



BP admits knowing of corrosion problems

Workers had predicted 'major catastrophic event' because of cost-cutting

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WASHINGTON - BP now admits that senior company officials were warned three years ago about serious corrosion problems in the pipeline being shut down this week.

The warnings were laid out in correspondence obtained by NBC News, between Chuck Hamel, an advocate for oil workers, and senior BP officials.

Hamel writes that BP workers had come to him predicting a "major catastrophic event" and warning that "cost cutting" had caused "serious corrosion damage to flow lines and systems."

"They were cheating in what's required of them in normal business practice in an oil field to save money, to cut corners," Hamel says.

BP officials responded at the time, but said: "We cannot investigate or act without specific information."

In the last few months, a number of BP workers have told the FBI that beginning in 1999, supervisors ordered them to cut back on a key chemical — known as corrosion inhibitor — put into the system to protect pipes. After a major spill last March, BP told federal regulators there was "a reduced level of corrosion inhibitor" in the system that failed. Federal officials ordered BP to inject more chemicals into the pipeline.

On Wednesday, BP America's CEO defended the company's anti-corrosion program.

"We're learning," says Ross Pillari. "We recognize that we thought we had a program that was sufficient, that we need to do more."

A learning process likely to soon cost consumers at the pump.

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