

CAUSE NO. 05CV0337

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

CAUSE NO. 05CV0337-A

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

ORAL VIDEOTAPED DEPOSITION OF

ROSS J. PILLARI

JUNE 27, 2006

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1 ORAL VIDEOTAPED DEPOSITION OF ROSS J. PILLARI,
 2 produced as a witness at the instance of the
 3 Plaintiffs and duly sworn, was taken in the
 4 above-styled and numbered cause on June 27, 2006,
 5 from 9:06 a.m. to 4:50 p.m., before Stephanie
 6 Barringer, Certified Shorthand Reporter in and for
 7 the State of Texas, reported by stenographic means at
 8 the offices of Fulbright & Jaworski, 1301 McKinney,
 9 Suite 5100, Houston, Texas, pursuant to the Texas
 10 Rules of Civil Procedure and the provisions stated on
 11 the record or attached hereto.
 12 Since this deposition has been realtimed and you
 13 may be in possession of a rough draft form, please be
 14 aware that there may be a discrepancy regarding page
 15 and line numbers when comparing the realtime draft
 16 and the final transcript. Also, please be aware that
 17 the realtime screen and the unedited, uncertified
 18 rough draft transcript may contain untranslated
 19 steno, a misspelled proper name and/or nonsensical
 20 English word combinations. All such entries are
 21 corrected in the final certified transcript. There
 22 also may be persons receiving the realtimed feed
 23 outside of the deposition room, but the reporter has
 24 given this access only to known attorneys of record
 25 and/or their experts.

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<p>1 THE VIDEOGRAPHER: On the record</p> <p>2 June 27th, 2006, at 9:06 a.m., beginning Tape 1.</p> <p>3 ROSS PILLARI,</p> <p>4 having been first duly sworn, testified as follows:</p> <p>5</p> <p>6 EXAMINATION</p> <p>7 Q. (BY MR. WILLIAMS) Good morning,</p> <p>8 Mr. Pillari. I am John Eddie Williams. We have</p> <p>9 met in the past.</p> <p>10 A. Uh-huh.</p> <p>11 Q. You have given your deposition before,</p> <p>12 I'll bet?</p> <p>13 A. Yes.</p> <p>14 Q. How many times?</p> <p>15 A. I don't know. A half dozen maybe.</p> <p>16 Q. Okay. If we may, would you introduce</p> <p>17 your name?</p> <p>18 A. My name is Ross J. Pillari.</p> <p>19 Q. And your title?</p> <p>20 A. I am currently president and CEO of BP</p> <p>21 Products North America.</p> <p>22 Q. And does that mean, sir, that if we look</p> <p>23 in the United States of America that you are the</p> <p>24 highest executive in the entire country for BP?</p> <p>25 A. That's probably right.</p>	<p>1 any operating areas other than the ones I just</p> <p>2 mentioned. So government and public affairs,</p> <p>3 fiduciary responsibility.</p> <p>4 Q. So when it comes down to the Texas City</p> <p>5 refinery, are you the -- are you over the Texas</p> <p>6 City refinery or not?</p> <p>7 A. BP Products North America owns the</p> <p>8 assets, but I have no delegated authority with</p> <p>9 respect to the operation of that refinery. So, no</p> <p>10 I am not over it.</p> <p>11 Q. Wait a minute. You are the president of</p> <p>12 the company. The company owns the Texas City</p> <p>13 refinery, correct? So far, correct?</p> <p>14 A. Correct.</p> <p>15 Q. But as president you don't have authority</p> <p>16 over that -- that plant?</p> <p>17 A. That's correct.</p> <p>18 Q. Who does?</p> <p>19 A. Well, the line. We operate a matrix</p> <p>20 organization, and so the authority would be</p> <p>21 delegated to the head of the plant by his boss.</p> <p>22 Q. That would have been Don Parus on</p> <p>23 March 23, '05, correct?</p> <p>24 A. That's correct.</p> <p>25 Q. And who would it have been -- let's go up</p>

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1 the line. Since you're -- I take it that you are
 2 saying you are not in the chain of command for the
 3 Texas City refinery?
 4 A. That's correct.
 5 Q. So who would be? What would be the chain
 6 of command?
 7 A. I believe Don Parus at the time would
 8 have had his performance contract with Mike
 9 Hoffman. So I believe that would have been the
 10 line.
 11 Q. And Mike Hoffman would report to?
 12 A. John Manzoni.
 13 Q. And John Manzoni would report to?
 14 A. John Browne.
 15 Q. Lord John Browne?
 16 A. I don't call him Lord John Browne. I
 17 just call him John Browne.
 18 Q. I don't mean to quibble with you but that
 19 is his given title, is it not?
 20 A. I wouldn't recognize it here in the U.S.,
 21 no. I have never introduced him that way in the
 22 U.S.
 23 Q. I am sorry, but and I am not trying to
 24 quibble with you about how you introduce him. I am
 25 trying to understand is that his given English

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1 title, Lord Browne?
 2 A. English, yes.
 3 Q. Lord Browne?
 4 A. Yes --
 5 Q. Okay.
 6 A. -- in England.
 7 Q. Is there anything wrong with being a
 8 Lord? I mean, is there some reason you would not
 9 use his name that he uses everywhere --
 10 A. John never uses it here in the U.S. He
 11 prefers to just be called John.
 12 Q. So if we are looking at Texas City
 13 refinery -- the chain of command, clearly, it is a
 14 direct line from Don Parus -- or back on
 15 March 23, '05, it was to Don -- it was Don Parus
 16 reporting to Mike Hoffman to John Manzoni and to
 17 John Browne of London?
 18 A. I believe that's right, yes.
 19 Q. Okay. Now, you have, I hope, read and
 20 studied the final report of the March 23rd, 2005
 21 fire and explosion, correct?
 22 A. I have -- I have read the report, yes.
 23 Q. Okay. Now, as president of the company,
 24 are you given the authority to bind the company in
 25 legal matters?

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1 A. I am not sure I know what you mean by
 2 that. What do you mean?
 3 Q. Well, if I wanted to make a deal with
 4 your company, would I -- was there anybody above
 5 you that would have higher authority than you
 6 wanting to make a binding legal commitment or deal?
 7 A. Yes, if it was with one of the operating
 8 units, you would do it with the operating unit, not
 9 with me.
 10 Q. Okay. Do you have legal authority over
 11 the operating unit which your company owns, Texas
 12 City refinery?
 13 MR. DENNY: Objection, form.
 14 A. Tell me again, sir. I want to make sure
 15 I answer it right.
 16 What do you mean by legal
 17 authority?
 18 Q. (BY MR. WILLIAMS) Well, I mean, you kind
 19 of -- I am somewhat confused because you hold the
 20 title as president yet you are saying, if I
 21 understood you correctly, you don't have the right
 22 to make agreements on behalf of the -- of the Texas
 23 City refinery?
 24 A. That's correct. I am not delegated that
 25 authority. We run a matrix organization and in a

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1 classic matrix organization, the line makes all the
 2 operating decisions; and in my case, the functional
 3 role is responsible for the fiduciary activity.
 4 So government and public affairs,
 5 making sure that our taxes are filed properly,
 6 making sure that our financial arrangements with
 7 banks are done properly, things like that. That's
 8 my role.
 9 Q. Do you have any experience in running a
 10 refinery?
 11 A. I have never run a refinery.
 12 Q. Did you in any way oversee the refinery
 13 at Texas City?
 14 A. No.
 15 Q. What was your relationship with it if --
 16 if you are the president of the company that owns
 17 it, but what did you do for them?
 18 A. People on my staff would have made sure
 19 that the financial information is reported to the
 20 corporation properly, that the asset register is
 21 proper and we would have provided services in
 22 government and public affairs. So there would have
 23 been staff available to help in that area.
 24 Q. On March 23, 2005, who was responsible
 25 for that fire and explosion, the 15 deaths and the

<p style="text-align: right;">Page 18</p> <p>1 numerous of injuries resulting? 2 A. Well, the operation of the plant is with 3 the plant manager. He is accountable for what 4 happens at the refinery. 5 Q. Okay. That would be Don Parus that you 6 would hold accountable for that fire and explosion? 7 A. I would hold Don Parus accountable for 8 the operation of the plant, yes, and everything 9 that happens at it. 10 Q. No question, he is a BP employee and he 11 was in the course and scope of his employment on 12 that day, correct? 13 A. Yes. 14 Q. Now, let me go at it another way. 15 Is British Petroleum solely and 16 completely accountable for the fire and explosion 17 that occurred on March 23, '05, resulting in the 18 deaths and the numerous injuries? 19 MR. DENNY: Objection, form. 20 A. The operation of the refinery, the 21 authority for that, is delegated to the plant 22 manager and he is accountable and he works for BP 23 Products North America. 24 Q. (BY MR. WILLIAMS) Let me go at it 25 another way, Mr. Pillari.</p>	<p style="text-align: right;">Page 20</p> <p>1 A. It's very -- 2 MR. DENNY: Objection, form. 3 A. It's very clear that the operating 4 responsibility for that plant was with the plant 5 manager, who was an employee of BP Products North 6 America. 7 Q. (BY MR. WILLIAMS) And I am not trying to 8 mince words with you, sir, I want to get this for 9 the jury because, quite frankly, I am -- I do want 10 to pin you down. 11 The fire and explosion was 12 100 percent the result of management and employees 13 of BP Products North America, true? 14 A. The -- 15 MR. DENNY: Objection, form. 16 A. The operation of the plant on that day 17 was the responsibility of the plant manager, who 18 works for BP Products North America. 19 Q. (BY MR. WILLIAMS) Okay. Now, in 20 hindsight, having investigated this, is there 21 anybody else outside the BP North America products 22 company that had anything to do with causing the 23 fire and explosion of March 23? 24 A. I don't think I could answer that 25 accurately, to be honest. I know who was</p>
<p style="text-align: right;">Page 19</p> <p>1 Is there anyone that is 2 responsible for that fire and explosion on March 23 3 other than British Petroleum and its employees? 4 MR. DENNY: Objection, form. 5 A. To be clear British Petroleum is not 6 actually the name of any entity. 7 Q. (BY MR. WILLIAMS) My apologies. I'll 8 clarify it. You know where I am going. 9 A. So the accountable manager is Don Parus, 10 who is an employee of BP Products North America. 11 Q. Now, let me focus my question. 12 Is there anybody outside the 13 management and employees of BP Products North 14 America that is responsible for the March 23 fire 15 and explosion at the Texas City refinery? 16 A. I am not sure I know how to answer that 17 question. 18 What do you mean by responsible? 19 Q. Well, are you claiming, as president of 20 that company, that there is a contractor, somebody 21 that did not work for BP, somebody that -- else 22 that made a mistake? Or is it 100 percent, that 23 fire and explosion, the result of the acts and 24 conduct of British Petroleum -- BP, excuse me, let 25 me substitute BP North America products?</p>	<p style="text-align: right;">Page 21</p> <p>1 accountable for the operation. I don't know what 2 happened, the details of who did what on that day 3 to be able to answer that I think with clarity. 4 Q. Do you have any suspicious, any evidence 5 of -- have you heard any rumor or you received any 6 knowledge in any way of any person, corporation, 7 partnership, any entity that had any role in 8 causing that explosion other than employees of BP 9 North America products, Inc.? 10 MR. DENNY: Objection, form. 11 A. There were lots of people on the site 12 that day from many different companies. I just 13 don't know everybody's role on that day and what 14 everybody did that day. 15 Q. (BY MR. WILLIAMS) That's not -- 16 MR. DENNY: Objection, 17 nonresponsive. 18 Q. (BY MR. WILLIAMS) My question -- I don't 19 expect you to know everybody's role. 20 My question is: Do you have any 21 information that puts any blame or responsibility 22 for that fire and explosion on anyone other than 23 the management and employees of BP Products North 24 America? 25 MR. DENNY: Objection, form.</p>

6 (Pages 18 to 21)

<p style="text-align: right;">Page 22</p> <p>1 A. I don't have any information other than 2 what's in the final report. 3 Q. (BY MR. WILLIAMS) Well, in the final 4 report, is there any information that you are aware 5 of, sir, that puts any blame or responsibility on 6 anybody other than the employees of management at 7 the company that you are the president of? 8 A. I couldn't say that with certainty. 9 Q. Well, tell me, then, what makes it 10 uncertain, what is it that -- why you quibble with 11 my statement? 12 A. You are asking me to comment on a pretty 13 lengthy report on -- and to comment on every line 14 that may be in there. I just can't remember all 15 that -- that clearly. So, again, I would come back 16 and say it is very clear to me who was accountable 17 for the operations on that day. You are asking me 18 to comment on whether there were other people 19 involved in the operation that day; and, actually, 20 I don't think I can do that. 21 MR. WILLIAMS: Objection -- 22 A. I just don't know. 23 MR. WILLIAMS: Objection, 24 nonresponsive. 25 Q. (BY MR. WILLIAMS) My question precisely</p>	<p style="text-align: right;">Page 24</p> <p>1 That's a pretty wide range. I can say in the final 2 report I read that procedures were not followed. 3 So anybody who was not -- who was involved in the 4 startup of that plant I would think was involved in 5 it. 6 Q. Okay. My question is: Was there anybody 7 involved who was not a part of management or an 8 employee of your company? 9 A. I believe there were many contractors 10 working that day. I don't know if any of them were 11 involved in the startup or not or how many of them 12 were. 13 Q. I don't mean to quibble with you, but you 14 are the top guy. So I am asking you to tell this 15 jury -- 16 A. Uh-huh. 17 Q. -- straight -- straight talk, are you 18 claiming that anybody other than BP North America 19 products, their management, employees, anybody else 20 had anything to do with causing the fire and 21 explosion? 22 MR. DENNY: Objection, form. 23 A. I would say first I am not the top guy 24 when it comes to operating that refinery. So I 25 will clarify that.</p>
<p style="text-align: right;">Page 23</p> <p>1 is not who was running the plant that day. Okay? 2 I am trying to focus you. 3 My question is: Who was 4 responsible for the fire and explosion? 5 A. Well, I have told you the responsibility 6 on the day for the operation of that plant is the 7 plant manager. 8 Q. You keep saying the operation of the 9 plant. And sir, if you can focus with me I am not 10 asking you about the operation of the plant at this 11 moment. Okay? 12 A. Uh-huh. 13 Q. What I am really trying to ask you about 14 is responsibility for the fire and explosion. Who 15 caused it? And that's what I think I am here to 16 ask you about. 17 And the question is: Was there 18 anybody other than the management and employees of 19 BP Products North America that caused the fire and 20 explosion -- 21 MR. DENNY: Objection, form. 22 Q. (BY MR. WILLIAMS) -- contributed to it 23 in any way that you are aware of? 24 A. You said caused and contributed and I 25 don't think I can answer caused and contributed.</p>	<p style="text-align: right;">Page 25</p> <p>1 The second one is I am not 2 claiming anything about who caused it. I am trying 3 to respond to the question as who was accountable 4 for the operation on that day. 5 Q. (BY MR. WILLIAMS) And the answer is? 6 A. It was the refinery manager. 7 Q. Now, switch from who was accountable for 8 operations that day. 9 A. Uh-huh. 10 Q. Can you? 11 A. (Nods head.) 12 Q. And let's switch more precisely to the 13 question of who caused the fire and explosion, and 14 all I am asking is, straight talk, was there 15 anybody that caused the fire and explosion that you 16 are aware of who did not -- was not part of 17 management or an employee -- 18 A. I don't know. 19 Q. -- of your company? 20 Why do you not know? Why have you 21 not looked to see if somebody else outside your 22 company contributed? 23 A. Because I am not accountable for the 24 operation of that refinery or the details nor am I 25 technically competent to understand everybody who</p>

7 (Pages 22 to 25)

<p style="text-align: right;">Page 26</p> <p>1 was involved in the startup that day. 2 Q. So if I understand it correct -- 3 correctly, you were not accountable for that plant? 4 A. I am not accountable for the operation of 5 that plant. That's correct. 6 Q. And you were not technically competent 7 with regard to the details of the operation of that 8 plant? 9 A. No, I am not an engineer; and I have had 10 no technical training. 11 Q. I take it you have had training in public 12 relations? 13 A. Actually, no. 14 Q. Do you have a public relations staff? 15 A. I do. 16 Q. Do you -- is public relations one of your 17 assignments, delegated responsibilities? 18 A. Yes, it is. Currently the government and 19 public affairs staff in the United States reports 20 to me. 21 Q. So you were the top public relations 22 person for BP North America products? 23 A. Yes, you can say that. 24 Q. And you have been involved in public 25 relations for how many years?</p>	<p style="text-align: right;">Page 28</p> <p>1 the details; but there is nothing in the general 2 report that I have a basis from which I would 3 object. 4 Q. Well, then from your standpoint as 5 president of BP North America products that is a 6 true and accurate report, the contents, as far as 7 you know? 8 A. It is a true and accurate reflection from 9 what the study team believes happened, yes. 10 Q. And would you put your stamp of approval 11 on it or do you disagree with it? 12 A. I accept it. 13 Q. Okay. Accept it meaning you approve it? 14 A. No, I accept it as their report. It is 15 their report -- a report. It was approved by the 16 author, John Mogford. I am not in a position to 17 either approve it or not approve it. I accept it. 18 It is their findings. 19 Q. You accept it as the best information as 20 to what caused that accident? 21 A. I accept it is the best information this 22 team could find, yes. 23 Q. Okay. Do you know -- do you in any way 24 dispute it? 25 A. I have no basis upon which to dispute it.</p>
<p style="text-align: right;">Page 27</p> <p>1 A. A little over four. 2 Q. I want to talk to you about the Fatal 3 Accident Investigation Report, the one that came 4 out December 9th, 2005. 5 I take it you are familiar with 6 that report? 7 A. Yes. 8 MR. WILLIAMS: Stephanie, do 9 you -- 10 Q. (BY MR. WILLIAMS) Do you need -- would 11 you like a copy in front of you? 12 A. I would. Thank you. 13 Q. If you have a -- 14 A. If you want to read something from it, 15 sure. 16 Q. First of all, do you have any objections 17 to that report, the Fatal Accident Report? 18 A. No. 19 Q. Do you have any personal knowledge, in 20 any way, were you disagreeing with any part of that 21 report? 22 A. Well, there are many parts of it I don't 23 understand from a technical point of view. So 24 there are technical parts that I can't agree or 25 disagree with because I just don't quite understand</p>	<p style="text-align: right;">Page 29</p> <p>1 Q. Okay. Now, did that report find anybody 2 responsible for the fire and explosion other than 3 your company? 4 A. Well, again, I believe that it found the 5 people involved in the startup -- there were many 6 errors in the startup. Whether everybody involved 7 in the startup was an employee of my company, I, 8 actually, don't know whether there were any 9 contractors involved -- there were hundreds of 10 people on that day. Whether there were any 11 involved, I don't know. 12 Q. So that's a possibility in your mind that 13 contractors were involved in the startup of your 14 plant? 15 A. I just don't know. 16 Q. Is that a possibility? 17 MR. DENNY: Object -- 18 A. It's a possibility that anybody on the 19 site could have been involved. 20 Q. (BY MR. WILLIAMS) And your testimony 21 today is it is possible that contractors were 22 involved in the startup of the raffinate unit, the 23 ISOM unit on March 23, '05? 24 A. My testimony is that I don't know whether 25 or not all participants in the startup were</p>

8 (Pages 26 to 29)

<p style="text-align: right;">Page 30</p> <p>1 employees or contractors. 2 Q. So, now, back to my specific question: 3 Did the report, the final report that you have 4 accepted in any way find fault on the behalf of any 5 contractor, anybody outside of your company? 6 A. I don't recall. 7 Q. How much time did you spend with it, 8 Mr. Pillari? 9 A. I have read it a couple of times. 10 Q. That didn't answer my question. 11 MR. WILLIAMS: Objection, 12 nonresponsive. 13 Q. (BY MR. WILLIAMS) What was my question? 14 A. The question was how much time. 15 Q. Yes, sir. 16 And so, now, would you answer that 17 question? 18 A. I don't know. I mean, I'm not sure how 19 long it takes to read the report. So I have read 20 it a couple of times. I've read it twice for sure. 21 I don't know how long it takes to read the report. 22 I didn't time it. 23 Q. Give me your best estimate. 24 MR. DENNY: Objection, form. 25 A. Four or five hours maybe.</p>	<p style="text-align: right;">Page 32</p> <p>1 eight to ten minutes. 2 A. No, I am pretty sure it took longer than 3 that. 4 Q. Okay. Could it have taken 18 to 20 5 minutes? 6 A. Probably longer than that. 7 Q. How about more than an hour? 8 A. Probably. 9 Q. More than two hours? 10 A. I don't know. 11 Q. So it could have been just about an 12 hour -- taken you an hour to read it once and an 13 hour to read it another time -- you may have only 14 spent two hours on this report? 15 A. No, I already told you I don't know how 16 many hours I took on this report. I know I read it 17 twice -- 18 Q. It -- 19 A. -- and I tried hard to understand. 20 Q. And you can't give us any estimate except 21 that it was at least an hour to read it? 22 A. I don't recall. I didn't time it. It 23 wasn't important how long it took me to read it. 24 Q. So why are you arguing that you don't 25 have an estimate on it?</p>
<p style="text-align: right;">Page 31</p> <p>1 Q. (BY MR. WILLIAMS) So if you have done it 2 twice, would that be a total of -- you spent eight 3 to ten hours on this report? 4 A. Possibly. It's a guess. 5 Q. I am asking you your best estimate, sir. 6 It's your memory -- 7 A. Well, my memory is I don't recall how 8 long it took me to read it. 9 Q. Could we agree that based on the size of 10 your -- of the report, the technical aspects of it, 11 that your best estimate would be that it would -- 12 to read it twice would take approximately eight to 13 ten hours? 14 A. No, but I would be willing to agree I 15 have read it twice. 16 Q. Okay. So if you don't agree it took 17 eight to ten hours, it could have taken eight to 18 ten minutes? 19 A. I don't know how long it took. 20 Q. So eight to ten minutes is possible, 21 true? 22 A. Is that a question? 23 Q. Yeah. 24 A. What's the question? 25 Q. Eight to ten minutes? It could taken you</p>	<p style="text-align: right;">Page 33</p> <p>1 MR. DENNY: Objection, form. 2 A. I am not arguing, sir. You are trying to 3 ask me to guess on something that I have already 4 told you I don't recall because I didn't time it. 5 Q. (BY MR. WILLIAMS) I am trying just to 6 give you -- have you be honest with the jury and 7 give us an estimate. 8 MR. DENNY: Objection, form. 9 A. My honest estimate to the jury is I read 10 it twice carefully. 11 Q. (BY MR. WILLIAMS) With no idea that 12 it -- how long that took? 13 A. No, I wasn't worried about how long it 14 would take. It was important to read it, not how 15 much time. 16 Q. Why did you read it twice? 17 A. Because with my responsibility for 18 government and public affairs I knew there would be 19 media questions about it. I knew we would be in a 20 position where people and my staff would have to 21 try to explain what was in it and I wanted to try 22 and understand what was in it for that reason. 23 Q. Have you visited with the authors? 24 A. Yes. 25 Q. Who and how long?</p>

<p style="text-align: right;">Page 34</p> <p>1 A. I met with John Mogford to have him try 2 to explain some of the technical stuff to me. 3 Q. How many times? 4 A. At least twice and possibly a third time 5 but at least twice. 6 Q. For how long? 7 A. Oh, I have no idea. 8 Q. Could it have been five minutes each 9 time? 10 A. Probably longer than that, but I really 11 don't know how long it was. 12 Q. Where? 13 A. It would have been in Naperville, 14 Illinois. 15 Q. Did he come all the way to Illinois, 16 specifically, to explain it to you? 17 A. No, I believe John was already in the 18 States. 19 Q. So what did you learn from it? 20 A. What did I learn from the final report? 21 Q. No, sir. 22 What did you learn from him, 23 meaning Mr. Mogford in those two or three meetings? 24 A. I learned that I still don't quite 25 understand exactly how the circulation of flows</p>	<p style="text-align: right;">Page 36</p> <p>1 Q. (BY MR. WILLIAMS) Not you, but BP 2 Products North America? 3 A. I don't think that's what -- I don't 4 think that's what was said. 5 Q. That wasn't -- okay. So let me -- I 6 know -- I know you PR guys can pick your words, but 7 my question is: Are you or are you not accepting 8 legal responsibility for the fire and explosion of 9 March 23 at your company? 10 MR. DENNY: Objection, form. 11 A. I think the -- the company would clearly 12 accept legal responsibility for the operations of 13 the refinery. 14 Q. (BY MR. WILLIAMS) Now, you are splitting 15 hairs with me, sir. You know what I mean when I 16 say splitting hairs? 17 A. You can go ahead and explain it if you 18 want. 19 Q. Do you know what it means? 20 A. I would rather you explained it. 21 Q. Do you know what splitting hairs means 22 "yes" or "no"? 23 A. No. 24 Q. Okay. You have never heard that term 25 before?</p>
<p style="text-align: right;">Page 35</p> <p>1 through the towers works. 2 Q. At any of these meetings, did Mr. Mogford 3 in any way ever provide you with any suspicion or 4 evidence that anybody was involved with causing 5 this fire and explosion other than the management 6 and employees of your company? 7 A. We never talked about that. 8 Q. Do you accept responsibility for the fire 9 and explosion of March 23 on behalf of your 10 company? 11 A. I believe the company has accepted 12 responsibility for this, yes. 13 Q. What does that mean? 14 A. Well, I think in the context, 15 particularly on the day, it was in the context of 16 we -- we accepted that it happened on our site, 17 that our management was responsible for running the 18 operation of the plant on that day and for 19 everything that happens inside that plant and that 20 people would know that they would be dealing with 21 us on this, not with other folks. No third 22 parties. 23 Q. Does that mean that you accept legal 24 responsibility for that fire and explosion? 25 MR. DENNY: Objection, form.</p>	<p style="text-align: right;">Page 37</p> <p>1 A. I have never heard you use it. I would 2 like to hear your view of it before I comment on 3 it. 4 Q. Well, have you heard the term -- have you 5 ever used the term "splitting hairs"? 6 A. No, sir, I don't use that term. 7 Q. Have you ever heard others use it? 8 A. Yes. 9 Q. And what does it mean to you -- 10 A. It means -- 11 Q. -- when others use it? 12 A. It means trying to get clarity. 13 Q. Okay. So I am trying to get clarity? 14 A. Uh-huh. 15 Q. I am not asking about operations of the 16 plant that day. I am trying to be specific about 17 legal responsibility for the fire and explosion. 18 Does your company accept legal 19 responsibility for the fire and explosion? 20 MR. DENNY: Objection, form. 21 A. I am not sure I can comment on that 22 because I am not sure I know what it means. What I 23 can comment is that we are accountable for the 24 operation of that refinery and everything that 25 happens there.</p>

10 (Pages 34 to 37)

<p style="text-align: right;">Page 38</p> <p>1 MR. WILLIAMS: Objection, 2 nonresponsive. 3 Q. (BY MR. WILLIAMS) Well, who is legally 4 responsible for it? 5 MR. DENNY: Objection, form. 6 Q. (BY MR. WILLIAMS) If it's not you're -- 7 A. The reason I am struggling with the 8 question is I am not sure how you define legally 9 responsible. 10 Q. That means you step forward and say, 11 "It's our fault. We did it, and if there is 12 something, a legal consequence, we're responsible." 13 MR. DENNY: Objection, form. 14 Q. (BY MR. WILLIAMS) So is your company 15 legally responsible or not? 16 A. With that definition, no, I am not sure I 17 am willing to say that yes, we are. 18 Q. Then who is legally responsible? 19 A. I don't know. It hasn't been determined. 20 Q. So that's why we are going to court, 21 right, to determine who is legally responsible? 22 MR. DENNY: Objection, form. 23 A. Well, we will have to determine who is 24 legally responsible some way, some how, yes. 25 Q. (BY MR. WILLIAMS) Do you know -- I mean,</p>	<p style="text-align: right;">Page 40</p> <p>1 Is it 100 percent totally within 2 the realm of the management and employees of your 3 company? 4 A. Well, as I have said before, everything 5 that happens at that plant is the responsibility of 6 the plant manager, who is an employee of the 7 company. 8 Q. So are you putting the responsibility for 9 this fire and explosion on Don Parus? 10 A. No, I am not putting it on anyone. I 11 just said where the accountability was. 12 Q. So are you putting the accountability for 13 this fire and explosion on Don Parus? 14 A. I am putting the accountability of the 15 operation of the plant and everything that happens 16 with it to the management of that plant, which 17 includes Don Parus, yes. 18 Q. Who else are you putting it on? 19 A. I am not sure who else at that plant is 20 accountable. 21 Q. No question, though, that you, as 22 president of the company, hold Don Parus 23 accountable for the operation of the plant that 24 day? 25 A. It's very clear to me that he has the</p>
<p style="text-align: right;">Page 39</p> <p>1 you are president of this -- of the second largest 2 energy company in the world's North American 3 assets. I mean, you know what that means. That 4 means going to court in Galveston County, Texas, 5 right? 6 A. Well, it may happen. 7 Q. Okay. So tell me why you are denying 8 legal responsibility? 9 A. I am not denying it. I said I don't 10 quite understand all the details of it, and I am 11 not comfortable admitting to something where I 12 don't know all the ramifications and I don't have 13 clarity around the definition. I am much clearer 14 on we are accountable for the operation of that 15 refinery, and then from there, it will be 16 determined what goes from there. 17 Q. Okay. Operation -- you will accept legal 18 responsibility for the operation of the plant? 19 A. Yes. 20 Q. And did the operation of the plant result 21 in the fire and explosion? 22 A. Well, there was a fire and explosion at 23 the plant, yes. 24 Q. I am just trying to figure out who was 25 responsible for the fire and explosion.</p>	<p style="text-align: right;">Page 41</p> <p>1 delegated authority to operate that plant. That 2 delegation doesn't come from me, but it is very 3 clear to me that he has that. 4 Q. So if we were to list the people 5 accountable for the fire and explosion, the list 6 starts, in your mind, with Don Parus? 7 A. You would have to list -- I would list 8 everybody at the plant that day -- 9 Q. Okay. 10 A. -- which would include Don. 11 Q. How about the janitor on the other side 12 of the plant? Would you list him? 13 A. I would list everyone at the plant that 14 day. 15 Q. So tell me how the janitor on the other 16 side of the plant had anything to do with the fire 17 and explosion? 18 A. I don't know. 19 Q. Well, I don't either. That's why I am 20 asking you. 21 Do you have an answer? 22 A. I have no way of knowing because I am not 23 familiar with the operations of that plant. So I 24 can't tell you who was involved in key operating 25 areas in that plant that day. I can't tell you if</p>

11 (Pages 38 to 41)

<p style="text-align: right;">Page 42</p> <p>1 it's five people or 200 people. 2 Q. And having read the final report, that 3 hadn't cleared you up any? 4 A. Well, it says that there are quite a few 5 people probably involved in the startup. 6 Q. You know, you keep saying like a lot of 7 people involved in the startup. I would like to 8 focus on the people involved in causing the fire 9 and explosion, and who would be on that list? 10 A. Well, I believe the report says -- I 11 would go back to the report. I believe the report 12 says it's the people who started up the units, the 13 people involved in supervising and starting up the 14 units. 15 Q. So if we have a list of -- 16 (Exhibit Number 504 marked for 17 identification.) 18 Q. (BY MR. WILLIAMS) We are going to make 19 this Exhibit 504, sir. And pardon my handwriting, 20 it's -- it is what it is. But it says, "List of 21 people who caused the fire and explosion." And 22 Number 1, if I understood you correctly, I am going 23 to put in here the people who -- who did the 24 startup? 25 A. What I said was the people who started up</p>	<p style="text-align: right;">Page 44</p> <p>1 Q. What about management? 2 A. I have no basis for knowing that. 3 Q. Did you actually read this report? 4 A. Yes. 5 Q. You have no basis for knowing whether 6 management played a role? 7 A. You didn't ask me that. You asked me who 8 caused the fire and explosion. 9 Q. Did management play a role in the fire 10 and explosion? 11 A. Certainly. 12 (Exhibit Number 505 marked for 13 identification.) 14 Q. (BY MR. WILLIAMS) Okay. Let's go from 15 Exhibit 504, the list of people who caused the fire 16 and explosion, if I understand your words, to the 17 list of people who played a role in the fire and 18 explosion. 19 (Discussion off the record.) 20 Q. (BY MR. WILLIAMS) Exhibit 505 -- a list 21 of people who played a role in the fire and 22 explosion, and you told me management, right? 23 A. Yes. 24 Q. Who else? 25 A. What do you mean by "who else?" I mean,</p>
<p style="text-align: right;">Page 43</p> <p>1 and supervised the -- that's my interpretation of 2 the report. 3 Q. Okay. Is that list complete? 4 A. Well, as far as causing the explosion, 5 probably. Again, I am not competent in the 6 operation of the refinery. So it's hard for me to 7 tell you who is involved, but it is the people who 8 started up the unit and supervised the startup. 9 Q. You are the president. You are the guy 10 who read the report twice. You met with 11 Mr. Mogford, the head of the investigation team, 12 two or three times and your interpretation -- I am 13 just trying to get it straight. Your 14 interpretation of all of that is the list of people 15 that caused the fire and explosion that that list 16 is now complete. 17 It's only the people who started 18 up and supervised? 19 A. That would be my view. 20 Q. Where is Don Parus' name? Does he go on 21 the list or not? 22 A. I don't know. 23 Q. Well, I am asking you. 24 A. I have no basis for knowing whether or 25 not Don Parus caused a fire and explosion.</p>	<p style="text-align: right;">Page 45</p> <p>1 by management I am talking about the supervisors 2 on -- on the day, the supervisors that were listed 3 in the report as not being where they are supposed 4 to be. That's the management of the startup. 5 Q. So -- okay. By management you want to 6 change the word management now to supervisors? 7 A. No, management is supervisors. 8 Q. Okay. How far up does the word 9 management go on this list? 10 A. Well, I believe the report -- the report, 11 to me, says that the supervisors, you know, who had 12 control of the startup -- 13 Q. Any above -- 14 A. -- were not there. 15 Q. -- those supervisors -- 16 A. I don't believe the report lists anybody 17 above those supervisors. I don't recall it. 18 Q. -- as having a role in the fire and 19 explosion? 20 A. I don't recall them listing that. 21 Q. Okay. So if I -- am I correct if I 22 change management to only up to supervisors over 23 the startup? Is that -- 24 A. That's what I recall from the report. 25 Q. So people who played a role in the fire</p>

<p style="text-align: right;">Page 46</p> <p>1 and explosion, management only up to supervisors 2 over the start up? That's your interpretation? 3 A. That's what I believe the report says. 4 Q. Okay. Anybody else play a role in the 5 fire and explosion? 6 A. I don't recall the report saying anything 7 about anybody else. I just don't recall it if they 8 do. 9 Q. So, Don Parus, he is above this area that 10 you have defined. 11 What was his role? Was he -- 12 A. I don't know his role based on the final 13 report. 14 Q. Well -- 15 A. I don't recall him talking about it. 16 Q. What does Don Parus do now? 17 A. He is on temporary assignment to the 18 legal team within BP. 19 Q. Oh, really? You know you are under oath? 20 A. Yes. 21 Q. Temporary assignment. You have written 22 him letters, haven't you? 23 A. Yes. 24 Q. When is his last day on the job for BP? 25 A. His last day hasn't been defined yet.</p>	<p style="text-align: right;">Page 48</p> <p>1 on what? 2 A. I don't know. I am saying -- 3 Q. Isn't it true -- 4 A. -- he is available to be called in. 5 Q. Wait a minute. Available -- isn't it 6 true, sir, that's just sitting at home? 7 A. I don't -- 8 Q. That he hadn't participated in one iota 9 in the investigation since he was relieved in May 10 of last year and he has not participated in -- with 11 the legal team except when we requested his 12 deposition -- 13 A. I don't know that. 14 Q. -- true? 15 A. I have no way of knowing that. I haven't 16 spoken to Don since last May because that's not my 17 role. My role is to make sure that 18 administratively he is managed. 19 Q. Well, you are just paying him to stay at 20 home, aren't you? 21 A. I don't know what he is doing. 22 Q. Who told you -- why did you extend him 23 from June 30th of this year indefinitely? 24 A. Because I was asked to. 25 Q. By?</p>
<p style="text-align: right;">Page 47</p> <p>1 Q. I thought you had sent him a letter that 2 said June 30th? 3 A. I have sent him another letter which says 4 it's extended. 5 Q. When did you send that? 6 A. Yesterday. 7 Q. Oh, extended it -- extended it from 8 June 30th of this year to when? 9 A. I believe it's left open in this letter, 10 depending on how much we need him for his 11 administrative leave to continue on. 12 Q. So just explain to me and this jury 13 exactly what he is doing on a day-to-day basis in 14 helping with this investigation and the legal team? 15 A. Well, I don't really know. 16 Q. Okay. 17 A. My role is administratively, to make sure 18 that Don is handled, if he has questions about his 19 employment, medical care, compensation or anything 20 like that; but he's called in to assist by the team 21 working on all of the issues in the litigation. I 22 am not actually involved in that. 23 Q. Wait a minute. You said, if I understand 24 your sworn testimony, he is called in to assist. 25 Who has called him in and when and</p>	<p style="text-align: right;">Page 49</p> <p>1 A. One of our attorneys. 2 Q. Who? 3 A. Jeff Heller. 4 Q. Who is that? 5 A. He is an attorney with BP. 6 MR. DENNY: I am not going to let 7 him get into anything some lawyer told him, John 8 Eddie. So just -- I will instruct him not to 9 answer those kinds of questions. 10 Q. (BY MR. WILLIAMS) So you have -- you've 11 had Don Parus on the payroll since May of '05 and 12 you have now extended his position indefinitely and 13 you have no idea what he does? 14 A. No, because that's not my job. That's 15 not my role. That's not what I have been asked to 16 do. 17 Q. Well, who is in charge of Don Parus? Who 18 does he report to? 19 A. He's administratively paid by me and 20 accountable, I believe, to the legal team to 21 call -- on call whenever they need him, and they 22 don't need to tell me when they call him or when 23 they don't call him. 24 Q. Well, we took his sworn testimony and 25 nobody has ever asked him to participate in the</p>

13 (Pages 46 to 49)

<p style="text-align: right;">Page 50</p> <p>1 investigation. Do you have -- that's what he said. 2 Do you have any evidence to the 3 contrary? 4 A. I have no reason to doubt Don. 5 Q. Well, why would you be paying the man to 6 sit at home and do nothing and not contribute in 7 any way? 8 A. I don't know. It's not my job. It's not 9 what I do. I am not participating in the 10 investigation. So I don't know. 11 Q. Do you hold Don Parus accountable for the 12 fire and explosion? 13 A. No, I don't personally hold Don Parus 14 accountable for it, but I don't have a basis for 15 knowing whether he is or isn't. I only know what 16 the final report says. 17 Q. So why was he relieved of his 18 responsibility at Texas City refinery? 19 A. I was told it was because he may be 20 needed to assist on the investigation. 21 Q. Now, who told you that? 22 A. Our legal team. 23 Q. Who? 24 MR. DENNY: John Eddie, I am not 25 going to let him get into what some lawyer talked</p>	<p style="text-align: right;">Page 52</p> <p>1 Q. You honestly don't know whether or not 2 the Texas City refinery in 2004 made lots of money? 3 A. No. Why would I know? I don't get any 4 financial reports on that plant on its performance. 5 I don't get them for any plant or for any other 6 operating unit. I just don't see those reports. 7 It's not part of my job. 8 Q. What's your relationship with Don Parus? 9 A. I knew Don when he worked in London. 10 Q. And what was your assessment? 11 A. Nice guy, easy to get along with. I 12 never -- he never worked for me and I never worked 13 directly with him. I just knew him because we both 14 lived in the same area. 15 Q. Okay. Now, I am trying to, for the jury, 16 get from the president of the company the reasons 17 that Don Parus was relieved of his responsibility 18 of running that plant. 19 What are the reasons? Let's list 20 them. 21 A. I don't know. I wasn't involved in that 22 decision. It's not in my area of responsibility. 23 He is in the line. I'm not. 24 Q. And you have no idea who made that 25 decision?</p>
<p style="text-align: right;">Page 51</p> <p>1 to him about. 2 MR. WILLIAMS: True. 3 Q. (BY MR. WILLIAMS) I am asking who. 4 Who is the person on the legal 5 team? 6 A. I am trying to think back to which 7 attorney it was. I am not sure. It may have been 8 Heller or it may have been a different one. I was 9 not part of that decision. 10 Q. Well, who made the decision? 11 A. I don't know. 12 Q. So how was he doing running the plant 13 before the fire and explosion? 14 A. I don't know. It wasn't in my area of 15 responsibility. 16 Q. You just -- are you responsible 17 financially for that plant? 18 A. I am responsible for reporting the 19 results and making sure things, like taxes and 20 stuff, get paid; but I have no responsibility for 21 the performance or the financial results good or 22 bad. That's in the line. 23 Q. That plant, had it been making lots of 24 money? 25 A. I don't know.</p>	<p style="text-align: right;">Page 53</p> <p>1 A. No, I didn't participate in it. 2 Q. How many other people do you have -- does 3 your company have that you are paying that simply 4 sit at home? 5 MR. DENNY: Objection, form. 6 A. I don't know. 7 Q. (BY MR. WILLIAMS) Before this fire and 8 explosion, had you, in any way, made any attempt to 9 investigate the safety records of the various 10 refineries and chemical plants that your company 11 owns? 12 A. No. It's not in my area of 13 responsibility. I have nothing to do with the line 14 operation. 15 Q. Nothing to do with safety? 16 A. Safety of my own people in my own 17 organization, absolutely. 18 Q. Would you agree, sir, that leading up to 19 the fire and explosion that management had lost its 20 focus on process safety and was focusing on things 21 like driving while talking on the cell phone rather 22 than focusing on process safety? 23 A. No, I don't think I would agree with 24 that. I would say that there was no question, 25 particularly, given my role and the area that I</p>

14 (Pages 50 to 53)

<p style="text-align: right;">Page 54</p> <p>1 managed, that we were very focused on personal 2 safety. 3 I have no way to comment on 4 process safety because I wasn't involved with it. 5 Q. Do you know Linda Huntings? 6 A. Yes. 7 Q. Did you tell Linda Huntings, who lost her 8 husband in that trailer, that your company had lost 9 its focus and had been focusing on whether you 10 drive talking on a cell phone or not and had lost 11 its focus about process safety? 12 A. I don't -- I don't recall that 13 conversation. I do recall talking about how we 14 were very focused and had emphasized strongly the 15 personal safety angle. Yes, I do remember that. 16 I don't remember talking about 17 lack of focus on process safety because I wasn't 18 involved in process safety and would actually have 19 no way of knowing. 20 Q. Who is the top guy for process safety in 21 your company? 22 A. Well, it would be in the line. So for 23 refining, it would start with the plant manager. I 24 mean, they are accountable for their safety. 25 Q. What's the difference between process</p>	<p style="text-align: right;">Page 56</p> <p>1 technical information, which I am not qualified to 2 comment on, but my reading is that as this started 3 up, things overheated and got hot and there may 4 have been some mechanical failures associated with 5 it. That's possible. 6 Q. Not only possible. It's right there in 7 the report, isn't it? 8 A. I am not -- I am not clear enough on it. 9 Q. Well, let's help you clarify, though. 10 Let's look at the causal analysis, 11 and I have taken some pages from there, sir. 12 (Exhibit Number 506 marked for 13 identification.) 14 Q. (BY MR. WILLIAMS) I will give you a 15 copy. 16 A. Okay. 17 Q. Exhibit 506. It says the hard wire -- 18 A. Excuse me. Where are you? 19 Q. It's right here on the screen. 20 A. Just so I can read along with you -- 21 yeah, thanks. 22 Q. It's right here on the screen. 23 A. Yeah. 24 Q. Inadequate adjustments repair and 25 maintenance?</p>
<p style="text-align: right;">Page 55</p> <p>1 safety and personal safety? 2 A. I will give you a view since I am not an 3 engineer, but my view would be that on personal 4 safety you are worried about the actions of 5 individuals around, say, being distracted, talking 6 on the phone, slips, trips and falls, people who 7 are not managing how they move and behave and have 8 attention. I think process safety is -- would add 9 not only the elements of personal safety, people's 10 own awareness of what they do and things like that, 11 but the safety of mechanical equipment around it, 12 things that are moving, things that are hot, have 13 liquids. So you would -- I would think process 14 safety is about combining those two. That's the 15 way I have always thought about it. 16 Q. Were there mechanical failures that 17 caused or contributed to the fire and explosion of 18 March 23? 19 A. I believe there were mechanical failures 20 following -- failures to start up properly, yes. 21 Q. You admit that there were mechanical 22 failures that contributed to the fire and explosion 23 of March 23? 24 A. No, what I said was I believe that people 25 in starting up the process units, my reading of the</p>	<p style="text-align: right;">Page 57</p> <p>1 MR. DENNY: Is it me, or is it 2 blurry? 3 MR. WILLIAMS: It's you. 4 THE WITNESS: It's a little 5 blurry, but it's okay. 6 MR. DENNY: I didn't think I need 7 glasses that bad. There you go. 8 Q. (BY MR. WILLIAMS) The hard-wired high 9 and low level alarms for the splitter tower did not 10 work and the F-20 blowdown drum level alarm did not 11 sound until the explosion. 12 That's what was found by your 13 investigation team, true? 14 A. True. If it's in the report, it's true. 15 Q. Okay. Does that sound like a 16 maintenance -- or sound like a mechanical failure 17 to you? 18 A. It's either mechanical or electrical 19 but -- 20 Q. Okay. 21 A. -- but yes. 22 Q. So that -- that is a failure of the -- of 23 the system out there, mechanical or electrical 24 failure? 25 A. Yes, it is.</p>

15 (Pages 54 to 57)

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1 Q. Now, sir, you accept that as truth?
 2 A. I accept it as -- yes, what they found in
 3 the report, yes.
 4 Q. Did you ever mislead the public on that
 5 issue?
 6 A. I don't believe so.
 7 Q. Did you ever tell people, the press, that
 8 there was no mechanical failures out there?
 9 A. I don't recall saying that.
 10 Q. You don't?
 11 A. No.
 12 Q. Were you ever briefed -- you gave a press
 13 conference, didn't you?
 14 A. Yes.
 15 Q. How long did you prepare for that press
 16 conference with your PR team?
 17 A. A couple of days.
 18 Q. And so after a couple of days of
 19 briefing -- and, by the way, you prepared for this
 20 deposition today, haven't you?
 21 A. A little bit, yes.
 22 Q. How much?
 23 A. A couple of hours.
 24 Q. Okay. How many is a couple hours?
 25 A. Two.

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1 Q. That's it?
 2 A. Yes. I believe that's right.
 3 Q. And in preparing for that report that you
 4 made to -- or that meeting you had with the press,
 5 you had prepared for a couple of days.
 6 And your PR people, I believe, did
 7 they provide you with talking points?
 8 A. Yes, I am sure they did.
 9 Q. And then you, actually, addressed the
 10 press, right?
 11 A. I did.
 12 Q. How many consultants did you have working
 13 with you before that presentation to the press?
 14 A. How many consultants?
 15 Q. How many -- yes, sir. PR consultants?
 16 A. One, I believe.
 17 Q. And who is that?
 18 A. I don't recall his name.
 19 Q. Tim Holt come to mind?
 20 A. No, Tim is an employee of BP.
 21 Q. Okay. And is he a PR consultant?
 22 A. No.
 23 Q. What is he?
 24 A. He is a technical member of the
 25 investigation team.

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1 Q. Okay. Who did you have assisting with
 2 you in preparing you for this PR meeting you had?
 3 A. Well, we were getting ready to meet with
 4 the press to tell them that the interim report was
 5 going to be on the web and we had one consultant,
 6 outside consultant, whose name I can't recall right
 7 now. We had Patricia Wright, who works for me.
 8 She is a public affairs manager in -- in this part
 9 of the country. Tim Holt and Pat Gower to help
 10 explain the technical side of this, and then the
 11 two of them joined me. There would have been
 12 someone from the legal team. There may have been
 13 others in the room. Those are the ones that come
 14 to mind.
 15 (Exhibit Number 507 marked for
 16 identification.)
 17 Q. (BY MR. WILLIAMS) Exhibit 507, sir. If
 18 I understand it, Exhibit 507, I will show the top
 19 part, is questions and answers, Houston Press
 20 Conference, May 17, correct?
 21 A. I have never seen it before. So let me
 22 take a quick look.
 23 Q. Sure.
 24 A. Yes, I have never seen it before, but it
 25 looks like it is a transcript of the Q and As.

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1 Q. And you are one of the people. In fact,
 2 it says there "Ross Pillari."
 3 It has questions of you, right?
 4 A. Correct.
 5 Q. This was provided to us by your company.
 6 Did y'all have somebody there
 7 taking notes?
 8 A. Apparently.
 9 Q. Okay.
 10 A. Not that I knew it but...
 11 MR. DENNY: We are about to run
 12 out of tape. So let's take a quick break and we
 13 will change the tape then we will get back to this.
 14 THE VIDEOGRAPHER: Off the record,
 15 10:05 a.m., ending Tape 1.
 16 (Recess taken.)
 17 THE VIDEOGRAPHER: On the record,
 18 10:14 a.m., beginning Tape 2.
 19 Q. (BY MR. WILLIAMS) Okay. We're looking
 20 at Exhibit 507. We are going to talk about
 21 training for a minute, Mr. Pillari.
 22 And it says that you told the
 23 press on May 17th, '05, quote, Yes, the people on
 24 duty that night were very experienced people. They
 25 had all been trained and they were actually more

<p style="text-align: right;">Page 62</p> <p>1 than an adequate number of people on duty that 2 night. 3 Do you remember that answer? 4 A. Yes. 5 Q. So you had told the press that they had 6 all been trained, right? 7 A. Yes. 8 Q. Was that a complete and full disclosure, 9 sir? 10 A. I believe it was correct. It's what I 11 knew. 12 Q. Your testimony under oath is that -- did 13 you believe they had been adequately trained? 14 A. Yes, I believed that. 15 Q. You believed that all those people at the 16 time you made this statement you are telling us you 17 believed they had all been adequately trained? 18 A. Yes. 19 Q. Okay. Well, let's see if that's true. 20 Do you still believe today that 21 those people had been adequately trained? 22 A. That's what I have been told, yes. 23 Q. Well, let's look at the report and see -- 24 A. Uh-huh. 25 Q. -- if the report told you something.</p>	<p style="text-align: right;">Page 64</p> <p>1 Q. No question about that, right? 2 A. Correct. 3 Q. And that's not what you told the press, 4 is it, on May 17th? 5 A. No, because on May 17th I wouldn't have 6 known that yet. 7 Q. We'll get to that, whether you knew it or 8 not. 9 A. Uh-huh. 10 Q. Did you ever, though, go back, now having 11 known that you misled -- is there any question that 12 what you told the press was misleading on May 17th? 13 MR. DENNY: Objection, form. 14 A. No, I don't think it was misleading. 15 Q. (BY MR. WILLIAMS) Well, how could you say 16 they were trained when you come back and find that 17 there's inadequate leadership but the causal 18 analysis specifically shows there was inadequate 19 training as a cause of that fire and explosion? 20 A. Because at the time of the interim 21 report, we said things could change but that -- as 22 of that time that was our belief. 23 Q. Well, did you actually ever go back and 24 correct to the press, "Hey, I, as president of this 25 company, told you there was training, yet, in fact,</p>
<p style="text-align: right;">Page 63</p> <p>1 Let's look at 7.3 of the report. "Inadequate 2 training effort." 3 "Training on operating procedures 4 was inadequate with lack of troubleshooting and 5 intervention guidance to correct deviations. Few 6 actual gun drills and no simulator training for 7 board operators. Inadequate training for 8 supervisors, especially temporary steps up -- 9 step-ups who did not fully understand their roles 10 and responsibilities." 11 That's straight, sir, from the 12 final report and the causal analysis. Tell me 13 where in there they found the training was adequate 14 like you told the press? 15 A. Well, I told the press based on the 16 interim report. If you recall on the day, I told 17 everybody this was an interim report and things 18 would change. 19 MR. WILLIAMS: Objection, 20 nonresponsive. 21 THE WITNESS: Okay. 22 Q. (BY MR. WILLIAMS) I am asking you that 23 in the final report do you agree they found 24 inadequate training effort by your company? 25 A. I agree that's what it says, yes.</p>	<p style="text-align: right;">Page 65</p> <p>1 there was inadequate training"?) 2 A. We went back to the press and said, "Read 3 the final report and you will see changes." 4 Q. No, sir. I am talking specifically did 5 you -- 6 A. No. 7 Q. -- Ross Pillari say, you know, to the -- 8 to the Chronicle and other people, I misled you 9 about what was going on about training on May 17th? 10 MR. DENNY: Objection, form. 11 Q. (BY MR. WILLIAMS) Did you? 12 A. I have not gone back to the press. 13 Q. Why? Why didn't you clear this up? 14 A. The final report clears it up. The final 15 report is available to everyone. 16 Q. Yeah, but it was you who made the 17 statement, as the top PR person you told me 18 earlier, you made the statement that -- to the 19 press on May 17th, '05, that these people were 20 trained -- 21 MR. DENNY: Objection, form. 22 Q. (BY MR. WILLIAMS) -- right? 23 A. Yes, I made that statement. 24 Q. So why didn't you clear it up and say "I, 25 now, know I misspoke and the evidence is to the</p>

17 (Pages 62 to 65)

<p style="text-align: right;">Page 66</p> <p>1 contrary?"</p> <p>2 A. It was cleared up with the final report.</p> <p>3 There was no need to go back.</p> <p>4 Q. Did you shoot straight with the press on</p> <p>5 May 17th?</p> <p>6 A. Yes, sir.</p> <p>7 Q. Well, let's look at some other documents.</p> <p>8 Was there -- certainly, before</p> <p>9 May 17th, there were people who were investigating</p> <p>10 whether or not there had been adequate training of</p> <p>11 those operators by your company, right?</p> <p>12 A. The investigation team.</p> <p>13 Q. Okay. Now, did you know -- you know who</p> <p>14 Mr. Tim Holt is? He is the technical person</p> <p>15 helping you?</p> <p>16 A. Yes.</p> <p>17 Q. Now, he testified under oath just a</p> <p>18 couple of weeks ago that your statements or the</p> <p>19 statements about training was, in fact, misleading.</p> <p>20 Were you aware of that?</p> <p>21 A. No.</p> <p>22 Q. Tim Holt was the person that -- did you</p> <p>23 rely on him on the training issue?</p> <p>24 A. I don't recall who I relied on the</p> <p>25 training issue. Both Tim Holt and Pat Gower were</p>	<p style="text-align: right;">Page 68</p> <p>1 A. Yes, this is a note from Tim Holt to Greg</p> <p>2 Crum, not to me.</p> <p>3 Q. (BY MR. WILLIAMS) Have you ever gone</p> <p>4 back and investigated why it was, then, that you</p> <p>5 told the press that the training was adequate yet</p> <p>6 the final report undermines you and makes it appear</p> <p>7 misleading and shows that the training, in fact,</p> <p>8 was inadequate?</p> <p>9 MR. DENNY: Objection, form.</p> <p>10 A. No, it's not surprising to me. We had an</p> <p>11 interim report. We said up front it was interim</p> <p>12 and we said during the session that things would</p> <p>13 change.</p> <p>14 Q. (BY MR. WILLIAMS) Quit confusing, sir,</p> <p>15 with the interim report. I am talking about what</p> <p>16 you said, your press conference words out of your</p> <p>17 mouth?</p> <p>18 A. Right.</p> <p>19 MR. DENNY: Objection, form.</p> <p>20 Q. (BY MR. WILLIAMS) So this is not --</p> <p>21 don't throw in -- please, don't throw in the</p> <p>22 interim report because that's not involved here.</p> <p>23 This is your press conference that you held as the</p> <p>24 top PR for the company, right?</p> <p>25 A. My press conference was about the interim</p>
<p style="text-align: right;">Page 67</p> <p>1 in the room.</p> <p>2 Q. Okay. Well, let's look at an e-mail from</p> <p>3 Tim Holt -- I am sorry --</p> <p>4 A. That's all right.</p> <p>5 (Exhibit Number 508 marked for</p> <p>6 identification.)</p> <p>7 Q. (BY MR. WILLIAMS) -- Exhibit 508 and</p> <p>8 you're -- you talked -- spoke with the press on</p> <p>9 May 15th. This is four days before, and Mike</p> <p>10 Broadribb is one of the people on the investigation</p> <p>11 team, right?</p> <p>12 A. Yes.</p> <p>13 Q. And it says here, there are -- "these are</p> <p>14 the major evidence gaps existing regarding training</p> <p>15 and certification."</p> <p>16 What does gaps existing regarding</p> <p>17 training and certification mean?</p> <p>18 A. It would mean that some things were not</p> <p>19 there.</p> <p>20 Q. Okay. So how does that -- you said that</p> <p>21 there was no evidence that there were training</p> <p>22 problems before your -- but this is four days</p> <p>23 before where it's pointed out "major evidence gaps"</p> <p>24 on training, right?</p> <p>25 MR. DENNY: Objection, form.</p>	<p style="text-align: right;">Page 69</p> <p>1 report.</p> <p>2 Q. Well, you said to the press that the</p> <p>3 training was adequate, right?</p> <p>4 A. Based on what I had seen in the interim</p> <p>5 report, yes.</p> <p>6 Q. Wait a minute. You had spent a day and a</p> <p>7 half preparing for this press conference with Tim</p> <p>8 Holt and others and it appears now that Tim Holt</p> <p>9 says that the training -- that there were training</p> <p>10 -- there were gaps and he doesn't say -- just say</p> <p>11 gaps, that there were major gaps regarding</p> <p>12 training.</p> <p>13 MR. DENNY: Objection, form.</p> <p>14 Q. (BY MR. WILLIAMS) Why is that?</p> <p>15 A. That is not information directed to me.</p> <p>16 I don't know. I am not on that note.</p> <p>17 Q. Well, does it appear, sir, that perhaps</p> <p>18 people were doing -- a little fast and loose with</p> <p>19 what they were telling the press and what the</p> <p>20 actual facts were?</p> <p>21 MR. DENNY: Objection, form.</p> <p>22 A. No, I doubt that. It says -- it says in</p> <p>23 this note that there were gaps, major evidence</p> <p>24 gaps. It says they were still looking for</p> <p>25 evidence.</p>

18 (Pages 66 to 69)

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1 Q. (BY MR. WILLIAMS) Well, here --
 2 A. I only know what I was told on the day,
 3 and that's what I reported on the day.
 4 Q. Well, here's my problem. Before the --
 5 before your press conference, four days before, we
 6 know there are major evidence gaps concerning
 7 training, true?
 8 A. That there is a note from Tim Holt saying
 9 that to somebody else.
 10 Q. We know in December of '05 when the final
 11 report comes out, it documents that there are --
 12 there was inadequate training, true?
 13 A. Correct.
 14 Q. Now, what happens in the interim between
 15 the -- the major evidence gaps and the final
 16 finding of inadequate training is you tell the
 17 press there is adequate training, right?
 18 MR. DENNY: Objection, form.
 19 Q. (BY MR. WILLIAMS) Fact?
 20 A. I told them at the time of the interim
 21 report. Not in between.
 22 Q. Well, why in the -- where did you get
 23 this evidence that you claim there was adequate
 24 training because four days before, it shows there
 25 were major evidence gaps; and the final report

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1 confirms there were gaps in training. Yet, you are
 2 going out and telling the press that they were
 3 adequately trained?
 4 A. Because I believed it to be true.
 5 Q. Well, who told you that -- who gave you
 6 that misinformation?
 7 A. I don't recall --
 8 MR. DENNY: Objection, form.
 9 A. -- who gave it to me.
 10 Q. (BY MR. WILLIAMS) Will you agree it was
 11 misinformation?
 12 A. I agree it was incorrect at the time.
 13 Q. So the incorrect information was given to
 14 the press?
 15 A. Yes.
 16 Q. Yet, you have made no effort to clear
 17 that up?
 18 A. The effort is in the final report. It's
 19 absolutely clear. The final report was delivered
 20 to the press.
 21 Q. I am sorry, sir.
 22 Does it not mean anything to you
 23 that you -- to you as the chief PR person that you
 24 gave incorrect information to the press?
 25 MR. DENNY: Objection, form.

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1 A. I think it's important that the incorrect
 2 information was corrected.
 3 Q. (BY MR. WILLIAMS) But you, personally,
 4 made no effort to do that?
 5 A. No. The final report is much more
 6 important than what I say.
 7 Q. I don't know.
 8 You are the president of the
 9 company?
 10 MR. DEAN: Objection,
 11 nonresponsive.
 12 Q. (BY MR. WILLIAMS) You didn't -- well,
 13 now that you know that you gave and we can confirm
 14 you gave incorrect information to the press on
 15 May 15th with regard to training.
 16 We have agreed on that, right?
 17 A. Yes.
 18 Q. Now, that we know that, do you intend to
 19 write, as president of the company, the Chronicle
 20 or the Galveston paper and set the record straight
 21 that the information that you gave on May 15th was
 22 incorrect?
 23 A. No. It has already been set straight by
 24 the final report.
 25 Q. No obligation to just send out a letter

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1 and apologize for the incorrect information?
 2 A. No, it's already been done in the most
 3 formal way possible.
 4 Q. Well, where did the incorrect information
 5 that you gave to the press, where did you get that
 6 information?
 7 A. I don't -- I don't recall on the day
 8 where I got it from, but I believed it to be true.
 9 Q. Do you have any basis for that -- what
 10 you -- what appeared to be an incorrect statement
 11 to the press?
 12 A. No, other than I believed it to be true
 13 on the day. I was told by someone that these
 14 people were experienced, they had been working
 15 there and they had been trained. I believed that
 16 to be the case.
 17 Q. No effort to go back and find out why
 18 somebody gave you the incorrect information?
 19 A. No. It's done with the final report.
 20 Q. Let's see if you gave any other incorrect
 21 information that day. Okay? Do you -- did you?
 22 A. I don't recall any other incorrect
 23 information.
 24 Q. Well, let's go back to Exhibit 507 and
 25 look at page 6, if you would, sir.

<p style="text-align: right;">Page 74</p> <p>1 A. (Complies.) 2 Q. The question had been asked about -- by 3 the press about Mr. Parus. 4 A. Uh-huh. 5 Q. Let's go back and get the full question 6 down here Bruce Nichols, Dallas Morning News, 7 Mr. Parus has been put on leave to give full 8 support to the response. It looks like discipline 9 to me. 10 And on the next page your response 11 is: "Your question is?" 12 The Dallas Morning News reporter 13 says, "That is the question." 14 And this is your response -- if 15 you will read it. 16 A. (No verbal response.) 17 Q. If you will, read it for jury, sir? 18 A. Oh, you want me to read it out loud? 19 Q. Please. 20 A. Okay. 21 "What we have said is that Don is 22 on leave from his normal duties in order to be able 23 to support us as we respond to the many issues 24 around this accident. If you look back at this 25 terrible tragedy and what has happened, the first</p>	<p style="text-align: right;">Page 76</p> <p>1 quote, full attention and support for these 2 activities -- a hundred percent of his time. 3 That's what you conveyed -- the message you 4 conveyed to the press; isn't it, sir? 5 A. That is correct. 6 Q. Yet, your team hadn't -- according to 7 Mr. Parus' sworn testimony, hadn't used him one 8 bit? 9 A. I don't -- 10 Q. So how do you -- 11 A. -- I don't know that. What I can tell 12 you is we have -- 13 Q. I can assure you that's what he said? 14 A. -- 100 percent of his time. 15 Q. That's what you told the press you needed 16 100 percent of the time? 17 A. Right. 18 Q. But in reality, you haven't used him -- 19 you have used him zero percent of his time? 20 A. Yes, but we have him 100 percent of his 21 time. 22 Q. Well, I know you have got him trapped 23 100 percent of the time, but you've said in here we 24 need his full attention and support for these 25 activities.</p>
<p style="text-align: right;">Page 75</p> <p>1 thing we must do is ensure that this refinery is 2 operating safely. We believe we have taken 3 interventions to make that happen, but we also 4 believe that we need to have someone doing that 5 full-time. This is a great deal of work to be done 6 -- excuse me. There is a great deal of work to be 7 done in the coming months to respond to all the 8 issues around this incident and around the 9 investigations." 10 We continue to cooperate with the 11 CSB, in parens, Chemical Safety Board, end parens, 12 and OSHA and we will continue to operate with any 13 other bodies, agencies or regulatory groups that 14 will want to speak to us. We believe we need Don's 15 full attention and support for those activities. 16 Q. Mr. Nichols says, "Is it not discipline?" 17 And your response? 18 A. "We believe we need Don's full support 19 for these activities." 20 Q. What does "full support for these 21 activities" mean? 22 A. 100 percent of his time. 23 Q. Well, why has he been sitting at home? 24 A. I don't know. 25 Q. You told the press that you needed his,</p>	<p style="text-align: right;">Page 77</p> <p>1 So sitting at home in his kitchen, 2 how is he giving full attention and support for 3 those activities? 4 MR. DENNY: Objection, form. 5 A. Again, I will respond I am not involved 6 in the work that Don does or doesn't do with our 7 legal team. 8 Q. (BY MR. WILLIAMS) Yeah, but you are the 9 top PR guy and you told the press that it was not 10 discipline and that he was -- he needed his full -- 11 your words, full attention? 12 A. That's correct. 13 Q. Yet, you haven't used any of his 14 attention, right? 15 MR. DENNY: Objection, form. 16 A. I -- I don't know. 17 Q. (BY MR. WILLIAMS) Well, I am -- I'm 18 telling you that's what he testified to. You can 19 assume that whether he is telling -- you said you 20 believe him. His testimony is he has not given any 21 of his attention to the investigation. He hadn't 22 been called upon or used a bit. Okay? 23 A. Okay. 24 Q. My question is: Now, we know that this 25 statement by you appears to be misleading to the</p>

<p style="text-align: right;">Page 78</p> <p>1 press, doesn't it?</p> <p>2 A. I don't believe it is misleading --</p> <p>3 MR. DENNY: Objection, form.</p> <p>4 A. -- at all.</p> <p>5 Q. (BY MR. WILLIAMS) Well, you said you</p> <p>6 needed his full time and attention, but you haven't</p> <p>7 used it at all?</p> <p>8 A. But we have his full time and attention</p> <p>9 which is what I said we needed.</p> <p>10 Q. You have his full time and attention</p> <p>11 doing what?</p> <p>12 A. Whatever he is asked to do.</p> <p>13 Q. Which is?</p> <p>14 A. I don't know. I am not involved in that,</p> <p>15 but he is available. So what I said is accurate.</p> <p>16 Q. You said you need his full support for</p> <p>17 these activities and he is doing nothing. Explain</p> <p>18 that.</p> <p>19 MR. DENNY: Objection, form.</p> <p>20 A. He is available 100 percent of his time.</p> <p>21 Q. (BY MR. WILLIAMS) It sounds to me,</p> <p>22 sir -- can you admit, now, looking back at what you</p> <p>23 told the press and what has actually happened with</p> <p>24 regard to Don Parus that what you told the press on</p> <p>25 May 15th is somewhat misleading --</p>	<p style="text-align: right;">Page 80</p> <p>1 Q. Well, you are the guy that writes him the</p> <p>2 letters that extended his job, right?</p> <p>3 A. Under direction for administrative</p> <p>4 purposes.</p> <p>5 Q. Who directed you to extend his job now?</p> <p>6 A. Someone on the legal team.</p> <p>7 Q. Now that you know that Mr. Parus is not</p> <p>8 assisting the legal team and he has not been asked</p> <p>9 to assist the legal team, has not been asked to</p> <p>10 participate in the investigation, does it raise</p> <p>11 questions to you as to why in the world you are</p> <p>12 paying his salary?</p> <p>13 A. No, not at all. The investigation is</p> <p>14 long from being over.</p> <p>15 Q. Oh, really. What else needs to be done?</p> <p>16 A. There are many agencies. There is still</p> <p>17 pending litigation. Many areas where Don still may</p> <p>18 be called.</p> <p>19 Q. Now, you -- did you tell the press,</p> <p>20 sir -- have you told the press that it is -- it is</p> <p>21 your company's desire to compensate people so that</p> <p>22 there will be no long, drawn-out, legal proceeding?</p> <p>23 Is that what you told the press?</p> <p>24 A. I don't think those were the words, no.</p> <p>25 Q. What did you tell them? Give me your</p>
<p style="text-align: right;">Page 79</p> <p>1 MR. DENNY: Objection, form.</p> <p>2 Q. (BY MR. WILLIAMS) -- with regard to Don</p> <p>3 Parus?</p> <p>4 MR. DENNY: Objection, form.</p> <p>5 A. No, I wouldn't agree with that.</p> <p>6 Q. (BY MR. WILLIAMS) In your world, that is</p> <p>7 saying that you need him full time, his full</p> <p>8 attention and full support, and then not using him</p> <p>9 at all, you don't see any -- you don't see any</p> <p>10 discrepancy there?</p> <p>11 A. No. We wanted him available and he is</p> <p>12 full time. He is not distracted by anything else.</p> <p>13 Q. It sounds, sir -- do you think that you</p> <p>14 conveyed the truth to the press, then? If the</p> <p>15 truth is as Mr. Parus says that he hadn't been</p> <p>16 asked to participate in any way in the</p> <p>17 investigation, do you think that this adequately</p> <p>18 conveys this truth to the press?</p> <p>19 A. I think that what I said on that day is</p> <p>20 exactly correct.</p> <p>21 Q. Do you think he has been disciplined?</p> <p>22 Mr. Parus?</p> <p>23 A. I don't know whether or not he has been</p> <p>24 disciplined. I am not in the line. I wouldn't be</p> <p>25 involved in that.</p>	<p style="text-align: right;">Page 81</p> <p>1 words.</p> <p>2 A. I would have to look back to see what</p> <p>3 they were exactly.</p> <p>4 Q. Well give me what your recollection is,</p> <p>5 Mr. Pillari. You are a smart man.</p> <p>6 A. I said they would deal with us. We would</p> <p>7 be accountable for it, and we would try to be fair.</p> <p>8 Q. Did you make any comments about absence</p> <p>9 of long, drawn-out --</p> <p>10 A. I think there was some --</p> <p>11 Q. -- legal proceedings?</p> <p>12 A. -- some reference to trying to avoid</p> <p>13 that.</p> <p>14 Q. Okay. So what efforts have you made in</p> <p>15 that regard?</p> <p>16 A. I believe there have been a number of</p> <p>17 settlements.</p> <p>18 Q. Who is in charge of that? Who makes</p> <p>19 those decisions?</p> <p>20 A. Not me.</p> <p>21 Q. Who?</p> <p>22 A. Somebody working with the legal team.</p> <p>23 Q. Who is in charge of -- I am trying to</p> <p>24 figure out who is in charge of this ship?</p> <p>25 A. I don't know. I am not in that -- I</p>

21 (Pages 78 to 81)

<p style="text-align: right;">Page 82</p> <p>1 don't do those. That is not my job. I am not 2 accountable for decisions in the line like that. 3 This would be a business decision on whether to 4 settle, not mine. 5 Q. It sounds to me in a lot of ways you have 6 a title but don't have much authority; is that 7 true? 8 A. Well, you are not used to working in a 9 matrix organization. In a matrix organization, my 10 responsibility is around government and public 11 affairs. It's around financial reporting. It's 12 around things like that. It's around pension 13 management, 401K management, things like that. So 14 I would, actually, say it's a great deal of 15 responsibility. It's just not responsibility for 16 operations. 17 Q. What does this term "matrix organization" 18 mean? 19 A. It just means that you -- you have a line 20 organization where delegation of authority for 21 operating the businesses, like refineries, retail 22 outlets, crude oil production and such, is handled 23 through one chain of command and another chain of 24 command would handle things like pensions, 401Ks, 25 crisis management support, government and public</p>	<p style="text-align: right;">Page 84</p> <p>1 Q. So what plant has had the most deaths 2 since you have been associated with BP? 3 A. Texas City. 4 Q. And do you know of any plant in the BP 5 worldwide organization that has had as many deaths 6 as Texas City? 7 A. No, I don't. 8 Q. Do you know of any plant in America that 9 has had as many deaths as Texas City? 10 A. Not in refining, no. In other areas of 11 manufacturing and mining, yes; but not in refining. 12 Q. That's what -- do y'all do other areas? 13 A. Oh, we -- 14 Q. Manufacturing? 15 A. Yes, we do. We used to do mining, but we 16 don't anymore. 17 Q. Okay. Well, let's stick with refining. 18 A. Uh-huh. 19 Q. Do you know of any plant in America that 20 does refining that has had as many deaths as your 21 Texas City plant? 22 A. No, I don't think there is. 23 Q. Doesn't that ring a bell with you that 24 maybe there is a problem there? 25 A. Yes.</p>
<p style="text-align: right;">Page 83</p> <p>1 affairs. It's two different lines. That's why 2 it's a matrix to two lines. It's two different 3 lines. I call it a matrix. 4 Q. So when the plant blows up and the 5 government comes in and says, "We want to 6 investigate," who is in charge from your -- from 7 your company's perspective? 8 A. They work with the operating line. 9 Q. And you have nothing to do with that? 10 A. I have nothing to do with that. 11 Q. Do you know what your company's history 12 is with regard to safety? 13 A. I have a general idea. 14 Q. And what is it that you claim to be your 15 general idea? 16 A. General view would be that we have 17 improved on days away from work. We have improved 18 on rateable injury, frequency. That we certainly 19 in 2005 had an unacceptable level of deaths, 20 fatalities. 21 Q. How about in 2004? 22 A. 2004? 23 There were three fatalities at 24 Texas City. We, actually, had lower fatalities in 25 2004 -- I believe, worldwide in 2004.</p>	<p style="text-align: right;">Page 85</p> <p>1 Q. It has -- that plant has the worst safety 2 record, not only of all the BP plants worldwide, 3 but it has the worst safety record of any American 4 refining plant -- refinery, correct? 5 A. Yes. 6 Q. And who is responsible for that, sir? 7 A. The management of the refinery. 8 Q. And who is that? Give me a name. 9 A. That would be Don Parus who reports to 10 Mike Hoffman. 11 Q. And is anybody investigating Don Parus? 12 A. I would assume so, but I wouldn't be 13 involved in that. 14 Q. How about Mike Hoffman? 15 A. I would assume so, also; but I wouldn't 16 be involved. So I don't know. 17 Q. Have you heard within your organization 18 that there is an investigation of Mr. Hoffman and 19 Mr. Gower? 20 A. I would have heard it, yes. 21 Q. I didn't understand your answer. 22 A. Yes, I would have heard that. You asked 23 me if I would have heard. 24 Q. Have you heard it? 25 A. Yes.</p>

22 (Pages 82 to 85)

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1 Q. There is no -- is it true then that your
 2 company is investigating both Mr. Gower and
 3 Mr. Hoffman?
 4 A. I can't -- I can't say for sure because I
 5 don't know, personally, whether a team has been set
 6 up specifically to investigate Hoffman or Gower. I
 7 don't know. I am not on that team, nor I am -- am
 8 I in the organization that is involved in setting
 9 up that team. I am just not participating in that.
 10 Q. Is it happening is my question?
 11 A. I believe it is happening.
 12 Q. And who is doing it?
 13 A. I believe it's happening with the legal
 14 team. I don't...
 15 Q. Who?
 16 A. Who's leading it from the legal team?
 17 Q. (Nods head.)
 18 A. I believe Jeff Heller is leading it.
 19 Q. And how do you know this?
 20 A. Because I was asked some questions by
 21 Jeff.
 22 MR. DENNY: I am not going to let
 23 him go into anymore discussions he has had with any
 24 lawyers. So I will instruct him not to answer
 25 anymore if it has to do with discussions he's had

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1 with legal informer.
 2 Q. (BY MR. WILLIAMS) Who initiated the
 3 investigation of Mr. Gower and Hoffman?
 4 A. I don't know.
 5 Q. When will it be completed?
 6 A. I don't know.
 7 Q. You were interviewed and asked questions?
 8 A. Yes.
 9 Q. And was it transcribed?
 10 A. I don't believe so, no.
 11 Q. Were notes taken?
 12 A. I don't know.
 13 Q. When did this occur?
 14 A. Some months back.
 15 Q. Where?
 16 A. In Chicago.
 17 Q. Your office or --
 18 A. Yes, my office.
 19 Q. And who was present?
 20 A. An attorney -- well, more than one
 21 attorney --
 22 Q. Okay. Who?
 23 A. An HR person by the name of
 24 Stephanie Moore. It was -- I can't think of his
 25 name. It was a gentleman from the Netherlands,

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1 whose name escapes me for the moment. There was a
 2 gentleman from the Netherlands who is in our
 3 chemical business. There was a gentleman from
 4 Germany, Bill Bonse-Geuking and there may have been
 5 one other. Rudy -- Rudy Byworth is the Dutch guy.
 6 Rudy Byworth.
 7 Q. And what was the explanation given to you
 8 as to why you were being interviewed?
 9 A. They wanted to ask me what happened on
 10 the day that I arrived at Texas City, the day of
 11 the explosion.
 12 MR. DENNY: And if you get into
 13 anything a lawyer told you, I don't want you to
 14 answer this.
 15 THE WITNESS: I understand.
 16 Q. (BY MR. WILLIAMS) And what did you tell
 17 the lawyers?
 18 MR. DENNY: The same thing, John
 19 Eddie. I am not going to let him tell you what he
 20 told the lawyers.
 21 MR. WILLIAMS: Okay. But they
 22 can't -- that's not information that you gave in an
 23 investigation is not privileged.
 24 MR. DENNY: I think it may be
 25 privileged. So I am going to instruct him not to

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1 answer right now. Okay?
 2 MR. WILLIAMS: Okay. I will
 3 disagree with you.
 4 MR. DENNY: That's fine. You can
 5 disagree.
 6 Q. (BY MR. WILLIAMS) How much longer do you
 7 have with this company?
 8 A. At least a year.
 9 Q. I thought you were retiring June 30th?
 10 A. No, I am not retiring June 30th.
 11 Q. Okay. When do you retire?
 12 A. I don't have a specific date yet, but
 13 it's likely to be July 1st next year.
 14 Q. And who is taking your job?
 15 A. I am moving on to a new job. My current
 16 job is being split into two. And so one group vice
 17 president by the name of Bob Malone will take half
 18 of it and another one by the name of David Peattie
 19 will take the other half.
 20 Q. What job are you moving to?
 21 A. I am going to work for the chief
 22 financial officer.
 23 Q. Of what entity?
 24 A. Of BP PLC.
 25 Q. That's the London based --

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1 A. Yes.
 2 Q. -- company?
 3 A. Uh-huh.
 4 Q. Are you moving to London?
 5 A. I am trying not to.
 6 Q. What will your title be?
 7 A. Special advisor.
 8 Q. If there have been press reports that you
 9 were retiring, are those in error?
 10 A. Yes, they are.
 11 Q. And how did -- I mean, have you --
 12 A. They just have the dates wrong.
 13 Q. You have seen those press reports?
 14 A. Yes.
 15 Q. Were they put out by BP that showed --
 16 that indicated you were retiring this year?
 17 A. No, I don't think so.
 18 Q. So the press just got it wrong?
 19 A. (Nods head.)
 20 Yes. Sorry.
 21 But to be clear, I expressed an
 22 intent when I moved to this new job to retire when
 23 I always had planned to retire, which was sometime
 24 next summer.
 25 Q. How many people were injured as a result

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1 of this fire and explosion?
 2 A. I don't think it's ever been really
 3 clear. At least 175; probably over 200.
 4 Q. Where do you get that number?
 5 A. I am recalling it from the report.
 6 Q. Did y'all try to spin the press on what
 7 the number was?
 8 MR. DENNY: Objection, form.
 9 A. No, I don't believe so.
 10 Q. (BY MR. WILLIAMS) You are an experienced
 11 PR man, right?
 12 A. Well, for four years I have managed a PR
 13 team.
 14 Q. And you have a PR budget?
 15 A. Yes.
 16 Q. What is -- how much is that?
 17 A. For expenditure, probably around
 18 \$40 million.
 19 Q. Annually?
 20 A. Yeah.
 21 Q. And --
 22 A. Plus staff. That would include staff.
 23 So we would have people as well.
 24 Q. And you have participated in efforts to
 25 change the image of BP amongst Galveston County

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1 residents, true?
 2 A. I would say it a different way. I would
 3 say that we -- I believed that we made a commitment
 4 to inform everyone of what we were doing. It was
 5 one of the things I did on May 17th.
 6 And so we did have a program to
 7 tell people what was going on, to communicate what
 8 was happening.
 9 Q. Well, why didn't you communicate that you
 10 had misled them with regard to training?
 11 A. I did --
 12 MR. DENNY: Objection, form.
 13 A. -- as soon as the final report came out.
 14 Q. (BY MR. WILLIAMS) Have you tried to
 15 influence the residents of Harris County -- of
 16 Galveston County in a way to make them have a more
 17 positive view?
 18 A. No, I don't think so.
 19 Q. Have you conducted polls of Galveston
 20 County --
 21 A. Yes.
 22 Q. -- citizens?
 23 A. Yes, we have.
 24 Q. And why did you do that?
 25 A. To know what people were thinking.

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1 Q. And what did you find out?
 2 A. They don't think very much of us right
 3 now.
 4 Q. Is that justified?
 5 A. Yes, I think so.
 6 Q. And what -- and you have -- have you set
 7 up a campaign to use your -- using BP's money to
 8 try and change that image?
 9 A. I think we set up a program to
 10 communicate what we are doing at the refinery. I
 11 think that's what our campaign is about.
 12 Q. So that, using your word campaign, are
 13 there various elements of this campaign that is --
 14 is it a PR campaign?
 15 A. I wouldn't call it a PR campaign, no.
 16 Q. Well, then, if it's not a PR campaign,
 17 what is it?
 18 A. I would call it a communication of what
 19 we are doing at the refinery campaign.
 20 Q. So a communication of what we are doing
 21 at the refinery is different than a PR campaign?
 22 A. Yes. It's different --
 23 Q. How?
 24 A. It's different from product advertising,
 25 for example. It's about things that are happening

<p style="text-align: right;">Page 94</p> <p>1 at the refinery. It's not about who we are. It's 2 not about things like that. It's more about what's 3 happening specifically in the community. 4 Q. Okay. Did you try and communicate to the 5 community -- first of all, your company has been, 6 because of its Texas City refinery, has been 7 labeled the worst polluter in America. 8 Is that true? 9 A. It's true we have been labeled that, yes. 10 Q. By whom? 11 A. The press. 12 Q. Are you disagreeing with -- with that? 13 A. Yes, I disagree with it. 14 Q. Who is worse than BP as a polluter? 15 A. I don't know. 16 Q. Why would the press -- do they have a 17 vendetta against you, your company? 18 A. I wouldn't know. You would have to ask 19 them that. 20 Q. Well, why would they label you -- your 21 company as the worst polluter in America if it 22 weren't true? 23 A. It is not true, I don't believe. We 24 submitted a report to Washington that was based on 25 estimates on modeling which showed emissions in</p>	<p style="text-align: right;">Page 96</p> <p>1 Q. So you could be the worst and improve a 2 half a percent and that's all that matters? 3 A. No, what matters is that you are 4 constantly trying to improve your environmental 5 performance. 6 Q. Why does it not -- I am sorry, sir. It 7 doesn't -- not having been a head of a major oil 8 company, it seems to me it would matter if you were 9 the worst polluter in America; but if I understand 10 it, that does -- that doesn't matter to you? 11 A. No, what people want to know -- 12 MR. DENNY: Objection, form. 13 Q. (BY MR. WILLIAMS) Doesn't matter to you? 14 A. What people want to know -- 15 Q. Does it matter to you? 16 A. No, it doesn't matter to me. 17 Q. Okay. The fact that it could be -- 18 because you don't know where you rank, the fact 19 that you could be the worst polluter in America 20 does not matter to you and your company? 21 A. What matters is what you are doing about 22 it. 23 Q. Answer the question. 24 MR. DENNY: Objection, form. 25 Q. (BY MR. WILLIAMS) Let's -- I want to be</p>
<p style="text-align: right;">Page 95</p> <p>1 this model that were not correlated back to 2 physical, and the press, then, reported that as 3 actual. So I can understand why they made a 4 mistake and got it wrong. 5 Q. So who is the worst polluter? 6 A. I don't know. 7 Q. Where do y'all range? 8 A. I don't know. 9 Q. Seems like if you were labeled by the 10 press as the world's -- as the countries worst 11 polluter, you, as the chief PR person for America, 12 would find out where you really do rank? 13 A. No, it doesn't matter where we rank. 14 What matters is what's actually happening, what are 15 the actual emissions. 16 And we went back to the press and 17 we said, "The modeling that we submitted clearly 18 was not correlated to actual. The way you have 19 used it is not right; and, quite frankly, our -- 20 the way we used it was not very bright." 21 Q. Okay. I wrote down your exact words. 22 "It doesn't matter where we rank." 23 Why does it not matter where you 24 rank as a polluter in America? 25 A. It only matters if we are getting better.</p>	<p style="text-align: right;">Page 97</p> <p>1 precise. 2 A. I think rankings are irrelevant. That's 3 what I believe. What I believe is rankings are 4 irrelevant -- 5 Q. (BY MR. WILLIAMS) Is it true for safety, 6 too? 7 A. Rankings are only a basis for comparing 8 and they don't actually -- 9 Q. Sure. Is it -- is it -- is it 10 relevant -- are rankings -- let's say rankings for 11 fatalities, are those irrelevant, too? 12 A. The fatalities are what's -- are terribly 13 relevant and that's what matters. 14 Q. So where does your company rank on 15 fatalities? 16 A. We must be the worst, given what happened 17 at Texas City. 18 Q. And what about with regard to pollution? 19 A. I don't believe we're the worst. 20 Q. Well, who is? 21 A. I don't know. 22 Q. You don't care, right, on rankings? 23 A. It doesn't matter. 24 Q. They're irrelevant? 25 A. What matters is what you are doing about</p>

25 (Pages 94 to 97)

<p style="text-align: right;">Page 98</p> <p>1 it.</p> <p>2 Q. This plant at Texas City, how many times</p> <p>3 had you been there before March 23 --</p> <p>4 A. Never.</p> <p>5 Q. -- 2005?</p> <p>6 A. Never.</p> <p>7 Q. Why had you never visited -- well, let me</p> <p>8 go back.</p> <p>9 Is it true that the Texas City</p> <p>10 refinery was the most -- was the largest, the most</p> <p>11 complex and the most profitable refinery of all</p> <p>12 Texas -- of all BP refineries?</p> <p>13 A. I don't know --</p> <p>14 MR. DENNY: Objection, form.</p> <p>15 A. I don't know that. I know it's the</p> <p>16 largest. I don't know if it's the most profitable</p> <p>17 or not. I wouldn't have thought so, but I don't</p> <p>18 know.</p> <p>19 Q. (BY MR. WILLIAMS) Well, it's, certainly,</p> <p>20 the -- not only the largest, but it's also the most</p> <p>21 complex, isn't it?</p> <p>22 A. I have been told it's the most complex.</p> <p>23 Q. And why wouldn't you have ever visited?</p> <p>24 A. Because it's not my job. I don't operate</p> <p>25 refineries.</p>	<p style="text-align: right;">Page 100</p> <p>1 Q. Meaning Hoffman --</p> <p>2 A. The refinery manager and his manager.</p> <p>3 There may have been different --</p> <p>4 Q. You mean Hoffman and Manzoni?</p> <p>5 A. Yeah, there may have been different</p> <p>6 people over time. I don't know.</p> <p>7 Q. Did it shock you when you read the final</p> <p>8 report that said that this plant had been -- it had</p> <p>9 been years in the making and that there had been</p> <p>10 this culture of casual compliance --</p> <p>11 A. Yes.</p> <p>12 Q. -- with regard to safety rules?</p> <p>13 A. It was very disappointing, yes.</p> <p>14 Q. Now, certainly, if Messrs. Hoffman and</p> <p>15 Manzoni had been doing any part of their job, they</p> <p>16 should have realized, shouldn't they, that this</p> <p>17 place had been underbudgeted for years and it had</p> <p>18 developed this culture of casual compliance?</p> <p>19 MR. DENNY: Objection, form.</p> <p>20 A. I am not going to speculate on what they</p> <p>21 should have or shouldn't have known. I am not in</p> <p>22 their jobs.</p> <p>23 Q. (BY MR. WILLIAMS) Aren't they to use</p> <p>24 your word accountable?</p> <p>25 A. They are accountable.</p>
<p style="text-align: right;">Page 99</p> <p>1 Q. You are a numbers man, aren't you?</p> <p>2 MR. DENNY: Objection, form.</p> <p>3 A. What do you mean by that?</p> <p>4 Q. (BY MR. WILLIAMS) You are an accounting</p> <p>5 person. You keep track of --</p> <p>6 A. No, I am not an accounting person.</p> <p>7 Q. Okay. I thought you were going to work</p> <p>8 for the chief financial officer?</p> <p>9 A. I am.</p> <p>10 Q. Okay. Had you been informed before this</p> <p>11 explosion in any way that this plant had been</p> <p>12 neglected, it had been undermaintained, and that</p> <p>13 there had been budget cuts -- severe budget cuts at</p> <p>14 that plant over the years?</p> <p>15 A. No, I have had no involvement with the</p> <p>16 operation of the refinery.</p> <p>17 Q. Well, you know, did -- the final report</p> <p>18 found, I believe, that the conditions of this plant</p> <p>19 had been years in the making and the attitude had</p> <p>20 been years in the making.</p> <p>21 Do you recall that?</p> <p>22 A. Yes.</p> <p>23 Q. Who was responsible for the years of</p> <p>24 neglect at this plant?</p> <p>25 A. The line operators of that refinery.</p>	<p style="text-align: right;">Page 101</p> <p>1 Q. But not when it's bad they are not</p> <p>2 accountable?</p> <p>3 A. They are accountable all the time.</p> <p>4 Q. Well, did you ever hear of what's called</p> <p>5 the Veba report?</p> <p>6 A. I have heard of it.</p> <p>7 Q. What is it?</p> <p>8 A. I don't know.</p> <p>9 Q. What did you hear about it?</p> <p>10 A. I just heard the name Veba because I</p> <p>11 confused it with a company we purchased in Germany</p> <p>12 called Veba spelled the same way, and when I said</p> <p>13 to someone, "Gee, I heard someone talking about</p> <p>14 Veba the other day. What are we talking about</p> <p>15 Germany for?"</p> <p>16 They said, "Oh, no. It's some</p> <p>17 report at Texas City."</p> <p>18 So I know there is some report at</p> <p>19 Texas City called Veba.</p> <p>20 Q. Did you ever look at it?</p> <p>21 A. No.</p> <p>22 Q. Did you -- were you ever aware of it?</p> <p>23 A. No.</p> <p>24 Q. What about -- have you ever heard of</p> <p>25 what's called the Telos Report?</p>

26 (Pages 98 to 101)

<p style="text-align: right;">Page 102</p> <p>1 A. Yes, I have heard of that. 2 Q. And when did you hear of that? 3 A. Sometime last year I was told that there 4 was a report. 5 Q. Before or after the explosion? 6 A. Oh, after. 7 Q. And what were you told about it? 8 A. I was told it was an opinion survey. 9 Q. A pretty shocking opinion survey, wasn't 10 it, the results? 11 A. I have never read it. I don't know. 12 Q. You have never read the Telos Report? 13 A. No, I have no reason to. 14 Q. I thought you were the Number 1 PR guy? 15 A. I don't know what it has to do with PR. 16 Q. Well -- 17 A. It's never been raised by anyone for me 18 to have to comment on. 19 Q. In dealing with the press, did people 20 give you specific roles between you, Mr. Mogford 21 and Mr. Hoffman? 22 A. No, I don't think so. I am not sure I 23 know what you mean. But no, I don't -- I don't 24 think so. 25 Q. Well, let's see -- let's look at</p>	<p style="text-align: right;">Page 104</p> <p>1 you, where they give you a "we believe" values 2 based theme, and they give Mr. Mogford his themes 3 and give Mr. Hoffman his theme, right? 4 A. Yes, it's possible. 5 Q. And you see in giving you your themes in 6 telling you what to say, in the third bullet point, 7 it says "The failures in this instance were human, 8 not mechanical." 9 Do you see that? 10 A. Yes, it's the fourth point, though. 11 Q. In fact, that's a false statement. 12 Isn't it true? 13 A. No, I don't believe it is false. 14 Q. Well, I thought we had looked earlier 15 about the final report that there were, in fact, 16 mechanical failures, right? 17 A. Yeah, but if I -- I don't recall ever 18 seeing this, but if I read it right in context, 19 this would be about what caused the accident. It 20 doesn't say whether there were or were not 21 mechanical failures, but it says the failures in 22 this instance which is the startup. 23 Q. Okay. 24 A. That's what -- 25 Q. Well, let's get it real straight.</p>
<p style="text-align: right;">Page 103</p> <p>1 Exhibit 253. And Exhibit 253 has been used with 2 Mr. Mogford and it's called -- 3 A. Can you tell me what this is? 4 Yeah, sorry. Go ahead. 5 Q. Can I tell you what it is? 6 A. Yeah. Yes, sorry. 7 Q. It's a document produced by your company 8 to us and it shows "Ross' Theme." That should be 9 you, and it shows a theme that you should have. 10 And it shows -- it breaks down. Yours is "We 11 Believe," Mr. Mogford's is "We Found," and 12 Mr. Hoffman's is "We are Committed." 13 And I assume this was prior to 14 your press conference, correct? 15 A. I have no idea. I don't recall this. Do 16 you know when it was sent or who sent it or whether 17 I got it? 18 Q. Well, you tell me. 19 A. I don't know. I don't recall ever seeing 20 it. I am not saying I didn't. I just don't recall 21 it. So I don't know when it was. 22 Q. So you may have well received this? 23 A. It's possible. 24 Q. And this is something that you would 25 expect a PR team to put together for you, wouldn't</p>	<p style="text-align: right;">Page 105</p> <p>1 A. That's what I would have thought. 2 Q. Let's get it real straight, sir. 3 A. Uh-huh. 4 Q. I am talking about causes of the fire and 5 explosion. 6 A. Right. 7 Q. Were there mechanical failures that were 8 causes of the fire and explosion according to the 9 final report? 10 A. I don't recall. I would have to go look 11 at the report, again. I don't recall the 12 failures -- 13 Q. Okay. I will help you. 14 A. -- mechanical failures causing the 15 accident. There may have been mechanical failures 16 at the time of the incident, but I recall the 17 overpacking of the tower as the problem. 18 MR. WILLIAMS: Objection, 19 nonresponsive. 20 Q. (BY MR. WILLIAMS) I am going to help you 21 with your causes for a moment. 22 (Discussion off the record.) 23 Q. (BY MR. WILLIAMS) This is the causal 24 analysis, Exhibit 506. And I accept causal to mean 25 cause.</p>

27 (Pages 102 to 105)

<p style="text-align: right;">Page 106</p> <p>1 Do you split hairs with me on 2 that? 3 MR. DENNY: Objection, form. 4 A. I might, using your definition of 5 splitting hairs, yeah. 6 Q. (BY MR. WILLIAMS) What was my definition 7 of splitting hairs? 8 A. I am still struggling with it, but I 9 think it was try to take a point and split it apart 10 somehow. 11 Q. Or maybe spin it? 12 A. I wouldn't -- wouldn't say that, no. 13 Q. Have you ever participated in a spin? 14 A. No, I don't. 15 Q. Good for you. Never, huh? 16 A. Try not to. 17 Q. Good. 18 "Inadequate equipment." It says 19 there under 6.2, "The raffinate splitter did not 20 have a modern emergency shutdown system," 21 et cetera, under the definition of inadequate 22 equipment. 23 Do you agree with me that that's 24 what it says? 25 A. It says it did not have a modern</p>	<p style="text-align: right;">Page 108</p> <p>1 be greater, yes. 2 Q. And yet, if we go back to Exhibit 253, 3 the bullet points that were given to you under "we 4 believe," you were supposed to say the failures in 5 the instances were human, not mechanical, right? 6 A. Correct. 7 Q. But we know they were mechanical? 8 A. But we know they came after the failure 9 of a human to pack the tower properly. 10 Q. So no -- I am not asking chicken and egg, 11 which came first? It says here "not mechanical," 12 yet, in truth and fact, there were failures that 13 were mechanical, right? 14 MR. DENNY: Objection, form. 15 A. I believe those -- those mechanical 16 failures only came after someone overpacked the 17 tower. So I think this document, which I don't 18 recall getting, is talking about the failures of 19 how it got started. That's what I believe. 20 Q. (BY MR. WILLIAMS) Well, for -- all of a 21 sudden it seems you have become technical now. So 22 now let's talk about this hard wired high and low 23 level alarms for the raffinate splitter tower. 24 Do you think that those would have 25 perhaps alerted somebody, the high level alarm?</p>
<p style="text-align: right;">Page 107</p> <p>1 emergency shutdown system. The severity of the 2 incident would have been reduced. 3 Q. You bet. 4 A. Right. 5 Q. Would have been less of an incident if 6 they would have had these modern emergency systems, 7 right? 8 A. The consequence of it not the -- yeah. 9 Q. Sure. Okay. And we go down to 13.15, 10 "The hard-wired high and low level alarms for the 11 splitter tower did not work and the F-20 blowdown 12 drum level alarm did not sound until the 13 explosion." 14 It sounds to me like we had 15 mechanical problems that day? 16 A. But all after the packing of the tower. 17 So if I go back -- 18 MR. WILLIAMS: Objection, 19 nonresponsive. 20 THE WITNESS: Okay. 21 Q. (BY MR. WILLIAMS) Does it sound, sir, 22 from the final report the causal analysis section 23 there were mechanical problems the day that this 24 unit was started up? 25 A. Causing the severity of the incident to</p>	<p style="text-align: right;">Page 109</p> <p>1 MR. DENNY: Objection, form. 2 A. Well, there were alarms that did go off. 3 These would have been additional alarms and, 4 certainly, they would have helped. 5 Q. (BY MR. WILLIAMS) So alarms did go off. 6 What alarms went off to tell them the tower had 7 been overpacked? 8 A. I believe there was -- I am trying to 9 recall from the report, but I would believe there 10 was something in the middle of the night that 11 showed an alarm went off fairly early on. 12 Q. And what happened to it? 13 A. They ignored it is my understanding. 14 Q. Deactivated it? 15 A. No, I don't think it was deactivated, but 16 I am recalling from the report. 17 Q. Are you trying to blame this whole thing 18 on the operators? 19 A. No, I am not blaming it on anybody. 20 Q. It sounds to me like we agreed that -- 21 well, should an adequately trained person have 22 ignored some of these alarms? 23 A. No, they shouldn't have. 24 Q. Why would you start this tower with the 25 high level -- the high and low level alarms not</p>

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1 working?
 2 A. I agree you shouldn't.
 3 Q. But my question is: Why did they?
 4 A. I don't know. I wasn't there.
 5 Q. Do you feel, sir, that sometimes people
 6 claim that safety's Job 1, but in reality profits
 7 are more than people -- more important than safety?
 8 A. It's not been my experience.
 9 Q. Well, the Texas City refinery, the Telos
 10 survey, did anybody ever tell you that the Number 1
 11 priority appeared to be profits and people were the
 12 last priority at that plant?
 13 A. No.
 14 Q. You are clueless about the Telos survey
 15 finding profits, one, and people, nine?
 16 A. I have never read the Telos survey.
 17 Q. No one has ever shared that with you?
 18 A. No.
 19 Q. Would that be shocking to you to find
 20 that the people at the plant found that profits
 21 were first and people were last?
 22 MR. DENNY: Objection, form.
 23 A. It would be shocking to me to find out if
 24 it was true. What someone's opinion was is
 25 different.

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1 Q. (BY MR. WILLIAMS) Well, what was your
 2 opinion about what was most important at that plant
 3 based on your numerous trips there?
 4 A. I had never --
 5 MR. DENNY: Objection, form.
 6 A. I had never been there except on the day.
 7 Q. (BY MR. WILLIAMS) Do you think the
 8 employees were misleading in the survey?
 9 A. I don't know. I didn't participate in
 10 the survey.
 11 Q. Who has the responsibility, sir, to make
 12 sure that the people working at that plant
 13 understand that safety is more than just a slogan?
 14 A. Well, the accountability rests with the
 15 plant manager, clearly.
 16 Q. How long had he been plant manager before
 17 this fire and explosion?
 18 A. I don't know.
 19 Q. Does your company ever put goals in place
 20 for the money that these plants are supposed to
 21 make to feed back to London?
 22 A. Well, we have -- we have targets,
 23 performance targets.
 24 Q. And do bonuses of your managers, like
 25 your plant manager, rely on performance targets?

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1 A. I have not seen how it's done, but I
 2 would assume so.
 3 Q. And by the way, the money that this Texas
 4 City plant makes, it does flow back to London,
 5 right?
 6 A. It flows back to BP America.
 7 Q. And what do y'all do with it? Do y'all
 8 send it back to London?
 9 A. We take cash that comes into BP America.
 10 We either use it for capital expenditure or
 11 expenses in the U.S. which is what we try to do or
 12 we pay a dividend back to the parent company who
 13 owns our shares.
 14 Q. Back in London, right?
 15 A. Yes.
 16 Q. So, ultimately, the profits, the money
 17 that is made at this plant over and above expenses,
 18 gets sent back to London?
 19 A. Some of it.
 20 Q. The profit does?
 21 MR. DENNY: Objection, form.
 22 A. Some of it does.
 23 Q. (BY MR. WILLIAMS) Where does the rest of
 24 the profit go?
 25 A. As I just said, it's used for capital

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1 investment or expenses here in the U.S.
 2 Q. Okay. I am saying -- I am just talking
 3 about the profit part, after you pay all your
 4 expenses and capital investments, the profit part
 5 goes -- the money coming from the Texas City plant
 6 goes to London?
 7 A. No, the profit and the cash gets split up
 8 and sometimes our capital expenditure is greater
 9 than our profit.
 10 MR. WILLIAMS: Objection,
 11 nonresponsive.
 12 Q. (BY MR. WILLIAMS) I am trying to be
 13 specific with you, sir.
 14 A. Uh-huh.
 15 Q. The Texas City refinery, when it makes a
 16 profit --
 17 A. Uh-huh.
 18 Q. -- and the profits, those profits over
 19 and above what's required to run the company and
 20 reinvest in the company, those profits, quite
 21 frankly, are sent back to London to the
 22 shareholder, the only shareholder, which is the BP
 23 entity in London, true?
 24 A. The only distinction I am trying to make
 25 is there are many years when our expenditures,

<p style="text-align: right;">Page 114</p> <p>1 particularly capital expenditures, are far greater 2 than profits. 3 Q. Did I ask you that? Did I ask you that? 4 A. I thought you did, actually. I thought 5 you were asking me -- 6 Q. No. 7 A. -- to explain how profits were used. 8 Q. No. 9 A. Okay. 10 Q. Is it true, Mr. Pillari, that the profits 11 from the Texas City refinery after you pay your 12 capital expenditures and overhead and all of that, 13 that those profits are then sent back to London? 14 A. It's truer to say cash. 15 Q. The cash is sent back to London? 16 A. Anything that is left over. 17 Q. Agreed? 18 A. (Nods head.) 19 Q. Okay. You agree? 20 A. Yes. 21 Q. Okay. 22 MR. WILLIAMS: We are about out of 23 tape. Let's take a break. 24 THE VIDEOGRAPHER: Off the record 25 at 11:10 a.m., ending Tape 2.</p>	<p style="text-align: right;">Page 116</p> <p>1 would normally do. But it would also -- people who 2 are speaking to the press, routinely -- which I 3 don't do, would have this all the time. They would 4 have this kind of a thing. So I don't know whether 5 I saw this or whether it was prepared for me unless 6 you do. I don't know. 7 Q. Well, it was produced by your attorneys 8 to me. And it says here that key questions, again, 9 answer being "not caused by mechanical failure." 10 We've -- you and I have gone over that before where 11 I have shown you the -- 12 A. Uh-huh. 13 Q. -- final report that there were, in fact, 14 mechanical failures, true? 15 A. Yes, there were but -- 16 Q. Right? 17 A. This doesn't say there weren't any. This 18 says that it wasn't caused by. 19 Q. Well, the mechanical failures that I 20 pointed out to you were listed in the causal 21 analysis section of the final report, right? 22 A. They were part of that, yes. 23 Q. Okay. And it says here, "The 24 investigation team did not identify lack of 25 expenditure as a cause."</p>
<p style="text-align: right;">Page 115</p> <p>1 (Recess taken.) 2 THE VIDEOGRAPHER: On the record 3 at 11:22 a.m., beginning Tape 3. 4 (Exhibit Number 509 marked for 5 identification.) 6 Q. (BY MR. WILLIAMS) Mr. Pillari, I want to 7 show you what's been marked Exhibit 509 and it says 8 Texas City approach, dash, buckets, key questions 9 and key messages. And this document goes on 10 several pages. It's marked confidential at the 11 bottom, and it appears to me to be practice 12 questions and answers that you would use in your PR 13 campaign. 14 Is that appropriate? 15 A. It could be. I don't know whether I ever 16 got it or not -- 17 Q. Okay. 18 A. -- but that's what it looks like. 19 Q. This would be what you would -- as chief 20 PR person for the company, this would be what you 21 would expect people to prepare for you in response 22 to key -- to list key questions and key themes or 23 responses? 24 A. Well, it may not have been prepared for 25 me; but, I mean, this is the kind of thing that you</p>	<p style="text-align: right;">Page 117</p> <p>1 In fact, sir, isn't it true 2 that -- that this company, this plant had been 3 challenged to cut its budget in the past by 4 25 percent? 5 A. Well, probably since the whole company 6 was trying to do that. 7 Q. And that was for the purpose of making 8 more money for the company, right? 9 A. Yes. 10 Q. And that occurred roughly 1999 -- for a 11 couple of years after that? 12 A. Something like that, yes, about that 13 period. 14 Q. And that would apply -- that 25 percent 15 cut applied to everything: Pencils, paper clips, 16 training, capital expenditures, top to bottom 17 didn't it? 18 A. No. As a business unit leader, you had 19 the option to choose where it applied. 20 Q. Okay. So it -- 21 A. So it didn't necessarily apply to all of 22 those things, no. 23 Q. Nevertheless, it -- that was a pretty 24 significant cut that was ordered by London of 25 25 percent, right?</p>

<p style="text-align: right;">Page 118</p> <p>1 A. It was requested by London. 2 Q. And my guess is if you don't follow 3 London's request you don't stay around too long? 4 A. No, that's not true because I did not 5 meet that request in the business I was running. 6 Q. And so the 25 percent cut that was in the 7 1999, 2000 era, it was followed by a series of 8 other cuts, too, wasn't it? 9 A. I don't recall a general approach -- 10 Q. Well -- 11 A. -- after that time. I just don't recall. 12 Q. Were you aware that -- that your plant -- 13 this plant in 2004 was again challenged to make a 14 25 percent cut in capital expenditures in addition 15 to the 25 percent cut that had been challenged to 16 make in 1999? 17 A. No, because I was not involved in the 18 operation of the plant. 19 Q. At some point when you try to cut 20 expenses and cut expenses and cut expenses, can it 21 become a safety issue? 22 A. Not in my experience, no. 23 Q. My point on this Exhibit 509 is for pages 24 and pages you and others in the PR department go, 25 y'all rehearsed -- there were key questions asked</p>	<p style="text-align: right;">Page 120</p> <p>1 Q. (BY MR. WILLIAMS) I mean, '05? 2 A. We got together and tried to pull out the 3 pieces of the interim report that we were going to 4 use and then structure it, yes. 5 Q. It took a day and a half to do that, 6 didn't it? 7 A. Yes. 8 Q. And you tried to pull out the pieces that 9 would, quite frankly, appear to put your company in 10 it's best light? 11 A. No. Actually, no, that's not the case. 12 Q. But you went through and found key 13 messages and key points you wanted to make, right? 14 A. For that -- I don't know about this 15 document, but for that session we tried to 16 anticipate questions, yes. 17 Q. Right. And you practiced them? 18 A. Yes. 19 Q. Got the wordsmithing down right so that 20 you knew exactly how to say it in its most positive 21 light? 22 A. I think -- 23 MR. DENNY: Objection, form. 24 A. I think actually what we were trying to 25 do was to be clear on what the answer would be.</p>
<p style="text-align: right;">Page 119</p> <p>1 and key messages that you wanted to try and get out 2 to the press, correct? 3 MR. DENNY: Objection, form. 4 A. Generally, yes. I don't know about this 5 specific document. I don't know if I have seen 6 this or whether it ever came to me. It may have 7 been for someone else. 8 Q. (BY MR. WILLIAMS) Now, these messages if 9 you go back and compare these messages with the 10 final report, they don't always add up, stack up as 11 being correct, do they? 12 A. I don't know. 13 Q. And y'all had an answer for everything. 14 For instance, if somebody asked 15 why was a blowdown stack in use, you had a whole 16 bunch of key messages there of how to respond, 17 right? 18 A. It looks like it. 19 Q. And I think you said you confirmed that 20 you and the other people practiced for a day and a 21 half before you met with the press, right? 22 MR. DENNY: Objection -- 23 Q. (BY MR. WILLIAMS) On May -- in May of 24 '04? 25 MR. DENNY: Objection, form.</p>	<p style="text-align: right;">Page 121</p> <p>1 Q. (BY MR. WILLIAMS) Okay. Now, sir, you 2 went to the -- to takeover as the chief PR person 3 the day of the fire and explosion; is that correct? 4 A. I went down to Texas City to help the PR 5 team manage the significant number of media and 6 crews. 7 Q. And that was on the day of the fire and 8 explosion you arrived? 9 A. Actually, I believe it had gone through 10 the night already. And so it was probably the 11 following day, early in the morning the following 12 day. 13 Q. Now, you mentioned a name earlier, 14 Patricia Wright. 15 Who is she? 16 A. She works for me. 17 Q. Her title? 18 A. I may not have it exactly right. I'm not 19 sure. Vice president of government and public 20 affairs. Something like that. 21 Q. So if you are the top person on public 22 affairs, she is the vice president in charge of 23 government -- of public affairs? 24 A. There are lots of vice presidents. There 25 would be another vice president of public affairs.</p>

<p style="text-align: right;">Page 122</p> <p>1 Q. Did I ask you if there were other vice 2 presidents? 3 A. I thought you did. So go ahead. Sorry. 4 What was the question? 5 Q. No. Maybe I am going too fast. 6 You are the top person with regard 7 to public affairs and she is the vice president who 8 has public affairs as part of her title, right? 9 A. She is a vice president that has that as 10 part of her title, yes. 11 Q. Okay. She can speak for the company? 12 A. Yes, she can. 13 Q. And did you expect that this fire and 14 explosion, the 15 deaths, the multiple injuries, 15 that this story would just fade away? 16 A. No, I didn't think it would. 17 Q. Did she give you the opinion that she 18 thought it would fade away? 19 A. Not when I arrived, no. 20 Q. I am trying to -- did she -- I am trying 21 to be as clear as I can -- ever give you the 22 opinion this story is just going to fade away? 23 A. I don't recall a conversation like that. 24 There were lots of opinions as to what would 25 happen. I can only tell you what I think and what</p>	<p style="text-align: right;">Page 124</p> <p>1 So in this document, as I 2 understand it, it's conveying that like the Terri 3 Schivo story, this story will go away? 4 A. Well, that was her opinion at that time 5 of the day. 6 Q. Right. The very day within just a couple 7 of hours after these people were killed, right? 8 A. That's right. That was her opinion. 9 Q. And I am sure you responded and said, 10 "Oh, no, no, no. We need to get on top of this 11 because this is a real tragedy." 12 And such a statement as 13 Exhibit 510 that this is just going to go away, I 14 guess you corrected her, didn't you? 15 A. Well, I never saw that. If that was at 16 4:07, I would have been in the air at the time. So 17 I wouldn't have seen it until the next morning but, 18 yes, when I first saw her -- 19 Q. You said -- you started the sentence by 20 saying "I never saw that." Is that a true -- is 21 that -- 22 A. I don't -- I don't recall ever seeing 23 this. 24 Q. Mr. Pillari, do you -- that -- is that 25 you at the top there that it was e-mailed to?</p>
<p style="text-align: right;">Page 123</p> <p>1 I thought on the day. 2 Q. Did she ever tell you that it would just 3 go away? 4 A. I don't recall having that conversation 5 with Pat. 6 Q. Do you get -- do you read your e-mails? 7 A. Some of them. 8 (Exhibit Number 510 marked for 9 identification.) 10 Q. (BY MR. COON) Let me show you 11 Exhibit 510 and if you can confirm for me that is 12 an e-mail on the day of the fire and explosion from 13 Patricia Wright to you, correct? 14 A. It is. 15 Q. And it says, "Subject: Media coverage 16 and loss of life," and she in there says, "I expect 17 a lot of follow-up coverage tomorrow. Then I 18 expect it will essentially go away." 19 It goes on to say, "DC is taking 20 care of the Federal folks and Glen is handling the 21 state officials. This is a very big story in the 22 U.S. right now, but the Terri Schivo story is huge 23 as well," right? 24 A. That's what it says. 25 Q. Believe it.</p>	<p style="text-align: right;">Page 125</p> <p>1 A. Oh, there is no question it is addressed 2 to me. 3 Q. Now, are you claiming that it didn't get 4 to you -- let's -- I am going to be precise. Are 5 you testifying under oath, "This e-mail got lost in 6 cyberspace and this e-mail never got to me"? 7 A. No, I am not claiming that at all. What 8 I am claiming is that at 4:07 p.m. when that was 9 sent, I was in the air. And so my e-mails are 10 often picked off by my secretary and if they are no 11 longer relevant, I don't see them. I don't recall 12 getting it. I may have gotten it. I don't recall 13 it. There is no question, I don't agree with the 14 view. 15 Q. Well, wait a minute when somebody says it 16 is essentially going to go away. Terri Schivo is a 17 big deal but she is going to go away, too. 18 Don't you think -- do you think 19 your secretary would have taken that from a vice 20 president and not allowed you to see it on the day 21 of the explosion? 22 A. Yeah, because by the time I landed and 23 got here, she would have known that that's an 24 irrelevant statement. 25 Q. So you are suggesting to this jury under</p>

<p style="text-align: right;">Page 126</p> <p>1 oath that your secretary deleted this e-mail and 2 you never saw it? 3 A. I am not suggesting that. What I said 4 was -- 5 Q. Are you -- 6 A. I am not suggesting that, no. 7 Q. So we can put that aside that your -- any 8 suggestion that your secretary deleted it, we can 9 put that aside as not having happened, true? 10 MR. DENNY: Objection, form. 11 A. I am saying I don't know. 12 Q. (BY MR. WILLIAMS) Well, you're -- 13 you're -- you know, as a PR person, you are raising 14 this -- are you or are you not raising an issue 15 about your secretary having deleted this from your 16 e-mails? 17 MR. DENNY: Objection, form. 18 A. I am saying I don't recall reading it. I 19 don't agree with it. It's clearly addressed to me. 20 MR. WILLIAMS: Objection, 21 nonresponsive. 22 Q. (BY MR. WILLIAMS) My question is: Are 23 you suggesting in any way to the jury that it was 24 your secretary who deleted this and you never saw 25 it?</p>	<p style="text-align: right;">Page 128</p> <p>1 Q. And who would be -- who do you compete 2 with for the second spot behind ExxonMobil? 3 A. Again, depending, but usually Shell. I 4 don't think we compete with them for that. It's 5 just a fact. 6 Q. Okay. How do you compare with your -- 7 with ExxonMobil and Shell with regard to deaths, 8 your safety record on deaths? 9 A. Well, with Texas City -- with what 10 happened at Texas City, I would think we must be 11 worse. 12 Q. Well, before the March 23 fire and 13 explosion, how many deaths had there been at Texas 14 City in the preceding years? 15 A. I recall three the prior year, but -- 16 Q. But -- 17 A. -- I don't know about years before that. 18 Q. Now, the evidence in this case is that 19 there was a death some every 16 to 18 months in 20 this plant but that information has not been 21 provided to you by your PR people? 22 A. No, I didn't see that. 23 Q. And even in your day and a half of 24 preparation nobody had provided you with the 25 numerous deaths -- the safety records for deaths in</p>
<p style="text-align: right;">Page 127</p> <p>1 A. No, I am only suggesting I don't recall 2 ever seeing it. 3 Q. So any suggestion that your secretary 4 deleted this would be misleading? 5 A. It would be speculation. 6 Q. Anybody else delete your e-mails besides 7 you and your secretary? 8 A. Yes. 9 Q. Who? 10 A. I have an assistant, Sally Taggart. 11 Q. Does she delete your e-mails, too? 12 A. She can. She has that authority. 13 Q. Are you suggesting that she deleted this 14 e-mail? 15 A. No, I am not. 16 Q. Now, did you in any way respond to this 17 e-mail? 18 A. I don't recall ever responding to it. 19 Q. Well, it hasn't gone away, has it? 20 A. No. I didn't think it would. 21 Q. Am I correct that BP is the largest oil 22 company in the world second only to ExxonMobil? 23 A. It varies a little bit, but we are either 24 two or three depending on how you measure it, 25 whether it's revenue, profit or what.</p>	<p style="text-align: right;">Page 129</p> <p>1 this plant? 2 A. Well, that's why I knew about the ones 3 the year before. 4 Q. But nobody provided you with the 5 information about the deaths before that, did they? 6 A. No. 7 Q. The budget cuts that were asked of this 8 plant for capital expenditures, who asked for 9 those? 10 A. I don't know. 11 Q. Can you think of any reason to ask for 12 these budget cuts other than for trying -- for this 13 company to try and make more profit? 14 MR. DENNY: Objection, form. 15 A. I don't know. I wasn't involved in the 16 request. 17 Q. (BY MR. WILLIAMS) And is it true that -- 18 was your company having any problems with profit in 19 '04 or '05? 20 A. Not that I am aware of. 21 Q. In fact, gasoline prices were 22 skyrocketing and profits were record profits in 23 those years, weren't they? 24 A. They may have been. I am not sure if 25 there were records or not; but they were very</p>

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1 good -- but mostly on the crude oil side, not on
 2 gasoline.
 3 Q. And your company, I guess, has nothing to
 4 do with the high price of gasoline at the pump,
 5 right?
 6 MR. DENNY: Objection, form.
 7 A. We are in the market. We price with the
 8 market.
 9 Q. (BY MR. WILLIAMS) And the fact that
 10 gasoline prices are at record highs and your
 11 profits are at record highs that just happens to be
 12 a, I guess, a coincidence.
 13 A. No, it's the market at work. It's about
 14 supply and demand. It's not a coincidence at all.
 15 Q. So there's no question your company plays
 16 a role in the high gasoline prices?
 17 A. We are in the market. So, yes.
 18 Q. And there's no question that your company
 19 has the financial resources, if it had chosen to,
 20 to upgrade the training, the equipment and the
 21 procedures and the management at the Texas City
 22 refinery before it blew up?
 23 A. Yeah, I don't believe cost would be an
 24 issue.
 25 Q. No question you had the resources to do

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1 it?
 2 A. Yes.
 3 Q. Okay. Why was it not done?
 4 A. I don't know. I don't operate that
 5 facility.
 6 Q. Well, you read the final report and it
 7 said that it had deteriorated over years and that
 8 there was a problem where they accepted unusually
 9 high risk.
 10 Why is that?
 11 A. I don't know. I know what the report
 12 says, but I wasn't involved. So I have no way of
 13 knowing.
 14 Q. Does your company have an ethics and
 15 environmental insurance committee?
 16 A. Yes, it does.
 17 Q. And who sits --
 18 A. On the main board, on the parent
 19 corporation, yes.
 20 Q. The London company?
 21 A. PLC, BP PLC.
 22 Q. And who sits on that?
 23 A. I probably don't have all the names.
 24 Walter Massey would be a non-executive director
 25 that sits on it. I don't have the names. I

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1 just -- I know Walter is the chairman of it. They
 2 would all be non-executive directors.
 3 Q. And what is their purpose of that ethics
 4 and environment insurance committee?
 5 A. I don't -- I have never seen it written
 6 down somewhere.
 7 Q. And have you ever seen them do anything?
 8 A. I appeared once.
 9 Q. With regard to?
 10 A. Reputation issues, primarily throughout
 11 the whole western hemisphere. So what was
 12 happening with governmental affairs, legislation,
 13 what did research say about our reputation, things
 14 like that.
 15 Q. And what did you report to them?
 16 A. I reported to them that, in general, our
 17 reputation was very good throughout both the North
 18 and the South American part of the hemisphere.
 19 That in Latin America we were not as well-known as
 20 we would like to be. That in the United States
 21 that our reputation had declined, and in Houston,
 22 it was awful.
 23 Q. Now, did this ethics and environment
 24 insurance committee in any way do anything with
 25 regard to the record of deaths and injuries at

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1 Texas City refinery?
 2 A. I don't know.
 3 Q. They never -- are you aware of any
 4 investigation or actions that they took with regard
 5 to the -- what I think we can agree is a pretty
 6 horrendous safety record at that plant?
 7 MR. DENNY: Objection, form.
 8 A. I wouldn't be involved in any of the
 9 activities of the EAC except when they invite me.
 10 Q. (BY MR. WILLIAMS) You don't dispute that
 11 Texas City plant has a pretty horrendous safety
 12 record?
 13 A. It's not one I would be proud of.
 14 Q. So with this safety record that we know
 15 of at that plant, I mean, what's the ethics
 16 committee supposed to do with regard to that?
 17 A. I don't know. They wouldn't speak to me
 18 about the operations of the refinery. They know I
 19 have no responsibility there.
 20 Q. Was the final report ever presented to
 21 this ethics committee?
 22 A. I don't know.
 23 Q. Do you know if this committee has ever
 24 voted on any issue or --
 25 A. No, I have no knowledge on what the

<p style="text-align: right;">Page 134</p> <p>1 committee does. 2 Q. Have they ever given you any guidance? 3 A. No. 4 Q. Have you ever seen a report come from 5 this ethics committee? 6 A. No. 7 Q. Do you know if they even meet other than 8 the one time you went there? 9 A. They are a committee of the board. My 10 guess is they would meet, but I don't actually 11 know. I am not privy to what the board does. 12 Q. There are some companies that walk the 13 walk with regard to safety and some that just talk 14 about it but don't come through. 15 With regard to the Texas City 16 refinery, is it true that your company is one that 17 talks about it but, obviously, didn't come through? 18 A. Well, I would say if you read the final 19 report, it looks like they did not come through. 20 Q. Now, with regard to public relations, 21 your company after this fire and explosion -- let 22 me show you Exhibit 511. 23 (Exhibit Number 511 marked for 24 identification.) 25 Q. (BY MR. WILLIAMS) June 15th, '05, to you</p>	<p style="text-align: right;">Page 136</p> <p>1 people's opinions using your paid consultants 2 and your -- and your money in Exhibit 512 here. 3 (Exhibit Number 512 marked for 4 identification.) 5 Q. (BY MR. WILLIAMS) To change the way 6 people view -- now this was the Houston plan, 7 right, on the top? 8 A. I am reading it. 9 Yeah. It says, "The Houston 10 Plan." 11 Q. And do you see it -- y'all have done 12 surveys about people in Houston, right? 13 A. Correct. 14 Q. And down here "Key audiences: Employees, 15 Fortune voters." 16 What in the world are Fortune 17 voters that y'all were interested in? 18 A. These are people who subscribe to Fortune 19 magazine. They have a high probability of buying 20 or not buying shares and they also vote in 21 Fortune's annual listing of companies, most favored 22 company's, things like that. 23 Q. And y'all want to be ranked high there? 24 A. Yes. 25 Q. And "broad elite," what is a broad elite?</p>
<p style="text-align: right;">Page 135</p> <p>1 from Patricia Wright, again, "consultants." And it 2 says, "Ross, per your call today, I am working with 3 three different consultants." Y'all brought in 4 Tim Connor, Howard Paster of WPP and Ogilvie Public 5 Relations and to come up with a plan to work on the 6 people in Texas City in Galveston and Houston and 7 national reputation, right? 8 A. It talks about our image in the U.S. is 9 what it talks about. And then they -- let me read 10 it. Then it goes down and talks about -- 11 Q. You see right under the Number 3 where 12 I've got it highlighted, it says -- 13 A. Yeah, I just hadn't got that far yet. 14 Q. -- we have three plans in the works. One 15 of which, of course, is national reputation. One 16 is Texas City, Galveston and one is Houston. 17 A. That's right. 18 Q. So y'all focused and -- a marketing 19 campaign -- public relations campaign, specifically 20 on the people in Texas City in Galveston, didn't 21 you? 22 A. I would say we had a communication plan 23 where the research plan showed our reputation was 24 the worst. 25 Q. And part of that plan was to change</p>	<p style="text-align: right;">Page 137</p> <p>1 A. This is a definition of private 2 individuals who are very likely to invest. 3 Q. And what's a political and regulatory 4 elite that you are targeting? 5 A. These are people who are very likely to 6 either propose or influence legislations or 7 regulations. 8 Q. And I see that you have a five step plan 9 to manage reputation, right? 10 A. Yes. 11 Q. This five step plan includes: Step 4, 12 highlight your thunder horse locally and 13 nationally, correct? 14 A. Correct. 15 Q. What is thunder horse? 16 A. It's a platform, a new technology 17 platform out in the Gulf. 18 Q. It's the one that sunk? 19 A. It didn't sink. 20 Q. I am sorry. What did it do? 21 A. It didn't sink. 22 Q. Didn't y'all have one that -- that almost 23 sunk? 24 A. It took on water during a hurricane. 25 It's out there right now, though.</p>

35 (Pages 134 to 137)

<p style="text-align: right;">Page 138</p> <p>1 Q. Oh, thunder horse is the one that almost 2 sank, right? 3 A. No, I wouldn't say it almost sank. 4 Q. It started tilting out in the Gulf? 5 A. Yes, it took on water. 6 Q. Now, your -- now, your claim today it was 7 because of the hurricane, right? 8 A. No, I didn't say it happened during the 9 hurricane. 10 Q. It wasn't a result of the hurricane 11 though, was it? 12 A. No. Although, you could say -- 13 Q. Let me be clear. 14 A. Okay. 15 Q. The hurricane did not cause your platform 16 to tilt. It was mechanical failures that caused 17 your platform to tilt, right? 18 A. That's correct. 19 Q. So when you mentioned the hurricane, do 20 you think maybe you were putting a little spin on 21 it? 22 A. No, I don't. 23 MR. DENNY: Objection, form. 24 Q. (BY MR. WILLIAMS) Well, you want to 25 highlight the thunder horse as one of y'all's --</p>	<p style="text-align: right;">Page 140</p> <p>1 A. No, they wouldn't feel the need to let me 2 know one way or the other. 3 Q. So you have a campaign down here to fix 4 some homes, get involved with women, share the 5 juvenile diabetes issue and do some public PSAs to 6 highlight your leadership role trying to improve 7 your image, right? 8 A. Yes. 9 Q. I don't see safety on there like why 10 don't we fix the dang plant? 11 MR. DENNY: Objection, form. 12 A. Well, this is because this is for the 13 government and public affairs staff. It has 14 nothing to do with the refinery staff. So you 15 wouldn't see it. You wouldn't expect to see it. 16 It's not their job. 17 Q. (BY MR. WILLIAMS) I guess it's just 18 logical to me that one of the things that you want 19 to do if you want to change people's opinions is 20 you would say, "We fix the darned plant." 21 I don't see that as one of your 22 five steps? 23 A. No, but we did do it. 24 Q. Yeah, after people died, right? 25 A. Well, this plan was after people died.</p>
<p style="text-align: right;">Page 139</p> <p>1 this one that is tilting -- that tilted out in the 2 Gulf, there was a while there, by the way, when 3 y'all didn't know if you could save it or not that 4 it might just go under, wasn't there? 5 A. I never believed it would go under, no. 6 Q. But there are experts believed it might 7 tilt on over and sink, right? 8 A. No, I don't think so. 9 Q. So y'all want to highlight that as one of 10 your -- one of the things to get you out of your 11 hole -- that public relations hole that you have in 12 the Houston area, right? 13 A. That's correct. We want to tell people 14 what we are doing with that. Uh-huh. 15 Q. And use voluntarism and partnerships 16 to -- and all. For instance, that is the one 17 where -- did you know in Texas City that you 18 received -- your company received a corporate hero 19 award? 20 A. I didn't know if that happened or not. I 21 assumed that it might be withdrawn. 22 Q. Was it? 23 A. I don't know. It's too local. I 24 wouldn't know. 25 Q. Not -- too far below your pay rate?</p>	<p style="text-align: right;">Page 141</p> <p>1 Q. Yeah, but my point -- we were talking 2 about fixing the plant. I'm not trying to -- 3 A. Oh, I didn't know about fixing the plant. 4 I wasn't involved before. 5 Q. Well, did y'all fix the plant after the 6 people died? 7 A. I understand that they have done a great 8 amount of work to improve the operation of the 9 plant. 10 Q. Sure. My question was: Why wasn't it 11 done before? 12 A. I don't know. I wasn't involved. 13 Q. Now -- 14 (Exhibit Number 513 marked for 15 identification.) 16 Q. (BY MR. WILLIAMS) Now, Exhibit 513 is an 17 e-mail June 18, 2005, from David Allen to you. 18 Did somebody else write this? 19 A. It doesn't matter. I sent it over my 20 name. 21 Q. Can you answer the question, sir? 22 A. I don't know whether I had help writing 23 it or not. 24 Q. You tell me that people send out e-mails 25 from Ross Pillari that you don't write?</p>

36 (Pages 138 to 141)

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1 A. No, I am sorry. I misunderstood your
 2 question. As I said there is no question that went
 3 out over my name. So it's mine.
 4 Q. Did you write it?
 5 A. You did ask me -- and I said I didn't
 6 know whether I wrote it or not. Someone may have
 7 given me a draft, and I may have signed my name to
 8 it and sent it. That happens all the time. So I
 9 am trying to be specific.
 10 Q. So you are trying to manage the U.S.
 11 reputation of the Texas -- with the Texas City
 12 implications, correct?
 13 A. Correct.
 14 Q. And you are trying to counter the effects
 15 of local and, quote, an aggressive, quote,
 16 investigative journalism, right?
 17 A. Yes.
 18 Q. Anything wrong with the journalists, with
 19 the job they did?
 20 A. No.
 21 Q. Why would you --
 22 A. No, they are entitled to their views ---
 23 Q. Why would you -- why would you want to
 24 counter the effects of aggressive investigative
 25 journalism?

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1 A. Because if you don't think the whole
 2 story is getting out, you want to try and tell the
 3 whole story.
 4 Q. Now, this is the -- the whole story,
 5 would that mean like going back and clearing up the
 6 training issue that you mislead people on in -- in
 7 the May press conference?
 8 MR. DENNY: Objection, form.
 9 A. I don't know the date of this. I don't
 10 know if it was before or after the final report.
 11 Q. (BY MR. WILLIAMS) It's June 18th.
 12 A. So it's long before the final report. So
 13 we wouldn't have known that yet.
 14 Q. Wait a minute. You were saying the
 15 training problems I thought you and I looked at
 16 e-mails where there were big gaps about the
 17 training problems four days before you gave the
 18 press conference?
 19 A. But I never got that e-mail. It wasn't
 20 sent to me.
 21 Q. Huh. So we are putting money here -- you
 22 are putting money here to try and influence people
 23 in the Houston, Galveston, Texas City area, right?
 24 A. Correct.
 25 Q. And you are sending out your team to do

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1 surveys with the broad elite and to do face-to-face
 2 dialogs with the community leaders from your
 3 corporate team, right, to influence government?
 4 A. Various people. Local people as well.
 5 Not just the corporate team. So --
 6 Q. Your company --
 7 A. -- people at the refinery. Employees,
 8 yeah.
 9 Q. Your company uses its money to try and
 10 influence government, true?
 11 MR. DENNY: Objection, form.
 12 A. Well, if I could be specific about that,
 13 I will.
 14 Q. (BY MR. WILLIAMS) If you will, just
 15 answer the question.
 16 A. We hire people who work for us who try
 17 and influence government legislation, regulations
 18 and decisions. We do not -- that's what we do.
 19 Q. Right. You have the money and resources
 20 and you have a whole department aimed --
 21 A. Sure.
 22 Q. -- at influencing government, right?
 23 A. Yes, we do.
 24 Q. Including local government at Texas --
 25 the Texas City and Galveston County area?

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1 A. Yes.
 2 Q. And you have the money and used your
 3 money to hire Tim Connor, Howard Paster and Ogilvie
 4 from New York City to help you with this plan,
 5 right?
 6 A. Tim Connor would be the only incremental
 7 expense. Howard and Ogilvie are on a long-term
 8 contract with us. So they are employed -- they get
 9 paid whatever they do. So it's not incremental.
 10 Q. So if we look at your program, enhanced
 11 national program, 2.2 million, including 1.6 from
 12 group marketing, you are going to go around and
 13 place Op-ed pieces in the New York City and
 14 Washington Post, right?
 15 A. That was the proposal, yes.
 16 Q. And focus on Fortune voters?
 17 A. Right.
 18 Q. And in Washington, DC thought leaders
 19 0.8M, is that --
 20 A. It's 800,000.
 21 Q. -- eight-tenths of a million dollars?
 22 A. Yeah, it's \$800,000. Yeah.
 23 Q. And you're trying to, in your -- in your
 24 words, leverage the BP conservation awards and
 25 leverage the solar decathlon, right?

<p style="text-align: right;">Page 146</p> <p>1 A. Yes. 2 Q. So your company uses money with 3 consultants and uses leverage of awards and things 4 like that -- 5 A. Sure we do. 6 Q. -- in order to influence government to 7 see it the way y'all want to do things, right? 8 A. Government and public opinion. 9 Q. Sure. 10 A. Most of that was to the public, not to 11 the government. 12 Q. And so you have got more here 13 1.1 million, half a million and then speaking 14 opportunities for BP execs, right? 15 A. Right. 16 Q. So Baker Institute, that's James Baker, 17 right? 18 A. Yes. 19 Q. Well, now, wait a minute. I thought he 20 was in charge of investigating y'all? 21 A. He is. 22 Q. And -- but y'all go to his institute to 23 speak, right? 24 A. Yes. 25 Q. Sounds like a cozy relationship?</p>	<p style="text-align: right;">Page 148</p> <p>1 Q. Now, I am sure none of that was ever 2 intended to influence the jurors that show up in 3 the trial of this case? 4 MR. DENNY: Objection, form. 5 A. Of course not. 6 Q. (BY MR. WILLIAMS) It says, "In 7 conclusion, 2005 expenditures are nearly 8 5.7 million out of the 50 million and we are 9 beginning to think about the impact TV will have on 10 our 2006 plan." 11 Am I correct, y'all have devoted 12 million of dollars to influencing how people think 13 about your company? 14 A. Sure. 5.7, it looks like. 15 Q. In this area, the Houston area? 16 A. Yes. 17 Q. The Houston/Galveston area -- 18 A. Yes. 19 Q. -- to be more precise? 20 A. Uh-huh. 21 MR. DENNY: Objection, form. 22 (Exhibit Number 514 marked for 23 identification.) 24 Q. (BY MR. WILLIAMS) Let me show you 25 Exhibit 514 and it appears to be labeled "Strictly</p>
<p style="text-align: right;">Page 147</p> <p>1 A. Yeah, if you had ever found him there, it 2 would be. 3 Q. Galveston County editorial board. You 4 wanted the -- one of the parts of the plan was for 5 you to speak with the Galveston editorial board, 6 right? 7 A. It was part of the plan. I never did it. 8 Q. And then go to the Wall Street Journal, 9 get John Mogford and Ross Pillari to talk to them 10 on background, right? That was part of the plan. 11 A. We did not do that on background. 12 Q. That was part of the plan, though? 13 A. Yeah, but what actually happens is 14 different. 15 Q. And the Houston area plan, 16 Houston/Galveston, metropolitan area, \$1.1 million 17 you are using now for your PR plan here, right? 18 A. Correct. 19 Q. "Additional ad placements in local media 20 and publications," right? 21 A. Correct. 22 Q. Survey of voters in the Houston area, 23 increase posters, town halls, publications and all 24 that? 25 A. Internally, yes.</p>	<p style="text-align: right;">Page 149</p> <p>1 Confidential." And the context, "BP's largest and 2 most complex oil refinery is located in Texas City, 3 Texas, produces about 11 million gallons of gas a 4 day, 3 percent of gasoline supply to the U.S.," 5 et cetera. 6 What is this document? 7 A. It looks like -- by the form of it, it 8 looks like a prep document before the annual 9 shareholders meeting. 10 Q. And it goes on to say that there have 11 been four incidents and 18 fatalities at Texas City 12 in the past year. It goes on to talk about the 13 March '04 fire and various other fires and 14 explosions, right? 15 A. Yes. 16 Q. And so part of what it says in this 17 strictly confidential document, it says, "Please do 18 not mention the PIRG, unless raised." 19 Why would you not want to mention 20 the PIRG? 21 A. This would be a briefing note for the 22 chairman of the company who would have no clue what 23 PIRG is about. So my -- my recollection of this 24 would be that we just didn't want him to comment on 25 PIRG.</p>

<p style="text-align: right;">Page 150</p> <p>1 Q. Why not just educate him on it? 2 A. Well, he has to be educated on so many 3 things. You can't do everything. 4 Q. This was prepared for Lord Browne? 5 A. No. Well, I don't believe so. If it's 6 what I think it is, it looks like it's a 7 preparation for the annual meeting which is -- an 8 annual meeting of shareholders which is run by the 9 chairman. 10 Q. Who is? 11 A. Peter Sutherland. 12 Q. Chairman of BP -- 13 A. PLC. 14 Q. Okay. That's the big -- London, the big 15 umbrella, the biggest company. 16 A. Correct. 17 Q. And key messages y'all developed for -- 18 or somebody has developed for him key messages to 19 try and tell people, right? 20 A. Yes. It looks like it was in the second 21 quarter. 22 Q. Right. It says here BP has committed 23 it's full resources to the investigation and will 24 do everything in its power to prevent future 25 occurrences. Commit it's full resources.</p>	<p style="text-align: right;">Page 152</p> <p>1 A. Correct. 2 Q. And if somebody brings up the issue in 3 your board meeting about or your shareholders 4 meeting about systemic problems, the response is 5 "We believe the record at Texas City and elsewhere 6 shows that BP's commitment to safe operations is 7 strong." 8 That's the message you want to 9 send, huh? 10 A. That's one of the messages. 11 Q. "We believe the record at Texas City" -- 12 let's just take that part -- that that is a strong 13 record. 14 Is that the message you really 15 want to send to shareholders? 16 A. Well, I didn't prepare this, but the 17 context goes on to talk about OSHA and DAFWC. 18 Q. No, I know you would like to change the 19 subject. 20 Can we focus on the sentence that 21 I'm talking about that I have highlighted? 22 MR. DENNY: Objection, form. 23 A. Sure. 24 Q. (BY MR. WILLIAMS) Can we focus on that 25 sentence?</p>
<p style="text-align: right;">Page 151</p> <p>1 Would that include using 2 Mr. Parus? 3 A. Sure. 4 Q. Again, his role is what? 5 A. Whatever the investigation team wants it 6 to be. 7 Q. Which apparently is sitting in the 8 kitchen. 9 MR. DENNY: Objection, form. 10 Q. (BY MR. WILLIAMS) So y'all have briefed 11 the chairman, now, on two fatalities back in 12 September of '04, correct? 13 A. Correct. 14 Q. And reminded people of support for the 15 families, et cetera, and giving people what 16 document -- what to say, like Mr. Gonzalez was 17 friend and valued co-worker, statements to say, 18 right? 19 A. Uh-huh, yes. 20 Q. And then on the PIRG report you have 21 given ways to avoid addressing that, right? 22 A. Well, actually, this is how you would 23 address it. 24 Q. Oh, so you would address it by saying 25 that it's misleading, correct?</p>	<p style="text-align: right;">Page 153</p> <p>1 A. Sure. 2 Q. It says, "We believe the record at Texas 3 City and elsewhere shows that BP's commitment to 4 safe operations is strong." 5 Do you believe that's a true 6 statement that the Texas City record shows a strong 7 commitment to safety? 8 A. Well, it's inclusive and I would include 9 it, yes. 10 Q. So how many deaths would it take to get 11 out of that area of strong commitment to safety? 12 MR. DENNY: Objection, form. 13 A. This isn't -- this was about a 14 commitment. This wasn't about the application. 15 That's what that sentence was about. 16 Q. (BY MR. WILLIAMS) It's about commitment, 17 not reality? 18 A. But it doesn't talk about the failure at 19 Texas City. 20 Q. It's just about what you want people -- 21 what you want to say to people rather than what 22 reality is? 23 A. No, it's what we believe. 24 Q. You don't believe that that place has a 25 good safety record, do you?</p>

39 (Pages 150 to 153)

<p style="text-align: right;">Page 154</p> <p>1 A. No, we believe we have a commitment to 2 safety. 3 Q. Now, worldwide, there were 11 people that 4 died in 2004, three of which were right in that one 5 Texas City plant, right? 6 A. Yes. 7 Q. Now, your company has killed 20 in '03 8 and 13 in '02, correct? 9 A. Well, I would say it a different way. We 10 had 20 people die. Some of those 20 died, for 11 example, in car accidents where other people ran 12 into them. So these are clearly fatalities of 13 employees that died while working. 14 Q. How do you compare to other companies? 15 A. I don't know. 16 Q. Why is this strictly confidential? 17 A. Because it's prepared for a shareholder 18 meeting and it's SEC sensitive. So by law, you 19 have to keep it tight. 20 Q. What is SEC sensitive about the fact that 21 you have a big refinery? 22 A. It's sensitive. Anything you give to the 23 chairman that is then going to be mentioned to 24 shareholders, it can't get out to some shareholders 25 before others. So it's just automatic. Every</p>	<p style="text-align: right;">Page 156</p> <p>1 A. None of these people are on the GPA team. 2 So I don't know anything about this note. 3 Q. Well, does it appear that it is an 4 effort -- it appears to me to be an effort rather 5 than coming out with the true facts to just say we 6 are not going to let the press know the real number 7 because then they will start repeating it? 8 MR. DENNY: Objection, form. 9 A. That's not what it appears to me. 10 Q. (BY MR. WILLIAMS) Instead of just -- do 11 you see the last sentence there, it says, "I 12 recommend just sticking with the current number." 13 Why would you stick with the 14 current number instead of getting the accurate 15 number? 16 A. I didn't write this. I don't know. 17 Q. Well, why does your company do things 18 like that? 19 MR. DENNY: Objection, form. 20 A. I don't know what this note is about. 21 Q. (BY MR. WILLIAMS) Do you know these 22 people involved? 23 A. I know Hogford -- Mogford, Holt and 24 Broadribb. I don't know Crum or Clary or Garvin. 25 Q. Now, your company had a fire and</p>
<p style="text-align: right;">Page 155</p> <p>1 year, it's routine. Anything that goes to the 2 chairman before a shareholders meeting is 3 sensitive, under stock market rules. 4 Q. And who prepared this? 5 A. I don't know. 6 MR. DENNY: Objection, form. 7 (Exhibit Number 515 marked for 8 identification.) 9 Q. (BY MR. WILLIAMS) Now, let's look at 10 Exhibit 515. It is a series of e-mails from 11 William Clary to Mark Gavin -- Garvin and back. 12 And then distributed to John Mogford, Tim Holt, 13 Broadribb, Crum, et cetera. And an investigation 14 team was asking how many -- basically, how many 15 people were injured. 16 And instead of just giving the 17 answer somewhere between 50 and a thousand, it goes 18 on to say, "We will never have a good idea. There 19 is too many ways to come up with a number, none of 20 which are accurate and seeing how many times the 21 last number published by the investigation was 22 used, I don't want to come up with some other 23 number which then gets repeated." 24 Is this part of your goal to 25 manage the press?</p>	<p style="text-align: right;">Page 157</p> <p>1 explosion at -- the Texas City refinery had a fire 2 after March 23, '05, in July of '05, correct? 3 A. I think that's right. 4 Q. And my -- as I understood, the statement 5 was made that what happens with our plant -- within 6 our plant, we accept responsibility for. 7 Would that also apply to July? 8 A. I would -- 9 MR. DENNY: Objection, form. 10 A. -- think so. 11 Q. (BY MR. WILLIAMS) Pardon me? 12 A. I would think so. 13 Q. Is the Texas City refinery some kind of 14 outlier that it has -- it's different from your 15 other refineries with regard to its safety record? 16 A. I can't -- I wouldn't -- couldn't comment 17 on that. I have not reviewed all the safety 18 records. 19 Q. Now, you received a report around 20 May 13th, '05, and I have written some on the front 21 but -- 22 MR. DENNY: Do you have an exhibit 23 number? 24 MR. WILLIAMS: Well, I don't have 25 a copy. Let me see if I can find a copy. Then I</p>

<p style="text-align: right;">Page 158</p> <p>1 can make it an exhibit. 2 (Discussion off the record.) 3 Q. (BY MR. WILLIAMS) By the way, I am 4 quoting from a -- your May 17th remarks and it 5 says, "Our goal is to provide fair compensation 6 without the need for lawsuits or lengthy court 7 proceedings." Does that -- 8 A. Yes, that sounds right. 9 Q. What do you know about any criminal 10 investigation of your company? 11 MR. DENNY: Only answer that if 12 it's information you haven't obtained from a 13 lawyer. 14 I don't want him to go into what 15 some lawyer may have told him, John Eddie. So I am 16 going to instruct him not to answer on that. 17 MR. WILLIAMS: Well, if a lawyer 18 tells him that, it doesn't make it privileged. 19 MR. DENNY: Any discussions he had 20 with a lawyer I think are privileged. 21 MR. WILLIAMS: You -- 22 MR. DENNY: Well, we are going to 23 just disagree. Okay? 24 MR. WILLIAMS: You need to study 25 that issue.</p>	<p style="text-align: right;">Page 160</p> <p>1 A. I have not sought legal advice, 2 personally. 3 Q. So what legal -- what legal 4 investigations are you -- criminal investigations 5 are you aware of since you are not seeking advice, 6 it can't be privileged? 7 MR. DENNY: I am going to instruct 8 him not to answer if it's based on his capacity in 9 the -- with the company, if he is dealing with 10 company lawyers about that -- what that issue may 11 or may not be. So I am going to instruct him not 12 to answer that. 13 MR. WILLIAMS: Okay. We will take 14 that up in front of the judge. 15 MR. DENNY: Okay. First thing we 16 disagree on. 17 MR. WILLIAMS: Likely the last, 18 right? 19 MR. DENNY: Probably. 20 (Discussion off the record.) 21 Q. (BY MR. WILLIAMS) We will just mark my 22 copy and substitute one later. 23 (Exhibit Numbers 516 and 517 24 marked for identification.) 25 Q. (BY MR. WILLIAMS) Let me show you</p>
<p style="text-align: right;">Page 159</p> <p>1 MR. DENNY: Okay. 2 Q. (BY MR. WILLIAMS) You can answer the 3 question. 4 MR. DENNY: No, I am not going to 5 tell him -- if it's something that a lawyer has 6 talked to him about, I am going to tell him not to 7 answer about it. Okay? 8 A. I have only spoken with attorneys about 9 it. 10 Q. (BY MR. WILLIAMS) Well, what 11 investigations, criminal investigations are you 12 aware of? 13 MR. DENNY: If it's based on what 14 a lawyer has discussed with him this is -- with his 15 lawyers, I am going to instruct him not to answer 16 that question. 17 A. I am not going to answer it. 18 Q. (BY MR. WILLIAMS) Well -- 19 MR. DENNY: So we can agree to 20 disagree. 21 Q. (BY MR. WILLIAMS) Do you -- are you the 22 target of any criminal investigation? 23 A. Not that I am aware of. 24 Q. Have you sought legal advice since you 25 are not a target of any investigation?</p>	<p style="text-align: right;">Page 161</p> <p>1 Exhibit 516. Those notes are mine, quite frankly, 2 but the point is that this was a -- to you from 3 Michael Hoffman, May 13th, '05. 4 Do you recall this? 5 A. I don't recall it, but I accept it. 6 Q. It's about -- it's about blowdowns? 7 A. Uh-huh. 8 Q. And in here is a chart on there and it 9 shows the blowdown systems used throughout your 10 company, right? 11 A. Yes. 12 Q. And it says that some of them, like, if 13 we use Texas City, there is 11 blowdowns. 14 Ten are in the red category and 15 one is yellow, right? 16 A. Yes. 17 Q. And red means it is going to need 18 significant modification or replacement with a 19 closed system? 20 A. That's correct. 21 Q. And a closed system is the inherently 22 safer design that's expressed in the final report, 23 right? 24 A. I believe that's right. 25 Q. And if I look at that chart correctly,</p>

41 (Pages 158 to 161)

<p style="text-align: right;">Page 162</p> <p>1 there are -- there is no plant in your system that 2 has nearly the number of red blowdown systems as 3 Texas City refinery, correct? 4 A. That looks right. 5 Q. Why is that? Why was this refinery 6 saddled with so many, quote, red blowdown systems? 7 A. I have no idea. I was never involved 8 with the refinery. 9 Q. Your company, in addition to the -- being 10 accused of being the worst polluter in America for 11 a refinery, has had -- has had other incidents in 12 addition to the March 23, '05 fire and explosion, 13 true? 14 A. I am sure we must have. 15 Q. For instance, the second largest oil 16 spill in Alaska in history came out of your 17 company's pipelines, right? 18 A. On one of the feeder lines. That's 19 right. 20 Q. And it's second only to the oil spill 21 made by the Valdez Exxon when it -- some 15 years 22 ago? 23 A. In size, yes. 24 Q. And it is alleged that the reason for the 25 second largest oil spill in Alaska by your company</p>	<p style="text-align: right;">Page 164</p> <p>1 Alaskan pipelines, true? 2 A. I am not aware of any specifics on that 3 one pipeline. There have been lots of comments 4 about maintenance in Alaska. 5 Q. Directed at your company about corrosion 6 and lack of maintenance on its pipelines, true? 7 A. It has been in the media, yes. 8 Q. Okay. 9 MR. WILLIAMS: We are about out of 10 tape. 11 Do you want to break for lunch and 12 I think Brent's going to takeover, probably. 13 MR. DENNY: We're going to break 14 about an hour? 15 MR. WILLIAMS: Sure. 16 THE VIDEOGRAPHER: Off the record 17 at 12:23 p.m., ending Tape 3. 18 (Lunch recess taken.) 19 THE VIDEOGRAPHER: On the record 20 at 1:32 p.m., beginning Tape 4. 21 * * * 22 EXAMINATION 23 Q. (BY MR. COON) Mr. Pillari, my name is 24 Brent Coon; and my firm has been assigned the 25 responsibility of assisting with the plaintiffs'</p>
<p style="text-align: right;">Page 163</p> <p>1 was because you didn't pay attention to maintenance 2 of your pipes, true? 3 A. That's not true. 4 Q. No one has ever alleged lack of 5 maintenance on your pipes is the cause? 6 A. I don't -- I am not aware of anybody of 7 substance or anybody saying to me, "Here are the 8 facts" which suggest that's the case. 9 Q. So why do you -- 10 A. So I don't believe it's true. 11 Q. Why did it leak? 12 A. Because of corrosion. 13 Q. And when did your company learn that 14 there could be the phenomenon called corrosion? 15 A. My understanding on this line, even 16 though it had been -- it did have an approved 17 maintenance program with it, that this line we 18 learned when it began to leak. 19 Q. You weren't aware of corrosion until it 20 had the biggest -- second largest oil spill in 21 Alaskan history? 22 A. Not on that line, no. 23 Q. That -- you had been warned -- your 24 company had been warned repeatedly in the past 25 about the rundown nature in corrosion in its</p>	<p style="text-align: right;">Page 165</p> <p>1 group and the attorneys representing various 2 plaintiffs in coordinating the discovery in this 3 case and the trial preparation. 4 You had an opportunity this 5 morning to answer questions by Mr. Williams, and I 6 am going to try to ask you questions to help fill 7 in some gaps for me. And then ask you some 8 questions regarding other matters. 9 And before I do that, I want to go 10 all the way back to the beginning. And in doing 11 that, first, you received a deposition notice with 12 a subpoena duces tecum for the production of 13 certain documents? 14 A. Yes. 15 Q. And you had an opportunity to read what 16 was requested of you -- 17 A. Yes. 18 Q. -- in that regard? 19 And have you accommodated that 20 request by doing the best you could to facilitate a 21 response in terms of procuring the documents 22 responsive and getting those to the plaintiffs 23 through BP's lawyers? 24 A. Yes, I have. 25 Q. In preparation for your testimony today,</p>

42 (Pages 162 to 165)

<p style="text-align: right;">Page 166</p> <p>1 other than times that you have had an opportunity 2 to talk to BP's lawyers, have you consulted with 3 anyone else? 4 A. No. 5 Q. Have you reviewed any documents other 6 than the fatal report you told us about this 7 morning -- 8 A. No. 9 Q. -- in preparation? 10 Have you given any statements to 11 any investigative agencies, be it OSHA, CSB, or the 12 Mogford group, anyone else regarding this incident 13 of March 23, 2005? 14 A. No. 15 Q. If -- I take it you have a resume, a CV? 16 A. I do somewhere. 17 Q. I don't have one right here in front of 18 me. 19 But so the jury understands a 20 little bit about your background and history, can 21 you go back and tell us where you grew up, how far 22 you went through school and how you got to be the 23 president of BP North America? 24 MR. DENNY: Just for the record, I 25 think the CV was produced. You may not have it.</p>	<p style="text-align: right;">Page 168</p> <p>1 I sold tires and batteries to 2 service station dealers and worked in a service 3 station for six months. After I did that for a 4 little while, I moved into an analyst's job in the 5 corporate headquarters. 6 Q. This is an analyst for whom? 7 A. It was just an analyst in the planning 8 department back in 19 -- it would have been 9 probably late '73, something like that. 10 Q. Was this with Sohio? 11 A. Sohio. 12 Q. Uh-huh. Okay. 13 A. Yeah, still Ohio. 14 BP acquired Sohio in the '70s. 15 '76 or something like that. So it was -- so it was 16 still Sohio at the time. 17 After working in planning, I went 18 over and worked in service station operations, 19 again as an analyst, handling things like uniforms 20 and signs, just stuff to support the retail 21 business. From that job, I became an assistant to 22 the vice president of marketing, which was 23 basically doing whatever he needed done. No 24 special -- no special role. 25 From there, I moved to Youngstown,</p>
<p style="text-align: right;">Page 167</p> <p>1 MR. COON: I just don't have it in 2 front of me. 3 MR. DENNY: Okay. Go ahead. I'm 4 sorry. Go ahead and answer the question. 5 A. I was raised in Lorain, Ohio. My parents 6 are Italian immigrants. I went to school at a 7 place called Case Western Reserve University. My 8 degree is a bachelor's degree in economics. 9 Right out of college, I went into 10 the Air Force for -- I was in the Air National 11 Guard. So I was only in active duty for six 12 months. 13 Prior to that, I had been a summer 14 intern with a company called Standard Oil of Ohio; 15 and then following my time in the Air Force, I 16 joined Standard Oil of Ohio. So that would have 17 been around 1972. 18 Q. (BY MR. COON) What was your entry job? 19 A. I worked in a warehouse. 20 Q. Okay. 21 A. I drove a tow motor and moved tires and 22 batteries around. I moved from that job to be a 23 sales rep. So I sold -- I might not get -- I might 24 not get all of these in the right order, by the 25 way.</p>	<p style="text-align: right;">Page 169</p> <p>1 Ohio, and was responsible for about 300 retail 2 outlets. I was called a retail sales manager. 3 These would be both dealer and company operated 4 outlets. 5 From there I came back into the 6 corporate headquarters and was on the -- was the 7 head of the operations staff, which sets contract 8 terms for dealers, compensation for service station 9 managers, things like that. I moved from there 10 into the chemical company. 11 Q. What year? 12 A. I think, to be honest, I don't know. I 13 would be quite happy to get it for you, but it 14 was -- 15 Q. Okay. Just ballpark. 16 A. -- sometime in the mid '70s. I've 17 been -- 18 Q. Okay. 19 A. I moved about every 18 months or so. 20 I went into chemicals; and I was 21 manager of nitrogen, nitrogen sales, both 22 industrial and agricultural. So I had an 23 agricultural team that sold fertilizer to farmers 24 and to companies and industrial things, industrial 25 chemicals.</p>

<p style="text-align: right;">Page 170</p> <p>1 From chemicals -- I believe from 2 chemicals I went -- I went back into the marketing 3 area, I think. I went back into the marketing 4 area. I did some real estate acquisition and some 5 mergers and acquisitions work. 6 At some point in time after that, 7 I became head of the shipping business. So all the 8 shipping out of Alaska. At this point in time, BP 9 was beginning to take control of the company. They 10 had an escalating scale of control. So they had 11 minority shareholding for a while. 12 So I ran our shipping business out 13 of Alaska all around the coast of the United 14 States, all of our barge traffic in the rivers, all 15 along the rivers. I then moved into a job called 16 vice president of wholesale marketing; and this was 17 a job where I was responsible for products and 18 crude oil trading, our terminalling pipeline 19 business and oil logistics business. 20 From there, I moved into a special 21 project to acquire a company called Truck Stops of 22 America. It was a truck stop chain back then, 23 probably still is. I was on the team that acquired 24 that, and then I became president of Truck Stops of 25 America.</p>	<p style="text-align: right;">Page 172</p> <p>1 basically just a joint venture holding company. I 2 only did that for about six months and then moved 3 back to the United States. 4 In the United States, I was 5 something -- I think I was called the oil director 6 at the time, where I was responsible for all of our 7 marketing, our logistics and our trading business 8 but not manufacturing. I did that for about a 9 year. 10 I moved back to London. I became 11 chief of staff for group research and engineering. 12 So I was operating our research facility in England 13 and our engineering teams and scientific teams 14 around the world. I did that for about a year and 15 then moved to Australia. 16 In Australia, I was head of 17 marketing for all of Southeast Asia. I did that 18 for a little over three years. And so in something 19 like '96 or so, I moved back to the United States, 20 running pretty much -- it was a different 21 organization then but pretty much accountable for 22 the operations of our marketing, distribution and 23 gas business. I did not have upstream. I did not 24 have refining in that job. 25 In '97, I moved to England as the</p>
<p style="text-align: right;">Page 171</p> <p>1 Shortly after that, it was about 2 the time that BP took over the company. So this 3 would have been in the early '80s. I was involved 4 in the acquisition of Sohio by BP. I was on the 5 Sohio team and worked on that for about a year and 6 a half on how the companies would come together, 7 what we would do with all the various functions, 8 things like that. 9 In 1986, the dates start to get a 10 little clearer now because it's more recent. In 11 1986, I moved to London and was responsible for a 12 business called the Antwerp Rotterdam area 13 business, which was pretty much a stand-alone 14 company. 15 It had some refineries. It had 16 marketing. It had trading wholesaling. We 17 operated independent of the company -- of the 18 parent company. We bought and sold crude oil from 19 whoever we wanted, and I ran that company for about 20 18 months. 21 I then did a joint venture, moved 22 to another job where I did a joint venture between 23 Rotterdam Netherlands refinery and Texaco's 24 refinery and became chairman of something called 25 the Netherlands Refining Company, which was</p>	<p style="text-align: right;">Page 173</p> <p>1 group vice president responsible for global 2 marketing, retail/commercial lubes, jet fuel, all 3 that stuff. And then in 2001, I became group vice 4 president for the western hemisphere and president 5 and CEO of BP America and BP Products North 6 America. 7 I may have left something out. 8 Q. Okay. You had two titles when you 9 returned stateside? 10 A. Yes. 11 Q. Okay. That's 2001. That's the president 12 of BP Products -- 13 A. North America. 14 Q. -- North America? 15 A. Uh-huh. 16 Q. And the other was? 17 A. I was the group vice president for the 18 western hemisphere. So all the country heads in 19 Latin America. So the country head of Venezuela, 20 Columbia, Trinidad, Argentina, Canada, the United 21 States, which happened to be me. So I did both of 22 those roles. 23 But all those country heads 24 reported to me. Still do. 25 Q. Do you still wear both of those hats?</p>

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<p style="text-align: right;">Page 174</p> <p>1 A. Yes.</p> <p>2 Q. Can you tell me the day to day</p> <p>3 responsibilities and obligations as president of BP</p> <p>4 North America? What are you supposed to do?</p> <p>5 A. Make sure that the fiduciary parts of BP</p> <p>6 are handled properly in the U.S. So I am</p> <p>7 responsible for pension plans, 401K plans, tax --</p> <p>8 our tax returns, making sure that our banking</p> <p>9 arrangements are legal and proper and that we meet</p> <p>10 SEC rules.</p> <p>11 I am also responsible for</p> <p>12 government and public affairs and the crisis teams.</p> <p>13 So we have two teams. One in Houston. One in</p> <p>14 Chicago, which are people who are experts in</p> <p>15 handling disasters or anything that might happen.</p> <p>16 They are then used by the businesses. So we keep</p> <p>17 them centrally just to be more efficient.</p> <p>18 Q. These are, what, a group crisis team?</p> <p>19 A. Yeah.</p> <p>20 Q. I saw an acronym.</p> <p>21 A. Yeah.</p> <p>22 Q. GCT or something?</p> <p>23 A. Well, it would be the group -- the part</p> <p>24 of the group crisis team that is located in the</p> <p>25 United States.</p>	<p style="text-align: right;">Page 176</p> <p>1 Q. Are there ever circumstances in which you</p> <p>2 directly report to Mr. Browne in lieu of Mr. Allen?</p> <p>3 A. No. My authority comes from David.</p> <p>4 Q. Are there persons similarly situated as</p> <p>5 yourself in other countries?</p> <p>6 A. Yes.</p> <p>7 Q. With respect to all of these things you</p> <p>8 described, sir, as president of BP NA, pensions,</p> <p>9 401s, tax, et cetera, do all of those pass through</p> <p>10 Mr. Allen?</p> <p>11 A. No.</p> <p>12 Q. Where do other ones pass through to</p> <p>13 instead of Mr. Allen?</p> <p>14 A. Some of them just stay with me.</p> <p>15 Q. In terms of reporting upstream or</p> <p>16 upstairs, does anything go to anyone other than</p> <p>17 Mr. Allen?</p> <p>18 A. No. The tax returns would be reviewed by</p> <p>19 the CFO, but I am accountable for them.</p> <p>20 Q. Okay. With respect to crisis teams, tell</p> <p>21 me about those.</p> <p>22 A. These are people who are experts in</p> <p>23 handling things like -- 9/11 is the best example I</p> <p>24 can think of, where there was interruption to</p> <p>25 normal services. And we have people who are</p>
<p style="text-align: right;">Page 175</p> <p>1 Q. Okay. Is that pretty much the umbrella</p> <p>2 of responsibilities as president of BP NA?</p> <p>3 A. Yes, I think so.</p> <p>4 Q. Tell us briefly about the</p> <p>5 responsibilities associated with your other hat as</p> <p>6 group VP of the western hemisphere.</p> <p>7 A. The country heads in the other countries</p> <p>8 in this hemisphere are accountable to me for all</p> <p>9 the same things I just described in their</p> <p>10 countries. So they have nothing to do with the</p> <p>11 line as well. They wouldn't -- they would do all</p> <p>12 the same things I do, and they report in to me.</p> <p>13 Q. Okay. And once reported to you, where</p> <p>14 does it go?</p> <p>15 A. I report to my direct supervisors. A guy</p> <p>16 by the name of David Allen. David Allen is a</p> <p>17 member of the main board, and he has responsibility</p> <p>18 for the western hemisphere region.</p> <p>19 Q. This would be in London?</p> <p>20 A. His responsibility would be oversight, I</p> <p>21 would describe it.</p> <p>22 Q. Is this London?</p> <p>23 A. Yes, he is in London.</p> <p>24 Q. Who does Mr. Allen report to?</p> <p>25 A. John Browne.</p>	<p style="text-align: right;">Page 177</p> <p>1 experts in how to coordinate and help business</p> <p>2 teams respond to unusual things.</p> <p>3 So people who have had experience</p> <p>4 in our industries, in other industries and their</p> <p>5 job is to just help people who are working in the</p> <p>6 business respond. So 9/11 is a good example. When</p> <p>7 all the airlines were shut down, our aviation</p> <p>8 business had a significant number of issues around</p> <p>9 how to manage upfield supply, where does it go,</p> <p>10 what do we do with the military.</p> <p>11 And these people are extra folks</p> <p>12 who can jump in with a lot of experience to help</p> <p>13 out. So that's what they do.</p> <p>14 Q. And who is in charge of the American or</p> <p>15 BP North America crisis management team?</p> <p>16 A. It's a guy reporting to me by the name of</p> <p>17 Ray Dempsey.</p> <p>18 Q. Where is he at?</p> <p>19 A. In Chicago. Well, outside of Chicago,</p> <p>20 actually. Near Chicago.</p> <p>21 Q. And who are the persons assigned with</p> <p>22 senior level responsibilities for the crisis teams?</p> <p>23 Is this broken down, plant by plant, or how does</p> <p>24 that work?</p> <p>25 A. Each plant would have their own. Each</p>

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<p style="text-align: right;">Page 178</p> <p>1 facility would have their own people to deal with a 2 local crisis. 3 The national crisis team would 4 only get involved if it was something that would 5 affect the whole nation. So like 9/11 would be one 6 time. When the hurricanes went through Louisiana 7 and Mississippi, the national folks helped 8 coordinate. 9 Otherwise, it's all done locally, 10 plant by plant. 11 (Exhibit Numbers 518 and 519 12 marked for identification.) 13 Q. (BY MR. COON) Okay. We have in front of 14 you Exhibits 519 and 518, which appear to be 15 representative of the flow of command downstairs 16 from you and upstairs to London from you. 17 Is that an accurate representation 18 as to the flowchart or organizational chart? 19 A. Yes, I think it is. 20 Q. And there's one that's pre March, 2005, 21 one that was designated post March, 2005. Do you 22 know why there was a distinction made and what 23 caused it? 24 Obviously, March coincides with 25 the explosion. So I assume the explosion was the</p>	<p style="text-align: right;">Page 180</p> <p>1 there. I am assuming that indicates the date. Is 2 that a 2003 copy? 3 A. It's certainly a version number. I don't 4 actually know if it's a date or not, but it could 5 be. 6 Q. Can you tell by looking at that as to 7 whether or not that would be the one that was 8 probably in place around March 23rd, 2005? 9 A. I don't -- I can't tell from looking at 10 this. 11 Q. Was there a crisis management team leader 12 before you came over here, before you came back 13 stateside? 14 A. Yes, there would have been. 15 Q. Who was it then? 16 A. I don't know. 17 Q. Who did you replace when you came back 18 here in both titles of president of BP NA and group 19 VP of western hemisphere? 20 A. There was no group vice president of the 21 western hemisphere when I came over. So that 22 was -- that was a new role. 23 And the president of BP Products 24 North America, I believe, was -- well, I am not 25 sure who it was because it was a slightly different</p>
<p style="text-align: right;">Page 179</p> <p>1 catalyst for this change, whatever it was. 2 A. I think it was probably the appointment 3 of John Mogford. 4 Q. Okay. Anything else substantive with 5 respect to the organizational chart, changes made 6 as a result of the explosion? 7 A. I don't think so. I think that's the 8 only change. 9 Q. With the BP explosion, sir, was 10 Mr. Mogford's role or, for that matter, the roles 11 of anyone else on the investigative -- the 12 investigative team have anything to do with what 13 your responsibilities were in Chicago? 14 A. No. 15 (Exhibit Number 520 marked for 16 identification.) 17 Q. (BY MR. COON) We next have Exhibit 520. 18 This is titled the BP North American Crisis 19 Management Plan. 20 I take it you have seen that 21 document before. 22 A. Probably. (Examines document.) 23 Yes. 24 Q. Okay. In looking at the bottom left 25 corner of the front page, there are six numbers</p>	<p style="text-align: right;">Page 181</p> <p>1 kind of role. I believe it -- it's somebody who is 2 no longer with us who retired at the time. His 3 name will come to me in a little bit. 4 Q. Okay. Do you know how long BP had what 5 was called a crisis management plan? 6 A. My entire career there have been crisis 7 management plans. 8 Q. If I could see that briefly, sir. 9 A. Sure. (Tenders documents.) 10 Q. Did you have anything to do with the 11 drafting of this document or any modifications to 12 this document? 13 A. No. 14 Q. Do you know who was responsible for 15 keeping this management plan current? 16 A. Ray Dempsey is currently responsible. 17 Q. Where is Mr. Dempsey out of? 18 A. He works outside of Chicago in 19 Naperville. 20 Q. Naperville? 21 A. It may be formally Warendville. 22 Q. What is his title? 23 A. I think he is called commercial director 24 and region -- region commercial director and Latin 25 American regional director. I think those are the</p>

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<p style="text-align: right;">Page 182</p> <p>1 two titles. 2 Q. Okay. I take it you know Mr. Gower? 3 A. Yes. 4 Q. And we have had the opportunity to take 5 Mr. Gower's deposition, and my recollection is that 6 he was vice president of BP North America. Does 7 that sound right? 8 A. That's correct. 9 Q. What roles or responsibilities from 10 marching orders, reporting or anything else does 11 Mr. Gower have with you? 12 A. He gets none from me. 13 Q. And just out of curiosity, I think that's 14 something that's confused everybody here: Why is 15 it that the vice president of BP North America has 16 no reporting obligations or responsibilities with 17 the president of BP North America? 18 A. Because it's a matrix organization, which 19 has both functional and line responsibilities; and 20 they are separated. It's a very common way of 21 operating a company in the many parts of the world, 22 less common in the United States. 23 And so Mr. Gower's delegation of 24 authority comes directly from the line, from his 25 boss.</p>	<p style="text-align: right;">Page 184</p> <p>1 Q. Okay. 2 A. There is a gentleman by the name of 3 Thomas Markin. 4 Q. Where is Mr. Markin, and what does he do? 5 A. His title is vice president of government 6 and public affairs. I believe it will say, "West." 7 He does exactly the same thing Pat 8 Wright does but for different areas of the country. 9 Q. Anyone else report to you? 10 A. Yes. It would be a woman by the name of 11 Margaret but goes by Peggy Hudson, who is the vice 12 president of federal affairs, located in 13 Washington, DC. 14 Q. Anyone else? 15 A. I have a secretary. Personal assistant 16 would be her title. 17 Q. Okay. 18 A. Her name is Nancy Corless. 19 I would have someone I call an 20 executive assistant. Her name is Sally Taggart. 21 They are both located in -- outside of Chicago. 22 And there's a woman by the name of Paula Barnett 23 who works both for me and David Allen. She lives 24 in London; and she works the Latin American, South 25 American issues for both of us.</p>
<p style="text-align: right;">Page 183</p> <p>1 Q. Which is Mr. Hoffman? 2 A. Yes. 3 Q. And Mr. Hoffman's superiors? 4 A. Right. 5 Q. Okay. Downstream from your position, who 6 reports to you? 7 A. Ray Dempsey, as I mentioned. 8 Q. Right. 9 A. So he would be one. Patricia Wright. 10 Q. Okay. 11 A. And she is a vice president of government 12 and public affairs. 13 Q. Where is she at? 14 A. She is in Houston. 15 Q. Is she in Texas City or in Houston? 16 A. She is in our Westlake office which, I 17 think, is in the Houston city limits; but I might 18 be wrong. 19 Q. Is this where the HSSE headquarters are? 20 A. I don't -- I wouldn't know. 21 Q. Okay. 22 A. But she is here in the Houston area. 23 Q. What is her title? 24 A. Vice president of government and public 25 affairs. And it may say, "East."</p>	<p style="text-align: right;">Page 185</p> <p>1 Q. What type of issues? 2 A. Government regulations, legislation, tax 3 issues, permitting issues around royalties, the 4 fiduciary kinds of things. 5 Q. Was it similar to Ms. Hudson's role in 6 Washington? 7 A. No. Oh, no, not at all. 8 No. She's -- she's really an 9 analyst, a support person for both of us, to make 10 sure that we know what's going on in Latin and 11 South America. She will work the embassies, for 12 example, but very different than Peggy. 13 Q. Would it be fair to say that part of the 14 responsibilities when you implement a crisis 15 management plan is to deal with what some people 16 call damage control? 17 A. And how do you define damage control? 18 Q. Well, just use your common sense 19 understanding of "damage control." I will 20 presume -- 21 A. Do you mean in the physical sense or in 22 the media sense? 23 Q. I would assume primarily in the media 24 sense. 25 A. In the media sense, yes, we would want to</p>

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1 understand how the media is going to deal with us
 2 and be prepared to deal with them.
 3 Q. Okay. Mr. Pillari, if you were asked to
 4 tell a jury what you think the -- a summary or
 5 synopsis of your most important responsibilities
 6 are, what would you say?
 7 A. Well, probably my most important
 8 responsibilities are in the pension 401K area.
 9 Q. As I recall, there was a lot of
 10 controversy associated to the pension plan just two
 11 or three years ago, were there not?
 12 A. Absolutely not other than the fact that
 13 it's overfunded.
 14 Q. Were there issues with many of your
 15 employees and the people that were associated with
 16 the organized labor, the union halls, that worked
 17 at many of your refineries here in the States with
 18 significant changes to the pension fund that were
 19 implemented over the last two or three years?
 20 MR. DENNY: Objection, form.
 21 A. No.
 22 Q. (BY MR. COON) Was there any change to
 23 the pension fund in the recent years where the
 24 employee copays differed?
 25 A. There are no copays in the pension fund.

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1 Q. What about on the medical benefits part
 2 of the pension fund?
 3 A. There were changes to the -- it's not
 4 part of the pension plan.
 5 Q. It was not part of it?
 6 A. No.
 7 Q. Do you have anything to do with medical
 8 benefits?
 9 A. I am not accountable for the medical
 10 plan.
 11 Q. Who has or who was responsible for the
 12 retirement or retiree medical benefits plan?
 13 A. That would be the HR organization, human
 14 resources.
 15 Q. Where are they outfitted at?
 16 A. There would be a head of US HR here in
 17 Houston.
 18 Q. Do you ever address those issues; that
 19 is, issues associated with the retirement medical
 20 plan, with anyone?
 21 A. I am often asked to comment on them, yes.
 22 Q. Does anyone at HR report to you on those
 23 issues?
 24 A. No.
 25 Q. How often do you activate crisis

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1 management at your level?
 2 A. Rare, a couple of times a year.
 3 Q. What typically triggers that or
 4 precipitates it?
 5 A. Something that is a national issue or a
 6 multi-regional issue, something that would affect
 7 either the whole country or parts of the country,
 8 the Carribean and Latin America.
 9 Q. Okay. For instance, earlier today when
 10 you were called to testify in Washington regarding
 11 the escalating gasoline prices, did that trigger
 12 any crisis management plan?
 13 A. No.
 14 Q. Can you give us examples of where a
 15 crisis management plan has been activated in the
 16 last few years other than the explosion in Texas
 17 City?
 18 A. It was not -- the national one was not
 19 activated for Texas City.
 20 Q. Okay. Give me --
 21 A. That was handled locally.
 22 Q. That was just handled locally. Okay. We
 23 will go back.
 24 A. 9/11 would be one.
 25 Q. Okay.

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1 A. The multi-state impact of the hurricanes
 2 where it was impacting more than one business.
 3 There was some coordination around that.
 4 Q. Any others?
 5 A. We had a series of bomb threats once
 6 about two years ago. I think those are the only
 7 three.
 8 Q. Okay. All right. Let's go back to the
 9 March 23rd incident.
 10 Why was, in light of the magnitude
 11 of the explosion and the damage, both to your
 12 infrastructure and to people, why was the crisis
 13 management plan not activated at a national level?
 14 A. We didn't believe that there were --
 15 there was any resource that could add any more
 16 value. The resources that we needed, the people
 17 who actually knew what was going on, were actually
 18 down in Texas City.
 19 Q. And how was it that you were so deeply
 20 involved in the activities, the public relations,
 21 the trips to Texas City to meet with the media,
 22 communications with others involved at a local and
 23 regional level?
 24 A. I got a phone call from Patricia Wright
 25 saying that there was significant media interest

<p style="text-align: right;">Page 190</p> <p>1 and they needed help.</p> <p>2 Q. So what's the difference between</p> <p>3 soliciting your personal involvement as head of</p> <p>4 this department and your response to that versus</p> <p>5 when other times that the crisis management plan is</p> <p>6 formally activated with your leadership role?</p> <p>7 A. It's mostly around the nature of control.</p> <p>8 If you activate a national crisis management, that</p> <p>9 would be me saying that I am going to personally</p> <p>10 take control of the incident itself and the</p> <p>11 management of the incident and I was in no way</p> <p>12 qualified to do that at Texas City.</p> <p>13 Q. I am sorry. You were in no way...</p> <p>14 A. Qualified to do that. So it wouldn't</p> <p>15 have been a national emergency, nor would we have</p> <p>16 had special expertise that would have helped.</p> <p>17 Q. Okay.</p> <p>18 A. So I would personally be called in</p> <p>19 because they needed spokes people.</p> <p>20 Q. Okay. Why would you perceive yourself</p> <p>21 not to be qualified in that role if you were the</p> <p>22 ultimate person responsible for implementing the</p> <p>23 plan? I miss you there.</p> <p>24 A. I am not technically competent to help at</p> <p>25 a refinery accident. No one would think to have me</p>	<p style="text-align: right;">Page 192</p> <p>1 need some regional coordination. But this helps us</p> <p>2 maintain focus on the real incident.</p> <p>3 Q. Were there any other catastrophes</p> <p>4 associated with BP in the history of their dealings</p> <p>5 here in the United States that involved the loss of</p> <p>6 more lives in a single instance than this one?</p> <p>7 A. I don't think so.</p> <p>8 Q. Okay. We have not had the opportunity to</p> <p>9 talk to Ms. Wright yet. So we are going to have to</p> <p>10 take some stabs in the dark here.</p> <p>11 But can you explain to us: You</p> <p>12 have an explosion of this nature. How does the</p> <p>13 public relations arm of BP get activated? Who</p> <p>14 makes the decisions? Who coordinates it? How</p> <p>15 would Ms. Wright know, be involved, and what</p> <p>16 responsibilities would be undertaken as a result?</p> <p>17 A. There would be an incident commander at</p> <p>18 the refinery. So there would be someone at the</p> <p>19 refinery who is delegated the authority by the</p> <p>20 refinery manager to take control of the incident</p> <p>21 and manage it.</p> <p>22 Q. And who is that here?</p> <p>23 A. I don't recall his name. That incident</p> <p>24 commander would then begin to call in whoever he</p> <p>25 felt he needed to assist with whatever incident was</p>
<p style="text-align: right;">Page 191</p> <p>1 run the crisis response. It would be asking an</p> <p>2 amateur.</p> <p>3 Q. Okay. Who was in charge of handling the</p> <p>4 public relations issues associated with this</p> <p>5 explosion?</p> <p>6 A. Patricia Wright.</p> <p>7 Q. And who made the decision to vest</p> <p>8 Ms. Wright with those responsibilities?</p> <p>9 A. It's her area of responsibility. It's in</p> <p>10 the part of the country that she has normal</p> <p>11 responsibility for.</p> <p>12 Q. Okay. You have an explosion on</p> <p>13 March 23rd. How does a regional level crisis</p> <p>14 management plan get activated?</p> <p>15 A. There wasn't a regional one. It was at</p> <p>16 the site. There was a site --</p> <p>17 Q. So this --</p> <p>18 A. -- plan.</p> <p>19 Q. -- wasn't even regional. It was</p> <p>20 perceived as a local issue by BP?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. Is this --</p> <p>23 A. To be regional, it would involve other</p> <p>24 parts of the business. So if it involved upstream</p> <p>25 or some other part of the company, then you might</p>	<p style="text-align: right;">Page 193</p> <p>1 happening. In this case, whoever that incident</p> <p>2 manager was, I believe it was a he, would have</p> <p>3 called Pat Wright and said, "We have had an" --</p> <p>4 would have said something like, "We have an</p> <p>5 explosion. We know there will be media interest.</p> <p>6 We need people down here to help deal with that."</p> <p>7 Q. Okay. And so Ms. Wright then evaluates</p> <p>8 the situation and does what?</p> <p>9 A. She would try to become the lead contact</p> <p>10 point for the media. She would try to be the focal</p> <p>11 point for the media to know that this is where you</p> <p>12 go to get answers to questions. She would schedule</p> <p>13 interviews.</p> <p>14 She would try to do everything she</p> <p>15 could to be that focal point so that the people in</p> <p>16 the refinery could spend all their time worrying</p> <p>17 about the accident itself. That would be her job.</p> <p>18 Q. And what role, if any, does she have in</p> <p>19 communicating to you any of the issues going on at</p> <p>20 a local level?</p> <p>21 A. She would want to communicate to me</p> <p>22 whatever is happening with respect to the media and</p> <p>23 the public interaction. She wouldn't know much</p> <p>24 about what was actually happening out on the site</p> <p>25 because she wouldn't be in those briefings.</p>

<p style="text-align: right;">Page 194</p> <p>1 Q. Okay. Where were you when this happened? 2 A. I was in the air. 3 Q. Where were you heading? 4 A. I was coming home from Europe. 5 Q. Did you have meetings in London? 6 A. In London. I was also in Germany. 7 Q. When did you find out about the 8 explosion? 9 A. When I landed. 10 Q. Do you know about what time that would be 11 in relation to the explosion, say, the explosion 12 happened around 1:20 p.m., central time? 13 A. It would have been early evening on the 14 day, Chicago time. 15 Q. How did you find out? 16 A. There was someone waiting there to tell 17 me. 18 Q. Who was that? 19 A. A driver. Somebody that had been sent to 20 get me and said there was an urgent accident at 21 Texas City and that I should call Pat Wright. 22 Q. And did you? 23 A. Yes. 24 Q. And what transpired? 25 A. She asked me how quickly I could get down</p>	<p style="text-align: right;">Page 196</p> <p>1 A. Yes. 2 Q. How was it that Manzoni, Hoffman, Browne 3 and the other people out of London would have been 4 called out to address an issue of this nature in 5 light of it being a regional -- or, actually, what, 6 a local, a local issue? 7 A. It would be -- 8 MR. DENNY: Objection, form. 9 A. Well, the line operation, so not only -- 10 it's not only the regional people that can comment 11 or take action on a crisis. The line people at the 12 refinery notified up the chain of command of what 13 had happened. That had happened even before I got 14 there because that's where they go first. 15 Q. (BY MR. COON) Do you know who made the 16 decisions as to which persons needed to come, which 17 ones did not? 18 A. No. No, I don't have any idea. 19 Q. Is this something Ms. Wright would make 20 the decision on? 21 A. No. 22 Q. Would she call London and say, "Lord 23 Browne needs to come to Texas City"? 24 A. No. This would be in the line. The line 25 would have informed their boss.</p>
<p style="text-align: right;">Page 195</p> <p>1 there, told me what she knew had happened at that 2 point; and I said I would get there as soon as I 3 could. 4 Q. Which was the following morning? 5 A. I got there probably about 3:00 in the 6 morning, something like that. 7 Q. I didn't know they had flights that late. 8 A. They don't. I had to charter a plane. I 9 tried to get the last flight out, but I couldn't 10 get on it. 11 Q. And who else was called in to assess the 12 facility? You come in from Chicago. Anyone else? 13 A. Yes. Well, there were lots of people who 14 came in. 15 Q. Who? 16 A. I know there were technical people from 17 other refineries that came in. I know there were 18 government and public affairs people who came in. 19 John Manzoni was there. Mike Hoffman was there. 20 John Browne was there. 21 There were lots of people that I 22 didn't know and I didn't recognize that were coming 23 in by that time. 24 Q. I think Lord Browne paid a visit, too, 25 didn't he?</p>	<p style="text-align: right;">Page 197</p> <p>1 I mean, I don't know exactly what 2 happened on the day. The standard procedure would 3 be the refinery manager would call his boss. 4 Something this severe, he would call his boss. 5 Q. Okay. 6 A. And he would call his boss. 7 Q. So this would be Mr. Parus calling 8 Mr. Gower? 9 A. I can only assume that's what happened. 10 I don't know. 11 Q. But in terms of what he's supposed to do. 12 A. I'm -- what he's supposed to do is call 13 Mr. Hoffman. 14 Q. Parus goes to Hoffman. 15 A. Yeah. 16 Q. He does not go to Gower? 17 A. He would have called Hoffman. 18 Q. Why would he not go to Mr. Gower? 19 A. He reports to Mr. Hoffman. 20 Q. Mr. Parus reports directly to 21 Mr. Hoffman? 22 A. That's my understanding. 23 Q. Okay. Who would contact Gower, if 24 anyone? 25 A. I am sure he called Mr. Gower as well.</p>

<p style="text-align: right;">Page 198</p> <p>1 Q. Okay. And then to go up above 2 Mr. Hoffman to Mr. Manzoni, is that something 3 Mr. Hoffman would do? 4 A. Absolutely. 5 Q. And then Mr. Manzoni makes a decision as 6 to whether or not to notify Mr. Browne? 7 A. In this case there would be no decision 8 to be made. He would automatically call John 9 Browne. 10 Q. And why is that? 11 A. Because of the severity of the accident. 12 Q. What is the barometer or litmus test for 13 how severe an incident has to be to determine who 14 needs to know about it? 15 A. Anything that you believe is important in 16 my past -- I will give you my example. 17 In my past, even just a 18 significant injury, multiple injuries would be 19 enough to call the CEO and tell him. 20 Q. Okay. So you believe that Lord Browne 21 would typically expect to be notified anytime there 22 is a serious injury of one of the BP employees 23 internationally? 24 A. I think it would be judgment based on 25 what happened locally. In this case there would</p>	<p style="text-align: right;">Page 200</p> <p>1 Q. And you have no recollection as to 2 whether or not that number annually is in the 3 single digit, double digit, triple digit or more? 4 A. Well, I saw earlier today there was a 5 number for 2004. It said 20. 6 Q. So you would have expected to have 7 received 20 notices in 2004? 8 A. No. For example, in -- some of those 9 were not in the United States. So I wouldn't be 10 called at all. 11 Q. Okay. London would? 12 A. Yes. 13 Q. Do you know how often Lord Browne has 14 traveled out to an incident site where there have 15 been fatalities? 16 A. No, I don't know. 17 Q. For the purpose of responding to the 18 media? 19 A. No, I don't know. 20 Q. Do you know if he has ever traveled 21 abroad to respond to the media as a result of a 22 fatality or multiple fatalities at any site other 23 than this trip to Texas City? 24 A. No, I don't know. 25 Q. Okay. Well, we do know that on March 24</p>
<p style="text-align: right;">Page 199</p> <p>1 have been no question. 2 Q. Okay. But you don't have a handbook on 3 how many injuries or fatalities you need to 4 determine who needs to know? 5 A. On fatalities, it's real simple. If 6 there's one, you call everybody. 7 Q. Okay. Everybody gets called pretty often 8 at BP, don't they? 9 MR. DENNY: Objection, form. 10 Q. (BY MR. COON) Well, how many 11 fatalities -- 12 A. I don't think they call very often at 13 all, actually. 14 Q. How many fatalities has BP had in the 15 last five years -- 16 A. I couldn't tell you. 17 Q. -- globally? 18 Isn't it hundreds and hundreds? 19 A. No, I don't think so; but I haven't 20 looked. 21 Q. How would you go about finding out how 22 many fatalities occurred nationally and 23 internationally within the BP system? 24 A. It would actually be listed in one of our 25 annual reports.</p>	<p style="text-align: right;">Page 201</p> <p>1 a number of the executives of BP, both here in the 2 States and internationally, arrived at Texas City? 3 A. Uh-huh. 4 Q. And we presume that there were some 5 meetings that took place for those executives, you 6 included? 7 A. I mean, all of us in the same room. 8 Q. Okay. Can you tell us about who 9 organized everybody and where you guys met and what 10 was generally discussed? 11 A. Well, the one meeting that I attended 12 where I think -- I think all of them were there but 13 not -- I can't be certain. People were moving in 14 and out -- was when Don Parus briefed us on what 15 happened. 16 Q. Okay. Any other meetings on the first 17 trip to Texas City? 18 A. I don't think I attended any others, no. 19 Q. Were there any plan of actions that were 20 implemented as a result of these meetings on the 21 24th and thereafter? 22 A. In the one that I was in, we agreed that 23 Pat Wright and my team would handle public affairs 24 and the media. 25 Q. Okay. Why was your team conscripted for</p>

<p style="text-align: right;">Page 202</p> <p>1 this since it was a local issue? 2 A. Because Pat Wright is local. 3 Q. But why was your team? 4 A. She is my team. 5 Q. No. Why were -- okay. 6 When you said your team, I thought 7 you included you? 8 A. No. I was there. 9 Q. Okay. 10 A. But the delegation was to Pat. We asked 11 Pat to handle it. 12 Q. Okay. So Pat is assigned the 13 responsibility to handle it? 14 A. Yes. 15 Q. And, I take it, report to you? 16 A. She does report to me. 17 Q. Did you provide her any direction or make 18 recommendations to her regarding the course and the 19 handling of this particular crisis? 20 A. The only thing I can remember saying to 21 her, because Pat is very experienced. She knows a 22 lot more about this business than I do, was to make 23 sure that people had gotten proper rest and care. 24 We needed a lot more people given 25 the media interest than we had. So I told her I</p>	<p style="text-align: right;">Page 204</p> <p>1 be there to respond? 2 A. Sure. 3 Q. Okay. Did you utilize any outside 4 consultants in providing BP additional information 5 on how to handle this particular crisis? 6 A. I don't -- I am not aware of any 7 consultants that day. 8 Q. What about in the days, weeks and months 9 after that? 10 A. We had one before my press conference. 11 Q. Do you have a consulting company that 12 provides assistance in addressing the media, 13 somebody that's the go-to firm? 14 A. Not really. We have a number of 15 consultants that work for us routinely year in and 16 year out who have experience in this area. But, 17 no, there's no one -- no one firm. 18 Q. Why do you need outside consultants to 19 tell you how to talk to the media? 20 A. Because sometimes people outside the 21 company know more about this and have more 22 experience than we do. 23 Q. More experience about what? 24 A. The kinds of questions that might be 25 asked, what you need to be prepared to do.</p>
<p style="text-align: right;">Page 203</p> <p>1 thought she should get some extra help down to help 2 out. 3 Q. And where were these people brought from? 4 A. All over the country. 5 Q. What type of people? 6 A. Media specialists. 7 Q. Where else do you have media specialists? 8 A. A lot of places. I know some came in 9 from Chicago, from Los Angeles. I believe the guy 10 from New Jersey came in. I believe the lady from 11 Washington, DC, came in and there may have been 12 others. 13 Q. Okay. Why did you need media people? I 14 mean, why would Ms. Wright not be able to field 15 questions from the media herself? 16 A. Because there were a couple hundred media 17 people, about eight trucks, and about 20 cameras. 18 Q. You can't just have a daily briefing or 19 have Ms. Wright in front of a speaker that 20 everybody could hear answering questions? 21 A. No, absolutely not. The media wouldn't 22 accept that. 23 Q. Okay. So there's a determination made 24 based on how much media attention is given to the 25 particular incident as to how many people need to</p>	<p style="text-align: right;">Page 205</p> <p>1 Q. Well, you don't think that BP, as big as 2 it is and as politically and media savvy as it is, 3 has a pretty good understanding of the kind of 4 questions that would be asked and how they would 5 want to answer those without outside consultants? 6 A. You can always learn. From my 7 experience, you can always learn. 8 Q. How many different occasions were outside 9 consultants utilized in addressing this particular 10 crisis? 11 A. I wouldn't know because they wouldn't -- 12 I wouldn't be involved in it, in all of them. But 13 since they are a routine part of who we work with, 14 it could happen any time. 15 Q. Are these the same companies that help 16 with like advertising, like BP changing its logo to 17 Beyond Petroleum -- 18 A. No. 19 Q. -- and things like that? 20 A. Those kinds of people wouldn't be 21 involved, but some of the people would also have 22 some advertising expertise but not the people 23 involved in the brand or not the people involved in 24 product advertising. 25 Q. Okay. Well, an explosion of this</p>

<p style="text-align: right;">Page 206</p> <p>1 magnitude obviously created some concern to BP that 2 it would lose some of its business reputation in 3 terms of being a safe place to work and providing a 4 safe place for people to work? 5 A. Yes, sir. 6 Q. That was obviously a concern, wasn't it? 7 A. The concern was clearly about it would 8 have a very negative impact on all aspects of our 9 corporation. 10 Q. And what are the ripple effects of that 11 negative effect? How does that -- are there any 12 economic indicators? Does that drive anything? 13 Does that reduce the stock price? Does that reduce 14 market share? What does it tarnish or financially 15 damage? 16 MR. DENNY: Objection, form. 17 A. I don't think you can isolate it. 18 Q. (BY MR. COON) Okay. What are the -- 19 A. I don't think you can isolate it. 20 Q. I mean, you are in charge of it and, you 21 know, "Hey, we just had a big explosion in Texas 22 City. It's bad. A lot of people died. The 23 media's all over the place. We've got to all run 24 down there and try to address the media and 25 initiate damage control."</p>	<p style="text-align: right;">Page 208</p> <p>1 phases, but that's what you do for the first couple 2 of days. 3 Q. Okay. After the first couple of days, is 4 there a transition? 5 A. Well, you begin to get different kinds of 6 questions. You begin to get questions about the 7 overall operation of the refinery. You begin to 8 get questions about who are the people involved. 9 You begin to get questions about how are the 10 injured so far, things like that. 11 Q. Okay. And is it fair to say that once 12 the media has a better understanding of what 13 happened, like the ISOM unit blew up, they can then 14 turn, in the days after, to more pointed questions 15 as to why specifically did the ISOM unit blow up? 16 A. Sure. They would -- 17 MR. DENNY: Objection, form. 18 A. They would do that. 19 Q. (BY MR. COON) And do your outside media 20 consultants assist you in providing the 21 technological answers to those questions? 22 A. I wouldn't have thought so, no. 23 Q. Are there mechanical answers to those 24 questions? 25 A. No, I don't think so.</p>
<p style="text-align: right;">Page 207</p> <p>1 And while that's a big umbrella, 2 what are the damage control issues that you, sir, 3 would be potentially concerned about? 4 A. The only thing you are -- 5 MR. DENNY: Objection, form. 6 THE WITNESS: Sorry. 7 A. The only thing you are concerned about on 8 the day is trying to explain what happened. That's 9 all you are trying to do on the day. You are not 10 trying to do anything else. 11 Q. (BY MR. COON) Okay. 12 A. You are just trying to provide the media 13 answers to the questions about what happened. 14 Q. Sure. 15 They come down there. "Hey, 16 something blew up. What happened?" 17 A. Right. 18 Q. "What blew up and why did it blow up?" 19 A. Right. 20 Q. "Is anybody hurt? If so, how many and 21 where are they?" 22 A. That's right. 23 Q. Okay. That's, what, phase one of the 24 crisis evaluation? 25 A. I don't know. I wouldn't put it in</p>	<p style="text-align: right;">Page 209</p> <p>1 Q. Are there operators issues or training 2 issues associated with your in-house people? 3 A. No, I wouldn't have expected that. 4 Q. Okay. What are the areas where they come 5 in to assist BP in damage control? 6 A. Well, they would -- they would come in 7 and try to provide the kinds of questions that 8 people will ask and give the media team that is 9 working on this a chance to think through, "Well, 10 you know, have we thought about those answers, do 11 we have the right people around that could answer 12 those questions?" 13 That's primarily what they do. 14 Q. Do they also assist you in teaching you 15 or others as to how you could utilize the best 16 language in answering the question? 17 A. No, usually not. 18 Q. Is there any -- we have talked about spin 19 doctoring before; and why that may be a painful 20 manner of discussing it, is there training 21 associated with exercising some degree of caution 22 in what you tell the press or accentuating the 23 positive and downplaying the negative? 24 A. No, it's actually -- 25 MR. DENNY: Objection, form.</p>

<p style="text-align: right;">Page 210</p> <p>1 A. It's actually the opposite. It's about 2 telling the truth. The advice I got was, "Tell the 3 truth." 4 Q. (BY MR. COON) Okay. Just like you were 5 sworn in today. Tell the truth -- the truth, the 6 whole truth and nothing but the truth? 7 A. (Nods head.) 8 Q. Pretty much like that? 9 A. Yes. 10 Q. The same as the oath you gave today? 11 A. It's not an oath. 12 Q. Well, I know. But you gave an oath 13 today? 14 A. Yes. 15 Q. To tell the truth, the whole truth -- 16 A. Sure. 17 Q. -- not parts of the truth? 18 A. Sure. 19 Q. Not bits and pieces, but the whole truth. 20 And with the media, the outside 21 consultants, do they admonish BP and its 22 representatives to do just that, to be candid, to 23 be transparent and to tell the whole truth as best 24 they know it? 25 A. That's their advice, yes.</p>	<p style="text-align: right;">Page 212</p> <p>1 Q. Going back to one of the questions, 2 Mr. Pillari, that I asked you awhile ago, the 3 specific issues of damage control and negative 4 impact on the company, what are the examples of 5 things that you would be concerned about as 6 specific examples of collateral damage associated 7 to an explosion of this nature? 8 A. Well, anytime you -- your overall 9 reputation declines, there could be a number of 10 things. You might have people in local communities 11 saying, "I would rather not give you permits." You 12 might have people saying that, "Gee, I am not sure 13 I will hold my shares in that stock." 14 You might have people just say, "I 15 used to contact that company for advice on 16 something. Maybe I will go somewhere else this 17 time." So it can happen in multitudes of ways. 18 Q. And BP, I take it, from time to time, 19 will engage in polling as a result of an incident 20 such as this to get a better understanding of what 21 various persons in various sectors of our society, 22 public and private, perceived that incident to be? 23 A. We do polling every month, and we would 24 sometimes increase polling. 25 Q. And I think you talked to Mr. Williams</p>
<p style="text-align: right;">Page 211</p> <p>1 Q. Okay. Is that the advice that BP 2 representatives in the media arena engage in and 3 practice? 4 A. Yes, I believe they do. 5 Q. That would include you? 6 A. Yes. 7 Q. And that would include Ms. Wright? 8 A. Yes. 9 Q. And anyone else to the best of your 10 knowledge associated with media responsibilities in 11 the BP system? 12 A. Yes. 13 Q. Does that level of transparency and 14 honesty and candidness also apply to those persons 15 that are responsible for handling communications to 16 persons involved in governmental agencies, 17 regulatory agencies and political affairs? 18 MR. DENNY: Objection, form. 19 A. Yes. 20 Q. (BY MR. COON) The same levels of 21 transparently, same levels of honesty -- 22 A. Different questions usually, but yes. 23 Q. Even if the truth is painful, tell the 24 whole truth? 25 A. Yes.</p>	<p style="text-align: right;">Page 213</p> <p>1 earlier about certain examples like the Houston 2 leads and why they are important to poll, from BP's 3 standpoint, their potential shareholders or 4 investors in the company. 5 Those are examples that you look 6 for? 7 A. Yes. 8 Q. I want to turn, sir, to page 14 of your 9 crisis management plan. 10 First of all, in backing up, do 11 you know who is responsible for drafting, 12 promulgating and making sure this plan is adhered 13 to? 14 A. That's in the line operation. So the 15 manager of the refinery, for example, would be 16 responsible for making sure that the plan as it 17 impacts his business is being adhered to. 18 Q. Okay. If we go to page 14, there are a 19 number of bullets. And I have highlighted some of 20 those for you to review. 21 And again, this is all under the 22 Section 5, Roles & Responsibilities under the 23 crisis management plan. Okay? 24 A. (Examines document.) 25 Q. And if you can read over those real</p>

<p style="text-align: right;">Page 214</p> <p>1 quickly, I am assuming those are all some of the 2 additional examples of things that the crisis 3 management team needs to be aware of and to help 4 prepare a response to as the result of an incident 5 like the one that occurred in Texas City? 6 A. Yeah. It would vary between local, 7 regional or state, depending on the incident. 8 Q. Okay. So, for instance, you would look 9 at whether other BP operations nationally or 10 group-wide are vulnerable to the same incident and 11 if immediate corrective actions are required? 12 A. Right. 13 Q. So in this case, that is one of the 14 litmus tests, to compare this incident to the 15 potential for other instances of a similar nature. 16 Was anything done? 17 A. I don't know. This would happen in the 18 line. So the incident commander would be 19 accountable for understanding what happened and 20 assigning people to make sure that if there are 21 other, in this case, refineries that they would be 22 informed of what happened so that they could take 23 immediate corrective action. So that would happen 24 through the line by the incident commander on the 25 site.</p>	<p style="text-align: right;">Page 216</p> <p>1 A. I am not aware of what's happened with 2 each one of those, no. 3 Q. Was that the first time that you were 4 aware that BP Texas City had in operation a number 5 of other blowdown drums in addition to the one at 6 the ISOM unit? 7 A. No. After the accident, I was told there 8 were others. 9 Q. Okay. Were you aware that -- were you 10 even aware of the difference between a blowdown 11 drum and a flare? 12 A. Kind of. 13 Q. We haven't asked you this, but let me 14 back up to one other area. You told us about your 15 college education. 16 Have you obtained any additional 17 training, education of any nature, to better 18 educate you with respect to how you make the 19 products in these chemical plants or refineries? 20 A. No. 21 Q. Do you have a pretty good understanding 22 just from working for BP and its predecessors the 23 last 30 something years of how the products are 24 made? 25 A. I have a very superficial understanding</p>
<p style="text-align: right;">Page 215</p> <p>1 Q. And we know from this instance from 2 reading -- from just reading the fatal report, you 3 were able to tell that some things were recommended 4 such as the removal of blowdown drums and 5 replacement of flares? 6 A. I believe that's right. 7 Q. And are you aware as to whether or not 8 that recommendation by BP's own investigators was 9 something that was subsequently initiated or 10 undertaken by any of the BP plans? 11 A. I am not aware of what each plant has 12 done since then. I am aware that that has gone out 13 to each one. 14 Q. Okay. Do you know what remedial measures 15 were taken by BP Texas City, if any, as a result of 16 this explosion? 17 A. No, I wouldn't know that in my job. 18 Q. Did you have any idea as to whether or 19 not BP had identified a number of other blowdown 20 drums on the facility and a decision to remove 21 those as a result of the risks associated to 22 venting to atmosphere? 23 A. I know there were a series of them 24 listed. I saw it earlier this morning. 25 Q. Yes, sir.</p>	<p style="text-align: right;">Page 217</p> <p>1 of: You distill crude oil and at different 2 temperatures, different products come out. 3 Q. Have you ever gone to any programs or 4 received any training in regards to the day-to-day 5 operations, whether it was the occupational safety 6 side or the process safety management side of 7 operations in chemical plants and refineries? 8 A. No. 9 Q. Did you know what a blowdown drum was 10 before this explosion? 11 A. No. 12 Q. Had you ever heard of one? 13 A. No. 14 Q. Had you ever heard of a flare before this 15 explosion? 16 A. Yes. 17 Q. Did you understand after the fact that 18 the reason that you heard about flares and had not 19 heard about blowdown drums is because plants just 20 don't use blowdown drums anymore? 21 MR. DENNY: Objection, form. 22 A. No. I had heard there were two different 23 kinds of containment systems is about all I 24 understand about it. 25 Q. (BY MR. COON) Were you ever made to</p>

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<p style="text-align: right;">Page 218</p> <p>1 understand after this explosion, all the way up to 2 today, from reading the fatal report and other 3 information you may have been provided, that 4 blowdown drums are a very antiquated system and 5 very antiquated technology and have been replaced 6 and phased out with the addition of improved 7 technology such as flares? 8 MR. DENNY: Objection, form. 9 A. It's very clear to me that flares have a 10 much lower risk. 11 Q. (BY MR. COON) And that's from reading 12 the fatal report? 13 A. The final report. 14 Q. The final report. I think it's called 15 the -- I think they call it the fatal -- 16 A. I don't know. 17 Q. -- accident incident report, 18 investigative report? 19 A. I don't -- I am sure we are talking about 20 the same one. 21 Q. Okay. The Mogford report -- 22 A. Yes. 23 Q. -- in December of 2005 -- 24 A. Uh-huh. 25 Q. -- or the fatal report. The final fatal</p>	<p style="text-align: right;">Page 220</p> <p>1 have been when she presented me with the CSB's 2 recommendations. 3 Q. She was the chair of that committee, was 4 she not? 5 A. She is the head of the CSB. 6 Q. Anything come out of that meeting? 7 A. Yes. 8 Q. What was that? 9 A. She handed me the report, asked me to 10 read it, asked me if I would accept their 11 recommendations. 12 Q. And which recommendations were they, sir? 13 A. That a panel be established. 14 Q. Is this for the Baker panel? 15 A. Yes. 16 Q. Okay. And why was it that she went to 17 you, if you know, to address these issues? 18 A. Because I was the fiduciary head of the 19 firm -- the assets were in the name of BP Products 20 North America. We own the assets. 21 Q. What are the assets? 22 A. They would be refineries, terminals, 23 production platforms, pipelines. 24 Q. This is all the infrastructure? 25 A. Yes.</p>
<p style="text-align: right;">Page 219</p> <p>1 report? 2 A. Yes. 3 Q. There was an interim back in May. 4 A. Yeah, that's why -- 5 Q. Were you aware of that as well? 6 A. I was just distinguishing between them. 7 MR. DENNY: Let him finish. 8 Q. (BY MR. COON) You read the interim 9 report as well in mid May of 2005? 10 A. I did. 11 Q. In fact, I think you were responsible for 12 helping Ms. Wright with a media response to that 13 report as well? 14 A. Yes. 15 Q. Did you work with any of the 16 investigative agencies OSHA, CSB? Did you ever 17 talk to them or work with them? 18 A. I had one meeting with the CSB. 19 Q. Was that with Mr. Holmstrom? 20 A. No. 21 Q. Who was it? 22 A. Carolyn Merritt. 23 Q. Do you remember when and why? 24 A. It would have been later on in the year. 25 I don't remember exactly which month. It would</p>	<p style="text-align: right;">Page 221</p> <p>1 Q. And I take it with owning the assets you 2 own the liabilities? 3 A. Probably. 4 Q. Do you know anything about the insurance 5 coverages that were in place for this incident? 6 A. No. 7 Q. And I didn't ask this. But with your 8 responsibility and your fiduciary with the assets, 9 I take it you are paid? 10 A. Am I paid? Yes, I am paid. 11 Q. And I take it you are salaried? 12 A. I am. 13 Q. Do you get any type of bonuses? A lot of 14 people that we have talked to have bonus packages, 15 stock options or different things? 16 A. Yes, I do have a bonus program. 17 Q. What does your bonus program entail? 18 A. It's based on how I perform in my job. 19 So my performance contract. 20 Q. And who is your performance contract 21 with? 22 A. David Allen. 23 Q. And what are the high points of your 24 performance contract? 25 A. Well, they would be the safety of the 110</p>

<p style="text-align: right;">Page 222</p> <p>1 people who work for me. So I am directly 2 accountable for that. It would include the 3 management of our reputation as measured by 4 surveys. It would include the insolvency of the 5 pension and 401K plans. Those are the primary 6 areas. 7 Q. Are you responsible for investing the 8 pension plan? Do you have an oversight role in 9 where the moneys go? 10 A. Yes. I guess you would say I am, yes. 11 Q. Does the pension plan invest in stocks, 12 bonds, treasury notes, things of that nature? 13 A. Everything. 14 Q. Who makes the final decision as to where 15 those moneys are invested? 16 A. There is a committee. 17 Q. Do you head that committee? 18 A. I head the committee for the 401K 19 investments, and a gentleman by the name of Byron 20 Grote heads the committee for the pension 21 investments. 22 Q. And how much of those moneys typically in 23 a given year are invested both in 401K and pension 24 in BP's own stocks? 25 A. None.</p>	<p style="text-align: right;">Page 224</p> <p>1 the crisis. And the one we were discussing first 2 was the determination of whether other BP 3 operations were vulnerable to the same incident. 4 And if so, what type of corrective actions were to 5 be undertaken. And we just discussed the flares 6 and blowdowns a little bit, and I want to go back 7 to a few other things. 8 Are you aware of the issue 9 associated with the trailers and the trailer siting 10 and what, if anything, that had to do with this 11 explosion or at least the fatalities associated 12 with it? 13 A. Well, I am from reading the report, yes. 14 Q. What is your understanding and 15 recollection as to what it was about the trailer 16 siting? 17 A. My understanding from reading the report 18 is that the trailers were sited very close. I 19 believe it was within 150 feet or so of the ISOM 20 unit and that they were occupied at the time. 21 Q. Did you derive any understanding as to 22 any issues involving the trailers and their siting 23 other than what you have read in the fatal report? 24 A. Not other than I have read in the report, 25 no.</p>
<p style="text-align: right;">Page 223</p> <p>1 Q. None? 2 A. Well, excuse me. Let me be clear. 3 Pension fund would not invest in any BP stock. The 4 401K investments are made by the individual 5 participants. All we do is provide the options and 6 ensure the options are solvent, legal and all of 7 that. 8 So there are individuals in the 9 401K program who can choose to invest their funds 10 in BP America or BP stock if they want to in ADRs. 11 It would be ADRs. 12 Q. Anything else your bonus is triggered on? 13 A. No. That would be it. 14 MR. COON: We will take a break. 15 THE WITNESS: Okay. 16 THE VIDEOGRAPHER: Off the record 17 at 2:32 p.m., ending Tape 4. 18 (Recess taken.) 19 THE VIDEOGRAPHER: On the record 20 at 2:41 p.m., beginning Tape 5. 21 Q. (BY MR. COON) Mr. Pillari, we took a 22 break; and we were discussing the crisis management 23 plan, specifically page 14, and the first 24 highlighted bullet where you are talking about 25 opportunities to react or respond as a result of</p>	<p style="text-align: right;">Page 225</p> <p>1 Q. When you went down there on the 24th of 2 March, did you ever go out to the unit that blew 3 up? 4 A. I was taken out at one point on the 5 following day. I don't believe it was -- I think 6 it was two days later was the only time, and I was 7 only about maybe a hundred yards away. So I was 8 not -- we were not allowed into that area. 9 Q. Okay. Close enough to kind of see the 10 damage but not close enough to see the details of 11 the damage? 12 A. No. I could just see the big structures 13 really. 14 Q. Were you ever provided with the 15 photographs of the area? 16 A. I have never -- I have never been 17 provided with the photographs, no. I saw them on 18 the news. 19 Q. Did you know anything about BP's 20 trailer's siting rules or regulations? 21 A. No. No, I wasn't -- in my job, I don't 22 get involved in that. 23 Q. I take it you had some understanding at 24 some point after the explosion that BP did have 25 rules and regulations dealing with trailer siting?</p>

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<p style="text-align: right;">Page 226</p> <p>1 A. Yes. As I read in the report, yes. 2 Q. And do you recall from the report there 3 was a discussion that trailers of that nature 4 should not be located within 350 feet of a unit? 5 A. I recall something about that, yes. 6 Q. And there was criticism of the 7 investigative team about the siting of those 8 trailers in proximity to a unit and their failure 9 to go through any type of MOC process to locate and 10 occupy the trailers where they were? 11 MR. DENNY: Objection, form. 12 A. I believe the investigation team was 13 critical of the trailer siting, yes. 14 Q. (BY MR. COON) Okay. Did you know 15 anything about how it was in the first place that 16 it was ever determined that a trailer that is 17 really not much different than a typical mobile 18 home should be located no closer than 350 feet to a 19 unit? Do you know what it was that they were 20 concerned about or what the magic number about 21 350 feet was? 22 A. I have no knowledge of how the 350 feet 23 is put together or what characteristics they would 24 have used. 25 Q. Do you know what VCEs are?</p>	<p style="text-align: right;">Page 228</p> <p>1 integrity to them? 2 A. No. I have never participated in a 3 discussion or seen a handbook related to siting of 4 trailers. 5 Q. Okay. 6 A. It's not my job. 7 Q. Did you know Stan Sorrels, the gentleman 8 that worked at BP that actually authored the 9 original BP handbook back in the mid Nineties? I 10 think he is the head of HSSE at Whiting. 11 A. If it was in the mid Nineties at Whiting, 12 it wouldn't have been with us. It would have been 13 with Amoco, but I don't know Mr. Sorrels. 14 Q. Did you know anything about the 15 differences in distances, that different types of 16 buildings were permitted to be located in proximity 17 to a unit based on its construction materials? 18 A. No, I would never have been involved in 19 that. 20 Q. Were you aware that buildings that had 21 the perception of more physical, I guess, better 22 construction quality, such as concrete as opposed 23 to the materials in a trailer, actually had to be 24 located further away from a unit than the trailers? 25 Did you know that?</p>
<p style="text-align: right;">Page 227</p> <p>1 A. I don't think so. 2 Q. Okay. In the process management field, 3 it's called "vapor cloud explosions." 4 Have you ever heard that term 5 before? 6 A. I think I read it in the report, "vapor 7 cloud explosions." 8 Q. Do you understand it's something that is 9 pretty well known, at least from the process safety 10 management side of the equation, in refineries that 11 when hydrocarbons escape into the atmosphere, they 12 can settle at ground level and if they hit an 13 ignition source, can cause a fire and/or an 14 explosion? 15 A. Yes, that's right. 16 Q. And that is a major consideration in 17 locating any temporary facilities adjacent to an 18 operating unit, which is a release of vapors that 19 could cause an explosion that could destroy a 20 temporary building? 21 A. I believe that's in the report, yes. 22 Q. Do you know how it was in BP's own 23 handbooks regarding trailer siting that trailers 24 were allowed to be located in closer proximity to a 25 unit than structures that had more physical</p>	<p style="text-align: right;">Page 229</p> <p>1 A. No. I would have no way of knowing that. 2 Q. Did you know why that was? 3 A. No, I don't know anything about the 4 operation of the refinery. 5 Q. Did you know it was because BP in its 6 analysis determined that a trailer, in the event of 7 a VCE, could actually roll and, in theory, absorb 8 more impact and not collapse because it could 9 actually give and just roll over as a result of a 10 VCE; whereas, a fixed building that did not have 11 the ability to roll would collapse? 12 A. I wouldn't know anything about that. 13 Q. Is that the first time you have heard 14 that that was part of the analysis and equation 15 utilized by BP in the determination as to how close 16 different types of buildings could be to a unit? 17 A. That's the first I've heard of it. 18 Q. Have you ever seen a trailer roll? 19 A. No, I don't think so. But I am not on 20 the refinery side, so I don't know. 21 Q. Have you ever been in one of these 22 temporary trailers or in a trailer home? 23 A. I have been in trailer homes. 24 Q. Did they ever give you the impression of 25 being of a construction or quality of material such</p>

<p style="text-align: right;">Page 230</p> <p>1 that you would be comfortable rolling around inside 2 of one? 3 A. I am not technically able to judge that. 4 There may be somebody else who has the technical 5 competency to make that view, but I wouldn't. I 6 don't know. 7 Q. Well, would you hazard to put yourself in 8 a trailer and let somebody roll it around with you 9 inside it? 10 A. I don't know. I didn't see the review of 11 the analysis. 12 Q. Okay. Well, in the trailers that you 13 have been in or seen, would you be the first 14 volunteer to get in one and let somebody start 15 rolling it over to see what happened? 16 A. I would want to read the analysis first. 17 Q. Did you know that with respect to these 18 particular trailers that BP operated under this 19 impression that 350 foot was an appropriate, safe 20 distance because they could roll and absorb some of 21 the impact, that that was based on the presumption 22 that the trailers were not anchored to the ground? 23 MR. DENNY: Objection, form. 24 A. No, I wouldn't know anything about this. 25 Q. (BY MR. COON) Did you know that there</p>	<p style="text-align: right;">Page 232</p> <p>1 trailers? 2 A. Well, I believe they have; but I am not 3 involved in that. So I wouldn't know for sure. 4 Q. How many times have you been back to 5 Texas City since the week after the explosion? 6 A. Probably two or maybe three. 7 Q. Do you remember about when? 8 A. Very soon after. 9 Q. Do you -- 10 A. So it would have been within the first 11 month or so. 12 Q. You were back in mid May to respond to 13 the interim fatal report? 14 A. Actually, I don't believe I went to Texas 15 City on that visit. 16 Q. Okay. Did you issue a statement? 17 MR. DENNY: Are you talking about 18 going to the plant, Brent, or actually to the city 19 of Texas City? 20 MR. COON: Yeah, maybe I ought to 21 clarify. I appreciate that. 22 Q. (BY MR. COON) All right. Did you come 23 back to Texas City or the Houston area in mid May 24 to make some statements, press statements, 25 regarding the introduction of the interim fatal</p>
<p style="text-align: right;">Page 231</p> <p>1 was a requirement for the BP facilities located 2 along the coastal areas, as a result of the 3 potential for hurricanes, that they were required 4 to be staked to the ground to prevent them from 5 rolling in the event of high winds? 6 A. No. I wouldn't be involved in any of 7 that planning either. 8 Q. Did you know that that was the case here, 9 that the trailer was put 350 feet away under -- let 10 me strike that. 11 Did you know that at BP Texas City 12 they operated under the presumption that the 13 350 foot standard would be okay to apply for Texas 14 City, even though they were also required to anchor 15 those trailers down to prevent them from rolling in 16 high winds from a hurricane? 17 A. Not being involved in the operation of 18 Texas City, I wouldn't know anything about this. 19 Q. Do you know what changes BP Texas City 20 made, from a remedial standpoint, as a result of 21 this explosion as it related to the trailer siting? 22 A. I don't have a list of them. I am aware 23 of -- there is a list somewhere of the things that 24 Colin Maclean has done since he has been there. 25 Q. Do you know if they have moved them, the</p>	<p style="text-align: right;">Page 233</p> <p>1 report? 2 A. I did a press conference in May. 3 That's -- the 17th, I believe, was the day. 4 Q. Was that in Texas City? 5 A. No. That was -- yes, it was. It was in 6 the Texas City. City. Sorry. Not the refinery, 7 though. 8 Q. Did you go to the refinery on that 9 occasion? 10 A. I don't think I did. 11 Q. Next time to Texas City? 12 A. It would have been sometime a few weeks 13 after. 14 Q. Two weeks after mid May? 15 A. Several weeks after that, yes. Something 16 like that. 17 Q. What brought you back that time? 18 A. I would have met with my GPA team there. 19 Q. This is the government and public affairs 20 team? 21 A. Yes, uh-huh. 22 Q. Okay. We will talk about them separately 23 in a moment. 24 The next time? 25 A. I know I was there once to talk with the</p>

<p style="text-align: right;">Page 234</p> <p>1 attorneys, actually, about the CSB. 2 Q. Do you -- 3 A. I don't remember when. 4 Q. Do you recall what the issues were? 5 MR. DENNY: If he is talking to 6 the company lawyers, I am going to instruct him not 7 to answer that question. 8 MR. COON: Okay. I will have to 9 ask your lawyer later over a drink and find out. 10 Q. (BY MR. COON) All right. Any other 11 occasions? 12 A. I am pretty sure I was there again 13 after -- I know I was there one more time, and I 14 think it was right after the CSB issued their 15 report. 16 Q. This would be after -- around October 20 17 something -- 18 A. Yeah, when they were talking about the 19 panel -- 20 Q. All right. 21 A. -- and all that. 22 Q. Okay. Did you know anything about their 23 town hall meeting in late October? 24 A. No. 25 Q. Were you ever debriefed on the CSB</p>	<p style="text-align: right;">Page 236</p> <p>1 A. Uh-huh. 2 Q. Okay. Anything else from a budgetary 3 standpoint? 4 A. No, that's it. It's just for the 5 activities of those people. 6 Q. Any investigations experience? 7 A. I don't think so. I mean, there would 8 have been -- earlier in my career there were some 9 HR issues where I would have looked into some 10 complaints but no major investigation experience, 11 no. 12 Q. Did you ever derive a historical 13 knowledge of the Texas City facility or the other 14 plants that operated here in the States in terms of 15 how old they were, history of prior ownership, 16 things of that nature? 17 A. No. 18 Q. Did you ever derive a fundamental working 19 knowledge of the history of the Amoco Texas City 20 facility, how long it had been there, when it was 21 built, how many units? 22 A. No. I heard some of that after the 23 accident, but no. 24 Q. Again, same question specific to the 25 ISOM. Did you know when it was built or why it was</p>
<p style="text-align: right;">Page 235</p> <p>1 findings and the town hall meeting? 2 A. I saw the media on it. 3 Q. Did your media people debrief you, or did 4 anyone else debrief you on the CSB interim 5 findings? 6 A. I don't recall a debriefing, no. 7 Q. Were you ever debriefed on any of the 8 OSHA findings? 9 A. I saw the OSHA report of OSHA findings. 10 I don't believe there was a debrief on it. That 11 would have been done at the line. 12 Q. Mr. Pillari, I take it you did not have 13 any budgeting responsibilities with respect to any 14 of the individual plants? 15 A. No. 16 Q. Do you have any budgeting 17 responsibilities within your own organization? 18 A. Yes. 19 Q. What are those? 20 A. I prepare an annual operating plan for 21 how much money I think I am going to have to spend. 22 Q. Is this for the 110 employees you are 23 charged with -- 24 A. Yes. 25 Q. -- the responsibility for?</p>	<p style="text-align: right;">Page 237</p> <p>1 built? 2 A. Only what I read in the final report. 3 Q. Have you had any safety related 4 positions? 5 A. Well, every position you are responsible 6 for the safety of everybody who works for you. I 7 have had no professional safety positions where -- 8 you know, no specific positions identified that 9 way. 10 Q. Do you recall being notified of the three 11 fatalities in 2004? 12 A. Yes. I would have been notified of 13 those, yes. 14 Q. Once you are notified of them, do you go 15 back with the plant manager or whomever it is that 16 tells you you had another fatality, somebody has 17 been killed, do you ever follow up with them to 18 say, "What happened, why did it happen, what are we 19 doing to keep it from happening again?" 20 A. No. That would happen with the line 21 manager, not with me. 22 Q. Something that you are just made aware of 23 just as an FYI; but unless you initiate your own 24 crisis management team, you do not get involved in 25 the --</p>

<p style="text-align: right;">Page 238</p> <p>1 A. Well, I would be notified in case there 2 might be media coverage because that's my area of 3 responsibility. 4 Q. Okay. But if there is no media coverage 5 or if the media coverage doesn't last very long and 6 you are going down the road, you don't follow up to 7 say, "Hey, did you guys ever find out what 8 happened, did you initiate any remedial measures, 9 have you taken care of the situation?" 10 A. No. They would do that with their boss, 11 not me. 12 Q. Did you ever hear any complaints before 13 or after the explosion of March 23rd regarding a 14 cultural problem in the management and in the 15 operations of BP Texas City? 16 A. No, I was not involved with Texas City. 17 Q. When was it that you first heard about 18 the Telos Report that was commissioned in the fall 19 of 2004 after the last three fatalities occurring 20 that year? 21 A. It was mentioned to me as a document that 22 would be submitted to the CSB. 23 Q. When was it that you were made aware of 24 the Telos Report? 25 A. I don't know. Sometime maybe the end of</p>	<p style="text-align: right;">Page 240</p> <p>1 Q. Did you understand that it comprised the 2 opinions of more than a thousand of the employees 3 of BP Texas City? 4 A. Actually, I would have assumed it was 5 more because I thought there were more people at 6 Texas City; but I don't know. 7 Q. Did you also understand it included 8 personal interviews with over 100 BP personnel at 9 Texas City, most of whom were in a management 10 position? 11 A. No, I wasn't involved in it. 12 Q. Have you ever heard that in this 13 litigation it's been ascertained who those hundred 14 persons were and what each of them had to say about 15 BP in regards to their safety habits, injury 16 practices, responses, safety protocols, deferred 17 maintenance, infrastructural problems and other 18 criticisms? 19 A. No, I don't know any -- 20 MR. DENNY: Objection, form. 21 A. I don't know anything about the report. 22 Q. (BY MR. COON) Do you know anything about 23 the terminated employees? 24 A. No, not really. 25 Q. Other than what you read in the report,</p>
<p style="text-align: right;">Page 239</p> <p>1 the summer or something like that. 2 Q. Summer of 2005? 3 A. Yeah. I am just guessing. I don't 4 really know. 5 Q. What was it that was imparted to you 6 about the Telos Report? 7 A. That it existed, that it was an opinion 8 survey; and it would be delivered to the CSB. 9 Q. Were you provided with information that 10 caused you to understand or believe that many of 11 the opinions contained in the Telos Report were 12 those of BP personnel, both management and 13 salaried -- 14 A. No. 15 Q. -- and hourly at BP Texas City and that 16 many of their opinions were very negative about the 17 operations and safety of that facility? 18 A. No. I did not discuss the Telos Report. 19 Q. Have you ever been made aware of any of 20 those criticisms of BP's management, salaried and 21 hourly employees in that regard? 22 A. No. 23 Q. And I take it you have never read that 24 report? 25 A. I have not read that report.</p>	<p style="text-align: right;">Page 241</p> <p>1 do you have any understanding as to why any of 2 those individuals were terminated? 3 A. No, I was not involved. 4 Q. Have you heard or understood that anyone 5 else was subject to any type of penalty or 6 punishment for perceived roles or responsibilities 7 in the explosion of March 23? 8 A. I would not be informed of that unless 9 they worked for me. 10 Q. So I take it your answer is "no"? 11 A. No. 12 Q. In talking about the blowdown drums and 13 these flares, were you aware of something called a 14 PSS Number 6, a process safety statement? 15 A. Only because I know it exists from 16 reading the report. 17 Q. Okay. Did you have an understanding in 18 reading the report that BP had in existence, going 19 back to the late '70s, a safety standard 20 admonishing their facilities to exercise a practice 21 of replacing or removing blowdown drums and 22 substituting for flares? 23 MR. DENNY: Objection, form. 24 A. I have not read that kind of detail. 25 Q. (BY MR. COON) Did you have a general</p>

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1 understanding from reading the fatal report that BP
 2 had such a statement that made such a decision and
 3 that it had been in place for 20 or 30 years?
 4 MR. DENNY: Objection, form.
 5 A. No. I just know that there was
 6 discussion about preference of one over another. I
 7 didn't go into that technical side of it.
 8 Q. (BY MR. COON) Did you get an
 9 understanding from the fatal report that the
 10 trailers that all these people were in had never
 11 been commissioned for occupancy and that occupying
 12 them where they were at that time was in violation
 13 of BP's own policies?
 14 A. I did read that they had not been
 15 commissioned for occupancy.
 16 Q. Did you ever get an understanding as to
 17 who at BP was responsible for allowing those
 18 trailers to be occupied by those contractors at
 19 that time without having an approved management of
 20 change order in place?
 21 A. No, I don't know that.
 22 Q. Do you ever deal with any of the
 23 politicians as part of your roles and
 24 responsibilities with the government and public
 25 affairs wing of what you guys do?

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1 A. Yes, I do.
 2 Q. Are there particular persons that are at
 3 state or federal levels of political authority that
 4 you routinely deal with?
 5 A. No, I wouldn't say routinely. No, there
 6 isn't anybody that I deal with routinely. I am
 7 occasionally summoned.
 8 Q. Have you ever talked to representatives
 9 at a federal level?
 10 A. Yes.
 11 Q. Can you name us the names of, say,
 12 Senators that you talked to regarding BP issues?
 13 A. I have probably talked to 25 or 30
 14 Senators over the last four or five years.
 15 Q. Okay. And generally what triggers the
 16 need for you to contact our federal Senators on --
 17 A. I usually don't contact them. They
 18 usually ask me about gasoline pricing. Then
 19 sometimes they will ask me about long term energy
 20 security and options.
 21 Q. Does BP or any of its executive officers
 22 provide political and financial support to elected
 23 officials?
 24 A. BP does not, absolutely not.
 25 Q. Do any of its executives provide

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1 financial support to elected officials?
 2 A. I wouldn't know.
 3 MR. DENNY: Objection, form.
 4 Q. (BY MR. COON) Are they free to do so?
 5 A. On a personal basis, yes.
 6 Q. Okay. We have heard about some of the
 7 scandals associated with some politicians taking
 8 trips around the world and things like that.
 9 Has BP, to your knowledge, been
 10 implicated in any alleged improper margins extended
 11 to legislators?
 12 A. No, we have not.
 13 Q. Paid trips, anything of that nature?
 14 A. No, we have not.
 15 Q. Who were the first political
 16 representatives that you talked to after this
 17 explosion?
 18 A. I may not get them in the right order.
 19 But within a week after the accident, probably, I
 20 think, it was the following Monday or Tuesday, I
 21 would have contacted the Texas delegation in
 22 Washington through my office there and would have
 23 offered to meet with anybody who would want to meet
 24 with us and explain what we knew about what had
 25 happened.

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1 Q. Okay. That would be Senators Hutchison
 2 and Coryn?
 3 A. Well, Senators Hutchison and Coryn took
 4 us up on that offer, asked me to come and tell them
 5 what had happened. Congressman Barton asked me to
 6 explain what had happened, and the mayors of Texas
 7 City and there was another town nearby, a small
 8 town whose ambulances assisted.
 9 Q. Texas City?
 10 A. No. It was a different, besides Texas
 11 City.
 12 Q. League City?
 13 A. League City. Yeah, the mayor. I think I
 14 met with those very soon thereafter.
 15 Q. Did you meet with the fire chief of
 16 League City?
 17 A. I don't think he was in the meeting. I
 18 don't recall him being in the meeting.
 19 Q. Did you know that the fire chief of
 20 League City was also the chief fire marshal for an
 21 adjacent refinery who came to the assistance of BP
 22 to help put out the fire and triage the victims
 23 from the explosion?
 24 A. No, I did not know that.
 25 Q. Did you know that he took some pictures

<p style="text-align: right;">Page 246</p> <p>1 of the scene and put them on the local League City 2 fire department website? 3 A. No. 4 Q. Did you know that BP had him fired from 5 his long-standing job at Marathon for doing that? 6 MR. DENNY: Objection, form. 7 A. I don't know anything about it. 8 Q. (BY MR. COON) That's all new news to 9 you? 10 A. Yes. 11 Q. The mayor didn't bring that up in the 12 conversations that you had with him? 13 A. No. 14 (Exhibit Number 521 marked for 15 identification.) 16 Q. (BY MR. COON) We have -- I will kind of 17 walk through some of these to get a better 18 understanding of who you talked to and why. 19 We have 521. This is an e-mail to 20 you and other people from Patricia Wright dated 21 3/24/05 regarding BP TC incident. This being Texas 22 City, correct? 23 A. (Nods head.) 24 Q. And it's a summary of a number of media 25 events that had occurred, and I want to call your</p>	<p style="text-align: right;">Page 248</p> <p>1 Q. Did you get to talk to Lord Browne when 2 he arrived? 3 A. Yes. 4 Q. How is it that he distinguishes his title 5 when he travels as to whether he is Lord Browne or 6 John Browne? 7 A. Actually, he doesn't. 8 He uses John Browne everywhere. 9 In Britain, if you are part of the culture of 10 Britain, you might normally, you would call him 11 Lord Browne out of respect. But John always 12 introduces himself as John Browne no matter where 13 he is. 14 Q. Do you know that your BP SEC filings here 15 in the States list him and it has -- he is 16 addressed as Lord John Browne of Madingley? 17 A. Yes. 18 Q. That's not uncommon within the BP family 19 to reference John Browne as "Lord John Browne" -- 20 A. I think it's very uncommon. 21 Q. -- here in the States? 22 A. I think it's very uncommon. 23 Q. I have just seen it that way a lot here, 24 so I assumed that's what he was always called. 25 A. I have never called him that.</p>
<p style="text-align: right;">Page 247</p> <p>1 attention to a couple. 2 This is the -- about 24 hours 3 after the explosion? 4 A. Uh-huh. 5 Q. It says, "Ross spoke with Senator 6 Hutchison." 7 This would be, I take it, you? 8 A. Yes. 9 Q. Okay. And "Senator Coryn's staff and was 10 awaiting a call from Congressman Tom Delay." 11 Was that the Tom Delay that's 12 under indictment now? 13 MR. DENNY: Objection, form. 14 A. I never spoke to Tom Delay. 15 Q. (BY MR. COON) Okay. Do you know what he 16 is under indictment for? 17 A. No. 18 Q. Have you ever talked to him before? 19 A. I met him once. 20 Q. What about? 21 A. It was in a large group of industry 22 people. 23 Q. He wasn't asking you for advice about who 24 to hire to help him? 25 A. He didn't ask me anything.</p>	<p style="text-align: right;">Page 249</p> <p>1 Q. What do you know about the investigative 2 team that was called out by BP? 3 A. Well, at the time of the accident on the 4 day, we knew we needed to have an investigation 5 team. We knew that it should be people with very 6 significant technical backgrounds. We knew it 7 could not and should not report to the line 8 management, that it had to have some independence. 9 So I agreed with the line 10 organization, with Mike Hoffman and with my boss, 11 that the right thing would be for BP Products North 12 America, as the owner of the assets, to have an 13 investigation team that was independent of the 14 refining organization. And I took advice from a 15 number of people about who might be technically 16 competent and asked John Mogford to do it. 17 Q. Okay. Who made that final decision to 18 pick Mr. Mogford? 19 A. I did. 20 Q. Had you had prior experience in setting 21 up investigative teams? 22 A. No. 23 Q. Why was it that you were nominated to do 24 so on this occasion? 25 A. Because I was sitting as the head of BP</p>

<p style="text-align: right;">Page 250</p> <p>1 Products North America, the owner of the assets, 2 and it seemed logical. 3 Q. Had there been other -- strike that. 4 With other fatalities that had 5 occurred at BP facilities here stateside, have you 6 ever personally involved yourself in setting up the 7 investigative team? 8 A. No. 9 Q. What is normal protocol for who is 10 responsible for identifying the persons who should 11 be charged with the responsibility of heading the 12 investigation? 13 A. It would normally go to the head of the 14 business involved to ensure that there is someone 15 from outside that business. 16 Q. And so where would it normally go here? 17 Who would it be here in the business? 18 A. Here, normally, it would have gone to 19 Manzoni. 20 Q. Why in this case did Mr. Manzoni 21 acquiesce to your decisions? 22 A. I wouldn't say he acquiesced. We 23 participated in a conversation where he said this 24 incident was so severe that it was important that 25 no one from the line be involved.</p>	<p style="text-align: right;">Page 252</p> <p>1 executives at BP come from Chicago and from London 2 to talk to the press? 3 A. Actually, none of them came from London. 4 They were all in the U.S. already. 5 Q. Yeah. Well, I thought Lord Browne, was 6 he already -- 7 A. John Browne was already in the U.S. 8 Q. Okay. So he was already here in the 9 States and came over. He didn't make a special 10 trip over from London? 11 A. Well, he made a special trip from where 12 he was. 13 Q. Where was he? 14 A. He was on the west coast. 15 Q. What was he doing on the west coast, if 16 you know? 17 A. Attending a board meeting. 18 Q. A board meeting of BP? 19 A. No, of a different company. 20 Q. What company would that be? 21 A. I am not sure. He is on the boards of a 22 couple of companies, but I know he was out there 23 for a board meeting. 24 Q. It talks about and this is one of the 25 examples --</p>
<p style="text-align: right;">Page 251</p> <p>1 Q. And how was it that you picked 2 Mr. Mogford? Did you know him? Recommended to 3 you? 4 A. I knew John, but actually I had had 5 discussions with a number of people who said that 6 his process experience was significant and that he 7 would be one of the best ones. 8 Q. Okay. And after he was picked and 9 initiated the investigation, did he retain any 10 responsibility to report to you any of his interim 11 findings or developments? 12 A. No, not to report to me while he was 13 doing it. His obligation was to give me a final 14 report. 15 Q. Did you help facilitate the structure of 16 that report? 17 A. No. 18 Q. Mr. Pillari, in going through a number of 19 the other e-mails and documents that we have 20 received in response to the subpoena duces tecum, I 21 am just kind of going to walk you through some of 22 these to get a flavor. 23 It looks like within the days 24 after the explosion we have the investigative team 25 comes down. We have a number of the senior</p>	<p style="text-align: right;">Page 253</p> <p>1 MR. DENNY: Are you going to mark 2 it as an exhibit, Brent? 3 MR. COON: Yes, sir. I sure will. 4 This will be 522. 5 (Exhibit Number 522 marked for 6 identification.) 7 Q. (BY MR. COON) This one is dated 8 3/27/2005, and there is a string of them. One of 9 them is -- this is from Ms. Wright to you and 10 others, and it talks about the press stories. And 11 I want to call your attention to the second page of 12 the e-mail, and I have highlighted these. 13 It looks like the decision has 14 been made to do several things. One is there is a 15 bpresponse.org. 16 Was this a website that 17 pre-existed this explosion, or was it set up before 18 the explosion? 19 A. Actually, the answer is yes and no. It 20 is a website capability almost like you would have 21 standby conference call capability where you have a 22 number you can call any time you want and do a 23 conference call. This is the same thing on the 24 web. 25 You can set it up such that any</p>

<p style="text-align: right;">Page 254</p> <p>1 time you want a web that you can then give general 2 access to. All you have to do is start it up. 3 So it's there all the time. In 4 this case it was started specifically for this 5 issue. 6 Q. And what was the purpose of creating this 7 website starting -- 8 A. We were getting -- 9 Q. -- or activating it again? 10 A. Yeah. We were getting so many calls from 11 the media and repeating the same things over and 12 over again that it seemed to make sense to set up a 13 website. That way we could say to the media, "We 14 will put on the information as we get it on the 15 website. You will all have access to it instantly 16 whenever you want it and then you only need to call 17 us if you need some clarification or something." 18 So it was a way to make working 19 with the media easier. 20 Q. Okay. And then some other things are 21 done. You have a day of remembrance set up. You 22 are putting together a community care team and a BP 23 employee fund for families. 24 Who makes the decisions to do 25 those things?</p>	<p style="text-align: right;">Page 256</p> <p>1 or a public relations standpoint? 2 MR. DENNY: Objection, form. 3 A. She is a professional public affairs 4 person. So she is accountable for our social 5 investment in communities, responsible for her 6 team, not just her personally but her team, 7 responsible for dealing with community issues and 8 state issues. 9 Q. (BY MR. COON) What is a social 10 investment in a community? 11 A. For example, if you contribute solar 12 panels to a school, that's a social investment in 13 the community, or if you help develop a park. If 14 you help provide educational material on energy, 15 that would be social investment. 16 Q. Is that just to establish or reinforce 17 community goodwill as a corporate neighbor? 18 A. It's part of -- it's part of your 19 participation as a member of the community. It 20 goes on all the time. 21 Q. Are there derivative benefits as a result 22 of currying the favor in the local community? 23 A. There are. It increases your reputation. 24 I think probably the biggest benefit is that people 25 get to know you, and they are then willing to</p>
<p style="text-align: right;">Page 255</p> <p>1 A. I think it varied in this case. If you 2 put it back up, I will comment on each one if you 3 want me to. 4 Q. Okay. 5 A. I believe the day of remembrance was 6 something that Don wanted to do. So he initiated 7 that action and worked with the people in the 8 refinery to do that. 9 The community care team is 10 something where, after any kind of an incident of a 11 facility anywhere, whether it's a refinery or 12 platform or whatever, we usually try to have people 13 who go around the community and ask if there are 14 questions, say, "Here's what happened," and all 15 that. 16 And the BP employee fund for 17 families, I believe, was probably put in place by 18 Patricia Wright. But this was in response to a 19 number of employees who said they would like to 20 contribute to the fund for medical care for 21 families. 22 Q. Okay. Is part of what Ms. Wright is 23 charged with doing is soliciting community 24 involvement or trying to effectuate some degree of 25 goodwill as a result of this from a damage control</p>	<p style="text-align: right;">Page 257</p> <p>1 discuss issues with you. So they know who to call. 2 Q. And in this case, too, there's also the 3 issue, I believe, wasn't BP trying to build a new 4 liquid gas project, big project over in the 5 Galveston area? 6 A. We have a proposed LNG plant in 7 Galveston, yes. 8 Q. Weren't there a lot of sensitive 9 environmental and safety issues expressed by some 10 of the people in that community that were either 11 questioning or opposing the construction of that 12 facility? 13 A. Well, the opponents were certainly 14 questioning the environmental side. Safety issues 15 around LNG around the world actually haven't been 16 very prevalent. There's hardly anything to go on 17 there. 18 But the environmental issues on 19 the island involved were an issue for the 20 opposition. 21 Q. "Opposition" being whom? 22 A. People, interest groups, NGOs, some 23 community people. 24 Any time you build anything, 25 there's some people who would rather it not be</p>

<p style="text-align: right;">Page 258</p> <p>1 built.</p> <p>2 Q. Okay. Would it be fair to say that one</p> <p>3 of Ms. Wright's responsibilities was to do what she</p> <p>4 could to continue to monitor how high up this</p> <p>5 incident was on the local, regional and national</p> <p>6 radar?</p> <p>7 A. Yes.</p> <p>8 Q. And in the days, weeks and months after</p> <p>9 the explosion?</p> <p>10 A. Yes.</p> <p>11 Q. And also with something negative like one</p> <p>12 of your units blowing up, the sooner it was off the</p> <p>13 national press, the better. Fair statement?</p> <p>14 A. We've -- I've learned a long time ago you</p> <p>15 can't control when and if things come off the</p> <p>16 national press but trying to make sure that the</p> <p>17 story is out there. And yes, from our point of</p> <p>18 view, if it was not in the national press, that</p> <p>19 would be better.</p> <p>20 Q. The same with regional press and local?</p> <p>21 A. Sure.</p> <p>22 Q. The less said the better?</p> <p>23 A. No. Factually said the better.</p> <p>24 Q. If something bad happens like a unit</p> <p>25 blows up and it's your fault and y'all have</p>	<p style="text-align: right;">Page 260</p> <p>1 A. Yes.</p> <p>2 Q. By effecting remedial measures to show</p> <p>3 that they are doing something to reduce the</p> <p>4 likelihood of this happening again, which they did</p> <p>5 here, correct?</p> <p>6 A. Yes.</p> <p>7 Q. Get rid of the blowdown drums, correct?</p> <p>8 A. Yes.</p> <p>9 Q. Move the trailers away from places that</p> <p>10 they could be destroyed in the event of at least a</p> <p>11 VCE, correct?</p> <p>12 A. Yes.</p> <p>13 Q. Implementing better training and safety</p> <p>14 programs for people, correct?</p> <p>15 A. They would do all of that.</p> <p>16 Q. Speaking of the employees, the fire</p> <p>17 employees, did you know anything about the</p> <p>18 circumstances of any of those six individuals that</p> <p>19 were terminated?</p> <p>20 A. No.</p> <p>21 Q. Did you know that Mr. Briggs was charged</p> <p>22 with the responsibility of manning that control</p> <p>23 room all by himself?</p> <p>24 A. No.</p> <p>25 Q. Did you know that -- do you know how many</p>
<p style="text-align: right;">Page 259</p> <p>1 acknowledged it's your fault, you don't get any</p> <p>2 good media out of that really, do you?</p> <p>3 A. Actually, you do get some good media out</p> <p>4 of it; but it doesn't -- it doesn't matter much.</p> <p>5 Q. Well, the balance of the good media and</p> <p>6 the bad media --</p> <p>7 A. Is overwhelmed by the bad media.</p> <p>8 Q. Yeah.</p> <p>9 So, again, the sooner it gets off</p> <p>10 the radar at the local, state and national level,</p> <p>11 the better?</p> <p>12 A. Yes.</p> <p>13 Q. And part of Ms. Wright's responsibility</p> <p>14 is keeping a wet finger in the air to see how the</p> <p>15 wind is blowing and how much radar is really still</p> <p>16 focused on that issue?</p> <p>17 A. And pretty much what she has to do is</p> <p>18 read the newspapers and take some surveys.</p> <p>19 Q. And to keep you and others posted with</p> <p>20 respect to that?</p> <p>21 A. If she believes it's necessary, yes.</p> <p>22 Q. And to the extent BP can, to try to</p> <p>23 respond to it in a direct way and in indirect ways,</p> <p>24 by showing one that they are accepting</p> <p>25 responsibility, which they did here, correct?</p>	<p style="text-align: right;">Page 261</p> <p>1 days straight he had had to work?</p> <p>2 A. No. There was a reference to the number</p> <p>3 of hours worked in the final report, but I don't</p> <p>4 know it's specific to an individual.</p> <p>5 Q. Do you recall whether or not BP has any</p> <p>6 requirements or limitations on the number of hours</p> <p>7 any of its employees can work?</p> <p>8 A. I don't know because I don't operate</p> <p>9 refineries.</p> <p>10 Q. So you have no clue as to whether or not</p> <p>11 BP has any restrictions in place limiting the hours</p> <p>12 of any of their employees?</p> <p>13 A. No, I don't know anything about that.</p> <p>14 Q. Did you ever learn that Mr. Briggs had</p> <p>15 been required to work for more than 30 days</p> <p>16 consecutively before the date of the explosion?</p> <p>17 A. No, I don't know anything about that.</p> <p>18 Q. Do you have an understanding at any point</p> <p>19 that they had had to work 12 hours or longer shifts</p> <p>20 every one of those days before the day of the</p> <p>21 explosion?</p> <p>22 A. No, I know nothing about Mr. Briggs.</p> <p>23 Q. Did you ever know that that control room</p> <p>24 was originally operated by two board operators</p> <p>25 instead of one?</p>

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<p style="text-align: right;">Page 262</p> <p>1 A. No.</p> <p>2 Q. Do you know that in order to effect</p> <p>3 closer Solomon standards and a better industrial</p> <p>4 rating with respect to manpower that Amoco BP made</p> <p>5 a decision to reduce the number of board operators</p> <p>6 from two to one back in the '90s?</p> <p>7 A. They weren't a part of our company back</p> <p>8 in the '90s. So I don't know anything about that.</p> <p>9 Q. Okay. Well, Amoco is a merger with BP,</p> <p>10 is it not?</p> <p>11 A. Yes.</p> <p>12 Q. So you really are all the same company,</p> <p>13 aren't you?</p> <p>14 A. We are now, but I wouldn't know what</p> <p>15 happened in the '90s.</p> <p>16 Q. Well, you can ask somebody what happened</p> <p>17 in the '90s, can't you?</p> <p>18 A. But since I don't operate refineries, I</p> <p>19 have no reason to go into that.</p> <p>20 Q. But the people in the refineries can know</p> <p>21 that, can't they?</p> <p>22 A. I don't know whether they do or not.</p> <p>23 Q. As a matter of fact, most of the people</p> <p>24 that work at BP now were on the management teams</p> <p>25 when it was Amoco?</p>	<p style="text-align: right;">Page 264</p> <p>1 monitor all of those units running through the</p> <p>2 control room, particularly when any of the units</p> <p>3 were in startup mode?</p> <p>4 A. No. Since I don't operate the refinery,</p> <p>5 I am not aware of any of that.</p> <p>6 Q. Were you ever made aware that in 2003, as</p> <p>7 a result of the NDU unit being attached to the same</p> <p>8 control room, that the salaried management</p> <p>9 personnel, particularly Mr. Trapp who was the ISOM</p> <p>10 superintendent, made specific recommendations to</p> <p>11 others in management to add an additional board</p> <p>12 operator to that room out of safety concerns and</p> <p>13 undue demands on the control board operator?</p> <p>14 A. No, I wouldn't know anything about that.</p> <p>15 Q. Mr. Pillari, running through some of</p> <p>16 these documents, this was the 3/27/05 and if we</p> <p>17 look at --</p> <p>18 MR. DENNY: What number is this?</p> <p>19 MR. COON: This is 523, sir.</p> <p>20 (Exhibit Number 523 marked for</p> <p>21 identification.)</p> <p>22 Q. (BY MR. COON) This one, again, notes</p> <p>23 from the media from Ms. Wright; and the basic</p> <p>24 analysis was "The story is losing steam and</p> <p>25 national interest has virtually dried up."</p>
<p style="text-align: right;">Page 263</p> <p>1 MR. DENNY: Objection, form.</p> <p>2 A. You mean at the refinery?</p> <p>3 Q. (BY MR. COON) Yes, sir.</p> <p>4 A. I don't know about the background of the</p> <p>5 refinery, but that wouldn't surprise me.</p> <p>6 Q. And in this case were you ever made aware</p> <p>7 that the union that represented the control</p> <p>8 operators took issue with the reduction out of</p> <p>9 safety concerns?</p> <p>10 A. No, I didn't know that.</p> <p>11 Q. Going from two to one.</p> <p>12 Did you know that in 2003 they</p> <p>13 added additional responsibilities to the long</p> <p>14 remaining board operator by tying in another unit</p> <p>15 into that same control room?</p> <p>16 A. No, I didn't know about that.</p> <p>17 Q. Did you know that grievances were filed</p> <p>18 by the union as a result of management's failure to</p> <p>19 add another control board operator after adding the</p> <p>20 NDU system to the control room?</p> <p>21 A. No, I would not have been involved in any</p> <p>22 of that.</p> <p>23 Q. Were you aware of any grievances that</p> <p>24 were filed by the union complaining of putting a</p> <p>25 board operator in an overworked position having to</p>	<p style="text-align: right;">Page 265</p> <p>1 And this is something that you</p> <p>2 would be wanting her to report to you to get a</p> <p>3 better flavor for how high up this issue was still</p> <p>4 on the national radar?</p> <p>5 A. Well, I hadn't asked her for it; but she</p> <p>6 routinely would have sent it to me.</p> <p>7 (Exhibit Number 524 marked for</p> <p>8 identification.)</p> <p>9 Q. (BY MR. COON) And next we have 524. And</p> <p>10 this was an e-mail -- this brings up the LNG</p> <p>11 terminal. We just brought this up awhile ago.</p> <p>12 Okay. This is -- it's a string of</p> <p>13 e-mails. I will go back to the first one in this</p> <p>14 string, which is dated April 4, from Ms. Wright to</p> <p>15 a number of people, including you. This is you</p> <p>16 here (indicating).</p> <p>17 And this is now, what, about two</p> <p>18 weeks after the explosion?</p> <p>19 A. I didn't -- the date is --</p> <p>20 Q. It's April 4th?</p> <p>21 A. -- April 4, yeah.</p> <p>22 Q. Ten days, 12 days. Okay. The media now,</p> <p>23 "The electronic media is not reporting about the</p> <p>24 incident any longer. Nothing in the Houston</p> <p>25 paper."</p>

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<p style="text-align: right;">Page 266</p> <p>1 I guess she is reporting daily 2 activities with the local press as well? 3 A. Well, occasionally, yes. 4 Q. Okay. And it talks about down here 5 meeting with congressional staff. It says, "We 6 will be meeting with staff at the House Energy and 7 Commerce Committee." 8 Do you know why it was that BP 9 needed to meet with them as a result of this 10 explosion? 11 A. Yeah, they requested it. That's 12 Congressman Barton. 13 Q. Okay. 14 A. That's the one I mentioned earlier. 15 Q. Do you know why he was calling a meeting 16 with BP? 17 A. Yeah, because he was from Texas and he 18 wanted to know what happened. 19 Q. Did you meet with him or talk with him? 20 A. Yes, I did. 21 Q. Did your answers placate his concerns? 22 MR. DENNY: Objection, form. 23 A. Well, I informed him of what happened. I 24 don't know how he took it. 25 He asked to be informed of what</p>	<p style="text-align: right;">Page 268</p> <p>1 are your folks, right? 2 A. I assume so, yes. 3 Q. You just don't know which ones she's 4 talking about here? 5 A. No, since I didn't get this e-mail. 6 Q. Okay. It says, "I haven't been 7 forwarding these as they are usually redundant to 8 the info we put out. However, Pat" -- and we can 9 presume she is talking about Pat Wright since 10 that's the e-mail here? 11 A. I would think so. 12 Q. "Pat has included wider implications in 13 this update such as the meeting with Congressional 14 staffers and the LNG terminal in Galveston. Will 15 be interesting to see how these go." 16 In that regard, was there concern 17 by BP that the safety issues associated with the 18 Texas City explosion could adversely impact their 19 ability to get the permission to build this LNG 20 terminal down in Galveston? 21 A. It doesn't say that. What it says is 22 that there was a request for a meeting with 23 Congressional staffers and the LNG terminal 24 community meeting and it would be interesting to 25 see how these go. So it reads to me that Kathleen</p>
<p style="text-align: right;">Page 267</p> <p>1 happened. He wasn't making -- he didn't give an 2 indication one way or another. He just wanted to 3 know. 4 Q. (BY MR. COON) Okay. After that e-mail, 5 the next one in this string was one, again the same 6 day, April 4, this one is from Kathleen Lucas who 7 was in the e-mail down here that included you; and 8 she responds. It doesn't look like she put you in 9 this. It looks like -- 10 A. No, I wouldn't have seen this one. 11 Q. Okay. Anyway, the note is this is an 12 update from the P&GA folks. Who are those? 13 A. Public and government affairs. 14 Q. And doesn't that include you or at least 15 your people? 16 A. It would include some people that work 17 for me. It doesn't include me. 18 Q. Okay. 19 A. In this e-mail, I am not listed. So it 20 clearly doesn't include me. 21 Q. Okay. Well, this -- this is something 22 she sends to these people? 23 A. Uh-huh. 24 Q. And it is an update from the P&GA. This 25 is the public and government affairs folks. These</p>	<p style="text-align: right;">Page 269</p> <p>1 is saying it will be interesting to see what 2 happens at those meetings. 3 Kathleen's not part of GPA. So 4 she was just expressing an interest. 5 Q. In your meetings with any of these 6 politicians, Senator Hutchison, Senator Coryn, 7 their staff, Representative Barton, did you ever 8 make representations to them as to what your 9 understanding was as to the cause of the explosion? 10 A. No, I don't believe I did. 11 Q. To your knowledge, did anyone at BP 12 follow up with any of those politicians to explain 13 to them or their aides what BP management felt were 14 the contributing factors to the explosion? 15 A. Because they are from the Texas 16 delegation, out of respect for them, we sent them 17 the final report. I know that's what happened. 18 Q. Okay. You do believe a copy of the final 19 report went to -- 20 A. Yes. 21 Q. -- a number of the elected officials? 22 A. Yes. The final report would have gone to 23 these people because when I met with them, they 24 asked when the final report would be out and I said 25 it would be quite some time.</p>

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<p style="text-align: right;">Page 270</p> <p>1 And they said, "Would you make 2 sure that I get a copy?" And I said, "Yes." 3 Q. Did you personally send copies of the 4 final reports to any politicians? 5 A. No. 6 Q. Were you responsible for making sure that 7 those that had asked did receive a copy? 8 A. My staff made sure that happened. 9 Q. Do you recall which elected officials 10 these fatal reports were directed to? 11 A. I have never seen a list. But we also 12 put it on the worldwide web, and we notified 13 everybody through the media that it was available. 14 So any politician or any member of the community 15 could have read the final report. 16 Q. I want to go back as we go through some 17 of these additional e-mails and talk to you briefly 18 about some of the other bullets that we talked 19 about on page 14. And we talked about how some 20 responses were made in terms of vulnerabilities; 21 that is, trailer siting issues, the decision to get 22 rid of all the blowdown drums at Texas City. 23 Do you recall talking about that 24 awhile ago? 25 A. Well, on this point we talked about the</p>	<p style="text-align: right;">Page 272</p> <p>1 equipment are in and a decision would be made on 2 what to do and that would -- that would be 3 followed. 4 Q. Well, if the decision is made at BP Texas 5 City that, "Hey, these blowdown drums are bad news. 6 We need to just go ahead and run everything to a 7 flare like our process safety statement says," and 8 they actually do that as a result of this 9 explosion, would you expect the other plants here 10 in the United States to at least follow suit and do 11 the same thing in light of that same recognition? 12 MR. DENNY: Objection, form. 13 A. I don't know what the other plants would 14 do. My understanding of the report is blowdown 15 stacks can also be used in heavy oil service where 16 going to a flare actually is not the preferred way 17 of going. 18 So I think my answer to this would 19 be I would expect each refinery -- they don't 20 report to me, so I don't know what they have done. 21 I would expect each refinery to do what they and 22 their management have agreed should be done as a 23 result of this incident. 24 Q. (BY MR. COON) Well, you would agree that 25 some -- if one management, say Texas City, has seen</p>
<p style="text-align: right;">Page 271</p> <p>1 requirement for the incident commander at the site 2 to make sure that issues related to all these 3 things you just talked about were spread around the 4 system. 5 Q. Okay. Did you have an understanding 6 before today that BP utilized blowdown drums at 7 some of their other refining and/or chemical 8 facilities? 9 A. Yes, I would have seen that in the final 10 report. 11 Q. Do you know what, if any, actions have 12 been taken to remove those blowdown drums at other 13 plants just like Texas City is removing theirs? 14 A. No. I would not normally be informed of 15 that. So, no, I don't know. 16 Q. Would you have an expectation that if BP 17 Texas City had recognized the hazards associated 18 with the continued utilization of blowdown drums 19 and made a decision to remove them all that BP's 20 other refineries with similar vent systems would do 21 the same; that is, remove them and substitute with 22 a flare? 23 A. My expectation would be that at each one 24 of those refineries they would review with their 25 management the service that those pieces of</p>	<p style="text-align: right;">Page 273</p> <p>1 a lot of loss of life as a result of the fact that 2 they had a blowdown drum instead of a flare and 3 they implement an expensive program of removing all 4 of those blowdown drums, that that type of 5 information about those risks are well communicated 6 to the other plants and it would be smart for those 7 other plants to recognize those issues without 8 having to have one of their own units blow up? 9 MR. DENNY: Objection, form. 10 A. I would expect the information to have 11 been passed to the refineries. But I am not in the 12 line, so I don't know that. 13 And I would have expected 14 Mr. Hoffman, who is accountable for those 15 refineries, to have made decisions about what needs 16 to be changed and when. 17 Q. (BY MR. COON) And if there is a renewed 18 appreciation of the risk associated with the 19 blowdown drum; that is, you know, you can have 20 vapor and liquid releases, they can cause an 21 explosion at ground level, they can kill a lot of 22 people, let's get rid of them, if that decision has 23 been recognized and made at one plant, wouldn't you 24 expect the other plants to follow suit? 25 A. I would think if the service is similar,</p>

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1 yes.
 2 Q. And their routine budgetary issues should
 3 not be a concern there?
 4 A. They would be irrelevant.
 5 Q. They should be irrelevant?
 6 A. They would be irrelevant.
 7 Q. Meaning that it doesn't matter what it
 8 cost to get rid of them?
 9 A. It wouldn't matter.
 10 Q. If they are a significant and identified
 11 safety hazard that can cost lives, get rid of them?
 12 A. That's right. It wouldn't matter.
 13 Q. And get rid of them and don't even
 14 operate a unit that still has it in light of that
 15 risk until they are replaced?
 16 A. I don't know if that's correct or not.
 17 I'm not technically able to tell you whether or not
 18 there are other ways to mitigate that risk and
 19 still operate the unit. There may be.
 20 Q. Okay. If there are none, then the proper
 21 protocol would be to shut that unit down in light
 22 of the recognized risks until a safer system can be
 23 installed?
 24 A. The proper protocol would be to operate
 25 the unit as safely as possible, including taking

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1 into consideration what happened at Texas City.
 2 Q. And in light of what's been learned
 3 there, if it can't be operated any safer, it should
 4 be shut down until it can be operated safely?
 5 A. Well, if they can't operate it safely,
 6 that's right.
 7 Q. Now, I want to talk more briefly about
 8 these others bullets. One of the things that are
 9 the roles and responsibilities of the crisis
 10 management plan and the team is to assess the
 11 psychological impact of the incident on BP
 12 employees, nationally and regionally, consider
 13 motivational issues and potential impacts to safety
 14 and productivity.
 15 Can you elaborate a little bit on
 16 that as to how that policy statement relates to the
 17 Texas City explosion?
 18 A. I think it relates mostly to the Texas
 19 City facility itself. I mean, in a -- in a
 20 manufacturing facility, if you've had a tragedy
 21 like this, it's very -- very difficult to keep
 22 people's minds on what's going on, which then makes
 23 things more dangerous.
 24 So in this case I would think the
 25 key issue here is for people who are involved --

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1 there's still debris. There's still people in the
 2 hospital. They are worried about their friends.
 3 They are worried about their employees.
 4 You want to make sure that
 5 somebody who is operating the piece of equipment at
 6 that plant, and that would be the primary concern
 7 in this case, I believe, has their mind exactly on
 8 what they are doing, that they are not distracted
 9 by what happened.
 10 Q. And if people witness a catastrophe of
 11 this nature, it's not uncommon for them to suffer
 12 significant psychological and adverse impact?
 13 A. I don't know if it's uncommon --
 14 MR. DENNY: Objection, form.
 15 A. -- or not, but it could certainly happen.
 16 Q. (BY MR. COON) And BP actually, in
 17 recognition of that, provides counseling for people
 18 that have experienced those types of losses or
 19 witnessed those types of losses?
 20 A. Yes.
 21 Q. Okay. Let's talk briefly about assessing
 22 the impact of the incident on the security of BP
 23 employees and assets. Can you elaborate on that?
 24 A. Well, this is a general plan. Sometimes
 25 they are concerned about incidents. 9/11 is the

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1 best example where there were worries that there
 2 could have been other incidents, other things that
 3 might happen where chemical plants, refineries,
 4 terminals, pipelines might be another target.
 5 So it tends to deal more with that
 6 when it's talking about security of employees and
 7 assets, are we sure things are safe.
 8 Q. Did you know you had a bank robber that
 9 busted into one of your units down at BP Texas City
 10 and locked himself in a control room where --
 11 A. No.
 12 Q. -- he could push all the buttons and blow
 13 the place up?
 14 A. No.
 15 Q. Did you know that there was no security
 16 to prevent that from happening?
 17 A. No.
 18 Q. Did you know that they never took any
 19 action after that to beef up the security there to
 20 keep that from happening?
 21 A. No. I wouldn't know about that since I
 22 don't operate the refinery.
 23 Q. Wouldn't it be disturbing to you that
 24 some bank robber could just jump the fence and run
 25 and lock himself in a control room and blow up all

<p style="text-align: right;">Page 278</p> <p>1 the units?</p> <p>2 A. Yes, it would be disturbing.</p> <p>3 Q. Okay. Next, "Assess the potential</p> <p>4 regulatory or legislative actions that may arise</p> <p>5 from the incident and response operations."</p> <p>6 Can you elaborate on that please,</p> <p>7 sir?</p> <p>8 A. Well, again, this is a general -- this is</p> <p>9 a general concern about any kind of a crisis. So,</p> <p>10 for example -- I'll come back to Texas City.</p> <p>11 But, for example, right now with</p> <p>12 hurricanes, there are some states that are</p> <p>13 proposing that everyone put in temporary generators</p> <p>14 on all businesses everywhere. And there is a</p> <p>15 question about how practical that is. So you worry</p> <p>16 about things like that, people responding.</p> <p>17 In the case of Texas City, you</p> <p>18 would look back and say, "Is there anything coming</p> <p>19 out of this where there might be a regulatory</p> <p>20 effort that we would either want to support or one</p> <p>21 that we would be concerned about with respect to</p> <p>22 its practicality?"</p> <p>23 So you always look at it just to</p> <p>24 see. It could be either way.</p> <p>25 Q. Well, for instance, in a matter like this</p>	<p style="text-align: right;">Page 280</p> <p>1 with BP Texas City?</p> <p>2 A. Yes, I believe that's correct.</p> <p>3 Q. They were placed on an enhanced</p> <p>4 enforcement protocol. Do you know anything about</p> <p>5 that?</p> <p>6 A. Yeah, I think that's right.</p> <p>7 Q. Do you know what that is?</p> <p>8 A. No. That would have gone to the</p> <p>9 operating side of the business. It wouldn't have</p> <p>10 come to me.</p> <p>11 Q. Do you have any understanding as to what</p> <p>12 it is that BP is now required to do by OSHA under</p> <p>13 this enhanced enforcement program?</p> <p>14 A. No, I wouldn't know that.</p> <p>15 Q. Do you know that BP has been placed under</p> <p>16 this as a result of OSHA's impression that BP has</p> <p>17 too many unsafe work practices?</p> <p>18 A. No, I wouldn't know that.</p> <p>19 Q. Did you know that at the time BP was</p> <p>20 placed on this enhanced enforcement protocol that</p> <p>21 they were the only major petrochemical company in</p> <p>22 America put under such a watch by OSHA?</p> <p>23 A. No, I don't recall that.</p> <p>24 Q. Do you find that disturbing that your</p> <p>25 employer is the only major petrochemical plant in</p>
<p style="text-align: right;">Page 279</p> <p>1 where you have vent systems that vent to atmosphere</p> <p>2 and you recognize that they pose a very material</p> <p>3 safety risk and health risk, would you advocate</p> <p>4 legislation and work with legislators to pass a ban</p> <p>5 on the continued use of those types of systems in</p> <p>6 any refinery?</p> <p>7 A. I don't know enough about it technically</p> <p>8 to know how feasible that is. I mean, flares</p> <p>9 release emissions to the atmosphere as well; and</p> <p>10 they are recommended by everybody.</p> <p>11 So I think what you would want to</p> <p>12 do here in that case is you would want to come back</p> <p>13 and get technical experts who really understand how</p> <p>14 this stuff works and have them work to see what</p> <p>15 could be advocated and what actually doesn't work.</p> <p>16 That's what you need to do.</p> <p>17 Q. With respect to this particular incident</p> <p>18 with OSHA, which is one of the regulatory agencies</p> <p>19 that would be encompassed in this bullet, would</p> <p>20 they not?</p> <p>21 It's talking about regulatory</p> <p>22 actions. That could include actions taken by OSHA?</p> <p>23 A. It could.</p> <p>24 Q. And in this case you understand that OSHA</p> <p>25 did, in fact, initiate some additional requirements</p>	<p style="text-align: right;">Page 281</p> <p>1 America that has been determined by OSHA to be such</p> <p>2 an unsafe work place that they are mandating</p> <p>3 additional restrictions, regulations and oversight</p> <p>4 of your company?</p> <p>5 MR. DENNY: Objection, form.</p> <p>6 A. I find it very disappointing that that's</p> <p>7 the case at Texas City, yes.</p> <p>8 MR. COON: We will take break</p> <p>9 here.</p> <p>10 MR. DENNY: Okay. How much time</p> <p>11 is left?</p> <p>12 THE VIDEOGRAPHER: Off the record</p> <p>13 at 3:39 p.m., ending Tape 5.</p> <p>14 (Recess taken.)</p> <p>15 THE VIDEOGRAPHER: On the record</p> <p>16 3:49 p.m., beginning Tape 6.</p> <p>17 Q. (BY MR. COON) Mr. Pillari, let's go to</p> <p>18 the next bullet. "Assess the severity of the</p> <p>19 public reaction or outrage to the incident and</p> <p>20 potential impact on reputation and business across</p> <p>21 the US business segments, e.g. boycotts."</p> <p>22 Could you elaborate, please, sir?</p> <p>23 A. Yeah. This would be something that Pat</p> <p>24 Wright would do on any incident, anything that</p> <p>25 happens. And typically you would see it when</p>

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<p style="text-align: right;">Page 282</p> <p>1 something happening happens closer to where we have 2 retail areas where people you worry about whether 3 or not someone would boycott your business. You 4 would worry about whether or not it would affect 5 your permitting. So you would just stand back and 6 look at everything that is going on and say is 7 there anything that you need to do to look at that. 8 Q. In this particular set of circumstances, 9 was there any measurable public reaction or outrage 10 to this incident? 11 A. There was a great deal of public reaction 12 and outrage with respect to their opinion. 13 Q. And how is that dealt with by BP? 14 A. Well, you try to -- you try to talk to 15 the communities one-on-one face-to-face. We talked 16 earlier about the community care plan. 17 You try to communicate what you 18 have been doing as a result of it. 19 Q. Again, following up with recommendations 20 of being truthful, the truth, the whole truth and 21 nothing but the truth -- 22 A. We have to. 23 Q. -- transparency, et cetera? 24 A. (Nods head.) 25 Q. That reminds me of something in this</p>	<p style="text-align: right;">Page 284</p> <p>1 allowing the media to have access to the same 2 information that you have provided to the CSB and 3 OSHA -- 4 MR. DENNY: Objection, form. 5 Q. (BY MR. COON) -- so that they can form 6 an educated and informed opinion as to what has 7 happened by access and review to all the relevant 8 information? 9 A. No. 10 MR. DENNY: Objection, form. 11 A. I would not agree with that. 12 Q. (BY MR. COON) And why not, sir? 13 A. Because I don't believe that some of that 14 information has anything to do with what's 15 important to the public. 16 Q. I don't understand. Could you explain 17 that another way? 18 A. No, I don't think I can. I think 19 that's -- that's what it is. 20 Q. Would you say it one more time then? 21 A. There is information about individuals 22 that should not be public. 23 Q. What type of information should not be 24 made available to the public? 25 A. Anything about their personal records. I</p>
<p style="text-align: right;">Page 283</p> <p>1 case. We have talked several times about the need 2 for transparency and a number of these documents 3 talk about the cooperation between BP and 4 legislators and BP and regulators; that is, working 5 with the CSB and OSHA. Let's talk about the 6 community generally and the press. 7 Would you agree that BP has, over 8 the last year, been less than fully candid with the 9 media with respect to the details of what 10 happened -- 11 MR. DENNY: Objection, form. 12 Q. (BY MR. COON) -- at the Texas City 13 explosion? 14 MR. DENNY: Objection, form. 15 A. No, I wouldn't agree with that. 16 Q. (BY MR. COON) Do you still agree that 17 the same levels of transparency and honesty should 18 apply to the media as it does to these other 19 persons that you have said BP does practice those 20 policies with? 21 A. Yes. 22 Q. Would you be amenable to providing that 23 same level of transparency to the media? 24 A. I believe we have. 25 Q. In this case would you be amenable to</p>	<p style="text-align: right;">Page 285</p> <p>1 don't know, a variety of things. 2 Q. Okay. Other than protecting personal 3 information regarding someone that's private in 4 nature, what else should be kept from the media and 5 the general public? 6 We understand the media is an 7 outlet to disseminating news and information to the 8 rest of the community that doesn't have access 9 otherwise. That's what the media does, right? 10 MR. DENNY: Objection, form. 11 A. No, I don't think so. 12 Q. (BY MR. COON) You don't think the media 13 takes information and dispatches it to the greater 14 community via airways, TV, radio or print? 15 A. No, I don't think that's what they do. 16 Q. What do you think the media does? 17 A. I think they write stories. 18 Q. You think they are -- are you inferring 19 that they sensationalize? 20 A. I am not inferring anything. I just 21 think their obligation is to sell newspapers and 22 write stories. 23 Q. So you think that the media -- when we 24 are talking about the media, let's talk -- let's 25 first talk about newspapers.</p>

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1 Are you saying the media, as it
 2 relates to an explosion of this nature, would be
 3 more interested in selling newspapers than relating
 4 to the community who may read their paper the
 5 truthful facts as they see them associated to some
 6 event?
 7 MR. DENNY: Objection, form.
 8 A. You would have to ask the newspapers what
 9 their primary objective is.
 10 Q. (BY MR. COON) Okay. Well, instead of
 11 going directly to the media, how about you take all
 12 this information and all the documents procured in
 13 this investigation that we have obtained and let's
 14 put them on the website and bypass news stories and
 15 let the general public all have access and form
 16 their own opinions?
 17 A. That's why the --
 18 MR. DENNY: Objection, form.
 19 A. -- final report is on the website.
 20 Q. Well, but the final report, it's fair to
 21 say, sir, is BP's position as to what happened,
 22 correct?
 23 A. It's our evaluation of what happened.
 24 That's right.
 25 Q. And it is BP's perception of what

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1 happened and what it wants to admit happened?
 2 A. I wouldn't characterize it that way, no.
 3 Q. Would you admit there are people that
 4 disagree with some portions of that fatal report?
 5 A. Well, it's possible, yes.
 6 Q. Would you agree that there are a lot of
 7 documents that have been procured in this discovery
 8 that were inconsistent with some of the findings in
 9 the fatal report?
 10 MR. DENNY: Objection, form.
 11 A. No, I wouldn't know that.
 12 Q. (BY MR. COON) Well, why wouldn't you let
 13 the general public have access to all of these
 14 records so that they can formulate their own
 15 opinions as to whether or not the fatal report is
 16 or is not, in fact, accurate?
 17 MR. DENNY: Objection, form.
 18 Q. (BY MR. COON) You want transparency.
 19 Why don't you let everybody look at everything?
 20 A. I believe we have transparency with the
 21 final report.
 22 Q. Well, you understand there's a lot of
 23 people that disagree with you on that regard,
 24 including most of the plaintiff lawyers
 25 representing the individuals who have had access to

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1 all the information?
 2 A. Well, they can choose to disagree.
 3 Q. Well, since there are so many people that
 4 disagree with some of the findings in the fatal
 5 report, including the elected officers of your own
 6 employees, that is, the labor unions, you
 7 understand they disagree with a lot of the things
 8 that are contained in the fatal report, do you not?
 9 A. Yes.
 10 Q. You have met with the president of the
 11 USW, haven't you?
 12 A. Yes, I have.
 13 Q. When was the first time that you met with
 14 the president of the USW, being Mr. Leo Gerard,
 15 after this explosion?
 16 A. I don't remember what month. I don't
 17 know. May or June sometime or something like that.
 18 Q. It was shortly after the fatal report
 19 came out?
 20 A. No. It was before that.
 21 Q. It was before that.
 22 Okay. The fatal report came out
 23 in May?
 24 A. No. That was the interim report.
 25 Q. Yeah, that's right, the interim report.

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1 You met him after the interim
 2 report came out in May, did you not?
 3 A. Yes, I did.
 4 Q. And that was the first time you had an
 5 opportunity to meet with him after this explosion,
 6 correct?
 7 A. Yes.
 8 Q. Mr. Gerard had some pointed things to
 9 tell you at that meeting, didn't he?
 10 A. I don't know what you mean.
 11 Q. Did Mr. Gerard, as the president of the
 12 USW in talking to you state, infer or state that he
 13 had some strong opinions about the conduct of BP
 14 that led to this explosion?
 15 A. He had some opinions, yes.
 16 Q. Did he infer that the conduct of
 17 management was in any way criminal in nature?
 18 A. No. Actually, I don't believe he did.
 19 Q. You don't refer -- you don't recall how
 20 he couched his perception of what happened to all
 21 of those people that were killed?
 22 A. I wouldn't comment on what Leo couched or
 23 didn't couch.
 24 Q. Do you recall whether or not he utilized
 25 language in inferring that the manner of death of

<p style="text-align: right;">Page 290</p> <p>1 all of those people was negligent, intentional, 2 manslaughter, murder? 3 A. No, I wouldn't -- 4 Q. Do you recall any language that he used 5 to express his concern and distain for the conduct 6 of BP and how it impacted people who were killed as 7 a result of that conduct? 8 A. No, I wouldn't characterize it that way. 9 I think you should ask Leo what he said. 10 Q. Do you understand that many, if not all 11 of the people in organized labor -- which 12 constitutes most of your employees, does it not? 13 A. No. Not in the United States, no. 14 Q. Well, here in the States. We are talking 15 about the United States. Were you -- 16 A. I am saying, no, not in the United 17 States. It doesn't constitute the majority of our 18 employees. 19 Q. Okay. Well, let's just talk about Texas 20 City. 21 A. Certainty. 22 Q. Most of the employees at Texas City are 23 members of the USW? 24 A. Yes, they are. 25 Q. And you understand that the elected</p>	<p style="text-align: right;">Page 292</p> <p>1 shared. 2 Q. Then why don't you allow all of the 3 documents that would support the arguments, 4 documents in the possession of BP, documents that 5 are in this Court's record that are under the 6 confidentiality orders that your company requested 7 and allow those records to be publicized? 8 MR. DENNY: Well, first off, 9 there's a confidentiality agreement in this case, 10 Brent, that you signed, along with everybody else 11 in this. And we are going to honor that 12 confidentiality agreement. Okay? 13 MR. COON: I am asking him to 14 release -- we are happy to release the 15 confidentiality terms. 16 MR. DENNY: Well -- 17 MR. COON: I think -- 18 MR. DENNY: We are going to stand 19 by it. Okay? 20 Now, he is going to say -- and I 21 can tell you now he is going to say that we are not 22 going to change our opinion on that. Okay? So 23 that's -- we can just go on to something else. 24 MR. COON: Well, I don't want to 25 go on to something else. I appreciate it, but I am</p>
<p style="text-align: right;">Page 291</p> <p>1 officials of those employees have strong opinions 2 about what happened out there and strong 3 disagreement with BP's official statement as to 4 what happened and why it happened? 5 A. Yes, I know that some of them do. 6 Q. And, in fact, they said that you have 7 made scapegoats of the local employees out there, 8 the operators that were fired out there. 9 You understand that, do you not? 10 A. Yes, they have said that. 11 Q. You understand that they have accused BP 12 of whitewashing the facts and circumstances that 13 led to this explosion? Do you understand that? 14 MR. DENNY: Objection, form. 15 A. Yes, I have heard that. 16 Q. (BY MR. COON) Do you understand that 17 labor says that BP did not spend near enough money 18 protecting their assets at BP Texas City, and those 19 were the root causes of this explosion? You 20 understand that, do you not? 21 A. I understand that's their opinion, yes. 22 Q. That is their opinion, and it's an 23 opinion that you would prefer not be shared with 24 the general public? 25 A. I would be shocked if it hasn't been</p>	<p style="text-align: right;">Page 293</p> <p>1 going to ask this gentleman. He said he wants 2 transparency. He said BP stands for transparency 3 and the whole truth and nothing but the truth and 4 that they, as a company, want the general public to 5 know everything that happened so long as it doesn't 6 unduly broach into somebody's privacy. 7 And if that's the truth, him as 8 the president of BP North America can say, "I want 9 all these records in the public domain," and I am 10 asking if he chooses to do so. 11 MR. DENNY: You don't have to 12 answer that question. 13 THE WITNESS: Okay. 14 Q. (BY MR. COON) Sir, on the advice of your 15 counsel, are you refusing to answer that question? 16 A. Yes. 17 MR. COON: Would you certify that 18 please, ma'am? 19 (Exhibit Number 525 marked for 20 identification.) 21 Q. (BY MR. COON) Mr. Pillari, I have the 22 next document, Number 525. This is a copy of the 23 remarks of Ross Pillari -- well, I will tell you 24 what. I am sorry. Let's back up. 25 I skipped one last thing here. We</p>

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1 were still at page 14 of roles and
 2 responsibilities. The last thing I wanted to ask
 3 you about was the last bullet.
 4 "Assess the potential of criminal
 5 and civil liability (local, state, national,
 6 international) facing the group as a result of the
 7 incident."
 8 Did I read that correct?
 9 A. Yes.
 10 Q. What are we talking about there?
 11 A. Make sure you have legal involved.
 12 Q. What are the potential criminal, civil
 13 liability issues that are of concern?
 14 A. It could be anything. Again, this is a
 15 general outline to apply to any incident, accident
 16 anywhere. It's just a reminder to everybody that
 17 anytime anything happens make sure legal has
 18 reviewed it.
 19 Q. And in the case of this explosion, has
 20 either one presented?
 21 A. What do you mean by "presented"?
 22 Q. Criminal or civil liability.
 23 A. I am sorry. Again, what do you mean by
 24 "presented"?
 25 Q. Yeah.

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1 A. I am sorry. I just don't understand.
 2 Q. Has any one of them arisen as a result of
 3 this explosion? Are you dealing with either one of
 4 these issues as a result of this particular
 5 explosion?
 6 A. Only in talking to my attorneys.
 7 Q. Is BP or any person, individually, in
 8 management, facing either one of these scenarios;
 9 that is, criminal or civil liability?
 10 A. I only know that as a result of talking
 11 to my attorneys.
 12 Q. So you have no opinions on any of these
 13 issues other than those that are confidential as a
 14 result of the attorney/client relationship?
 15 A. That's correct. Because this is just
 16 about instructing people who are in charge of
 17 incidents to make sure they have contacted legal.
 18 That's what it says.
 19 Q. When this explosion first occurred and
 20 the interim investigation was done and several
 21 employees were served up for termination to placate
 22 media concerns, BP referred all those individuals
 23 to a criminal lawyer. Did you know that?
 24 MR. DENNY: Objection, form.
 25 A. I am not involved with those individuals.

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1 I don't know what happened with them.
 2 Q. (BY MR. COON) Is the answer to that
 3 "no"?
 4 A. The answer is no.
 5 Q. Would you have any idea why BP would take
 6 those individuals at the lowest levels of
 7 employment and upon termination commend them to
 8 getting a criminal attorney?
 9 A. I wouldn't know. I wasn't involved.
 10 Q. Mr. Pillari, we have next Exhibit 525.
 11 Is this -- I will show it to you first.
 12 Is that a copy of the official
 13 statement that you made?
 14 A. It looks like it.
 15 Q. Is all the information contained in
 16 there -- let me see it. I am sorry.
 17 A. (Tenders documents.)
 18 Q. Is all that information that is contained
 19 in that statement true and accurate to the best of
 20 your information?
 21 A. On the day I gave it, yes.
 22 Q. And where was it that you obtained the
 23 information that was included in this "Remarks of
 24 Ross J. Pillari" on May 17, 2005?
 25 A. It was based on a review of the interim

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1 report and discussions with people involved in that
 2 and just trying to highlight a few key points. It
 3 wasn't the whole interim report.
 4 Q. Was this something that was read to the
 5 press on that day?
 6 A. Yes.
 7 Q. Verbatim?
 8 A. Probably pretty close.
 9 Q. Is this a transcript of what was read, or
 10 is this something that was actually prepared in
 11 advance that you read from?
 12 A. It looks like something that was prepared
 13 in advance. It does not look like a transcript.
 14 Q. Who prepared this document for you to
 15 read to the press on that date?
 16 A. A number of people would have helped me
 17 prepare that.
 18 Q. Can you give me the names of the persons
 19 that were intimately involved in preparing this
 20 statement for you to read to the press?
 21 A. The people that would have reviewed it
 22 with me would have been Pat Wright, Tim Holt, Pat
 23 Gower, Jim Lucari. I think those would have been
 24 the ones involved, maybe my assistant.
 25 Q. There's a lot of information that is

<p style="text-align: right;">Page 298</p> <p>1 contained in here that seems to deal directly with 2 process safety management issues, flares, blowdown 3 drums -- 4 A. Right. 5 Q. -- pressurization, things like that, 6 things that I understand that your testimony is you 7 had very little personal knowledge of? 8 A. That's correct. 9 Q. So when you read this, you had to rely 10 pretty much on the judgment and opinions of those 11 other persons since you didn't have the experience 12 or knowledge to formulate your own opinions? 13 A. Well, I tried to rely on what was written 14 in the interim report. 15 Q. Do you believe in reading over this 16 particular statement that there seem to be some 17 emphasis on certain areas of contribution to this 18 explosion and a deemphasizing of certain other 19 areas of what may have contributed to this 20 explosion? 21 MR. DENNY: Objection, form. 22 A. No, I don't think so. I think he was 23 trying to pull out the key points from the interim 24 report. 25 Q. (BY MR. COON) Okay. For instance, you</p>	<p style="text-align: right;">Page 300</p> <p>1 you read in that statement, in fact, were 2 inaccurate? 3 A. No. There were some changes in the final 4 report, changes from the interim report. 5 Q. Okay. I take it you, at least from the 6 statement, were able to understand that this 7 blowdown drum was installed in 1953? 8 A. Correct. 9 Q. How many cars do you see on the road that 10 were made in 1953? 11 A. I don't know. 12 Q. Not many. Maybe one out of a hundred or 13 less? 14 A. I don't know. 15 Q. Well, you've got an idea? 16 A. No, I don't. 17 Q. You have no clue? 18 A. No. I am not into cars. 19 Q. You are not into cars. Do you drive? 20 A. Yes. 21 Q. When you drive down the road, how many 22 1953 vintage cars or older do you see cruising -- 23 A. I wouldn't know. 24 Q. -- down the highway at 70 miles an hour 25 besides you?</p>
<p style="text-align: right;">Page 299</p> <p>1 talk about several different things in this 2 statement you read to the press. One of those had 3 to deal with the blowdown drums versus the flares. 4 And we knew that even in the 5 interim report of May 12 there were -- or May 13 6 that there were statements included in there that 7 the flares were inherently safer than blowdown 8 drums. Do you recall that? 9 A. That's correct, uh-huh. 10 Q. And, nonetheless, in your statement you 11 read to the press that, again, talking about this 12 system. "This stack had been used for pressure 13 relief in the Texas City refinery without major 14 incident for more than 50 years." 15 Now, again, this was not from your 16 personal knowledge. These were things that were 17 relayed to you by history -- 18 A. Yes. 19 Q. -- from others? 20 Did you have any personal 21 knowledge at the time you read this that some of 22 that information was inaccurate? 23 A. No. 24 Q. Had you ever been provided with any 25 additional information that some of the things that</p>	<p style="text-align: right;">Page 301</p> <p>1 A. I wouldn't know. 2 Q. No clue? 3 A. No. 4 Q. Do you know that the unit that tied into 5 this blowdown drum was torn down and replaced in 6 the early the 1980's? 7 A. I do think that was part of the interim 8 report, yes. Certainly it was in the final report. 9 Q. Do you know when the last time BP Texas 10 City, or for that matter, any other BP facility had 11 devised new construction and utilized a blowdown 12 drum? 13 A. No, I wouldn't know. 14 Q. 1950s vintage technology? 15 A. I have no idea. 16 Q. Did you know that they had not done so 17 since the '60s? 18 A. No, I wouldn't know that. 19 Q. Did you know that since the '60s at BP 20 Texas City all new construction went to a flare? 21 A. No, I wouldn't know that. 22 Q. Do you know that the reason that they 23 tied this unit into the pre-existing and antiquated 24 blowdown drum was to circumvent new environmental 25 regulations regarding releases of toxins and</p>

<p style="text-align: right;">Page 302</p> <p>1 contaminants into the atmosphere? 2 MR. DENNY: Objection, form. 3 A. I wouldn't have any knowledge of what 4 happened with that. 5 Q. (BY MR. COON) Would it be disappointing 6 to you to find out that your employer made a 7 deliberate attempt to circumvent environmental 8 regulations and build a new unit and attach it to a 9 50-year-old antiquated and unsafe by -- compared to 10 technology? 11 A. It would be disappointing to me if any 12 employee did anything that would circumvent a 13 regulation. 14 THE VIDEOGRAPHER: 20 minutes. 15 MR. DENNY: How much? 16 THE VIDEOGRAPHER: It's been 20 17 minutes. 18 MR. COON: There's 40 minutes 19 left. 20 Q. (BY MR. COON) Okay. Next I want to show 21 you what was called the Houston Press Conference 22 Questions and Answers. 23 MR. COON: And did we have a copy 24 of that that was utilized this morning? 25 MR. DENNY: Is it this? No.</p>	<p style="text-align: right;">Page 304</p> <p>1 something this morning. I don't know if it's 2 exactly the same or not. I don't know. 3 Q. Okay. I think it's the same -- 4 MR. COON: Here it is. 5 MR. DENNY: Here it is. It's 507. 6 Q. (BY MR. COON) All right. Well, I will 7 tell you what -- 8 A. The same thing? 9 Yes, then I saw it this morning. 10 Q. Okay. We are going to withdraw 526; and 11 we will just reference 507, which I believe is a 12 similar copy, the same copy. 13 A. Okay. 14 Q. Okay. I wanted to ask you about the 15 bottom part of that second paragraph. Do you see 16 where it was highlighted? Mr. Williams asked you 17 questions earlier. 18 First, so I understand, this 19 question and answer event, is this a transcript of 20 questions that were asked by people at the press 21 conference that you gave on May 17 and answers that 22 you and other representatives gave? 23 A. It looks like it, but I have never seen 24 it and I have never seen an official transcript. I 25 don't know that one exists. So I am not sure where</p>
<p style="text-align: right;">Page 303</p> <p>1 MR. COON: Yeah, I think this one. 2 This one may be different. 3 MR. DENNY: I don't see it. 4 Q. (BY MR. COON) Do you recall seeing this 5 particular document before, Mr. Pillari? 6 MR. DENNY: Do you want to mark 7 that, too? 8 MR. COON: Yeah, I will mark it. 9 This is 526. 10 (Exhibit Number 526 marked for 11 identification.) 12 A. Only this morning, here at this session. 13 Q. (BY MR. COON) Okay. Did you see that 14 one, that same one? 15 A. I don't know if it's the same or not. 16 Q. Okay. Well -- 17 A. So I don't know if I have seen this 18 before. 19 Q. Well, if it's redundant of another one, 20 then -- it might not have been attached to the 21 record. I think that might be the case. 22 Okay. This were -- these were 23 questions and answers -- I thought you looked at 24 something like this this morning. 25 A. No. That's what I said. I looked at</p>	<p style="text-align: right;">Page 305</p> <p>1 this came from. 2 Q. Okay. Do you know -- you do not know if 3 this was something that BP wanted for historical 4 reference purposes or whatever? 5 A. I never was involved in asking for it. 6 Q. Okay. One of the -- the first question 7 that was asked -- and I take it these were the 8 questions and answers that were given after you 9 read your statements that we talked about earlier. 10 Do you remember you gave a press 11 statement May 17 -- 12 A. Yes, uh-huh. 13 Q. -- that we talked about? 14 After the press statement was 15 given by you where you read the document that we 16 looked at a few minutes ago -- 17 A. Yes. 18 Q. -- questions were asked of you and other 19 BP representatives by the media and other people? 20 A. That's correct. 21 Q. And so if we look at this, we see 22 questions that were asked and answered that were 23 given. So "Ross Pillari" here, this would be an 24 answer that you gave to this question here is kind 25 of how it works, isn't it?</p>

<p style="text-align: right;">Page 306</p> <p>1 A. Uh-huh. 2 Q. Okay. So the question that was asked was 3 to explain in more detail about the blowdown drum 4 and will it operate in the future, and you gave an 5 answer here. I want to talk about the bottom part 6 of the answer. 7 It says, "We have done an 8 investigation and found similar stacks here at 9 Texas City and at Whiting." 10 And Whiting is another one of your 11 plants? 12 A. Yes. 13 Q. It says, "We will expeditiously move to 14 replace them so that as soon as possible they will 15 no longer be in service." 16 Did I read that correctly? 17 A. Yes. 18 Q. So the statement given to the press as a 19 result of your interim report; that is, that we now 20 recognize blowdown drums are unsafe because they 21 vent to atmosphere and we are getting rid of them 22 all and making sure they all go to a flare and 23 that's what was, in fact, done at Texas City, 24 right? We understand they were replacing all the 25 blowdown drums, right?</p>	<p style="text-align: right;">Page 308</p> <p>1 or issues around a similar kind of service. 2 Q. Well, if they are still just evaluating 3 which ones they want to keep and which ones they 4 want to get rid of, then that's not actually being 5 expeditious a year plus later, is it? 6 A. Sometimes it takes three or four years to 7 get a permit. 8 Q. This is not talking about a permit. This 9 is talking about a decision as to whether or not BP 10 wants to get rid of them. 11 If BP is still evaluating whether 12 or not they want to get rid of them a year and a 13 half later, that's not exactly being expeditious 14 and removing them from service, is it? 15 A. It may be. 16 Q. Okay. Let's talk also about the next 17 document and this is -- 18 MR. COON: We are withdrawing 526 19 and we will go with 527. 20 (Exhibit Number 527 marked for 21 identification.) 22 Q. (BY MR. COON) This, sir, is an e-mail of 23 5/19/2005, that attaches an e-mail 5/17/2005. And 24 it is to you and others from Ms. Wright, and it 25 talks about the press conference that we have just</p>
<p style="text-align: right;">Page 307</p> <p>1 A. Well -- 2 MR. DENNY: Objection, form. 3 A. It says that we are going to remove all 4 blowdown stacks that are in similar kind of 5 service. 6 Q. (BY MR. COON) Right. 7 A. That's correct. 8 Q. If, in fact, blowdown drums are in 9 similar service at Whiting and other BP facilities 10 and there is no immediate plan a year later, that 11 is in the end of June, 2006, to remove or replace 12 them and those units are still operational, then 13 this statement will no longer be correct? 14 A. This statement -- at that time we knew 15 about Texas City and Whiting, and so I commented on 16 Texas City and Whiting and said that those would be 17 replaced. And so I would expect those to be in the 18 process of being replaced or have been replaced. 19 Q. So if, in fact, Whiting -- and we have 20 received testimony from officers at Whiting very 21 recently, if they say, "We have no immediate plans 22 to remove any of our vent stacks. We are still 23 evaluating when and where and how to remove them," 24 then this statement would not be accurate would it? 25 A. Unless there are issues around permitting</p>	<p style="text-align: right;">Page 309</p> <p>1 been discussing, which is what you read and then 2 the questions and answers that were given in 3 Exhibit 507, correct? 4 A. Uh-huh. 5 Q. And she summarizes -- 6 A. Can you move it over just a little bit 7 for me? 8 Q. Sure. 9 And she summarizes -- 10 A. Thanks. 11 Q. -- the -- and critiques the press 12 conference. And first we have the press conference 13 here. It says, "An excellent performance by Ross 14 Pillari." 15 Was, sir, your reading of this 16 statement and the contents a performance? 17 A. No. I thought this was gratuitous. 18 Q. And it goes on to talk about local 19 contacts, talking with the mayor who complemented 20 BP on its openness. 21 And again, in being open would you 22 want the mayor of Texas City to have access to all 23 the documents that have been uncovered in this case 24 to have a better and more rounded understanding of 25 BP's knowledge and involvement in this explosion?</p>

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<p style="text-align: right;">Page 310</p> <p>1 A. Well, my conversation with the mayor was 2 about the interim report and the commitment to 3 publish the final report; and that's what he was 4 speaking to. 5 Q. All right. And this was an openness 6 based on these elected officials' perception that 7 BP was, in fact, being open and candid and honest 8 and telling the whole truth about what they knew? 9 A. That's correct. 10 Q. And if we had numerous documents that 11 indicate maybe the whole truth was not demonstrated 12 by BP, would you have a problem with those 13 additional documents being added to the record to 14 those officials to allow them to formulate a 15 revised opinion as to how open and candid BP has 16 been? 17 A. I believe -- 18 MR. DENNY: Object -- 19 A. I believe the final report speaks to all 20 the issues that were in the interim report. 21 Q. (BY MR. COON) Is the answer to that 22 "no," you do not want elected officials even to 23 have full access to all the documents generated in 24 this case which may shed additional light to BP's 25 knowledge and conduct?</p>	<p style="text-align: right;">Page 312</p> <p>1 Q. Do you know that BP maintained 2 confidentiality to that and refused to allow the 3 media to gain access to that survey? 4 A. No, I wasn't involved in that. 5 Q. Did you know that the Court had to 6 intervene and order BP to relinquish that to the 7 Houston Chronicle and other media that wanted it? 8 A. No, I wasn't involved in that. 9 Q. And do you understand why BP did not want 10 the media to access that document? It was one of 11 many they did not want the general public and the 12 media to access? 13 MR. DENNY: Objection, form. 14 A. No. Since I don't know anything about 15 it, I don't know anything about that. 16 Q. (BY MR. COON) Okay. Well, if the Telos 17 Report is a confidential assessment by management 18 and hourly people of all of the problems, the good 19 and the bad, that was going on at BP Texas City 20 before the explosion and you wanted to demonstrate 21 transparency and you wanted to be open, why would 22 you resist allowing the media to get documents that 23 the Court ultimately ordered to be produced? 24 Why would you want to hide those 25 documents from the press --</p>
<p style="text-align: right;">Page 311</p> <p>1 MR. DENNY: Objection, form. I'm 2 going to give him the same instruction that I gave 3 him before. We are going to honor the 4 confidentiality agreement we have been operating 5 under since day one. 6 Q. (BY MR. COON) Okay. Let's talk about 7 the media response. At least Ms. Wright 8 acknowledges the union that we talked about 9 earlier. 10 It says, "The union has issued a 11 statement regarding the investigation and calls it 12 shallow," right? 13 A. That's what it says. That's what she 14 said in her note. 15 Q. Okay. So we know that the union, which 16 is the majority of the employees that work at your 17 facility, says that your statement and the official 18 BP position is a shallow, superficial, glossed over 19 version of what really was going down at BP Texas 20 City? 21 A. That's what the union officials said. 22 Q. Did you know about the Telos Report that 23 we talked about earlier, did you know that the 24 media wanted a copy of that? 25 A. No.</p>	<p style="text-align: right;">Page 313</p> <p>1 MR. DENNY: Objection, form. 2 Q. (BY MR. COON) -- and keep them from 3 knowing what the employees, both hourly and 4 management, had to say about what was really going 5 on at BP Texas City? 6 MR. DENNY: Objection, form. 7 A. Since I wasn't involved, I wouldn't know 8 why those opinions were withheld. 9 Q. (BY MR. COON) Well, with respect to all 10 this information, would you at least be willing to 11 allow the union who contends that this is a 12 superficial, shallow, glossed over report, would 13 you allow them to have all the documents to at 14 least assist them in a better understanding of what 15 happened and to assist and prepare and defend those 16 employees that BP arbitrarily determined were going 17 to be the scapegoats and firing? 18 MR. DENNY: Brent, once again, I 19 am going to instruct him not to answer. We are 20 going to continue to do the confidentiality 21 agreement that we've all agreed to from day one in 22 this case. 23 MR. COON: Okay. 24 Q. (BY MR. COON) And again, on the advice 25 of counsel, you are refusing to answer that</p>

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<p style="text-align: right;">Page 314</p> <p>1 question? 2 A. Correct. 3 MR. COON: Certify it, please. 4 Q. (BY MR. COON) Okay. I want to cover one 5 last document, for you, sir. This is the news 6 release from BP Products North America, August 17, 7 2005. It talks about the Baker panel. 8 MR. DENNY: What number? 9 MR. COON: This is going to be 10 528. 11 (Exhibit Numbers 528 and 529 12 marked for identification.) 13 Q. (BY MR. COON) Now, you personally were 14 involved in this independent panel, correct? 15 A. I am not personally involved with the 16 panel itself. I was involved with the CSB and the 17 determination to have a panel. 18 Q. And the selection of the panel? 19 A. Kind of, yes. 20 Q. Okay. And you picked Secretary Baker, 21 didn't you, to head the panel? 22 A. I recommended Secretary Baker, yes. 23 Q. Why did you pick Secretary Baker of all 24 people coming from a law firm that did work for BP 25 on occasion and had ties to the petrochemical</p>	<p style="text-align: right;">Page 316</p> <p>1 responsibilities of the Carlyle Group? 2 A. No. 3 Q. You don't know what they do? 4 A. No. 5 Q. Do you know that George Bush, Sr., is a 6 member of the Carlyle Group? 7 A. No, I don't know anything about them. 8 Q. Do you know that Lord John Browne has 9 been promised membership into this elite group 10 known as the Carlyle Group? 11 A. No. I didn't know anything about it. 12 Q. You had never heard anything about what 13 they do and how they are tied in or reportedly tied 14 in with the trilateral commission? 15 A. I don't know what that is. 16 Q. Do you know anything about this other 17 activity he has, which is Special Presidential 18 Envoy for President Bush on the issue of the Iraqi 19 debt? 20 A. Yes, I did know about that. 21 Q. Can you elaborate, please, sir? 22 A. I was aware from publicity that he was 23 working on Iraqi debt. 24 Q. Do you know what, if any, role he has had 25 in the Iraqi war?</p>
<p style="text-align: right;">Page 315</p> <p>1 industry where there would be perceptions of 2 potential bias? 3 MR. DENNY: Objection, form. 4 A. My view at the time was their law firm 5 hardly did any work for us. They were one of the 6 few law firms that had not done work for us. So 7 there was virtually no conflict of interest there. 8 And it was clear to me in talking 9 to the CSB and others that he was viewed as a man 10 of integrity and would be independent and, in fact, 11 he insisted on that. 12 Q. (BY MR. COON) Well, isn't Mr. Baker not 13 only a partner at Baker & Botts; but isn't he a 14 personal senior counsel to the Carlyle Group? 15 A. I wouldn't know. 16 Q. Well, isn't it in the report marked 529 17 that provides an evaluation and assessment of 18 Mr. Baker and his background, which notes that you 19 were the one that picked him? Isn't that the first 20 thing it says, which is Senior Partner at Baker 21 Botts and Senior Counsel to the Carlyle Group? 22 A. I don't know who the Carlyle Group is. 23 Q. You don't know who that is? 24 A. No. 25 Q. You don't know the roles and</p>	<p style="text-align: right;">Page 317</p> <p>1 A. I have no idea. 2 Q. Do you know what role, if any, BP has had 3 in the Iraqi war? 4 A. None. 5 Q. You know of none, or there is none? 6 A. There is none. 7 Q. Have you talked to Lord Browne about 8 that? 9 A. No. 10 Q. Do you know that BP has a stake in the 11 oil reserves of Iraq? 12 A. I would be surprised to know that. I 13 don't believe that's right. 14 Q. Under the comments about Secretary Browne 15 (sic), you noted he is supported by the consulting 16 firm. 17 Which consulting firm is this? 18 A. His law firm, I assume. I am not sure 19 what this document is. I am not sure I have ever 20 seen it. 21 Q. Okay. 22 A. So I am not sure -- I don't think I said 23 that. 24 Q. Okay. 25 A. So it's on this --</p>

<p style="text-align: right;">Page 318</p> <p>1 Q. But you were given a copy of it? 2 A. Yeah, but I don't believe -- 3 Q. Okay. Well, this -- this is the drafts 4 and the summaries. It is to David Allen and John 5 Mogford. 6 A. Yes. 7 Q. So it's to you. 8 A. Could you go down a little bit so I can 9 see it? 10 Q. From you? 11 A. Yep, uh-huh. 12 Q. Dated August 24, 2005? 13 A. So I have definitely seen it. 14 Q. And there is the summary? 15 A. Yes. 16 Q. And the attachment, which is -- 17 A. Yeah. Okay. So I have definitely seen 18 it. 19 Q. Okay. And then it lists here he's 20 already linked to BP, "Already linked to us from 21 previous consulting projects in Russia"? 22 A. That's correct. 23 Q. Okay. Well, what did Secretary Baker do 24 for BP in Russia? 25 A. I don't know. I just know in the due</p>	<p style="text-align: right;">Page 320</p> <p>1 release. These were the notes. And again, this 2 date is August 17, 2005. 3 Mr. Williams asked you earlier 4 about Mr. Parus. Do you remember that? And you 5 said Mr. Parus was transferred into an 6 investigative role and Mr. Maclean replaced 7 Mr. Parus. 8 Do you remember that conversation 9 this morning? 10 A. We didn't say anything about Mr. Maclean, 11 but I do remember the conversation about Mr. Parus. 12 Q. Okay. It talks about this bullet right 13 here. "BP continues to make corrective actions 14 recommended in the May 17 report." 15 "Corrective actions" means fixing 16 problems, does it not? 17 A. Yes. 18 Q. It says, "The company has appointed a new 19 refinery manager." 20 That's a corrective action, is it 21 not? 22 A. In this case, yes, it would be to give 23 them full-time experience. That was the key there. 24 Q. That's right. 25 That is a corrective action</p>
<p style="text-align: right;">Page 319</p> <p>1 diligence that we had to give the CSB we gave them 2 every contact that he's had with BP. 3 Q. Okay. 4 A. So they could then approve or not approve 5 him. 6 Q. Well, do you agree that there is the 7 potential for question marks concerning the 8 integrity of a gentleman on a particular project 9 with investigating a company that hires his law 10 firm and does private consulting work for them in 11 Russia on other matters to determine and tell the 12 public whether or not BP has done some things 13 wrong? 14 A. I -- 15 MR. DENNY: Objection, form. 16 A. I would not agree that there's any 17 conflict of interest with that. 18 Q. (BY MR. COON) Well, would you agree that 19 there are other persons who don't have those red 20 flags out there surrounding them who would be 21 better suited to provide at least an appearance of 22 complete and unbridled independence? 23 A. No, I wouldn't agree with that either. 24 Q. Okay. One last thing, this was 25 Exhibit 528 we talked about briefly, the news</p>	<p style="text-align: right;">Page 321</p> <p>1 initiated. It was because there were concerns 2 about how that plant had operated under the 3 leadership of Mr. Parus? 4 A. No, that's not what we say. 5 Q. That is what it said. 6 That's not what that says? 7 A. No, it doesn't say that. We appointed a 8 new refinery manager. If you go back, when we 9 announced that he was replacing Don Parus, we said 10 that it was so we could have someone 100 percent 11 dedicated to the operation of the refinery and that 12 Mr. Parus would be available 100 percent of his 13 time for the investigation. 14 Q. Well, if Mr. Parus has spent the last 15 year and a half at home where 100 percent of his 16 time was doing nothing, don't you think he could 17 have spent that same 100 percent of his time 18 working for BP doing something constructive? 19 MR. DENNY: Objection, form. 20 A. I think back then, and we still don't 21 know how much time we will need of Don's, I think 22 it was important to make Don 100 percent available; 23 and I think it was important to have someone in the 24 refinery who could be 100 percent focused on the 25 operation going forward.</p>

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<p style="text-align: right;">Page 322</p> <p>1 Q. And so you put Mr. Parus on ice and sent 2 him home and told everybody he was working on the 3 investigation and the reality is he hadn't done 4 anything on the investigation? 5 MR. DENNY: Objection, form. 6 A. Apparently not yet. 7 Q. (BY MR. COON) Well, after a year and a 8 half, if you hadn't called him in, do you plan on 9 calling him now? 10 A. It could very well be. 11 Q. Well, how can you call him in -- 12 A. I am not part of the investigation. So I 13 wouldn't know. 14 Q. Well, why would you call him in to help 15 you with the investigation a year and a half later 16 when the only thing you have had to do with him 17 from an investigation standpoint is start 18 investigating him? 19 A. I don't think that's correct. 20 Q. Did you know that Mr. Gower has already 21 testified that Mr. Parus is under investigation by 22 BP for his roles and responsibilities in the 23 explosion? 24 A. No, I haven't spoken to Mr. Gower about 25 that.</p>	<p style="text-align: right;">Page 324</p> <p>1 Q. That's kind of like hiring Secretary 2 Baker to be part of an independent panel, isn't it? 3 MR. DENNY: Objection, form. 4 A. Don has knowledge of what happened at 5 that plant that may be important going forward. 6 It's important he's available. It's exactly the 7 right thing to do. 8 Q. (BY MR. COON) Well, now, sir, you've 9 also got yourself a new health, safety and 10 environmental manager. What was wrong with the one 11 you had? 12 A. I don't know. I wasn't involved in that 13 decision. 14 Q. Do you know who it was? 15 A. No. 16 Q. A man named Joe Barnes. Do you know why 17 they had to replace him? 18 A. No. 19 Q. How long had he been there? 20 A. I have no idea. I don't have anything to 21 do with the operation of the refinery. 22 Q. Well, if he had only been there a few 23 months, that wouldn't cause the need to replace him 24 because he had been there too long, would it? 25 MR. DENNY: Objection, form.</p>
<p style="text-align: right;">Page 323</p> <p>1 Q. Did Mr. Gower, as the vice president, the 2 man right under you in Chicago, tell you that he is 3 under that same investigation by BP authorities to 4 determine his role and responsibilities in this 5 explosion? 6 A. He is not right under me. He doesn't 7 work for me. He works for someone else. 8 Q. Well, but he is right under you in terms 9 of being the vice president of BP North America? 10 A. He is an official of the company, but his 11 delegation of authority does not come from me. 12 Q. Okay. Well, it's fair to say, sir, you 13 don't plan on calling Mr. Parus to investigate 14 anything right now, do you, sir? 15 MR. DENNY: Objection, form. 16 A. That's not fair to say, no. 17 Q. (BY MR. COON) You would call him to 18 investigate something today? 19 A. I would call Don -- I am not on the 20 investigation committee, but it would not surprise 21 me if the investigation committee sees a need to 22 call him at some time. 23 Q. Well, would you want to appoint someone 24 to be an investigator if he is under investigation? 25 A. He's --</p>	<p style="text-align: right;">Page 325</p> <p>1 A. I have no reason to know why he was 2 replaced. 3 Q. (BY MR. COON) Do you know it might have 4 been because he didn't know anything about the job 5 that he was responsible for handling? 6 MR. DENNY: Objection, form. 7 A. I don't know anything about why he was 8 dismissed. 9 Q. (BY MR. COON) Well, do you know that he 10 has testified that he had no training in process 11 safety management? 12 A. No. 13 MR. DENNY: Objection, form. 14 A. I wouldn't know that. 15 MR. COON: Okay. Mr. Pillari, we 16 have covered a lot of ground today, sir, and there 17 are other attorneys that want to ask you a few 18 questions. So I am going to turn this over to 19 them. 20 Thank you. 21 MR. DENNY: How much time is left? 22 THE VIDEOGRAPHER: 25 minutes. 23 MR. DENNY: Okay. 24 25</p>

<p style="text-align: right;">Page 326</p> <p>1 * * *</p> <p>2 EXAMINATION</p> <p>3 Q. (BY MR. WERNER) Good afternoon,</p> <p>4 Mr. Pillari.</p> <p>5 A. Good afternoon.</p> <p>6 Q. My name is John Werner. I am an attorney</p> <p>7 who represents the mother and the estate of Ryan</p> <p>8 Rodriguez who is one of the young men who was</p> <p>9 killed in the trailer.</p> <p>10 A. Okay.</p> <p>11 Q. Do you understand that?</p> <p>12 A. Yes.</p> <p>13 Q. I want to ask you a few questions first</p> <p>14 starting with the relationship between BP North</p> <p>15 America, Inc., and I guess BP PLC, which is a</p> <p>16 London company; is that correct?</p> <p>17 A. That's correct.</p> <p>18 Q. And you've described it as basically that</p> <p>19 y'all pay a dividend back to the parent company</p> <p>20 because it owns your shares; is that correct?</p> <p>21 A. We sometimes pay dividends.</p> <p>22 Q. Okay. But -- and tell me if I am wrong,</p> <p>23 but I assume that the London company has a great</p> <p>24 influence, if not complete control, over how much</p> <p>25 is paid back in a particular year. Am I correct in</p>	<p style="text-align: right;">Page 328</p> <p>1 terms of removing the board of directors, in terms</p> <p>2 of removing you as the president would they have,</p> <p>3 if any, or is it your position that they have none?</p> <p>4 A. I don't believe they would -- they would</p> <p>5 do that.</p> <p>6 Q. What legal authority do they have?</p> <p>7 A. Well --</p> <p>8 MR. DENNY: Objection, form.</p> <p>9 A. They are shareholders. Shareholders can</p> <p>10 always vote on the members of the board.</p> <p>11 Q. (BY MR. WERNER) Okay. So even though</p> <p>12 they have no people on the board, they have</p> <p>13 100 percent control over who is on the board --</p> <p>14 MR. DENNY: Objection, form.</p> <p>15 Q. (BY MR. WERNER) -- through the board?</p> <p>16 A. They could exercise their right as a</p> <p>17 shareholder if they wanted to, sure.</p> <p>18 Q. What involvement, if any, are there in</p> <p>19 terms of discussions with London about do y'all</p> <p>20 have a contract, so to speak, with them the way</p> <p>21 that individual managers have contracts with people</p> <p>22 above them?</p> <p>23 A. No, we don't.</p> <p>24 Q. Performance contract?</p> <p>25 A. No, we don't.</p>
<p style="text-align: right;">Page 327</p> <p>1 that?</p> <p>2 MR. DENNY: Objection, form.</p> <p>3 A. No. Actually, we decide here how much we</p> <p>4 believe can be paid out in a dividend to the</p> <p>5 shareholders based on our expectation of debt and</p> <p>6 financial needs.</p> <p>7 Q. (BY MR. WERNER) Well, how many board</p> <p>8 members from BP PLC are also on the board of BP</p> <p>9 North America, Inc.?</p> <p>10 A. None.</p> <p>11 Q. So y'all -- your position is that even</p> <p>12 though your stock is 100 percent owned, what would</p> <p>13 happen if y'all decided, theoretically, that you</p> <p>14 are going to quadruple the salaries of all the</p> <p>15 executives at BP North America, Inc.?</p> <p>16 MR. DENNY: Objection, form.</p> <p>17 A. That's a silly question.</p> <p>18 Q. (BY MR. WERNER) Well, do you think you</p> <p>19 could do that with impunity if you wanted to?</p> <p>20 A. I have the authority to do it.</p> <p>21 Q. Okay. What do you think would happen</p> <p>22 from London if that were to occur?</p> <p>23 A. Someone would probably ask me why I did</p> <p>24 it.</p> <p>25 Q. Okay. Well, but what legal authority in</p>	<p style="text-align: right;">Page 329</p> <p>1 Q. How is a performance contract negotiated</p> <p>2 and how does it come about in your case or</p> <p>3 Mr. Parus' case?</p> <p>4 A. In my case with David Allen, I would</p> <p>5 propose to David what I think are the key issues in</p> <p>6 the coming year and the areas that he should look</p> <p>7 at in determining whether or not I have been</p> <p>8 successful. It's usually three or four key areas.</p> <p>9 Q. And how long does that usually take to</p> <p>10 negotiate?</p> <p>11 A. A couple of hours maybe.</p> <p>12 Q. And then who makes the decision at the</p> <p>13 end of the year whether or not you have lived up to</p> <p>14 the promises you have made in the contract?</p> <p>15 A. David Allen.</p> <p>16 Q. And would that be the same way in terms</p> <p>17 of Mr. Parus when he was the plant manager at Texas</p> <p>18 City?</p> <p>19 A. I don't know how Don Parus and Mike</p> <p>20 Hoffman do it.</p> <p>21 Q. Okay. But he would have, you presume,</p> <p>22 had some sort of a performance contract with Mike</p> <p>23 Hoffman?</p> <p>24 A. I would have thought so, but I don't</p> <p>25 know.</p>

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1 Q. Is Mike Hoffman a BP North America
 2 employee or a BP PLC employee?
 3 A. I don't know.
 4 Q. How many executive employees roughly are
 5 there at BP North America, Inc.?
 6 MR. DENNY: Objection, form.
 7 A. And by -- what do you mean by executive
 8 employees?
 9 Q. (BY MR. WERNER) Well, where is your
 10 office? Where do you go to work in the morning?
 11 A. I go in Warendville, Illinois.
 12 Q. How many people work at BP North America,
 13 Inc., in that office?
 14 A. In Warendville, Illinois, there's about
 15 4,000 people.
 16 Q. Okay. How many of them -- is there a
 17 plant there?
 18 A. No.
 19 Q. What's in there? What operations take
 20 place in Warendville, Illinois?
 21 A. There is a series of office buildings. I
 22 believe there are some marketing people in some of
 23 the buildings. There are about seven different
 24 buildings.
 25 Q. Is that where you described the public

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1 relations aspect of the group that you are over?
 2 A. No. That's merely where I am located.
 3 The public affairs, government affairs people are
 4 located all over the country.
 5 Q. Okay. And who is the head of public
 6 affairs and government affairs?
 7 A. I suppose I am.
 8 Q. Okay. And is that where the
 9 40 million-dollar annual budget comes in?
 10 A. Well, the budget is my accountability.
 11 So, yes.
 12 Q. Right. So that particular line item, if
 13 we were to break out public affairs and government
 14 relations --
 15 A. Yes.
 16 Q. -- it would be roughly 40 million a year?
 17 A. About that.
 18 Q. And I take it that would include dealing
 19 with elected officials? Would that fall under that
 20 40 million?
 21 A. None of that money goes to elected
 22 officials.
 23 Q. Well, not directly but --
 24 A. Not even indirectly.
 25 Q. Okay. What about sort of the expenses of

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1 you being subpoenaed and having to go to
 2 Washington, DC and testify in front of Congress?
 3 A. My airplane ticket and all that, yeah, it
 4 would get paid out of that.
 5 Q. Okay. So I take it, then, if very little
 6 has to do with the political side, then most of it
 7 is spent on the public relations side; is that
 8 correct?
 9 A. That's correct.
 10 Q. So, for instance, doing the things that
 11 help keep you-all towards the top of the Fortune
 12 most admired companies' list, that would be
 13 something that would fall in that \$40 million per
 14 year?
 15 A. Yeah, you could say that.
 16 Q. What are some of the other things, you
 17 know, in terms of your -- we talked about the
 18 metrics that they used to use your performance in
 19 public relations. Other than, you know, you could
 20 be Number 1 on the Fortune list of most admired
 21 companies, what other things would be in that --
 22 A. Well, actually that's --
 23 Q. -- category?
 24 A. -- not one of them. I don't -- I don't
 25 get judged based on our position on rankings. They

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1 would -- they would stand back and take a view as
 2 to whether or not my judgments on the issues I said
 3 were important or not, whether or not we dealt with
 4 the right issues as they came up, whether or not my
 5 contribution to the overall management discussions
 6 on strategy and things were helpful or not.
 7 Q. And I take it, though, that your credo
 8 from what you have testified to today is that the
 9 best policy is to tell the truth, the whole truth
 10 and be straight with the press and the employees
 11 and the public?
 12 A. That's what we try to do.
 13 Q. And do you feel as if you have been
 14 successful at it?
 15 A. Yeah, I think we have been pretty good at
 16 it.
 17 Q. Okay.
 18 A. Nobody's perfect. We may have made some
 19 mistakes, but I think we are pretty good at it.
 20 Q. I understand.
 21 Well, is it your desire to correct
 22 mistakes when they have been made?
 23 A. Yes.
 24 Q. Do you recognize that as we sit here
 25 right now anybody who hasn't sat through these

<p style="text-align: right;">Page 334</p> <p>1 depositions probably thinks that Don Parus is 2 working on the investigation? 3 MR. DENNY: Objection, form. 4 A. I don't know what they think. 5 Q. (BY MR. WERNER) Well, isn't that the 6 impression that you gave at the press conference 7 back in May of last year? 8 A. What we said was he would be available to 9 assist in the investigation. 10 Q. Okay. 11 A. And he is. 12 Q. And is it your sworn testimony, though, 13 that you think that the general public would 14 interpret that to mean that he was doing nothing? 15 MR. DENNY: Objection, form. 16 A. I wouldn't speculate on what the general 17 public thinks. 18 Q. (BY MR. WERNER) Okay. So you think that 19 the editors of the Houston Chronicle and the people 20 who live in Galveston understand from what you said 21 that he is just at home available? 22 MR. DENNY: Objection, form. 23 A. I certainly wouldn't speculate on what 24 the editors of a newspaper think. 25 Q. (BY MR. WERNER) Isn't that your job, to</p>	<p style="text-align: right;">Page 336</p> <p>1 Q. Well, but as -- you knew when you signed 2 this last letter yesterday that he hadn't done 3 anything for a year plus, correct? 4 A. No, I didn't know that until I was told 5 here this morning by one of the attorneys. 6 Q. Well, who have you asked within BP, I am 7 not talking about lawyers, to find out what 8 Mr. Parus has been doing? 9 A. I haven't asked anybody. It's not in my 10 area of responsibility. He works for the 11 investigation team -- 12 Q. Well, you -- 13 A. -- and for the legal team. 14 Q. -- are the president. 15 Ultimately, your company signs his 16 paychecks, right, or is that not true? Who is 17 paying his salary right now? 18 A. No. He is being paid, but I am only 19 accountable for the administration of him. I am 20 not accountable and have no authority over his 21 employment or what he does. That's up to somebody 22 else. 23 Q. But it comes out of BP North America, 24 Inc.'s bottom line, the company that you are the 25 president of, right?</p>
<p style="text-align: right;">Page 335</p> <p>1 gauge public relations, to gauge public reaction? 2 A. Their view on that has nothing to do with 3 what we are concerned about. 4 Q. Y'all spent \$40 million a year to try to 5 affect what people think and to know what people 6 are thinking about BP, right? 7 MR. DENNY: Objection, form. 8 A. Yeah, what they think about BP. That's 9 right. 10 Q. (BY MR. WERNER) Tell me: What's the 11 magic about having Don Parus available? If the 12 credo is tell the truth, the whole truth and be 13 straight, why do you need to have Don Parus on the 14 payroll for a year and a half? Why don't you just 15 tell him, "Mr. Parus, when you get your subpoena, 16 tell the truth, the whole truth and nothing but the 17 truth and be straight"? 18 MR. DENNY: Objection, form. 19 A. I'll go back to what I said on May 17th. 20 We had decided that it was important to have no 21 distractions for the manager of that refinery. So 22 we wanted a new refinery manager because we 23 believed the old refinery manager would be 24 significantly involved in investigation as it goes 25 forward and still may be.</p>	<p style="text-align: right;">Page 337</p> <p>1 A. Yes, and it would come out of that bottom 2 line having been approved by the area that he is 3 accountable to. 4 Q. Okay. 5 A. And that's good enough. 6 Q. But let me focus the question again. You 7 have talked about how you don't want to have the 8 plant manager on site being distracted by anything. 9 Why not just tell Mr. Parus, you know, "We don't 10 need you anymore at this point and go on and find 11 yourself a new career and just come tell the truth 12 whenever you get subpoenaed"? 13 MR. DENNY: Objection, form. 14 A. I am not a part of the decision as to 15 what happens with Don. It's not my responsibility. 16 Q. (BY MR. WERNER) Who is going to make the 17 ultimate decision about what happens to Mr. Parus 18 when this trial is over? 19 A. Right now the legal department is 20 responsible and accountable for him. 21 MR. DENNY: Objection to form. 22 Q. (BY MR. WERNER) You talked about a lot 23 of press consultants being hired immediately in the 24 aftermath of this tragedy. Do you recall that? 25 A. No, I didn't talk about a lot of press</p>

<p style="text-align: right;">Page 338</p> <p>1 consultants being hired. 2 Q. Okay. What did you -- how many press 3 consultants? 4 A. I talked about one that was hired 5 incrementally and two others that have employed -- 6 been employed for some time on a routine contract 7 with no incremental expenditure. 8 Q. And I think in connection with them you 9 said, basically, something to the effect that you 10 can always learn from experts; is that correct? 11 A. That's correct. 12 Q. And in your job duties, you don't have 13 any problems spending the extra money and hiring 14 the experts to get the answers, to get the 15 assistance that you need to do the job properly, 16 correct? 17 A. If I believe it's the right decision for 18 the company, then I have the authority to do that. 19 Q. Right. 20 And I take it you would expect the 21 same thing out of your -- out of the operations 22 people who, while they are not directly below you, 23 ultimately they do -- they are employees of your 24 company, right? 25 A. Business unit leaders have delegations of</p>	<p style="text-align: right;">Page 340</p> <p>1 not -- 2 A. I am not delegated that authority because 3 he is in the line. You had asked me earlier about 4 executives working for BP Products North America 5 that are under my control. I have that authority. 6 I do not have authority for a 7 refinery manager, a retail manager or an 8 exploration production manager. So I could not do 9 that. 10 Q. So even Don Parus, you could not have 11 fired him is your testimony? 12 A. No, I could not. I don't have that 13 authority. 14 Q. Even though you are the president of the 15 company that he works for? 16 A. I am not delegated that authority. It 17 has nothing to do with your title. It's about your 18 delegated authority. 19 Q. And who is it that tells you that you 20 can't fire one of your own employees? London, 21 right? 22 A. It's my delegation of authority. 23 Q. From? 24 A. From David Allen. 25 Q. And who is Mr. Allen? Where does</p>
<p style="text-align: right;">Page 339</p> <p>1 authority just like I do. 2 Q. I understand. But Don Parus or Colin 3 Maclean right now, he may not be in your line as 4 part of the matrix organization; but he is 5 certainly an employee of the company that you are 6 the president of, correct? 7 A. He is paid by the company that I am the 8 president of. He is directed by someone in the 9 line. 10 Q. So he is not really an employee of BP 11 Products North America? 12 A. No, he is definitely an employee. 13 Q. Okay. And you -- 14 A. But he is directed by someone else. 15 Q. And I take it you have the authority just 16 as you would have the authority, you have 17 testified, to double the executive salaries or to 18 give \$10 million to the Gates Foundation, if that's 19 what you chose, because you say that you're an 20 independent company. 21 You could fire Mr. Maclean if you 22 wanted to, right? 23 MR. DENNY: Objection, form. 24 A. No, I could not. 25 Q. (BY MR. WERNER) Now, how could you</p>	<p style="text-align: right;">Page 341</p> <p>1 Mr. Allen work? 2 A. He lives in London. 3 Q. And what company does he work for? 4 A. I don't know. 5 Q. Do you think probably BP PLC, right? 6 A. There's a good chance, but I don't know. 7 Q. But you still stand by your testimony 8 that you are an independent company, and you can do 9 what you want? 10 A. When it comes to acting on behalf of the 11 corporation, yes. 12 MR. WERNER: Thank you, sir. I 13 will pass the witness. 14 (Discussion off the record.) 15 * * * 16 EXAMINATION 17 Q. (BY MR. SORRELS) Mr. Pillari, my name is 18 Randy Sorrels. I just have a few questions for you 19 so I can understand a little bit about the makeup 20 of this company. 21 You work for BP Products North 22 America? 23 A. That's correct. 24 Q. And you are responsible -- your company 25 is responsible for the assets of the plant?</p>

<p style="text-align: right;">Page 342</p> <p>1 A. Yes, we own the assets. 2 Q. What does "assets" mean? Does that mean 3 real property? 4 A. Yes. 5 Q. Does that mean the pieces of equipment 6 that go on the real property? 7 A. Yes, I believe so. 8 Q. What is it you don't own on that plant? 9 Anything? The people? 10 A. The people would -- I believe -- I don't 11 know. I have never gone and looked, but I assume 12 the people are all employees of BP Products North 13 America. 14 Q. So what is it you don't own on a plant? 15 A. I can't think of anything. We may not 16 own -- actually, to be clear, we may or may not own 17 the inventory. 18 Q. The money that's produced from that 19 plant, do you own that money? 20 A. The cash comes back to BP Products North 21 America. The term "own," I am not sure I know what 22 that means but... 23 Q. The profits derived are BP Products North 24 America products? 25 A. That's correct.</p>	<p style="text-align: right;">Page 344</p> <p>1 Q. With an explosion like this, you would 2 want to know what's happening to your assets, 3 wouldn't you? 4 A. Yes. 5 Q. With your assets, you -- in this 6 explosion you probably lost tens of millions of 7 dollars in assets, correct? 8 A. Not -- actually, not very much. The 9 assets themselves were not very much. 10 Q. Did you have -- 11 A. I am recalling maybe 20 million, 12 something like that. Not very much. 13 Q. \$20 million in assets? 14 A. I think so. 15 Q. Did you have insurance to replace those 16 assets? 17 A. I don't really know. We do some things 18 that are self-insured, and some that are not. 19 Q. Who would -- 20 A. So I am not clear. 21 Q. Who would know that? 22 A. Somebody in the insurance group, in 23 finance. 24 Q. So you wouldn't know, even though your 25 assets are destroyed, one of your first</p>
<p style="text-align: right;">Page 343</p> <p>1 Q. Now, the assets -- and you saw. Mr. Coon 2 showed you something that was over 50 years old. 3 That blowdown stack, that would have been something 4 owned by your company? 5 A. I am assuming that would be on the asset 6 register, yes. 7 Q. You have an economics background; is that 8 correct? 9 A. Yes. 10 Q. They, the company, put you up to talk to 11 the United States Senate about issues including 12 this particular explosion; is that right? 13 A. Because I am head of government and 14 public affairs, yes. 15 Q. Have you ever met Jeff Skilling? 16 A. No. 17 Q. How about Ken Lay? 18 A. No. 19 Q. Do you know what the term "willful 20 ignorance" is? 21 A. No. 22 Q. Okay. You don't intentionally try to 23 remain ignorant so you can't answer questions, do 24 you? 25 A. No.</p>	<p style="text-align: right;">Page 345</p> <p>1 questions -- or a question, maybe not your first, 2 but a question might be, "Are we insured for this?" 3 That wouldn't be a question you 4 have asked? 5 A. No, not for that amount. 6 Q. Just too small of an amount of money? 7 A. Well, it's clear they are gone. Whether 8 they are insured or not doesn't really matter. 9 Q. Do you make a seven figure salary? 10 MR. DENNY: You don't have to go 11 into what he makes. I am going to tell him -- 12 MR. SORRELS: I am not asking -- 13 MR. DENNY: I am not going to let 14 him answer what he makes, Randy. 15 MR. SORRELS: Well, I want to see 16 if it's relevant. \$20 million is a lot to me. 17 MR. DENNY: Well, I am instructing 18 him not to answer what he makes. Okay? 19 Q. (BY MR. SORRELS) Is \$20 million a lot to 20 you, sir? 21 A. \$20 million is a great deal of money. 22 The point of my answer was that it's not so much 23 the cost of what you lost. It's the cost of what 24 you have to replace. 25 And so the real question at the</p>

<p style="text-align: right;">Page 346</p> <p>1 time would not be, "What did you have to write 2 off?" The question would be, "What do you need to 3 invest in the future?" 4 And that's what's relevant to 5 whether or not you have insurance or don't have 6 insurance. 7 Q. That's exactly where I am going. 8 Do you know what it cost to 9 rebuild this plant? 10 A. No, I haven't seen any proposal yet. 11 Q. Do you know if insurance paid for any of 12 that rebuild? 13 MR. DENNY: Objection, form. 14 A. Since I haven't seen a proposal and I 15 don't think it's been rebuilt, I don't know. 16 Q. (BY MR. SORRELS) Have they put something 17 new in this area? 18 A. Not that I am aware of. 19 Q. Another question you might ask if you 20 were interested in economics is "Did we have lost 21 profits insurance?" 22 That's a pretty good question, 23 isn't it? 24 A. We don't have loss profits insurance. 25 Q. So you didn't -- you didn't have any type</p>	<p style="text-align: right;">Page 348</p> <p>1 A. No, that's right because I haven't seen 2 any proposal to replace anything. 3 Q. You don't know if they have collected 4 insurance money or not? 5 A. No, I don't. 6 Q. The person, I want a name, who would know 7 the answer to that in your company. 8 A. I don't know the name. 9 Q. You are not being willfully ignorant, are 10 you? 11 MR. DENNY: Objection, form. 12 A. No, I am not. 13 Q. (BY MR. SORRELS) Okay. Well, then who 14 down the line would know the answer to that? 15 A. You could start with Steve Riney, who is 16 the head of finance. 17 Q. The head of finance would have some 18 understanding of insurance issues? 19 A. Well, he probably would know who does. 20 Q. To your knowledge, what plans, if any, 21 are being made to do any further investigations of 22 the cause of this event? 23 A. I have not been involved in any 24 additional investigations. I am not aware of any. 25 Q. Who, give me a name, would know what</p>
<p style="text-align: right;">Page 347</p> <p>1 of insurance to replace the money lost in that part 2 of the plant? 3 A. I am not aware of any loss profits 4 insurance anywhere in the company. 5 Q. Okay. So you know you don't have loss 6 profits insurance, but you don't know if you have 7 plant rebuild insurance? 8 A. Right, because it wouldn't come into play 9 until you decide to rebuild. 10 Q. In other words, you wouldn't get paid by 11 the insurance company for your loss. Is that what 12 you are saying. 13 A. I am saying it wouldn't be an issue for 14 me with respect to the finances of the corporation 15 unless I was looking at whether or not there was a 16 cash issue at the time of rebuilding. 17 Q. Could it be that insurance has paid this 18 claim, and you just don't know it? 19 A. It's possible. 20 Q. Could it be that you-all blew up a fairly 21 old plant and may be able to replace it on an 22 insurance company's dime and get a brand-new plant? 23 A. I think it's very unlikely, but it's 24 possible. 25 Q. You just don't know that, right?</p>	<p style="text-align: right;">Page 349</p> <p>1 additional plans are in the works to investigate 2 this accident? 3 A. That would be in the line. So it would 4 be Mike Hoffman probably. 5 Q. No one has told you about any additional 6 investigation that's going to be done as of right 7 now? 8 A. No, and they wouldn't. 9 Q. I assume this was the worst accident that 10 has occurred in your entire career? 11 A. It certainly is. 12 Q. I assume that you would want to know -- 13 you would want to know the bottom line as to what 14 happened in this very terrible accident, right? 15 A. Well, I mean, on a personal basis, that 16 would be interesting. But I think it is important 17 that the people who are accountable do what they 18 are accountable for. 19 So I am trying to focus in on the 20 part of this that I am accountable for, which is 21 government and public affairs. And I assume the 22 line, Mike Hoffman, is accountable for exactly what 23 you just said; and I would hope that he is doing 24 exactly that. 25 Q. You said Mike Hoffman does not report to</p>

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1 you?
 2 A. No.
 3 Q. All right. You have been asked questions
 4 by four lawyers today. Is there any -- thinking
 5 back now, are there any answers that you want to
 6 change to questions that have been asked?
 7 A. No, I don't think so.
 8 Q. Have you understood all the questions
 9 that have been asked of you?
 10 A. Not completely but I tried to.
 11 Q. Is there -- tell me an area of concern
 12 that you think you may not have understood a
 13 question to.
 14 A. There were a couple of times with
 15 Mr. Eddie where he restated the question because I
 16 didn't -- he didn't think I answered it properly.
 17 So, hopefully, the second time I did.
 18 Q. Nothing of concern right now, though?
 19 A. No.
 20 MR. SORRELS: Okay. Thank you
 21 very much. Pass the witness.
 22 THE WITNESS: Okay.
 23 MR. DENNY: Can we leave? All
 24 right. Going once, twice. Gone. Thank y'all.
 25 THE VIDEOGRAPHER: Off the record

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1 at 4:50 p.m., ending with Tape 6.
 2 (Deposition concluded.)
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Page 352

1 EXAMINATION
 2 CHANGES AND SIGNATURE
 3 PAGE LINE CHANGE REASON
 4 _____
 5 _____
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 25 _____
 ROSS J. PILLARI

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1 I, ROSS J. PILLARI, 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 ROSS J. PILLARI
 7 THE STATE OF _____)
 8 COUNTY OF _____)
 9 Before me, _____, on this day
 10 personally appeared ROSS J. PILLARI, 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 _____
 22 NOTARY PUBLIC IN AND FOR
 23 THE STATE OF _____
 24 My Commission Expires: _____
 25

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1 CAUSE NO. 05CV0337
 2 MIGUEL ARENAZA, ELIZABETH) IN THE DISTRICT COURT
 3 RAMON, DAVID G. CROW and)
 4 JUANITA G. CROW, et al.)
 5)
 6 VS.) 212TH JUDICIAL DISTRICT
 7)
 8 BP PRODUCTS NORTH AMERICA)
 9 INC., B.P. CORPORATION)
 10 NORTH AMERICA INC., DON)
 11 PARUS, AND JE MERIT)
 12 CONSTRUCTORS, INC.) GALVESTON COUNTY, TEXAS
 13 CAUSE NO. 05CV0337-A
 14 IN RE: BP AMOCO EXPLOSION) IN THE DISTRICT COURT
 15 MARCH 23, 2005)
 16 COORDINATED DISCOVERY) 212TH JUDICIAL DISTRICT
 17 PROCEEDINGS)
 18) GALVESTON COUNTY, TEXAS
 19 REPORTER'S CERTIFICATE
 20 ORAL VIDEOTAPED DEPOSITION OF
 21 ROSS J. PILLARI
 22 JUNE 27, 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, ROSS J. PILLARI, was duly
 sworn and that the transcript of the deposition is a
 true record of the testimony given by the witness;
 That the deposition transcript was duly
 submitted on _____ to the witness or to the
 attorney for the witness for examination, signature,
 and return to me by _____.
 That the following is the computer-calculated
 amount of time used by each party at the time of the
 deposition:
 Mr. Williams (3 hours, 1 minute)
 Mr. Coon (2 hours, 39 minutes)
 Mr. Werner (12 minutes)
 Mr. Sorrels (7 minutes)
 Attorneys for Plaintiffs

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1
 2 That pursuant to information given to the
 3 deposition officer at the time said testimony was
 4 taken, the following includes the parties at the
 5 deposition:
 6 FOR PLAINTIFFS ADRIAN MENDOZA, ET AL.:
 7 Mr. John Eddie Williams
 8 Mr. Chris Dean
 9 Williams & Bailey Law Firm
 10 8441 Gulf Freeway, Suite 600
 11 Houston, Texas 77017
 12 Fax: 713-643-6226
 13 Telephone: 713-230-2200
 14 FOR PLAINTIFFS RHONDA DARLENE HEICKMAN,
 15 INDIVIDUALLY AND AS DEPENDENT
 16 ADMINISTRATOR OF THE ESTATE OF RYAN
 17 RENE RODRIGUEZ:
 18 Mr. John Werner
 19 Reaud, Morgan & Quinn
 20 801 Laurel Street
 21 Beaumont, Texas 77720-6005
 22 Fax: 409-833-8236
 23 Telephone: 409-838-1000
 24 FOR PLAINTIFF DAWN PRATER:
 25 Mr. Loren Klitsas
 Klitsas & Vercher, P.C.
 550 Westcott, Suite 570
 Houston, Texas 77007
 Fax: 713-862-1465
 Telephone: 713-862-1365

Page 356

1 APPEARANCES
 (Continued)
 2
 3
 4 FOR PLAINTIFFS CARLOS GALAN, LESLIE GALAN,
 5 JOSE VILLARREAL, HECTOR RODRIGUEZ,
 6 ELEAZAR CANTU, MARCO FIGUEROA,
 7 LUIS LOPEZ, ELOY RODRIGUEZ, ERNESTO
 8 VALENCIA, LANIEL VALLANEUVA, JOSEPH MOISE,
 9 JESUS LOPEZ, GABRIEL JAIMEZ, EVA RAMIREZ,
 10 VERONICA RAMIREZ, JOHN RANGEL, JOSE VILLANEUVA:
 11 Mr. Randy Sorrels
 12 Abraham, Watkins, Nichols,
 13 Sorrels, Matthews & Friend
 14 800 Commerce
 15 Houston, Texas 77002
 16 Fax: 713-225-0827
 17 Telephone: 713-222-7211
 18 FOR PLAINTIFFS JAIME ANDREADE, ET AL.:
 19 Mr. Brent Coon
 20 Brent Coon & Associates
 21 3550 Fannin
 22 Beaumont, Texas 77701
 23 Fax: 409-833-4483
 24 Telephone: 409-835-2666
 25 FOR PLAINTIFFS, ET AL.:
 Mr. Jeff Burke
 The Buzbee Law Firm
 1910 Ice & Cold Storage Building
 104 Moody
 Galveston, TX 77550
 Fax: 409-762-0538
 Telephone: 409-762-5393

Page 357

1 APPEARANCES
 (Continued)
 2
 3
 4
 5 FOR DEFENDANT JE MERIT:
 6 Mr. Benjamin B. Leibman
 7 Ebanks, Smith & Carlson
 8 2500 Five Houston Center
 9 1401 McKinney
 10 Houston, Texas 77010
 11 Fax: 713-333-4600
 12 Telephone: 713-333-4500
 13 FOR DEFENDANT BP PRODUCTS NORTH AMERICA, INC.:
 14 Mr. Otway B. Denny, Jr.
 15 Mr. Stephen M. Fernelius
 16 Mr. Edward J. Patterson, III
 17 Fulbright & Jaworski
 18 1301 McKinney, Suite 5100
 19 Houston, Texas 77010-3095
 20 Fax: 713-651-5246
 21 Telephone: 713-651-5151
 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.

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

4 Certified to by me on this _____ day of
5 _____, _____.

6
7
8
9 _____
10 Stephanie Barringer, CSR
11 Texas CSR 6198
12 Expiration: 12/31/06
13 U.S. Legal Support
14 Firm Registration: 122
15 519 N. Sam Houston Pkwy., Ste. 200
16 Houston, Texas 77060
17 Main number: 713/653-7100
18 Fax number: 713/653-7143
19
20
21
22
23
24
25

1 FURTHER CERTIFICATION UNDER TRCP RULE 203

2
3 The original deposition was/was not returned to
4 the deposition officer on _____.
5 If returned, the attached Changes and Signature
6 page(s) contain(s) any changes and the reasons
7 therefor.

8 If returned, the original deposition was
9 delivered to Mr. Christopher Dean at the Williams &
10 Bailey law firm as the custodial attorney.

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

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

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

19
20 _____
21 Stephanie Barringer, CSR
22 Texas CSR 6198
23 Expiration: 12/31/06
24 U.S. Legal Support
25 Firm Registration: 122
519 N. Sam Houston Pkwy., Ste. 200
Houston, Texas 77060
Main number: 713/653-7100
Fax number: 713/653-7143