

**INTERVIEW OF COLIN MACLEAN
TAKEN ON
JUNE 26, 2006
WESTAKE I COMPLEX
HOUSTON, TEXAS**

On June 26, 2006, the Management Accountability Team interviewed Colin Maclean, Texas City Refinery Manager. The participating team members were Bill Bonse, Stephanie Moore and Jeff Heller. Bill Bonse was the primary interviewer. Jeff Heller took minutes of this interview.

Mr. Bonse gave an introduction regarding the scope of the interview.

Mr. Heller advised Mr. Maclean that while this interview was confidential, it was not covered under the attorney/client privilege doctrine.

There was a discussion around the condition of TXC. Gelsenkirchen was in a similar situation 15 years ago. The Team is looking at TXC and at R&M and the group as a whole.

Mr. Maclean does not report to John Browne. Mr. Maclean came into TXC and wanted Mr. Browne's support. While TXC was in an emergency mode, he reported to Mike Hoffman. Now that the emergency is over, he reports to Pat Gower. Mr. Maclean will not follow orders that are not right.

Mr. Maclean has been with BP 37 years. He started in 1968. He also took a five year hiatus at some point to work for another company that BP eventually acquired.

Mr. Maclean believed Don Parus reported to Pat Gower. Last week they had an accountability day—the top 100 people met, everyone went around and discussed their accountability. When Mr. Maclean arrived at TXC, there were many rumors on accountability. He expected SPAs to engage with FAMs and other groups. His new model is currently documented down to the superintendent level and identifies what the accountabilities are. A business unit is the fundamental building block for BP. Everyone else including the Group is there to support the business units.

It takes a lot of effort by a BUL to understand critical technology. Mr. Maclean states that people's actions are correlated to expectations of leadership. So, to him, the actions of March 23, 2005 largely match how the leaders were conditioned.

Mr. Maclean started in 1969 as a geologist. He spent 12 years doing that as an explorationist. He then went into production. He left BP in 1983 and became the head of petroleum engineering -- BNOC Company. That company was bought by BP in 1988. Mr. Maclean was then made manager of the new field development. John Browne took over E& P in 1989 which resulted in a new way to do oil field development which was later used in GOM. Mr. Maclean was moved into refining in 1996 in Australia. He built

that refining up. With the Amoco merger, he moved to Amoco Whiting to bring BP's business unit model into the Amoco refineries. He then became the convener of the refinery groups. Whiting was restructured because it was not making any money. Mr. Maclean left Whiting and replaced Susan Caito at Grangemouth. It was about accountability and leadership--he improved the safety record; reorganized the workforce; and changed the cost structure. Mr. Maclean spent 2.5 years there until the Innovene sale. Iain Conn then asked Mr. Maclean to look at PSCM—he was the group head for awhile.

Mr. Maclean had never been to TXC. His impression upon arrival at TXC was that it was a big old run down and dirty refinery and people were desperate for hope. People have been very supportive since day one. People there have hope. He told them that TXC will never be the same. He also told them that it matters what you say. He learned that people stopped bringing things to any one's attention around TXC because nothing they said mattered. So, they did the best they could.

There was no handover. Mr. Maclean knew Kathleen Lucas, but had little briefing. John Manzoni called Mr. Maclean about the job. Mr. Hoffman asked Mr. Maclean if he was going to take it. After he was there for a couple of weeks, Mr. Hoffman and Mr. Manzoni came in for a show of solidarity. Mr. Maclean thought that Mr. Hoffman and Mr. Manzoni assumed he had some ideas on how to do this since it was his third time doing this.

When Mr. Maclean got there, Joe Barnes was being replaced by Paul Kaufman. People liked Mr. Barnes, but he was not an HSSE professional. Mr. Barnes had been pushed aside. Mr. Maclean replaced Andy Fielder with Daryl Bertram. That was the wrong job for Mr. Fielder. Mr. Fielder antagonized the unions and the contractors. Mr. Bertram works well with Ms. Lucas. Mr. Maclean brought in a Chief of Staff, Rod McCracken. He also brought in some folks to support Susan Dio's commercial side.

Mr. Maclean was at TXC when they had the RHU fire in July 2005. He was walking with Tom Cerwinski—he shut down all high pressure hydrogen units because the carbon steel was _____. That drew a lot of questions for Mr. Maclean. Then Hurricane Rita came along and he shut the rest of the refinery down. He could have shut the refinery down sooner.

He thought Telos was a self inflicted wound. No one took any action. Telos allowed a lot of people to vent without accountability.

There is a lot of pride in refining, but it is not well connected within the R&M segment.

There is a lot of effort now to learn lessons of TXC in SPU. He doesn't spend a lot of time in the SPU. Dan Sajikowski and Ron Unnerstall are good. In BP, refining did not have a lot of central resource, but it was more friendly. Mr. Maclean would like to see more of that. Mr. Maclean now reports to Pat Gower.

At the time of the merger, Mr. Parus was running Yorktown and was in the peer group that Maclean convened. Mr. Parus talked about infrastructure work, but Mr. Maclean could not afford a two day JMW course on accountability. Mr. Parus said he could not afford it. Mr. Maclean had those conversations. Mr. Maclean wanted SPU to focus on training the leaders. Mr. Parus could have been influenced by Mr. Ford and Mr. Kozinski at that time. Mr. Maclean saw Mr. Parus and Tim Scruggs come from Amoco. The stronger leaders were behind them. Process Safety: Amoco had a professional refining organization.

Willie Willis: Mr. Willis correlated his actions with current leadership. All the MDLs were doing the same thing. Mr. Maclean wanted to change the thinking. Mr. Willis is a great leader. Mr. Maclean also cancelled the MDL thing. Mr. Maclean got rid of the two leadership teams. Mr. Willis is currently the leader on control of work and is doing a good job. If Mr. Willis has a good leader to follow, he will be a good leader. Mr. Willis makes a very big contribution.

Pat Gower filled in for Mr. Maclean while he was vacation. He also worked on the RHU explosion issues as SPA.

Mr. Maclean put together a supervisor training module—JMW. Mr. Maclean wanted an organization that was sustainable on knowledge of accountabilities. He wanted to leave behind a workforce and leadership team that were clear about accountabilities.

The relationship with the contractors seems to be improving. Rob (LNU) leads PSM because Bill Ralph was not a real leader. There was a distinction between technical expertise and leadership.

The warning signal that surprised Mr. Maclean was the fatalities in 2004 and why that had not changed things. Mr. Maclean supported Mr. Hoffman when he went into the GVP role. Mr. Hoffman is a very competent guy.

INTERVIEW CONCLUDED