

CAUSE NO. 05CV0337

MIGUEL ARENAZA, ELIZABETH ) IN THE DISTRICT COURT  
RAMON, DAVID G. CROW and )  
JUANITA G. CROW, et al. )  
) )  
VS. ) 212TH JUDICIAL DISTRICT  
) )  
BP PRODUCTS NORTH AMERICA )  
INC., B.P. CORPORATION )  
NORTH AMERICA INC., DON )  
PARUS, AND JE MERIT )  
CONSTRUCTORS, INC. ) GALVESTON COUNTY, TEXAS

CAUSE NO. 05CV0337-A

IN RE: BP AMOCO EXPLOSION ) IN THE DISTRICT COURT  
MARCH 23, 2005 )  
COORDINATED DISCOVERY ) 212TH JUDICIAL DISTRICT  
PROCEEDINGS )  
) GALVESTON COUNTY, TEXAS

\*\*\*\*\*

ORAL VIDEOTAPED DEPOSITION OF

DONALD PARUS

VOLUME 1

JUNE 22, 2006

\*\*\*\*\*

1 ORAL VIDEOTAPED DEPOSITION OF DONALD PARUS,  
 2 produced as a witness at the instance of the  
 3 Plaintiffs and duly sworn, was taken in the  
 4 above-styled and numbered cause on June 22, 2006,  
 5 from 9:10 a.m. to 5:35 p.m., before Stephanie  
 6 Barringer, Certified Shorthand Reporter in and for  
 7 the State of Texas, reported by stenographic means at  
 8 the offices of Fulbright & Jaworski, 1301 McKinney,  
 9 Suite 5100, Houston, Texas, pursuant to the Texas  
 10 Rules of Civil Procedure and the provisions stated on  
 11 the record or attached hereto.

12 Since this deposition has been realtimed and you  
 13 may be in possession of a rough draft form, please be  
 14 aware that there may be a discrepancy regarding page  
 15 and line numbers when comparing the realtime draft  
 16 and the final transcript. Also, please be aware that  
 17 the realtime screen and the unedited, uncertified  
 18 rough draft transcript may contain untranslated  
 19 steno, a misspelled proper name and/or nonsensical  
 20 English word combinations. All such entries are  
 21 corrected in the final certified transcript. There  
 22 also may be persons receiving the realtimed feed  
 23 outside of the deposition room, but the reporter has  
 24 given this access only to known attorneys of record  
 25 and/or their experts.

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1 INDEX  
 2  
 3  
 4  
 5 PAGE  
 6 DONALD PARUS  
 7 Examination by Mr. Williams ..... 11  
 8 Examination by Mr. Coon ..... 278  
 9 Signature Page ..... 335  
 10 Court Reporter's Certificate ..... 337  
 11  
 12  
 13  
 14 CERTIFIED QUESTIONS  
 15  
 16 Page 289, line 3  
 17 Page 290, line 14  
 18 Page 294, line 23  
 19 Page 333, line 4  
 20  
 21  
 22  
 23  
 24  
 25

1 APPEARANCES  
 2 (Continued)  
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 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
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1 EXHIBITS  
 2 (Continued)  
 3  
 4 EXHIBIT DESCRIPTION PAGE  
 5 495 Email from Don Parus dated 30  
 6 3/18/05, Subject: FW: Update  
 7 from Don - March, 2005,  
 8 BISOME01051097 through  
 9 BISOME01051100  
 10 496 Organizational Chart, 121  
 11 BISOME00711312  
 12  
 13 497 Email from Don Parus dated 174  
 14 2/20/05, Subject: RE: Lunch  
 15 review of AARs BISOE01363209  
 16  
 17 498 Timeline of events from 1999 175  
 18 through March 15, 2005  
 19 499 Note from Don to Front Line 197  
 20 Leaders, BPISOM00132897  
 21 through BPISOM00132899  
 22 500 Telos answers by Don Parus, 241  
 23 BPISOM00129204 through  
 24 BPISOM00129206  
 25 501 Texas City BU Safety Reality, 265  
 BPISOME00009133 through  
 BPISOME00009141  
 502 Plaintiffs' Fourth Amended Notice 279  
 of Intention To Take the Oral  
 and Videotaped Deposition of  
 Don Parus with Subpoena Duces  
 Tecum

Page 10

1                    EXHIBITS  
 2                    (Continued)  
 3  
 4 EXHIBIT            DESCRIPTION            PAGE  
 5 503    Reduced External Supplier and            312  
        Materials Usage, BPISOME01846093  
 6                    through BPISOME01846119  
 7  
 8  
 9  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

Page 11

1                    THE VIDEOGRAPHER: On the record  
 2 June 22nd at 9:10 a.m., beginning Tape 1.  
 3                    DONALD PARUS,  
 4 having been first duly sworn, testified as follows:  
 5  
 6                    EXAMINATION  
 7                    Q. (BY MR. WILLIAMS) Would you state your  
 8 name to the jury, please?  
 9                    A. My name is Donald Parus.  
 10                    Q. Mr. Parus, I am John Eddie Williams. I  
 11 am on the other side of the case taking this  
 12 deposition.  
 13                    Have you had your deposition taken  
 14 before?  
 15                    A. In this case, no, I have not.  
 16                    Q. No, sir, I didn't ask you in this case.  
 17                    Have you had it taken before,  
 18 though, in other cases?  
 19                    A. I have given a deposition 15 plus years  
 20 ago probably in an employment case in a role I had  
 21 around a discharge. So I have given a deposition  
 22 before.  
 23                    Q. It looks to me like you've got three  
 24 lawyers here with you today, Mr. Galbraith,  
 25 Mr. Fernelius, and I have not met the other

Page 12

1 gentlemen here. Is he one of your lawyers, too?  
 2                    A. That gentleman is Jud Starr, yes.  
 3                    Q. Okay. Does he represent you personally  
 4 or does he represent BP?  
 5                    A. He represents me personally.  
 6                    Q. Why do you have a personal lawyer, if I  
 7 may inquire?  
 8                    A. Very early on in a lot of the civil  
 9 cases, I was named personally in the civil cases.  
 10 So I felt I would be best served to seek my own  
 11 personal counsel.  
 12                    Q. Let's go back, a little history. As I  
 13 understand it, you are 50 years old, been with  
 14 somebody some 28 years. You are a chemical  
 15 engineer. You have a master's in business  
 16 administration. You are married with six children,  
 17 came to the Texas City refinery April, 2002. Am I  
 18 correct?  
 19                    A. A couple of minor corrections. I also  
 20 have a master's in chemical engineering as well.  
 21                    Q. Okay.  
 22                    A. And I did not come to the Texas City  
 23 refinery in 2002. I came to BP South Houston,  
 24 which were five petrochemical sites in April, 2002,  
 25 Texas City being one of the five.

Page 13

1                    Q. Thank you.  
 2                    In April of 2002, you came and  
 3 took charge of a group of five facilities, one of  
 4 which was the Texas City refinery?  
 5                    A. I would characterize take charge a little  
 6 differently. Each of the sites at that time had  
 7 their own plant manager and reported up through  
 8 their respective organizations, one being in the  
 9 refining segment, one being in the chemical  
 10 segment. My role in 2002 of April was to provide  
 11 integration value in these five sites.  
 12                    Q. Were you in charge of the five sites  
 13 called the South Houston complex when you were  
 14 transferred here in April of '02?  
 15                    A. I was in charge of the integration value  
 16 of those five sites, not in charge of the five  
 17 sites.  
 18                    Q. What the hell does "integration value"  
 19 mean?  
 20                    A. The five sites --  
 21                    Q. No, integration value.  
 22                    A. I am getting to that.  
 23                    The five sites' integration value  
 24 means I provided services to all of those five  
 25 sites, and then I would optimize the hydrocarbons

Page 14

1 that some sites produced and consumed. And I also  
2 would work on sharing best practices between the  
3 sites.  
4 Q. Does that include safety?  
5 A. I did not have funding for safety at that  
6 time but accrued monitoring personal safety. The  
7 funding for the sites came up through the plant  
8 managers.  
9 Q. Your corporate -- I don't have an MBA.  
10 So you are going to have to speak down to me, quite  
11 frankly. My question is pretty simple, I thought.  
12 Were you in charge of safety at  
13 the five sites when you came and were transferred  
14 here in April of 2002?  
15 A. I was accountable for safety of the five  
16 sites.  
17 Q. What does that -- now, I got to be  
18 precise with an MBA, since you have an MBA and I  
19 don't.  
20 "Accountable," does that mean you  
21 were in charge?  
22 A. It was a --  
23 Q. Is that the same thing?  
24 A. It was a complicated -- it was a complex  
25 set up.

Page 15

1 Q. Well, who was in charge --  
2 A. I was --  
3 Q. -- then? Let me go at it that way.  
4 Who was in charge of safety for  
5 those sites starting --  
6 A. Each --  
7 Q. -- in '02?  
8 A. Each plant manager was in charge of the  
9 safety for those individual sites. It wasn't --  
10 Q. But you weren't in charge of the five  
11 plant managers, were you? Or were you?  
12 A. The five plant managers did not report  
13 directly to me.  
14 Q. Okay.  
15 A. The plant manager, for example, at Texas  
16 City refinery reported and got refining guidance  
17 from Pat Gower, the regional vice president.  
18 Q. Well, let's go at it a different way.  
19 There was some restructuring after  
20 you came in April of 2002 and what I am really  
21 concerned with is March of 2005; and is it true  
22 that in March of 2005 you were in charge of the  
23 Texas City refinery, right?  
24 A. The job evolved since April of 2002; but  
25 to specifically answer your question, in March of

Page 16

1 2003, I was in charge of both the Texas City  
2 refinery and the operations of the Texas City  
3 chemical plant.  
4 MR. GALBRAITH: March of '05?  
5 MR. WILLIAMS: Objection,  
6 nonresponsive.  
7 Q. (BY MR. WILLIAMS) My question is, sir:  
8 March of 2005, were you in charge of the Texas City  
9 refinery? Yes or no?  
10 A. I was in charge of the Texas City  
11 refinery in March of 2005.  
12 Q. Were you responsible for safety in March  
13 of 2005?  
14 A. Yes, I was -- had responsibility for  
15 safety.  
16 Q. Were you the top guy at the Texas City  
17 refinery in March of 2005?  
18 A. Yes, I was the top guy at the site in  
19 March of 2005.  
20 Q. What's a BUL?  
21 A. A BUL is a BP term standing for business  
22 unit leader.  
23 Q. Who was the BUL March, 2005?  
24 A. Of?  
25 Q. Texas City refinery.

Page 17

1 A. In March of 2005, I was the BUL of the  
2 Texas City refinery.  
3 Q. Were you the most visible management  
4 person at that plant?  
5 A. I am not sure I fully understand your  
6 question, Mr. Williams.  
7 Q. Well, if they -- if somebody walked into  
8 that plant and said, "Take me to your leader.  
9 Who's in charge," if aliens invaded, would they  
10 bring them to you, the BUL?  
11 MR. GALBRAITH: Objection, form.  
12 Q. (BY MR. WILLIAMS) As the man in charge?  
13 A. In March of 2005, I was the BUL of the  
14 Texas City refinery.  
15 Q. And how long had you been the BUL of the  
16 Texas City refinery? When did that start?  
17 A. I picked up the BUL role in addition to  
18 the site director role in June of 2004.  
19 Q. So before June, 2004, you were -- you  
20 were site director?  
21 A. That is correct.  
22 Q. Now, let us know what site director --  
23 well, who was the site director in March of '05?  
24 A. There was no site director in March of  
25 '05 because the company spun off some of the

Page 18

1 process plants to a separate company. The Texas --  
2 the South Houston site went from the integrated  
3 site into two separate companies.  
4 Q. Okay. Well, let's go back, then.  
5 You had been site director for a  
6 while. Then you were a BUL. And when did you  
7 first become the top guy responsible for safety at  
8 the plant?  
9 A. I would best describe that as it was  
10 really an evolution of three roles. The first  
11 role --  
12 Q. Just when was the first question, and  
13 then we will get to the evolution, please.  
14 A. Can you repeat your question, then,  
15 Mr. Williams?  
16 Q. When did you become the top guy in charge  
17 of safety at the Texas City refinery?  
18 A. In early June of 2004.  
19 Q. Who had that -- who was the top  
20 businessman in charge of safety before June of '04?  
21 A. The BUL or business unit leader before  
22 2004 was Rick Hale.  
23 Q. When did you first become familiar with  
24 the Texas City refinery? Would that be when you  
25 became site director in 2003?

Page 19

1 A. I actually became site director in 2002.  
2 Q. Thank you for correcting me.  
3 Would that be the time that you  
4 first became familiar with that plant?  
5 A. I had -- I had visited the plant on  
6 occasions before that but never had worked at the  
7 plant prior to April of 2002.  
8 Q. Okay. Is it fair to say that in April of  
9 2002 you started learning about the culture of the  
10 Texas City refinery, right?  
11 A. It would be fair to say I learned some  
12 aspects of its culture starting in April of 2002.  
13 Q. Who is Lord Browne?  
14 A. Lord Browne is the chief executive  
15 officer for BP corporation.  
16 Q. He is the top of the top of the top.  
17 There is nobody higher than Lord Browne, is there?  
18 A. No, sir.  
19 Q. And Lord Browne lives in London, right?  
20 A. I believe so.  
21 Q. You know Lord Browne, don't you?  
22 A. I have met Lord Browne on several  
23 occasions.  
24 Q. Okay. Lord Browne, when he speaks, he  
25 speaks for British Petroleum, doesn't he? I mean,

Page 20

1 there is -- if you want to go to the highest level  
2 for a spokesman for British Petroleum, you go to  
3 Lord Browne, right?  
4 MR. GALBRAITH: Objection, form.  
5 A. Lord Browne is the highest ranking  
6 position for BP.  
7 Q. (BY MR. WILLIAMS) Lord Browne told the  
8 press some seven days ago on June 15th that, quote,  
9 We had a broken safety record at BP, close quote.  
10 Are you -- are you here to agree  
11 or disagree with Lord Browne?  
12 A. That is a very general statement. I  
13 disagree with some aspects of that statement, but  
14 it could apply.  
15 Q. Do you agree with any aspects of it?  
16 A. The incident did occur in March, which  
17 would indicate things -- some things were wrong.  
18 However, prior to the incident, many things were  
19 moving in the right direction regarding safety.  
20 MR. WILLIAMS: Objection,  
21 nonresponsive.  
22 Q. (BY MR. WILLIAMS) Okay. Let's dissect  
23 what Lord Browne says to the press and the world.  
24 He says, "We had a broken safety record at Texas  
25 City."

Page 21

1 Can you agree with any aspect of  
2 that statement?  
3 A. The statement is just, Mr. Williams, too  
4 general for me to agree with in total. I am not  
5 sure what he meant by that.  
6 Q. I am not either, but I am asking you not  
7 in total. Is there any aspect of it?  
8 I mean, will you acknowledge in  
9 any way that Lord Browne was correct in saying that  
10 we had a broken safety record at that facility?  
11 MR. GALBRAITH: Objection, form.  
12 Q. (BY MR. WILLIAMS) Can you acknowledge it  
13 in any way?  
14 MR. GALBRAITH: Objection, form.  
15 A. I am not aware of what Lord Browne meant  
16 by that statement. So I just don't want to  
17 interpret or try to put words in his mouth what he  
18 meant.  
19 Q. (BY MR. WILLIAMS) Okay. I am going to  
20 make the statement.  
21 You had a broken safety record at  
22 Texas City refinery. Agree or disagree, Mr. Parus?  
23 A. I would disagree with that statement.  
24 Q. Okay. So that now we know that you  
25 disagree that there was a broken safety record

1 there, how many deaths have there been at the Texas  
2 City refinery?

3 A. Over what period time period, sir?

4 Q. Since it started.

5 A. I do not know that answer.

6 Q. Well, what's the best -- give me -- you  
7 know you are under oath to give me the most  
8 complete answer you can.

9 So what's -- what is your  
10 knowledge of how many deaths that you are aware of?

11 A. Over a 30-year span, I am aware there  
12 were 23 fatalities over a 30-year span.

13 Q. Wait a minute. You are under oath, sir.

14 MR. GALBRAITH: Objection, form.

15 Q. (BY MR. WILLIAMS) I asked you how many  
16 fatalities at that facility and you are telling me  
17 23?

18 A. Prior to the March incident.

19 Q. Oh, you left the March incident out?

20 A. No, you asked me the history of it.

21 Q. No. You left the March incident out,  
22 didn't you, sir?

23 A. I did not include the March incident in  
24 the numbers I stated.

25 Q. So let's go back.

1 You were aware, then, of how many  
2 fatalities at that plant in the past?

3 A. Prior to the March 23rd incident, I was  
4 aware of 23 fatalities over a 30-year spread.

5 Q. I am sorry. I don't have an MBA, so I am  
6 going to make it -- try and make it simple.

7 How many deaths are you aware of  
8 at the Texas City refinery in its history?

9 A. 30 years would be 23 plus the 15 on the  
10 23rd would make it -- would make it 38 fatalities  
11 over a 30-year spread.

12 Q. 38 fatalities over a 30-year spread is  
13 what you are aware of, correct?

14 A. Correct.

15 Q. Okay. So we are going back to this  
16 statement that it did not have a broken safety  
17 record.

18 Is that a good safety record from  
19 your perspective, 38 fatalities over 30 years?

20 A. From my perspective, that would not be a  
21 good safety record.

22 Q. Is that a -- well, is it a good safety  
23 record or an average safety record?

24 A. If you are looking through safety and  
25 fatalities, it is a poor safety record.

1 Q. Okay. What keeps it from being as Lord  
2 Browne and John Eddie Williams say, that it's a  
3 broken safety record?

4 A. The reason I disagreed with your  
5 statement is I don't understand what you mean by  
6 "broken." If you want to be more specific and ask  
7 specific questions, I gladly would answer them.

8 But "broken," I mean, I would  
9 describe it as, from a fatality lens, it was a  
10 poor, a very poor safety record.

11 Q. Okay.

12 A. I am disagreeing with the choice of  
13 words.

14 Q. So we have gotten it to a very poor  
15 safety record?

16 A. Looking through the fatality lens.

17 Q. Well, let's continue to look because do  
18 you know of a better ultimate measure than how many  
19 people you kill?

20 A. Safety, you can look through many lens.  
21 That is a very important one.

22 Q. Do you -- my question -- no, sir. Again,  
23 I don't have an MBA. So we may have trouble  
24 communicating.

25 Do you know of a more important

1 indicator of the safety of a plant than the number  
2 of people that have been killed at that plant?

3 A. No, sir.

4 Q. That is the most important safety record  
5 to look at is the number of people killed, right?

6 A. Yes, sir.

7 Q. And your plant, Texas City refinery, had  
8 38 deaths in 30 years. And my question is: Do you  
9 know of any plant, any refinery in America, that in  
10 that same time period came close to killing that  
11 many people?

12 A. I am not aware of any because I don't  
13 know the data.

14 Q. As far as you know, that is the worst  
15 safety record in America, correct?

16 A. I don't know the record of other plants.  
17 That's why I am not answering your question that  
18 way. I do not know the records of other plants.

19 Q. See, that's my problem. You shared with  
20 us that it is the most important indicator of  
21 safety, yet you don't know what the other plants in  
22 America -- you didn't know how your plant stacked  
23 up against other plants in America.

24 Is that correct? Is that what you  
25 are trying to tell us?

1 A. All plants, I did not know that  
2 information.  
3 Q. Did you ever try and look?  
4 A. I did not ask that question.  
5 Q. Well, if that's the most important safety  
6 record, why would you not -- or the most important  
7 safety indicator, well, why wouldn't you ask that  
8 question is what we want to know?  
9 MR. GALBRAITH: Objection, form.  
10 A. I asked the question at the Texas City  
11 site.  
12 Q. (BY MR. WILLIAMS) Yeah.  
13 You never asked to compare  
14 yourself with other plants to see if you are  
15 killing more or less than other plants?  
16 A. I did not.  
17 Q. Okay. And my question is: Why?  
18 A. I was focused on improving the Texas City  
19 site. In my mind, a fatality is unacceptable. If  
20 others had been better or worse, it wouldn't change  
21 my views at the site.  
22 Q. So you were going to stick with your plan  
23 no matter what?  
24 A. I was --  
25 MR. GALBRAITH: Objection, form.

1 A. Which plan, sir, Mr. Williams?  
2 Q. (BY MR. WILLIAMS) Well, you said -- if I  
3 understood you, you said knowing how your plant  
4 stood up against other plants was not important to  
5 you because you were going to stick with trying to  
6 improve it no matter what, right?  
7 A. I would stick to driving the fatalities  
8 to zero was my plan.  
9 Q. Yeah. And my point is: There is some  
10 people, perhaps, on the jury that think like I do  
11 that maybe you want to know the depth of the  
12 problem, the breadth of the problem, how  
13 significant the problem is in order to know what  
14 resources to apply to the problem and you might say  
15 and want to know, "Gosh, this is -- we are industry  
16 average, we are above average or below average."  
17 But you didn't -- you chose not to  
18 find out if you were above average or below  
19 average, right? Correct?  
20 A. In that metric, that is correct.  
21 Q. And do you know anybody at BP that ever  
22 stopped to ask the question: Is the Texas City  
23 refinery below industry average or above industry  
24 average with regard to the number of people we're  
25 killing?

1 A. I don't know --  
2 MR. GALBRAITH: Objection, form.  
3 A. I don't know if somebody asked that  
4 question or not. I am not aware of it.  
5 Q. (BY MR. WILLIAMS) So if you were the  
6 worst plant in America, had the worst safety record  
7 as far as deaths in America, would that be more  
8 alarming than to say that "we are industry  
9 average"?  
10 A. It would be more alarming.  
11 Q. Do you know of any plant in America that  
12 had a worse fatality record before the fire and  
13 explosion than yours?  
14 A. I did not know the data, so I can't tell  
15 you I knew of a plant that was worse than Texas  
16 City.  
17 Q. Now, did you have the power to shut down  
18 the plant?  
19 A. I had the power to shut down the plant.  
20 Q. You had the power to fire people?  
21 A. I had the power to fire people for the  
22 right cause.  
23 Q. You had the power to hire people?  
24 A. I had the power to hire people.  
25 Q. What was the value of this plant that you

1 were entrusted with?  
2 A. I'd estimate it at about a billion and a  
3 half capital employed.  
4 Q. Is that, I mean, 1.5 --  
5 A. 1.5 --  
6 Q. -- billion dollars --  
7 A. -- billion dollars capital employed.  
8 Q. Well, that means \$1.5 billion was  
9 entrusted to you, that asset at that plant, right?  
10 A. That is correct.  
11 Q. That plant was profitable, wasn't it?  
12 A. In some years.  
13 Q. Well, let's -- let's in -- let's take  
14 2005. That plant was printing money, wasn't it?  
15 A. I don't even know what the plant made in  
16 2005, Mr. Williams. I left --  
17 Q. Let's take January of 2005. That plant  
18 was printing money, wasn't it?  
19 A. The first quarter of 2005 numerous units  
20 were down, so I would not characterize it in 2005  
21 as printing money.  
22 Q. Now, you are using MBA on me. I asked  
23 about January and you asked about -- and you  
24 answered first quarter.  
25 Why did you not -- why did you



1 avoid answering January?  
 2 A. I don't know January's number.  
 3 Q. You really don't?  
 4 A. No, I do not. I just don't recall it.  
 5 Q. Okay. True or false question.  
 6 In January of 2005, that plant was  
 7 simply printing money?  
 8 A. I do not know, so I cannot answer true or  
 9 false.  
 10 Q. How much was it making in January of  
 11 2005?  
 12 A. Again, I do not know that number at this  
 13 stage.  
 14 Q. No -- give us an estimate, sir.  
 15 A. I can't even give you an estimate. I  
 16 know 2004 numbers. I do not know the 2005 numbers.  
 17 I just don't recall.  
 18 Q. Well, maybe I can refresh your memory,  
 19 sir. I will show you a document.  
 20 MR. WILLIAMS: Let's mark that,  
 21 please. What would the number be?  
 22 (Exhibit Number 495 marked for  
 23 identification.)  
 24 Q. (BY MR. WILLIAMS) 495, and this document  
 25 is to -- you see it's marked 3/18/2005. That's

1 March 18th.  
 2 It's about five days before the  
 3 fire and explosion we are talking about in this  
 4 case, right?  
 5 A. Yes, sir.  
 6 Q. And it says -- I see up there to Kilgore,  
 7 William R; and the second name it is to is Parus,  
 8 Donald L. Is that you?  
 9 A. That is me.  
 10 Q. And if we look down here, it is in  
 11 response to a memo from Don Parus. Is that you?  
 12 A. It's isn't focussed.  
 13 Q. That's from you, March 17th, right?  
 14 A. That is correct.  
 15 Q. Okay. In that memo, let's look at the  
 16 second page of your e-mail. And it says, "The  
 17 Texas City site undoubtedly experienced the best  
 18 profitability ever in history last year."  
 19 That would have been 2004, right?  
 20 A. That is correct.  
 21 Q. Y'all were printing money, weren't you?  
 22 A. You asked me the question as to what the  
 23 profit was in January, and I responded I did not  
 24 know if we were printing money in January.  
 25 Q. I am asking you -- please focus because I

1 am trying to be very precise.  
 2 Were you printing money in 2005?  
 3 A. I do not know that.  
 4 Q. Again, let me look at your memo here; and  
 5 it goes down to say -- these are -- this is a memo  
 6 you wrote that says, "The refinery made nearly  
 7 \$100 million in profit in January alone."  
 8 A. Now, I know the number. Now, I remember.  
 9 MR. GALBRAITH: Could you let him  
 10 see the memo?  
 11 MR. WILLIAMS: Yeah.  
 12 MR. GALBRAITH: Please.  
 13 MR. WILLIAMS: It is -- I will  
 14 give you the ISOM number, and you can look at it.  
 15 But here. It's right here, Jim.  
 16 MR. GALBRAITH: All I am asking is  
 17 that --  
 18 MR. WILLIAMS: Jim, don't  
 19 interrupt.  
 20 MR. GALBRAITH: Well, if you are  
 21 going to ask him questions about that, I think he  
 22 ought to at least be able to look at it besides the  
 23 paragraphs that you are showing on the board.  
 24 MR. WILLIAMS: Thank you. I  
 25 appreciate your comment.

1 MR. GALBRAITH: So you are not  
 2 going to let him look at it.  
 3 MR. WILLIAMS: Jim, please quit  
 4 interrupting.  
 5 MR. GALBRAITH: Okay.  
 6 MR. WILLIAMS: Or I am going to  
 7 call the judge and have your ass removed if you  
 8 keep interrupting.  
 9 MR. GALBRAITH: So the record is  
 10 clear, you are just not going to let him look at  
 11 the memo you are asking him about?  
 12 MR. WILLIAMS: I am putting it on  
 13 the overhead. I'm asking about specific areas.  
 14 MR. GALBRAITH: I know that, which  
 15 confirms that you are not going to let him look at  
 16 the memo in its entirety to see context.  
 17 MR. WILLIAMS: Whatever you think,  
 18 sir.  
 19 Q. (BY MR. WILLIAMS) Okay. We agree now  
 20 that you wrote a memo showing that the refinery  
 21 made nearly \$100 million profit in January alone,  
 22 right?  
 23 A. I agree I wrote that memo.  
 24 Q. And in the previous year, 2004, you wrote  
 25 a memo, your words, "The Texas City site

1 undoubtably experienced the best profitability ever  
2 in history last year," right?

3 A. That is correct.

4 Q. And you are an MBA. You understand  
5 profit, don't you?

6 A. I understand profit.

7 Q. And so it was the most profitable -- most  
8 profitable in its history in '04; and it was making  
9 a hundred million a month in January of '05, right?

10 A. According to me it had made a hundred  
11 million in January, not a hundred million a month.  
12 Just a slight clarification.

13 Q. It was --

14 A. I don't --

15 Q. -- printing money, wasn't it?

16 A. It was making significant money.

17 Q. Was it printing money?

18 A. I believe I have used those words at  
19 times to describe it, yes.

20 Q. Your own words are that you have said in  
21 the past in other -- when you gave a statement to  
22 the BP lawyers, you have said, quote, "We were  
23 printing money," right?

24 Do you want to look at your  
25 statement? Is that correct, your words?

1 A. Those are my words in reference to 2004.

2 Q. Okay. Now, we got on to this because we  
3 were talking about your ability to shut down the  
4 plant or your decision, if you wanted to, to shut  
5 down the plant.

6 Did you get bonuses based on the  
7 profitability of that plant?

8 A. For 2004?

9 Q. For any time.

10 A. One of the elements of bonuses is  
11 profitability for that plant.

12 Q. Well, there's no question you work for a  
13 company that is one of the largest in the world,  
14 right?

15 A. It is a very large company. It's one of  
16 the largest in the world.

17 Q. And, in fact, if you were to take the BP  
18 plant in Texas City alone, take it out of that --  
19 the empire known as BP, just that one plant in  
20 Texas City would have made the Fortune 300 in the  
21 United States -- or in the world, right?

22 A. I knew it would make the Fortune 300  
23 companies.

24 Q. Just that one plant was one of the 300  
25 largest business entities in the entire world,

1 right, that one plant?

2 A. For 2004, yes.

3 Q. And if you -- but it wasn't a stand-alone  
4 plant. It was a part of an empire known as BP,  
5 right?

6 MR. GALBRAITH: Objection, form.

7 A. BP was a business unit in the BP  
8 corporation.

9 Q. (BY MR. WILLIAMS) Well, it's an empire.  
10 The sun never sets on BP, doesn't it? It's  
11 worldwide?

12 A. BP is a global company. That's correct.

13 Q. The sun never sets on the BP empire.  
14 Would you agree?

15 A. I've never characterized it as a BP  
16 empire. I'd characterize it as a global company.

17 Q. The sun never sets on the global company,  
18 then, right?

19 A. I've never thought of it that way.

20 Q. Well, think about it. Think about it for  
21 a second.

22 Do you know of any place that  
23 there's at any given moment -- isn't -- the sun  
24 isn't shining on a BP plant --

25 A. I don't know --

1 Q. -- or facility?

2 A. -- all its geographical locations well  
3 enough to answer that.

4 Q. Well, what are its geographical  
5 locations? We've got North America, right?

6 A. That's correct.

7 Q. South America?

8 A. That's correct.

9 Q. We've got Europe?

10 A. That's correct.

11 Q. We've got Africa?

12 A. That is also correct.

13 Q. Asia?

14 A. Parts of Asia.

15 Q. Australia?

16 A. Some facilities in Australia.

17 Q. Antarctica? Antarctica?

18 A. I am not sure.

19 Q. Well, so what continents have I missed?

20 We've got North America, South America. There's  
21 Europe, Africa, Australia, Antarctica.

22 The only thing you are not sure  
23 about is Antarctica, right?

24 A. I don't know if we have anything in  
25 Antarctica.

1 Q. Okay. Now, what was the condition of the  
2 Texas City plant that -- well, first of all, do you  
3 know of any plant in the Texas City -- or in the BP  
4 empire that was making more money than Texas City  
5 in 2004? And, as we know, in 2005, the first month  
6 at least, it was making a hundred million.

7 A. In 2004, the BP Texas City refinery made  
8 the most money that I am aware of all process  
9 plants.

10 Q. It was a cash cow?

11 A. It was a cash generator in 2004, that's  
12 correct.

13 Q. For us non-MBAs, I call it a cash cow.

14 You have heard that term, haven't  
15 you?

16 A. I have heard that term.

17 Q. Okay. So it was the Number 1 earner for  
18 BP in 2004?

19 A. That is correct.

20 MR. GALBRAITH: Objection, form.

21 Q. (BY MR. WILLIAMS) And how much was that?

22 A. Upwards of 900 million is about the  
23 closest. I can't remember the number exactly.  
24 It's close to that range.

25 Q. Shy of a billion dollars?

1 A. It was definitely shy of a billion  
2 dollars. We did not make the billion dollar mark.

3 Q. Were you shooting for the billion dollar  
4 mark in 2004?

5 MR. GALBRAITH: Objection, form.

6 A. I am not sure I understand what you mean  
7 by "shooting for."

8 Q. (BY MR. WILLIAMS) Well, was that your  
9 goal? I will --

10 A. My goal and plan was not a billion  
11 dollars.

12 Q. What was your goal?

13 A. I would have to look at the contract to  
14 be able to cite the number. It was significantly  
15 less than the 900 million mark.

16 Q. Now, sitting here today, wouldn't you  
17 agree, Mr. Parus, at some point during 2004, didn't  
18 you think, "It sure would look good on my resume if  
19 my plant generated a billion dollars that year,"  
20 right?

21 A. I never looked at it in the context of a  
22 resume. I mean, I would say it would look good for  
23 the plant to make a billion dollars.

24 Q. Okay. So you did think about it would  
25 look good -- you knew in your mind it looked good

1 for the plant if it made a billion dollars, right?

2 A. It would be good for the plant because  
3 the plant had numerous years before that of not  
4 making very much money.

5 Q. Okay. And then in 2005, we know in  
6 January it was making a hundred million and if it  
7 consistently stayed there, it would have blown away  
8 the billion dollar goal. It would have gotten up  
9 to 1.2 billion if it could keep that level, right?

10 A. If you could extrapolate out the January  
11 year times 12, it would hit 1.2.

12 Q. And did you think of that as a goal?

13 A. Not for 2005.

14 Q. What was your goal for 2005?

15 A. I can't answer. I would have to look at  
16 the contract to refresh my memory on what the  
17 number was. It was nowhere near a billion dollars.

18 Q. Okay. What contract do you speak up?

19 A. The contract, the plan, the plan for the  
20 site that's submitted to London each year as the  
21 number anticipated as what you anticipate to make  
22 for that year.

23 Q. I want to try and find that document.

24 What would the name of that document be?

25 A. "Performance Contract" is how it would be

1 titled.

2 Q. And when would it be submitted to London?

3 A. It goes through several iterations.

4 Sometime the first quarter it would be submitted.

5 Q. The first quarter of what year?

6 A. 2005.

7 Q. Now, when you reached a hundred million a  
8 month in January, was that the biggest month you  
9 had ever had?

10 A. I don't believe so, but I can't  
11 accurately state that. I don't know what the month  
12 by month numbers were in 2004.

13 Q. Well, did you get any calls from London  
14 or kudos or somebody saying, "Mr. Parus, that's  
15 pretty good, a hundred million dollars this month.  
16 Keep it up, buddy"?

17 A. I may have. I just don't recall at this  
18 point.

19 Q. It seems like if you put a hundred  
20 million dollars a month in London's pocket somebody  
21 would have given you a pat on the back or told you  
22 to keep it up. You're saying they didn't?

23 A. Well, the performance contract is for a  
24 year. It's not measured by one month. This is a  
25 margin business. You could make a hundred in one

1 month, and you could lose a hundred the next month.  
2 I just don't recall somebody personally calling me  
3 and thanking me for the hundred million.

4 MR. WILLIAMS: Objection,  
5 nonresponsive.

6 Q. (BY MR. WILLIAMS) So let's go to the  
7 condition of the plant when you took over as BUL in  
8 June of 2004. You had been in the chemical or  
9 refining business at that point 26 years, 25 plus  
10 years?

11 A. At that point I would say I probably had  
12 about 15 years in manufacturing in the  
13 petrochemical business.

14 Q. Okay. So when you looked at the plant,  
15 would you say that this was a plant that from  
16 appearance, outside appearance sake, looked like it  
17 had been well maintained? It looked nice and shiny  
18 and things were well painted and everything was in  
19 good condition?

20 A. No, I would not.

21 Q. Would you agree, as some people have  
22 written, that this plant was rundown and neglected  
23 and had a history of having been neglected when you  
24 took it over in June of '04?

25 A. I would characterize it as -- or describe

1 it as the plant had been underinvested for a period  
2 of years and that that was being turned around in  
3 the time period of 2004.

4 Q. Okay. "Underinvested," is that an MBA  
5 term?

6 A. "Underinvested," I would describe as -- I  
7 am not sure if it's an MBA term. "Underinvested"  
8 means there was less capital invested, being spent  
9 at the site, less dollars.

10 Q. It seems to -- let me put it in simple  
11 terms for a guy who grew up in Pasadena.

12 It seems that the simple term I  
13 think of is you hadn't been -- BP hadn't been  
14 spending the money to maintain this facility like  
15 it should have been maintained at the point you  
16 took it over in June of '04, true?

17 A. Over a -- over a period of many years, I  
18 would agree that there was less money being spent  
19 at that site.

20 Q. It had --

21 A. I don't have the time -- I don't know the  
22 exact timeframe, not having the history.

23 Q. But when you took a look at it, it was  
24 obvious to the -- to the casual observer, it had  
25 been neglected?

1 A. Yes.

2 Q. And sometimes things had been postponed,  
3 turnarounds, improvements, paintings, going out and  
4 doing studies of relief valves and stuff, those  
5 things had been postponed. You found that out when  
6 you took over in '04, right?

7 A. There were things that were deferred,  
8 yes.

9 Q. There had been budget cuts in the past at  
10 BP, correct?

11 A. Which timeframe, sir?

12 Q. During your history of being with BP.

13 A. In the 1999 to 2004 period, I am aware  
14 there were some budget cuts.

15 Q. Well, aware of -- let's be honest with  
16 this jury.

17 In fact, there was a mandate from  
18 London, from the almighty Lord Browne, that budgets  
19 be cut 25 percent, right?

20 A. And the reason I used the word I was  
21 aware of it because during that time period for  
22 three years I was in a corporate role as vice  
23 president, procurement. So, therefore, that did  
24 not impact me.

25 Okay. So that's why I am

1 answering your question I was aware of it, but I  
2 was not running a plant or in a plant during that  
3 time period.

4 Q. Well, I am just trying to confirm for  
5 this jury that from 1999 to the period when you  
6 took over this plant in 2004, during that time  
7 period, there had been a mandate from the almighty  
8 Lord Browne, "Cut overhead by 25 percent."

9 You're aware of that, right?

10 A. I am aware of a 25 percent cost  
11 challenge, but I would not attribute that or track  
12 that back to Lord Browne. I would attribute it  
13 back to the segment group vice president at the  
14 time, Doug Ford.

15 Q. Okay. I don't care who made the ultimate  
16 decision; but somebody in the top people at BP in  
17 the 1999 to 2004 timeframe had sent out the word,  
18 "Thou shall cut cost by 25 percent," true?

19 A. I am aware of it in 1999 to take place  
20 over a three-year period of time.

21 Q. Okay. And one of the results of that was  
22 that when you got there in June of 2004, you could  
23 see that this plant had been neglected  
24 maintenance-wise and investment-wise, true?

25 A. I could see the plant was underinvested,

1 but I don't know if I could directly attribute it  
2 to that challenge or something else.

3 Q. Underinvested, is that the same as they  
4 weren't parting with the money to do what needed to  
5 be done to keep that plant in a first class  
6 condition?

7 A. That's correct.

8 Q. Where were you on March 23, 2005?

9 A. I was at the site, at the Texas City  
10 site.

11 Q. Where?

12 A. At what time period? What time of the  
13 day, sir?

14 Q. Let's say at the time of the fire and  
15 explosion.

16 A. I was in route. I had given a lunching  
17 presentation to the administrative assistants, as I  
18 typically do on a quarterly basis, and I had left  
19 the site -- I did not drive through it. I had left  
20 the site and was in route to grab some lunch and  
21 head back to my office. I was just outside the  
22 site when it occurred.

23 Q. You were headed to or from lunch when the  
24 fire and explosion occurred?

25 A. Heading back.

1 Q. Okay. And what did you see or  
2 experience?

3 A. I got a call first that described that we  
4 had a fire and explosion. I asked if everybody was  
5 accounted for. I received the answer "no." And I  
6 believe Kathleen Lucas was the person who called  
7 me.

8 As I got close to the office, I  
9 could see a cloud of smoke; and I immediately then  
10 went into what we call our emergency management  
11 team room and began to set up there.

12 Q. Okay. Now, Mr. Parus, are you familiar  
13 with the final report that BP made on this -- with  
14 regard to this fire and explosion?

15 A. Issued by John Mogford, sir?

16 Q. Yes, sir.

17 A. I am familiar with that report.

18 Q. You have studied it?

19 A. I have read the report, sir.

20 Q. As you sit here today, do you have  
21 disagreement with that report?

22 A. That report is quite voluminous in its  
23 volume. Let me break it into a couple of sections  
24 to answer that question -- better answer that  
25 question for you.

1 There is a significant amount of  
2 that report dealing with the details surrounding  
3 the incident. I am assuming that the interviews  
4 and data that the team did, that that's accurate.  
5 I have no reason to believe that the details  
6 associated with that are incorrect or have been  
7 inaccurately reported.

8 I just don't have the -- I didn't  
9 do -- I was not part of the investigation, did not  
10 sit in the interviews, did not collect the data.  
11 So it's difficult for me to disagree with it, but I  
12 have no basis to say that the facts of that  
13 incident are incorrect.

14 There are some areas that I recall  
15 that, I believe, the investigation team made about  
16 the site, looking through just the ISOM unit, that  
17 I would disagree with.

18 Q. Okay. I'd like to list your  
19 disagreements with the report?

20 A. Some of them I recall. I mean, there was  
21 reference that -- I am going to give a couple of  
22 them that I recall. The team stated that the site,  
23 for example, had no site -- no site management  
24 leadership audits that got advisability in the  
25 plant. I mean, that's not true. I mean, every

1 Monday we went out as the leadership team in the  
2 van and spent two hours at a particular unit doing  
3 audits, safety audits.

4 We did not make it to the ISOM  
5 unit because it was started up over six months.  
6 Because of the size of the plant, we had not made  
7 it to the ISOM. But we had visited numerous units,  
8 for example.

9 There was reference that there was  
10 no process safety management priorities and, I  
11 believe, no process safety metrics. The process  
12 safety audit done in 2004, that's not how it was  
13 communicated to me, that we did not have a priority  
14 on process safety.

15 In fact, the one thing that was  
16 raised was we did not have a process safety metric  
17 on follow-up action items and we --

18 Q. What's a metric?

19 A. Be able to measure is a metric.

20 Q. Oh.

21 A. Something you would measure, something  
22 you would track.

23 The -- we added that for 2005 on  
24 the follow-up action. So I have a little  
25 disagreement with that.

1 There was reference that the site  
2 was only inward looking, did not take new ideas or  
3 plans from the rest of the segment. And several  
4 things we had just implemented were from outside  
5 the site and outside the segment, the business.

6 I mean, a couple of examples would  
7 be is we had just put shift directors on site.  
8 That was an idea we took from the chemicals  
9 business.

10 We also then put in a compliance  
11 delivery process and just culture program; and  
12 that's something that was taken from the upstream  
13 and, I believe, also was used at another  
14 competitor. So I took exception with the site  
15 being inwardly located -- inwardly refocused.

16 There may have been others, but  
17 those are the ones -- the only ones that I recall  
18 at this point in time.

19 Q. Who was responsible for the fire and  
20 explosion of March 23, '05?

21 A. The responsibility for that lied with  
22 many people all the way up the chain and, I believe  
23 looking at the report, it also stated that a lot of  
24 the conditions pre-existed for years beforehand  
25 leading up to that. So I would say that there was

1 a significant chain responsibility and not just  
2 include the people at the site.

3 However, given the position I was  
4 in as being the plant manager or BUL at the time, I  
5 would assume the responsibility that comes with  
6 that role.

7 Q. You've -- you used to run the maritime  
8 unit for BP. You ran a bunch of ships, didn't you?

9 A. No, sir.

10 Q. It wasn't you?

11 A. No, sir. Never.

12 Q. I'm thinking of the wrong person.

13 Are you familiar with the term or,  
14 you know, the captain goes down with the ship?

15 A. I have heard the term.

16 Q. Does that apply to you?

17 A. I am not sure I understand your analogy.

18 Q. Well, bluntly, man to man, do you feel  
19 that in some ways you have been blamed for this  
20 fire and explosion by your own company?

21 MR. GALBRAITH: Objection, form.

22 A. I don't know what the company feels  
23 regarding blaming me. I mean, I have worked in  
24 corporations for 28 years now. I understand how  
25 corporations function.

1 What I do know is I believe and I  
2 firmly believe that I was trying to help that site  
3 and improve the site. I was not the cause of the  
4 site's issues.

5 Q. (BY MR. WILLIAMS) Nevertheless, do you  
6 believe, though, sir, that -- do you believe you  
7 have been treated fairly since this fire and  
8 explosion by BP?

9 A. Although I understand their actions, I do  
10 not agree with them.

11 Q. Okay. And do you -- I am going to press  
12 you on this. I know this is, perhaps, a tough  
13 subject.

14 But do you think they have treated  
15 you fairly?

16 MR. GALBRAITH: Objection, form.

17 A. I am not happy with the way that BP  
18 treated me following May 13th.

19 Q. (BY MR. WILLIAMS) Okay. In fact, BP  
20 made the decision to relieve you from  
21 responsibility for that plant in May of 2005,  
22 correct?

23 A. That is correct.

24 Q. And did you receive that dismissal from  
25 your position, so to speak, by e-mail?

1 A. No. It was a face-to-face meeting.

2 Q. With Pat Gower?

3 A. It was a face-to-face meeting in Chicago  
4 with Pat Gower and Simon Drysdale, the vice  
5 president of human resources.

6 Q. Ross Pillari involved?

7 A. Ross was not at that meeting.

8 Q. Okay. And what were you told as to the  
9 reason that you were removed from responsibility at  
10 that site?

11 A. Pat shared with me that he thought that I  
12 would have significant involvement in the upcoming  
13 impending investigations, that it would be too much  
14 for me to run a site and deal with that and,  
15 therefore, was removing me from the site.

16 Q. So the stated reason they gave you was  
17 that you would be involved in the upcoming  
18 investigations, right?

19 A. That is the reason they shared with me.

20 Q. Truth and fact, have you been involved in  
21 the investigations?

22 A. No, sir.

23 Q. Truth and fact, then, is it true, sir,  
24 that they have -- that BP, essentially, has  
25 continued to pay you but has, I guess in some

1 respects, told you to go home and wait for our  
2 call?  
3 A. BP has continued to pay me and says, "You  
4 need to be available professionally when needed."  
5 Q. So what do you do all day?  
6 A. I am not sure there's a typical day in my  
7 household. I mean, since May 13th, one, I have  
8 spent a lot of time with my family. So it's  
9 something that for 20 something years I have not  
10 had a chance to do. I was either in a meeting, on  
11 an airplane or out of the country.  
12 So I have spent a fair amount of  
13 time with my six kids. I have also spent a fair  
14 amount of time now keeping myself in good health,  
15 which in the past I hadn't done that. And I have  
16 started teaching part-time.  
17 Q. Okay.  
18 A. But I don't know if I have a typical day  
19 for you.  
20 Q. But you don't do anything for -- on a  
21 typical day, since May 13th of '05 up until, I  
22 guess, today, you -- BP has just kind of -- quite  
23 frankly, they have told you to go home and wait for  
24 a call. They have put you out to pasture. They  
25 are not using you for anything, correct?

1 MR. GALBRAITH: Objection, form.  
2 A. BP has not used me very much at all. I  
3 could probably add up the hours and count them in a  
4 couple of weeks as to the amount of work I've done  
5 for BP since May 13th.  
6 Q. (BY MR. WILLIAMS) In fact, they told you  
7 that they wanted you to work on the investigation.  
8 And, in fact, you have got -- received written  
9 letters from the head of BP North America,  
10 Ross Pillari, where he said he wants you to be  
11 available to participate in the investigation, both  
12 from an environmental standpoint and a legal  
13 standpoint, right?  
14 A. That's what the letter states, yes, sir.  
15 Q. But he never did -- they never have  
16 really used you in the investigation or the legal  
17 aspects of this case, have they?  
18 A. They have not.  
19 Q. Do you have an office?  
20 A. I was offered an office and chose to use  
21 my home as a home office.  
22 Q. Do you have any projects that you are  
23 working on for BP?  
24 A. No, sir.  
25 Q. As I understand it, BP has extended

1 your -- an agreement with you that you will be a BP  
2 employee, the last letter I saw, was June 30th of  
3 this year about eight days from now; is that  
4 correct?  
5 A. That's the same last -- that's the last  
6 letter I have received as well.  
7 Q. Do you have any assurances that you have  
8 more than eight days left with BP?  
9 A. I have no assurances from BP as to what  
10 they will do next.  
11 Q. We're here on June 22nd and so it's clear  
12 that -- that the only thing you have from them is  
13 that you are still an employee of BP for the next  
14 eight days and know of nothing that will extend you  
15 beyond those eight days one way or the other,  
16 right?  
17 A. That is correct.  
18 Q. Has -- what has this done to your career?  
19 A. I mean, I'm not naive enough to know that  
20 having this incident occur will not cause my career  
21 to flourish. Being in this position at this time  
22 of the incident will not enhance my career.  
23 Q. Have you gone through times since you  
24 were -- what would we say happened on May 13th?  
25 Discharged? Put aside? Relieved of

1 responsibility? What's the correct term?  
2 A. The way I describe May -- May 13th is I  
3 was relieved of my duties at the Texas City  
4 refinery and put on administrative leave.  
5 Q. Okay. And administrative leave, quite  
6 frankly in this situation, simply means go home and  
7 we will call you if we need you.  
8 Is that a fair summary?  
9 A. I would characterize it as go home, be  
10 ready when we need you. That is correct.  
11 Q. Okay. What are your -- do you feel that  
12 you have been treated -- I will go back to my  
13 original question.  
14 Do you feel you've been treated  
15 fairly as a result of this action of putting you on  
16 administrative leave?  
17 MR. GALBRAITH: Objection, form.  
18 A. No, sir.  
19 Q. (BY MR. WILLIAMS) Have you had feelings  
20 during this time of being on administrative leave  
21 that perhaps you were being -- or concerns, I  
22 guess, is the proper word -- that you have become  
23 the scapegoat?  
24 A. During this time period, there has been  
25 virtually no communication with BP. So I just

1 don't know what they are thinking. I -- I just  
2 know what's in my heart and --

3 Q. But in your heart, have you had worries  
4 and concerns that, hey, you know, I was running a  
5 billion and a half dollar plant making a hundred  
6 million a month for them and all of a sudden, now,  
7 I am at home cutting the lawn or helping with the  
8 children.

9 Have you had some concerns "I  
10 might be the scapegoat in this"?

11 MR. GALBRAITH: Objection, form.

12 A. Again, I understand how corporations  
13 think. It's also -- I also understand that  
14 corporation will do what's best for the institution  
15 and that that could be a possibility.

16 Q. (BY MR. WILLIAMS) Now, you shared with  
17 us a little while ago that when you took over in  
18 June of '04 that recognizing there were gaps or  
19 deficits in safety and other areas of the plant,  
20 you tried to make improvements, didn't you?

21 A. I was making improvements, sir.

22 Q. And improvements were necessary because  
23 you recognized there were gaps in safety and other  
24 areas, in -- both in safety and maintenance?

25 A. Not just in June, 2004, but also as the

1 months progressed, I recognized there were gaps.

2 Q. No doubts there were gaps in safety  
3 culture and maintenance at that plant before the  
4 fire and explosion?

5 A. I didn't have a real good handle on what  
6 the culture was. Sometimes it's a subjective view.  
7 So, I mean, at a point in the time in 2004 that I  
8 actually enlisted a consultant to come in and help  
9 me identify what the safety culture actually was.

10 Q. Okay. And -- and when that consultant  
11 came in, the result was you got a real problem,  
12 wasn't it?

13 A. There were concerns raised as a result of  
14 the safety culture report.

15 Q. That's right.

16 And we know, now, that there  
17 were -- the gaps were big enough in the safety  
18 culture and maintenance and that your efforts to  
19 improve them, quite frankly, were too little too  
20 late?

21 A. Prior to the incident --

22 MR. GALBRAITH: Objection, form.

23 A. Prior to the incident on the morning of  
24 the 23rd, the overall indicators I was using to  
25 judge that did not leave me with too little too

1 late. I thought we were making significant  
2 progress with many areas.

3 A couple of them I'll share with  
4 you. The recordable rate, which is an injury rate,  
5 was moving downward. In fact, at the time of the  
6 incident, it was actually at an all time low.

7 That is a number we do compare  
8 with the competition.

9 Q. (BY MR. WILLIAMS) I understand.

10 But, now, as a result and looking  
11 back -- and I'm acknowledging this is hindsight,  
12 would you agree with me that now knowing the  
13 results of March, '05 your efforts, quite frankly,  
14 were too little too late?

15 MR. GALBRAITH: Objection, form.

16 A. I am not sure if my efforts would be  
17 described as too little too late. There was --  
18 some things we needed to do faster. Okay. In  
19 fact, after the incident, we started to move in  
20 that direction.

21 Q. (BY MR. WILLIAMS) Okay. So you agree --

22 A. But I didn't have any indications prior  
23 to that that I needed to.

24 Q. But if we look objectively at it now, and  
25 I am not criticizing you for making efforts to

1 improve areas that had been neglected, such as  
2 safety and maintenance; but if we look back at it  
3 now, we know that, quite frankly, it should have  
4 been done probably faster and more resources  
5 focused on the safety and maintenance?

6 MR. GALBRAITH: Objection, form.

7 A. If you read the recommendations, and  
8 again, one of the big advantages of doing an  
9 incident report is to learn from incidents. I  
10 think the incident report would -- would support  
11 that.

12 Q. (BY MR. WILLIAMS) That it, basically, it  
13 was --

14 A. More needed to be done.

15 Q. -- and sooner?

16 A. Post -- post the incident.

17 Q. We are looking at it in hindsight, but we  
18 agree the incident report indicates that it was, to  
19 sum it up in my non-MBA words, too little too late?

20 MR. GALBRAITH: Objection, form.

21 A. The incident report would support and  
22 it's tough to dispute, post the incident, that more  
23 needed to be done quicker.

24 Q. (BY MR. WILLIAMS) Okay.

25 MR. WILLIAMS: We are running out



1 of tape so we will take a break.  
 2 THE VIDEOGRAPHER: Off the record  
 3 at 10:13 a.m., ending Tape 1.  
 4 (Recess taken.)  
 5 THE VIDEOGRAPHER: On the record  
 6 10:29 a.m., beginning Tape 2.  
 7 Q. (BY MR. WILLIAMS) Can you explain to me  
 8 during the time period that you were -- that you  
 9 were BUL at Texas City the management above you,  
 10 who you reported to and who they reported to,  
 11 please?  
 12 A. Just to be clear. So we're saying June  
 13 of 2004 onward?  
 14 Q. Yes, sir.  
 15 A. I have to answer that in two time  
 16 crunches from June of 2004 until July 31st, 2004, I  
 17 carried both the site director role and the BUL  
 18 role during that time period.  
 19 So I actually reported to a board,  
 20 in a sense, but not like a board of directors. A  
 21 board meaning two JVPs. One of them being Holly  
 22 Van Deursen and Mike Hoffman in that role.  
 23 Q. How do you spell Holly's last name?  
 24 Van Deursen?  
 25 A. Van Deursen. And I -- you would spell it

1 the way you sound it out. I am not sure I could be  
 2 able to help you there on that.  
 3 Q. Okay.  
 4 A. D-u-e-r-s-o-n (sic) would be -- would be  
 5 my first pass at that.  
 6 Okay. That's -- that was because  
 7 it ended up still being a site director role in  
 8 that and then I took direction and I reported to  
 9 Pat Gower for the Texas City refinery BUL job. Pat  
 10 was the U.S. regional vice president.  
 11 Then from January 1 onward, the  
 12 chemical plants were separated into a separate  
 13 company, and then that's when I then became only  
 14 the Texas City site director, which would be the  
 15 BUL of the refinery and still running the chemical  
 16 plant in Texas City.  
 17 Q. So after January 1st, '05, you reported  
 18 only to Pat Gower?  
 19 A. That's correct.  
 20 Q. But before January 1st, '05, you reported  
 21 to Pat Gower and also to Holly Van Deursen and  
 22 Michael Hoffman?  
 23 A. Because I had two roles in that -- in  
 24 that time period during the unwinding or separation  
 25 of this integrated site. The site was being spun

1 off into a separate company.  
 2 Q. GVP stands for?  
 3 A. In BP, GVP stands for group vice  
 4 president.  
 5 Q. What does that mean?  
 6 MR. GALBRAITH: Objection, form.  
 7 A. I am not sure I have been asked that  
 8 question.  
 9 That's the head of -- there are  
 10 four group vice presidents in BP. Each one of them  
 11 running a segment of the business. The four  
 12 segments being: The upstream or exploration and  
 13 production; the downstream, which would include  
 14 refining retail; the chemical business, okay, and  
 15 then one running the natural gas renewable  
 16 business. There was like four what I classify  
 17 group vice presidents in BP organizational  
 18 structure.  
 19 Q. (BY MR. WILLIAMS) No doubt the people you  
 20 reported to in this, the group vice president's  
 21 Holly Van Deursen, Mike Hoffman and the U.S.  
 22 regional vice president Pat Gower, these were  
 23 people that were at the tip, tip, tip top of BP,  
 24 right?  
 25 MR. GALBRAITH: Objection, form.

1 A. They were at the top of the organization.  
 2 Q. (BY MR. WILLIAMS) They were in the top  
 3 ten most important people in the -- if you look at  
 4 the organizational chart --  
 5 A. I would put --  
 6 Q. Top five --  
 7 A. -- Holly and Mike in the top 40. Okay.  
 8 Again, I am going to correct a  
 9 little bit. I gave you the executive group vice  
 10 presidents. Reporting to them are other group vice  
 11 presidents. Mike reported to the segment person.  
 12 I didn't want to mislead you in that.  
 13 Mike and Holly I would put in the  
 14 top 40. And then the four positions I mentioned to  
 15 you, I would put in the top ten. Okay. At that  
 16 time, though, those people would be Ian Con for  
 17 chemicals and John Manzoni for the downstream. I  
 18 didn't want to mislead you on that.  
 19 Q. Okay.  
 20 A. Pat I would not place in the top 40.  
 21 Q. And what was the role of -- of Ross  
 22 Pillari in all of this?  
 23 A. To the best of my understanding, Ross had  
 24 been representing the corporation in North America.  
 25 A term used in BP would be a country VP, or head of

1 BP North America. He would handle all the  
2 reputation relationship issues in North America.

3 Q. So Ross Pillari was the company  
4 president, so to speak?

5 A. Countries --

6 Q. Country.

7 A. Country president. Okay. He -- he --

8 Q. I am sorry.

9 A. There's various -- each countries or  
10 continents BP operates in, they, typically, have  
11 somebody, head, in that location. Ross was for  
12 North America.

13 Q. Okay. Did -- and did you report to him  
14 at all with regard to the refinery, Texas City  
15 refinery?

16 A. Organizationally, I did not report to  
17 Ross. The range would be is if there was an  
18 incident that would affect reputation, I would  
19 notify Ross or Ross' office, but I had no direct  
20 reporting to Ross.

21 Q. And do you know if the U.S. regional vice  
22 president, Pat Gower, reported to Ross?

23 A. My understanding of the organization,  
24 sir, is that Ross reported directly to Mike Hoffman  
25 and not Ross Pillari.

1 Q. I am sorry. Say that again.

2 A. Pat Gower reported to Mike Hoffman, okay,  
3 and not Ross Pillari.

4 Q. Okay. Fair to say that it's a little bit  
5 complex trying to understand the corporate  
6 executive structure at BP above your -- above your  
7 position when you get up above the plant manager or  
8 the BUL role?

9 MR. GALBRAITH: Objection, form.

10 A. I didn't view it as complex, sir. I  
11 understood it.

12 Q. (BY MR. WILLIAMS) Okay. So if  
13 Ross Pillari came down to your plant, you didn't  
14 consider him to be your boss?

15 A. That is correct.

16 Q. But you did consider Pat Gower to be your  
17 boss?

18 A. Yes, during the time period from --  
19 shared from June and definitely from January of  
20 2005 onward, yes.

21 Q. Okay. Why were you brought to the Texas  
22 City or to Houston back -- was it in 2002 when you  
23 first came, correct?

24 A. April of 2002.

25 Q. Why were you --

1 MR. GALBRAITH: Objection, form.

2 Q. (BY MR. WILLIAMS) -- brought to Houston  
3 in April of 2002?

4 MR. GALBRAITH: Objection, form.

5 A. I am not sure I could tell you what their  
6 thinking was. I - I know I was part of a chain of  
7 moves triggered by a retirement. Mike Hoffman's  
8 predecessor, Al Kozinski, had retired. Mike  
9 Hoffman then moved from running the Carson refinery  
10 to London to replace Al. Tim Scruggs, my  
11 predecessor moved -- was moved from Texas City site  
12 director -- South Houston site director to Carson,  
13 and I moved then from my London corporate role into  
14 the Texas City site director role.

15 Q. (BY MR. WILLIAMS) How long were you based  
16 in London for BP?

17 A. Almost three years.

18 Q. Now, did they tell you in April of 2002  
19 or before you moved to Houston why they were  
20 putting you over the South Houston site, including  
21 the five plants, one of which was Texas City  
22 refinery?

23 A. Not explicitly. Mike had moved into a  
24 new role. So I had not -- the -- at that time the  
25 Pat Gower role had not existed. Al was retiring.

1 So there was change over between Al and Mike. Not  
2 a lot of dialogue as to why.

3 Q. Now, you went through a time period from  
4 April of -- starting April of 2002, you were head  
5 of five different -- you were over five different  
6 plants, one of which was the Texas City refinery,  
7 correct?

8 MR. GALBRAITH: Objection, form.

9 A. As I described earlier, I was not over  
10 the plant, specifically. I was -- I was  
11 responsible for the integration value of those five  
12 sites starting April.

13 Q. (BY MR. WILLIAMS) And integration value,  
14 how would you put that in common terms?

15 A. There were five sites located within a  
16 25-mile radius of each other, all owned by BP.

17 Integration value is -- is to  
18 provide a -- in one -- through one lens a regional  
19 service to the organization to be more efficient  
20 and effective services instead of each of the sites  
21 having their own independent structure.

22 Q. Does that -- did that work out or did  
23 y'all abandon that concept?

24 A. It was abandoned because of the sale  
25 and -- the pending sale and separation. Once

1 the -- the sites were being spun off to be sold,  
2 the concept was then abandoned because it would be  
3 under a different company and separate entity.

4 Q. How many of those five sites were sold?

5 A. Five sites -- a little bit of history of  
6 the five sites. One site closed prior to  
7 announcing the sale. That would be the Cedar Bayou  
8 site. It closed in 2003.

9 Two of the other sites, the  
10 Chocolate Bayou site and the Deer Park site, were  
11 completely placed into the separate new company and  
12 a portion of the chemical plant, the Texas City,  
13 was also put into the new company.

14 Q. Excuse me.

15 Is that new company owned by BP?

16 A. Not today.

17 Q. Was it then?

18 A. It was set up to be a separate entity  
19 owned by BP in preparation to be divested outside  
20 of BP.

21 Q. So BP thought time -- timing is right to  
22 sell these -- the Chocolate Bayou plant, the Deer  
23 Park plant and part of the Texas City plant?

24 A. I am not sure I understood what BP's  
25 thinking was at the time. That was a decision that

1 was passed on.

2 Q. Okay. And so what was left after the --  
3 after this sale or divestiture, quite frankly, was  
4 the Texas City plant and what else?

5 A. And a -- and a portion of the Texas City  
6 chemical plant.

7 Just to complete the timeline,  
8 the -- the new company separation was announced in  
9 April and the actual separation was to occur by the  
10 end of the year, December 31st of 2004.

11 Q. So is it true, then, that from April of  
12 '04 to the end of '04 that some of your time was  
13 devoted to being the BUL of the Texas City  
14 refinery; and, additionally, some of your time was  
15 devoted to your old job of site manager and, I  
16 assume, helping in the divestiture of these two  
17 plants plus part of the Texas City chemical plant?

18 MR. GALBRAITH: Objection, form.

19 A. I would describe my role from June  
20 onward. The announcement of sale did not end up me  
21 being the BUL of the site. Rick was still there.

22 So I would say in June, early June  
23 of 2004, Rick was moved from the site to take a BUL  
24 position in England. At that point, I described  
25 myself as having three roles in June of 2004.

1 Q. (BY MR. WILLIAMS) Okay. So let's -- let  
2 me be precise.

3 In June of 2004 until the end of  
4 2004, you really had three roles.

5 And what were those three roles?

6 A. I would describe the three roles -- I was  
7 still site director for South Houston of the four  
8 sites, the refinery plus three chemical plants.

9 Q. Right.

10 A. I assumed the BUL role with Rick's  
11 departure. So I had the BUL role, the business  
12 unit leader, for the Texas City refinery. And then  
13 I also had responsibility to ensure the separation  
14 of the sites in which contracts had to be  
15 established. Everything that was all going now to  
16 BP had to be separated both organizationally,  
17 people, and contractually into two separate  
18 businesses.

19 Q. It sounds like from April -- June '04  
20 until the end of '04, your plate was not only full  
21 it was overflowing?

22 MR. GALBRAITH: Objection, form.

23 A. I would describe it as I was fully  
24 utilized.

25 Q. (BY MR. WILLIAMS) Okay. You were being

1 run pretty -- pretty hard, weren't you?

2 MR. GALBRAITH: Objection, form.

3 A. I had a pretty busy time period from June  
4 of 2004 until the end of the year.

5 Q. (BY MR. WILLIAMS) And how many hours  
6 were you working a day during that time period  
7 trying to cover all three of those roles?

8 A. No days were typical. But they were very  
9 long days. Sometimes included weekends and  
10 vacations.

11 Q. And it turned out then that -- would you  
12 agree that any one of those three roles was  
13 probably a full-time job?

14 MR. GALBRAITH: Objection, form.

15 A. They could be. I -- I just haven't  
16 thought of it that way.

17 Q. (BY MR. WILLIAMS) Well, it's not a  
18 stretch really to say you were doing three  
19 full-time jobs between June '04 and the end of  
20 December '04, weren't you?

21 A. I was doing three --

22 MR. GALBRAITH: Objection, form.

23 A. -- three roles. Okay. Whether each of  
24 those independent is full-time, I just -- I haven't  
25 thought about it like that.

1 Q. (BY MR. WILLIAMS) Okay. But thinking  
2 about it, wouldn't you say that it could have been  
3 a full-time job? If you had -- if there had been  
4 three of you, you would -- it would have been three  
5 full-time jobs, right?

6 MR. GALBRAITH: Objection, form.

7 A. It's a possibility.

8 Q. (BY MR. WILLIAMS) Okay. I want to talk  
9 about the safety culture at Texas City refinery.

10 The final report found that there  
11 were significant gaps and problems with the safety  
12 culture at that plant, true?

13 MR. GALBRAITH: Objection, form.

14 A. I believe there were indications in the  
15 report questioning the safety culture at the site.

16 Q. (BY MR. WILLIAMS) And you would agree  
17 from what you have seen and studied that there were  
18 problems with the safety culture at Texas City  
19 refinery, true?

20 A. I commissioned the Telos Report to  
21 find -- actually, look under -- look into the  
22 organization to determine what the safety culture  
23 was.

24 So I mean, to me, the Telos Report  
25 gave me the best insight what the culture at the

1 site was.

2 Q. And for the benefit of the jury, the  
3 Telos Report -- the findings of the Telos Report  
4 were somewhat shocking as to the condition of the  
5 safety culture, weren't they?

6 A. I didn't find the Telos Report shocking.  
7 Disappointed by it. To me, the Telos Report  
8 reinforced we needed to get the things we were  
9 working on -- to accelerate them.

10 Q. Well, let's go back. The Telos Report,  
11 you say it was not shocking.

12 Was it alarming?

13 A. It raised issues regarding the safety  
14 culture of the site. And as I sat down and met  
15 with the consultant that did it, the piece that we  
16 talked about was kind of two sides. One was the  
17 way it was structured. There was no -- no timeline  
18 in that response as to whether those conditions was  
19 what the people felt that day, the day before, ten  
20 years ago. There was no timeline.

21 On the other side, it was very  
22 clear to -- to be saying that report indicated very  
23 strongly a very high percentage, and I don't have  
24 the number, but that in the very recent time  
25 period, safety was improving at the site. So I had

1 that balance to look at with the Telos Report.

2 Q. Okay.

3 MR. WILLIAMS: Objection,  
4 nonresponsive.

5 Q. (BY MR. WILLIAMS) Did the -- when you  
6 received the Telos Report and talked with the  
7 authors, the consultants you brought in for the  
8 Telos Report, did that raise any alarms in your  
9 mind?

10 A. What raised in my mind was I needed to  
11 get the entire leadership at the site involved in  
12 what that report was saying and get them to own it.  
13 That was the biggest -- biggest point that raced  
14 across my mind when I received it.

15 Q. Well, did it put you on notice that you  
16 had a safety culture problem?

17 A. It reinforced that we had a safety  
18 culture problem.

19 Q. Because you already knew you had or  
20 suspected before that -- you had the feeling there  
21 was a safety culture problem there, didn't you?

22 A. What triggered the Telos was there were  
23 two fatalities in the September timeframe. Okay.  
24 And as I -- as I read the investigation from it and  
25 learned more of those details, the feeling or sense

1 I got was there was a risk tolerance issue at the  
2 site. That is people were willing to take risk.  
3 That incident, the two fatalities, if you look at  
4 it was -- if you look at the people involved in it,  
5 there was over 200 years of experience in preparing  
6 the job and completing it; yet, no one saw the risk  
7 associated with it.

8 Q. Let me go back.

9 In 2004 while you were BUL, there  
10 were three deaths at the Texas City refinery,  
11 correct?

12 A. While I was BUL, two, sir.

13 Q. Okay. But there -- in 2004 there were  
14 three deaths at the refinery, two of which occurred  
15 during the time period starting in June when you  
16 were BUL?

17 A. That is correct.

18 Q. One of the 2004 deaths occurred before --  
19 it occurred in 2004 but occurred while you were  
20 site manager but before you had been BUL?

21 A. That is also correct.

22 Q. And knowing that there were three deaths  
23 in 2004, you then recognized while -- by  
24 investigating them, that this plant had an  
25 unacceptably high risk of -- or unacceptably high

1 tolerance for risk, correct?  
 2 A. It's based on -- again, I am going to use  
 3 the September fatalities piece of it, based on that  
 4 it appeared the site had an unacceptable risk for  
 5 tolerance. That was one of the drivers  
 6 for commissioning --

7 Q. You said risk of tolerance.  
 8 You meant tolerance of risk?

9 A. I mean in the same, tolerance of risk.  
 10 That's correct.

11 Q. Okay.

12 A. I sensed that the site had an  
 13 inappropriate risk tolerance level, but I needed to  
 14 get more than that one single data point.

15 Q. And -- and what that indicated to you, I  
 16 guess, is that things were happening at that plant  
 17 that -- where people were doing things, and they  
 18 were doing unsafe things and accepting unsafe  
 19 conditions.

20 Would you agree?

21 MR. GALBRAITH: Objection, form.

22 A. The way I would characterize it in the  
 23 incident is people followed the procedures to the  
 24 letter. There was no violation of procedures. The  
 25 procedures allowed them to fix the pump without

1 inserting a blind. Okay.

2 And from that I questioned whether  
 3 it was the appropriate risk tolerance. People  
 4 thought they were doing their job safely. There  
 5 was no word of it being done unsafely.

6 Nobody raised any issues with it.  
 7 It was acceptable, and there were actually  
 8 procedures written to allow them to do the job the  
 9 way they were doing it.

10 Q. (BY MR. WILLIAMS) Well, let's talk about  
 11 this concept of risk tolerance.

12 Some plants, if you run a high --  
 13 a plant that has a very good safety record, would  
 14 you expect there to be a low tolerance for risk?

15 MR. GALBRAITH: Objection, form.

16 A. I would think a plant with a good safety  
 17 record, that would be one element that would exist.

18 Q. (BY MR. WILLIAMS) And the tolerance for  
 19 risk at a plant, I mean, do you ever find that  
 20 workers -- the workers that -- that were at your  
 21 plant, did they ever really want to get injured or  
 22 were they doing what they were -- thought and were  
 23 trained to do was the appropriate thing?

24 MR. GALBRAITH: Objection, form.

25 A. I am not aware of any worker that entered

1 the gates with the mind-set that they wanted to get  
 2 injured.

3 Q. (BY MR. WILLIAMS) And so they were doing  
 4 what management and the leadership of the plant,  
 5 what they thought was the right thing to do as  
 6 expressed by management and the leadership?

7 A. Also expressed by past practice.

8 Q. That's right. Every plant has -- you can  
 9 walk into different plants around America and they  
 10 will have a -- different cultures -- and I am  
 11 talking about safety culture.

12 They have a different safety  
 13 culture and -- and -- and a different risk  
 14 tolerance, correct?

15 A. Yes, sir.

16 Q. And the people responsible, ultimately,  
 17 for the safety culture and the risk tolerance,  
 18 quite frankly, that that is a leader -- that --  
 19 leadership for that needs to come from management?  
 20 Management needs to put that as a priority in a  
 21 plant, true?

22 A. The entire leadership chain needs to set  
 23 that as a priority.

24 Q. And -- and management can make a huge  
 25 difference about risk tolerance and the safety

1 culture, correct?

2 A. I think management has a role in the  
 3 safety culture.

4 Q. And, basically, if you find some hourly  
 5 employee who doesn't follow the corporate standards  
 6 for risk tolerance and good safe work practices,  
 7 you can run their rear end off.

8 You can fire them and probably  
 9 should, right?

10 MR. GALBRAITH: Objection, form.

11 A. It's difficult to use a lens that  
 12 determines an individual's risk tolerance. I mean,  
 13 if an individual is not following known procedures,  
 14 it's different.

15 But it being do I know what the  
 16 individual's risk -- each of the individual's risk  
 17 tolerance is, I do not know. One of the reasons  
 18 for doing the Telos Report was to get a better  
 19 handle on what that tolerance was.

20 Q. (BY MR. WILLIAMS) But let me go back  
 21 to -- my point is that management if you think you  
 22 have workers that are taking too many risks and  
 23 aren't following your procedures and rules, you  
 24 have the right and probably the responsibility of  
 25 getting them out of your plant, true?

1 A. I have the right to take action.  
 2 Q. And you have as the management, as the  
 3 leadership team, has the responsibility if the  
 4 culture is inappropriate and the risk tolerance is  
 5 inappropriate, to take steps to change that, right?  
 6 A. As leadership at the site, yes, sir.  
 7 Q. In fact, you took steps to try to change  
 8 that at Texas City, didn't you, sir?  
 9 A. Yes, sir. I believe I took many steps.  
 10 Q. You instituted a 1000 day program, right?  
 11 A. Thousand days was originally designed to  
 12 look at integration value. It was the metrics for  
 13 integration value.  
 14 But then as the company separated,  
 15 I modified the 1000 day goals to be specific for  
 16 the Texas City site.  
 17 Q. But that's one of the --  
 18 A. That's one of the --  
 19 Q. -- one of the programs that you used to  
 20 change the culture was the 1000 day program,  
 21 correct?  
 22 A. That is correct.  
 23 Q. And one of the measures that you  
 24 instituted at that plant to change the safety  
 25 culture was the bold goals program, right?

1 A. Bold goals and 1000 days are very  
 2 related.  
 3 Q. Okay.  
 4 A. Bold goals were goals that would be  
 5 achievable in a very long period of time.  
 6 Q. And what other programs did you start in  
 7 order to change the safety culture at that site  
 8 once you became the BUL?  
 9 A. Another program was the compliance  
 10 delivery process. It was the program that involved  
 11 education and training, auditing and then  
 12 consequences, both positive and negative, based on  
 13 that.  
 14 We put in a just culture mind-set  
 15 in which it was a decision tree to help supervisors  
 16 determine what appropriate actions should be if an  
 17 individual was acting unsafely.  
 18 I put in four full-time auditors  
 19 that would work various shifts, various days.  
 20 Their role was to educate, ensure compliance and  
 21 audits.  
 22 Q. Safety audits?  
 23 A. Safety procedures.  
 24 Q. Okay.  
 25 A. It was -- it was their -- that was --

1 these were not financial auditors. These were  
 2 auditors designed only to look through safety  
 3 lenses, were the people in compliance with  
 4 procedures. These auditors were placed in  
 5 full-time. We had around the clock shift director  
 6 positions in which each of the shift supervisors  
 7 then would meet each day, ensure communications and  
 8 they were the single point accountability at the  
 9 site. They were on the clock 24/7.  
 10 Worked on adding inspectors to  
 11 enhance I call it the PIP program, PIP standing for  
 12 piping improvement program, a concerted effort  
 13 of -- of improving the conditions of the word -- I  
 14 used the word infrastructure, which is the piping.  
 15 Q. Y'all had a bunch of old, thin pipe there  
 16 and you needed to test it and check it --  
 17 A. Go in --  
 18 MR. GALBRAITH: Objection, form.  
 19 A. The piping improvement program was to  
 20 take piping, go in, inspect it, repair it, coat it,  
 21 reinsulate it as necessary.  
 22 Training was another one we  
 23 enhanced. Training over time had gone to  
 24 video-based. We were, I believe, a week away post  
 25 the incident for having the first face-to-face

1 training with every employee, and, basically, then  
 2 employees would return to doing -- getting safety  
 3 training face-to-face every quarter and not rely  
 4 solely on -- VTA was the -- was the -- was the  
 5 acronym for it, but video training.  
 6 Held -- we started up what is  
 7 called AARs or after action reviews. It means that  
 8 any incident on safety needed to be reported and  
 9 shared site-wide within 30 minutes of the incident.  
 10 It didn't wait for investigation. It was to make  
 11 sure that the entire workforce knew, understood and  
 12 learned from the facts as they were known within 30  
 13 minutes and they were to be shared with all the  
 14 supervisors.  
 15 We had a series of face-to-face  
 16 sessions with the first level leaders. I believe  
 17 the sessions were titled Safety Reality. That is  
 18 where we spent a full day -- I personally spent a  
 19 full day with all the first level leaders talking  
 20 about where safety wasn't a priority, compliance,  
 21 their role in this process. It was also the -- to  
 22 share with them the just culture and compliance  
 23 delivery process with them as well.  
 24 Had a similar session with the  
 25 union leadership, union hall as well to make sure

1 that the union leadership was aware of what we were  
2 trying to do and the direction. We were also then  
3 in the middle of meeting a-day-a-week, roughly  
4 a-day-a-week with all of -- I coined the phrase  
5 "top 100" at the site. That top 100 would be  
6 described as anybody superintendent and higher in a  
7 supervisor position, and that was living and  
8 working on recommendations from the Telos Report.

9 The Number 1 recommendation from  
10 Telos was to get clear accountabilities at the  
11 site, especially given the site had evolved into a  
12 separate business. So we were working on making  
13 clear accountabilities for the top 100 putting in  
14 actions associated with the findings from the  
15 Telos.

16 There may be others, but those are  
17 the ones I can -- I can recall.

18 Q. (BY MR. WILLIAMS) It sounds and I tried  
19 to write them down, Mr. Parus, sounds -- and I  
20 wrote down about 12 different things that you  
21 initiated during your -- starting when you became  
22 BUL in June of 2004 that you did to try to improve  
23 the safety culture at that plant, right?

24 A. Actually, to improve safety. Safety  
25 culture being part of that is the way I would

1 describe them.

2 Q. Okay. And those -- let me run through  
3 them real quickly. You started the 1000 day  
4 program, Number 1. Number 2, bold goals for  
5 compliance delivery process, just culture, added  
6 four time -- four full-time safety auditors, round  
7 the clock shift directors, added inspectors to  
8 improve the piping situation, moving training from  
9 video-based to face-to-face?

10 A. Classroom.

11 Q. Classroom. Added AARs, after action  
12 reviews, face-to-face sessions with first level  
13 leaders, safety reality, the PowerPoints you did,  
14 right?

15 A. Yes, sir.

16 Q. Met with union leadership and tried to  
17 meet a-day-a-week with the top 100 from the site,  
18 correct?

19 A. Just to expand on the last one for a  
20 little bit, the Telos Report, we spent two full  
21 days with the top 100 getting the information from  
22 the report. Then we spent a-day-a-week with them  
23 following that working on the recommendations.

24 Q. It sounds like you spent a -- enormous  
25 amount of time trying to change the safety

1 culture -- safety and safety culture at this plant,  
2 right?

3 A. Changing the safety culture at that plant  
4 was my Number 1 priority.

5 Q. You spent an enormous amount of time on  
6 it, didn't you?

7 A. I believe I did.

8 Q. And that, quite frankly, sir, I think it  
9 would -- has anybody ever accused you of being the  
10 cause of the safety culture problem -- and we can  
11 agree there was a safety culture problem, I think,  
12 at that plant?

13 MR. GALBRAITH: Objection, form.

14 A. I think post incident, there was a safety  
15 culture problem.

16 Q. (BY MR. WILLIAMS) Well, there was  
17 actually a safety culture problem before that led  
18 up to the incident, wasn't there?

19 A. Yes, sir.

20 Q. But no one has ever blamed -- I don't  
21 know of anybody that's ever blamed you for the  
22 safety culture problem at that plant.

23 A. I am not aware of anyone --

24 Q. Okay.

25 A. -- indicating or blaming me for that

1 safety culture issue.

2 Q. We agree that that safety culture issue  
3 or as I use the word, problem is something that  
4 you, quite frankly, inherited when you became BUL  
5 in June of '04, right?

6 MR. GALBRAITH: Objection, form.

7 A. Safety culture -- cultures in general  
8 take years to form. Okay. So based on that I  
9 would say I inherited the culture at the site in  
10 June of '04.

11 Q. (BY MR. WILLIAMS) And this culture that  
12 had taken years to form was a culture that  
13 tolerated unacceptably high risk in the workplace,  
14 right?

15 MR. GALBRAITH: Objection, form.

16 A. I would characterize that as a -- a -- a  
17 culture that accepted higher risk regarding safety.

18 Q. (BY MR. WILLIAMS) Okay. And that was  
19 backed up by the final report that there was a  
20 culture problem, Number 1, that people didn't  
21 recognize high risk and -- and -- and tolerated  
22 unusually high risk, right?

23 MR. GALBRAITH: Objection, form.

24 A. Backed up the report that practices have  
25 allowed that to evolve. That is correct.

1 Q. (BY MR. WILLIAMS) And the person that  
2 was BUL immediately before you was who?

3 A. Rick Hale.

4 Q. Now, how long had Rick Hale been BUL?

5 A. Rick arrived in September of 2002 and  
6 departed in June, early June of 2004.

7 Q. Which is when you became BUL in early  
8 June of 2004?

9 A. When Rick left the site, that's when I  
10 assumed his role.

11 Q. Was there tension between you and  
12 Mr. Hale?

13 A. Not that I am aware of.

14 Q. Were there disagreements on philosophy,  
15 management philosophy?

16 A. I don't believe so.

17 Q. It seems to me, sir, that I have counted  
18 12 things that, basically, in the six months or  
19 seven months after Mr. Hale left that you did to  
20 try and improve safety which leads me to believe  
21 that safety or the safety culture was, I guess, I  
22 go back to what Lord Browne said, that there was a  
23 broken safety record at Texas City?

24 A. I --

25 MR. GALBRAITH: Is that the end of

1 your question? I object as to form.

2 A. I want to clarify a couple of the 12 that  
3 you mentioned. All right? A couple of those, in  
4 all fairness, were in the development stages, i.e.,  
5 the 1000 day goals bold goals and the shift  
6 directors were in development while Rick was still  
7 there -- late in, say, the second quarter of '04,  
8 just to make the record clear. Okay?

9 Q. (BY MR. WILLIAMS) Okay.

10 A. The remaining ones we listed around just  
11 culture, compliance delivery, putting the  
12 inspectors in place, et cetera, then you have  
13 accurately characterized the timing on those. Now,  
14 if you could, please repeat your question to me.

15 Q. Okay. Well, it seems to me the fact that  
16 you came in and -- and were the -- had started or  
17 carried on 12 new or almost new safety programs  
18 indicates to me that this was a plant that had had  
19 significant gaps before that in safety?

20 MR. GALBRAITH: Objection, form.

21 A. I can tell you when I walked in in June,  
22 I was coming in behind a fatality that had just  
23 occurred a week before, a week or two before my  
24 arrival in it. And quickly was faced with two more  
25 fatalities in September that I needed to take

1 action.

2 Q. (BY MR. WILLIAMS) And -- and, in fact,  
3 the workers recognized in some ways that there were  
4 gaps in safety at their plant, didn't they?

5 MR. GALBRAITH: Objection, form.

6 A. It was recognized by the workforce I  
7 think as portrayed in the Telos Report.

8 Q. (BY MR. WILLIAMS) That's right.

9 A. That's -- that's where I would gain my --  
10 my source of information.

11 Q. But, in fact, you had personally  
12 experienced, say after the second or third death in  
13 '04, people were openly hostile to you in the  
14 workforce, weren't they?

15 MR. GALBRAITH: Objection, form.

16 A. Can you be more specific?

17 Q. (BY MR. WILLIAMS) Well, let's talk  
18 about -- did you attend the funeral of the person  
19 who -- the second person to die as a result of the  
20 September steam release, 500-degree steam release?

21 A. Ray Gonzalez?

22 Q. Yes.

23 A. Yes, I did.

24 Q. And did on that exact day, did the  
25 newspaper article come out in the Galveston

1 newspaper?

2 A. There was an article in the paper  
3 published.

4 Q. As a result of that, when you went to the  
5 changehouse that day, did people, quite frankly,  
6 kind of refuse to shake your hand and part ways and  
7 treat you kind of, I guess, vilify you in some  
8 ways?

9 MR. GALBRAITH: Objection, form.

10 A. At the changehouse that morning, I did  
11 not get a very warm reception from the workforce.

12 Q. (BY MR. WILLIAMS) Meaning they didn't --  
13 the people -- that the workers didn't want to shake  
14 your hand, right?

15 A. They --

16 Q. They parted ways to get around you?

17 A. -- gave me credit for authoring the  
18 article that was in the newspaper the morning of  
19 Ray's funeral and that caused them to be less than  
20 appreciative of my presence.

21 Q. Let's be blunt. They wouldn't shake your  
22 hand and they parted to kind of --

23 A. They -- one individual refused to. Okay.  
24 That's all I recall is one individual refusing to  
25 do that. There may have been others, but I recall



1 at least one.  
 2 Q. They kind of parted to stay away from  
 3 you?  
 4 A. Yes, sir.  
 5 Q. At that point, did you feel like you had  
 6 been working very hard and just took this one  
 7 incident to kind of really emasculate or undermine  
 8 a lot of the hard work you had been trying to do?  
 9 MR. GALBRAITH: Objection, form.  
 10 A. What I felt at the time is I felt the  
 11 article if they believed I authored it would  
 12 undermine my credibility with them.  
 13 Q. (BY MR. WILLIAMS) And that -- and that  
 14 article that we are speaking of in the Galveston  
 15 paper, which you did not author, but indicated that  
 16 the workers had been responsible for their own  
 17 deaths, right?  
 18 A. One could read the article as  
 19 interpretation that the company was blaming the  
 20 workers.  
 21 Q. And in reality, you know from a  
 22 perspective that blaming operators and blaming  
 23 employees for deaths is really not an appropriate  
 24 safety attitude at any responsible plant, right?  
 25 MR. GALBRAITH: Objection, form.

1 A. I didn't blame the operators at any point  
 2 in time on this event.  
 3 Q. (BY MR. WILLIAMS) But there's -- there  
 4 is a mind-set by some people when there is an  
 5 explosion or fire or something to blame the  
 6 operators and, you know, that that's not the proper  
 7 mind-set. That, in fact, that's just a start of  
 8 where one should start to begin to investigate  
 9 because people don't intentionally mean to blow up  
 10 something or start fires.  
 11 Would you agree?  
 12 MR. GALBRAITH: Objection, form.  
 13 A. I don't know what people think or what  
 14 they mean. I mean, from my experience each  
 15 investigation -- each incident needs the  
 16 investigation, and you cannot assess blame until --  
 17 the cause of it until the investigation is  
 18 complete. And one of the things we -- tools I  
 19 would use would be the questions in the just  
 20 culture -- would be that I would go through that  
 21 series of questions that helps -- determines where  
 22 the blame is placed.  
 23 Q. (BY MR. WILLIAMS) Well, let me go back.  
 24 We had established, I believe, earlier that  
 25 management, i.e., leadership, plays a significant

1 role in developing the safety culture at any given  
 2 plant.  
 3 Would you agree?  
 4 A. They play a role.  
 5 Q. Not only a role but an important role and  
 6 probably has the biggest influence of anybody on  
 7 setting out what the safety culture is at a plant.  
 8 Would you agree?  
 9 MR. GALBRAITH: Objection, form.  
 10 A. I would state that the management -- the  
 11 leadership of the site plays a significant role for  
 12 setting the safety culture.  
 13 Q. (BY MR. WILLIAMS) And do you know of  
 14 anybody that sets a more important role than  
 15 leadership, than management?  
 16 A. No, sir.  
 17 Q. And so we know, now, and you realized --  
 18 you felt it before but you -- it was -- it was  
 19 brought home to you without any doubt by the Telos  
 20 Report that you had a safety culture problem at  
 21 that plant, right?  
 22 A. The Telos Report identified there was a  
 23 safety culture at the site.  
 24 Q. No question about that, right?  
 25 A. No, sir.

1 Q. And by that, you mean that you agree it  
 2 was undeniable when you got the Telos Report that  
 3 there was a safety culture problem.  
 4 Would you agree?  
 5 MR. GALBRAITH: Objection, form.  
 6 A. Reading and receiving the Telos Report  
 7 and listening to the presentation from the  
 8 consultant for the first day on the results of it  
 9 would leave -- would leave me to believe there is a  
 10 safety culture problem at the site.  
 11 Q. (BY MR. WILLIAMS) Okay. Not only lead  
 12 you to believe that but it was -- was there any  
 13 doubt in your mind?  
 14 A. It left very little doubt.  
 15 Q. Okay. And so that was first -- that  
 16 Telos Report was first described to you, the  
 17 results when? In January of '05?  
 18 A. Late January of '05, I was, I believe,  
 19 getting my first look at the Telos Report.  
 20 Q. But this culture -- as we developed  
 21 earlier, this culture problem that you had at the  
 22 plant, it hadn't developed overnight and likely  
 23 hadn't -- certainly, hadn't developed during the  
 24 previous six or seven months while you had been  
 25 BUL, correct?

1 A. I believe the site culture developed over  
2 many years. I am not sure I could make a more  
3 definitive timeline for you. I don't have the  
4 history there, had not been there, but I would use  
5 years in the timeframe to describe how the culture  
6 developed.

7 Q. And -- and that would certainly reflect  
8 in the fact that there had been some 23 deaths  
9 up -- at the time you got the Telos Report, there  
10 had been some 23 deaths in a 30-year period right?

11 MR. GALBRAITH: Objection, form.

12 A. I understand that as to be a fact.

13 Q. (BY MR. WILLIAMS) Okay. And that  
14 whatever management had done or failed to do -- we  
15 know another fact is that in the 1999 period for  
16 the next three or four year, budgets were cut.

17 There was a mandate to cut budgets  
18 by 25 percent, right?

19 MR. GALBRAITH: Objection, form.

20 A. The best I can answer you on that, '99 to  
21 2000 time period, not being there, the best I can  
22 say is I was aware there was a 25 percent cost  
23 challenge. How much of that Texas City  
24 implemented, I can't give you that.

25 Q. (BY MR. WILLIAMS) Well, we know, for

1 instance, that with regard to training that the  
2 training in Texas City was no longer face-to-face.

3 It was computer based, right?

4 A. When I arrived, it was computer-based.

5 Q. And let's face it. You know, when  
6 someone has to go take a computer test, that  
7 doesn't have the same -- that doesn't seem to send  
8 the same message to the workforce as, "Hey, you are  
9 going to take a day off from your normal  
10 responsibilities and spend it in a classroom and  
11 have live interaction with a human being where you  
12 can ask questions and get feedback," agreed?

13 A. I would --

14 MR. GALBRAITH: Objection, form.

15 A. I would agree that classroom training in  
16 which leadership was present and able to espouse  
17 what the priorities are, what the desired safety  
18 culture is, is much more powerful than learning  
19 safety on a computer terminal.

20 Q. (BY MR. WILLIAMS) You can't ask a  
21 computer a question like, "Hey, what really  
22 happened back then and how can I prevent it?"

23 The computer doesn't answer  
24 questions like that, correct?

25 A. No, I took the training on the computer.

1 Q. Yeah. Could you ask those kind of  
2 questions?

3 A. No, it's not -- it's not an interactive  
4 training class. It is a document you read and then  
5 you are tested on how well your understanding of --  
6 comprehension of that document. It is not  
7 interactive.

8 Q. Do you think people shared the answers  
9 around the plant?

10 A. I don't know, sir.

11 Q. And the fact that it wasn't important  
12 enough to have a classroom and a face-to-face deal,  
13 didn't that send a message to the workforce that  
14 perhaps safety was not as priority, the Number 1  
15 priority as it should have been?

16 MR. GALBRAITH: Objection, form.

17 A. I don't know what the message was. I  
18 don't know the reason behind it. My view was I  
19 wanted to change that.

20 Q. (BY MR. WILLIAMS) You saw it as a  
21 deficiency, didn't you?

22 A. I wanted to -- I wanted to enhance the  
23 delivery of training on the site and move it from a  
24 computer to a classroom.

25 In fact, the first session was set

1 up to be -- we rented a movie theater. We were  
2 going to have 400 -- and I was going to -- I was  
3 personally going to address every individual that  
4 came through that plant in the first safety class.

5 Q. Now, how would we explain, sir, to the  
6 jury that a man that set up or furthered what  
7 appears to be 12 different safety programs -- and I  
8 take it you were doing your best with regard to  
9 safety before this fire and explosion in March,  
10 '05?

11 A. It was my top priority.

12 Q. How do we explain then to the Ladies and  
13 Gentlemen of this jury the treatment that BP has  
14 given you since that, by basically sending you  
15 home? How do we explain that?

16 MR. GALBRAITH: Objection, form.

17 A. I can't. I don't know what BP is  
18 thinking. Okay. They have not shared with me. I  
19 can't explain it for you.

20 Q. (BY MR. WILLIAMS) Has the new -- who is  
21 the new BUL?

22 A. Colin Maclean, I believe, is the new BUL  
23 put in place.

24 Q. Did Colin Maclean ever come to you and  
25 say, "Hey, the upper management's told me to come

1 and learn some lessons from what you did and  
2 educate me on what's going on out there."

3 Did he ever do that?

4 MR. GALBRAITH: Objection, form.

5 A. Colin called me about two weeks after his  
6 arrival. Colin had called me and said, "I would  
7 like to sit down with you, learn from you,  
8 understand what you were doing. I have tremendous  
9 respect for you. I would like to gain your insight  
10 for that. I am heading to the UK to be back with  
11 my family. I'll be back in a week or two, I will  
12 call you and set up a dinner."

13 I did not receive another call.

14 Q. (BY MR. WILLIAMS) It just seems to  
15 me that -- well, do you view yourself as an  
16 important resource, a "go to guy" if someone who  
17 wanted to know what in the world was really going  
18 on at the Texas City refinery before this fire and  
19 explosion, what efforts were being made with regard  
20 to safety, what was working or not working? It  
21 seems that whether they agreed or disagreed with  
22 you, someone would want to call and find out the  
23 answers to all those things; is that right?

24 A. I would agree with you --

25 MR. GALBRAITH: Objection, form.

1 A. I would agree with you that I view myself  
2 as an important resource in that process.

3 Q. (BY MR. WILLIAMS) Yet, has anybody at BP  
4 contacted you other than the phone call from Colin  
5 Maclean that -- where he said he was going to have  
6 dinner with you but failed to, any other attempt to  
7 debrief you to -- on the safety culture there?

8 MR. GALBRAITH: Objection, form.

9 A. My only contact was the Tim Holt  
10 interview. There has been no contact or interview  
11 since that point or subsequent to Colin's call to  
12 me.

13 Q. (BY MR. WILLIAMS) And so -- and the  
14 Tim Holt interview you are talking about is some  
15 30 pages where they, in front of a court reporter,  
16 like today, they spent 30 minutes with you or  
17 something, right?

18 A. I don't know the exact time but it was  
19 somewhere in the April of 2004 timeframe. You may  
20 know the pages or length of it. It felt like about  
21 30 minutes.

22 Q. Right. So if -- and how long was your  
23 phone call with Colin Maclean?

24 A. A matter of minutes.

25 Q. So if we were to total up, if Texas

1 City -- if BP really wanted to know what was the --  
2 what -- what have we learned and what can Don Parus  
3 share with us from what was going on at that plant,  
4 the summary is -- is they spent less than 35  
5 minutes in the past 13 months trying to get that  
6 information from you?

7 A. That is accurate.

8 Q. What do you think is going to happen  
9 after June 30th?

10 A. I am unclear, unsure. I mean, there has  
11 been no communications for me to get a read or get  
12 a data point to determine what it is. I -- again,  
13 when I got the letter on February 9th, there was no  
14 read on that as well. I don't know what they were  
15 going to do.

16 Q. Do you feel any pressure that what you  
17 say today, quite frankly, may effect whether or not  
18 you get a paycheck after June 30th, eight days from  
19 now?

20 A. I don't feel that. I mean, what I tell  
21 you today is the truth as I know it through my  
22 eyes. It doesn't impact whether I am on the  
23 payroll getting paid or not. It doesn't change my  
24 answers.

25 Q. Do you think BP is -- do you think they

1 care about your career or your future?

2 MR. GALBRAITH: Objection, form.

3 A. I, quite frankly, don't know.

4 Q. (BY MR. WILLIAMS) And you don't know in  
5 eight days whether you will receive your last  
6 paycheck or not, right?

7 A. No, sir, I do not.

8 Q. Has BP done anything to come to your  
9 defense --

10 MR. GALBRAITH: Objection, form.

11 Q. (BY MR. WILLIAMS) -- to help save your  
12 reputation?

13 A. If they have, then I am not aware of it.

14 Q. Now, they are, quite frankly, under the  
15 corporate guidelines, they are providing you with  
16 a -- an attorney who is specific to you, correct?

17 A. Yes, sir.

18 Q. And they are paying for that?

19 A. Yes, sir.

20 Q. Now, this safety culture issue or problem  
21 that existed that had been years or decades in the  
22 making at this plant, do you think that it was  
23 totally unknown to people up the chain of command  
24 from you?

25 MR. GALBRAITH: Objection, form.

1 A. No, sir.  
 2 Q. (BY MR. WILLIAMS) In fact, people above  
 3 you did know and had knowledge that there had been,  
 4 as you said, underfunding or lack of investment in  
 5 this plant, which had resulted in lack of  
 6 maintenance, maybe a rundowned condition, lack of  
 7 training.

8 Would you agree with that?

9 MR. GALBRAITH: Objection, form.

10 A. I shared with the leadership above me my  
 11 plan, my actions, my reasoning for moving forward  
 12 based on the incident around fatalities based on  
 13 the Telos Report. The plan forward was presented  
 14 and shared with leadership above me.

15 Q. (BY MR. WILLIAMS) And with whom would  
 16 that be? Who did you -- who are you speaking of?

17 A. The most recent one is sometime in  
 18 February, there was a review, an extensive review  
 19 with Mike Hoffman and Pat Gower and myself and a  
 20 few of my leadership members covering this very  
 21 topic.

22 Q. Pat Gower being the U.S. vice president?

23 A. Pat Gower being the U.S. regional vice  
 24 president. Mike Hoffman being the group's vice  
 25 president for refining.

1 Q. And did you explain to them in  
 2 February '05, the findings of the Telos Report?

3 A. Yes, sir.

4 Q. And did you --

5 A. Along with the follow-up actions.

6 Q. Okay. How -- how did you characterize  
 7 the findings of the Telos report to Mr. Hoffman and  
 8 Mr. Gower?

9 A. The exact words are unclear, but I  
 10 represented the highlights being -- I think there  
 11 were five points that I picked out of the Telos  
 12 Report that needed to be addressed.

13 Q. Do you recall those?

14 A. Accountabilities being Number 1, needed  
 15 clear accountabilities especially given the  
 16 organizational flux that had been gone through.  
 17 Two, infrastructure, conditions of the  
 18 infrastructure.

19 Q. And the --

20 A. And these are not in particular order.

21 I'm trying to remember --

22 Q. Sure.

23 A. I am going back in time and trying to  
 24 remember these. So they are in -- they're not in  
 25 what I would say a particular order that I

1 presented them in. I am trying to recall them for  
 2 you.

3 Q. When you say infrastructure --

4 A. Piping.

5 Q. -- that the plant had -- it had some  
 6 piping problems that had been ignored for years?

7 A. The piping --

8 MR. GALBRAITH: Objection, form.

9 A. The piping needed to be inspected and  
 10 addressed.

11 Q. (BY MR. WILLIAMS) Okay. And that had  
 12 been -- it was run down, wasn't it?

13 MR. GALBRAITH: Objection, form.

14 A. The piping, via the Telos, I know they  
 15 were saying it was undermaintained,  
 16 undermaintained.

17 Q. (BY MR. WILLIAMS) Undermaintained. Okay.

18 A. Can you read back the ones I shared with  
 19 you to make sure I'm --

20 Q. Accountability and infrastructure.

21 A. Okay. Compliance was a third one.

22 Q. Is that kind of the safety culture that  
 23 people --

24 A. It's part of the culture, but I would  
 25 feel it is an element of it. And that is making

1 sure people are compliant with existing procedures.  
 2 They're following them.

3 Q. Okay.

4 A. Procedures would be another one, being  
 5 complex and differently interpreted plant-wide.

6 And the fifth one being training,  
 7 but I prefaced it that I am not sure which order we  
 8 presented those areas. But those were the five  
 9 take-aways that we were going to work on as a site  
 10 to help be the catalyst for the change in the  
 11 culture. And then set up various programs, the 12  
 12 programs you listed kind of fall underneath those  
 13 five areas.

14 Q. Did you share with them the Telos Report  
 15 itself?

16 A. I didn't have a copy to share with them.

17 Q. Did they ask for one?

18 A. They did not ask for one that I recall.

19 Q. In fact, had they been offered, though,  
 20 the opportunity to be interviewed as part of the  
 21 Telos process?

22 A. I don't know because the interviews were  
 23 kept confidential. I am not sure whether they were  
 24 asked, offered or even participated. I only know  
 25 that a hundred -- a hundred plus were interviewed

1 and 1100 returned the survey.

2 Telos did not want to share with  
3 me individual names because they wanted to avoid  
4 anybody in the leadership trying to place a comment  
5 in the report to an individual.

6 Q. Did you make this presentation in writing  
7 or use a PowerPoint to make this presentation to  
8 Messrs. Hoffman and Gower?

9 MR. GALBRAITH: Objection, form.

10 A. Not in writing. It was PowerPoint slide  
11 or slides used and, typically, a lot of  
12 conversation. That was kind of the accepted way in  
13 the corporation to have meetings. It was not  
14 writing a formal presentations but to have a  
15 dialogue.

16 Q. (BY MR. WILLIAMS) And where was this  
17 meeting in?

18 A. The best I can tell you is that it was in  
19 a downtown hotel.

20 Q. In what city?

21 A. In Houston.

22 Mike had arrived for an API  
23 meeting and said "Good time to check in." So Mike  
24 and Pat were there and I brought four to five  
25 members of my leadership team there to accompany me

1 in this meeting.

2 Q. And how long did it last, if you recall?

3 A. It started at noon and I would say  
4 probably five to six hours in total. I didn't  
5 really track it much closer than that.

6 Q. Did they seem surprised that when you  
7 reported to them that you had problems at that  
8 plant or inherited problems with the  
9 infrastructure, compliance issues, procedures,  
10 training and accountability?

11 MR. GALBRAITH: Objection, form.

12 A. I don't know what they seemed. They  
13 didn't -- it didn't -- I mean, I didn't get any  
14 blank stares back. It's hard for me to describe  
15 what you mean by how to describe the surprise, but  
16 it didn't seem to be a shock to them.

17 Q. (BY MR. WILLIAMS) Well, you know, the --  
18 the -- a well-run, safe plant, would you agree,  
19 should not have to be facing these five areas of  
20 problem areas meaning accountability,  
21 infrastructure, compliance, procedures and  
22 training?

23 A. This was not the first --

24 MR. GALBRAITH: Objection, form.

25 A. This was not the first time that I shared

1 it with Mike.

2 Q. (BY MR. WILLIAMS) Okay.

3 MR. WILLIAMS: We have to change  
4 the tape. So we will take a quick break.

5 THE VIDEOGRAPHER: Off the record  
6 at 11:32 a.m., ending Tape 2.

7 (Recess taken.)

8 THE VIDEOGRAPHER: On the record  
9 at 11:45 a.m., beginning Tape 3.

10 Q. (BY MR. WILLIAMS) We have a PowerPoint  
11 that's been provided that I believe it's dated  
12 February 14th, '05.

13 Would that be the one that you  
14 showed to Mr. Hoffman and Gower?

15 MR. GALBRAITH: Objection, form.

16 A. I have to see it to be able to answer  
17 that question.

18 Q. (BY MR. WILLIAMS) Okay. We will try and  
19 pull it up here in a minute.

20 But the fact that it was on  
21 Valentines Day, that doesn't jog your memory any?

22 A. No, sir.

23 Q. Okay.

24 A. Mid February -- off site mid February is  
25 the closest I can come. I don't know what the date

1 is. Valentines, I --

2 Q. They didn't give you roses or anything?

3 A. No, sir.

4 Q. Okay. Now, this meeting mid February,  
5 off-site, '05, that lasted five to six hours, did  
6 you give a -- a full explanation and briefing to  
7 Messrs. Hoffman and Gower about the information  
8 that you received in the Telos Report?

9 A. The meeting covered three topics. Let's  
10 be clear on that. The first topic and the longest  
11 topic was a safety overview, and it included Telos  
12 follow-ups on fatalities, compliance, delivery  
13 audits, all the things we discussed.

14 The second topic then was titled  
15 repositioning, update on repositioning the site.

16 The third topic being on  
17 governance -- now, post the separation of company.  
18 So the meeting went on for five to six hours  
19 covering those three topics.

20 Q. Governance just means just how you  
21 structure it?

22 A. How you organize it is the best way to  
23 say it.

24 Q. Okay.

25 A. Because we are still a chemical company,

1 chemical site and refinery still underneath my  
2 leadership that had different structures below me.

3 Q. Repositioning? What does that mean?

4 A. For the refinery as to what feed -- what  
5 feed it would run, what crude it would run, what  
6 units run, what products would it make, how you  
7 would reposition how it operates.

8 Q. Question about, "Are we making -- are we  
9 going to make gasoline? Are we going to make  
10 diesel? Are we going to make jet fuel" or that  
11 kind of stuff?

12 A. Yes, and also what crudes and things we  
13 would -- we would use to make that slate.

14 Q. Got you. And the safety overview is the  
15 part I am interested in.

16 How much time do you think that  
17 was devoted to that topic, the safety overview  
18 topic at that meeting, the February, mid February  
19 off-site meeting?

20 A. I didn't keep time. I'd estimate two and  
21 a half hours maybe.

22 Q. Okay.

23 A. Okay. I -- I don't have any better  
24 recollection than that.

25 Q. And during that estimated two and a half

1 hours, did you hold back on what you had learned  
2 from Telos? In other words, were there -- was  
3 there anything that you thought, "Gosh, I am  
4 embarrassed about this. It will hurt my career if  
5 I tell these guys, or am I going to give them a  
6 term we've heard before, the brutal facts"?

7 MR. GALBRAITH: Objection, form.

8 A. First, I would characterize is as a  
9 discussion.

10 Okay. All my leadership and  
11 myself participated in it. I would not  
12 characterize that we withheld any information.

13 Q. (BY MR. WILLIAMS) Did you give them the  
14 brutal facts as outlined in Telos?

15 MR. GALBRAITH: Objection, form.

16 A. I described a culture through the five  
17 lenses I talked about with you to them.

18 Q. (BY MR. WILLIAMS) Okay. You know in  
19 Telos it says that the purpose of -- one of the  
20 purposes of Telos was just to gather, quote, the  
21 brutal facts, close quote, right?

22 A. That's correct.

23 Q. And did you relay to them those that  
24 Telos characterized as the brutal facts?

25 A. I am not sure I used those words, but I

1 would characterize the presentation to be the  
2 honest truth of the Telos Report.

3 Q. Okay. Full disclosure.

4 Would that be appropriate?

5 MR. GALBRAITH: Objection, form.

6 A. Not having the report in front of me, not  
7 being able to share it with them, I am not sure I  
8 could say full closure. Again, I think I shared  
9 with them what I thought the five top themes were  
10 of the safety culture as presented to me through  
11 Telos.

12 There's a difference between  
13 sitting in a presentation and reading the report.

14 Q. (BY MR. WILLIAMS) Now, I am curious as to  
15 why neither of them ever took the time to read the  
16 Telos Report.

17 Do you have any explanation?

18 A. I can't answer that for you.

19 MR. GALBRAITH: Objection, form.

20 A. I don't know.

21 Q. (BY MR. WILLIAMS) And?

22 A. I don't know if they even requested it.  
23 I just don't know.

24 Q. (BY MR. WILLIAMS) Right.

25 Now, if they had desired to know

1 more and get to the, quote, brutal facts outlined  
2 in the Telos Report and then asked for a copy, you  
3 would have had it to them overnight or faxed or  
4 e-mailed, wouldn't you?

5 A. I would have --

6 MR. GALBRAITH: Objection, form.

7 A. I would have called Telos, requested --  
8 put the request in immediately.

9 Q. (BY MR. WILLIAMS) And they would have  
10 gotten it quickly, right?

11 MR. GALBRAITH: Objection.

12 A. I'm assuming so.

13 Q. (BY MR. WILLIAMS) Okay.

14 A. I have nothing to believe that they would  
15 not.

16 Q. And how did you characterized -- you said  
17 you characterized for them the safety culture.

18 How would you characterize it?

19 A. The best of my memory at that session was  
20 they characterized it going through each of the  
21 lenses of the culture, that there was issues around  
22 compliance. Okay. I think they used the word  
23 casual compliance, issues around infrastructure.

24 We used those five lenses to

25 characterize the culture and that there was a -- we

1 talked about the risk tolerance because I raised  
2 that term prior to commissioning the Telos Report.  
3 That is a term that I used when I reviewed the  
4 follow-up from the September fatalities with upper  
5 management.

6 Q. We'll come back to risk tolerance, but  
7 did they ask questions, like say to you, I guess,  
8 they would call you by your first name, did they  
9 say, "Don, how did we get into this situation where  
10 we have problems with the infrastructure, we have  
11 problems with compliance, problems with  
12 accountability, problems with procedures and  
13 problems with change?"

14 Did they ask you that?

15 MR. GALBRAITH: Objection, form.

16 A. The majority of the discussion was not  
17 how we got to where we were. The majority of the  
18 discussions and questions were on what were we  
19 doing to improve it.

20 Q. (BY MR. WILLIAMS) Is there any doubt that  
21 at the end of that meeting it was effectively and  
22 clearly communicated to Messrs. Hoffman and Gower  
23 that there at that Texas City plant, there were  
24 problems in those five areas being accountability,  
25 infrastructure, compliance, procedures, and

1 training?

2 MR. GALBRAITH: Objection, form.

3 A. In my mind, we made it clear. I'm not  
4 sure. I can't speak to what they took away, but,  
5 in my mind, I thought myself and my team made it  
6 clear to them.

7 Q. (BY MR. WILLIAMS) Communicated clearly  
8 those were five problem areas?

9 A. Communicated clearly there were five  
10 problems areas and in follow-up with here's what we  
11 are doing in each of these areas. The action items  
12 fit underneath that umbrella.

13 Q. Now, this was not -- this mid  
14 February '05 was not the first time that you, even  
15 though you had only been BUL for six or seven  
16 months, it's not the first time you had spoken with  
17 the people above you about some of the safety  
18 culture problems at that plant, true?

19 A. That's correct.

20 Q. To whom had you spoken previously?

21 A. Sometime in either July of 2004 period  
22 John Manzoni made a two-day visit at the site and a  
23 high percentage of the time was devoted to talking  
24 about safety.

25 I have also, following the

1 fatalities, made a trip to London to review action  
2 items with John Manzoni and his -- and his direct  
3 reports regarding the safety at the site.

4 And I believe it was in the August  
5 timeframe and October timeframe. There were also  
6 one or two -- I would classify them as quarterly  
7 reviews that we have at the site with Pat Gower,  
8 which Pat would come to the site and discuss and  
9 also walk around and talk to people at the site.

10 I think also in this time period  
11 that Greg Coleman the vice president of health,  
12 safety and environment for the entire corporation  
13 made a visit to the site in December of 2004.  
14 Those are the ones that I can recall at this point.

15 Q. Let me ask you: For an experienced  
16 person in a refinery, would it be obvious to an  
17 experienced person when you walk into the Texas  
18 City plant, refinery, back in this timeframe, July  
19 of 2004 through December of 2004, that the assets  
20 there had been undermaintained, that there were  
21 things that were in disrepair?

22 A. The general appearance of the site would  
23 lead you to that belief.

24 Q. And especially if you were an experienced  
25 person, you could just look at the plant during

1 that time period and see, "We haven't been  
2 maintaining this plant up to standards," fair  
3 statement?

4 A. It would give that appearance, yes.  
5 (Exhibit Number 496 marked for  
6 identification.)

7 Q. (BY MR. WILLIAMS) Okay. And when you --  
8 I am going to mark this as Exhibit 496 being an  
9 organizational chart. And I apologize, I can't  
10 tell you the exact date; but it has Lord Browne at  
11 the top and it has a direct report to Lord Browne  
12 being John Manzoni who is the man that you  
13 mentioned that came to the plant for a two-day  
14 visit in July of 2004, correct?

15 A. That is correct.

16 Q. And right below Mr. Manzoni would be  
17 Mike Hoffman that you have -- of whom you have  
18 spoken before, correct?

19 A. That is correct.

20 Q. And it shows below Mike Hoffman is who?

21 A. Myself, sir.

22 Q. And is that accurate that if we were to  
23 look at the organizational chart from your  
24 perspective during -- from the BUL perspective of  
25 the plant running the Texas City refinery while you

1 were there, you reported to Mike Hoffman who  
 2 reported to Manzoni who reported to Lord John  
 3 Browne?  
 4 MR. GALBRAITH: Objection, form.  
 5 A. It would be correct from January of 2005  
 6 onward. I still had the other role from June to  
 7 December. So it's not showing the role also  
 8 reporting to the chemical side of the organization.  
 9 Q. (BY MR. WILLIAMS) Okay. But well, let's  
 10 take that part from when you became BUL in June of  
 11 '04 until the end of December, end of December '04,  
 12 specifically with the Texas City refining part  
 13 did -- did -- would that be the correct hierarchy?  
 14 MR. GALBRAITH: Objection, form.  
 15 A. Pat Gower is not shown on that chart.  
 16 Q. (BY MR. WILLIAMS) Okay. So Pat Gower  
 17 would be between you and Mike Hoffman?  
 18 A. That's correct. And I am not sure when  
 19 the timing Pat was added to the organization, but  
 20 Pat would he -- he needs -- he needs to be shown in  
 21 that chart.  
 22 Q. Okay. I am just going to pin him in  
 23 here. So if we add in Pat Gower between there,  
 24 that's -- is that an accurate chart showing  
 25 reporting while you were BUL from -- just for the

1 Texas City refinery part?  
 2 A. Again June --  
 3 MR. GALBRAITH: Objection, form.  
 4 You are showing him a piece of  
 5 that exhibit on the screen, asking him about the  
 6 whole exhibit -- asking him questions about the  
 7 whole exhibit. I would ask that you show him the  
 8 whole exhibit if you are going to ask him questions  
 9 about the whole exhibit and not be shown a piece of  
 10 it.  
 11 Q. (BY MR. WILLIAMS) Okay. I am just  
 12 asking about the Texas City refinery part, your  
 13 part.  
 14 Is that accurate, you to Gower to  
 15 Hoffman to Manzoni up to Lord Browne?  
 16 A. From January 1 of 2005 onward.  
 17 Q. Okay.  
 18 A. That would be accurate.  
 19 Q. Okay.  
 20 A. But also, by the way, my title would not  
 21 be that as well.  
 22 Q. Okay.  
 23 A. The title would change from director of  
 24 BP South Houston to Texas City site director.  
 25 Q. Okay. Before that part -- that's where I

1 am just kind of confused, how would we change this  
 2 chart? We would have had to add those two?  
 3 A. You would have --  
 4 Q. -- general vice presidents?  
 5 A. Well, what you would end up doing before  
 6 that is is that you would have to add more  
 7 reporting relationship to that chart because I  
 8 reported to Pat on the Texas City BUL job, but then  
 9 you would have to show a line to Mike Hoffman and a  
 10 line to the chemicals, which if you would slide  
 11 your chart slightly to the left where Mike  
 12 Buzzacott's name is --  
 13 Q. Right.  
 14 A. -- that is the dotted line, that would be  
 15 where it become -- although, I can -- the names on  
 16 the chart -- there is Holly's name. You were  
 17 asking how to spell Holly's name.  
 18 Q. Van Deursen who's the --  
 19 A. There is.  
 20 Q. -- group VP of chemicals?  
 21 A. Right. There's where you would add a  
 22 line coming from me to her as well as to Mike in  
 23 director of BP South Houston role.  
 24 Q. Okay. I want to try and get this right,  
 25 if I can, so I am going to -- I am adding in there

1 your title.  
 2 See where I added, slash, BUL,  
 3 business unit leader?  
 4 A. Uh-huh.  
 5 Q. And I kind of made that mark line of from  
 6 Holly over to Mike to you?  
 7 A. Okay. And then you -- we need to add one  
 8 from me to Mike as well.  
 9 Q. I've got you.  
 10 A. So during the -- during the June of 2004  
 11 period to December 31st of 2004, Mike Hoffman and  
 12 Holly Van Deursen were called the board in BP and I  
 13 reported to that board for BP South Houston.  
 14 Q. I am going to take away that arrow  
 15 because that's not appropriate.  
 16 A. And then I, also, at the same time period  
 17 reported up through Pat for the Texas City  
 18 refinery.  
 19 Q. Okay. So have I got it right now?  
 20 During the whole time period from -- let's say from  
 21 June, '04 to the explosion, you either reported  
 22 directly up to Mike to Manzoni, Lord Browne and at  
 23 some part of that time also reported to Mike and to  
 24 Holly Van Deursen?  
 25 A. From June to December, multiple



1 reporting --  
 2 Q. Right.  
 3 A. -- to Pat, Mike and Holly. From then,  
 4 from January 1 forward, I reported, then, strictly  
 5 through Pat.  
 6 Q. Okay. Who would go up through Hoffman,  
 7 Manzoni to Browne?  
 8 A. That is correct.  
 9 Q. Okay. And you had gotten to know, I  
 10 guess, Manzoni and Lord Browne and Mike Hoffman  
 11 those three are all London-based, right?  
 12 A. What time period do you ask?  
 13 Q. Well, it changes, doesn't it?  
 14 A. Yes, sir.  
 15 Q. During the time that you were in London,  
 16 the three plus years you were in London, you had  
 17 gotten to know Mr. Hoffman, Mr. Manzoni and Browne?  
 18 A. John was in Ross Pillari's job in the  
 19 U.S. So I knew John for just a short period of  
 20 time. John was actually Ross Pillari's predecessor  
 21 in Chicago.  
 22 Q. Okay. And what about Lord Browne?  
 23 A. I met him on, I think best described, a  
 24 handful of occasions. Okay. So I wouldn't  
 25 characterize it as I got to know him. I got to

1 meet him.  
 2 Q. Did you call him John or Lord or Lord  
 3 Browne or --  
 4 A. That evolved.  
 5 Q. What was the protocol.  
 6 A. It was, Sir before Lord. I actually  
 7 stuck to John Browne. I'm not sure what the right  
 8 answer is.  
 9 Q. It used to be, Sir Browne?  
 10 A. I don't claim to understand that either.  
 11 Q. The queen can do what she wants, I guess.  
 12 Okay. So looking at this report  
 13 we know that Mr. Manzoni had been to the plant in  
 14 July of '04 and when he came in July of '04, to a  
 15 trained observer like himself, it would have been  
 16 obvious just looking around the plant that it had  
 17 been undermaintained?  
 18 MR. GALBRAITH: Objection, form.  
 19 A. I am not sure if it went through John or  
 20 what his training is. That's not a question I can  
 21 answer.  
 22 Q. (BY MR. WILLIAMS) But, you know, that  
 23 you were there in that time period when he came in  
 24 July of '04 and to the -- to anybody with a trained  
 25 observer, such as yourself, it was obvious that

1 there had been a lack of maintenance at that plant,  
 2 right?  
 3 MR. GALBRAITH: Objection, form.  
 4 A. Back to clarify, I don't know what John  
 5 thought or viewed. Okay. And I want to make sure  
 6 I understand clearly what your other question was.  
 7 Q. (BY MR. WILLIAMS) You knew from looking  
 8 at the plant in July that the plant had a lack of  
 9 maintenance, right?  
 10 A. I would characterize -- I would  
 11 characterize that the plant was underinvested. It  
 12 needed more maintenance.  
 13 Q. Okay. Underinvested and needed more  
 14 maintenance, that was your observation in July of  
 15 '04, right?  
 16 A. Yes, sir.  
 17 Q. Okay. And when Mr. Manzoni came in July  
 18 of '04 for two days, did he go out and look at the  
 19 plant?  
 20 A. During the schedule John made one or two  
 21 safety audits of the plant. Okay.  
 22 Q. And if he has any experience in looking  
 23 at plants, would you agree with me that it would  
 24 have been obvious to the trained observer that the  
 25 plant had been undermaintained?

1 MR. GALBRAITH: Objection, form.  
 2 A. I just can't speak for John. Okay? I  
 3 don't know. John is not an experienced refiner.  
 4 So I don't know what his observations were. That's  
 5 something you are going to have to ask John.  
 6 Q. (BY MR. WILLIAMS) Okay. So he is not an  
 7 experienced refinery person?  
 8 A. Not that I am aware of.  
 9 Q. What's he experienced in because he's  
 10 chief executive of refining and marketing?  
 11 A. I don't know what his background was in  
 12 BP prior to the Amoco merger. I am just not aware  
 13 of him working in a refinery.  
 14 Q. Now, Mike Hoffman he is experienced in  
 15 refining, right?  
 16 A. That would be a correct statement.  
 17 Q. And so when Mike made his trips to the  
 18 plant, it -- being a trained observer, it would be  
 19 apparent to him that the plant had been  
 20 undermaintained?  
 21 MR. GALBRAITH: Objection, form.  
 22 A. Again, I don't know what's apparent to  
 23 him. We made the case to him regarding the  
 24 investment profile of the sites.  
 25 Q. (BY MR. WILLIAMS) Whether he observed it,

1 you told him it had been undermaintained --  
 2 A. There had been --  
 3 Q. -- correct?  
 4 A. There had been presentations made to John  
 5 and Mike and Pat regarding the investment profile  
 6 of the site.  
 7 Q. And, in fact, and when were these  
 8 presentations made concerning under --  
 9 undermaintaining the plant?  
 10 MR. GALBRAITH: Objection, form.  
 11 A. I know one was made to John Manzoni  
 12 during his July visit. It showed a history of the  
 13 site's investment versus the history of the  
 14 competition's investment profile.  
 15 Q. (BY MR. WILLIAMS) And what did that show  
 16 concerning the investment that BP had chosen to put  
 17 in the plant compared to what other energy  
 18 companies had done?  
 19 A. I think we looked at refineries only.  
 20 Q. Okay.  
 21 A. So instead of correcting energy  
 22 companies. The plot -- I don't remember the scale  
 23 absolute numbers, but it showed Texas City lower  
 24 than the competition.  
 25 Q. It had for some reason become like a

1 stepchild or something.  
 2 It had been ignored?  
 3 MR. GALBRAITH: Objection, form.  
 4 A. That's not the way I looked at it. All  
 5 right?  
 6 Q. (BY MR. WILLIAMS) Well, investment-wise,  
 7 dollar-wise, it had been ignored?  
 8 MR. GALBRAITH: Objection, form.  
 9 A. It had been underinvested versus the  
 10 competition.  
 11 Q. (BY MR. WILLIAMS) Now, why was this plant  
 12 underinvested compared to the competition?  
 13 MR. GALBRAITH: Objection, form.  
 14 A. Not being there and actually being  
 15 outside of refining, I don't know what the reason  
 16 and thinking was, and some of this possibly could  
 17 have stemmed back before the Amoco BP merger.  
 18 Q. (BY MR. WILLIAMS) Now, underinvestment  
 19 can it lead to safety problems?  
 20 MR. GALBRAITH: Objection, form.  
 21 A. It can.  
 22 Q. (BY MR. WILLIAMS) And underinvestment,  
 23 can it lead to cultural safety problems?  
 24 MR. GALBRAITH: Objection, form.  
 25 A. Possible.

1 Q. (BY MR. WILLIAMS) And can  
 2 underinvestment lead to frustration on the part of  
 3 the workers?  
 4 MR. GALBRAITH: Objection, form.  
 5 A. We can lead through these. There are  
 6 many elements that lead through a safety culture.  
 7 The three you're wrenching off to play a role. I  
 8 don't know how much or how little, but they can  
 9 play a role in forming the culture. But I don't  
 10 have the expertise to be able to answer it any  
 11 further.  
 12 Q. (BY MR. WILLIAMS) And the decision to  
 13 underinvest in Texas City refinery, had that been a  
 14 decision that would have been made at the very  
 15 highest levels of the corporation up -- not exactly  
 16 John Manzoni himself but whomever occupied that  
 17 level and up at Lord Browne's level?  
 18 MR. GALBRAITH: Objection, form.  
 19 A. I'm unclear as to when those decisions  
 20 because if -- you have to look through this lens,  
 21 which is BP lens, you must also look through an  
 22 Amoco lens, which would have a very different chart  
 23 up. So I think you need to -- we need to establish  
 24 what the period was for investment. And the chart  
 25 varies based on that period you are looking at.

1 Q. Regardless of whether it was a BP  
 2 decision to underinvestigate -- underinvest or  
 3 whether it is an Amoco decision to underinvest,  
 4 after they merged, you inherited a plant where  
 5 there had been a lack of investment with regard to  
 6 maintenance and safety.  
 7 Would you say that was an accurate  
 8 statement?  
 9 A. I didn't inherit it after the merger.  
 10 The merger was in 1999. So just to clarify, I  
 11 didn't inherit it in 1999.  
 12 Q. (BY MR. WILLIAMS) But somewhat after  
 13 1999?  
 14 A. In 2004 --  
 15 Q. You inherited --  
 16 A. -- I became BUL. I inherited the assets.  
 17 Q. Which had been underinvested for some  
 18 period of time with regard to maintenance and  
 19 safety?  
 20 MR. GALBRAITH: Objection, form.  
 21 A. I inherited the assets that were  
 22 underinvested and undermaintained.  
 23 Q. (BY MR. WILLIAMS) With regard to safety  
 24 maintenance?  
 25 MR. GALBRAITH: Objection, form.

1 A. With regard to maintenance.

2 Q. (BY MR. WILLIAMS) Okay. Which I think  
3 we have agreed can lead to safety culture problems?

4 A. I think we agreed it is an element of the  
5 safety culture.

6 Q. Okay. Do you think you were the first  
7 person to discover in June of '04, "Hey, there's  
8 been an underinvestment in this plant in the past"?

9 A. I don't know. I wouldn't think so, but I  
10 don't know that answer.

11 Q. Well, did anybody seem surprised, "hey,  
12 oh, my gosh, we've -- what do you mean  
13 underinvested? We've -- we have been pouring money  
14 into this plant."

15 Anybody challenge you and say on  
16 that issue or did they kind of nod and accept that  
17 it was a fact?

18 MR. GALBRAITH: Objection, form.

19 A. I didn't feel any challenge on that  
20 statement.

21 Q. (BY MR. WILLIAMS) So the fact that it  
22 had been underinvested -- that there had been  
23 underinvestment in this plant, when you raised it  
24 back as early as July of 2004 with somebody as high  
25 as John Manzoni, is it fair to say that you had

1 not -- no one ever challenged that statement --

2 MR. GALBRAITH: Objection --

3 Q. (BY MR. WILLIAMS) -- that you made?

4 MR. GALBRAITH: Objection, form.

5 A. I don't recall any challenge in that  
6 statement.

7 Q. (BY MR. WILLIAMS) And is it -- is it  
8 fair to say that if somebody with any degree of  
9 experience in refining, over and above hearing that  
10 statement directly from you that they had  
11 underinvested in this plant, all they had to do was  
12 go around and look around with their own eyes and  
13 it would support what you were telling them?

14 A. The --

15 MR. GALBRAITH: Objection, form.

16 A. The appearance of the site would tend to  
17 support that statement.

18 Q. (BY MR. WILLIAMS) Okay. What kind of  
19 presentation was made to Mr. Manzoni in July of  
20 2004?

21 A. I just can't recall. It's -- a big  
22 portion of it, I want to say the morning and part  
23 of the afternoon the first day, was devoted to  
24 safety. Follow-up to a control of work audit that  
25 was done in May of that year, I believe, and

1 follow-up to the fatalities on May 25th.

2 So a good portion of the morning  
3 of the first day was spent on -- on the safety  
4 piece of it. I would have to refresh with an  
5 agenda, but I would imagine the repositioning piece  
6 that was shared with Mike, there was some of that  
7 shared. Progress on 1000-day goals was shared and  
8 then a good part of it was spent -- John gave a  
9 town hall. John gave some safety audits. I think  
10 John had some lunch with small groups. I mean, it  
11 wasn't two days in a -- in a -- in a conference  
12 room. It was two days with a kind of multi  
13 approach. That's the best I can recall going back  
14 to July of '04.

15 Q. Was there a PowerPoint presentation with  
16 regard to safety on -- in that meeting in July of  
17 2004?

18 A. I believe so. I mean, again -- the  
19 typical format, again, is to have not a stand up  
20 presentation with a pack of slides. Typical format  
21 is to put a slide up and have a dialogue with the  
22 leadership team. And that's how I would  
23 characterize that presentation would be not a lot  
24 of slides even though there might be PowerPoint,  
25 but it was around getting a dialogue where we can

1 have a conversation.

2 Q. Now, when was it that you first realized  
3 that this plant had a history of 20 plus deaths  
4 over 30 years?

5 A. In preparing for meeting with the first  
6 level leaders following the fatalities of  
7 September, I set up a safety reality session.  
8 Okay. And they were done over a period of time. I  
9 want to say October/November, possibly even into  
10 December. So it took seven to ten sessions to  
11 catch all the shifts to get all the people and do  
12 makeup sessions as well.

13 In preparation for that I had  
14 asked the question. I asked the question. I just  
15 said, "In 30 years, how many fatalities was at the  
16 site?"

17 And so it was a question that I  
18 asked and that was the information that came out,  
19 and I used that information as part of the safety  
20 reality.

21 Q. I have seen Joe Barnes' e-mails.

22 You -- I think you asked Joe  
23 Barnes to do that for you, didn't you?

24 A. That was most likely who -- that's most  
25 likely who I asked for that information.

1 Q. Now, you mentioned a control of work  
2 survey?

3 A. Audit survey.

4 Q. Thank you. That was done when?

5 A. May -- to the best of my knowledge, May  
6 of 2004.

7 Q. And what did it reveal to you in May of  
8 2004?

9 A. The audit was done in May. I believe the  
10 results got to me in late June. The three elements  
11 were raised. One is along the lines of compliance.  
12 One is along the lines with risk around nitrogen  
13 usage at the plant. The third one is less -- a  
14 little less vague with me. It was something along  
15 the lines of performing risk assessments for  
16 smaller, smaller work or smaller job, something of  
17 that nature. That's the best of my ability to  
18 recall.

19 Q. So at least the risk assessment part and  
20 the compliance part were things that not only then  
21 were reported in July of '04, also, were reported  
22 in the Telos Report January of '05, and likewise,  
23 reported in the final report following the fire and  
24 explosion, true?

25 MR. GALBRAITH: Objection, form.

1 addressing the control of work audit and this is  
2 where we shared with John the framework for  
3 compliance delivery and the framework for just  
4 culture and the framework for instituting the  
5 auditors piece of it so a lot of discussion was  
6 saying, "Don, what's your response to the audit?"

7 So we spent time going through  
8 several of the 12 things listed earlier that we  
9 were starting out as a result of -- and two things  
10 occurred in that timeframe. Although, not when I  
11 was BUL, but the other fatality in May was reviewed  
12 as a compliance issue as well as he had compliance  
13 with the fatality, compliance with the control of  
14 work. We took compliance to be the first major  
15 issue to undertake as the leadership in June.

16 Q. Did it seem to you that when there was a  
17 lack of compliance and lack of risk assessment that  
18 there was -- what would go hand in glove with that  
19 to me would seem a lack of training?

20 MR. GALBRAITH: Objection, form.

21 A. Not in compliance doesn't, in my mind,  
22 always mean lack of training.

23 Q. (BY MR. WILLIAMS) Not always but  
24 certainly that can be an element of it?

25 A. It's an element, but the lack of

1 A. Well, the risk and the compliance were  
2 common.

3 Q. (BY MR. WILLIAMS) Okay. And so the fact  
4 that there were challenges or issues in those two  
5 areas of risk assessment and compliance, is it fair  
6 to say that the May of '04 control of work audit  
7 put you on notice of that, that there was problems  
8 there?

9 MR. GALBRAITH: Objection, form.

10 A. It made us aware of those three issues.

11 Q. (BY MR. WILLIAMS) And you shared that, I  
12 take it, with John Manzoni in July of 2004?

13 A. The report was written for John. I  
14 didn't need to share it. John -- the control of  
15 work teams were commenced by John Manzoni.

16 Q. Okay. With regard to at least two areas,  
17 compliance -- safety compliance and risk  
18 assessment, John Manzoni was aware of that as far  
19 back as when the report was completed late June of  
20 2004?

21 A. That would it be rough timetable.

22 Q. Okay. What did John say about this, John  
23 Manzoni, I mean?

24 A. Well, when John came out in July then, we  
25 already then had developed actions around

1 compliance doesn't always mean lack of training.  
2 Case in point, the fatality May 25th, when that  
3 employee was specialized trained in fall  
4 protection, because that's what he did for a  
5 living, okay, training wasn't viewed as the  
6 shortcoming in that incident. But, yet, it was a  
7 compliance issue.

8 Q. Okay.

9 A. He made -- he made a choice.

10 Q. But risk assessment, does that -- when  
11 you see that there is an issue in risk assessment,  
12 does that raise an issue perhaps that we haven't  
13 done sufficient training in this area?

14 MR. GALBRAITH: Objection, form.

15 A. Similarly, I would put it as an element  
16 okay? But training does not solve the risk.  
17 Again, past practices tend to almost design similar  
18 training. So I wouldn't automatically say risk  
19 assessment and training is the only reason. It's  
20 an element.

21 Q. (BY MR. WILLIAMS) Now, process safety  
22 management.

23 What is that?

24 A. It's an effort in refining while  
25 maintaining the safe operation of all process

1 units.

2 Q. And process safety management is -- is it

3 different from personal safety?

4 A. They are related, but there is some

5 distinction.

6 Q. And what is that distinction?

7 A. Personal safety measures only the aspects

8 of personnel safety. You can get a person hurt

9 outside of process units. Okay? Driving in a

10 vehicle, for example.

11 Q. Failing to wear your hard hat, failing to

12 wear your safety glasses, those would be personal

13 safety issues?

14 A. Well, those are issues; but I'm talking

15 about a person getting hurt. A person can get hurt

16 outside the process units.

17 So that's why I make a slight

18 distinction, but they are very related.

19 Q. And process safety, I have heard that

20 described as avoiding catastrophic events that can

21 injure multiple people.

22 MR. GALBRAITH: Objection, form.

23 Q. (BY MR. WILLIAMS) Is that a fair

24 statement?

25 MR. GALBRAITH: Objection, form.

1 A. Process safety is used to avoid virtually

2 any events. I wouldn't limit them to -- to

3 catastrophic.

4 Q. (BY MR. WILLIAMS) So when we talk about

5 releasing the hydrocarbon from a vessel or a pipe,

6 would that come under personal safety or process

7 safety?

8 MR. GALBRAITH: Objection, form.

9 A. I mean, in my mind, they would come under

10 both.

11 Q. (BY MR. WILLIAMS) What's the Number 1

12 rule with regard to handling of hydrocarbons?

13 MR. GALBRAITH: Objection, form.

14 A. I am not sure I fully understand your

15 question.

16 Q. (BY MR. WILLIAMS) I have heard people

17 say the Number 1 rule with regard to handling

18 hydrocarbon is keep -- keep them inside the vessels

19 or keep them inside the pipes. Don't let them

20 escape.

21 A. Keep them under containment is how I

22 would describe it.

23 Q. Perfect. Would you agree that Rule 1

24 with hydrocarbons is keep them contained?

25 A. I would say Rule Number 1 is keep the

1 hydrocarbons contained.

2 Q. Process safety, if someone violates -- if

3 there is a lack of process safety, can it result in

4 catastrophic events?

5 A. It has that potential.

6 Q. And in fact, did a lack of process safety

7 contribute to the fire and explosion of March 23?

8 A. I think there were many elements that

9 contributed as identified by the report, process

10 safety being one of them.

11 Q. Is it true, then, that on March 23, Rule

12 Number 1 with regard to hydrocarbons was broken,

13 that rule was violated in that hydrocarbons were

14 not kept contained?

15 MR. GALBRAITH: Objection, form.

16 A. On March 23rd hydrocarbons were not

17 contained.

18 Q. (BY MR. WILLIAMS) In fact, there had been

19 a history at the Texas City refinery of violating

20 this Rule Number 1 where there were hydrocarbons

21 that escaped from containment, true?

22 MR. GALBRAITH: Objection, form.

23 A. One of the metrics we measured in the

24 1000 day goals was exactly the release of any

25 hydrocarbon. Anything greater than 1 barrel or

1 42 gallons was tracked and reported and it was a

2 metric we were looking at and working towards

3 reduction.

4 Q. (BY MR. WILLIAMS) Because there had been

5 a history of hydrocarbon releases, true?

6 MR. GALBRAITH: Objection, form.

7 Q. (BY MR. WILLIAMS) At that plant?

8 MR. GALBRAITH: Objection, form.

9 A. As measured by spills, there was a

10 history.

11 Q. (BY MR. WILLIAMS) All right. Anytime

12 there is a spill, there is the potential for a fire

13 and possibly an explosion?

14 A. The potential does exist if the spill is

15 a hydrocarbon, yes.

16 Q. Right.

17 And the triangle it takes to have

18 a catastrophe is you've got to have a hydrocarbon.

19 You've got to have some oxygen. You've got to have

20 an ignition source. You get those three, and it's

21 a potential for a catastrophe --

22 MR. GALBRAITH: Objection, form.

23 Q. (BY MR. WILLIAMS) -- agree?

24 A. It's essential for a fire. That is

25 correct.

1 Q. And this plant had a history over some  
2 period of time of fires, didn't it? More than  
3 normal fires?  
4 MR. GALBRAITH: Objection, form.  
5 A. The plant had fires. I mean, it's --  
6 given the size of the plant, I don't know how you  
7 would compare -- be on a comparative basis, but it  
8 had -- it had fires at this plant.  
9 Q. (BY MR. WILLIAMS) And fires would be the  
10 result, typically, of a releases of hydrocarbons  
11 where you had broken Rule Number 1 of keeping them  
12 contained?  
13 MR. GALBRAITH: Objection, form.  
14 A. That could be the potential cause.  
15 Q. (BY MR. WILLIAMS) Now, do you know  
16 John McLemore?  
17 A. I know John McLemore.  
18 Q. He was the fire chief while you were BUL,  
19 right?  
20 A. John was the fire chief while I was BUL.  
21 Q. Did Counsel share with you his testimony  
22 about the number of fires at the Texas City  
23 refinery?  
24 A. I am not aware of the number of fires.  
25 Q. And what would be an acceptable number of

1 fires while at the Texas City refinery?  
2 MR. GALBRAITH: Objection, form.  
3 A. The only acceptable number is zero.  
4 Q. (BY MR. WILLIAMS) Could one look at the  
5 number of fires that occurred and see that,  
6 perhaps, there was a problem because you had broken  
7 Rule Number 1, keep hydrocarbons contained? Would  
8 that be a good measure?  
9 A. It would be a --  
10 MR. GALBRAITH: Objection, form.  
11 A. It would be a metric.  
12 Q. (BY MR. WILLIAMS) Meaning a measure?  
13 A. Yes.  
14 Q. Okay. Metric is, I guess --  
15 A. We --  
16 Q. -- is MBA speak for measure?  
17 A. No. It's BP speak for a measure.  
18 The reason I say that is not all  
19 spills lead to fires. So we tracked spills. So  
20 the metric we tracked was spills versus fires to  
21 make sure -- we thought it was a better, accurate  
22 metric to look at.  
23 Q. And fires, as I said, require those three  
24 things: Oxygen, hydrocarbon and ignition source.  
25 And spills, there might be many more spills than

1 there are fires because they maybe lacked oxygen or  
2 maybe lacked an ignition source, right?  
3 A. Or they were --  
4 MR. GALBRAITH: Objection, form.  
5 A. Or they were contained in another  
6 containment, a secondary containment, correct.  
7 Q. (BY MR. WILLIAMS) Okay. Now, how many  
8 fires were you aware of that were going on in your  
9 plant?  
10 MR. GALBRAITH: Objection, form.  
11 A. In what time period, sir?  
12 Q. (BY MR. WILLIAMS) Let's take it while you  
13 were a BUL from June of '04 until -- leading up to  
14 March 23, '05.  
15 A. I am not sure I can quote you a number.  
16 Q. Estimate?  
17 MR. GALBRAITH: Objection, form.  
18 A. No data point to give you an estimate. I  
19 mean, it's -- fires was not the metric we were  
20 looking at. We were looking at spills.  
21 Q. (BY MR. WILLIAMS) Ballpark of fires?  
22 A. I couldn't even -- if I don't have a data  
23 point, it's tough to give you a ballpark or an  
24 estimate.  
25 Q. How about spills?

1 A. Spills in 2004 --  
2 MR. GALBRAITH: Objection, form.  
3 A. The spills that we reported in 2004, I  
4 believe -- I believe it was somewhere in the 18 to  
5 20 range in 2004.  
6 Q. (BY MR. WILLIAMS) That you were aware  
7 of?  
8 A. These were spills that had to be reported  
9 because they exceeded 1 barrel.  
10 Q. Spills of 1 barrel or more in 2004 were  
11 18 to 20 according to your --  
12 A. That's the best of my recollection.  
13 Q. Okay. Now, let's go back to fires. If  
14 we're -- because you didn't track -- I am correct  
15 that you and your leadership team did not track the  
16 number of fires in the plant.  
17 That is not one --  
18 A. Not specifically. That's correct.  
19 Q. Okay. Would the person most  
20 knowledgeable about the number of fires in the  
21 plant be John McLemore --  
22 MR. GALBRAITH: Objection, form.  
23 Q. (BY MR. WILLIAMS) -- the fire chief?  
24 A. I would think John would have that  
25 knowledge. He responds to it. He is in charge of

1 the fire department that would respond to it. So I  
2 would think he would be very knowledgeable of it.

3 Q. And I mean, can you think of anybody that  
4 would know more about the number of fires than John  
5 McLemore?

6 A. I would trust John's response.

7 Q. Okay. What is a culture of casual  
8 compliance?

9 MR. GALBRAITH: Objection, form.

10 A. The term that was used was -- I am not  
11 sure if it was in the control of work audit or the  
12 response to the control of work audit or shared  
13 with us from the control of work audit team, but  
14 that's where the genesis of the term came from.  
15 And how it was best described to me was, is the  
16 workforce had tended to be in compliance with the  
17 rules they felt were important and other rules that  
18 they felt were not important, there was not  
19 complete compliance.

20 Q. (BY MR. WILLIAMS) So this phrase "culture  
21 of casual compliance," as far as you know,  
22 originated from the May, 2004 control of work  
23 audit?

24 A. In some shape or form it came out of  
25 that. And again, it's either in the audit, our

1 response or in dialogue as a result of that. I  
2 would put that control of work audit the -- the  
3 genesis of it.

4 Q. And when we use the phrase culture of  
5 casual compliance, we are talking about casual  
6 compliance with safety rules --

7 MR. GALBRAITH: Objection, form.

8 Q. (BY MR. WILLIAMS) -- true?

9 A. Safety rules and environmental rules. I  
10 would not -- I would not limit it, in my mind, to  
11 safety rules. Safety rules being part of it.

12 Q. Right.

13 It would include -- okay. So when  
14 we use the phrase "culture of casual compliance,"  
15 that includes casual compliance with regard to  
16 safety rules?

17 A. I would -- I would include that in that  
18 statement.

19 Q. And BP was -- management, leadership, was  
20 aware of this culture of casual compliance,  
21 certainly, back in late June of 2000 -- of 2004,  
22 right?

23 MR. GALBRAITH: Objection, form.

24 A. My understanding is that the control of  
25 work report was audited by the team and sent

1 directly to John Manzoni, who commissioned the  
2 audit. And we also then responded to that and  
3 covered it in this July visit.

4 Q. (BY MR. WILLIAMS) Okay. But I want to be  
5 specific for the jury that that -- the fact that  
6 there was a culture of casual compliance, which  
7 included at least in part, casual compliance of  
8 safety rules, that that was known to the leadership  
9 team and it was known to the executives as high as  
10 John Manzoni, certainly, by late June, 2004, true?

11 MR. GALBRAITH: Objection, form.

12 A. I would agree with you if you said mid  
13 July because I want to include his visit and make  
14 sure it's part of that because I am not sure if the  
15 "casual compliance" term was in the audit or in the  
16 follow-up discussions. So I'm moving you by a  
17 little time period to be exact.

18 Q. (BY MR. WILLIAMS) I don't want to  
19 quibble with you.

20 A. Yeah.

21 Q. I appreciate what you are doing. Let me  
22 try and get it correct.

23 By mid July, 2004, no doubt in  
24 your mind that it was clearly communicated to the  
25 leadership team and to John Manzoni -- and to

1 executives as high as John Manzoni that there was a  
2 culture of casual compliance, which included safety  
3 compliance, at the Texas City refinery, true?

4 A. I would agree --

5 MR. GALBRAITH: Objection, form.

6 A. I would agree with that timetable.

7 Q. (BY MR. WILLIAMS) Let's go back to risk  
8 tolerance.

9 Did you discuss with Mr. Manzoni  
10 in July of 2004 that there were issues with risk  
11 tolerance?

12 A. The control of work audit didn't paint  
13 the site as complete risk tolerance. It was  
14 referring to a certain area. The real discussion  
15 around risk tolerance occurred in October following  
16 the September fatalities.

17 Q. So --

18 A. That's why I remember using that term.

19 Q. Okay. The term "risk assessment" was  
20 communicated to Mr. Manzoni as an issue in July of  
21 2004, correct?

22 MR. GALBRAITH: Objection, form.

23 A. My best recollection, it was control of  
24 work audits, without reviewing it. It says there  
25 were some issues regarding risk assessment, but it

1 wasn't plant-wide. It was in a specific area they  
2 found it in.

3 So I am just trying to distinguish  
4 between control of work audit identified, risk  
5 assessment, investment and reviews of small jobs.  
6 The -- the September fatalities is when the phrase  
7 "risk tolerance" was used and then that also led  
8 to, then, the commission of the Telos Report to  
9 really get a good handle as to what that was.

10 Q. (BY MR. WILLIAMS) You went to London in  
11 2004 how many times after -- let's just say after  
12 you became BUL in June of 2004?

13 A. Three that I remember distinctly,  
14 possibly more.

15 Q. Okay. And on those three occasions, did  
16 you meet with Mr. Manzoni?

17 A. On two of them, for sure.

18 Q. And on those occasions, those trips to  
19 London, did y'all discuss the fact that there was a  
20 culture of casual compliance, including safety, at  
21 the Texas City refinery?

22 A. The two trips to London with John Manzoni  
23 were in the August and October timeframe. They  
24 were specific for follow-up to the fatalities at  
25 the site in 2004 and compliance was discussed at

1 the first one, and compliance and risk tolerance  
2 was discussed at the second meeting.

3 Q. Okay. So when you say "compliance," was  
4 it also discussed on those two occasions the fact  
5 that there was a culture of casual compliance?

6 A. I am not sure I used those exact words.  
7 That's why I am using the word "compliance."

8 Q. Right.

9 A. Again, without looking at my slides and  
10 my notes, I wasn't sure how I characterized it. I  
11 know that compliance was an issue both raised in  
12 the control of work audit and it was also a key  
13 finding in the fatality at the end of May.

14 Q. Did Lord Browne show any interest in the  
15 fact that there had -- that in late or late -- late  
16 June or mid July of 2004, there had been  
17 demonstrated by this control of work audit a  
18 culture of casual compliance, including safety, at  
19 this plant?

20 MR. GALBRAITH: Objection, form.

21 A. He did not to me. Now, whether he did to  
22 someone else, I can't answer. But I had no direct  
23 communications with --

24 MR. GALBRAITH: With Lord Browne?

25 A. -- with Lord Browne.

1 Q. (BY MR. WILLIAMS) Did Mr. Manzoni --  
2 (Discussion off the record.)

3 Q. (BY MR. WILLIAMS) Did Mr. Manzoni ever  
4 indicate to you that he had discussed the fact that  
5 there was a culture of casual compliance with --  
6 including safety at the Texas City refinery that he  
7 had discussed with Lord Browne?

8 MR. GALBRAITH: Objection, form.

9 A. I don't know. I don't know.

10 I may pick it up, then, if I may  
11 take a 30-second break since nobody else will.

12 MR. WILLIAMS: We are probably  
13 close to the end of the tape, aren't we? Why don't  
14 we just take our lunch break now.

15 MR. GALBRAITH: Okay.

16 THE VIDEOGRAPHER: Off the record  
17 at 12:38 p.m., ending Tape 3.

18 (Lunch recess taken.)

19

20 THE VIDEOGRAPHER: On the record  
21 at 1:49 p.m., beginning Tape 4.

22 Q. (BY MR. WILLIAMS) Mr. Parus, I want to  
23 go back to some of the things leading up to before  
24 you became the BUL there; and let's go back to the  
25 year 2001. We have used this with other witnesses

1 before.

2 This is Exhibit 182; and it is a  
3 PowerPoint, apparently, from the year 2001. And it  
4 says, "If we do not achieve a significant  
5 improvement safety performance at the Texas City  
6 refinery, one of our co-workers or a contract  
7 employee will be killed at this here within the  
8 next three to four years."

9 Now, did that prognostication or  
10 prediction, in fact, come true?

11 MR. GALBRAITH: Objection, form.

12 A. What year was this authored in?

13 Q. (BY MR. WILLIAMS) 2001.

14 MR. GALBRAITH: Can he see that  
15 one, perhaps, since there hadn't been a predicate  
16 here yet.

17 A. I don't recognize the document.

18 Q. (BY MR. WILLIAMS) Okay. All I am asking  
19 you, sir, is: In this PowerPoint, this prediction  
20 from 2001, did it come true?

21 A. The prediction of a co-worker or a  
22 contractor being killed at the site, that  
23 prediction came true.

24 Q. And came true within the time period that  
25 they predicted, three to four years, right?



1 A. As stated there, yes, sir.  
 2 Q. Now, on the -- one of the pages of that  
 3 exact document page -- Exhibit 182, came with a  
 4 chart that shows "Cumulative LWD," that's lost day  
 5 work injuries between "Fatalities," right?  
 6 A. (Examines document.)  
 7 Q. Do you see that chart in there?  
 8 A. I'm -- it's easier for me to read the one  
 9 that's in front of me, if that's okay.  
 10 Q. Sure.  
 11 Do you want a color copy?  
 12 A. I would really appreciate the one you are  
 13 looking at. Thank you.  
 14 Q. You've got it. (Tenders documents.)  
 15 And it shows a prediction that you  
 16 can see how between fatalities there, how there  
 17 appears to be a buildup each time of lost workday  
 18 injuries, right?  
 19 A. Looking --  
 20 MR. GALBRAITH: Objection, form.  
 21 A. Looking through this lens of lost  
 22 workdays, it would tend to indicate that.  
 23 Q. (BY MR. WILLIAMS) Yeah, and it started  
 24 back in 1983 and seems to be a buildup here --  
 25 A. I can't dispute -- I am assuming the

1 dates on here are accurate. I can't -- I am  
 2 assuming the dates are accurate.  
 3 Q. I am, too.  
 4 A. Okay.  
 5 Q. It was provided by BP.  
 6 A. That's my only -- kind of why I --  
 7 Q. Sure.  
 8 And then there is a buildup here  
 9 before this death, a buildup before this death,  
 10 et cetera. There's continuous buildups, right?  
 11 A. At different levels --  
 12 MR. GALBRAITH: Objection, form.  
 13 A. At different levels, but yes to the  
 14 answer.  
 15 Q. (BY MR. WILLIAMS) All which are showing  
 16 what we call trends. You understand what a "trend"  
 17 is, don't you?  
 18 A. Uh-huh.  
 19 Q. And, of course, the end of that being  
 20 that there were -- and you can look at those trends  
 21 and see it resulted in deaths, right?  
 22 A. Through this correlation between  
 23 accumulation of lost workday accidents and  
 24 fatalities.  
 25 Q. Right.

1 And the purpose that management  
 2 should be looking at these things for is one should  
 3 be looking at trends to predict the future with  
 4 regard to safety. If we are having a whole lot of  
 5 injuries, then logic tells us that that shows a  
 6 trend which may well result in a fatality, right?  
 7 A. You want to look through --  
 8 MR. GALBRAITH: Objection, form.  
 9 A. You want to look through two lenses. You  
 10 want to look through indicators, lagging  
 11 indicators, which this would be and also leading  
 12 indicators, which would also give you an  
 13 indication.  
 14 Q. (BY MR. WILLIAMS) Right.  
 15 And this is useful information in  
 16 predicting what's going to happen in the future.  
 17 Would you agree?  
 18 MR. GALBRAITH: Objection, form.  
 19 A. It is a piece of information.  
 20 Q. (BY MR. WILLIAMS) Right.  
 21 Would you say -- would you agree  
 22 useful, or would you dispute that it's useful?  
 23 A. It's something you need to look at is the  
 24 way I would characterize it.  
 25 Q. Pressing you on this now, I'm just saying

1 is it useful or not useful?  
 2 A. It is a piece of data I would use in  
 3 using the safety metrics.  
 4 Q. Okay.  
 5 A. Because the other piece is length of  
 6 time.  
 7 Q. Sure.  
 8 A. The length of time as well.  
 9 Q. If you look at this time period, then, it  
 10 looks like from the year 1994 and then the budget  
 11 cuts are around 1999, right, that from '99 forward,  
 12 they just keep -- and this stops sometime around  
 13 2002. They just keep skyrocketing upward, don't  
 14 they?  
 15 MR. GALBRAITH: Objection, form.  
 16 Q. (BY MR. WILLIAMS) After the budget cuts?  
 17 A. The linear line drawn here is -- I am not  
 18 sure I agree with the skyrocketing. I see the same  
 19 increase through the whole period from '94 to 2002.  
 20 I see a pretty linear -- a pretty linear increase.  
 21 Q. And that's why on this document in 2001  
 22 it says, "If we do not achieve a significant  
 23 improvement, somebody is going to die."  
 24 I have kind of summarized it,  
 25 right?

1 MR. GALBRAITH: Objection, form.

2 Q. (BY MR. WILLIAMS) Second page.

3 A. Yeah, I was just making sure I am clear.  
4 This is the first time I have seen the document.  
5 Okay?

6 If they are using this as a lens,  
7 it could lead to that prediction.

8 Q. Okay. Now, this document turned out,  
9 would you agree, to be an accurate predictor that  
10 both looking at this statement, "If we don't make a  
11 significant improvement, people will die" and  
12 looking at the chart attached to it, which shows  
13 this linear increase that you talked about, those  
14 things were both pretty accurate predictors of the  
15 fact that there was going to be a significant  
16 problem at that plant from a safety standpoint,  
17 true?

18 MR. GALBRAITH: Objection, form.

19 A. Again, it is a piece of information. The  
20 slopes are different. The peaks are different, but  
21 it is a piece of information to use to help look at  
22 the safety performance.

23 Q. (BY MR. WILLIAMS) Was it an accurate  
24 predictor? Did it, in fact, come true what had  
25 been predicted there?

1 MR. GALBRAITH: Objection, form.

2 A. This statement came true.

3 Okay. Whether this data was an  
4 accurate predictor or not, that's the piece I am  
5 struggling with.

6 Q. (BY MR. WILLIAMS) Okay. So the  
7 statement -- you don't quarrel with the statement,  
8 this statement that, "If we don't achieve a  
9 significant improvement, one of our co-workers or a  
10 contract employee will be killed in the next three  
11 to four years"?

12 A. Given --

13 MR. GALBRAITH: Objection, form.

14 A. Given it was 2001, I mean, we are sitting  
15 here looking backwards at this right now.

16 Q. (BY MR. WILLIAMS) Sure.

17 A. The statement came true.

18 Q. Okay. Now, are you familiar with Veba?  
19 Have you ever heard of Veba?

20 A. Veba, yes.

21 Q. Okay. That's a plant in Germany that was  
22 purchased by British Petroleum, right?

23 A. A company, yes.

24 Q. And as a result of that purchase, there  
25 was a study done at the Texas City plant; and we're

1 talking now about Exhibit 404, Good Practices  
2 Sharing Assessment.

3 Some people refer to this, in  
4 August of '02, as the Veba report. Have you ever  
5 referred to it as the Veba report?

6 A. Yes, sir.

7 Q. And so in August of '02 -- and again,  
8 this is after the 1999 25 percent cut, it shows  
9 here -- and I will blow it up for the jury.

10 It says with regard to asset  
11 safety, "There are serious concerns about the  
12 potential for a major site incident due mainly to  
13 the very large numbers of hydrocarbon escapes, over  
14 80 in the 2000 to 2001 period," correct?

15 A. That's what it states.

16 Q. And so we had talked about this before.  
17 When you have hydrocarbon escapes, that's one of  
18 the three pieces of the triangle for fire is add to  
19 it oxygen, add to it an igniter and you have the  
20 potential of a fire and/or a disaster, right?

21 MR. GALBRAITH: Objection, form.

22 A. Could you just repeat that to make sure I  
23 heard it correctly?

24 Q. (BY MR. WILLIAMS) We talked about this  
25 before that hydrocarbon escapes are one of the

1 three pieces. The other two being an ignition  
2 source and oxygen that are required to have a fire,  
3 right?

4 MR. GALBRAITH: Objection, form.

5 A. Yes, sir.

6 Q. (BY MR. WILLIAMS) So if we look at this  
7 back, this Veba report in 2002, it says that there  
8 are serious concerns for the potential for a major  
9 site incident because of these large number of  
10 hydrocarbon releases, not large, very large,  
11 number.

12 We know now that truth and fact  
13 that had, again, predicted the future because March  
14 of '05 there was, I guess it's fair to say, a major  
15 site incident, right?

16 MR. GALBRAITH: Objection, form.

17 A. There was a major incident on the 23rd of  
18 March of '05.

19 Q. (BY MR. WILLIAMS) And it was due to a  
20 hydrocarbon release, right?

21 A. I think the report would substantiate  
22 that.

23 Q. And so as far back as we know as of  
24 August of 2002, when this Veba report came out,  
25 someone had been raising a red flag or a warning

1 that there were not only concerns but the concerns  
2 were serious concerns about the potential for a  
3 major incident -- site incident, which is exactly  
4 what happened on March 23, right?

5 MR. GALBRAITH: Objection, form.

6 A. Looking back, that prediction came true.

7 Q. (BY MR. WILLIAMS) And, in fact, not only  
8 was it a major site incident, it was exactly as  
9 predicted back then because it was a result of the  
10 release of hydrocarbons, right?

11 MR. GALBRAITH: Objection, form.

12 A. The incident was caused by the release of  
13 hydrocarbons.

14 Q. (BY MR. WILLIAMS) Okay. Now, then let's  
15 go to March of 2004.

16 What is an ESI, ESI Survey?

17 A. It's a part of an annual people assurance  
18 survey done by BP Corp. ESI picks somewhere around  
19 a dozen parameters or dozen key areas with a group  
20 of questions and you get an index to be able to  
21 compare it to.

22 Q. Okay. So this is feedback you get from  
23 your own employees, correct?

24 A. It's feedback back from our own  
25 employees. That is correct.

1 Q. So I am showing you Exhibit 48 and  
2 Exhibit 48 is West Plant/Aromatics March 2004 ESI  
3 Survey, right?

4 A. The survey's done by BP, the PS surveys  
5 are done once a year and done in the September  
6 timeframe. This has to be a separate survey done  
7 in the West Plant or something else done  
8 differently. It's not part of the same. So I  
9 mean --

10 Q. Okay.

11 A. The term ESI is used there, but the  
12 survey for what I recognize the BP survey to be  
13 done and the timeframe does not match up.

14 Q. Well, let me back up, then.

15 What this appears to be, and it  
16 was provided by British Petroleum to me, says that  
17 this is an ESI Survey March 2004 West  
18 Plant/Aromatics; and they are talking now about  
19 interviewing the West Plant hourly people. And  
20 that would include the ISOM unit, correct?

21 MR. GALBRAITH: Objection, form.

22 A. It may or may not because the West Plant  
23 had, I believe in March, two MDLs from the West  
24 Plant. I just don't know.

25 Q. (BY MR. WILLIAMS) Okay.

1 A. Okay. So it could or could not.

2 Q. Correct.

3 If we look here, though, it says  
4 the feedback that was given in March of 2004 by the  
5 hourly employees, the quote I see here is "Quit  
6 waiting for a known possible unit disaster to  
7 happen before correcting the problem and  
8 jeopardizing operators' lives because the manager  
9 and superintendents are safely away from the unit  
10 and making their stupid decisions."

11 Do you see that quote?

12 A. Yes, sir.

13 MR. GALBRAITH: Objection, form.

14 Q. (BY MR. WILLIAMS) Did I read it  
15 correctly?

16 A. I see the quote.

17 Q. So that in March of 2004, it says, "Quit  
18 waiting for a possible unit disaster to happen  
19 before correcting the problem. Now, it's true that  
20 a unit disaster occurred so this -- this was a  
21 predictor that came true that there was a unit  
22 disaster, correct?"

23 MR. GALBRAITH: Objection, form.

24 Q. (BY MR. WILLIAMS) As far as that part  
25 goes, you agree it's correct?

1 MR. GALBRAITH: Objection, form.

2 A. There was a unit incident that occurred  
3 on March 23rd, yes.

4 Q. (BY MR. WILLIAMS) And it --

5 A. No argument.

6 Q. -- says that, "Quit waiting for it to  
7 happen before correcting the problem and  
8 jeopardizing operators' lives."

9 And that's exactly -- operators'  
10 lives were jeopardized, weren't they?

11 MR. GALBRAITH: Objection, form.

12 Q. (BY MR. WILLIAMS) March, '04 -- March,  
13 '05?

14 A. In the incident many lives were  
15 jeopardized.

16 Q. You bet.

17 And there were problems that had  
18 not been corrected that caused the March, '05 fire  
19 and explosion, right?

20 MR. GALBRAITH: Objection, form.

21 A. From the incident report, I would support  
22 that.

23 Q. (BY MR. WILLIAMS) Okay. So then let's  
24 move to January, '05, before the fire and  
25 explosion. The Telos Report that we have referred

1 to, and I will share with you a copy, this is the  
 2 Executive Summary.  
 3 And it says January 21st, 2005,  
 4 right? That's the Telos Report Executive Summary?  
 5 A. It's been awhile since I have seen it.  
 6 So let me take a second, if you don't mind.  
 7 Q. Sure.  
 8 A. This appears to be --  
 9 Q. Okay.  
 10 A. -- the Telos Executive Summary.  
 11 Q. And if we look at the second page of it,  
 12 in the Executive Summary, it says, "There is an  
 13 exceptional degree of fear of catastrophic  
 14 incidents at Texas City."  
 15 Did I read that right?  
 16 A. Yes, sir.  
 17 Q. And truth and fact that exceptional  
 18 degree of fear turned out to be warranted because  
 19 just two months later there was, as predicted here,  
 20 a catastrophic incident, right?  
 21 MR. GALBRAITH: Objection, form.  
 22 A. It was a catastrophic incident. I don't  
 23 know whether it was related to the condition of the  
 24 kit or not, but there was a catastrophic incident.  
 25 Q. (BY MR. WILLIAMS) Okay. But there -- in

1 looking and interviewing the people, there was no  
 2 doubt that the feedback, that it was important  
 3 enough to put it in the Executive Summary and, I  
 4 assume, shared with people above you, that there is  
 5 an exceptional degree of fear of catastrophic  
 6 incidents at that plant, right?  
 7 MR. GALBRAITH: Objection, form.  
 8 A. Again, underneath the heading of  
 9 condition of kit was through one of the lenses I'd  
 10 characterize as infrastructure.  
 11 Q. (BY MR. WILLIAMS) Okay. No question,  
 12 though, that people at that plant who were working  
 13 there two months before the fire and explosion,  
 14 they weren't going around saying, "Gosh, we are  
 15 happy and safe." They were going around feeling  
 16 there is an exceptional degree of fear of  
 17 catastrophic incidents, right?  
 18 MR. GALBRAITH: Objection, form.  
 19 A. This was a summary. I don't know if that  
 20 was -- how many people felt that way, but it was a  
 21 summary of comments brought forward.  
 22 Q. (BY MR. WILLIAMS) You bet.  
 23 And then in March of '05. Let's  
 24 look at Exhibit 86.  
 25 Do you see Exhibit 86? And this

1 was an HSSE business plan. It looked like Lee Linn  
 2 sent it to the fire chief, John McLemore, right?  
 3 MR. GALBRAITH: Objection, form.  
 4 A. That's the two people that are listed  
 5 there.  
 6 Q. (BY MR. WILLIAMS) Okay. And it says --  
 7 and it refers to Joe. I would assume that would be  
 8 the same Joe in this e-mail, Joe Barnes, the safety  
 9 guy, right, head of safety?  
 10 MR. GALBRAITH: Objection, form.  
 11 A. I think that would be a correct  
 12 assumption.  
 13 Q. (BY MR. WILLIAMS) And in this business  
 14 plan, which appears to be about a month before this  
 15 tragic fire and explosion, when you get to the  
 16 section of the business plan on safety, it talks  
 17 about gaps in 2004, right?  
 18 MR. GALBRAITH: Objection, form.  
 19 Q. (BY MR. WILLIAMS) It says, "Not captured  
 20 but '05 risk mirror '04 gaps," right?  
 21 MR. GALBRAITH: Objection, form.  
 22 A. That's stated in the document.  
 23 Q. (BY MR. WILLIAMS) And this would be a  
 24 PowerPoint, the reason this sunflower, that's the  
 25 BP emblem, the sunflower or whatever, overlaid on

1 that.  
 2 Does that -- does that make sense  
 3 to you?  
 4 A. Yes, sir.  
 5 Q. And it says under 2005 key risk -- this  
 6 is some five weeks before the fire and explosion.  
 7 It says, "Safety not being viewed as the Number 1  
 8 priority at TCS."  
 9 That's the refinery that -- where  
 10 you were the BUL right?  
 11 A. Yes, sir.  
 12 Q. And it says, "Key risk, TCS kills someone  
 13 in the next 12 to 18 months," right?  
 14 A. That's what it states.  
 15 MR. GALBRAITH: Objection, form.  
 16 Q. (BY MR. WILLIAMS) And, in fact, that  
 17 again, that prediction came true, did it not?  
 18 MR. GALBRAITH: Objection, form.  
 19 A. Based on the events of March 23rd, it  
 20 came true.  
 21 Q. (BY MR. WILLIAMS) Not just someone, but  
 22 killed 15 and injured numerous people --  
 23 MR. GALBRAITH: Objection, form.  
 24 Q. (BY MR. WILLIAMS) -- right?  
 25 A. Yes, sir.

1 (Exhibit Number 497 marked for  
2 identification.)  
3 (Discussion off the record.)  
4 Q. (BY MR. WILLIAMS) Exhibit 497 here is  
5 what we are looking at now, and it is an e-mail  
6 from Joe Barnes to Norine Stein. Those were your  
7 people in the plant in the safety leadership area,  
8 right?  
9 MR. GALBRAITH: Objection, form.  
10 A. Joe was the -- let me look at the date of  
11 this memo to make sure I have the right titles.  
12 Joe at that time would be the  
13 manager of health, safety and environment; and  
14 Norine would be the manufacturing delivery leader  
15 in the chemical plant.  
16 Q. (BY MR. WILLIAMS) This is about three  
17 weeks before the fire and explosion, right?  
18 A. By the dates.  
19 Q. Pardon me?  
20 A. By the dates, yes.  
21 Q. Yeah.  
22 And it says here, I quote, I truly  
23 believe -- "I truly believe that we are on the  
24 verge of something bigger happening."  
25 And, in fact, something bigger did

1 happen; the March 23 fire and explosion, right?  
2 MR. GALBRAITH: Objection, form.  
3 A. I am not sure what she's referring to --  
4 the note to me on this one, I am not sure what they  
5 are referring to. There was the AAR that we  
6 discussed before. These are what we call these  
7 30-minute after action reviews.  
8 I'd like to be able to see what  
9 that AAR references to to see what they are  
10 referring to.  
11 Q. (BY MR. WILLIAMS) Did I read it correct  
12 that, "I truly believe that we are on the verge of  
13 something bigger happening"?  
14 A. That is the correct words on the paper.  
15 Q. Okay. Now, I have tried to summarize  
16 these documents leading up to this.  
17 (Exhibit Number 498 marked for  
18 identification.)  
19 Q. (BY MR. WILLIAMS) Exhibit 498 here, and  
20 if I summarize them, we can look back and probably  
21 ought to add in, just for clarity, 1999 25 percent  
22 budget cuts, correct?  
23 MR. GALBRAITH: Objection, form.  
24 A. You could add it in, but I am not making  
25 the connection between --

1 Q. (BY MR. WILLIAMS) Okay. But --  
2 A. -- what's on this report --  
3 Q. I am trying to get a timeline for the  
4 jury.  
5 MR. GALBRAITH: Objection --  
6 A. I would re -- what I am wary of is that  
7 1999 25 percent budget challenge. I don't know  
8 what the cuts were.  
9 Q. (BY MR. WILLIAMS) And before we leave  
10 the subject of the budget challenge, that wasn't  
11 the only budget challenge in '99, was it? There  
12 had been after that and before the explosion, there  
13 had been other budget challenges to tighten the  
14 belt, had there not?  
15 MR. GALBRAITH: Objection, form.  
16 A. There have been other discussions on  
17 budget controls.  
18 Q. (BY MR. WILLIAMS) They -- from London,  
19 they had had other situations where they say, "We  
20 need to cut -- a challenge to cut 10 percent" on  
21 other occasions, right, in addition to this  
22 25 percent challenge?  
23 MR. GALBRAITH: Objection, form.  
24 A. I am going to speak from the window that  
25 I can speak from. That, again, is from the June,

1 2004 period to the time of the incident; and I  
2 recall one of those challenges during that time  
3 period.  
4 Q. (BY MR. WILLIAMS) Okay. And that was at  
5 a 10 percent challenge?  
6 A. I believe it was higher.  
7 Q. How much?  
8 A. It was one specific budget. It was the  
9 capital budget.  
10 Q. Okay.  
11 A. Okay. And I believe the challenge was in  
12 the range of 25 percent.  
13 Q. 25 percent capital budget challenge?  
14 A. For 2005.  
15 Q. Okay. And that was about June of '04  
16 that that challenge came out?  
17 A. Later. It was for '05. I want to say it  
18 was early. The timing is not real clear to me.  
19 Okay? It's either late '04 or early '05, and  
20 that's the closest I can get you on timing. But I  
21 do know it impacted '05's budget.  
22 Q. Okay.  
23 A. Capital budget.  
24 Q. I put it in here between March, '04 and  
25 January, '05. Is that a good place to put it?

1 MR. GALBRAITH: Objection to form.  
 2 A. As a whole, yes; but I don't know the  
 3 timing.  
 4 Q. (BY MR. WILLIAMS) I --  
 5 A. I just don't know the exact time but  
 6 again somewhere between -- so the record is clear,  
 7 somewhere between the fourth quarter of 2004 and  
 8 first quarter of 2005, in that window we put that  
 9 challenge.  
 10 Q. Okay. And I am going to put it  
 11 arbitrarily right before the January '05 Telos  
 12 Report; and we all know it could have been a little  
 13 earlier, a little later --  
 14 A. Yes, sir.  
 15 Q. -- right?  
 16 A. Yes, sir.  
 17 Q. So that's the 25 percent capital budget  
 18 challenge in that area in addition to the 1999  
 19 25 percent budget challenge, right?  
 20 A. Different budgets but the same magnitude  
 21 of challenge.  
 22 Q. Gotcha. Okay. So I am trying to  
 23 summarize for the jury some of the things that  
 24 happened at this plant, a little history here.  
 25 In '99 we got the 25 percent

1 budget challenge, correct?  
 2 MR. GALBRAITH: Objection, form.  
 3 A. Again, not being there; but I believe  
 4 they had the challenge. I am being --  
 5 Q. (BY MR. WILLIAMS) Sure. Other witnesses  
 6 have confirmed it.  
 7 A. So I'm just --  
 8 Q. So you are --  
 9 A. I am unclear of -- before I say, yes, I  
 10 am aware there is a challenge. I am not sure of  
 11 Texas City's response in that timeframe.  
 12 Q. Yeah.  
 13 But that was your recollection  
 14 that in '99 there was likely a 25 percent budget  
 15 challenge?  
 16 A. Yeah.  
 17 MR. GALBRAITH: Objection, form.  
 18 Q. (BY MR. WILLIAMS) Okay. In 2001, I have  
 19 shown you the document and we have looked at it  
 20 where it said, "If we don't achieve a significant  
 21 improvement in worker performance, one of our  
 22 co-workers or contract employees will be killed  
 23 within the next three or four years." I left out a  
 24 few words.  
 25 But that was the prediction back

1 in 2001 that we discussed, right?  
 2 MR. GALBRAITH: Objection, form.  
 3 A. I remember seeing the documentation.  
 4 Again, the time period was before my arrival; but  
 5 that's the documentation --  
 6 Q. (BY MR. WILLIAMS) Right.  
 7 A. -- you shared with me.  
 8 Q. And in August, 2004, the Veba report  
 9 shared with -- or stated pretty clearly there were  
 10 serious concerns about the potential for a major  
 11 site incident mainly due to the very large number  
 12 of hydrocarbon escapes. And we have agreed that  
 13 was August of 2002 and that a hydrocarbon escape is  
 14 actually what happened in March, '05, right?  
 15 MR. GALBRAITH: Objection, form.  
 16 A. I commissioned the Veba report in the  
 17 summer of '02 to gain an assessment of all five  
 18 sites.  
 19 Q. (BY MR. WILLIAMS) Okay. Right.  
 20 And this is what was told to  
 21 you --  
 22 A. This is the piece of it referring to  
 23 Texas City.  
 24 Q. Right. And it was -- so that we are  
 25 clear.

1 In August of 2002, the Veba report  
 2 clearly stated there was not only a concern but a  
 3 serious concern about the potential not just for a  
 4 site incident but a major site incident due to the  
 5 large number of hydrocarbon -- very large number of  
 6 hydrocarbon escapes, fair?  
 7 MR. GALBRAITH: Objection, form.  
 8 A. I mean, that's the quote in the document  
 9 you showed me.  
 10 Q. (BY MR. WILLIAMS) You bet.  
 11 And in March of '04, in one of  
 12 these ESI studies or feedbacks, somebody put down,  
 13 "Quit waiting for a known possible unit disaster to  
 14 happen before correcting the problem."  
 15 We went over that document. I  
 16 read it correctly, didn't I?  
 17 A. I'm not sure --  
 18 MR. GALBRAITH: Objection, form.  
 19 A. -- of the genesis of the document, but  
 20 that is the quote that appeared in the document you  
 21 showed me.  
 22 Q. (BY MR. WILLIAMS) You bet.  
 23 And then sometime in the January  
 24 timeframe, give or take a little, there was another  
 25 25 percent capital budget challenge for 2005,

1 right?  
 2 MR. GALBRAITH: Objection, form.  
 3 A. Yes, I think we discussed the timeframe  
 4 in detail.  
 5 Q. (BY MR. WILLIAMS) And then in 2005,  
 6 January, we're going to go back to the Telos  
 7 Report, one of the things, there is an exceptional  
 8 degree of fear of catastrophic incidents at Texas  
 9 City, right?  
 10 MR. GALBRAITH: Objection, form.  
 11 A. Around the condition of the kit or  
 12 infrastructure is what that's describing.  
 13 Q. (BY MR. WILLIAMS) Right.  
 14 And then in February it says, "I  
 15 truly believe we are on the verge of something  
 16 bigger happening." Correct quote?  
 17 MR. GALBRAITH: Objection, form.  
 18 A. That is a direct quote out of an e-mail,  
 19 but I am not sure I have the context around the  
 20 e-mail or the AAR for it. So I -- I am just not  
 21 sure of the context for that one. The quote is  
 22 correct, but the context is missing for me.  
 23 Q. (BY MR. WILLIAMS) I won't quibble with  
 24 you.  
 25 March 15th, '05, some eight days

1 before this explosion, your own safety people in  
 2 putting up 2005 key risks, "TCS kills someone in  
 3 the next 12 to 18 months," right?  
 4 MR. GALBRAITH: Objection, form.  
 5 A. That was the statement made in their  
 6 safety business plan.  
 7 Q. (BY MR. WILLIAMS) And their safety  
 8 business plan actually turned out -- the key risk  
 9 actually turned out to be that it not only killed  
 10 someone but it killed a bunch of people, and it was  
 11 just eight days later?  
 12 MR. GALBRAITH: Objection, form.  
 13 A. Given the incident occurred eight days  
 14 later, the number is correct.  
 15 Q. (BY MR. WILLIAMS) Now, is there any  
 16 question, then, in your mind, sir, I know you were  
 17 trying personally to make some improvements but you  
 18 inherited what, essentially, had become a plant  
 19 that whether you call it rundown or you call it  
 20 underfunded, it was a plant that was in need of  
 21 repair not only to the pipes but also it was in  
 22 need of repair to the safety culture at that plant?  
 23 MR. GALBRAITH: Objection, form.  
 24 A. Through some of the reports up there,  
 25 Telos being one, okay, it's clear in my mind the

1 site needed infrastructure repairs and corrections  
 2 to the safety culture.  
 3 Q. (BY MR. WILLIAMS) And that meant repairs  
 4 to the people in the safety -- not only the safety  
 5 culture of the training but also meant repairs to  
 6 the -- to the people, to their mindset, the way  
 7 they approached things in safety, right?  
 8 MR. GALBRAITH: Objection, form.  
 9 A. This is an element of the culture.  
 10 Q. (BY MR. WILLIAMS) And it needed more and  
 11 sooner leadership to step in and actually come back  
 12 and emphasize that safety was and should be the  
 13 Number 1 priority, right?  
 14 MR. GALBRAITH: Objection, form.  
 15 A. During the time period, that's what I was  
 16 doing with that, both to the leadership team and  
 17 the first level supervisors and the workforce.  
 18 Q. (BY MR. WILLIAMS) And as stated in the  
 19 final report, one of the reasons you were having to  
 20 come back in and try and fix this what I referred  
 21 to as a problem was that over a period of time the  
 22 safety culture at that plant had been allowed to  
 23 erode and fall below an industry standard, true?  
 24 MR. GALBRAITH: Objection, form.  
 25 A. Over a period of time, it formed a

1 culture. Whether it eroded or was always that way  
 2 but the culture was what it was when we took the  
 3 sampling in January of 2005.  
 4 Q. (BY MR. WILLIAMS) So --  
 5 A. The process it got there, I am not clear  
 6 on.  
 7 Q. Okay.  
 8 A. But it was what it was.  
 9 Q. And it was certainly below any acceptable  
 10 standard, true?  
 11 MR. GALBRAITH: Objection, form.  
 12 A. It was below an acceptable standard.  
 13 Q. (BY MR. WILLIAMS) Okay. So let's talk  
 14 about the fact that -- well, I want to go back to  
 15 this Veba.  
 16 Did the Veba report, the August,  
 17 2002 Veba report, did you ask for that to be put in  
 18 place?  
 19 A. Yes, sir. What had -- I was in the  
 20 London office at the time the Veba study was going  
 21 on to look at the five refineries in Germany prior  
 22 to the purchase. And then upon arriving in BP  
 23 South Houston, this group was available. So I  
 24 asked this group to come in and do a comparison,  
 25 come in and look at all five sites in South

1 Houston, the four chemical plants plus the  
2 refinery, and compare them to what was found with  
3 the five sites in Germany.

4 So the study was commissioned  
5 around May, June of '02 with the final results  
6 coming out somewhere in the August time period.

7 Q. Is it fair to say, then, that this  
8 report -- and it shows here it came out, your  
9 memory is correct, August of 2002, final report.

10 Is it fair to say that when this  
11 assessment was done, comparing -- and I just want  
12 to focus on the Texas City refinery -- that it fell  
13 far short of the safety standards that were set by  
14 the Veba plants in Germany?

15 MR. GALBRAITH: Objection, form.

16 A. Looking through the safety lens, looking  
17 through the conditions of the asset, it was below  
18 the performance of the German five refineries.

19 Q. (BY MR. WILLIAMS) It wasn't just below  
20 it. It fell pretty far short, didn't it, sir?

21 MR. GALBRAITH: Objection, form.

22 A. It was below.

23 Q. (BY MR. WILLIAMS) I mean, are we talking  
24 about like one percent below or was it  
25 significantly below?

1 MR. GALBRAITH: Objection, form.

2 A. There was no scaling to give me a number  
3 how far below, sir. It was below.

4 This, then, led to some  
5 organizational changes in September.

6 Q. (BY MR. WILLIAMS) Of '02?

7 A. Yes, sir.

8 Q. And what were those, if you would?

9 A. This Veba study was presented then to the  
10 board, as I said before. At that time, though, it  
11 was Mike Hoffman and Andrew Mackenzie because  
12 Andrew was Holly Van Deursen's predecessor.

13 This was presented then and then  
14 Rick Hale's position was -- was added and  
15 determined to be put in place, that the Texas City  
16 refinery now would have an on-site full-time BUL,  
17 which it had not had in place beforehand, and also  
18 put in place a very high level transition manager,  
19 his name being Pat King, to drive what was called  
20 transformation at the time to start addressing  
21 issues around the kit.

22 So this led to a response from  
23 this report to start to make the changes, and this  
24 was the genesis for Rick arriving.

25 Q. The Veba report that you are referring

1 to --

2 A. I need a copy. I want to catch up to  
3 you.

4 Q. Sure.

5 A. Because it's difficult for me to read  
6 that up there.

7 MR. WILLIAMS: Mr. Galbraith, if  
8 you would quit hiding documents from your client,  
9 it would help us move forward.

10 MR. GALBRAITH: No.

11 THE WITNESS: Yes.

12 A. Sir, where are you?

13 Q. (BY MR. WILLIAMS) I am on the second  
14 page of -- that's not the full Veba report. I have  
15 just pulled some pages for us to use today.

16 But if you look at that, again,  
17 this is Exhibit 83 (sic). And we look there, it  
18 says under Leadership: There's clearly a can do  
19 culture in South Houston; however, it is often  
20 accompanied by a can't finish approach to the  
21 management of change. It goes on to say: Coupled  
22 with this, it is observed that the site often  
23 thrives on, quote, train wrecks, close quote, as  
24 opposed to be focusing on meticulous planning and  
25 being boringly efficient.

1 Correct?

2 A. That's --

3 MR. GALBRAITH: Objection, form.

4 A. -- stated.

5 Q. (BY MR. WILLIAMS) Now, I mean you are  
6 not -- are you disputing in any way the Veba  
7 finding about having a can do but can't finish  
8 culture?

9 A. No. That's the terminology that was  
10 phrased following the Veba study. What you've  
11 helped me refresh was where it actually came from.

12 Okay. But I mean the phrase "can  
13 do can't finish" surfaced around the time of the  
14 Veba study. I wasn't sure of its exact genesis but  
15 this clarified it.

16 Q. Okay. And this is from August of 2002  
17 and it also references the fact that, with regard  
18 to leadership, the site often thrives on train  
19 wrecks as opposed to meticulous planning and being  
20 boringly efficient, correct?

21 MR. GALBRAITH: Objection, form.

22 A. That's what it stated.

23 Q. (BY MR. WILLIAMS) Okay. And one of the  
24 things that they asked that you do, or recommended,  
25 is that the third bullet point they said that,



1 "Clearly demonstrating a tougher and principled  
2 position on specific operational issues" and it  
3 says, "e.g. hydrocarbon leaks," right?  
4 A. That's what it stated, sir.  
5 Q. Same kind of thing that occurred in  
6 March, '05, a hydrocarbon leak, right?  
7 MR. GALBRAITH: Objection, form.  
8 A. Hydrocarbon release in '05.  
9 Q. (BY MR. WILLIAMS) That's right.  
10 And it said, of course, in that  
11 same report that you commissioned in '02, that's  
12 where we come up with the fact that personal safety  
13 performance is excellent. That's when people -- I  
14 mean, people are out there wearing their hard hats  
15 and wearing their eyeglasses.  
16 It says personal safety protection  
17 is excellent, right?  
18 MR. GALBRAITH: Objection, form.  
19 A. Yes, sir.  
20 Q. (BY MR. WILLIAMS) But serious concerns  
21 about the potential for a major site incident due  
22 mainly to the very large numbers of hydrocarbon  
23 escapes, and that's what we are talking about in  
24 March of '05's hydrocarbon escape, right?  
25 MR. GALBRAITH: Objection, form.

1 A. That's what occurred in the incident.  
2 Q. (BY MR. WILLIAMS) It goes on to say,  
3 "There's a large backlog of overdue inspections  
4 that have a direct cause and effect on the ability  
5 of the site to sustain high levels of reliability."  
6 The final report in '05 found that  
7 there was a backlog of overdue inspections and  
8 audits, correct?  
9 MR. GALBRAITH: Objection, form.  
10 A. That's what was stated in the report.  
11 Q. (BY MR. WILLIAMS) Okay. So we've got  
12 '02 saying large backlog of overdue inspections and  
13 then after the fire and explosion in '05 and after  
14 this 25 percent capital budget challenge in  
15 December, '05, we find the same thing, a backlog of  
16 overdue inspections, right?  
17 MR. GALBRAITH: Objection to form.  
18 A. The same words, yes. But I don't know  
19 what exactly -- I am not sure what the actual  
20 numbers are, if it has improved, declined.  
21 Q. (BY MR. WILLIAMS) Okay.  
22 A. Same words.  
23 Q. Now, these problems that came from the  
24 Veba report, were they shared with people above you  
25 such as Mr. Gower, Mr. Hoffman and higher?

1 MR. GALBRAITH: Objection, form.  
2 A. Pat was not in the role at the time of  
3 that organizational structure was occurring. There  
4 was a meeting in the August timeframe with Mike  
5 Hoffman and Andrew Mackenzie, which again were my  
6 two dotted lines and my two report relationships  
7 that I clarified earlier as the board, which is the  
8 group vice president for refining and group vice  
9 president for the chemical sector.  
10 Q. Okay.  
11 A. This study was presented to them, the  
12 findings were.  
13 Q. So this finding in August of 2002 was  
14 presented to Mr. Hoffman as the -- in his capacity  
15 as vice president of refining for North America?  
16 A. Vice president of refining.  
17 Correct, all the refining.  
18 Q. All the refining --  
19 A. Yes.  
20 Q. -- worldwide?  
21 A. Yes, there was no regional vice  
22 presidents in that role at that time.  
23 Q. Okay. And who was the other -- there was  
24 a -- to the vice president --  
25 A. Andrew Mackenzie, who was the predecessor

1 for Holly Van Deursen.  
2 Q. And so if we go back to this org chart,  
3 when this 2002 report came out, org chart being  
4 Exhibit 496, we've got it going up to Mike Hoffman  
5 and we've got the report going over to Holly Van  
6 Deursen who is --  
7 A. You really -- you see the name next to  
8 it, it was really Andrew Mackenzie.  
9 Q. Right. Andrew -- exactly, who is the --  
10 she was the -- he was one of the four worldwide  
11 group vice presidents, right?  
12 MR. GALBRAITH: Objection, form.  
13 A. I mean, there's four worldwide EVPs.  
14 There was many more GVPs, just to make sure,  
15 because I tried to clarify that before.  
16 Q. (BY MR. WILLIAMS) Okay.  
17 A. Okay. John Manzoni was an EVP. There  
18 are four of them worldwide. Andrew, Holly, Mike  
19 are GVPs; and there are several of them worldwide.  
20 Q. But the problems that were documented in  
21 the Veba report in August, 2002, were reported at  
22 least as far as someone who was one step removed  
23 from Lord Browne, right?  
24 MR. GALBRAITH: Objection, form.  
25 Q. (BY MR. WILLIAMS) That being Andrew

1 Mackenzie?  
 2 A. No. It would be Iain Conn and John  
 3 Manzoni, so, yeah.  
 4 Q. Okay. How would you characterize the  
 5 Telos Report that you received in January of 2005  
 6 with regard to the safety culture at your plant?  
 7 You said you wouldn't call it alarming or shocking.  
 8 Would you give it a passing -- did you think you  
 9 received a passing grade?  
 10 MR. GALBRAITH: Objection, form.  
 11 A. The reason I characterize it as not  
 12 shocking or alarming, it reinforced things that we  
 13 were looking at and it reinforced the things we  
 14 were already moving on. We didn't start training  
 15 post the Telos. We had already put in place  
 16 training.  
 17 We didn't start compliance because  
 18 of Telos. So the five areas that were prioritized  
 19 by Telos for us were areas that we were already in  
 20 action on. What it did is accelerate that. Okay?  
 21 But I did not read it as getting  
 22 a -- I didn't look through it as a grade system  
 23 when I received it. I looked at it as  
 24 unacceptable.  
 25 Q. (BY MR. WILLIAMS) And to be fair, these

1 five areas that Telos said you had problems with,  
 2 that wasn't a new surprise. I mean, you had  
 3 inherited by and large all five of those problem  
 4 areas when you became BUL in June of '04, correct?  
 5 MR. GALBRAITH: Objection, form.  
 6 A. They had been there beforehand, but the  
 7 one that probably was amplified a little bit more  
 8 was with the separation of the chemical companies  
 9 and the unwinding reorganization, looked at the  
 10 clear accountabilities and that probably moved up  
 11 in the list of Telos than in the past because it  
 12 was an evolving changing organization through that  
 13 period of time.  
 14 Q. (BY MR. WILLIAMS) In fact, over the  
 15 years the management organization at Texas City  
 16 refinery had changed, the personnel had changed  
 17 often, correct?  
 18 MR. GALBRAITH: Objection, form.  
 19 A. I need to put a little time window on  
 20 that. But if I look at the five- to seven-year  
 21 range, not so much that the personnel changed. The  
 22 structures were -- the structure changed several  
 23 times during that period of time.  
 24 We went from separate sites to  
 25 integrated sites back to separate sites, and then

1 you weave in there some organizational people  
 2 changes in there and the site had gone through some  
 3 organizational unrest.  
 4 Q. (BY MR. WILLIAMS) This organizational  
 5 unrest was from -- preceded -- was before the  
 6 March, '05 fire and went back how long, do you  
 7 think?  
 8 MR. GALBRAITH: Objection, form.  
 9 A. The first significant change for that  
 10 site was probably integrated, moving from a  
 11 separate site; and I would have probably a  
 12 five-year -- five-, six-year window out when that  
 13 started.  
 14 Q. (BY MR. WILLIAMS) Okay. Fair to say  
 15 that summarizing the organization and management of  
 16 the Texas City refinery that in the five years  
 17 leading up to the fire and explosion, there was, in  
 18 your words, organizational unrest?  
 19 MR. GALBRAITH: Objection, form.  
 20 A. There was change because it went from, at  
 21 that time, five sites, five separate managers, five  
 22 separate leadership teams reporting through their  
 23 separate channels to an integrated site, trying to  
 24 run at times as one company and other times as a  
 25 separate company. Then in '04 reversing that,

1 going back to separate sites, a closure in the  
 2 middle of that, because one of the sites did close  
 3 and the people from that site moved sites.  
 4 So there was an organizational  
 5 change.  
 6 Q. (BY MR. WILLIAMS) And you characterized  
 7 it -- in fact, if I got your words correct that  
 8 during that period, "organizational unrest"?  
 9 A. Yes, because there was a lot of change.  
 10 Q. Okay.  
 11 A. The Telos Report, that was their Number 1  
 12 recommendation was to, with the changes, was to get  
 13 the accountability clear following the changes.  
 14 Q. Okay. This is --  
 15 A. Do you have a date on this letter?  
 16 Q. I am sorry. I don't. We will look and  
 17 see. We will look at it together and see. I'm not  
 18 sure if I can tell you.  
 19 (Exhibit Number 499 marked for  
 20 identification.)  
 21 Q. (BY MR. WILLIAMS) This is Exhibit 499.  
 22 At the top it says, "Note from Don  
 23 to Front Line Leaders." And it appears to be, and  
 24 if you can confirm for us, it is a note from you to  
 25 the front line leaders with copies to all

1 supervision and it regards the Telos Report, right?  
 2 A. Can I just take two minutes to  
 3 refamiliarize myself with it?  
 4 Q. You've got it.  
 5 A. Any luck on -- any luck on timing?  
 6 Q. I haven't looked. If you'll -- when  
 7 looking at it, if you will check. You are going to  
 8 know a lot more than I do, I hope.  
 9 A. I see one thing about it. You have a  
 10 blank in a letter, which I know I wouldn't issue it  
 11 with a blank. So I'm just not -- that's why I am  
 12 questioning is this the original letter that went  
 13 out.  
 14 Q. Where's the blank?  
 15 A. On my sheet there's a big blank right  
 16 here.  
 17 Q. Huh.  
 18 A. Right there (indicating).  
 19 I can assure you I wouldn't issue  
 20 a letter that had blanks in it. So I am not sure  
 21 if this is the actual one that went out or not.  
 22 Q. Well this is the one that was given to  
 23 us --  
 24 A. Okay.  
 25 Q. This is what was given to us. So I don't

1 know either.  
 2 A. I am not sure of the timing of it. Again  
 3 I am not -- it's not ringing a bell of being  
 4 issued. Okay?  
 5 Q. Okay.  
 6 A. Because the Telos Report to me was kicked  
 7 off to the front line supervisors face-to-face at  
 8 the Safety Reality meeting.  
 9 Q. Okay.  
 10 A. Okay? My recollection of kicking off the  
 11 Telos Report was during the Safety Reality  
 12 sessions, which it was done face-to-face, and then  
 13 the supervisors were given copies of the surveys to  
 14 complete out during that session.  
 15 Q. Okay. So what is this? It says,  
 16 Exhibit 499, it says at the top, "Note from Don to  
 17 Front Line Leaders." And it says from Don Parus  
 18 and it was provided to us by the attorneys for BP.  
 19 A. I always --  
 20 Q. What is it?  
 21 A. I put --  
 22 MR. GALBRAITH: Objection, form.  
 23 A. I mean, I always put my name at the end  
 24 of these. They are always dated. I am just  
 25 struggling with it with that so that I can validate

1 that this was actually sent out.  
 2 Q. (BY MR. WILLIAMS) And I am not -- well,  
 3 what is it, though?  
 4 A. I just don't recognize it. Okay?  
 5 I will be honest with you. I  
 6 don't recognize it.  
 7 Q. Okay. Is it a draft do you think you  
 8 made?  
 9 A. Possibly. My recollection of talking to  
 10 the front line supervisors about the Telos study  
 11 was to -- I did it face-to-face with them.  
 12 Q. Right, but read this.  
 13 Is this the way -- your style of  
 14 communicating it? It starts out, "This note is to  
 15 inform you regarding some things about our -- what  
 16 we are doing"?  
 17 MR. GALBRAITH: Objection, form.  
 18 Q. (BY MR. WILLIAMS) The second paragraph,  
 19 "Robert Kemp has been released from critical care"?  
 20 MR. GALBRAITH: Objection, form.  
 21 Q. (BY MR. WILLIAMS) The third paragraph,  
 22 "As I have shared with you recently, the tragedy at  
 23 UU3..."  
 24 MR. GALBRAITH: Objection, form.  
 25 A. I just can't -- it's a lot longer than

1 I'm used to -- I just cannot place it. Out of all  
 2 the documents you have given me, this is one that I  
 3 am just not placing very well in my memory.  
 4 Q. (BY MR. WILLIAMS) That's okay. I'll  
 5 just -- I am going to ask you about it.  
 6 Is it something that you likely  
 7 drafted, though? Does it look like something that  
 8 you likely drafted?  
 9 A. I would put out periodic updates  
 10 regarding Ray and Robert, but they stopped per the  
 11 request of the families. That's why I am wondering  
 12 if this was a draft and rescinded because the  
 13 Gonzalezes asked me to put out no updates about  
 14 Ray.  
 15 So I stopped putting out any  
 16 updates on paper. That's why it just doesn't -- it  
 17 doesn't fit for me right now that I would put in  
 18 there, "Ray Gonzalez has hung in there and has made  
 19 some significant..."  
 20 The family had personally asked me  
 21 not to put out any updates on Ray.  
 22 Q. Okay.  
 23 A. So that's why I am kind of taken back by  
 24 this a little bit that this went out.  
 25 Q. Well, I'm not -- I don't know whether it

1 went out or not. I am not arguing about that.  
 2 What I'd like to know, though,  
 3 Mr. Parus, look at this paragraph. It says:  
 4 Starting next week, I have asked a third party to  
 5 come in and interview about 75 people and survey  
 6 the rest of us that we can have a picture, complete  
 7 with all the, quote, brutal facts, close quote, of  
 8 the way it really is.  
 9 Whether that -- is that a true  
 10 statement that at some point you asked the third  
 11 party, which I believe was Telos, to come in and do  
 12 that, give you the brutal facts?  
 13 A. I'm not --  
 14 MR. GALBRAITH: Objection, form.  
 15 A. -- going to look at the document. I am  
 16 going to answer what actually took --  
 17 Q. (BY MR. WILLIAMS) Clearing --  
 18 A. -- place. All right. I don't want to  
 19 reference the document.  
 20 Q. Okay.  
 21 A. I communicated to them directly that I  
 22 asked a third party to come in, Telos, to do this.  
 23 Q. To give you the brutal facts?  
 24 A. The --  
 25 MR. GALBRAITH: Objection, form.

1 A. The "brutal facts" was words I have used.  
 2 It's words coming out of -- Jim Collins is where  
 3 the words were taken from. Jim Collins' work on  
 4 Good to Great and using the terms of the book. In  
 5 fact, that's where the genesis of the 1000 day  
 6 goals come from, but "brutal facts" was that  
 7 terminology for it.  
 8 Q. (BY MR. WILLIAMS) Okay.  
 9 A. And I asked Geoffrey to come in. And I  
 10 don't recall the number of people he interviewed.  
 11 I think he interviewed over a hundred when it was  
 12 all said and done.  
 13 So, I mean, there was a  
 14 communications rep that was coming in, who wanted  
 15 to take a look at the site, what the safety culture  
 16 was. We wanted for them to be brutally honest in  
 17 their responses, both on paper and in the  
 18 interviews. But I needed to know where the site  
 19 was at in order to formulate a response.  
 20 Q. Okay.  
 21 A. But I remember that being more verbal and  
 22 then following up with a much different letter  
 23 after the Safety Reality sessions that kicks this  
 24 off to the whole workforce. So it just seems out  
 25 of phase to me a little bit.

1 Q. Fair enough.  
 2 Let me show you Exhibit 385. And  
 3 that is -- is that, sir, the Executive Summary of  
 4 January 21, '05, of the Telos Report?  
 5 A. Isn't that the same one you just handed  
 6 me? Are these one and the same documents?  
 7 Q. I don't know. Let's focus on  
 8 Exhibit 385, though.  
 9 A. Okay, sir.  
 10 Q. Okay.  
 11 A. I haven't seen it in over a year, but I  
 12 have no reason to believe it's not the document.  
 13 Q. Okay. Let me put it in precise terms.  
 14 Exhibit 385, is it your belief  
 15 that that is a copy of the Executive Summary of the  
 16 Telos Report?  
 17 A. I have no reason to believe it's not.  
 18 Q. Okay. And one of the reasons that you  
 19 asked for the Telos Report to be done was you  
 20 wanted, quote, the brutal facts, close quote, about  
 21 where you stood on safety in your plant?  
 22 A. The safety culture.  
 23 MR. GALBRAITH: Objection, form.  
 24 A. The safety culture.  
 25 Q. (BY MR. WILLIAMS) The safety culture.

1 Thank you.  
 2 Now, Telos came back and reported  
 3 to you, let's look at this, that "Many reported  
 4 feeling blamed when they had gotten hurt or that  
 5 they felt investigations were too quick to stop at  
 6 operator error as the root cause." That was one of  
 7 the things that Telos found as part of your -- the  
 8 gaps in your safety culture, right?  
 9 A. As stated.  
 10 Q. And is it fair to say that that would be  
 11 a gap --  
 12 MR. GALBRAITH: Objection --  
 13 Q. (BY MR. WILLIAMS) -- in safety culture?  
 14 MR. GALBRAITH: Objection, form.  
 15 A. It's a finding.  
 16 Q. (BY MR. WILLIAMS) Well, I'm -- I'm not  
 17 trying to quibble with you. But I see it, perhaps,  
 18 as a gap.  
 19 Would you quibble with the word  
 20 "gap"?  
 21 MR. GALBRAITH: Objection, form.  
 22 A. Actually, no.  
 23 Q. (BY MR. WILLIAMS) Okay. It goes on to  
 24 say in the Telos Report, "Many report errors due to  
 25 a lack of time for job analysis, a lack of adequate

1 staffing, a lack of supervisory staffing and a lack  
2 of resident knowledge of the unit in the  
3 supervisory staff."

4 That would be a gap that was  
5 reported to you, sir?

6 MR. GALBRAITH: Objection, form.

7 A. That was the viewpoint reported back.

8 Q. (BY MR. WILLIAMS) Number 5 there:  
9 Intentional deviations from safe operating  
10 procedures, violations, were also reported to be  
11 common because of the off sited, quote, culture of  
12 casual compliance, close quote, right?

13 A. That's what it --

14 MR. GALBRAITH: Objection, form.

15 A. -- states.

16 Q. (BY MR. WILLIAMS) And this culture of  
17 casual compliance, I think, we -- didn't we  
18 establish earlier had gone back several years  
19 before this January, '05, report?

20 MR. GALBRAITH: Objection, form.

21 A. The culture of casual compliance, the  
22 genesis of it, I think, was so subtle. The genesis  
23 was the control of work audit that was done in May  
24 of 2004.

25 Q. (BY MR. WILLIAMS) Okay. That's when the

1 term was applied to it; but the fact that there was  
2 an actual culture of casual compliance, that likely  
3 had been something that had historically been at  
4 the plant much before this tag was put on it in  
5 '04, correct?

6 A. Possibly --

7 MR. GALBRAITH: Objection, form.

8 A. -- but was not stated specifically that  
9 way.

10 Q. (BY MR. WILLIAMS) Right.

11 But you don't think it just popped  
12 up in June of '04, this culture of casual  
13 compliance, do you?

14 MR. GALBRAITH: Objection, form.

15 A. As I stated earlier, I think a culture  
16 takes years in the making.

17 Q. (BY MR. WILLIAMS) Agreed.

18 Now, Number 5: Intentional  
19 deviations from safe operating procedures,  
20 violations are also reported to be common -- well,  
21 I just went over that. Strike that.

22 A. We've already gone through this.

23 Q. See. I am confused.

24 Number 6, "There is an exceptional  
25 degree of fear of catastrophic incidents at Texas

1 City."

2 Now, that somewhat mirrors the  
3 Veba report that goes all the way back to 2002 when  
4 there was a fear of a major incident, true?

5 MR. GALBRAITH: Objection, form.

6 A. It would be similar. Both of them are  
7 referring to the conditions -- conditions of the  
8 kit, in my mind, is interpreted as conditions of  
9 infrastructure.

10 Q. (BY MR. WILLIAMS) That's right.

11 Infrastructure meaning the --

12 A. Piping.

13 Q. -- assets and piping and stuff in the  
14 plant, right?

15 A. Yes, sir.

16 Q. Lack of maintenance?

17 A. The condition.

18 MR. GALBRAITH: Objection, form.

19 A. Right.

20 MR. WILLIAMS: We are about to run  
21 out of tape. So why don't we take a break?

22 THE WITNESS: Okay.

23 THE VIDEOGRAPHER: Off the record  
24 at 2:48, ending Tape 4.

25 (Recess taken.)

1 THE VIDEOGRAPHER: On the record  
2 at 3:07 p.m., beginning Tape 5.

3 Q. (BY MR. WILLIAMS) Mr. Parus, we are  
4 still on the subject of the Executive Summary of  
5 the Telos Report and under training it says --

6 A. Let me just catch up to you, okay, make  
7 sure I'm on the same page you are.

8 Q. Got it. Page 2 of 7, or you can look at  
9 the screen.

10 A. I am with you.

11 Q. Okay.

12 A. It's easier for me to look at this.

13 Q. Sure.

14 A. My eyesight's not as good.

15 Q. "Training. Almost all interviewees say  
16 the quantity and quality of training at Texas City  
17 is" and they use the word "inadequate and prohibits  
18 the site from having a common understanding of the  
19 core HSSE management system as well as compromising  
20 other protection critical competence."

21 Now, my question to you is: First  
22 of all, HSSE, that means -- one of those is safety,  
23 right?

24 MR. GALBRAITH: Objection, form.

25 A. The HSSE stands for -- the H is health.

Page 210

1 Q. (BY MR. WILLIAMS) Right.  
2 A. The first S is safety.  
3 Q. Right.  
4 A. Second S is security.  
5 Q. Right.  
6 A. And the third -- or fourth letter E would  
7 be environmental.  
8 Q. And when you -- and what is "protection  
9 critical competence"?  
10 That's some kind of corporate  
11 speak. Interpret it for us, if you would.  
12 A. I, actually, think it's consultant speak.  
13 Okay. Geoffrey from Telos used the word  
14 "protection" instead of "safety" in his  
15 presentations to us and in the report. So I don't  
16 attribute it to a BP -- genesis of a BP term. I  
17 think it's something Geoffrey used in his  
18 experience in the industry calling it "protection  
19 systems" referring to "safety."  
20 Q. One of the principals at Telos, then,  
21 would use the word "protection" instead of the word  
22 "safety" and whenever we see the word "protection"  
23 in the Telos Report, would it be your  
24 interpretation that we ought to just probably  
25 substitute in the word "safety"?

Page 211

1 MR. GALBRAITH: Objection, form.  
2 A. Let me think about that for a second and  
3 make sure that's correct.  
4 Q. (BY MR. WILLIAMS) Sure.  
5 A. "Protection" in Telo's minds is whatever  
6 is required to protect the employees that come  
7 through the gate. That's my understanding of how  
8 the word "protections" would be used. So "safety"  
9 would be a fair comparison.  
10 Q. Okay. So if we use -- if we were to  
11 substitute in this sentence about the lack of  
12 quantity and quality of training and the very last  
13 words there would be it comprises other and we  
14 could say "safety critical competence," right?  
15 MR. GALBRAITH: Objection, form.  
16 A. Yes, sir.  
17 Q. (BY MR. WILLIAMS) What is "safety  
18 critical competence" or "protection critical  
19 competence" mean?  
20 A. I am not sure I have a detailed  
21 definition of what was in Geoffrey's mind. That's  
22 his words. It's, again, a different vernacular  
23 than we are used to hearing.  
24 Q. And is that a fair criticism that  
25 Telos -- in the Telos Report, the first part that

Page 212

1 almost all interviewees said the quantity and  
2 quality at Texas City is inadequate?  
3 MR. GALBRAITH: Objection, form.  
4 A. I mean, we -- before the Telos Report, I  
5 was moving down a trail to shift the safety  
6 training from computer based to face-to-face, which  
7 would improve the quantity and quality of training.  
8 I viewed this statement to reinforcing what we were  
9 already on.  
10 Q. (BY MR. WILLIAMS) And so you would agree  
11 that before the Telos Report quantity and quality  
12 of training at Texas City was inadequate?  
13 MR. GALBRAITH: Objection, form.  
14 A. We were already on that path already.  
15 Q. (BY MR. WILLIAMS) But you would agree it  
16 was inadequate?  
17 MR. GALBRAITH: Objection, form.  
18 A. The delivery was inadequate, that's  
19 correct.  
20 Q. (BY MR. WILLIAMS) Okay.  
21 A. I am not sure I get into what prediction  
22 critical competencies is.  
23 Q. Well, with regard to production, pressure  
24 and staffing, it says, "Most interviewees at the  
25 production level say the pressure for production,

Page 213

1 time pressure and understaffing are the major  
2 causes of accidents at Texas City. They say all of  
3 these have gotten steadily worse in recent years  
4 and that cuts have gone beyond what is safe in many  
5 cases. People across levels perceive that  
6 understaffing had gotten to a point where it was  
7 significant enough to undermine protection, that  
8 is, safety, process safety management,  
9 environmental management, and integrity  
10 management."  
11 That was the finding, true?  
12 MR. GALBRAITH: Objection, form.  
13 A. That is stated.  
14 Q. (BY MR. WILLIAMS) And one might  
15 summarize that as people had the perception that  
16 profits were more important than people?  
17 MR. GALBRAITH: Objection, form.  
18 A. The perception that was shared with me  
19 was production had more importance than people.  
20 Q. (BY MR. WILLIAMS) Okay. Production had  
21 more importance than people was the -- was what the  
22 gist of what you get out of this statement, right?  
23 A. That's what was shared with me.  
24 Q. And it says in the second sentence the  
25 cuts -- they have gotten steadily worse in recent

1 years and that cuts have gone beyond what is safe  
2 in many cases.

3 You had -- had you had pressure  
4 from organized labor there, the hourly workforce,  
5 to increase staffing in areas?

6 A. During that window, I don't remember the  
7 pressure. During that window, there was a lot of  
8 dialog with organized labor on the fall out of the  
9 cutting of retiree medical, which created a lot of  
10 labor unrest between union leadership, the  
11 workforce and management during this window of  
12 time, which was just prior to this audit.

13 So I am aware of more pressure  
14 discussion from that front than I am from the  
15 staffing front.

16 Q. Okay. So prior to this audit, BP had  
17 decided to reduce or cut the medical benefits of  
18 its retirees; is that right?

19 A. What was --

20 MR. GALBRAITH: Objection, form.

21 A. What was done during this time period  
22 was -- is all of the employees that were currently  
23 on the payroll would remain with their benefits;  
24 however, any new hires would come in as of  
25 April 1st, 2004, would come and not be entitled to

1 retiree medical benefits when they retired.

2 Q. (BY MR. WILLIAMS) This is a decision  
3 that was made in 2004?

4 A. Either late 2003 or early 2004.

5 Q. And just to go back, 2004 was a record  
6 profit year for BP, right, at this plant?

7 A. At this plant, yes, sir.

8 Q. Is there a reason other than saving money  
9 that --

10 A. Just to clarify, this was not a site  
11 decision. This was a decision that was done across  
12 the entire company, and so I cannot give you the  
13 reason or the rationale behind what the reason was.  
14 But it was to be instituted company-wide, not just  
15 limited to Texas City.

16 Q. Well, was there a reason other than  
17 saving money that BP made the decision in light of  
18 record profits at least in the Texas City plant to  
19 say that in the future when you retire, you are not  
20 getting medical benefits from us?

21 MR. GALBRAITH: Objection, form.

22 A. I can share with you what's been told and  
23 what was shared with us is to remain competitive,  
24 okay, and to deal with the rising medical costs  
25 which was necessary to do. What else they were

1 thinking, that's a question I can't answer you.

2 Q. (BY MR. WILLIAMS) Well, remain  
3 competitive, that means -- what were they going to  
4 do with the money they saved? I mean, they -- BP  
5 was going to put it in its pocket and share it with  
6 the shareholders, right?

7 MR. GALBRAITH: Objection, form.

8 A. I am unclear what they were going to do  
9 with the money.

10 Q. (BY MR. WILLIAMS) Okay. Let's move on.  
11 What is recognized and rewarded, again, the Telos  
12 study says, "Most interviewees say that production  
13 and budget compliance gets recognized and rewarded  
14 before anything else at Texas City."

15 Fair statement?

16 A. It was --

17 MR. GALBRAITH: Objection, form.

18 A. -- counter to my views, but it's what the  
19 statement states.

20 Q. (BY MR. WILLIAMS) That was the  
21 perception out there of the how many hundreds of  
22 people that were surveyed?

23 MR. GALBRAITH: Objection, form.

24 A. Yes, sir.

25 Q. (BY MR. WILLIAMS) How many hundreds of

1 people were surveyed to arrive at this? 1100?

2 A. That sounds about pretty close to the  
3 number.

4 Q. Okay. "Commitment resources. There is a  
5 strong sense that commitment shown by Don Parus and  
6 others is undermined by the lack of resources to  
7 address severe hazards that exist. For most  
8 people, there are many unsafe conditions that prove  
9 that cost cutting and production are more important  
10 than protection."

11 The 1100 people surveyed, that was  
12 the conclusion as summarized by Telos?

13 MR. GALBRAITH: Objection, form.

14 Q. (BY MR. WILLIAMS) True?

15 A. That's the statement.

16 Q. And it goes on to say, "Poor equipment  
17 conditions are made worse in the view of many  
18 people by lack of resources for inspection,  
19 auditing, training and staffing," right?

20 A. That's what is stated.

21 Q. "Cost pressures are widely reported to  
22 have undermined the integrity of turnarounds as  
23 well as routine maintenance. Many noted that the  
24 turnaround work that has moved into ongoing  
25 maintenance increases hazard and risk," true?

1 A. That's what is stated. I mean, I have a  
2 different interpretation of that; but that's what  
3 it states.

4 Q. That's what the people out there, the  
5 1100 plus that was surveyed, that's their  
6 interpretation, right?

7 A. Yeah.

8 MR. GALBRAITH: Objection, form.

9 A. The -- the work was shifting to  
10 turnaround was in third-party contractors versus  
11 proprietary work force, and that was a growing  
12 tension between the workforce and management. And  
13 that's -- some of that might be that undertone.

14 Q. (BY MR. WILLIAMS) Okay. But my point is  
15 that if you look at these three paragraphs, there  
16 is no doubt that the people at your plant -- let's  
17 start out, it says, "A strong sense that commitment  
18 shown by Don Parus," that's you, "was being  
19 undermined by a lack of resources," right?

20 A. That's what is stated.

21 Q. Would you agree that you had a strong  
22 sense of commitment?

23 A. Yes, sir.

24 Q. And would you agree that certainly a lack  
25 of resources in some areas undermined what you

1 wanted to do?

2 A. At the time of this, I did not see that;  
3 but I can't dispute that was what was said and  
4 perceived.

5 Q. Okay. But you were -- this is the same  
6 time period where there had been a 1999 25 percent  
7 budget cut and that you, in this exact time period,  
8 in January of '05, had been challenged to make a  
9 25 percent capital expenditure budget cut, true?

10 A. I can't make the linkage to '99, but I  
11 can say that the timing for the Telos and the  
12 timing around the capital cuts for '05 were very  
13 close together.

14 Q. And 25 percent, that was the amount that  
15 you were challenged to cut for capital  
16 expenditures, true?

17 A. Yes, sir.

18 Q. That would include -- one way to do that  
19 is to defer turnarounds which are maintenance  
20 turnarounds. Is that one way?

21 A. That is a way.

22 Q. And is that one of the -- I mean, how  
23 were you going to achieve a 25 percent reduction in  
24 capital expenditures in a plant that you yourself,  
25 I believe, have admitted that had been underfunded

1 for many years?

2 MR. GALBRAITH: Objection, form.

3 A. We ended up with the cut, the 25 percent,  
4 and then in a period of time some of it was given  
5 back, not all of it but a portion of it was given  
6 back. But then discretionary projects had to be  
7 cut.

8 Case in point, there was a  
9 7 million-dollar changehouse that I promised the  
10 workforce I would build for them. Okay. Is that  
11 directly related to safety? Not in my mind. Is it  
12 a contributing factor to the perceived culture of a  
13 site? Yes, it is.

14 So projects like that that were  
15 discretionary didn't impact the safety directly  
16 around that list, the changehouse being a good  
17 example.

18 Q. (BY MR. WILLIAMS) Was it known  
19 throughout the workforce that there was a challenge  
20 to make a 25 percent reduction in budget capital  
21 expenditures that that's what you were facing in  
22 January of '05?

23 A. I am not sure I explicitly shared that,  
24 but the cut of the changehouse reflected cuts I was  
25 facing.

1 Q. Well --

2 A. I am not sure I walked out and said,  
3 "I've got X number to cut." I just said, "Given  
4 the budget constraints I am under, I am not going  
5 to be able to build the changehouse this year."

6 Q. Is it the hope that if you increase  
7 production, hopefully then making the plant more  
8 profitable, that that will somehow grant you some  
9 relief from these 25 percent capital expenditure  
10 cuts that you were challenged to do?

11 A. Not necessarily. It is not a direct  
12 correlation between our profitability and the  
13 budget.

14 Q. Well, doesn't it -- it kind of makes  
15 sense to me, Mr. Parus, that the more money you can  
16 make for the company, the easier they will go on  
17 you with these 25 percent budget cuts.

18 MR. GALBRAITH: Object --

19 Q. (BY MR. WILLIAMS) That doesn't -- that  
20 isn't the way BP does it?

21 MR. GALBRAITH: Objection, form.

22 A. The budget -- the amount of income you  
23 make and the budget are separate. Because you make  
24 more money at the site does not give you license to  
25 spend more money.



1 Q. (BY MR. WILLIAMS) Gotcha.  
2 Now, why did they need to cut your  
3 capital expenditures 25 percent in '05 when you  
4 were coming off a record year in '04, you had made  
5 a hundred million dollars in January of '05 and  
6 this plant had been underfunded for years, if not  
7 decades?

8 MR. GALBRAITH: Objection, form.

9 A. I am not sure I can answer that for you,  
10 what they were thinking.

11 Q. (BY MR. WILLIAMS) I mean, did anybody  
12 give you an explanation and -- you know, that, hey,  
13 as you aptly put it earlier, you were printing  
14 money. In light of that, nobody gave you an  
15 explanation as to why? They just said, "Mr. Parus,  
16 25 percent capital expenditure cuts, that's your  
17 challenge in '05"?

18 A. Pat --

19 MR. GALBRAITH: Objection, form.

20 A. Pat was given the challenge to take that  
21 out of the region and then allocate it to the five  
22 sites that were under his domain. Each site then  
23 pushed back what -- their case for what they would  
24 have to cut.

25 Pat then just made an ultimate

1 decision as to what the dollar amount would be by  
2 site. Texas City was not the only site faced with  
3 that challenge in '05.

4 Q. I understand BP wanted all the refineries  
5 to cut costs, capital expenditures, by 25 percent  
6 worldwide, right?

7 MR. GALBRAITH: Objection, form.

8 A. I believe the correct way to categorize  
9 that is the region needed to cut 25. Now, whether  
10 that meant one site did more or less than the  
11 others, it was a regional challenge to Pat.

12 Q. (BY MR. WILLIAMS) What was the number  
13 that ultimately, when it's all said and done, you  
14 were challenged to cut from your capital  
15 expenditures?

16 A. To the best of my recollection, the  
17 budget was around 300 million, asked to cut 65 and  
18 given about 16 or 18 back. And I would have to do  
19 the calculation and math with a calculator, but  
20 that's the way -- the numbers that I can remember.

21 Q. Roughly 20 percent, then?

22 A. Can I take a second to do the math?

23 Q. Well, I will help you with it.

24 You said that you were challenged  
25 to cut 65 million out of a 300 million-dollar

1 budget?

2 A. Roughly, yes.

3 Q. And given 17 or 18 million back, right?

4 A. Yes, sir.

5 Q. Does that mean, then, if we subtract 17  
6 or 18 from 65, we'll come up with the number?

7 A. Roughly 48.

8 Q. Okay.

9 A. 48 out of 300. 20 percent is 60. So  
10 it's less than 20. It's 16 to 18 percent,  
11 somewhere in that range, if you do the math.

12 Q. It's 16 percent.

13 A. Okay. It's the final number, I believe,  
14 that we ended up reducing.

15 Q. And how did you negotiate it from  
16 25 percent to just 16 percent? I assume you  
17 negotiated it or tried to.

18 A. Seeing what you could push back, what the  
19 site needed, projects that you wanted at a  
20 particular site. The changehouse, I will use that  
21 one as another issue. Although it was a  
22 discretionary project, I felt that the workforce  
23 was using that as a lens to judge whether the  
24 commitment to them was changing. And these  
25 arguments were used in the negotiating process.

1 Ultimately Pat sent me a note with  
2 the allocated number. Commercial managers would  
3 meet among themselves and make sure each  
4 understands the project.

5 So the way it worked is not an  
6 individual project was cut. No total budget was  
7 cut, I had to find a way to live within it.

8 Q. Okay. So I can sum it up that after a  
9 round of negotiations --

10 A. Several rounds.

11 Q. -- several rounds of negotiations, you  
12 ultimately were -- got a memo from your boss; and  
13 it said, "You are going to cut your capital  
14 expenditures by 16 percent. Live with it."

15 A. I think the calculation is correct, yes.

16 Q. Okay. Now, some of the things -- I mean,  
17 when you are told to cut the budget 16 percent of  
18 capital expenditures, that puts a lot of pressure  
19 on you, doesn't it?

20 A. It puts pressure on me, sir.

21 Q. How many times had you had budget cut  
22 mandates from above since arriving in 2002 at the  
23 South Houston -- as the South Houston site manager?

24 A. It's my first because prior to that as  
25 site director I didn't have the budgets. So my

1 plant managers would have received any of those  
2 challenges. This is the first one I really had to  
3 deal with in my new role.

4 Q. Okay. And so that we are clear for the  
5 jury, was any explanation given to you why it was  
6 mandated and you were ordered to live with the  
7 16 percent capital budget cut?

8 A. The best of my recollection was the  
9 region, the overall budget for the region was  
10 higher and the plan submitted and the region needed  
11 to get back to plan.

12 Q. What the heck does that mean in -- I'm  
13 not a -- what the heck does that mean?

14 A. The sites put in -- you put in plans,  
15 multi-year plans, of what the capital budget  
16 anticipated is. Things change, but we were being  
17 held accountable to meet the plan we had put in the  
18 year prior to that.

19 Q. Well, why is it -- so, I mean, basically,  
20 they are saying -- you know, did you ever have your  
21 parent tell you "because I said so"?

22 MR. GALBRAITH: Objection, form.

23 Q. (BY MR. WILLIAMS) When you were growing  
24 up, did anybody say that?

25 A. Yes, sir.

1 Q. It sounds to me like what you were being  
2 told when you asked, "Why am I having to cut  
3 capital expenditures? In an already underfunded  
4 plant, why am I trying to -- historically  
5 underfunded, why am I having to cut it 16 percent?"  
6 The answer, basically, in lay language is "because  
7 I said so."

8 MR. GALBRAITH: Objection, form.

9 Q. (BY MR. WILLIAMS) True.

10 MR. GALBRAITH: Objection, form.

11 A. I'm not sure I would characterize it that  
12 way. I mean I just, again, a round -- the way I  
13 would characterize it, it would be a round of  
14 negotiations went on. We made our case for the  
15 projects we needed, the funding we needed, got part  
16 of it back but didn't win the entire amount.

17 Q. (BY MR. WILLIAMS) But the only -- but I  
18 am talking about the explanation for the 16 percent  
19 cuts, and it sounds like the only explanation you  
20 ever got was because that's the plan?

21 A. It was about --

22 MR. GALBRAITH: Objection, form.

23 A. -- the plan.

24 A plan was submitted, a multi-year  
25 plan, and things change year to year. So when we

1 recast the plan, it was above it; and we needed to  
2 go back to what we originally submitted. That was  
3 what was presented to us.

4 Q. (BY MR. WILLIAMS) You don't see the  
5 analogy between that and your mother and father  
6 just saying because I said so?

7 MR. GALBRAITH: Objection, form.

8 A. Not completely.

9 Q. (BY MR. WILLIAMS) So cost pressures had  
10 widely reported to have undermined the integrity of  
11 turnarounds as well as routine maintenance, and  
12 that ongoing maintenance increases hazards and  
13 risk.

14 Would you agree, first of all,  
15 sir, that deferring maintenance can increase  
16 hazards and risks at a plant?

17 MR. GALBRAITH: Objection, form.

18 A. Deferring maintenance without a plan, a  
19 risk assessment and a mitigation effort, without  
20 that included in there, can increase the risk,  
21 strictly deferral.

22 Q. (BY MR. WILLIAMS) But that's what y'all  
23 ended up doing was deferring maintenance, didn't  
24 you?

25 MR. GALBRAITH: Objection, form.

1 Q. (BY MR. WILLIAMS) Because you didn't  
2 have the budget for it?

3 A. In what time period, sir?

4 Q. '04 and '05.

5 A. When I was BUL, I did not defer  
6 maintenance associated with the capital cuts. In  
7 fact, the turnarounds in the first quarter of '05  
8 were running \$16 million over budget.

9 Q. Okay. Well, what was cut, then?

10 A. I didn't close -- I didn't close the loop  
11 yet.

12 Q. What does that mean?

13 A. I didn't -- I wasn't in balance. I  
14 didn't meet the cuts.

15 I cut some discretionary projects.  
16 But when we opened the units up, what needed to be  
17 fixed got fixed.

18 Q. But the 16 million that you had spent --  
19 overspent, you were going to have to cut the budget  
20 16 million in another area, weren't you?

21 A. Or go back and say, "I cannot and I am  
22 over."

23 Q. Okay. And you --

24 A. The point I am making to you is that  
25 during the turnarounds, work and maintenance was

1 not deferred because of the budget cuts. I made  
2 the decision to fix it while the units were down.

3 Q. Okay. Now, after -- while you were  
4 there, was the entire plant ever shut down, the  
5 Texas City refinery?

6 A. No, sir.

7 Q. Are you aware that the Texas City  
8 refinery has been shut down?

9 A. Following Hurricane Rita?

10 Q. Yes.

11 A. Yes, sir.

12 Q. So a hurricane -- explain to me why they  
13 shut down the refinery following a hurricane that  
14 didn't even hit.

15 A. Well, I wasn't there making the  
16 decisions, sir. So it's tough for me to understand  
17 the logic decision-making behind that. If you want  
18 to talk about hurricanes in general, I can; but I  
19 was not at the site when they made the decision  
20 around Rita.

21 Q. I was here during Rita, and I don't  
22 recall Rita ever really hitting Texas City, do you?

23 A. No.

24 MR. GALBRAITH: Objection, form.

25 A. But I also recall a lot of people

1 thinking it did and exiting Houston that put a  
2 gridlock on the roads. So...

3 Q. (BY MR. WILLIAMS) No question there.  
4 I mean, my point is: Do you  
5 dispute the fact that Rita actually did not hit  
6 Texas City?

7 A. No, I am not disputing that at all but --

8 Q. So why would they --

9 MR. GALBRAITH: Objection, form.

10 A. You make a decision on a hurricane when  
11 you're 72 hours out because process units do not  
12 come down by a push of a button. So 72 hours out,  
13 you take the latest projections. If the  
14 hurricane -- if the plant is within the cone, you  
15 then plan shutdown procedures.

16 That is what the -- the  
17 evacuations. And that time may change, but when I  
18 was there, it was 72 hours out you start to  
19 sequence units down.

20 Q. (BY MR. WILLIAMS) Okay. I am not  
21 arguing with you about that. What I am trying to  
22 find out, though, is that plant was not -- was it  
23 started up immediately after the hurricane?

24 A. I don't believe so.

25 Q. It was down for several months, right?

1 MR. GALBRAITH: Objection, form.

2 A. I don't know how long it was down for.

3 It was down for a period of time.

4 Q. (BY MR. WILLIAMS) So why was it down for  
5 a period of time? What did the hurricane have to  
6 do with that?

7 MR. GALBRAITH: Objection, form.

8 Q. (BY MR. WILLIAMS) The hurricane that  
9 didn't hit?

10 MR. GALBRAITH: Objection, form.

11 A. All I can tell you is the hurricane shut  
12 19 plants down from Corpus Christi to New Orleans.

13 Okay. Texas City stayed down for  
14 a period of time. Why that was, what they were  
15 doing, why the decisions, I was not involved in the  
16 decision process nor asked or aware of it.

17 Q. (BY MR. WILLIAMS) Okay. Let's go on in  
18 the Telos Report. "Cognizant. Several aspects of  
19 the organization systems and culture determined  
20 cognizance or awareness of risk."

21 The question is: "Do we know what  
22 we need to know in order to make the right choices  
23 about safety and integrity management?" And it  
24 goes on to say, "The position paradox: The people  
25 who have the most influence over the decisions that

1 determine the safety and integrity of the  
2 management of a particular site are almost always  
3 the most distanced from these conditions."

4 It goes on to say, "BP as a  
5 corporation has had the blindness and Texas City is  
6 no exception. Many managers pay more attention to  
7 individual safety concerns and lack the same  
8 passion or knowledge of PSM and integrity  
9 management issues and many note that existing  
10 monitoring and reporting systems are not monitored  
11 or effective."

12 It goes on to say, "Check the box.  
13 There is very little analysis of trending data.  
14 The connection between key people's assessment of  
15 risk and the capital planning process that has  
16 seemed weak and important issues are not resolved  
17 because of an overreliance on benchmarks."

18 All of those were items that were  
19 reported to you and your senior leadership staff by  
20 Telos, right?

21 MR. GALBRAITH: Objection, form.

22 A. It's the items I stated in the Executive  
23 Summary, yes, sir.

24 Q. (BY MR. WILLIAMS) Okay. Very little  
25 analysis of trending data. The trending data, one

1 of which would have been, obviously, this trend  
2 that showed the upward increase and lost workday  
3 injuries, right? That would be a trend?

4 MR. GALBRAITH: Objection, form.

5 A. He's in the paragraph from PSM and  
6 integrity management. Lost workdays would not be  
7 probably -- would not be what I consider a trending  
8 data --

9 Q. (BY MR. WILLIAMS) Okay.

10 A. -- from that standpoint.

11 Q. What would be the trending data?

12 A. Closure of action items, spills,  
13 environmental releases, closing of variances,  
14 tracking of inspections variances, tracking of RV  
15 variances. Those, I think, would fall underneath  
16 the PSM category.

17 Q. Let's take the first one, closing of  
18 action items.

19 A. Uh-huh.

20 Q. The final report found that there was a  
21 lack of closure of action items, true?

22 A. It stated that, yes, sir.

23 Q. And it also found, for instance, the  
24 relief valve study on the ISOM unit hadn't been  
25 done in some 20 years, right?

1 A. It stated that. I don't know if that's  
2 true or not. That was his statement. I have no  
3 basis to dispute that, but I just don't have the  
4 knowledge.

5 Q. Sure.

6 Doesn't that show somewhat of a  
7 trend?

8 MR. GALBRAITH: Objection, form.

9 Q. (BY MR. WILLIAMS) Those things?

10 A. That is a trend through a lens.

11 Q. What about the fact that -- did you see  
12 in the final report where it showed how many times  
13 there had been deviations during the startup of the  
14 ISOM unit overpressure deviation, overfilling  
15 deviations, things like that?

16 A. When I read it, I was not aware of it in  
17 the past.

18 Q. I am not saying you're aware of it, but  
19 I'm saying --

20 A. I read it and it's -- I'm not in a  
21 position, again, as I stated earlier, I am assuming  
22 they did their diligence on it and what they  
23 presented was factual.

24 Q. Right.

25 A. I have no basis to argue that point.

1 Q. In the final report, the final death  
2 report, indicated that trends in startup of the  
3 ISOM unit where they had overpressured it,  
4 overfilled it, things like that, they had -- those  
5 had been ignored over the -- over the last 10 or  
6 15 years of starting up that unit, right?

7 MR. GALBRAITH: Objection, form.

8 A. I don't know the timeframe, but they said  
9 over a period of time.

10 Q. (BY MR. WILLIAMS) That's right.

11 And that's one of the things in  
12 PSM you should be looking for is trends, right?

13 A. There are --

14 MR. GALBRAITH: Objection, form.

15 A. -- a series of factors to look for with  
16 trends.

17 Q. (BY MR. WILLIAMS) Now, you will  
18 acknowledge, won't you, sir -- and I am not saying  
19 it's your fault; but you will acknowledge that  
20 there were gaps in the process safety management at  
21 your plant before this fire and explosion, right?

22 A. There was --

23 MR. GALBRAITH: Objection, form.

24 A. There was a PSM audit done in 2004. Some  
25 were in the April, May timeframe. Okay?

1 Following that report, they put  
2 together action items; but the one that came to my  
3 attention, the one that Bill Ralph raised to my  
4 attention personally, was on the closure of action  
5 items. That is the one that we -- that Bill raised  
6 saying is a significant gap on. "Don, we're not  
7 tracking the closure of action items."

8 Okay. Following that is we then  
9 modify the 1000 day goals for 2005 and closing of  
10 action items for PSM became a metric in the  
11 1000 day goals.

12 Q. (BY MR. WILLIAMS) Who was the most  
13 knowledgeable person about PSM at your plant while  
14 you were a BUL?

15 A. Bill Ralph would be my -- I would put in  
16 that category.

17 Q. Okay. What training in PSM did Joe  
18 Barnes have, if any?

19 A. Unclear.

20 Q. Did you take any -- when you were going  
21 through your courses in chemical engineering, did  
22 you take courses in process safety management?

23 A. Now, you are testing my memory here.

24 I don't recall 30 years ago. I  
25 don't believe I did.

1 Q. Okay. Are you aware of any formal  
2 training you have had in process safety management  
3 since your university days?

4 A. I have had training throughout my years  
5 in process safety in various lower level jobs as  
6 superintendent. There has --

7 Q. Okay.

8 A. -- been various schools I went through  
9 where process safety was covered under the Amoco  
10 flag.

11 Q. When would the last one have been?

12 A. Formal training?

13 Q. Yes, sir.

14 A. Probably 15 years.

15 Q. And you mentioned a PSM audit in 2004.  
16 What was the name of that audit?

17 A. My understanding it would be titled PSM  
18 or process safety management audit.

19 Q. Why did you -- did Bill Ralph ask to be  
20 part of the leadership team at your plant?

21 MR. GALBRAITH: Objection, form.

22 A. Possibly.

23 Q. (BY MR. WILLIAMS) And he was the top guy  
24 responsible for process safety management, and my  
25 question is: Why was he not part of the leadership

1 team at your plant?

2 A. Two reasons. One is Bill Ralph took  
3 strong direction from a process safety chairman.

4 Okay. That process safety  
5 chairman was Kathleen Lucas. And, therefore,  
6 Kathleen Lucas was on my leadership team.

7 Bill also reported to Joe Barnes.  
8 Joe Barnes had a safety -- was on the leadership  
9 team. So Bill had access through two channels  
10 directly to my leadership team.

11 Point Number 2 is I am unaware of  
12 the structure anywhere else in BP where PSM is part  
13 of the leadership team, and I needed to vet my  
14 organization through London to approve my direct  
15 reports. Okay. I am not aware of where PSM  
16 reports to leadership team.

17 And three is Bill also had open --  
18 or he could open communicate with me, as he did  
19 with what he thought was the major fact found in  
20 the PSM audit.

21 Q. So process safety management, was there  
22 anybody that was an expert in process safety  
23 management above Bill Ralph?

24 A. I wouldn't put him in the expert  
25 category.

1 Q. Okay. So the one person, the person --  
2 the highest level person with process safety  
3 management expertise, we can agree it was a fact,  
4 was not included in the leadership team at your  
5 plant?

6 A. That's correct.

7 Q. And that was the BP business model, their  
8 way of doing things?

9 A. That's my understanding of the structure.

10 Q. Okay. Now that we've looked at just the  
11 Executive Summary on Telos, you still don't think  
12 that that was alarming to you, those items that  
13 we've gone over?

14 A. As I said before, those items raised  
15 concern with me. But I looked at it through two  
16 lenses because I lived this report for three full  
17 days with the Telos consultant.

18 Okay. I went through it, and I  
19 needed to address these, felt the five lenses that  
20 we chose to do that would address these, coupled  
21 with, also, Telos telling us, "Don, significant  
22 improvement has been made. Okay? We see it in the  
23 report. We see it in the surveys, et cetera. This  
24 report was not to focus on that, but you are moving  
25 in the right direction."

1 So it's that balance.

2 Q. Did you give -- were you interviewed as  
3 one of the interviewees for the Telos Report?

4 A. I don't believe so, sir, no.

5 (Exhibit Number 500 marked for  
6 identification.)

7 Q. (BY MR. WILLIAMS) Let me show you  
8 Exhibit 500. I am sorry. I don't have a copy of  
9 this, but in the -- and by the testimony of the  
10 people who did it, they said that they interviewed  
11 you and that these were your responses.

12 A. Very well.

13 Q. Okay. I mean, if -- do you recall now --

14 A. I just don't recall. I have had so many  
15 dialogs with Telos since the start of this study  
16 that do I remember sitting down and doing a formal  
17 interview? No. Do I remember talking to Telos?  
18 Many occasions.

19 Q. Okay.

20 A. I am not sure this is even the same  
21 format they used to interview the 120 people.

22 Q. Well, let's see. They go by Question 1,  
23 Question 2a, which I have reviewed those formats  
24 and that's the same format.

25 A. Okay.

1 Q. Okay. And it says here they say that you  
2 said, and I have highlighted it, "Recovering from  
3 ten years of decapitalization."

4 Is that a true statement?

5 MR. GALBRAITH: Objection, form.

6 A. Yeah, I think that's based on looking at  
7 depreciation and capital invested.

8 Q. (BY MR. WILLIAMS) Okay.  
9 "Decapitalization" means underfunded, lack of, or  
10 what?

11 A. "Decapitalization" is defined as spending  
12 less capital than your depreciation. It doesn't  
13 mean you are underfunding or overfunding. What  
14 decapitalization means is the capital that you are  
15 putting into the site is less than your  
16 depreciation value.

17 Q. Okay. And is it true that it led to a  
18 mindset that things don't get fixed and numbed  
19 them, I assume the workforce, that things will  
20 never change?

21 A. A site in which does not get funding to  
22 the workforce can create a perception that they  
23 have become numb to that reaction.

24 Q. And it says here -- and I think you told  
25 us before, do you see it says, "In the BP world,

1 around. The last six months seems to have made no  
2 difference. The Thursday morning article took a  
3 lot of steam out of me. Do right things for  
4 78 days. Then the article pissed it away." It  
5 says, "Goy" I guess it meant, "Got hate mail, went  
6 to changehouse and people wouldn't shake my hand or  
7 look at me. I think I have undid about 20 percent  
8 of the article. I have never felt such hatred. I  
9 walked in the room, and people just parted."

10 Is that a true assessment of what  
11 happened?

12 A. Following the article?

13 Q. Yes, sir.

14 A. Yes, sir.

15 Q. Okay. "Union session, all negative, no  
16 positive." What was that?

17 A. I did the Safety Reality session. I  
18 mean, I felt it -- I treated the union leadership  
19 as a true leadership team. So I did it with all my  
20 first level leaders. I did the same -- I did the  
21 same Safety Reality presentation at the union hall  
22 for all of the union leadership.

23 Q. But what do you mean by "all negatives,  
24 no positive"?

25 A. They just basically disregarded

1 you don't get more money because you make more  
2 money."

3 I think we went over that before.

4 A. I think we covered that.

5 Q. That's true, right?

6 A. I haven't changed my views on that.

7 Q. That's a true statement, right?

8 MR. GALBRAITH: Objection, form.

9 Q. (BY MR. WILLIAMS) That's a true  
10 statement?

11 A. That's what I believe.

12 Q. And going on, it says, "How unhappy  
13 people are working here. You can't imagine how  
14 much hate was shown on the morning of the funeral  
15 when the article came out. It was so frustrating  
16 that no matter what you do it makes no difference."

17 This is the funeral of the second  
18 person that died as a result of this September,  
19 '04, heat release, right? Is that what you were  
20 referring to here?

21 A. That's referring to Ray Gonzalez, yes,  
22 sir.

23 Q. Okay. And in your interview there, I  
24 have highlighted it, it says, "I don't know if I  
25 have the energy to single-handedly turn the site

1 everything we stated. I mean, one of the issues  
2 was -- is they didn't -- if you look at the  
3 fatality chart, which was probably a big surprise  
4 to me, they only recognized fatalities of their  
5 brothers and sisters.

6 Any contractor that had a fatality  
7 there, they didn't even recognize or say the  
8 numbers. They had much different numbers in their  
9 mind, for example.

10 Q. On Question 6b you said, "The last six  
11 months, a whole lot less people getting hurt. It  
12 went from once a week to once a month. Big step  
13 change," true?

14 A. If I looked through one of the indicators  
15 we have, that would be what I classify OSHA  
16 recordable rates, okay, that one was making -- that  
17 one and LWDs were making steps changes downward.

18 Q. Okay. By the way, I want to share with  
19 you Patrick Gower's deposition and ask you a  
20 question about it?

21 A. Could I get a copy in front of me so I  
22 can read it better?

23 Q. This is the only copy I've got.

24 A. You're going to have to re-adjust it a  
25 little bit to read that, then.

1 Q. Absolutely. I apologize.  
 2 MR. GALBRAITH: Or maybe you could  
 3 give it to him for just a second and let him read  
 4 it and --  
 5 MR. WILLIAMS: Well, I have to --  
 6 MR. GALBRAITH: -- then you could  
 7 put it back.  
 8 MR. WILLIAMS: -- I have to show  
 9 him where; and if there's a problem, we will fix  
 10 it, Jim.  
 11 Q. (BY MR. WILLIAMS) Okay. Just so you  
 12 know, it's the deposition of Patrick Gower, May 5th  
 13 of this year.  
 14 A. I am assuming this is accurate. So if  
 15 you are willing to say it's --  
 16 Q. Taken by the same lady here to your  
 17 right.  
 18 A. I have no basis to this. Okay. So...  
 19 MR. GALBRAITH: I understand.  
 20 Okay. What page?  
 21 Q. (BY MR. WILLIAMS) Here we --  
 22 MR. WILLIAMS: Now, Jim, pay  
 23 attention. Page 134.  
 24 MR. GALBRAITH: Thank you.  
 25 MR. WILLIAMS: I don't want to

1 have to spoon feed you all the time.  
 2 MR. GALBRAITH: And you are  
 3 representing that this is page 134 or Pat Gower's  
 4 deposition taken May 5th, in other words, in this  
 5 case?  
 6 MR. WILLIAMS: I'm what?  
 7 MR. GALBRAITH: You are  
 8 representing to all of us --  
 9 MR. WILLIAMS: No. I am telling  
 10 you it's a fact. I am not just representing it.  
 11 It's a fact.  
 12 MR. GALBRAITH: Okay.  
 13 THE WITNESS: Jim, I don't know  
 14 this is the specific -- I am going to rely on you  
 15 that this is actually the deposition. That's my  
 16 only comment to you.  
 17 MR. GALBRAITH: Okay.  
 18 THE WITNESS: Because I just don't  
 19 know.  
 20 A. Go ahead, sir.  
 21 Q. (BY MR. WILLIAMS) Trust me on it.  
 22 Okay. May 5th, a month plus ago,  
 23 Mr. Coon, the good looking man sitting besides me  
 24 here says, "Mr. Gower, why do you -- why did you  
 25 relieve Mr. Parus of his responsibilities as the

1 BUL of that facility?"  
 2 It says, "Because Don was really  
 3 not in a position to conduct his job. He had been  
 4 emotionally traumatized by this event, and I placed  
 5 him on leave of absence at that time."  
 6 "Question: So you think he just  
 7 wasn't in a good mental state to do his job?"  
 8 Mr. Gower's response is: That  
 9 we -- you know, that was the primary reason. The  
 10 other was to -- reason is just to provide, you  
 11 know, provide some a little bit different  
 12 leadership and a direction to the point (sic) at  
 13 the site of that point.  
 14 A. I'm not sure I understand that statement.  
 15 Q. Well --  
 16 A. Can I read that -- can I read that  
 17 statement again, the little --  
 18 Q. You bet.  
 19 A. Just the words don't make --  
 20 Q. Yeah.  
 21 A. Up to the last statement, if you would,  
 22 slide it up a little bit.  
 23 Q. There you go.  
 24 A. No. A little. You need to go downward.  
 25 Q. There you go.

1 A. "A little bit different leadership and  
 2 direction to the people at the site at that point."  
 3 Okay. I understand.  
 4 Q. Okay. Now, he is saying, as I interpret  
 5 this, the primary reason was -- that they relieved  
 6 you was you were emotionally traumatized.  
 7 Did Mr. Gower ever tell you that  
 8 he was relieving you because you were emotionally  
 9 traumatized?  
 10 MR. GALBRAITH: Objection, form.  
 11 A. I don't recall a conversation along those  
 12 lines.  
 13 Q. (BY MR. WILLIAMS) Okay. And this is his  
 14 under oath testimony. Were you, in fact,  
 15 emotionally traumatized to the point that you  
 16 couldn't continue to run the plant?  
 17 MR. GALBRAITH: Objection to form.  
 18 A. Sir, I would be less than honest if I  
 19 said it didn't have an emotional impact on me. If  
 20 you -- you had the services up, the funeral  
 21 services, the Memorial service for the whole plant,  
 22 confronting families, walking around with body  
 23 guards for fear, relocating family out of your  
 24 house. I could see how you could draw a  
 25 conclusion.

1 My answer back to you was it was  
 2 not shared. That conversation was not shared.  
 3 Q. (BY MR. WILLIAMS) Okay. You were  
 4 willing and able to go forward running that plant,  
 5 do you think?  
 6 A. I never indicated to Pat that I was not.  
 7 Q. Has any professional ever told you, "Hey,  
 8 you are too emotionally traumatized to run this  
 9 plant and to do your -- fulfill your professional  
 10 responsibilities"?"  
 11 A. No, sir.  
 12 Q. Do you -- have you -- when he says there,  
 13 he says, "Because Don was not really in a position  
 14 to conduct his job. He had been emotionally  
 15 traumatized by this event."  
 16 Certainly there was a period of  
 17 time where you were emotionally traumatized, right?  
 18 MR. GALBRAITH: Objection to form.  
 19 Q. (BY MR. WILLIAMS) And then there was a  
 20 period of time where you were, I assume, ready,  
 21 willing and able to take on the job?  
 22 MR. GALBRAITH: Objection, form.  
 23 A. The more time that elapsed between the  
 24 event, the better I was to be able to deal with the  
 25 emotional fall out from the incident.

1 Q. (BY MR. WILLIAMS) And so that we have  
 2 our timing right, they didn't relieve you on  
 3 March 23 or March 24, '05, correct?  
 4 A. That is correct.  
 5 Q. They let you work the entire -- they left  
 6 you in charge of that site as BUL the entirety of  
 7 the month of March, what was remaining?  
 8 A. Yes, sir.  
 9 Q. And then the full 30 days of April?  
 10 A. Yes, sir.  
 11 Q. And then the first two weeks -- or the  
 12 first half of month of May?  
 13 A. Yeah. I think it was either May 11th or  
 14 May 13th. It was a Friday is all I can recall.  
 15 And I'm not sure of the letter and the announcement  
 16 might be aligned but it was a Friday afternoon in  
 17 which I was officially informed I would be put on  
 18 leave.  
 19 So I want to say May 11th. I  
 20 could be off by a day or so.  
 21 Q. Okay. So almost a month and a half?  
 22 A. Six to eight weeks.  
 23 Q. Six to eight weeks after the fire and  
 24 explosion, they left you in charge of this plant as  
 25 BUL, correct, business unit leader?

1 A. Yes, sir.  
 2 Q. Had -- had something happened around mid  
 3 May when they removed you from that responsibility?  
 4 Had something happened differently then that would  
 5 lead them, anybody to believe you were at that  
 6 point emotionally traumatized and unable to do your  
 7 work?  
 8 A. Not through my eyes.  
 9 Q. Had there been any conversations leading  
 10 up to them where they said, "How are you doing?  
 11 Can you still do this job, or maybe you ought to  
 12 get a psychological profile before we put you back  
 13 in charge," or anything of that nature or did they  
 14 just let you work your rear end off?  
 15 MR. GALBRAITH: Objection, form.  
 16 A. There was no dialogue along the lines you  
 17 referenced. I received a heads up phone call a few  
 18 days from Mike Hoffman prior to the leave of  
 19 absence informing what was going to take place.  
 20 Q. (BY MR. WILLIAMS) And what was his  
 21 explanation as to why?  
 22 A. He just said, "Don, you are going to be  
 23 placed on leave. Sometimes things are not always  
 24 fair."  
 25 I didn't pursue it any further.

1 Q. He said, "Sometimes things are not always  
 2 fair"?"  
 3 A. Yes, sir.  
 4 Q. Well, my question is: Why did -- if --  
 5 were you more emotionally traumatized in mid May or  
 6 the end of March?  
 7 MR. GALBRAITH: Objection, form.  
 8 A. From my judgment, sir, I was more  
 9 emotionally traumatized as we got closer to the  
 10 event. The funerals, you know, not that you ever  
 11 forget this, but the funerals had been completed.  
 12 The services had been completed. We were then in  
 13 the midst of investigation and recovery.  
 14 I would say my emotional state  
 15 improved with time, but I don't imply that it's  
 16 ever going to be the same.  
 17 Q. (BY MR. WILLIAMS) Right --  
 18 The point is: Your emotional  
 19 state after the shock of the fire and explosion, it  
 20 improved over time. Is that what --  
 21 A. -- from my -- you said --  
 22 Q. -- you said?  
 23 A. From my perspective, sir, yes.  
 24 Q. Right.  
 25 So my question is: Is this -- I



1 didn't make sense of this why you would be relieved  
2 if it was truly for emotional -- being emotionally  
3 traumatized, why they wouldn't relieve you  
4 March 23rd or 24th, why they would say that -- why  
5 they would do it in mid May?

6 A. I don't know, sir.

7 MR. GALBRAITH: Objection, form.

8 A. I mean, the first point is Pat never  
9 shared that with me. So I couldn't pursue the  
10 question longer. And, two, I don't know what Pat  
11 and others were thinking. That also was not shared  
12 with me.

13 Q. (BY MR. WILLIAMS) Were these people that  
14 you considered not only colleagues but friends?

15 A. Pat and I worked together in the past. I  
16 don't know what I -- I would probably use the word  
17 "colleague." I probably wouldn't go into the  
18 piece -- use him as a "friend."

19 But we were colleagues. We both  
20 came through the Amoco ranks, had worked together  
21 before.

22 Q. Tell me, if you would, when the merger  
23 occurred between BP and Amoco, did you see a change  
24 of philosophy, management philosophy or safety  
25 philosophy?

1 MR. GALBRAITH: Objection, form.

2 A. You asked me a couple of questions there.  
3 I want to take them one at a time. All right?

4 Q. (BY MR. WILLIAMS) Please.

5 A. And not so much during the merger. I  
6 mean, it's -- it's -- I think it evolved. I have  
7 spent 20 plus years at Amoco who had a set of  
8 principles and philosophies. I think BP was just  
9 different.

10 People have asked me on that, and  
11 I say BP was pretty much performance oriented.  
12 Amoco was probably more people oriented is the way  
13 I would describe the difference in philosophy. But  
14 I think post the merger, neither one of them  
15 existed. It was a blend.

16 Q. It was a what?

17 A. A blend.

18 Q. Okay. In the letter -- in the letters  
19 that you have received...

20 (Discussion off the record.)

21 Q. (BY MR. WILLIAMS) In the letters that  
22 you have received about -- from -- that you were to  
23 assist in the investigation and related legal  
24 claims --

25 A. Can I ask which letter you are referring

1 to? I mean, I received several letters. Can I ask  
2 just ask which one you are referring to?

3 Q. Let's walk through it just real quick.

4 (Discussion off the record.)

5 Q. (BY MR. WILLIAMS) I am talking now --  
6 let's talk about the May 13th, '05, and that's --

7 A. Let me catch up to you.

8 Q. Sure. It's Exhibit 326.

9 A. I am on the same page you are now.

10 Q. Sure. From Pat Gower.

11 A. Do you know -- just to clear -- do you  
12 know what day of the week May 13th is?

13 Q. I am sorry. I don't recall last year.

14 And it says here something about  
15 your duties would be to assist with the transition,  
16 et cetera, and the investigations and other related  
17 matters including related regulatory and legal  
18 claims. And we've established you never were asked  
19 to do that, right?

20 MR. GALBRAITH: Objection, form.

21 A. I think we established that earlier  
22 today.

23 Q. (BY MR. WILLIAMS) And May 16th, the next  
24 day, which is Exhibit 328, another --

25 A. Just a minor point, three days later.

1 Q. Oh, thank you. Three days later.

2 Another letter, this time being  
3 from Simon Drysdale, I believe, the western  
4 hemisphere HR, it says something about, "We  
5 recommend that you maintain a professional" --

6 A. Where are you at, sir, to make sure I  
7 catch up with you? Okay?

8 Q. See --

9 A. Are you putting those words up?

10 Q. Yeah.

11 A. And by Number 1 --

12 Q. Do you see where it says, "Regarding  
13 other professional opportunities" is highlighted --

14 A. Yes, sir. Go ahead.

15 Q. "Regarding other professional  
16 opportunities while on administrative leave status.

17 It is recommended that you maintain an unrestricted  
18 professional diary in order to primarily and fully  
19 support the needs of the ongoing investigation in  
20 Texas City."

21 Was that ever done?

22 A. It was communicated to me but never  
23 enacted.

24 Q. Okay. Nobody ever explained to you other  
25 than this one letter what the heck that meant?

1 A. I mean, this -- this substantiates what  
2 they told me when they placed me on leave, that it  
3 would be difficult for me to work in a full-time  
4 job and assist in the investigation; therefore,  
5 they wanted me completely available for the  
6 investigation. And that's just what was shared  
7 with me.

8 Q. Okay.

9 A. This substantiates it. This puts it in  
10 writing, shall I say.

11 Q. And then they never asked you to  
12 participate in the investigation, right?

13 MR. GALBRAITH: Objection, form.

14 A. Not that I recall.

15 Q. (BY MR. WILLIAMS) Okay. Do you feel  
16 like maybe they've kind of, perhaps, misled you?

17 MR. GALBRAITH: Objection, form.

18 A. I am not sure what they're thinking. I  
19 think I stated to you earlier I am not very happy  
20 with the treatment from the point of May 13th  
21 forward.

22 Q. (BY MR. WILLIAMS) Are you familiar with  
23 the Grangemouth --

24 A. Are we done with...

25 Q. Yes, sir.

1 A. Okay.

2 Q. Are you familiar with the Grangemouth  
3 incident at BP?

4 A. Living in London when the incidents  
5 occurred, I mean, it was pretty much in the press.  
6 And, basically, not being in the refinery, I got my  
7 fill through reading the press.

8 Q. And what was the Grangemouth incident?

9 A. Back in -- I want to put it in the '99,  
10 2001 window, potentially. It was around a -- I  
11 want to say a steam leak, a fire. There might be a  
12 third one in there.

13 I kind of remember three; but what  
14 exactly the three were, I remember a large steam  
15 leak that kind of impacted a neighborhood, a fire.  
16 Memory says there was a third one, but I can't put  
17 my finger on it.

18 Q. Grangemouth was a BP plant, correct,  
19 located in England or Scotland?

20 A. Located in Scotland.

21 Q. Right.

22 And it had an incident that was  
23 potentially catastrophic to the community, right?

24 MR. GALBRAITH: Objection, form.

25 A. I am portraying what I read in the

1 papers. Okay?

2 So, I mean, I did not see an  
3 incident report on it. My understanding is it had  
4 an impact on the community. That's why it was  
5 pretty much publicized in the local papers.

6 Q. (BY MR. WILLIAMS) My point is that -- I  
7 am trying to get at: What lessons did BP  
8 communicate to its leadership team while you were  
9 in London or elsewhere as to what lessons were  
10 learned from the Grangemouth incident?

11 MR. GALBRAITH: Objection, form.

12 A. The role I was in, the lessons did not  
13 get communicated to me while I was in that role.

14 Q. (BY MR. WILLIAMS) Okay. What about  
15 Longford? Do you know what the Longford incident  
16 is?

17 A. The Longford was played and used during  
18 the two-day Telos Report back to the site.  
19 Geoffrey used the lessons from Longford, along with  
20 several other incidents, to, again, make his point  
21 on the study.

22 So lessons of Longford I became  
23 aware of it during that report back mid to late  
24 January of '05.

25 Q. And what were the lessons of Longford?

1 A. I remember watching the video. I am not  
2 sure, sir, I could articulate the lessons to you  
3 right off from that because, again, it wasn't  
4 something I saw on a slide or whether it was kind  
5 of the video playing, that I remember, the  
6 incident, the response, catastrophic. But at this  
7 stage, I just can't articulate the lessons.

8 Q. Can you agree with me, sir, as a chemical  
9 engineer that one of the times of the highest level  
10 of risk for fire and explosion occurs when a unit  
11 is being brought on line as the ISOM unit was on  
12 March 23, 2005?

13 MR. GALBRAITH: Objection, form.

14 A. The way I would characterize it is I  
15 think there's increased risk on both as the unit  
16 comes on line as well as when a unit comes off  
17 line.

18 Q. (BY MR. WILLIAMS) Sure.

19 A. I wouldn't limit it to just startup.

20 Q. Okay. Startup or shutdown are the times  
21 when there is the highest level of risk for fire  
22 and explosion on a unit?

23 A. There's a --

24 MR. GALBRAITH: Objection, form.

25 A. There's an increased risk is the way I

1 would characterize it.  
 2 Q. (BY MR. WILLIAMS) Okay. Can you think  
 3 of any other times that there would be a higher  
 4 level of risk?  
 5 A. A major upset.  
 6 Q. Okay. Is it a true statement that  
 7 management should be proactive rather than reactive  
 8 with regard to process safety management?  
 9 MR. GALBRAITH: Objection, form.  
 10 A. I would state that management needs to be  
 11 both proactive and reactive. Proactive keeps you  
 12 ahead. Reactive means you learn from what  
 13 happened. So I wouldn't -- I wouldn't -- I don't  
 14 like to distinguish between the two. I think you  
 15 need the balance of both.  
 16 Q. (BY MR. WILLIAMS) Why was there -- why  
 17 was a blowdown stack being used in the ISOM unit  
 18 rather than an inherently safer design --  
 19 MR. GALBRAITH: Objection --  
 20 Q. (BY MR. WILLIAMS) -- such as tying in to  
 21 the flare system of the plant?  
 22 A. I don't know, sir.  
 23 Q. To tie -- would that be -- to tie -- to  
 24 spend the extra money to tie the ISOM unit in to  
 25 the flare system rather than using the blowdown

1 drum, would that be a capital expenditure?  
 2 MR. GALBRAITH: Objection, form.  
 3 A. Yes, sir. I believe it would be. I  
 4 would have to check the tax logs and the financial  
 5 logs. But I think, to the best of my knowledge, it  
 6 would be.  
 7 Q. (BY MR. WILLIAMS) In your understanding  
 8 of, as the BUL of the plant, if you were -- if  
 9 somebody said, "Hey, we need to tie in to the flare  
 10 system of the plant and eliminate this blowdown  
 11 drum," you would classify that as a capital  
 12 expenditure?  
 13 A. I would ask my commercial group, and they  
 14 would be able to help me classified it. But in  
 15 response to your question, I think it would be  
 16 classified as capital; but I rely on them for the  
 17 exact classification.  
 18 Q. I am not asking it for --  
 19 A. Because it is --  
 20 Q. -- tax --  
 21 A. No. I mean, for example, if it's just a  
 22 piping change, it may not be capital.  
 23 Okay. It depends. There's  
 24 unclear rules around that. I just don't want to  
 25 get caught into whether it's absolute or not.

1 Q. Where I am going with this is: You were  
 2 asked to cut the capital expenditures of the plant  
 3 in the year '05 by 16 percent or more, right?  
 4 A. I believe we --  
 5 MR. GALBRAITH: Objection, form.  
 6 A. -- agreed on 16 percent.  
 7 Q. (BY MR. WILLIAMS) Okay. And would tying  
 8 in to -- eliminating the blowdown drum and tying in  
 9 to the flare system, would that come under the  
 10 category of a capital expenditure?  
 11 A. It's possible.  
 12 Q. It's probable, isn't it?  
 13 MR. GALBRAITH: Objection, form.  
 14 A. I am still in the possible state, sir. I  
 15 mean, I just don't know that answer because I don't  
 16 know what's required to tie it in. It could be  
 17 expense.  
 18 Q. (BY MR. WILLIAMS) If it wasn't a capital  
 19 expenditure, what would be it classified as?  
 20 A. Capital or expense. There's two  
 21 different -- two different budgets.  
 22 Q. Okay.  
 23 A. Capital's appropriated and depreciated  
 24 over many years. Capital -- or expense is expensed  
 25 all done in the same years. There's two different

1 ways of accounting.  
 2 I'm not -- I'm just trying to be  
 3 clear on it. It could be either one of those  
 4 depending on what the project entitled.  
 5 Q. You gave a series of PowerPoint  
 6 presentations called a Safety Realty, right?  
 7 A. Yes, sir. This is to the first level  
 8 leaders over a series of several -- between seven  
 9 to ten sessions over a couple of months.  
 10 (Exhibit Number 501 marked for  
 11 identification.)  
 12 Q. (BY MR. WILLIAMS) Okay. I'm going to  
 13 show you Exhibit 501, which is -- which is called a  
 14 Safety Realty, Texas City BU. I am going to give  
 15 you the copy and use mine, if I can.  
 16 A. Okay.  
 17 Q. Is that the Safety Realty PowerPoint  
 18 that you authored?  
 19 A. Incomplete. It's very incomplete.  
 20 Q. Oh, it is?  
 21 A. Yes, sir.  
 22 MR. WILLIAMS: Galbraith, where is  
 23 the rest of it?  
 24 A. I showed -- I mean, first of all, I  
 25 showed pictures of each of the 22 people that had

1 died, pictures, summaries, cause, et cetera, one at  
2 a time all the way through this. I don't see that  
3 in this package, sir.

4 Q. (BY MR. WILLIAMS) I don't either and  
5 so --

6 A. I also showed three videos in this  
7 session.

8 Q. Okay. What were the three videos?

9 A. I am working on it.

10 One of them was a PEMEX -- PEMEX  
11 explosion. One was the Phillips explosion. One  
12 was the Ultraformer 4 fire, I believe, is the three  
13 videos.

14 THE VIDEOGRAPHER: John Eddie, I  
15 need to change the tape now.

16 MR. GALBRAITH: Time to take a  
17 break?

18 MR. WILLIAMS: Sure.

19 (Recess taken from 4:11 p.m. to  
20 4:28 p.m.)

21 MR. GALBRAITH: I have had an  
22 indication we have completed five hours of Don  
23 Parus' deposition. We are here to go the last hour  
24 provided by the Court. The plaintiffs said they  
25 have about two or three hours more, which would

1 require us to go late today or a second day. My  
2 consideration to you is I think that if -- well, I  
3 just want to know: What's your preference? Would  
4 you rather go -- we can't go past six hours today.  
5 So would you like to go that last hour now and  
6 finish it, or would you like to do something else?

7 MR. COON: I would say we go ahead  
8 and go -- if everybody can't go today, if we can  
9 reconvene tomorrow since we canceled the  
10 deposition --

11 MR. WILLIAMS: Which we cannot. I  
12 can't.

13 MR. COON: So he can testify while  
14 it's fresh on his mind.

15 MR. GALBRAITH: So you want to  
16 take your six hours now? Is that the decision?

17 MR. COON: It doesn't matter to  
18 me.

19 MR. WILLIAMS: I am going to be  
20 five minutes, and then it's really Brent's  
21 deposition. And Mr. Parus, if you are -- if  
22 Mr. Parus feels at the end of that he would --  
23 because we are going to have to do a second day;  
24 but if he feels that he's tired or doesn't want  
25 to -- let's let him decide really.

1 MR. COON: We can't finish today.  
2 Why not reconvene in the morning?

3 MR. GALBRAITH: No. Tomorrow is  
4 not an option for more reasons than one. I can't  
5 be here tomorrow.

6 MR. WILLIAMS: Well, you are not  
7 important.

8 MR. GALBRAITH: If you tell me you  
9 are confident we can't finish today, then --

10 MR. WILLIAMS: We can confidently  
11 tell you. We are confident of that.

12 MR. COON: Not if you have to quit  
13 at six hours.

14 MR. GALBRAITH: We do.

15 MR. COON: So, then, the question  
16 is: When can you reconvene?

17 MR. GALBRAITH: I don't know that.  
18 We will get that to you, but do y'all want to go  
19 for another hour now?

20 MR. COON: If we can't reconvene  
21 tomorrow, let's go the length today if we can, if  
22 that's okay with everyone.

23 MR. GALBRAITH: Okay.

24 THE VIDEOGRAPHER: On the record  
25 at 4:31 p.m., beginning Tape 6.

1 Q. (BY MR. WILLIAMS) We were talking about  
2 the presentations that you made called the Safety  
3 Reality, and I think at the break we got a better  
4 copy.

5 And for the jury, we are looking  
6 at Exhibit 379. And this apparently was given at  
7 an all supervision away day; and then if we go over  
8 a couple of pages, it's the Safety Reality.

9 And does that appear, then, to be  
10 the PowerPoint that you would use that you authored  
11 and would use?

12 A. I am assuming these blank pages were the  
13 videos. Okay. That's how they are going to show  
14 up on the diagram. The two blank pages were the  
15 two videos referenced, one being the PEMEX, a PEMEX  
16 fire and explosion and the other being a Phillips  
17 fire and explosion.

18 MR. WILLIAMS: Thank you, ma'am.  
19 Thank you. That's the way I feel about you, too.

20 A. This is where I conclude the  
21 presentation. This might be from the break out  
22 rooms, the data used in the break out rooms by the  
23 supervisors and MDLs.

24 Okay. This is how I -- I am now  
25 finishing the presentation. I am not recalling

1 what all these series of blank pages are.  
 2 Q. (BY MR. WILLIAMS) All right. What's the  
 3 last -- there should be what's called a --  
 4 A. In 2005 is what I remember it ending at.  
 5 Q. Okay. It should be --  
 6 A. There were some break out sessions after  
 7 that, so I am not sure what was designed and I did  
 8 not lead what was led by the leadership team.  
 9 Q. Right.  
 10 Mr. Parus, there should be a  
 11 BPISOM stamp number at the bottom of that so we  
 12 will know where your presentation concluded. Do  
 13 you see it at the bottom? Is there one or...  
 14 A. (Shakes head.)  
 15 MR. GALBRAITH: There is not.  
 16 Q. (BY MR. WILLIAMS) There's not.  
 17 MR. GALBRAITH: No.  
 18 A. I don't see one, sir.  
 19 Q. (BY MR. WILLIAMS) What -- is there a  
 20 page number at the bottom where --  
 21 A. I am on page 69 is where I am at.  
 22 Q. Okay.  
 23 A. Okay. And then there was break out  
 24 sessions to get more smaller groups together, get  
 25 input, et cetera; and that's what I would think

1 this is referring to. Even though I don't know  
 2 what the blanks are.  
 3 I just don't --  
 4 Q. I don't know?  
 5 A. -- recall that.  
 6 And I think this would be one that  
 7 I kind of worked through at the talk, at the  
 8 presentation.  
 9 Q. Help me real quick. What was that  
 10 exhibit number on that, please, sir?  
 11 A. The front?  
 12 Q. The very first page, yes, sir.  
 13 MR. GALBRAITH: You said 379.  
 14 A. This will be the easiest way for you to  
 15 read it.  
 16 Q. (BY MR. WILLIAMS) Yeah, thank you.  
 17 A. Okay.  
 18 Q. Okay. Exhibit 379, up to and including  
 19 page 69, was the PowerPoint presentation that you  
 20 authored and gave to people around the plant, true?  
 21 A. Yes, sir.  
 22 Q. How many times did you give that?  
 23 A. Eight to ten to the first level leaders.  
 24 I mean, it could be a little more, a little less.  
 25 I don't know. And then, of course, the same

1 presentation to the union leadership.  
 2 Q. And it included how many films? I wrote  
 3 down PEMEX and Phillips.  
 4 A. Three videos were played to start it off.  
 5 PEMEX, I believe, was first. The Phillips  
 6 explosion in this area was shown. I thought there  
 7 was a third one.  
 8 I just would have to go back and  
 9 look at notes. It thought there were three videos  
 10 shown.  
 11 Q. Okay.  
 12 A. Those are the two that I vividly  
 13 remember.  
 14 Q. Which Phillips explosion? The --  
 15 A. The major one here off of 225.  
 16 Q. Well, Steve and I have dealt with --  
 17 MR. WILLIAMS: You weren't around  
 18 in '89? Were you around in '89?  
 19 MR. FERNELIUS: I guess.  
 20 Q. (BY MR. WILLIAMS) '89, 2000 -- 1999 and  
 21 2000. Pick any of those three. Those were all  
 22 major ones.  
 23 Do you know which one of the  
 24 three?  
 25 A. No, sir, I just don't recall it.

1 Q. '89 was the one that killed 23 people.  
 2 A. I believe that was the one used in the  
 3 film.  
 4 Q. Gotcha.  
 5 And -- okay. Well, we will get  
 6 Mr. Galbraith to produce those.  
 7 A. These slides now, as I am starting to  
 8 recall it, there was a speaker from DuPont in. A  
 9 retired safety guy from DuPont came in and gave his  
 10 presentation from a DuPont perspective. That is  
 11 what I recall now.  
 12 He followed me. That's what these  
 13 slides were. This was -- I didn't go through this  
 14 whole packet at once.  
 15 Q. Right.  
 16 A. Just to break the day up, we covered  
 17 safety pretty much through three quarters of the  
 18 day. Included in that was a presentation from  
 19 DuPont.  
 20 Q. Okay.  
 21 A. I would be hard pressed to quote you a  
 22 name, but it was an outside speaker talking about  
 23 the safety philosophy at DuPont.  
 24 Q. Is it true, sir, that as close as a week  
 25 before the March 23 fire and explosion, there

1 existed a concern about what's been called a  
2 conflict between production and safety?

3 MR. GALBRAITH: Objection, form.

4 A. I am not sure I know how to respond to  
5 it. I mean, it's a very broad statement. I mean,  
6 can you tell me more?

7 Q. (BY MR. WILLIAMS) Yeah.

8 Did -- is there a conflict between  
9 production and safety?

10 A. Not in my mind.

11 Q. Well, let me show you. We have looked at  
12 this before. This is Exhibit 495, and you should  
13 have it in that stack there.

14 Just so that you'll know, it's  
15 from you March 17th, '05.

16 A. Can I see that, please? Which stack is  
17 it in?

18 Q. It should be in that stack there. It's  
19 Exhibit 495. I will wait until you find it.

20 A. What's the date on it, sir?

21 Q. March 17th.

22 A. 18th.

23 Q. That should be it right there.

24 A. It says the 18th. Okay.

25 Q. Okay.

1 A. Okay. Your question?

2 Q. Okay. So March 17th, some less than a  
3 week before this fire and explosion, you sent out  
4 an e-mail in which you reference that the brutal  
5 facts and it says, "Including the continuing  
6 concern," do you see where I've got the arrow  
7 there?

8 A. Yes, sir.

9 Q. "Including the continuing concern around  
10 the conflict between production and safety."

11 Do you see that?

12 A. Yes, sir.

13 Q. Now, what is the conflict between  
14 production and safety?

15 A. Now, I am kind of using -- this is  
16 following the sessions with the consultant. I am  
17 using the terminology from that that there was a  
18 perceived priority of production over safety.

19 Q. And, in fact, if we look back at  
20 Exhibit 386, the consultant you are talking about  
21 is the Telos report. And if we look at how people  
22 ranked things at your plant back then, they ranked  
23 making money Number 1, cost/budget Number 2 and  
24 production Number 3, right?

25 A. That was the ranking.

1 Q. And people weren't ranked -- didn't show  
2 up until Number 9, right?

3 A. That's what the data represented.

4 Q. Okay. And so you referred in your  
5 letter -- I am going to go back to Exhibit 495, the  
6 week before -- less than a week before the fire,  
7 you referred to the fact that there was "a  
8 continuing concern about the conflict between  
9 production and safety."

10 What does -- what is the conflict  
11 between production and safety?

12 MR. GALBRAITH: Objection, form.

13 A. In my mind, when I drafted the letter, it  
14 was from the Telos Report ranking production over  
15 safety.

16 Q. (BY MR. WILLIAMS) Okay. The last  
17 subject, history of blowdown drums.

18 Do you know why a blowdown drum  
19 was used at the ISOM unit rather than tying in to  
20 the flare system?

21 A. No, sir. I don't have much history on  
22 that.

23 Q. Do you have much history on the use of  
24 blowdown drums?

25 A. I may have had blowdowns on units I have

1 operated in the past at different facilities as  
2 well.

3 Q. Okay. What facilities have had blowdown  
4 drums?

5 A. The CAT crackers at Whiting, for example,  
6 Whiting refinery in Indiana.

7 Q. Anywhere else?

8 A. I can't recall if there was at Yorktown  
9 or not. I don't know.

10 Q. Okay. What year was it that you recall  
11 there being blowdown drums on the CAT cracker at  
12 Whiting, at the plant at Whiting?

13 A. Mid to late '80s.

14 Q. Do you know why the -- on the two  
15 opportunities outlined in the final report, the  
16 inherently safer design, meaning tying in to the  
17 flare system, was not chosen?

18 MR. GALBRAITH: Objection, form.

19 A. No, sir.

20 Q. (BY MR. WILLIAMS) Do you know why the  
21 Clean Streams project was killed?

22 MR. GALBRAITH: Objection, form.

23 A. The entire Clean Streams project, sir?

24 Q. (BY MR. WILLIAMS) Yes, sir.

25 A. No, sir.

1 MR. WILLIAMS: I'm going to let  
2 Mr. Coon ask you some questions, sir. Thank you.  
3 MR. COON: Can we go off the  
4 record for about two minutes to get set up.  
5 THE VIDEOGRAPHER: Off the record  
6 at 4:42 p.m.  
7 (Recess taken.)  
8 THE VIDEOGRAPHER: On the record  
9 at 4:45 p.m.  
10 (Discussion off the record.)  
11 \* \* \*  
12 EXAMINATION  
13 Q. (BY MR. COON) Are you ready to continue,  
14 sir?  
15 A. Yes, sir.  
16 Q. Good afternoon, Mr. Parus. My name is  
17 Brent Coon. I had an opportunity to introduce  
18 myself to you very briefly before the deposition  
19 commenced today, but I think it's the first time  
20 that we've met, isn't it?  
21 A. Yes, sir.  
22 Q. You've answered a lot of questions today,  
23 and I'm going to go back and fill in some of the  
24 gaps in some areas and ask you some additional  
25 questions. It's my understanding you don't have a

1 lot of time today. So we are probably going to  
2 reconvene at some mutually convenient date in the  
3 near future to finish the deposition. Okay?  
4 A. I understand.  
5 (Exhibit Number 502 marked for  
6 identification.)  
7 Q. (BY MR. COON) I have presented to you  
8 the next sequential document -- I'll -- what's the  
9 exhibit number? 5 -- it's on the bottom.  
10 A. This one here, sir?  
11 Q. Yep.  
12 A. 502.  
13 Q. 502. And that is the deposition notice  
14 and subpoena duces tecum for you to appear here  
15 today at Fulbright's offices and also to produce to  
16 the plaintiffs in this case documents that are  
17 relevant to this litigation.  
18 Have you had an opportunity to  
19 look at that deposition request and subpoena  
20 before?  
21 A. Yes, sir.  
22 Q. Have you made an effort in response to  
23 that subpoena to gather the materials requested and  
24 provide them to counsel here today?  
25 A. If requested, yes, sir.

1 Q. And in that regard what efforts have you  
2 made, if any, to help procure the information  
3 requested in that subpoena, the documents that were  
4 actually requested for you to provide and produce?  
5 A. I met with Jim on a record retention  
6 piece and shared the information that I had.  
7 Q. And what was that, sir?  
8 THE WITNESS: I'm at a loss, Jim,  
9 for going back -- this is going back 16 --  
10 MR. GALBRAITH: Okay.  
11 THE WITNESS: -- 15, 16 months  
12 ago.  
13 MR. GALBRAITH: Then just ask him  
14 what specifically he's asking about.  
15 A. I'm not sure I understand your --  
16 Q. (BY MR. COON) Okay.  
17 A. -- line of questioning.  
18 MR. GALBRAITH: Ask him what he's  
19 talking about.  
20 Q. (BY MR. COON) This document you have in  
21 front of you, Exhibit 502, requesting you to  
22 produce certain documents for us today. And in  
23 that regard, my question first of you is: Have you  
24 had an opportunity to read that to understand what  
25 it was you were to bring?

1 MR. GALBRAITH: Or produce prior  
2 to today.  
3 A. Or produce prior.  
4 Q. (BY MR. COON) Or produce to the  
5 attorneys --  
6 A. Yes, sir.  
7 Q. And in that regard in looking at it, what  
8 did you respond with? When you met with the  
9 lawyers in response to the --  
10 MR. GALBRAITH: You are not asking  
11 about specific pages or documents or what are  
12 you -- I mean, I think that's his problem.  
13 A. I am not sure I understand your -- I  
14 just --  
15 Q. (BY MR. COON) I am asking if you have  
16 produced anything, assisted the lawyers in  
17 producing anything in preparation for your lawyer  
18 today?  
19 A. No, sir.  
20 Q. Okay. Have you seen the request that we  
21 submitted to the attorneys to produce certain  
22 documents relevant to these proceedings?  
23 A. On this document, yes, sir.  
24 Q. You have seen it before today?  
25 A. Yes, sir.

1 Q. Did you have an opportunity --  
 2 A. The date was different. I have seen the  
 3 original one. Okay. This has been rescheduled --  
 4 MR. GALBRAITH: Three times.  
 5 A. -- several times. So when I saw this  
 6 before, it had a May date on it.  
 7 Q. (BY MR. COON) Okay.  
 8 A. Okay.  
 9 Q. Have you had an opportunity to read what  
 10 was requested of you to help round up and procure  
 11 and deliver to attorneys to produce to the  
 12 plaintiffs?  
 13 A. If asked, I produced it. I produced what  
 14 was asked.  
 15 Q. Okay. In that regard, what have you  
 16 produced?  
 17 A. I have not been -- I have not been asked  
 18 to produce anything.  
 19 MR. GALBRAITH: Not today. He  
 20 said today in his question but --  
 21 Q. (BY MR. COON) Let's back up.  
 22 When, if ever, have you produced  
 23 anything to the attorneys responsive to this  
 24 litigation?  
 25 MR. GALBRAITH: That's -- are you

1 asking -- do you want him to -- I don't know what  
 2 you are asking him, I guess.  
 3 You are saying when has he  
 4 produced anything?  
 5 MR. COON: I am just asking if he  
 6 read the subpoena duces tecum and made a concerted  
 7 effort to respond to it by helping the attorneys  
 8 facilitate the identification of those documents  
 9 and make them available to plaintiffs and if he  
 10 hasn't, he can say so.  
 11 MR. GALBRAITH: Well, he said  
 12 that. He's already said he produced what was asked  
 13 for and so I can't --  
 14 MR. COON: I am saying --  
 15 MR. GALBRAITH: I mean --  
 16 MR. COON: In that regard, I am  
 17 just asking what he has produced responsive to the  
 18 subpoena duces tecum.  
 19 MR. GALBRAITH: If you know what  
 20 you produced.  
 21 A. I mean, I was not asked to produce  
 22 anything specifically. And, therefore, I can't  
 23 answer that.  
 24 MR. GALBRAITH: Okay.  
 25 Q. (BY MR. COON) Okay. Is your answer you

1 have not made an effort to produce anything  
 2 directly responsive to this subpoena duces tecum?  
 3 A. That's not how I worded it. My answer  
 4 was I was not asked to produce anything. If  
 5 asked --  
 6 Q. So --  
 7 A. If asked, I'd make the effort.  
 8 Q. Well, we asked you, sir, through your  
 9 lawyers. That's what that document is in front of  
 10 you.  
 11 So we asked your attorneys. Now,  
 12 maybe your attorneys did not ask you. But the  
 13 question I have of you is: In response to us  
 14 asking your lawyers for you to do it, have you done  
 15 it?  
 16 A. I have not been asked.  
 17 Q. So is the answer --  
 18 MR. GALBRAITH: Before this  
 19 subpoena --  
 20 MR. COON: I am not trying to go  
 21 round and round but if the answer is a simple no --  
 22 MR. GALBRAITH: I know that. He  
 23 said he met with me on record retention and shared  
 24 documents he had before the subpoena ever came. I  
 25 mean, that's the record here already.

1 We -- I will represent to you we  
 2 imagined his hard drive, for example, and put that  
 3 into the database that you have responsive  
 4 documents for.  
 5 MR. COON: I understand.  
 6 A. That was all done previous the deposition  
 7 notice.  
 8 Q. (BY MR. COON) And I don't want to  
 9 digress and bog down the deposition, sir. I just  
 10 want to know if you read the duces tecum and  
 11 understood what had been requested and either  
 12 confirmed and then produced it sometime in the past  
 13 or that you made an effort to produce it before  
 14 your deposition today?  
 15 A. I have produced documents in the past.  
 16 Q. Okay. Let's go next.  
 17 What have you reviewed before your  
 18 deposition today to help refresh your memory and  
 19 prepare you for your testimony?  
 20 A. I have reviewed this. Okay? We talked  
 21 about that.  
 22 Q. Anything else?  
 23 A. I reviewed -- re-reviewed some sections  
 24 of the incident report.  
 25 Q. In the fatal report?



1 A. It's the John Mogford report I referred  
2 to.  
3 Q. The final report?  
4 A. Yes, sir, the one issued on December 9th.  
5 Q. Anything else?  
6 A. No, sir.  
7 Q. Did you read the statement that you gave  
8 in this case to Mr. Holt back on April 28th, 2005?  
9 A. No, sir.  
10 Q. Did you read your interviewee notes that  
11 were provided to the Telos Group back in the fall  
12 of 2004?  
13 A. I never had a copy, as I told you.  
14 Q. Have you ever --  
15 A. That was a verbal -- those interview  
16 notes back to me were verbally communicated. I  
17 never received a paper copy of the interview notes.  
18 Q. Until today, you had never seen the notes  
19 that were taken in that matter?  
20 A. No, sir. I was refreshed that I even  
21 gave an interview. So, no, sir, I have not seen  
22 the notes.  
23 Q. Okay. Reviewed anything else?  
24 A. No, sir.  
25 Q. Have you been provided summaries of

1 information?  
2 A. No, sir.  
3 Q. How many times have you met with  
4 attorneys before you came in to testify today?  
5 MR. GALBRAITH: On any subject in  
6 life?  
7 A. In reference to what?  
8 Q. (BY MR. COON) In reference to why we are  
9 here, sir.  
10 A. Well, in reference to this deposition?  
11 Q. In reference to this deposition.  
12 A. Maybe three to four days total  
13 regarding -- because of the three reschedules, the  
14 day before each one of them.  
15 Q. Did you meet with Fulbright attorneys?  
16 A. Pardon me?  
17 Q. With Fulbright attorneys?  
18 A. They were there, sir.  
19 Q. Did you meet here?  
20 A. In this building, yes, sir.  
21 Q. Okay. Sir, you also have other counsel  
22 today, Mr. Starr?  
23 A. Yes, sir.  
24 Q. Is that correct?  
25 Is he your personal lawyer in this

1 case?  
2 A. He is my personal counsel.  
3 Q. Do you have a contract for services with  
4 him?  
5 MR. GALBRAITH: Don't answer that.  
6 Q. (BY MR. COON) Did you hire Mr. Starr?  
7 MR. GALBRAITH: Don't answer that.  
8 MR. COON: He can answer that. We  
9 want to know where his lawyers came from. He's his  
10 personal attorney.  
11 MR. GALBRAITH: I don't get to ask  
12 your clients where their lawyers came from.  
13 MR. COON: Well, you can safely  
14 assume if I'm representing them, then they hired  
15 me.  
16 Q. (BY MR. COON) I am just asking you, sir.  
17 MR. GALBRAITH: I don't get to say  
18 when did you go seek an attorney, for example.  
19 MR. COON: I'm just asking -- I  
20 didn't ask that.  
21 MR. GALBRAITH: It's irrelevant.  
22 Q. (BY MR. COON) You have an attorney here,  
23 sir. I want to know if he is your personal  
24 attorney, Mr. Starr?  
25 MR. GALBRAITH: He has answered

1 that.  
2 A. The answer to that is yes.  
3 Q. (BY MR. COON) And why is it that you  
4 have retained an attorney, a personal attorney in  
5 this matter?  
6 MR. GALBRAITH: Don't answer that.  
7 THE WITNESS: Thank you.  
8 MR. GALBRAITH: Don't answer that.  
9 MR. COON: Are you instructing the  
10 witness not to answer that question?  
11 MR. GALBRAITH: I am asking him  
12 not to answer that on the advice of counsel.  
13 MR. COON: We'll certify.  
14 Q. (BY MR. COON) Why is it that you have  
15 retained an attorney who was a former chief of  
16 environmental crimes at the Department of Justice?  
17 MR. GALBRAITH: Don't -- the same  
18 advice.  
19 Q. (BY MR. COON) Have you met with  
20 attorneys for the Department of Justice?  
21 MR. GALBRAITH: I think that's a  
22 violation of an order.  
23 MR. COON: I don't think the order  
24 has been signed, to my knowledge.  
25 MR. GALBRAITH: I think it has,

1 and I am not sure we are supposed to be talking  
2 about it for any particular judge or any particular  
3 order as I --

4 MR. COON: I will stay that one.

5 MR. GALBRAITH: -- think we were  
6 instructed --

7 MR. COON: I will stay that --

8 MR. GALBRAITH: -- not to talk  
9 about that.

10 MR. COON: I understand there is a  
11 motion and that there has been no ruling on it, but  
12 I could stand corrected. I will withdraw the  
13 question for the time being.

14 Q. (BY MR. COON) Have you retained any  
15 other attorneys, sir?

16 MR. GALBRAITH: Don't answer that.  
17 That is my advice.

18 Q. (BY MR. COON) On advice of BP's counsel  
19 here, you are not answering that question, sir?

20 A. That's correct.

21 MR. COON: Certify it, please.

22 Q. (BY MR. COON) Mr. Parus, have you talked  
23 to any of the BP employees to help facilitate your  
24 testimony today?

25 A. No, sir.

1 Q. When was the last time you talked to  
2 anybody who worked for BP?

3 A. A couple of weeks ago.

4 Q. Who was that?

5 A. Susan Dio.

6 Q. Was that a social visit or professional?

7 A. Social.

8 Q. Anybody else you have retained a social  
9 relationship with in a management position at BP  
10 Texas City or elsewhere?

11 A. Ken Panozzo.

12 Q. Anyone else?

13 THE WITNESS: Do you want me to  
14 give out the names?

15 MR. GALBRAITH: I am not going to  
16 instruct you not to answer that one. Persons you  
17 have maintained a social relationship with.

18 A. In a management position?

19 Q. (BY MR. COON) Yes, sir.

20 A. I am not aware of any others, sir.

21 Q. When was the last time you talked to  
22 Mr. Gower?

23 A. The week following February 9th. I need  
24 to add him to the list based on that statement.  
25 February 9th, the week sometime following that

1 letter on February 9th, Pat had called me.

2 Q. The week after --

3 A. I received my update on February 9th or  
4 10th.

5 Q. Of this year?

6 A. Yes, sir.

7 Q. The update being the status of your leave  
8 of absence?

9 A. Yes, sir.

10 Q. Did you discuss with him a desire to  
11 return to gainful employment with BP?

12 A. Not at that -- not during that  
13 conversation.

14 Q. What was the general genesis of this  
15 conversation?

16 A. Pat called me instructing -- or informing  
17 me that I was no longer reporting to him.

18 Q. Did he tell you why?

19 A. He just said I was moved to Ross.

20 Q. Did he tell you why?

21 A. No, sir. And that he was --

22 Q. Ross being Mr. Pillari?

23 A. Ross being Mr. Pillari.

24 Q. Okay.

25 A. And that he was no longer in a position

1 to influence or inform me of anymore decisions that  
2 if you want to remain -- he is available to  
3 maintain a social contact with him.

4 Q. To not engage in social or could?

5 A. I could.

6 Q. Could.

7 He gave you no reason for the  
8 transfer of responsibility answering from Mr. Gower  
9 to Mr. Pillari?

10 A. No, sir. I didn't press him on it  
11 either.

12 Q. Did he tell you that he was under an  
13 investigation by BP now?

14 A. No, sir.

15 Q. Did he tell you that you were under a new  
16 investigation by BP now?

17 A. No, sir.

18 Q. Do you know a Bill Bonsier?

19 A. I know as a Bill -- Bonsier is how I  
20 pronounce it, if it's --

21 Q. How do you know --

22 A. -- that same individual from Germany.

23 Q. How do you know Mr. Bonsier?

24 A. He is the equivalent position in Germany  
25 that Ross has in North America. I just know of

1 him, and he was part of the acquisition of Veba  
 2 Aral in Germany.  
 3 Q. When was the last time you talked to  
 4 Mr. Bonsier?  
 5 A. I am not sure I ever talked to  
 6 Mr. Bonsier directly.  
 7 Q. Are you aware that Mr. Bonsier has  
 8 initiated a new investigation on behalf of BP into  
 9 the conduct of you, Mr. Gower, Ms. Lucas and/or  
 10 Mr. Willis?  
 11 A. No, sir.  
 12 Q. Mr. Gower has not confided in you that  
 13 the reason for transferring responsibilities from  
 14 him to Mr. Pillari was as a result of his potential  
 15 conflict as a result of being under investigation  
 16 by BP now?  
 17 A. No words to that effect at all.  
 18 Q. Is this the first you have heard of such?  
 19 A. I am aware there is a management  
 20 accountability report, and that's about the extent  
 21 of what I know. Who is authoring it, who  
 22 commissioned it, its purpose, I do not know.  
 23 Q. How was it that you found out about this  
 24 manageability accountability report?  
 25 MR. GALBRAITH: I'm not -- don't

1 answer that.  
 2 Wait. How did you find out?  
 3 MR. COON: Yeah.  
 4 MR. GALBRAITH: To the extent that  
 5 you can answer that without divulging what your  
 6 counsel told you, then you can answer it. But if  
 7 it requires you to say something that your lawyers  
 8 told you, then I would advise you not to answer.  
 9 Now, does that answer your  
 10 question?  
 11 A. I am not going to answer the question,  
 12 sir.  
 13 Q. (BY MR. COON) Not going to answer our  
 14 question because you don't like us or because you  
 15 are taking the advice of your counsel?  
 16 A. I am taking the advice of my counsel,  
 17 sir.  
 18 MR. COON: Certify that.  
 19 Q. (BY MR. COON) What is it that you  
 20 understand a management accountability report would  
 21 involve as it relates to you?  
 22 A. I don't understand. I don't have enough  
 23 details or understanding of it. I have those two  
 24 words. That's it.  
 25 Q. Do you have any understanding as to the

1 likelihood of you having to provide statements or  
 2 justification for your course of conduct as it  
 3 relates --  
 4 A. There has been no contact between BP and  
 5 me in the last -- other than the comment I shared  
 6 with Pat, there has been no contact at all in  
 7 reference to this report.  
 8 Q. When was the last time you had any  
 9 contact with any of the officers in London, meaning  
 10 Mr. Maslin, Mr. Hoffman, Manzoni, Browne, any  
 11 others?  
 12 A. Somewhere in the April of '04 time  
 13 period.  
 14 Q. Was this --  
 15 A. I would put Ross, John Manzoni and John  
 16 Browne into that trio. It would be April of '04.  
 17 Q. I thought you met Mr. Hoffman and  
 18 Mr. Gower in February, '05.  
 19 A. I am off by a year, then, sir. I'm  
 20 sorry.  
 21 '05, sir. I'm sorry.  
 22 Correction.  
 23 Q. Okay. You met all those gentlemen the  
 24 month after the explosion?  
 25 A. Yeah, when they were down. That's the

1 last occasion. I just missed the year.  
 2 Q. This would be April of '05?  
 3 A. Yes, sir.  
 4 Q. Instead of April of '04?  
 5 A. Yes, sir. Sorry.  
 6 Q. Mr. Parus, when you were transferred over  
 7 to the BP South Houston complex, that was 2002?  
 8 A. Yes, sir.  
 9 Q. And how old a man were you then? 46?  
 10 A. Yes, sir.  
 11 Q. And you were what, 48, 49, when you were  
 12 made the business unit leader of BP Texas City?  
 13 A. 49.  
 14 Q. And BP Texas City was the largest  
 15 refinery complex owned and operated by BP, was it  
 16 not, the flagship?  
 17 MR. GALBRAITH: Objection, form.  
 18 A. We've made multiple statements. I would  
 19 say it's still the largest refinery.  
 20 Q. (BY MR. COON) Out of how many refineries  
 21 internationally?  
 22 A. 18 total, plus or minus. I mean, it  
 23 would be a ballpark.  
 24 Q. And how many business unit leaders were  
 25 your age or younger?

1 A. I have no idea.  
 2 Q. Do you know of any who were appointed the  
 3 responsibility of being the business unit leader at  
 4 a refinery that were younger than you?  
 5 A. My boss was GVP and business unit leader  
 6 was younger than I am.  
 7 Q. Your boss was younger than you?  
 8 A. Mike Hoffman.  
 9 Q. How old is Mr. Hoffman?  
 10 A. I can't certify with his birth  
 11 certificate, but I think he is four or five years  
 12 younger than I am. I also believe that John  
 13 Manzoni is younger than I am as well.  
 14 Q. When you came to BP South Houston, how  
 15 was it that you were to add value to the facility  
 16 or the complex?  
 17 A. Through three different lenses.  
 18 Q. Which were?  
 19 A. The first lens was provide a regional  
 20 shared service to all five facilities versus doing  
 21 it independently and separately.  
 22 Q. What does that mean in layman's terms?  
 23 A. That means instead of having a human  
 24 resource manager at each of the five sites in a  
 25 separate team and separate practice there, I would

1 provide a regional service for all five sites so  
 2 that way you prove the effectiveness and efficiency  
 3 of delivering those services.  
 4 Q. Which means what? You get rid of some  
 5 people? You get things cheaper? What?  
 6 MR. GALBRAITH: Objection, form.  
 7 A. Again, I think it improves efficiency and  
 8 effectiveness. That's the way I would characterize  
 9 it.  
 10 Q. (BY MR. COON) Well, is that efficiency  
 11 derived from reductions in force or is --  
 12 A. It was --  
 13 Q. -- it derived from --  
 14 A. That is an element but you also get  
 15 consistent delivery of service across the sites  
 16 versus independents. It's more than just the  
 17 number of people. That's one lens.  
 18 Q. Okay.  
 19 A. The second lens is --  
 20 Q. So I understand that, that lens is  
 21 reduction of forces and better reliability?  
 22 A. No.  
 23 MR. GALBRAITH: Objection, form.  
 24 A. That was your words. What I said was  
 25 efficiency and effectiveness.

1 Q. (BY MR. COON) Is reduction of force a  
 2 component of that?  
 3 A. It is an element of that.  
 4 Q. And reductions of force basically mean  
 5 getting rid of some people?  
 6 A. There was --  
 7 MR. GALBRAITH: Objection, form.  
 8 A. There was a net less people required  
 9 because of redundancies.  
 10 Q. (BY MR. COON) Okay. Second lens,  
 11 please, sir.  
 12 A. Hydrocarbon optimization, which means you  
 13 make sure that the right products and right  
 14 feedstocks are shared between the five units to  
 15 deliver the highest value for the group.  
 16 Sometimes that may be market.  
 17 Sometimes that may be another site.  
 18 Q. And the third, sir?  
 19 A. The third, sir, was to share best  
 20 practices between the sites.  
 21 Q. Being what?  
 22 A. I mean, if one site had a best practice,  
 23 share that and implement it at another site.  
 24 Q. As akin to lessons learned, look at  
 25 things that other facilities are doing that may

1 effectuate more reliability, more efficiency,  
 2 whatever?  
 3 A. Lessons learned would be one -- one  
 4 aspect of that lens.  
 5 Q. When was the last time you talked to  
 6 Mr. Hale?  
 7 A. Just post the -- just post the explosion  
 8 Rick called me and then, I think, he sent me a  
 9 "thinking of you" e-mail some two to three months  
 10 after the explosion. I don't remember any other --  
 11 I don't remember any phone or face-to-face dialogue  
 12 with Rick Hale.  
 13 Q. Mr. Parus, we deposed Mr. Hale and he  
 14 intimated that there were some strained relations  
 15 with you. Were you aware of that?  
 16 MR. GALBRAITH: Objection, form.  
 17 A. I would not characterize it a strained  
 18 relationship with me. That's not how I would  
 19 characterize it.  
 20 Q. (BY MR. COON) How would you characterize  
 21 it?  
 22 A. I'd say --  
 23 MR. GALBRAITH: Objection, form.  
 24 A. I'd say Rick had a difficult management  
 25 structure to operate under. He was taking lead

1 from three different supervisors. Myself being one  
2 through integration. Pat being another through the  
3 region and Mike Hoffman, with who Rick's  
4 performance contract was with. So Rick had to  
5 balance three different leaders.

6 Q. (BY MR. COON) Did the two of you compete  
7 for what ultimately became the business unit leader  
8 position for Texas City?

9 A. I don't believe so, sir. No.

10 Q. Did he by -- or request that position  
11 when the South Houston complex was dissolved?

12 A. My understanding is when the announcement  
13 of the separation occurred, Rick sent Pat a letter  
14 saying, "I am open. I can take one of several  
15 avenues. My kids are grown. If you want me to go  
16 to a new company, that's fine by me. If you want  
17 me to stay at Texas City, that's fine by me. If  
18 you want me to go to another job, that's fine by  
19 me; and if you want me to retire."

20 This is a letter that he sent to  
21 Pat and then copied me on.

22 Q. Did you ever have an understanding that  
23 Mr. Hale opposed the goals that you were assigned  
24 to procure for BP in consolidating these units down  
25 here in the South Houston area to effectuate these

1 three lenses you were describing?

2 A. Are you referring to -- which goals are  
3 you referring to?

4 Q. Did you understand that Mr. Hale opposed  
5 this attempt to consolidate all these units in the  
6 South Houston area?

7 A. They were already consolidated.

8 Q. Did you understand he opposed the  
9 continued consolidation of those facilities?

10 MR. GALBRAITH: Objection, form.

11 A. I am not sure I understand your question,  
12 Mr. Coon.

13 Q. (BY MR. COON) Well, you understand all  
14 those complexes, the complexes of South Houston,  
15 those four or five different facilities?

16 A. It ended four.

17 Q. They ended up as a result of sales and  
18 closures --

19 A. Separating.

20 Q. -- separated?

21 A. Yes.

22 Q. You understand that Mr. Hale has  
23 testified that it was his desire to see each of  
24 them stand alone?

25 A. It might have been his preference. I am

1 not sure that was shared with me.

2 Q. The two of you while you worked together  
3 had shared responsibilities at Texas City never  
4 shared these business strategies and plans and  
5 goals?

6 A. We really didn't share responsibilities.  
7 We had different responsibilities. I wouldn't put  
8 them in the "shared" category.

9 Q. With the BP South Houston plants  
10 operating collectively, were there environmental  
11 credits that were derived?

12 A. Possibly. I just don't have the  
13 information to comment.

14 Q. Was the first that you were exposed to  
15 any of the culture issues at Texas City from your  
16 personal appearance here in 2002? In other words,  
17 had you been here before? Had you heard anything  
18 about --

19 A. Just I had been on visits, and I don't  
20 think a day or two visits gives you an insight to  
21 the culture. So to answer your question, my first  
22 exposure began in April of 2002.

23 Q. And we will talk at a later date about  
24 the revenue streams and your Capex and Revex.

25 But as I understood from your

1 earlier testimony, the plant value at the time you  
2 were there was about 1.5 billion for BP Texas City?

3 MR. GALBRAITH: Objection, form.

4 A. That's my best estimate, Mr. Coon. And  
5 that would include both the refinery and the  
6 chemical plant.

7 Q. (BY MR. COON) What's it on the tax rolls  
8 for?

9 A. Say it again, please.

10 Q. What is it on the tax rolls?

11 A. I don't know.

12 Q. Were you involved in the debates with  
13 certain persons at BP Texas City and the revenue  
14 down there with respect to the appropriate  
15 valuation for BP Texas City?

16 A. No, sir.

17 Q. Did you have an understanding within the  
18 BP structure as to what a particular plant was  
19 supposed to operate on as a rate of return based on  
20 profits to its value?

21 And by "value" you are talking  
22 about a cost of replacement or --

23 A. It typically was 15 percent return on  
24 capital employed.

25 Q. And the capital employed being --

1 A. On average.  
 2 Q. And the capital employed in this case  
 3 being approximately 1.5 billion?  
 4 A. To the best of my knowledge.  
 5 Q. So a good margin within the BP  
 6 infrastructure would be to operate at 15 percent  
 7 return on investment of about 1.5 billion at that  
 8 facility?  
 9 A. It would be a benchmark.  
 10 Q. It would be about 225 million a year?  
 11 A. I haven't done the math, but it's  
 12 15 percent of that.  
 13 Q. You were pretty good at math a while ago.  
 14 A. No, sir, I wasn't. I didn't do the math  
 15 for the 16 percent.  
 16 Q. Okay.  
 17 A. Mr. Williams did.  
 18 Q. Does that sound like somewhere around the  
 19 number that was your projection for a goal at BP  
 20 Texas City?  
 21 A. That's not the question you asked me.  
 22 I'm sorry. Can I write on that -- can I finish  
 23 your first question before you start asking the  
 24 next one?  
 25 Q. Sure.

1 A. 20, 25 million is a good number. Okay.  
 2 It doesn't -- It doesn't -- I don't know there is a  
 3 direct correlation between that number and the  
 4 goal.  
 5 Q. Okay.  
 6 A. I can't answer. I had many goals. I  
 7 mean, financial, safety, environmental. There were  
 8 goals put through five lenses.  
 9 Q. Okay. We're looking at the profit lens  
 10 at a value of 1.5 million, give or take a dollar?  
 11 A. The profit lens was set for the site  
 12 based on a set of conditions that were assumed and  
 13 issued out of London. These set of conditions then  
 14 generated what the profit would be since we are  
 15 part of a margin business.  
 16 Q. Okay. Well, if you are looking at a  
 17 typical rate of return of being 15 percent return  
 18 on investment --  
 19 A. That would be a benchmark. It doesn't  
 20 mean my goal is 15 percent. There are years where  
 21 it could be less and there are years it could be  
 22 more.  
 23 Q. How many --  
 24 A. It depends on conditions.  
 25 Q. Has Texas City historically operated

1 below its projected rate of return?  
 2 A. Yes, sir, it has.  
 3 Q. What were --  
 4 A. And I am looking through a five-year -- a  
 5 five-year window. I am not sure I can go back  
 6 further than that.  
 7 Q. What were the reasons for Texas City  
 8 underperforming to BP benchmarks?  
 9 A. I don't really think --  
 10 MR. GALBRAITH: Objection, form.  
 11 A. I don't think the underperformance was  
 12 limited to Texas City. All of refining in the late  
 13 '90s, early 2000 did not make any money at all.  
 14 Q. (BY MR. COON) And they underperformed  
 15 compared to what?  
 16 A. To the benchmark.  
 17 Q. What benchmark?  
 18 A. 15 percent rate of return.  
 19 Q. Whose benchmark is that? Is that a  
 20 petrochemical benchmark?  
 21 A. Just the corporation. You asked me --  
 22 you asked me for financial framework, roughly,  
 23 financial rate of return on capital employed. I  
 24 said that financial framework was roughly  
 25 15 percent.

1 Q. Okay.  
 2 A. In the late '90s, early 2000, all of the  
 3 refineries, to my knowledge, at least I can speak  
 4 for all of the U.S. refineries, okay, made very  
 5 little, if any, money the entire year.  
 6 Q. Where did Texas City rate compared to the  
 7 other refineries in the BP system?  
 8 A. Near the bottom.  
 9 Q. Why?  
 10 A. High capital employed and did not make  
 11 any money.  
 12 Q. But I presume the analysis went deeper  
 13 than that, did it not?  
 14 MR. GALBRAITH: Objection, form.  
 15 A. I am not sure I understand your question.  
 16 Q. (BY MR. COON) Well, I am assuming the  
 17 analysis went deeper than it just didn't make  
 18 money.  
 19 MR. GALBRAITH: Objection, form.  
 20 Q. (BY MR. COON) The question would be:  
 21 Why did it not make money?  
 22 MR. GALBRAITH: Objection, form.  
 23 Q. (BY MR. COON) Or why did it not --  
 24 A. I'm not sure. I was not there during the  
 25 time period. So I can't answer your question, sir.

1 Q. Okay. When you arrived in 2002, where  
2 did BP Texas City stand compared to the other  
3 refineries on the rate of return?

4 A. I am not sure I could answer that. I  
5 just don't recall at this stage.

6 Q. Do you recall it still being near the  
7 bottom in 2002?

8 A. If I could --

9 MR. GALBRAITH: Objection, form.

10 A. -- recall, I could answer that question.  
11 So that's why I don't want to characterize it.

12 Q. (BY MR. COON) You don't know --

13 A. I would have to see the data. I just  
14 don't recall the data.

15 Q. No recollection as to whether it was  
16 doing better or worse than the average BP refinery?

17 A. Again, my lens is in 2002 were not to  
18 look at the individual units perform. I was  
19 looking through integration value. Rick looking  
20 through their own performances. That's why the  
21 numbers are not sticking in my head.

22 Q. Did you ever talk to anyone in London as  
23 to why they would come out with an across the board  
24 mandate or challenge of a 25 percent budget cut in  
25 fixed operational costs to all of its refineries --

1 MR. GALBRAITH: Objection --

2 Q. (BY MR. COON) -- in 1999?

3 MR. GALBRAITH: Objection, form.

4 A. Not being in refinery during that time  
5 period, I am not sure I had that direct  
6 conversation.

7 Q. (BY MR. COON) You said earlier you did  
8 not know what, if anything, Texas City cut --

9 A. I didn't --

10 Q. -- out of the budget?

11 A. I stated I did not know what the exact  
12 amount was that they cut.

13 Q. Okay. Did you know what was cut when you  
14 got out there in 2002 to have a better  
15 understanding and appreciation for the history of  
16 the investments and lack thereof at BP Texas City?

17 MR. GALBRAITH: Objection, form.

18 A. Again, my lens was not to look at Texas  
19 City's performance. That was Rick's role and Rick  
20 would look and manage that.

21 Rick had accountabilities for the  
22 Texas City budgets. I was looking through the two  
23 to three lens I earlier stated to you.

24 Q. (BY MR. COON) Have you ever seen this  
25 document before, a document called "Reduced

1 External Supplier and Materials Usage"?

2 A. Do you have a date on the document?

3 Q. (BY MR. COON) This is a 1999 document.

4 MR. GALBRAITH: Is it marked?

5 MR. COON: I believe there is a  
6 marked copy attached somewhere.

7 MR. GALBRAITH: But is it marked  
8 just so I can put it in my records? Do you know  
9 what exhibit it is?

10 MR. COON: We will make it 503.

11 (Exhibit Number 503 marked for  
12 identification.)

13 Q. (BY MR. COON) Have you seen it before,  
14 sir?

15 A. I don't recognize it, Mr. Coon.

16 Q. I want to show you just a few of the  
17 budget cuts that were implemented --

18 A. Okay.

19 Q. -- anecdotally here to give you a flavor  
20 of what you walked into out there.

21 There is a list of cost reduction  
22 items at the top, cost savings --

23 A. Can you focus it? I am not reading a  
24 single word you have up there. Is there a better  
25 way to focus that, please?

1 Q. I am sorry. This is a Fulbright  
2 projector. It's the best it will do.

3 A. Can I get a paper copy, then, or I  
4 just -- I can't read this up there.

5 Q. You can't see that right there?

6 A. I can but I can't see the whole row but  
7 go ahead.

8 Q. No. We will have to walk through one at  
9 a time. We can't get it all sharpened and enlarged  
10 at once.

11 If you look across the columns  
12 over here, sir, you have cost reduction action, the  
13 cost savings, the estimates, the person responsible  
14 and the status. Okay. That's our five columns. I  
15 am going to go through some of these to show you  
16 some of the things that were cut.

17 Now, they eliminated safety awards  
18 for a savings of \$75,000.

19 MR. GALBRAITH: Objection, form.

20 Q. (BY MR. COON) They eliminated safety  
21 calendars for a 40,000-dollar savings. They  
22 eliminated their own catastrophic insurance policy  
23 for a savings of a million dollars.

24 Did you ever understand what, if  
25 any, insurance was available as a result of the

1 March 23 explosion?  
 2 MR. GALBRAITH: Objection, form.  
 3 A. I didn't follow up with that, sir.  
 4 Q. (BY MR. COON) Did you ever have any  
 5 understanding as to what was not insured at the  
 6 time of that explosion?  
 7 A. No, sir.  
 8 Q. Did you know if any of the contractors'  
 9 damages were covered?  
 10 A. No, sir. It's an area that I did not  
 11 explore.  
 12 Q. Did you ever hear or know as to whether  
 13 or not there were interruption of business losses  
 14 that were covered?  
 15 A. Not a word, sir.  
 16 Q. Did you --  
 17 A. I mean, it was an individual following  
 18 the incident that was put on the insurance thing.  
 19 I am not even sure I can remember his name. That's  
 20 about as far as -- that's about the only thing I  
 21 can tell you about insurance.  
 22 I didn't know. Somebody was  
 23 stepped up to look into that.  
 24 Q. Okay. When you were the business unit  
 25 leader, did you know what type of insurance

1 company, if any, you had available for that  
 2 facility?  
 3 A. Not in the short period of time in the  
 4 business unit, no.  
 5 Q. There was another section that was called  
 6 the deferred maintenance turnaround and other  
 7 budget cuts.  
 8 MR. GALBRAITH: That's not a  
 9 question yet, right?  
 10 Q. (BY MR. COON) And under that it talks  
 11 about deferring a number of turnarounds.  
 12 What are turnarounds, sir?  
 13 MR. GALBRAITH: Objection, form.  
 14 A. Turnarounds stands for when you take a  
 15 unit off line, do repairs and bring it back on  
 16 line.  
 17 Q. (BY MR. COON) And while they are down,  
 18 obviously you are not producing anything and  
 19 deriving any revenue for BP, correct?  
 20 A. That's correct.  
 21 Q. So there's a preference to eliminate  
 22 turnaround activities to as short a timeframe as  
 23 possible and as long of a duration in between so  
 24 that you are -- so that your product line is not  
 25 down. Fair statement?

1 MR. GALBRAITH: Objection, form.  
 2 A. That's a business strategy.  
 3 Q. (BY MR. COON) And we have several  
 4 examples of deferring turnarounds. Do you know the  
 5 C-A-m-i-n-e TAR? Do you know anything about that?  
 6 A. That's a section --  
 7 MR. GALBRAITH: Objection, form.  
 8 A. The C-Amine is a section of a unit.  
 9 Q. (BY MR. COON) Okay. There was a 307B  
 10 turnaround. Do you know anything about that being  
 11 pushed off?  
 12 A. I don't know what 307B is.  
 13 Q. Do you know the T-2 turnaround being  
 14 pushed off?  
 15 MR. GALBRAITH: Objection, form.  
 16 Q. (BY MR. COON) Do you know anything about  
 17 that?  
 18 A. No, sir. In fact, Power Station 3 was  
 19 sold to Green Power. So that was --  
 20 Q. When you had the similar 25 percent  
 21 budget challenge initiated to you in 2005 or for  
 22 2005, did you end up meeting with various  
 23 responsible persons at the plant to effectuate some  
 24 savings at that facility?  
 25 MR. GALBRAITH: Objection, form.

1 A. The 25 percent reduction referred to,  
 2 that was re-adjusted to 16 percent, just to be  
 3 clear on that. Okay? It was only in the capital.  
 4 This 25 percent that you are  
 5 referring up here appears to cut across all  
 6 budgets, capital, expense, variable, et cetera.  
 7 Q. (BY MR. COON) Okay. Your 2005 budget  
 8 challenge was for Capex only?  
 9 A. Capex only.  
 10 Q. Let's go to the next section here.  
 11 "Shared Service and Site Integration Efficiencies."  
 12 And if you look at cuts that were  
 13 derived there and, again, it indicates sustainable  
 14 and we looked over --  
 15 A. Can you focus it, again, please?  
 16 Q. -- carried over from year to year.  
 17 It says, "Reduce the 1999 Texas  
 18 City JCC budget by" --  
 19 A. JCC?  
 20 Q. "40,000."  
 21 Do you know what the JCC budget  
 22 would be?  
 23 A. J -- no, sir, I don't.  
 24 Q. Okay. The next we have a 500,000-dollar  
 25 cost savings for reduced 1999 training plan for



1 asset operators and maintenance crafts.  
 2 Did you know anything about that  
 3 budget cut?  
 4 A. This is still all part of the 25 percent  
 5 challenge.  
 6 Q. Another \$180,000 in savings was derived  
 7 from eliminating division safety committee meetings  
 8 and reduce wellness committees/program service.  
 9 What is the wellness  
 10 committees/program service?  
 11 MR. GALBRAITH: Objection, form.  
 12 A. I'd have to speculate. I don't know. I  
 13 mean, it must have been some kind of wellness  
 14 committee there. I don't know what it was.  
 15 Q. (BY MR. COON) Were those health services  
 16 provided to your employees?  
 17 A. I don't know. It could be memberships.  
 18 I just don't know.  
 19 Q. Okay.  
 20 A. This predates me.  
 21 Q. Additional cost savings, eliminate all  
 22 except OSHA training and external seminars. Do you  
 23 know anything about that?  
 24 MR. GALBRAITH: Objection, form.  
 25 A. No, sir.

1 Q. (BY MR. COON) Hold fire drills once a  
 2 month rather than twice a month. Do you know  
 3 anything about that?  
 4 MR. GALBRAITH: Objection to form.  
 5 A. No, sir.  
 6 Q. (BY MR. COON) And that was done by  
 7 Mr. McLemore. You understood he was the fire chief  
 8 out there?  
 9 A. That's who -- that's who Mr. McLemore was  
 10 when I arrived.  
 11 Q. Okay.  
 12 A. I am not sure of his role then.  
 13 Q. Well, if you are having 80 fires a year,  
 14 is it a good idea to reduce the number of your fire  
 15 drills?  
 16 MR. GALBRAITH: Objection, form.  
 17 A. You are back into an area of 1999. I  
 18 don't know what the thinking, the logic, or what  
 19 they did during this time period.  
 20 Q. (BY MR. COON) Okay. Further reduce  
 21 maintenance training. Do you know anything about  
 22 that?  
 23 MR. GALBRAITH: Objection to form.  
 24 A. No, sir.  
 25 Q. (BY MR. COON) Mr. Parus, you were not

1 there the date of the explosion, as I recall from  
 2 this morning. The day of the explosion,  
 3 March 23rd, you were not on site?  
 4 MR. GALBRAITH: Objection, form.  
 5 A. Very close to site. I was in route back  
 6 to the site. I mean, I don't know -- I'm not sure  
 7 how you want to define "not there."  
 8 I was not inside the fence  
 9 lines --  
 10 Q. Okay.  
 11 A. -- but I was probably three minutes to  
 12 five minutes away from the site.  
 13 Q. Okay. Who did you leave in charge in  
 14 your absence?  
 15 A. The shift directors are in charge of the  
 16 site 24 hours a day, 7 days a week, whether I am  
 17 there or not.  
 18 Q. Where was Ms. Lucas?  
 19 A. Her exact location, I do not know, sir.  
 20 She was in the plant, I assume.  
 21 Q. And Ms. Lucas was Number 2 at the plant,  
 22 answered directly to you?  
 23 A. She's my operations manager. That's  
 24 correct.  
 25 Q. Now, when you first heard about the

1 explosion, what's the first person or who is the  
 2 first person you talked to and what did you talk  
 3 about?  
 4 A. Kathleen called me.  
 5 Q. Okay. What did she talk to you about?  
 6 A. It was pretty short. One, I was driving  
 7 and you are not allowed to talk on cell phone while  
 8 you are driving. So it was -- it was pretty short.  
 9 "Don, we've had an explosion and fire. It looks  
 10 bad."  
 11 I said, "Everybody accounted for?"  
 12 The answer was, "No."  
 13 I hung up and said, "I'm on my  
 14 way."  
 15 Q. Okay. Do you know who she had talked to  
 16 first?  
 17 A. No, sir.  
 18 Q. Do you know she has testified that she  
 19 talk to the public relations team at your facility  
 20 before calling anyone else?  
 21 A. It's possible.  
 22 Q. Would you recommend your Number 2 to call  
 23 your public relations department in the event of a  
 24 major emergency of this nature before calling  
 25 anyone else, including you?

1 MR. GALBRAITH: Objection, form.  
 2 A. I am not sure -- again, there is a pager  
 3 system. I would be identified via pager system  
 4 anyway. I didn't need a call from her.  
 5 Q. (BY MR. COON) Ms. Lucas testified that  
 6 the first person that came to mind as a result of  
 7 an explosion at a facility in which many people  
 8 were killed and injured was to call the public  
 9 relations department.

10 Assuming that to be the facts, is  
 11 that commendable conduct on behalf of the person  
 12 that was Number 2 to you at that plant?

13 MR. GALBRAITH: Objection, form.  
 14 A. What I would expect Kathleen to do was to  
 15 initiate the IMT. Okay? It was the important  
 16 piece, and that was done. I don't know who did it.  
 17 But initiating the IMT is the important role that  
 18 should have been done that activates and notifies  
 19 all managers at the site, not just me.

20 Q. (BY MR. COON) And IMT is the acronym  
 21 for?

22 A. Emergency management team. That's where  
 23 it all -- a page goes out and we set up the  
 24 emergency management team --

25 Q. Is that --

1 A. -- in response.

2 Q. -- typically done through your public  
 3 relations department?

4 A. Anybody can do it.

5 Q. Is it typically done through your public  
 6 relations department?

7 A. Not typically, but anybody can do it.

8 Q. I mean, do you have a policy that says,  
 9 "In the event of a major emergency, please contact  
 10 our public relations department to initiate  
 11 emergency medical or emergency management teams"?

12 MR. GALBRAITH: Objection, form.

13 A. The IMT, including the drills that we  
 14 have done in IMT, clearly state to engage the IMT  
 15 in a major incident. That's the rules, and they  
 16 are pretty clear.

17 Q. (BY MR. COON) When did you first contact  
 18 your public relations department as a result of  
 19 this explosion?

20 A. When I arrived at the site, we assembled  
 21 the IMT. I didn't need to contact everyone.  
 22 Everyone came to that room that was available.  
 23 That's kind of our war room to handle the response.  
 24 I didn't personally have to contact anyone.

25 My role is to make sure that we

1 are certain notification is made both to the  
 2 community, to the notification center for BP, to  
 3 Pat, to London. I was more in a role of ensuring  
 4 the right communications were made and there was  
 5 also an incident -- on scene incident commander  
 6 that runs that facility, that runs that site.

7 Q. When did you first contact anyone at  
 8 London?

9 A. There's a complete log in the IMT. I  
 10 would have to look at the log. There's -- I made a  
 11 lot of calls, a lot of contacts. And, again, I  
 12 didn't make them -- all of them personally again.  
 13 My role in there was to make sure that all of the  
 14 contacts were made, and there were various people  
 15 doing them.

16 Again, this is from a war room.  
 17 It was done via e-mail, telephone, whatever method  
 18 possible that the updates were given.

19 Q. Is it fair to state that a major concern  
 20 at BP you had at the time was the damage to their  
 21 image as a result of this explosion?

22 MR. GALBRAITH: Objection, form.

23 A. It's not how I'd characterize it. The  
 24 major state was injuries to people is how I would  
 25 state it, not the reputation.

1 Q. (BY MR. COON) You are stating that --

2 A. Reputation didn't even enter my mind.

3 Q. Do you believe it entered the mind of  
 4 other people at BP at the time of the explosion?

5 MR. GALBRAITH: Objection, form.

6 A. You are asking me to speculate. I don't  
 7 know what entered their mind. I am telling you  
 8 what entered my mind. Public relations wasn't even  
 9 in the equation.

10 Q. (BY MR. COON) Well, did you know it was  
 11 just within a matter of hours that you had  
 12 activated your lobby teams in Austin and Washington  
 13 to help effectuate damage control as a result of  
 14 this explosion that resulted in many losses of  
 15 lives and hundreds of injuries?

16 A. I didn't do that.

17 MR. GALBRAITH: Wait. Objection,  
 18 form.

19 Thank you. Just let me have a  
 20 second.

21 THE WITNESS: Okay.

22 MR. GALBRAITH: Just let me have a  
 23 second to get what I need.

24 Q. (BY MR. COON) You can answer.

25 A. I didn't. I don't know who did.

1 My responsibility to the outside  
2 office is to make a call to the notification  
3 center, which was done, and give them an update of  
4 the incident. Then that group there has the  
5 responsibility of notating people outside the site.  
6 That allows the site not to be worried about making  
7 numerous calls to London and elsewhere to update  
8 people. So I make one call.

9 Q. Do you know Pat Wright? Do you know Pat  
10 Wright?

11 A. I know Pat Wright, yes, sir.

12 Q. What is her responsibility?

13 A. Public governmental affairs in the U.S.  
14 I am not sure I could spiel out the title exactly  
15 to you.

16 Q. Answers to whom?

17 A. I am not sure I know that answer, sir.

18 Q. And is that Patricia Wright?

19 A. I have always known her by Pat Wright.

20 Q. Does she work out at Texas City?

21 A. No, sir.

22 Q. Where?

23 A. Chicago, possibly. I just don't -- my  
24 own -- I have my own contact at the site, okay, and  
25 rely on that individual to make the contacts

1 through the organization. I don't call Pat  
2 directly.

3 Q. As the business unit leader at the  
4 largest BP refinery in the world, had you ever  
5 received any training with respect to what to do  
6 from a damage control standpoint in the event of a  
7 major or catastrophic event?

8 MR. GALBRAITH: Objection form.

9 A. Damage control, sir?

10 Q. (BY MR. COON) Yes, sir. Public  
11 relations damage control.

12 MR. GALBRAITH: Objection, form.

13 A. Not specifically. Didn't I answer that I  
14 don't believe I have?

15 Q. (BY MR. COON) Do you know anything about  
16 the lobbyist that would be in Austin or Washington  
17 standing ready on call for BP to handle damage  
18 control at a legislative level in the event of an  
19 event such as this?

20 MR. GALBRAITH: Objection, form.

21 A. No, sir.

22 Q. (BY MR. COON) Were you ever briefed by  
23 Ms. Wright regarding the status of public  
24 perceptions as a result of this explosion?

25 A. There were many briefings at the site, I

1 mean, during this very abbreviated time period; and  
2 I believe most of the briefings were to Ross and  
3 Mike Hoffman and Gower and John Browne who had  
4 arrived. So the briefings were in that direction.

5 I don't think the briefings -- the  
6 briefings were not for me.

7 Q. Were you made privy to the nature of any  
8 of these briefings?

9 A. I was in some, not in others. We were  
10 still in recovery mode following the incident, so I  
11 can't tell you I was in all of the briefings. I  
12 guess I remained an active member of the ITM and  
13 remained in that for the incident.

14 Q. Would you agree that BP is very sensitive  
15 to the public perception of them as a responsible  
16 company?

17 MR. GALBRAITH: Objection, form.

18 A. I think BP is sensitive in many areas,  
19 that just being one of them.

20 Q. (BY MR. COON) When did you first see the  
21 fatal report that came out mid May, the interim  
22 report?

23 A. Exact timing, I don't know; but I saw it  
24 prior to it going live on -- at the town hall.

25 Q. Do you recall the date of that report

1 being about May 12, 2005?

2 A. You are real close. 12, 13th, somewhere  
3 in that range.

4 Q. It seems like it came out the day before  
5 the correspondence that we saw advising that you  
6 were put on a leave of absence.

7 Does that timing sound more  
8 consistent now?

9 MR. GALBRAITH: Objection --

10 Q. (BY MR. COON) It looks like the fatal  
11 report comes out May 12 --

12 A. I mean --

13 MR. GALBRAITH: Objection, form.

14 A. My understanding of timing is that I was  
15 talked to on Friday of the week, whatever the date  
16 was. And then the following Tuesday is when, I  
17 think, the interim update was.

18 I'd have to look at a calendar to  
19 put exact dates on it but I just remember being in  
20 Chicago on Friday, and that the interim report at a  
21 town hall by Ross was done on a Tuesday.

22 Q. (BY MR. COON) Okay. Do you understand  
23 that the town hall meeting was May 17, several days  
24 after the report actually was stamped as final and  
25 official?

1 A. I am showing the days and how I remember  
2 it.  
3 Q. Okay. And you received an advance call  
4 from Mr. Hoffman where he said something apologetic  
5 to you or you presumed --  
6 A. Somewhere around the May 5th timeframe.  
7 Okay. May 5th, whatever it is. I call it a heads  
8 up call.  
9 Q. Okay.  
10 A. It was --  
11 Q. Why did --  
12 A. His --  
13 Q. I'm sorry.  
14 Why did Mr. --  
15 A. I don't know why he called. Don --  
16 Q. Did he feel like he owed it to you?  
17 A. I don't know. I just don't know what he  
18 was thinking.  
19 Q. And you went to Chicago within a week  
20 after receiving this heads up from Mr. Hoffman?  
21 A. Well, I thought I received the heads up  
22 call on a Monday and went to Chicago on the Friday.  
23 So I don't think much time expired between it.  
24 Q. Did you talk to Mr. Gower or anyone else  
25 at BP Chicago in advance of your trip?

1 A. I am sure. Especially during that time  
2 frame, I'm sure -- I am pretty sure I talked to Pat  
3 before that.  
4 Q. Did you get advance notice from anyone  
5 there as well that you were going to be put on a  
6 leave of absence?  
7 A. I believe I shared the information with  
8 Pat.  
9 Q. Who else did you see other than  
10 Mr. Gowers in Chicago?  
11 A. Simon Drysdale was at the meeting as  
12 well, the vice president of human resources in the  
13 United States.  
14 Q. Did you have a mother that lived up there  
15 at the time?  
16 A. Yes, sir.  
17 Q. She was ill at the time, I believe?  
18 A. Yes, sir.  
19 Q. Where did you meet Mr. Drysdale and  
20 Mr. Gower at?  
21 A. In the Cantera offices near Warendville.  
22 Q. Did you tell anyone as a result of your  
23 meetings with Mr. Gower and Mr. Drysdale that, as  
24 far as you were concerned, that you had been fired  
25 or terminated from BP?

1 A. No, sir, because I was not.  
2 Q. Do you recall meeting anyone else from BP  
3 while you were in Chicago?  
4 A. I am not sure.  
5 Q. Do you remember running into Sonny  
6 Sanders and Ray Soliz at the Chicago airport?  
7 A. Yes, sir, but the timing is -- I am not  
8 clear on the timing. I saw them at the airport.  
9 Q. So on your way home?  
10 A. I made several trips to Chicago during  
11 that time period because of the illness with my  
12 mom. I don't -- it was one of the trips.  
13 Q. And you do not recall making remarks to  
14 them or others that, as far as you were concerned,  
15 you had perceived yourself to be fired or  
16 terminated from BP?  
17 A. No, sir. It had to be a different trip  
18 down because following the meeting with Pat and  
19 Simon, I was not allowed to share with anybody that  
20 notice. So the meeting and seeing Sonny and Ray  
21 Soliz had to be at a future date, and all I said to  
22 them was I was removed as BUL at the site.  
23 Q. Okay. And I think also as a result of  
24 that information you called your lawyer, didn't  
25 you?

1 MR. GALBRAITH: Objection, form.  
2 In fact, don't answer that.  
3 THE WITNESS: Okay.  
4 Q. (BY MR. COON) Did you retain a lawyer to  
5 discuss the scope and circumstances of your leave  
6 of absence?  
7 MR. GALBRAITH: Don't answer that.  
8 It's my advice.  
9 MR. COON: Certify it.  
10 Q. (BY MR. COON) I take it that you are not  
11 going to answer that question based on the advice  
12 of Mr. Galbraith here?  
13 A. That's a fair assumption.  
14 MR. COON: Okay. Certify the  
15 question, please.  
16 MR. GALBRAITH: The time, how much  
17 time do we have?  
18 THE VIDEOGRAPHER: One minute.  
19 MR. COON: One minute.  
20 Q. (BY MR. COON) Did Mr. Gower or anyone  
21 else tell you that they believed that you were  
22 unstable?  
23 A. No, sir. As asked earlier, the first I  
24 was shared of it was when the deposition -- his  
25 deposition was put up on the screen. There was

1 no -- Pat had not shared with me at any time or  
 2 made any reference to my mental or emotional  
 3 stability.  
 4 Q. And have you asked to come back to work?  
 5 A. I have stressed a strong preference all  
 6 through this process that I want to come back to  
 7 work.  
 8 MR. COON: Okay. We are finished  
 9 for now.  
 10 THE WITNESS: Thank you very much.  
 11 THE VIDEOGRAPHER: Off the record  
 12 at 5:35 p.m.  
 13 (Deposition adjourned.)  
 14  
 15  
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 25

1 I, DONALD PARUS, have read the foregoing  
 2 deposition and hereby affix my signature that same is  
 3 true and correct, except as noted above.  
 4  
 5 \_\_\_\_\_  
 6 DONALD PARUS  
 7  
 8 THE STATE OF \_\_\_\_\_ )  
 9  
 10 COUNTY OF \_\_\_\_\_ )  
 11  
 12 Before me, \_\_\_\_\_, on this day  
 13 personally appeared DONALD PARUS, known to me or  
 14 proved to me on the oath of \_\_\_\_\_ or through  
 15 \_\_\_\_\_ (description of identity card or other  
 16 document) to be the person whose name is subscribed  
 17 to the foregoing instrument and acknowledged to me  
 18 that he/she executed the same for the purpose and  
 19 consideration therein expressed.  
 20 Given under my hand and seal of office on this  
 21 \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
 22  
 23 \_\_\_\_\_  
 24 NOTARY PUBLIC IN AND FOR  
 25 THE STATE OF \_\_\_\_\_  
 My Commission Expires: \_\_\_\_\_

1 EXAMINATION  
 2 CHANGES AND SIGNATURE  
 3 PAGE LINE CHANGE REASON  
 4 \_\_\_\_\_  
 5 \_\_\_\_\_  
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 24 \_\_\_\_\_  
 25 DONALD PARUS

1 CAUSE NO. 05CV0337  
 2 MIGUEL ARENAZA, ELIZABETH ) IN THE DISTRICT COURT  
 3 RAMON, DAVID G. CROW and )  
 4 JUANITA G. CROW, et al. )  
 5 vs. ) 212TH JUDICIAL DISTRICT  
 6 )  
 7 BP PRODUCTS NORTH AMERICA )  
 8 INC., B.P. CORPORATION )  
 9 NORTH AMERICA INC., DON )  
 10 PARUS, AND JE MERIT )  
 11 CONSTRUCTORS, INC. ) GALVESTON COUNTY, TEXAS  
 12 CAUSE NO. 05CV0337-A  
 13 IN RE: BP AMOCO EXPLOSION ) IN THE DISTRICT COURT  
 14 MARCH 23, 2005 )  
 15 COORDINATED DISCOVERY ) 212TH JUDICIAL DISTRICT  
 16 PROCEEDINGS )  
 17 ) GALVESTON COUNTY, TEXAS  
 18 REPORTER'S CERTIFICATE  
 19 ORAL VIDEOTAPED DEPOSITION OF  
 20 DONALD PARUS  
 21 VOLUME 1  
 22 JUNE 22, 2006  
 23  
 24 I, Stephanie Barringer, Certified Shorthand  
 25 Reporter in and for the State of Texas, hereby  
 certify to the following:  
 That the witness, DONALD PARUS, was duly sworn  
 and that the transcript of the deposition is a true  
 record of the testimony given by the witness;  
 That the deposition transcript was duly  
 submitted on \_\_\_\_\_ to the witness or to the  
 attorney for the witness for examination, signature,  
 and return to me by \_\_\_\_\_.  
 That the following is the computer-calculated  
 amount of time used by each party at the time of the  
 deposition:  
 Mr. Williams (5 hours, 13 minutes)  
 Mr. Coon (50 minutes)  
 Attorneys for Plaintiffs

1  
2 That pursuant to information given to the  
3 deposition officer at the time said testimony was  
4 taken, the following includes the parties at the  
5 deposition:

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1  
2 That a copy of this certificate was served on  
3 all parties shown herein on \_\_\_\_\_ and  
4 filed with the Clerk.

5 I further certify that I am neither counsel for,  
6 related to, nor employed by any of the parties in the  
7 action in which this proceeding was taken, and  
8 further that I am not financially or otherwise  
9 interested in the outcome of this action.

10 Further certification requirements pursuant to  
11 Rule 203 of the Texas Code of Civil Procedure will be  
12 complied with after they have occurred.

13 Certified to by me on this \_\_\_\_\_ day of  
14 \_\_\_\_\_, \_\_\_\_\_.

15  
16 \_\_\_\_\_  
17 Stephanie Barringer, CSR  
18 Texas CSR 6198  
19 Expiration: 12/31/06  
20 U.S. Legal Support  
21 Firm Registration: 122  
22 519 N. Sam Houston Pkwy., Ste. 200  
23 Houston, Texas 77060  
24 Main number: 713/653-7100  
25 Fax number: 713/653-7143

1 FURTHER CERTIFICATION UNDER TRCP RULE 203

2  
3 The original deposition was/was not returned to  
4 the deposition officer on \_\_\_\_\_.

5 If returned, the attached Changes and Signature  
6 page(s) contain(s) any changes and the reasons  
7 therefor.

8 If returned, the original deposition was  
9 delivered to Mr. Christopher Dean at the Williams &  
10 Bailey law firm as the custodial attorney.

11 \$\_\_\_\_\_ is the deposition officer's  
12 charges to the Plaintiffs for preparing the original  
13 deposition and any copies of exhibits;

14 The deposition was delivered in accordance with  
15 Rule 203.3, and a copy of this certificate, served on  
16 all parties shown herein, was filed with the Clerk.

17 Certified to by me on this \_\_\_\_\_ day of  
18 \_\_\_\_\_, \_\_\_\_\_.

19  
20 \_\_\_\_\_  
21 Stephanie Barringer, CSR  
22 Texas CSR 6198  
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