

[Shay Totten, Seven Days](#)

During a Congressional hearing Thursday, U.S. Rep. Peter Welch (D-VT) bluntly asked BP CEO Tony Hayward if the embattled executive should resign.

Welch sits on the House Energy and Commerce Committee, and the panel's Energy and Environment Subcommittee. The latter held a hearing on the BP oil spill where Hayward faced a barrage of questions, and criticism, about his company's role in causing, and now failing to stop, the massive oil leak in the Gulf of Mexico.

Welch noted that BP has been fined repeatedly in recent years for "willful and egregious" violations of federal safety laws. The most recent fine came last fall when the firm was fined \$87 million for criminal violations of safety laws at a Texas facility that was the focus of a years-long probe after an explosion killed 15 workers. Another probe found 700 federal workplace safety violations at a Toledo, Ohio plant. The company also agreed to pay \$380 million in fines for an oil pipeline leak in Alaska, and for committing fraud in energy trading.

Hayward conceded that the company had, in fact, been fined for these violations. But, he added, after a special investigative report led by former Secretary of State James Baker the company began to change its culture of safety.

Welch said the explosion at the Deepwater Horizon rig, which killed 11 workers, seems to indicate BP wasn't really taking safety seriously — simply paying fines as a cost of doing business.

"This catastrophe at Deepwater Horizon was foreseeable and preventable and the evidence was quite clear they disregarded standard safety procedures to basically save a few dollars," Welch told Seven Days. "What Tony Hayward says is largely irrelevant, it's their deeds we have to watch."

Hayward's failure to usher in a culture of safety, Welch argues, directly led to the oil spill in the Gulf of Mexico, which is likely the largest environmental disaster in U.S. history. In addition, the company's own stock has tanked, devaluing the company \$100 billion. For these reasons Welch believes it's time for Hayward to step down.

During the hearing, Hayward sidestepped Welch's question if he should resign. Instead said he was focused on the cleanup and restoring the gulf.

Welch called BP's commitment to set up a \$20 billion fund to help pay for cleanup efforts and to reimburse businesses and individuals for their losses due the oil spill a "down payment."

Welch was one of the first members of Congress to urge BP to forgo issuing \$10 billion in dividends to shareholders until it made whole Gulf Coast citizens and US taxpayers. He, like U.S. Sen. Bernie Sanders (I-VT), supports repealing \$35 billion in tax breaks to BP and other oil giants.

The Senate measure failed on a 61-35 vote earlier this week, and Welch does not believe its prospects are any better in the House.

"It's really quite outrageous," said Welch. He claims the world's largest oil companies cleared \$67 billion in profits last year, and returned \$37 billion to their shareholders, yet U.S. taxpayers are being asked to kick back to them \$35 billion at a time when oil continues to spew into the Gulf of Mexico.

"Congress has got to focus on providing tax breaks to companies that are part of the clean energy economy and not the fat cats who are already profitable on their own but are companies making profits on a 19th century fuel," said Welch.

So, what can Congress do to hold BP — and the federal agencies that OK'd the deep water drilling operation — accountable?

"Once a well blows it's hard to put Humpty Dumpty back together again and that's why I'm asking, 'Why don't we move with real urgency toward a clean energy economy?' We use 25 percent of the world's oil resources, but have only two percent of the world's oil reserves," said Welch.

Despite BP's role in the disaster, Welch believes his committee should do more to ensure that federal regulators aren't too cozy with the people they regulate. In the case of BP, it was the Minerals Management Services, which resides in the Department of the Interior. MMS both regulates, and promotes, the oil and gas industries.

"Look, they blew it," said Welch. "At MMS we've seen a culture of coziness with the industries they were assigned to regulate and this happened over the course of three administrations. There is plenty of blame to share at MMS. Quite frankly, President Obama is a little late to this, but I'm glad to see that he's decided to separate out leasing from regulation at MMS."