BP Proposed Consent Decree

On October 5, 2015, the proposed consent decree among BP, the United States, and the five Gulf states was released. If it is approved, BP will pay:

$14.9 billion

- **$5.5 Billion in Clean Water Act civil penalties**
  - $4.4 billion (80%) will flow through the RESTORE Act
  - $1.1 billion (20%) will go to the Oil Spill Liability Trust Fund

- **$8.8 Billion in Natural Resource Damages**
  - $8.1 billion in natural resource damages (NRD) (includes $1 billion in early restoration funds)
  - Up to $700 million for unknown injuries and adaptive management

- **$600 Million in other payments**
  - $350 million for NRD assessment costs
  - $167.4 million for response costs
  - $82.6 million for claims related to False Claims Act & oil royalties

The proposed decree is not final, but is open for public comment until December 4, 2015.

**Clean Water Act Civil Penalties**

BP has agreed to pay $5.5 billion in Clean Water Act civil penalties, which means that $4.4 billion (80%) will flow through the RESTORE Act. The graph below shows how this $4.4 billion will be distributed:

- Money will be paid over 15 years (starting one year after the consent decree is finalized)
- Interest will accumulate on the unpaid amounts, and will be paid one year after the last civil penalty payment is made
Natural Resource Damages (NRD)

BP has agreed to pay up to $8.8 billion in natural resource damages:

Additional monies for unknown injuries and adaptive management will be funded from two sources:
- **Interest**: accrued, but unpaid interest can be paid starting in 2026
- **Other payment**: $232 M will be paid one year after the final NRD payment

Natural resource damages Payments will occur over a 15-year time period, with the first payment to be made one year after the consent decree is finalized

Some of the details on how the trustees intend to spend the NRD monies are set out in Appendix 2 of the consent decree. This includes setting out five restoration goals, and allocating funding among those goals across eight restoration areas.

Payment Schedule

BP will not be paying settlement monies in one lump sum, but over a period of time:

* This chart assumes the consent decree will be finalized in 2016. It does not include interest payments or early restoration monies that have not been paid.