



**APPEAL PANEL DECISION FORM**

**I. CLAIMANT AND CLAIM INFORMATION**

<b>Claimant Name</b>	Last/Name of Business [REDACTED]	First [REDACTED]	Middle [REDACTED]
<b>Claimant ID</b>	[REDACTED]	<b>Claim ID</b>	[REDACTED]
<b>Claim Type</b>	Business Economic Loss		
<b>Law Firm</b>	[REDACTED]		

**II. DECISION**

Select the Compensation Amount set forth in either BP's Final Proposal or the Claimant's Final Proposal as the final outcome on the claim and check the appropriate box to signify your decision.

<input type="checkbox"/> <b>BP's Final Proposal</b>	<b>Compensation Amount</b>	<b>\$21,943</b>
	<b>Risk Transfer Premium</b>	<b>.25</b>
	<b>Prior Payment Offset</b>	<b>\$0</b>
<input checked="" type="checkbox"/> <b>Claimant's Final Proposal</b>	<b>Compensation Amount</b>	<b>\$38,228.99</b>
	<b>Risk Transfer Premium</b>	<b>.25</b>
	<b>Prior Payment Offset</b>	<b>\$0</b>

**III. PRIMARY BASIS FOR PANELIST DECISION**

Please select the primary basis for your decision. You may also write a comment describing the basis for your decision.

- Error in documentation review.**
- Error in calculation.**
- Error in RT multiplier.**
- Error in Prior Spill-Related Payment Amount.**
- No error.**

**Comment (optional):**

In this BEL appeal, the Claims Administrator awarded a real estate agent in ██████████ Louisiana \$38,228.99, pre-RTP. BP appeals on the basis that the Claims Administrator failed to properly apply Policy 495 so as to match revenue and expenses. BP hangs its hat on a revenue spike of \$17,999 in the last month of the Benchmark Period and revenue of \$0 in one month of the Compensation Period. These positive and negative spikes are seen as red flags to BP signaling the mismatching of revenue and expenses. BP again argues that Policy 495 requires the Claims Administrator to *first* restate revenue that is mismatched from corresponding expenses. Stated another way, BP urges that the accounting vendor should have restated the revenue and expenses prior to applying the seven criteria of 495. BP apparently believes that the Claims Administrator skipped this first step and went directly to the seven criteria. BP seeks remand or alternatively submits an Initial Proposal of \$21,943.

Although BP acknowledges that this claim triggered three of Policy 495's matching criteria, it contends that the Claims Administrator should have corrected Claimant's revenue and applied the Professional Services Methodology to reallocate revenue and expenses. A detailed and exhaustive review of the record, including the Accountant Compensation Calculation Schedules, does not support BP's argument. First, Policy 495 has no provision that requires the initial restatement of revenue and expenses as argued by BP. To the contrary, the first step of 495 requires the accounting vendor only to restate P&Ls for any identified errors such as duplicate entries, mistakes, calculation errors, incorrect posting, etc. Instead, the P&Ls are tested using the seven criteria in Section I to identify mismatching of revenue and expenses. The provisions of Rule 495 explain that it is the application of these criteria that the accounting vendor must utilize to identify mismatches. When

one or more of the criteria are triggered, the revenue and expenses are restated utilizing one of the methods set forth in Section II.

Here, three of the seven criteria were triggered. Thus, Policy 495 required the claim to be adjusted or restated using an appropriate methodology. In this case, the Claims Administrator utilized the Annual Variable Margin (AVM) methodology to restate the Claimant's P&Ls to achieve sufficient matching. BP's argument that the Professional Services methodology should have been utilized is not supported by the record nor the provisions of Policy 495. Further, there is nothing in Attachment F suggesting that a real estate agent should be included in the Professional Services framework. Hence, the Claims Administrator appropriately defaulted to the AVM methodology for this claim.

In effect, BP is asking the Appeal Panel to engraft onto Policy 495 a new first step that requires the restatement of revenue and expenses before resorting to the seven criteria. This argument is unsupported by the provisions of Policy 495. An appeal panelist is bound to interpret and apply the provisions of this court-approved rule as written. Here, the Claims Administrator correctly applied each step of Policy 495 to achieve sufficient matching of revenue and expenses. Further, the AVM methodology was correctly utilized to restate the Claimant's P&Ls. No error has been shown and the award is due to be affirmed.