

1 CAUSE NO. 05CV0337
2 MIGUEL ARENAZA, ELIZABETH) IN THE DISTRICT COURT
RAMON, DAVID G. CROW and)
3 JUANITA G. CROW, et al.)
))
4 VS.) 212TH JUDICIAL DISTRICT
))
5 BP PRODUCTS NORTH AMERICA)
INC., B.P. CORPORATION)
6 NORTH AMERICA INC., DON)
PARUS, AND JE MERIT)
7 CONSTRUCTORS, INC.) GALVESTON COUNTY, TEXAS

8
9 CAUSE NO. 05CV0337-A
10 IN RE: BP AMOCO EXPLOSION) IN THE DISTRICT COURT
MARCH 23, 2005)
11 COORDINATED DISCOVERY) 212TH JUDICIAL DISTRICT
PROCEEDINGS)
12) GALVESTON COUNTY, TEXAS

16 ORAL VIDEOTAPED DEPOSITION OF
17 MICHAEL P. HOFFMAN
18 AUGUST 2, 2006

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1
2 ORAL VIDEOTAPED DEPOSITION OF MICHAEL P.
3 HOFFMAN, produced as a witness at the instance of the
4 Plaintiffs and duly sworn, was taken in the
5 above-styled and numbered cause on August 2, 2006,
6 from 9:50 a.m. to 5:37 p.m., before Stephanie
7 Barringer, Certified Shorthand Reporter in and for
8 the State of Texas, reported by stenographic means at
9 the offices of Fulbright & Jaworski, 90 Long Acre
10 London, England, pursuant to the Texas Rules of Civil
11 Procedure and the provisions stated on the record or
12 attached hereto.
13 Since this deposition has been realtimed and you
14 may be in possession of a rough draft form, please be
15 aware that there may be a discrepancy regarding page
16 and line numbers when comparing the realtime draft
17 and the final transcript. Also, please be aware that
18 the realtime screen and the unedited, uncertified
19 rough draft transcript may contain untranslated
20 steno, a misspelled proper name and/or nonsensical
21 English word combinations. All such entries are
22 corrected in the final certified transcript.
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24
25

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24
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13 722 Email from Tim Patrick dated
14 2/16/05, Subject: FINAL
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| 729 | Email from Linda Ritchie dated 5/17/05, Subject: FW: Collated Q's, BPISOME03760061 through BPISOME03760065 | 295 |
| 730 | Email from Marcus Richards dated 5/31/05, Subject: Texas City UpdateMay25th.doc, BPISOME03759873 through BPISOME03759876 | 311 |
| 731 | We Believe, We Found and We are Committed document, BPISOME00889373 | 314 |
| 732 | Email with Subject: FW: Texas City June Flash Update, BPISOME02522338 and BPISOME02522339 | 317 |

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1 THE VIDEOGRAPHER: Good morning.
 2 We are on the record. The time is 9:50 a.m. on the
 3 2nd of August, the year 2006.
 4 My name is Steve Faigenbaum. I am
 5 the video operator. I work for Word Play located
 6 here in London, England. We are at 90 Long Acre in
 7 London, England, to take the deposition of
 8 Mr. Michael P. Hoffman in the matter of Miguel
 9 Arenazas, et al., versus BP Products North America,
 10 Incorporated, et al.
 11 This deposition is being taken on
 12 behalf of the plaintiff?
 13 MR. COON: Correct.
 14 THE VIDEOGRAPHER: Okay. And will
 15 the reporter -- will the counsel please identify
 16 themselves for the record, and then will the
 17 reporter please swear in the witness?
 18 MR. COON: Brent Coon on behalf of
 19 plaintiffs.
 20 MR. DENNY: Otway Denny on behalf
 21 of BP Products.
 22 MR. FERNELIUS: Steve Fernelius on
 23 behalf of BP Products.
 24 MR. NEATH: James Neath on behalf
 25 of BP Products.

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1 (Witness sworn.)
 2 MR. COON: Counsel, for the record
 3 we are taking this pursuant to notice and under the
 4 Rules?
 5 MR. DENNY: Yeah. He will read
 6 and sign.
 7 MR. COON: Thank you, sir.
 8 MICHAEL HOFFMAN,
 9 having been first duly sworn, testified as follows:
 10
 11 EXAMINATION
 12 Q. (BY MR. COON) Good morning, Mr. Hoffman.
 13 Could I have you introduce yourself to the ladies
 14 and gentlemen of the jury by stating your name and
 15 address, please, sir?
 16 A. My name is Michael Hoffman. My address
 17 [REDACTED]
 18 Q. Mr. Hoffman, are you a U.S. resident?
 19 A. No, I am not.
 20 Q. You live here full-time?
 21 A. Yes, I do.
 22 Q. Do you retain your citizenship with the
 23 United States?
 24 A. Yes, I do.
 25 Q. How long have you lived here?

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1 A. A little bit over four and a half years.
 2 Q. You are here for purposes of the
 3 deposition today and the BP explosion that occurred
 4 in Texas City last year.
 5 Do you understand that?
 6 A. Yes.
 7 Q. You had an opportunity to meet with BP's
 8 attorneys to help prepare you for your deposition
 9 today?
 10 A. Yes.
 11 Q. How many times, sir?
 12 A. Twice.
 13 Q. And about how many hours, sir?
 14 A. Probably ten hours.
 15 Q. Have you given a deposition before,
 16 Mr. Hoffman?
 17 A. No, I haven't.
 18 Q. You understand generally what the
 19 proceedings are about and what takes place in a
 20 deposition?
 21 A. Yes, I do.
 22 Q. Okay. I am going to go through a few
 23 background rules with you. I guess we can call
 24 them rules.
 25 One is that I will ask the

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1 questions for the bulk of the day; and we would ask
 2 that you give straightforward, simple answers to
 3 the best you can. Okay?
 4 A. Okay.
 5 Q. We need you to answer out orally. That
 6 is, yeses and nos instead of nods of the head so
 7 the court reporter can get that down appropriately.
 8 Okay?
 9 A. Okay.
 10 Q. We are going to be taking breaks probably
 11 once an hour so that the videographer can change
 12 the tapes. If you need breaks in between times,
 13 you are welcome to do so.
 14 You have counsel here with BP.
 15 You are free to consult with them as you desire as
 16 well. Okay?
 17 A. Okay.
 18 Q. It's very important that you understand
 19 the questions that I ask of you today. You will be
 20 taking questions all day long. So you may lose
 21 your train of thought every now and then or
 22 something.
 23 If you need to stand up and get
 24 your juices going again, let us know. It's going
 25 to be very important that you understand the

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1 questions that I ask because we will be relying
 2 upon your answers as part of the investigation in
 3 this matter.
 4 Do you understand?
 5 A. Okay.
 6 Q. Mr. Hoffman, in preparation for your
 7 deposition today, we sent out a notice for your
 8 appearance here in London; and it also had a
 9 subpoena attached to produce certain documents.
 10 Did you have an opportunity to
 11 look at that subpoena request --
 12 A. Yes, I did.
 13 Q. -- and respond to it?
 14 Did you provide a response to all
 15 areas that you thought you had documents that were
 16 responsive to the subpoena?
 17 A. I opened up all my documents and files to
 18 our legal team.
 19 Q. And in preparation for your testimony
 20 today, other than meeting with counsel, have you
 21 reviewed any documents, either those that you were
 22 provided or documents that you provided as part of
 23 the investigation?
 24 A. No, I haven't.
 25 Q. What have you seen that you recall that

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1 was relevant to the explosion of March 23rd, 2005
 2 with respect to investigative reports, studies,
 3 audits, things of that nature?
 4 A. I have seen the -- the Mogford report.
 5 Q. Both copies?
 6 A. You mean the draft and the final?
 7 Q. The interim and the final, yes, sir.
 8 A. Yes.
 9 Q. Anything else that you have reviewed in
 10 preparation for your testimony today?
 11 A. I did --
 12 MR. DENNY: Objection, form.
 13 A. I didn't review that in preparation for
 14 testimony. I read the report when it came out.
 15 Q. (BY MR. COON) Okay. That would have
 16 been around December of 2005?
 17 A. Yes.
 18 Q. Have you reviewed anything to refresh
 19 your memory today?
 20 A. No.
 21 Q. When was the last time you reviewed the
 22 fatal report, sir?
 23 A. The Mogford report?
 24 Q. Yes, sir.
 25 A. I reviewed the findings a few weeks ago.

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1 Q. Have you reviewed the testimony that
 2 anyone else has given in this matter?
 3 A. No.
 4 Q. Have you been advised as to what anyone
 5 else has testified to in this matter?
 6 A. No, I haven't.
 7 Q. Do you know who else has provided
 8 testimony in this matter? That is, formal
 9 testimony.
 10 A. I know some of the people that have.
 11 Q. Who are the persons you understand that
 12 have given formal testimony in this matter?
 13 A. Well, I know Kathleen Lucas has, Paul
 14 Maslin, Don Parus.
 15 I don't know the list beyond that.
 16 I know there's been a number of people, but I
 17 don't -- I am not familiar with the exact list.
 18 Q. Mr. Hoffman, could you go back for us and
 19 provide the jury with an insight as to your
 20 personal background, where you grew up and the
 21 education you received, please, sir?
 22 A. Yeah. I went to Montana State University
 23 in chemical engineering. I have a chemical
 24 engineering degree from Montana State.
 25 Q. Was that 1980?

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1 A. Right. That's when I got the degree.
 2 Then I went to work for ARCO
 3 Products company in Billingham, Washington at the
 4 Cherry Point refinery as a process engineer. And I
 5 worked there for 11 years in various different --
 6 both process engineering, process engineering
 7 supervise -- supervision, operations, management
 8 roles.
 9 In 1991, I moved to run the
 10 Wilmington Cal Center, which is in Wilmington,
 11 California where I was the plant manager for that
 12 facility.
 13 In 1993, I was -- I moved to the
 14 Products company corporate headquarters, which was
 15 in L.A. to be the head of planning and strategy for
 16 the Products company.
 17 In 1995, maybe it was late '94, I
 18 went to run the technology center, which was in
 19 Anaheim, which supported the refining and marketing
 20 system.
 21 In 1990 -- mid 1996, I went to
 22 ARCO corporate and ran the downstream planning and
 23 strategy group at corporate; and I was in that role
 24 for -- until January, 1997.
 25 At that point I went to Asia as

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1 business development manager for the downstream
 2 businesses. I lived in Singapore.
 3 In January of 1998, I went to the
 4 Carson refinery to be the refinery manager; and I
 5 was there until January, 2002; and at that point, I
 6 moved to -- to London into the group vice president
 7 of refining role for BP.
 8 Q. What was the role you had when you came
 9 here to London?
 10 A. Group vice president of refining.
 11 Q. The acronym is GVP?
 12 A. Yes.
 13 Q. Do you still retain that title now?
 14 A. Yes, I do.
 15 Q. Can you tell us what you did as the group
 16 vice president for BP?
 17 A. Well, I am responsible for high-level
 18 strategy, how do we run the business; responsible
 19 for putting both long and short-term plans
 20 together; responsible for preparing capital
 21 budgets; responsible for overseeing the operation
 22 on kind of end year basis.
 23 So developing plans with the
 24 businesses, approving those, proposing those to the
 25 corporation.

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1 Q. Were you the BUL at Carson City from '98
 2 to 2002?
 3 A. Yes, I was. Although we didn't call it
 4 BUL in ARCO. ARCO was purchased by BP in April of
 5 2000.
 6 Q. Called the plant manager prior to that
 7 time?
 8 A. Yes, refinery manager.
 9 Q. Who do you report to here in London?
 10 A. To John Manzoni.
 11 Q. Mr. Manzoni's title?
 12 A. Executive vice president refining and
 13 marketing.
 14 Q. And he reports to Lord John Browne?
 15 A. He reports to John Browne, yes.
 16 Q. Who are the persons you are immediately
 17 responsible for?
 18 A. My direct reports are three regional vice
 19 presidents that oversee the regional refinery. So
 20 J.J. Gomez, which has got our international
 21 refinery; Pat -- Patrick Dixon, who has the German
 22 refineries in our Rhine region; and Pat Gower, who
 23 runs the U.S. refinery system; Paul Maslin runs
 24 technology; Eric Walker is head of HR; Jeff Pitzer
 25 who runs the -- he is the commercial manager. So

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1 he runs the planning and strategy group.
 2 Q. Do you have hiring authority?
 3 A. What do you mean by "hiring authority"?
 4 Q. Well, do you have the direct ability to
 5 hire persons that work under you?
 6 A. I have the ability to propose people into
 7 those positions that report directly to me within
 8 my organization. Up to that level I think I can
 9 hire.
 10 Q. Okay. Well, if you look at the regional
 11 vice presidents and people in technologies, human
 12 resources that you just described, do you have the
 13 ability to personally go out and replace one?
 14 Can you say, "I want Mr. Gower
 15 replaced with Mr. Maslin," for instance or --
 16 A. I could propose that, but that would have
 17 to be approved.
 18 Q. Who does that get approved by?
 19 A. That gets approved by John Manzoni and --
 20 and by the HR senior vice president, executive vice
 21 president.
 22 Q. And who is that?
 23 A. Sally Bott.
 24 Q. Have you from time to time over your
 25 three or four years working in the position you

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1 have here in London made recommendations to replace
 2 or promote personnel?
 3 A. Yes, I have.
 4 Q. Which ones?
 5 A. We needed to assign a refinery manager to
 6 the Kwinana refinery. So I proposed that and to
 7 replace the refinery manager in Bulwer in Australia
 8 as well. I proposed that. We removed the refinery
 9 manager from Bulwer to Carson.
 10 So those moves --
 11 Q. Okay. So that I understand, you look at
 12 not only the personnel that immediately report to
 13 you, being Mr. Gower and others you gave examples
 14 of, but the people that would report directly to
 15 them, being BULs --
 16 A. Yes, the executive leadership. Yeah.
 17 Q. Being BULs at various plants?
 18 A. Yes.
 19 Q. And I believe that Ms. Lucas, by example,
 20 is the one that left the position in Kwinana --
 21 A. Right.
 22 Q. -- to go back to Texas City?
 23 A. Yes, she did.
 24 Q. And you were involved in the replacement
 25 for her in Kwinana?

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1 A. Kwinana, yes.
 2 Q. Who is involved in making the decision to
 3 promote personnel to BULs?
 4 A. Well, I am involved in it; but at
 5 executive level. Those are executive positions.
 6 Again, it has to go through the group approval
 7 process, which is John Manzoni and the -- and the
 8 HR.
 9 Q. And sitting at the table to discuss
 10 personnel who are eligible for holding a position
 11 as a BUL at a refinery, who is at that table?
 12 Mr. Manzoni is there?
 13 A. Yes.
 14 Q. You were there?
 15 A. Yes.
 16 Q. Head of HR is there?
 17 A. John Manzoni's HR person is there. The
 18 rest of John's direct reports would be there as
 19 well.
 20 Q. Is the regional VP there?
 21 A. No.
 22 Q. What say, if any, does the regional VP
 23 have over the replacement of the BUL?
 24 A. Well, sir, the way we do that is: In my
 25 staff meeting we look at what is our succession

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1 planning, who would be ready and capable to -- to
 2 do that. So we know people are ready that could
 3 move into those and then have the discussion about
 4 who I would propose into that role and what the
 5 choices might be. And then from there, I take that
 6 discussion into John Manzoni's staff.
 7 Q. Where does Mr. Manzoni reside? Here in
 8 London?
 9 A. Yes.
 10 Q. Does he office with you?
 11 A. He is in the same building.
 12 Q. Is he there this week?
 13 A. Yes, he is. Well, he's -- he's -- I
 14 think he is back today. He was in Chicago earlier
 15 this week.
 16 Q. He was in Chicago when?
 17 A. Monday.
 18 Q. Monday of this week?
 19 A. I think so.
 20 Q. When was the last time you were in the
 21 States?
 22 A. I was in the States -- I was in the
 23 States briefly last week at a staff meeting.
 24 Q. Where at?
 25 A. Chicago.

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1 Q. Any plans to go back to Texas this year?
 2 A. Yes.
 3 Q. What for?
 4 A. I will go to the refinery, to the
 5 Texas City refinery.
 6 Q. Is this a planned visit to the refinery
 7 in Texas City?
 8 A. Yeah.
 9 Q. Is this a quarterly or annual visit?
 10 A. Well, the quarterly visits are done by
 11 Pat Gower. Because of kind of the scope of the
 12 things that we are working on at Texas City, I
 13 visit there more often than I would at another
 14 refinery.
 15 So I am going there in August to
 16 review the next year's plan, what we are putting
 17 together for next year's plan.
 18 Q. So you had plans to go to Texas City this
 19 month?
 20 A. Yeah, the 18th.
 21 Q. Do you know if Mr. Manzoni had plans to
 22 attend with you?
 23 A. No, he doesn't.
 24 Q. Do you know when his plans are to return
 25 to the States?

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1 A. No, I don't.
 2 Q. Do you sit in any meetings with
 3 Lord Browne?
 4 A. I sit in a quarterly review with John
 5 Browne, with John Manzoni and his staff.
 6 Q. Do you know when Lord Browne has any
 7 plans of going back to the States?
 8 A. No, I don't.
 9 Q. Do you know when the last time it was
 10 that he went to the States?
 11 A. I believe he was back there last week. I
 12 believe he was there with Tony Blair.
 13 Q. Is this the California trip?
 14 A. Yeah. Oh, I saw that in the news. So I
 15 don't usually know exactly where John Browne is.
 16 Q. Do you sit on any boards here in London?
 17 A. Not in London, no.
 18 Q. Anywhere else?
 19 A. In Germany.
 20 Q. What boards?
 21 A. The Deuch BP supervisory board.
 22 Q. Do you sit on any other boards?
 23 A. No.
 24 Q. How long have you had this trip planned
 25 to Texas City in August?

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1 A. Maybe two weeks.
 2 Q. Two weeks?
 3 A. Yeah.
 4 Q. And, Mr. Hoffman, how is it that you get
 5 paid at BP? I take it you get a salary?
 6 A. Direct deposit.
 7 Q. Yeah.
 8 A. Yeah, I get a salary.
 9 Q. Do you get it in pounds?
 10 A. No, in dollars.
 11 Q. What are your bonus considerations?
 12 A. What does that mean?
 13 Q. Do you get any bonuses?
 14 A. Yes.
 15 Q. What are they based on?
 16 A. They are based on performance to
 17 contract. They are based on behavioral
 18 expectations, you know, criteria, compliance with
 19 ethics and policies, things like that, 360 review.
 20 Q. We have been provided with certain
 21 portions of your personnel file prior to your
 22 deposition, and I am going to show you some of the
 23 documents in here and maybe you can explain them to
 24 us.
 25 This one is --

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1 MR. DENNY: Do you want to go
 2 ahead and mark it, Brent?
 3 MR. COON: Well, let's mark this
 4 716.
 5 (Exhibit Number 716 marked for
 6 identification.)
 7 Q. (BY MR. COON) And it just says, "Dear
 8 Mike." I assume this is to you, but does that set
 9 out the form for your bonus program?
 10 A. Yes.
 11 Q. And if I could show you another one.
 12 (Exhibit Number 717 marked for
 13 identification.)
 14 Q. (BY MR. COON) This is marked as 717 and
 15 it looks like a review of '05 and it's "JAM."
 16 Would "JAM" be Mr. Manzoni?
 17 A. Yes.
 18 Q. Could you explain that document briefly
 19 to us?
 20 A. Yeah, I think these are John's notes that
 21 he used to talk to me about the performance in
 22 2005.
 23 Q. And was the one that we have marked as
 24 716, I guess the one that came first?
 25 A. I don't remember which came first.

Page 25

1 Q. Okay. Are those both summaries or notes
 2 from --
 3 A. This is a calculation that was done to
 4 determine the bonus, and this was the performance
 5 review bullet points (indicating).
 6 Q. 717 is the performance review?
 7 A. Yeah. I think that's John's notes for
 8 that.
 9 Q. Is that given to you by Mr. Manzoni every
 10 year?
 11 A. Yeah. Usually verbally.
 12 Q. As opposed to what we have there?
 13 A. I think he gave me this, but he does some
 14 kind of performance review every year but many
 15 times he does that off of his own notes.
 16 (Exhibit Number 718 marked for
 17 identification.)
 18 Q. (BY MR. COON) Okay. I also have what's
 19 marked as 718, and this one is to M.P. Hoffman.
 20 I presume that's you?
 21 A. Yes.
 22 Q. And this one is from Lord Browne of
 23 Madingley dated February 11th, 2005.
 24 Do you typically get a letter from
 25 Lord Browne as part of your review as well?

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1 A. Yeah, I would typically get a letter from
 2 John Browne.
 3 It's a form letter that would just
 4 have the -- you know, what -- what the bonus
 5 criteria was, what's going on with the -- the
 6 longer term incentive plans.
 7 Q. Is safety one of the considerations given
 8 to providing a bonus each year?
 9 A. Yes, it is.
 10 Q. And the circumstances with safety, if you
 11 have a bad year on that issue alone, can any bonus
 12 be denied?
 13 A. Yes.
 14 Q. Was there consideration to denying
 15 bonuses to any personnel in 2005 as a result of
 16 what happened in Texas City?
 17 A. So the -- the Texas City organization has
 18 a -- what's called a variable pay plan, which sets
 19 the bonus for the Texas City personnel.
 20 That bonus was suspended for the
 21 first half of 2005 and then it was restructured in
 22 order to be more focused on the things that needed
 23 to happen at that site for the second half.
 24 Q. Was your bonus impacted as a result of
 25 the problems associated with Texas City in the last

Page 27

1 year?
 2 A. I believe so.
 3 Q. Did it reduce by say more than half what
 4 your bonus was in the year prior?
 5 A. Well -- so -- I don't know all the
 6 considerations that were made and what my bonus
 7 was.
 8 It was about 50 percent less in
 9 the scoring.
 10 Q. Is your bonus typically a percentage of
 11 your salary or multiple of your salary?
 12 A. It's a percentage.
 13 Q. I also have two others that were just
 14 notes.
 15 Can you identify what these two
 16 are? I will mark them as 719 and 720.
 17 (Exhibit Numbers 719 and 720
 18 marked for identification.)
 19 Q. (BY MR. COON) I didn't see where there
 20 was really much in the way of dating. If you could
 21 tell me what those were.
 22 A. These -- I think these are -- I believe
 23 these are John Manzoni's notes that he used to give
 24 me verbal feedback on my performance.
 25 Q. Who is Mr. Manzoni charged with reviewing

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1 each year for bonuses?
 2 A. Well, he approves -- well, he is charged
 3 with reviewing all of his direct reports; but he
 4 also approves all bonuses for the executive
 5 leadership and for -- he approves variable pay
 6 plans for all the businesses as well.
 7 Q. Has there been any change to the VPP
 8 program for Texas City since the explosion?
 9 Not in any discounts for safety
 10 but has there been a change to the structure of the
 11 VPP package?
 12 A. Well, we put a specific VPP in place for
 13 the second half of 2005 that was focused on, you
 14 know, what they needed to work on. So it was
 15 much -- it was a different structure than we would
 16 have typically. There wasn't -- it wasn't
 17 financially related, for example.
 18 Q. I am sorry. Could you elaborate on that?
 19 I am not sure I follow you.
 20 A. Well, the -- so the -- so we had the
 21 tragedy in March and -- or in April and then we had
 22 to go and we suspended the VPP and then we put a
 23 plan together on "This is what Texas City needs to
 24 focus on. This is what they need to do." And it
 25 was at the outcome of the Mogford report and many

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1 other things that gave suggestions for improvement
 2 at that site.
 3 So we put the VPP together in
 4 order to focus on those areas, where a typical
 5 variable pay plan would have safety components, it
 6 would have availability, operations kind of
 7 components. It would have milestones, which would
 8 be, "Here is the improvement activities." And it
 9 would have financial performance.
 10 Q. Who was involved in the decision to
 11 change the VPP program for Texas City last year?
 12 A. It was proposed by the site because
 13 they -- they wanted -- and I agreed and Pat Gower
 14 agreed that they needed to have something to move
 15 forward with and then it was approved by the
 16 segment.
 17 So I discussed it with John
 18 Manzoni.
 19 Q. Is Mr. Gower still vice president of
 20 BP North America?
 21 A. He is not vice president of BP North
 22 America unless that is a legal title.
 23 Q. Is --
 24 A. So I don't --
 25 Q. BP Products?

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1 A. He works for BP Products. He is an
 2 executive within BP.
 3 Q. And does BP have any plans to change his
 4 present position?
 5 A. No.
 6 Q. And Mr. Pillari, I understand, is
 7 retiring as president of BP Products?
 8 A. Yes.
 9 Q. Who is involved in the decision to
 10 replace him with Mr. Malone?
 11 A. I don't know. I wasn't involved with
 12 that.
 13 Q. Do you know if there were any particular
 14 reasons that triggered any decision here at BP or
 15 London to replace Mr. Pillari?
 16 A. I think that the -- I don't know what the
 17 decision about replacing Mr. Pillari was, but there
 18 is a strong interest with developing better
 19 relationships with our regulators. So that's one
 20 of the charges that Bob Malone has.
 21 Q. Who are the regulators in the United
 22 States that you wanted to have better relationships
 23 with?
 24 A. The FDC, EPA, OSHA.
 25 We have -- we have -- generally

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1 have good relationships with those agencies
 2 locally, but we haven't maintained the
 3 relationships regionally and federally.
 4 Q. What does Mr. Malone bring to the table
 5 in that regard, if you know?
 6 A. Well, Mr. Malone was the -- he was an
 7 executive leader of the region after -- shortly
 8 after the ARCO merger with BP. He was on the West
 9 Coast. So he has had experience with working with
 10 governments and agencies.
 11 Q. Mr. Gower told us in his deposition that
 12 he was under another review by BP.
 13 Do you know anything about an
 14 ongoing investigation that --
 15 A. I know there is --
 16 Q. -- involves Mr. Gower?
 17 A. I know there is an ongoing investigation.
 18 Q. Who is conducting that investigation?
 19 A. Bill Bonser.
 20 Q. And who chose Mr. Bonser, and what is he
 21 supposed to be doing?
 22 A. I believe that John Manzoni chose Bill
 23 Bonser, and he is investigating whether or not
 24 there should be further disciplinary action.
 25 Q. Further disciplinary action against whom?

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1 A. Against -- in the chain of command.
 2 Q. What chain of command?
 3 A. Refining.
 4 Q. Of BP?
 5 A. Yes.
 6 Q. Regarding?
 7 A. Regarding Texas City.
 8 Q. Anything in specific?
 9 A. I don't know more about it than that. I
 10 haven't seen the terms of reference for that.
 11 Q. Well, is it regarding the Texas City
 12 explosion --
 13 A. Oh, yes.
 14 Q. -- or things that occurred before then?
 15 A. Texas -- Texas City explosion.
 16 Q. Does it have anything to do with
 17 fatalities that have occurred before then or since
 18 then?
 19 A. I haven't seen the terms of reference.
 20 So I don't know.
 21 Q. Does it have anything to do with the
 22 Telos Report?
 23 A. I don't know.
 24 Q. Did it have anything to do with any of
 25 the other audits, studies, budgets, anything else?

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1 A. I don't know the scope of what they are
 2 looking at.
 3 Q. Have you been involved in any meetings
 4 with Mr. Bonser?
 5 A. Yes, he has interviewed me.
 6 Q. Why did Mr. Bonser interview you, if you
 7 know?
 8 A. It was part of this investigation.
 9 Q. What kind of questions did Mr. Bonser ask
 10 of you regarding the Texas City explosion?
 11 A. Primarily about accountabilities, what
 12 were the accountabilities.
 13 Q. Was it geared more towards
 14 accountabilities or lack of accountability?
 15 A. It was geared towards accountabilities.
 16 Q. Who had accountability for Texas City?
 17 A. The site was -- the direct accountability
 18 of the site was Don Parus.
 19 Q. Who picked Mr. Parus to run that unit?
 20 A. I don't know. He was running it when I
 21 got this job.
 22 Q. I thought Mr. Parus was given the BUL
 23 position in August of 2004?
 24 A. No. He -- he was the site director in
 25 2002.

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1 Q. Well, you understand that he transferred
 2 from site director in 2002 to the business unit
 3 leader at Texas City in 2004?
 4 A. No. That -- that wasn't a transfer of
 5 accountabilities.
 6 Q. Okay. You understood he replaced
 7 Mr. Hale in that position, do you not?
 8 A. Mr. Hale was the refinery BUL who
 9 reported to Don Parus directly.
 10 Q. Well, I don't know if they would agree
 11 with that but --
 12 MR. DENNY: Objection, form.
 13 Q. (BY MR. COON) Maybe that's a different
 14 issue. Let me back up then.
 15 What was your understanding as to
 16 the roles that Mr. Parus had and the roles that
 17 Mr. Hale had for 2002 to 2004?
 18 A. Well, Mr. Parus was responsible for the
 19 South Houston complex that had been put together
 20 sometime before 2002. So he followed Tim Scruggs
 21 into that role, and at that time there was an off
 22 site refinery manager.
 23 So somebody -- so Don had all the
 24 accountabilities for the operation of the site but
 25 didn't have direct financial profit and loss

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1 accountability. So that was held by what was
 2 called an off site BUL. I don't know. There was a
 3 series of those people.
 4 When we put Rick Hale in, we put
 5 somebody that had direct P&L accountability on the
 6 site as well. He reported to Don.
 7 And then in 2004, we had a
 8 splitting off of the chemical side of the business
 9 to Innovene. So at that time, we were able to put
 10 Don into a more traditional role where he was the
 11 BUL as well and had the P&L accountability.
 12 Q. Do you recall where Mr. Hale went?
 13 A. He went to Coryton.
 14 Q. Is he still over there?
 15 A. Yes, he is.
 16 Q. Do you know why Mr. Scruggs was replaced
 17 in 2002?
 18 A. No, I don't.
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 4 Q. What was wrong with culture in Texas City
 5 in 2002?
 6 A. Well, the -- we did -- certainly after I
 7 came into the -- into the job, I had worked on a
 8 big purchase that BP had done of the Veba
 9 organization in Germany; and at that time I worked
 10 with a company called A.T. Kearney who had come in
 11 and done an assessment of the refineries in
 12 Germany.
 13 And so I had a discussion with Don
 14 Parus at that time -- and actually a guy name Jim
 15 Hay, who had worked on the Veba project for BP,
 16 suggested that we bring A.T. Kearney in to Texas
 17 City to understand what the scope of the issues
 18 were at Texas City.
 19 Q. Okay. Let's back up then if we can and
 20 make sure I have the timelines right.
 21 You were the Carson City plant
 22 manager in 1998, and that title changed to BUL
 23 after the merger, correct?
 24 A. Yeah, it's Carson. It's not Carson City
 25 but...

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1 Q. Okay. Carson plant.
 2 And you had the title of plant
 3 manager there from '98 to '99 --
 4 A. Refinery manager.
 5 Q. -- until the merger occurred?
 6 A. Right.
 7 Q. And that title changed from refinery
 8 manager to BUL as a result of the merger, although
 9 the responsibilities did not really change?
 10 A. It's business unit leader, is the full
 11 title.
 12 The responsibilities changed in
 13 that BP is set up as a distributed organization
 14 with business unit leaders that are running pieces
 15 of the business. So in ARCO, I didn't have direct
 16 profit and loss accountability. In BP, as a
 17 business unit leader, I had profit and loss
 18 accountability.
 19 Q. Okay. And what month was it that you
 20 left Carson to accept the GVP position here in
 21 London?
 22 A. It was January of 2002.
 23 Q. All right. So let's work off that
 24 timeline, January of 2002, as it relates to
 25 Texas City.

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1 In Texas City in 2002 everything
 2 was still operating under the South Houston
 3 complex?
 4 A. Yes.
 5 Q. And Mr. Parus arrived in Texas City in
 6 2002; is that correct?
 7 A. Yes.
 8 Q. And were you involved in having Mr. Parus
 9 go to Texas City?
 10 A. No, I wasn't.
 11 Q. Who was?
 12 A. That was a decision that was taken before
 13 I got in to this role. So I don't know who all was
 14 involved in that.
 15 Q. Okay. So the decision was made before
 16 January of 2002, although he did not actually
 17 physically go to Texas City until sometime after
 18 you came here to London?
 19 A. Yes, it was.
 20 Q. Who did you replace here?
 21 A. Al Kozinski.
 22 Q. Where is he now?
 23 A. He is retired.
 24 Q. Where is he at now?
 25 A. I don't know.

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1 Q. Did he move back to the States?
 2 A. Yes, he did.
 3 Q. And after Mr. Parus moved to Texas City,
 4 did he report to you?
 5 A. He reported to a board that was set up.
 6 I did Don's performance review, but his contract
 7 was actually held by the people that were on the
 8 board and agreed by that. So it was chemicals.
 9 In BP, there's what are called
 10 segments. So there is a refining and marketing
 11 segment and there was a chemicals segment. And so
 12 the business unit leaders on the chemical side are
 13 set up along product lines.
 14 And so the business unit leader is
 15 the GVP on chemicals, and I would have to agree on
 16 Don's contract and what -- what he was responsible
 17 for.
 18 Q. Okay. Now, after you came to London in
 19 January, 2002, and Mr. Parus went to Texas City,
 20 when were you first made aware that there were
 21 cultural problems associated with the Texas City
 22 site?
 23 A. I don't know if I would say "cultural."
 24 I knew that there was -- there
 25 were issues around integrity, infrastructure

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1 integrity. In particular, we had done a lot of
 2 work looking -- that's part of what A.T. Kearney
 3 had looked at as well. So we started to put plans
 4 in place, and a lot of those plans had already
 5 started to start to address the infrastructure
 6 integrity issues.
 7 A.T. Kearney identified an issue
 8 about -- that it was a site that kind of had a lot
 9 of aspirations, started a lot of stuff but didn't
 10 complete things very well. So out of the
 11 A.T. Kearney study, Don put together a program
 12 called 1000 days, which was intended to have kind
 13 of a project metric so we could look at what kind
 14 of progress are we making against -- against these
 15 goals, what kind of improvements, and put more
 16 rigor into it.
 17 Q. Okay. Well, I hate to quote you; but I
 18 thought earlier you said that back in 2002 y'all
 19 were trying to change the culture of the site.
 20 A. Out of A.T. Kearney. So get more
 21 delivery; but, you know, "cultural problem," I
 22 mean, that's very broad.
 23 The thing that we were trying to
 24 do was make sure that Texas City, when they
 25 committed to doing something, got it done. So we

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1 got a lot more clearer -- or Don did with this
 2 1000 day plan on specific improvements that needed
 3 to happen at the site, including the -- the
 4 infrastructure improvement plan was a very rigorous
 5 multi-year plan that was prioritized.
 6 Q. Okay. I just want to understand the
 7 timeline and when you were made aware of different
 8 issues associated with that facility.
 9 So that I understand, Mr. Parus
 10 came into Texas City and he was responsible as the
 11 site manager for the oversight of not just Texas
 12 City but the various other units --
 13 A. Yes.
 14 Q. -- that were part of that complex?
 15 A. Yes.
 16 Q. And you were in charge of overseeing him
 17 at some level?
 18 A. Yes.
 19 Q. And I also assume that Mr. Gower and
 20 other people in Chicago had some sort of oversight
 21 role, or did they not?
 22 A. Their -- the organization with the
 23 regional vice president didn't exist at that time.
 24 Q. So did he report directly to you for
 25 that --

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| <p style="text-align: right;">Page 42</p> <p>1 A. So all -- all the refinery managers, 2 then, reported directly to me. 3 MR. DENNY: Brent, when you say 4 "he," who? Who are you referring to? I -- just to 5 make sure y'all are on the same page. 6 MR. COON: Mr. Parus. 7 MR. DENNY: Okay. 8 THE WITNESS: Mr. Parus, yeah. 9 A. So I did his -- he reported directly to 10 me; but his -- again, his performance or his -- his 11 contract was held with this board. That was the 12 concept that was put in place with the South 13 Houston. 14 Q. (BY MR. COON) And then Mr. Hale also 15 reported directly to you? 16 A. Well, Mr. Hale wasn't there in 2002. He 17 was in -- I believe he was in Castillon, in Spain. 18 Q. I thought he came to Texas City in 2002. 19 A. I don't think so. I think it was later 20 than that. 21 Q. Do you recall when? 22 A. Yeah, it couldn't have been 2002. It 23 might have been late 2003. 24 Q. Okay. Were you involved in replacing 25 Mr. Scruggs?</p> | <p style="text-align: right;">Page 44</p> <p>1 Mr. Parus is already -- a decision 2 has already been made to send him there? 3 A. Yes. 4 Q. After you come to London? 5 A. Yes. 6 Q. Actually, that decision was made before 7 you came to London? 8 A. Yes, it was. 9 Q. But it doesn't happen until after you 10 come to London? 11 A. Right. 12 And the reason for that is that 13 there was a very large turnaround maintenance going 14 on and Mr. Scruggs wanted to stay at the site until 15 that large maintenance activity was complete. 16 Q. Okay. And then Mr. Parus comes out, and 17 then you tell us about this Veba study with 18 A.T. Kearney. So I want to talk about that a 19 little bit. 20 A. Okay. 21 Q. Who made the decision to send the Kearney 22 group out to Texas City? 23 A. Well, Don -- I proposed it to Don. This 24 guy, Jim Hay, suggested that we do that because we 25 knew that we were -- we needed to increase</p> |
| <p style="text-align: right;">Page 43</p> <p>1 A. Replacing him as what? 2 Q. Well, he was the plant manager or BUL at 3 Texas City in 2002, 2003. 4 A. He was the director of the South Houston 5 complex. I wasn't involved in those moves. Those 6 were -- would then be -- those were decided before 7 I took the job. 8 Q. Okay. So Mr. Scruggs was on his way out 9 before you came to London in January? 10 A. The decision had taken its -- that 11 Mr. Scruggs was leaving and Don Parus was coming in 12 before I took the job. 13 Q. And what do you know, if anything, about 14 Mr. Carter being phased out of the Texas City 15 facility? 16 A. Well, I had talked to Don about that, 17 that we needed to kind of change the style. There 18 were a number of issues that we saw about people 19 being very unhappy with the kind of style that 20 George had. It was very punitive. 21 Q. And was this in 2002? 22 A. That's when we started talking about it, 23 yeah. 24 Q. Okay. Well, I am just trying to figure 25 out everything that was going on in 2002.</p> | <p style="text-align: right;">Page 45</p> <p>1 spending. We had already seen some of these 2 infrastructure issues. And so we wanted to get an 3 outside company that, you know, had done a really 4 good job for us in Germany to come and take a look 5 at the site and help us put a plan together for 6 improvement and Don -- 7 Q. Who is Jim -- I am sorry. I didn't mean 8 to interrupt. 9 Who is Jim Hay? 10 A. Okay. So Don Parus, then, agreed that 11 that was a good idea, that we should do that. 12 Jim Hay was an executive on the 13 chemicals side that was in the project to integrate 14 Veba. 15 Q. And what was the Kearney group hired to 16 do? 17 A. To go in and do an assessment of 18 Texas City. 19 Q. What were they asked to look for and 20 report back on? 21 A. They were asked to look for -- or to -- 22 really to report what do we need to do in order to 23 improve -- put a plan in place to improve the site. 24 Q. And you told us that there were 25 infrastructure issues that had already been</p> |

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| <p style="text-align: right;">Page 46</p> <p>1 identified. 2 Could you elaborate on that, 3 please, sir? 4 A. Well, the -- the spending on connecting 5 pipe -- kind of the connection of the units that 6 hadn't been going on for a while or had been 7 reduced and so we -- what we wanted to do and did 8 was looked at all that. So, you know, under 9 insulation corrosion, for example, things like 10 that. 11 We did an assessment of all of 12 that and put a, you know, multi-year plan in place 13 with funding in order to address those issues. 14 Q. All right. So in 2002 at some point in 15 your talks with Mr. Parus, you were made aware -- 16 specifically aware that there had been deferred 17 maintenance issues associated to the Texas City 18 complex? 19 A. Yes. 20 Q. And those included items you just 21 mentioned, such as corrosion under insulation with 22 the piping and with thin pipe -- 23 A. Yes. 24 Q. -- as well? 25 A. Yes.</p> | <p style="text-align: right;">Page 48</p> <p>1 A. Yeah. 2 Q. I think one of those was that, just by 3 example, the sheer number of fires that were 4 occurring at the Texas City facility was alarming. 5 Do you recall that? 6 A. I don't recall that specifically, but the 7 piece that I do recall is that we had had a period 8 of reduced spending on maintenance over a period of 9 time and so, you know, that's -- we put plans in 10 place to both increase the spending in specific 11 areas but also to increase the maintenance budget 12 of things. 13 Q. Why had maintenance spending been reduced 14 at Texas City? 15 A. I don't know. 16 Q. How long had underinvestment in the 17 infrastructure at Texas City been going on? 18 A. I am not sure even how to define that. 19 If you will look at the -- at -- 20 what I remember about that Veba study is they 21 actually had a chart that showed a decrease in 22 spending over time. 23 Q. Went back to at least the mid Nineties, 24 didn't it? 25 A. Yeah, I think so. It looked like it</p> |
| <p style="text-align: right;">Page 47</p> <p>1 Q. Anything else that you can elaborate on 2 that was associated to infrastructural maintenance 3 issues? 4 A. Those were the primary things. 5 Q. And how was it that Mr. Parus relayed 6 this to you? Had he had a comprehensive inspection 7 program that had determined all these issues or 8 were they -- 9 A. It actually started before he was there. 10 So there was -- there was a project put in place to 11 begin that, and then Don was new to that site. So 12 we had A.T. Kearney come in and do another 13 assessment to say, you know, what is the scope of 14 the things that we need to do, really to help Don 15 put a plan in place for improving the site. 16 Q. And that was the Veba report? 17 A. That's what -- I think that's what 18 Texas City called it. 19 Q. It came out around August, 2002? 20 A. Yeah. Yeah, that would have been about 21 right. 22 Q. Were you provided with a copy of that? 23 A. Yes. 24 Q. I think that report pointed out some 25 major concerns, did it not?</p> | <p style="text-align: right;">Page 49</p> <p>1 started about the time that the resid hydrocracking 2 unit had been -- there was a huge investment that 3 went into Texas City, and then there was a -- you 4 know, a reduction in investment that happened after 5 that. 6 Q. Do you recall anything in the Veba report 7 expressing concern over the large number of fires 8 that were occurring at that facility? 9 A. I don't recall that specifically, but 10 that wouldn't surprise me. 11 Q. And you understood that the fires in many 12 circumstances was due to escaped hydrocarbons? 13 A. Right. 14 Q. Do you recall anything in the Veba report 15 pointing out specifically that unless those issues 16 were fully addressed that BP Texas City was poised 17 for a potential catastrophic event? 18 A. Yeah. I don't remember those words, but 19 that is why we put all those plans in place, to 20 address the -- address the situation. In fact, one 21 of the metrics that we set up or -- Don set up in 22 this 1000 day was to measure loss of containment, 23 leaks and spills. 24 Q. And a lot of this had occurred under the 25 watch of Mr. Scruggs and Mr. Carter, had it not?</p> |

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| 1 | A. Yes. | 1 | |
| 2 | Q. And Mr. Scruggs was moved out of his | 2 | |
| 3 | position there, as well as Mr. Carter? | 3 | |
| 4 | A. Yes. | 4 | |
| 5 | Q. Now, I want to talk to you a little bit | 5 | |
| 6 | more specifically about Mr. Carter. | 6 | |
| 7 | Did you have any meetings with | 7 | |
| 8 | Mr. Carter? | 8 | |
| 9 | A. Well, we -- I met with Don and his staff | 9 | |
| 10 | a few times. | 10 | |
| 11 | Q. Did you have any meetings with | 11 | |
| 12 | Mr. Carter's staff? | 12 | |
| 13 | A. No -- well, in a town hall or something. | 13 | |
| 14 | I had a dinner with the HR vice | 14 | |
| 15 | president of refining and marketing and select | 15 | |
| 16 | members of the -- of that next level of leadership. | 16 | |
| 17 | They didn't all directly report to Carter. | 17 | |
| 18 | Q. And where was that at? | 18 | |
| 19 | A. Texas. | 19 | |
| 20 | Q. Houston? | 20 | |
| 21 | A. Well, Texas City. | 21 | |
| 22 | Q. When was this? | 22 | |
| 23 | A. It was in 2002. | 23 | |
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1 MR. DENNY: Calling for
2 speculation.
3 Q. (BY MR. COON) You can answer.
4 MR. DENNY: Among other things.
5 A. So when I did come in to -- to BP --
6 THE WITNESS: Sorry. You guys
7 done?
8 MR. COON: Yes.
9 MR. DENNY: Yes, I am.
10 A. Okay. So there was a business unit
11 leader at BP. In ARCO, it was two refineries. So
12 there wasn't a lot of interaction; but the group
13 was run at that time by peer groups.
14 So there was various different
15 challenges around budgeting and other things. I
16 understand that there was a 25 percent cost
17 challenge that was done before I got into the role.
18 When I got into the role, one of
19 the concerns I -- I had was that as a result of
20 that or other things, that the maintenance
21 processes in some of the refineries weren't very
22 effective. So we started -- and Texas City
23 included -- both increase in funding but also being
24 more directed about what needs to happen in
25 maintenance.

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8 Q. Now, we talk about the underinvestment at
9 BP Texas City that had been taking place at least
10 sometime back in the Nineties.
11 Do you recall any other additional
12 budgetary issues that came out after the merger,
13 say, 1999, 2000, that further compromised the
14 investment in infrastructure at Texas City?
15 A. I wasn't part of the company until April
16 of 2000.
17 Q. I will still ask you the same question.
18 Are you aware of anything that
19 emanated from BP as a result of the merger that
20 would have potentially further compromised the
21 infrastructure at BP Texas City?
22 MR. DENNY: Objection, form.
23 A. Well, the --
24 MR. COON: I am sorry. State the
25 basis, sir.

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1 Q. (BY MR. COON) Well, weren't you a
2 business unit leader at a BP owned facility when
3 this 25 percent mandate came down from London?
4 A. No, I wasn't.
5 Q. I thought you were at Carson City -- or
6 Carson refinery from '98 to 2002.
7 A. Yeah. But BP didn't buy ARCO until April
8 of 2000. So I worked for ARCO in 1998 and 1999.
9 Q. But in April of 2000 -- let me strike
10 that.
11 After April of 2000, when were you
12 first made aware of the BP challenge of 25 percent
13 budget cuts?
14 A. So I heard about it sometime after that,
15 but it -- it had happened earlier. And I don't
16 know when exactly. Maybe 1999.
17 Q. 1999?
18 A. I said maybe. I don't know. Like I
19 said, I wasn't part of the company at that time.
20 Q. In the two remaining years that you were
21 at the Carson refinery, did you receive anything
22 from BP London requesting any budget cuts?
23 A. Well -- so when I was -- my
24 accountability was to run the refinery safely,
25 publish plans to improve the refinery and then

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1 there was kind of various different, what I would
 2 call, kind of normal pressure on, "Are you really
 3 spending too much? Is there other ways to cut
 4 costs? Do you need to do this project," that kind
 5 of thing.
 6 But my accountability was to run
 7 the site, and I was able to do that. We didn't do
 8 any massive cost reduction; and I didn't get
 9 particular pressure, other than questions, to do
 10 that.
 11 MR. COON: I am going to strike as
 12 nonresponsive.
 13 Q. (BY MR. COON) Mr. Hoffman, I just asked
 14 you a simple question.
 15 Did BP London ask you, as the BUL
 16 at Carson refinery, to effectuate any budget cuts
 17 in the two or three years that you stayed there
 18 prior to moving to London?
 19 A. No.
 20 THE VIDEOGRAPHER: It's five
 21 minutes. Should we go off?
 22 MR. COON: No.
 23 Q. (BY MR. COON) Mr. Hoffman, have you
 24 received any type of training to deal with the
 25 media?

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1 A. In ARCO I did. I took a -- a one-day
 2 class.
 3 Q. What was that about?
 4 A. It was just how to -- if there is a
 5 camera and a mike in your face, how do you do that.
 6 A little bit of practice. It was, you know, the
 7 kind of questions you might get, that kind of
 8 thing.
 9 Q. Have you had any follow-up training in
 10 your years at BP in how to deal with the press or
 11 how to make statements to the press?
 12 A. I haven't. That training is available,
 13 but I haven't done it.
 14 Q. Have you received any safety training at
 15 BP?
 16 A. Yeah, I have received safety training.
 17 Q. Does it include process safety
 18 management?
 19 A. Well, I am responsible for process
 20 safety. Process safety, in a large extent, is
 21 refinery specific.
 22 So a kind -- it's a big part of
 23 what my agenda is, is developing process safety
 24 standards; and we spend a lot of time on it. I
 25 haven't had any specific BP training on process

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1 safety.
 2 Q. Is there anything more important that you
 3 can think of than adhering to process safety
 4 management principles in the owning and operation
 5 of refineries and chemical plants?
 6 A. So what do you mean by "process safety"?
 7 Q. Well, let me ask you: What do you mean
 8 by "process safety," since you are in charge of it?
 9 A. Well, so, there is -- there is specific
 10 regulation in OSHA which defines, you know, kind of
 11 activities that have to happen around process
 12 safety.
 13 I think that it's -- in running a
 14 business, it's more holistic than that. It's --
 15 you know, it's operations, procedures. It's how
 16 you do maintenance. It's kind of keeping track.
 17 So more broadly, we would call
 18 that operational excellence. The ability to
 19 maintain and control, operate safely.
 20 Q. If I was asked -- say I just asked you,
 21 "What's the most important thing for you to do in
 22 your job at BP?"
 23 A. It's to run the -- run the refinery
 24 safely.
 25 Q. And what are the most important things

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1 that you need to do to run a refinery safely?
 2 A. There is many, many things that are
 3 important to running a refinery safely.
 4 Q. Run them off.
 5 A. So training, competency, maintenance,
 6 procedures, HAZOPs, management of change,
 7 leadership, ability to hear the organization.
 8 Q. Any more?
 9 A. I am sure there is -- there is many more.
 10 I mean, so the way we -- we approach this is:
 11 First of all, what are -- what are our values?
 12 So our values are safety, people,
 13 environmental performance, availability and
 14 financial performance.
 15 And then how do we support that?
 16 So leadership training.
 17 How do you -- how do you develop
 18 an organization? So the culture that we are trying
 19 to derive is called high reliability organization,
 20 which particular aspects of high reliability are
 21 characteristics of high reliability organizations
 22 and then we have trained leadership in how to
 23 develop that. And those kind of things, executing
 24 with rigor, finishing are important.
 25 THE VIDEOGRAPHER: May we go off

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1 the record to change the videotape?
 2 MR. COON: Yes.
 3 THE VIDEOGRAPHER: Okay. Thank
 4 you.
 5 We are going off the video record.
 6 The time is 10:49. This is the end of Videotape 1
 7 of the deposition of Mr. Hoffman.
 8 (Recess taken.)
 9 THE VIDEOGRAPHER: All right. We
 10 are back on the video record. The time is
 11 11:03 a.m. This is the beginning of Videotape 2 of
 12 the deposition of Mr. Hoffman.
 13 Q. (BY MR. COON) Mr. Hoffman, before the
 14 break, we were talking about process safety
 15 management and the principles involved; and I would
 16 like to go back and elaborate on those some with
 17 you, if we may.
 18 A. Okay.
 19 Q. In going over your day-to-day
 20 responsibilities in process safety, what do you do?
 21 What's a typical 8:00 to 5:00, Monday through
 22 Friday week for you?
 23 A. I don't know if I have a typical -- the
 24 way I run the region is: Once a month I meet with
 25 my leadership and then once a quarter we will

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1 review all the process safety related data, which
 2 would be how were we doing on progress against gaps
 3 versus our standards. So we have written a number
 4 of unit specific process safety standards. Our
 5 action items being closed from process safety
 6 audits. So we track that. So that's part of it.
 7 And then the other pieces that I
 8 would say that is kind of process related is: Are
 9 there any high potential incidents that have
 10 happened or major incidents? And those -- so we
 11 get those reports, plus we review those, as well,
 12 as part of my management team, to see whether or
 13 not there's trends that -- that we need to do
 14 something about, a new -- new direction that we
 15 need to give.
 16 Q. And can you tell us examples of high
 17 potential incidents?
 18 A. A large spill would be a high potential
 19 incident, a large fire, an injury, a high potential
 20 would be maybe that there wasn't an injury but
 21 could have been.
 22 So there are -- there are specific
 23 group -- BP group criteria that is used to define
 24 high potential.
 25 Q. You also track injuries occurring on the

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1 job sites?
 2 A. So we'd track -- we tracked days away
 3 from work case and recordable injury frequency.
 4 Q. Do you track fatalities?
 5 A. Yes.
 6 Q. Who keeps those records?
 7 A. The segment keeps those high level
 8 records. They are kept on a system -- on the
 9 general system at BP called Traction and then
 10 reported through the segment and the group.
 11 Q. When were you first made aware of the
 12 history of the fatalities at Texas City?
 13 A. Well, the history? Which...
 14 Q. The number of fatalities that had
 15 occurred at that particular jobsite over time.
 16 A. I am not sure.
 17 Q. Were you made aware, prior to the
 18 explosion in March of last year, that Texas City
 19 had an inordinate amount of fatalities occurring
 20 there over time?
 21 A. I was certainly made aware of the
 22 long-term history of that after the incident. I
 23 don't believe I knew the Amoco history.
 24 Q. What do you know about the history of
 25 Texas City refinery specifically? Do you know like

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1 when it was built?
 2 A. No. No, I don't.
 3 Q. Do you know anything about any major
 4 fires that occurred there over the years prior to
 5 the explosion of March of '05?
 6 A. Yeah. I know -- you know, in my history
 7 with the company, I know, you know, what happened
 8 at Texas City.
 9 Q. Okay. Well, I am talking about before
 10 the merger when -- would you have been made aware
 11 of problems at Texas City prior to 2002?
 12 A. Well, in 2000, when I joined the company,
 13 then if there were problems at Texas City, I would
 14 become aware of it.
 15 Q. Okay. Were you ever briefed on what had
 16 happened at Texas City or other refineries when you
 17 were put into your position here in London in 2002?
 18 A. No.
 19 Q. So you really weren't given an education
 20 regarding the history associated with the various
 21 plants that you were charged with?
 22 A. I don't recall that.
 23 Q. When were you first made aware that there
 24 had been a fatality occurring every month -- every
 25 12 to 18 months at Texas City going back, say,

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1 30 years?
 2 A. So after the ISOM incident, I saw data
 3 like that.
 4 Q. Were you aware that Mr. Parus was
 5 tracking that type of information well before the
 6 explosion of March, 2005?
 7 A. No, I wasn't.
 8 Q. Were you aware of a study that he had
 9 commissioned called the Telos Report?
 10 A. I knew that he had commissioned a
 11 behavioral firm to come in and do a survey.
 12 Q. When was it that you were first made
 13 aware that Mr. Parus had retained a behavioral
 14 study group to come in and do an assessment at
 15 Texas City?
 16 A. Well, Pat Gower had commissioned
 17 behavioral studies across the U.S. When he told me
 18 that he was doing that, he told me that Texas City
 19 was already doing one with a different firm than he
 20 had used at the other refineries.
 21 Q. So you --
 22 A. That would have been in 2004 sometime.
 23 Q. And when were you first made aware of any
 24 findings associated with the Telos study at
 25 Texas City?

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1 A. I visited Texas City, Don and his
 2 leadership, with Pat Gower in February of 2005; and
 3 there was -- there was kind of a general briefing
 4 about what was going on at the site. And I
 5 think -- at that time I think he told me something
 6 about what he had seen.
 7 Q. Do you remember Mr. Parus sitting down
 8 with you and Mr. Gower and walking through a number
 9 of the issues that he had gleaned from the Telos
 10 Report in that February 15, 2005 meeting?
 11 A. Yeah, I think he did that.
 12 Q. Do you recall a PowerPoint presentation
 13 that he had for you and Mr. Gower at that meeting?
 14 A. Yeah, there was a PowerPoint
 15 presentation.
 16 Q. Do you know that Mr. Gower has testified
 17 that he was totally unaware of the Telos Report or
 18 any of its findings until well after the explosion
 19 in March, 2005?
 20 A. No, I wasn't aware of that.
 21 Q. Do you have any idea as to why he would
 22 deny any prior knowledge of the Telos Report before
 23 the explosion of March, 2005?
 24 MR. DENNY: Objection, form.
 25 A. I don't know anything about Pat's

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1 testimony.
 2 Q. (BY MR. COON) When we talked about this
 3 investigation Mr. Bonser is involved in now, do you
 4 know what, if any, role Mr. Gower has in that
 5 investigation?
 6 A. He's been interviewed.
 7 Q. Do you know why?
 8 A. No, I don't.
 9 Q. Do you know who else has been
 10 interviewed? You said, Mr. Gower, yourself?
 11 A. I believe Kathleen Lucas has been
 12 interviewed as well; but like I said, I am not
 13 aware of the terms of reference on this. So they
 14 are not briefing me on this process. It wasn't
 15 commissioned by me.
 16 Q. Who was it commissioned by?
 17 A. I -- I think Mr. Manzoni.
 18 Q. Mr. Manzoni has not told you anything
 19 about why he has commissioned this investigation?
 20 A. Well, he told me that, you know, it's a
 21 broader look at whether disciplinary action is
 22 required.
 23 Q. So your understanding is that your boss
 24 commissioned this study to determine whether or not
 25 other people high in management should be punished

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1 in some manner as a result of what occurred or
 2 transpired on March 23rd, 2005?
 3 A. He didn't say "punished," but yes. I
 4 mean, it's an investigation that he commissioned as
 5 I understand it.
 6 Q. What did he say with respect to the
 7 intent if it didn't involve a potential for
 8 punishment?
 9 A. Discipline.
 10 Q. Well, is discipline punishment?
 11 A. It can be.
 12 Q. Well, discipline is never an award, is
 13 it, sir?
 14 A. It depends on what it is. It's not going
 15 to be a reward, no.
 16 Q. Did Mr. Manzoni indicate to you the types
 17 of discipline that could take place as a result of
 18 the investigation?
 19 A. No.
 20 Q. Have you heard anything associated to
 21 this investigation that would indicate that anyone
 22 has, in fact, been scrutinized for any disciplinary
 23 action as a result of the explosion?
 24 A. No.
 25 Q. Do you know of anyone that is being

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1 investigated other than Mr. Gower, yourself and
 2 Ms. Lucas?
 3 A. No.
 4 Q. How about Mr. Parus?
 5 A. I don't know what the scope of the
 6 investigation is.
 7 Q. Speaking of Mr. Parus, where is he now?
 8 A. I think he is still in the Houston area.
 9 Q. What is he doing?
 10 A. He -- he doesn't report to me. He was
 11 reporting to Mr. Pillari.
 12 Q. I am sorry. To who?
 13 A. Mr. Pillari.
 14 Q. In fact, until recently he was reporting
 15 to Mr. Gower, wasn't he?
 16 A. I don't remember exactly when that
 17 changed, but it wasn't that recent.
 18 Q. How much longer is Mr. Pillari supposed
 19 to stay in his position as president of BP
 20 Products?
 21 A. He has been replaced by Mr. Malone.
 22 Q. Has that replacement been formalized?
 23 A. Yes.
 24 Q. Who will Mr. Parus report to now?
 25 A. I assume it's Mr. Malone, but I don't

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1 have any direct knowledge of that.
 2 Q. When is the last time you talked to
 3 Mr. Parus?
 4 A. Probably summer of 2005.
 5 Q. Have you ever asked what he is up to,
 6 what he is doing, how he is doing?
 7 A. When he -- when he was reporting to Pat,
 8 you know, we had him -- Pat had him working on some
 9 things for him. So, yes, I mean, we
 10 have discuss -- Pat and I had discussions about
 11 that.
 12 Q. Mr. Parus was doing things for Mr. Gower?
 13 A. Yes.
 14 Q. When?
 15 A. In 2005.
 16 Q. After he -- while he was put on leave of
 17 absence?
 18 A. He was -- he was -- intended to be
 19 supporting us, and so he did various different
 20 things for Mr. Gower.
 21 Q. Can you name one thing he did for
 22 Mr. Gower after he was put on leave of absence in
 23 May of 2005?
 24 A. I think he looked at some of the staffing
 25 and personnel issues across. So he -- Pat was

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1 using him to help him support the U.S. region. It
 2 wasn't Texas City specific but --
 3 Q. Would you defer --
 4 A. -- recruiting plans, I believe Don was
 5 working on for Pat.
 6 Q. Would you defer to Mr. Parus as to what
 7 Mr. Parus has done on behalf of BP, if anything,
 8 over the last year and a half since he was put on
 9 leave of absence?
 10 A. Yes.
 11 Q. So if Mr. Parus said he hadn't been doing
 12 anything on behalf of BP for the last year and a
 13 half, would you defer to that testimony?
 14 A. Well, I -- that's not my understanding
 15 from Mr. Gower but...
 16 Q. Has Mr. Gower given you anything in
 17 writing indicating that Mr. Parus has done anything
 18 on behalf of BP Products or BP London or any BP
 19 subsidiary in the last year and a half?
 20 A. I don't believe so.
 21 Q. Do you know anything about the extensions
 22 of Mr. Parus' leave of absence that have occurred
 23 this year?
 24 A. No, I don't.
 25 Q. Who do those go through?

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1 A. I understand it's Mr. Pillari up until
 2 now.
 3 Q. Do you understand that Mr. Pillari had
 4 carte blanc with respect to the disposition of
 5 Mr. Parus during the pendency of any investigations
 6 undertaken by BP?
 7 MR. DENNY: Objection, form.
 8 A. I am sorry. I didn't understand what you
 9 meant.
 10 Q. (BY MR. COON) Does Mr. Pillari have
 11 carte blanc to do with what he so desires as it
 12 relates to Mr. Parus?
 13 MR. DENNY: Objection, form.
 14 A. I don't know what Mr. Pillari's
 15 accountabilities relative to Mr. Parus are.
 16 Q. (BY MR. COON) Well, who do you
 17 understand can take Mr. Parus off his leave of
 18 absence and make his leave of absence permanent by
 19 discharge?
 20 A. I don't know.
 21 Q. What role, if any, did you have with
 22 respect to removing Mr. Parus from his day-to-day
 23 responsibilities at Texas City in the summer of
 24 2005?
 25 A. Well, I recommended that we do that.

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1 Q. And why is that?

2 A. Well, the incident had a huge effect on

3 everybody at the site and certainly did Don. And I

4 worked with Pat Gower to assess whether Don could

5 lead the site afterwards, and he was -- we didn't

6 think that he could effectively after this.

7 So I recommended that we replace

8 him at that time because we needed somebody that

9 could focus on moving the site forward.

10 Q. Who picked Mr. Maclean?

11 A. John Manzoni and I, Pat Gower.

12 Q. Did you have to go to Mr. Manzoni to

13 approve the relinquishment of Mr. Parus'

14 responsibilities at Texas City?

15 A. Yes.

16 Q. Did Mr. Manzoni have to seek approval

17 from any of his superiors to make that happen?

18 A. I don't know.

19 Q. Do you know how or if Lord Browne was

20 kept in the loop regarding the executive decisions

21 associated with replacing any of the management

22 team at Texas City?

23 A. No, I don't know.

24 Q. Did Mr. Manzoni participate in any of the

25 meetings with you and others regarding the transfer

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1 of responsibilities and personnel at Texas City as

2 a result of the explosion?

3 A. Well, the meetings were between

4 Mr. Manzoni and I. I don't remember there being

5 others when I was with John talking about it.

6 Q. How many meetings did you and Mr. Manzoni

7 have regarding changing personnel at Texas City

8 after the explosion?

9 A. Well, we had many meetings around

10 Texas City, not just personnel. I don't know how

11 many; but we were discussing that, all the aspects

12 of Texas City.

13 Q. Do you know who else he met with?

14 A. Other than me on that?

15 Q. Yes, sir.

16 A. No, I don't.

17 Q. Do you know if anyone, other than

18 Mr. Manzoni, would have had the ability to make a

19 final decision on replacing Mr. Parus under these

20 circumstances?

21 A. Well, my recommendation was John. John

22 approved that. That's as much as I know about it.

23 Q. Okay. So as best you understand, after

24 meetings with Mr. Manzoni and your recommendation

25 to replace Mr. Parus, Mr. Manzoni concurred and

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1 affirmed?

2 A. Yes.

3 Q. Then Mr. Parus was replaced?

4 A. Yes.

5 Q. Now, let's talk about Mr. Maclean.

6 What role, if any, did you have in

7 recommending Maclean as the replacement for

8 Mr. Parus?

9 A. Well, I had a responsibility to find a

10 replacement for Don Parus; and so Mr. Maclean was

11 one of -- one of several that we considered.

12 Mr. Maclean had run the

13 Grangemouth refinery, Whiting refinery, Bulwer

14 refinery; was in procurement. I discussed the

15 possibility with him, and he was interested in

16 doing -- doing the role.

17 Q. Who else was on the short list to replace

18 Mr. Parus?

19 A. Mr. Gower, Mr. Lamana.

20 Q. Anyone else?

21 A. I don't think so.

22 Q. Who made the decision to replace

23 Mr. Parus with Mr. Maclean?

24 A. So I made the recommendation.

25 Q. To --

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1 A. John decided or approved it.

2 Q. Okay. Do you know if Mr. Manzoni had to

3 go anyone -- to anyone else to obtain final consent

4 to replace Mr. Parus with Mr. Maclean?

5 A. No, I don't.

6 Q. Is there any kind of policy or handbook

7 or anything that outlines specifically the

8 responsibilities that are vested exclusively with

9 Mr. Manzoni's title in making those decisions.

10 A. I think there is a delegation of

11 authority.

12 Q. Do you know whether or not that

13 delegation of authority sets out Mr. Manzoni as

14 having the ultimate and final decision in

15 circumstances such as we just described?

16 A. So he has the -- that responsibility. It

17 has to go through the HR department as well, just

18 like all the executives. And I don't know what he

19 did around that particular piece.

20 Q. Okay. So you do understand that

21 Mr. Manzoni is required under the delegation of

22 authority to go through human resources to make the

23 final decision and have it approved?

24 A. Yes.

25 Q. Does human resources have to go to the --

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1 any other executive board, the CEO or any other
 2 type of operational board here at BP London?
 3 A. I don't think so.
 4 Q. Why is BP London -- what do we want to
 5 call it BP, LLC? What is it --
 6 A. PLC.
 7 Q. Yeah.
 8 What is the company you actually
 9 work for called?
 10 A. I work for -- well, I call it BP; but the
 11 big group is called BP, PLC.
 12 Q. Is that who pays you?
 13 A. My checks come from BP North America. I
 14 am an expat in London.
 15 Q. And would you describe BP North America
 16 as a subsidiary of BP, PLC?
 17 MR. DENNY: Objection, form.
 18 A. I am not sure what the legal description
 19 of that is.
 20 Q. (BY MR. COON) Did most of the personnel
 21 that you worked with at -- here in London work for
 22 BP, PLC?
 23 A. The non-expats work for BP, PLC, as far
 24 as I know.
 25 Q. Do you know why there is a distinction

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1 between who you receive your checks from here
 2 versus people who, I guess, are natural citizens
 3 here?
 4 A. Well, we have -- so we have legal
 5 entities in many countries; and I think being an
 6 expat is just kind of easier to have the paychecks
 7 come from your home company -- country.
 8 Q. Mr. Hoffman, why was Mr. Maclean on the
 9 short list for consideration to replace Mr. Parus?
 10 A. Because he was interested in doing it.
 11 He had a lot of experience with managing large,
 12 complex sites. He managed Grangemouth, which was
 13 also a chemical refinery site. He had kind of
 14 driven a lot of improvements there, was refinery
 15 manager at Whiting as well.
 16 So he had refining experience, had
 17 the ability to manage large integrated sites.
 18 Q. Was it in part that he was a good
 19 troubleshooter in handling crisis circumstances at
 20 refineries?
 21 A. Well, that's -- those are two different
 22 things, I think.
 23 Q. My understanding is that there was a
 24 significant event that occurred at Grangemouth.
 25 A. Yeah.

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1 Q. Three or four years ago?
 2 A. It was -- I believe it was in 2000.
 3 Q. And Mr. Maclean was sent over to the
 4 Grangemouth facility after a series of explosions
 5 ripped through that facility, wasn't he?
 6 A. Was -- there was a fire on a fluid unit,
 7 and there was a steam pipe that -- that ruptured.
 8 Those are the two things that I know of at
 9 Grangemouth.
 10 Q. And somewhere through the system was it
 11 understood that with Mr. Maclean going on in there
 12 after that experience and settling things down that
 13 he was a pretty good troubleshooter?
 14 A. I am not sure I would describe it as
 15 troubleshooting.
 16 He is very good at kind of holding
 17 a vision for the site. He is a powerful,
 18 articulate leader. Part of the -- part of the
 19 issues that we saw in the Mogford report was that,
 20 you know, the site needed a little vision,
 21 understanding, what needed to happen. Colin is
 22 well respected within the group.
 23 Q. Was he already a personal friend of
 24 Mr. Manzoni or Lord Browne before going to
 25 Texas City?

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1 A. I know he knows Lord Browne, and I know
 2 he knows Mr. Manzoni. I don't know if they are
 3 personal friends.
 4 Q. Do you know if they have visited or had
 5 anything to do with one another outside of a pure
 6 business relationship during office hours?
 7 A. No, I don't know that. That seems
 8 unlikely.
 9 Q. Why is that?
 10 A. It -- you know, it's just that he has
 11 been at Grangemouth, Whiting. I don't know where
 12 he would have that opportunity to have that kind of
 13 relationship.
 14 Q. Let's go back to the Telos Report. This
 15 is February of 2005.
 16 Was the first that you had
 17 actually heard of any results coming from that
 18 study at the meeting that you had with Mr. Parus
 19 and Mr. Gower?
 20 A. Yes, that's what I recall.
 21 Q. How did you take the news from that
 22 study?
 23 A. It was -- so it was a broad review. So
 24 we reviewed the 1000 day plan and other things. So
 25 it was part of a broader review.

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1 It was disappointing that the
 2 results from the employees didn't really show all
 3 the effort and investment that we put in. You
 4 know, it was like it was -- it was disconnected.
 5 There were some good things in
 6 there as I recall, too, where people believed that
 7 there was more focus than there had been in the
 8 past on safety. So that was something to build off
 9 from but...
 10 (Discussion off the record.)
 11 MR. COON: Okay. Let's go off the
 12 record then.
 13 THE VIDEOGRAPHER: Okay. We are
 14 going off the video record. The time is 11:25.
 15 (Recess taken.)
 16 THE VIDEOGRAPHER: All right.
 17 We're back on the video record. The time is 11:27.
 18 Q. (BY MR. COON) Mr. Hoffman, did you have
 19 an opportunity to meet with any of the surveyors --
 20 that is, Mr. and Ms. Gioja or Mr. Walker -- as part
 21 of the presentation, either before or after the
 22 meeting with Mr. Parus?
 23 A. Which surveyors are these?
 24 Q. These are the Telos surveyors.
 25 A. No.

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1 Q. What, if any, decisions were made on how
 2 to respond to what was reflected on the Telos
 3 Report?
 4 A. I don't remember the specific responses
 5 that Don was proposing for that.
 6 There were a number of things
 7 going on already at the site that dealt with some
 8 of the issues. There was an auditing that was put
 9 together by Don to do audit for compliance and
 10 control of work and things like that. So there
 11 were a number of things that I knew about already
 12 that were addressing some of the issues.
 13 Q. Any consideration given to shutting down
 14 the plant or some of the units to further address
 15 specific complaints contained in the Telos Report
 16 by the personnel that worked there?
 17 A. I don't remember a discussion about that.
 18 Q. To your knowledge, was there ever any
 19 consideration to shutting down any of the units at
 20 Texas City or the entire plant prior to March 23,
 21 2005?
 22 A. Yeah. We have done a lot of studies
 23 about what the footprint at Texas City needed to
 24 look like to be kind of sustainable -- a
 25 sustainable business; and so we had been discussing

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1 for some time about shutting down one of the CATs,
 2 the fluid units. We discussed shutting down one of
 3 the alkylation plants.
 4 Q. I take it those options were ruled out at
 5 some point?
 6 A. No. They -- they are shut down.
 7 Q. Okay. Maybe I misunderstood then.
 8 Which units were shut down as --
 9 A. A decision to shut down the CAT, the
 10 fluid unit and the alkylation plant have -- has
 11 been taken.
 12 Q. When was that?
 13 A. Well, we had already decided in -- by
 14 February to shut down the CAT; and we were looking
 15 at whether or not we should shut down the
 16 alkylation plant at the time. The decision had
 17 been made then.
 18 Q. Were these based on returns on investment
 19 and market demands or were these based on comments
 20 contained in the Telos Report or both?
 21 A. It wasn't based on comments in the Telos
 22 Report; but it was -- it was based on how much
 23 investment had to go into those sites, trying to
 24 simplify the site, kind of -- kind of a smaller
 25 more manageable footprint, the ability to invest

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1 and sustain in other parts of the equipment.
 2 Q. When were you made aware that there even
 3 was an ISOM unit at the Texas City plant?
 4 A. I am sure I have looked at the
 5 configuration of the Texas City plant.
 6 Q. Had you ever been out to tour that
 7 facility prior to the explosion?
 8 A. I am not sure if I had seen specifically
 9 the ISOM.
 10 Q. How many times would you guess you had
 11 been to Texas City prior to the explosion?
 12 A. Maybe six or seven times.
 13 Q. Were these routine meetings?
 14 A. Yeah.
 15 Q. Was the February visit -- meaning
 16 February of 2005 -- was that part of a routine
 17 meeting or were you coming down specifically to
 18 address some problems identified at Texas City?
 19 A. It was a routine meeting; but it was to
 20 check up on progress, you know, at a high level.
 21 So we had a number of issues at Texas City.
 22 One was what's the long-term
 23 investment program, what's the footprint as I
 24 discussed we had been looking at, what units should
 25 we shut down, what kind of investments we need

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1 going forward. The 1000 day plan. We reviewed
 2 that at that time.
 3 By February, 2005, Pat Gower would
 4 have been the in year performance review. So he
 5 would do that quarterly. So when I would go to a
 6 site, it would be to review kind of longer term
 7 things, issues that they had.
 8 Q. When were you made aware that there had
 9 been three other fatalities in 2004?
 10 A. I knew about it when the fatalities
 11 occurred.
 12 Q. How is it that you are informed of
 13 fatalities occurring at the various plants?
 14 A. There is a -- there is a major incident
 15 announcement that goes throughout BP in the segment
 16 and to the group if there is a fatality.
 17 Q. Are you apprised or informed of any off
 18 site injuries or fatalities as well, those that
 19 occur somewhere off the premises themselves?
 20 MR. DENNY: Objection, form.
 21 A. So if -- so generally -- so if it -- say
 22 in lubes, if they have a fatality that's a road --
 23 a road fatality, then that gets reported as well.
 24 Q. (BY MR. COON) For instance, in Whiting I
 25 think there was an explosion a few years ago where

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1 some debris went into a neighborhood and killed a
 2 little boy sleeping in his bed.
 3 Would that be the type of thing
 4 you would be informed of as well?
 5 A. Absolutely.
 6 I wasn't aware of that.
 7 Q. I take it you have a fundamental
 8 understanding of the differences between blowdown
 9 drums and flares, do you not, sir?
 10 A. Yes.
 11 Q. When was it you were made aware that
 12 blowdown drums were still being utilized at the
 13 Texas City facility?
 14 A. After the incident.
 15 Q. Do you know if any comprehensive studies
 16 had been undertaken by BP to ascertain where
 17 blowdown drums were still being utilized within
 18 their system prior to the explosion?
 19 A. No, I am not aware of any.
 20 Q. Do you know if there had been any
 21 consideration by BP to replace or remove any of the
 22 blowdown drums prior to March 23rd, 2005?
 23 A. I am not aware of that.
 24 Q. Were you aware of what's called Process
 25 Safety Standard Number 6 that was in effect at BP

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1 Texas City back to the old Amoco heritage days?
 2 A. Which one is that?
 3 Q. That's the one dealing with removal or
 4 replacement of blowdown drums?
 5 A. No. I didn't know about that prior to
 6 the incident.
 7 Q. When were you first made aware that there
 8 was Process Safety Standard Number 6 that went back
 9 to the Seventies at the old Amoco heritage?
 10 A. The process safety standards that we have
 11 were unit specific. So I didn't know about the
 12 heritage ones, other than the ones that we had
 13 approved.
 14 Q. Were you ever involved in approving any
 15 phasing out or replacement of blowdown drums prior
 16 to the explosion?
 17 A. No.
 18 Q. Had that ever been something that was
 19 considered at BP?
 20 A. Not that I am aware of.
 21 Q. When were you made aware of the history
 22 associated with the ISOM unit at Texas City; that
 23 is, when it was built, why it was built, what was
 24 there before it?
 25 A. After the incident.

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1 Q. What were you told or informed as it
 2 related to the history of the ISOM unit after the
 3 explosion?
 4 A. That there was -- it was -- as I recall,
 5 it was an ISOM unit. It had modified some
 6 equipment from another unit when it was built. I
 7 don't recall what the year was that it was built.
 8 Q. Were you made aware at some point that
 9 the ISOM unit utilized the pre-existing open
 10 containment system being an F-20 blowdown drum in
 11 lieu of a flare when it was built in the Eighties?
 12 A. After the incident.
 13 Q. Were you made aware that the blowdown
 14 drum that was used there had been something
 15 designed back in the 1950s?
 16 A. After the incident.
 17 Q. Would you agree it was sound from a
 18 technology standpoint in the 1980s to utilize a
 19 flare instead of a blowdown drum in new
 20 construction?
 21 A. I don't believe that new construction
 22 would have blowdown drums.
 23 Q. And why is that?
 24 A. You know, standards evolve.
 25 Q. What do you mean by that?

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1 A. I mean -- well, part of what we do, part
 2 of process safety is that, you know, you continue
 3 to make improvements. The blowdown system, what we
 4 found after the fact, is that the blowdown was a
 5 standard that Amoco had used. You don't really see
 6 that outside of the Amoco refineries.
 7 Q. In fact, you are aware that Amoco had
 8 routinely utilized flares in new construction going
 9 back to the Sixties or Seventies?
 10 A. I didn't know when they started using
 11 flares, but certainly I am not aware of refineries
 12 that are built without flares.
 13 Q. That is because as Lord Browne's
 14 investigator -- was it Mr. Mogford -- acknowledged
 15 in the fatal report, that flares are inherently
 16 safer than blowdown drums in the petrochemical
 17 sector, are they not?
 18 A. Yes.
 19 Q. And it doesn't take a rocket scientist to
 20 know that, does it?
 21 MR. DENNY: Objection, form.
 22 A. I don't think so.
 23 Q. (BY MR. COON) And that's because process
 24 safety management, as it relates to refineries,
 25 means keeping the hydrocarbons contained within the

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1 system?
 2 A. That's part of what it means.
 3 Q. And when you have escapes of hydrocarbons
 4 from the systems in refineries and chemical plants,
 5 it poses risk to personnel as well as risk to the
 6 environment, does it not?
 7 A. Yes.
 8 Q. And, in fact, the history of fires that
 9 have occurred out at Texas City had primarily been
 10 associated with escapes of hydrocarbons in various
 11 systems and piping there over years, correct?
 12 A. As far as I know, that's true. I don't
 13 think it was wood fires or something like that.
 14 Q. And so that we all understand, a blowdown
 15 drum utilizes what's called an open containment
 16 system where any overpressures within the unit
 17 vents to the atmosphere instead of being burned off
 18 by a flare?
 19 A. So it's a -- it's a -- it's open
 20 containment. It has a drum before the blowdown to
 21 remove liquids and then vapors are released.
 22 Q. Did you have any understanding as to why
 23 when the ISOM unit was built in 1984 they tied it
 24 in to an antiquated blowdown drum?
 25 A. No, I don't.

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1 Q. Do you have an understanding it was to
 2 circumvent environmental regulations that were in
 3 play with the EPA at the time?
 4 MR. DENNY: Objection, form.
 5 A. No.
 6 Q. (BY MR. COON) Was that ever rumored to
 7 be one of the reasons or the primary reason that an
 8 F-20 blowdown drum would have been utilized in the
 9 construction of the ISOM unit in 1984?
 10 A. I have never heard that before today.
 11 Q. Were you ever made aware of the history
 12 of prior vapor clouds emanating from the blowdown
 13 drum at the ISOM unit?
 14 A. I have read the Mogford report which
 15 details the history.
 16 Q. That report reflected a history of
 17 several prior occurrences in which vapor clouds
 18 emanated from that blowdown drum, did it not?
 19 A. Yes, vapors.
 20 Q. Are you aware that testimony has been
 21 developed in this case that there were prior liquid
 22 overflows at that F-20 as well?
 23 A. I am not aware of prior testimony.
 24 Q. And sitting here today, you have never
 25 been made aware that there has been testimony

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1 elicited in this case that there had been liquid
 2 overfills of the ISOM unit prior to March 23rd,
 3 2005?
 4 A. I have read the Mogford record. So I
 5 know the information that's in that.
 6 Q. You have not been provided with any
 7 updated information regarding testimony or
 8 discovery in this case that would establish that
 9 there had been liquid overfills at that ISOM unit
 10 prior to March 23rd, 2005?
 11 A. No.
 12 Q. Were you ever made aware that there had
 13 been fires as a result of vapor cloud emissions
 14 from a blowdown drum prior to March 23, 2005?
 15 A. So other than the information in the
 16 Mogford report, that's what I know about the prior
 17 history of the ISOM.
 18 Q. Do you know whether or not the Mogford
 19 report reflects a history -- a documented history
 20 of an F-20 catching on fire in 2000 for at least a
 21 period of 24 hours?
 22 A. Catching on fire for 24 hours?
 23 Q. Yes, sir.
 24 A. No.
 25 Q. Are you aware of the history of liquid

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1 overfills at any of the other units at Texas City
 2 prior to March 23, 2005?
 3 A. No.
 4 Q. Were you made aware of an OSHA citation
 5 in 1992 emanating from a vapor cloud from another
 6 system at Texas City in 1991?
 7 A. No.
 8 Q. So that is the first you have heard of a
 9 1991 vapor cloud emission resulting in a citation
 10 by OSHA?
 11 A. Yes.
 12 Q. So it's news to you today that as a
 13 result of that citation OSHA made a recommendation
 14 to the BP Texas City facility to take that open
 15 containment system and run it to a flare?
 16 A. Yes, that's news.
 17 I mean, that doesn't change what
 18 we are doing there, but that is -- that is -- we
 19 are removing the blowdowns at Texas City.
 20 Q. And that's something that could have and
 21 should have been done since they recognized the
 22 problems associated with blowdown drums in new
 23 construction in 1977?
 24 MR. DENNY: Objection, form.
 25 Q. (BY MR. COON) Correct?

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1 A. I don't know what -- what you mean by
 2 "recognize the problems."
 3 I don't believe that anybody
 4 envisioned something like this happening as they
 5 made decisions on this.
 6 Q. You said nobody recognized or envisioned.
 7 Are you saying that nobody -- what
 8 do you mean by that? You said "nobody envisioned
 9 something like this."
 10 A. What I mean is that a lot of these
 11 refineries of Texas City is like this as well are,
 12 you know, quite old, that have been updated over
 13 time and what -- what hasn't been done is bring all
 14 current equipment up to whatever current standard
 15 is.
 16 So I don't know the decisions
 17 about where investment was done specifically to
 18 reduce risk, but that's one of the things that we
 19 do.
 20 Q. Well, were you aware of the Clean Streams
 21 project in 2002, 2003?
 22 A. I think that was a project to remove
 23 benzene from wastewater.
 24 Q. Did you know anything about the
 25 consultants that were retained there recommending

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1 that the blowdown drum be removed and replaced with
 2 a flare as part of that construction project?
 3 A. No. No, I wouldn't have known that.
 4 Q. Is that news to you today?
 5 A. I knew that there was discussion after
 6 the incident about removal because I read the
 7 Mogford report, but -- but my role in that was I
 8 knew that they had an issue with benzene and that
 9 they proposed a project in order to remove the
 10 benzene and that was approved.
 11 Q. Did you know that Mr. Hale killed the
 12 project to tie the ISOM unit into a flare as a
 13 result of budgetary constraints?
 14 MR. DENNY: Objection, form.
 15 A. No, I didn't.
 16 Q. (BY MR. COON) Where would those budget
 17 constraints have come from?
 18 Mr. Hale testified that he was
 19 being pressured not to spend the money that had
 20 been earmarked or computed to complete the Clean
 21 Streams project and run the ISOM to a flare.
 22 MR. DENNY: Objection, form.
 23 A. I don't know where that would have
 24 come -- I knew that the -- in the years that I have
 25 been in this job, we have increased the budget for

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1 Texas City and other refineries significantly. And
 2 those -- those kind of -- if that was a safety
 3 issue, that would have been one of the priority
 4 things to spend on.
 5 MR. COON: Object to
 6 nonresponsive.
 7 Q. (BY MR. COON) If Mr. Hale said that he
 8 was pressured by London not to spend any more money
 9 on a particular project, who would have been the
 10 persons here in London overseeing those types of
 11 operations to have pressured him not to spend the
 12 money?
 13 MR. DENNY: Objection, form.
 14 A. Well, in your -- so each site proposes a
 15 plan. On capital, there is three different tiers
 16 of capital that we do. One is called license to
 17 operate, which is safety, compliance and other
 18 things; the second is called sustaining because we
 19 want the refineries to long term be sustainable,
 20 powerful businesses; and the third tier is
 21 commercial. And so the site gets a capital budget
 22 allocated.
 23 If they don't have enough money,
 24 then you start removing the commercial; and that's
 25 the site's accountability. So I don't -- you know,

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1 they would have had a capital budget. I don't know
 2 what the circumstance around Rick's decisions on
 3 that were.
 4 Q. (BY MR. COON) Well, did you know that a
 5 lot of the budgets associated with the Clean
 6 Streams project were not earmarked and in the
 7 budget, that they had not been budgeted items?
 8 A. No.
 9 Q. Did you know that the EPA threatened BP
 10 Texas City with closure if they did not obtain
 11 immediate compliance with environmental violations
 12 that were existing at the facility at that time?
 13 MR. DENNY: Objection, form.
 14 A. I knew that there was an issue with
 15 benzene that needed to be addressed and that there
 16 was a project that was put together.
 17 Q. (BY MR. COON) And the benzene issue was
 18 one that was resulting from the excess emissions of
 19 benzene at that facility in violation of existing
 20 regulations, correct?
 21 A. Yes.
 22 Q. And you were aware that EPA was holding
 23 over BP's head a number of threats, one of which
 24 was closure of the facility if they did not
 25 immediately complete the things necessary to get

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1 them back into compliance with respect to toxic
 2 emissions from that plant?
 3 MR. DENNY: Objection, form.
 4 A. I didn't know about -- I knew that we
 5 were negotiating and discussing with EPA what we
 6 were going to do about the issue. We self-reported
 7 this.
 8 Q. (BY MR. COON) I am sorry.
 9 Are you saying that Texas City
 10 turned itself in to the EPA?
 11 A. They found the benzene, that was not what
 12 they expected, informed the EPA of that and then we
 13 began the mitigation of that.
 14 Q. Do you know whether BP, in making the
 15 decision with respect to this Clean Streams project
 16 and the reporting, was concerned about criminal
 17 charges being filed against some of their
 18 management associated to these illegal releases?
 19 MR. DENNY: Objection, form.
 20 A. I didn't hear anything about that.
 21 Q. (BY MR. COON) Were you involved in the
 22 decision-making process with respect to the
 23 retention of any outside counsel for any of the
 24 personnel employed by BP as part of any ongoing
 25 investigations associated to this explosion?

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1 A. No.
 2 Q. Do you understand certain individuals
 3 have retained individual counsel as a result of
 4 inquiries associated to this explosion?
 5 A. The only one that I know of that has
 6 personal counsel is Don Parus, but I wouldn't know
 7 that for -- for others.
 8 Q. Do you know why Mr. Parus would have
 9 obtained his own counsel?
 10 MR. DENNY: Objection, form.
 11 A. No. I don't know what his thinking on
 12 that is.
 13 Q. (BY MR. COON) Did he have to obtain
 14 approval or consent from anyone at BP to obtain his
 15 own counsel?
 16 MR. DENNY: Objection, form.
 17 A. I don't know. It didn't go through me.
 18 I just know that he had -- has counsel.
 19 Q. (BY MR. COON) Do you know if BP is
 20 paying for his personal counsel?
 21 A. No, I don't know.
 22 Q. Did you participate in any of the
 23 investigations associated with this explosion?
 24 A. No.
 25 Q. Did you provide any statements to anyone

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1 as a result of this explosion?
 2 A. I am not sure what you mean by "provide
 3 statements."
 4 Q. Did you give anyone a statement? Have
 5 you sat down with anyone and given a written
 6 statement that you signed --
 7 A. No.
 8 Q. -- or a statement that a court reporter
 9 has taken, such as the one we have here today?
 10 A. No, I haven't.
 11 Q. Have you talked to any of the
 12 investigative agencies?
 13 A. Yes, I have.
 14 Q. Which ones?
 15 A. CSB.
 16 Q. When?
 17 A. Probably three months ago.
 18 Q. Do you recall the person you talked to?
 19 A. No, I don't remember the name.
 20 Q. Can you elaborate on the circumstances,
 21 phone interview, personal interview?
 22 A. Phone interview.
 23 Q. Anyone else in attendance on this
 24 conference?
 25 A. There was a BP representative lawyer as

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1 well. I don't remember who that was either.
 2 Q. Okay. The CSB, we are talking about the
 3 Chemical Safety and Hazard Board?
 4 A. Yes.
 5 Q. What was it they were asking you?
 6 A. Well, they are doing an investigation as
 7 well. They asked me some about the Mogford report.
 8 They asked me about performance contracts. They
 9 asked me about the process safety audits, how that
 10 worked within BP.
 11 Q. Did they ask you about any of the prior
 12 audits that had been done out there, the Veba
 13 audit?
 14 A. I don't believe they asked me about the
 15 Veba audit.
 16 Q. The Telos study?
 17 A. No, I don't believe they asked me about
 18 that.
 19 Q. Mr. Hoffman, speaking of the Telos study
 20 again, do you recall in the summary of that report
 21 the identification of the things that the personnel
 22 at BP Texas City felt were prioritized in the
 23 operation of that facility?
 24 A. Were priorities?
 25 Q. Yes, sir.

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1 A. I have seen that since the incident.
 2 Q. That being that the survey participants
 3 ranked profits Number 1 --
 4 A. That was their perception.
 5 Q. -- at BP?
 6 Do you recall what they ranked
 7 last at Texas City?
 8 A. Maybe you can help.
 9 Q. It was people, wasn't it, sir?
 10 A. It could have been. I don't remember the
 11 exact ranking.
 12 Q. Would it be of concern to you that the
 13 majority of the personnel at that facility
 14 responded to a survey and that the overwhelming
 15 response to the survey was that BP Texas City put
 16 profits very first and people very last?
 17 MR. DENNY: Objection, form.
 18 A. Well, I think that's a real issue. I
 19 talked about this earlier. I mean, one of the
 20 things that we were doing was investing a lot more
 21 in the site, improving the site; and it didn't seem
 22 to be recognized.
 23 Although when I would go to
 24 Texas City and talk to people, they would say, yes,
 25 things are getting better. I think actually the

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1 Telos Report did comment that people felt like
 2 there was more safety focus than there had been in
 3 the past.
 4 MR. COON: Object to the
 5 responsiveness.
 6 Q. (BY MR. COON) Mr. Hoffman, my question
 7 of you, sir, was: Did it concern you that the
 8 personnel responding to the survey felt that
 9 BP Texas City put profits first --
 10 A. Yes.
 11 Q. -- and people last?
 12 A. That concerns me.
 13 Q. Were you ever made privy to any of the
 14 individual interview statements that were obtained
 15 as part of the Telos study?
 16 A. No.
 17 Q. Did you have an understanding as to how
 18 it was that the Telos Group obtained the
 19 information that was utilized in the survey?
 20 A. Well, after the -- after the ISOM
 21 tragedy, I know more about the Telos survey, that
 22 there was interviews done of quite a number of
 23 people at Texas City.
 24 Q. So you had over a thousand people respond
 25 by anonymous surveys, and then you had a hundred or

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1 so people that actually met face-to-face with
 2 representatives of Telos and provided one-on-one
 3 interviews?
 4 A. Correct.
 5 Q. You were made aware of that at some
 6 point?
 7 A. Yes.
 8 Q. Were you provided with any of the
 9 information that was given to Telos by any of the
 10 interviewees?
 11 A. No. That was confidential.
 12 Q. Well, it was supposed to be confidential,
 13 wasn't it?
 14 A. Yes.
 15 Q. As a matter of fact, part of the
 16 agreement reached with the personnel that gave
 17 their statements was an assurance that none of them
 18 would ever be identified at BP with respect to who
 19 they were or what they said. They just wanted the
 20 information.
 21 A. I knew it was confidential.
 22 Q. Did you have anything to do with the
 23 request that Telos divulge those confidences after
 24 this explosion?
 25 A. No.

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1 Q. Do you know who did?
 2 A. It must have been legal.
 3 Q. Were you ever provided with any
 4 information that indicated anything specific that
 5 any of the interviewees said?
 6 A. I have been read some of the quotes.
 7 Q. Read some of the quotes given by the
 8 interviewees or the surveyors?
 9 A. The interviewees.
 10 Q. When was it and why was it that you were
 11 read specific quotes from specific persons that
 12 gave interviews?
 13 A. It was part of preparation for this.
 14 Q. Have you seen any of the interview forms
 15 that --
 16 A. No, I haven't.
 17 Q. But you now have an understanding as to
 18 what some of the interviewees may have specifically
 19 said in their interviews?
 20 A. Very limited.
 21 Q. You were not asked to participate in the
 22 Telos survey, were you, sir?
 23 A. No.
 24 Q. Were you made aware that other people
 25 here in London were asked to participate in the

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1 survey?
 2 A. No.
 3 MR. DENNY: Objection, form.
 4 Q. (BY MR. COON) Do you know Mr. Kaufman?
 5 A. I know who Mr. Kaufman is.
 6 Paul Kaufman?
 7 Q. Yes, sir.
 8 A. Yes, I know him.
 9 Q. Doesn't he work here in London?
 10 A. Yes, he does.
 11 Q. Are you aware if Mr. Kaufman provided a
 12 statement?
 13 A. No, I wasn't.
 14 Q. Did you know that Mr. Gower was asked to
 15 provide a statement?
 16 A. No, I didn't.
 17 Q. In the meetings that you had prior to the
 18 explosion of March 23rd, were you made aware of any
 19 specific statements that any person gave in their
 20 Telos statement?
 21 A. No. The meeting that I had with Don was
 22 the first time in February, the first time I had
 23 seen it. It was a high level summary.
 24 Q. Okay. Did you know Bill Ralph at Texas
 25 City?

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1 A. I know who he is.
 2 Q. Who is he?
 3 A. He is a PSM expert.
 4 Q. How many -- strike that.
 5 Who was the most knowledgeable
 6 person regarding PSM at Texas City prior to the
 7 explosion?
 8 A. The technical details of PSM would have
 9 been Bill Ralph.
 10 Q. Did you ever inquire as to why Mr. Ralph
 11 was not given a position in the leadership team in
 12 light of his knowledge of PSM and the importance of
 13 PSM in running a refinery?
 14 A. He was part of the safety -- safety
 15 department.
 16 No, I didn't inquire of that.
 17 Q. Did you ever inquire of Mr. Parus why he
 18 did not have anyone on his leadership team with
 19 that level of knowledge?
 20 A. No.
 21 Q. Does it concern you that Mr. Parus
 22 surrounded himself with people who had lesser
 23 knowledge and understanding of process safety
 24 management?
 25 MR. DENNY: Objection, form.

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1 A. The -- so there was a safety,
 2 environmental and health manager that reported to
 3 Mr. Parus that had people with the deep technical
 4 knowledge reporting to them.
 5 Q. (BY MR. COON) Is that Mr. Barnes?
 6 A. Yes, it was.
 7 Q. He was head of HSSE at Texas City at the
 8 time?
 9 A. Yes.
 10 Q. What's your understanding as to what
 11 Mr. Barnes knew about process safety management as
 12 head of HSSE at Texas City?
 13 A. So Mr. Barnes had a very long and deep
 14 operating background; and in order to operate, you
 15 have to have the knowledge of process safety.
 16 So he would know how process
 17 safety fits into a refinery, the importance of
 18 process safety; and he would have the technical
 19 staff to help him on the technical details of it.
 20 Q. How much formal training had Mr. Barnes
 21 received in process safety management?
 22 A. I don't know.
 23 Q. If he says he didn't have any, would you
 24 defer to his testimony?
 25 A. It depends on what the context of that

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1 is, I guess.
 2 Q. Well, if Mr. Barnes testified he had no
 3 formal training in process safety management, would
 4 you agree or disagree?
 5 A. Well, if he says that, then I would have
 6 to agree with it.
 7 Q. Do you know the difference between
 8 process safety and occupational safety?
 9 A. Yes.
 10 Q. That's kind of a 101 of understanding
 11 safety practices in a refinery, is to know the
 12 difference between occupational safety issues and
 13 process safety management issues, agreed?
 14 A. Well, they are interrelated as well.
 15 Q. You would agree that steel-toed shoes are
 16 not part of process safety management, wouldn't
 17 you, sir?
 18 A. Yes.
 19 Q. You would agree that utilization of
 20 safety glasses is not part of process safety
 21 management?
 22 A. Yes. But control of work, for example,
 23 would be one where it would overlap.
 24 Q. Sure.
 25 Process safety has to do with the

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1 equipment and infrastructure as distinguished from
 2 occupational safety, which has to do with
 3 protective equipment and personal safety, right?
 4 A. I don't think it's that black and white.
 5 As I mentioned, control of work, for example.
 6 So control of work is intended to
 7 make sure that we don't have loss of containment
 8 and make sure that the people working on the
 9 project are protected.
 10 Q. Okay. You would expect the director of
 11 HSSE at your largest refinery to know the
 12 difference between process safety management and
 13 occupational safety, though, wouldn't you, sir?
 14 A. I would think he would know about aspects
 15 of both of those, yes.
 16 Q. Do you know Bill Ralph testified that Don
 17 Parus didn't take process safety management
 18 serious?
 19 A. No, I didn't.
 20 Q. Would that concern you?
 21 A. Yes.
 22 Q. If your plant manager or BUL wasn't
 23 taking process safety management serious, would you
 24 want to know about it?
 25 A. Yes.

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1 Q. How would you find out?
 2 A. Bill Ralph could tell me; but we also
 3 find out by tracking how we are doing against the
 4 process safety management standards, what are you
 5 doing about closing out action items, safety -- and
 6 process safety is one of the discussions that we
 7 have with every refinery manager.
 8 Q. Did you ever see Mr. Parus' business plan
 9 for 2005?
 10 A. Yes.
 11 Q. Do you recall that it said that unless
 12 things change at Texas City there would be another
 13 fatality within a year?
 14 MR. DENNY: Objection, form.
 15 A. That may be a different plan. So what --
 16 the business plan that I would have seen would be
 17 what are the programs that you have that you are
 18 going to put in place, what funding requirements do
 19 you have, what kind of profitability do you think
 20 you are going to have, what are your safety
 21 metrics, what are the targets.
 22 That would be the business plan
 23 that I would see.
 24 Q. (BY MR. COON) Okay. Did you ever see
 25 the business plan that he presented to his

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1 leadership team in early 2005?
 2 A. No.
 3 Q. Were you aware that he made a business
 4 plan presentation to his leadership team that said
 5 unless they changed things for the better that they
 6 would have another fatality that year?
 7 A. No.
 8 Q. It's not a good way to go into a year
 9 with a new business plan, is it?
 10 A. I am not sure what he was intending to do
 11 with that; but if it was to have a stronger focus
 12 on safety, it may have been intending that.
 13 Q. You would agree that one fatality at a
 14 plant is one too many, wouldn't you, sir?
 15 A. Absolutely.
 16 Q. And BP Texas City you had had two dozen
 17 in the prior 20 or 30 years.
 18 Are you aware of that?
 19 A. Yes.
 20 Q. That's pretty unacceptable, isn't it?
 21 A. Yes, it is.
 22 MR. COON: Let's take our lunch
 23 break here.
 24 MR. DENNY: Break for lunch.
 25 THE VIDEOGRAPHER: Okay. We are

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1 going off the video record. This is the end of
 2 Videotape 2. The time is 12:01.
 3 (Lunch recess taken.)
 4 THE VIDEOGRAPHER: All right. We
 5 are back on the video record. The time is 1:02.
 6 This is the beginning of Videotape 3.
 7 Q. (BY MR. COON) Mr. Hoffman, could you
 8 tell the ladies and gentlemen of the jury when it
 9 was and how it was that you were made aware of the
 10 explosion?
 11 A. I was -- I was actually on vacation in
 12 Florida and I got a call from Pat Gower telling me
 13 that there had been an explosion at Texas City.
 14 Q. When was this?
 15 A. It was the night of the -- it was the
 16 afternoon of the explosion, the same day.
 17 Q. What did you do in response?
 18 A. Well, he didn't have very much detail.
 19 So, you know, I asked him, "Do you know more about
 20 this?"
 21 And he called me a little later
 22 and gave me some more detail about, you know, that
 23 there were fatalities and injuries. So at that
 24 time we started to coordinate across the group and
 25 so I arranged to get transportation to Texas and

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1 flew out and got there at 2:00 in the morning.
 2 Q. So you would have arrived in Texas City
 3 on the 24th?
 4 A. Yeah.
 5 Q. Can you walk me through that day, please,
 6 sir?
 7 A. So I -- you know, I checked into a hotel.
 8 I think I got picked up and taken to the site
 9 probably something like 6:00 a.m.
 10 I went to the command center
 11 first. So it was the -- in any kind of major
 12 incidents, there is an incident command center set
 13 up.
 14 Pat Gower was there with me as
 15 well. So we tried to really assess what was going
 16 on, how the incident was being managed.
 17 Q. And what would you describe the state of
 18 affairs on the 24th at Texas City?
 19 A. So the incident seemed to be -- the
 20 emergency part of it seemed to be well handled.
 21 People were kind of very -- very shook up by the
 22 whole thing. They had been at work for a long
 23 time.
 24 So we tried to make sure that we
 25 started to put in place a rolling incident command

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1 where people had time off so we could keep that
 2 going.
 3 We were trying to -- Pat Gower
 4 started to look at, you know, how do we secure the
 5 site so we can do the incident investigation; but
 6 it was just -- it was very emotional -- emotional
 7 kind of thing. People were very shook up.
 8 Q. How long did you stay in Texas City?
 9 A. I stayed that day, over that night.
 10 Q. Where did you go from there?
 11 A. I went back to Florida and then flew to
 12 London.
 13 Q. Did you have any continuing role after
 14 returning to London?
 15 A. So Pat Gower stayed at the site and so --
 16 and I worked with Pat to make sure that we had the
 17 right resources to support the site.
 18 And we began -- shortly after
 19 that -- I don't remember when that was -- John
 20 Mogford was appointed to do an incident
 21 investigation. So we made sure that he was
 22 supported properly.
 23 We set up Pat on the site, but we
 24 discussed who was going to handle the various
 25 agencies and how were we going to give the right

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1 kind of support to the agencies that were coming
 2 in.
 3 Q. Do you have an understanding that OSHA
 4 was coming out?
 5 A. OSHA was there. EPA was there. CSB
 6 showed up right away. So there was -- there were
 7 lots of different agencies.
 8 Q. I understand Lord Browne came out on the
 9 24th as well.
 10 A. Yes, he was there.
 11 Q. Did you have an opportunity to meet with
 12 him?
 13 A. Yes.
 14 Q. What was discussed?
 15 A. It wasn't a discussion with me so much.
 16 I mean, he was there to see what happened, to talk
 17 to people. We went out and talked to quite a few
 18 people on the site, Lord Browne and I.
 19 I met John. John Manzoni was
 20 there, Pat Gower. Then he met with the mayor and
 21 did a press conference.
 22 Q. Okay. So Mr. Manzoni was there as well?
 23 A. Yes.
 24 Q. Who made the decision for Mr. Manzoni to
 25 come as well?

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1 A. I don't know.
 2 Q. Do you think that's something Lord Browne
 3 requested?
 4 A. I don't know.
 5 Q. Is it standard procedure for Lord Browne
 6 or Mr. Manzoni to come to an accident scene?
 7 A. I don't think there is a standard
 8 procedure for something that is as tragic as this.
 9 This was a very big deal.
 10 So I would -- you know, for a
 11 typical accident, it wouldn't be standard
 12 procedure; but this was way beyond anything we had
 13 ever seen.
 14 Q. What role did Mr. Manzoni retain other
 15 than coming out and participating in the oversight
 16 on the 24th?
 17 A. On that date?
 18 MR. DENNY: Objection, form.
 19 Q. (BY MR. COON) Did he have any other role
 20 in the follow-up investigation or oversight of the
 21 investigation?
 22 A. No.
 23 Q. What were his activities on the 24th?
 24 A. The same thing, talked to people. It was
 25 mainly about supporting the site, making sure the

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1 right resources were in place. I mean, that was
 2 what Pat Gower and I were doing.
 3 John Browne and John Manzoni did a
 4 lot of just personal discussion with people, talked
 5 to the responders, kind of tried to figure out what
 6 the group response was going to be.
 7 Q. What was your understanding as to what
 8 had happened?
 9 A. Well, when I went to the site, it was
 10 obvious -- although I didn't have the data -- that
 11 the tower had been overfilled.
 12 Q. What was that based on?
 13 A. Just my experience as -- as a refiner.
 14 Q. Did you go over to the explosion scene?
 15 A. Yes.
 16 Q. You could just tell from observation,
 17 nature of the explosion, impact area that --
 18 A. Not so much the nature of the explosion
 19 but what would have had to have happened.
 20 What -- since I knew they were in
 21 the startup activity, in order to get the relief
 22 valves to release that kind of material, then the
 23 tower had to be overfilled, I thought. I mean,
 24 that obviously had to be investigated to determine
 25 exactly what happened.

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1 Q. Were you made aware of the general number
 2 of fatalities that had occurred by the 24th?
 3 A. Yes.
 4 Q. You understood most of those fatalities
 5 occurred in trailers located adjacent to the ISOM
 6 unit?
 7 A. Yes.
 8 Q. Did you inquire as to why those trailers
 9 were located there in the first place?
 10 A. No.
 11 Q. Did it cross --
 12 A. I don't remember. I mean, it was -- it
 13 was clear that the trailers shouldn't have been
 14 there.
 15 Q. Did you make an effort that day to say,
 16 "Why in the hell do you have trailers this close to
 17 a unit?"
 18 A. Well, there was an incident investigation
 19 going on. So that was clearly one of the things
 20 that would be looked at.
 21 Q. Was that something that was even
 22 discussed on the 24th?
 23 A. We had discussion about the trailers.
 24 Q. What were the discussions that were had
 25 about the trailers on the 24th?

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1 A. That's where the fatalities were, that
 2 there was an explosion. You know, we went to the
 3 scene and saw that.
 4 So it was clear that the
 5 consequence of the overfill was severe because of
 6 the trailer siting.
 7 Q. Well, you knew from going out there and
 8 looking at the scene and having an understanding as
 9 to where the trailers were located that they should
 10 not have been there in the first place?
 11 A. Yes.
 12 Q. And in light of your role and
 13 responsibilities at BP, did you inquire of anyone
 14 responsible at that jobsite as to why they had
 15 allowed that to happen in the first place?
 16 A. That's part of the incident
 17 investigation.
 18 Q. Did you inquire about any of those
 19 matters on the 24th?
 20 A. No.
 21 Q. To your knowledge, were any of the
 22 persons that came out from London -- Mr. Mogford,
 23 Mr. Manzoni or Lord Browne -- asking anyone why
 24 those trailers were located so close to the ISOM
 25 unit?

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1 A. I think that question came up; but, you
 2 know, when an incident investigation is started,
 3 then the incident investigation needs to ask those
 4 questions so you can get, you know, kind of real --
 5 real data, you know, what really happened, why was
 6 that done that way.
 7 Q. To your knowledge, there was no
 8 preliminary inquiry the date that everybody was out
 9 there -- that being the 24th -- as to why were
 10 trailers located so close to a unit?
 11 A. I think that question was asked, but
 12 there is -- there is no way to go into finding that
 13 out. That was part of the incident investigation.
 14 Q. What else were the topics of discussion
 15 that day?
 16 A. BP response to that; what kind of support
 17 does the site -- fatigue; you know, who is
 18 operating the site; what other people do we need to
 19 bring in; what people would need to be brought in
 20 to do the incident investigation.
 21 John Mogford wasn't there at that
 22 time. So we had begun to set up the -- you know,
 23 secure the scene. Pat Gower started to arrange
 24 interviews.
 25 Q. Why was fatigue a topic of discussion on

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1 the 24th?
 2 A. It was a topic Pat and I talked about
 3 because we had the incident command set up and the
 4 people that we saw there had been there since the
 5 incident. So we had to figure out how to send some
 6 people home and continue to run incident command so
 7 we could have a shift change.
 8 Q. So you are talking about fatigue
 9 associated with the emergency response team?
 10 A. Yes.
 11 Q. Not as to the personnel that may have
 12 been involved in operating the unit at the time of
 13 the explosion?
 14 A. Right.
 15 Q. Are you aware that fatigue became an
 16 issue as part of the investigation as it related to
 17 the persons operating the units?
 18 A. I have read the Mogford report.
 19 Q. What is it that you understand may be
 20 relevant to these proceedings as regards to fatigue
 21 and the employees that were working that day?
 22 A. That the employees had worked a number of
 23 days in a row.
 24 Q. How many?
 25 A. I don't remember the exact days.

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1 Q. Do you know that the people on that unit
 2 had worked there for more than a month straight?
 3 A. It could be.
 4 Q. Is it your recollection it may have been
 5 40 days or more?
 6 A. I don't remember the date.
 7 Q. Do you recall that they were working
 8 minimum of 12-hour shifts?
 9 A. Texas City is on 12-hour shifts.
 10 Q. Is that a "yes"?
 11 A. Yes.
 12 Q. In your position and in your many years
 13 of experience, would you recommend working your
 14 employees that many days in a row that many hours
 15 per day?
 16 A. No.
 17 Q. And why is that?
 18 A. Because I think people need a rest. They
 19 need to get away.
 20 In turnaround and maintenance
 21 periods, it's not -- lots of times if you don't
 22 manage this properly, people will work many days in
 23 a row.
 24 Q. You understand people that work too many
 25 hours, too many days, they just don't think as well

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1 as they would otherwise and they make -- they are
 2 more prone to making mistakes that are avoidable?
 3 A. That could be.
 4 I mean, I think generally working
 5 people many, many days in a row is not a good idea.
 6 Q. And, in fact, at the time of this
 7 explosion, BP had rules and regulations dealing
 8 with maximum amount -- maximum hours of work as it
 9 related to certain occupations within the BP
 10 infrastructure, correct?
 11 A. I am not sure which rules you are talking
 12 about.
 13 Q. Were there any rules that you were aware
 14 of that limited the number of hours any personnel
 15 could work at the time of this explosion?
 16 A. There were no rules that I know of in
 17 Texas City.
 18 Q. Are you aware of any rules that existed
 19 at the time of the explosion involving maximum
 20 hours of work for any employees in the BP system?
 21 A. There is -- so there is federal rules in
 22 the -- in the UK about the number of hours people
 23 can work.
 24 Q. What are the hours in the UK?
 25 A. I don't remember what the detail was, but

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1 it's specific. It's over time a number of days in
 2 a row.
 3 Q. I take it that the UK -- that's the
 4 United Kingdom --
 5 A. Yes.
 6 Q. -- including England?
 7 A. Yes.
 8 Q. There are regulations whereby the
 9 Government has set specific limits on the amount of
 10 hours individuals can work?
 11 A. Yes.
 12 Q. Does that apply in all sectors or in the
 13 refining sector?
 14 A. All sectors.
 15 Q. I take it that these rules, while you
 16 don't know the details of them, do not allow
 17 employers to work employees 40 days in a row,
 18 12-hour shifts or longer?
 19 A. Right.
 20 Q. So if the same set of facts were to have
 21 applied at a facility here in the UK as opposed to
 22 Texas City, the company would have been in
 23 violation of those existing federal regulations --
 24 A. Yes.
 25 Q. -- or UK regulations as it related to the

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1 number of hours employees could work?
 2 A. Yeah, because it's a -- it's a -- that's
 3 part of the regulation in the UK.
 4 In the US it's -- the ability to
 5 manage that is contractual.
 6 Q. Do you understand the concept of best
 7 practices?
 8 A. Yes.
 9 Q. What does that mean to you?
 10 A. It's -- well, generally it means what is
 11 the best way to achieve some result.
 12 Q. I take it you understand that the UK has
 13 limitations on the number of hours people could
 14 work consecutively in terms of days and number of
 15 hours total out of consideration to the fatigue
 16 factors involved with people working too many days,
 17 too many hours --
 18 A. Yes.
 19 Q. -- correct?
 20 Safety considerations primarily?
 21 A. I don't know what all considerations were
 22 taken in that.
 23 Q. Certainly safety would be a consideration
 24 when fatigue is involved, would it not?
 25 A. I think so.

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1 Q. Particularly working in a refinery
 2 sector?
 3 A. Yes.
 4 Q. Because if you make mistakes in a
 5 refinery sector, people can get hurt, right?
 6 A. The regulation was -- is general. It's
 7 not refinery specific.
 8 Q. Well, but in talking about the
 9 refineries, we are talking about safety being a
 10 significant consideration?
 11 A. For what?
 12 Q. For the number of hours somebody would
 13 work.
 14 A. I -- I guess I don't understand the
 15 question.
 16 Q. Okay. I will rephrase.
 17 You understand that fatigue is a
 18 serious issue in refineries?
 19 A. Yes.
 20 Q. You don't want people working under
 21 circumstances where fatigue is induced because of
 22 the risk associated, particularly with working in
 23 the refinery sector because you are dealing with
 24 hydrocarbons, right?
 25 A. Well, I don't think it's particular to

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1 refining; but I think generally in manufacturing
 2 and production, I think fatigue is an issue that
 3 needs to be managed.
 4 Even in an office building, people
 5 still need to get to and from work.
 6 Q. Meaning that they can pose themselves a
 7 risk and -- a risk to others even in an office
 8 setting by working too many hours and just falling
 9 asleep trying to get home in their car?
 10 A. Right.
 11 Q. In fact, there are specific rules dealing
 12 with drivers that BP had already applied in their
 13 system, didn't they?
 14 A. Yes.
 15 Q. And that was an international rule,
 16 wasn't it?
 17 A. Yes, it was.
 18 Q. Why had BP provided for an international
 19 rule limiting the number of hours a driver could
 20 run a vehicle and had not extended those same rules
 21 to other sectors in their system?
 22 A. Because the incident investigations
 23 around driving -- in particular, incidents and
 24 fatalities -- one of the factors had been
 25 identified as fatigue; and so there was a specific

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1 to driving standard put in place.
 2 I don't know that there was any
 3 consideration at that time of expanding that to
 4 other pieces because work hours tend to be
 5 generally dictated by the country that we are in or
 6 the contract that we have.
 7 Q. Did you know there had been complaints of
 8 understaffing at BP Texas City for many years prior
 9 to this explosion?
 10 A. No, I didn't.
 11 Q. Did you know there was an established
 12 policy at that facility that it was better to
 13 understaff than overstaff?
 14 A. No.
 15 Q. Is that a good policy to have?
 16 A. No.
 17 Q. How were you kept abreast of what was
 18 going on in the investigation?
 19 A. I saw the interim report. I was
 20 generally kept abreast of when they expected to be
 21 able to complete the report.
 22 That's pretty much it. I knew the
 23 investigation was going on. I knew the resources
 24 that were being used. I didn't see the report
 25 before it was issued.

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1 Q. And this was the interim Mogford report
 2 that came out around December 17, 2005?
 3 MR. DENNY: Objection, form.
 4 A. Yeah.
 5 Q. (BY MR. COON) I think it was 2000 -- I
 6 think it was May 12, wasn't it?
 7 A. Well, the interim came out earlier than
 8 that; and then the final report, maybe it was
 9 December.
 10 Q. I think the final report was December.
 11 A. Yeah.
 12 Q. Who picked Mr. Mogford to head this
 13 investigation?
 14 A. I don't know who picked him.
 15 Q. Did you have any say in it?
 16 A. No.
 17 Q. Do you know if Mr. Manzoni did?
 18 A. I know that Mr. Manzoni knew about it,
 19 but -- but I don't know who would have actually
 20 picked him.
 21 Q. Who was involved in the decision to
 22 extend the investigative team to include personnel
 23 in the BP system and people outside the BP system?
 24 MR. DENNY: Objection, form.
 25 A. I am not sure what that means.

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1 Q. (BY MR. COON) You understood there were
 2 people involved in the investigation as part of the
 3 Mogford team that did not work for BP?
 4 A. No, I didn't know that.
 5 Q. Do you know who all the personnel were on
 6 the Mogford team?
 7 A. No.
 8 Q. Did you know that there were outside
 9 contractors on that committee?
 10 A. I knew there was some explosion modeling
 11 that was done.
 12 Q. Did you ever have any discussions with
 13 anyone on the team?
 14 A. No.
 15 Q. Did you know at the end of the day that
 16 there were persons on that committee who disagreed
 17 with the final report?
 18 A. No.
 19 Q. You have never been told that persons on
 20 the committee disagreed with the content -- some of
 21 the content in the fatal report?
 22 A. No. I was told that all the people
 23 agreed at the end. That's what Mogford said --
 24 Q. Mogford --
 25 A. -- that they sign -- signed it.

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1 Q. Mogford told you that?
 2 A. Yeah.
 3 Q. That all the people on the committee
 4 agreed with all the findings in the report?
 5 A. Yes.
 6 Q. Would it be news to you today if people
 7 testified that they did not agree with all the
 8 findings in the report?
 9 A. Yes.
 10 Q. Were you aware that there was specific
 11 criticism on some -- by some of the people on the
 12 committee as it related to focusing in on root
 13 cause as to the employees operating the unit at the
 14 time?
 15 A. Could you restate that, please?
 16 Q. Yes, sir.
 17 You know what root cause analysis
 18 is, do you not?
 19 A. Yes.
 20 Q. Are you aware of any criticism of the
 21 Mogford report by people on the committee,
 22 specifically as it related to focusing on blaming
 23 the operators?
 24 A. Well, I have -- not so much on the
 25 committee but I know that that -- I have heard

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1 that. I saw it in the media.
 2 Q. In fact, the labor representatives
 3 refused to sign off on the Mogford report because
 4 of the intense level of blame placed on the
 5 operators.
 6 Are you aware of that?
 7 A. No.
 8 Q. Did you have anything to do with the
 9 decision to terminate the employees that were on
 10 the unit that day?
 11 A. Well, I knew about the investigation that
 12 Kathleen Lucas ran. So I knew that was ongoing. I
 13 knew what the decision was.
 14 Q. Okay. When we talk about investigation,
 15 since we have just discussed several, there was the
 16 Mogford team investigation into the incident
 17 itself, correct?
 18 A. Yes.
 19 Q. And then there was a separate
 20 investigation being conducted by Ms. Lucas?
 21 A. For disciplinary.
 22 Q. A disciplinary investigation?
 23 A. Yes.
 24 Q. And she was assisted by Mr. Willis, I
 25 believe?

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1 A. I don't know who assisted her.
 2 Q. Did she --
 3 A. I know she had human resources and legal
 4 support.
 5 Q. So she consulted with human resources
 6 London?
 7 A. She had -- there was a local
 8 investigation. So it was local human resources.
 9 Q. Were you kept in the loop with respect to
 10 her findings?
 11 A. Yeah. I mean, I knew who was being
 12 terminated and what her findings were.
 13 Q. And how were you kept informed as to what
 14 her findings were?
 15 A. She told -- told me.
 16 Q. Would this be in meetings with her, phone
 17 calls, visits, what?
 18 A. Phone calls and through Pat Gower. Pat
 19 Gower was...
 20 Q. Was she supposed to report to you or to
 21 Mr. Gower or both?
 22 A. Mr. Gower.
 23 Q. Then why was it you became personally
 24 involved in communications with her?
 25 A. Because this was a huge, tragic incident

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1 and I was involved with Pat and with the site.
 2 This was a -- became kind of -- everything that I
 3 was doing at the time was around Texas City.
 4 Q. Is there anything more tragic that has
 5 happened at BP in all your years of employment with
 6 them and your predecessor?
 7 A. Well, there is nothing more tragic that I
 8 know of. I haven't been with BP that long; but
 9 certainly there was -- when I was at ARCO, there
 10 was an explosion in Channelview where a number of
 11 people were killed as well. That was in the
 12 Eighties.
 13 Q. Have you talked to Mr. Manzoni about him
 14 testifying in this case?
 15 A. No.
 16 Q. Do you have any reason -- do you -- you
 17 do have any reason to believe that Mr. Manzoni
 18 should not testify in this case?
 19 MR. DENNY: Objection, form.
 20 A. I am here to -- to do this deposition. I
 21 mean, his -- the decision on that is with legal.
 22 Q. (BY MR. COON) Okay. I am just trying to
 23 understand your perception based on your roles
 24 here.
 25 As I understand, you took what

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1 happened in Texas City to be very, very important.
 2 A. Yes.
 3 Q. And you're basically, what, the Number 2
 4 man in the downstream side of BP to Mr. Manzoni?
 5 A. Refining, yes. In refining, yes.
 6 Mr. Manzoni has other direct
 7 reports.
 8 Q. Is there any reason to believe that
 9 Mr. Manzoni wouldn't take this matter to heart as
 10 much as you have and --
 11 A. He takes this very seriously.
 12 Q. Seriously enough to give a few hours of
 13 his time to tell us what he knows about it?
 14 MR. DENNY: Objection, form.
 15 A. I think with legal advice that John will
 16 do what he needs to; but I don't think it --
 17 whether or not he deposes, that really says whether
 18 he is very serious about this or not because he
 19 certainly is.
 20 Q. (BY MR. COON) What were you told should
 21 be the outcome of the disciplinary investigation at
 22 Texas City?
 23 A. I am sorry. Could you restate that?
 24 Q. Yes, sir.
 25 In your communications with

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1 Ms. Lucas on the disciplinary investigation, were
 2 you told anything about whether or not anyone
 3 should be terminated or otherwise punished?
 4 A. Well, we launched an investigation. So
 5 she did the investigation and then recommended the
 6 terminations.
 7 Q. To whom?
 8 A. To Pat Gower and then to me, but it was a
 9 site decision that -- local discipline is done at
 10 the site.
 11 Q. So you had no say in agreeing or
 12 disagreeing with the decision to terminate any of
 13 the individuals?
 14 A. I agreed with the process and the
 15 authority of Kathleen to run the process and make
 16 the decision.
 17 Q. So if she said she wanted to fire some
 18 personnel as a result of this explosion and you
 19 disagreed, she still had authority to do so?
 20 A. If I disagreed, it would be because I
 21 didn't understand the process that was -- that it
 22 was going through.
 23 It's her accountability and
 24 authority to do, to make those decisions.
 25 Q. What about accountability and authority

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1 with the plant manager?
 2 A. The group is running the -- another
 3 investigation.
 4 Q. Okay. I am just trying to understand
 5 where Mr. Parus' role would have been with the
 6 disciplinary proceedings and what say he would have
 7 had in them.
 8 A. He would have been involved with it on
 9 a -- normally, on a normal basis.
 10 Q. Do you know if he was involved in this
 11 case?
 12 A. I don't believe he was.
 13 Q. Do you know why?
 14 A. Because we had taken him out of being the
 15 site leader.
 16 Q. Well, he was not taken out of his site
 17 leadership until mid May, was he?
 18 A. We hadn't replaced him, but Kathleen
 19 was -- was the refinery manager. She -- it was her
 20 authority to do that.
 21 Q. Okay. But Mr. Parus still held the title
 22 as --
 23 A. Yes, he did.
 24 Q. -- business unit leader until May 13,
 25 2005, didn't he?

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1 A. So I don't know whether he was involved
 2 in this or not. Kathleen ran the investigation.
 3 Q. Okay. I understand and appreciate your
 4 comments there, but the question was why would
 5 Mr. Parus not have a role and responsibility in the
 6 investigation as the business unit leader
 7 throughout the duration of the time of the
 8 disciplinary investigation?
 9 A. I don't know.
 10 Q. Okay. You understood that Mr. Parus was
 11 relieved of his duties May 13, 2005?
 12 A. That sounds right.
 13 Q. This was after Ms. Lucas made the
 14 decision to terminate the six individuals?
 15 A. Okay. I accept that.
 16 Q. It's also, I believe, one day after the
 17 interim report was prepared by Mr. Mogford, wasn't
 18 it?
 19 A. Yes.
 20 Q. Was Mr. Parus relieved of his duties in
 21 whole or in part as a result of the interim
 22 findings of Mr. Mogford?
 23 A. No.
 24 Q. It was just purely coincidental that
 25 Mr. Mogford's report was on the 12th and Mr. Parus

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1 was relieved of his duties the following day?
 2 A. The -- from my perspective, the issue was
 3 not Mogford's report. It was his ability to lead
 4 the site. Because of the incident, because of the
 5 report, his ability to be a leader on the site was
 6 damaged.
 7 Q. So Mr. Parus no longer had an ability to
 8 lead but Ms. Lucas did?
 9 A. Yes.
 10 Q. Why was Mr. Parus no longer able to lead
 11 as the Number 1 man at the plant and Ms. Lucas was
 12 able to lead as the Number 2 person at the plant?
 13 A. Well, Ms. Lucas was relatively new to the
 14 plant. Don had been there a lot longer.
 15 Q. Why did that matter?
 16 A. His -- the way he had reacted to it. I
 17 mean, he was very distracted. He was spending huge
 18 amounts of time outside the plant, talking to
 19 injured, visiting hospitals, which was, you know,
 20 very -- he was very emotionally affected.
 21 We needed to put somebody in there
 22 to continue to run the day-to-day operations of the
 23 plant.
 24 Q. Are you saying Ms. Lucas was not
 25 emotionally impacted and Mr. Parus was?

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1 A. No. She was emotionally impacted; but
 2 Don was in charge of the whole site, including
 3 supervision of Kathleen.
 4 Q. But you didn't just remove him from some
 5 of his responsibilities. You removed him from all
 6 of his responsibilities?
 7 A. Replaced him.
 8 Q. Would you say that Mr. Parus was
 9 incapable of performing any responsibilities that
 10 would benefit BP at such a traumatic time in its
 11 history?
 12 A. Could you be more specific about the
 13 question?
 14 Q. Yes, sir.
 15 We understand today from the
 16 depositions that have occurred that Mr. Parus was
 17 removed of his responsibilities on May 13th
 18 officially and since that date has been asked to do
 19 little, if anything, on behalf of BP.
 20 Do you understand that?
 21 A. Uh-huh.
 22 Q. And I am trying to get an understanding
 23 from you as to why it was that he was removed of
 24 his duties on the 13th, all of his duties, and that
 25 he has had no major involvement with anything that

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1 BP has done with the investigation or anything else
 2 since.
 3 A. So my responsibility is for Texas City.
 4 So the decision that I took with Pat Gower was that
 5 we needed to bring in somebody else to run the
 6 Texas City complex.
 7 What Don has done since then is --
 8 I don't have that much knowledge, although I did
 9 tell you that he was working for Pat for a while.
 10 Q. Or at least you thought?
 11 A. I think he was.
 12 Q. Why is he not doing anything for BP now?
 13 MR. DENNY: Objection, form.
 14 A. He doesn't -- I don't have the
 15 responsibility for -- for Don. So I don't know why
 16 he is not doing -- or what his responsibilities
 17 are.
 18 Q. (BY MR. COON) Well, why would BP pay him
 19 if he stays home and does nothing?
 20 MR. DENNY: Objection, form.
 21 A. I can't answer that.
 22 Q. (BY MR. COON) Well, would you expect BP
 23 to pay you to stay home and do nothing?
 24 MR. DENNY: Objection, form.
 25 A. They haven't done that.

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1 Q. (BY MR. COON) Are you aware of any
 2 circumstances where they pay people to stay home
 3 and do nothing?
 4 MR. DENNY: Objection, form.
 5 A. It does happen.
 6 Q. (BY MR. COON) Tell me another set of
 7 circumstances where somebody has been paid to do
 8 nothing for a year and a half?
 9 A. Well, people -- they call it garden leave
 10 over here. It's kind of part of your -- here in
 11 the UK, it would be -- garden leave is kind of part
 12 of your retirement where you get paid for a while
 13 but you are not at work.
 14 Q. Well, is that something at the request of
 15 the employee?
 16 A. Pardon me?
 17 Q. Is that something that is done at the
 18 request of the employee?
 19 A. It's an agreement usually.
 20 Q. Is it just part of the contract for leave
 21 of absences paid?
 22 A. No, it's not -- it's not contractual.
 23 Q. Are you saying that Mr. Parus is on
 24 garden leave?
 25 A. No.

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1 Q. Do you know Mr. Parus has testified that
 2 he wants to come to work and nobody will let him do
 3 anything?
 4 A. Okay.
 5 Q. Well, I mean, if you have employees that
 6 are at home and they want to work, would you want
 7 to put them to work or would you want to keep them
 8 at home?
 9 MR. DENNY: Objection, form.
 10 A. I would put them to work. Don doesn't
 11 report to me.
 12 Q. (BY MR. COON) Well, I understand,
 13 Mr. Hoffman. I'm just -- it doesn't make sense to
 14 me -- or maybe I am missing something but it
 15 doesn't make sense to me to have someone with
 16 Mr. Parus' training, education, experience and
 17 background sitting home getting paid when he keeps
 18 telling his supervisors that he wants to work.
 19 A. I understand.
 20 Q. I am looking for an explanation.
 21 Is it that --
 22 A. I can't explain it. I am not his
 23 supervisor.
 24 My -- my accountability is to
 25 support Pat and get the site back. So once -- once

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1 Don didn't report to me, I need to focus on what we
 2 needed to do to Texas City.
 3 Q. Have you ever heard the expression
 4 "putting people on ice" before?
 5 A. Yes.
 6 Q. Has Mr. Parus been put on ice during the
 7 pendency of this litigation?
 8 MR. DENNY: Objection, form.
 9 A. What does that -- what does that phrase
 10 mean to you?
 11 Q. (BY MR. COON) That they are just put on
 12 ice, that they are -- they are just put somewhere
 13 to do nothing for some period of time, for some
 14 other purpose.
 15 A. Okay.
 16 Q. So in this case has Mr. Parus been put on
 17 ice; that is, kept on the payroll so that he's
 18 still under the control of BP, even though they
 19 have no responsibilities for him so that he doesn't
 20 talk without permission?
 21 A. I can't testify to that. I have already
 22 said Don is not my accountability.
 23 MR. DENNY: Objection, form.
 24 A. He doesn't report up my line. I don't
 25 know what the expectations of him are.

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1 Q. (BY MR. COON) Well, you are responsible
 2 for wasted money downstream in your system, aren't
 3 you, sir?
 4 A. Yes.
 5 Q. Well, if you are paying a man who is a
 6 business unit leader his full salary and other
 7 bonuses and he does nothing for you, would you
 8 consider that wasted money?
 9 MR. DENNY: Objection, form.
 10 A. Yeah, but that's not the circumstance
 11 here. I -- Don doesn't report to me. He is not my
 12 accountability.
 13 Q. (BY MR. COON) Well, would you want
 14 anybody that does report to you to waste money in
 15 that manner?
 16 A. No.
 17 Q. So now that you are aware that Mr. Parus
 18 is doing nothing, are you inclined to talk to
 19 someone that he is responsible for answering to
 20 about either putting him back to work or cutting
 21 the losses and terminating his employment with BP?
 22 MR. DENNY: Objection, form.
 23 A. No, I am not.
 24 Q. (BY MR. COON) And why would that be?
 25 A. Because my accountability is moving

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1 forward in my system. Don is not my
 2 accountability. It's clear.
 3 Q. So it's okay for you to have people
 4 working for you that keep people on the payroll to
 5 do nothing?
 6 MR. DENNY: Objection --
 7 Q. (BY MR. COON) If they don't report
 8 directly to you, you don't care?
 9 MR. DENNY: Objection, form.
 10 A. It's not my accountability. Whether I
 11 care or not is immaterial. It -- there is nobody
 12 in my organization that is being paid for doing
 13 nothing.
 14 Q. (BY MR. COON) When Ms. Lucas advised you
 15 that she was recommending the termination of six
 16 particular individuals, did you ask her for any
 17 specifics?
 18 A. Yes.
 19 Q. Were they provided?
 20 A. Yes.
 21 Q. Did you agree with them?
 22 A. Yes.
 23 Q. Was consideration given to disciplining
 24 or punishing anyone else in the BP system?
 25 A. At the time --

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1 Q. Yes, sir --
 2 A. -- Kathleen --
 3 Q. -- at the time?
 4 A. -- discussed other people that were
 5 considered and there was -- there was -- I believe
 6 there was more discipline than just termination
 7 that was done.
 8 Q. Let's talk about each one of those.
 9 Who else was considered for any
 10 kind of discipline?
 11 A. I mean, so the investigation was run by
 12 Kathleen.
 13 Q. Yes, sir.
 14 A. So she would have to -- to testify to
 15 that.
 16 Q. You don't have any recollection of anyone
 17 else that was being discussed for disciplinary
 18 proceedings?
 19 A. I know others were discussed, but I
 20 don't -- I don't have a recollection of the scope
 21 of that.
 22 Q. Do you recall the name of a single person
 23 who was in the crosshairs of an investigation for
 24 discipline other than those six persons that were
 25 terminated?

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1 A. Well, I know that she looked up the chain
 2 as well. So Willie Willis was -- was the managing
 3 operating leader. I know he was considered.
 4 Q. Well, wasn't it kind of ironic to have
 5 Mr. Willis considered for discipline and have him
 6 assisting Ms. Lucas in the investigation of others
 7 at the same time?
 8 A. Kathleen ran the investigation.
 9 Q. Wouldn't that be a conflict of interest
 10 to have someone who was under investigation
 11 investigating others?
 12 A. Yes.
 13 Q. In fact, isn't that what happened with
 14 other people when they removed Mr. Gower from the
 15 responsibility of supervising Mr. Parus because he
 16 was under investigation himself?
 17 MR. DENNY: Objection, form.
 18 A. I don't understand the question again.
 19 Q. (BY MR. COON) Okay. You understand
 20 Mr. Parus reported to Mr. Gower until the spring?
 21 A. Yes.
 22 Q. And you understand that he was relieved
 23 of those duties because Mr. Gower himself became
 24 the point of another BP inquiry?
 25 MR. DENNY: Objection, form.

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1 A. No, I didn't know that.
 2 Q. (BY MR. COON) You are not aware of that?
 3 A. That Mr. Gower was relieved of the duties
 4 of supervising Don Parus?
 5 No, I didn't know that. I had
 6 never heard that that was...
 7 Q. Who all was involved in the decision to
 8 remove Mr. Parus?
 9 A. Pat Gower and I were involved. I
 10 discussed it with Mr. Manzoni as we have talked
 11 about.
 12 Q. When was Mr. Parus advised he was going
 13 to be relieved of his responsibilities at
 14 Texas City?
 15 A. I -- sometime in May. I don't know the
 16 exact date.
 17 Q. How was he advised?
 18 A. I believe Mr. Gower talked to him.
 19 Q. Do you know when?
 20 A. No, I don't.
 21 Q. Was this the trip to Chicago in mid May?
 22 Do you know one way or another?
 23 A. No, I don't.
 24 Q. Do you recall having any conversations
 25 with Mr. Parus before he was officially put on

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1 leave of absence by Mr. Gower in his visit to
 2 Chicago?
 3 A. Conversations about what?
 4 Q. About being put on leave of absence?
 5 A. No. Mr. Gower did that.
 6 Q. You don't recall any conversation that
 7 you had with Mr. Parus by telephone prior to his
 8 trip to Chicago in which you expressed some degree
 9 of apology for what was happening to Mr. Parus and
 10 the fact that he was going to be relieved of his
 11 duties by Mr. Gower?
 12 A. That could have happened. I do remember
 13 a phone call with Don.
 14 Q. Do you recall any of the details of that
 15 conversation?
 16 A. No, I don't.
 17 Q. Do you recall why that conversation took
 18 place?
 19 A. No.
 20 Q. Was Mr. Parus being removed from his
 21 responsibilities because he was captain of the ship
 22 at the time or specifically because he did
 23 something wrong?
 24 MR. DENNY: Objection, form.
 25 A. So the reason that I needed to remove Don

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1 of his responsibilities is I needed to get somebody
 2 that could effectively lead the site forward and I
 3 didn't believe that Don, with the incident that had
 4 happened, could do that anymore.
 5 Q. (BY MR. COON) Did you talk to him about
 6 it?
 7 A. Yes.
 8 Q. Did he agree?
 9 A. No, I don't think he agreed.
 10 Q. Did this conversation take place before
 11 or after his visit with Mr. Gower?
 12 A. Before.
 13 Q. So you did have some conversation with
 14 him where he understood that he was going to be
 15 removed of his responsibilities --
 16 A. I believe so.
 17 Q. -- and this took place before he was told
 18 so officially by Mr. Gower?
 19 A. I believe that happened.
 20 Q. Was that a tough decision for you?
 21 A. Yes, it was.
 22 Q. Were you personal friends with Mr. Parus
 23 before then?
 24 A. I wouldn't say we were personal friends.
 25 Q. Who else was being looked at for

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1 disciplinary proceedings other than Mr. Willis?
 2 A. I don't know. You would have to ask
 3 Kathleen.
 4 Q. Did you recommend any investigation of
 5 anyone else upstream; that is, Mr. Gower or others?
 6 A. That investigation is taking place, as I
 7 have testified earlier.
 8 Q. Okay. That's not an investigation that
 9 was taking place in, say, the summer of 2005, was
 10 it?
 11 A. No.
 12 Q. Is that something that started taking
 13 place this year?
 14 A. Yes.
 15 Q. What triggered this new investigation a
 16 year after the explosion?
 17 A. I don't know. I have already testified I
 18 don't know the terms of reference or why exactly it
 19 was started.
 20 Q. Well, it's unusual or atypical to start
 21 an investigation into people a year after an
 22 incident, isn't it?
 23 A. Yes.
 24 Q. You have not inquired as to why an
 25 investigation of executives at this level is taking

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1 place so late after an incident?
 2 A. I was told that it is taking place but...
 3 Q. Who were you told this investigation was
 4 being -- taking place by?
 5 A. By Manzoni.
 6 Q. What did Mr. Manzoni share with you?
 7 A. Just that, that he had asked Bill Bonser
 8 to lead an investigation.
 9 Q. When did he tell you this?
 10 A. Four or five months ago.
 11 Q. Did he tell you why he was doing it?
 12 A. That he needed to do this in order to
 13 determine, based on the -- you know, the findings
 14 of the Mogford report and other things, whether
 15 there needed to be more discipline.
 16 Q. Okay. The Mogford report and other
 17 things.
 18 What other things?
 19 A. Other things that an investigation could
 20 uncover.
 21 Q. Okay. Well, you said it was being
 22 triggered by the Mogford report and other things.
 23 I am just curious as to whether or not there was
 24 anything else specifically --
 25 A. He didn't say.

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1 Q. -- that was driving this investigation
 2 other than the fatal report of December, 2005.
 3 A. John didn't tell me any -- any specifics.
 4 Q. Do you have any reason to believe it's
 5 anything other than -- being driven by anything
 6 other than the findings in the Mogford report?
 7 MR. DENNY: Objection, form.
 8 A. No.
 9 Q. (BY MR. COON) Do you know anything about
 10 any other investigations that are still pending?
 11 A. No, I don't.
 12 Q. What dealings did you have with OSHA?
 13 A. What dealings did I have?
 14 Q. Yes, sir, as it related to the explosion.
 15 A. I didn't have dealings with OSHA.
 16 Q. Did you have any dealings with the CSB
 17 other than the one conversation that you had with
 18 them?
 19 A. Other than the interview, no.
 20 Q. Have you had anything to do with the
 21 public relations campaign associated with this
 22 explosion?
 23 A. No.
 24 Q. Are you aware of any public relations
 25 campaign that was set up expressly to deal with the

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1 explosion of March, 2005?
 2 MR. DENNY: Objection, form.
 3 A. The only thing I am -- I am aware of was
 4 questions and answers that were prepared post the
 5 Mogford report.
 6 Q. (BY MR. COON) Post interim report or
 7 final report or --
 8 A. Both.
 9 Q. -- both?
 10 A. Both.
 11 Q. What kind of questions and answers?
 12 A. Well, just -- so when we released the
 13 report, there -- try to be prepared to answer
 14 questions that the press or others might ask about.
 15 So there was an effort put
 16 together to anticipate and have responses to
 17 various questions.
 18 Q. How were you involved in that?
 19 A. I reviewed some of the questions.
 20 Q. This was something where people met with
 21 executives at BP to say here's the kind of
 22 questions that could be asked as a result of the
 23 report and here's ways we can answer or what to
 24 answer those questions?
 25 MR. DENNY: Objection, form.

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1 A. Well, I am not sure I would say it
 2 exactly like that.
 3 Here's questions that might
 4 logically be answered and here's either the
 5 response from the report, what our intent is. We
 6 take full responsibility, you know, to make sure
 7 that we were consistently answering the questions
 8 and consistent with the decisions that had been
 9 made.
 10 Q. (BY MR. COON) When you say "we take full
 11 responsibility," what do you mean?
 12 A. I mean, when Lord Browne had his press
 13 release on the 24th he said, "We take
 14 responsibility for this incident."
 15 Q. Why did he say that?
 16 A. Because it's -- it's at our site and we
 17 feel like we are responsible.
 18 Q. Do you feel like you are always
 19 responsible if somebody dies at your site?
 20 MR. DENNY: Objection, form.
 21 A. Our intent is to have people that work on
 22 our sites be safe. So, yes, we have a
 23 responsibility to have a safe working environment
 24 on our sites.
 25 Q. (BY MR. COON) So if someone is killed on

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1 your premises, does BP take responsibility?
 2 MR. DENNY: Objection, form.
 3 A. Yes. I mean, we are trying to have a
 4 safe work environment. We are responsible.
 5 Q. (BY MR. COON) Okay. And when you say
 6 "responsibility," what do you mean? Do you mean
 7 moral responsibility? Do you mean legal
 8 responsibility?
 9 MR. DENNY: Objection, form.
 10 Q. (BY MR. COON) What is responsibility?
 11 A. It means that our intent is that people
 12 will be safe working for us, whether it's our, you
 13 know, contract people or our own employees.
 14 Q. Okay. But if you hold yourself out
 15 publicly to take full responsibility for a fatality
 16 that occurs on your premises, I am just asking what
 17 you mean by that.
 18 Do you take legal responsibility
 19 for people who are killed on your premises?
 20 MR. DENNY: Objection, form.
 21 A. It's just responsible. I don't know what
 22 the legal definitions of that are. You know, I was
 23 there when John Browne said that we are
 24 responsible.
 25 I think we have been behaving

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1 responsible. We -- certainly it's very clear and
 2 it has been for a long time that we don't want
 3 people to be injured or killed in car accidents.
 4 We don't want them to be on our site. You know, so
 5 we have had a focused effort at improving safety
 6 even when it's not our direct employees or our
 7 direct contractors.
 8 Q. Okay. I am just asking you, sir, if you
 9 actually know what you mean when you say you take
 10 responsibility.
 11 A. I know what I mean.
 12 Q. What do you mean?
 13 A. I mean that we are responsible for safely
 14 operating and the safety of the people that are
 15 working on our site. That's...
 16 Q. Okay.
 17 A. That's pretty clear.
 18 We don't take it trivially. If we
 19 have an incident, we are going to do a full
 20 investigation. We are going to try to learn and
 21 share or hold contractors accountable for their
 22 performance as well.
 23 Q. Well, have you seen information coming
 24 from the Texas City site where investigators are
 25 trained not to use words in their investigation

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1 acknowledging responsibility?
 2 MR. DENNY: Objection, form.
 3 A. No, I haven't.
 4 Q. (BY MR. COON) When you say "take
 5 responsibility," do you mean responsibility for the
 6 medical bills of those persons who are injured or
 7 killed on your premises?
 8 MR. DENNY: Objection, form.
 9 A. Responsible to prevent people from being
 10 injured.
 11 Q. (BY MR. COON) Okay. Well, if they do
 12 get hurt, are you going to be responsible for
 13 taking care of their medical bills?
 14 MR. DENNY: Objection, form.
 15 A. I mean, that's either a contractual or a
 16 legal issue.
 17 Q. (BY MR. COON) So the answer is you don't
 18 know?
 19 A. It's not -- it's not within the scope of
 20 what I am saying about being responsible.
 21 Being responsible is that we are
 22 going to have a safe work environment. We expect
 23 people to perform safely on our environment in our
 24 facilities, and we will be serious about injuries.
 25 Q. So you are saying that when Lord Browne

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1 said that y'all took responsibility that y'all were
 2 just saying that y'all were a responsible company?
 3 A. We took responsibility for the incident.
 4 I think that was clear.
 5 Q. Well, I am just trying to understand by
 6 "responsibility" you mean fault? It's your fault?
 7 It's BP's fault that this happened?
 8 MR. DENNY: Objection, form.
 9 A. It doesn't mean that.
 10 It means that what we are trying
 11 to do is prevent this kind of issue -- incident.
 12 Fault is a determinant in, you know, various
 13 different ways.
 14 Q. (BY MR. COON) So if you say you take
 15 full responsibility, you are not necessarily saying
 16 that it's your fault and you assume any legal
 17 responsibility?
 18 MR. DENNY: Objection, form.
 19 A. That's right.
 20 Q. (BY MR. COON) So to the extent anyone
 21 would read that or hear that to presume that you
 22 are acknowledging legal responsibility or legal
 23 fault, they would be mistaken?
 24 MR. DENNY: Objection, form.
 25 A. Lawyers would have to determine what that

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1 means.
 2 Q. (BY MR. COON) So if some person just
 3 read a newspaper and had no clue about the law or
 4 the contracts between BP and anyone else and saw
 5 where the senior executive of BP said they take
 6 full responsibility for what happened if they felt
 7 that that meant that they -- that BP was saying
 8 they were going to be responsible for all their
 9 medical bills and all their other payments under
 10 all circumstances, they would be mistaken?
 11 MR. DENNY: Objection, form.
 12 A. I don't know what somebody reading that
 13 would be, but I am very comfortable with the
 14 meaning and what we have been doing about being
 15 responsible.
 16 We have done a full incident
 17 investigation. John Mogford published that to the
 18 world. It is very detailed. We have been very
 19 aggressive about supporting the people that were
 20 injured. We have taken responsibility. I don't
 21 know what that means in -- because I am not a
 22 lawyer in all the legal details.
 23 Q. (BY MR. COON) All right. Well, a
 24 responsible refinery would adhere to its own
 25 policies and procedures, wouldn't it?

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1 A. Yes.
 2 Q. A responsible refinery wouldn't have
 3 employees working 40 days straight, 12-hour shifts,
 4 would it?
 5 A. I think that's a bad idea, yes.
 6 Q. It's irresponsible to have your employees
 7 working that many days consecutively that many
 8 hours, isn't it?
 9 A. That needs to be managed better than
 10 that.
 11 Q. It's irresponsible to do that, isn't it,
 12 sir?
 13 A. It's -- it needs to be managed better
 14 than that.
 15 Q. And being managed better than that, it
 16 means that if you are doing that, it's
 17 irresponsible?
 18 A. It means it needs to be tracked. We need
 19 to act within the contractual obligations that we
 20 have. We need to make sure that our employees
 21 are -- are not fatigued.
 22 Q. And if you are not tracking that and you
 23 are having employees working the hours that put
 24 them at risk and to be fatigued, you are not being
 25 responsible?

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1 A. I think that's part of the
 2 responsibility.
 3 Q. And if you are not doing that, you are
 4 not being responsible?
 5 A. Yeah.
 6 Q. If you are not adhering to your own
 7 policies and procedures, you are not being
 8 responsible?
 9 A. We need to adhere to our -- that's about
 10 compliance, which is a big theme that has been
 11 going on both in the group and at Texas City.
 12 Q. And if you have one of your units that is
 13 not complying with its own rules, that facility is
 14 acting irresponsibly?
 15 A. Like following procedures?
 16 Q. Yes.
 17 A. That was clearly an issue, yes.
 18 Q. For instance, if you have a procedure
 19 that says, "Do not locate a trailer on these
 20 premises and allow them to be occupied without
 21 going through the MOCs and HAZOPs," that to allow
 22 that to happen would be irresponsible?
 23 MR. DENNY: Objection, form.
 24 A. That -- so the policy is that MOCs will
 25 be conducted in siting of trailers.

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1 Q. (BY MR. COON) Well, there is such a
 2 policy, isn't there?
 3 A. Yes.
 4 Q. And there was one at Texas City in March
 5 of 2005?
 6 A. And it should have been done.
 7 Q. And it wasn't done?
 8 A. Yeah. It wasn't done for all the
 9 trailers.
 10 Q. As a matter of fact, it wasn't done for
 11 hardly any of the trailers at that facility on the
 12 day of the explosion, had it?
 13 MR. DENNY: Objection, form.
 14 A. I can't testify to that.
 15 Q. (BY MR. COON) Do you recall in the fatal
 16 report that there were 50 trailers out there at
 17 Texas City at the time of the explosion?
 18 A. There were more than 50 trailers.
 19 Q. Do you recall there were 50 of them
 20 subject to MOCs at the time and only 4 of the 50
 21 had a properly approved MOC?
 22 A. Yes. I knew that the MOCs weren't --
 23 weren't properly done.
 24 Q. And it wasn't just MOCs on the trailers
 25 that were devastated in this explosion. It was

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1 many other trailers located all over that refinery
 2 on that day, right?
 3 A. Yes.
 4 Q. And that the subsequent investigation, as
 5 was pointed out in the fatal report, ascertained
 6 that there were 50 trailers at that refinery at the
 7 time of which only four had properly been MOC'd for
 8 occupancy on the day of that explosion?
 9 A. And the bigger issue on that is that the
 10 MOCs that were done didn't identify this as a big
 11 risk. In fact, this is an industry issue that the
 12 siting of temporary accommodations is -- needs to
 13 change because it wasn't being appropriately
 14 handled.
 15 Q. Well -- and when you say that it wasn't
 16 appreciated, the reality is that the trailer siting
 17 handbooks set out minimum distances from units
 18 specifically to address the potential impact from a
 19 vapor cloud explosion, right?
 20 A. Yes.
 21 Q. So in other words, the MOCs -- let's back
 22 up.
 23 The rules as it related to
 24 temporary trailers at the time of this explosion
 25 was that none could be located under the guidelines

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1 within 350 feet of an operating unit, correct?
 2 MR. DENNY: Objection, form.
 3 A. I don't know the detail of that.
 4 Q. (BY MR. COON) Does that sound about
 5 right to you?
 6 A. Yeah.
 7 Q. And that was as a result of standards
 8 that were established back in the mid Nineties by
 9 Mr. Sorrels.
 10 Did you know that?
 11 A. No.
 12 Q. Did you know Stan Sorrels?
 13 A. Yes.
 14 Q. Did you know that he was the one that was
 15 responsible for putting together the first handbook
 16 dealing with specific guidelines on building
 17 distances from units?
 18 A. No, I didn't.
 19 Q. Have you ever seen the handbooks involved
 20 in trailer siting or building siting, temporary
 21 building siting?
 22 A. The Amoco handbooks?
 23 Q. Yes, sir.
 24 A. No, I haven't.
 25 Q. Did you have an understanding that these

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1 distances were set up in the handbooks to take into
 2 account specifically the potential adverse impact a
 3 building would have in the event of a vapor cloud
 4 explosion?
 5 A. I have never seen the handbook.
 6 Q. Did you know that there were general
 7 rules at any of the facilities regarding how close
 8 trailers could be located to units?
 9 A. I knew trailer siting needed to go
 10 through an MOC process, which has rules.
 11 Q. Well, when you were the business unit
 12 leader at Carson refinery, were there any rules or
 13 regulations dealing with how close trailers could
 14 be located to operating units?
 15 A. We went through the MOC process. So I
 16 don't know -- which is around risk assessment. So
 17 within that, certainly there's parameters that need
 18 to be addressed in the management of change process
 19 for trailer siting.
 20 Q. Well, I understand, Mr. Hoffman; but I am
 21 trying to get to a basic understanding as to why
 22 you have trailer siting handbooks and why you have
 23 distances that trailers are not allowed to be in
 24 terms of their proximity to a unit.
 25 A. Yeah.

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1 Q. And you agree with all your knowledge,
 2 even without looking at a handbook, that it's not a
 3 good idea to put a temporary trailer immediately
 4 adjacent to an operating unit?
 5 A. It's a -- it's a bad idea. I mean,
 6 that's why the consequence of this incident was so
 7 tragic. Those trailers were sited too close to
 8 that unit that was in startup.
 9 Q. And that's just the point. Those
 10 trailers had not been properly sited to be located
 11 there, had they?
 12 A. That's right. Absolutely.
 13 Q. And you told us that locating them there
 14 as part of the siting, you had two problems. One
 15 is that the siting itself in terms of even going
 16 through an MOC did not properly take into account
 17 the potential adverse impact of a trailer located
 18 that close to an operating unit?
 19 A. That's right.
 20 Q. And yet, the very concept of trailer
 21 siting and how close you can put them to a unit
 22 specifically takes into account primarily the
 23 adverse impact on a trailer in the event of a vapor
 24 cloud explosion?
 25 A. Yes.

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1 Q. So the whole concept of putting trailers
 2 out there, it involves many things, which is is it
 3 going to be in the way of traffic.
 4 That's something that you look at
 5 as to whether or not to put it there, right?
 6 A. Yes.
 7 Q. Is it in a place that doesn't obstruct
 8 doors from opening if you need to get to a
 9 warehouse or something like that.
 10 You don't want to obstruct access
 11 to another building, correct?
 12 A. Yes.
 13 Q. Those are all things you look at.
 14 Can you get electricity there,
 15 that's another thing you look at, right?
 16 A. Yes.
 17 Q. But all those other things aside, first
 18 and foremost is don't put any trailer real close to
 19 a unit because if the unit explodes, you don't want
 20 the trailer to disintegrate and the people inside
 21 die?
 22 A. Yes, real close to an operating unit.
 23 Q. And with trailers, the handbooks at
 24 Amoco, the predecessor under the merger, was that
 25 trailers should never be located closer than

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1 350 feet because if they are closer than that, they
 2 are likely to disintegrate in an explosion?
 3 MR. DENNY: Objection, form.
 4 A. I mean, it's -- so it's -- I have already
 5 testified the trailers were too close to this.
 6 This was a big lack of recognition of risk, and
 7 it's exactly what you are saying.
 8 It's -- it's kind of beyond
 9 Texas City, although this was an extreme example.
 10 We know in the industry that the use of trailers
 11 had gotten to be very prevalent. So it's -- it's a
 12 big issue.
 13 Q. (BY MR. COON) And sloppy practices led
 14 to putting trailers too close to a unit?
 15 A. Yes.
 16 Q. And that was irresponsible, wasn't it,
 17 sir?
 18 A. That wasn't responsible.
 19 MR. COON: We will take a break
 20 there.
 21 THE VIDEOGRAPHER: Okay. We are
 22 going off the video record. The time is 2:01.
 23 This is the end of Videotape 3.
 24 (Recess taken.)
 25 THE VIDEOGRAPHER: All right. We

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1 are back on the video record. The time is 2:15.
 2 This is the beginning of Videotape 4.
 3 Q. (BY MR. COON) Mr. Hoffman, let's talk
 4 about some of these investigations that have been
 5 ongoing for some time.
 6 The CSB, have you had any dealings
 7 with them before the explosion of March of last
 8 year?
 9 A. No.
 10 Q. Have you followed any of their interim
 11 findings, what they have been up to?
 12 A. Just their -- I mean, they came out with
 13 some interim reforms last August, which was to ask
 14 BP to put a panel together to look at kind of
 15 systemic issues in the corporation.
 16 Q. What kind of systemic issues were
 17 involved?
 18 A. I don't know. That's what the panel was
 19 put together to look at.
 20 Q. Was the CSB expressing some concern about
 21 the history of safety culture problems associated
 22 with Texas City and whether or not those existed at
 23 other facilities throughout the United States?
 24 A. Yes.
 25 Q. I take it you were made privy to their

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1 interim findings of October, 2005, that they
 2 presented at a town hall meeting in Texas City?
 3 A. Yeah, I saw that.
 4 Q. When were you made aware that that
 5 meeting was to take place?
 6 A. Just shortly before the meeting.
 7 Q. Did you ask BP personnel to be in
 8 attendance at that town hall meeting?
 9 A. Well, sir, John Mogford was responsible
 10 for working with CSB around their findings.
 11 Q. Was that a "no"?
 12 A. I didn't ask, but it was handled. People
 13 were there.
 14 Q. As I understand, the CSB recommended that
 15 BP put together a panel to investigate these
 16 systemic issues --
 17 A. Yes.
 18 Q. -- throughout the country?
 19 And that became known as the Baker
 20 panel, did it not?
 21 A. Yes.
 22 Q. How was former Secretary of State Baker
 23 selected to lead this panel that BP put together?
 24 A. I wasn't part of that process.
 25 Q. Do you know anything about how it was

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1 that Secretary Baker was chosen?
 2 A. I know that John Browne knew
 3 Secretary Baker and called him. I don't know his
 4 selection process to choose that.
 5 Q. Did you have an understanding that BP
 6 wanted to have someone in charge that they could
 7 have control of part of the investigation?
 8 MR. DENNY: Objection, form.
 9 A. No. I had the opposite understanding.
 10 Actually, this was an independent panel.
 11 Q. (BY MR. COON) Let's talk about
 12 independent.
 13 What's your understanding of what
 14 "independent" means?
 15 A. "Independent" means that they are within
 16 the terms of reference that was agreed with the
 17 CSB. They are going to come up with their
 18 independent views.
 19 Q. You knew Secretary Baker from his years
 20 in the Reagan administration, didn't you?
 21 A. I knew of him, you mean?
 22 Q. Yes, sir.
 23 A. Yes.
 24 Q. Have you ever met him personally?
 25 A. No.

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1 Q. Have you ever had any discussions with
 2 his committee associated to the responsibilities
 3 they had as an independent panel?
 4 A. Not about their responsibilities. They
 5 have interviewed me.
 6 Q. What did y'all talk about?
 7 A. Lots of questions about how refining
 8 runs, how the group runs, who reports to who, what
 9 accountabilities are, process safety, how we manage
 10 process safety.
 11 Q. Was it informal or did you give a court
 12 reporter type statement --
 13 A. No, it's --
 14 Q. -- like we are --
 15 A. -- it's informal.
 16 Q. -- doing today?
 17 Who did you talk to?
 18 A. There are several panel members: Glen
 19 Irwin, Irv Rosenthal, Dave Wilson. I think there
 20 were a couple of others as well that were panel
 21 members.
 22 Q. Who does this panel report to at BP?
 23 A. It doesn't report to anybody at BP.
 24 Q. Is there a point person at BP for the
 25 panel to talk to?

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1 A. There is a point person to provide them
 2 the information and set up interviews and things
 3 like that, yes.
 4 Q. And who is that?
 5 A. Cynthia Warner.
 6 Q. Who is she?
 7 A. She is the head of HSE for the segment.
 8 Q. I am sorry. HSE for whom?
 9 A. The segment. So refining and marketing.
 10 Q. Is she here in London?
 11 A. Yes.
 12 Q. Who does she report to?
 13 A. To John Manzoni.
 14 Q. Did she go to Mr. Manzoni with respect to
 15 guidance and instructions on that issue?
 16 MR. DENNY: Objection, form.
 17 A. I know she discusses what she is doing
 18 with the Baker panel with Mr. Manzoni.
 19 Q. (BY MR. COON) What other involvement
 20 does Mr. Manzoni have in -- in an oversight role
 21 with Baker panel issues?
 22 MR. DENNY: Objection, form.
 23 A. It's Cynthia's accountability to provide
 24 the data. Mr. Manzoni has been interviewed by the
 25 Baker panel as well.

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1 Q. (BY MR. COON) Mr. Manzoni knows
 2 Mr. Baker, doesn't he?
 3 A. I don't know.
 4 Q. Weren't they personal acquaintances?
 5 A. I don't know. I have never heard that.
 6 Q. Doesn't Mr. Manzoni serve on the Baker
 7 Institute's Energy Task Force?
 8 A. I don't know.
 9 Q. Do Mr. Manzoni and Mr. Baker ever do
 10 anything together?
 11 MR. DENNY: Objection, form.
 12 A. I don't know.
 13 Q. (BY MR. COON) Have they ever had talks
 14 together before Mr. Baker was selected to run this
 15 panel?
 16 A. I don't know.
 17 Q. That's something else I guess we need to
 18 go to Mr. Manzoni for?
 19 MR. DENNY: Objection, form.
 20 A. Okay.
 21 Q. (BY MR. COON) Do you know how the other
 22 panelists were selected?
 23 A. As far as I know, Baker selected the
 24 other panelists.
 25 Q. Now, it's my understanding that OSHA

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1 placed BP on an enhanced enforcement list.
 2 Do you know anything about that?
 3 A. No.
 4 Q. Do you know what an enhanced enforcement
 5 program is?
 6 A. No.
 7 Q. Have you not heard before today that BP
 8 was placed on an enhanced enforcement program as a
 9 result of what occurred on March 23rd?
 10 A. No.
 11 Q. Do you know that that's a special list of
 12 employers that OSHA has on a short list of those
 13 that it deems to be the most unsafe employers?
 14 A. I think having us on a special list with
 15 OSHA after the 15 fatalities in Texas City is
 16 something that is reasonable.
 17 Q. What do you understand BP is doing today
 18 over the last year to try to get off the OSHA list
 19 of worst employers?
 20 MR. DENNY: Objection, form.
 21 A. We are not doing anything specifically to
 22 get off the list of the worst employers.
 23 What we are doing is addressing
 24 the learnings out of the Texas City incident. We
 25 have moved over 300 trailers out of the refineries.

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1 1300 people were doing a comprehensive relief valve
 2 study. We are eliminating blowdowns. We've built
 3 a new training center at Texas City. We have moved
 4 hundreds of people out of the refinery.
 5 So there's many, many things that
 6 we are doing, but nothing specifically to get off
 7 the OSHA enhanced list, if we are on that.
 8 Q. (BY MR. COON) Okay. Let's talk about
 9 the -- you moved the trailers out of the Texas City
 10 plant?
 11 A. Out of the U.S. refineries.
 12 Q. So you moved the trailers out of the
 13 Texas City plant and the other refineries in the
 14 United States?
 15 A. Yeah, out of the blast zones.
 16 Q. Why were these trailers in the blast
 17 zones in the first place?
 18 A. It's because we didn't recognize that
 19 that was that kind of risk.
 20 Q. Well, actually you recognized it because
 21 that's why you had a minimum distance for them
 22 being in a blast zone in the first place, isn't it,
 23 sir?
 24 MR. DENNY: Objection, form.
 25 A. If we wouldn't have -- if we would have

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1 recognized the dangers around the blowdown, we
 2 wouldn't have put the trailers there.
 3 Q. (BY MR. COON) But you already had a rule
 4 in place that said don't put them there because
 5 they were in the blast zone?
 6 A. The MOC --
 7 Q. That's what the blast zone is.
 8 A. -- process.
 9 Q. That's what the blast zone is, the
 10 distance that trailers can be located in proximity
 11 to a unit specifically because of the risk of being
 12 torn up in an explosion?
 13 MR. DENNY: Objection, form.
 14 Q. (BY MR. COON) Right?
 15 A. The risk in this incident clearly wasn't
 16 recognized. People didn't put the trailer there
 17 recognizing that risk. That was the problem.
 18 Q. But, Mr. Hoffman, that's why you had the
 19 trailer siting rule in the first place, was because
 20 of the risk.
 21 Do you understand that?
 22 A. We had an MOC process around trailer
 23 siting. We've already talked about that.
 24 Q. Have you seen the testimony of
 25 Mr. Sorrels who was the person in charge of putting

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1 together the rules regarding trailer siting in the
 2 first place?
 3 A. No, I haven't.
 4 Q. Did you have an understanding that
 5 trailers were required to be minimum distances from
 6 units because they were susceptible to a blast;
 7 that is, a vapor cloud explosion emanating from a
 8 hydrocarbon release at a unit?
 9 MR. DENNY: Objection, form.
 10 A. I have an understanding that trailers go
 11 through an MOC process to understand the risk of
 12 siting.
 13 Q. (BY MR. COON) But even before an MOC,
 14 they are not supposed to be within 350 feet of a
 15 unit because they are at risk of a vapor cloud
 16 explosion?
 17 MR. DENNY: Objection, form.
 18 A. An MOC process is about hazard
 19 identification, and that -- that's what has to
 20 happen.
 21 Q. (BY MR. COON) But you would agree --
 22 A. You were -- you were the one that told me
 23 about the 350 feet.
 24 Q. Well, I am sorry you didn't know that
 25 before, sir; but that is a rule that was in place

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1 at the plant before the explosion.
 2 MR. DENNY: Objection, form.
 3 A. The rule is that there is an MOC process
 4 in order to assess hazards of siting.
 5 Q. (BY MR. COON) The rule is that if you
 6 put it within the blast zone, you have to go
 7 through an MOC; isn't that correct?
 8 A. Any trailer siting needs to be MOC'd.
 9 Q. And you understand that through blast
 10 analysis that there was already an understanding at
 11 BP Texas City and within the entire BP system that
 12 you should not put temporary trailers closer than
 13 350 feet as a general rule because they can be
 14 destroyed in the event of a vapor cloud explosion?
 15 A. Yes.
 16 MR. DENNY: Objection, form.
 17 Q. (BY MR. COON) And the only exceptions to
 18 that is if they go through a MOC where you look at
 19 the true specific risk associated with putting a
 20 trailer in specific proximity to a specific unit
 21 under specific circumstances.
 22 A. Okay.
 23 Q. Correct?
 24 A. Yes.
 25 Q. That's what the MOC is about. That's a

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1 management of change, right?
 2 A. Yes.
 3 Q. You are changing something. That's what
 4 an MOC is, isn't it?
 5 A. That's right.
 6 Q. So to go through the MOC, you have to
 7 change the existing rule, right?
 8 A. You have to assess risk. That's what
 9 it's about.
 10 Q. Well, an MOC --
 11 A. The MOC in this case is -- the change is
 12 that you have sited a trailer.
 13 Q. Sure.
 14 And you are siting a trailer on
 15 the premises of a BP facility?
 16 A. Yes.
 17 Q. And you are doing so with due respect to
 18 the fact that trailers are vulnerable to a vapor
 19 cloud explosion?
 20 A. Well, it's not just that, that you have
 21 to understand what the risks and unintended
 22 consequences of siting a trailer.
 23 Q. One of those is that if there is a vapor
 24 cloud explosion and you put the trailer too close
 25 to the unit --

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1 A. Yes.
 2 Q. -- it can disintegrate?
 3 A. Yes.
 4 Q. And that's why you at BP have buildings
 5 that are in proximity to these units that are
 6 called blast proof?
 7 A. Yes.
 8 Q. And temporary trailers are not blast
 9 proof, are they, sir?
 10 A. Some of them are but not -- not -- the
 11 ones in this incident weren't.
 12 Q. In fact, none of the trailers that you
 13 had out at Texas City at the time were blast proof,
 14 were they?
 15 A. Not that I know of.
 16 Q. But you could have bought blast proof
 17 trailers or required them to be on the premises as
 18 blast proof?
 19 A. There are blast proof trailers.
 20 Q. It just costs more to do that, doesn't
 21 it?
 22 A. I guess they are more expensive. I don't
 23 know.
 24 Q. You would presume a blast proof
 25 trailer --

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1 A. I presume so.
 2 Q. -- would be more expensive, wouldn't you?
 3 A. Yes.
 4 Q. So it's cheaper to have trailers brought
 5 out there that were not blast proof.
 6 Fair statement?
 7 A. Yes.
 8 Q. And there is a benefit to locating
 9 trailers in close proximity to units and that is
 10 for the convenience of the personnel?
 11 A. This is for typically during maintenance
 12 periods. It is so people have some place that they
 13 can work from that's close to the units so that
 14 they don't have to be transported.
 15 Q. Did you know that the rule under the
 16 handbooks required fixed structures to be located
 17 further away from a potential vapor cloud explosion
 18 than a trailer?
 19 A. No.
 20 Q. Does that make sense to you?
 21 A. What makes sense to me is that you do a
 22 proper MOC.
 23 I don't know what that -- do you
 24 have that documentation?
 25 Q. We have all the documentation, sir. I am

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1 just asking if you were aware --
 2 A. No, I didn't --
 3 Q. -- that under the Amoco BP handbook on
 4 trailer siting, that fixed buildings -- that is,
 5 buildings that are more durable than a temporary
 6 trailer -- were still required to be further away
 7 from a unit than the temporary trailers?
 8 MR. DENNY: Objection, form.
 9 A. No, I didn't. I didn't see that.
 10 Q. (BY MR. COON) Assuming that to be the
 11 case, do you understand how it was that they came
 12 to the conclusion that they could put trailers
 13 closer to a unit than a fixed building?
 14 A. No.
 15 MR. DENNY: Objection, form.
 16 A. I don't know.
 17 Q. (BY MR. COON) Did you know that when the
 18 risk analysis was put into play and that the blast
 19 analysis was looked at that the decision was made
 20 that trailers could be located closer to a unit and
 21 a potential vapor cloud explosion because in the
 22 event the unit blew up, the trailer could roll over
 23 in the explosion?
 24 MR. DENNY: Objection, form.
 25 A. I have never heard that.

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1 Q. (BY MR. COON) Is that news to you today?
 2 A. Yes.
 3 Q. Would you want to be in a trailer that --
 4 in a vapor cloud explosion that was rolling over?
 5 A. I don't want any trailers in a vapor
 6 cloud explosion.
 7 Q. Well, but would you want to volunteer to
 8 be in a trailer rolling over from a vapor cloud
 9 explosion?
 10 A. Nobody should be in that.
 11 Q. Do you agree that there is something
 12 faulty with the premise or analysis if it provides
 13 to be in buildings that are rolling over from a
 14 vapor cloud explosion, that there is just something
 15 fundamentally flawed about that analysis?
 16 A. I don't know what the analysis was. So I
 17 can't comment on that.
 18 It doesn't -- the way you describe
 19 that doesn't make sense.
 20 Q. I want to take that one step further.
 21 Do you know that at Texas City
 22 there were additional rules regarding trailers?
 23 A. What kind of additional rules?
 24 Q. Rules regarding staking them down?
 25 A. No, I didn't know that.

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1 Q. Do you know that at Texas City the rules
 2 were that you had to stake trailers down because
 3 they were susceptible to hurricanes? Were you
 4 aware of that?
 5 A. No.
 6 Q. Were you aware that the rule was at
 7 BP Texas City you had to stake the trailers down
 8 because if there was a hurricane they didn't want
 9 the trailers to blow away in the storm?
 10 A. I didn't -- I didn't know that.
 11 Q. Well, if you stake them down so they
 12 don't blow over in a hurricane, it stands to reason
 13 that they are not going to blow over in a vapor
 14 cloud explosion either.
 15 It's a fair deduction, isn't it?
 16 A. Yeah.
 17 But the issue in this case is the
 18 blowdown risk was not recognized when they sited
 19 that trailer. I don't think it made much
 20 difference whether it was staked down or not.
 21 Q. Well, when you talk about siting that
 22 trailer, that trailer never was commissioned for
 23 occupancy, was it, sir?
 24 A. That's what I understand.
 25 Q. So it really doesn't matter what they

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1 considered and what they didn't consider because at
 2 the end of the day, they weren't supposed to be
 3 occupied? It did --
 4 A. It didn't go through the MOC.
 5 Q. Now, let's talk about just common sense
 6 as it relates to putting those trailers there.
 7 Did you know that you have had
 8 personnel that worked out there who have testified
 9 they warned other people in management that those
 10 trailers should not have been there before the
 11 explosion?
 12 A. No, I didn't.
 13 Q. Now, you are not telling the jury that
 14 there was no consideration to the potential of the
 15 vapor cloud explosion emanating from the blowdown
 16 drums on that unit, are you, sir?
 17 A. I don't know what consideration was made.
 18 I know that the fact that they
 19 were sited there was inappropriate with the
 20 blowdown system that could have a vapor cloud.
 21 Q. Okay. Well, I thought you told me a
 22 minute ago, though, that nobody perceived or
 23 understood or appreciated any potential vapor cloud
 24 explosion emanating from that unit.
 25 A. I don't believe that people would have

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1 sited the trailers there if they understood what
 2 the risks around the blowdown was.
 3 Q. Well, you don't know who even put the
 4 trailers there in the first place, do you?
 5 A. No.
 6 Q. As a matter of fact, the Mogford report
 7 for all its thoroughness in faulting operator error
 8 didn't do anything to determine who in management
 9 was responsible for allowing those trailers to be
 10 located there and occupied, did it?
 11 A. I didn't see that.
 12 Q. Wouldn't you want to know when you were
 13 the business unit leader at another facility that
 14 if someone in management allowed trailers to be
 15 occupied for months on end without being
 16 commissioned, wouldn't you want to know who was
 17 responsible for that?
 18 A. Yes.
 19 Q. Did you ever inquire as to why that was
 20 not done in this case, who in management would have
 21 been responsible and punished for allowing that to
 22 happen?
 23 A. Well, my focus on trailers has been to
 24 understand what the risk is and get trailers out of
 25 the risk.

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1 The Mogford report was run by John
 2 Mogford. I wasn't part of that.
 3 Q. Well, I understand, sir; but there has
 4 been criticism associated with the Mogford report
 5 in that it whitewashed the responsibility of
 6 management.
 7 Have you heard that criticism
 8 before?
 9 A. Yes.
 10 Q. And that's because in the report
 11 Mr. Mogford was very specific in pointing out the
 12 failings of operators on the date of this
 13 explosion.
 14 Do you recall that in the report?
 15 A. Yes. Yeah.
 16 Q. And yet, almost everyone who died was in
 17 a trailer that had not been commissioned for
 18 occupancy, correct?
 19 A. That's what I understand.
 20 Q. And you know from the years that you were
 21 a business unit leader people in management have
 22 responsibilities for areas of the facility, don't
 23 they?
 24 A. Yes.
 25 Q. And people in management were responsible

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1 for making sure that trailers that were occupied by
 2 the contractors out there had been properly
 3 commissioned and that they have gone through a
 4 proper management of change?
 5 A. Yes.
 6 Q. And yet, in this case in spite of the
 7 gravity, in spite of the loss of life, Mr. Mogford
 8 in that report completely failed to ascertain who
 9 in management was responsible for allowing that to
 10 have occurred.
 11 MR. DENNY: Objection, form.
 12 Q. (BY MR. COON) Correct?
 13 A. I didn't see that in his report.
 14 Q. Did you ever inquire as to why that
 15 report was completely silent on an issue of that
 16 import?
 17 A. No.
 18 Q. Did you ever inquire of anyone as to why
 19 it never mentioned who in management was
 20 responsible for allowing those trailers to have
 21 been commissioned -- to have been occupied without
 22 being commissioned for all those months?
 23 MR. DENNY: Objection, form.
 24 A. My focus was on understanding what the
 25 risk of trailers are, making clear rules, getting

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1 the trailers moved out of my system. That's what I
 2 have been working on. The Mogford report was run
 3 by John Mogford.
 4 Q. (BY MR. COON) Now, you understood these
 5 trailers were occupied principally by contractors,
 6 didn't you, sir?
 7 A. Yes.
 8 Q. When you were the BUL at Carson, did you
 9 make an effort to keep the contractors apprised as
 10 to what was going on in the units where they were
 11 working or near where they were working?
 12 A. Well, based on what I know today, out at
 13 Texas City I don't think that we did enough of
 14 that; but, yes, we made an effort, but not to
 15 nearly the extent that we do today.
 16 Q. And you understand that a criticism
 17 associated with this particular explosion was that
 18 the contractors were not notified in advance that
 19 the ISOM unit was being started up that day?
 20 A. Yes.
 21 Q. And had they been warned, they could have
 22 vacated the premises during the startup period,
 23 couldn't they?
 24 A. If the alarms would have been started --
 25 sounded as well, there might have been a better

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1 chance of vacating.
 2 Q. Well, if all the alarms had even been
 3 working properly, right?
 4 A. All the alarms worked.
 5 Q. All the alarms worked properly that day?
 6 A. The emergency alarms were never sounded.
 7 Q. Are you saying all of the alarms worked
 8 properly that day?
 9 A. The emergency alarms worked properly.
 10 Q. Are you saying all of the alarms on the
 11 system worked properly that day?
 12 A. I'm not sure which alarms you are talking
 13 about now. I couldn't testify that every alarm on
 14 that unit worked properly. I don't know that.
 15 Q. Contractors could have been orally warned
 16 or warned in writing that the unit was going to be
 17 started up that day, couldn't they have, sir?
 18 A. Well, the -- so what we would do today is
 19 that we wouldn't have contractors there to warn
 20 them. During a unit startup, there shouldn't have
 21 been contractors there.
 22 Q. But the contractors were there, weren't
 23 they?
 24 A. Yes, they were.
 25 Q. And they were there because they were

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1 doing work to help get a unit up and running to
 2 make profit for BP, weren't they?
 3 MR. DENNY: Objection, form.
 4 A. They were doing engineering work on a
 5 unit.
 6 Q. (BY MR. COON) Designed to get a unit up
 7 and operating, designed to make profit for BP?
 8 A. Yes.
 9 MR. DENNY: Objection, form.
 10 Q. (BY MR. COON) Correct?
 11 A. Yeah. They were there to replace a
 12 driver on a compressor.
 13 Q. Did you have anything to do with the
 14 Stanley report in the summer of 2005?
 15 A. Yes.
 16 Q. What triggered that report?
 17 A. I did.
 18 So John Mogford's report was to --
 19 the incident investigation was designed to look
 20 into the ISOM explosion and the incident and the
 21 causes of that.
 22 What I needed to know, then, was
 23 how systemic the issues that were being seen in the
 24 ISOM were in the rest of Texas City. So I got with
 25 Pat Gower. Pat found Stanley and then we put a

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1 terms of reference around the various different
 2 experts to look more broadly across Texas City.
 3 Q. When you commissioned this report, did
 4 you have to go through the approval of anyone?
 5 A. No.
 6 Q. Did you talk to Mr. Manzoni about it?
 7 A. Yes.
 8 Q. What were his thoughts?
 9 A. I explained to him why I thought we
 10 should do this, and he agreed. And again, it's
 11 because we weren't going to find out more broadly
 12 at Texas City if the issues that we saw in the ISOM
 13 were systemic. So we wanted to look more broadly
 14 to make sure that we understood fully what the
 15 issues at Texas City were.
 16 Q. Mr. Hoffman, I take it you have never
 17 actually had hands-on experience in the field
 18 working on one of these units, have you, sir?
 19 A. Yes, I have.
 20 Q. You have?
 21 Could you tell me what years you
 22 actually worked hands on in a unit?
 23 A. When I was -- when I was at the Cherry
 24 Point refinery I was a process engineer. I worked
 25 turnarounds, worked, you know, unit regenerations.

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1 I was a supervisor of various different process
 2 units.
 3 Q. Did Cherry Point have any blowdown drums?
 4 A. No, not any light hydrocarbon blowdown
 5 drums.
 6 Q. Do you know why not?
 7 A. It wasn't designed with blowdown drums.
 8 Q. Do you know why not?
 9 A. No, I don't. It was a part of the
 10 original design.
 11 Q. Did everything go to a flare?
 12 A. No. There is atmospheric relief valves.
 13 Q. Were there any atmospheric relief valves
 14 in heavier than air hydrocarbon systems?
 15 A. Well, we are checking that across our
 16 system now. So we are trying to remove the heavier
 17 than air light hydrocarbon understanding the
 18 dispersion modeling. So there is a big study going
 19 on across the U.S. to check all of that.
 20 Q. Do you have any ISOM units at Cherry
 21 Point?
 22 A. There is a new ISOM unit at Cherry Point.
 23 Q. Does it go to a flare?
 24 A. Yes.
 25 Q. Did you understand that there had been no

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1 relief valve study done on the ISOM unit in the
 2 20 years of its operation?
 3 A. No.
 4 Q. Do you recall seeing anything like that
 5 in the Mogford report?
 6 A. Yeah, I read the Mogford report.
 7 Q. When you were the business unit leader at
 8 Carson, did you allow any of the units to go
 9 20 years without a relief valve study?
 10 A. So in the late Eighties in ARCO there was
 11 a comprehensive relief valve study done both across
 12 the Cherry Point and Carson refinery, which I knew
 13 about.
 14 Q. You would agree it was not responsible
 15 for BP to have allowed that unit to go without a
 16 relief valve study over 20 years, wouldn't you,
 17 sir?
 18 MR. DENNY: Objection, form.
 19 MR. COON: Basis?
 20 MR. DENNY: It calls for
 21 speculation on his part, number one.
 22 Q. (BY MR. COON) You may answer.
 23 A. The way that BP came together was through
 24 merger and acquisition activities. So we have, you
 25 know, a number of different heritage refineries

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1 that had their own policies around relief studies.
 2 So we are doing comprehensive relief studies now
 3 across our system, but that hadn't been done before
 4 the ISOM incident and it didn't have information
 5 about what the heritage companies had done on unit
 6 specific relief valve studies.
 7 Q. Well, why was there no heritage study on
 8 how long it had been since relief valve studies had
 9 been done?
 10 A. I don't know.
 11 Q. That's irresponsible in and of itself,
 12 isn't it?
 13 A. Somebody has to recognize that it should
 14 be done, that it should be updated.
 15 Q. Well, BP's not the kind of company that
 16 just came up overnight and doesn't know how to do
 17 things, is it?
 18 A. I don't think so.
 19 Q. They have been around, what, 100
 20 something years?
 21 A. Yep, I guess so.
 22 Q. And it doesn't take a lot of effort when
 23 you acquire another facility or if you merge with
 24 another company to find out what its history is, is
 25 there?

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1 A. So I don't know what was done in the
 2 Amoco BP merger around that. I was involved in the
 3 Veba acquisition.
 4 Q. Yeah, but my question was whether or not
 5 you believed it was very difficult to ascertain the
 6 history of relief valve studies at a facility that
 7 you merge with or acquire.
 8 A. I think it takes a huge amount of effort
 9 to understand exactly what you have. It takes
 10 months of study in all areas.
 11 I mean, that's what we did with
 12 Veba. I testified earlier that we had A.T. Kearney
 13 as part of that but both -- kind of an assessment
 14 of environmental issues, assessment of operating
 15 issues, understanding what -- the opportunities at
 16 the site. There was many months of intense study
 17 in that case.
 18 Q. But you would agree that under most
 19 circumstances all it does is take a meeting with
 20 the head of process safety management at the
 21 facility to get a pretty good understanding as to
 22 whether or not relief valve studies have been done
 23 and if so, how comprehensive they are and how out
 24 of date they may be?
 25 MR. DENNY: Objection, form.

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1 A. Yeah. I don't know what was done during
 2 the Amoco/BP merger, but that question could have
 3 been asked.
 4 Q. (BY MR. COON) And you knew Mr. Ralph was
 5 there in 2000?
 6 A. That he was there, yeah.
 7 Q. Yes, sir.
 8 Do you know anything about
 9 mechanical interlocks on units?
 10 A. A little.
 11 Q. Do you understand there were no
 12 mechanical safety interlocks on the ISOM unit?
 13 A. That's what I understand.
 14 Q. Design principles for many years had
 15 provided for that fail-safe, had they not?
 16 A. I don't know about ISOM design.
 17 Q. Do you know anything about the software
 18 systems and the control boards on the ISOM unit?
 19 A. I think it's a TDC distributed control
 20 system.
 21 Q. I take it that's a "yes"?
 22 A. A little.
 23 Q. Do you know anything specifically about
 24 Honeywells?
 25 A. Yes.

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1 Q. Do you know that this system did not have
 2 any safety interlocks on it?
 3 A. So what -- what do you mean by "safety
 4 interlock"?
 5 Q. Didn't have anything that would shut it
 6 down in the event of an upset, for instance?
 7 A. So that -- that's not all that common to
 8 have automatic shutdowns.
 9 Q. Are you aware it did not have any?
 10 A. It didn't have any.
 11 Q. Have you seen the testimony of Ms. Bobbie
 12 Detmar?
 13 A. No.
 14 Q. Do you know who she is?
 15 A. No.
 16 Q. Do you know if she had any experience in
 17 software design?
 18 A. I don't know who she is.
 19 Q. Do you know if she testified that she
 20 could have put in such a system if she had been
 21 requested relatively simply?
 22 MR. DENNY: Objection, form.
 23 A. I don't know who she is.
 24 Q. (BY MR. COON) Do you recall seeing
 25 anything in the Mogford report identifying a number

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1 of historical problems associated with the startup
 2 of the ISOM unit?
 3 A. Yes.
 4 Q. Did the number of atypical startups
 5 concern you?
 6 A. What I read in the Mogford report, yes.
 7 Q. In fact, you believe the majority of the
 8 prior startups had included as one example the
 9 majority of them having higher than normal pressure
 10 in startup?
 11 MR. DENNY: Objection, form.
 12 A. I don't remember that it was the
 13 majority. They looked at a number of different --
 14 a whole series of different startups, as I recall,
 15 and found others that had -- had higher pressure.
 16 Q. (BY MR. COON) Do you recall that the
 17 sight glass was obscured?
 18 A. No.
 19 Q. That would be reflective of poor
 20 maintenance if it was, wouldn't it?
 21 A. I don't know what it would be reflective
 22 of.
 23 Q. Well, do you know what a sight glass is?
 24 A. Yes.
 25 Q. You are supposed to be able to see them,

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1 aren't you?
 2 A. Right. I don't know why it was obscured.
 3 Q. If it was obscured, that would be a sign
 4 of poor maintenance, wouldn't it?
 5 A. It depends on why it was being obscured.
 6 Q. Well, if it was obscured because it had
 7 not been cleaned, that would be a sign of poor
 8 maintenance, wouldn't it, sir?
 9 A. It should have been cleaned.
 10 Q. If it had not been cleaned, that would be
 11 a sign of poor maintenance, wouldn't it --
 12 A. Yes.
 13 Q. -- sir?
 14 Did you know that there were pumps
 15 on that unit that were not working at the time it
 16 was started up?
 17 A. No.
 18 Q. If pumps were broken, would that be a
 19 sign of poor maintenance?
 20 A. Well, you said that there were pumps that
 21 weren't working; but it would be the decisions that
 22 would need to be taken on what's the criteria for
 23 starting up the unit. It's not necessarily poor
 24 maintenance.
 25 Q. Well, if you have a pump that is supposed

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1 to work and it's not working and the unit started
 2 up anyway, would that be a sign -- a potential sign
 3 of poor maintenance?
 4 A. No. It's completely dependent on what
 5 the pump is and what -- what its requirement is.
 6 Q. Do you know how many people were staffing
 7 the board in the control room on the date of the
 8 explosion?
 9 A. I think there was a board operator, one
 10 board operator.
 11 Q. Do you know --
 12 A. And extra people in the field.
 13 Q. Do you know what the history of the
 14 number of board operators in that particular unit
 15 had been?
 16 A. No.
 17 Q. Were you aware that from the time that
 18 unit was built in '84 until 2000 that there had
 19 been two operators in the control room?
 20 A. No.
 21 Q. Do you know why the number of personnel
 22 in the control room was reduced from two to one?
 23 A. No, I don't.
 24 Q. Do you know that it fell to the budgetary
 25 acts in 2000 as a result of Lord Browne's edict

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1 affecting a 25 percent reduction in fixed
 2 operational cost?
 3 MR. DENNY: Objection, form.
 4 A. Could you repeat that, please?
 5 Q. (BY MR. COON) Yes, sir.
 6 We have established earlier you
 7 were aware that there was an edict from Lord Browne
 8 to cut operational costs at BP facilities?
 9 A. No, I never testified to that.
 10 I don't know of any edict from
 11 John Browne on costs; and as I testified earlier,
 12 the cost challenge came prior to my career in BP.
 13 Q. Okay. You used the words "challenge."
 14 That was the challenge from Lord Browne to reduce
 15 fixed operational costs 25 percent?
 16 A. I am quite certain that didn't come from
 17 Lord Browne, and I never heard that it was a
 18 Lord Browne challenge.
 19 Q. Where did it come from?
 20 A. It came -- I don't know. I wasn't there,
 21 but it would be -- John Browne doesn't challenge
 22 the businesses like that. That's part of the line
 23 function.
 24 Q. So if there is documentation reflecting
 25 that Lord Browne has issued this 25 percent

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1 challenge to the business units, that would be a
 2 fraudulent document?
 3 MR. DENNY: Objection, form.
 4 A. I don't know what the document is.
 5 Q. (BY MR. COON) You said Lord Browne --
 6 I'm sorry, sir. You said Lord Browne would never
 7 do that. I am just saying if the document --
 8 A. I said it would be unusual. I wasn't
 9 around during it. Certainly that would be -- I
 10 have never had any experience where John Browne has
 11 told me to cut costs. That is not the way that the
 12 group runs. It runs through the line.
 13 Q. With all due respect, Mr. Hoffman, I'm
 14 not trying to be argumentative with you; but you
 15 didn't say it was quite unusual for Lord Browne.
 16 You said Lord Browne would never do that.
 17 A. Well, in my experience I have never seen
 18 him do that.
 19 Q. Okay. I am just asking a question. If
 20 there is documentation in this case that reflects
 21 that Lord Browne was issuing this 25 percent
 22 challenge, as you call it, to the business units,
 23 would that be a fraudulent document or would that
 24 be something Lord Browne could have himself
 25 emanated to the various business units?

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1 MR. DENNY: Objection, form.
 2 A. I can't testify to documentation I
 3 haven't seen.
 4 Q. (BY MR. COON) Okay. I am going to
 5 represent to you that there has been testimony in
 6 this case reflecting that decisions were made at BP
 7 Texas City to cut budgets 25 percent and that one
 8 of the things that was cut as a result of that
 9 25 percent budget request was a reduction of board
 10 operators from two to one.
 11 A. Okay.
 12 Q. So now we are operating with one board
 13 operator in the control room of the ISOM.
 14 First, this is something that
 15 would be news to you today?
 16 A. That it was one board operator?
 17 No, I know that.
 18 Q. No. That it went from two to one as a
 19 result of a request to make a budget cut?
 20 A. I have heard that as well.
 21 Q. You have heard that as well?
 22 A. That request to go from two to one, not
 23 as a result of a budget cut.
 24 Q. Okay. So I take it you were not aware
 25 that the local union protested the reduction of

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1 board operators from two to one on safety concerns?
 2 A. No.
 3 Q. You have never been told that before
 4 today?
 5 A. No.
 6 Q. You have never seen the underlying
 7 documentation of that before today?
 8 A. No.
 9 Q. Were you aware that another unit was tied
 10 in to the ISOM control room in 2003, being the NDU
 11 unit?
 12 A. Well, after the incident, I knew that the
 13 NDU was run from there.
 14 Q. Were you ever made aware that the union
 15 specifically requested that BP reconsider the
 16 staffing needs in the control room as a result of
 17 tying in the additional unit and again requesting
 18 to go back to two board operators in that control
 19 room?
 20 A. No.
 21 Q. Did you know that the ISOM supervisor --
 22 that is, the salaried person, Mr. Paul Trapp -- as
 23 a result of the NDU unit coming into the control
 24 room in 2003 also asked the supervisors to go back
 25 to two board operators out of safety concerns?

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1 A. No.
 2 Q. Were you aware that the union
 3 specifically protested the failure of BP in
 4 refusing to provide two board operators in the
 5 control room during startup procedures?
 6 A. No.
 7 Q. Are you aware that the grievance filed by
 8 the union for failure to provide two board
 9 operators during startup times was denied by
 10 Mr. Carter in 2001?
 11 A. No, I wasn't.
 12 Q. In reviewing the Mogford report and
 13 things you may have been told as part of the
 14 investigation, were you aware that there was a fire
 15 at the ISOM unit in 1986?
 16 A. I don't remember that specifically; but
 17 if it was in the report, I read it.
 18 Q. Do you recall if there was another fire
 19 there in 1987?
 20 A. I saw the history of the ISOM in
 21 Mogford's report, but I couldn't testify to the
 22 specific dates.
 23 Q. Do you recall there was another fire
 24 there in 1988?
 25 A. The same answer.

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1 Q. You would agree that every fire poses a
 2 potential risk of an explosion, wouldn't you, sir?
 3 A. Yes.
 4 Q. Do you require that -- do you recall that
 5 in the years prior to this explosion there were at
 6 least four documented circumstances in which vapor
 7 clouds formed at ground level posing an explosion
 8 risk?
 9 A. I was aware that the -- there were a
 10 number of times that the ISOM relieved to the
 11 blowdown system.
 12 Q. Do you recall there was another fatality
 13 at the ISOM unit in 1992?
 14 A. No, I don't.
 15 Q. You know nothing about those
 16 circumstances?
 17 A. No.
 18 Q. Do you know the circumstances of any of
 19 the two dozen people who died in the years prior to
 20 the explosion of March 23, 2005?
 21 A. I know the circumstances for the time
 22 that I have been running the refining businesses.
 23 Q. Okay. Let's just go back to 2004.
 24 Israel Trevino, May, 2004. Do you
 25 know how he died?

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1 A. Israel was -- which was the incident that
 2 Israel was in?
 3 Q. I am just asking if you know.
 4 A. I know there were two instances in 2004.
 5 One was burn where we had two fatalities, and
 6 another one was a contractor working in a tower
 7 that fell.
 8 Q. So you knew that there was a contractor
 9 who fell in a tower and died?
 10 A. Yes.
 11 Q. You are aware of two other fatalities
 12 that occurred out there that year?
 13 A. Yes.
 14 Q. Do you recall how it was they died?
 15 A. Yes.
 16 Q. What was it that caused their death?
 17 A. Burning, hot water scalding.
 18 Q. Well, akin to being boiled alive and
 19 burned alive, wasn't it, sir?
 20 MR. DENNY: Objection, form.
 21 A. They were scalded.
 22 Q. (BY MR. COON) Do you recall how that
 23 happened?
 24 A. Yes. They were separating a check valve,
 25 breaking a flange between a check valve and a valve

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1 and the valve wasn't fully closed. So hot water --
 2 they were on a platform and they were sprayed with
 3 hot water.
 4 Q. Do you recall that they were doing the
 5 work that they were assigned to do pursuant to the
 6 guidelines and instructions they had received?
 7 A. Yes.
 8 Q. Do you understand that at the end of the
 9 day, it was determined that they did nothing wrong
 10 to cause this incident to have happened?
 11 A. Yeah. There were two -- two issues. The
 12 way it was set up, control of work, they were in
 13 the line of fire. So there was an inadequate risk
 14 understanding of lack of isolation and the second
 15 is that there was no bleed between the check valve
 16 and the valve. And so we have instituted a policy
 17 across our system to install bleeds between the
 18 check valves and valves.
 19 Q. Were you aware of a public relations team
 20 that was in place at BP in 2004 at Texas City?
 21 A. The public relations team in Texas City?
 22 Q. Yes, sir.
 23 A. No. You would have to tell me who that
 24 would be.
 25 Q. I believe there was a Pat Wright and

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1 there was a Mr. Stephens, as I recall.
 2 A. I don't think they were at Texas City.
 3 Q. Maybe Houston?
 4 A. Houston, yeah.
 5 Q. Did you know that that public relations
 6 department was quoted, the day prior to the second
 7 gentleman's death, two months lingering after the
 8 incident, to be due to their own fault?
 9 A. No.
 10 Q. You don't recall any turmoil and
 11 controversy associated to Mr. Stephens casting
 12 blame at the foot of those people when, in fact,
 13 there was no blame appropriately cast at their
 14 feet?
 15 MR. DENNY: Objection, form.
 16 A. There was an incident investigation that
 17 went through the entire incident, including all the
 18 causes. So that's what I was aware of.
 19 I don't know about the public
 20 relations statements.
 21 Q. (BY MR. COON) Have you ever talked to
 22 Mr. Parus about those fatalities?
 23 A. Yes, I did.
 24 Q. In what context, sir?
 25 A. Well, the incident investigation, what

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1 are the actions that you are going to take to
 2 prevent this from happening again. And the -- and
 3 the contractor in the fall, all the equipment was
 4 there. The contracting company had a great track
 5 record of safety. He was properly trained. He had
 6 used the equipment. So we couldn't find a reason
 7 for that. We didn't know why he decided not to use
 8 the fall protection equipment.
 9 And the other incident, it was --
 10 there was a big issue about risk awareness. At the
 11 same time, we talked about compliance to procedures
 12 and policies. So there was that -- Don put an
 13 audit team in place at that time to go run a check
 14 to make sure people were following the rules.
 15 Q. And we understand that you had another
 16 fatality just two weeks ago; is that correct?
 17 A. There was a fatality at Texas City, yes.
 18 Q. That was Mr. Graves?
 19 A. Yes.
 20 Q. What's your understanding of what
 21 happened to Mr. Graves?
 22 A. He was crushed between an I beam and a
 23 manlift that he was operating.
 24 Q. Any fatalities at any of your other
 25 plants this year?

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1 A. No.
 2 Q. Any fatalities at any of your other
 3 plants last year?
 4 A. We had a fatality at the Cherry Point
 5 refinery, which was -- we think it was medically
 6 related.
 7 Q. You mean a heart attack or something?
 8 A. It was a heart attack but he fell into a
 9 little pool of water and then the actual cause of
 10 death was drowning, even though it was like an inch
 11 of water.
 12 So, it wasn't a -- there was
 13 speculation that it was a heart attack but there
 14 was never a definitive answer on that. He didn't
 15 fall from height or anything.
 16 Q. There's been a lot of personnel changes
 17 in the BP infrastructure in the last year or two.
 18 Do you know of any more that are scheduled to take
 19 place?
 20 A. No. John Browne is retiring in the end
 21 of 2008, I understand. I read it in the paper.
 22 Q. Is that where you have to go to get your
 23 information regarding what's happening at BP?
 24 MR. DENNY: Objection, form.
 25 A. Generally I am not informed as to when

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1 people are -- are planning on retiring.
 2 Q. (BY MR. COON) Mr. Hoffman, I want to go
 3 back to the flare system versus open containment
 4 systems.
 5 In talking about the ISOM unit and
 6 going back over what you recall from the Mogford
 7 report, do you recall a history reflected in there
 8 of opportunities that had existed prior to the
 9 explosion to get rid of the blowdown drum that was
 10 utilized on that particular unit?
 11 A. Yes.
 12 Q. What do you recall about the prior
 13 opportunities that had existed to replace that
 14 blowdown drum with a flare system?
 15 A. That there were a number of
 16 opportunities, when the ISOM could have been tied
 17 in to a flare system, that weren't taken.
 18 Q. Of course it could have been done in '84
 19 when the ISOM unit was built, right?
 20 A. Yeah.
 21 Q. And then it could have been done when the
 22 AU2 was built in the Nineties?
 23 A. Yes.
 24 Q. It could have been tied in to the flare
 25 from that one, right?

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1 A. Yeah. That's what it said in the report.
 2 Q. And then, of course, you had 1997, the
 3 entire vent stack and blowdown drum was all
 4 replaced with a brand-new one because it had all
 5 rusted out.
 6 Do you recall that?
 7 A. Yes.
 8 Q. That would have been another good
 9 opportunity to run everything to a flare, wouldn't
 10 it, sir?
 11 A. Yeah. There were -- Mogford report
 12 talked about a few opportunities to do that.
 13 Q. And these were all opportunities that
 14 would have been encouraged under the pre-existing
 15 PSS Number 6, which had encouraged the phasing out
 16 and removal of blowdown drums at Texas City?
 17 MR. DENNY: Objection, form.
 18 A. That's what I understand, that in that
 19 Amoco policy that there was that they wouldn't
 20 build new blowdowns.
 21 Q. (BY MR. COON) And then, of course, there
 22 was an opportunity to do so in 2002 when the NDU
 23 was built adjacent to the ISOM unit, correct?
 24 A. Yeah, that's what I understand.
 25 Q. And, in fact, that was something that was

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1 initially designed in the Clean Streams program
 2 that was later killed, correct?
 3 A. The Clean Stream was about removing
 4 benzene. So I don't know what all was considered
 5 or wasn't considered as part of that; but that
 6 would have been an odd way to address that issue,
 7 which was around benzene.
 8 Q. Okay. Well, there was a dual benefit of
 9 getting rid of a vent stack. One was for the
 10 safety concerns and the other was for environmental
 11 concerns, wasn't it, sir?
 12 A. Well, I know about the environmental
 13 concerns, which was the clean fuels. I don't know
 14 the -- all the consideration that was made for
 15 various different options that they had. What I
 16 saw was the final project.
 17 Q. What role did you have in approving or
 18 denying certain components of the budgets coming
 19 out of Texas City year to year?
 20 A. So we have a -- basically, a central team
 21 that works for me that gets proposals from
 22 businesses about spending, what their programs are,
 23 capital budgets, and then we look across that at
 24 license to operate, the businesses need -- can
 25 decide -- they just need to manage their license to

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1 operate.
 2 We expect that all businesses have
 3 at least five-year plans about sustaining
 4 investment and then proposed commercial investment
 5 and on commercial investment we try to choose the
 6 best projects across our system.
 7 The first funding is license to
 8 operate. They just need to tell us -- you know,
 9 Clean Streams would have been a license to operate
 10 around compliance; sustaining, expect all sites to
 11 have long-term sustaining programs that are funded
 12 once a year; and then commercial, if there is
 13 capital left over.
 14 Q. Do you go into the specifics of where the
 15 money goes, plant by plant, such as how much is
 16 allocated for training, maintenance, staffing,
 17 et cetera?
 18 A. So training -- training, maintenance and
 19 staffing wouldn't be capital. That's -- those
 20 aren't capital items. So that's part of the fixed
 21 budget.
 22 Q. Are you just involved in Capex?
 23 A. No. And then a budget is put to place --
 24 in place for all aspects of the business. So ask
 25 me what the variable costs are, what the fixed

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1 costs are, the programs that are being put in
 2 place.
 3 Q. You look at all three. You look at
 4 Capex, Revex and variable costs?
 5 A. Yeah, as part of the -- the business unit
 6 plan.
 7 Q. And does each business unit leader come
 8 to you with the proposals on the budget for the
 9 next year?
 10 A. Yes.
 11 Q. And you're in charge of trimming the fat
 12 out of those budgets, I take it?
 13 A. We are in charge of making sure that
 14 the -- so that would be part of it, is there fat in
 15 it but also is there adequate funding to do what we
 16 expect.
 17 We have done more and more around
 18 standards. So in some cases we have said
 19 businesses aren't spending enough on maintenance;
 20 and also, at times things happen during the year.
 21 So a business unit could come and say, "We found
 22 some things that need to be addressed and can we
 23 get extra money?"
 24 That's the business unit's
 25 decision about what to spend. They have a budget.

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1 Q. Did you have an understanding that
 2 Mr. Carter and Mr. Scruggs cut out most of the
 3 training as a result of the budget cuts in 2000?
 4 MR. DENNY: Objection, form.
 5 A. No, I wasn't here then.
 6 Q. (BY MR. COON) Were you ever made aware
 7 of any significant cuts in training associated to
 8 the budget cuts in 2000?
 9 A. No.
 10 Q. Did you ever see a list of what was cut
 11 in 2000 as a result of the 25 percent challenge
 12 emanating from London?
 13 A. No, I didn't.
 14 MR. DENNY: Objection, form.
 15 How are we doing on time?
 16 THE VIDEOGRAPHER: We have about
 17 eight minutes.
 18 (Discussion off the record.)
 19 MR. COON: In light of that, why
 20 don't we go ahead and take a break now and allow me
 21 to start pulling up the documents we need for the
 22 next line of inquiry.
 23 THE VIDEOGRAPHER: All right. We
 24 are going off the video record. The time is 3:08.
 25 (Recess taken.)

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1 THE VIDEOGRAPHER: All right. We
 2 are back on the video record. This is the
 3 beginning of Videotape 5. The time is 3:25 p.m.
 4 Q. (BY MR. COON) Mr. Hoffman, we may jump
 5 around some now, but I want to walk through with
 6 you a number of documents that we received that I
 7 believe were principally responsive to the subpoena
 8 duces tecum. I just need you to identify them and
 9 in some circumstances explain them.
 10 The next one is Exhibit 720. It
 11 is called a One-On-One Employee Safety Discussion.
 12 MR. DENNY: For the record, that
 13 is your highlighting?
 14 MR. COON: Yes, the record -- for
 15 the record it's not my highlighting.
 16 MR. DENNY: Well, it is not his.
 17 MR. COON: We will agree it is not
 18 mine or his.
 19 MR. DENNY: Okay.
 20 MR. COON: We will agree that
 21 somebody else did highlight it.
 22 MR. DENNY: But it's under your
 23 direction?
 24 MR. FERNELIUS: One of your staff
 25 members?

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1 MR. COON: You-all know what I
 2 know.
 3 MR. DENNY: Just so it's clear,
 4 it's not his highlighting.
 5 Q. (BY MR. COON) Mr. Hoffman, having looked
 6 at that document, can you identify it for us,
 7 please, sir?
 8 A. What does that mean to identify it?
 9 Sorry.
 10 Q. Yes, sir.
 11 Can you identify it? I am just
 12 trying to ascertain what it is and who generated
 13 it.
 14 A. I don't know who generated this. It's
 15 a -- it's a document talking about changes that we
 16 were making around accountability at the Carson
 17 refinery.
 18 Q. It's what I guessed based on the date,
 19 but I didn't see where it was talking too much
 20 about that plant in particular.
 21 A. "LAR." So LAR is Los Angeles refinery.
 22 When we got bought by BP, I changed the name to
 23 Carson because that was actually the city that we
 24 were in and I wanted to identify more with the
 25 city.

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1 Q. Okay. Well, there you go. I did not
 2 know the secret acronym.
 3 A. Many at BP wouldn't. That was an ARCO
 4 acronym.
 5 Q. Okay. What was the purpose of that
 6 particular document?
 7 A. Like I say, I don't know where the
 8 document was generated; but it was actually to give
 9 context about what we were trying to do to improve
 10 safety at the time.
 11 Q. And what were the problems at Carson
 12 refinery in 1998 when you were the plant manager
 13 there that would have resulted in a document of
 14 that nature?
 15 A. Well, we had had a number of safety
 16 issues and near misses and we started to look into
 17 it. There had been a behavioral safety program
 18 that had been in place for a long time.
 19 The behavioral safety program
 20 was -- it was voluntary and discipline could not be
 21 an outcome of a behavioral safety observation but
 22 what had happened over time is there was kind of a
 23 degradation of people following rules.
 24 So it became that because
 25 behavioral safety observations were -- were not

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1 subject to discipline, then following rules wasn't
 2 subject to discipline. And we had to really reset
 3 that and we had to bring the first line supervision
 4 back into management and kind of hold them
 5 accountable for their performance and other
 6 people's performance, too.
 7 It was a pretty big kind of
 8 resetting of our safety agenda.
 9 Q. Well, looking at what the contents of
 10 that particular document reflect, it seems like a
 11 lot of the problems that you were observing at the
 12 Carson plant in 1998 were similar to the types of
 13 observations being made at the Texas City facility
 14 prior to the explosion. That was an environment of
 15 casual compliance with policies and procedures and
 16 the lack of personal accountability.
 17 Do you recall those same types of
 18 comments being made by management and auditors and
 19 consultants in the few years prior to the
 20 explosion?
 21 MR. DENNY: Objection, form.
 22 A. At Texas City?
 23 Q. (BY MR. COON) Yes, sir.
 24 A. Yeah, I had seen similar issues.
 25 It's -- because of the, I think,

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1 long-term financial challenges in the industry, I
 2 think it wasn't hugely uncommon, because I did see
 3 some of that, that especially the first line
 4 leaders didn't feel like they were part of
 5 management, just kind of didn't understand their
 6 role exactly.
 7 So a big effort that we made at
 8 Carson was to bring the first level leaders back
 9 into management and support them.
 10 Q. And having been personally involved in
 11 trying to turn around a plant where you had
 12 problems of the nature associated with lack of
 13 compliance, behavioral problems, when was it that
 14 you were first aware that there were similar
 15 problems emanating from the Texas City facility?
 16 A. Well, it was a general issue.
 17 So we -- so across the refining
 18 system what we did was, first of all, we got very
 19 clear about what our values were: Safety, people,
 20 environmental performance, financial performance,
 21 availability. So we made that as a very big -- and
 22 then this -- the ability to understand what's going
 23 on in the organization.
 24 We started to describe this is the
 25 way we want to operate and this was a lot about

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1 getting the first level leaders. So I was really
 2 running kind of a general program to train leaders
 3 in leadership competency, how to hold people
 4 accountable, what we expect of people, what
 5 compliance means; and so we knew there were issues
 6 at Texas City.
 7 I had already talked about we put
 8 A.T. Kearney in place, compliance in place. Don
 9 was, you know, he commissioned the T. Dinley Strong
 10 study in order to better understand the culture and
 11 how he was going to influence it, but that was
 12 starting to come into what we were doing in the
 13 rest of the refining system.
 14 Q. Do you recall that Lord Browne admitted
 15 that Texas City had a failed safety culture in
 16 March of 2005?
 17 A. Yes.
 18 Q. You are not going to argue that point,
 19 are you, sir?
 20 A. No.
 21 Q. Do you have any particular things that
 22 you point or earmark to as to why Texas City had a
 23 failed safety culture in 2005 when BP was aware of
 24 safety culture problems, generically speaking, and
 25 had tried to address them at various plants?

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1 A. Yeah. So we had been trying to address
 2 them. Texas City was a little bit different in
 3 that it was part of the South Houston complex,
 4 which again was run with chemicals and refining.
 5 So the plans at Texas City were
 6 approved by a board -- not in 2005. That changed
 7 in 2004. But it took us longer to get Texas City
 8 into the refining program. I mean, chemicals had
 9 their own things and you know there -- but there
 10 was certainly a lot of focus generally on safety.
 11 And what we were trying to do was
 12 give our supervision and leadership kind of more
 13 clear expectations and tools in order to improve.
 14 (Exhibit Number 721 marked for
 15 identification.)
 16 Q. (BY MR. COON) Mr. Hoffman, the next
 17 document I have is 721. This one, again, speaks
 18 about compliance and rules and appears to be
 19 specific to Texas City. It talks about a control
 20 of work audit for May of 2004.
 21 Do you recall what that control of
 22 audit --
 23 A. Yes.
 24 Q. -- control of work audit was and what was
 25 being discussed there?

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1 A. Yes.
 2 Q. It was pretty much still known in the BP
 3 system that Texas City was having problems
 4 associated with compliance in 2004.
 5 A. Yeah. It was -- so this was an issue
 6 that we had identified out of a number of getting
 7 HSE right assessments across our system and the
 8 segment, but the people's relationship with rules
 9 was not as rigorous as what we wanted it to be.
 10 And so out of that segment, John
 11 Manzoni made compliance to procedures the theme;
 12 and Pat King put together these spot audit programs
 13 that we did kind of across the segment in a random,
 14 unannounced way. And so one of -- one of them was
 15 done around control of work and the five golden
 16 rules, which it falls, things that -- falls and
 17 other things that have caused fatalities in the
 18 group generally.
 19 And this letter was what is Texas
 20 City's response to the audit, which was generally
 21 all right but not as rigorous as we would expect.
 22 So at that time Don put in place -- he put in place
 23 his own audit team that would go around and just
 24 check for compliance on control of work.
 25 Q. Was this something that was going around

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1 to the various refineries in the BP system or was
 2 Texas City isolated and identified for special
 3 treatment?
 4 A. No, it -- it was around the various
 5 businesses.
 6 It wasn't -- it was a segment. So
 7 it was refining and marketing. So it went to like
 8 an air BP terminal in the London area. It went to
 9 a lubes plant. It was -- so it was -- it wasn't
 10 Texas City targeted at all, but it was just not
 11 only do we expect you to comply, we want our
 12 leadership to be, you know, watching this and then
 13 we are going to check occasionally and write a
 14 report.
 15 In the case of Texas City, the
 16 report didn't generate discipline; but in some
 17 cases we actually fired people over what we found
 18 in these spot audits.
 19 Q. Was anybody fired at Texas City as a
 20 result of any of the spot audits?
 21 A. No. This was -- this was one segment
 22 and, you know, generally their compliance was
 23 better than we saw in other places. They still
 24 needed to work on improving the compliance as a
 25 result of this, and this was Don's response to that

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1 to do kind of two things: Put in place this audit
 2 team and put in place a structure for helping
 3 people understand how to analyze discipline when
 4 rules weren't followed.
 5 And that's just culture, which is
 6 referenced in here.
 7 Q. Okay. What is the just culture?
 8 A. Just culture is a framework for analyzing
 9 whether -- what the issues around noncompliance
 10 were.
 11 Was it failure to follow the rules
 12 but understood it? Was it a training issue or
 13 whatever? So it could give leaders a tool to help
 14 them think through whether discipline and what kind
 15 of discipline would be required or not.
 16 Q. Does just culture have something to do
 17 with being fair --
 18 A. Yes.
 19 Q. -- with your workforce?
 20 A. Yes.
 21 Q. If you look at being fair with your
 22 workforce, you can go back and look at some of the
 23 comments that were specific to the Telos Report
 24 which were the opinions expressed by the employees,
 25 both salaried and hourly, that worked out at Texas

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1 City in the months prior to the explosion.
 2 Have you ever seen any of their
 3 individual comments?
 4 A. No. They were confidential.
 5 Q. Have you ever asked to see them now that
 6 you understand that the study and the individual
 7 interview notes are no longer confidential?
 8 A. No.
 9 Q. Did you know that employees were asked
 10 whether or not any of them had ever been hurt on
 11 the job?
 12 A. No, I didn't.
 13 Q. I want to read you a few of the excerpts
 14 from that report, sir, under the heading of
 15 "Getting Hurt on the Job," beginning page 1 going
 16 to page 2.
 17 An employee commented that, "After
 18 an incident, we add more detail to the procedure
 19 and fire the victim."
 20 Would that be part of the concept
 21 of a just culture, sir?
 22 A. No.
 23 The issue with just culture at
 24 Texas City was that they weren't disciplining
 25 people. It wasn't that they were firing the

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1 victim.
 2 Q. If employees are saying that they had
 3 been hurt on the job and their comment was that
 4 "They said it could not have happened on the job;
 5 so suddenly it didn't," that would not be a good
 6 example of just culture, would it, sir?
 7 A. No.
 8 Q. If an individual said that they had been
 9 hurt on the job because they were working
 10 shorthanded and no concern was shown, that would
 11 not be an example of a just culture, would it, sir?
 12 A. No.
 13 Q. If an employee said, yes, they had been
 14 hurt on the job and that the employer just wanted
 15 to find someone to blame, that would not be part of
 16 a just culture, would it, sir?
 17 A. No.
 18 In fact, what just culture does is
 19 allows supervision, a structured way to think
 20 through what is the appropriate response.
 21 Q. If an employee says, "Yes, I have been
 22 hurt and had management punish me and make a fool
 23 of me," that would not be an example of a just
 24 culture, would it, sir?
 25 A. No.

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1 MR. DENNY: Brent, would you
 2 identify the page or Bates number?
 3 MR. COON: Yeah. Those were all
 4 page 3, Bates Number 122326.
 5 MR. DENNY: Okay.
 6 Q. (BY MR. COON) Mr. Hoffman, were you ever
 7 made aware that these were the types of comments
 8 that were reflected in the Telos Report?
 9 A. No.
 10 Q. When you met with Mr. Parus and he was
 11 explaining to you his concerns in the Telos Report,
 12 did you ever get into any of the specific -- any of
 13 the specific comments made by any of the employees
 14 that were contained in the Telos Report?
 15 A. No, I didn't.
 16 Q. Did you ever ask to see for yourself the
 17 specific comments that were contained in the report
 18 that were causing Mr. Parus such concern?
 19 A. No.
 20 Q. Do you know of anyone else above
 21 Mr. Parus that was involved in the loop of
 22 knowledge associated with the Telos Report having
 23 been out there? People such as Mr. Gower, yourself
 24 or others ever having asked for the specific
 25 content of the report?

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1 A. No, I don't know.
 2 Q. Have you ever made an effort to go back
 3 and read anything in the report since the
 4 explosion?
 5 A. Yes, I have.
 6 Q. What did you read out of the report since
 7 the explosion?
 8 A. That there was a -- that a lot of
 9 employees thought that the focus on safety had
 10 improved but there were still a lot of lagging
 11 issues or maybe real issues around the way people
 12 perceived safety and what the intent at Texas City
 13 was.
 14 Q. And in reading over the content that was
 15 expressed in this report -- this is, what, three or
 16 four months before the explosion, when all this
 17 information was rounded up? I think November or
 18 December, 2000?
 19 A. I don't know.
 20 MR. DENNY: Objection, form.
 21 A. I only talked to Don in February. That's
 22 when I became aware of it.
 23 Q. (BY MR. COON) Okay. Do you know when
 24 this information had been assimilated?
 25 A. No, I don't.

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1 Q. Did you have some understanding that the
 2 information that was contained in the Telos Report
 3 was information of relatively recent origin?
 4 MR. DENNY: Objection, form.
 5 A. In February?
 6 Q. (BY MR. COON) Yes, sir.
 7 A. Yeah. I mean, I -- what I understood was
 8 this was something new that Don had done and he was
 9 developing plans to address it.
 10 Q. Okay. Do you recall seeing a lot of
 11 criticism associated to postponing turnarounds?
 12 A. No, I don't; but that's -- that's not
 13 something that I accept either. We scheduled
 14 turnarounds; and if there is a turnaround that it
 15 needs to be postponed for operational reasons, we
 16 go through a full management of change.
 17 Q. Here is an example of one comment.
 18 MR. COON: Counsel, it's 122340,
 19 page 17.
 20 Q. (BY MR. COON) It says, "Units are
 21 90 percent of the time run to failure..."
 22 What does that mean, "run to
 23 failure"?
 24 A. I don't know what that means.
 25 Q. I am going to read you the entire quote

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1 here.
 2 It says, "Units are 90 percent of
 3 the time run to failure due to postponing
 4 turnarounds. So making money or saving money for
 5 that particular year looks good on the books. This
 6 is a serious safety concern to operating personnel.
 7 We do not walk the talk all the time. Cost and
 8 budgets are preached to reduce cost."
 9 A. I don't know how old that comment is, but
 10 we do not postpone scheduled turnarounds. It
 11 doesn't make sense. It doesn't make sense to do
 12 that for economic reasons.
 13 We have a turnaround standard that
 14 we operate to. So if turnarounds need to be
 15 postponed, it's for the site and it's for operating
 16 reasons or capability reasons; and like I said,
 17 there is a management of change on that.
 18 Q. Do you know what type of turnaround
 19 schedules, if any, were being postponed by
 20 Mr. Scruggs and Mr. Carter as a result of their
 21 attempts to cut costs as a result of any orders or
 22 perceived orders from London?
 23 A. I don't know anything about the operation
 24 of Texas City pre 2002 when I was put into this. I
 25 don't know.

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1 Q. Were you aware that there were a large
 2 number of scheduled turnarounds that were on the
 3 books at Texas City in 2000 that were specifically
 4 earmarked for postponement as a result of the
 5 budget cuts emanating from London?
 6 A. No.
 7 MR. DENNY: Objection, form.
 8 A. I don't know where the budget cuts came
 9 from, but I certainly don't know anything about
 10 what was done in 2000.
 11 What we do today when -- is that
 12 we know what the turnaround schedule is for several
 13 years. We do -- we have a rigorous policy for when
 14 a scope is defined, when is it locked; and we've
 15 got -- you know, last year after the hurricanes, we
 16 got a lot of pressure from the Government to
 17 postpone turnarounds and we didn't do it because,
 18 you know, we can't execute turnarounds efficiently
 19 or run the operations well if we try and move those
 20 around.
 21 Q. (BY MR. COON) You know what the kit is,
 22 don't you, sir?
 23 A. The what?
 24 Q. The kit, k-i-t?
 25 A. I am not sure what that document says.

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1 Usually it's more of a European term, but we -- a
 2 kit would be the equipment.
 3 Q. I want to talk to you briefly about some
 4 notes made in the Telos Report on comments
 5 concerning the conditions of the kit.
 6 This would be the conditions of
 7 the refinery or the units, right?
 8 A. Yeah, generally that's what that was --
 9 would mean.
 10 Q. One of the comments that were given under
 11 that heading was, "Process safety management, our
 12 deferred maintenance over the years is now hurting
 13 us. Our processes have now changed. We have much
 14 higher corrosion."
 15 Were these things that you were
 16 aware existed at Texas City in 2004?
 17 A. Well, the reason that we had been
 18 increasing our maintenance funding and we had done
 19 those specific programs about addressing corrosion
 20 that we had designed an inspection corrosion
 21 standard was to address and have a -- you know,
 22 standard expectations of that for all the
 23 refineries.
 24 Q. This one is at page 20 of the report.
 25 "The equipment is in dangerous condition and this

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1 is not taken seriously. At the refinery there is a
 2 frame of mind like 'We are the ones that make the
 3 money.' They take pride in running on thin air."
 4 What does that mean, "running on
 5 thin air"?
 6 MR. DENNY: Objection, form.
 7 A. I have no idea. I can't even guess what
 8 running on thin air means.
 9 Q. (BY MR. COON) It says, "They take pride
 10 in running on thin air; but if they do it by
 11 killing someone every 18 months, then you don't
 12 have bragging rights about production."
 13 Would you agree with that
 14 statement?
 15 A. Well, I don't agree with production above
 16 safety at all, if that's what that is saying.
 17 Q. I will show you page 18, sir.
 18 Would you read the comments that
 19 were highlighted in that comment? And if you don't
 20 mind if -- you can read it out loud so we could
 21 have it.
 22 A. "It's all about acceptance. There is no
 23 outrage when it smells, when people die and when
 24 things fail. When we ask someone to do something,
 25 the incident investigation reveals they failed to

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1 assess the risk when, in fact, we failed to make
 2 them aware of the risks. These things are
 3 frightening and overwhelmingly being done because
 4 we have such a proud capable workforce that wants
 5 to be a winning team. That ethic contributes to
 6 their willingness to do things. And finally, it is
 7 an incredibly exclusive environment for
 8 contractors."
 9 Q. Would you agree with what was stated?
 10 A. Would I agree with...
 11 Q. Would you agree with the contents that
 12 were just stated by that particular employee?
 13 A. I don't know the context that he stated
 14 this in.
 15 I think one of the things that we
 16 found in the Mogford report around the exclusive
 17 environment for contractors, if that means that
 18 contractors were excluded, I would agree with that.
 19 We know that there was a failure to understand risk
 20 at the site.
 21 So when they talk about failed to
 22 assess risk, that -- we know that that has been an
 23 issue at the site.
 24 Q. I want to show you another one. It's at
 25 page 32, where another quote is talking about --

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1 A. Is this --
 2 MR. DENNY: Do you want to mark
 3 that, Brent?
 4 MR. COON: This is all part of the
 5 report. Yes, sir. This is the Telos Report. Let
 6 me just reflect the pages. It's already in the
 7 record as an exhibit.
 8 MR. DENNY: Do the Bates number
 9 just so it will be easier for us to find.
 10 MR. COON: Okay. 122341. That is
 11 122355. Those comments there (indicating).
 12 Q. (BY MR. COON) And could I have you read
 13 that one for me, please?
 14 A. "We have cut routine budgets to the point
 15 where we are not doing the routine maintenance
 16 essential to keeping units up. We cut 10 percent,
 17 cut 10 percent, cut 10 percent without regard for
 18 the risk."
 19 Q. Let me talk to you first about that "cut
 20 10 percent."
 21 Do you have any idea what they are
 22 talking about there?
 23 A. That must be a historic comment.
 24 Q. Were you aware that there had been a
 25 number of additional challenges emanating from

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1 London in the years prior to the explosion to cut
 2 the fixed operational budget at plants 10 percent?
 3 A. No.
 4 The Texas City operating budget
 5 had been increasing during those years
 6 significantly.
 7 Q. It was increasing because of significant
 8 deferred maintenance resulting in a lot of
 9 unscheduled shutdowns, hadn't it, sir?
 10 A. No. It was proactive maintenance as
 11 well. So that was some -- some was a result of
 12 deferred -- or things that were unanticipated, but
 13 the whole thing about improving the infrastructure
 14 integrity was all proactive.
 15 We were getting -- you know, in
 16 fact, we did this refinery system wide and said
 17 this is the expectations that we have for
 18 maintenance and here's the criteria which is you
 19 have to manage the backlog, you know, this is the
 20 management information that you must have for
 21 maintenance.
 22 So more and more we were focused
 23 on getting the right maintenance done on time. But
 24 certainly part of the increase in maintenance in
 25 Texas City was catch-up maintenance.

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1 Q. Well, there was a lot of catch-up
 2 maintenance that still existed at the time of the
 3 explosion in March of 2005, wasn't there, sir?
 4 A. I think we weren't fully caught up on
 5 maintenance at Texas City. And in addition to
 6 that, they hadn't -- and we just -- we just
 7 published in January of 2005 the maintenance
 8 procedures and processes. So they haven't
 9 implemented that yet.
 10 Q. In fact, after the explosion, there was
 11 an announced budget expenditure that I think was
 12 allocated somewhere around a billion dollars for
 13 catching up?
 14 MR. DENNY: Objection, form.
 15 A. It's not just catching up. It's
 16 improving the site as well. Some -- in response to
 17 some of the Mogford findings and the OSHA
 18 requirements, flare systems and new buildings. So
 19 a big part of that money is that.
 20 Q. (BY MR. COON) That didn't include the
 21 cost of modifying a building away from the facility
 22 to allow management personnel to work off site, did
 23 it, sir?
 24 A. There was -- you mean the Texas City
 25 building?

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1 Q. Yes, sir.
 2 A. No. That was -- that was a lease. So
 3 there was just a modification done to the Texas
 4 City building. So it's not really -- it was
 5 20 million or something like that. It wasn't a big
 6 part of that number, and that's where the training
 7 center is. It's not management personnel. It's
 8 training, engineering, a lot of the HR, a lot of
 9 the functions that we could get out of the plant.
 10 Q. But that building was renovated and
 11 leased by BP --
 12 A. Yes.
 13 Q. -- to provide for the transfer of a
 14 number of the administrative personnel off site to
 15 a location that was perceived to be safer than
 16 working there at the facility, wasn't it, sir?
 17 A. It was to address this issue of too many
 18 people in trailers and to eliminate trailers.
 19 So like I said, we established a
 20 training center -- you know, kind of state of the
 21 art training center where we could go and train
 22 people. We moved engineering out. We moved HR
 23 out. The operating management and the operations
 24 and maintenance were still on site because they
 25 were running the site.

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1 Q. The significant or major consideration
 2 for this new building was to provide a safer
 3 operating facility for those personnel that were
 4 not necessary to be located on site at the plant
 5 itself?
 6 A. It was to allow us to get people out of
 7 trailers and move them off the site, clearly; and
 8 it was available. And we didn't have to build a
 9 new building on site because the Kmart building was
 10 available.
 11 Q. Well, you had a lot of people in
 12 administration that were afraid to go back to work
 13 after the explosion out of fear for their lives.
 14 That was expressed, wasn't it,
 15 sir?
 16 MR. DENNY: Objection, form.
 17 A. I didn't hear that.
 18 Q. (BY MR. COON) Were you aware of how
 19 training had degraded over the years prior to the
 20 explosion?
 21 A. No.
 22 Q. Let me talk to you briefly about the
 23 section talking about training, development and
 24 organizational learning. It was the last pages of
 25 the report, pages 53 through 56; and let me show

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1 you first some areas on page 54. This is at
 2 Document 122377. The highlighted ones, please,
 3 sir.
 4 If you could read the first ones
 5 that I have highlighted there for you. What does
 6 that one say?
 7 A. "There were 20 unit trainers a few years
 8 ago and now there is four unit trainers, get used
 9 to fill in."
 10 Q. What happened to the other 16 trainers
 11 that were out there?
 12 A. I don't know what happened to them.
 13 Q. What does the next one say that I
 14 highlighted there for you, please, sir?
 15 A. "Quality and accuracy of operator
 16 maintenance training here is really poor."
 17 Q. I am sorry. Really what?
 18 A. Poor. Really poor.
 19 "Training is not effective and
 20 really nonexistent. Training is real poor here
 21 compared to other companies I work for."
 22 Q. What type of comparisons was BP doing, if
 23 anything, to their competitors to determine whether
 24 or not they were lacking in training, staffing,
 25 things of that nature?

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1 A. I don't know of any comparisons to
 2 competitors on training.
 3 On staffing, there is Solomon
 4 benchmarking.
 5 Q. Let me show you another page on training
 6 issues. This is 122378. If I can have you read
 7 each of those, please, sir, and comment briefly on
 8 them.
 9 MR. DENNY: The highlighted ones?
 10 MR. COON: Yes, sir.
 11 MR. DENNY: Okay.
 12 A. With no skills training for I&E crafts
 13 here, it's a real issue.
 14 In the 28 years I cannot remember
 15 any training in the step-up or transfer.
 16 Q. (BY MR. COON) What is a step-up or
 17 transfer?
 18 A. A step-up would be somebody that steps up
 19 into foreman or first level leader position from --
 20 from an hourly position.
 21 Q. Okay. Next one, sir?
 22 A. "George Carter cut training and said,
 23 'Until you tell me I could go to jail, I won't
 24 change anything as long as the paper covers us.'
 25 We haven't recovered from that."

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1 Q. Was that a very professional statement
 2 from Mr. Carter to have made?
 3 A. It's unacceptable if he made that
 4 statement.
 5 Q. Do you have any reason to believe that
 6 the personnel that would have filled out an
 7 anonymous statement like that would have dropped
 8 Mr. Carter in the grease on a comment like that
 9 unless it was actually made?
 10 MR. DENNY: Objection, form.
 11 A. Well, I know in anonymous surveys people
 12 remember things differently and are more
 13 comfortable saying lots of things. So I don't
 14 know. I don't have context.
 15 Q. (BY MR. COON) Do you know what kind of
 16 things Mr. Carter did cut, if anything?
 17 A. I know that there was a general cut,
 18 which is why we were, you know, focusing on
 19 increasing the funding for Texas City and had plans
 20 in place in order to improve the site.
 21 The Mogford report -- and I agree
 22 with that -- talks about inadequate training. That
 23 needs to be addressed. A lot of training went
 24 to -- to -- on computerized training so people
 25 would get on a screen and do that, and that is not

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1 effective enough for the training that we expect.
 2 Q. The next one, sir?
 3 A. "Training is critically bad for operators
 4 and maintenance. Oh, yes, we have documents to
 5 cover OSHA and say we did training but that's not
 6 designed to locate gaps of knowledge."
 7 Q. Were you aware of gaps in knowledge
 8 existing in the training department prior to the
 9 explosion?
 10 A. No.
 11 Q. Were there any kind of gaps existing out
 12 at Texas City that were still being worked on?
 13 A. There were lots of gaps being worked on
 14 at Texas City.
 15 Q. Okay. What were examples of gaps that
 16 existed at Texas City?
 17 A. You know, we talked about catch-up
 18 maintenance that they had to do, the infrastructure
 19 investment that we had increased, and general
 20 leadership capability was a gap. Compliance to
 21 procedures, those all had programs in place to
 22 address.
 23 Q. Why were there gaps in maintenance?
 24 A. Why did we have that situation?
 25 You know they didn't run the

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1 maintenance department in a way that I think is
 2 appropriate. It was reactive maintenance, not good
 3 process around maintenance. I don't know how it
 4 got to be that way. There was -- we know there was
 5 cost cutting in the Nineties that needed to be
 6 addressed and caught up.
 7 Q. The complaints that many have made about
 8 BP Texas City being reactive instead of proactive
 9 was specifically targeted towards the many budget
 10 cuts that took place in the late Nineties and early
 11 2000s.
 12 Would you agree with those?
 13 A. I think that's probably true. I mean,
 14 certainly there were budget cuts and what I saw
 15 when I got the job was they didn't have good
 16 maintenance process and they were behind in what I
 17 would expect on maintaining the site.
 18 Q. Why was that plant so dysfunctional?
 19 MR. DENNY: Objection, form.
 20 A. I don't know the full history of why they
 21 got to where they are.
 22 Q. (BY MR. COON) What was your
 23 understanding as to why it became so dysfunctional?
 24 A. Well, it's a very complicated site. It's
 25 one when it became an integrated site in order to

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1 try and capture integrated business, the complexity
 2 of the site went up. The board structure that Don
 3 reported to, I think, was very complex.
 4 Doing a performance plan for the
 5 site with multiple different businesses having
 6 inputs was very complex. They went to what was
 7 called a MALT, which was a matrix organization with
 8 maintenance and operations and I think as part of
 9 that, although well intended, they lost track of
 10 the clear accountabilities.
 11 Q. In light of all those deficits, aren't
 12 you playing Russian roulette with your units when
 13 the entire facility gets that dysfunctional?
 14 MR. DENNY: Objection, form.
 15 A. That's why we were doing so many things
 16 to address it. So inspection for -- since we knew
 17 that they were behind on inspection. So we started
 18 hiring new inspectors, built the department up. We
 19 had a clear policy and procedures around
 20 inspection, which in the beginning of 2005 they
 21 were implementing in Texas City.
 22 Q. (BY MR. COON) The Texas City facility
 23 was shut down in the fall of 2005, wasn't it, sir?
 24 A. Yes.
 25 Q. And it stayed closed for a number of

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1 months?
 2 A. Yes.
 3 Q. This is something that could have been
 4 done prior to March 23, 2005, wasn't it, sir?
 5 A. That the site could have been shut down?
 6 Q. Yes, sir.
 7 A. Yes. It's possible.
 8 Q. And many of the things that could have
 9 and should have been done before March 23rd are now
 10 being done or were being done after the plant was
 11 closed down in September of 2005; that is, getting
 12 rid of blowdown drums, streamlining processes,
 13 improving training, et cetera?
 14 MR. DENNY: Objection, form.
 15 A. So today what we are doing is first --
 16 the first big issue we had on bringing the -- the
 17 site back was that we have a third-party provider
 18 of steam and when they shut down the steam system,
 19 we weren't able to properly close -- shut the
 20 refinery down.
 21 The steam system hadn't been down
 22 for years, and so we had to make a lot of repairs
 23 on the steam system in order to get to a place
 24 where we could properly shut the refinery down.
 25 And now what we were doing is catching up on all

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1 the inspections and fixing the issues that were
 2 created by having the refinery down for such a long
 3 period of time.
 4 Q. (BY MR. COON) Are you getting rid of
 5 blowdown drums while the units are down?
 6 A. Yes.
 7 Q. Are you setting up better training
 8 protocols for employees while the facility is down?
 9 A. Yes. We are doing a lot of training.
 10 Q. You are reviewing the structure and
 11 supervision to make sure that that system works
 12 better and is better when the systems are --
 13 A. Accountability is clear. People
 14 understand what their job is, yes, we are.
 15 (Exhibit Number 722 marked for
 16 identification.)
 17 Q. (BY MR. COON) Mr. Hoffman, I have 722.
 18 Can you tell us what this is? It's called the
 19 "Final Results for Group and Segment HSSE."
 20 A. Yeah. It's a report with health, safety
 21 security and environmental data.
 22 Q. Is that something that's done for each
 23 plant every year?
 24 A. Well, this is -- this is an aggregation
 25 of plants. So, yes, each plant feeds into this;

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1 and this -- this is a group report, I believe.
 2 Q. You also have one that is done month to
 3 month?
 4 A. Yes.
 5 Q. What is the purpose of this monthly and
 6 annual summary of HSSE results?
 7 A. To monitor our safety performance.
 8 Q. Is this how you compare Texas City to the
 9 other units?
 10 A. Right.
 11 Q. Where has Texas City been running as
 12 compared to the other units on -- first let me back
 13 up.
 14 What are looked at with respect to
 15 performance when you are comparing the various
 16 facilities?
 17 A. Well, on safety days away from work case.
 18 So people that are injured and miss work.
 19 Recordable injury frequency in the US. That's an
 20 OSHA standard. Vehicle accidents are looked at.
 21 Spills. So loss of containment is tracked.
 22 Fatalities. Greenhouse gas. So the CO2 emissions.
 23 Those are part of the group tracking.
 24 Q. And where was Texas City running as
 25 compared to your other facilities in 2004?

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1 A. So one of the things we reviewed in 2005
 2 was that Texas City had gotten their recordable
 3 injury frequency to a point where they were in the
 4 top third of all of our refineries on recordable
 5 injury.
 6 Their spills had been decreasing
 7 over that period of time. That was one of the
 8 1000 day goals, which was to reduce spills and
 9 there was particular integrity programs put in
 10 place to do that.
 11 Those -- that data was showing
 12 that Texas City was moving in the right direction.
 13 MR. COON: I will object to the
 14 responsiveness.
 15 Q. (BY MR. COON) Maybe I didn't say this
 16 very well.
 17 Where did Texas City rank in 2004
 18 on these indicators as compared to the other
 19 facilities?
 20 A. So it depends --
 21 MR. DENNY: Objection, form.
 22 A. -- on which indicator.
 23 Q. (BY MR. COON) Just overall was it ranked
 24 top, middle or bottom?
 25 A. Well, it's difficult to say overall.

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1 They were -- they were in the top
 2 third in recordable injuries. They were still in
 3 the bottom quartile, I would say, on spills,
 4 although that had been improving.
 5 You know, the vehicle accidents is
 6 not a big deal in refining. So that wouldn't be
 7 one that we would really compare sites. CO2
 8 emissions on Texas City has -- it was a big site.
 9 So it has high CO2 emissions; but on energy
 10 efficiency, Texas City was doing well. So they
 11 were probably kind of the middle of the pack on
 12 energy efficiency.
 13 Q. Was there an aggregate score where you
 14 looked at all the indicators and then ranked each
 15 one of the plants?
 16 A. No.
 17 Q. Has anything like that been done where
 18 you rate and compare each plant to one another on
 19 the same criteria?
 20 A. Not on lagging management information
 21 like that.
 22 Q. Mr. Hoffman, I have here what's called
 23 "BP Confidential Texas City Refinery Explosion and
 24 Fire." It's marked 723.
 25 (Exhibit Number 723 marked for

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1 identification.)
 2 Q. (BY MR. COON) And have you seen that
 3 document before?
 4 A. Yes.
 5 Q. What is that, sir?
 6 A. It's a communication to -- I believe this
 7 was to group leadership. So the -- the BP
 8 executives so they could understand both what our
 9 response was around the ISOM explosion and some of
 10 the facts around this. So this was intended to be
 11 for people kind of not with refining experience.
 12 Q. And who was that distributed to?
 13 A. I believe it was distributed to the
 14 executive leadership of BP.
 15 Q. Who would that be?
 16 A. Well, it would be upstream business unit
 17 leaders, my peers in the various different
 18 businesses, including upstream, staff people.
 19 Q. Do you know who put that together?
 20 A. I am not sure specifically who put it
 21 together.
 22 Q. Was it done under your supervision,
 23 direction or anything else?
 24 A. It wasn't under my supervision. I would
 25 have -- I am pretty sure I would have seen this

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1 before it went out.
 2 (Exhibit Number 724 marked for
 3 identification.)
 4 Q. (BY MR. COON) Mr. Hoffman, next I have
 5 Exhibit 724.
 6 Can you identify this document for
 7 me, please?
 8 A. All right. So this would have been -- I
 9 believe this was a letter to refining and marketing
 10 group leadership that -- or a proposed letter.
 11 Q. And why are you included in the loop on
 12 that communication?
 13 A. Because this letter was posed -- was
 14 being drafted for John Manzoni and I to send to
 15 refining and marketing leadership.
 16 Q. Who was drafting that for you?
 17 A. Stacey McDaniel.
 18 Q. And why would she prepare this document
 19 for you to distribute?
 20 A. She worked for me.
 21 Q. Was this just a draft of the memo that
 22 would have been circulated?
 23 A. Yes.
 24 Q. Do you know if one, in fact, was
 25 circulated?

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1 A. I believe so.
 2 Q. Same content as what we have here?
 3 A. I don't know if it was exactly the same.
 4 Q. Going back to the last document, sir,
 5 723, the group leadership briefing pack, was there
 6 any subsequent meeting of the group to explain more
 7 of the details or particulars as to what happened?
 8 A. So there -- I think there's been a number
 9 of meetings. There wasn't a -- like a big central
 10 meeting where all the leadership got together.
 11 That would be hundreds of people.
 12 But what we tried to do with this
 13 information pack was give our group leaders
 14 information that they could talk to our employees
 15 about what had happened and we provided that
 16 information at various different times, including
 17 after the Mogford report.
 18 Q. Was this something generated before or
 19 after the interim report?
 20 A. I don't know what the date on that is.
 21 There's been several different communications like
 22 that.
 23 Q. Okay. It talks about on page 8 the
 24 Texas City actions and response, and I want to talk
 25 to you briefly about those.

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1 Is this something that you
 2 reviewed for content for accuracy?
 3 A. I believe so.
 4 Q. If you can, the first thing here says,
 5 "Texas City Action and Response." We will go over
 6 each one of those briefly.
 7 What is the first thing you said
 8 you were going to do?
 9 A. Clarification of roles and
 10 responsibilities.
 11 Q. Just right underneath the heading "Texas
 12 City Actions and Response," what does --
 13 A. Fairly compensate the victims' families
 14 as rapidly as possible.
 15 Q. It says BP will?
 16 A. BP will.
 17 Q. And what responsibility, if any, did you
 18 have to see that that happened?
 19 A. I don't have any responsibility to see
 20 that happened.
 21 Q. To your knowledge, who was involved in
 22 making sure that happened?
 23 A. Our legal department.
 24 Q. Did that remain an accurate statement of
 25 facts?

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1 A. That BP will fairly compensate the
 2 victims and families?
 3 MR. DENNY: Objection, form.
 4 Q. (BY MR. COON) Yes, sir.
 5 A. As far as I know it is.
 6 Q. Do you know that there are many people
 7 who have not even received an offer of settlement
 8 for their injuries to date?
 9 MR. DENNY: Objection, form.
 10 A. I don't know the status.
 11 Q. (BY MR. COON) Do you have any role or
 12 responsibility in clarifying or assisting in
 13 clarifying any statements of fact BP may have made
 14 in their public relations campaign to the -- either
 15 to the general public or to their own employees?
 16 MR. DENNY: Objection, form.
 17 A. I don't know what that would be.
 18 Q. (BY MR. COON) If, in fact, they had
 19 fairly and timely compensated everybody, wouldn't
 20 that be an example of one?
 21 MR. DENNY: Objection, form.
 22 A. I don't think so.
 23 Q. (BY MR. COON) Let's look at -- I want to
 24 ask you about a few of these.
 25 Actions complete, one of those is

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1 "written shift handovers are now required."
 2 What was meant by that?
 3 A. That meant -- means when a shift change
 4 happens, from days to nights, that each operator
 5 will have a checklist before they hand over their
 6 replacement.
 7 Q. Why was that an action undertaken as a
 8 result of this explosion?
 9 A. Because part of what we saw was we had
 10 very sloppy shift handover. That was in Mogford's
 11 report as well.
 12 Q. Well, why would you have sloppy shift
 13 changeover in light of the nature of what you guys
 14 do out there, working with hydrocarbons?
 15 A. You wouldn't. It's not acceptable.
 16 That's why we fixed that.
 17 Q. What was BP doing at your level prior to
 18 this explosion, from an audit standpoint, to go out
 19 and make sure that there was no casual compliance
 20 with rules, that they were being expressly and
 21 accurately followed?
 22 A. So we did -- we already talked about the
 23 audit that the segment did specifically to rules
 24 compliance. Don had put together an audit team at
 25 Texas City to go along and make sure that rules

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1 were being followed.
 2 The just culture structure, which
 3 was developed on the chemical side, was being used
 4 in order to help people understand how
 5 disciplined -- a logical way of going through
 6 decisions around discipline.
 7 Q. Well, if you understood those problems to
 8 exist prior to the explosion, why were they not
 9 permeating the staff prior to the explosion?
 10 A. Why weren't they permeating the staff?
 11 Is that what you said?
 12 Q. Yes, sir.
 13 I mean, you recognized the
 14 problems before the explosion and yet at the time
 15 of the explosion, the problems that you recognized
 16 were still ongoing?
 17 A. Well, that's certainly true. I mean,
 18 the -- the focus on the compliance issue and what
 19 we had seen was not around shift handover at that
 20 time. It was around control of work. So there was
 21 a big focus on control of work.
 22 In fact, there was a standard that
 23 was -- that we were heavily involved with in
 24 refining, working with a group to define what we
 25 expect on control of work.

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1 Q. Okay. Talking about actions in progress,
 2 one of those was "BP will eliminate light
 3 hydrocarbon blowdown systems."
 4 Have you identified where all your
 5 blowdown systems were still being utilized in the
 6 BP system?
 7 A. Yes.
 8 Q. Have you eliminated all of them?
 9 A. They are not all eliminated yet.
 10 Q. Some units are still being operated with
 11 light hydrocarbon blowdown systems in use?
 12 A. So we have -- we have to go through
 13 engineering. We have to design flares.
 14 In the meantime, we have taken
 15 administrative procedures to be sure that we don't
 16 have the risk that we saw, so we don't have
 17 people -- people around blowdowns. We have
 18 additional controls around those systems. We have
 19 gone through and made sure the systems are safe to
 20 operate, that they are properly maintained, people
 21 understand that they are safety critical systems.
 22 We don't have any light
 23 hydrocarbon -- heavier than air light hydrocarbon
 24 blowdowns running at Texas City now.
 25 Q. Are they running at other plants?

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1 A. We have some at Whiting.
 2 Q. Why do you still have some being utilized
 3 at Whiting in recognition of the hazards associated
 4 with them?
 5 A. Because we also have to recognize the
 6 hazards of getting rid of them. So we have to go
 7 through all the engineering to build new flares.
 8 That's in progress. And in
 9 recognition of the hazards, we -- like I said, we
 10 put new administrative and operating controls
 11 around those so we don't have people in the area.
 12 Q. You can shut the unit down until the unit
 13 had been redesigned and a flare had been installed,
 14 couldn't you, sir?
 15 A. Yes, we could.
 16 Q. The decision was made not to do that,
 17 wasn't it?
 18 A. So far what we have said is that we can
 19 manage the safety aspects of that system through
 20 the administrative controls and the -- and the
 21 control of the area. These systems have run for
 22 many, many years.
 23 Q. So if you are going to let your children
 24 play with guns, just make sure they know how to use
 25 them?

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1 MR. DENNY: Objection, form.
 2 Q. (BY MR. COON) Do you understand the
 3 analogy, sir?
 4 A. Well, I don't think it applies in this
 5 case.
 6 The blowdown system is -- is part
 7 of a relief system, which is a safety system. It
 8 was not recognized for its hazard at Texas City,
 9 but certainly we recognize it now and we are taking
 10 moves to eliminate the hazards completely. But in
 11 the meantime, we have put other safety systems and
 12 administrative controls.
 13 Q. Mr. Hoffman, I appreciate you saying over
 14 and over that you didn't recognize the hazards
 15 associated with blowdown drums. So I am going to
 16 ask you some questions about that again.
 17 You told me earlier you were not
 18 aware of the 1992 OSHA citation at Texas City for a
 19 vent stack system allowing for a vapor cloud to
 20 form posing an explosion hazard? You were not
 21 aware of that citation, were you, sir?
 22 A. That's correct. I was not.
 23 Q. Assuming that that citation was issued,
 24 you would agree with me that personnel at that
 25 facility were made aware of it?

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1 MR. DENNY: Objection to form.
 2 A. Well, I know if there was an OSHA
 3 citation issued then the facility would have had to
 4 have addressed and closed the OSHA citation.
 5 Q. (BY MR. COON) And, in fact, were you
 6 aware that a BP legal team went and negotiated with
 7 OSHA on that citation and others and were able to
 8 make promises and agreements that resulted in the
 9 dismissal of that citation?
 10 MR. DENNY: Objection, form.
 11 A. When was that?
 12 Q. (BY MR. COON) 1992, sir.
 13 A. That would have been Amoco.
 14 Q. Yes, sir.
 15 A. So I wasn't aware of the citation. So I
 16 wouldn't have known how it was closed.
 17 Q. And if that citation included express
 18 language in it that a way of eliminating or
 19 reducing the likelihood of such a vapor cloud in
 20 the future would be to run that unit to a flare so
 21 that it did not pose the same potential for an
 22 explosion, assuming that that statement was in
 23 there, it's kind of hard to argue that BP/Amoco was
 24 not aware of the potential risk of an explosion
 25 associated with an open vent system?

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1 MR. DENNY: Objection to form.
 2 A. Well -- so what I know about OSHA
 3 citations generally is that they need to be
 4 addressed and agreed with OSHA.
 5 So I don't know what specifically
 6 happened with that citation or what it said.
 7 Q. (BY MR. COON) Well -- and you are aware
 8 of what's called puking, are you not, as it relates
 9 to the refining industry?
 10 A. Puking?
 11 Q. Yes, sir. Have you ever heard of the
 12 term "puking" used?
 13 A. No.
 14 Q. You have never heard of puking being
 15 referred to instances in which liquids come out
 16 through a blowdown drum or from a flare, flare
 17 stack?
 18 A. I don't think I have heard that term.
 19 Q. Do you know that a number of people that
 20 worked out at Texas City at the time of the
 21 explosion, or in years prior, were aware of puking
 22 and what it was?
 23 A. No.
 24 Q. Do you know that Mr. Hale, who was the
 25 business unit leader out at Texas City, was not

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1 only aware of puking but had seen it occur
 2 personally --
 3 MR. DENNY: Objection --
 4 Q. (BY MR. COON) -- in his life experiences
 5 in refineries?
 6 MR. DENNY: Objection, form.
 7 A. No, I wasn't aware of that.
 8 Q. (BY MR. COON) Are you aware of the
 9 concept of liquid overfills emanating from blowdown
 10 drums or from flare towers?
 11 A. Yes.
 12 Q. Have you ever seen a circumstance where
 13 there was a liquid overfill of a blowdown drum or a
 14 flare resulting in liquids emanating from the top
 15 of the tower or vent?
 16 A. I have seen a flare that had liquids
 17 coming out of it.
 18 Q. Where was this at?
 19 A. At Cherry Point.
 20 Q. What caused a liquid overfill in that
 21 particular flare?
 22 A. There was pressure from a diesel unit
 23 that carried over liquid. This was in the
 24 Eighties. I don't remember the specifics of it.
 25 Q. Did it cause a fire?

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1 A. It -- there was a -- well, it was at the
 2 flare. So it was on fire. The liquid was on fire.
 3 Q. Okay. Well, you have a flare, which is
 4 kind of like a pilot at the top of the flare stack,
 5 right?
 6 A. Yeah.
 7 Q. And any vapors that come out of the unit
 8 as a result of overpressurization can normally
 9 safely go off to this flare, usually in a flare
 10 yard, and burn off as it's lit by the pilot at the
 11 top of the flare, right?
 12 A. Yes.
 13 Q. That reduces the potential for a vapor
 14 cloud forming at ground level and also reduces the
 15 potential for toxins to be released into the
 16 atmosphere, does it not?
 17 A. Yes, it does.
 18 Q. So you get two benefits. One is a safety
 19 benefit, and one is an environmental benefit.
 20 A. Yes.
 21 Q. And you were aware that not only could
 22 you get vapors through overpressurization in
 23 systems coming out through the top of a tower, that
 24 you could also have circumstances where you had
 25 such an overpressurization or overfill that the

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1 liquids came in behind the vapors and came out
 2 through the top of the blowdown drum or from the
 3 top of the tower as well?
 4 A. I have seen that with a flare.
 5 Q. And what happened when it came through a
 6 flare system was that the pilot at the top of the
 7 tower lit the vapors and the liquid causing a fire?
 8 A. Yes.
 9 Q. And with vapors, those flames tend to
 10 stay up somewhere near the top of the tower, do
 11 they not?
 12 A. With vapors?
 13 Q. Yes, sir.
 14 A. Yes.
 15 Q. And so for people that know anything
 16 about refineries or live in areas around
 17 refineries, they have occasionally seen these large
 18 amounts of flames coming out from the top of these
 19 towers and that's when vapors are being run through
 20 the system and burned off?
 21 A. From the top of the flares --
 22 Q. Yes, sir.
 23 A. -- yes.
 24 Q. And these pilots allow for a controlled
 25 burn of the excess vapors?

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1 A. Yes.
 2 Q. And then the problem that you have is
 3 when the vapors come out and are burning and then
 4 there is a liquid overflow running in behind it,
 5 catching fire and dropping back to the ground?
 6 A. Yes.
 7 Q. Because liquids are heavier than the air
 8 and they all tend to, once ignited, fall back to
 9 the ground, right?
 10 A. Yes.
 11 Q. And that's something that you have
 12 personally observed in your years working in the
 13 refineries?
 14 A. Yes.
 15 Q. And it's something that you have heard
 16 has happened over the course of the years at
 17 refineries?
 18 A. Yes.
 19 Q. And in light of that, that's one of the
 20 primary reasons that flare yards are built so that
 21 these flames that come out from liquid overfills
 22 burn in areas away from the units and away from
 23 personnel?
 24 A. Yes.
 25 Q. And in this case, this particular unit at

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1 the ISOM was built where an overflow of liquids
 2 would drop back into the unit itself?
 3 A. Into the yard.
 4 Q. Yes, sir.
 5 A. Yeah. It wasn't into the unit. It's
 6 outside the unit.
 7 Q. Barely outside the unit.
 8 It was not in an area away from
 9 people and away from equipment, was it?
 10 A. Well, clearly.
 11 MR. COON: We will take a break
 12 here.
 13 THE VIDEOGRAPHER: Okay. We are
 14 going off the video record. The time is 4:25.
 15 This is the end of Videotape 5.
 16 (Recess taken.)
 17 THE VIDEOGRAPHER: All right. We
 18 are back on the video record. The time is 4:39.
 19 This is the beginning of Videotape 6.
 20 Q. (BY MR. COON) Mr. Hoffman, we were
 21 talking about the circumstances of a flare
 22 overflowing and igniting causing flames to come
 23 back down to the ground and I take it based on your
 24 personal observations of that event and hearing
 25 that occurring in other circumstances, you would

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1 not allow trailers to be located at the base of a
 2 flare, would you, sir?
 3 A. No.
 4 Q. That's because of an acknowledged risk of
 5 what you personally observed, which is liquid
 6 overfills through a tower catching on fire and
 7 dropping to the ground level?
 8 A. Yes.
 9 Q. And that's why you have flare yards so
 10 that if you do have an overflow like this and
 11 liquids ignite, that they fall to the ground away
 12 from personnel and equipment?
 13 A. Yes.
 14 Q. An I think I asked you this this morning,
 15 but were you aware of a liquid overflow that
 16 occurred at a unit near the ISOM in October of
 17 2004, one that did not catch on fire?
 18 A. I don't believe so.
 19 Do you know which unit it was?
 20 Q. I want to say the UU4, but I am not sure.
 21 I would have to go back and check. Maybe your
 22 counsel here will recall what it was, where
 23 Mr. Coley worked where that worked?
 24 MR. FERNELIUS: It was --
 25 MR. COON: Was it the CAT cracker?

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1 MR. FERNELIUS: It was not the
 2 UU4, that I recall.
 3 MR. COON: Do you have a
 4 recollection of what it was?
 5 MR. FERNELIUS: I can't -- I
 6 can't -- you're testing me, Brent.
 7 Q. (BY MR. COON) Suffice it to say, you
 8 have not been provided with the history of prior
 9 liquid overfills emanating from other vent stacks
 10 or flares at the BP --
 11 A. No.
 12 Q. -- Texas City facility?
 13 A. No, I didn't.
 14 (Exhibit Number 725 marked for
 15 identification.)
 16 Q. (BY MR. COON) Mr. Hoffman, we next have
 17 725. This looks like a follow-up to the one marked
 18 724.
 19 Is this a copy of the actual
 20 notice to employees that went out by you and
 21 Mr. Manzoni?
 22 A. Unless it got changed again. So this is
 23 a copy that was done prior to John Manzoni's
 24 review.
 25 Q. Okay. Do you have a recollection that

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1 either that letter or something similar went out to
 2 the employees?
 3 A. Yeah, we sent something out.
 4 Q. Did you and Mr. Manzoni undertake a
 5 responsibility to try to keep the employees of BP
 6 informed as to what had transpired at Texas City?
 7 A. Yes.
 8 Q. That was something Mr. Manzoni could have
 9 dedicated to -- delegated to you and others, isn't
 10 it?
 11 A. Yes.
 12 Q. But he took some degree of personal
 13 responsibility for making sure that that happened
 14 and put his name on a number of the documents that
 15 went out?
 16 A. So if it was just -- had just been to
 17 refining, then it would have been me; but because
 18 he -- it was expanded to refining and marketing
 19 employees, then John was appropriate to send
 20 himself.
 21 Q. And did he retain some level of
 22 responsibility for communicating to personnel at BP
 23 what was developing in the weeks and months after
 24 the explosion, keeping them informed?
 25 A. Yes.

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1 Q. Again, something he could have delegated
 2 out to you and others but assumed personal
 3 responsibility for?
 4 A. Yeah, we worked on it together.
 5 Q. Now, there was another document. This
 6 one I am going to mark 726.
 7 (Exhibit Number 726 marked for
 8 identification.)
 9 Q. (BY MR. COON) There was a statement
 10 that was given by Mr. Pillari in May of 2005, which
 11 appeared to be a press statement following up with
 12 the interim report.
 13 Do you recall getting a draft of
 14 that statement?
 15 MR. FERNELIUS: Brent, is that
 16 something previously marked as another exhibit
 17 number or --
 18 MR. COON: The draft is not.
 19 MR. FERNELIUS: Okay.
 20 MR. COON: The actual statement
 21 is.
 22 MR. FERNELIUS: All right.
 23 Q. (BY MR. COON) Do you recall ever --
 24 A. Yes.
 25 Q. -- seeing the draft of Mr. Pillari's

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1 statement to read to the press and public?
 2 A. Yes.
 3 Q. Did you review it for content?
 4 A. I don't believe that I had input into
 5 what this was. I think if there was something
 6 completely wrong with it, I could have done
 7 something.
 8 Q. Is -- was there anything you recall
 9 seeing in what Mr. Pillari read to the public on
 10 that date that was --
 11 A. With what I --
 12 Q. -- inconsistent with your personal
 13 knowledge?
 14 A. No.
 15 Q. Was that statement something that was
 16 also reviewed by Mr. Manzoni prior to its release
 17 to the public?
 18 MR. DENNY: Objection, form.
 19 A. Yeah. I am sure that Mr. Manzoni would
 20 have -- would have reviewed it as well.
 21 Q. (BY MR. COON) Do you know if Mr. Manzoni
 22 was requested to have any of these press statements
 23 or public statements, such as the one you have in
 24 your hand, reviewed prior to them being read to or
 25 distributed to the public?

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1 A. Could you just repeat that?
 2 Q. Yes, sir.
 3 Did Mr. Manzoni have a
 4 responsibility for reporting to any of his
 5 superiors the content of any of these press
 6 statements or press releases that were going to the
 7 public?
 8 MR. DENNY: Objection, form.
 9 A. I don't know what he did as far as
 10 reporting to his superiors on this.
 11 He did review this. John Manzoni
 12 reviewed this.
 13 Q. (BY MR. COON) Do you recall him having
 14 any comment on what Mr. Pillari was to read to the
 15 public on May 17?
 16 A. I don't recall.
 17 Q. Did you have a conversation with him
 18 regarding that particular press statement? "Him"
 19 being Mr. Manzoni.
 20 A. I don't remember having a particular
 21 conversation about this.
 22 The conversations that we had were
 23 around how we were communicating and who needed to
 24 be informed prior to the release of the -- of the
 25 report. So we wanted to let the contracted

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1 companies with people involved know, CSB know; and
 2 so each of us had accountability for that
 3 communication.
 4 Q. Each of us being whom?
 5 A. Well, it was distributed. So Mogford
 6 talked to the CSB. Buck McElroy was with Fluor.
 7 So I had contacted Buck to give him a copy of the
 8 interim report and the press release so he would
 9 know what was coming.
 10 Q. Okay. Did you keep the lines of
 11 communication open with the contractors that BP
 12 worked with?
 13 A. Yes.
 14 Q. Who all did you communicate with other
 15 than the representative at Fluor?
 16 A. Jacobs.
 17 Q. Who was your contact at Jacobs?
 18 A. I can't think of his name right now, but
 19 the vice president.
 20 Q. Was it Mr. Norfleet?
 21 A. Pardon me?
 22 Q. Mr. Norfleet?
 23 A. No. It would be a higher level than
 24 that. I will think of it.
 25 Q. In your talks with the representatives of

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1 Fluor and Jacobs, did they express any criticism of
 2 BP associated to the explosion?
 3 A. No. It was -- it was the opposite, that
 4 they were very complimentary of the way it had been
 5 handled. Investigation, communication, their
 6 involvement, they were complimentary of that.
 7 Q. You are saying that the management people
 8 at Jacobs and Fluor were complementary of BP
 9 regarding how they were handling this tragic event?
 10 A. After the incident, yes.
 11 Q. Were there ever any questions of the
 12 contract management, specifically Jacobs and Fluor,
 13 about the trailer siting?
 14 A. Were there questions about that?
 15 Q. Yes, sir.
 16 A. They didn't ask me specific questions
 17 around that, but that was clearly in the Mogford
 18 report as an issue.
 19 Q. Did the management people at Fluor and
 20 Jacobs ever express any degree of anger at BP for
 21 allowing those trailers to have been sited there or
 22 failure to warn --
 23 A. Not to me.
 24 Q. -- their management teams that those
 25 trailers were in harm -- potential harm's way with

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1 the startup of the ISOM unit?
 2 A. They didn't express that to me.
 3 Q. Do you know if that -- any level of anger
 4 was expressed by the contractors to any of the
 5 personnel at BP?
 6 A. I think that they would be angry. I
 7 mean, that would be something that I would expect.
 8 I was angry.
 9 Q. And what, in particular, were you angry
 10 about?
 11 A. Just that the incident happened. You
 12 know, I have worked my whole career to try and
 13 prevent this kind of stuff and all the things that
 14 we had going on in Texas City to try and improve
 15 and we still had this, you know, horrible incident.
 16 It was just -- it's just -- it was
 17 a terrible thing. Angry that the trailer siting
 18 was there, angry that the procedures weren't
 19 followed. It's just -- I don't know. Just general
 20 anger that this many people would have been
 21 affected by this.
 22 Q. Have you ever reflected on the failure to
 23 determine who was responsible for allowing those
 24 trailers to be occupied there and go back and
 25 commit to another investigation to specifically

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1 attempt to identify who was responsible for
 2 allowing that to have happened?
 3 MR. DENNY: Objection, form.
 4 A. So my -- what I then focused on was how
 5 we prevent this from happening again, which is how
 6 do we make sure that people understand who is
 7 accountable for the trailer siting, the MOC, to
 8 eliminate trailers within blast zones, improve the
 9 relief systems.
 10 I am not going back and trying to
 11 figure out muddled accountabilities, who actually
 12 did that.
 13 Q. (BY MR. COON) Well, I thought one of the
 14 problems with the safety culture that was
 15 identified at Texas City was, in particular, a lack
 16 of accountability for the personnel that worked
 17 there; and that was a problem that you were having
 18 before the explosion.
 19 A. Yes.
 20 Q. And that part of the effort to fix that
 21 problem was to specifically initiate a practice of
 22 calling out people who were responsible for things
 23 and calling them out when they exercised casual
 24 compliance as opposed to following rules with
 25 particularity and holding those individuals

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1 accountable and disciplining those individuals when
 2 appropriate.
 3 MR. DENNY: Objection, form.
 4 Q. (BY MR. COON) Isn't that something that
 5 was undertaken before the explosion as a method of
 6 fixing the safety culture problem?
 7 MR. DENNY: Objection, form.
 8 A. Holding people accountable, yes.
 9 Q. (BY MR. COON) And even though that was
 10 something that you recognized was a problem before
 11 the explosion, after the explosion and after
 12 15 people lost their lives, BP did not go back out
 13 and try to identify the person in management
 14 responsible for allowing those trailers to be
 15 occupied, did they?
 16 A. I think John Mogford, in his report, did
 17 go through that, who was -- was it maintenance, was
 18 it the site; and one of the issues with that was
 19 that nobody had area accountability.
 20 Q. Doesn't every plant have someone in
 21 charge of an area for accountability?
 22 A. It should be that way, but you still
 23 have -- you have an area that's owned by operation.
 24 You have in between areas that -- which would be
 25 connected by lines, you know, a flare area, which

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1 would be utilities, and then you have maintenance.
 2 Q. So are you saying that after an intensive
 3 investigation by BP and Mr. Mogford, no one could
 4 ever determine who in management was responsible
 5 for the area where they were locating trailers on
 6 their facility?
 7 A. So we know that they went through a
 8 procedure to place the trailers. They didn't
 9 adequately understand the risk of the blowdowns,
 10 but out of the Mogford report and that
 11 investigation, there wasn't kind of a clear line of
 12 accountability on that as I understand it.
 13 Q. Well, do you know who was called in to
 14 initially fill out the management of change form?
 15 A. No.
 16 Q. Did you know it was a man named Kyle
 17 Seele?
 18 A. I don't know.
 19 Q. Did you know that guy didn't even work in
 20 the West Plant, that he was called over to the East
 21 Plant just to get the ball rolling on the
 22 management of change for the trailers?
 23 A. Was he a maintenance person?
 24 Q. I don't believe that he was, sir. I know
 25 that he testified that he was not responsible for

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1 any activities on the West Plant and never,
 2 frankly, understood why he was asked to provide an
 3 MOC on these trailers.
 4 MR. DENNY: Objection, form.
 5 Q. (BY MR. COON) Have you seen his
 6 testimony?
 7 A. No.
 8 Q. Do you have any reason to understand why
 9 it would be that someone inexperienced with trailer
 10 siting would be brought in on an MOC on trailers on
 11 the side of the plant he never even worked in?
 12 A. No, I don't.
 13 Q. That would not be a good practice,
 14 generally speaking, would it, sir?
 15 MR. DENNY: Objection, form.
 16 A. I don't think it would be a good
 17 practice. I don't know what his background or
 18 expertise was, but we know that the MOC that was
 19 done was inadequate.
 20 Q. (BY MR. COON) Did you review drafts of
 21 the fatal report?
 22 A. Of which report?
 23 Q. Of the fatal report, the Mogford report.
 24 A. The Mogford report?
 25 No.

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1 Q. Are you aware there were many drafts of
 2 that report before the final report came out?
 3 A. I was aware that they spent a lot of time
 4 writing the report.
 5 Q. Did you have anything to do with the
 6 review or revisions to that report?
 7 A. No.
 8 Q. Do you know that in one of the drafts of
 9 the report it specifically identified persons in
 10 management with knowledge of the trailers being
 11 located there without proper commissioning?
 12 A. No.
 13 Q. Do you know a man named Marty Risinger?
 14 A. No.
 15 Q. Do you know why the report would have
 16 taken out the identity of persons in management who
 17 may have been knowledgeable about the trailer
 18 siting issues?
 19 MR. DENNY: Objection, form.
 20 A. I wasn't involved in any aspects of
 21 writing the report.
 22 Q. (BY MR. COON) I will ask you the
 23 question again.
 24 Do you know any reason why the
 25 names of the persons in management who were

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1 identified as knowledgeable regarding the trailer
 2 siting issues would have been removed --
 3 A. No.
 4 Q. -- from the final report?
 5 (Exhibit Number 727 marked for
 6 identification.)
 7 Q. (BY MR. COON) Mr. Hoffman, I am going to
 8 show you next Exhibit 727. It's an e-mail to you
 9 from a Luc Bardin. Who is Luck Bardin?
 10 A. Luc Bardin.
 11 Q. Luc Bardin, who is that?
 12 A. He is the head of strategic accounts. He
 13 was one -- he was one of my peers as a direct
 14 report to John Manzoni.
 15 Q. Do you recall receiving that e-mail and
 16 the attachments dated April 27, 2005?
 17 A. Yes.
 18 Q. Do you know where the story came from?
 19 A. I have a couple of these. I guess I
 20 don't know where this came from, from external.
 21 Q. Why was this sent to you, if you know?
 22 A. Why did Luc send it to me?
 23 Q. Yes, sir.
 24 A. Because he didn't know if I had seen
 25 this.

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1 Q. Were you asked to be kept in the loop
 2 regarding any public comments from the radio, TV or
 3 others regarding the explosion?
 4 A. No. I didn't need to be asked. There is
 5 a news service that BP runs that comes out every
 6 day that pulls out articles in all aspects of our
 7 business.
 8 Luc wouldn't have anything to do
 9 with that. He's -- he's running what's called
 10 strategic accounts. So he runs executives that
 11 manage big accounts for BP.
 12 Q. I am sorry. Could you elaborate on that,
 13 please, sir?
 14 A. Luc is not in public relations or
 15 anything else.
 16 What he does is he -- we have a
 17 key account called Ford. So he runs the executives
 18 that service the Ford account or service minding.
 19 You know, he is a business guy. He is running a
 20 business.
 21 Q. Does he not work for BP?
 22 A. Yeah, he does; but he is not public
 23 affairs or anything.
 24 Q. What do you mean he services accounts?
 25 A. He runs the organization called strategic

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1 accounts. So there are some businesses that are
 2 large enough that we have an account executive that
 3 represents them to deliver all the different
 4 products of BP. So it might be lubes and gasoline
 5 and, you know -- so he runs that.
 6 It's -- so we have a lubricants
 7 business, which -- like Castrol, which would be in
 8 the store; but what Luc does is go to, like Ford,
 9 and say, "We would like you to use our products for
 10 first fill." And that's the activity that he
 11 wants, kind of high-level brand management.
 12 (Exhibit Number 728 marked for
 13 identification.)
 14 Q. (BY MR. COON) Okay. Next I have 728.
 15 This one is to you from Mr. Manzoni dated May 15.
 16 What is this one about and why was
 17 it sent to you?
 18 A. This was a list of questions that was
 19 generated. I think this was as part of the
 20 questions that were thought of as part of the
 21 release of a preliminary Mogford report.
 22 Q. And where did those questions and
 23 proposed responses come from?
 24 A. The questions came from -- I think it was
 25 primarily public relations and communications.

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1 Q. Was some sort of think tank established
 2 to address the types of questions and answers that
 3 could be asked and the type of answers to provide
 4 in response to those questions for the media?
 5 A. Yeah. There was a group of people that
 6 were -- that were working on this, very similar to
 7 what we would do with an earnings announcement and
 8 things like that.
 9 Q. Who do you recall being involved in this
 10 strategy session or think tank or whatever you call
 11 it?
 12 A. Well, the public relations people. You
 13 know, I know that Ross Pillari would have seen
 14 this; Mogford; I looked at it.
 15 Q. Were the business unit leaders at the
 16 various facilities asked to weigh in on the
 17 questions that could be asked in the press
 18 statement in May and the types of answers that
 19 could or should be given?
 20 A. No, I don't believe any of the business
 21 unit leaders were in this.
 22 Q. Was there any discussion as to how to
 23 mitigate adverse or hostile questions from the
 24 press regarding what had happened out there in
 25 March?

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1 A. It was very much making sure that we got
 2 the facts right. It wasn't to participate in any
 3 discussion about mitigating.
 4 Q. Was there any discussion prior to the
 5 press announcement of May 17 as to how to address
 6 any inquiries as to why people higher up in
 7 management were not a part of the disciplinary
 8 procedures?
 9 A. I wasn't part of any discussion about
 10 that.
 11 (Exhibit Number 729 marked for
 12 identification.)
 13 Q. (BY MR. COON) Let me show you the next
 14 one. This one is from Linda Ritchie.
 15 Who is she?
 16 A. Linda Ritchie is my executive assistant.
 17 Q. This was sent to you -- it looks like it was
 18 forwarded to you from her, but it came from
 19 originally Colin Reid at Whiting.
 20 Who is Mr. Reid?
 21 A. He was the operations manager at that
 22 time.
 23 Q. Let me show you the e-mail and the
 24 attached, what I call, BUL Q&As; and that way you
 25 can enlighten us as to what that is.

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1 A. (Examines document.)
 2 Q. It looked to me to be the solicitation of
 3 input from the BULs regarding the press statement.
 4 Can you tell one way or the other
 5 if that is what the case is?
 6 A. This isn't about the press statement.
 7 This is about -- I think this is
 8 about additional information that we might want to
 9 give the refinery managers, not -- not about a
 10 press statement. Certainly Colin Reid wouldn't
 11 have had anything to do with the press statement.
 12 So this would be a response more
 13 to the materials that we were putting together to
 14 allow leadership to communicate.
 15 Q. Well, what was the -- if you look at the
 16 grid that is attached to that, it looks like it's
 17 all -- I think that next page, sir.
 18 A. Yeah.
 19 Q. Who put together that information?
 20 A. I -- well, it looks like Colin Reid put
 21 that together.
 22 Q. Do you know why he would have prepared
 23 those additional lines of questions or thought?
 24 A. I believe he would have put it together
 25 in order to try and help the business unit leaders

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1 discuss the incident in the report with their
 2 organizations.
 3 Q. Is that something that anyone asked him
 4 to do or did he just undertake a decision to just
 5 do that on his own?
 6 A. I don't think -- I mean, I don't remember
 7 asking him to do this.
 8 I mean, what we did do is send the
 9 information to our business unit leaders so that
 10 they could communicate with our employees. So he
 11 may have just taken it on himself to do that or it
 12 could be that my executive assistant asked him to
 13 do it.
 14 Q. Well, he put one of these in a grid under
 15 area being organization, leadership, supervision
 16 and culture; and he listed some questions that
 17 could be asked. And then he put in additional
 18 context behind the questions.
 19 And the questions he was asking,
 20 for instance, "What's going to happen with TXC" --
 21 that's Texas City, right?
 22 A. Yeah.
 23 Q. (Continuing) -- "site management (Don
 24 Parus)?"
 25 Do you know what he was inquiring

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1 of there?
 2 A. I think that -- he was saying that would
 3 be -- a natural question is: What's going to
 4 happen to Don Parus?
 5 It wouldn't be something that we
 6 would be communicating with the sites.
 7 Q. When we get into the next section here,
 8 when it talks about disciplinary, legal and
 9 external authority, one of the questions here, it
 10 talks about "Could the discipline be seen to
 11 unfairly rest on one section of the working
 12 population?"
 13 Do you know what he is talking
 14 about there?
 15 A. It's talking about, you know, the
 16 issue -- I assume that he's talking about how far
 17 up the chain did that discipline go.
 18 Q. And, in fact, I highlighted an area that
 19 he thought would entail follow-up there.
 20 Could you read that one for me,
 21 please, sir?
 22 A. "Will it be that operators are
 23 disciplined and no consequence for management?"
 24 Q. Why would he have that type of comment?
 25 MR. DENNY: Objection, form.

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1 A. Well, what he was doing is trying to
 2 anticipate questions that he thought might be
 3 asked.
 4 Q. (BY MR. COON) Would it be reasonable to
 5 anticipate those kind of questions if it's
 6 announced that the causes of the explosion have
 7 been identified; and as a result, six low-level
 8 employees had been terminated and no disciplinary
 9 actions initiated against anyone else?
 10 A. So the answer to that question was
 11 operators and supervision.
 12 Q. And you are aware that Mr. Reid was aware
 13 by that date that the report was going to fault
 14 low-level employees --
 15 MR. DENNY: Objection, form.
 16 Q. (BY MR. COON) -- meaning front line
 17 leaders and hourly people?
 18 A. I don't know what he was aware of.
 19 Q. Well, this is something that is dated
 20 several days after the date of the interim Mogford
 21 report, isn't it?
 22 A. I can't testify to what he -- whether he
 23 read the report or not.
 24 Q. Would it be reasonable under the
 25 circumstances for people to ask why no one higher

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1 up the food chain of responsibility was being held
 2 out for any level of responsibility as a result of
 3 an explosion like this?
 4 MR. DENNY: Objection, form.
 5 A. Well, we don't discuss discipline across
 6 our system generally.
 7 Q. (BY MR. COON) Well, discipline was
 8 discussed within the Mogford report itself because
 9 it faulted six individuals specifically, didn't it?
 10 A. I didn't --
 11 Q. And those personnel were fired?
 12 A. There were personnel fired, but that was
 13 a result of the investigation that was done around
 14 disciplinary action.
 15 Q. But it paralleled the findings in the
 16 Mogford report that indicated that there was a
 17 compromise of the system as a result of bad
 18 judgment on the part of six persons in the ISOM
 19 unit, correct?
 20 MR. DENNY: Objection, form.
 21 A. Would you restate that, sir?
 22 Q. (BY MR. COON) Yes, sir.
 23 The same people that were
 24 disciplined by Ms. Lucas in the disciplinary action
 25 are the same people that were charged with making

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1 bad judgments in the ISOM unit the day of the
 2 explosion?
 3 A. So I know that Kathleen used the Mogford
 4 report as part of her investigation into that, to
 5 decide the disciplinary actions.
 6 Q. And the question that some people had
 7 since then is: Why was no one else higher up in
 8 the organization held at least partially
 9 accountable publicly for what happened on
 10 March 23rd?
 11 A. Okay.
 12 Q. And your answer would be what?
 13 A. That --
 14 MR. DENNY: Objection, form.
 15 A. That I understand that people have asked
 16 that question.
 17 Q. (BY MR. COON) And for the people that
 18 would ask that question, in light of your position
 19 here, Mr. Hoffman, what would you tell them?
 20 A. Well, I would say that we don't discuss
 21 disciplinary action higher up the chain.
 22 Q. Why do you discuss discipline at the
 23 lower levels in the chain?
 24 A. We don't.
 25 Q. What disciplinary action was taken

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1 against anyone else up the food chain?
 2 A. So consideration of this in bonuses that
 3 we had talked about already was taken.
 4 Q. Okay. Who, in particular, was sanctioned
 5 or disciplined in any manner, any individual, other
 6 than the six people that were working on the ISOM
 7 unit that day?
 8 A. So the scope of what Kathleen did around
 9 discipline, I don't -- I don't know what else, but
 10 it wasn't just -- it wasn't just firing people.
 11 There were also letters in files, et cetera.
 12 Q. Okay. Who got a letter in their file?
 13 A. You know, I don't remember who it is.
 14 Q. Can you sit here today and tell us
 15 anybody in management that was held responsible and
 16 punished in any regard as a result of what happened
 17 on March 23rd?
 18 A. It depends on what you mean by
 19 "punished."
 20 Q. Well, any individual, any particular
 21 individual that was punished in any manner, whether
 22 it was demotion, termination, suspension, transfer?
 23 A. So compensation reduction?
 24 I mean, so the incident was --
 25 affected Kathleen's, Pat Gower's.

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1 Q. Did it just apply equally to everybody
 2 that was under VPP?
 3 A. No, those are separate.
 4 Q. Okay. So you are saying that from a
 5 compensation standpoint, after the explosion,
 6 Ms. Lucas was financially punished?
 7 A. Her -- her bonus was reduced.
 8 Q. Hers specifically?
 9 A. So the ones that I am involved in are
 10 group leadership that report through my chain of
 11 command. So Kathleen and Pat Gower both do.
 12 Q. Okay. What did Ms. Lucas do wrong that
 13 you felt it was appropriate to punish her
 14 financially?
 15 A. She had fatalities.
 16 Q. What did she do to contribute to those
 17 fatalities? I thought you said she had just gotten
 18 to that jobsite.
 19 A. So we didn't make a -- we didn't say
 20 that, "You did something wrong." We said that, "We
 21 are not going to give you a full compensation when
 22 you have had an incident on your site like this."
 23 Q. Okay. Does that go back to a just
 24 culture, punishing somebody financially for just
 25 happening to be transferred to the --

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1 A. It goes back --
 2 Q. -- position --
 3 A. -- to -- I'm sorry.
 4 Q. -- at the time immediately prior to the
 5 explosion that was potentially years in the making?
 6 MR. DENNY: Objection, form.
 7 A. Could you repeat that, please?
 8 Q. Yes, sir.
 9 Is it part of a just culture to
 10 punish someone financially for having just been
 11 transferred to a new jobsite where the problems
 12 associated with an explosion were attributed to
 13 many years in the making?
 14 A. So that was a statement.
 15 What was the question?
 16 Q. Yes.
 17 Is that part of a just culture?
 18 A. No, it's not just culture. It's part of
 19 the performance contracts. So safety is a
 20 component of the performance contract.
 21 Q. Okay. So this was a contractual matter
 22 where she is going to be subject to a specific
 23 amount of reduction in pay based on fatalities that
 24 occur while she is on that jobsite?
 25 A. Yes.

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1 Q. This was not something that was
 2 specifically and separately identified as a penal
 3 factor applying to Ms. Lucas?
 4 A. That's right. That's -- we generally do
 5 that.
 6 Q. Well, other than that set of
 7 circumstances, was anyone specifically isolated and
 8 identified to apply any type of financial penalty
 9 or other type of penalty to?
 10 A. Not that I know of.
 11 Q. Did she get a letter in her file?
 12 A. No.
 13 Q. Why not?
 14 A. Because we didn't find that she had done
 15 anything wrong.
 16 Q. Okay. Well, I just want to clarify that.
 17 Any financial penalties she had
 18 wasn't even due to some attribution of fault or
 19 responsibility. It was just part of the contract
 20 when she came to work there.
 21 A. It's the safety components of the
 22 contract.
 23 Q. And so sitting here, is there anyone that
 24 you can name that was actually punished in some
 25 manner by a termination, transfer, demotion?

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1 A. Other than the ones that you have already
 2 discussed?
 3 Q. Other than what you just mentioned?
 4 A. No.
 5 Q. Who came up with these questions on
 6 Exhibit 728?
 7 A. I think this was the communications and
 8 public relations people that came up with the
 9 questions, but I am not sure where they all were
 10 generated from.
 11 Q. Do you know who they talked to to get the
 12 ideas as to the types of questions that could be
 13 asked of the public?
 14 A. No.
 15 Q. Do you know if they consulted with anyone
 16 in the management field regarding the type of
 17 messages to send in response to the questions?
 18 A. You mean the answers to the questions?
 19 Q. Well, it doesn't say key questions, key
 20 answers. It just says, "Here's the questions and
 21 here's the messages to give." And that brings
 22 up -- let me just ask it this way.
 23 Why, under this public relations
 24 team scenario, is there not a direct answer to the
 25 question? Why is it instead that a message is

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1 given in response to the question?
 2 MR. DENNY: Objection, form.
 3 A. I don't know.
 4 Q. (BY MR. COON) Do you recall any
 5 conversations with respect to how to advise the
 6 public that Mr. Parus was being relieved of his
 7 duties and yet, that it was not to be perceived as
 8 something that was disciplinary measures?
 9 A. Well, I remember the statement that was
 10 made about Parus.
 11 Q. That was that he was going to assume the
 12 full-time responsibility for assisting in the
 13 investigation?
 14 MR. DENNY: Objection, form.
 15 A. I am not sure that's the exact statement,
 16 but for assisting where needed.
 17 Q. (BY MR. COON) Okay. The messages that
 18 were to be given, which is what Mr. Pillari said,
 19 was that Mr. Parus was going to be relieved of his
 20 normal duties in order to provide full-time support
 21 to the ongoing efforts required to respond to the
 22 incident.
 23 A. Okay.
 24 Q. Why was it, instead, not said that
 25 Mr. Parus was just going to be put on leave of

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1 absence pending further investigations?
 2 MR. DENNY: Objection, form.
 3 A. I wasn't part of why that was said one
 4 way or the other.
 5 Q. (BY MR. COON) Wouldn't that have been a
 6 more accurate statement of the facts?
 7 A. I don't know Mr. Parus' duties.
 8 Q. Well, if, in fact, he had no duties,
 9 wouldn't that have been a more accurate statement
 10 of the facts?
 11 MR. DENNY: Objection, form.
 12 A. I think he is available to support the
 13 investigation and other activities around this.
 14 That's still true.
 15 Q. (BY MR. COON) But he has not been called
 16 upon to provide any full-time support to anything
 17 in a year and a half, has he, sir?
 18 A. Well, as I talked earlier, when he
 19 reported to Pat Gower, he was working on projects
 20 for Pat.
 21 Q. Why has BP not gone back and revised or
 22 clarified its position with respect to the business
 23 unit leader that, in fact, he has had no full-time
 24 responsibilities that he has assumed since his
 25 removal as the BUL at Texas City?

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1 MR. DENNY: Objection, form.
 2 A. I don't know.
 3 Q. (BY MR. COON) Do you feel it's not
 4 important to tell the public what has really
 5 happened to Mr. Parus in the last year and a half?
 6 MR. DENNY: Objection, form.
 7 A. What's important is for the public to
 8 know that we are focused on improving Texas City.
 9 Q. (BY MR. COON) Why has BP not advised the
 10 public that there's another ongoing investigation
 11 into executives at BP emanating from the explosion
 12 of March 23rd, 2005?
 13 MR. DENNY: Objection, form.
 14 A. I don't know.
 15 Q. (BY MR. COON) Is it concerned about
 16 reputational damage if the general public had a
 17 better understanding as to the extent of the
 18 investigation into the executives at BP regarding
 19 their responsibilities for the explosion of
 20 March 23, 2005?
 21 MR. DENNY: Objection, form.
 22 A. We don't publicize investigations
 23 generally.
 24 Q. (BY MR. COON) BP's press relations and
 25 persons who spoke publicly about this matter over

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1 the last year have used the word "transparent"
 2 several times.
 3 Are you familiar with that?
 4 A. Yes.
 5 Q. What is your understanding as to what is
 6 meant by BP's desire to be transparent with the
 7 public and with the investigative authorities
 8 regarding what happened on March 23rd?
 9 A. That, you know, we did an incident
 10 investigation. It was conducted independently.
 11 That the full results of the investigation were
 12 published. When root cause analysis was done, that
 13 was published. We gave that to the agencies as
 14 well.
 15 We are committed to not only
 16 improving us, but letting the industry understand
 17 what we have learned about this as well.
 18 Q. Did you know that a large portion of the
 19 discovery that has been initiated in the private
 20 litigation has been done under the cloak of
 21 confidentiality and protective orders?
 22 MR. DENNY: Objection, form.
 23 A. No.
 24 Q. (BY MR. COON) Would you agree that
 25 conducting the private litigation under the cloak

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1 of confidentiality and privilege reflects a lack of
 2 transparency?
 3 MR. DENNY: Objection, form.
 4 A. I believe that the report that was
 5 written was very transparent and we have gotten a
 6 lot of positive comments about our transparency in
 7 this incident.
 8 Q. (BY MR. COON) Mr. Hoffman, would you
 9 recommend the release of all the documentation
 10 generated in the private litigation to provide a
 11 better picture of what BP knew and what BP was
 12 doing before, during and after the explosion of
 13 March 23rd, 2005?
 14 MR. DENNY: Objection, form.
 15 A. I wouldn't recommend anything. That's
 16 not my accountability.
 17 Q. (BY MR. COON) Well, to the extent that
 18 BP is doing anything with any of the
 19 investigations, whether they be private or under
 20 state or federal authority, you would agree that if
 21 they are restricting release of documentation, they
 22 are being less than transparent?
 23 MR. DENNY: Objection, form.
 24 A. No, I wouldn't agree with that.
 25 (Exhibit Number 730 marked for

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1 identification.)
 2 Q. (BY MR. COON) Mr. Hoffman, I am going to
 3 show you next exhibit, 730. This is to you from
 4 Marcus Richards.
 5 Who is Mr. Richards?
 6 A. I am not sure what -- what his role is,
 7 actually, in this.
 8 Q. Who is he?
 9 A. He's a BP employee. I believe he was
 10 in -- at St. James.
 11 Q. And what is the attachment about, first
 12 of all?
 13 A. It's about the status of the injured
 14 workers, disciplined individuals, external response
 15 to disciplinary actions, initial reaction to Colin
 16 Maclean, assessment of morale at Texas City.
 17 Q. Did he generate this document?
 18 MR. DENNY: Objection, form.
 19 A. I can't tell from that.
 20 Q. (BY MR. COON) It says here, "Texas City
 21 update ICC telephone call."
 22 Do you know what that's about?
 23 "North America meeting."
 24 A. Let me see it again, please.
 25 Q. (Tenders document.)

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1 A. No, I don't.
 2 Q. Is there some conference call that you
 3 were involved in that is reflective of the document
 4 here?
 5 A. I wouldn't have been involved in this
 6 conference call. This is a forward to me. It's a
 7 document that was generated and then forwarded to
 8 me.
 9 Q. Did you get any feedback from the union
 10 in Texas City regarding their comments or opinions
 11 regarding the disciplinary procedures and actions
 12 undertaken with respect to the hourly personnel?
 13 A. I knew that they grouped -- grouped those
 14 disciplinary actions.
 15 Q. Do you recall if there was any criticism
 16 from the union in Texas City with respect to a
 17 failure of BP management to accept a level of
 18 responsibility higher up the management food chain?
 19 A. I saw that comment in the -- in the news
 20 from the steelworkers.
 21 Q. And what were your thoughts on that?
 22 A. That's kind of what I would expect. The
 23 union's role really is -- would be to grieve that.
 24 I would expect that they would grieve it.
 25 Q. What were your thoughts with respect to

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1 their concerns that there was no level of
 2 disciplinary action taken publicly against any of
 3 the persons higher up the chain of command?
 4 A. We didn't -- we didn't publicize
 5 disciplinary action as part of this.
 6 Q. Did you communicate to anything -- or did
 7 you have anything communicated to the
 8 representatives of the hourly workforce with
 9 respect to any disciplinary action that was
 10 considered or undertaken against persons higher up
 11 the chain of command?
 12 A. We don't publicize disciplinary action.
 13 (Exhibit Number 731 marked for
 14 identification.)
 15 Q. (BY MR. COON) I have next what's marked
 16 731.
 17 What is this document, sir? It
 18 has got your name on it.
 19 A. I don't know where that document was
 20 generated.
 21 Q. Do you know why it has your name on the
 22 bottom there as one of the three individuals and it
 23 says, "Mike Hoffman, we are committed"?
 24 Do you know what that's about?
 25 A. Well, I can read what it says. It's -- I

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1 think this is messages from these different
 2 levels --
 3 Q. Well --
 4 A. -- is what the document is, but I don't
 5 know where it was prepared.
 6 Q. Okay. Well, we don't have our Elmo here
 7 to show these to the jury as we are walking through
 8 it, but there's basically three persons identified
 9 here.
 10 Mr. Pillari, Mr. Mogford and
 11 yourself, correct?
 12 A. Yes.
 13 Q. In looking at that, can you tell whether
 14 or not this was something that set out the themes
 15 to be related to the public when the Mogford report
 16 went to the public mid May?
 17 A. Is there a date on this?
 18 Q. I didn't see a date. That's why I was
 19 asking.
 20 A. Yeah. So I can't tell. I don't
 21 recognize the document.
 22 Q. Were all three of you available in
 23 Texas City on May 17 or so when Mr. Pillari made
 24 the public statements regarding the Mogford report?
 25 A. I was in Texas City then. I don't

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1 remember if Mogford was. I think he was. I think
 2 we were all there.
 3 Q. Do you recall meeting with anyone at BP
 4 who explained to you the areas that you should talk
 5 about publicly regarding BP's position on
 6 commitment?
 7 A. I didn't have a public role in this.
 8 Q. Do you have any understanding as to why
 9 this document reflects your responsibility to be --
 10 regarding the theme of "We are committed" and the
 11 bullet points that you were to elaborate on with
 12 respect to the commitment of BP?
 13 MR. DENNY: Objection, form.
 14 A. Yeah, I don't know. I didn't -- I didn't
 15 have a public role. Ross Pillari was the
 16 spokesman.
 17 Q. (BY MR. COON) Is this the first time you
 18 have seen this document?
 19 A. I don't remember seeing it before.
 20 Q. Were you receiving any briefing by public
 21 relations departments, internal or external,
 22 regarding anything you might would say publicly
 23 regarding the investigation?
 24 A. My role wasn't to -- to say things
 25 publicly.

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1 Q. Were you getting any instruction from the
 2 public relations people irrespective of what you
 3 understood your role to be?
 4 A. No, I didn't get instruction from public
 5 relations.
 6 (Exhibit Number 732 marked for
 7 identification.)
 8 Q. (BY MR. COON) Mr. Hoffman, I want to
 9 show you next what's marked as Exhibit 732.
 10 Can you tell me what this document
 11 is about, please, sir?
 12 A. (Examines document.)
 13 Q. Yes, sir.
 14 What's that e-mail about?
 15 A. This is about the Texas City projections
 16 of their spending.
 17 Q. Is that the draft of the budget for
 18 Mr. Maclean for 2006?
 19 A. Yeah, I think so.
 20 Q. And he basically provided a guesstimate
 21 as to what he thought his budgetary needs for 2006
 22 were and then you provided comment on it?
 23 A. Yes.
 24 Q. And after Mr. Maclean, as the new
 25 business unit leader at Texas City -- let's see.

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1 This would have been what? About a month after he
 2 came out there?
 3 It's dated June 17. So he would
 4 have been there about a month?
 5 A. Yes.
 6 Q. And one of the things, I take it, he was
 7 asked to do early on was to provide you with some
 8 insight as to potential budget projections for
 9 2006?
 10 A. I think so, yeah.
 11 Q. And this e-mail seems to document the
 12 fact that he did so?
 13 A. He boiled up a bunch of activity numbers,
 14 yes.
 15 Q. And after he provided you with these --
 16 what he felt were the budgetary needs for 2006, you
 17 responded back to him and copied Mr. Gower and
 18 Mr. Pitzer?
 19 A. Yes.
 20 Q. Who is Mr. Pitzer?
 21 A. He is the commercial director for
 22 refining.
 23 Q. You understood his projections included a
 24 significant increase in the budgetary
 25 expenditures -- expenditures for 2006?

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1 A. Yes.
 2 Q. And your response to what he said was the
 3 appropriate budget for 2006 -- if I could have you
 4 read that quote, please, sir. I have highlighted
 5 it for you.
 6 This is what you sent back to
 7 Mr. Maclean, is it not?
 8 A. (Reading) This is not just disappointing.
 9 It is not acceptable. You must find stuff to stop
 10 spending more and not -- spending is -- more is not
 11 being more focused on limiting discretionary
 12 activities. It is just adding on. If you think
 13 about activity, you are almost 200 million over in
 14 budget and cost, which is simply not doable
 15 efficiently. You must prioritize and stop stuff.
 16 I plan on coming to Texas City on the 28th, and I
 17 will review the priorities.
 18 Q. And did you come out and re-review those
 19 priorities for Mr. Maclean?
 20 A. I believe so, with Mr. Gower.
 21 Q. Did you and Mr. Gower subsequently reduce
 22 Mr. Maclean's budgetary request for 2006?
 23 A. So this was at -- what we were trying to
 24 do was reduce activity. The activity level that
 25 was included in this roll-up, which Colin agreed

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1 with, was not doable. It wasn't -- you could not
 2 have the site do that much.
 3 So we had to stop activities,
 4 which meant shutting down units, which we did, in
 5 order to get a program that the site could execute.
 6 So at that time what we agreed was
 7 we were going to shut down and leave down one of
 8 the fluid units. We were going to shut down the
 9 alkylation unit, and we were going to shut down the
 10 acid plant because we were spending lots of money
 11 on units that were marginal at best in order to
 12 reduce activity so the site could be successful and
 13 focusing on the efforts it needed to.
 14 Q. Did you believe Mr. Maclean to be
 15 competent when he was appointed to replace
 16 Mr. Parus --
 17 A. Yes.
 18 Q. -- in 2006 or 2005?
 19 A. Yes.
 20 Q. Do you still believe him to be
 21 competent --
 22 A. Yes.
 23 Q. -- as a business unit leader at a large
 24 refinery for BP?
 25 A. Yes.

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1 Q. Has he submitted his budget
 2 recommendations for 2007?
 3 A. Not yet.
 4 Q. When is that due?
 5 A. It will be probably November when it will
 6 be finalized.
 7 Q. That's kind of late in the year, isn't
 8 it?
 9 A. Well, Texas City -- I mean, this was
 10 issued then. It's the scope of the activity that
 11 we are trying to do at Texas City. We need to plan
 12 it and manage it. So we are trying to help
 13 Texas City understand how they can manage the scope
 14 of activity.
 15 It's not actually a cost issue.
 16 It's an activity issue.
 17 Q. Mr. Hoffman, has BP had problems with any
 18 other refinery like it has had with Texas City over
 19 the last five years?
 20 MR. DENNY: Objection, form.
 21 Q. (BY MR. COON) Of the nature and
 22 magnitude?
 23 A. No.
 24 Q. Has it had the same level of cultural
 25 problems, safety culture problems at any other

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1 facility comparing to what they had demonstrated at
 2 Texas City?
 3 A. Not at this level.
 4 Q. Have you had a history of fatalities at
 5 any other facility anywhere near akin to what you
 6 have had at Texas City over the last two or three
 7 decades?
 8 A. We don't have a facility the size of
 9 Texas City. So, no.
 10 Q. Are you aware statistically of any
 11 refinery owned by BP or your competitors that has a
 12 history of fatalities anywhere near akin to what
 13 you see at Texas City?
 14 A. I haven't seen those kind of statistics;
 15 but as I testified, the recordable incident
 16 frequency in 2005 and this year as well is industry
 17 leading. It's very, very good.
 18 Q. It's kind of hard to have a lot of people
 19 hurt when the plant is shut down, isn't it?
 20 A. No. It's just the opposite of that
 21 because there is a huge amount of maintenance
 22 activity going on. This is the issue there, is how
 23 do we safely manage all of the activity going on,
 24 rebuilding the steam system, doing maintenance on
 25 units, building flares.

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1 So it's way more people and more
 2 activity than we normally have.
 3 Q. Are you keeping all the trailers out of
 4 the gate now?
 5 A. Yes.
 6 Q. Are you getting rid of all the blowdown
 7 drums now?
 8 A. Yes. Heavier than air light -- none of
 9 the heavier than air light hydrocarbon blowdowns
 10 are operating today.
 11 Q. Are you making a concerted effort to
 12 provide a better training program for your
 13 personnel now?
 14 A. Well, as I testified, we rented -- leased
 15 the Kmart building and built a dedicated training
 16 program.
 17 Q. Are you affecting better lines of
 18 communication with your personnel now?
 19 A. Yes. We hired a full-time communications
 20 person within Texas City to make sure that we
 21 communicate in a professional way to all of our
 22 employees about what the agenda is, what the vision
 23 is, how important safety is, what we expect of them
 24 as far as pointing out issues.
 25 Q. Would you agree that safety comes first?

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1 A. Yes.
 2 Q. People come first?
 3 A. Yes --
 4 Q. Profitability comes behind those, doesn't
 5 it, sir?
 6 A. -- first.
 7 Profitability is an outcome of
 8 running well. If you can't run safely, if you
 9 can't maintain your people, then you will not be
 10 profitable.
 11 Q. Have you understood the questions I have
 12 asked you, sir?
 13 A. Yes.
 14 Q. We have been here a long time today.
 15 Is there anything in reflection
 16 you think you need to clarify or modify as a result
 17 of what we have discussed?
 18 A. The only thing that I did remember is Don
 19 Parus was working on Solomon benchmarking for Pat
 20 Gower when he worked for Pat.
 21 Q. Have you seen any written product from
 22 Mr. Parus in that regard?
 23 A. I have seen the Solomon benchmarking work
 24 from the US, and as I said, he helped prepare that.
 25 Q. Any plans to have Mr. Parus return to

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1 work?
 2 A. Not in refining.
 3 MR. COON: No further questions.
 4 MR. DENNY: Thank you,
 5 Mr. Hoffman. We will reserve our questions.
 6 THE VIDEOGRAPHER: All right. We
 7 are going off the record. The time is 5:37. The
 8 deposition of Mr. Hoffman is complete.
 9 (Deposition concluded.)
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1 EXAMINATION
2 CHANGES AND SIGNATURE

3 PAGE LINE CHANGE REASON

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MICHAEL P. HOFFMAN

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1 I, MICHAEL P. HOFFMAN, have read the foregoing
2 deposition and hereby affix my signature that same is
3 true and correct, except as noted above.
4

MICHAEL P. HOFFMAN

5
6 THE STATE OF _____)
7
8 COUNTY OF _____)

9 Before me, _____, on this day
10 personally appeared MICHAEL P. HOFFMAN, known to me
11 or proved to me on the oath of _____ or
12 through _____ (description of identity card
13 or other document) to be the person whose name is
14 subscribed to the foregoing instrument and
15 acknowledged to me that he/she executed the same for
16 the purpose and consideration therein expressed.
17 Given under my hand and seal of office on this
18 _____ day of _____, _____.
19
20
21 NOTARY PUBLIC IN AND FOR
22 THE STATE OF _____
23
24 My Commission Expires: _____
25

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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)
6 VS.) 212TH JUDICIAL DISTRICT
7)
8 BP PRODUCTS NORTH AMERICA)
9 INC., B.P. CORPORATION)
10 NORTH AMERICA INC., DON)
11 PARUS, AND JE MERIT)
12 CONSTRUCTORS, INC.) GALVESTON COUNTY, TEXAS
13 CAUSE NO. 05CV0337-A
14 IN RE: BP AMOCO EXPLOSION) IN THE DISTRICT COURT
15 MARCH 23, 2005)
16 COORDINATED DISCOVERY) 212TH JUDICIAL DISTRICT
17 PROCEEDINGS)
18) GALVESTON COUNTY, TEXAS
19 REPORTER'S CERTIFICATE
20 ORAL VIDEOTAPED DEPOSITION OF
21 MICHAEL P. HOFFMAN
22 AUGUST 2, 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, MICHAEL P. HOFFMAN, 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. Coon (5 hours, 38 minutes)
Attorneys for Plaintiffs

Page 329

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:
6 FOR PLAINTIFFS JAIME ANDREADE, ET AL.:

Mr. Brent Coon
Brent Coon & Associates
3550 Fannin
Beaumont, Texas 77701
Fax: 409-833-4483
Telephone: 409-835-2666

7
8
9
10 FOR DEFENDANT BP PRODUCTS NORTH AMERICA, INC.:

Mr. Otway B. Denny, Jr.
Mr. Stephen M. Fernelius
Fulbright & Jaworski
1301 McKinney, Suite 5100
Houston, Texas 77010-3095
Fax: 713-651-5246
Telephone: 713-651-5151

11
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16
17 That a copy of this certificate was served on
18 all parties shown herein on _____ and
19 filed with the Clerk.
20
21 I further certify that I am neither counsel for,
22 related to, nor employed by any of the parties in the
23 action in which this proceeding was taken, and
24 further that I am not financially or otherwise
25 interested in the outcome of this action.

Further certification requirements pursuant to
Rule 203 of the Texas Code of Civil Procedure will be
complied with after they have occurred.

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Certified to by me on this _____ day of _____.

Stephanie Barringer, CSR
Texas CSR 6198
Expiration: 12/31/06
U.S. Legal Support
Firm Registration: 122
519 N. Sam Houston Pkwy., Ste. 200
Houston, Texas 77060
Main number: 713/653-7100
Fax number: 713/653-7143

AUTHENTICATED BY
The original was electronically signed
file was electronically signed
using eCallLegal technology.

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FURTHER CERTIFICATION UNDER TRCP RULE 203

The original deposition was/was not returned to the deposition officer on _____.

If returned, the attached Changes and Signature page(s) contain(s) any changes and the reasons therefor.

If returned, the original deposition was delivered to Mr. Brent Coon at Brent Coon & Associates as the custodial attorney.

\$_____ is the deposition officer's charges to the Plaintiffs for preparing the original deposition and any copies of exhibits;

The deposition was delivered in accordance with Rule 203.3, and a copy of this certificate, served on all parties shown herein, was filed with the Clerk.

Certified to by me on this _____ day of _____.

Stephanie Barringer, CSR
Texas CSR 6198
Expiration: 12/31/06
U.S. Legal Support
Firm Registration: 122
519 N. Sam Houston Pkwy., Ste. 200
Houston, Texas 77060
Main number: 713/653-7100
Fax number: 713/653-7143