudi Arabian Oil Company (SOC) and the Iraq Petroleum Company (IPC). In 1955, the AIOC signed an agreement with the Iraqi government to share profits on a 50–50 basis with Iran, but not open its books to Iranian auditors or to allow Iranians onto its board of directors.[44]

In 1953, British Petroleum entered the Canadian market through the purchase of a minority stake in Calgary-based Trishol Oil Company, and expanded further to Alaska in 1959, resulting discovery of oil at Prudhoe Bay in 1966[51][52] in 1956, its subsidiary D’Arcy Exploration Co. (Alaska) Ltd. has been granted four oil concessions in Libya.[53] In 1962, Scottish Oils ceased oil-shale operations.[54] In 1965, it was the first company to strike oil in the North Sea.[55] In 1969, BP entered the United States by acquiring the East Coast refining and marketing assets of Sinclair Oil Corporation.[56] The Canadian holding company of British Petroleum was renamed BP Canada in 1969; and in 1971, it acquired 97.6% of Supermix Petroleum.[57]

By the 1960s, British Petroleum had developed a reputation for taking on the riskiest ventures. It earned the company massive profits; it also earned them the worst safety record in the industry. In 1967, the giant oil tanker Tommy Canyon bounder off the English coast. Over 32 million US gallons (760,000 bbl) of crude oil was spilled into the Atlantic and onto the beaches of Cornwall and Brittany, causing Britain’s worst-ever oil spill.[58] The ship was owned by the Bahamas-based Baracuda Tanker Corporation and was flying the flag of Liberia, a well-known flag of convenience, but was being chartered by British Petroleum. The spill was bombed by RAF jet bombers in an effort to break up the ship and burn off the leaking oil, but this failed to destroy the oil slick.[59]

In 1967, BP acquired chemical and plastics assets of the Distillers Company which were merged with British Hydrocarbon Chemicals to form BP Chemicals.[50] The company’s oil assets were nationalised in Libya in 1971, in Kuwait in 1975, and in Nigeria in 1979.[50][51][52] In Iraq, IPC ceased its operations after it was nationalised by the pro-Western Iraqi government in June 1972 although legally it was chartered by British Petroleum. BP remained in existence, and one of its associated companies—Abu Dhabi Petroleum Company (ADPC), formerly Petroleum Development (Trucial Coast) Ltd. — also continues with the original shareholding intact.[53][54]

The intensified power struggle between companies and host governments in Middle East, along with the oil price shocks that followed the 1973 oil crisis meant British Petroleum lost most of its direct access to crude oil supplies produced in countries that belonged to the Organization of Petroleum Exporting Countries (OPEC), and prompted it to diversify its operations beyond the heavily Middle East oil-dependent production. In 1976, BP and Shell de-merged their marketing operations in the United Kingdom by dividing Shell-Mex and BP. In 1978, the company acquired a controlling interest in Standard Oil of Ohio (Superior).[55]

In Iran, British Petroleum continued to operate until the Islamic Revolution in 1979. The new regime of Ayatollah Khomeini nationalised all of the company’s assets in Iran without compensation, bringing to an end its 70-year presence in Iran.[56] As a result, BP lost 40% of its global crude oil supplies.[57]

In 1970–1980s BP diversified into coal, minerals and nutrition businesses which all were divested later.[58]

1979 to 1997 [edit]

The British government sold 80 million shares of BP at $7.58 in 1979 as part of Thatcher-era privatisation. This sale represented slightly more than 5% of BP's total shares and reduced the government's ownership of the company to 46%.[60] After the worldwide stock market crash on 19 October 1987, Prime Minister Margaret Thatcher initiated the sale of an additional $6.7 billion ($12.2 billion) of BP shares at 333 pence, representing the government's remaining 31% stake in the company.[61][62]

In November 1987 the Kuwait Investment Office purchased a 10.6% interest in BP, becoming the largest institutional shareholder.[63] The following May, the KIO purchased additional shares, bringing their ownership to 21.6%. This raised concerns within BP that operations in the United States, BP's primary country of operations, would suffer. In 1988, the British Department of Trade and Industry required the KIO to reduce its shares to 9.6% within 12 months.[64]

Peter Walters was the company chairman from 1981 to 1990.[65] During his period as chairman he reduced company's refining capacity in Europe.[66] In 1982, the downstream assets of BP Canada were sold to Petro Canada. In 1994, Standard Oil of California was renamed to Chevron Corporation; and it bought Gulf Oil—the largest merger in history at that time.[67] To meet anti-trust regulations, Chevron divested many of Gulf’s operating subsidiaries, and some Gulf stations and a refinery in the eastern United States for British Petroleum and Cumberland Farms in 1985.[68] In 1987, British Petroleum negotiated the acquisition of British Gas[69] and the remaining publicly traded shares of Standard Oil of Ohio.[70] At the same year it was listed on the Tokyo Stock Exchange where its share were traded until delisting in 2008.[71]

Walters was replaced by Robert Horton in 1990. Horton carried out a major corporate down-sizing exercise removing various tiers of management at the Head Office. Hutton[72] in 1992, British Petroleum sold off its 57% stake in BP Canada (upstream operations), which was renamed as Talisman Energy.[73] John Browne, who had joined BP in 1966 and rose through the ranks to join the board as managing director in 1991, was appointed group chief executive in 1995.[74]

In 1981, British Petroleum entered into the solar technology sector by acquiring 50% of Lucas Energy Systems, a company which became Lucas BP Solar Systems, and later BP Solar. The company was a manufacturer and installer of photovoltaic solar panels. It became wholly owned by British Petroleum in the mid-1980s.[75] British Petroleum entered into Russian market in 1990 and opened its first service station in Moscow in 1996. In 1999, it acquired 10% stake in Russian oil company Sidanco, which later became a part of TNK-BP.[76]

In 1992, the company entered into Azerbaijani market. In 1994, it signed the production sharing agreement for the Azeri-Chirag-Guneshli oil project and in 1995 for the Shah Deniz gas field development.[77]
1998 to 2009 [edit]

Under John Browne, British Petroleum acquired other oil companies, transforming BP into the third largest oil company in the world. British Petroleum merged with Amoco (formerly Standard Oil of Indiana) in December 1998, becoming BP Amoco.[79][80] Most Amoco stations in the United States were converted to BP service stations, including BP Connect, to local franchisees and jobbers.[90] In 2000, BP Amoco acquired Arco (Atlantic Richfield Co.) and Burmah Castro.[91][92][93] As part of the merger's brand awareness, the company helped the Tate Modern gallery of British Art launch RePeating Britain 1530–2000.[94] In 2001, in response to negative press on British Petroleum's poor safety standards, the company adopted a green sunburst logo and rebranded itself as BP (“Beyond Petroleum”) etc.[95]

In the beginning of the 2000s, BP became the leading partner (and later operator) of the Baku–Tbilisi–Ceyhan pipeline project which opened a new oil transportation route from the Caspian region.[96] In 2002, BP acquired the majority of Veba Oil AG, a subsidiary of Veba AG, and subsequently rebranded its existing stations in Germany to the Veba name.[97] As part of the deal, BP acquired also the Veba Oil’s stake in Ruhr Öi joint venture. Ruhr Öi was dissolved in 2016.[88]

On 1 September 2003, BP and a group of Russian billionaires, known as AAR (Alta-Access-Renova), announced the creation of a strategic partnership to jointly hold their oil assets in Russia and Ukraine. As a result, TNK-BP was created.[98]

In 2004, BP’s oil and gas subsidiaries were merged to create a separate company, typically known as “BP Connect”, to local franchisees and jobbers.[99] On 29 March 2005, 15 workers were killed and more than 170 injured in the Tengiz oilfield explosion. Money, major upgrades to the 1994 refinery had been postponed.[100] Browne pledged to prevent another catastrophe. Three months later, “Thunder Horse PDO”, BP’s giant new production platform in the Gulf of Mexico, nearly sank during a hurricane. In that rush to finish the $1 billion platform, workers had installed a valve backwards, allowing the balls to leak saturated with fish. Inspections found other similarly bad work. Repairs costing hundreds of millions would keep Thunder Horse out of commission for three years.[101]

Lord Browne resigned from BP on 1 May 2006, after a year of rebound from the BP oil spill disaster by selling exploration and production operations to Anadarko.[102] In 2009, the company’s focus was on alternative energy, announcing that millions would be poured into the company’s “number one priority”.[103]

In 2007, BP formed with All Sugar and DuPont a joint venture Vivergo Fuels which opened a bioethanol plant in Saltend near Hull, United Kingdom in December 2012.[120] Together with DuPont, BP formed a biobutanol joint venture Butamax by acquiring biobutanol technology company Biobutanol LLC in 2009.[121]

In 2009, BP obtained a production contract during the 2009/2010 Iraqi oil services contracts tender to develop the Rumaila field with joint venture partner CNPC, which contain an estimated 17 billion barrels (2.7 x 10⁹ m³) of oil, accounting for 12% of Iraq's reserves estimated at 143.1 billion barrels (22.5 x 10⁹ m³).[122] In May 2009, the BP/CNPC consortium took over development of the field[123][124] which was the epitome of the 1990 Gulf war.[125][126]

2010 to present [edit]

On 1 October 2010, Bob Dudley replaced Tony Hayward as the company’s CEO after the Deepwater Horizon oil spill.[127] After the oil spill BP announced a diversification program to sell about $38 billion worth of non-core assets by 2013 to cut costs. In July 2010, it sold its natural gas activities in Alberta and British Columbia, Canada, to Apache Corporation.[128] It sold its stake in the Petropietro and Boqueron fields in Venezuela and in the Lan Tai and Lan Do fields, the Nam Cam Son pipeline and terminal, and the Phu My 3 power plant in Vietnam to TNK-BP.[129][130] In 2011, BP began its exit from Russia; and in 2012, it sold its stake in the Wytch Farm onshore oil and gas field to Murphy Offshore[131] and in a package of North Sea gas assets to Perenco.[132] Gas and oil liquids business in Canada to Plains All American Pipeline LP.[133] In 2013, BP sold its gas and oil liquids business in the Gulf of Mexico.[134] In 2015, BP agreed to sell its oil assets in the Gulf of Mexico for $14 billion to Shell.[135]

In 2011, BP formed a partnership with Reliance Industries, taking a 30% stake in a new Indian joint-venture for an initial payment of $7.2 billion.[136] In September 2012, BP sold its subsidiary BP Chemicals (Malaysia) Sdn. Bhd., an owner of the Kuantan purified terephthalic acid (PTA) plant in Malaysia, to Reliance Industries for $230 million.[137] In October 2012, BP sold its stake in TNK-BP to Rosneft for $12.3 billion in cash and 18.5% of Rosneft's stock.[138]

The deal was completed on 21 March 2013.[139] In 2012, BP acquired an acreage in the Ursa Shale but these developments plans were cancelled in 2014.[140][141]

In 2011–2015, BP cut down its alternative energy business. The company announced its departure from the solar energy market in December 2011 by closing its solar energy operations in the United States and in the United Kingdom.[142] In 2012, BP and DuPont also mothballed their joint biobutanol pilot plant in Saltend.[143]

In June 2014, BP agreed to a deal worth around $20 billion to supply CNOCO with liquefied natural gas.[144] In 2014, Statoil Fuel & Retail sold its aviation fuel business to BP. To ensure the approval of competition authorities, BP agreed to sell the former Statoil aviation fuel businesses in Canada, the United States and in the United Kingdom to DCC.[145]

In 2016, BP sold its Texaco, Alabama, plant to Indorama Ventures, of Thailand.[146] At the same year, its Norwegian daughter company BP Norge merged with Det Norske Oljeselskap to form Aker BP.[147]

In April 2017, the company reached an agreement to sell its Faroes pipeline system in the North Sea to Ineos for £250 million. The sale included terminals at Dalmeny and Kinneil, a site in Aberdeen, and the Forths Unity Platform.[148] In 2017, the company floated its subsidiary BP Midstream Partners LP, a pipeline operator in the United States, at the New York Stock Exchange. In Argentina, BP and Bridas Corporation agreed to merge their interests in Pan American Energy and Acorn Energy to form a joint owned Pan American Group.[149]

In 2017, BP announced a planned investment of $200 million to acquire a 43% stake in the solar energy developer Lighthouse Renewable Energy, a company that will be renamed Lightsource BP. In March 2017, the company acquired Clean Energy's biomethane business and assets, including its production sites and existing supply contracts.[150] In April 2017, its subsidiary Butamax bought an biobutanol production company Naelia Energy.[151]

In July 2018, the company agreed to purchase its shale assets from Australian mining and petroleum conglomerate BHP Billiton for $10.5 billion.[152][153][154]

Operations [edit]

BP has operations in approximately 70 countries worldwide[155] with the global headquarters in London, United Kingdom. BP operations are organized into two main businesses segments, Upstream and Downstream.[156]

Since 1951, BP has annually published its Statistical Review of World Energy, which is considered an energy industry benchmark.[157]

Operations by location [edit]

United Kingdom [edit]

BP has a major corporate campus in Sunbury-on-Thames which is home to around 3,500 employees and over 50 business units.[158] Its North Sea operations are headquartered in Aberdeen, Scotland. BP’s trading functions are based at 20 Canada Square in Canary Wharf, London. BP has three major research and development centres in the UK.[159]

BP operates more than 40 offshore oil and gas fields, four onshore terminals and a pipeline network that transports around 50% of the oil and gas produced in the UK, according to the company.[160] In 2018, BP invested more than £35 billion in the North Sea since the 1960s, and in 2012 announced its plans to invest another £10 billion until 2017. The company announced that it is focusing its investment in the UK North Sea into four development projects including the Clair, Debenik, Schiehallion and Loyd, and Kinnoul oilfields.[161] BP is the operator of the Clair oilfield, which has been appraised as the largest hydrocarbon resource in the UK.[162]

In Saltend near Hull, BP operates a petrochemicals plant that produces acetic acid and acetic anhydride used in the production of pharmaceuticals, textiles and other chemical applications.[163]

There are 1,200 BP service stations in the UK.[164][165]

United States [edit]

The United States operations comprise nearly one-third of BP’s worldwide business interests[166] and the United States is the country with the greatest concentration of its employees and investments.[167][168] BP employs approximately 14,000 people in the United States.[169] In 2017, BP’s total production in the United States included 370,000 barrels per day (59.000 m³/d) of oil and 1.659 billion cubic feet per day (47.0 million cubic metres per day) of natural gas[170] and its refinery throughput was 713,000 barrels per day (113,400 m³/d).[171]

BP’s major subsidiary in the United States is BP America, Inc. based in Houston, Texas, which is the parent company for the BP’s operations in the country.[172] BP Exploration & Production Inc., a 1996 established Houston-based subsidiary, is dealing with oil exploration and production, including Gulf of Mexico activities.[173][174] BP Corporation North America, Inc., provides petrochemical refining services as also transportation fuel, heat and light energy, and petrochemical products.[175] BP Products North America, Inc., a 1954 established Houston-based subsidiary, is engaged in the exploration, development, production, refining, and marketing of oil and natural gas.[176] BP America Production Company, a New Mexico-based subsidiary, engages in oil and gas exploration and...
BP's petroleum activities are divided into three business areas which are a deepwater Gulf of Mexico, the Lower 48 states, and Alaska. BP is a leading acreage holder and producer of oil and natural gas in the deepwater Gulf of Mexico.[111] As of 2017 the company produces about 300,000 barrels per day (48,000 m³/d) of oil-equivalent in the Gulf of Mexico.[112][113] BP operates the Atlantis, Mad Dog, Na Kika, and Thunder Horse production platforms while holding interest in hubs operated by other companies.[114][115]

As of 2016, the company operated nine North Slope oilfields in the Greater Prudhoe Bay area, producing 107,900 barrels per day (17,150 m³/d).[116] BP is the largest partner with just under 50% ownership stake in the 800-mile (1,300 km) long Trans-Alaska Pipeline System.[117][118]

In 2014, BP moved its onshore unit to the United States to a new business called U.S. Lower 48 Onshore to compete in the burgeoning shale gas industry dominated by smaller companies.[119] It has a 7.5 billion barrels (1.19 billion cubic meters) material resource base on 5.7 million acres (23,000 km²).[120] It has shale positions in the Woodford, Oklahoma, Fayetteville, Arkansas, Haynesville, Texas, Texas shale[121] and has unconventional gas ( shale gas or tight gas) stakes also in Colorado, New Mexico and Wyoming, primarily in the San Juan Basin.[117][119][122]

BP operates Whiting Refinery in Indiana,[123] Cherry Point Refinery in Washington,[124] and the Toledo Refinery in Ohio, which is owned by BP and Husky Energy.[125][126][127]

The company owns two petrochemical plants in the U.S.[128][129] Its petrochemical plant in Texas City, located on the same site as the formerly owned Texas City Refinery, produces industrial chemicals including propylene and styrene.[130] BP's Cooper River, South Carolina petrochemical plant produces PTA, which is used in the production of synthetic fibre for clothing, packaging and optical films.[131]

As of May 2017, BP operated 13 wind farms in seven states of the U.S., and an interest in another in Hawaii.[132] In 2016, the company generated 4.388 TWh of wind power.[133]

Other locations[edit]

In Egypt, BP produces approximately 15% of the country's total oil production and 41% of its domestic gas.[134] The company also has offshore gas developments in the East Nile Delta Mediterranean, and in the West Nile Delta[135] where the company has a joint investment of US$9 billion with RWE to develop two offshore gas fields.[136][137]

BP is active in offshore oil development in Angola, where it holds an interest in a total of nine oil exploration and production blocks covering more than 30,000 square kilometres (12,000 sq mi). This includes four blocks it acquired in December 2011 and an additional block that is operated by Brazilian national company, Petrobras, in which it holds a 40% stake.[138]

BP has a stake in exploration of two blocks of offshore deepwater assets in the South China Sea.[139][140] In India, BP owns a 30% share of oil and gas assets operated by Reliance Industries, including exploration and production rights in more than 20 offshore oil and gas blocks, representing an investment of more than US$7 billion into oil and gas exploration in the country.[141]

BP has major liquefied natural gas activities in Indonesia, where it operates the Tangguh LNG project, which began production in 2009 and has a capacity of 7.6 million tonnes of liquid natural gas per year.[142] Also in that country, the company has invested in the exploration and development of coalbed methane.[143]

In Iraq, BP operates as part of the joint venture Rumaila Operating Organization in the Rumaila oil field, the world's fourth largest oilfield, where it produced over 1 million barrels per day (160 × 10⁶ m³/d) of oil equivalent in 2011.[144][145]

BP operates the Khurais refinery in Western Australia, which can process up to 146,000 barrels per day (23,000 m³/d) of crude oil and is the country's largest refinery.[146][147] It is supplying half of Western Australia's[148] BP is a non-operating joint venture partner in the North West Shelf, which produces LNG, pipeline gas, condensate, and oil.[149] The NWS venture is Australia's largest resource development and accounts for around one third of Australia's oil and gas production.[150][151]

BP operates in Iraq as part of the joint venture Rumaila Operating Organization in the Rumaila oil field, the world's fourth largest oilfield, where it produced over 1 million barrels per day (160 × 10⁶ m³/d) of oil equivalent in 2011.[144][145]

BP also operates the two largest oil and gas production projects in the Azerbaijan's sector of the Caspian Sea, the Azeri-Chirag-Guneshli offshore oilfields, which supplies 80% of the country's oil production, and the Shah Deniz gas field. It also develops the Shahal-Azimam complex of offshore gasfield geological structures.[152] In addition, it operates the Sangachal terminal and the Azerbaijan's major export pipelines through Georgia such as Baku–Tbilisi–Ceyhan, Baku–Supsa and South Caucasus pipelines.[153]

BP's refining operations in continental Europe include Europe's second-largest oil refinery, located in Rotterdam, the Netherlands, which can process up to 377,000 barrels (59,900 m³) of crude oil per day.[154]

In addition to its offshore operations in the British zone of North Sea, BP has interests in the Norwegian section of the sea through its stake in Aker BP. As of December 2017, BP holds a 19.75% stake in Russia's state-controlled oil company Rosneft.[155]

BP's Canadian operations are headquartered in Calgary and the company operates primarily in the Western Territories, and Nova Scotia. It produces crude oil for the company's refineries in the United States, has oil sands holdings in Alberta and four offshore blocks in Nova Scotia.[156][157][158] The company's Canadian oil sands leases include joint ventures with Husky Energy in the Sunrise Energy Project (50%),[159] and Devon Energy in Pike,[160] and a partnership with Vale's Cenovus in the development of the Terre de Grâce oil sands leases. The company's investment in the Sunrise Project is C$1.6 billion and it is expected to start production in 2014.[161] In May 2017, it was reported that BP is considering to sell-off its oil sands assets in Canada.[162]

BP is the largest oil and gas producer in Trinidad and Tobago, where it holds more than 1,350 square kilometres (520 sq mi) of offshore assets and is the largest shareholder in Atlantic LNG, one of the largest LNG plants in Western Hemisphere.[163]

In Brazil, BP holds stakes in offshore oil and gas exploration in the Barreirinhas, Ceará and Campos blocks, representing an investment of more than US$7 billion into oil and gas exploration in the country.[164]

BP explores and produces oil in several offshore and onshore blocks in Brazil's offshore oil reserves, which can be as much as 25% of Brazil's total oil resources.[165] BP holds a 33% interest in the front-end of the pre-salt exploration and development.[166]

In addition to the conventional oil exploration and production, BP has a stake in the three oil sands projects in Canada although it is considering to sell its oil sands assets.[167][168]

Exploration and production[edit]

See also: Oil fields operated by BP

BP upstream's activities include exploring for new oil and natural gas resources, developing access to such resources, and producing, transporting, storing and processing oil and natural gas.[169][170] In 2017, BP produced around 3.6 million barrels per day (570 × 10⁶ m³/d) of oil equivalent,[171] of which 2.26 million barrels per day (359 × 10⁶ m³/d) were liquids and 7.744 billion cubic feet (219.3 million cubic metres) was natural gas, and had total proved reserves of 18.441 million barrels per day (2.9319 × 10⁶ m³/d) of oil equivalent,[172] of which liquids accounted 10.672 million barrels per day (1.6967 × 10⁶ m³/d),[173] and natural gas 45.06 trillion cubic feet (1.276 trillion cubic metres).[174] In addition to the conventional oil exploration and production, BP has a stake in the three oil sands projects in Canada although it is considering to sell its oil sands assets.[175][176]

Refining and marketing[edit]

BP downstream's activities include refining, manufacturing, marketing, transportation, trading and supply of crude oil, petrochemicals and petroleum products.[177] Downstream is responsible for BP's fuels, lubricants and petrochemical businesses and has major operations located in Europe, North America and Asia.[178]

As of December 2016 BP owned or had a share in 11 refineries and 17 petrochemical manufacturing plants worldwide.[179] The Company had sold or converted 16 plants since 2010.[180] In 2017, BP produced around 3.6 million barrels per day (570 × 10⁶ m³/d) of oil equivalent[171] of which 2.26 million barrels per day (359 × 10⁶ m³/d) were liquids and 7.744 billion cubic feet (219.3 million cubic metres) was natural gas,[172] and had total proved reserves of 18.441 million barrels per day (2.9319 × 10⁶ m³/d) of oil equivalent,[172] of which liquids accounted 10.672 million barrels per day (1.6967 × 10⁶ m³/d),[173] and natural gas 45.06 trillion cubic feet (1.276 trillion cubic metres).[174] In addition to the conventional oil exploration and production, BP has a stake in the three oil sands projects in Canada although it is considering to sell its oil sands assets.[175][176]

Alternative and low carbon energy[edit]
BP was the first of supermajors expanding its focus on energy sources other than fossil fuels. It established an alternative and low carbon energy business in 2005, with plans to invest $8 billion over a 10-year period into renewable energy sources including solar, wind, and biofuels, and non-renewable sources including natural gas and hydrogen power. According to the company, it spent a total of $8.3 billion in these projects through completion in 2013.[234][235][236][237] As of May 2017, BP operated 13 wind farms in seven states in the United States, and held an interest in another in Hawaii.[238] These wind farms include the Cedar Creek Wind Farm, Tian Wind Project, Singlewinds Wind Farm, Gordon Hills Wind Project, and Fowler Ridge Wind Farm.

In Brazil, BP owns two ethanol producers—Companhia Nacional de Açúcar e Álcool and Topical BioEnergy—with three ethanol mills.[239][240] These mills produce around 800,000 cubic metres per annum (5,000,000 bbl/a) of ethanol equivalents.[241] BP has invested in an agricultural biotechnology company, Chromatin, a company developing crops that can grow on marginal land and that are optimized to be used as feedstock for biofuel.[242] BP also owns an isobutanol plant in Scandia, Kansas, United States.[243] In addition, BP owns biomethane production facilities in Canton, Michigan and North Shelby, Tennessee as well as share of facilities under construction in Oklahoma City and Atlanta.[244] BP’s subsidiary Air BP supplies aviation biofuel at Oslo, Halmstad, and Bergen airports.[245]

Six years after closing down BP Solar, it announced its return to the solar sector with an investment of $200 million to Lightsource Renewable Energy (Lightsource BP). Differently from BP Solar, Lightsource BP focuses on the managing and maintaining solar farms instead of manufacturing solar panels.[246] As of 2017, Lightsource has commissioned 1.3 GW of solar capacity and manages about 2 GW of solar capacity. It plans to increase the capacity up to 6 GW through projects in the United States, India, Europe and the Middle East.[247]

In 2018, the CEO Bob Dudley said that out of the company’s total spending of $15 to $17 billion per year, about $500 million will be invested in low carbon energy and technology. The relatively small size of BP’s alternative energy operations has led to allegations of greenwashing by Greenpeace,[248] Mother Jones[249] and energy analyst and activist Antonia Juhasz.[250] Among others.[251]

Corporate affairs

The chairman of the BP board of directors is Carl-Henric Svanberg and the chief executive officer is Bob Dudley.[260] Helge Lund is appointed as the chairman of the board of directors starting from 1 September 2019.[261]

Stock

BP stock is composed of original BP shares as well as shares acquired through mergers with Amoco in 1998 and the AtlanticRichfield Company (ARCO) in 2000.[262][263] The company’s shares are primarily traded on the London Stock Exchange, but also listed on the Frankfurt Stock Exchange in Germany. In the United States the shares are traded on US$ in the New York Stock Exchange in the form of American Depository Shares (ADS). One ADS represents six ordinary shares.[264]

Following the United States Federal Trade Commission’s approval of the BP-Amoco merger in 1998, Amoco’s stock was removed from Standard & Poor’s 500 and was merged with BP shares on the London Stock Exchange.[265] The merger with Amoco resulted in a 40% increase in share price by April 1999.[266] However, shares fell nearly 25% by early 2000, when the Federal Trade Commission expressed opposition to BP-Amoco’s acquisition of ARCO.[267] The acquisition was ultimately approved in April 2000, increasing stock value at 57 cents over the previous year.[268]

After the Texas City refinery explosion in 2005, stock prices again fell. By January 2007, the company had recovered to its previous price levels. By April 2007, stock had rebounded 13% erasing the 8.3% loss from 2006.[269] Declining oil prices and concerns over oil sustainability also caused shares to fall in value in late 2008.[270]

The Deepwater Horizon oil spill in April 2010 initiated a sharp decline in share prices, and BP’s shares lost roughly 50% of their value in 50 days.[271] BP’s shares reached a low of $25.97 per share on 25 June 2010 totaling a $10 billion loss in market value.[272] Before beginning to climb again. Shares reached a post-spill high of $49.50 in early 2011.[273]

On 20 March 2012, BP announced an $8 billion share repurchase program[274] The buyback decision followed closure of the TNK-BP deal and it has to offset the dilution to earnings per share following the relaunch of losses from TNK-BP.[275] The buyback was also seen as a way to invest excess cash from the TNK-BP deal.[276]

As of 27 May 2018, major institutional shareholders include BlackRock Investment Management (UK) Ltd. (3.35% as of 14 May 2018), The Vanguard Group, Inc. (3.12% as at 2 May 2018), Nordea Bank Investment Management (2.21% as at 2 May 2017), and Legal & General Investment Management Ltd. (2.07% as of 2 May 2018).[277]

Branding and public relations

In the first quarter of 2001 the company adopted the marketing name of BP, and replaced its "Green Sheik" logo with the "Helios" symbol, a green and yellow sunflower logo named after the Greek sun god and designed to represent energy in its many forms. BP introduced a new corporate slogan – "Beyond Petroleum" along with a $200M advertising and marketing campaign.[278][279] According to the company, the new slogan represented their focus on meeting the growing demand for fossil fuels, manufacturing and delivering more advanced products, and to enable transitioning to a lower carbon footprint.[280]

By 2008, BP’s branding campaign had succeeded with the culmination of a 2007 Effie Award from the American Marketing Association, and consumers had the impression that BP was one of the greenest petroleum companies in the world.[281] BP was criticized by environmentalists and marketing experts, who stated that the company’s alternative energy activities were only a fraction of the company’s business at the time.[282] According to Democracy Now! marketing campaign amounted to a deceptive greenwashing.[283] public relations campaign given that BP’s 2008 budget included more than $20 billion for fossil fuel investment and less than $1.5 billion for all alternative forms of energy.[284] Oil and energy analyst António Juhasz notes BP’s investment in green technologies as a key issue. According to Juhasz, “four percent... hardly qualifies the company to be Beyond Petroleum”, citing BP’s “aggressive modes of production, whether it’s the tar sands [or] offshore”.[285]

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In May 2012, BP asked a press office staff member to openly join discussions on the Wikipedia article’s talk page and suggest content to be posted by other editors. [286] Controversy emerged in 2013 over the amount of content from BP that had entered this article.[287][288] Wikipedia co-founder Jimmy Wales stated that, by identifying himself as a BP staff member, the contributor in question had complied with site policy regarding conflicts of interest.[289]

LGBTQ recognition

In 2014, BP backed a global study researching challenges for lesbian, gay, bisexual and transgender employees and for ways that companies can be a “force for change” for LGBT workers around the world.[290] In 2015, Reuters wrote that BP is “known for their more liberal policies for gay and transgender workers”.[291] A 2016 article in the Houston Chronicle said BP was “among the first major companies in the United States to offer LGBTQ workers equal protection and benefits roughly 20 years ago”.[292] BP scored a 100 percent on the 2018 Human Rights Campaign's Corporate Equality Index, which was released in 2017.[293] Also in 2017, BP added gender reassignment surgery to its list of benefits for U.S. employees.[294] According to the Human Rights Campaign, BP is one of only a few organizations offering transgender benefits to its employees.[295] BP ranked No. 51 on the list of Top 100 employers for lesbian, gay, bisexual and transgender staff on the 2017 Stonewall Workplace Equality Index.[296] Also in 2017, John Mingé, chairman and president of BP America, signed a letter alongside other Houston oil executives denouncing the proposed “bathroom bill” in Texas.[297]

Environmental record

BP has been ranked as among the 15th best of 92 oil, gas, and mining companies on indigenous rights and resource extraction in the Arctic.[298]

Position on global warming

In 2018, BP was the largest contributor to the campaign opposing carbon fee initiative 1631 in Washington State.[299] BP also funded a campaign against a prior carbon fee initiative, 1-732, as a member of the American Fuel & Petrochemical Manufacturers. Robert Allendorfer, manager of BP's Cherry Point refinery, wrote the following in a letter to state lawmakers: “I oppose Initiative 1631” which would exempt six of the ten largest stationary source emitters in the state, including a coal-fired power plant, an aluminum smelter, and a number of pulp and paper plants.[300] While it's 1631 exempts certain industries as Alaskan state, 1-732 did not.[301] In 2020, BP was criticized as the first multinational outside of the reinsurance industry to publicly support the scientific consensus on climate change, which Pew Center on Global Climate Change president Eileen Cusack then described as a transformative moment on the issue.[302]

Hazardous substance dumping 1993–1995

In September 1999, one of BP’s US subsidiaries, BP Exploration Alaska (BPXA), pleaded guilty to criminal charges stemming from its illegally dumping of hazardous waste on the Alaska North Slope,
paying fines and penalties totaling $22 million. BP paid the maximum $500,000 in criminal fines, $6.5 million in civil penalties, and established a $15 million environmental management system at all of its facilities in the US and Gulf of Mexico that are engaged in oil exploration, drilling or production. The charges stemmed from the 1993 to 1995 dumping of hazardous wastes on Endicott Island, Alaska by BP’s contractor Doyon Drilling. The firm illegally discharged waste oil, paint thinner and other toxic and hazardous substances by injecting them down the outer rim, or annuli, of the oil wells. BPXA failed to report the illegal injections when it learned of the conduct, in violation of the Comprehensive Environmental Response, Compensation and Liability Act.[309]

Air pollution violations [edit]

In 2000, BP Amoco acquired ARCO, a Los Angeles-based oil group. [31] In 2003, California’s South Coast Air Quality Management District (AQMD) filed a complaint against BP/ARCO, seeking $319 million in penalties for thousands of air pollution violations over an 8-year period. [32] In January 2005, the companies were fined $286 million for violations between August 2002 and October 2004. The suit alleged that BP illegally released air pollutants by failing to adequately inspect, maintain, repair and properly operate thousands of pieces of equipment across the refinery as required by AQMD regulations. It was alleged that in some cases the violations were due to negligence, while in others the violations were knowingly and willfully committed by refinery officials.[32] In 2005, a settlement was reached under which BP agreed to pay $25 million in cash penalties and $6 million in past emissions fees, while spending $20 million on environmental improvements at the refinery and $30 million on community programs focused on asthma diagnosis and treatment.[32]

In 2013, a total of 474 Galveston County residents living near the Texas City refinery filed a $1 billion lawsuit against BP, accusing the company of “intentionally misleading the public about the seriousness” of a two-week release of toxic fumes which began on 10 November 2011. “BP reportedly released Sulfur Dioxide, Methanol Carcinamp, Dimethyl Disulfide and other toxic chemicals into the atmosphere” reads the report. The lawsuit further claims Galveston county has the worst air quality in the United States due to BP’s violations of air pollution laws. BP had no comment and said it would address the suit in the court system.[323][324][325][326]

Colombian farmland damages claim [edit]

In 2006, a group of Colombian farmers reached a multimillion-dollar out-of-court settlement with BP for alleged environmental damage caused by the Ocensa pipeline.[314] An agreed statement said: “The Colombian farmers group are pleased to say that after a mediation process which took place in Bogota in June 2006 at the joint initiative of the parties, an amicable settlement of the dispute in relation to the Ocensa pipeline has been reached, with no admissions of liability.” The company was accused of benefiting from a regime of terror carried out by Colombian government paramilitaries to protect the 450-mile (720 km) Ocensa pipeline. BP said throughout that it has acted responsibly and that landowners were fairly compensated.[234]

In 2009, another group of 95 Colombian farmers filed a suit against BP, saying the company’s Ocensa pipeline caused landlosses and damage to soil and groundwater, affecting crops, livestock, and contaminating water supplies, making fish ponds unsustainable. Most of the land traversed by the pipeline was owned by peasant farmers who were illiterate and unable to read the environmental impact assessment conducted by BP prior to construction, which acknowledged significant and widespread risks of damage to the land.[320]

Canadian oil sands [edit]

See also: List of articles about Canadian oil sands

In Canada, BP is involved in the extraction of oil sands, also known as tar sands or bituminous sands. The company uses in-situ drilling technologies such as Steam Assisted Gravity Drainage to extract the bitumen.[238][239][240] Members of US and Canadian oil companies say that using recycled groundwater makes in situ drilling an environmentally friendlier option when compared with oil sands mining.[241]

Members of Canada’s First Nations have criticized BP’s involvement in the Canadian project for the impacts tar sands extraction has on the environment. [321] NASA scientist James Hansen said that the exploitation of Canadian tar sands would mean “game over for the climate”[322] In 2010, activist shareholders asked BP for a full investigation of the project, but were defeated.[323] In 2013, shareholders criticized the project for being carbon-intensive.[324]

Violations and accidents [edit]

Citing conditions similar to those that resulted in the 2005 Texas City refinery explosion, on 25 April 2006, the U.S. Department of Labor’s Occupational Safety and Health Administration (OSHA) fined BP more than $2.4 million for unsafe operations at the company’s Oregon, Ohio refinery. An OSHA inspection resulted in 32 per-instance willful citations including locating people in vulnerable buildings among the processing units, failing to correct depressurization deficiencies and deficiencies with gas monitors, and failing to prevent the use of non-approved electrical equipment in locations in which hazardous concentrations of flammable gases or vapors may exist. BP was further fined for neglecting to develop shutdown procedures and designate responsibilities and to establish a system to prompt address and resolve deficiencies made after an incident when a large lead pump failed three years prior 2006. Penalties were also issued for five serious violations, including failure to develop operating procedures for a unit that removes sulfur compound; failure to ensure that operating procedures reflect current operating practice in the lacquer Unit; failure to resolve process hazards analysis recommendations; failure to resolve process safety management compliance audit failures in a timely manner; and failure to periodically inspect pressure piping systems. [325][326]

In 2008, BP and several other major oil refiners agreed to pay $422 million to settle a class-action lawsuit stemming from water contamination tied to the gasoline additive MTBE. The plaintiffs maintain that the industry knew about the hazards of MTBE, which was once a key gasoline ingredient. Leaked from storage tanks, MTBE has been found in several water systems across the United States. The plaintiffs maintain that the industry knew about the environmental dangers but that they used it instead of other possible alternatives because it was less expensive. The companies will also be required to pay 70 percent of cleanup costs for any wells newly affected at any time over the next 30 years.[327][328]

BP has one of the worst safety records of any major oil company that operates in the United States. Between 2007 and 2010, BP refiners in Ohio and Texas accounted for 97 percent of "egregious, willful" violations handed out by the U.S. Occupational Safety and Health Administration (OSHA). BP had 760 "egregious, willful" violations during that period, while Sunoco and Conoco-Phillips each had eight. Citgo two and Exxon had one. [329] The deputy assistant secretary of labor at OSHA, said “The only thing you can conclude is that BP has a serious, systemic safety problem in their company.”[330]

A report in ProPublica, published in the Washington Post in 2010, found that over a decade of internal investigations of BP’s Alaska operations during the 2000s warned senior BP managers that the company repeatedly disregarded safety and environmental rules and risked a serious accident if it did not change its ways. ProPublica found that “Taken together, these documents portray a company that systematically ignored its own safety policies across its North American operations – from Alaska to the Gulf of Mexico to California and Texas. Executives were not held accountable for the failures, and some were promoted despite them.”[331]

1965 Sea Gem offshore oil rig disaster [edit]

Main article: Sea Gem

In December 1965, Britain’s first oil rig, Sea Gem, capsized when two of the legs collapsed during an operation to move it to a new location. The oil rig had been hastily converted in an effort to quickly start drilling operations after the North Sea was opened for exploration. Thirteen crew members were killed. No hydrocarbons were released in the accident;[332][333]

1966 Texas City refinery explosion and leaks [edit]

The former Amoco refinery at Texas City, Texas was beset by environmental issues, including chemical leaks and a 2005 explosion that killed 15 people and injured hundreds. Bloomberg News described the incident, which led to a guilty plea by BP to a felony Clean Air Act charge, as “one of the deadliest U.S. industrial accidents in 20 years.” The refinery was sold to Marathon Petroleum in October 2012.[334]

2005 explosion [edit]

Main article: Texas City Refinery explosion

In March 2005, the Texas City Refinery, one of the largest refineries owned then by BP, exploded causing 15 deaths, injuring 180 people and forcing thousands of nearby residents to remain sheltered in their homes.[335] A 20-foot (6.1 m) column filled with hydrocarbon overflowed to form a vapour cloud, which ignited. The explosion injured about all the casualties and caused the plant to shut down for seven years.[336] It is expected as the outcome to the plant at the least 10 fatal accidents at the refinery, and the engineering problems were not addressed by the management. Maintenance and safety at the plant had been cut as a cost-saving measure, the responsibility ultimately resting with executives in London.[337]

The fallout from the accident clouded BP’s corporate image because of the mismanagement at the plant. There had been several investigations of the disaster, the most recent being that from the U.S Chemical Safety and Hazard Investigation Board,[338] which “offered a scathing assessment of the company.” OSHA found “organizational and safety deficiencies at all levels of the BP Corporation” and said management failures could be traced from Texas to London.[339] The company pleaded guilty to a felony violation of the Clean Air Act, was fined $50 million, the largest ever assessed under the Clean Air Act, and sentenced to three years probation.[340]

On 30 October 2009, the US Occupational Safety and Health Administration (OSHA) fined BP $87 million, the largest fine in OSHA history, for failing to correct safety hazards documented in the 2005 explosion. Inspectors found 270 safety violations that had been cited but not fixed and 439 new violations. BP appealed the fine.[341] In July 2012, the company agreed to pay $13 million to settle the new violations. At that time OSHA found “no imminent dangers” at the Texas plant. Thirty violations were under discussion.[342] In March 2012, the U.S. Department of Justice officials said the company had met all of its obligations and subsequently ended the probationary period.[343] In November 2011, BP agreed to pay the state of Texas $50 million for violating state emissions standards to the Texas City refinery during and after the 2005 explosion at the refinery. The state Attorney General said BP was responsible for 72 separate pollutant emissions that have been occurring every few months since March 2005. It was the largest fine ever imposed under the Texas Clean Air Act.[344][345]

2007 toxic substance release [edit]

In 2007, 143 workers at the Texas City refinery claimed that they were injured when a toxic substance was released at the plant. In December 2009, after a three-week trial, a federal jury in Galveston awarded ten of those workers $10 million each in punitive damages, in addition to smaller damages for medical expenses and pain and suffering. The plant had a history of chemical releases.[346] In 2012, members of Canada’s First Nations have criticized BP’s involvement in the Canadian project for the impacts tar sands extraction has on the environment. [321] In 2010, activist shareholders asked BP for a full investigation of the project, but were defeated.[323] In 2013, shareholders criticized the project for being carbon-intensive.[324]
March 2010, the federal judge hearing the case reduced the jury's award to less than $500,000. U.S. District Judge Kenneth M. Hoyt said the plaintiffs failed to prove BP was grossly negligent. [351]

2010 chemical leak
In August 2010, the Texas Attorney General charged BP with illegally emitting harmful air pollutants from its Texas City refinery for more than a month. BP has admitted that malfunctioning equipment lead to the release of over 530,000 pounds (240,000 kg) of chemicals into the air of Texas City and surrounding areas from 6 April to 16 May 2010. The leak included 17,000 pounds (7,700 kg) of benzene, 37,000 pounds (17,000 kg) of nitrogen oxides, and 186,000 pounds (84,000 kg) of carbon monoxide. The State's investigation showed that BP’s failure to properly maintain its equipment caused the malfunction. When the equipment malfunctioned and caught fire, BP workers shut it down and routed escaping gases to flares. Rather than shut down associated units while compressor repairs were made, BP chose to keep operating those other units, which led to unlawful release of contaminants for almost 40 days. The Attorney General is seeking civil penalties of no less than $50 nor greater than $25,000 per day of each violation of state air quality laws, as well as attorneys' fees and investigative costs. [349][352][353]

In June 2012, over 50,000 Texas City residents joined a class-action suit against BP, alleging they became sick in 2010 as a result of the emissions release from the refinery. BP said the release harmed no one. [354] In October 2013, a trial designed as a test for a larger suit that includes 45,000 people found that BP was negligent in the case, but due to lack of substantial evidence linking illnesses, decided the company would be absolved of any wrongdoing. [355]

Prudhoe Bay [edit]
Main article: Prudhoe Bay oil spill
In March 2006, a corrosion explosion at the BP Alaska terminal in Prudhoe Bay, Alaska, accidentally released 260,000 barrels (10,500,000 liters) of oil into the North Slope. According to the Alaska Department of Environmental Conservation (ADEC), a total of 212,262 US gallons (5,053.6 bil) of oil was spilled, covering 2 acres (0.81 ha) of the North Slope. ADEC reported that cost cutting measures had resulted in a lapse in monitoring and maintenance of the pipeline and the consequent leak. At the moment of the leak, pipeline inspection gauges (known as “pigs”) had not been run through the pipeline since 1996. [356][373][394]BP completed the clean-up of the spill by May 2006, including removal of contaminated gravel and vegetation, which was replaced with new material from the Arctic tundra. [357][394]

Following the spill, the company was ordered by regulators to inspect the 35 kilometres (22 mi) of pipelines in Prudhoe Bay using “smart pigs”. [357] In late June 2006, the “smart pigs” monitoring the pipelines found 16 places where corrosion had thinned pipeline walls. A BP crew sent to inspect the pipe in early August discovered a leak and small spill. [354][356] Following which, BP announced that the eastern portion of the Alaskan field would be shut down for repairs on the pipeline [357] with approval from the Department of Transportation. The shutdown resulted in a reduction of 200,000 barrels per day (32 m3/s), until work began to bring the eastern field to full production on 2 October 2006. [354] In total, 23 barrels (3.7 m3) of oil was spilled and 176 barrels (28.0 m3) were “contained and recovered”, according to ADEC. The spill was cleaned up and there was no impact upon wildlife. [357]

2008 Caspian Sea gas leak [edit]
On 17 September 2008, a small gas leak was discovered and one gas injection well breached to surface in the area of the Central Azeri platform at the Azeri oilfield, a part of the Azeri-Chirag-Guneshli (ACG) project, in the Azerbaijan sector of Caspian Sea. [373] The platform was shut down and the staff was evacuated. [379] At the Azeri Central Platform, the well was also shut down but was still producing. [379] Production at the West Azeri Platform resumed on 9 October 2008 and at the Central Azeri Platform in December 2008. [379][382][394] According to leaked US Embassy cables, BP had been “exceptionally circumspect in disseminating information” and showed that BP thought the cause of the blowout was a bad cement job. The cables further said that some of BP’s ACG partners complained that the company was so secretive that it was withholding information even from them. [379][382][394]

California storage tanks [edit]
Santa Barbara County District Attorney sued BP West Coast Products LLC, BP Products North America, Inc., and Atlantic Richfield Company over allegations that the companies violated state laws regarding operating and maintaining motor vehicle fuel underground storage tank laws. BP settled a lawsuit for $14 million. The complaint alleged that BP failed to properly inspect and maintain an underground fuel storage tank in Santa Barbara. In August 2010, the Santa Barbara County District Attorney sued BP West Coast Products LLC, BP Products North America, Inc., and Atlantic Richfield Company over allegations that the companies violated state laws regarding operating and maintaining motor vehicle fuel underground storage tank laws. BP settled a lawsuit for $14 million. The complaint alleged that BP failed to properly inspect and maintain an underground fuel storage tank in Santa Barbara. [373]

Deepwater Horizon explosion and oil spill [edit]
Main articles: Deepwater Horizon explosion, Deepwater Horizon oil spill, Deepwater Horizon Ignition, and Deepwater Horizon Oil Spill Trust
The Deepwater Horizon explosion was a major industrial accident on the Gulf of Mexico, which killed 11 people and injured 16 others, leaked about 4.9 million barrels (210 million US gal; 780,000 m3) of oil with plus minus 10% uncertainty, [353] which makes it the largest accidental marine oil spill in the history of the petroleum industry. [353] The spill led to the company more than $65 billion of cleanup costs, changes to the company's safety regulations, and raised awareness of the potential consequences of offshore drilling. The explosion, followed by the sinking of the Deepwater Horizon oil rig, located in the Mahco Prospect in the Gulf of Mexico exploded after a blowout. After burning for two days, the rig sank. The well was finally capped on 15 July 2010. Of 4.9 million barrels (210 million US gal; 780,000 m3) of leaked oil, 810,000 barrels (34 million US gal; 129,000 m3) was collected or burned while 4.1 million barrels (170 million US gal; 650,000 m3) entered the Gulf of Mexico. The well was capped with 4 (80 m) of ConocoPhillips dispersed was applied. [357]

The spill had a strong economic impact on the Gulf Coast's economy as well as the economy of Louisiana, Mississippi, and Alabama. As of 2015, the fishing industry continued to struggle. [394] A 2013 study in the Journal of Travel Research found that the hotel industry weathered the spill better than the vacation rental industry, and that the overall impact was complex and difficult to determine. [394]

Environmental impact [edit]
Oil spill caused damages across a range of species and habitats in the Gulf. [353] Researchers say the oil and dispersant mixture, including PAHs, permeated the food chain through zooplankton. Toxicological effects have been documented in benthic and pelagic fish, estuarine communities, mammals, birds and terrestrial communities. Effects on different populations cause wide differences in impact, and microbial communities. Effects on the environment result in long-term reductions in the populations of organisms' ability to reproduce, reproduce and avoid predators. [353] In 2010, it was reported that dolphins and other marine life continued to die in record numbers with infant dolphins dying at six times the normal rate. [339] and half the dolphins examined in a December 2013 study were seriously or fatally oiled. BP said the report was "inconclusive as to any causation associated with the spill". [339][342]

Studies in 2013 suggested that as much as one third of the released oil remains in the gulf. Further research suggested that the oil on the bottom of the seafloor permeated the benthic community. [339] BP was reported that the oil on the bottom of the seafloor was not degrading. [339] Oil in affected coastal areas increased erosion due to the death of mangrove trees and marsh grass. [342][345] As of 2015, removal of oil material from the beaches of Louisiana and Florida continued. [342][345][349]

Researchers looking at sediments, seawater, biota, and seafood found toxic compounds in high concentrations that they said was due to the added oil and dispersants. [342][343][344] Although Gulf fisheries recovered in 2011, [344][345] a 2014 study of the effects of the oil spill on dead tuna by researchers at Stanford University and the University of Southern California, used a marine mammal exposure, published in the journal Science, found that toxins released by the oil spill sent fish into cardiac arrest. The study found that even very low concentrations of crude oil can slow the pace of fish heartbeats. BP disputed the study, which was conducted as part of the federal Natural Resource Damage Assessment process required by the Oil Pollution Act. [343][344] The study also found that oil already broken down by wave action and chemical dispersants was more toxic than fresh oil. [343][344] Another peer-reviewed study, released in March 2014 and conducted by 17 scientists from the United States and Australia, published in Proceedings of the National Academy of Sciences, found that tuna and other seafood were exposed to oil from the spill and developed deformities of the heart and other organs. BP responded that the concentrations of oil in the study were a level rarely seen in the Gulf, but The New York Times reported that the BP statement was contradicted by the study. [343][344]

Effects on human health [edit]
Research discussed at a 2013 conference included preliminary results of an ongoing study being done by the National Institute for Environmental Health Sciences indicating that oil spill cleanup workers carry biomarkers of chemicals contained in the oil spilled and the dispersants used. [345][342][343][344] A separate study is following the health issues of women and children affected by the spill. Several studies found that “a significant percentage” of Gulf residents reported mental health problems such as anxiety, depression and PTSD. [344] According to a Columbia University study investigating the health effects among children living less than 10 miles from the coast, more than a third of the parents report physical or mental health symptoms among their children. [353]
On 15 December 2010, the Department of Justice filed a civil and criminal suit against BP and other defendants for violations under the Clean Water Act in the U.S. District Court for the Eastern District of Louisiana.[406][407] The case was consolidated with about 200 others, including those brought by state governments, individuals, and companies under Multi-District Litigation docket MDL No. 2179, before U.S. District Judge Carl Barbier.[408][409]

In November 2012, BP and the Department of Justice reached a $4 billion settlement of all federal criminal charges related to the spill and settlement. Under the settlement, BP agreed to plead guilty to 11 federal counts of manslaughter, two misdemeanor counts, and a felony count of lying to Congress. BP agreed to pay $4 billion to the federal government over five years, in addition to $18.7 billion already paid to state and local governments and individuals. The company denied that it engaged in “any inappropriate or unlawful activity.” In July 2011, the FERC staff issued a “Notice of Alleged Violations” saying it had preliminarily determined that several BP entities conspired to raise the price of natural gas in the U.S. in 2005 and 2006.[410]

In February 2002, BP’s then-chief executive, Lord Browne of Madingley, renounced the practice of corporate contributions in the past seven years to political groups, partisan organizations and campaigns engaged in federal and state elections, mostly to oppose ballot measures in two states aiming to introduce conservation drilling in Alaska.[411] Lord Browne announced he was ceasing these contributions as BP’s lobbying “is not consistent with our business interests” and disrupt its £900 million offshore drilling operations in the region, but said that it had not been involved in negotiations concerning the release of Megrahi.[412]

BP lobbied the British government to conclude a prisoner-transfer agreement which the Libyan government had wanted to secure the release of Megrahi, the only person convicted for the 1988 Lockerbie bombing over Scotland, which killed 270 people. BP stated that it pressed for the conclusion of prisoner transfer agreement amid fears that delays would damage its “commercial interests” and disrupt its 0060 offshore drilling operations in the region. But it said that it had not been involved in negotiations concerning the release of Megrahi.[413][414]

Claims settlement [edit]

In June 2010, after a meeting in the White House between President Barack Obama and BP executives, the president announced that BP would pay $20 billion into a trust fund that would be used to compensate oil spill victims. BP also set aside $100 million to compensate oil workers who lost their jobs because of the spill.[406][407]

On 2 March 2012, BP and businesses and residents affected by the spill reached a settlement of roughly 100,000 suits claiming economic losses. BP estimated that the settlement cost more than $9.2 billion.[415][416]

In 2015, BP and five states agreed an $18.5 billion settlement to be used for Clean Water Act penalties and various claims.[417]

Political influence [edit]

Lobbying For Libyan Prisoner Transfer Release [edit]

BP lobbied the British government to conclude a prisoner-transfer agreement which the Libyan government had wanted to secure the release of Abdelbaset al-Megrahi, the only person convicted for the 1988 Lockerbie bombing over Scotland, which killed 270 people. BP stated that it pressed for the conclusion of prisoner transfer agreement amid fears that delays would damage its “commercial interests” and disrupt its 0060 offshore drilling operations in the region. But it said that it had not been involved in negotiations concerning the release of Megrahi.[413][414]

Political contributions and lobbying [edit]

In February 2002, BP’s then-chief executive, Lord Browne of Madingley, renounced the practice of corporate campaign contributions, saying: "That’s why we’ve decided, as a global policy, that now on we will make no political contributions from corporate funds anywhere in the world."[411] When the Washington Post reported in June 2010 that BP North America “donated at least $4.8 million in corporate contributions in the past seven years to political groups, partisan organizations and campaigns engaged in federal and state elections”, mostly to oppose ballot measures in two states aiming to introduce conservation drilling in Alaska, BP announced it was ceasing these contributions as BP’s lobbying “is not consistent with our business interests” and disrupt its £900 million offshore drilling operations in the region, but said that it had not been involved in negotiations concerning the release of Megrahi.[413][414]

During the 2008 U.S. election cycle, BP employees contributed to various candidates, with Barack Obama receiving the largest amount of money. [418]a broadly in line with contributions from Shell and Chevron, but significantly less than those of Exxon Mobile.[419]

In 2009, BP spent nearly $18 million lobbying the U.S. Congress.[420] In 2011, BP spent a total of $8,430,000 on lobbying and had 47 registered lobbyists.[421]

Market manipulation investigations and sanctions [edit]

The U.S. Justice Department and the Commodity Futures Trading Commission filed charges against BP Products North America Inc. (subsidiary of BP plc) and several BP traders, alleging they conspired to raise the price of propane by seeking to corner the propane market in 2004.[422][423] In 2006, one former trader pleaded guilty.[424] In 2007, BP paid $503 million in restitution and fines as part of an agreement to defer prosecution.[425] BP was charged with conspiring and manipulating the price of TET propane in 2003 and 2004. BP paid a $125 million civil penalty to the CFTC, established a compliance and ethics program, and installed a monitor to oversee BP’s trading activities in the commodities markets. BP also paid $53 million into a restitution fund for victims, a $100 million criminal penalty, plus $25 million into a consumer fraud fund, as well as other payments.[426] Also in 2007, four other former traders were charged. These charges were dismissed by a U.S. District Court in 2009 on the grounds that the transactions were exempt under the Commodity Exchange Act because they didn’t occur in a marketplace but were negotiated contracts among affiliated companies. The dismissal was upheld by the Court of Appeals for the 5th Circuit in 2011.[427]

In November 2010, U.S. regulators FERC and CFTC began an investigation of BP for allegedly manipulating the gas market. The investigation relates to trading activity that occurred in October and November 2008.[428] At that time, CFTC Enforcement staff provided BP with a notice of intent to recommend charges of attempted market manipulation in violation of the Commodity Exchange Act. BP denied that it engaged in “any inappropriate or unlawful activity.” In July 2011, the FERC staff issued a “Notice of Alleged Violations” saying it had preliminarily determined that several BP entities conspired to raise the price of natural gas in the U.S. in 2005 and 2006.[429]

In May 2013, the European Commission started an investigation into allegations the companies reported distorted prices to the price reporting agency Platts, in order to “manipulate the published prices” for several oil and biofuel products.[430] The investigation was dropped in December 2015 due to lack of evidence.[431]

Documents from a 2016 bid to drill in the Great Australian Bight revealed claims by BP that a large-scale cleanup operation following a massive oil spill would bring a “welcome boost to local economies.”[432] The research suggested that its results probably only relate to humans as well as fish.[433]

A peer-reviewed study published in The American Journal of Medicine reported significantly altered blood profiles of individuals exposed to the spilled oil and dispersants that put them at increased risk of developing liver cancer, leukemia and other disorders.[434]BP disputed its methodology and said other studies supported its position that dispersants did not cause a danger to health.[435]

In 2014, a study was published in Proceedings of the National Academy of Sciences which found heart deformities in fish exposed to oil from the spill. The researchers said that their results probably apply to humans as well as fish.[436]


Hays, Kristen (6 October 2012). "BP sold all of its BP Texas City refinery for up to $12.4 billion". Reuters. 24 October 2012.


Lam, John (18 January 2013). "BP's exit from cellulose ethanol: the assets, the auction, the process, the timing, the story*". Biofuels Digest. Retrieved 16 September 2012.


Solodkin, Vladimir; Vilmarzooni, Oleg; Chewatipid, Nina (17 June 2014). "BP to sign $20 billion LNG supply deal with China's CNCOCC". Reuters. Retrieved 2 April 2016.


"BP: DuPont to biobutanol/R&D: "BP's exit from cellulose ethanol: the assets, the auction, the process, the timing, the story*". Biofuels Digest. Retrieved 16 September 2012.

"BP: DuPont to biobutanol/R&D: "BP's exit from cellulose ethanol: the assets, the auction, the process, the timing, the story*". Biofuels Digest. Retrieved 16 September 2012.

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**Utilities**

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<th>Generation and supply</th>
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<td>Horizon Nuclear Power</td>
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**Other**

Aggreko | AXA Group | Aquamarine Power | Eizen | Enervie Engineering | Hi-Gen Power | Mark Group | Wavegen

Companies with headquarters and/or registered office in the UK but no applicable energy operations within the country shown in *Other*.

**Energy sources**

- Coal
- Coal-fired Power stations
- Coal mines
- Coal mining regions
- Confederation of UK Coal Producers
- Greenhouse gas emissions
- History (where clear)
- National Coal Board
- Open-cut coal mining

**Electricity**

- HVDC Cross-Channel
- HVDC Mayflower
- HVDC Norway
- UK
- World
- World-wide

**Nuclear**

- Advanced coal-cooled reactor
- Franco-British Nuclear Forum
- Magnox
- National Nuclear Laboratory
- Nuclear Decommissioning Authority
- Nuclear Liabilities Fund
- Nuclear power stations

**Oil and gas**

- BIB Pipeline
- Glashoff
- Forties field
- Foster's pipeline system
- Fossil fuels
- Gas infrastructure
- Greenhouse gas emissions
- Hydrocarbon Oil Duty
- Oil and Gas Authority
- National Transmission System

**Renewables**

- Geothermal power stations
- Hydroelectric power stations

**Solar power**

- Wind power
- List of offshore wind farms
- List of onshore wind farms
- North Sea offshore wind
- Power in Scotland

**Government and regulation**

- Carbon Trust
- Caneus
- Committee on Climate Change
- Department for Business, Energy and Industrial Strategy
- Department of Energy and Climate Change
- Department for Environment, Food and Rural Affairs
- Energy Saving Trust
- Environment Agency
- Office of Gas and Electricity Markets

**Legislation and initiatives**

- Display Energy Certificate
- Energy Act 2013
- Energy Performance Certificate
- Fossil Fuel Levy
- Low Carbon Building Programme
- National Industrial Symbiosis Programme
- Non-Fossil Fuel Obligation
- Planning Act 2008
- Renewable Heat Incentives
- Renewable Obligations

**Non-governmental organisations**

- Campaign Against Climate Change
- Carbon Trust
- Centre for Alternative Technology
- Centre for Climate and Energy Policy
- Centre for Ecology
- Centre for Environmental Energy Research
- Centre for Renewable Energy Systems Technology
- Centre for the Study of Energy Policy
- Energy Institute
- Energy Institute
- Hadley Centre for Climate Prediction and Research
- National Grid
- Ovo Energy
- The Co-operative Energy
- U.K. Department for Environment
- United Kingdom Atomic Energy Authority
- U.S. Environmental Protection Agency
- U.S. National Science Foundation
- U.S. National Oceanic and Atmospheric Administration
- U.S. National Renewable Energy Laboratory
- U.S. National Weather Service
- U.S. Department of Energy
- U.S. Energy Information Administration
- U.S. Federal Energy Regulatory Commission

**Charities and pressure groups**

- Airden Award
- Global Bioregional Action Network
- Group Against Climate Change
- Nature Conservancy Council
- Stop Climate Chaos
- Tyndall Centre

**Other topics**

- Asema
- Oil shale gas
- Peak oil
- Pipelines
- Petroleum
- Petroleum recycling
- Shale oil
- Shale gas
- Solar
- Solar power
- Swing producer
- Well intervention
- Wind
- Wind farms

**Other**

- Deepwater Horizon oil spill

**Events**

- Deepwater Horizon oil spill - Volume and extent: Efforts to stop the spill: Timeline (May 2010 - June 2010 - July 2010 - August 2010)

**Companies and organisations**

**Major companies**

- Aggreko
- AXA Group
- Aquamarine Power
- Eizen
- Enervie Engineering
- Hi-Gen Power
- Mark Group
- Wavegen

**Other companies**

- Atlantic
depth
- BP
- Chevron
- ConocoPhillips
- ExxonMobil
- Royal Dutch Shell
- Total

**World**

- America
- Asia
- Europe
- Middle East
- North America
- South America
- South East Asia
- West Asia

**Category**

- Common