

Summary: Wood Group PSN Pleads Guilty to Submitting False Statements and is Ordered to Pay \$7 Million Fine

Report Date: March 22, 2017

OIG investigated allegations that Wood Group Production Services Network, Inc. (WGPSN) systematically failed to comply with Bureau of Safety and Environmental Enforcement (BSEE) regulations related to offshore oil platform inspections, and that WGPSN falsified records associated with required platform inspections.

We substantiated the allegations, and found that from 2011 to 2014, WGPSN falsified inspection reports and maintained documentation that falsely indicated platform facilities had been maintained according to safety and environmental regulations.

The company admitted to submitting 87 false inspection reports to BSEE, and pled guilty to submitting false statements to the Federal Government in violation of Title 18 USC section 1001. Under the plea agreement, WGPSN was ordered to pay criminal fines of \$7 million, and make a community service payment of \$500,000. Additionally, WGPSN entered into a 3-year corporate compliance agreement with the U.S. Department of the Interior and the Environmental Protection Agency.

This is a summary of a report of investigation that was issued to BSEE.

