



XAVIER BECERRA

Attorney General

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Attorney General Becerra: BP Energy Company Pays \$102 Million in Settlement for Overcharging Californians for Natural Gas

Press Release / Attorney General Becerra: BP Energy Company Pays \$102 Millio...

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SACRAMENTO – California Attorney General Xavier Becerra today announced a \$102 million settlement with BP Energy Company and affiliates (BP) over allegations that it intentionally overcharged the State of California for natural gas that the State purchased under three successive contracts from March 2003 to August 2012. The contracts allowed the California Department of General Services, which buys natural gas for numerous state agencies and political subdivisions, to cap the price it would pay BP for specific volumes of gas. BP regularly quoted and charged the State of California prices that violated this cap and concealed its overpricing by providing false and misleading information. These acts constitute violations of the California False Claims Act.

“BP thought it could get away with providing false and misleading information in order to line its own pockets. Today, we send a clear message: cheating the People of California will cost you more than it's worth,” **said Attorney General Becerra.** “My Office is committed to holding accountable those who unscrupulously put profits ahead of people.”

The case began on July 3, 2012, when a former employee filed a complaint alleging the overcharges. According to the complaint, BP knowingly quoted and charged prices in excess of the contractual price cap. Upon receiving the complaint, the California Attorney General’s Office investigated and concluded that BP was liable for overpricing. The Attorney General intervened in the case and took primary responsibility for prosecuting the action.

Under the settlement, BP will be required to pay \$102 million in damages, which will be shared by the state and local agencies that purchased gas under the contracts, the former employee whistleblower, and the Attorney General’s office.

An electronic version of this release is available at oag.ca.gov/news.

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Attachment	Size
 Settlement Agreement.pdf	606.65 KB