

1 CAUSE NO. 05CV0337
2 MIGUEL ARENAZAS, 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

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15 *****

16 ORAL VIDEOTAPED DEPOSITION OF
17 JOHN MANZONI
18 SEPTEMBER 8, 2006

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2 ORAL VIDEOTAPED DEPOSITION OF JOHN MANZONI,
3 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 September 8, 2006,
6 from 9:05 a.m. to 1:54 p.m., before Stephanie
7 Barringer, Certified Shorthand Reporter in and for
8 the State of Texas, reported by stenographic means at
9 the Hilton Chicago O'Hare International Airport,
10 Conference Room 2020, Terminal 2 Chicago, Illinois,
11 pursuant to the Texas Rules of Civil Procedure and
12 the provisions stated on the record or attached
13 hereto.
14 Since this deposition has been realtimed and you
15 may be in possession of a rough draft form, please be
16 aware that there may be a discrepancy regarding page
17 and line numbers when comparing the realtime draft
18 and the final transcript. Also, please be aware that
19 the realtime screen and the unedited, uncertified
20 rough draft transcript may contain untranslated
21 steno, a misspelled proper name and/or nonsensical
22 English word combinations. All such entries are
23 corrected in the final certified transcript.
24
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<p>1 THE VIDEOGRAPHER: This is Ben 2 Stanson representing US Legal Support, 3 Incorporated, 519 North Sam Houston Parkway in 4 Houston, Texas. I am the operator of this camera. 5 This is the videotaped deposition of John A. 6 Manzoni and is being taken pursuant to the Texas 7 Rules of Civil Procedure on behalf of the 8 plaintiffs. 9 We are on the record on 10 September 8th, 2006. The time is 9:05 a.m., as 11 indicated on the videotaped screen. 12 We are at O'Hare International 13 Airport Hilton in Chicago, Illinois. This case is 14 captioned Miguel Arenazas, Elizabeth Ramon, 15 David G. Crow and Juanita G. Crow versus BP 16 Products North America, Inc., BP Corporation North 17 America, Inc., Don Parus, and JE Merit 18 Constructors, Inc., Case Number 05-CV0337-A. 19 Will the attorneys please identify 20 themselves for the video record? 21 MR. COON: Brent Coon, counsel for 22 plaintiffs on behalf of the steering committee and 23 individual plaintiffs in this matter. 24 MR. CANSLER: Jason Cansler, Brent 25 Coon & Associates.</p>	<p>1 though Werner or Bond hasn't called in. 2 Is that everybody's agreement? 3 MR. COON: Yes. 4 MR. FERNELIUS: Yes. 5 MR. DENNY: Because they were 6 aware of the time and place. 7 MR. COON: Okay. Are we ready? 8 JOHN A. MANZONI, 9 having been first duly sworn, testified as follows: 10 11 EXAMINATION 12 Q. (BY MR. COON) Mr. Manzoni, could I have 13 you introduce yourself to the ladies and gentlemen 14 of the jury who may be watching your testimony via 15 videotape, by stating your name, address and 16 occupation, please, sir? 17 A. My name is John Manzoni. I live in 18 London, and I am with BP. And my job in BP is the 19 chief executive of the refining and marketing 20 segment. 21 Q. Mr. Manzoni, we have noticed your 22 deposition for here in Chicago today to ask you 23 questions concerning specifically the explosion 24 back in Texas City that happened in March of 2005. 25 You understand that's why you are</p>
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<p>1 MR. BUZBEE: Tony Buzbee on behalf 2 of the committee and individual plaintiffs as well. 3 MR. DENNY: Otway Denny on behalf 4 of BP. 5 MR. FERNELIUS: Steve Fernelius on 6 behalf of BP. And James Neath on behalf of BP. 7 THE VIDEOGRAPHER: Thank you. 8 The court reporter today is 9 Stephanie Barringer also with US Legal Support, 10 Inc., of Houston, Texas. 11 Will you please swear in the 12 witness? 13 (Witness sworn.) 14 THE VIDEOGRAPHER: Thank you. You 15 may proceed. 16 MR. COON: Counsel, for the 17 record, by agreements, taken pursuant to the Rules, 18 correct? 19 MR. DENNY: Yeah. Read and sign 20 and... 21 MR. COON: We may utilize an 22 unsigned copy in the event we don't have a signed 23 copy by the time of trial? 24 MR. DENNY: That's correct. 25 We are going to go forward even</p>	<p>1 here today, sir? 2 A. I do. 3 Q. You have with you today several attorneys 4 with BP. 5 You understand you have the right 6 to consult with them during the course of the 7 questioning today, and you are also free to take 8 breaks at your liberty. 9 A. Thank you. 10 Q. Do you understand that by me asking you 11 questions today, I represent parties that have an 12 adverse interest to BP? 13 A. Yes, I understand. 14 Q. It's very important that you understand 15 the questions that we ask you today, sir, because, 16 you are under oath the same as if you were 17 testifying from the stand. 18 Do you understand that -- understand 19 that? 20 A. I do. 21 Q. And you also understand that we will be 22 relying upon answers that you give us, as would the 23 jury. So in that regard, if you don't understand 24 something that we ask, if you need us to repeat it, 25 rephrase it, we're happy to do so.</p>

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1 Fair enough?

2 A. Good enough.

3 Q. Also, you are doing a good job of

4 answering questions out loud, "yes," "no's" as

5 opposed to nods. We need to do that, as well, for

6 the record as part of the transcript.

7 Fair enough?

8 A. Sure.

9 Q. Mr. Manzoni, have you chosen to waive the

10 right to personal counsel here today, sir?

11 MR. DENNY: I am here on behalf of

12 Mr. Manzoni.

13 Q. (BY MR. COON) Okay. So Mr. Denny is

14 here on behalf of you as well as BP today.

15 Is that your understanding?

16 A. Yes.

17 Q. You understand you have the right to

18 obtain additional outside counsel unrelated to BP?

19 A. I do understand.

20 Q. You also understand, sir, that by

21 testifying today, you have chosen to waive your

22 Fifth Amendment rights against any

23 self-incrimination that may result from your

24 interrogation today?

25 A. Yes, sir.

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1 Q. I bring that up, sir, because yesterday

2 one of BP employees, Richard Woollam, took the

3 Fifth in questioning with Congress.

4 Were you aware of that?

5 MR. DENNY: Objection, form.

6 A. Yes, I was aware.

7 Q. (BY MR. COON) Did you know Mr. Woollam?

8 A. I did actually. About ten years ago,

9 yes.

10 Q. How so?

11 A. Because I worked at Prudhoe Bay in 1994.

12 Q. Was that part of your responsibilities at

13 BP in your past history in working with him?

14 A. Yes, it was.

15 Q. What kind of relationship did you have

16 with Mr. Woollam?

17 A. He -- I don't remember his exact job at

18 the time, but I was the field manager at Prudhoe

19 Bay in 1994, I think for two years; and he was --

20 he was working with me. But I can't actually

21 recall his exact job at that time.

22 Q. You understand why he was in front of

23 Congress yesterday?

24 A. Him specifically, no; but I -- of course

25 I am aware of the hearing yesterday, yes.

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1 Q. Did you have any involvement on behalf of

2 BP in assisting with respect to preparing witnesses

3 or the strategy associated with the testimony that

4 was given to Congress yesterday?

5 A. No, no.

6 Q. Have you had any involvement with respect

7 to an oversight or investigation into the issues

8 associated with pipeline problems in Alaska?

9 A. None.

10 Q. Who at BP is responsible for an oversight

11 of those problems?

12 A. Of the Alaska problems?

13 Q. Yes, sir.

14 A. Bob Malone, I think, is the person who

15 currently is looking at the -- at all of those

16 issues.

17 Q. Do those --

18 A. In his capacity as the chairman and

19 president of the United States business.

20 Q. Do any of those responsibilities involve

21 reporting those back to London? And if so, to

22 whom?

23 A. I think Bob is -- my understanding at

24 least is that Bob is now taking full control of the

25 situation in Alaska and upon his appointment, has

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1 set in place various activities, inquiries, and as

2 such, was also at the hearing yesterday.

3 Q. Does he report to anyone in London with

4 respect to what is going on with respect to the

5 Alaska pipeline issues?

6 A. I think in the normal course of business

7 he reports to the same person I report to,

8 Lord Browne. That's in the normal course of

9 business.

10 But I think that in this -- I

11 think in this case he is taking full control of the

12 investigations.

13 Q. Does he have any reporting

14 responsibilities back to the board of directors of

15 BP?

16 A. In the normal course that the board is

17 informed. In -- but he doesn't have any direct

18 reporting responsibility to the board. He is not a

19 managing director. He doesn't sit on the board;

20 but in the normal course of events, the committees

21 of the board or the board itself will ask

22 appropriate questions as the board deems necessary

23 and then will call on various folks, including Bob

24 perhaps.

25 I don't think he has been called

Page 14

1 yet, but I think that they could well...
 2 (Exhibit Number 774 marked for
 3 identification.)
 4 Q. (BY MR. COON) Mr. Manzoni, we have as
 5 the next exhibit in this case what is marked as
 6 774, which was the request for your appearance
 7 today and it's the second amended notice.
 8 And you understand that there was
 9 a preceding notice where we had requested your
 10 attendance at a deposition in London back in early
 11 August.
 12 Do you recall that?
 13 A. Yes, I was aware of it.
 14 Q. And you did not attend that noticed
 15 deposition as a result of that deposition being
 16 postponed by BP counsel.
 17 Do you know anything about that?
 18 MR. DENNY: Objection, form.
 19 A. Yes, I was aware. I was ready for that
 20 conversation, but then took some advice that I
 21 wasn't to show. And so I didn't, and so here we
 22 are instead.
 23 Q. (BY MR. COON) Okay. Did you ever have
 24 any personal opposition to providing testimony to
 25 the plaintiffs and their counsel regarding your

Page 15

1 knowledge associated to BP and the incident in
 2 Texas City?
 3 A. Personal opposition?
 4 Q. Yes, sir.
 5 A. No, no personal opposition at all. I
 6 think it's -- you know, I want to be as helpful as
 7 I can.
 8 Q. Okay. Is there any particular reason why
 9 you decided not to testify in that deposition in
 10 London?
 11 MR. DENNY: Objection, form.
 12 A. Simply, advice of counsel.
 13 Q. (BY MR. COON) Did you have a personal
 14 preference to testify, sir?
 15 A. I -- well, in London or here?
 16 Q. Yes, sir, in London when we noticed your
 17 deposition the first time.
 18 A. No, I am very happy to try and answer
 19 whatever questions you have; and whether it's in
 20 London or here, I -- you know, frankly, it's --
 21 it's -- I have no preference either way. Quite
 22 happy either way.
 23 Q. There was no personal recommendation by
 24 you to try to get your deposition quashed and avoid
 25 testifying in this matter?

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1 A. No.
 2 Q. Mr. Manzoni, we are going to ask you a
 3 number of questions today, sir; and before we do
 4 so, it will be helpful to us to know what you have
 5 reviewed to prepare yourself for your testimony
 6 today.
 7 So in that regard, could you give
 8 us an overview of what you have read, what you have
 9 seen, what you have heard that would let us have a
 10 better understanding of the scope of knowledge that
 11 you bring with you today for your preparation?
 12 A. Yeah. I mean, and the preparation is
 13 very little.
 14 I have looked at the -- I was
 15 aware of this. Somebody showed me a piece of paper
 16 which said, you know, could I have a history of
 17 your -- you know, my job history and assessments
 18 and such things.
 19 Those are the pieces of paper that
 20 I have seen in preparation for today. The rest --
 21 I have seen no other specific pieces of paper.
 22 Q. Have you talked to any other BP
 23 representatives regarding what happened in
 24 Texas City to prepare yourself today for your
 25 testimony?

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1 MR. DENNY: Brent, you are
 2 excluding lawyers in your question?
 3 MR. COON: Yes, sir.
 4 MR. DENNY: Okay.
 5 A. Other than my -- other than these
 6 gentlemen, no, not specifically in preparation for
 7 today.
 8 Q. (BY MR. COON) Have you reviewed any
 9 documents with respect to preparing yourself for
 10 testimony today?
 11 That would be any reports that
 12 came from the investigation, depositions, studies,
 13 surveys, internal analysis, anything of that
 14 nature.
 15 A. Not in specific preparation for today.
 16 Q. Have you read anything with respect to
 17 what happened in Texas City, be it the reports
 18 generated by federal agencies, the internal
 19 reports, anything else that was specific to the
 20 explosion?
 21 A. I have -- in my -- in my job, I have
 22 reviewed such documents.
 23 Q. And can you tell us which ones you recall
 24 reviewing in the past as part of your regular
 25 responsibilities?

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1 A. Interim report around the accident, the
 2 final report around the accident, various internal
 3 documents as we formulated response, as we thought
 4 about how we respond, how we move forward, how we
 5 take actions to stop such an incident from
 6 happening again.
 7 Those are the sort of things that
 8 I look at in my normal course of business. It's a
 9 big part of my role.
 10 Q. Have you looked at any of the depositions
 11 that have been given as part of this particular
 12 inquiry?
 13 A. No. I haven't seen any of the
 14 depositions.
 15 Q. Have you consulted with or provided
 16 statements to any of the investigative authorities
 17 in this matter?
 18 That be -- that would include the
 19 CSB, OSHA, EPA, DOJ, anyone else?
 20 A. No, I have not interacted with any of
 21 them.
 22 Q. In your other conversations with other BP
 23 personnel and people in management, has anyone
 24 suggested to you, in just the course of
 25 conversations, that anyone at BP Texas City or

Page 19

1 elsewhere should go to jail for what happened in
 2 Texas City?
 3 A. No.
 4 Q. Has anyone talked to you about whether or
 5 not anybody could go to jail for what happened down
 6 at Texas City?
 7 A. No, I don't recall any such conversation.
 8 Q. From what you have seen and reviewed, do
 9 you believe anybody should go to jail for what
 10 happened in Texas City?
 11 MR. DENNY: Objection, form.
 12 A. I don't think -- well, first of all, I am
 13 certainly not qualified to make any judgment about
 14 whether anybody should go to jail because I have --
 15 I have very little, limited knowledge of the
 16 particular legal situation and the legal details of
 17 this.
 18 I do believe, you know, that as
 19 we've reflected on that incident, we have taken
 20 enormous steps as a management, as a system, to try
 21 to prevent such a thing happening again. And I
 22 think people are working diligently to that end.
 23 MR. COON: Object to the
 24 responsiveness.
 25 Q. (BY MR. COON) Mr. Manzoni, I appreciate

Page 20

1 that you're going to have a desire to elaborate
 2 more fully than necessary on some questions.
 3 We want a full answer, but we
 4 don't need things that are nonresponsive to the
 5 question. Okay, sir?
 6 Your counsel will have an
 7 opportunity to ask you those questions at a later
 8 date.
 9 MR. DENNY: Objection, form.
 10 Q. (BY MR. COON) Mr. Manzoni, I want to go
 11 real briefly back over your education, sir.
 12 You graduated with a civil
 13 engineering and petroleum engineering degree back
 14 in the early Eighties?
 15 A. Two degrees, yeah.
 16 Q. And went back later, I think, to Stanford
 17 and obtained a business degree back in the
 18 Nineties?
 19 A. Correct.
 20 Q. Any other formal education, sir?
 21 A. No.
 22 Q. Do you have any relatives that work for
 23 BP presently?
 24 A. No.
 25 Q. Do you have any family that works here in

Page 21

1 the States?
 2 A. No.
 3 Q. Are you familiar with OSHA or API or
 4 other state or federal regulations here in the
 5 United States regarding process safety management?
 6 A. I have a familiarity in a general sense
 7 with them, yes. Not in detail.
 8 Q. How so?
 9 A. My job requires, you know, I look after a
 10 lot of varied operations. I am ultimately
 11 responsibility. So of course, I am aware of the
 12 various regulatory agencies and the role that they
 13 play.
 14 Q. And now, you went to work for BP in the
 15 early Eighties after graduating from college?
 16 A. Yeah.
 17 Q. Worked out in the North Sea a little
 18 while in a variety of roles?
 19 A. Correct.
 20 Q. Responsibilities in investor relations.
 21 And then you ended up at Prudhoe Bay in Alaska,
 22 correct?
 23 A. That's right.
 24 Q. Tell me about your years at Prudhoe Bay.
 25 A. Two years. As I recall, it was directly

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1 after I had finished at Stanford University.
 2 I went there to be the field
 3 manager. It was the moment at which the field was
 4 coming off its plateau. So it's a complex period
 5 for any oilfield. And I was essentially looking
 6 after the field workforce, the management of the
 7 field, the operations of the field. It was an
 8 operating management role. I spent two years
 9 there, as I recall.
 10 Q. Were you responsible for the oversight of
 11 the condition of that pipeline during your tenure,
 12 sir?
 13 A. Ultimately I would have been, yes.
 14 Q. And what years would this have been?
 15 A. 1994 to 1996, as I recall.
 16 Q. And you understand the criticism
 17 associated with the condition and inspections of
 18 that pipeline covered the years that you had tenure
 19 there?
 20 A. I don't actually -- I don't know what the
 21 details of the particular inquiries are.
 22 My understanding is that it's a --
 23 it's a belated period, but I haven't followed the
 24 details of the thing as it has unfolded.
 25 Q. And has it been brought to your attention

Page 23

1 that the allegations of deferred maintenance on
 2 that pipeline go back to the, at least, early
 3 Nineties, if not before?
 4 A. It hasn't been brought to my attention,
 5 no.
 6 Q. During the time that you had tenure at
 7 Prudhoe Bay were there ever any issues or concerns
 8 or discussions regarding deferred maintenance of
 9 the pipeline?
 10 MR. DENNY: Objection, form.
 11 A. No. We don't -- we don't defer
 12 maintenance, as a rule.
 13 At that time in 1994, we only had
 14 operating control of the western side of the field.
 15 As I understand it, the issues are in the eastern
 16 side of the field, which we were not operating at
 17 the time.
 18 Q. (BY MR. COON) And just so I understand
 19 something you just said, Mr. Manzoni, when you say,
 20 "We don't defer maintenance," you are talking about
 21 BP?
 22 A. Yeah. I think, you know, there is no
 23 conscious deferral of -- of any, certainly, safety
 24 related matters.
 25 Q. What do you mean by "conscious deferral"?

Page 24

1 A. We don't never -- at least never in my
 2 experience, have we refused expenditure for safety
 3 purposes; have we, you know, consciously made a
 4 decision to say, "This is a safety related issue.
 5 We should defer it out."
 6 Never -- I am not aware of any
 7 such conversation. I'm saying we didn't do it
 8 then, and we don't do it now.
 9 Q. And you are talking about "we at BP."
 10 Are you talking about BP North
 11 America, are you talking about BP PLC, talking
 12 about --
 13 A. I am talking about in my experience.
 14 Q. And you are talking on behalf of BP and
 15 all of its related subsidiaries?
 16 A. I can't do that. I am talking about my
 17 experience.
 18 Q. Okay. And that would be your experience
 19 at Prudhoe Bay, correct?
 20 A. True.
 21 Q. That would be your experience at BP PLC
 22 in London?
 23 A. With regard to the issues and the
 24 operations that I run, yes.
 25 Q. And that includes running of the various

Page 25

1 business units here in the United States, does it
 2 not, sir?
 3 A. Under my agreement today, yes, sir.
 4 Q. And that includes Texas City, does it
 5 not?
 6 A. Yes, it does.
 7 Q. And it would be bad to consciously defer
 8 maintenance at a refinery, wouldn't it, sir?
 9 A. Yes, I agree with you.
 10 Q. If it was --
 11 A. Especially if it was safety related.
 12 Q. Invokes a lot of safety issues, a lot of
 13 environmental issues, doesn't it, sir?
 14 A. You mean if it were deferred?
 15 Q. Yes, sir.
 16 A. I guess it could.
 17 Q. If you had a plant where deferred
 18 maintenance was occurring, what would you do?
 19 A. Try to rectify it. It's not a
 20 straight-forward issue to -- moving a maintenance
 21 program from an existing state into a fully
 22 proactive state takes, actually, many years.
 23 It's a complex operation and it's
 24 a -- it's a complicated thing to do; but I think
 25 that, in general, that's where we've got to aspire

<p style="text-align: right;">Page 26</p> <p>1 to be and we have got to be as fully proactive as 2 we can. And it's called preventive maintenance 3 programs. 4 Not all of our sites have 5 preventative maintenance programs, but they are all 6 working toward it, fully preventative maintenance. 7 Q. You understand there are a number of 8 allegations associated with deferred maintenance 9 contributing to the condition of the units at 10 Texas City and it also contributed to the failures 11 resulting in the explosion of March 23, 2005? 12 A. I am not aware of any of the specifics of 13 those allegations. 14 Q. Do you think you should? 15 A. I am much more concerned to ensure that 16 we have proper maintenance programs and that we are 17 working to create the appropriate maintenance 18 programs going forward. 19 I mean, that's my main -- frankly, 20 that's where my main focus is today. 21 Q. And if the focus was there before this 22 explosion, it would have been less likely to have 23 occurred. 24 Would you agree with that? 25 MR. DENNY: Objection, form.</p>	<p style="text-align: right;">Page 28</p> <p>1 I run them differently, depending 2 upon which business it is; and my roles -- and I 3 sit on the main board of BP. So my role is 4 ultimate accountability for that. I am accountable 5 for the strategy and the performance delivery of 6 those things. 7 I am accountable for safety in the 8 operations and the people involved in them and 9 that's what I -- that's what I do. 10 Q. I appreciate that. 11 Now, one thing I want to clarify, 12 too, is that when you used the analogy of various 13 units at BP and compare them to retail customer 14 shops, like GAP clothing and stuff, you would agree 15 that the risk associated with the improvident 16 operations of refineries and chemical plants create 17 a much greater risk to the general public and to 18 employees than in the general retail segment, would 19 you not, sir? 20 A. No, I am not sure I would agree. 21 I think the risks are very 22 different. For instance, if we were to have a 23 salmonella issue in our retail business, which were 24 to promulgate through our retail sites, that would 25 be a very serious event, just as would a very</p>
<p style="text-align: right;">Page 27</p> <p>1 A. It's not obvious to me that the 2 explosions were the result of deferred maintenance. 3 It's not at all obvious to me, if that's what the 4 implication is. 5 Q. (BY MR. COON) We haven't really 6 discussed what you do today, Mr. Manzoni. 7 Could you explain to us what your 8 various roles and responsibilities are, both the 9 title and what's involved? 10 A. Sure. 11 So I have ultimate accountability 12 for several of the businesses inside BP. It's the 13 refining business. There is a retail business. 14 There is a lubricants business. There is a 15 business marketing business. There is chemicals 16 business. 17 If I were to give you a sense of 18 that, these are very diverse businesses. In 19 language and in companies that you may be more 20 familiar with, it's a bit like putting Coors, 21 Whirlpool, GAP, General Motors all together and 22 running those businesses all together. There is a 23 very diverse set of businesses. That is about that 24 scale. That is about the diversity of the 25 businesses that I run.</p>	<p style="text-align: right;">Page 29</p> <p>1 serious process safety event in a refinery be very 2 serious. 3 I am not sure that I can 4 differentiate between the nature of those risks. 5 My point is: They are very different risks, but 6 they are both very real. 7 Q. You haven't heard a bunch of people 8 blowing up selling clothes at the GAP, have you, 9 sir? 10 A. No, I haven't. 11 Q. You would let me know if you did, 12 wouldn't you? 13 MR. DENNY: Objection, form. 14 A. (No verbal response.) 15 Q. (BY MR. COON) Mr. Manzoni, how do you 16 get paid, sir? Do you get a salary? 17 A. Yes, I do. Yeah. 18 Q. Do you get stock options? 19 A. Yes, I do. 20 Q. Do you think your base salary was four or 21 500,000 pounds a year? Is that about right? 22 A. Of that order. 23 Q. Pounds are worth about two to one to 24 US dollars? 25 A. Yes.</p>

<p style="text-align: right;">Page 30</p> <p>1 Q. With respect to your options the last 2 couple of years, have you ever exercised any? 3 A. I think two years ago I might have 4 exercised 12,000 options or some such. It was 5 small, that were awarded to me years ago because 6 they were about to run out. 7 Q. And those options sell for, what, 50, \$75 8 per share? 9 A. No. That's the 80 hours there. They 10 were -- I can't remember what they sold at. About 11 4 pounds a share. 12 Q. Are you a regular stockholder within the 13 company, sir? 14 A. Yes, I am. 15 Q. Approximately how many shares do you own? 16 A. I have -- I can't remember. It's 17 published in the annual report. You know, I can't 18 remember how many. 19 Q. I've seen several hundred thousand at one 20 time. 21 Is it still in that range? 22 A. It's in that order. 23 Q. Are these all preferred shares? 24 A. They are standard. As far as I know, 25 they are standard shares awarded through long-term</p>	<p style="text-align: right;">Page 32</p> <p>1 the business, and I have a controller who runs the 2 financial control for the business. 3 Q. And who do you report to, sir? 4 A. I report to John Browne, who is the chief 5 executive of the BP Group. 6 Q. Do you know his full title in Europe now? 7 Lord John Browne Madingley, et cetera, et cetera. 8 A. Lord Browne of Madingley. 9 Q. How is it that you become a Lord over 10 there, if you know? 11 A. I have no idea. 12 Q. Now, you serve also on the board of BP; 13 is that correct? 14 A. I do. 15 Q. What are your board responsibilities? 16 A. As a board member, that means I have to 17 step out of my particular role running one of the 18 businesses and then I look and discuss at the board 19 the strategic direction of the firm as a whole. 20 That's essentially what the board does. 21 So I -- I act in that capacity 22 when -- when I am at the board meetings and as part 23 of the board. 24 Q. And how many board members are there, 25 sir?</p>
<p style="text-align: right;">Page 31</p> <p>1 performance programs and to some degree, options, 2 less options, I think. 3 Q. Who reports to you? 4 A. Well, they have just changed it; but I 5 have what we call group vice presidents reporting 6 to me. Right now, as we have structured as I sit 7 here today, I have a person who runs the refining 8 business. 9 Q. Who is that? 10 A. That is called Mike Hoffman. 11 I have a person who runs what I 12 called the fuels value, fuels marketing chain. 13 That's all of the fuels logistics, the distribution 14 and selling fuel. He's called Tony Fountain. 15 I have a person who runs a 16 collection of businesses, which we call the 17 strategic businesses. That is the retail business, 18 the lubricants business, the chemicals business, 19 and various other businesses, marketing business 20 called Steve Welch. 21 I have a lady called C.J. Warner 22 who runs what we -- HSSE and technology. So 23 health, safety and environment and technology. 24 And I have a commercial director 25 who runs various of the functional activities in</p>	<p style="text-align: right;">Page 33</p> <p>1 A. Do you know I can't remember the exact 2 number. About 50. 3 Q. Do you serve at the behest of the 4 shareholders? 5 A. As a board member, yes, we are elected 6 annually and the shareholders re-elect us annually. 7 Q. And you would agree it's important to be 8 honest with your shareholders, would you not? 9 A. Of course. 10 Q. And being honest with your shareholders 11 means to have a degree of transparency with respect 12 to the conduct and operations of BP, correct? 13 A. Yes. 14 Q. It would be your duty to disclose to the 15 shareholders the condition of the assets held by 16 BP, would it not? 17 A. In the appropriate way, of course, yes. 18 Q. You would also agree it would be 19 responsible and important for your shareholders to 20 be able to make educated decisions with respect to 21 their investments, would you not, sir? 22 A. Of course. 23 Q. And doing that would be important for 24 them to be able to get the proper information and 25 accurate information with respect to your</p>

<p style="text-align: right;">Page 34</p> <p>1 operations, correct, sir?</p> <p>2 A. Absolutely.</p> <p>3 Q. And to the extent it involves internal</p> <p>4 reports, consulting of the conditions of your</p> <p>5 units, general opinions regarding your operations,</p> <p>6 whether they are internal or external, you would</p> <p>7 agree that it would be important to provide those</p> <p>8 full reports to your shareholders upon request,</p> <p>9 would you not, sir?</p> <p>10 A. I think it rather depends -- yeah, I</p> <p>11 mean, of course in the end there are many, many</p> <p>12 sets of reports and available bits of -- bits of</p> <p>13 information.</p> <p>14 We do, of course, all -- as full</p> <p>15 reporting as we can for the shareholders and for</p> <p>16 other interested parties and we do that routinely.</p> <p>17 Q. And for instance, if you had a report</p> <p>18 from a consulting agency or even an internal report</p> <p>19 that was negative of your company or damning or</p> <p>20 critical on certain issues, that's something that</p> <p>21 you would not hide from your shareholders, is it,</p> <p>22 sir?</p> <p>23 A. I am sure -- I mean, of course, you know</p> <p>24 these are theoretical, hypothetical questions.</p> <p>25 I am sure it would depend upon the</p>	<p style="text-align: right;">Page 36</p> <p>1 to operate, correct?</p> <p>2 A. Sure.</p> <p>3 Q. And you sometimes are requested by those</p> <p>4 government agencies to provide audits with respect</p> <p>5 to your operations, correct?</p> <p>6 A. I think more usually the government</p> <p>7 agencies perform audits on our operations.</p> <p>8 I do -- I think it's true that</p> <p>9 sometimes they request us to perform the audits;</p> <p>10 and where those audits are requested specifically,</p> <p>11 I think then -- I don't think we have anything to</p> <p>12 hide. I think we -- I am sure we show them to the</p> <p>13 agencies.</p> <p>14 I don't know the specifics,</p> <p>15 though.</p> <p>16 Q. And to the extent you obtain documents of</p> <p>17 that nature that you are supposed to forward on to</p> <p>18 regulatory agencies or government officials, you</p> <p>19 would agree that it would be improper for personnel</p> <p>20 at BP to whitewash or sanitize some of the findings</p> <p>21 that are perceived to be critical of those</p> <p>22 operations before providing those to the</p> <p>23 government, would you not, sir?</p> <p>24 MR. DENNY: Objection, form.</p> <p>25 A. I think that would be improper. I can't</p>
<p style="text-align: right;">Page 35</p> <p>1 context. It's sort of difficult to answer the</p> <p>2 question in a hypothetical sense.</p> <p>3 Q. Okay. Well, if you received an</p> <p>4 investigative report or internal report or audit</p> <p>5 that was critical of certain aspects of operations</p> <p>6 of management of BP at any of the areas that you</p> <p>7 are charged with, you would agree that it would be</p> <p>8 improper to hide those types of documents from your</p> <p>9 shareholders?</p> <p>10 MR. DENNY: Objection, form.</p> <p>11 A. Yeah. I think it's -- again, you will</p> <p>12 need to be specific because it's difficult to</p> <p>13 answer these questions in a hypothetical.</p> <p>14 I mean, if we were to provide all</p> <p>15 and everything to the shareholders, they -- I mean,</p> <p>16 you know, it would simply be impossible for them.</p> <p>17 Q. (BY MR. COON) Okay. Well, if you had,</p> <p>18 for instance, documents that you were supposed to</p> <p>19 provide to the regulatory agencies who permit you</p> <p>20 to operate -- let me back up.</p> <p>21 You have to provide certain</p> <p>22 reports to various governmental agencies from time</p> <p>23 to time, correct?</p> <p>24 A. Many.</p> <p>25 Q. And part of that is to receive a license</p>	<p style="text-align: right;">Page 37</p> <p>1 believe that we would condone -- or if I remember</p> <p>2 what you used, whitewashing or something else. I</p> <p>3 can't -- I mean, I just -- that would be not</p> <p>4 proper.</p> <p>5 Q. (BY MR. COON) Well, I can give you a</p> <p>6 specific example that was at the Congressional</p> <p>7 hearings yesterday regarding what was called the</p> <p>8 Kaufman report.</p> <p>9 Did you hear about that?</p> <p>10 A. I did, yeah.</p> <p>11 Q. Did you understand what the Congressional</p> <p>12 leaders there were concerned about when they</p> <p>13 compared the Kaufman report that BP had versus the</p> <p>14 Kaufman report that BP provided to the Alaskan</p> <p>15 authorities?</p> <p>16 MR. DENNY: Objection, form.</p> <p>17 A. I am not aware of the detail of the</p> <p>18 Kaufman report or the -- what the Congress said</p> <p>19 yesterday, no.</p> <p>20 Q. (BY MR. COON) Well, you're aware that</p> <p>21 there were some discrepancies between the report</p> <p>22 that BP had versus the one that BP provided to the</p> <p>23 authorities?</p> <p>24 A. I am aware only vaguely that there was</p> <p>25 some discrepancy. I am also aware, though, that</p>

<p style="text-align: right;">Page 38</p> <p>1 I -- as I understand it, we've, you know, looked at 2 it and concluded that there was -- there were no -- 3 actually, I am not sure why it was different, 4 thinking about it. 5 Q. Well, does it concern you that our 6 Congressional leaders get copies of reports that 7 are internal that are more critical of operations 8 than the sanitized copies that are then forwarded 9 on to regulatory authorities? 10 MR. DENNY: Objection, form. 11 A. You know, you are talking about a 12 particular instance in Alaska. I'm aware that 13 there were two -- to be frank, I just do -- I don't 14 know the detail of this at all. 15 Q. (BY MR. COON) Okay. Is that something 16 that you want to look into? 17 A. I think people are looking into it. I 18 can't believe they are not. In fact, I know they 19 are. 20 Q. Are you going to go out there and fire 21 the people that made a decision to sanitize these 22 reports before providing them to government 23 authorities? 24 MR. DENNY: Objection, form. 25 A. It is not obvious that anybody did make</p>	<p style="text-align: right;">Page 40</p> <p>1 Q. Okay. It's called the Fatal Accident 2 Incident Report, isn't it, sir? 3 A. That's the standard name that we apply to 4 all such incidents, yes. 5 Q. Is -- is there a particular reason why 6 you come up with a name that provides an acronym 7 for "FAIR"? Whose idea was that? Do you know? 8 A. No. It hadn't occurred to me. 9 Q. Were you aware that there were a number 10 of drafts of that fatal report before the final one 11 was remitted in December of 2005? 12 A. I don't think I am aware of drafts, no. 13 Q. Would it concern you if you were made 14 aware that the drafts of the fatal report contained 15 information that was deleted from the final report 16 that would have reflected a higher level of 17 knowledge about problems associated to that 18 facility that are reflected in the final report 19 itself? 20 MR. DENNY: Objection, form. 21 A. I am not sure. 22 I mean, the final report -- so the 23 final report is a deep inquiry about the -- both 24 the critical factors and the root causes associated 25 with the Texas City incident.</p>
<p style="text-align: right;">Page 39</p> <p>1 decisions to sanitize the reports provided -- in 2 order to -- before providing it to the government 3 authorities. I think that's in session. I don't 4 think that has been proven at all. 5 Q. (BY MR. COON) Well, reports aren't 6 self-editing, are they, sir? 7 A. I am sorry? 8 Q. I said reports are not self-editing, are 9 they? Somebody has to edit them, don't they? 10 A. Presumably. It might be the initiator, I 11 guess. 12 Q. Well, if somebody at BP made a decision 13 to sanitize these documents, would you make a 14 concerted effort to discipline them for doing so? 15 MR. DENNY: Objection, form. 16 A. If it was found that BP sanitized 17 documents, I can -- I mean, absolutely. It's 18 simply not an acceptable behavior. I don't think 19 that's -- so absolutely we would, yeah. 20 Q. (BY MR. COON) Let's use another example. 21 You talked about the fatal report. 22 A. The what? 23 Q. The fatal report, the report by 24 Mr. Mogford? 25 A. Final report.</p>	<p style="text-align: right;">Page 41</p> <p>1 I can't -- it's hard for me to 2 imagine any report that goes deeper -- that goes 3 deeper than that final report. I mean, this is 4 a -- this is a report written by John Mogford, 5 completely independently. And I think that it's -- 6 it's a very searching, honest report, which tries 7 to get at the -- which really does get at the heart 8 of what led to the Texas City tragedy. 9 Q. (BY MR. COON) Then why does BP exclude 10 commentary in the report from the people that they 11 brought in to assist them with the investigation, 12 specifically the outside contractors and 13 specifically union representatives? 14 A. I am not aware that we -- 15 MR. DENNY: Objection, form. 16 A. -- did exclude. I am not aware of any 17 exclusions in that report. 18 Q. (BY MR. COON) If the testimony is 19 uncontroverted in this case that those persons were 20 allowed to assist in the investigation but were not 21 allowed to contribute to the report, is that 22 something that is new news to you? 23 MR. DENNY: Objection, form. 24 A. No, I actually -- I mentioned that I 25 think John did have on his team a fully</p>

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1 representative suite of people, including, I think,
 2 members from the union.
 3 I am not -- I am -- I am
 4 absolutely not aware of any exclusions or anything
 5 else that went into that report, simply because it
 6 was an independent report done by John and his
 7 team.
 8 Q. (BY MR. COON) Well, that just brings up
 9 this whole issue of independence I wanted to talk
 10 to you about.
 11 You acknowledge that you had some
 12 union representatives that assisted in this
 13 investigation, correct?
 14 A. As far as I remember, yes, we did.
 15 Q. Were you aware that they were
 16 specifically excluded from an ability to provide
 17 commentary in the report itself; that is, that they
 18 were allowed to assist in the investigation but
 19 were not allowed to contribute to the content of
 20 the report itself?
 21 A. I --
 22 MR. DENNY: Objection, form.
 23 A. I am not aware of that.
 24 Q. (BY MR. COON) Were you aware that union
 25 representatives vocally complained to the full

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1 content of the report and disagreed with it and
 2 said it was not accurate and fair?
 3 MR. DENNY: Objection, form.
 4 A. No, I am not aware of that.
 5 Q. (BY MR. COON) Is that something that
 6 concerns you now that you are aware of it?
 7 MR. DENNY: Objection, form.
 8 A. It surprises me.
 9 Q. (BY MR. COON) And in fact, if that is
 10 the case, it may not be a full and fair and honest
 11 evaluation of what happened out there because it
 12 excluded a number of people that were brought into
 13 the investigation --
 14 MR. DENNY: Objection, form.
 15 Q. (BY MR. COON) -- correct?
 16 A. It's very -- well, it's very hard for me
 17 to imagine that the -- that that final report,
 18 which was a substantive piece of work, which I
 19 think, in my judgment, makes an honest attempt at
 20 getting at the really underlying root causes of
 21 what happened in Texas, it's hard for me to imagine
 22 what else people would want to say about that.
 23 Q. Okay. Well, let's start with the
 24 15 people that died.
 25 Do you know where they were

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1 located?
 2 A. They were located in trailers.
 3 Q. Do you know how those trailers got there?
 4 A. Presumably they were put there. I don't
 5 know how they got there, no.
 6 Q. Do you realize it requires BP management
 7 approval to locate and occupy those trailers where
 8 they were?
 9 A. There are probably procedures which
 10 require that, yes.
 11 Q. And if you investigated this matter
 12 comprehensively, as you state, then certainly it
 13 would be readily identifiable as to which person in
 14 BP in management allowed that to happen in the
 15 first place, correct?
 16 A. Yeah, I am not aware of whether or not
 17 that was completed. I just don't know.
 18 Q. Okay. Well, you're talking about how
 19 comprehensive this report is. So I am just using
 20 one example.
 21 You had 15 people killed. They
 22 were in trailers that weren't supposed to be
 23 occupied and they were occupied and BP allowed them
 24 to be occupied. BP put the trailers there. They
 25 were BP trailers, and all these people are killed

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1 in them.
 2 So who was responsible for that?
 3 A. I am not sure -- well, I am not aware
 4 that they weren't allowed to be occupied.
 5 I do -- my understanding is there
 6 was a risk assessment done for these trailers. And
 7 I can't remember the detail, but there was a risk
 8 assessment done for these trailers, which actually,
 9 of course in retrospect, was simply inadequate
 10 because of the tragedy that ensued.
 11 But as I understand it, there was
 12 a risk assessment done for those trailers to put
 13 them there. It was -- the final report indeed, or
 14 indeed the interim report, indeed said a critical
 15 factor was the placement of those trailers in that
 16 location.
 17 Q. Well, that --
 18 A. So I think that was acknowledged in the
 19 report.
 20 Q. Well, it doesn't take a rocket scientist
 21 to deduce that if you've got a trailer that's torn
 22 apart because it's located too near an operating
 23 unit and it's decimated from the explosion that it
 24 was too close to the unit --
 25 MR. DENNY: Objection, form.

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1 Q. (BY MR. COON) -- correct?
 2 A. Yeah.
 3 And I think the -- it's like all
 4 of these things. So my understanding is that there
 5 was a risk assessment done and the risk assessment
 6 covered a range of operating circumstances and
 7 situations and concluded that under those range of
 8 certain operating situations, those locations were
 9 safe for that trailer.
 10 As it happens on that day, a set
 11 of circumstances ensued which weren't covered in
 12 the risk assessment. That's actually what
 13 happened.
 14 Now, of course in retrospect, do I
 15 wish that that particular set of circumstances were
 16 covered by that? You bet. Of course I do.
 17 Q. Okay. Who is responsible for allowing
 18 that to have happened?
 19 A. I think it's -- I think it's one of the
 20 learnings. I think that when you think about --
 21 when we think about the assessment of risk, we have
 22 a process called the MAR, which is a fully
 23 comprehensive risk assessment process; and it
 24 considers a series of operating conditions.
 25 Now, as it happens that day,

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1 operating procedures were not followed. The
 2 result -- the direct result of operating procedures
 3 not being followed was that there -- there was an
 4 explosion.
 5 Had they been followed, there
 6 would not not have been an explosion that day
 7 through the blowdown stack; and I think that, in
 8 truth, the MAR risk assessment process simply did
 9 not comprehend the set of circumstances that took
 10 place which led to that explosion.
 11 And that's -- now, that's clearly
 12 an error. It's clearly -- it's clearly, therefore,
 13 we have got to go back and improve the risk
 14 assessment processes, which is what we are doing.
 15 But that's actually what happened.
 16 MR. COON: I will object to the
 17 responsiveness.
 18 And I also want to ask that if we
 19 continue to have nonresponsive, long-winded,
 20 self-serving statements that they not be utilized
 21 against our time.
 22 Q. (BY MR. COON) Sir, I'm --
 23 MR. DENNY: I am going to object
 24 to your statement because he's trying to answer
 25 your question.

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1 Q. (BY MR. COON) Mr. Manzoni, I just asked
 2 you, sir, as a result of this self-described
 3 comprehensive investigation, root cause analysis,
 4 who at BP was responsible for allowing those
 5 trailers to be located where they were on the date
 6 in question.
 7 A. I don't know.
 8 Q. Why was that excluded from the report?
 9 MR. DENNY: Objection, form.
 10 A. I don't believe it was excluded from the
 11 report.
 12 Q. (BY MR. COON) Is there a name of
 13 somebody that was responsible for that in the
 14 report?
 15 A. I don't think there is any names in the
 16 report.
 17 Q. Is there an identity of a person by
 18 position who was responsible for allowing that to
 19 have happened in the first place?
 20 A. I am not familiar with that -- with that
 21 piece of specific detail.
 22 Q. Do you understand the management of
 23 change order that was required to locate that
 24 trailer had never been completed?
 25 A. You are talking about the detail of

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1 the -- I think the interim report, which is what
 2 we've discussed.
 3 Q. It was a "yes" or "no" -- I'm going to
 4 say it's a "yes" or "no" question.
 5 A. Repeat the question.
 6 Q. Were you -- were you aware that the
 7 management of change order to occupy that trailer
 8 had never been completed?
 9 A. I don't think I was, no.
 10 Q. Are you aware that that trailer had not
 11 been commissioned for occupancy on March 23, 2005?
 12 A. No, I am not aware of that.
 13 Q. And that's pursuant to BP's own rules.
 14 Are you aware of trailer siting
 15 rules that apply at Texas City?
 16 A. They have changed. I am aware of them
 17 now. I wasn't aware of them before.
 18 Q. Are you aware now that there were rules
 19 with respect to trailer siting that were in effect
 20 at Texas City on March 23, 2005?
 21 A. Subsequent to the event, I have been
 22 aware that there were rules regarding trailer
 23 siting, yes.
 24 Q. Were you made aware that the trailer
 25 siting rules required a minimum distance of

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1 350-foot from an operating unit?
 2 MR. DENNY: Objection, form.
 3 A. I am not aware of the detail.
 4 Q. (BY MR. COON) Do you have any
 5 understanding as to how it was that they derived
 6 the 350-foot rule of thumb with respect to the
 7 location of temporary trailers in proximity to
 8 operating units?
 9 A. Only insofar as it would be based on a
 10 risk-based analysis and risk calculation. Yeah,
 11 that is how it would have been derived, I am sure.
 12 Q. Were you told anything about what
 13 Mr. Stan Sorrels said when he generated, put
 14 together the blast analysis associated with
 15 building locations as part of the siting policies
 16 that went into effect at the Amoco heritage back in
 17 the mid-Nineties?
 18 A. No.
 19 Q. Do you have any idea as to how they
 20 derived the 350-foot rule of thumb with respect to
 21 locating trailers in proximity to operating units?
 22 A. Only what I just said.
 23 Q. Did you read the deposition or have you
 24 been told anything with respect to what Mr. Pillari
 25 said about the trailer siting?

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1 A. I didn't read the deposition, and I
 2 don't -- I am not specifically aware of what he
 3 said about it, no.
 4 Q. Are you aware that trailers were allowed
 5 to be placed within 300-foot -- 350-foot proximity
 6 to an operating unit under the theory that if there
 7 was a vapor cloud explosion, that the trailer could
 8 roll over and, therefore, absorb the impact of the
 9 explosion?
 10 A. Certainly not. I am not aware of that.
 11 Q. Have you ever been in a trailer, sir?
 12 A. Yes.
 13 Q. Would you hazard to put yourself in a
 14 trailer and let us roll it over and see what
 15 happened?
 16 A. I would rather not.
 17 Q. Common sense tells you you don't want to
 18 be in a trailer rolling down a hill?
 19 A. I agree with you.
 20 Q. And if you have people that work in high
 21 management with you that don't understand that,
 22 they are probably not well-suited to be in high
 23 management, are they, sir?
 24 MR. DENNY: Objection, form.
 25 A. You know, it's -- probably not.

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1 Q. (BY MR. COON) Is that why you replaced
 2 Mr. Pillari?
 3 A. I didn't replace Mr. Pillari.
 4 Q. Who made the decision to replace
 5 Mr. Pillari?
 6 A. Mr. Pillari made a -- as I recall, made a
 7 recommendation that in -- in -- in the light of
 8 circumstances, that his job, which covered both
 9 North and South America at the time, should be
 10 split into North and South America separate.
 11 That was a recommendation from
 12 Ross, and that was an accepted recommendation. And
 13 then he, as I recall, he didn't want to do either
 14 of those jobs. So he wasn't -- he was replaced,
 15 actually, in North America, which is what we have
 16 done. And now Bob Malone takes that job.
 17 Q. Speaking of replacement, who made the
 18 decision to replace Mr. Parus?
 19 A. I did.
 20 Q. How come?
 21 A. I did because he was traumatized after
 22 the accident and in my judgment was -- it was in --
 23 it was in discussion with Mike Hoffman; but in our
 24 judgment, I guess, it was -- it was better to move
 25 him from the site because the trauma of that

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1 accident was substantial and our judgment was that
 2 it would be better that he wasn't running that site
 3 after that.
 4 Q. Had you been out at the Texas City site
 5 before the explosion?
 6 A. In July, 2004, I think was the last time
 7 I was there.
 8 Q. Why were you out there then?
 9 A. I routinely visit the various sites, the
 10 various businesses around the world.
 11 On that occasion, I was there -- I
 12 think I was -- as I recall, there had been a number
 13 of incidents which I wanted to go and see for
 14 myself to make sure that the site was addressing
 15 those issues and, you know, Don and his team were
 16 on the case.
 17 Q. How did Don get out to the Texas City
 18 facility?
 19 A. I'm sorry?
 20 Q. How did he end up at Texas City?
 21 A. He would have been appointed at
 22 Texas City in the normal course of a management of
 23 change; and I can't remember when, though, exactly
 24 he was appointed.
 25 Q. Did you have anything to do with his

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1 appointment?
 2 A. Not that I recall.
 3 Q. Do you understand he was involved in
 4 replacing George Carter out at that plant around
 5 2002?
 6 A. I --
 7 MR. DENNY: Objection, form.
 8 A. I do remember George Carter was replaced.
 9 I don't -- I don't actually recall the specific
 10 timing of all of those transitions.
 11 Q. (BY MR. COON) Did you have any oversight
 12 with respect to the decision to remove Mr. Carter
 13 from his responsibilities at Texas City in 2002?
 14 MR. DENNY: Objection, form.
 15 A. No, I only -- I don't think I did. I
 16 only took the job that I do now in April of 2002,
 17 as I recall.
 18 Q. (BY MR. COON) Did you have an
 19 understanding as to why it was that Mr. Carter was
 20 removed from his responsibilities at Texas City?
 21 A. No.
 22 Q. Did you have an understanding as to why
 23 human resources was involved in the investigation
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 24 mr. Parus since the explosion;
 25 A. No.

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1 Q. What is he doing now?
 2 A. He's -- he's essentially available to
 3 assist, and he's -- he's available to assist the
 4 multiple inquiries. I am sure he is talking to his
 5 own counsel. There are depositions and things that
 6 he has to prepare for as well.
 7 Q. Basically he has been just assigned to
 8 sit at home until further notice, correct?
 9 MR. DENNY: Objection, form.
 10 A. He's -- well, essentially he is available
 11 to assist all of the inquiries and investigations
 12 and depositions and such things that are going on
 13 around this incident.
 14 Q. (BY MR. COON) Who made the decision to
 15 replace Mr. Parus with Mr. Maclean?
 16 A. Myself and actually I -- with Mike
 17 Hoffman, of course, as we were discussing.
 18 Q. When was it that you were first made
 19 aware of the long history of underinvestment in the
 20 infrastructure at Texas City?
 21 MR. DENNY: Objection, form.
 22 A. Say if I may, A, I am not sure that there
 23 was a long history of underinvestment in the
 24 infrastructure; but when I took the job that I do
 25 now, which is in 2002, and it was about the same

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1 time that Mike Hoffman started his job, which is
 2 running the refining business, he did -- he did
 3 talk about the need for additional investment into
 4 the infrastructure in Texas City.
 5 And since that time the investment
 6 into that infrastructure has been consistently
 7 increasing.
 8 Q. (BY MR. COON) Why was there a need for
 9 investment in the infrastructure?
 10 A. I don't know the detail. And indeed,
 11 in -- as I recall in the early -- in 2002, 2003, he
 12 was -- he had -- he had clearly concluded that, you
 13 know, he wanted to spend more on the infrastructure
 14 and said that, you know, it needed upgrading. And
 15 so we were busy increasing the expenditure on that
 16 infrastructure.
 17 Q. Did you have anything to do with the Veba
 18 report or Kearney Consulting associated with the
 19 review of the infrastructure at Texas City in 2002?
 20 A. No, I don't think I did. I think I was
 21 just coming into this role.
 22 Q. Were you provided with the findings that
 23 outside consulting agencies review and opinions as
 24 to the conditions of the Texas City facility circa
 25 August, 2002?

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1 A. I can't believe I wouldn't have been, but
 2 I don't specifically recall it because I would have
 3 just come into my job by then.
 4 Q. Have you had any personal involvement
 5 with the Kearney Consulting Group before?
 6 A. Yes, I have.
 7 Q. Do you like them?
 8 A. Yeah, I think they do -- they do good
 9 work in certain areas, yes.
 10 Q. Have you ever looked at the Good Practice
 11 Sharing Assessment they conducted for the Texas
 12 City facility in August of 2002?
 13 A. To be frank, I can't -- I can't remember
 14 looking. I may have looked at it, but I can't
 15 remember it. I was aware that it -- I think I was
 16 aware that it was going on, but I don't -- I don't
 17 recall any of the detail.
 18 Q. Do you recall that one of their concerns
 19 was asset safety and that one of the biggest issues
 20 identified by the assessment team was that there
 21 were serious concerns about the potential for a
 22 major site incident due mainly to the very large
 23 number of hydrocarbon escapes, which were numbering
 24 80 a year?
 25 MR. DENNY: Objection, form.

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1 A. I wasn't aware of it. I mean, I may have
 2 been then; but I don't -- generally don't recall
 3 seeing that.
 4 Q. (BY MR. COON) You would agree that an
 5 escape in hydrocarbons at a refinery is a bad
 6 concept, isn't it?
 7 A. I agree with you.
 8 Q. Every hydrocarbon escape poses a
 9 potential for an explosion, doesn't it, sir?
 10 A. Yes, it does.
 11 Q. The Veba study also concluded that there
 12 was a very large backlog of overdue inspections and
 13 had a direct cause and effect on the ability of the
 14 site to sustain high levels of reliability.
 15 Were you aware of that?
 16 A. Actually, I was aware of an inspection
 17 issue in Texas City, but really through
 18 conversations with Mike Hoffman rather than a
 19 specific view of that report and that, of course,
 20 resulted in -- in us setting in place a program to
 21 increase the inspection since 2002, which is what
 22 has been happening.
 23 Q. Did you have an understanding at any
 24 point in time with respect to the history of
 25 investments and underinvestment at Texas City prior

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1 to the merger in '99?
 2 A. No.
 3 Q. Did you ever have an opportunity to
 4 review the findings of Kearney that track the last
 5 ten years of investment at the Texas City facility?
 6 A. Not that I recall.
 7 Q. Mr. Manzoni, I want to show you what
 8 is titled -- and you can look to the screen to your
 9 left there, sir. It's called, "Refining and
 10 Pipelines SPU Texas City Refinery Review." It
 11 says, "Bilateral with John Manzoni, November 24,
 12 London."
 13 Does that look familiar to you,
 14 sir?
 15 A. I don't recall. It depends on -- do you
 16 know which year it was?
 17 Q. Well, the Veba study was done in 2002.
 18 So I am going to presume this was November 24,
 19 2002.
 20 A. Okay.
 21 Q. That's a presumption on my part.
 22 This document --
 23 MR. DENNY: Is that a previous
 24 exhibit, Brent?
 25 MR. COON: Yes, sir.

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1 MR. DENNY: What is that number?
 2 MR. COON: Do we have the exhibit
 3 number?
 4 MR. DENNY: Is that the Veba? Is
 5 that what you are talking about?
 6 MR. COON: No. This is a review
 7 of Veba. It includes the Kearney documents.
 8 (Discussion off the record.)
 9 MR. DENNY: Let's go off the
 10 record just a second.
 11 MR. COON: Go off the record.
 12 THE VIDEOGRAPHER: We are off the
 13 record at 9:56.
 14 (Recess taken.)
 15 THE VIDEOGRAPHER: We are back on
 16 the record at 10:16 a.m.
 17 Q. (BY MR. COON) Mr. Manzoni, in your job
 18 as chief executive of the refining and marketing
 19 for BP, is it your personal responsibility to stay
 20 abreast of the condition of the various units that
 21 you are charged with, particularly the refining
 22 units?
 23 A. I have ultimate accountability for them;
 24 but given the scope and scale, I have obviously got
 25 to rely on a delegated system of accountabilities.

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1 Q. And who is that delegated to with respect
 2 to the operational conditions and the overall
 3 infrastructural integrity of the BP Texas City
 4 facility?
 5 A. It starts with the Texas City refinery
 6 manager. It goes up from there to -- to a regional
 7 vice president and then to the refining group vice
 8 president, who reports to myself.
 9 Q. So that would be -- at Texas City at the
 10 time of this explosion, that would have been Don
 11 Parus as the BUL at Texas City?
 12 A. That's right.
 13 Q. And that would have been Pat Gower as the
 14 VP here at BP North America?
 15 A. As the -- as the regional vice president,
 16 although the -- yes.
 17 Q. And then to Mike Hoffman in London?
 18 A. Correct.
 19 Q. Who then reports to you?
 20 A. Correct.
 21 Q. You asked them to keep you advised as to
 22 any problems associated with any of the various
 23 units they are charged with operating?
 24 And by "problems," I mean
 25 compliance problems, integrity problems, et cetera?

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1 A. I think in the normal course of things I
 2 would expect Mike to raise with me issues of
 3 significance that he's aware of.
 4 That, obviously, takes judgment on
 5 his part; but to your specific question of all of
 6 the issues of compliance and such things, I think
 7 that's better handled locally and wouldn't normally
 8 arise to my -- or, indeed, sometime Mike's --
 9 sometimes Mike's visibility probably.
 10 Q. And what is it that you relate on to
 11 Lord Browne?
 12 A. Again, it's about the judgment, and it
 13 depends. It's about we have routine meetings. So
 14 I think there is routine communication.
 15 And again, my judgment is about
 16 what to communicate are issues of relevance,
 17 strategic relevance and all of those sort of
 18 things.
 19 I think it -- again, it depends on
 20 the nature of the issue.
 21 Q. I have seen some documents that indicate
 22 that Lord Browne took a personal interest in
 23 Texas City and that he actually looked at the
 24 various numbers associated with how that unit was
 25 operating, separate and apart from the rest of the

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1 units.
 2 Do you know anything about that?
 3 MR. DENNY: Objection, form.
 4 A. No. It would be very unusual for John to
 5 look at individual asset -- it would be very
 6 unusual for me to look at individual assets, unless
 7 there was a particular reason.
 8 Of course, since the incident,
 9 we've taken a much bigger focus around Texas City
 10 specifically; but before that and in the normal
 11 course of business, it would be most unusual and
 12 not normal course of business.
 13 Q. (BY MR. COON) So to the extent it's
 14 established that he was, in fact, doing that, you
 15 don't really have an understanding as to why that
 16 was, particularly if it was something he was doing
 17 before the explosion?
 18 MR. DENNY: Objection, form.
 19 A. Now, I think -- I mean, as I say, I think
 20 it would be -- you know, he would normally see it
 21 through me; and I -- and I wasn't looking at
 22 Texas City specifically as part of a routine flow
 23 of information. We don't -- that would be unusual.
 24 Q. (BY MR. COON) And you don't -- sitting
 25 here today, you do not know what it would be that

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1 would cause him to have wanted to look at
 2 Texas City separate from all the other units?
 3 A. No, I can't imagine that he would. I
 4 can't imagine that he would do that.
 5 (Exhibit Number 775 marked for
 6 identification.)
 7 Q. (BY MR. COON) Mr. Manzoni, we have
 8 marked as Exhibit 775 what I believe is a BP
 9 generated document that just outlines your job
 10 history, and I just want to put that in for the
 11 record.
 12 Is that --
 13 A. Yes.
 14 Q. -- an accurate recording of the various
 15 positions you have held at BP over the years?
 16 A. Yes, it is.
 17 (Discussion off the record.)
 18 Q. (BY MR. COON) When was it that you were
 19 first made aware that there were any kinds of
 20 compliance issues or operational problems or gaps
 21 in operations at Texas City?
 22 MR. DENNY: Objection, form.
 23 A. I am not sure I was made aware of
 24 compliance issues or gaps in operations. You know,
 25 we -- I mean, we obviously focus on continuous

<p style="text-align: right;">Page 66</p> <p>1 improvement in all aspects of our business but I am 2 not sure that I was specifically made aware of any 3 gap -- not before this incident, for sure. 4 Q. Did you have any idea as to how many 5 people had been killed out at Texas City over the 6 years? 7 A. It did have a -- subsequent to this 8 incident, I have looked at it. I can't remember 9 the detail, but it's -- the -- the safety record at 10 Texas City by about 2003 was -- was the same or 11 around the same and it has come down and stabilized 12 around the same as the group average, as I recall. 13 Q. Do you have any understanding as to what 14 the source of attribution was for the excessively 15 high number of fatalities that had just -- that had 16 historically occurred at the Texas City facility? 17 MR. DENNY: Objection, form. 18 A. No, I don't. I -- this was -- you must 19 be talking about quite a long time in history 20 because, as I say, in 2002 and thereabouts, it was 21 about the same level as the rest of our operations. 22 Q. (BY MR. COON) Did you have any history 23 provided to you as to the safety records that had 24 pre-existed at the various operating units you were 25 charged with?</p>	<p style="text-align: right;">Page 68</p> <p>1 think, before the incident. 2 Q. Were you ever made aware that 3 BP Texas City had cut its fixed operational costs 4 by over 50 percent in the decade preceding the 5 merger between BP and -- BP and Amoco? 6 MR. DENNY: Objection, form. 7 A. Not that I specifically recall, no. 8 Q. (BY MR. COON) After the merger, there 9 was apparently a decision made to advise the 10 various business unit leaders at the various 11 refineries to cut their fixed operational budgets 12 another 25 percent. 13 Do you know anything about that? 14 MR. DENNY: Objection, form. 15 A. No, not specifically. I don't know when 16 that was. Certainly not since I was in this job. 17 Q. (BY MR. COON) When was it that you were 18 first made aware of the issues emanating from 19 London to the various refineries to cut the budget 20 25 percent post merger? 21 MR. DENNY: Objection, form. 22 A. I don't think I was. 23 I mean, I think I've certainly 24 been -- recently been made aware that that was the 25 case. And I do recall vaguely in the late Nineties</p>
<p style="text-align: right;">Page 67</p> <p>1 For instance, did someone come to 2 you and say, "Here's how many people have lost 3 their lives working at this plant versus this 4 plant" to where you could statistically compare 5 safety records as it related to fatalities at the 6 various refineries? 7 A. We look routinely at the safety records, 8 but that tends to be in the year. And I don't 9 recall asking for historical safety records. 10 What I do recall is that the 11 safety record at Texas City had -- since about 12 2002, had been consistently improving, as I say; 13 but I -- but before that, I don't recall 14 specifically having a conversation about it. 15 Q. What do you mean by "improving"? 16 A. We use industry standard metrics for 17 safety days away from work, fatalities and such 18 things, recordable incident frequency rates. 19 And all of those had, as I recall, 20 been improving in Texas City, and in refining 21 actually. And those are the -- that's what -- 22 so -- so the days away from work frequency rate had 23 been coming down. It was about .1, .11, which was 24 about average for the BP group and actually had 25 been stable at that level for several years, I</p>	<p style="text-align: right;">Page 69</p> <p>1 a conversation, but I wasn't in the -- anything to 2 do with the refineries. I wasn't in this job at 3 the time. 4 Q. (BY MR. COON) And when that mandate came 5 down in 1999, you would have been GVP downstream 6 European markets? 7 A. In '99, that's when I did that. Yes, I 8 would have been. 9 Q. And what does that job entail, sir? 10 A. That was the -- at the time that 11 was the -- I was looking after the European 12 marketing operations. So that's the retail -- 13 particularly it was the retail business and the 14 business marketing activities in Europe. 15 Q. Would this be more like the gas stations? 16 A. That's right. 17 Q. Were you not also requested to make 18 efforts to cut your fixed operational 25 percent? 19 A. I don't recall actually, no. I don't -- 20 I don't recall. I -- you know, there's always -- 21 one has always got to run the business efficiently, 22 but I don't recall the specific focus. 23 There was -- there was a 24 conversation because in that role I was part of the 25 executive committee of the downstream at that time</p>

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1 and I do recall vaguely; but to be honest, I don't
 2 recall the detail.
 3 Q. Did you ever have an understanding as to
 4 what Mr. Carter and Mr. Scruggs did in response to
 5 that request to cut the budgets 25 percent in 1999?
 6 MR. DENNY: Objection, form.
 7 A. No, I don't know.
 8 Q. (BY MR. COON) Have you ever been
 9 provided with the documents reflecting what it was
 10 that was cut at BP Texas City to effectuate the
 11 25 percent cost savings as it resulted in the
 12 request from London?
 13 A. No.
 14 MR. DENNY: Objection, form.
 15 Q. (BY MR. COON) Would it surprise you to
 16 know that Mr. Carter and Mr. Scruggs made decisions
 17 to cut a number of safety programs at Texas City in
 18 response to that budget cut?
 19 MR. DENNY: Objection, form.
 20 A. Yes, I think -- well, I -- what I would
 21 say to you is that I -- in the end, a plant
 22 manager, which is what -- I think Tim Scruggs was
 23 the plant manager, might have been the plant
 24 manager at the time. They will make decisions and
 25 judgments.

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1 I cannot believe they would have
 2 cut safety critical items. I cannot believe they
 3 would have cut safety critical items, simply
 4 because that's not -- it simply would -- it's not
 5 an acceptable thing to do. They would have known
 6 that, and the system would have known that.
 7 Q. (BY MR. COON) Well, certainly they
 8 should not have cut -- for instance, made deep cuts
 9 into training and retraining of the personnel?
 10 A. I think it rather depends upon the
 11 training and the retraining because there might
 12 have been peripheral training. I just don't know
 13 the detail, but they wouldn't have cut critical
 14 safety items, for sure. I am sure of that.
 15 Q. Have you seen the depositions?
 16 A. No.
 17 Q. Did you see the Telos Report?
 18 A. I have seen it subsequently. Subsequent
 19 to -- I've scanned through it. I haven't studied
 20 it, but I wasn't -- I didn't see it before the
 21 event.
 22 Q. Bother you?
 23 A. Does it bother me?
 24 Q. Yes, sir.
 25 A. I think it's indicating a set of

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1 circumstances which were assisting in Texas City,
 2 which do bother me and which -- actually, which the
 3 final report from John Mogford indicated was -- was
 4 prevalent in that plant.
 5 Q. Do you recall where the employees, both
 6 salaried and hourly, at Texas City in conducting
 7 the survey reflected an opinion that BP put profits
 8 Number 1?
 9 MR. DENNY: Objection, form.
 10 Q. (BY MR. COON) And people dead last --
 11 A. I am not aware --
 12 Q. -- in terms of priorities?
 13 A. -- of that and it's -- no, I am not aware
 14 of the specifics. It surprises me.
 15 Q. Did you read any of the comments
 16 contained by the hourly and salary individuals at
 17 BP Texas City that were contained in the report?
 18 A. I think I did scan them. I think it's --
 19 and I will give you my reaction.
 20 It's pretty horrifying. I think
 21 it -- I think it shows a circumstance in
 22 Texas City, which is -- well, frankly, was just
 23 completely unacceptable.
 24 MR. BUZBEE: I couldn't hear that
 25 last part. What did you say?

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1 THE WITNESS: "Which is completely
 2 unacceptable."
 3 Q. (BY MR. COON) Mr. Manzoni, I am going to
 4 show you the introductions to that study; and
 5 again, this is our Telos Report that was
 6 commissioned by Don Parus.
 7 Did you have anything to do with
 8 the commissioning or approval of the commissioning
 9 of this report?
 10 A. No, I didn't. I think Don began to
 11 suspect a cultural issue, a deep behavioral issue
 12 at Texas City and therefore, commissioned the
 13 report. That's what I established subsequently and
 14 was trying to find out how deep it was.
 15 Q. The study indicated it was pretty deep,
 16 didn't it?
 17 A. If this table, which you are showing me
 18 now, has anything to do with it, I think it is a
 19 horrifying outcome.
 20 Q. Is this the first time you have seen that
 21 chart?
 22 A. Yes, it is.
 23 Q. Mr. Manzoni, were you provided with any
 24 of the interviews that were given by various people
 25 in management regarding their thoughts that were

<p style="text-align: right;">Page 74</p> <p>1 utilized in the final Telos Report? 2 A. I am sorry. Can you say that again? 3 Q. Yes, sir. 4 You understand that there were a 5 number of personal interviews that were also 6 conducted as part of the Telos Report? 7 A. I wasn't aware. 8 My recollection of the document 9 was a, sort of, series of statements, which 10 presumably were in that document you just showed 11 me; but that's all I recall. 12 Q. Have you ever seen any individual 13 statements? 14 A. I did scan them. I don't recall them. I 15 was left with an impression, which was -- well, 16 frankly, which was reflected in John Mogford's 17 final report of the incident, which said there has 18 been some -- there -- there has been a fundamental 19 breakdown in Texas City of the structures and the 20 interactions in the normal human behavior. 21 And I think that was what was 22 being reflected in the Telos Report, which, of 23 course, requires fundamental action and response. 24 Q. How was it you were provided with the 25 Telos Report, sir?</p>	<p style="text-align: right;">Page 76</p> <p>1 Q. Did you ever tell Pat King that all of 2 the problems with the health and safety in the 3 refining sector were hurting the prospects to 4 replace Lord Browne as the next CEO? 5 MR. DENNY: Objection, form. 6 A. Say that again. 7 Q. (BY MR. COON) Yes, sir. 8 Did you ever tell Pat King that 9 the problems associated with health and safety in 10 the refining sector were hurting your prospects of 11 becoming the next CEO of BP? 12 A. I -- I don't recall saying that. 13 That's... 14 Q. Are you saying you never said that to Pat 15 King or you just don't recall? 16 A. I certainly don't recall saying that. I 17 can't imagine the context in which I would have had 18 that conversation with Pat. 19 Q. Was the health and safety ranking in your 20 sector ever lower than the health and safety 21 standards of other sectors? 22 A. I think they are very similar. I think 23 that the refining and marketing segment has 24 actually been lower, partly because we have 25 absorbed -- as we absorbed Castrol that had a --</p>
<p style="text-align: right;">Page 75</p> <p>1 A. I can't remember. I think it's part of 2 our inquiry. It's part of the general 3 understanding of the situation at Texas City, which 4 came about as a result of the incident. 5 I would have asked for that 6 report; and having been made aware that it was 7 around and -- you know, this -- this just says that 8 the conditions in Texas City had reached a stage 9 which were completely unacceptable, were 10 frightening, frankly, and which say, you know, "We 11 have got to make a fundamental change in that plant 12 as we go forward," which, of course, is what we are 13 setting out to do. 14 In fact, we made -- I think we 15 could say we have made good progress. 16 Q. Do you know Pat King? 17 A. Yes, I do. 18 Q. How so? 19 A. He was -- he came a few years ago to be 20 the HSSE manager at the segment level; and I think, 21 as I recall, he had been in Texas City. 22 And we have subsequently asked him 23 to go back to Texas City to run safety -- health 24 and safety for the employees at Texas City, which 25 is where he is now.</p>	<p style="text-align: right;">Page 77</p> <p>1 not a very good safety record, which we had to 2 address, which is now addressed. 3 So I think as we have added parts 4 into the refining and marketing sector, I think it 5 probably has been lower than the others; but I -- 6 it's not something that I focus on in relation to 7 other units in BP. It's something that we focus on 8 to improve, rather than to say where are we in an 9 absolute sense. 10 The businesses are of such 11 character that they are going to have different 12 safety characteristics. 13 Q. Have you ever aspired to replace 14 Lord Browne as the CEO of BP? 15 A. One is always looking for progression 16 and, you know all, of those things. That's a -- 17 that's a complicated question. 18 And do I aspire? Do you know, I 19 don't know. Probably. 20 Q. Would your health and safety ranking be a 21 factor in comparing you versus other candidates for 22 that position? 23 MR. DENNY: Objection, form. 24 A. I would imagine that the -- just in the 25 way that we do, I would imagine that it would be</p>

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1 taken into consideration, yes.
 2 Q. (BY MR. COON) Have you ever acknowledged
 3 that the health and safety ranking in the refining
 4 sector was last as compared to the other sectors?
 5 A. I don't think I have ever acknowledged it
 6 because I am not actually aware that that is the
 7 case. I don't look at the comparisons.
 8 Q. Mr. Manzoni, where were you on
 9 March 23rd, 2005, sir?
 10 A. I was in -- I was flying with my family
 11 to Denver from London; and then on arrival at
 12 Denver, I found out about this incident and went to
 13 Texas.
 14 Q. And you arrived there on the 23rd or
 15 24th?
 16 A. I can't remember.
 17 It was the -- as I arrived at
 18 Denver, we hired a car. We drove to where we were
 19 going, which was a couple of hours, which we got
 20 there at about 9:00 or 10:00 o'clock at night;
 21 whereupon, I was met with the message that there
 22 had been an accident in Texas.
 23 So I drove back to Denver and got
 24 on a plane and went to Texas, where I arrived at
 25 about 4:00 o'clock the next morning, which must

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1 have been the day after the event. So it must have
 2 been the 24th.
 3 Q. You met Lord Browne there?
 4 A. Yes, I did.
 5 Q. Did you participate in any of the
 6 investigation?
 7 A. Which investigation?
 8 Q. Into the explosion, sir.
 9 A. The subsequent investigation, no.
 10 Certainly not.
 11 Q. Did you get involved at any level with
 12 respect to decisions associated with what types of
 13 investigations would be conducted and who would be
 14 responsible for an oversight into those
 15 investigations?
 16 A. There were conversations in all of our
 17 incidents; and particularly fatal accidents we
 18 require a full investigation.
 19 This was clearly a very, very
 20 serious incident; and we needed to put in our best
 21 possible independent point of view so -- per the
 22 normal process. And it took some days, as I
 23 recall, before we were able to nominate John
 24 Mogford to lead it because we needed to look for
 25 somebody who was fully competent to do this and

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1 completely independent of the line.
 2 So I do remember the conversation
 3 about asking John to lead that investigation.
 4 Q. Mr. Manzoni, early on in this matter
 5 Lord Browne said, "We accept responsibility for
 6 what happened out here."
 7 Do you recall that?
 8 A. Yes, I do.
 9 Q. Do you accept responsibility for what
 10 happened out there on behalf of BP?
 11 A. I can't imagine any other position for a
 12 responsible company to take.
 13 Q. And when you say "responsibility," sir,
 14 are you saying you take legal responsibility for
 15 what occurred out at Texas City on March 23rd,
 16 2005?
 17 MR. DENNY: Objection, form.
 18 A. I think that the -- you know, I am not a
 19 lawyer.
 20 And here's our position: We had a
 21 tragic accident at Texas City. Fifteen people lost
 22 their lives, and many more were injured. The
 23 company that runs that plant has to take the
 24 leadership responsibility in response to that sort
 25 of an accident. I can't imagine personally or in a

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1 company sense any other position that this company
 2 could have taken.
 3 Now, with regard to legal
 4 accountability, legal responsibility and, in
 5 particular, the U.S. legal system, I am certainly
 6 not an expert and I don't know where that goes; but
 7 in a leadership sense, we have to take
 8 responsibility for the safety and health of our
 9 employees.
 10 And that means that we have to set
 11 about doing all of the things that we can possibly
 12 do to minimize the chance of it happening a second
 13 time. And that's what we have done.
 14 Q. I understand and appreciate that, Mr. --
 15 Mr. Manzoni; but what I need to find out from you,
 16 sir, is whether or not it's your understanding that
 17 BP, as a company, is prepared to step up to the
 18 plate and say, "Not only do we take responsibility
 19 as a corporate citizen but that we take full legal
 20 accountability for what happened on March 23rd,
 21 2005."
 22 MR. DENNY: Objection, form.
 23 A. Well, what I know is we have taken the
 24 position that says we will compensate as best we
 25 can and one can never compensate for the loss of

<p style="text-align: right;">Page 82</p> <p>1 life or severe injury. We have fully taken that 2 position and attempted to do so, which is part of 3 this process. We have taken responsibility for 4 what happened and how we can set about improving 5 that. 6 I have to say that in terms of the 7 legalities, I am simply beyond my area of 8 expertise, frankly. My concern is the morale, the 9 motivation, how we can learn from that situation so 10 that it never happens again. 11 Q. (BY MR. COON) Are you saying it's BP's 12 desire to take responsibility from a legal 13 standpoint, at least to the standard of fully 14 compensating those persons harmed as a result of 15 that explosion? 16 A. That's the statement that we have said. 17 Q. Mr. Manzoni, do you have anything to do 18 with the disciplinary proceedings that were 19 undertaken by Ms. Lucas and Mr. Willis after the 20 explosion? 21 A. No, that was -- I think that was a 22 routine investigation, which is normal practice, 23 that Kathleen undertook after this incident. 24 Q. Do you have any role with respect to the 25 OSHA or CSB investigations?</p>	<p style="text-align: right;">Page 84</p> <p>1 you understand that they fined your company 2 \$21 million for various offenses and violations of 3 OSHA safety standards and rules? 4 A. Yes, they did. 5 Q. Did you see a copy of what OSHA 6 determined to be the various safety violations that 7 were in place on March 23, 2005? 8 A. No, I don't think I saw a copy of the 9 full OSHA report. 10 Q. Do you know that OSHA determined that 11 there were approximately 300 separate, willful 12 violations of OSHA standards on that day? 13 A. I do recall us settling the OSHA claims 14 without accepting the findings. And this is part 15 of -- it's inconceivable that we should be arguing 16 over details in the -- in the context of such a 17 tragic accident. 18 And therefore, we took the 19 position that we needed to accept an accountability 20 in that sense. And we settled that without 21 acknowledging that we agreed with the OSHA's 22 findings that -- that I recall. 23 Q. Are you sitting here today saying that BP 24 does not agree with the OSHA findings? 25 MR. DENNY: Objection, form.</p>
<p style="text-align: right;">Page 83</p> <p>1 A. No. 2 Q. Were you asked to review and/or approve 3 any of the decisions made by Ms. Lucas with respect 4 to terminating any of your employees? 5 A. No. Those decisions were delegated down. 6 I was aware of them as a result of the inquiry and 7 the investigation, but I wasn't -- I wasn't -- I 8 don't need to approve at that level. 9 Q. Did you see the CSB interim report of 10 October, 2005? 11 A. I am not sure I saw the report. I 12 probably saw a summary. 13 Q. Did you take issue with respect to any of 14 the CSB's interim findings? 15 A. I was advised by -- as I recall, I was 16 advised by actually John Mogford and others that 17 we -- there were some technical differences between 18 our interpretation and the CSB's interpretation on 19 certain of the aspects. It was to do with the 20 particular mechanisms, as I recall, of -- of the 21 failure. 22 Q. Any further elaboration, sir? 23 MR. DENNY: Objection, form. 24 A. I can't remember the detail. 25 Q. (BY MR. COON) With respect to OSHA, do</p>	<p style="text-align: right;">Page 85</p> <p>1 A. What I am saying is my recollection is 2 that we settled with OSHA without accepting and 3 agreeing the particular form of the OSHA -- all of 4 the particular -- all of the OSHA findings. 5 I am not saying we disagreed with 6 all of them, but I think some of them we probably 7 disagreed with. 8 Q. (BY MR. COON) And sitting here today, 9 can you tell me any of those that you disagreed 10 with? 11 A. No. 12 Q. Are you aware that OSHA, subsequent to 13 these citations, made a decision to place 14 BP Texas City or BP on a special enhanced 15 enforcement program? 16 A. Yes, I am aware. 17 Q. Do you understand that that special 18 program is relegated to only those few select 19 employers that OSHA determines to have the worst 20 safety records? 21 A. I am not aware of the criteria OSHA used 22 to place us on those lists, no. 23 Q. Are you aware that BP is the only 24 refining or chemical company that is on that list 25 of unsafe workplaces?</p>

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1 A. I am not aware of that, no.
 2 Q. We have heard of some subsequent
 3 investigations by agencies with the EPA and others
 4 as a follow-up to the OSHA citations. I believe
 5 they referred this matter to the DOJ.
 6 Are you aware of that?
 7 A. I am aware that it has been referred to
 8 the DOJ, yes.
 9 Q. Have you been involved or participated in
 10 any of the subsequent investigations by the DOJ or
 11 the EPA regarding criminal violations?
 12 A. No.
 13 Q. Are you being advised with respect to
 14 what is taking place with respect to those criminal
 15 investigations?
 16 A. In the normal course of business in a
 17 routine sense.
 18 Q. We have heard some information regarding
 19 what's now been called an accountability
 20 investigation by BP.
 21 Are you familiar with that?
 22 A. I am not sure what it's called -- whether
 23 it's called that; but I am aware of an
 24 investigation, yes.
 25 Q. What is that investigation about?

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1 A. It's about -- so in the same way that the
 2 investigation you relate -- you referred to by
 3 Kathleen, which was an investigation of the
 4 operating system.
 5 This is an inquiry, an
 6 investigation into the positions above that, above
 7 Kathleen and to establish a point of view about
 8 accountability beyond that.
 9 Q. Are you talking about management
 10 accountability for what happened at Texas City?
 11 A. Sure.
 12 Q. Who made a decision to conduct an
 13 accountability investigation into management and
 14 their roles and responsibilities in this explosion?
 15 A. I did.
 16 Q. Did you consult with the board or
 17 Mr. Browne on that?
 18 A. Actually, I didn't.
 19 Q. Have you since then?
 20 A. He's aware of it; but no, there has been
 21 no other conversation.
 22 Q. "He" being Lord Browne?
 23 A. Yeah. He is aware that I have now
 24 undertaken that inquiry.
 25 Q. Who did you designate to conduct this

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1 investigation, sir.
 2 A. A man called Bill Bonse-Geuking, who is
 3 regional group vice president. Actually he has
 4 just retired, but was in -- for Europe.
 5 Q. How did you select Mr. Bonse-Geuking?
 6 A. He is a very experienced well-respected
 7 individual who has run -- actually, he was the
 8 chief executive of Veba when we took Veba over.
 9 He is respected. He is wise, and
 10 I thought that he would be better suited and he is
 11 completely independent of either my line or
 12 the refine -- my operational line of the
 13 refinery -- of the refining line, as a result. So
 14 he seemed to be a good choice.
 15 Q. And when was it that you decided to
 16 initiate this accountability investigation?
 17 A. It was sometime fairly soon after the --
 18 I can't remember the exact date. It was sometime
 19 fairly soon after the publication of the final
 20 report, Mogford's final report.
 21 Q. Have anything to do with the referral of
 22 this matter by OSHA to the DOJ?
 23 A. No, it was nothing to do with that at
 24 all.
 25 It was to do with the receipt of

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1 the report, which, among other things, talks of the
 2 culture and general environment, which we have just
 3 referred to in the Telos Report, of Texas City.
 4 Q. Who is being investigated as part of this
 5 accountability audit?
 6 A. So I asked Bill to -- the answer to that
 7 question is: I don't know actually, but I have
 8 asked Bill to assess -- with a team of people who
 9 he has collected around him, to assess his
 10 perspective, a third-party independent perspective
 11 in the light of all of the information that we now
 12 know about what happened and who -- what the
 13 circumstances were and where accountability, if
 14 any, lay above the actions that were already taken,
 15 which were to do with a lack of following of
 16 procedures.
 17 Q. And how was it communicated to other
 18 executives at BP that this accountability
 19 investigation was taking place?
 20 MR. DENNY: Objection, form.
 21 A. It wasn't widely communicated.
 22 Q. (BY MR. COON) Was it ever communicated
 23 to those persons that were in the chain of command
 24 with respect to the potential for responsibility
 25 associated with this explosion?

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1 A. I think I recall a conversation with Mike
 2 that I had that said, "We are going to start this
 3 and look at this," but not specifically, with Mike
 4 Hoffman.
 5 Q. Have you talked to Mr. Hoffman about it,
 6 his feelings about it?
 7 A. No.
 8 Q. Who is being looked at other than
 9 Mr. Hoffman?
 10 A. That would depend upon Bill's judgment,
 11 but he will be -- I asked him to look all the way
 12 up to and including myself.
 13 Q. What, if anything, has he done to look at
 14 you?
 15 A. I have no idea because he has interviewed
 16 me, but I am not sure what his conclusions are.
 17 Q. When do you expect a report from him?
 18 A. I am not sure because he is in the middle
 19 of that investigation. And the answer is I just
 20 don't know when he is going to complete it.
 21 Q. Have you thought to call him and ask him
 22 where he is in this investigation that's been going
 23 on for, what, nine months now?
 24 A. It's been going on -- well, when was the
 25 final report issued?

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1 Q. December of '05.
 2 A. So this was done early this year. And I
 3 think the point is that, you know, he has got to
 4 make his -- well, what I want to try to do is to
 5 leave him as much independence as he can.
 6 He is a very experienced
 7 individual. He has run a company himself. He has
 8 assembled a team. He has completed a number of
 9 interviews; and he will complete his investigation
 10 when he is ready, I think. It's -- you know, he's
 11 got to be very thoughtful about this.
 12 Q. Well, you went through this interview
 13 process, is there a court reporter there that
 14 swears you in, similar to what we are doing today?
 15 A. No, no. This is an internal
 16 investigation. That is a routine -- I mean, this
 17 is part of our normal practice in these sorts of
 18 incidents.
 19 Q. Has he taken recorded statements and
 20 asked you to sign the statement that you have
 21 given?
 22 A. No, he did not ask me to sign the
 23 statement that I have given.
 24 Q. Do you know whether or not these
 25 interviews are being recorded?

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1 A. I am not aware of them being recorded.
 2 Q. Was yours recorded?
 3 A. No, I wasn't aware of it. There were
 4 more than -- there were several people in the room.
 5 Q. The CSB also recommended that you appoint
 6 an independent panel to look over the cultural
 7 issues and deficits associated with BP's operations
 8 here in the States, correct?
 9 A. Correct.
 10 Q. And at some point, a decision was made to
 11 select Mr. Baker to head this panel?
 12 A. Correct.
 13 Q. And who made the decision to pick
 14 Secretary Baker to lead this panel?
 15 A. I think John Browne made that decision.
 16 Q. Is Lord Browne a friend -- a friend of
 17 Secretary Baker?
 18 A. Not as far as I am aware.
 19 Q. Do you know of any pre-existing
 20 relationship between Secretary Baker and
 21 Lord Browne?
 22 A. No.
 23 Q. Did you ever hear of the Carlyle Group?
 24 A. Yes.
 25 Q. Secretary Baker serves as senior advisor

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1 to that consortium, does he not?
 2 A. Don't know.
 3 Q. No idea?
 4 A. No, don't know.
 5 Q. Do you know any role he has with the
 6 Carlyle Group?
 7 A. I don't know much about Secretary Baker.
 8 Q. Are you aware of Lord Browne's
 9 involvement with the Carlyle Group?
 10 A. No, I am not, actually.
 11 Q. No idea one way or the other?
 12 A. No, I don't know. I am surprised.
 13 Q. Do you know that our former
 14 President Bush is a member of the Carlyle Group?
 15 A. No.
 16 Q. Do you know Secretary Baker also has a
 17 institute called the Baker Institute? Are you
 18 familiar with that?
 19 A. Yeah, I don't -- I don't know that it's
 20 his institute; but I think he has his name on it,
 21 yes.
 22 I am aware of the Baker Institute.
 23 It's an energy institute in Houston.
 24 Q. Did you ever go to any meetings
 25 Secretary Baker has held at the Baker Institute?

<p style="text-align: right;">Page 94</p> <p>1 A. No.</p> <p>2 Q. The Baker Institute set up something</p> <p>3 called the Energy Task Force, didn't it, sir?</p> <p>4 A. It did.</p> <p>5 Q. You served on that task force, didn't</p> <p>6 you, sir?</p> <p>7 A. I did, yeah.</p> <p>8 Q. And you served on that panel with Ken Lay</p> <p>9 of Enron?</p> <p>10 A. I don't think so. I don't think -- I</p> <p>11 don't recall him being a member. I don't think I</p> <p>12 have ever -- I don't think I ever attended a</p> <p>13 meeting with Ken Lay of Enron.</p> <p>14 Q. Do you recall who else was serving on</p> <p>15 that panel?</p> <p>16 A. Actually, I don't recall very much about</p> <p>17 it at all.</p> <p>18 We were writing a report, which I</p> <p>19 think was on energy security in the United States</p> <p>20 or something, which was -- I recall Ed Morse who</p> <p>21 was, I think, with Hess at the time.</p> <p>22 That's about the only other person</p> <p>23 I recall from that. This was a distributed panel.</p> <p>24 I don't think we ever met as a complete panel,</p> <p>25 actually. So my role was, I think, reviewing</p>	<p style="text-align: right;">Page 96</p> <p>1 report, as I recall.</p> <p>2 Q. What was --</p> <p>3 A. Frankly, I don't remember a great deal</p> <p>4 about the report now you come to mention it.</p> <p>5 Q. What was that report about?</p> <p>6 A. I can't actually -- I think it was about</p> <p>7 energy security in the United States at the time,</p> <p>8 which must have been 2002, 2001.</p> <p>9 Q. Did it have anything to do with the</p> <p>10 stability of oil access in the States and abroad?</p> <p>11 A. I am sorry. Say again.</p> <p>12 Q. Yes, sir.</p> <p>13 Did it have anything to do with</p> <p>14 the stability of access to oil, both here in the</p> <p>15 States and abroad, specifically the Middle East?</p> <p>16 A. I think there may have been something</p> <p>17 about it.</p> <p>18 As I say, it was about security of</p> <p>19 energy supply, as I recall. Had I known you were</p> <p>20 going to ask me about it, I would have reminded</p> <p>21 myself about what the report was; but I don't</p> <p>22 remember much about it, to be honest.</p> <p>23 Q. Have you been asked to do anything on</p> <p>24 behalf of the Baker Institute or the Energy Task</p> <p>25 Force since the completion of that report?</p>
<p style="text-align: right;">Page 95</p> <p>1 drafts, which, as I recall, were written by Ed</p> <p>2 Morse.</p> <p>3 Q. Have you ever talked to Secretary Baker</p> <p>4 about your roles and responsibilities on this task</p> <p>5 force?</p> <p>6 A. The Energy Task Force, no. I have never</p> <p>7 spoken to Secretary -- except when I met him as</p> <p>8 part of the panel, I have never spoken to</p> <p>9 Secretary Baker.</p> <p>10 Q. How did you get picked to serve on this</p> <p>11 lead panel that is run by the Baker Institute?</p> <p>12 MR. DENNY: Objection, form.</p> <p>13 A. I am not sure it was a lead. And I am</p> <p>14 not -- and I do -- actually, I can't remember how I</p> <p>15 was picked. I think it was because I was at the</p> <p>16 time the president of the eastern side of the</p> <p>17 United States for BP.</p> <p>18 Q. (BY MR. COON) What were your</p> <p>19 responsibilities and service to the Energy Task</p> <p>20 Force, sir?</p> <p>21 A. I think, as I recall -- sir, you are</p> <p>22 asking me about stuff that I don't -- frankly, I</p> <p>23 don't remember a lot about.</p> <p>24 It was a -- we produced a report;</p> <p>25 and I was predominantly reviewing aspects of the</p>	<p style="text-align: right;">Page 97</p> <p>1 A. No.</p> <p>2 Q. Mr. Manzoni, going to the fatal report,</p> <p>3 sir, when was the last time you looked at it?</p> <p>4 A. The investigate -- the final</p> <p>5 investigation report?</p> <p>6 Q. Yes, sir.</p> <p>7 A. I recall -- it's -- I think it's in two</p> <p>8 pieces. There is a -- there is a very, very large</p> <p>9 appendix, which I have not looked at in detail; but</p> <p>10 when it was written, I spent time reading it. So</p> <p>11 this would have been earlier this year.</p> <p>12 Q. Do you recall one of the concessions made</p> <p>13 by Mr. Mogford in that report was that flares were</p> <p>14 inherently safer than open ventilation systems,</p> <p>15 like blowdown drums?</p> <p>16 A. I don't recall it being in that report,</p> <p>17 but I think I -- of course, we have made a</p> <p>18 commitment to remove the blowdown drums as a result</p> <p>19 of that. So I understand the concept.</p> <p>20 Q. Do you recall Mr. Mogford ever conceding</p> <p>21 that flares were inherently safer than blowdown</p> <p>22 drums as part of his investigation?</p> <p>23 A. I don't recall it in the context of the</p> <p>24 investigation over the report, but I can understand</p> <p>25 the point.</p>

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1 Q. Would you agree with him?
 2 A. Yes, I think -- yes, I would.
 3 Q. Why was it that BP Texas City was still
 4 using a blowdown drum that was Fifties technology
 5 at the ISOM unit?
 6 MR. DENNY: Objection, form.
 7 A. I don't know the specific answer to that
 8 question.
 9 Q. (BY MR. COON) Why was it that BP waited
 10 until after this tragedy before making a decision
 11 to replace the blowdown drums?
 12 A. These blowdown drums are part of an
 13 operating process subsequent to the incident.
 14 Of course, we have looked hard at
 15 these particular pieces of plant equipment and,
 16 indeed, reviewed, you know, how come they were
 17 there and such things. And I recall that -- like
 18 all things, any plant must address its biggest
 19 risks first.
 20 Now, subsequent to that accident,
 21 clearly that blowdown drum was a huge risk. I
 22 think that it wasn't perceived to be a huge risk
 23 before the accident --
 24 Q. And you --
 25 A. -- and, therefore, the site was working

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1 on what it perceived to be bigger risks.
 2 Q. Have you seen Process Safety Standard
 3 Number 6?
 4 A. No.
 5 Q. Do you know anything about it?
 6 A. Is this a public -- I don't know anything
 7 about it.
 8 Q. This is -- this is an Amoco heritage
 9 process safety standard preceding the merger that
 10 went back to 1977.
 11 A. No.
 12 Q. Is that something you have ever seen?
 13 A. No, it's not something I would have seen.
 14 Q. Were you aware that within Amoco heritage
 15 with respect to process safety, that their Process
 16 Safety Standard Number 6 acknowledged that flares
 17 were safer than open vent systems and blowdown
 18 drums were to no longer be utilized in new
 19 construction?
 20 MR. DENNY: Objection, form.
 21 A. I wasn't aware that that was part of the
 22 Amoco standard. Of course, we don't use them in
 23 new construction.
 24 Q. (BY MR. COON) Were you aware that Amoco
 25 devised a special task force in 1992 designed to

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1 oversee the removal of the blowdown systems at the
 2 various Amoco facilities in the States?
 3 A. I wasn't aware --
 4 MR. DENNY: Objection, form.
 5 A. -- of it, no.
 6 Q. (BY MR. COON) If such a task force was
 7 devised in 1992, then obviously there was some
 8 appreciation for the risk prior to this explosion.
 9 MR. DENNY: Object --
 10 Q. (BY MR. COON) Would you agree?
 11 MR. DENNY: Objection, form.
 12 A. Well, there have been many task forces;
 13 and, you know, we have put many task forces on many
 14 things. So presumably it was addressing some risk,
 15 yeah.
 16 Q. (BY MR. COON) Do you know that that
 17 progress was killed because of budgetary concerns?
 18 MR. DENNY: Objection, form.
 19 A. I have no idea why it was killed.
 20 Was this by Amoco?
 21 Q. (BY MR. COON) Yes, sir.
 22 A. No idea.
 23 Q. Do you know anything about the OSHA
 24 report in 1991 that cited BP Texas City
 25 specifically for having an open ventilation system,

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1 like a blowdown drum, that allowed for the release
 2 of hydrocarbons to ground level?
 3 A. I would be surprised it was out at
 4 BP Texas City because we didn't own it in 1991.
 5 It must have cited Texas City
 6 maybe; but I am not aware of it, no.
 7 Q. Okay. Well, you said you didn't own it.
 8 BP Texas City is and always has
 9 been BP as a result of the merger, correct?
 10 MR. DENNY: Objection, form.
 11 A. After the merger, it became
 12 BP Texas City, I think, yes.
 13 Q. (BY MR. COON) But BP did not acquire
 14 Amoco Texas City. BP just merged with Amoco
 15 Texas City, and they are one in the same, aren't
 16 they, sir?
 17 A. Now, they are, yes, absolutely; but in
 18 1991, they weren't. They were two separate
 19 companies.
 20 Q. Did you ever work in a refinery, sir?
 21 A. No.
 22 Q. Do you have a role with respect to
 23 capital budgeting for the various units?
 24 A. I do have a role in capital budgeting for
 25 refining, but not specifically with each of the

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1 units. That's delegated to Mike Hoffman, and those
 2 are decisions he makes in terms of that. And he
 3 will flag to me any particular issues and we will
 4 talk about them, but not specifically on individual
 5 units.
 6 MR. COON: Let's go off the record
 7 for just a second.
 8 THE VIDEOGRAPHER: We are off the
 9 record at 10:59 a.m.
 10 (Recess taken.)
 11 THE VIDEOGRAPHER: We are back on
 12 the record at 11:16 a.m.
 13 * * *
 14 EXAMINATION
 15 Q. (BY MR. BUZBEE) All right, sir. You --
 16 you are probably the highest guy at BP we are going
 17 to get to talk to. I don't know if we are going to
 18 get to talk to the top dog.
 19 And that's Lord Browne, right?
 20 MR. DENNY: Objection, form.
 21 A. I don't know that he's called the "top
 22 dog," but he is above me, yes.
 23 Q. (BY MR. BUZBEE) He is the head cheese
 24 for the whole company, right?
 25 MR. DENNY: Objection, form.

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1 A. He runs the company.
 2 Q. (BY MR. BUZBEE) And he is head of the
 3 company BP, British Petroleum, headquartered in
 4 England, right?
 5 A. "BP" doesn't stand for British Petroleum
 6 anymore. It's just BP.
 7 It is headquartered in London.
 8 Q. Okay. And that's where you office, in
 9 London?
 10 A. Correct.
 11 Q. Okay. What is Lord Browne, the head
 12 guy's, formal name?
 13 You told us Lord Browne of
 14 Madingley; but that's not -- I mean, that's not his
 15 complete formal title, is it?
 16 A. As far as I know, it's his title. He is
 17 called John Browne.
 18 Q. Do you call him "Lord" when you talk to
 19 him?
 20 A. No, I call him John.
 21 Q. Okay. When was the last time you spoke
 22 to Lord Browne?
 23 A. What is today? Wednesday.
 24 Q. What did y'all talk about?
 25 A. We were having a conversation about the

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1 general application of safety and operations
 2 integrity function as it relates into the line, as
 3 it happens, was the conversation we were having.
 4 Q. Were y'all having it over tea or
 5 something?
 6 A. No. We weren't actually, no.
 7 Q. How many people, on average, does your
 8 company, BP, injure every year?
 9 MR. DENNY: Objection, form.
 10 A. I don't know the answer to that because
 11 we manage it through an injury frequency. So I am
 12 familiar with the injury frequency rate, which is
 13 at about .13, which is the injuries, days away from
 14 work per 200,000 manhours worked.
 15 Q. (BY MR. BUZBEE) So you can't tell us
 16 here -- here we are.
 17 Has BP had a case like this in the
 18 recent history?
 19 A. No.
 20 Q. Pretty big deal?
 21 A. Very big deal.
 22 Q. All right. And we are sitting here in
 23 Chicago. You flew from -- in here from London on
 24 your own private plane, I'm guessing, right?
 25 A. No, on British Airways actually.

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1 Q. Okay. And you are here under oath to
 2 talk about an explosion that's killed 15 people and
 3 injured scores of others and you can't tell us how
 4 many people BP injures on average every year?
 5 A. I can tell you what we measure, which is
 6 the injury frequency rate, which actually is a more
 7 important measure because it measures the frequency
 8 of injuries, the rate of injuries because say we
 9 had many -- we bought another company, then the
 10 injury -- total number of injuries would go up.
 11 So the relevant measure is the
 12 injury frequency rate, what we call the RIF rate,
 13 which happens to be sitting somewhere between .5
 14 and .6 currently.
 15 Q. So this injury frequency rate, that's how
 16 you measure. You don't just try to figure out how
 17 many people you have hurt and ruined their lives.
 18 You just try to figure out what the rate is --
 19 MR. DENNY: Objection, form.
 20 Q. (BY MR. BUZBEE) -- is that right?
 21 A. I care about every single individual that
 22 we injure or anything, and our objective and our
 23 value set is to aspire to do our business without
 24 injuring anybody.
 25 Q. All right. Do you care about the people

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1 that you've injured? Is that what you said?
 2 A. I care about all of our people.
 3 Q. Tell me the names of some of the people
 4 that your company injured on March 23, 2005.
 5 A. No, I don't have that list.
 6 Q. Can you name one of them?
 7 A. No.
 8 Q. You can't name any of them that were
 9 killed?
 10 A. No.
 11 Q. You can't name any of them that were
 12 horribly burned?
 13 A. No, I can't.
 14 Q. How many people does BP kill every year?
 15 MR. DENNY: Objection, form.
 16 A. It varies.
 17 Q. (BY MR. BUZBEE) Well, what is the
 18 average for your company, BP? How many?
 19 A. It depends how you measure it.
 20 Q. Well, give me -- tell me the number and
 21 tell me how you measure it.
 22 A. So in my business, there have been
 23 13 fatalities this year in the way that we measure
 24 it, the vast majority of them on the roads.
 25 We have a safety record on the

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1 roads, which actually way exceeds the average
 2 population of the general public, safety operations
 3 on the roads. Our biggest risk today, this year
 4 and the previous years, with the exception of the
 5 Texas City incident continues to be road accidents.
 6 Q. What are you doing about this? What are
 7 you -- what are you personally doing to prevent
 8 people from getting killed every year at your
 9 company?
 10 A. So with regard to road accidents, I took
 11 a prominent position. In fact, I drove in a
 12 leading position the application of what we call
 13 the road safety standard, which is a set of
 14 standards about how are drivers prepared for their
 15 duty, about how we plan routes and such things.
 16 So there is a whole set of
 17 standards associated with what our drivers or our
 18 contractor drivers have to live up to when they get
 19 in a truck to drive BP business. That would be to
 20 do with the roads.
 21 Right now what am I doing with
 22 regard to the refinery safety? I spend probably --
 23 at least 50 percent of my time now concerned about
 24 how well we are implementing a new in-house set of
 25 standards about understanding the root causes of

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1 what was going on in Texas. This is a huge part of
 2 my job now, as it should be, having had the sort of
 3 accident that we have had.
 4 Q. But it wasn't before, was it?
 5 A. It was before.
 6 It would be incorrect of me to say
 7 that we haven't significantly increased our focus
 8 simply because before this accident we didn't know
 9 that risk existed.
 10 If we had known it had existed, we
 11 would have done more, of course. We would have
 12 done more then. We simply didn't see it coming.
 13 Q. Okay. Sir, when you say "we," do you
 14 mean the folks that were in London didn't know or
 15 are you talking about management?
 16 MR. DENNY: Objection, form.
 17 A. I didn't know.
 18 Q. (BY MR. BUZBEE) Okay. You are using
 19 "we" and just meaning you?
 20 A. Let's personalize it to me.
 21 Q. All right. Because you are not saying
 22 here today that there was not -- there were not
 23 people in management that knew about the serious
 24 risks that existed at Texas City before this
 25 explosion, are you?

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1 MR. DENNY: Objection, form.
 2 A. I'm sorry. Can you repeat the question?
 3 Q. (BY MR. BUZBEE) Yeah, let me try it
 4 again.
 5 Are you telling me that there were
 6 not members of management who were quite aware
 7 there was a great risk of harm to people at
 8 Texas City before this explosion occurred?
 9 MR. DENNY: Objection, form.
 10 A. I -- I believe that there were -- I
 11 believe nobody knew the level of risk at Texas City
 12 because if they had known, I have absolutely no
 13 doubt we would have taken different and
 14 substantively different actions.
 15 So I -- I don't -- it's
 16 inconceivable to me that we had people who knew
 17 that that level of risk existed in Texas.
 18 Q. (BY MR. BUZBEE) So if someone within
 19 management knew of a credible risk of harm to the
 20 folks in Texas City, specifically the workers, but
 21 did nothing about it, you would find that
 22 reprehensible, wouldn't you?
 23 MR. DENNY: Objection, form.
 24 A. If somebody was consciously aware that,
 25 you know, an accident was about to happen, that an

<p style="text-align: right;">Page 110</p> <p>1 outcome which injures people is about to happen, 2 then they must act and they do act. 3 The role of management is always 4 the assessment of risk and an understanding of what 5 levels of intervention, what sort of interventions; 6 and those -- and I -- and I am confident that 7 successive levels of management before the incident 8 and at Texas were intervening in a way that they 9 felt and were taking actions in a way they felt met 10 the level of risk that they perceived. 11 MR. BUZBEE: Sir, I have only got 12 two hours. So I would really appreciate it if you 13 would answer the question that I asked. 14 MR. DENNY: Objection, form. 15 Q. (BY MR. BUZBEE) There were people within 16 management who knew of this great risk of harm, the 17 catastrophic event, but didn't do anything about 18 it, whether it be call you up and say, "Hey, I need 19 some help down here. I need more money. I need 20 more people. I need -- we need to shut this thing 21 down." 22 Whatever the case may be, they 23 knew that something like this was going to happen 24 or there was a great risk that something like this 25 was going to happen and did nothing about it, that</p>	<p style="text-align: right;">Page 112</p> <p>1 killed. 2 I -- I can't -- and one -- you 3 know, what can I do to help them? I can do very 4 little to help them. Of course I can apologize. 5 And of course I must take some responsibility for 6 how we set about putting it right going forward. 7 That's what -- this is a deeply 8 personal issue. 9 Q. Can you place a value on human life, sir? 10 A. No. 11 Q. Doesn't BP place value on human life? 12 MR. DENNY: Objection to form. 13 A. Not as far as I am aware. 14 Q. (BY MR. BUZBEE) You are not aware that 15 BP -- BP culture is willing to place a monetary 16 value on human life? 17 A. I don't believe BP culture is prepared to 18 place a monetary value on human life. 19 I think BP culture is -- has an 20 aspiration that there is no harm to people; and we 21 work continuously to try to reduce the risk of an 22 accident. 23 Q. You told us at the beginning of this 24 deposition that you wanted to be as helpful as you 25 could.</p>
<p style="text-align: right;">Page 111</p> <p>1 would just be reprehensible, wouldn't it? 2 MR. DENNY: Objection, form. 3 A. It depends on what you mean by a grave 4 risk. You just corrected yourself. 5 If they knew it was going to 6 happen, you bet it would be reprehensible. If they 7 felt there was a risk, then their obligation is to 8 reduce that risk; and if they felt the risk was big 9 enough, it would, indeed, be reprehensible they 10 didn't do anything about it. 11 Q. (BY MR. BUZBEE) Do you want to -- I 12 don't think we are going to get to talk to 13 Mr. Browne -- or Lord Browne. 14 Will you apologize to the workers 15 who were injured for what happened out there on 16 March 23 of 2005? 17 A. If that would help, absolutely I would. 18 Q. Well, let's hear it. 19 A. Listen, this accident happened on my 20 watch and that is an enormous event to happen and 21 is something that if I could do anything to prevent 22 it happening, I would. 23 Of course I am deeply sorry for 24 all of those people who are injured and all of 25 those people who had relatives or loved ones</p>	<p style="text-align: right;">Page 113</p> <p>1 So I am asking you: Could you 2 place a monetary value on the lives of the 3 15 people who were killed on March 23 of 2005? 4 MR. DENNY: Objection, form. 5 A. I think it's impossible to place a 6 monetary value on that. 7 Q. (BY MR. BUZBEE) Would you agree with me 8 that the value of just one of those people's lives 9 is worth more than that plant in Texas City? 10 MR. DENNY: Objection, form. 11 A. I -- you know, this -- the loss of an 12 individual, you know, is impossible to quantify, 13 impossible to quantify. 14 Q. (BY MR. BUZBEE) Well, let's start with 15 the value of the plant at Texas City. 16 What's the value of that plant, 17 dollar value not pounds? 18 A. It depends how you measure it. It's -- 19 it's -- the future flow of income from that plant 20 is -- is worth billions. 21 Q. Did you say "billions"? 22 A. Sure. 23 Q. How many? How many billions? 24 A. I don't know. It depends upon the 25 refining margins. It depends upon so many things.</p>

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1 There's no particular -- there's no precise answer
 2 to your question.
 3 Q. I mean, we know in 2004, for instance,
 4 that that particular plant in Texas City, Texas had
 5 a profit of almost 1 billion, right?
 6 A. Okay.
 7 Q. Isn't that right?
 8 A. Probably.
 9 Q. Would you agree that just one human life,
 10 certainly from a perspective of someone --
 11 someone's mother, for instance, would be worth more
 12 than the net income at BP Texas City --
 13 MR. DENNY: Objection, form.
 14 Q. (BY MR. BUZBEE) -- in 2004?
 15 A. I have said I am not sure it's possible
 16 to quantify human life. You can push and make any
 17 comparisons you like.
 18 I don't believe it's possible to
 19 quantify the value of a human life.
 20 Q. So --
 21 A. I have no idea what it's worth. It's --
 22 it's impossible to quantify.
 23 Q. Now, would you admit that based on what
 24 you have seen from the documents and speaking with
 25 people about this incident that prior to this

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1 explosion, BP demonstrated an indifference to
 2 worker safety?
 3 MR. DENNY: Objection, form.
 4 A. No, I don't think we did exhibit an
 5 indifference to worker safety.
 6 I think that, you know, it's one
 7 of our core values and we aspire to -- as I've
 8 said, we aspire to run our operations with no harm
 9 to individuals and we put in place a great deal of
 10 processes to try to meet that aspiration.
 11 So I would say quite the opposite.
 12 I think we treat and try to treat people's safety
 13 with the utmost importance, all the time and as a
 14 first priority.
 15 Q. (BY MR. BUZBEE) Whose fault was the
 16 explosion?
 17 MR. DENNY: Objection, form.
 18 A. If one reads the investigation report, as
 19 in all such instances, the fault lies in multiple
 20 places.
 21 The immediate fault was because
 22 procedures weren't followed, because trailers were
 23 placed where they shouldn't be.
 24 Q. (BY MR. BUZBEE) Who?
 25 A. The deeper cause -- I'm sorry?

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1 Q. I am asking "who," sir. Whose fault?
 2 A. I think it's very hard to establish who
 3 is at fault.
 4 What we have done as a company is
 5 taken -- as we have just described, is we have
 6 taken responsibility for that.
 7 Q. So it's BP's fault?
 8 A. Ultimately, we must take responsibility
 9 for that incident.
 10 Q. BP -- you're BP management?
 11 A. Sure.
 12 Q. BP management's not blaming the operators
 13 of the ISOM unit, right?
 14 A. We are blaming the operators for not
 15 following procedures, but there is a -- there is a
 16 contextual situation that says that, you know,
 17 there is -- it's more complex than that. That's
 18 not the only cause.
 19 The deeper cause is the set of
 20 conditions which existed at Texas City and finding
 21 out who is at fault, in your words, that is -- it
 22 is very complex because it's over a long period of
 23 time because -- because it's a circumstantial
 24 situation, because it's a gradual breakdown of
 25 human relations, which at its heart is why

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1 Texas City occurred. It's a more complex question.
 2 Q. I understand; but you see, in less than
 3 two weeks, we are going to be down in Galveston
 4 County.
 5 How many times have you ever been
 6 there?
 7 A. Five or six probably.
 8 Q. Okay. In less than two weeks, we are
 9 going to be down in Galveston County. And your
 10 lawyers -- I am sure you are going to have a big
 11 team of them.
 12 One of them is going to stand up
 13 and is going to say, you know, "This is our
 14 position." And I am trying to figure out is your
 15 position going to be, "We blame these operators" or
 16 instead, are you going to say, "You know what?
 17 It's not really those -- their fault. It's really
 18 our fault, management, because we didn't do what we
 19 should have done for many, many years"?
 20 MR. DENNY: Objection, form.
 21 A. We have already said -- I don't believe
 22 it is solely the responsibility of the operators.
 23 I think they had a part, some of them, of course;
 24 but I don't think it is only them by any means.
 25 Q. (BY MR. BUZBEE) Do you remember we asked

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1 about -- I asked you about the cost of a human life
 2 and the value of a human life and you said you
 3 could not quantify it?
 4 A. Right.
 5 Q. Isn't that what you said?
 6 A. That's right.
 7 Q. All right. I am not sure I know how to
 8 use this, but let's see.
 9 MR. DENNY: Do you got an exhibit
 10 number, Tony?
 11 MR. BUZBEE: No, but I do have a
 12 Bates number.
 13 MR. DENNY: Bates number?
 14 MR. BUZBEE: Yes, sir.
 15 MR. DENNY: Why don't you read
 16 that into the record?
 17 MR. BUZBEE: Okay.
 18 BPISOME00442027.
 19 Q. (BY MR. BUZBEE) Mr. Manzoni, can you --
 20 you are not a Lord, are you?
 21 A. What's that?
 22 Q. I shouldn't be calling you Lord, should
 23 I?
 24 A. No.
 25 Q. I mean, I don't want to insult you. Like

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1 "sir," am I supposed to call you, sir?
 2 A. John would be fine. Or Mr. Manzoni would
 3 be fine.
 4 Q. All right.
 5 A. However you would like.
 6 Q. All right. Now, look at Number 4 on the
 7 document that I just read the Bates number into the
 8 record.
 9 Do you see that?
 10 A. I can't read it very well, to be honest.
 11 (Discussion off the record.)
 12 Q. (BY MR. BUZBEE) Okay. Can you read
 13 that? Do you see that, sir?
 14 A. Yes, I do.
 15 Q. It says, "cost of human life," right?
 16 A. Yeah.
 17 Q. "BP embraced the principle that these
 18 costs can be specified for the purposes of cost
 19 benefit analysis. Amoco was generally unwilling to
 20 take this step."
 21 Is that a true statement?
 22 A. I have no idea.
 23 Could I have a look at the rest of
 24 the document.
 25 Q. Sure.

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1 A. I am not sure what context the document
 2 was in.
 3 Q. Sure. (Tenders documents.)
 4 Do you know who authored that
 5 document?
 6 A. No, I've never heard of him.
 7 Q. Never heard -- what's his name?
 8 A. It looks like Robert Mancini.
 9 Q. Who is he?
 10 A. I have no idea.
 11 Q. Do you agree with the --
 12 A. It's dated 1999.
 13 Q. I have no basis on which to agree or
 14 disagree because it looks like he is describing the
 15 differences in risk management and assessment
 16 between BP and Amoco. So this must have been
 17 sometime after the merger.
 18 A. Right.
 19 Q. And at least according to him, BP was
 20 indeed willing to place a value on human life
 21 certainly when doing a cost benefit analysis,
 22 right?
 23 MR. DENNY: Objection, form.
 24 A. He is doing some comparisons in this
 25 document and he clearly -- I don't know where he

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1 comes from or what he was doing, but he is clearly
 2 making -- drawing that distinction, yes, between BP
 3 and Amoco. I am not aware of BP doing that in any
 4 managerial sense.
 5 Q. (BY MR. BUZBEE) Sure.
 6 MR. BUZBEE: All right. We are
 7 going to change the tapes -- change the tape real
 8 quickly and just keep going.
 9 THE VIDEOGRAPHER: We are off the
 10 record at 11:37 a.m., the end of Tape Number 1.
 11 (Recess taken.)
 12 THE VIDEOGRAPHER: We are back on
 13 the record at 11:40 a.m., with the beginning of
 14 Tape Number 2.
 15 Q. (BY MR. BUZBEE) Several spokesmen for BP
 16 have stated that BP wants to be as transparent as
 17 possible with regard to this explosion.
 18 Is that the position of BP?
 19 A. Yes, it is.
 20 Q. What does "transparent" mean?
 21 A. I think it means as open and as honest as
 22 we can be, to understand fully and in an open
 23 fashion what has happened, what circumstances led
 24 to it and what we are doing to prevent such a thing
 25 happening again.

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1 Q. Does that mean you -- does that mean you
 2 turn over all of the documents collected in the
 3 investigation to the general public?
 4 MR. DENNY: Objection to form.
 5 A. You know, there are all sorts of -- as
 6 you know, there's hundreds and millions of pages of
 7 documents. They are subject to sensible
 8 boundaries, sensible reasons that -- maybe
 9 commercial reasons or competitive reasons; but in
 10 principal, we don't want to hide from people
 11 anything that can -- that can help us get better.
 12 Q. (BY MR. BUZBEE) Are you comfortable
 13 with releasing your testimony here today to the
 14 general public?
 15 MR. DENNY: Objection, form.
 16 A. Yes, I am not saying anything to you that
 17 I wouldn't say to anybody else.
 18 Q. (BY MR. BUZBEE) What responsibility do
 19 you have for worker safety?
 20 A. I'm -- so I run the business of refining
 21 and marketing at BP. I am ultimately accountable
 22 for the operations of that business, and I am
 23 therefore ultimately responsible for our aspiration
 24 to make sure people go home safely at the end of
 25 the day.

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1 Q. Do you know of a potential safety issue
 2 that could kill -- kill or injure a worker? And
 3 what is your responsibility?
 4 A. To consistently and constantly reduce the
 5 risk of that occurrence.
 6 Q. How quickly should you act?
 7 A. As quickly as possible. So every time
 8 anybody gets in a car, there is a risk.
 9 Q. Back in 2005, the spring, how much would
 10 it have cost BP to shut that plant down for six
 11 months?
 12 A. Let's use the number you used. So let's
 13 say it was earning a billion dollars in 2004, which
 14 is what you said. So six months would be half a
 15 billion dollars.
 16 Q. So 500 million?
 17 A. Uh-huh.
 18 Q. "Yes"?
 19 A. On that basis.
 20 Q. So if BP back in 2005 had said, "Do you
 21 know what? This thing is out of control and we
 22 have got to do something about this," if BP had
 23 shut the plant down for six months, it would have
 24 cost 500 million?
 25 A. Say --

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1 Q. Thereabouts, right?
 2 A. Yes.
 3 Q. What role did you have in the budgeting
 4 process, say, starting in 2002 or thereabouts?
 5 A. For the refineries or generally?
 6 Q. Yeah, for Texas City. We will trickle
 7 down to Texas City, is what I am specifically
 8 talking about.
 9 A. So in the refining system, the budgeting
 10 process is set annually. What I do is I,
 11 essentially, set the budgets for each of the
 12 businesses in the refining and marketing segment.
 13 So I would look at the budgets for
 14 refining as an SPU, as a piece of business; and
 15 Mike Hoffman, who reports to me and runs the
 16 refining business, would examine the individual
 17 refineries and make the decisions as between the
 18 individual refineries.
 19 And he and I would have
 20 conversations about where we were spending the
 21 money generally, not refinery by refinery but
 22 generally. And he would raise to me issues of
 23 projects that he wanted to spend money on and such
 24 things, and then I would approve those. We would
 25 have a conversation, and we would set the budget in

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1 that way.
 2 So my focus is generally on the
 3 refining business as a whole and big swings and
 4 important things within that. His role is to set
 5 the budgets within each refinery.
 6 Q. Was it -- was it his job to tell you what
 7 he needed as far as money?
 8 A. Yes.
 9 Q. How much money he needed to run the
 10 business?
 11 A. Pretty much. Pretty much, yes.
 12 Q. And who -- and I guess the people that
 13 reported to him would tell him what they needed?
 14 A. That's right.
 15 Q. And did you realize when you guys were
 16 involved in this budgeting process that some of the
 17 decisions you made may have impact, for instance,
 18 in Texas City in the safety of that site?
 19 A. I don't believe -- I don't believe it's
 20 the case ever that we short-change budgets on
 21 safety issues. In fact, I think that's
 22 inconceivable because I think all the way through
 23 our system, people will spend the money that they
 24 require on the safety issues.
 25 So I think, you know, now looking

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1 back -- and indeed, since 2002, the budgets have
 2 been consistently increased every year in
 3 Texas City and in refining as a whole, actually.
 4 Q. If in this trial someone says that BP
 5 puts profits over the safety of its people, what
 6 would be your response to that?
 7 A. I have -- my --
 8 MR. DENNY: Objection, form.
 9 A. My response would be that is not how we
 10 run the company. That's not how we aspire to run
 11 the company. That's not how we try to run the
 12 company.
 13 We start with a value, the first
 14 of which is no harm to people. We hold the safety
 15 of our workforce as the Number 1 priority.
 16 Q. (BY MR. BUZBEE) Did you bother to tell
 17 anybody down in Texas that, that value that you
 18 have?
 19 A. Of course we bothered. We talk about it
 20 all the time.
 21 Q. Do you remember the document that
 22 Mr. Coon showed you where the workers themselves,
 23 in response to a survey, stated what they felt the
 24 value of B -- the company was?
 25 A. I do remember.

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1 Q. Quite the opposite of what you are
 2 saying?
 3 A. Stunning.
 4 Q. I guess the message didn't make it from
 5 London all the way down to South Texas?
 6 A. I think in retrospect that's clear.
 7 Q. You guys at BP claim you have a
 8 commitment to integrity, correct?
 9 A. Sure.
 10 Q. You talk -- I mean, I have it here and we
 11 don't have to go through it too much; but you have
 12 a 63-page BP code of conduct.
 13 Are you familiar with it?
 14 A. Code of conduct?
 15 Q. Yes, sir.
 16 A. Yes, I am familiar with it.
 17 Q. "The code is based on our beliefs and
 18 values. It enshrines our commitment to honesty and
 19 integrity."
 20 Is that what your code does?
 21 A. Yes, it does.
 22 Q. "The underlying philosophy of the code is
 23 that there should be no gap between what we say and
 24 what we do."
 25 Is that part of your code?

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1 A. Yes.
 2 Q. In other words, if we say, "Hey, we put
 3 people over our profits," you have got to do more
 4 than just say that; you have to actually do it,
 5 right?
 6 A. Agreed, agreed.
 7 Q. And it appears, at least in Texas City,
 8 that -- at least from the perspective of the
 9 workers, that putting people over profits is just
 10 lip service, right?
 11 MR. DENNY: Objection --
 12 objection, form.
 13 A. I mean, I think the Telos Report, which
 14 we were looking at earlier, certainly would
 15 indicate that because it's ranked at the bottom
 16 below -- below whatever it was at the top.
 17 It's not -- you know, as I've
 18 said, it's a -- it's a disappointing outcome. It's
 19 not how we want to run the company. And frankly,
 20 it's not something that I was aware of or I don't
 21 think Hoffman was aware of or others were aware of
 22 before this incident.
 23 Q. (BY MR. BUZBEE) Do you think --
 24 A. That's what is so disappointing.
 25 Q. Do you think the plant manager was aware

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1 before the incident?
 2 A. It turns out that that Telos Report was
 3 available, I think, in early 2005. So he was aware
 4 in early 2005, by the look of it.
 5 Q. Uh-huh.
 6 And what should he have done if he
 7 knew about this significant safety problem?
 8 A. He should have set about addressing the
 9 culture in the plant.
 10 This is a -- this is -- this is
 11 about a fundamental breakdown of trust.
 12 Q. Management failure?
 13 A. Among other things.
 14 Q. Had he acted, perhaps he could have saved
 15 the lives of 15 people and prevented the injury of
 16 more than 800 others?
 17 MR. DENNY: Objection, form.
 18 A. There are two comments in there.
 19 First, I believe he was acting;
 20 and second, I believe the Telos Report also said,
 21 by the employees in the plant, that it was getting
 22 better under Don. I think he was acting.
 23 I don't think, in retrospect, he
 24 was acting fast enough or hard enough; but I
 25 believe both he was acting and, indeed, I believe,

<p style="text-align: right;">Page 130</p> <p>1 as you will see in that report, the employees also 2 recognized that he was acting. 3 Q. (BY MR. BUZBEE) Is it your testimony 4 that there was never a situation where you were in 5 the budgeting process that you guys cut safety 6 related issues? 7 A. Yeah, I think that's not -- certainly not 8 knowingly. And my expectation is that people 9 successively up the system will budget for safety 10 items first and then we will do the discretionary 11 items after that. 12 Q. And when you say "safety items," are you 13 talking about stuff like safety training? 14 A. Some training where it's safety critical, 15 the proper, you know, replacement of equipment that 16 needs replacing, the safety systems, those sorts of 17 things, the safety critical items in the plant. 18 They must be the first priority in 19 any budgeting process and that's my -- that's what 20 I expect to happen and I believe that's what does 21 happen. 22 Q. And you haven't seen any information 23 that's contrary to that? 24 A. No. 25 Q. You haven't seen documents that</p>	<p style="text-align: right;">Page 132</p> <p>1 individual who acts between the supply of the 2 refinery and the refinery itself. 3 Q. He is, like, well below where you are in 4 the hierarchy, right? 5 A. If hierarchy is important, he is 6 somewhere in the organization, yes. 7 Q. Uh-huh. 8 Do you know what his -- his -- he 9 is actually down in the refinery itself? He is not 10 over in London? He is out there -- 11 A. Right. 12 Q. -- in the refinery? 13 A. Correct. 14 Q. Sees what the result is of these budget 15 cuts that you guys are talking over over in London, 16 right? 17 A. I don't know. Presumably. 18 Q. Do you know what he says about your 19 budget cut and what -- 20 A. I don't know who he is. So I wouldn't 21 know what he says. 22 MR. DENNY: Objection, form. 23 Q. (BY MR. BUZBEE) No one ever told you 24 what he said about your budget cutting? 25 A. First of all, it wasn't my budget</p>
<p style="text-align: right;">Page 131</p> <p>1 demonstrate that, indeed, because there was 2 nothing -- there was no fat in the budget, they 3 were cutting safety critical issues? 4 MR. DENNY: Objection, form. 5 A. I -- you know, no, I have seen no 6 information to indicate that they were cutting 7 safety critical issues. 8 Q. (BY MR. BUZBEE) Tell me about this 9 25 percent across-the-board budget challenge. 10 What was that all about? 11 A. Well, as I've said before, I think -- 12 first of all, I don't -- it was in 1999. I was 13 looking after European marketing, and I don't 14 remember the details of the 25 percent budget 15 challenge that you are referring to. 16 I think that was -- it must 17 have -- well, we said earlier it was in 1999. I 18 wasn't part of the refining system at the time, 19 which is where, apparently, it took place. 20 Q. Uh-huh. 21 Did you ever hear of a guy named 22 Paul Trapp? 23 A. No. 24 Q. Do you know what an asset coordinator is? 25 A. I think so, yes. I think that is an</p>	<p style="text-align: right;">Page 133</p> <p>1 cutting. Ever since I have been in this job, the 2 budgets have been consistently increased year on 3 year. So if I may correct you on that. 4 And I don't know what he said, no. 5 Q. Okay. If his -- if his opinion was that 6 the training budget was cut to the point of 7 non-existence, is that what -- when you guys are 8 over in London talking about the budget, is that 9 one of the things you guys are cutting? 10 A. I haven't been cutting the budget. I 11 have been increasing the budget. 12 Q. Should there be a budget for training? 13 A. Of course. 14 Q. And if there is not, what does that mean? 15 A. Well, I can't believe that there isn't. 16 Q. You think that he's -- 17 A. And if -- and if there were -- 18 Q. -- a liar? 19 MR. DENNY: Objection. 20 A. I make no comment about what he said. I 21 don't know what he is referring to. 22 Q. (BY MR. BUZBEE) How about: Did you 23 know -- did you ever hear about what the fire chief 24 at the plant had to say? 25 A. No.</p>

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1 Q. Did you know that he had been trying for
 2 years to get an updated and actual alarm system for
 3 the plant?
 4 A. I am not --
 5 MR. DENNY: Objection, form.
 6 A. -- aware of that.
 7 Q. (BY MR. BUZBEE) Did you know that he
 8 was denied? Every time he tried to get a new alarm
 9 system, that he was turned down because of
 10 budgetary reasons?
 11 A. When was this?
 12 Q. You don't know anything about this?
 13 A. No.
 14 Q. Would you like -- let me give you his
 15 name so maybe later you can go back and read his
 16 deposition.
 17 His name is John McLemore. He has
 18 been with your company -- company for many, many
 19 years.
 20 A. I was just wondering what date this --
 21 you are referring to because I am not aware of it.
 22 Q. You don't know anything about it?
 23 A. No.
 24 Q. All right. Well, if you have your fire
 25 chief who is responding, on average, to one fire a

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1 week, who is complaining because the plant-wide
 2 alarm system is completely antiquated, what does
 3 that make you think?
 4 MR. DENNY: Objection, form.
 5 A. Well, first of all, I am not aware that
 6 the plant system is completely antiquated today
 7 because I don't know when you are talking about
 8 that he was complaining but -- so I am not aware
 9 that it is completely antiquated.
 10 And all I can say is that the
 11 budgeting process since 2002 and -- and my
 12 expectation and the company's expectation is that
 13 safety critical items are fixed first so that --
 14 and I think, you know, that's what is happening.
 15 And I would be very surprised --
 16 and I am very surprised -- if people are
 17 identifying safety critical items which are not
 18 being fixed because they must be.
 19 Q. (BY MR. BUZBEE) And if they are not
 20 being fixed?
 21 A. We have a failure. We have a problem.
 22 Q. In the sense of putting the drive for
 23 profit over the safety of people --
 24 MR. DENNY: Objection, form.
 25 Q. (BY MR. BUZBEE) -- right?

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1 A. This is about -- there will always be
 2 judgments, of course. So -- and that's in the end,
 3 the role of successive levels of leadership in any
 4 operation.
 5 So ultimately in Texas, say, or in
 6 anywhere else, the plant managers must make the
 7 decisions about what is safety critical; and they
 8 must put those in place first. And as far as I am
 9 aware in any budgeting process that we undertake,
 10 they do.
 11 Q. Do you know how the 25 percent number was
 12 come up with?
 13 A. No.
 14 Q. When the folks down the chain are told,
 15 "Look, I want you to cut the budget by 25 percent,"
 16 you expect them to cut staff, like the number of
 17 operators, for instance, at a particular unit? Is
 18 that what you expect them to do?
 19 MR. DENNY: Objection, form.
 20 A. No, I have never asked them to cut the
 21 budget by 25 percent. So I don't have any
 22 expectation. I have increased the budget every
 23 year.
 24 Q. (BY MR. BUZBEE) How come you didn't
 25 change the blowdown drum to a flare system?

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1 A. Because it wasn't raised as a safety
 2 critical item.
 3 Q. It wasn't?
 4 A. No.
 5 Q. Is it okay to defer maintenance because
 6 of budgetary reasons?
 7 A. Not safety critical maintenance, no.
 8 Q. Is it okay to defer maintenance, period?
 9 A. It's not good practice.
 10 Q. Is it okay to cut safety training because
 11 of budgetary concerns?
 12 A. Not safety critical training, no.
 13 Q. Can you help me understand why, if you
 14 have a plant in Texas City that's earning a profit
 15 of -- certainly in January of '05 of almost
 16 \$100 million, why you guys would still be trying to
 17 reduce the budget?
 18 A. In January of '05?
 19 Q. Uh-huh.
 20 MR. DENNY: Objection, form.
 21 A. I don't believe we were trying to reduce
 22 the budget in January, '05.
 23 Q. (BY MR. BUZBEE) How do you know that?
 24 Is that just your recollection or --
 25 A. Because since this event I've looked at

<p style="text-align: right;">Page 138</p> <p>1 the history of the maintenance and the capital and 2 the revenue expenditure in Texas City; and as I've 3 said, we've -- we've been increasing it year on 4 year. And '05 was higher than '04 and today it's 5 sitting at about 200 percent what it was in '02. 6 Q. Okay. Help me understand how the budget 7 changed from, say, 2002 through, leading up to the 8 explosion and then after. 9 A. Well -- so essentially, it depends on 10 what you measure; but essentially, the -- the 11 maintenance expenditure, turnarounds, when we take 12 a refinery to turnarounds and routine maintenance 13 in 2002 was sitting of the order of 250 million. 14 In 2005, it was sitting of the 15 order of 500 million. 16 Q. When in 2005 are you talking about? 17 A. For the year. For the year. 18 Q. For the year? 19 A. For the year. For the year. 20 And now, now it's significantly 21 bigger? 22 Q. Why? 23 A. Because we had a terrible accident and 24 because risks became apparent, which we didn't know 25 were there before. And now we have got to set</p>	<p style="text-align: right;">Page 140</p> <p>1 no one at BP prior to this explosion realized that 2 there was a risk involved with using the blowdown 3 drum? 4 MR. DENNY: Objection, form. 5 A. No, I think they did recognize there was 6 a risk involved in using the blowdown drum because 7 I recall a conversation, actually, which was 8 subsequent to the incident, when we started looking 9 at the blowdown drum. 10 And the issue, of course, is that 11 in a refinery that complex and that big, there are 12 many risks. The job of the plant manager is to 13 address the highest risks first. 14 Q. Uh-huh. 15 A. So I think that, you know, they were busy 16 addressing a lot of risks. And the blowdown drum 17 didn't appear on their list to be fixed, and that's 18 why it wasn't fixed. 19 Had they thought or imagined that 20 such an incident could occur, I can't believe they 21 wouldn't have fixed it; and we would have fixed it. 22 Q. What if they did realize the risk but 23 didn't have the money to fix it? 24 MR. DENNY: Objection, form. 25 A. As I've said, if they had realized the</p>
<p style="text-align: right;">Page 139</p> <p>1 about fixing them. 2 Q. What risks? 3 A. For instance the blowdown risk. For 4 instance, the fact that, you know, that blowdown, 5 under the set of conditions that happened on that 6 awful day, caused an explosion. 7 And before that explosion, all of 8 our risk management and risk identification 9 processes hadn't identified that as a set of 10 circumstances which would cause that to happen; but 11 it did. So now we have got to go and fix it. 12 Q. Okay. So just so I understand, the 13 budget has increased to fix these problems, 14 specifically replacing the blowdown drums with a 15 flare system? 16 A. Plus many other things. Plus many other 17 things. 18 Q. And the reason that is being done now, 19 after 15 people were killed and hundreds others 20 were injured, is because BP didn't recognize the 21 risk involved with the blowdown drum prior to the 22 explosion? 23 A. Had -- had we recognized the risk, we 24 would have taken those actions much sooner. 25 Q. And are you -- is it your testimony that</p>	<p style="text-align: right;">Page 141</p> <p>1 risk and that it was a safety critical risk, the 2 money would have been available. At least to the 3 best of my knowledge and to the best of our 4 processes and systems, we would have made the money 5 available. 6 Q. (BY MR. BUZBEE) So your -- your position 7 is, "Look, had anyone told us -- the folks up here 8 in London who decide the budget, if they would have 9 told us this risk existed, we would have sent them 10 the money. We had plenty of money," right? 11 MR. DENNY: Objection, form. 12 A. Yeah, I stand by my position that says if 13 somebody flags a safety critical risk, you know, 14 those things must be dealt with. That's -- that's 15 what it means by putting safety Number 1. 16 So we have to try and budget in 17 that way. 18 Q. (BY MR. BUZBEE) Is that why you -- you 19 laid off the plant manager -- or I guess you didn't 20 really lay him off. 21 You are still paying him. 22 Is that why he is at home, sitting 23 there and getting paid, because he knew there was a 24 risk and didn't tell anybody about it? 25 MR. DENNY: Objection, form.</p>

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1 A. No. He is sitting at home, first of all,
 2 being available for the investigation; and the
 3 reason I moved him out of Texas City is because he
 4 was significantly traumatized after the event.
 5 Q. (BY MR. BUZBEE) Have you read his
 6 deposition?
 7 A. No.
 8 Q. When is the first time you learned there
 9 were serious safety concerns at BP Texas City?
 10 A. The 23rd of March, 2005.
 11 Q. Before that, you had no idea that there
 12 was a risk of catastrophic injury?
 13 A. No. I think had I been aware that we
 14 could have had a catastrophic failure, we would
 15 have taken action earlier, different action.
 16 It's -- it's -- you know, I run a
 17 business which has risks inherent in the running of
 18 that business. The judgments are always are the
 19 risks critical, how do we create a continuous risk
 20 minimization; and certainly if there are risks that
 21 could lead to catastrophic failure, we've got to
 22 take action on those.
 23 Q. Do you think your company should be
 24 punished?
 25 MR. DENNY: Objection, form.

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1 A. I am not -- I think our company should
 2 take responsibility. We should take all of the
 3 actions that are possible never to let that happen
 4 again.
 5 I do not think any individual in
 6 our company was consciously aware -- was aware and
 7 meaning to harm people. That's inconceivable to
 8 me. Nobody meant to have such an accident.
 9 Q. (BY MR. BUZBEE) If the jury believes
 10 that, in fact, there were people in management that
 11 were quite aware of a great risk of harm prior to
 12 this explosion but did nothing about it, do you
 13 agree that your company should be punished for
 14 that?
 15 MR. DENNY: Objection, form.
 16 A. Did you say if the jury agrees?
 17 Q. (BY MR. BUZBEE) Uh-huh.
 18 A. I don't believe that anybody in our
 19 company was consciously aware that this accident
 20 could happen and did nothing about it. I think
 21 that is not what this company is about.
 22 That's not -- I can't imagine an
 23 individual doing that. And so I stand by that
 24 position. I simply cannot imagine anybody -- you
 25 know, listen, we have individuals running

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1 refineries, making judgments all the time about the
 2 levels of risk; and their job is to make judgments
 3 about the levels of risk. And if they believe it
 4 to be critical, they need to do something about it;
 5 and I believe they do do something about it.
 6 Q. How much money -- let me try it this way.
 7 How many people have died at
 8 Texas City since March 23, 2005, at your plant
 9 there?
 10 A. Nobody -- that's not true. An individual
 11 was killed just recently in a man lift.
 12 Q. What was his name?
 13 A. I don't know his name. I have forgotten
 14 his name. I did know it. I have forgotten it.
 15 Q. Mr. Graves, Orville?
 16 A. Yes, sir.
 17 Q. How do we know that you guys are really
 18 going to do anything to change the huge problem you
 19 guys have got out there at Texas City? How do we
 20 know that you are going to do anything to change
 21 that?
 22 I mean, you kill -- you have been
 23 killing -- for the past 30 years, you have killed
 24 38 people in Texas City alone.
 25 You are sitting here telling us,

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1 "Well, we have learned and we are going to put in
 2 more money and we are going to do this and we are
 3 going to do that and, golly, we are committed"; but
 4 shoot, man, your track record is you are killing
 5 people right and left for the last 30 years.
 6 How do we know that you are going
 7 to do anything different?
 8 MR. DENNY: Objection, form.
 9 A. So first of all, we have only had that
 10 plant seven years. Prior to that, it was a
 11 different company under different management.
 12 So for seven years, we have had
 13 the plant; and in that seven years there was a
 14 terrible accident. I can see -- and it's a
 15 perfectly reasonable question.
 16 I can see the enormous impact that
 17 has had on individuals in the company, on our
 18 systems of management; and so the steps that we
 19 have taken are, in my view, profound as a result of
 20 that accident.
 21 We have changed out -- we have put
 22 in place a whole new organization across the
 23 company. We have accelerated the implementation of
 24 standards, functional standards. We have replaced
 25 large portions of the management team in that

<p style="text-align: right;">Page 146</p> <p>1 plant. 2 We are significantly increasing 3 our own understanding, changing the metrics we are 4 using, spending more money to the extent that 5 spending more money helps; but actually, at its 6 heart this is about the competence and the ability 7 of people and individuals and the application of 8 excellence and functional standards. 9 That plant has been shut down 10 largely since September, 2005. It's running at 11 half capacity now. The financial consequence of 12 trying to get this right is enormous and is 13 completely immaterial compared to trying to get it 14 right, to try to change the culture in that plant, 15 to try to apply better standards in that plant and 16 all of those things. 17 It's an enormous effort, and I 18 wouldn't expect you to know that unless you saw and 19 you go there and you see the change. 20 Q. (BY MR. BUZBEE) So we pretty much take 21 your word for it? 22 A. No. You are welcome to go and check it 23 and to talk to the people, which we do routinely. 24 And I believe there has been a substantial change 25 already, and I believe there is lots more to go.</p>	<p style="text-align: right;">Page 148</p> <p>1 as fast as the capacity of Texas City itself will 2 allow us to move on multiple fronts. 3 This isn't about money. I was 4 speaking yesterday to the plant manager at Texas 5 City. It's not about money. It's about the 6 physical and human capacity because it takes human 7 beings to run the plant; and so we are doing all of 8 the things that we can. 9 And if there's more things that he 10 needs to do, he's got the money. This isn't about 11 money. This isn't about getting our attention. 12 This is about how do we systematically improve the 13 management structures in the plant in Texas so that 14 this never happens again. 15 Q. (BY MR. BUZBEE) Are you aware that in 16 2005 one of the key risks identified was that 17 Texas City would kill someone in the next 12 to 18 18 months? 19 A. No. I am not sure which document you are 20 reading from. 21 Q. I will show you. 22 A. I am not aware. 23 Q. Okay. Did anyone bother to show you any 24 of these documents that have come up, have been 25 produced as a result of this explosion?</p>
<p style="text-align: right;">Page 147</p> <p>1 Q. Well, would you agree that -- I mean, 2 it's quite reasonable to think that maybe a jury in 3 Galveston County may not really think that anything 4 is going to change because of your track record and 5 so they want to -- they want to do something that 6 really gets your attention over there in London. 7 How much money would they need to 8 award to get you and Lord Browne of Madingley's 9 attention? 10 A. Money isn't -- 11 MR. DENNY: Objection, form. 12 A. Money is not the issue. It has my 13 attention. We killed 15 people in an accident in 14 Texas City, and we injured many more. That's way 15 more important. That's got my attention. 16 There is nothing else you can do 17 to get my attention more than that. 18 Q. (BY MR. BUZBEE) Uh-huh. Well, are you 19 telling me that if the jury awards a billion 20 dollars that that might not encourage you and 21 Lord Browne of Madingley to perhaps move a little 22 faster and do a little more? 23 MR. DENNY: Objection, form. 24 A. My position -- I believe we are moving as 25 fast as we possibly can. Actually, we are moving</p>	<p style="text-align: right;">Page 149</p> <p>1 A. I have reviewed many, many documents. 2 Q. What have you looked at besides the 3 fatality report? 4 A. We have looked at -- we have looked 5 at the -- 6 Q. When you say "we," I don't know what you 7 mean by "we"? 8 A. Mike Hoffman, myself, my management team. 9 Q. I am talking about you, though. What 10 have you looked at? 11 A. Yeah. 12 Q. Yeah. 13 A. Routine reports, integrity management 14 standards, status of integrity management 15 implementation, control of work standard and status 16 of control of work implementation. 17 Multiple -- all reflections of the 18 state of the actions as a result of this accident, 19 the programs of work that we're putting in place 20 and reports against how we are doing in those 21 programs. Those are the sort of documents I looked 22 at. 23 Q. Take a look at what's Bates stamped 24 BPISOME00138198, which is an HSSE '05 business 25 plan.</p>

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1 Do you see that third bullet
 2 point?
 3 A. Yeah.
 4 Q. What does that say?
 5 A. It says, "TCS kills someone in the next
 6 12 to 18 months."
 7 Q. Well, that was right, wasn't it?
 8 A. Could I see the document?
 9 Q. Sure. (Tenders document.)
 10 Somebody must have had a crystal
 11 ball, right?
 12 MR. DENNY: Objection, form.
 13 A. Yeah, I have not seen the document
 14 before.
 15 Q. (BY MR. BUZBEE) That's the first time
 16 you have ever seen that?
 17 A. I think so.
 18 Q. What do you make of that?
 19 A. That looks like -- well, this is a --
 20 this is a business plan; and part of the business
 21 planning process is to articulate a set of risks.
 22 We do this at -- this is an HSSE
 23 business plan. So it's a specific part of the
 24 business plan; but when we look at the business
 25 plan in total, part of that -- a critical part of

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1 that process is to establish a set of risks. And
 2 those risks are a projection of the worst things
 3 that can happen. And that's what this looks like.
 4 This is a part of that.
 5 So that statement that is -- that
 6 is in here, looks to me to be like a specific HSSE
 7 risk which is raised. This is a set of scenario
 8 plans, not a prediction. It's a -- it's a -- it's
 9 a planning mechanism.
 10 The intent -- the intent, of
 11 course, is to try to identify the worst that can
 12 happen and then mitigate it. That's its intent,
 13 and we do it as a routine matter of our planning
 14 process.
 15 Q. So in all of your planning processes
 16 there is -- are statements like that one that,
 17 "Hey, here, wherever we are -- wherever BP is
 18 operating, we are going to kill somebody in the
 19 next 12 to 18 months"?
 20 MR. DENNY: Objection, form.
 21 A. No, it's not a prediction. It is not a
 22 prediction.
 23 This is a planning process,
 24 whereby we articulate the worst things that we
 25 conceive could happen, in order that we can then

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1 mitigate actions -- take actions to mitigate that
 2 risk.
 3 That's what -- I think that's what
 4 this is. I don't know.
 5 Q. (BY MR. BUZBEE) Are you just guessing
 6 what that is really?
 7 A. No, no. It's an HSSE business plan, sir.
 8 That's what it looks like.
 9 Q. You don't think that document is funny,
 10 do you?
 11 A. No.
 12 Q. Do you think that document demonstrates a
 13 real concern by at least someone that we have a
 14 real problem at Texas City?
 15 A. I --
 16 MR. DENNY: Objection, form.
 17 A. I can't make that link. As I say, this
 18 document represents a business plan, in this case
 19 an HSSE business plan.
 20 Part of our planning process is to
 21 write down a set of risks, which are the worst
 22 things that could happen.
 23 Q. (BY MR. BUZBEE) Actually, it turns out
 24 that they predicted death, they just didn't predict
 25 the number of deaths and injuries, right?

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1 A. I don't think they were predicting.
 2 Q. So it says, "TCS" -- which is Texas City,
 3 right?
 4 A. Yeah.
 5 Q. (Continuing) -- "kills someone in the
 6 next 12 to 18 months."
 7 I guess that means months. And we
 8 know that Texas City, BP, killed actually 15 people
 9 shortly after this document was created, right?
 10 A. That's true.
 11 Q. Now, do you have children?
 12 A. Yes, I do.
 13 Q. If you had children -- if you saw
 14 something like this and you had children that
 15 worked out at the BP plant, what would you do?
 16 A. Let me repeat what that document is. It
 17 is not a prediction. It is a planning mechanism.
 18 Now, it turns out we had a
 19 terrible accident. I don't think that document was
 20 attempting to predict an outcome. It was actually
 21 trying to do quite the opposite. It was trying to
 22 articulate the worst possible outcome in order that
 23 we could take mitigating actions.
 24 Q. Sir, it says, "Safety is not being viewed
 25 as the Number 1 priority at Texas City."

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1 That's no prediction, is it?
 2 A. No, I don't -- well, I don't know what it
 3 is. It's a statement written on a piece of paper
 4 but I don't -- I'm -- you know...
 5 Q. "Safety is not being viewed as the
 6 Number 1 priority at Texas City"?
 7 A. This says, "Under 2005 key risks."
 8 Q. "Individuals are still being hurt at
 9 Texas City," right?
 10 A. Correct, yeah.
 11 Q. "Texas City kills someone in the next 12
 12 to 18 months," right?
 13 A. Yeah.
 14 Q. Now, if you are -- how many kids do you
 15 have?
 16 A. Two.
 17 Q. If one of your kids worked out there at
 18 Texas City and you saw this document, what would
 19 you do?
 20 A. Well, this is the same as the Telos
 21 Report; and it's presumably about the same set of
 22 time.
 23 Q. Uh-huh.
 24 A. You know, and that report indicates that
 25 we had a fundamental issue at Texas City. There is

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1 no question.
 2 Q. So what would you do?
 3 A. Fix it.
 4 Q. Shut it down and fix it, right?
 5 A. Well, actions up to and including
 6 shutting it down, yes.
 7 Q. I mean, that's not beyond -- certainly if
 8 your kid was out there, you would certainly believe
 9 that your child was worth more than 500 million
 10 bucks, right?
 11 A. Actions up to and including shutting it
 12 down. I agree with you.
 13 Q. Tell me why the plant wasn't shut down to
 14 fix these problems before this explosion occurred.
 15 A. I can't tell you actually because I
 16 wasn't aware of the problems before the explosion
 17 occurred.
 18 Q. It should have been shut down, shouldn't
 19 it?
 20 MR. DENNY: Objection, form.
 21 A. The answer to the question is: I don't
 22 know.
 23 I mean, in retrospect, you know,
 24 we had an accident which killed 15 people. If
 25 shutting that plant down would have stopped that --

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1 and it would have because it wouldn't have been
 2 running -- then in retrospect, yes. But I'm -- you
 3 know, it's not obvious to me who knew what
 4 beforehand.
 5 Q. (BY MR. BUZBEE) Well, do you think the
 6 Telos Report gives you some idea of who knew what
 7 prior to this explosion?
 8 A. I am not sure who saw the Telos Report
 9 prior to the explosion. I assume Don did, but I am
 10 not sure who else.
 11 Q. Do you realize, sir, that they didn't
 12 just interview people operating the plant? They
 13 interviewed management as well.
 14 Did you know that?
 15 A. I didn't know that.
 16 Q. So if we want to know what management
 17 knew or did not know before this explosion, one
 18 thing we can look at is what they said in
 19 interview, right?
 20 A. And, indeed, we have done many interviews
 21 since the explosion to find out what they did know.
 22 Q. Uh-huh. Well, it's a lot different to
 23 interview someone after 15 people have been killed
 24 than to interview them before. People tend to
 25 forget stuff after 15 people are killed and 800

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1 more are injured, true?
 2 MR. DENNY: Objection, form.
 3 A. I don't know.
 4 Q. (BY MR. BUZBEE) Well, if we wanted to
 5 know exactly what anyone in management -- at least
 6 anyone who was interviewed, if we wanted to know
 7 what they thought and what they knew, we can just
 8 look at what they told the Telos folks, can't we?
 9 A. I am not sure that the Telos Report
 10 attribute any comments to any individual. I am not
 11 sure it would be possible to find out.
 12 Q. Oh. Well, you are wrong on that. We
 13 actually know who was interviewed and what they
 14 said.
 15 Did you know that?
 16 A. No, I didn't know that.
 17 Q. Okay.
 18 A. I don't think the report states that. I
 19 don't think it has any attribution.
 20 Q. Well, you weren't shown the complete
 21 report then, and the notes that accompany it, were
 22 you?
 23 A. Clearly not.
 24 Q. You probably -- that might be something
 25 you might want to see, right?

<p style="text-align: right;">Page 158</p> <p>1 A. You know, but I -- I have to say the 2 important -- I do believe John Mogford's report 3 gets at the fundamental issue. 4 There is no question that the -- 5 that the status of that plant and the dynamics of 6 the human beings within that plant were 7 fundamentally problematic and led, in part, to that 8 issue, to the accident that we had. 9 So, you know, I don't know that 10 going back and dragging up the specifics of the 11 Telos Report will help that because what I'm 12 concerned about is how does it never happen again. 13 And that's what we've got to try and fix. 14 Q. Somebody -- here's another -- you know, 15 you state, "Over here -- well, over here in London, 16 you know, we had no idea that it was this bad and 17 golly, we would have -- we would have spent the 18 money. We -- up to shutting the plant down. 19 Were you ever shown the survey 20 that was completed, ironically, the day of this 21 explosion? 22 MR. DENNY: Objection, form. 23 A. I am -- I am not aware of what survey it 24 is. 25 Q. (BY MR. BUZBEE) Do you know what an ESI</p>	<p style="text-align: right;">Page 160</p> <p>1 baláDüGET 2 A. I have no idea of the context in which 3 that statement was said. 4 MR. DENNY: Time for a break? 5 MR. BUZBEE: Yeah. 6 MR. DENNY: Okay. 7 THE VIDEOGRAPHER: We are off the 8 record at 12:23. 9 (Recess taken.) 10 THE VIDEOGRAPHER: We are back on 11 the record at 12:38 p.m. 12 Q. (BY MR. BUZBEE) Your position is that 13 "We, in London -- us folks here in London had no 14 idea how bad it was at Texas City before this 15 explosion," right? 16 A. I -- yes. 17 Q. Okay. Why is that? 18 A. I think it's a combination of factors. I 19 think that it's hard. We have various processes 20 in -- in the company to try to tell us what the 21 true state is because sometimes, you know, it's not 22 obvious. 23 So audit processes is supposed to 24 tell us; and I think, as indicated in the final 25 report, one of the issues and one -- at least as it</p>
<p style="text-align: right;">Page 159</p> <p>1 survey is? 2 A. Yeah. This must be part of the 3 assurance -- people assurance survey that we run. 4 I am surprised it was completed 5 the day of the explosion. We weren't running it. 6 I wasn't aware we were running it. 7 Q. Look at the date. 8 A. Oh, this is -- this must be some survey 9 that was taken in Texas City -- 10 Q. Uh-huh. 11 A. -- so this is a Texas City -- okay. 12 Q. What is the date? Does that date look 13 familiar to you? 14 A. Yes, it does. 15 Q. What -- what is that date? 16 A. It's the 23rd of March, 2005. 17 Q. The day that 15 people were killed and 18 hundreds more were injured at Texas City BP, right? 19 A. Correct. 20 Q. Now, look at the bottom. Read that to 21 the folks on the jury, please, the part that I have 22 highlighted. 23 A. "If this facility was an aircraft 24 carrier, we would be at the bottom of the ocean." 25 Q. Well, that person must have had a crystal</p>	<p style="text-align: right;">Page 161</p> <p>1 occurs to me, one of the issues is that we had both 2 too many audits going on and too few audits. An 3 audit would skip various levels and might indicate 4 that there is an issue, and it would bring it to 5 our attention. 6 One of the things in the final 7 report said there was a lack of an early warning 8 system, and that -- that's what it means. It -- 9 the -- there were no audits which were coming to 10 me, for instance, or, indeed, as I understand it, 11 to Mike, which would have indicated the sort of 12 state of that plant going on. 13 That is part of one of the things 14 that we fixed going forward. So we have now 15 created a completely different and independent 16 audit function, which -- which allows us to 17 interrogate and see some of those things. 18 So there were many -- there were 19 many things going on in that plant that were 20 fundamental and which we did not know about before 21 the event. 22 Q. I realize that. 23 My question is: Why not? Why 24 didn't you find out about those things? You 25 were -- you were accountable for those things,</p>

<p style="text-align: right;">Page 162</p> <p>1 right?</p> <p>2 A. Because the -- because in order to find</p> <p>3 out about them, somebody has to tell me about them;</p> <p>4 and the safeguard to that is either the OpenTalk</p> <p>5 program, for instance, say if an employee -- there</p> <p>6 were no issues -- there was -- we have -- we have a</p> <p>7 bypass loop where employees can go into OpenTalk</p> <p>8 and say there is an issue.</p> <p>9 That -- that didn't come to my</p> <p>10 attention. I don't think -- I don't think there</p> <p>11 were any.</p> <p>12 If people don't tell me about</p> <p>13 things, that's partly what the audit process is --</p> <p>14 is supposed to safeguard against; and the audit</p> <p>15 process wasn't functioning properly.</p> <p>16 Q. Didn't you visit the plant in 2004?</p> <p>17 A. Yes, I did.</p> <p>18 Q. And you are telling me no one told you</p> <p>19 about the problems that existed at the plant during</p> <p>20 that visit?</p> <p>21 A. Actually, I left the plant with a sense</p> <p>22 that programs were being put in place and that --</p> <p>23 and there was something called the 1000 day</p> <p>24 program.</p> <p>25 I remember Don Parus started the</p>	<p style="text-align: right;">Page 164</p> <p>1 Hawkins?</p> <p>2 A. No.</p> <p>3 Q. If he -- if you had spoken to him and he</p> <p>4 told you, "Do you know what? My day-to-day</p> <p>5 activity is nothing more than crisis management,</p> <p>6 eventually something is going to fall off the</p> <p>7 plate," what would that tell you?</p> <p>8 A. There is a problem.</p> <p>9 Q. A big problem, right?</p> <p>10 A. Difficult to tell the size, but there is</p> <p>11 a problem.</p> <p>12 Q. What's -- you have heard the acronym MDL?</p> <p>13 Do you know what that means?</p> <p>14 A. No. Remind me.</p> <p>15 (Discussion off the record.)</p> <p>16 A. Is it the job above the superintendent?</p> <p>17 Q. (BY MR. BUZBEE) I believe so, yeah.</p> <p>18 You think that's someone in</p> <p>19 management?</p> <p>20 A. It's getting in -- yes, it is a</p> <p>21 management role.</p> <p>22 Q. Okay. If you have a guy who is in</p> <p>23 management -- and I know it's low-level management,</p> <p>24 but a guy in management that says, "What is it</p> <p>25 going to take for us to get some action? Does it</p>
<p style="text-align: right;">Page 163</p> <p>1 1000 day program, and we sat around a table like</p> <p>2 this and talked about -- with his management team</p> <p>3 and talked about the issues and talked -- and I</p> <p>4 left the plant with actually a positive impression,</p> <p>5 not a negative one.</p> <p>6 Q. Somebody was giving you bum scoop, huh?</p> <p>7 A. Apparently.</p> <p>8 Q. Somebody wasn't being truthful with you?</p> <p>9 A. I don't know what they knew at that time.</p> <p>10 Q. Do you know what a superintendent -- do</p> <p>11 you know what the job of superintendent is?</p> <p>12 A. Yeah.</p> <p>13 Q. What is that job?</p> <p>14 A. It's the job that the first-line</p> <p>15 supervisors report to in an operating plant.</p> <p>16 Q. Is it an important position?</p> <p>17 A. Very.</p> <p>18 Q. Somebody who would really know what is</p> <p>19 going on at the plant?</p> <p>20 A. Should do.</p> <p>21 Q. Have you ever talked to any</p> <p>22 superintendents?</p> <p>23 A. I have done it in the past. I can't</p> <p>24 remember whether I did on that visit in Texas City.</p> <p>25 Q. Did you ever talk to a guy named Ray</p>	<p style="text-align: right;">Page 165</p> <p>1 take a serious accident, like a fire or</p> <p>2 fatality" -- he's expressing that kind of</p> <p>3 frustration with the way the plant is operating,</p> <p>4 what does that tell you, sitting over there in</p> <p>5 London, about what's going on at Texas City?</p> <p>6 A. I think there is a problem. I think</p> <p>7 all -- you are describing -- again, you must be</p> <p>8 describing people's perspectives, which I think are</p> <p>9 clearly and equally apparent in this Telos</p> <p>10 Report --</p> <p>11 Q. Doesn't it --</p> <p>12 A. -- as an issue in that plant.</p> <p>13 Q. I'm sorry.</p> <p>14 Doesn't it appear to you that even</p> <p>15 your management in Texas City did not feel that it</p> <p>16 was getting proper support from London?</p> <p>17 A. I am not aware of that.</p> <p>18 As I've said, the -- I think that</p> <p>19 Don was taking actions. He had the 1000 day</p> <p>20 program. He was taking a set of actions and so far</p> <p>21 as -- and indeed, I had no -- so when I visited in</p> <p>22 2004, I had no indication either that there was a,</p> <p>23 sort of -- any sense of dissent or discontent among</p> <p>24 the management team. I didn't come away with that</p> <p>25 impression at all. Quite the opposite, actually.</p>

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1 Q. If he was doing such a good job, why did
 2 you -- why did you relieve him from duty?
 3 A. I think he was doing -- I think he was
 4 taking a set of actions, which -- you know, and he
 5 was on the issue and he was understanding the issue
 6 and I think he was understanding how big of an
 7 issue it was increasingly.
 8 As I said, the reason we moved him
 9 is because after the event, he was significantly
 10 traumatized.
 11 Q. After the explosion, you guys got
 12 together and really went over in detail what your
 13 response would be to the press, didn't you?
 14 MR. DENNY: Objection, form.
 15 A. No more than a normal crisis response.
 16 Q. (BY MR. BUZBEE) In fact, you guys set
 17 forth, like, potential questions and then talked
 18 about what your answers should be?
 19 A. As I've said, a routine practice when we
 20 have an incident is to assemble a team; and that
 21 team deals with operational issues. It deals with
 22 public response issues, and many -- and all of the
 23 other logistics issues, incident response issues.
 24 All of those things, we assemble a
 25 crisis team; and part of that crisis team is,

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1 indeed, the public response. Its intent is really
 2 to provide facts because there is a huge clamor for
 3 information, many, many calls. And we have to
 4 channel those, and we have to provide as accurate
 5 facts as we can.
 6 Q. Now, what you are doing instead is trying
 7 to get everybody on the same page with what you are
 8 going to emphasize in the press so the public
 9 perception is shaped by you, right?
 10 MR. DENNY: Objection, form.
 11 A. No. Actually, it is -- in the immediate
 12 hours, and even days, after a crisis such as this,
 13 the first concern is to be as truthful as one can,
 14 to answer as many questions as one can, not to try
 15 to put a spin on any of the things going forward.
 16 I mean, clearly this -- you know,
 17 there's many, many requests. So the issue is how
 18 do we deal with those requests, as best we can.
 19 Q. (BY MR. BUZBEE) Well, what you do is:
 20 You say, "Okay. Guys, listen here. Now, when the
 21 press calls, this is what I want you to emphasize.
 22 This is our key message," right?
 23 MR. DENNY: Objection, form.
 24 A. I think this is any communication, any,
 25 you know, Communications 101 that says you have got

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1 to be clear what your message is in order to
 2 respond to the press. So that we can create, at
 3 least, a sense of cohesion so we can get the facts
 4 right so that we can -- essentially so that we can
 5 satisfy what is an enormous demand very, very fast
 6 from many, many aspects and many, many different
 7 requests.
 8 Q. (BY MR. BUZBEE) Are you telling us --
 9 because the jury is going to see the documents. I
 10 am sure you have figured that out.
 11 Are you telling us you guys don't
 12 circle wagons and say, "Listen here, here is what
 13 we are going to tell the press and here's what I
 14 want you to emphasize so people don't think bad of
 15 us?
 16 MR. DENNY: Objection, form.
 17 A. No.
 18 What I have said is that we have a
 19 press program as part of the crisis response. That
 20 press program does, indeed, have Q's and A's. It
 21 does have key messages. Its intent is not, you
 22 know, to see if we can say something so that the
 23 public doesn't think bad of us.
 24 Its intent is to try to manage the
 25 response to a massive set of inquiries very, very

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1 fast.
 2 Q. (BY MR. BUZBEE) You guys, part of your
 3 response is to start giving more money to charity
 4 in the general area effected?
 5 MR. DENNY: Objection, form.
 6 Q. (BY MR. BUZBEE) Make sure you get press
 7 out of it?
 8 A. I am not aware of that. I think we have
 9 increased our community spending, but I don't think
 10 it's -- certainly not as an intent to get press out
 11 of it.
 12 Q. When you guys make donations, you don't
 13 contact the press so -- in the hope that they will
 14 provide press coverage?
 15 A. I've -- in this particular instance, I
 16 have no idea.
 17 Q. So if the jury learns that community --
 18 as you call it, community giving increased after
 19 this explosion and that each time a gift was given,
 20 the press was tipped off, you wouldn't know
 21 anything about it?
 22 MR. DENNY: Objection, form.
 23 A. No, no.
 24 Q. (BY MR. BUZBEE) Do you remember you were
 25 talking about the fatality report or the FAIR

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1 report previously with Mr. Coon, and you said it
 2 was an independent report?
 3 A. Done by John Mogford.
 4 Q. Who does he work for?
 5 A. Right now he works for Browne.
 6 Q. What company?
 7 A. BP.
 8 Q. How is that independent?
 9 A. It's clearly not independent from BP --
 10 Q. All right.
 11 A. -- but I think the report and the things
 12 that he did are certainly independent from the
 13 line.
 14 You know, I would hope that we
 15 have a group of people who are sufficiently -- have
 16 a sufficient set of values, that what we are trying
 17 to do in an investigation is get to the bottom of
 18 what actually happened, not -- you know, and that's
 19 what he did actually.
 20 Q. He reports to Browne?
 21 A. Does now.
 22 Q. Lord Browne?
 23 A. Does now.
 24 Q. Do you think that -- do you think that
 25 when he prepared this report that he put everything

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1 in there, whether it was critical or not critical
 2 of BP?
 3 A. I think he did a remarkably thorough job
 4 in this report and exposed a set of conditions at
 5 that plant, a set of actions over a period of time
 6 in the articulation of the root causes, which were
 7 as profound as one that I had ever seen.
 8 Q. Whose idea was it to take out of the
 9 final report that the use of a flare would have
 10 prevented the incident?
 11 A. I have no idea.
 12 MR. DENNY: Objection, form.
 13 Q. (BY MR. BUZBEE) Is that something that
 14 it was your idea to take it out of the final
 15 report?
 16 A. Certainly not. I have no idea.
 17 Q. Did you -- I am sorry. Go ahead.
 18 A. I have no idea. I didn't know that it
 19 was taken out of the final report.
 20 Q. Did you ever see any of the 24 drafts of
 21 the report before it was finalized?
 22 A. No.
 23 Q. None?
 24 A. No.
 25 Q. Did you ever talk to him about the report

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1 before it was finalized?
 2 A. Not that I recall.
 3 Q. How about Lord Browne? Did he talk to
 4 Mogford about the report before it was finalized?
 5 A. Not --
 6 MR. DENNY: Objection, form.
 7 A. Not that I am aware of.
 8 Q. (BY MR. BUZBEE) If he did, that would be
 9 a problem, wouldn't it?
 10 A. Not necessarily because Mogford is a --
 11 you've probably talked to John Mogford. He is a
 12 very principled guy, and I think that he wrote a
 13 report that actually exposes a number of issues
 14 which are significantly uncomfortable for the
 15 company but need to be exposed and need to be
 16 addressed.
 17 I believe the report is -- is full
 18 and complete. It's -- it's -- it really gets at
 19 root causes.
 20 Q. Uh-huh. I am sorry. There are 34 drafts
 21 of the final report. I misspoke.
 22 You never saw any of them?
 23 A. No.
 24 Q. I was looking at -- who does your
 25 evaluation, year-end evaluation?

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1 A. Mine?
 2 Q. Lord Browne?
 3 A. Yeah.
 4 Q. What has he said to you about this
 5 explosion, how you can do better as a manager?
 6 A. I wouldn't say that it's a -- first of
 7 all, it's not annual. It's sort of more or less
 8 continuous. And of course, we have had
 9 conversations about what is required.
 10 You know, at this level I would
 11 have to say to you I don't -- I don't need him to
 12 tell me what I have got to do better. The fact
 13 that this happened on my watch tells me I have got
 14 to do better and --
 15 Q. You screwed up?
 16 A. -- and that means that I have got to take
 17 steps to increase transparency, to increase the
 18 levels of assurance, to make sure that we never
 19 have this sort of thing happening again.
 20 You know, that is something that
 21 is pretty personal, not as a result of an
 22 appraisal.
 23 Q. Uh-huh.
 24 So is there any written -- that
 25 you know of any written evaluation of your

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1 performance since the explosion?
 2 A. Not that I am aware of.
 3 I -- my performance is actually --
 4 and my remuneration is set by the remuneration
 5 committee of the board on John's recommendation.
 6 They may have something written up. I am not a
 7 party to it.
 8 Q. Have you received any sort of bonus since
 9 the explosion?
 10 A. I have.
 11 Q. What kind of bonus?
 12 A. I can't remember what the detail was.
 13 What I do know is it was 25 percent less than the
 14 year before.
 15 Q. Why is that?
 16 A. Because of this explosion.
 17 Q. Do you think it should have been a lot
 18 less than 25 percent?
 19 MR. DENNY: Objection, form.
 20 A. That is a decision for the remuneration
 21 committee.
 22 Q. (BY MR. BUZBEE) What about Hoffman? Was
 23 his bonus cut, too?
 24 A. Yes, it was.
 25 Q. How much?

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1 A. Thirty, about 30 percent.
 2 Q. Any other bonuses that were cut that you
 3 know about?
 4 A. All of the bonuses in my segment were cut
 5 and Texas City bonuses. The VPP was cut because it
 6 was zero for the first half of the year.
 7 But we reset it in order that we
 8 could motivate people for the second half of the
 9 year. And so, essentially, it impacted more or
 10 less every -- all of the leadership in the refining
 11 and marketing segment and the refining leadership.
 12 Q. Do you feel like you have been
 13 sufficiently punished by cutting your bonus by
 14 25 percent?
 15 MR. DENNY: Objection, form.
 16 A. You know, having an incident, bonus cuts
 17 and things are neither here nor there. The biggest
 18 impact is the recognition that this sort of thing
 19 happens on your watch.
 20 And I -- if you are anybody with
 21 any sort of value set, then you are going to do
 22 everything that you can as a result of that to
 23 change things going forward; and that's exactly
 24 what I am doing.
 25 Q. (BY MR. BUZBEE) Do you know who Kathleen

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1 Lucas is?
 2 A. Yes, I do.
 3 Q. Who is she?
 4 A. She is the lady who currently runs the
 5 operations team in Texas City.
 6 Q. What kind of value set does she have if
 7 the first thing -- the first person she calls after
 8 this explosion is your PR people?
 9 MR. DENNY: Objection, form.
 10 A. I know Kathleen. She is a lady who has a
 11 very good value set. She cares deeply about
 12 people. She -- she is a very good manager. She is
 13 very competent and knows a lot about refining.
 14 I suspect what she was doing was
 15 following the appropriate procedures to set up the
 16 crisis management following this incident. She
 17 probably saw it on the news or something.
 18 As I've said, we have a set of
 19 procedures that take place once we have a -- if we
 20 have an accident. And this is part of those
 21 procedures. So she was probably doing her job in
 22 the proper way.
 23 Q. (BY MR. BUZBEE) So the proper -- proper
 24 thing to do would be to call the media folks within
 25 BP?

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1 A. Among others.
 2 I am sure our management knew
 3 already.
 4 Q. If you -- do you know how a jury trial
 5 works?
 6 A. Not really.
 7 Q. Have you -- are you familiar with the
 8 fact that people are selected from the community --
 9 A. Sure.
 10 Q. -- to come in and sit in judgment of --
 11 A. Sure.
 12 Q. -- the situation that occurred?
 13 A. Sure.
 14 Q. Okay. And one of the things they are
 15 going to have to do is place value -- monetary
 16 value on compensation that's just for loss of life
 17 and injury.
 18 Do you understand that's how that
 19 works?
 20 A. Yeah. I would hate to have to do that.
 21 Q. Why is that?
 22 A. I think it's very difficult.
 23 Q. Uh-huh.
 24 If you were sitting on a jury and
 25 you were attempting to place a value on, let's say,

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1 a guy who is blown back from the explosion, gets
 2 both of his knees operated on, his neck operated
 3 on, his back operated on, could you sit there and
 4 place a value on his suffering and his mental
 5 anguish and that sort of thing?
 6 MR. DENNY: Objection, form.
 7 A. We have been around this. It is
 8 impossible to quantify an individual's pain and
 9 suffering and loss, and I would hate to have to try
 10 to do it.
 11 Q. (BY MR. BUZBEE) How long did you spend
 12 preparing for this deposition?
 13 A. I met with these gentlemen about two or
 14 three times. Probably eight hours. I don't know.
 15 Six or eight hours.
 16 Q. So your position is -- do you intend to
 17 come to the trial?
 18 MR. DENNY: Objection, form.
 19 A. Unless advised, probably not.
 20 Q. (BY MR. BUZBEE) Okay. You said you
 21 wanted to be helpful.
 22 If I told you it would be helpful
 23 if you would show up, would you come?
 24 MR. DENNY: Objection, form.
 25 A. I am assuming that's what we are doing

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1 here.
 2 Q. (BY MR. BUZBEE) So we are doing this
 3 because you don't intend to be in Galveston County
 4 next week or the week after next?
 5 A. I hadn't intended to be there, no.
 6 Q. Okay. So if these folks on the jury are
 7 wrangling with this monetary value they have to
 8 place on life and suffering, et cetera, you would
 9 just say, "Look, it's tough. Use your best
 10 judgment"?
 11 A. I am not sure what question they are
 12 going to be asked.
 13 What I've said is I would find it
 14 extremely difficult to put a value on human loss or
 15 human injury.
 16 Q. Certainly BP has enough money to pay --
 17 pay whatever verdict they -- they think is just?
 18 MR. DENNY: Objection, form.
 19 A. Yeah. We've already said we want to
 20 settle in a fair way and compensate in a fair way
 21 all of those people who have been impacted by this;
 22 and that is what I am sure we want to continue to
 23 do. It's what I want to continue to do.
 24 Q. (BY MR. BUZBEE) How much profit did the
 25 company -- the entire company earn in the year

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1 2005?
 2 MR. DENNY: Objection, form.
 3 A. Something around \$20 billion.
 4 Q. (BY MR. BUZBEE) 20 billion?
 5 A. Correct.
 6 MR. BUZBEE: All right. I am
 7 going to pass the witness to Mr. Coon.
 8 MR. COON: Do you guys want to
 9 keep going?
 10 MR. DENNY: Yeah.
 11 MR. COON: It hadn't been very
 12 long. We can take another quick break if you want
 13 to but --
 14 MR. DENNY: We have got another
 15 hour. We might as well finish, right?
 16 MR. BUZBEE: Yeah, absolutely.
 17 (Discussion off the record.)
 18 * * *
 19 FURTHER EXAMINATION
 20 Q. (BY MR. COON) Are you ready to proceed,
 21 Mr. Manzoni?
 22 A. Sure.
 23 MR. COON: Counsel?
 24 MR. DENNY: Yeah.
 25 Q. (BY MR. COON) Mr. Manzoni, we didn't ask

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1 you earlier; but you were a turtle; is that
 2 correct?
 3 A. We didn't call it then in those days --
 4 didn't call it that in those days.
 5 Q. Isn't that what they are called now,
 6 turtles?
 7 A. The -- sort of executive assistants. I
 8 don't quite know why the name "turtle" arose, but
 9 it did subsequently to when I did it.
 10 Q. And you were a turtle for Lord Browne?
 11 A. I was, yeah.
 12 Q. And when did you go from being a turtle
 13 for Lord Browne to whatever else you became
 14 thereafter?
 15 A. When did I?
 16 Q. Is there an official transition or an
 17 anointment?
 18 A. No, no.
 19 Q. You don't go from being a turtle to a
 20 terrapin or anything?
 21 A. No, not as far as I'm aware. They may
 22 now. I don't know. I am not aware of it.
 23 Q. I take it, though, that you did have some
 24 close involvement with Lord Browne from early on in
 25 your development with BP?

<p style="text-align: right;">Page 182</p> <p>1 A. Yes, through that job. I didn't know him 2 before. 3 Q. I want to go back over some areas that 4 Mr. Buzbee talked about awhile ago, and one was 5 this risk assessment. 6 Do you understand the differences 7 between cost benefit analysis and other different 8 types of analysis that you can take into account 9 with respect to whether you make decisions to 10 invest in risk reducing investments? 11 A. Yes, although it's not clear to me that 12 we use cost benefit analysis around safety critical 13 investments. 14 In fact, I am pretty sure we 15 don't. I know we don't. 16 Q. Well, Mr. Buzbee brought up some 17 interesting questions regarding some documents that 18 we have in this case; and one of them was the one 19 that was cited to you that talked about the cost of 20 human life. 21 And we understand in this case 22 that there was a merger between BP and Amoco circa 23 1999, correct? 24 A. '98. 25 Q. And with that merger, there was the</p>	<p style="text-align: right;">Page 184</p> <p>1 A. Yes. 2 Q. So the history of what happened at Amoco 3 is imputed to the company that stands here today, 4 correct? 5 MR. DENNY: Objection, form. 6 A. It depends in what context you are asking 7 the question. We take accountability now. I take 8 accountability now -- 9 Q. (BY MR. COON) Sure. 10 A. -- for the operating practices and -- 11 Q. Sure. 12 A. -- procedures in a blended -- in a plant 13 that was in Amoco, for sure. 14 Q. Sure. 15 A. But that doesn't mean that I take 16 responsibility for whatever Amoco did, you know, 17 decades ago. 18 Q. But as a result of the merger, we are 19 here today -- even though we call this company BP, 20 it was a merged company that was called BP/Amoco 21 for some period of time after the merger. 22 A. Yes, that's right. 23 Q. That was a result of the recognition that 24 it was two different companies that came together 25 and the history of both were permanently attached?</p>
<p style="text-align: right;">Page 183</p> <p>1 blending of a number of cultural issues? 2 A. Right. 3 Q. There was different cultures with respect 4 to how Amoco handled their business versus how BP 5 handled its business? 6 A. Different business processes, yeah. 7 Q. And as a result of the merger of the two 8 companies, there had to be a blending or melding of 9 the various cultures and how the companies operated 10 once they were merged together, correct? 11 A. That's right. 12 Q. And you do understand, though, when we 13 talk about the history of events that occurred in 14 any plant, whether it's -- say, historically 15 whether it was a BP plant before 1999 or an Amoco 16 plant before 1999, you today are sitting here 17 wearing the hat of both of those companies because 18 they merged together? 19 A. Oh -- 20 MR. DENNY: Objection, form. 21 A. -- sure. 22 Q. (BY MR. COON) So you had -- you had a 23 blue water and yellow water and you mix them 24 together and you get the green water. It is the 25 blending of two companies?</p>	<p style="text-align: right;">Page 185</p> <p>1 MR. DENNY: Objection, form. 2 A. Yes. 3 Q. (BY MR. COON) And I want to be clear on 4 that because when we talk about the history of 5 BP Texas City, for instance, the history of 6 catastrophes that had occurred there in years past, 7 even before you went to work there, it's still 8 something that BP has to acknowledge is something 9 that is imputed to them; that is, the knowledge of 10 the history of those fatalities and other incidents 11 that occurred at Amoco facilities that were Amoco 12 heritage plants. 13 A. That's true. 14 MR. DENNY: Objection, form. 15 Q. (BY MR. COON) Now, there was an 16 interesting document here that talked about the 17 cost of human life; and I want to show it to you 18 again so that we understand what it's really 19 talking about. 20 This was -- I don't know if you 21 saw the front cover of this. 22 MR. DENNY: Let him take a look at 23 it if you've got a second one. 24 Q. (BY MR. COON) But it's called the Risk 25 Management and Assessment; and it's dated March,</p>

<p style="text-align: right;">Page 186</p> <p>1 1999. And it was from Mr. Mancini and a whole 2 bunch of people here cc'd. I will hand it for you 3 to look at there. (Tenders document.) 4 Have you -- have you recalled 5 seeing that document before? 6 A. No, except half an hour ago. 7 Q. Well, one of the things that it talks 8 about there that Mr. Buzbee brought to your 9 attention was on that second page and that dealt 10 with -- if you can turn the page there. 11 A. (Complies.) 12 Q. Do you see the highlighted portion there? 13 A. Sure. 14 Q. Do you understand what that's talking 15 about when it reflects on how BP reviewed its 16 cultural history with respect to risk management 17 and how Amoco looked at those same issues? 18 A. It's clear it's describing different ways 19 of assessing risk and the different ways that 20 the -- both companies were -- you know, were doing 21 it. That's clear. 22 I am not quite sure, though, how 23 it's used in anything practical. 24 Q. Well, when you do a cost benefit 25 analysis, that's a pretty cold calculation. It's</p>	<p style="text-align: right;">Page 188</p> <p>1 So I'm not -- it's really -- I am 2 not aware at any level in the company. I have 3 never had a conversation in any management 4 discussion about the cost of human life and its use 5 in cost benefit analysis. 6 So, you know, I am just sort of 7 sitting here looking at this, saying it's an 8 interesting statement; but I have never seen it in 9 application. 10 Q. Well, I want to show you a document that 11 BP used in the application. You talked about MARs. 12 That's major accident risks? 13 A. Right. 14 Q. You talked about the fact that you 15 recognize that MARs have been utilized by BP in the 16 past, including the risk of the evaluation of 17 continued usage of blowdown drums, correct? 18 A. Yes. 19 Q. And when talking about cost benefit 20 analysis, there's other types of analysis that 21 companies can utilize; for instance, a risk 22 consequence analysis, correct? 23 A. Agreed. 24 Q. And in this particular case, that became 25 important as it related to trailers because the</p>
<p style="text-align: right;">Page 187</p> <p>1 just a bottom line, you take all the human factors 2 and emotion out of it and you just look at the 3 numbers, right? That's what a pure cost benefit 4 analysis is, isn't it, sir? 5 MR. DENNY: Objection, form. 6 A. Yes. It's about the benefits of a 7 particular action and cost of a particular action. 8 Q. (BY MR. COON) And that's the type of 9 culture that BP brought to the table when the two 10 companies merged in 1999; that is, that they had a 11 history of utilizing a calculated cost benefit 12 analysis with respect to making decisions? 13 MR. DENNY: Objection, form. 14 A. Not all decisions. I don't believe we 15 apply cost benefit analysis to decisions around 16 people. 17 Q. (BY MR. COON) Well, that indicates -- 18 that very document indicates that the BP culture 19 embraced a cost benefit analysis that looked at the 20 cost of lives as a cost of doing business? 21 A. I have -- I have no idea what the 22 providence -- I don't know who Mr. Mancini is. I 23 don't know what he did, and I don't know what level 24 in the company he was. If he was senior, I think I 25 would know; but I don't think he is.</p>	<p style="text-align: right;">Page 189</p> <p>1 trailers that were used here were trailers that, 2 one, didn't have to be there, correct? 3 MR. DENNY: Objection, form. 4 A. I am not sure that they didn't have to be 5 there. I mean, they -- clearly, we wish they 6 hadn't been there, you know. 7 But I am aware that the MAR, which 8 is a risk consequence based process, which is 9 completely different from a cost benefit analysis 10 analyzing human life, is used and was used as part 11 of the trailer siting, I think. 12 Q. (BY MR. COON) And you can have, for 13 instance -- when you are looking at a risk 14 consequence, you can have a bad thing happen at a 15 refinery, like an explosion. 16 Those don't happen every day, 17 right? 18 A. Right. 19 Q. But you would call those low risk issues; 20 that is, the risk of the plant blowing up any day 21 is relatively small? 22 A. No. Low frequency, high risk, high 23 consequence -- low risk, high consequence, I think 24 is -- I am sorry -- is probably how I would 25 categorize that, yes.</p>

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1 Q. Okay.
 2 A. Low risk, high consequence.
 3 Q. So we can go to a frequency category. So
 4 you can say the frequency of a plant blowing up is
 5 what? It doesn't happen every day --
 6 A. Right.
 7 Q. -- fortunately for everybody, right?
 8 But if it does happen, the
 9 consequences can be enormous?
 10 A. Correct.
 11 Q. Because you can have what we have here,
 12 which is multiple lives lost --
 13 A. Right.
 14 Q. -- and other multiple lives injured,
 15 permanently in many cases.
 16 A. Right.
 17 Q. And you have to take that into
 18 consequence when you are making decisions in the
 19 operations of the refinery, correct?
 20 A. Yeah. You are discussing alternative
 21 approaches to quantified risk analysis.
 22 Q. And with respect to trailers, the reason
 23 that became an issue was because your company
 24 looked at the risks associated to putting
 25 trailers -- that is, temporary buildings -- in

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1 close proximity to the operating units for the
 2 convenience of construction jobs, correct?
 3 A. We did look at -- as I understand it, a
 4 risk analysis was done on the location of those
 5 trailers.
 6 Q. And it's not just on those trailers, but
 7 you actually have handbooks and guidelines that are
 8 utilized by all the BP refineries to set general
 9 parameters with respect to the location of trailers
 10 because of the recognized risk of vulnerability of
 11 those particular types of buildings from a
 12 construction standpoint?
 13 A. I know we do now. I am not quite sure
 14 what we did before this event; but I am for sure we
 15 do now, yes.
 16 Q. If we have already established in this
 17 case that those are the types of documents that
 18 existed going back to the mid Nineties, you are not
 19 going to say they did not exist?
 20 A. No.
 21 Q. You can take it --
 22 (Brief interruption.)
 23 Q. (BY MR. COON) You can take it from
 24 us -- I will represent to you that those types of
 25 documents -- that is, handbooks and guidelines --

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1 have existed since the mid Nineties and that BP --
 2 or the Amoco facility at Texas City had modified
 3 that to their plant back in the mid Nineties. And
 4 we have all those documents.
 5 You just haven't seen them,
 6 correct?
 7 A. I haven't seen them, no.
 8 Q. And you understand that there were
 9 guidelines that set up the distances that trailers
 10 could be located in proximity to units in
 11 recognition of the potential risk from the
 12 vulnerability of those trailers if there was a
 13 vapor cloud explosion?
 14 A. You have said that today. I don't think
 15 that I was aware that there was a guideline of
 16 distance.
 17 I thought that we were -- it was a
 18 process of calculation for each individual
 19 circumstance, but I am not familiar with the exact
 20 detail.
 21 Q. And we know in this case that, from a
 22 hindsight standpoint, BP recognized fully the
 23 adverse consequences of locating trailers in
 24 violation of their own policies and putting them
 25 too close to potential vapor cloud explosion

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1 sources, correct?
 2 MR. DENNY: Objection, form.
 3 A. I am not aware that in this case the
 4 trailers were sited in violation of our policy. I
 5 am not aware of that.
 6 Q. (BY MR. COON) Well, if the trailer
 7 siting handbook at Texas City says trailers are not
 8 to be closer than 350-foot from an operating unit
 9 and in this case it is shown that the trailers were
 10 located less than 150 feet from the operating unit,
 11 then we can agree that that would be less than the
 12 minimum safe criteria as established by their own
 13 handbook?
 14 MR. DENNY: Objection, form.
 15 A. Yes. If there is a policy in the plant
 16 which says they should be at a certain distance and
 17 they weren't at a certain distance, that is indeed
 18 a violation. I agree.
 19 Q. (BY MR. COON) And do you know how it was
 20 that your company made a determination as to what
 21 was and wasn't a rule of thumb safe distance from a
 22 unit for a trailer?
 23 A. No, I am not aware of the detail --
 24 Q. Are you aware --
 25 A. -- how it was done.

<p style="text-align: right;">Page 194</p> <p>1 Q. Are you aware that they took into account 2 the construction -- that is, the durability of the 3 construction of the trailer to determine whether or 4 not it was a typical trailer like a mobile home 5 versus whether or not it was something that was of 6 more rigid construction? 7 A. I am aware subsequently because we have 8 been inquiring about it. I am aware that we have 9 explosion proof trailers and other sorts of 10 trailers. So I am aware that there are 11 differences. 12 Q. That was another thing I was going to 13 bring up to you, if you were familiar with what are 14 called blast resistant or explosion resistant -- 15 A. I am -- 16 Q. -- trailers. 17 A. I am familiar with -- with those, yes. 18 Q. And those are the kinds that are 19 specially built to use at refineries in recognition 20 of the fact that if there is a vapor cloud 21 explosion, personnel that are located in them are 22 at -- they are better protected than they would be 23 with the typical motor home type of -- 24 A. That would certainly make sense. 25 Q. -- mobile home type of trailer?</p>	<p style="text-align: right;">Page 196</p> <p>1 blast analysis and they decided that trailers 2 should not be located closer than 350-foot to an 3 operating unit and yet, your own MOCs at that 4 facility did not ask that basic question -- 5 MR. DENNY: Objection, form. 6 Q. (BY MR. COON) -- which is: Is it close 7 to a hydrocarbon source? 8 A. Well, I am not aware of the 350-foot 9 rule. You've said that it's in a policy book in 10 Texas City. 11 I wasn't actually aware that there 12 was a policy book in Texas City. So as I've said, 13 if there was a policy book in Texas City and it did 14 stipulate a certain distance away from units and 15 the trailers were placed closer than that to units, 16 then that was a violation of the policy, which is, 17 you know, not an acceptable situation, but 18 apparently was part of what was going on in 19 Texas City before this event. 20 Q. And wouldn't it strike you as bizarre 21 that you have handbooks that set this out and those 22 handbooks are based on blast analysis that had been 23 done by your company in years past and that's where 24 those numbers came from and yet, that was not even 25 a component of an MOC?</p>
<p style="text-align: right;">Page 195</p> <p>1 A. Although, right now we moved all of the 2 trailers out from a calculated blast zone. 3 Q. Sure. 4 And that was another thing that I 5 was going to ask you; and that is, that in light of 6 the consequence associated with having these 7 trailers in harm's way or a zone of danger, these 8 trailers were in a zone of danger, weren't they, 9 sir? 10 A. Actually, the -- as I understand it -- 11 and I think this was in the interim report -- the 12 calculated risks -- I mean, so -- so a risk 13 analysis was done on the location of those 14 trailers. And as I think I said before, that risk 15 analysis did not comprehend the set of 16 circumstances that happened on the 23rd of March, 17 2005. 18 So in order to calculate the risk 19 and place a trailer in a place, then one has got to 20 put some inputs into the model. And the inputs 21 into the model did not comprehend the set of 22 circumstances that took place on the 23rd of March, 23 2005. 24 Q. Well, didn't you find it interesting that 25 when the handbooks came out, that they looked at</p>	<p style="text-align: right;">Page 197</p> <p>1 MR. DENNY: Objection, form. 2 A. I am not familiar -- if -- if there is a 3 policy, we shouldn't need an MOC. 4 If there is a policy that says a 5 distance from a unit -- you know, there is a 6 minimum distance, then it should be 7 straightforward. We shouldn't be putting them 8 closer than that distance. That's black and white. 9 It doesn't need an MOC. 10 Q. (BY MR. COON) Well, I am going to show 11 you one of the major accident risk documents. This 12 one is dealing directly with what we have talked 13 about, which is a cost benefit analysis dealing 14 with the utilization of various types of 15 construction materials on your temporary buildings 16 and the risk of a vapor cloud explosion blowing 17 that building down, resulting in loss of that 18 property and potentially resulting in the loss of 19 personnel in those buildings. 20 MR. COON: And we had one of these 21 marked elsewhere, Counsel. I don't have -- 22 MR. DENNY: Why don't you just 23 read -- 24 MR. FERNELIUS: Do you have the 25 Bates numbers, Brent?</p>

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1 MR. COON: The Bates number is
 2 308857 sequential to 308874.
 3 Q. (BY MR. COON) And we don't have a lot of
 4 time, but I want to let you look at it first
 5 briefly. And then I am going to ask you some
 6 questions.
 7 A. (Examines document.)
 8 Q. As you are looking at that, sir, have you
 9 ever seen that document before?
 10 A. No, I haven't.
 11 Q. It tells the story of the Three Little
 12 Pigs?
 13 A. These are two documents, aren't they?
 14 Q. It all runs together. They are
 15 sequential.
 16 Have you seen the story of the
 17 Three Little Pigs before or heard the story of the
 18 Three Little Pigs?
 19 A. Only in a child's nursery rhyme.
 20 Q. Do you remember what it was about?
 21 A. Went to market. That's all.
 22 Q. I don't know if that's the same one. I
 23 think that's the five little piggies that attach to
 24 your feet.
 25 A. Oh, maybe it is. All right.

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1 Q. We are talking about the Three Little
 2 Pigs and the buildings that they lived in.
 3 A. No, I don't remember.
 4 Q. You don't recall that one?
 5 Okay. Well, I am going to
 6 represent to you that there was a story of Three
 7 Little Pigs and they had -- one had a house made of
 8 sticks; one had a house made of straw; and one had
 9 a house made of brick and that the wolf was going
 10 to blow their house down, or at least try to.
 11 Have you ever heard that story?
 12 A. I probably have years ago, but I don't
 13 remember it.
 14 Q. Okay. You don't recall anything about
 15 the Big Bad Wolf blowing the straw house down?
 16 A. Yeah, I do.
 17 Q. Now it comes -- it comes back?
 18 A. Slowly.
 19 Q. Okay. Well, let's go through that
 20 because that's the analogy that you use there.
 21 The story of Three Little Pigs,
 22 you had three little pigs. Each had a house. One
 23 made of straw. One made of sticks. One made of
 24 bricks.
 25 And BP uses that analogy in the

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1 PowerPoint that you have in your hand there.
 2 A. This is a different document to the group
 3 HSSE standard, which is the first document you
 4 showed me.
 5 Q. Okay.
 6 A. I accept that's what I am looking at.
 7 Q. It is all sequential?
 8 A. Yeah. Okay. This is a very different
 9 document, I thought.
 10 Q. Okay. We can talk about those separately
 11 then.
 12 A. Okay. I can't believe we have write --
 13 written -- anyway...
 14 Q. Okay. Well, let's talk -- we are going
 15 to talk about the three little pigs now first.
 16 A. Okay.
 17 Q. If you will just look at that PowerPoint
 18 that you have there.
 19 Do you see where the analogy is
 20 drawn on the first page?
 21 A. Sure.
 22 Q. Where it talks about the three little
 23 pigs and the buildings that they reside in?
 24 A. Yes.
 25 Q. You also have a fourth house there. It's

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1 called the blast resistant house.
 2 A. Yes.
 3 Q. I am going to represent to you that that
 4 was not in the original story of the Three Little
 5 Pigs. That would be the story of the Four Little
 6 Pigs.
 7 A. Okay.
 8 Q. We are going to talk about the three
 9 little pigs first.
 10 The story there was that the straw
 11 house wasn't made very well, and the wolf could
 12 blow it down. Do you recall that?
 13 A. (No verbal response.)
 14 Q. From childhood, do you remember that
 15 story?
 16 A. Yes, go on.
 17 Q. Well, I am just -- I am just trying to
 18 find out what you remember.
 19 A. Yeah. No, I am with you right now.
 20 Q. Okay. And I think most of our jurors
 21 have heard that story. They are going to see the
 22 parallels here because the person that generated
 23 that document was a BP person who understood those
 24 parallels.
 25 A. Clearly.

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1 Q. And in the story, the Big Bad Wolf blew
 2 down the little straw house.
 3 Do you recall that?
 4 A. Yeah.
 5 Q. And that's because it wasn't made very
 6 well.
 7 Do you recall that?
 8 A. I am afraid I don't recall that nursery
 9 rhyme very well, but I am happy to go along with
 10 you on this.
 11 Q. Do you recall at all what the moral of
 12 the story was with respect to the Three Little
 13 Pigs?
 14 A. No.
 15 Q. Nothing about the fact that the little
 16 pig that spent more time and money and built the
 17 stronger house, the brick house, survived and that
 18 the Big Bad Wolf couldn't get him?
 19 A. It sounds like a good moral.
 20 Q. Okay. Well, let's look at that as it
 21 relates to blast impact out at your plant.
 22 Do you see the charts that you
 23 have out there?
 24 A. Uh-huh.
 25 Q. BP has actually had to go back and do a

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1 cost benefit analysis of what happens when the
 2 Big Bad Wolf blows on one of the buildings out at a
 3 facility, and it looks at the cost of losing that
 4 building based on the impact of the vapor cloud
 5 explosion.
 6 Do you see where the numbers are
 7 there?
 8 A. Yeah.
 9 Q. And it actually utilizes that to
 10 determine what is the risk of blowing the building
 11 down versus what is the cost of the building --
 12 A. Right.
 13 Q. -- to help make a decision as to which
 14 building ought to be used under the circumstances,
 15 correct?
 16 A. I am not sure what this is used for, but
 17 I can see what it is doing on this chart.
 18 Q. Okay. Now, that helps them determine
 19 under the scenarios of risk which one is the best
 20 investment with recognition that the blast
 21 resistant building, which costs the most, is the
 22 safest but, yet, is not necessarily the one that
 23 you would want to buy under the circumstances based
 24 on the risk of the loss of that building in a vapor
 25 cloud explosion --

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1 MR. DENNY: Objection, form.
 2 Q. (BY MR. COON) -- correct?
 3 A. My understanding is that it says it's the
 4 highest value.
 5 Q. It has the highest value, the highest
 6 cost.
 7 A. The highest value, yes. I don't know.
 8 Cost -- it's not a very clear chart. I don't know
 9 what it is trying to tell me, actually.
 10 Q. Okay.
 11 A. It seems very odd.
 12 Q. All right. Well, let's go to the next
 13 page there because now it talks about not only the
 14 cost of the buildings and the risk of loss of the
 15 building, it starts talking about what happens to
 16 the personnel inside the trailers in the event of a
 17 vapor cloud explosion, doesn't it, sir?
 18 A. Extraordinary. Yes, it does.
 19 Q. And basically there is a recognition
 20 that, in using the analogy, the little piggy that's
 21 in the straw house that gets blown down is gobbled
 22 up by the wolf, right?
 23 A. That's what it says.
 24 Q. And the same analogy is that if a person
 25 is in the trailer, which is the material that is of

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1 least durability and construction, the wolf gobbles
 2 that little piggy up, correct?
 3 A. That would be the implication of this
 4 chart, sir.
 5 Q. And in light of that, if you look at
 6 those charts, there is a recognition that BP looks
 7 at what is the cost of the little pig if it gets
 8 gobbled up?
 9 A. I -- well, first of all, I am not -- this
 10 is -- this is the most extraordinary set of charts
 11 to use these sorts of analogies in this.
 12 And I am not -- because I am not
 13 an expert in major accident risk analysis
 14 techniques, I am having trouble immediately seeing
 15 the connection because I wasn't aware -- in fact, I
 16 still don't think we do use this as part of the MAR
 17 technique.
 18 Q. Well, you say that; but when you look at
 19 the emblem there, that's a BP emblem, isn't it --
 20 A. It is.
 21 Q. -- on those documents?
 22 A. Of course it is, yeah.
 23 Q. And that is the type of BP emblem that is
 24 a relatively recent derivation, isn't it, sir?
 25 A. Yes, it is.

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1 Q. So this is something that BP has been
 2 looking at utilizing in their PowerPoints in a
 3 relatively recent past, hasn't it?
 4 A. Some -- somebody --
 5 MR. DENNY: Objection, form.
 6 A. Somebody clearly has, yeah.
 7 Q. (BY MR. COON) And it's rather macabre in
 8 the way that you're sitting there comparing people
 9 and the value of their lives if they are located in
 10 trailers to little piggies getting gobbled up by
 11 wolves, isn't it?
 12 A. It's extraordinary, but I am having
 13 trouble understanding what this is actually used
 14 for. Maybe you can help me, but I -- I don't quite
 15 know what this -- this is a set of charts, which I
 16 accept, and I agree with you.
 17 It is an extraordinary way of
 18 articulating something about risk. I just don't
 19 know what it's used for.
 20 Q. Well, hopefully, we can, at some point,
 21 identify the person that actually made that
 22 presentation. I don't think that's been
 23 established yet, at least I haven't been informed
 24 who it was.
 25 A. It -- it does get -- it gets more

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1 recognizable as we go on.
 2 Q. Looking at it, sir, it's fair to state
 3 that now that you have looked at those documents,
 4 it is, in fact, a parallel between the story of the
 5 Three Little Pigs and what happens to the buildings
 6 that they occupied and what happens to the little
 7 pigs that are in those buildings in the event the
 8 wolf blows their building down.
 9 And it compares that to what
 10 happens to people if they are in buildings of
 11 various qualities of construction on the jobsite.
 12 MR. DENNY: Objection, form.
 13 A. Well, you know, I'm not -- it's not clear
 14 to me how the value analogy is used in our major
 15 accident risk calculation methodology. I still --
 16 because I don't actually know the detail of the
 17 calculation methodology.
 18 And it's still not even clear from
 19 these charts actually how we, and even if --
 20 because I wasn't aware that we did. And I don't --
 21 I still would argue that it's not obvious that we
 22 do use the value of life as part of the MAR
 23 process.
 24 Q. (BY MR. COON) Have you seen any of the
 25 documents that have been generated in this case

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1 where BP actually puts a number on the value of a
 2 human life?
 3 MR. DENNY: Objection, form.
 4 A. No, I have not seen any.
 5 Q. (BY MR. COON) Are you aware that such
 6 documents exist where, for the purposes of a cost
 7 benefit analysis, your company has put a price on
 8 people's head to factor in whether or not they
 9 would make a decision to reduce a particular risk?
 10 MR. DENNY: Objection, form.
 11 A. No, I am not.
 12 Q. (BY MR. COON) Do you remember the Ford
 13 Pinto cases? Have you heard about the Ford Pinto
 14 explosions, the gas tanks that blew up?
 15 A. I can't remember specifically. I mean,
 16 we are various -- I don't remember those ones
 17 specifically.
 18 Q. Do you remember anything about the fact
 19 that it was proven that Ford utilized that same
 20 cost benefit analysis and that it was shown that
 21 they were aware that their Ford Pintos would blow
 22 up on rear-end impact and that they computed the
 23 cost of fixing that problem that they knew to exist
 24 versus the cost of extrapolating the probabilities
 25 of the number of people that would be burned to

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1 death in future explosions and what it would cost
 2 to settle those claims?
 3 A. No, not specific -- I am not aware of the
 4 specifics of that.
 5 Q. Are you aware of companies utilizing that
 6 type of cost benefit analysis with respect to
 7 providing safety in refineries?
 8 A. No, I am not because I thought what we
 9 did was that we have a risk line, which is much
 10 more to do with consequence and frequency. And our
 11 intent is to ensure that under all situations, we
 12 reduce our risks continuously.
 13 And that's -- I mean, that's -- if
 14 you like, that is the management philosophy. I --
 15 as you can tell, I am not familiar with the
 16 technical underpinnings of how that process is
 17 established, but the management philosophy is that
 18 it's a technique which, first of all, identifies
 19 the highest risks that we have in certain areas and
 20 then ensures that we apply processes to reduce
 21 those risks consistently.
 22 Q. You would agree it would be inappropriate
 23 for a company to put a price on their employee's
 24 head in factoring whether or not they ought to make
 25 a safety decision to the benefit of those

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1 employees?
 2 MR. DENNY: Objection, form.
 3 A. I am simply not aware that we -- yeah, I
 4 mean, it's hard for me to imagine that we -- that
 5 we should go through that sort of a process
 6 because, you know, what we are after is reducing
 7 risk.
 8 Q. (BY MR. COON) And in this case it was
 9 very easy to reduce the risk associated with people
 10 that are working out of trailers by just not
 11 putting trailers in harm's way, right?
 12 A. Absolutely.
 13 Q. And in this case BP has taken the
 14 position after this explosion that they don't need
 15 those trailers out there anyway and they don't need
 16 to put people in those trailers out there in the
 17 field and they can actually locate them across the
 18 street where it is much safer, correct?
 19 A. I agree.
 20 Q. And that is something that BP could have
 21 easily done before this explosion and chose not to?
 22 A. Had we been aware of the risk, I think we
 23 would have chosen to do so earlier; but I think
 24 that -- as I have said, my understanding of what
 25 happened to those trailers is that a -- that a

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1 calculation of the risks associated with those
 2 trailers was conducted; but actually, the
 3 calculation didn't have the right set of
 4 circumstances in it. So it didn't show the risk
 5 that happened.
 6 Of course, now we have realized --
 7 I mean, we haven't got any temporary trailers in
 8 any blast zones in any of our refineries.
 9 Q. You are aware that trailers had blown up
 10 in the past and killed people because they were
 11 located too close to potential vapor explosions
 12 sources, weren't you, sir?
 13 MR. DENNY: Objection, form.
 14 A. I am not aware of any.
 15 I mean, I -- you know, I haven't
 16 gone back and checked. Clearly -- and it may well
 17 have happened in the past, but I am not -- I
 18 haven't gone back and checked history on those.
 19 Q. (BY MR. COON) Do you know that that had
 20 happened to the same contractors that were out
 21 there on this jobsite for BP ten years ago in
 22 Pennsylvania at a Pennzoil plant?
 23 MR. DENNY: Objection, form.
 24 A. I am not aware of that.
 25 Q. (BY MR. COON) Where the EPA investigated

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1 all of that and cited people all over the place
 2 and -- for all kinds of allegations that the plant
 3 was grossly negligent for locating those trailers
 4 there?
 5 MR. DENNY: Objection, form.
 6 A. I am not aware of that.
 7 Q. (BY MR. COON) Now, you talk about BP not
 8 being aware of the risk.
 9 What if BP personnel were aware of
 10 the risks of those trailers being there before the
 11 explosion and told their supervisors to move them
 12 and nothing was done? Would that change your
 13 opinion about what BP knew and what they didn't
 14 know?
 15 MR. DENNY: Objection to form.
 16 A. It's difficult. It's a hypothetical.
 17 I mean, what I am aware of is that
 18 we do a quantified risk assessment; and as far as I
 19 am aware, a risk assessment was done on these
 20 trailers, which is the -- which is the process by
 21 which we quantify the nature and content of the
 22 risk in any situation. And those trailers were
 23 placed there, as I understand it, having done that
 24 quantified risk assessment.
 25 Now, it was obviously wrong.

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1 Q. (BY MR. COON) Well, that's a given it
 2 was wrong, but what did BP do to warn those
 3 contractors they were starting that unit up that
 4 day?
 5 A. Apparently not a lot.
 6 Q. Apparently nothing, huh?
 7 A. That's what the investigation says, I
 8 think.
 9 Q. And that's wrong, isn't it?
 10 A. Yes, it is.
 11 Q. And BP notified their own personnel that
 12 that unit was going into startup, didn't it?
 13 A. I am not aware that we were
 14 differentially notifying.
 15 I think -- my understanding of the
 16 report is that there was a general communication
 17 breakdown and supervisors, supervisory staff,
 18 operators were simply not communicating about a
 19 startup.
 20 And so -- and I don't know who
 21 they communicated with and who they didn't. But
 22 the investigation report did identify this was an
 23 issue.
 24 Q. Did you know we have sworn testimony in
 25 this case from some of your salaried personnel that

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1 they warned other people in management to move
 2 those trailers and get those people out of those
 3 trailers before that unit was started up?
 4 MR. DENNY: Objection, form.
 5 A. Absolutely not. I am not aware that that
 6 happened.
 7 Q. (BY MR. COON) Did you know we have sworn
 8 testimony in this case that some of your own
 9 personnel warned other people in management higher
 10 up to relocate those trailers just because they
 11 didn't belong there, because they weren't safe,
 12 because they were too close to the unit?
 13 MR. DENNY: Objection, form.
 14 A. No, as I've said, I am not aware of that;
 15 but as I've said, I -- you know, my understanding
 16 is that this risk assessment was done.
 17 So you are talking about a set of
 18 circumstances which I am not aware of.
 19 Q. (BY MR. COON) Were you aware of the
 20 general condition of that ISOM unit at the time it
 21 was started up in March of 2005?
 22 A. No.
 23 Q. Did you ever go back into the fatal
 24 report and look at all the various findings with
 25 respect to the poor condition of that unit at the

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1 time they started it up?
 2 A. I am aware of certain of the conditions
 3 and certain of the issues associated with that
 4 startup. Not the specifics. Not the detail, but I
 5 am aware of some of them.
 6 Q. Do you understand we have sworn testimony
 7 in this case of salaried personnel at that unit
 8 describing that particular unit as a piece of junk?
 9 MR. DENNY: Objection, form.
 10 A. No, I am not aware of that.
 11 Q. (BY MR. COON) Are you in a position to
 12 agree or disagree as to whether or not the ISOM
 13 unit at the time of this explosion was a piece of
 14 junk?
 15 A. I am in no position to agree or disagree.
 16 Q. Did you know anything about the history
 17 of multiple problems associated with startups on
 18 that ISOM unit?
 19 A. Subsequent to this event, I believe the
 20 investigation report highlighted some prior startup
 21 issues.
 22 Q. In fact, it reports multiple prior
 23 startup issues, didn't it, sir?
 24 A. Yeah.
 25 Q. Overpressurization, upsets, vapor

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1 overfills, liquid overfills, all kind of problems
 2 at the unit in the years past, hadn't there, sir?
 3 MR. DENNY: Objection, form.
 4 A. I am not aware it's quite to that extent
 5 but...
 6 Q. (BY MR. COON) Do you know how many fires
 7 had occurred out on that ISOM unit in the 20 years
 8 it had been there?
 9 A. No.
 10 Q. Did you know there was a fire there in
 11 1986?
 12 A. I didn't know.
 13 Q. Did you know there was a fire there again
 14 in 1987?
 15 A. No.
 16 Q. Did you know there was a fire there again
 17 in 1988?
 18 A. No.
 19 Q. Did you know in 1994 that there was a
 20 vapor release out of that blowdown drum?
 21 A. No.
 22 Q. Did you know that the blowdown drum
 23 itself caught on fire a few years before this
 24 explosion?
 25 A. No.

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1 Q. Did you know that the CSB had logged at
 2 least four prior occasions in the ten years before
 3 this explosion where upsets on that unit formed
 4 vapor clouds at ground level posing a severe risk
 5 of an explosion?
 6 A. No, I didn't know.
 7 Q. Well, if, in fact, all of those things
 8 had, in fact, occurred, sir, certainly people in
 9 management at BP would have been aware of a
 10 potential risk?
 11 MR. DENNY: Objection, form.
 12 A. I agree with you.
 13 Remember, you know, that much of
 14 that was done under a different management probably
 15 and a different company; and I accept all of the
 16 points that we made before about taking on that
 17 but...
 18 Q. (BY MR. COON) Well, I am going to take
 19 issue with you on that, sir. I don't mean to
 20 interrupt, but you say it's a different company.
 21 It's not a different company.
 22 Amoco is BP.
 23 A. In 1994 and 1987 and '98 and 1999 it was
 24 a different company.
 25 Q. It was a different company before it was

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1 merged --
 2 A. Correct.
 3 Q. -- but after the merger, you are still
 4 the same company, right?
 5 A. We are one company now. I agree.
 6 Q. So what was known by people then is known
 7 by BP now because you are the same company?
 8 A. Provided they are around, yes, I agree
 9 with you.
 10 Q. Did you know anything about the history
 11 of opportunities to replace that blowdown drum and
 12 run it to a flare?
 13 A. I've -- subsequent to this event, I have
 14 been made aware that there were various studies
 15 done on this particular blowdown unit, yes.
 16 Q. Did you know that there was a conscious
 17 decision made by your company to not run that unit
 18 to a flare in 1984 when it was constructed because
 19 of the cost factor?
 20 MR. DENNY: Objection, form.
 21 A. No.
 22 Q. (BY MR. COON) Is the first time you've
 23 heard it today that they decided not to run it to a
 24 flare because it was going to cost an extra
 25 \$2 million when they converted it to an ISOM in

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1 1984?
 2 A. I am not familiar with that data that
 3 long ago, no.
 4 Q. Assuming that's the case and it had
 5 already been recognized that flares were safer, if
 6 BP/Amoco, your company, made a decision not to
 7 spend an extra \$2 million to convert it to a flare,
 8 that would be a decision that they made -- that
 9 would be a conscious decision they made --
 10 A. That was --
 11 Q. -- with respect --
 12 A. That was clearly --
 13 MR. DENNY: Objection, form.
 14 A. -- a decision Amoco made in 1984, yes,
 15 apparently, if what you say is right.
 16 Q. (BY MR. COON) And that would be a
 17 conscience decision they made?
 18 They had -- the industry had an
 19 awareness of the safety factors associated with
 20 blowdown drums versus flares in 1984, didn't it,
 21 sir?
 22 MR. DENNY: Objection, form.
 23 A. I am not aware, but if you say so.
 24 Q. (BY MR. COON) Well, neither BP nor Amoco
 25 had built new construction with a blowdown drum in

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1 decades before this explosion --
 2 A. Correct.
 3 Q. -- had it, sir?
 4 And that's because of the
 5 increased risk associated with open release of
 6 hydrocarbons to atmosphere?
 7 A. Probably. I am not familiar with the
 8 detail, but probably.
 9 I know we don't use them anymore,
 10 and we don't build them new now.
 11 Q. Well, you don't want to have explosions,
 12 right?
 13 A. Correct.
 14 Q. And process safety management in the
 15 refining sector mandates under all circumstances
 16 possible to keep the hydrocarbons contained,
 17 correct?
 18 A. Yes.
 19 Q. That's because hydrocarbons that escape
 20 the system form a vapor cloud explosion or liquid
 21 explosion in the event that the overfills result in
 22 vapor and/or liquid?
 23 A. They can be.
 24 Q. Did you know that around 2002 that unit
 25 was reviewed by companies to route that blowdown

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1 drum out and over to a flare?
 2 A. I don't think I was aware.
 3 Q. Do you know that project was killed
 4 because of cost concerns?
 5 MR. DENNY: Objection, form.
 6 A. I am not aware it was killed and I am
 7 certainly not aware it was killed with cost
 8 concerns, no.
 9 Q. (BY MR. COON) Mr. Manzoni, I have a
 10 spiral bound document here. It's called, "Getting
 11 HSE Right a Guide for BP/Amoco Managers."
 12 Have you seen --
 13 A. Yes.
 14 Q. -- that before, sir?
 15 A. Yes, I have.
 16 Q. Can you tell me what it is?
 17 A. It's a set of -- we call it the gHSER.
 18 It's a set of standards and I think it contains
 19 essentially -- actually, it's a mix of policy
 20 aspiration around the issue of HSSE.
 21 Q. And if I could, turn here to the policy
 22 at page 6. I have a little glare on here.
 23 MR. FERNELIUS: Brent, did we
 24 produce that or do you have a number on it or --
 25 MR. COON: I have no idea where

<p style="text-align: right;">Page 222</p> <p>1 this came from. It doesn't have a number on it. 2 MR. FERNELIUS: Okay. 3 MR. COON: It's one of y'all's 4 handbooks. 5 Q. (BY MR. COON) Okay. But this a -- you 6 have seen this spiral bound notebook before, 7 haven't you, Mr. Manzoni? 8 A. I have, yes. 9 Q. Okay. At the top of the page here it's 10 called, "BP/Amoco's Commitment to Health, Safety 11 and Environmental Performance." 12 HSE, right? 13 A. Right. 14 Q. And it's signed off here by John Browne, 15 chief executive officer. 16 That was your boss? 17 A. Right. 18 Q. And this is the policy in effect back at 19 the time of the merger, January of 1999 -- 20 A. Right. 21 Q. -- right? 22 A. Right. 23 Q. And this is kind of a pledge by the CEO, 24 Lord Browne, as to what the company was going to do 25 to assure health, safety and environmental</p>	<p style="text-align: right;">Page 224</p> <p>1 A. No. 2 Q. And the reason I want to bring that up, 3 sir, was because I want to go back to the 4 Telos study; and as I understand, you didn't 5 actually get an opportunity to read this document 6 cover to cover before today; is that correct? 7 A. No, I haven't. 8 Q. And you don't really know the details of 9 how it was this document was -- what information it 10 was based on? 11 A. As I understand it subsequently, it was 12 commissioned, I think, by Don Parus; and it was a 13 series of -- as I -- a series of interviews or 14 quotes, as I recall -- 15 Q. Okay. 16 A. -- from each candidate. 17 Q. Well, we've deposed a number of people at 18 BP. And we have, in fact, also taken the 19 deposition of the consulting company that was hired 20 to do this work. So we have a pretty good 21 understanding of what was done, and we have also 22 been provided with most of the underlying data that 23 formulated this report. 24 And I take it you have not seen 25 the underlying data?</p>
<p style="text-align: right;">Page 223</p> <p>1 performance and compliance? 2 A. Right. 3 Q. It's kind of a pledge, isn't it? 4 A. Yes. 5 Q. And one of the things that the chief 6 executive officer, your boss, pledged was that "We 7 will consult, listen and respond openly to our 8 customers, employees, neighbors, public interest 9 groups and those who work with us." 10 Did I read that correctly? 11 A. Right. 12 Q. "And also, would openly report our 13 performance, good and bad"? 14 A. Right. 15 Q. Are those policies that BP/Amoco stands 16 by? 17 A. Yeah. This is a -- this is a goal 18 because -- absolutely we stand by them. Absolutely 19 we stand by them. 20 Q. And even though this was the policy in 21 effect January of 1999, there is nothing that has 22 happened in the last five or six years that has 23 changed that policy to where BP no longer will 24 consult, listen or respond openly to their 25 employees?</p>	<p style="text-align: right;">Page 225</p> <p>1 A. No. 2 Q. Were you aware before today that that 3 data included -- and it's part of the record -- the 4 interviews of over 100 people that worked at 5 BP Texas City, most of whom were in management? 6 A. No, I didn't know that. 7 Q. For instance, did you know that Bill 8 Ralph -- did you know Bill Ralph, the head of -- 9 A. I have heard the name, but I don't... 10 Q. Okay. He was your -- 11 A. I have heard the name. 12 Q. He was your senior person with respect to 13 process safety management at BP Texas City and in 14 his interview he said Don Parus didn't take process 15 safety management serious. 16 Is that something you didn't know 17 before today? 18 MR. DENNY: Objection, form. 19 A. No. 20 Q. (BY MR. COON) And I take it you don't 21 know any of the things that any of these other 22 persons said in their interviews that formed the 23 basis of the Telos study? 24 A. No, I don't. 25 Q. We do know from what I showed you</p>

<p style="text-align: right;">Page 226</p> <p>1 earlier, though, that after they interviewed these 2 100 management people and surveyed over a thousand 3 of the employees that worked at BP Texas City that 4 the overriding conclusion of those personnel was 5 that BP put making money Number 1 and people dead 6 last? 7 MR. DENNY: Objection, form. 8 A. That's the implication of the chart that 9 you showed me before, which, as I've said, is a 10 shocking conclusion. 11 Q. (BY MR. COON) Okay. You understand 12 about the BP concept of just culture, doing right 13 by its employees? 14 A. Yes, I do. I remember discussing it with 15 Don Parus. 16 Q. And I think -- and that's something that 17 BP adheres by, stands by? 18 A. Let me describe for you where -- I think 19 it's not -- it's not obvious to me that BP as a 20 whole uses just culture process, but actually it 21 started in Texas City and as I understand it and as 22 I recall, was actually initiated by Don in 23 Texas City in order to try to increase a sense of 24 accountability in that plant. 25 I think he probably was</p>	<p style="text-align: right;">Page 228</p> <p>1 correction." 2 Q. Okay. Would you agree with that concept 3 generally, that it would be disturbing if that's 4 the case and does provide a little insight? 5 MR. DENNY: Objection, form. 6 A. Yeah. You know, our investigations into 7 any of these incidents try to get to the root 8 cause. 9 I think -- well, I have no idea 10 what they are referring to. But if it just simply 11 says human error, then it's not getting at the root 12 cause because the human error is based on 13 something. 14 Q. (BY MR. COON) Okay. And if you will 15 read the next one for me, please, sir. 16 A. "Auto accident on route to sister site 17 unavoidable; but we were treated as if we caused 18 the accident, even though the other driver was 19 cited. Forced to come to work via taxi. Were 20 unable to drive under pain medication, which causes 21 drowsiness. Bad headache. Unable to perform a 22 job." 23 Q. If you would, finish that paragraph, 24 please, sir? 25 A. "Management was trying to avoid lost time</p>
<p style="text-align: right;">Page 227</p> <p>1 responding -- maybe he was responding to some of 2 the things that he was beginning to find out here. 3 Q. I want to go back and pull up some of the 4 actual comments that your employees made about 5 Texas City in the months before this explosion. 6 This is page 2. This is talking 7 about getting hurt on the job and what people had 8 to say about it. 9 This one, I am just going to read 10 some of these highlighted ones for you, sir. 11 I will tell you what: Can you 12 read it? 13 A. Yes. 14 Q. Do you see that? 15 A. Yes. 16 Q. Let's just run through some of what some 17 of your employees said about working out at 18 Texas City in the months before this explosion. 19 Okay? 20 That first one that is 21 highlighted, could you read that one for us? 22 A. "Investigations all lead to the 23 conclusion that human error caused the mishap. I 24 find that a little disturbing from the perspective 25 that it provides little insight about a meaningful</p>	<p style="text-align: right;">Page 229</p> <p>1 from work. Personnel -- personal concern was felt 2 but more concern was given to avoid lost time from 3 work." 4 Q. Are you aware of management efforts to 5 keep their employees on the job to look good by 6 having less OSHA recordables? 7 A. I hope -- 8 MR. DENNY: Objection, form. 9 A. I hope we don't do that. Clearly this 10 indicates we were, or we might have been. 11 Q. (BY MR. COON) Let's go to the next page. 12 That one, please, sir. 13 This being, "Have you been hurt on 14 the job?" 15 The answer this next individual 16 highlighted. 17 A. "No. I run like hell and have ducked and 18 dodged every hazard in this dump." 19 Q. Next one, sir? 20 A. "They said it could not have happened on 21 the job. So suddenly it didn't." 22 Q. The next one? 23 A. "Yes, due to an inept engineer's 24 oversight; and I was blamed for it." 25 Q. Next one?</p>

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1 A. "Yes, more than once; but I usually don't
 2 report it because we don't want to ruin BP's safety
 3 record. And if you do report it, you will hear
 4 about it at safety meetings for the next three
 5 years."
 6 Q. And the next two on that page, please,
 7 sir.
 8 A. "Yes, working shorthanded. No concern
 9 was shown. Yes, I have been hurt and had
 10 management punish me and make a fool of me. Need I
 11 say more?"
 12 Q. Do you find these comments disturbing,
 13 sir?
 14 A. Yes.
 15 Q. You see a few of them. We have a lot of
 16 them. Let's just hit a couple of them.
 17 MR. DENNY: Objection, form.
 18 Q. (BY MR. COON) Let's go right here
 19 (indicating). This one here (indicating), can you
 20 read that one for me, please, sir?
 21 A. "Yes, I had a lengthy lost time accident.
 22 Nobody did a thing to repair the problem. I was
 23 harassed and made to feel I should not have gotten
 24 hurt. The problem was repaired 12 years later
 25 because a manager had the same accident. Go

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1 figure."
 2 Q. Let's just skip down to this one here
 3 (indicating).
 4 A. "Yes, I reported it and they made me feel
 5 like a fool and they will not make me feel that way
 6 again."
 7 Q. Let's skip down here (indicating).
 8 A. "Yes, improper maintenance. Always my
 9 fault. That's what management said."
 10 Q. There are some on the next page. Read
 11 that one for me, please, sir.
 12 A. Which one?
 13 Q. The first one.
 14 A. "Yes, and they did all -- and all they
 15 did was harass me and fight workman's comp."
 16 Q. Next one, please, sir.
 17 A. "Yes, they made fun of me."
 18 Q. Next one?
 19 A. "Yes. They want you back to work as soon
 20 as possible regardless of your condition."
 21 Q. Next?
 22 A. "Yes, they wanted to give me disciplinary
 23 action -- they wanted to give me -- disciplinary
 24 action to me when it was not my fault."
 25 Q. And next one?

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1 A. "Yes, told to get the job done, period.
 2 No ifs, ands, or buts."
 3 Q. Again, those kind of comments concern
 4 you?
 5 A. Increasingly.
 6 Q. Let's go to another section here.
 7 This is a section on the report
 8 that was titled, "What Is Recognized and Rewarded
 9 at BP."
 10 And a number of quotes are put
 11 under here to emphasize the opinions that were
 12 reflected in the survey. I highlighted a few for
 13 you.
 14 Would you read that first one for
 15 me, please, sir?
 16 A. "Fixing something without having a
 17 shutdown is what gets rewarded. We get rewarded to
 18 keep the unit running."
 19 Q. And skip down to the bottom here
 20 (indicating), sir?
 21 A. "Mainly saving money gets rewarded. That
 22 is it. There is a little bonus money, and safety
 23 is a pat on the back."
 24 Q. And let's go to the third section. This
 25 is the section dealing with unsafe acts.

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1 Read that first one there, please,
 2 sir.
 3 A. "We need to get the staffing right and we
 4 need to ensure that we have the right amount of
 5 time to complete the assigned work. We are often
 6 given a block of things that we are to complete
 7 during the day and you have to make decisions about
 8 where you can cut corners to get it all done."
 9 Q. Let's go to this one (indicating). It's
 10 talking about the condition of the plant. The
 11 pages of those -- we will just jump to page 17.
 12 Read the first highlighted,
 13 please, sir.
 14 A. "It seems like it all comes down to
 15 money. We tell them we need it. They tell us they
 16 don't have the money. As soon as it blows up or
 17 someone gets hurt, there is all sorts of money."
 18 Q. That was a rather prophetic statement,
 19 wasn't it, sir?
 20 MR. DENNY: Objection, form.
 21 A. I don't --
 22 Q. (BY MR. COON) That being a statement
 23 made by an employee of BP about two months before
 24 the plant blew up?
 25 A. I will just repeat what I've said. The

<p style="text-align: right;">Page 234</p> <p>1 money has been increased significantly and 2 systematically since 2002 in this plant. 3 MR. COON: I will object to the 4 responsiveness. 5 Q. (BY MR. COON) If you will answer the -- 6 or read the next one, please, sir. 7 A. "Units are 90 percent of the time run to 8 failure due to postponed turnarounds so making 9 money or saving money for that particular year 10 looks good on the books. This is a serious safety 11 concern to our personnel. We do not walk the talk 12 all the time. Costs and budgets are preached to 13 reduce costs." 14 Q. And if you will read that last one for 15 me, please, sir. 16 A. "It is all about acceptance. There is no 17 outrage when it smells, when people die, when 18 things fail and when we ask someone to do 19 something, the accident investigation reveals that 20 they failed to assess the risks, when, in fact, we 21 failed to make them aware of risks. Those things 22 that are frightening or overwhelming are done 23 because we have such a proud, capable workforce 24 that wants to be a winning team. That, I think, 25 contributes to their willingness to do things for</p>	<p style="text-align: right;">Page 236</p> <p>1 Q. -- this is talking about the complaints, 2 what is happening out the units. 3 The complaint was that training 4 was non-existent. This is the complaint still 5 coming out the actual date of the explosion. The 6 complaint that was still existing that day was that 7 unit training was non-existent. 8 Do you see that? 9 A. I do see it. It's hard for me to 10 believe. 11 Q. Okay. And it says, "If this facility was 12 an aircraft carrier, we would be at the bottom of 13 the ocean." 14 Do you recall that quote? 15 A. I saw it this morning, yes. Today. 16 Q. Now, this actually came from a particular 17 unit out there. Do you see the unit that this came 18 from? 19 It was from a staff person. This 20 wasn't even an hourly person. This was staff. 21 That's management people, right, the ones that are 22 on staff? You have hourly and staff people? 23 A. Yes. 24 Q. The hourly are your field hands -- 25 A. Uh-huh.</p>
<p style="text-align: right;">Page 235</p> <p>1 us; and finally, this is an incredibly exclusive 2 environment for contractors." 3 Q. Mr. Manzoni, I want to go back to the 4 document that Mr. Buzbee showed you earlier. This 5 was one that came out as a follow-up. It is like 6 the Telos; but this is an internal one that was 7 done, the ESI performance surveys. 8 This is one that was dated 9 March 23rd, the date of the explosion is when it 10 came out. 11 MR. FERNELIUS: Brent, do you have 12 a Bates number on that? 13 MR. COON: Yes, sir. That was the 14 078908 document. 15 MR. FERNELIUS: Okay. 16 Q. (BY MR. COON) And I want to draw your 17 attention to something here. 18 You understood that this was a 19 document that emanated from the Texas City 20 facility? 21 A. That's what I have been told, yeah. 22 Q. Okay. In fact, if you look over here, 23 the quote that was read to you earlier or you had 24 to read -- 25 A. Right.</p>	<p style="text-align: right;">Page 237</p> <p>1 Q. -- and your staff people are your 2 salaried personnel, right? 3 A. (No verbal response.) 4 Q. And this actually came from your 5 management team on the ISOM unit, didn't it, sir? 6 A. Apparently. 7 Q. Now, after the explosion, you told us you 8 expressed concern and went out to see the people 9 out at that plant? 10 A. Yes. 11 Q. But you actually sent a letter to Mark 12 Lender a couple days later, didn't you, sir? Do 13 you remember Mr. Lender? 14 A. I do know Mr. Lender, yes. 15 Q. And you were here -- you actually came to 16 Denver with your family for your vacation, didn't 17 you, sir? 18 A. That's right. 19 Q. And it was perturbing to you that you got 20 sidetracked from your family vacation and had to go 21 down to Texas City, sir? 22 MR. DENNY: Objection, form. 23 A. The incident at Texas City was perturbing 24 to me, yes. 25 Q. (BY MR. COON) It perturbed you because</p>

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1 it interrupted your vacation, didn't it?
 2 A. No. It perturbed me because 15 people
 3 died.
 4 Q. Well, I appreciate you saying that now;
 5 but what did you tell Mr. Lender at the time?
 6 A. (No verbal response.)
 7 Q. Can you read that, sir?
 8 A. Yes, I can.
 9 Q. What did you tell Mr. Lender about how it
 10 impacted your vacation?
 11 A. I am sorry. What was the date on that?
 12 Q. It's March 27 --
 13 A. So it's some days later.
 14 Q. -- 2005.
 15 This is to him from you, right?
 16 A. Yeah, it looks like it.
 17 Q. What did you tell Mr. -- who is
 18 Mr. Lender?
 19 A. Actually, he is a -- he's a colleague who
 20 works in WPP actually.
 21 Q. And what did you tell Mr. Lender? Can
 22 you read that, please?
 23 A. "I arrived in Texas City at 3:00 a.m.
 24 along with Lord Browne. And we spent a day there
 25 at the cost of a precious day of my leave."

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1 Q. Mr. Manzoni, have you understood the
 2 questions we've asked you today, sir?
 3 A. Yes, I do.
 4 Q. Have you answered all of them to the best
 5 of your capabilities?
 6 A. Yes, I have.
 7 MR. COON: We have no further
 8 questions.
 9 MR. DENNY: Is that it?
 10 All right. We will reserve our
 11 questions. Thank y'all.
 12 THE VIDEOGRAPHER: We are off the
 13 record at 1:54 p.m. This concludes the deposition
 14 of Mr. John A. Manzoni.
 15 (Deposition concluded.)
 16
 17
 18
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 21
 22
 23
 24
 25

Page 240

1 EXAMINATION
 2 CHANGES AND SIGNATURE
 3 PAGE LINE CHANGE REASON
 4 _____
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 17 _____
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 19 _____
 20 _____
 21 _____
 22 _____
 23 _____
 24 _____
 25 JOHN MANZONI

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1 I, JOHN MANZONI, have read the foregoing
 2 deposition and hereby affix my signature that same is
 3 true and correct, except as noted above.
 4
 5 _____
 6 JOHN MANZONI
 7 THE STATE OF _____)
 8 COUNTY OF _____)
 9 Before me, _____, on this day
 10 personally appeared JOHN MANZONI, known to me or
 11 proved to me on the oath of _____ or through
 12 _____ (description of identity card or other
 13 document) to be the person whose name is subscribed
 14 to the foregoing instrument and acknowledged to me
 15 that he/she executed the same for the purpose and
 16 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 My Commission Expires: _____
 24
 25

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1 CAUSE NO. 05CV0337
 2 MIGUEL ARENAZAS, 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 JOHN MANZONI
 22 SEPTEMBER 8, 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, JOHN MANZONI, 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 (2 hours, 24 minutes)
 Mr. Buzbee (1 hour, 26 minutes)
 Attorneys for Plaintiffs

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1 That pursuant to information given to the
 2 deposition officer at the time said testimony was
 3 taken, the following includes the parties at the
 4 deposition:
 5 FOR PLAINTIFFS JAIME ANDREADE, ET AL.:
 6 Mr. Brent Coon
 7 Mr. Larry Sarten
 8 Mr. Jason Cansler
 9 Brent Coon & Associates
 10 3550 Fannin
 11 Beaumont, Texas 77701
 12 Fax: 409-833-4483
 13 Telephone: 409-835-2666
 14
 15 FOR PLAINTIFFS RHONDA DARLENE HEICKMAN,
 16 INDIVIDUALLY AND AS DEPENDENT
 17 ADMINISTRATOR OF THE ESTATE OF RYAN
 18 RENE RODRIGUEZ:
 19 Mr. Trent Bond
 20 Mr. John Werner
 21 Reaud, Morgan & Quinn
 22 801 Laurel Street
 23 Beaumont, Texas 77720-6005
 24 Fax: 409-833-8236
 25 Telephone: 409-838-1000
 (Appeared telephonically)
 FOR PLAINTIFFS, ET AL.:
 Mr. Anthony Buzbee
 The Buzbee Law Firm
 1910 Ice & Cold Storage Building
 104 Moody
 Galveston, TX 77550
 Fax: 409-762-0538
 Telephone: 409-762-5393

Page 244

1 APPEARANCES
 (Continued)
 2
 3
 4 FOR DEFENDANT JE MERIT:
 5 Mr. Benjamin B. Leibman
 6 Ebanks, Smith & Carlson
 7 2500 Five Houston Center
 8 1401 McKinney
 9 Houston, Texas 77010
 10 Fax: 713-333-4600
 11 Telephone: 713-333-4500
 12
 13 FOR DEFENDANT BP PRODUCTS NORTH AMERICA, INC.:
 14 Mr. Otway B. Denny, Jr.
 15 Mr. Stephen M. Fernelius
 16 Fulbright & Jaworski
 17 1301 McKinney, Suite 5100
 18 Houston, Texas 77010-3095
 19 Fax: 713-651-5246
 20 Telephone: 713-651-5151
 21
 22 That a copy of this certificate was served on
 23 all parties shown herein on _____ and
 24 filed with the Clerk.
 25
 I further certify that I am neither counsel for,
 related to, nor employed by any of the parties in the
 action in which this proceeding was taken, and
 further that I am not financially or otherwise
 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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1
 2 Certified to by me on this _____ day of
 3 _____,
 4 _____.
 5
 6
 7 _____
 8 Stephanie Barringer, CSR
 9 Texas CSR 6198
 10 Expiration: 12/31/06
 11 U.S. Legal Support
 12 Firm Registration: 122
 13 519 N. Sam Houston Pkwy., Ste. 200
 14 Houston, Texas 77060
 15 Main number: 713/653-7100
 16 Fax number: 713/653-7143
 17
 18
 19
 20
 21
 22
 23
 24
 25

AUTHENTICATED
 The original document
 file was electronically signed
 using RealLegal technology.

1 FURTHER CERTIFICATION UNDER TRCP RULE 203

2

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

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

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

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

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

17 Certified to by me on this _____ day of
18 _____, _____.

19

20

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
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