

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
14

15 CAUSE NO. 05CV0337-A
16 IN RE: BP AMOCO EXPLOSION) IN THE DISTRICT COURT
17 MARCH 23, 2005)
18 COORDINATED DISCOVERY) 212TH JUDICIAL DISTRICT
19 PROCEEDINGS)
20) GALVESTON COUNTY, TEXAS
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25 ORAL VIDEOTAPED DEPOSITION OF
DONALD PARUS
VOLUME 2
JULY 10, 2006

<p style="text-align: right;">Page 345</p> <p>1 ORAL VIDEOTAPED DEPOSITION OF DONALD PARUS, 2 produced as a witness at the instance of the 3 Plaintiffs and duly sworn, was taken in the 4 above-styled and numbered cause on July 10, 2006, 5 from 1:10 p.m. to 6:07 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.</p>	<p style="text-align: right;">Page 347</p> <p>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. Daniel Horowitz, III 12 Mr. Benny Agosto, Jr. 13 Abraham, Watkins, Nichols, 14 Sorrels, Matthews & Friend 15 800 Commerce 16 Houston, Texas 77002 17 Fax: 713-225-0827 18 Telephone: 713-222-7211 19 20 FOR PLAINTIFF ROGER RODRIGUEZ: 21 Mr. John W. Stevenson, Jr. 22 John W. Stevenson & Associates 23 24 Greenway Plaza, Suite 750 24 Houston, Texas 77046 25 Fax: 713-622-3224 Telephone: 713-622-3223 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</p>
<p style="text-align: right;">Page 346</p> <p>1 APPEARANCES 2 3 4 5 FOR PLAINTIFFS JAIME ANDREADE, ET AL.: 6 Mr. Brent Coon 7 Mr. Larry Sarten 8 Mr. Eric Newell 9 Mr. Arturo J. Gonzalez 10 Brent Coon & Associates 11 3550 Fannin 12 Beaumont, Texas 77701 13 Fax: 409-833-4483 14 Telephone: 409-835-2666 15 16 FOR PLAINTIFFS RHONDA DARLENE HEICKMAN, 17 INDIVIDUALLY AND AS DEPENDENT 18 ADMINISTRATOR OF THE ESTATE OF RYAN 19 RENE RODRIGUEZ: 20 Mr. Trent Bond 21 Mr. Doug York 22 Reaud, Morgan & Quinn 23 801 Laurel Street 24 Beaumont, Texas 77720-6005 25 Fax: 409-833-8236 Telephone: 409-838-1000 FOR PLAINTIFFS CHARLES CONNER, ET AL.: Mr. John Ramsey Simon & Luke America Tower, 42nd Floor 2929 Allen Parkway Houston, Texas 77019 Fax: 713-335-4949 Telephone: 713-335-4900</p>	<p style="text-align: right;">Page 348</p> <p>1 APPEARANCES (Continued) 2 3 4 5 FOR DEFENDANT DON PARUS: 6 Mr. Judson W. Starr 7 Venable, LLP 8 575 7th Street, NW 9 Washington, DC 20004-1601 10 Fax: 202-344-8300 11 Telephone: 202-344-4886 12 13 FOR DEFENDANT JE MERIT: 14 Ms. Bridgett M. Matthes 15 Ebanks, Smith & Carlson 16 2500 Five Houston Center 17 1401 McKinney 18 Houston, Texas 77010 19 Fax: 713-333-4600 20 Telephone: 713-333-4500 21 22 FOR DEFENDANT BP PRODUCTS NORTH AMERICA, INC.: 23 Mr. Stephen M. Fernelius 24 Ms. Jessica Gilmore 25 Fulbright & Jaworski 1301 McKinney, Suite 5100 Houston, Texas 77010-3095 Fax: 713-651-5246 Telephone: 713-651-5151</p>

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5	Ms. Jill Heintzman		5	562	Texas City Site Update, 520
6	Klitsas & Vercher, P.C.		6		A Brief Update for Mike
7	550 Westcott, Suite 570		7		Hoffman dated 2/15/05,
8	Houston, Texas 77007		8	563	BPISOME00120852 through
9	Fax: 713-862-1465		9		BPISOME00120892
10	Telephone: 713-862-1365		10	564	Interview of Don Parus 531
11			11		dated 4/28/05, BPISOM00003508
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			0305 FLL Note - Rev 7,		
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1 understanding you also have obtained a personal
2 counsel, Mr. Starr, who is here to assist you as
3 well; is that correct?

4 A. That is correct.

5 Q. Okay. Again, if you don't understand my
6 question, let me know; I'd be happy to rephrase it
7 or repeat it. Again, important to understand that
8 we can rely upon your answers in the event of
9 trial. Fair enough?

10 A. I understand the process.

11 Q. Did you have an opportunity to review or
12 refresh your memory since last week's deposition by
13 reading anything between last week and this week
14 relevant to this litigation?

15 A. The only thing I received, I received in
16 the mail a copy of the deposition. I'm in the
17 process of reviewing my own deposition.

18 Q. This being the deposition you gave last
19 week in this matter?

20 A. Not last week.

21 Q. Well, in the very recent past, whatever
22 day it was.

23 A. Two weeks ago. That's the deposition.
24 Other than that, I reviewed no other documents.

25 Q. Okay. Have you had an opportunity to

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1 actually read that deposition transcript?

2 A. I'm not completely through it. It was
3 quite lengthy.

4 Q. Okay. In reviewing it, was there
5 anything that you looked at that jumped out at you
6 as something you just said wrong or backwards or
7 needed gross clarification?

8 A. Again, still in the process, but nothing
9 substantial at this time. I'll be able to answer
10 that when I have finished the review completely.

11 Q. Okay. And just as a filler for questions
12 asked you last time, have you talked to anybody
13 about the case, to find out more about what they
14 know or anything else to provide you with more
15 insight as to issues that may be asked today?

16 A. I've had no contact with anybody.

17 Q. Mr. Parus, when we were talking a week or
18 two ago, we were covering a number of your issues
19 with respect to roles and responsibilities and how
20 they changed over time, but just to make sure we're
21 on the right page, at the time of the plant
22 explosion in March of 2005, was your sole
23 responsibility that that would typically apply with
24 the business unit leader at a facility?

25 A. March of 2005, I had both the business

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1 unit leader responsibility for the refinery and
2 operation responsibility of the chemical plant. So
3 it was actually still a dual role at the time of
4 the explosion.

5 Q. Okay. Cause you were telling us that in
6 '04, you had the responsibility also of being a
7 site manager for the South Houston complex, or site
8 coordinator?

9 A. '04 got broken into two periods. Okay.
10 From January through June, I was only site director
11 for the four facilities. Okay. From June onward,
12 then I picked up two additional responsibilities,
13 one being the business unit leader for the refinery
14 on Rick's departure, Rick Hale's departure, and
15 still then working on the separation of the site
16 for a pending sale.

17 Q. Right. We understand --

18 A. Separation of chemical plants.

19 Q. I'm sorry. We understood there was going
20 to be a segregation of the chemical facilities, a
21 divestiture, so to speak?

22 A. It was to separate them into a separate
23 company in preparation for the divestiture.

24 Q. Right. And when did that occur?

25 A. The legal separation occurred on

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1 December 31st of 2004.

2 Q. Okay. And the ensuing months, January,
3 February, March, were you preoccupied with any
4 wrap-up matters associated with the divestiture of
5 those units?

6 A. There was still ongoing contracts that
7 were not resolved yet. We had completed
8 organizational separation. We were still
9 finalizing contracts between BP and this new
10 entity.

11 Q. In the January, February, March time
12 frame, could you give us some idea as to how much
13 of your time, as a rough percentage, would you be
14 able to dedicate to the typical responsibilities of
15 the business unit leader, or BUL, as opposed to the
16 remaining responsibilities that you had previously
17 held in 2004?

18 A. I haven't thought of it that way, but I
19 would -- the best I can do is give you an estimate.
20 I would say probably started out in 20 -- 20 to
21 25 percent in January and started to decline over
22 time as more contracts were settled with time.
23 Probably down in the 10 to 15 range through the
24 March time period. And that's about the best
25 estimate I can provide.

4 (Pages 353 to 356)

1 Q. Would it be fair to say that it would be
2 a relatively small portion of your time was
3 associated to these other responsibilities as they
4 went to wind down in January, February of 2005?

5 A. It would be fair to say it declined
6 significantly beyond December 31st.

7 Q. I want to go back to issues that happened
8 in 2004. We understand there were several major
9 events that occurred that year. There was a major
10 fire and two separate sets of fatalities; is that
11 correct?

12 A. In 2000 -- that is correct.

13 Q. And there was a fatality in, I think, May
14 of '04?

15 A. Correct.

16 Q. And then there were two more in the fall
17 as a result of another incident; is that correct?

18 A. One, I believe, in September and one, I
19 believe, in the November time frame.

20 Q. But they were related --

21 A. Associated with an incident in September
22 of '04.

23 Q. Yeah. Both occurred in the same
24 incident, one just survived longer?

25 A. They both occurred in the same incident.

1 Q. Now, it's my understanding from the
2 testimony last time that you were trying to
3 identify some cultural issues at that facility that
4 you described as safety culture matters in
5 addressing them prior to the explosion in March of
6 2005; is that correct?

7 A. The incident in September, the --
8 following the report, there was indication that
9 there was about 200 years of experience that had
10 looked and worked on that job and did not identify
11 the risks associated with the job. So we looked at
12 one of the issues with that being what we call
13 "risk tolerance."

14 Because of that, when I enlisted a
15 third party consultant to come in and take a look
16 at what the safety culture of the site was around
17 risk tolerance.

18 Q. What would you say in layman's terms was
19 your basic goal when you were sent out in 2002 to
20 that facility? What was a summary of why they sent
21 Don Parus to Texas City?

22 A. 2002, I was sent there as site director.
23 I was really sent there to do several things, and
24 they're all around providing integration value for
25 the five sites. I would put the integration value

1 through three lenses.

2 The first being providing
3 effective and efficient services to all plants.
4 Prior to the formation of the integrated site, each
5 plant had its own individual service, individual
6 structure, individual method. This is a way to
7 provide a regional service to all five sites more
8 effectively, more efficiently.

9 The second lens would be around
10 what I consider optimization, and that is really
11 looking at the hydrocarbons. Are the right
12 hydrocarbons being placed to the right units in the
13 right markets between these five sites, because the
14 sites did feed each other in different ways. So
15 lens two is optimization value.

16 Then, lens three is if there were
17 best practices or better ideas done at one site,
18 this was an avenue to facilitate transferring best
19 practices to other sites.

20 Q. Okay. Let's address each of those three
21 lenses. With respect to the responsibilities
22 associated with adding value to this complex
23 through effective and efficient services, did you
24 retain any outside consultants or obtain assistance
25 in any format?

1 A. I didn't retain any. The site was
2 already structured this way upon my arrival in
3 2002. The consolidation integration of the site
4 had already been formed prior to my arrival.

5 Q. So what did you do over the next two
6 years to obtain the goal or achieve a goal or
7 strive for the goal of effective and efficient
8 services?

9 A. Continue to provide better services. I
10 mean, case in point, I brought in a site service
11 manager to manage all of the service that had not
12 been there prior to my arrival.

13 Q. Did this help from a financial
14 standpoint, eliminating redundancies, things of
15 that nature?

16 A. It was less -- at this time, it was less
17 about eliminating redundancies; more about
18 improving the effectiveness of services through the
19 five sites. Many of the redundancies had already
20 been eliminated prior to 2002.

21 Q. At a personnel level, would that involve
22 training, educational programs, things of that
23 nature?

24 A. Training was part of that as well. It
25 would be one of the services.

1 Q. There's a general understanding in --
2 within BP that training helps achieve efficiency
3 and effectiveness, does it not?

4 A. Training is an element of that.

5 Q. Let's talk about optimization. What, if
6 anything, were you able to achieve with respect to
7 optimization over the two years?

8 A. Continued to work on making sure right
9 molecules went to the right location. The other
10 one is during this time period there was a closure
11 of one of the sites, the Cedar Bayou facility.

12 Also in the optimization, we
13 actually took the people in, brought them into the
14 other five sites, and be able to provide them
15 employment as well. That was all part of what I
16 consider optimization, both on the people side and
17 on the hydrocarbon side.

18 Q. Did you hire a number of what are called
19 "optimization engineers" to help facilitate that
20 activity?

21 A. The optimization engineers were already
22 on staff.

23 Q. Who brought them in?

24 A. I don't recall. I'm not sure I can
25 answer that, who brought them in.

1 Q. Okay. Well --

2 A. I inherited the organization for the
3 optimization when I arrived in 2002.

4 Q. You leave me with the impression that
5 there was some efforts to undertake these
6 integration value programs before your arrival.

7 A. Yes. The site -- the site was, probably
8 18 months prior to my arrival, had been integrated.
9 Okay. And my predecessor, Tim Scruggs, would have
10 facilitated that effort.

11 Q. Did you more or less replace Tim Scruggs
12 in that position?

13 A. I replaced Tim Scruggs as site director
14 of South Houston.

15 Q. Who made that decision?

16 A. I'm not sure I can answer that. It was
17 someone in London. Mike Hoffman or higher. I
18 can't answer that question because that was not
19 shared with me.

20 Q. How was it you were prepared for this
21 role?

22 A. I'm not sure I fully understand your
23 question.

24 Q. Okay. Well, did you get an e-mail saying
25 "Go to Texas City and add value"?

1 A. No. I got called into Al Kozinski's
2 office. Al was Mike Hoffman's predecessor who was
3 retiring, and Al met with me and said, "Don, I'd
4 like you to take this position. Tim's moving on to
5 Carson. This would require you to relocate to the
6 U.S." I was living and working in London at the
7 time. So Al kind of personally communicated me
8 taking this position as part of a chain.

9 Al has -- was retiring. Mike
10 Hoffman, who was at Carson, was then replacing Al
11 and moving to London. Tim Scruggs was moving from
12 site director of BP South Houston to the Carson
13 refinery in California, and I was moving from vice
14 president of procurement then to the Texas City
15 site, or South Houston site.

16 Q. Did you receive any kind of background
17 briefing as to the history of the Texas City
18 facility, the number of units, what they did, the
19 history of capitalization or lack thereof?

20 A. The briefings I got were only when I
21 paralleled Tim. I mean, I got some background.
22 Tim and I spent some time together. I made several
23 trips there prior -- Tim left in April, I believe
24 April 1st. When I first took over, I made several
25 trips to South Houston with briefings with Tim,

1 just to get what I considered a lay of the land
2 around the sites from that standpoint.

3 Q. After understanding how Mr. Scruggs had
4 been handling this integration program, how would
5 you describe any significant changes that you may
6 have initiated that were different styles,
7 different practices from those of Mr. Scruggs?

8 A. Well, the one big change was the business
9 unit leader for the Texas City refinery was part --
10 had been in the past part-time and not located at
11 the site. So one of the significant changes made
12 was to put -- bring Rick Hale in. I believe I got
13 approval for that in July of '02. Rick then
14 arrived in September of 2002. To have a full-time
15 business unit leader at the site of that size would
16 be one change.

17 Two other organizational changes I
18 would add to that would be added Pat King, a senior
19 level person to run the transformation and really
20 start to do some of the changes that brought about
21 the Veba study, which we talked about in the last
22 deposition. To start, he was called the
23 transformation manager to start to implement the
24 changes that were done from the Veba report.

25 And the third one was to organize

1 the services in -- underneath one manager. They
2 had been separated and reported underneath multiple
3 individuals and were not gaining the benefits of
4 each other. So I brought in a site service manager
5 as well. Those were some of the changes very early
6 on.

7 Q. You talked about the Veba report a little
8 bit in the last deposition. Who ordered that
9 report?

10 A. I did, sir.

11 Q. Why?

12 A. When I was working in London, I was aware
13 that this -- the reason it's called Veba is BP was
14 involved in the acquisition of Veba Aral in
15 Germany, which was a series of five refineries,
16 some of them wholly owned, some of them joint
17 ventures, as well as the Aral retail sites. This
18 site -- this group had gone in and analyzed the
19 Veba Aral company for BP and presented their
20 findings to BP.

21 I had the opportunity then, since
22 they had just finished, I asked them to come out
23 and take a look at the five sites in South Houston
24 and kind of do an evaluation of this site through a
25 similar lenses. So I contacted, I believe, Ian

1 Conn at the time, who was heading up the Veba Aral
2 deal, and asked him if I could use this same
3 group -- excuse me -- to provide an assessment of
4 the BP South Houston five sites.

5 Q. And where does the Kearney group come
6 with this?

7 A. They were part of the team that did the
8 assessment of the Veba Aral, and it was the same
9 team that came in and did the South Houston
10 assessment.

11 Q. Okay. Now, the team that did the Veba
12 assessment in Germany, was that an in-house group,
13 being BP employees?

14 A. I want to say it's a combination. It was
15 consistent of both in-house people and
16 A.T. Kearney, which would be an external
17 consultant.

18 Q. Was there only one report generated as a
19 result of the Good Practices Sharing Assessment?

20 A. Which study, sir?

21 Q. We have one called "Good Practice Sharing
22 Assessment," which is --

23 A. I --

24 Q. -- final report, August 2002?

25 A. Yeah. The reason I asked that is I

1 assumed they issued a report for the Veba Aral. I
2 have not seen that. Okay.

3 Q. Okay.

4 A. But the one issue that I'm aware of is
5 one report issued for the South Houston sites.
6 That's the reason why I was asking for
7 clarification.

8 Q. Let me show you. We have another copy.
9 This is marked somewhere, but that's been
10 identified to us previously as what's been also
11 called the "Veba report." That was completed in
12 August of 2002. Now, the one done with the
13 assistance of the Kearney team --

14 A. The timing appears correct. The report
15 appears. I'd have to go through every page of it
16 to verify it, but it appears to be the report.

17 Q. Okay. So that would be the report done,
18 to the best of your knowledge, by the Veba group
19 with Kearney, and that being the report that you
20 ordered sometime in the Spring or Summer of 2002?

21 A. That's correct.

22 Q. Did you have to get any clearance with
23 anyone at BP to authorize this consulting work?

24 A. As I stated before, I contacted Ian Conn
25 and asked Ian Conn for permission to use this

1 group.

2 Q. And why would you go to Mr. Conn?

3 A. This group was working for Ian. I wanted
4 to use the same group.

5 Q. Okay. What was it you were looking for
6 in retaining this consulting group to come to Texas
7 City? Were you trying to address particular
8 problems or identify particular problems, solve
9 particular problems?

10 A. I didn't know. I mean, I'm coming into a
11 site, coming into five sites, four of the five
12 sites I had never visited before. So I was looking
13 for an assessment as to what the sites needed, what
14 was working well, what needed to be addressed. It
15 was just a way for me to come in and get an overall
16 assessment of the five sites. And it was titled
17 "Good Practice Sharing," because the intent was to
18 work through the one lens. It says, "If something
19 was good at one site, let's transfer it into other
20 sites."

21 Q. Do you recall what month it was that you
22 ordered this report?

23 A. I arrived in April, so it's sometime
24 between April and the end of May. That's about the
25 closest I can get on your timing of it. It was in

1 that time frame. I'd have to go through notes to
2 find out the exact dates.

3 Q. Mr. Parus, after coming out there for a
4 brief period of time, were you getting a read or
5 feel that there may be some problems out there,
6 either from your own observations or maybe from
7 things that Mr. Scruggs had briefed you on as part
8 of the transition?

9 A. The two issues that -- one I was briefed
10 on -- not by Tim -- one I was briefed by London and
11 one was probably a visual. Let me cover them in
12 that order.

13 The one I was briefed on from
14 London was to be aware that there was an issue
15 around what I would call "diversity inclusion" at
16 the South Houston sites.

17 Q. What do you mean by that?

18 A. There was some issues around retention of
19 females and minorities. There appeared to be
20 issues around not being a very inclusive site, much
21 more a command and control-type organization. I
22 had several briefings on that before I arrived in
23 Houston.

24 Q. And what efforts were you to make with
25 respect to addressing the diversity inclusion

1 issues?

2 A. Addressed that by, one, I brought in a
3 diversity inclusion manager working for me. She
4 had been the one that had kind of done some of the
5 groundwork before that to identify some of the
6 issues. And then we put all of the supervisors and
7 then all of the employees through -- diversity
8 inclusion training had started up using a
9 consultant by the name of Jay Howard, and that was
10 ongoing over multiple years.

11 Q. Were any reports concluded as part of
12 this diversity inclusion study?

13 A. Not that I am aware of, but the ongoing
14 efforts continued.

15 Q. From a diversity standpoint, who above
16 you as the business unit leader at Texas City would
17 have fall -- had fallen into the categories of
18 female or minority?

19 A. Above me?

20 Q. Yes, sir.

21 A. There's a couple names I can recall. I'd
22 have to produce an org chart, but a couple I can
23 share with you is Patty Belinger being one. Patty
24 was also one of the sources that provided me the
25 insight into what was perceived to be a diversity

1 inclusion problem at South Houston. Viv Cox would
2 be another one. Anna Catalano at that time would
3 be one of them. She is not in -- she is not with
4 BP as we speak. Anne Quinne. There may be others.
5 I'd have to use a chart to look at the upstream and
6 other segments of the business. I'm more familiar
7 with the downstream. Oh, Holly Van Deursen is
8 another one for any chemicals.

9 Q. These would have all been persons that
10 had a position of more authority than yours that
11 would be higher up in the hierarchy than yourself,
12 sir?

13 A. Yes, sir.

14 Q. All right. At that time, how many people
15 on the board of directors were female or minority?

16 A. I don't know, sir.

17 Q. Do you know of any?

18 A. I don't know. That's why I can't answer
19 the question.

20 Q. This list seems to be a list of females.
21 Are any of these females minority?

22 A. Patty Belinger is.

23 Q. Any others?

24 A. Not the list of names I gave you, but I
25 also may not have captured them all either.

1 Q. Okay. Did you have anybody in charge of
2 addressing this diversity inclusion problem in
3 Texas City?

4 A. I brought in a person by the name of
5 Aretha Preston.

6 Q. Where did she come from?

7 A. She had been the -- she had been at Texas
8 City. She had been the human resource manager at
9 Yorktown and went with the sale of Yorktown to
10 Giant Oil. I contacted her and asked her if she
11 would be interested in coming back to BP in this
12 position.

13 Q. Okay. And then the time that you were at
14 Texas City from 2002 to 2005, what changes, if any,
15 were actually implemented by BP Texas City to
16 further address the identified diversity and
17 inclusion problems?

18 A. A couple of areas I'd share with you, one
19 is, well, Aretha came in, was on my management
20 team. I also then added a -- I put together a
21 diverse leadership team reporting to me as well for
22 that, coupled with the training, the awareness, the
23 use of that lens in hiring. It was kind of a
24 multi-faceted effort to raise awareness of the
25 importance of diversity inclusion at the site.

<p style="text-align: right;">Page 373</p> <p>1 Q. So you raised awareness amongst 2 management. What else? 3 A. Well, training. Virtually everyone at 4 the five sites went through several sessions of 5 training, starting with awareness and what they 6 needed to do to make diversity inclusion part of a 7 way of life for them. 8 Q. Okay. Other than making them aware and 9 training them to be aware, what else was done? 10 A. It then become a lens to use when hiring, 11 which had not been in place. And also set up -- 12 I'd classify them as networks, but groups of people 13 of similar backgrounds then were put together to 14 meet and discuss and then have an avenue towards 15 providing input of what else needed to be done. 16 Q. And what else was done? 17 A. I mean, I can't tell you more at this 18 time. I'd have to go back and look through this. 19 Q. Well, did you start tracking statistics 20 on hiring to determine whether or not BP Texas City 21 was doing a better job of identifying and retaining 22 females and minorities? 23 A. That was tracked. But I can't -- if you 24 ask me to produce the numbers, I can't do it, but 25 it was tracked.</p>	<p style="text-align: right;">Page 375</p> <p>1 was initiated to better prepare the females and 2 minorities that were already in the system for 3 promotion? 4 A. I think it was being done on a more 5 global level. It was not just being done from a 6 South Houston perspective. Patty Belinger, who was 7 running the effort for the entire corporation, was 8 dealing with that effort on a more global basis. 9 It was not targeting doing the training just at 10 South Houston. 11 Q. And you also made some changes with 12 respect to the leadership team out there at some 13 point, did you not? 14 A. Yes, sir. 15 Q. Can you tell me about the changes that 16 you implemented with respect to the leadership then 17 at Texas City? 18 A. What time period, sir? 19 Q. I guess we can talk about from 2002 to 20 2005, the significant changes within the leadership 21 team in terms of its structure and composition. 22 A. Let's see if I can go through the ones 23 that I remember at this time. All right. Rick 24 Hale came in as the plant BUL. Norine Stein came 25 in as the site services manager. Pat King became</p>
<p style="text-align: right;">Page 374</p> <p>1 Q. Okay. Who was responsible for tracking 2 that? 3 A. Aretha did all the tracking for me. 4 Q. Is she still there? 5 A. She then left as part of when the 6 separation of the companies occurred. Aretha 7 retired. 8 Q. Who replaced her? 9 A. No one replaced her. The -- she provided 10 the service to the five sites. There was then no 11 more regional shared services for the five sites 12 because the five sites didn't exist. 13 The role of diversity inclusion 14 then was taken on by the human resource manager for 15 Texas City, Paula Sharp, and she had a person below 16 her working on diversity inclusion. It was 17 integrated in with the HR manager's role. 18 Q. In addition to trying to provide some 19 heightened level of awareness and training with 20 your present management team, were there additional 21 efforts made to take whatever persons, female or 22 minority, criteria to promote them from within the 23 system for advancement? 24 A. I believe there was, sir. 25 Q. Do you know of any specific program that</p>	<p style="text-align: right;">Page 376</p> <p>1 the transformation manager, really helping 2 implementing the Veba study recommendations. Terri 3 Harlan was already at Chocolate Bayou. Those are 4 the ones that I would say in 2002. There might be 5 others; I just don't recall at this point. 6 Q. Okay. How about in '03? 7 A. Well, the next big change occurred with 8 the separation. 9 Q. Okay. Is that 2004? 10 A. With the leadership team and bringing in 11 -- Joe Barnes was brought in as HSE manager. 12 Q. Who made that decision? 13 A. I'd characterize it as I made the 14 request, and it was approved by London to go ahead 15 and put it in place. 16 Q. There seems to be some hesitant -- 17 hesitant -- hesitancy there. 18 A. I had to think -- I just had to think 19 about it when you -- because I remember having made 20 the decision, because all the people of that level 21 I must get concurrence from London before it's 22 approved. That's why I was hesitant in answering 23 your question. So Joe Barnes would have put -- 24 would have required concurrence from London. 25 Q. Same with other ones, did they require</p>

<p style="text-align: right;">Page 377</p> <p>1 some level --</p> <p>2 A. Yeah. Level E and above is our grading</p> <p>3 system. Level E and above required London</p> <p>4 concurrence. Norine Stein was moved from sites</p> <p>5 services manager to one of the manufacturing</p> <p>6 delivery leaders. That was another change. Bill</p> <p>7 Hagerman was brought in to run infrastructure.</p> <p>8 Paula Sharp came in and ran human resources.</p> <p>9 Kathleen Lucas came in and became the operating</p> <p>10 manager.</p> <p>11 Q. And again, were these people that you</p> <p>12 identified as candidates for those positions?</p> <p>13 A. All of them were my recommendation.</p> <p>14 Q. And how would it be that you would go</p> <p>15 about identifying the persons you felt proper to</p> <p>16 fill the responsibilities of each of those roles?</p> <p>17 A. There is a list of people on succession</p> <p>18 planning lists. I'd contact Pat at the time, in</p> <p>19 the '05 period of time, and asked Pat who was on</p> <p>20 the list. Him and I would have a discussion of</p> <p>21 available candidates. It kind of would be a</p> <p>22 dialogue. And then I'd put a request in.</p> <p>23 Q. For instance, with Ms. Sharp, she was put</p> <p>24 in charge of human resource?</p> <p>25 A. That's correct.</p>	<p style="text-align: right;">Page 379</p> <p>1 management?</p> <p>2 A. No, sir.</p> <p>3 Q. Did you know he had no professional</p> <p>4 training in process safety management?</p> <p>5 MR. FERNELIUS: Object to form.</p> <p>6 A. I answered the question; I did not know</p> <p>7 his background.</p> <p>8 Q. (BY MR. COON) Mr. Barnes did not retain</p> <p>9 his position as head of HSSE after this incident,</p> <p>10 did he, sir?</p> <p>11 A. At the same time I was put on leave, Joe</p> <p>12 Barnes was moved out of the HSSE position on</p> <p>13 May 13th.</p> <p>14 Q. Who made that decision?</p> <p>15 A. I don't know, sir. It was communicated</p> <p>16 to me. In fact, I did not even talk to Joe; Pat</p> <p>17 Gower did.</p> <p>18 Q. So you understand the decision to</p> <p>19 transfer Mr. Barnes out of the leadership team role</p> <p>20 of HSSE was passed to him by Mr. Gower?</p> <p>21 A. That's correct.</p> <p>22 Q. You do not know why Mr. Gower made that</p> <p>23 decision, or if it was Mr. Gower who made that</p> <p>24 decision?</p> <p>25 A. This is also correct.</p>
<p style="text-align: right;">Page 378</p> <p>1 Q. Do you know what kind of background she</p> <p>2 had that qualified her for a leadership position in</p> <p>3 human resource?</p> <p>4 A. She had had one in the upstream business.</p> <p>5 She had worked with -- she had come in from another</p> <p>6 company as well. She had been with BP for five</p> <p>7 years. She had previously worked with -- I'm</p> <p>8 trying to think of the company she worked with,</p> <p>9 Another refining company. Had extensive knowledge</p> <p>10 of that. She also taught human resource courses at</p> <p>11 Rice University.</p> <p>12 I met her at a diversity inclusion</p> <p>13 event and proceeded to interview her and recommend</p> <p>14 her for the position.</p> <p>15 Q. Joe Barnes, what background did he have</p> <p>16 to be put in the position of the leadership team as</p> <p>17 head of HSSE?</p> <p>18 A. Joe Barnes had extensive operating</p> <p>19 experience and a very, very strong passion for</p> <p>20 safety. Prior to -- prior to Joe Barnes, typically</p> <p>21 that position was a safety professional. I wanted</p> <p>22 to put somebody in there that also had an</p> <p>23 operational expertise in that position as well.</p> <p>24 Q. And do you know what kind of background</p> <p>25 or education Mr. Barnes had in process safety</p>	<p style="text-align: right;">Page 380</p> <p>1 Q. Do you know if it had anything to do with</p> <p>2 the incident?</p> <p>3 A. I don't know, sir.</p> <p>4 Q. Do you know if it had anything to do with</p> <p>5 Mr. Barnes' lack of any prior professional training</p> <p>6 on process safety management?</p> <p>7 MR. FERNELIUS: Objection, form.</p> <p>8 A. I mean, I just don't know.</p> <p>9 Q. (BY MR. COON) Who was on the leadership</p> <p>10 team in March of 2005 with the strongest background</p> <p>11 in process safety management?</p> <p>12 A. Either Kathleen Lucas or Ken Panozzo</p> <p>13 would be my...</p> <p>14 Q. Were there people better qualified in</p> <p>15 terms of knowledge and experience on process safety</p> <p>16 management issues than those two that worked out</p> <p>17 there that were not on the leadership team?</p> <p>18 A. Bill Ralph was the local expert of</p> <p>19 process safety at the site.</p> <p>20 Q. Why was Mr. Ralph not invited into a role</p> <p>21 on the leadership team in light of the importance</p> <p>22 of process safety management at your refinery?</p> <p>23 A. The structure and template for the</p> <p>24 leadership team at the refinery that I followed did</p> <p>25 not have process safety a member of the team.</p>

<p style="text-align: right;">Page 381</p> <p>1 Q. This is a BP template that you have to 2 follow? 3 A. It was a BP refining template that I 4 followed. 5 Q. Are you not allowed to vary from that 6 template? 7 A. I think you could put a request to vary 8 it, but I followed the template. 9 Q. Did you not personally recognize the key 10 importance of process safety management in 11 operation of the refinery, particularly the 12 magnitude of Texas City? 13 A. Considering that the person to report to 14 Joe Barnes represented them, and also Kathleen 15 Lucas was the chairman of the process safety 16 committee, I thought there was adequate 17 representation on the leadership team of process 18 safety. 19 Q. Okay. Well, we know Mr. Barnes didn't 20 have any professional background and training in 21 process safety management. We know that Ms. Lucas 22 didn't arrive on the scene until 2005, correct? 23 MR. FERNELIUS: Objection, form. 24 A. She arrived on the scene in January of 25 2005.</p>	<p style="text-align: right;">Page 383</p> <p>1 emanating from Texas City, did it not? 2 A. I believe so, sir. 3 Q. In fact, it reported that the nature was 4 alarming, the number of fires that were occurring 5 out at Texas City. Wasn't something couched in 6 that term? 7 MR. FERNELIUS: Objection, form. 8 A. I think that quote was shown to me in my 9 last deposition. 10 Q. (BY MR. COON) And basically what they 11 were talking about is that a lot of these fires 12 were the result of the escape of hydrocarbons out 13 of the piping and infrastructure of the units, 14 correct? 15 A. I believe so, sir. 16 Q. And we all agree that those were things 17 that were not supposed to happen, correct? 18 A. That's correct, sir. 19 Q. You're not supposed to have one fire from 20 escaped hydrocarbons at Texas City, are you, sir? 21 A. We aren't supposed to have any fires 22 period, sir. 23 Q. And, in fact, Texas City was having them 24 with a frequency of more than one a week, were they 25 not?</p>
<p style="text-align: right;">Page 382</p> <p>1 Q. (BY MR. COON) Did you ever consider 2 bringing Bill Ralph into the leadership team? 3 A. As a permanent member? 4 Q. Yes, sir. 5 A. No, sir. 6 Q. As an ad hoc member? 7 A. On -- during safety sessions, yes, sir. 8 Q. Did Mr. Ralph ever express to you 9 concerns over process safety management and the 10 integrity of the Texas City facility? 11 A. As BUL of Texas City from June of '04 to 12 the time of the incident, the only thing Bill 13 expressed to me was the issue around improper or 14 lack of follow-up around process safety closure of 15 action items. 16 Q. Okay. And what was his concern there? 17 A. That there was not enough attention to 18 closing action items that were raised for process 19 safety. 20 Q. Digressing again to this Veba report, 21 there were a number of findings from that 22 consulting organization, wasn't there? 23 A. Yes, sir. 24 Q. One of those expressed key concerns over 25 the frequency of escaped hydrocarbons and fires</p>	<p style="text-align: right;">Page 384</p> <p>1 MR. FERNELIUS: Objection, form. 2 A. I don't know the number, sir. I covered 3 that in the last deposition. I did not know the 4 numbers. 5 Q. (BY MR. COON) Do you recall ever seeing 6 anything indicating that the number coming from the 7 fire department as reported fires was somewhere 8 between 50 and 80 a year? 9 A. This was shared with me in the last 10 deposition through I think Mr. John Eddie. 11 Q. And, in fact, the Veba consultant said 12 that the frequency of fires was so alarming, that 13 there was a projection that unless something was 14 done to specifically and quickly address it, that 15 the Texas City refinery was posed or poised for a 16 potential catastrophic event? 17 A. I think he -- 18 MR. FERNELIUS: Objection, form. 19 A. I think he showed me that quote last 20 time. 21 Q. (BY MR. COON) And based on your own 22 personal knowledge of process safety management, 23 you would tend to agree with that, would you not? 24 A. I'd tend to agree that there were some 25 issues with the infrastructure and piping at the</p>

<p style="text-align: right;">Page 385</p> <p>1 site.</p> <p>2 Q. And you would agree that if you're having</p> <p>3 50 to 80 fires a year, when you're supposed to have</p> <p>4 none, that there is a grave potential for a</p> <p>5 catastrophic event, correct?</p> <p>6 A. There is a potential.</p> <p>7 Q. A grave potential, was there not, sir?</p> <p>8 A. There is a potential.</p> <p>9 Q. A grave potential, was there not, sir?</p> <p>10 A. I will repeat my answer, sir. There is a</p> <p>11 potential.</p> <p>12 Q. Do you understand the difference between</p> <p>13 grave potential and a potential?</p> <p>14 A. Yes, sir.</p> <p>15 Q. You do not agree that there was a grave</p> <p>16 potential for a catastrophic event?</p> <p>17 A. I answered your question, sir. I agreed</p> <p>18 there was a potential.</p> <p>19 Q. Now, the reality is part of the reason</p> <p>20 for all of these fires was because there had been a</p> <p>21 long history of underinvestment in the</p> <p>22 infrastructure at Texas City; is that correct?</p> <p>23 MR. FERNELIUS: Objection, form.</p> <p>24 A. I don't know the reason for it, sir.</p> <p>25 Q. (BY MR. COON) You knew it was --</p>	<p style="text-align: right;">Page 387</p> <p>1 operating equipment at Texas City, correct?</p> <p>2 A. That's how I'd describe it, sir.</p> <p>3 Q. And there were repeated concerns over,</p> <p>4 for instance, corrosion under insulation at the</p> <p>5 Texas City refinery throughout your tenure there,</p> <p>6 was there not?</p> <p>7 A. Yes, sir.</p> <p>8 Q. There were repeated concerns expressed</p> <p>9 regarding thinning pipe at that facility, were</p> <p>10 there not?</p> <p>11 A. Yes, sir.</p> <p>12 Q. There was a constant problem keeping up</p> <p>13 with the proper time frames for items in Traction</p> <p>14 for repair, were there not?</p> <p>15 MR. FERNELIUS: Objection, form.</p> <p>16 A. I'm not aware of it.</p> <p>17 Q. (BY MR. COON) You're not aware of a</p> <p>18 number of items in Traction not being completed in</p> <p>19 a timely fashion?</p> <p>20 A. No, sir.</p> <p>21 Q. Do you recall BP Texas City tracking</p> <p>22 statistically the timing of this -- of Traction</p> <p>23 items?</p> <p>24 A. I recall Traction being the tracking</p> <p>25 program for those items. I'm just not aware of the</p>
<p style="text-align: right;">Page 386</p> <p>1 A. I don't have the history for Texas City</p> <p>2 prior to my arrival.</p> <p>3 Q. Okay. You knew there was a long history</p> <p>4 of underinvestment in the infrastructure at Texas</p> <p>5 City, though, didn't you, sir?</p> <p>6 MR. FERNELIUS: Objection, form.</p> <p>7 A. I'm not sure I knew it. I didn't.</p> <p>8 Q. (BY MR. COON) You did not know?</p> <p>9 A. Well, I mean, I did not have the history</p> <p>10 of Texas City. When I arrived, visually thought</p> <p>11 the infrastructure was under-maintained, but I</p> <p>12 don't know what the history was, how long that was,</p> <p>13 if that was a year, years, decades. I just can't</p> <p>14 quantify the timetable.</p> <p>15 Q. Okay. At some point prior to the fire of</p> <p>16 March 23, 2005, were you ever made aware that this</p> <p>17 underinvestment in the infrastructure had gone back</p> <p>18 to at least the mid '90s?</p> <p>19 MR. FERNELIUS: Objection, form.</p> <p>20 A. There was underinvestment started in the</p> <p>21 mid '90's. Whether it was all related to piping or</p> <p>22 not, I just don't know for sure.</p> <p>23 Q. (BY MR. COON) And by underinvestment in</p> <p>24 the infrastructure, we're talking about a lack of</p> <p>25 proper maintenance of the piping vessels and other</p>	<p style="text-align: right;">Page 388</p> <p>1 numbers. There was a tracking system there.</p> <p>2 Q. Once you saw the Veba report and were</p> <p>3 specifically put on notice that there were many,</p> <p>4 many fires occurring all over this facility on a</p> <p>5 regular basis, setting Texas City up for a</p> <p>6 potential major event, what action did you take to</p> <p>7 address it?</p> <p>8 MR. FERNELIUS: Objection, form.</p> <p>9 A. Well, two is -- one is I put Pat King,</p> <p>10 head of transformation, to go in and start</p> <p>11 addressing the infrastructure program. Okay. I</p> <p>12 called transformation. That was when I also</p> <p>13 started to set up what was called two programs.</p> <p>14 One is "PIP," Piping Improvement Project, and</p> <p>15 "SHIFT," South Houston Infrastructure For Tomorrow.</p> <p>16 And that was to systemically go through piping,</p> <p>17 strip it and affect it, repair it, code it,</p> <p>18 re-insulate it, raze it if necessary. It was going</p> <p>19 on in a systematic approach across the site.</p> <p>20 Q. (BY MR. COON) Was any effort made at</p> <p>21 that time to attempt to identify any remaining open</p> <p>22 release systems still being utilized at the</p> <p>23 facility --</p> <p>24 A. I'm not --</p> <p>25 Q. -- such as blowdown drums?</p>

12 (Pages 385 to 388)

<p style="text-align: right;">Page 389</p> <p>1 A. I'm not aware if there was, sir.</p> <p>2 Q. When were you first made aware that that</p> <p>3 facility had blowdown drums still in use?</p> <p>4 A. Exact date, I can't answer. I mean,</p> <p>5 there -- you can visually see them. I can't give</p> <p>6 you an exact date when I would have made myself</p> <p>7 aware of it.</p> <p>8 Q. Okay. Would it be fair to state that you</p> <p>9 would have been able to observe those within the</p> <p>10 first weeks or months of your arrival at BP Texas</p> <p>11 City, knowing what they looked like?</p> <p>12 A. Yes, sir.</p> <p>13 Q. I mean, you did go out in the field and</p> <p>14 look at the different units --</p> <p>15 A. Yes, sir.</p> <p>16 Q. -- and meet some people, things like</p> <p>17 that, right?</p> <p>18 A. Yes, sir.</p> <p>19 Q. And you were able to casually observe the</p> <p>20 appearances of the infrastructure, and that is that</p> <p>21 there was a lot of rust out there and things just</p> <p>22 didn't look like they were well-maintained, right?</p> <p>23 A. That is very accurate.</p> <p>24 Q. And the reality was, when you had people</p> <p>25 go out and actually look at that equipment and</p>	<p style="text-align: right;">Page 391</p> <p>1 was Mike Hoffman and Andrew McKenzie. Okay. As a</p> <p>2 result of that, two things happened: One is Rick</p> <p>3 Hale came on board, and Rick was to own these</p> <p>4 improvements, being the on-site BUL. Two was the</p> <p>5 transformation organization was put in place to be</p> <p>6 the catalyst to help make this happen. And three</p> <p>7 is funding was set aside to start the process.</p> <p>8 Q. (BY MR. COON) Was there any</p> <p>9 consideration by anybody at any of those meetings,</p> <p>10 after the Veba report and after the awareness of</p> <p>11 the fires, to even consider shutting down some or</p> <p>12 all of the units and have a more thorough</p> <p>13 inspection to determine whether or not any of them</p> <p>14 should remain shut down until complete overhaul of</p> <p>15 those units had been done?</p> <p>16 A. No, sir. Again, this was not the units.</p> <p>17 The units were coming down and getting inspection.</p> <p>18 This was the infrastructure that actually connects</p> <p>19 the units, just to clarify the infrastructure.</p> <p>20 Q. Was anything memorialized with</p> <p>21 Mr. Hoffman expressing any concerns that you had as</p> <p>22 a result of your review of the Veba report?</p> <p>23 A. I don't recall any.</p> <p>24 Q. Okay. After this report, did you go back</p> <p>25 and have either the Veba group or Mr. Kearney's</p>
<p style="text-align: right;">Page 390</p> <p>1 inspect the equipment, they would confirm that it</p> <p>2 was not only a surface rust, but there were many</p> <p>3 times significant infrastructure problems with the</p> <p>4 equipment, correct?</p> <p>5 A. Mainly around CUI, or corrosion under</p> <p>6 insulation.</p> <p>7 Q. And fair to state that this was all due</p> <p>8 to long-term underinvestment in the infrastructure</p> <p>9 at that facility?</p> <p>10 MR. FERNELIUS: Objection, form.</p> <p>11 Q. (BY MR. COON) I mean, that's why it rust</p> <p>12 out and had not been replaced?</p> <p>13 A. No.</p> <p>14 MR. FERNELIUS: Objection, form.</p> <p>15 A. I'd say it's very due of not maintaining</p> <p>16 the piping properly.</p> <p>17 Q. (BY MR. COON) Now, once you realized</p> <p>18 that this place was a rust bucket, did you go back</p> <p>19 to management in London and say, "We got a major</p> <p>20 problem here. We ought to shut things down or do</p> <p>21 something drastic to fix it"?</p> <p>22 MR. FERNELIUS: Objection, form.</p> <p>23 A. The Veba report was shared with London.</p> <p>24 Okay. In fact, that Veba report was shared with</p> <p>25 the board I report to, which would be at that time</p>	<p style="text-align: right;">Page 392</p> <p>1 group come out as a follow-up the next year or two</p> <p>2 years later to see how much, if any, of the</p> <p>3 problems that had been identified before had been</p> <p>4 rectified?</p> <p>5 A. No, sir. I'm not sure that group existed</p> <p>6 a year later.</p> <p>7 Q. Was there any consideration to getting</p> <p>8 the consultant company to come back up and</p> <p>9 follow-up, to see how many, if any, of the problems</p> <p>10 they identified were being properly addressed?</p> <p>11 A. No, sir. I left that to Rick and Pat.</p> <p>12 Q. There is another consulting company that</p> <p>13 arrived on this scene, the Case group, Marie Case?</p> <p>14 A. I really was not arrived -- I did not</p> <p>15 hire Marie Case. Marie Case worked for Mike</p> <p>16 Hoffman.</p> <p>17 Q. Okay. So Ms. Case reported directly to</p> <p>18 Mr. Hoffman?</p> <p>19 A. The contract was with Mike. I wouldn't</p> <p>20 say "reporting relationship." Marie is an outside</p> <p>21 consultant.</p> <p>22 Q. Okay. Well, I don't understand too much</p> <p>23 about what she did out there and who hired her, so</p> <p>24 can you explain what you know about that</p> <p>25 relationship, please, sir?</p>

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1 A. I'm not sure I can add a lot to that.
 2 Mike hired Marie Case and three of -- three of her
 3 associates to provide what I'd say leadership
 4 management training to Mike's direct reports.
 5 Q. And this was done out at BP Texas City?
 6 A. No, sir. It was done out of London.
 7 Q. Did Ms. Case do any work at Texas City?
 8 A. The four associates then were assigned.
 9 Each had a number of BULs that they were
 10 responsible for. I being -- Marie being my
 11 assignment. So Marie was my assignment from that
 12 standpoint. I did not hire or use Marie Case at
 13 Texas City.
 14 Q. Okay. Well, what was your understanding
 15 as to why she was out at your facility?
 16 A. For my --
 17 Q. I say "her," her and her group.
 18 A. For my development, my training.
 19 Q. What did you need training in?
 20 A. Management leadership, I assume, is what
 21 Mike hired her for. I mean, that's a question you
 22 need to take up with Mike.
 23 Q. So you don't know why Mike hired her to
 24 train you?
 25 A. Mike hired her to train all of his direct

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1 reports, not just me.
 2 Q. And you do not understand what it was she
 3 was to train you in?
 4 A. Leadership management.
 5 Q. I mean, did you have meetings? Did she
 6 sit --
 7 A. There were --
 8 Q. -- at a desk by you and watch what you
 9 did every day? I mean, how --
 10 A. No. Most of the sessions with her were
 11 with a group when all the BULs met. Once in a
 12 while, she'd come out and we would chat,
 13 one-on-one, but it was always done in a group
 14 session with Mike and all his direct reports, all
 15 the BULs, worldwide.
 16 Q. Okay. Well, you were in attendance, I
 17 take it, at these meetings, were you not?
 18 A. In the time period that I was BUL, yes.
 19 Q. Which would be summer of '04 until summer
 20 of '05?
 21 A. Correct.
 22 Q. Was she out there working with the BULs
 23 before you became the business unit leader?
 24 A. Yes, sir. She worked with Rick Hale, I
 25 believe.

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1 Q. And you were not privy to what was going
 2 on between her and the business unit leaders until
 3 the summer of '04?
 4 A. Well, I wasn't privy even after the
 5 summer of '04. I mean, her conversations were
 6 Rick -- between Rick and her. Her conversations
 7 with me were between her and I. So this was
 8 one-on-one, done at the site.
 9 Q. Okay. So you did not have any dealings
 10 with the MCase Consulting Group, or Marie Case,
 11 until after June '04?
 12 A. I had more dealings with them. I had
 13 some prior to that time period because I was still
 14 tagged to Mike Hoffman at the time period. So
 15 Marie and I did talk.
 16 Q. Well, I'm confused now why did you talk
 17 to her before you were a business unit leader, if
 18 all of her involvement was just for the business
 19 unit leaders?
 20 A. Because I still reported to Mike. This
 21 was for all of Mike's direct reports, including
 22 Mike's regional vice presidents.
 23 Q. What was she trying to train you on some
 24 issues, or was she just a conduit to Mr. Hoffman or
 25 what?

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1 A. I don't know, sir. I mean, it's -- I'm
 2 not sure I fully understand her purpose.
 3 Q. Okay. So she --
 4 A. Mike hired her as what I would describe
 5 as his third-party coach and consultant. What her
 6 role was, what her purpose was I think is best
 7 answered by Mike.
 8 Q. Well, I mean, it sounds like she's just
 9 out there to spy on you and report back to
 10 Mr. Hoffman.
 11 MR. FERNELIUS: Objection to the
 12 form of the question.
 13 A. I don't know, sir.
 14 Q. (BY MR. COON) Did she ever ask you any
 15 questions?
 16 A. Sometimes.
 17 Q. Like what?
 18 A. Perspective on the business, perspective
 19 on the organizations.
 20 Q. Did she ever ask you to provide any memos
 21 or executive summaries of anything that was going
 22 on out there or to be briefed on certain issues?
 23 A. No, sir, not that I recall.
 24 Q. Did she have an office?
 25 A. Not that I'm aware of.

14 (Pages 393 to 396)

1 Q. Did you ever ask Mr. Hoffman, "What the
2 heck is this lady following me around out here all
3 the time for?"

4 A. No, sir.

5 Q. Was there anybody else that Mr. Hoffman
6 sent out there to follow you around that you never
7 had any idea what they were doing?

8 MR. FERNELIUS: Objection, form.

9 A. I wouldn't characterize that she followed
10 me around. I had several sessions with her in my
11 office. I wouldn't characterize that as following
12 me around.

13 Q. (BY MR. COON) Was there anybody else
14 that was assigned to the Texas City facility by
15 Mr. Hoffman?

16 A. Not that I'm aware of.

17 Q. Was anybody else out there that did
18 things that you didn't know what their
19 responsibilities were or why they were there?

20 A. No, sir.

21 Q. Just Ms. Case?

22 A. Yeah, because she was not working for me,
23 nor hired for me, or under contract for me. I
24 didn't even pay for her services. They were paid
25 for by Mike.

1 Q. Okay. Now, it's my understanding that
2 Mr. and Mrs. Gioja did consulting work for
3 Ms. Case. Do you know anything about that
4 relationship?

5 A. I believe they did work for Ms. Case as
6 well, but I hired Linda directly for South Houston.

7 Q. And how was it that you came to know
8 Ms. Gioja?

9 A. Through Marie Case. I asked Marie for a
10 list of recommendations, because I wanted to help
11 integrate the sites and work on moving sites to a
12 -- more of a one overall organization, who would be
13 her recommendation to help in that process. I
14 asked her.

15 Q. Okay.

16 A. And she recommended Linda Gioja.

17 Q. Why did you think Ms. Case would be a
18 good advisor to tell you who to retain as a
19 consultant to help you do this?

20 A. Just one of the people I asked. I asked
21 others as well. JMW was another consultant I asked
22 for a proposal on. I had dealt with them in the
23 past. I kind of went and asked consultants that I
24 dealt with before as to who they would recommend.
25 I had several come in.

1 Q. Okay. And she recommended Ms. Gioja?

2 A. That's correct.

3 Q. Did you understand Ms. Gioja was already
4 on her payroll?

5 A. I'm not sure I fully understood the whole
6 ramifications of that. I knew she had a
7 relationship with Marie Case.

8 Q. And Ms. Gioja had already been out there
9 doing some other work on behalf of Ms. Case?

10 A. I'm not aware of that.

11 Q. When do you recall retaining Ms. Gioja?

12 A. Sometime in the '03 time period.

13 Q. Okay. And what was the nature of the
14 services contract?

15 A. Well, it really was the genesis of
16 setting up the BUL goals and the 1000 day goals for
17 the sites.

18 Q. Okay. We've read a little bit about your
19 BUL goals program and the 1000 days. Whose idea
20 was that?

21 A. It came up as a result of the sessions we
22 had with Linda, myself, and my direct reports from
23 the five sites.

24 Q. What type of communications with London
25 did you have with regard to implementing a BUL

1 goals or 1000 day program at Texas City?

2 A. I mean, several. Every time there was a
3 visit, that was covered. I mean, the BUL goals
4 actually came from work done by Jim Collins is who
5 I would describe as really the owner of a similar
6 process. We modified it. I mean, Jim Collins
7 wrote the book, "Good to Great."

8 One thing in there is he used
9 different terminology. We did BUL goals and 1000
10 day goals was kind of our take on his work. But
11 anybody who visited the site, once we developed it,
12 we shared it. In fact, we shared it with the
13 board, Andrew and Mike, before we started the
14 1000-day clock.

15 Q. Okay. Mr. Collins was just an author of
16 a business book called "Good to Great."

17 A. Yes, sir.

18 Q. And it talks about high reliability
19 organizations?

20 A. It talks about ten companies that he
21 thought that were good that went to greatness. One
22 of the things they had was something very similar
23 to BUL goals.

24 Q. And part of it entails what's known as
25 "just cause"?

<p style="text-align: right;">Page 401</p> <p>1 MR. FERNELIUS: Object to the 2 form. 3 A. That's a different issue. 4 Q. (BY MR. COON) How do you know about 5 "just cause"? 6 A. "Just cause" was something we implemented 7 as a result of the fatalities -- fatality in May. 8 It's a process to help supervisors with the 9 decision tree, in making decisions as to what 10 appropriate action needed to be taking place. It 11 is a decision tree diagram called "just cause." 12 Q. How does that apply with "just culture"? 13 A. They're both -- I would -- I use those 14 terms the same. When you say "just cause" or "just 15 culture," I put that in the same -- same decision 16 tree process. 17 Q. Okay. It's fair to state that this is a 18 type of attitude engaged by an employer where it's 19 just what it says, that the culture there is just 20 to the people that work there, that it is fair; 21 there is a sense of equity and fairness. 22 A. I would agree with that. 23 Q. What kind of work did Ms. Gioja do for 24 you over the next year? 25 A. With her, we landed the concepts of BUL</p>	<p style="text-align: right;">Page 403</p> <p>1 that was the best. And the thinking was that if 2 one site can do it, being an integrated site, we 3 should be able to move all sites to that point in 4 1000 days. 5 Q. And with respect to this implementation, 6 when, if ever, were you made aware that BP Texas 7 City suffered from some safety culture problems? 8 A. My biggest insight on safety culture was 9 the Telos Report, the output of the Telos Report. 10 Q. Did you have any basic understanding of 11 potential safety culture problems that pre-existed 12 the Telos Report at Texas City? 13 A. The fatalities in September, as I stated 14 before, given you had 200 years of experience 15 looking at a job and no one recognized the risk, 16 was probably my biggest flag to what -- there was a 17 safety culture issue around risk tolerance in 18 September of '04. 19 Q. And as I understand as a result of those 20 last fatalities in 2004, you pretty much said, 21 "Enough's enough. We need to have a much broader 22 scale survey done to get a better read on what's 23 really going on out here." Fair statement? 24 A. I wanted to read from an outside 25 perspective.</p>
<p style="text-align: right;">Page 402</p> <p>1 goals. We landed the concepts of the 1000 day 2 goals, the five areas that we were going to look 3 through, the parameters that were going to be used 4 for the 1000 day goals that we were going to move 5 towards, and then we started to work on putting in 6 place what some of the things needed to be done as 7 a result of this. This led to, you know, for 8 example, the shift directors being put in place, 9 the AARs I referred to before, After Action Reviews 10 being put in place. So some of the things that 11 needed to help move the site to the goals that were 12 listed in the 1000 days. 13 Q. And what were the identified deficiencies 14 at BP Texas City to justify this type of action? 15 A. We looked through five lenses. There 16 were five lenses around the integration of the 17 site. One is to move it forward on safety; move it 18 forward on environmental; to move it forward on 19 availability; move it forward on people; and to 20 move it forward on what I'd say efficient services, 21 i.e., third-party spend, all things associated with 22 a way to leverage the five sites more efficiently. 23 So there were five lens looked 24 through. These were the areas. And then we picked 25 the 1000 day goal. Genesis was to pick the site</p>	<p style="text-align: right;">Page 404</p> <p>1 Q. And this is when you expanded the roles 2 of Ms. Gioja to include doing this outside surveyor 3 audit of impressions and understandings amongst the 4 work force at Texas City? 5 A. I actually hired her husband, Geoffrey 6 Gioja, to do those. He was head of JMJ Company, 7 which had done -- which was known for safety 8 culture and safety behaviors. I hired Geoffrey. 9 Geoffrey then used Linda and another gentleman, and 10 his name escapes me, to help him do this. But the 11 actual contract and discussions were with Geoffrey, 12 her husband. 13 Q. Would it be Randy Walker? 14 A. It sounds familiar. Okay? There were 15 three gentlemen -- there were three individuals 16 used in the Telos study. 17 Q. Okay. And you understood that JMJ, of 18 which Mr. Gioja had been an owner or co-owner, had 19 a good reputation in your field for being able to 20 go out and assess these types of problems and 21 provide comprehensive and accurate reporting? 22 A. I thought his background in safety 23 behavioral culture, coupled with Linda's knowledge 24 of how the organization operates, would give that a 25 fair advantage over a complete different</p>

1 consultant.
 2 Q. We will --
 3 A. T. Dinley Strong was another one that Pat
 4 had recommended we consider, to come in and do
 5 this. Pat had worked with T. Dinley. I had worked
 6 with the Giojas, and I had gotten approval from Pat
 7 to bring in Telos to do this study.
 8 Q. We will talk more about the Telos study
 9 after the break.
 10 A. Okay.
 11 THE VIDEOGRAPHER: Off the record
 12 at 2:12 p.m., ending Tape 1.
 13 (Recess taken.)
 14 THE VIDEOGRAPHER: On the record
 15 at 2:30 p.m., beginning Tape 2.
 16 Q. (BY MR. COON) Mr. Parus, when we broke
 17 we were about to talk more about the Telos Group
 18 and the work that they did for you and BP in the
 19 Fall of 2004 and Spring of 2005. Before we do
 20 that, I wonder -- there's a couple of housekeeping
 21 matters I meant to ask you earlier.
 22 And when we took your deposition
 23 last time, you told us you were still on leave of
 24 absence --
 25 A. That's correct.

1 Q. -- with BP, and that was pursuant to
 2 specific letters that had times and dates?
 3 A. Correct.
 4 Q. And that at that time it was going to
 5 expire I thought like June 30?
 6 A. That is also correct.
 7 Q. And we have understood from Mr. Pillari
 8 subsequently in his testimony that that -- a letter
 9 was sent to you extending your leave of absence.
 10 Do you know anything about that?
 11 A. I received a letter on June 30th at my
 12 home.
 13 Q. And what does that letter say?
 14 A. It basically states really three things:
 15 One is that nothing with my status has changed.
 16 Two is I will remain on leave now indefinitely, so
 17 that there is no dates on it. The word
 18 "indefinite" was in the letter. And the third is
 19 with his changing role, which he did not elaborate,
 20 but his changing role is I will now be reporting to
 21 Bob Malone, who I believe replaced Ross in some
 22 capacity.
 23 Q. Are you starting to feel like a hot
 24 potato?
 25 MR. FERNELIUS: Objection, form.

1 A. This will be my third new direct report
 2 in 14 months.
 3 Q. (BY MR. COON) So is that a "yes" or
 4 "no"?
 5 MR. FERNELIUS: Objection, form.
 6 A. I never would characterize it as a hot
 7 potato.
 8 Q. (BY MR. COON) Our recollection was that
 9 Mr. Gower had a responsibility to communicate to
 10 you as the official representative at BP, until the
 11 recent past, when it went to Mr. Pillari; is that
 12 correct?
 13 A. That's correct. It changed on
 14 February 10th.
 15 Q. And we talked very briefly about this at
 16 the last deposition, but you did not have an
 17 understanding from Mr. Gower or anyone else at that
 18 time as to why there was a transition of
 19 responsibility from Mr. Gower to Mr. Pillari as it
 20 related to you in your continued leave of absence;
 21 is that correct?
 22 A. No, sir. The last conversation I had
 23 with Pat was several days after the letter was
 24 issued, and Pat basically told me he was told this
 25 was going to be and he said, "I don't have any

1 information. I'm not the decision maker. I really
 2 can't help you. If you want to maintain a social
 3 contact, that's fine, but I'm really not able to
 4 answer any of your questions," and that's the last
 5 conversation I have had with Pat.
 6 Q. Mr. Gower has given us a deposition as
 7 well, and he has testified that due to a new
 8 investigation in-house by BP that involved him,
 9 yourself, Ms. Lucas, and Mr. Willis that he was
 10 aware of, that it was advised to him that he would
 11 lose his ability to have an oversight role of you.
 12 I don't -- my recollection is you didn't know
 13 anything about that?
 14 MR. FERNELIUS: I'm going to
 15 object to the form of that question. Go ahead and
 16 answer it.
 17 A. Pat never shared with me anything about a
 18 report. In fact, no one from BP has. I found more
 19 about the report in my deposition from you.
 20 Q. (BY MR. COON) And to this date, you
 21 still haven't heard anything else about that issue,
 22 even though you've received renewed correspondence
 23 from BP that your leave of absence has been
 24 extended?
 25 A. I received no information on this report.

1 Q. Have you made any effort to contact your
2 new -- what do you call this person that watches
3 over you? Surely not a baby-sitter. I'm assuming
4 there is something a little more professional than
5 that?

6 A. I'll call him Bob Malone. All right?
7 I'll just stick to his name. I have made no
8 contact with Bob, and have not attempted to make
9 any contact with him.

10 Q. What is Mr. Malone to you, in terms of a
11 monitor?

12 MR. FERNELIUS: Object to the
13 form.

14 A. I'm not sure I understand your question
15 fully.

16 Q. (BY MR. COON) Okay. Well, you report to
17 Mr. Malone now.

18 A. As it was put in the Ross letter, and
19 carried over in this letter, Bob then becomes my --
20 as I would describe it, as my conduit or communique
21 back, if I chose to use that path.

22 Q. Okay. We'll just call him your conduit
23 then.

24 A. Okay.

25 Q. So any communications that you were to

1 have, officially, as a personal leave of absence at
2 BP, is supposed to go through Mr. Malone now as the
3 conduit for BP?

4 A. I would agree with that assessment.

5 Q. And this is a change from the way it was
6 until the very recent past, at which time
7 Mr. Pillari was your assigned conduit to
8 communicate officially to BP?

9 A. That is correct.

10 Q. Do you have a representative to help
11 facilitate any communications on your behalf to BP?

12 A. No, sir.

13 Q. We touched on this very briefly. And
14 again, I'm jumping around a little bit and I
15 apologize for that. But we touched on this briefly
16 at the last deposition, but my recollection was
17 that about the same time that you received a
18 message from BP representatives that you were going
19 to be put on leave of absence, that you had a
20 representative that discussed some terms and
21 conditions associated with that leave of absence;
22 is that correct?

23 A. Can you make sure the dates and times are
24 clear for me, sir?

25 Q. This would have been May of '05.

1 A. Okay. Make sure -- I wanted to make sure
2 the period is there. So go back and re-ask your
3 question around the May time period.

4 Q. Yes, sir. Around that time -- this is
5 when you went to Chicago and you had already been
6 given a heads-up, I believe, by Mr. Hoffman, that
7 you were going to put on a leave of absence. Do
8 you remember that?

9 A. Yes, sir.

10 Q. And shortly thereafter you went to
11 Chicago and talked to Mr. Gower.

12 A. Mr. Gower and Mr. Drysdale was in the
13 room, sir.

14 Q. And Mr. Drysdale. And it was confirmed
15 that you were going to be officially put on a leave
16 of absence.

17 A. Yes, sir.

18 Q. And did you have any expressed concerns
19 with them at the time that they advised you that
20 there was going to be a leave of absence?

21 A. I had asked a series of questions in that
22 meeting, which were then followed up to me with a
23 letter from, I believe, Simon Drysdale some days
24 after the official leave.

25 Q. And at this meeting, did they have any

1 kind of formal letter to give to you or anything
2 for you to sign acknowledging any terms or
3 conditions of your leave of absence?

4 A. They handed me a letter. I don't recall
5 signing anything. They handed me a letter to place
6 me on leave. And then following my questions, I
7 received a subsequent e-mail from Simon with the
8 answers to my questions. I don't recall signing
9 any documents.

10 Q. And what were the kinds of questions or
11 concerns you had with him at the time that resulted
12 in follow-up correspondence?

13 A. Just clarification of my restrictions.
14 For example, you know, I'm not allowed to seek
15 employment somewhere. I'm not allowed to consult.
16 I can go back to school if so desired. I can teach
17 part-time. I can volunteer. These were some of
18 the things that were in the letter.

19 Q. Okay. But one of the terms of your leave
20 of absence is that you cannot seek and obtain other
21 work?

22 A. While on the payroll, correct, outside of
23 BP.

24 Q. Okay. I take it that you have the
25 ability to officially resign and seek other

<p style="text-align: right;">Page 413</p> <p>1 employment?</p> <p>2 A. Yes, sir, I have that ability.</p> <p>3 Q. Have you considered doing so?</p> <p>4 A. Not at this time.</p> <p>5 Q. Is there anything that is jeopardized by</p> <p>6 officially resigning, other than losing your</p> <p>7 continued pay? I mean, does it jeopardize pensions</p> <p>8 or any other things that would otherwise vest?</p> <p>9 A. I'm retirement eligible, so it does not</p> <p>10 jeopardize that.</p> <p>11 Q. I'm sorry?</p> <p>12 A. I am retirement eligible, so it does not</p> <p>13 jeopardize that.</p> <p>14 Q. Have you been promised any other</p> <p>15 incentives for cooperation in this leave of</p> <p>16 absence?</p> <p>17 A. No, sir.</p> <p>18 Q. Have you been promised, expressly or</p> <p>19 implicitly, a return to some gainful activities on</p> <p>20 behalf of BP at some point in time in the future?</p> <p>21 A. No, sir.</p> <p>22 Q. Have you basically given up hope of</p> <p>23 actually returning to a gainful role at BP?</p> <p>24 A. I don't -- I wouldn't say I have given up</p> <p>25 hope. I'd say it's not very highly likely.</p>	<p style="text-align: right;">Page 415</p> <p>1 juncture?</p> <p>2 A. No, sir, I have not.</p> <p>3 Q. Did you receive the full complement of</p> <p>4 benefits last year, that being the full year for</p> <p>5 2005?</p> <p>6 A. Yes, sir.</p> <p>7 Q. Would that include the bonuses that you</p> <p>8 would have otherwise routinely have been eligible</p> <p>9 for under the VPP plan?</p> <p>10 A. Yes, sir, in a fixed number.</p> <p>11 Q. By "fixed number," do you mean there was</p> <p>12 a pre-ordained number that was going to be your VPP</p> <p>13 payment for the year?</p> <p>14 A. Yes, sir. It was in the Simon Drysdale</p> <p>15 letter.</p> <p>16 Q. So instead of you getting a variable</p> <p>17 payment -- as a matter of fact, what does "VPP"</p> <p>18 mean?</p> <p>19 A. Variable pay program.</p> <p>20 Q. Okay. So you didn't get a variable in</p> <p>21 your variable payment program; you got a specific</p> <p>22 payment?</p> <p>23 A. Yes, sir.</p> <p>24 Q. And were you able to calculate if that</p> <p>25 was more or less than you would have received had</p>
<p style="text-align: right;">Page 414</p> <p>1 Q. Have you given consideration to doing</p> <p>2 something else with the rest of your career?</p> <p>3 A. I've thought about it.</p> <p>4 Q. What kind of thoughts have you given to</p> <p>5 some other career? Are you looking at going back</p> <p>6 and working in this industry or teaching or trying</p> <p>7 to get an executive role somewhere?</p> <p>8 A. All of the above.</p> <p>9 Q. Have you --</p> <p>10 A. I haven't nailed down my strategy at this</p> <p>11 point in time.</p> <p>12 Q. Have you sought employment elsewhere?</p> <p>13 Sent out any resumes seeking employment</p> <p>14 specifically with any company?</p> <p>15 A. No, sir.</p> <p>16 Q. Have you talked to executives in any</p> <p>17 other industry, or even within your industry with</p> <p>18 respect to potential for employment?</p> <p>19 A. No, sir.</p> <p>20 Q. The leave of absence that was extended to</p> <p>21 you recently, does it continue to confer upon you</p> <p>22 your full benefits, inclusive of any bonuses?</p> <p>23 A. Not clear.</p> <p>24 Q. Have you sought clarification of what</p> <p>25 compensation package you're entitled to at this</p>	<p style="text-align: right;">Page 416</p> <p>1 you still been the BUL at Texas City throughout</p> <p>2 2005?</p> <p>3 A. I did not do the calculations.</p> <p>4 Q. Do you have any reason to believe it was</p> <p>5 higher or lower than what you would have received</p> <p>6 had you remained in your BUL position at Texas</p> <p>7 City?</p> <p>8 A. It would have to be a function of how the</p> <p>9 business unit did.</p> <p>10 Q. Okay. Let's go back to the Telos Report,</p> <p>11 or at least the work that was undertaken to get to</p> <p>12 what we call the "Telos Report."</p> <p>13 You retained Mr. Gioja in the late</p> <p>14 Summer of 2004?</p> <p>15 A. It was following the fatalities in</p> <p>16 September.</p> <p>17 Q. Okay. Do you recall consulting with them</p> <p>18 in any capacity before the September tragedies?</p> <p>19 A. Possibly. I just know for sure it was</p> <p>20 following the September fatalities that there was</p> <p>21 definitely contact and conversation.</p> <p>22 (Exhibit Number 561 marked for</p> <p>23 identification.)</p> <p>24 Q. (BY MR. COON) I'm going to show you</p> <p>25 what's marked as Exhibit 561. This is a letter to</p>

1 you from the Telos Group dated August 19, 2004,
2 which is a date I think we can all agree precedes
3 the September fatalities.

4 Do you recall receiving that
5 correspondence?

6 A. I need to read it a little bit, sir.

7 Q. Sure.

8 A. I vaguely remember it, sir.

9 Q. Okay. Fair to say that's a letter
10 that's, more or less, a proffer of services?

11 A. Yes, sir. That's how I'd describe it as
12 well.

13 Q. And at some point that was accepted, I
14 take it, in some capacity?

15 A. I don't recall signing this letter. I
16 think it was revised, accepted. I might have. I
17 just don't recall signing it. I just, again,
18 remember, following the fatalities, enlisting
19 Telos. Now, whether I executed this letter or a
20 different one, I just don't know.

21 Q. Okay. Do you know what it was that was
22 triggering your desire to discuss one of these
23 surveys prior to the fatalities in September?

24 A. No, sir.

25 Q. You look confused, but that letter is

1 dated August.

2 A. Yeah, but I'm looking at --

3 Q. It's a letter that --

4 A. I'm looking at where it's talking about
5 doing a safety culture survey in here. That
6 point's not clear to me in this letter.

7 It's kind of a general letter. It
8 doesn't really identify doing what I consider a
9 safety culture survey as was contracted with them.

10 Q. I would agree with you, sir. It's just
11 my understanding you contacted the Telos Group,
12 specifically Geoffrey Gioja, as a result of the
13 September --

14 A. Yes, sir.

15 Q. -- tragedies, and I have correspondence
16 to you --

17 A. I'm not denying that.

18 Q. -- pre-dating that.

19 A. I'm just -- my point to you was this
20 letter, August 19th, does not answer your question,
21 indicate desire for a survey to be done pre the
22 September fatalities.

23 Q. Okay. Well, can you enlighten us when it
24 was that you first contacted the Telos Group?

25 A. Sometime post the accident.

1 Q. Then why do we have a letter from that
2 group preceding that accident?

3 A. The roles were changed -- as I interpret
4 this letter, okay, they want to continue to work
5 for me at Texas City, recognizing my role was
6 changing from director of South Houston to BUL of
7 refinery. I view that letter as providing me the
8 opportunity they want to continue to work with me
9 in my new role. That's how I interpret this
10 letter.

11 Q. Okay. Well, maybe you can clarify some
12 things in this. Were you already utilizing Telos
13 for some other things at the facility prior to the
14 September tragedies?

15 A. Yes, sir.

16 Q. All right.

17 A. I was using Linda and company to do some
18 work for us. That's correct.

19 Q. Okay. But Linda was with MCase Company,
20 was she not?

21 A. Not at that time, I don't believe. There
22 was a separation from MCase at some period of time.
23 I didn't get involved in the details of it. So I
24 can't really tell you when Telos became an entity
25 and when they separated from Marie Case.

1 Q. Okay. Well, now, we've got some gaps.
2 So let's try to --

3 A. Okay.

4 Q. -- fill them in if we can. You have
5 Marie Case, who's sent out there by Mr. Hoffman for
6 reasons somewhat unknown to you, correct?

7 A. That's correct.

8 Q. And she retains Linda Gioja to work with
9 her, and at some point Geoffrey Gioja to work for
10 MCase. Are you aware of that?

11 A. There was a relationship. I was unaware
12 of the contracts, but there was a relationship.

13 Q. And all of that would have preceded the
14 September '04 tragedy?

15 A. Yes, sir.

16 Q. And at some point after Marie Case
17 retained those two individuals to assist in
18 whatever work she was doing, you were put in direct
19 contact with one or both of the Giojas to do
20 something. I'm just trying to figure out what it
21 was.

22 A. In '03, I was put in contact, through
23 Marie, with Linda Gioja.

24 Q. Okay.

25 A. It was through Linda then that I met her

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1 husband, Geoffrey, on the safety side of this. At
2 some point in time Marie no longer worked for Mike,
3 and there was a separation of the Giojas from Marie
4 Case.

5 Q. So you were at some point made aware of
6 the fact that Mr. Hoffman no longer felt he needed
7 to have Ms. Case on the premises or meeting with
8 you?

9 A. Pat Gower told me that.

10 Q. Mr. Gower told you?

11 A. Yes, sir.

12 Q. And somewhere along the line, Ms. Case
13 had picked up Ms. Gioja to do some work of some
14 sort?

15 A. I don't know, sir.

16 Q. How was it that you met with Ms. Gioja
17 then? I'm just trying to understand this whole
18 relationship.

19 A. Marie provided the name, Linda. I also
20 read a book that Linda co-authored, and that's how
21 I got to know Linda and then set up a session and
22 interview with her and then did my work directly
23 with Linda.

24 Q. And what work were you doing with Linda?

25 A. This was the work around substantiating

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1 the BUL goals, the 1000 day goals, putting all of
2 that in place.

3 Q. Okay. So you were working with Linda
4 Gioja, assisting you in facilitating some of the
5 programs under the BUL goals and 1000-day program?

6 A. That is correct.

7 Q. And at what point during that work that
8 had transcended into the Telos Group and retaining
9 her husband to work on the project in the Fall of
10 2004, the survey?

11 A. It evolved -- but, again, the trigger in
12 my mind was the fatalities in September, the
13 trigger-bringer. She had used her husband with
14 implementing some of the things, but I worked
15 directly with Geoffrey following September.

16 Q. Now, the work that you utilized Linda for
17 on this BUL goals, was that on behalf of the Telos
18 Group or was that still under Case, or do you know?

19 A. Unclear to me. I just -- unclear at what
20 point in time when Linda evolved from working for
21 Marie to working for Telos. It's just not clear in
22 my mind. It really didn't affect my relationship
23 with her.

24 Q. Okay. Do you recall anything about where
25 the bills went? Now, I'm assuming at some point

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1 Mr. Hoffman wasn't picking up the tab for Case
2 Consulting anymore, was he?

3 A. No, but I paid the bills. But as far as
4 the contract, all I did was okay the hours. The
5 actual bill payment, I just did not get involved
6 in.

7 Q. Do you recall any pressure at some point
8 from London or inquiries regarding the continued
9 utilization of consultants to assist you in
10 achieving any of these goals?

11 A. Make sure I understand your question,
12 sir.

13 Q. Yes, sir. Do you recall at some point in
14 2003 or 2004 any questions or pressure from London
15 regarding the continued utilization of these
16 consultants in assisting you on this 1000 day goals
17 and BUL goals program?

18 A. I recall a question being asked of me as
19 to what management consultants I was using.

20 Q. Was there any concern expressed by London
21 or a request to trim down the utilization of
22 outside consultants?

23 A. I don't believe so, sir. I wasn't using
24 them very much at the time the question was asked.

25 Q. After the September tragedies you made a

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1 decision to expand the scope of what was going on
2 out there from a safety culture standpoint to
3 specifically send out a blanket survey to all of
4 your employees; is that correct?

5 A. I made -- after the fatalities, contacted
6 Geoffrey and outlined what it would take to do a
7 safety culture assessment.

8 Q. And you knew there were significant gaps
9 in the safety culture at BP Texas City?

10 A. As I said, I suspected some issues around
11 risk tolerance following the September incident.

12 Q. That basically the perplexing issue of
13 the Texas City culture just accepting a high risk
14 tolerance?

15 A. It was Texas City culture accepting the
16 risk of that job, and no one identifying the risks.

17 Q. When were you made aware of the long
18 string of tragedies that occurred at Texas City,
19 particularly fatalities?

20 A. In preparing for what I call in the
21 Safety Reality sessions, somewhere in the
22 October/November time frame of '04.

23 Q. And what was it that you learned?

24 A. I had asked the question, "How many
25 worker fatalities had been at the Texas City site,"

21 (Pages 421 to 424)

<p style="text-align: right;">Page 425</p> <p>1 the site, not just the refinery, "the site in the 2 past 30 years," was the question that I asked. 3 Q. And what did you find out? 4 A. That there were 23 fatalities, if I 5 remember the number right. And I'm not sure if 6 that number included Ray Gonzalez or not, because 7 when I asked I believe it was 22. 8 Q. And wasn't that a shocking number to you? 9 A. Very high number, sir. 10 Q. Was it a shocking number to you? 11 A. I didn't -- shocking didn't enter my 12 mind. I just remember it being a high number. 13 Q. Was it a concern to you? 14 A. Yes, sir. 15 Q. Why? 16 A. Any fatality is a concern to me. 17 Q. Would you agree that one fatality at a 18 refinery is one too many? 19 A. Yes, sir. 20 Q. Would you agree that 23 fatalities is 23 21 too many? 22 A. Yes, sir. 23 Q. All right. After you found out about the 24 number of fatalities, what further action did you 25 take?</p>	<p style="text-align: right;">Page 427</p> <p>1 A. They did not exist. 2 Q. Why not? 3 A. I don't know, sir. 4 Q. Did they have them before? 5 A. If they did, I'm not aware of it. 6 Q. Were you aware they had had auditors 7 before, but fired them as a cost-cutting measure? 8 MR. FERNELIUS: Objection, form. 9 A. No, sir. 10 Q. (BY MR. COON) Shift directors -- 11 A. Yes, sir. 12 Q. -- what did they do? 13 A. They were the single point of contact on 14 site 24 hours a day. All of the first level 15 leaders then would direction from them. They were 16 responsible for implementing the operating plant. 17 They were put in place in the Summer of '04. 18 Q. Was this to make the plant safer? 19 A. One aspect of it, yes. 20 Q. Where were these shift directors before? 21 A. They didn't exist, sir. 22 Q. Why not? 23 A. I don't know, sir. 24 Q. Do you know if they'd had them before? 25 A. I do not know.</p>
<p style="text-align: right;">Page 426</p> <p>1 A. The Safety Reality session was to then 2 bring that back to make sure people remembered, 3 because as I walked around and talked to people, 4 people had forgotten what had happened in the past 5 30 years. 6 We had a Safety Reality session in 7 which we spent the full day with all of first level 8 leaders and higher, a full day on safety. It 9 covered the fatalities. It covered some of the 10 efforts we were putting in place, such as the 11 compliance delivery process, the just culture, the 12 full-time auditors, the compliance issues, shift 13 directors in place, AARs, all the things that we 14 had started, it was to reinforce that. 15 Q. Where were these full-time inspectors 16 before? 17 A. They didn't exist. 18 Q. Why not? 19 A. I don't know, sir. 20 Q. Your plant is 70 years old. Inspectors 21 wasn't anything new in the industry, was it? 22 A. Auditors, not inspectors, sir. Make sure 23 you have the terminology right. These were 24 full-time auditors. 25 Q. Okay. Where were these auditors before?</p>	<p style="text-align: right;">Page 428</p> <p>1 Q. Have they laid off shift directors in the 2 past as a cost saving measure? 3 MR. FERNELIUS: Objection, form. 4 A. I don't know, sir. 5 Q. (BY MR. COON) What did these full-time 6 auditors do? 7 A. They were to go around and we were 8 systemically -- because of the compliance delivery 9 process -- would do education or training, and then 10 they would go around and ensure that it is 11 implied -- applied and done consistently throughout 12 the plant. 13 They would work days, weekends, 14 nights, shift -- they would split the shifts up to 15 cover it. It was part of the effort to improve 16 compliance at the site. 17 Q. Did you feel that this would make the 18 plant safer? 19 A. Yes, sir. 20 Q. Okay. You also had AARs, which are what? 21 A. AARs are After Action Reviews. 22 It was an effort in which the 23 first level leader had 30 minutes in which there 24 was any incident related to safety or 25 environmental, was to issue an AAR plant-wide such</p>

22 (Pages 425 to 428)

<p style="text-align: right;">Page 429</p> <p>1 that the learnings were then communicated 2 plant-wide immediately. 3 Q. You also talked about the just culture. 4 A. Just culture fit with the compliance 5 delivery process, because the compliance delivery 6 process had three elements of it. Okay. First, 7 you needed to make sure the procedures and policies 8 were done correctly. They weren't ambiguous. They 9 were written properly. 10 Two, then, would be provide 11 training on it. And the third one then being 12 really the auditing to ensure compliance. 13 The just culture was used then to 14 deal with someone found out of compliance, to help 15 the supervisor with the decision. 16 Q. Did you believe there were deficiencies 17 in all three of these areas to merit having an 18 After Action Review program? 19 A. Yes, sir. 20 Q. Why did they not utilize such a program 21 before? 22 A. I don't know, sir. 23 Q. With respect to the just culture and the 24 blame game, part of the program of just culture is 25 to try to understand and identify what personnel do</p>	<p style="text-align: right;">Page 431</p> <p>1 is this a person who seems to be trying to do the 2 right thing versus somebody who just had complete 3 level of apathy or even a deliberate intent to do 4 things that they weren't supposed to do? 5 A. Yes, sir. 6 Q. And this was something that you were 7 aware of, I would presume, from the time you went 8 to work out at Texas City, if not before, this 9 concept of just culture? 10 A. No, sir. 11 Q. When were you first made aware of this 12 concept of just culture? 13 A. Following really two events that are 14 pretty closely tied, timing-wise. 15 Q. Which were? 16 A. One was the control of work audit in May 17 of '04, followed very shortly by the first fatality 18 which was compliance-related, also in May of '04. 19 The compliance delivery process and just culture 20 were the follow-up action items as a result of the 21 audit and that incident. 22 Q. Were you aware that the just culture 23 concept was not a novel concept in the industry 24 prior to that time? 25 A. I mean, the concept, from my</p>
<p style="text-align: right;">Page 430</p> <p>1 and why they do it, correct? 2 MR. FERNELIUS: Objection, form. 3 A. I would characterize it was it willful or 4 was it another issue. Did the individual know what 5 that person -- needed to be done and just make the 6 choice not to do it, or was there a system issue 7 around training, understanding, or unclear policies 8 and practices. 9 Q. (BY MR. COON) And that helps facilitate 10 truly getting to the root cause of why things 11 happened at a refinery, correct? 12 A. It's an element. 13 Q. And so, for example, if you have a 14 supervisor or an operator make some mistake, before 15 you go out and just blame that person and terminate 16 them or otherwise sanction them, you first go back 17 to see what they did and try to get into their mind 18 as to why they did it? 19 MR. FERNELIUS: Objection, form. 20 A. I'd agree with that thinking. 21 Q. (BY MR. COON) And then part of that 22 analysis, first, we agree that to some degree it's 23 objective, correct? 24 A. Yes, sir. 25 Q. But in doing that, you look back to see</p>	<p style="text-align: right;">Page 432</p> <p>1 understanding, the genesis of the concept came from 2 a competitor -- it came from the outside -- and was 3 used, I believe, also in some segments of the 4 upstream of the business. 5 Q. And who was that competitor? 6 A. I believe Shell Oil. I thought it had a 7 very good fit for the need we were trying to do, so 8 I implemented that concept. 9 Q. And when did you first hear back from the 10 Telos Group after retaining them to conduct this 11 broader survey? 12 A. Early January '05 is when I think I heard 13 first back from them. 14 Q. Do you recall any type of update to the 15 leadership team that may have occurred back in 16 November or December? 17 A. No, sir. I don't recall any. 18 Q. Mr. Parus, I'm going to show you what's 19 called the Texas City Site Integrity and Safety 20 Leadership document. We have another one marked as 21 an exhibit, and I think we can identify it for the 22 record in short. If not, we'll remark it. 23 But this was a document that was 24 described by the Telos Group when we deposed them 25 in Austin a couple of months ago, and it talked</p>

<p style="text-align: right;">Page 433</p> <p>1 about a launch meeting that occurred back in 2 October of 2004 to initiate these surveys. 3 Do you recall anything about a 4 launch meeting? 5 A. Yes, sir. 6 Q. What do you recall happening at the 7 launch meeting? 8 A. I don't have a vivid recollection. I 9 recall -- I remember kicking it off, stating the 10 purpose of it. I mean, in my mind, the launch 11 really occurred at the Safety Reality sessions when 12 we launched it to all the supervisors and enabled 13 them time at that session to fill out the survey. 14 I've always said that was the official launch. 15 Q. Okay. And what was the Safety Reality 16 program? 17 A. This is the one we talked about where I 18 met somewhere upwards of seven to ten sessions with 19 all of the first level leaders and higher on 20 safety. It's where we covered the three videos, 21 the 23 fatalities, put a picture up on the screen 22 of each of the fatalities, who they were, what had 23 happened. 24 We talked about the just culture, 25 the compliance delivery process, the auditors, the</p>	<p style="text-align: right;">Page 435</p> <p>1 A. I don't recall a final say or a change. 2 Q. Do you recall any input from anybody on 3 the leadership team into the contents of the 4 questionnaires or the types of questions to be 5 asked in the interviews? 6 A. Possibly. 7 Q. Do you recall about how many employees 8 were working out there in the fall of 2004? 9 A. At the Texas City site? 10 Q. Yes, sir. 11 A. 1,800 would be my estimate. 12 Q. The Telos Group had reported that they 13 received surveys from around 1,100 of those 14 employees. Does that sound accurate to you? 15 A. That's the number they shared with me as 16 well. 17 Q. Do you know why it was that some people 18 that were employed there did not fill out an 19 interview and remit it to Telos? 20 A. No, sir. 21 Q. Who made the decisions with respect to 22 the hundred people to be interviewed by the group? 23 A. It would probably be a combination of 24 Geoffrey and the members of my leadership team. 25 Q. Now, there was understanding that it was</p>
<p style="text-align: right;">Page 434</p> <p>1 AARs were all covered. We brought in an outside 2 speaker from DuPont who talked about safety culture 3 at DuPont. 4 Then we also then kicked off what 5 we were doing with regards to the follow-up with 6 the September incidents and were then asking Telos 7 to do a safety culture assessment, which would 8 include surveys and interviews. To increase the 9 number of respondents, we then carved time out, 10 actually, in the session, reach the first level 11 leaders to take time and fill this survey out 12 before it went out to the work force. 13 Q. And who set up the format for this 14 survey, the questions that were to be asked, who 15 were to be asked, whether or not it would be an 16 anonymous or blind survey, which persons to 17 actually be individually interviewed? 18 A. I left a lot of the structural design to 19 Geoffrey, since that was his expertise. He may 20 have contacted others in my organization, but the 21 design was basically Geoffrey's. 22 Q. And did you have any final say with 23 respect to the questions that were asked that were 24 being remitted in the survey to the various 25 employees at BP Texas City?</p>	<p style="text-align: right;">Page 436</p> <p>1 going to be imperative that the persons that filled 2 out these forms are the persons that were remitted 3 to an interview would remain anonymous, correct? 4 A. Yes, sir. 5 Q. And part of the reason for that, if not 6 the primary reason for that, was so that the 7 persons that were filling out the forms or 8 answering questions of the interviewers would not 9 have to worry about any fear of reprisal as a 10 result of any comments they would make, correct? 11 A. Yes, sir. 12 Q. And this was something the Telos Group 13 told you was necessary to get a true understanding 14 as to the, quote, brutal facts, end quote, 15 associated with what was going on at BP Texas City. 16 A. Yes, sir. 17 Q. And that's something that you concurred 18 in, because you wanted to do get to the brutal 19 facts, did you not? 20 A. Yes, sir. 21 Q. And you knew, in fact, that the 22 information that you would receive back from the 23 personnel at BP Texas City would, in fact, be 24 brutal, didn't you? 25 A. No, sir. I wanted it to be honest.</p>

24 (Pages 433 to 436)

<p style="text-align: right;">Page 437</p> <p>1 Q. And you knew that honesty was going to be 2 brutal?</p> <p>3 A. No, sir. That's not what I said.</p> <p>4 Q. Okay. When you first heard back from 5 Telos with respect to their initial review of the 6 information that they were receiving from these 7 surveys and the interviews, did they lend you any 8 impression that the information they were receiving 9 was extremely negative?</p> <p>10 MR. FERNELIUS: Object to the 11 form.</p> <p>12 A. I remember getting back information 13 through two separate lenses. One being, yes, some 14 of the information was negative; however, the 15 amount of people that had responded and took ways 16 to make comments about things improving was 17 significant, a very high percentage.</p> <p>18 Q. (BY MR. COON) In fact, Mr. Gioja, who 19 had been a professional doing this for a long time, 20 correct?</p> <p>21 A. Yes, sir.</p> <p>22 Q. Was so concerned about the kind of 23 information he was receiving back, that he felt it 24 incumbent upon him to get in touch with you and the 25 leadership team to let y'all know as soon as he had</p>	<p style="text-align: right;">Page 439</p> <p>1 was my answers.</p> <p>2 Q. You did understand that a number of the 3 people that were giving interviews were candid, 4 based on the very explicit representations that no 5 other persons at BP would ever obtain the identity 6 of a individual that gave the interview and what 7 their specific comments were with respect to 8 anything?</p> <p>9 MR. FERNELIUS: Objection, form.</p> <p>10 A. That was the intent.</p> <p>11 Q. (BY MR. COON) Did you understand that 12 after this incident that BP and their counsel 13 forced the Telos Group to divulge those secret and 14 confidential statements?</p> <p>15 MR. FERNELIUS: Objection, form.</p> <p>16 A. Since you showed me mine during my last 17 deposition, that would be an accurate assumption.</p> <p>18 Q. (BY MR. COON) So from the time that you 19 were still out at the Texas City facility from 20 March until May, you were never made aware that BP 21 was undertaking a process to force the Telos Group 22 to divulge the statements of those that gave their 23 interviews and the identity of those persons that 24 gave those interviews?</p> <p>25 MR. FERNELIUS: Objection, form.</p>
<p style="text-align: right;">Page 438</p> <p>1 found out how bad it was, to give you some early 2 impressions and to prepare you for what was likely 3 to come out in the final report?</p> <p>4 MR. FERNELIUS: Objection, form.</p> <p>5 A. I just don't recall that session, sir, 6 which I stated earlier.</p> <p>7 Q. (BY MR. COON) What involvement, if any, 8 did you have in identifying those persons who were 9 to remit to interviews?</p> <p>10 A. I don't recall any.</p> <p>11 Q. Do you recall giving one yourself?</p> <p>12 A. As you were made aware in my last 13 deposition, yes.</p> <p>14 Q. Is that the first time you remember 15 getting --</p> <p>16 A. I had -- as I stated before, had numerous 17 conversations with Telos through this process. I 18 didn't recall it being a specific interview.</p> <p>19 Q. Do you recall after reviewing that, that 20 the interview asked those that were being 21 interviewed a lot of very candid opinions about 22 other persons there, particularly those in upper 23 management?</p> <p>24 A. I don't know what questions they asked, 25 because all that was shown to me in my deposition</p>	<p style="text-align: right;">Page 440</p> <p>1 A. No, sir.</p> <p>2 Q. (BY MR. COON) Were you made aware that 3 subsequent to that, that BP undertook a process of 4 confronting some of those persons that gave 5 interviews with the expressed comments that they 6 had made and why they had made them?</p> <p>7 MR. FERNELIUS: Objection, form.</p> <p>8 A. I was aware of that --</p> <p>9 THE WITNESS: Can I conference?</p> <p>10 MR. FERNELIUS: I'm sorry?</p> <p>11 THE WITNESS: Can I talk to you 12 for a second?</p> <p>13 MR. FERNELIUS: I think in 14 answering your question you have to reveal 15 discussions with me and that would be privileged 16 and I would instruct you not to answer on that 17 basis. If you can do so outside of the 18 attorney/client communications --</p> <p>19 THE WITNESS: I cannot.</p> <p>20 MR. FERNELIUS: -- then you should 21 not answer his question.</p> <p>22 A. That is the only source of my 23 information, was through my attorney.</p> <p>24 Q. (BY MR. COON) Okay. We would ask that 25 you answer that question.</p>

1 MR. FERNELIUS: And I would
2 just -- I would instruct you not to based on the
3 attorney/client privilege.

4 A. I'm going to respect my attorney's
5 request.

6 MR. COON: Okay. And we will
7 certify the question. Thank you.

8 Q. (BY MR. COON) Did you know that there
9 were also a number of people that had volunteered
10 to give statements to the Telos Group that were not
11 persons that were on the interviewee list?

12 A. I think Geoffrey shared that with me.
13 Not the names, but I think he shared with me that
14 there were some people that volunteered.

15 Q. Did he explain to you anything about who
16 those persons were or why they were wanting to
17 remit to what the Telos Group called a "blind
18 interview"?

19 A. No, sir.

20 Q. Did you ever get an understanding from
21 him that there were a dozen or so people that were
22 not on the list that felt they had serious matters
23 to get off their chest and wanted to tell the Telos
24 Group that did not want to be identified by name?

25 MR. FERNELIUS: Objection, form.

1 A. I mean, it's consistent that I didn't
2 want to know any of the names and any of the
3 comments, so I actually supported Geoffrey's
4 requests.

5 Q. (BY MR. COON) Right.

6 A. The numbers of people, I didn't -- all I
7 know is that Geoffrey said there were some people
8 that wanted to voluntarily talk to them.

9 Q. Okay. So you knew that there were about
10 a hundred people expressly identified as persons
11 that should give an interview, and that the Telos
12 Group was to go and talk to all of those people and
13 ask them pretty much the same questions that had
14 been asked of those in the anonymous surveys that
15 were to be mailed back to the Telos Group?

16 A. Yeah. Roughly, 1,100 responses from the
17 survey, and I want to say over a hundred
18 interviews.

19 Q. And of those that were the hundred
20 interviews, obviously those were not anonymous
21 because somebody at Telos knew who to go talk to
22 and, in fact, did and knew who those persons were?
23 It's not anonymous to Telos if Telos is talking to
24 the person and knows who they are, correct?

25 A. It was anonymous to my leadership, not to

1 Telos. That is correct.

2 Q. That's right. And the intention was that
3 the privacy considerations of each of those persons
4 that were being interviewed was represented to be
5 respected, and that nothing that they said would be
6 used against them or made known to BP. That was
7 the agreement, wasn't it?

8 A. That was the understanding.

9 Q. That was the agreement?

10 A. That was the understanding.

11 Q. In fact, Telos expressly demanded that as
12 a condition, in order to get accurate information.

13 A. Yes, sir.

14 Q. Did Mr. Gioja then advise you at some
15 point, that in addition to the 100 persons that
16 were identified to give expressed one-on-one
17 interviews, that there were a dozen or so other
18 persons that came knocking at their door, so to
19 speak, saying they wanted to volunteer information,
20 but they did not even want to divulge their name to
21 Telos. Did you understand that?

22 A. I never got into names with them, nor do
23 I know the numbers. I was aware of some
24 individuals had done that. Geoffrey had told me.

25 Q. And did he tell you that he was receiving

1 requests to give interviews by persons who wanted
2 to not even tell the Telos Group who they were?

3 A. I don't recall that.

4 Q. If you had still retained your position
5 as the BUL at Texas City, would you have objected
6 to any attempts for anyone else at Texas City in
7 the leadership position to attempt to go back and
8 identified the names of those persons that gave the
9 interviews and what it was that they had said in
10 their interviews?

11 MR. FERNELIUS: Objection, form.

12 A. I mean, I'm not there. I mean, this
13 calls for a little speculation, because it -- I was
14 not BUL, so it's tough for me to answer that
15 question.

16 Q. (BY MR. COON) Okay. Well, you were BUL
17 through May. And if somebody had come to you
18 during that time frame, after this explosion, and
19 said, "Mr. Parus, even though we told these people
20 we would respect the integrity of the process and
21 that this information would remain anonymous, we
22 want to go back and get it now," what would you
23 have done?

24 A. My request to BP would be is I'd like to
25 continue to respect the confidentiality of the

<p style="text-align: right;">Page 445</p> <p>1 comments.</p> <p>2 Q. And why is that, sir?</p> <p>3 A. That is what we told the people that the</p> <p>4 understanding was when they submitted their</p> <p>5 comments.</p> <p>6 Q. Well, sure. And part of what you were</p> <p>7 talking about doing out here was to change things</p> <p>8 at Texas City, to make people have a better</p> <p>9 understanding and respect for one another and to</p> <p>10 create a just culture at that plant, correct, sir?</p> <p>11 A. Yes, sir.</p> <p>12 Q. And in the process of doing that, the</p> <p>13 leadership at Texas City went out and asked all of</p> <p>14 their employees to candidly assess their opinions</p> <p>15 about many different things at Texas City. Whether</p> <p>16 they be good comments or bad comments, mattered</p> <p>17 not; you just wanted to know, correct?</p> <p>18 A. Yes, sir.</p> <p>19 Q. And what happened was, after so many</p> <p>20 people remitted to this process, including a</p> <p>21 hundred of the persons that were specifically</p> <p>22 identified and known to Telos, BP breached that</p> <p>23 pledge of confidentiality and went back and</p> <p>24 obtained all of that information, didn't they?</p> <p>25 MR. FERNELIUS: Objection, form.</p>	<p style="text-align: right;">Page 447</p> <p>1 Q. (BY MR. COON) Well, would you say, "Hey,</p> <p>2 it's out of my hands." Or, "I'm sorry. That was</p> <p>3 really chicken of them." I mean, what would you</p> <p>4 say today if one of them came and said, "Don, you</p> <p>5 told me this would be confidential, and now there</p> <p>6 are lawyers coming up here and asking me if I said</p> <p>7 this stuff in this report and giving me a bunch of</p> <p>8 trouble for it, and you promised that my privacy</p> <p>9 would be respected and nobody would ever find out</p> <p>10 what I had to say." What would you tell them?</p> <p>11 MR. FERNELIUS: Objection, form.</p> <p>12 A. I didn't break that promise.</p> <p>13 Q. (BY MR. COON) Is that all you'd say?</p> <p>14 A. I wouldn't say anything else.</p> <p>15 Q. Okay. Let's go back to this Texas City</p> <p>16 site integrity and safety leadership update. And,</p> <p>17 sir, this has been marked in the Telos series of</p> <p>18 documents. I believe it's Number 387, and I have</p> <p>19 an extra copy of it here.</p> <p>20 Have you seen this document</p> <p>21 before, sir?</p> <p>22 A. (Examines document.)</p> <p>23 Q. While you're looking at that, the Telos</p> <p>24 Group, Mr. Gioja has testified that this was a</p> <p>25 PowerPoint type presentation to the leadership</p>
<p style="text-align: right;">Page 446</p> <p>1 A. How they did it, I don't know. The</p> <p>2 information was obtained.</p> <p>3 Q. (BY MR. COON) Isn't that a tremendous</p> <p>4 undermining of the very thing that they recognized</p> <p>5 to be the problem in the first place and what they</p> <p>6 were trying to fix, allegedly?</p> <p>7 MR. FERNELIUS: Objection, form.</p> <p>8 A. I mean, I did it with the understanding</p> <p>9 it would be protected. Is it --</p> <p>10 Q. (BY MR. COON) I understand, Mr. Parus,</p> <p>11 and you're not there now. But how do you go back</p> <p>12 and explain to people that you want them to say</p> <p>13 everything they think about other people in</p> <p>14 management, what they think about the plant, to</p> <p>15 purge their soul at the risk of losing their jobs</p> <p>16 if they're identified, how do you explain to them</p> <p>17 once they do all of that, and then they're ratted</p> <p>18 out and they're identify, how do you go back and</p> <p>19 explain to all those people that gave you that</p> <p>20 information? What do you tell them?</p> <p>21 MR. FERNELIUS: Objection.</p> <p>22 Q. (BY MR. COON) If you were confronted</p> <p>23 with any of them today, what would you tell them?</p> <p>24 MR. FERNELIUS: Objection, form.</p> <p>25 A. I don't have an answer for you, sir.</p>	<p style="text-align: right;">Page 448</p> <p>1 about a month or so before the report, and that</p> <p>2 they had come back --</p> <p>3 A. I actually thought it occurred in early</p> <p>4 January. It's dated mid September -- mid December.</p> <p>5 I actually thought timing was early January.</p> <p>6 Q. One or the other number may be off a</p> <p>7 little bit in the timing?</p> <p>8 A. Yeah. That's -- I viewed this as he gave</p> <p>9 a progress report as to where we were at.</p> <p>10 Q. I think Mr. Gioja had testified that they</p> <p>11 wanted to get this done before the Christmas</p> <p>12 holidays, to give the leadership team something to</p> <p>13 chew on. But, again --</p> <p>14 A. You might be correct. I just -- I'm off</p> <p>15 on my timing.</p> <p>16 Q. Fair enough.</p> <p>17 That aside, do you recall a</p> <p>18 meeting either in December or January with the</p> <p>19 Telos Group before the report came out that was --</p> <p>20 A. There were -- there were several, okay,</p> <p>21 because this one, I guess, was the early</p> <p>22 impressions, which I thought occurred earlier in</p> <p>23 January. There was also one done before the</p> <p>24 two-day session with all of the top 100. And I</p> <p>25 wasn't able to get my leadership team a chance to</p>

27 (Pages 445 to 448)

1 read it, the full report, the first time before
2 walking in the room with everyone else. I believe
3 there was more than one session.
4 Q. Okay. Now, I want to back up a little
5 bit, but when did you let anybody at BP know what
6 you were doing as the BUL at Texas City regarding
7 this type of a survey? I mean, Mr. Gower or
8 Mr. Pillari or anyone in London?
9 A. If I remember right, when I went to
10 London in October to follow up with the fatalities
11 for -- that occurred in September, one of the
12 action items was to do a safety culture assessment.
13 In this session would have been John Manzoni and
14 all of his direct reports. So I know I had
15 presented it as one of the action items in that
16 presentation.
17 I also then had discussions with
18 Pat Gower, because I said, "Pat, I want to do
19 this." This is the discussion where Pat said,
20 "Well, why don't you use T. Dinley Strong?" I
21 said, "Pat, I'd like to use Geoffrey Gioja for
22 these reasons." Pat and I had a discussion over
23 it, and Pat concurred to go ahead and use Geoffrey
24 Gioja.
25 Once we started doing it, Pat just

1 said, "Make sure that Geoffrey and T. Dinley get
2 together such that they can make the reports kind
3 of comparable," because they were then being or
4 going to be done some at the other locations. We
5 were to be the first.
6 Q. Okay. Did Mr. Gower leave you with some
7 understanding that BP at, at least, the U.S.
8 national level was undertaking some similar
9 process, analogous process, at some of the other
10 facilities?
11 A. Stated that. A little stronger than
12 impression. Pat said, "We'd be the first." Pat
13 then asked all of his U.S. BULs to undertake a
14 similar effort to determine the safety culture at
15 their sites.
16 Q. Did he give each of these BULs autonomy
17 with respect to which consulting firm they would
18 retain?
19 A. I don't recall timing or requirements.
20 Q. Okay.
21 A. I just cleared the Texas City one for --
22 with Pat.
23 Q. And you specifically talked to Mr. Gower
24 about the group that you were going to utilize?
25 A. Yes, sir.

1 Q. And obtained his blessing?
2 A. Yes, sir.
3 Q. This would have been in the Fall of 2004?
4 A. It would be sometime between the
5 fatalities in September and the actual roll-out of
6 Telos, sometime in that window.
7 Q. Roll-out being the date the report came
8 out?
9 A. No, sir, the date we initiated this.
10 Q. Oh, the date you initiated it. Which was
11 sometime in October?
12 A. Close. I mean, it's -- I'm not sure when
13 I actually signed the contract or when the actual
14 dates were, but I would say sometime in October.
15 Q. Okay. I want to show you some of the
16 early impressions --
17 A. Can I finish going -- I didn't -- can I
18 finish going through this?
19 Q. You can continue.
20 A. Okay, sir.
21 Q. Okay. Do you recall seeing this
22 demonstration of PowerPoint by the Telos Group?
23 A. I've got some familiarity with it now
24 that I've seen it.
25 Q. Okay. I want to show you just a few of

1 them. This, sir, was the actual document.
2 A. Do you have another paper copy, because
3 you're going to strain my eyes? Do you have a
4 paper copy I can go through as well while you --
5 while you page that up?
6 Q. We will look for one, but I think we can
7 make this big enough for you to see.
8 A. Okay.
9 Q. Can you see that?
10 A. So far.
11 Q. Okay. This is the cover letter.
12 MR. FERNELIUS: And, Brett, that's
13 387?
14 MR. COON: Yes, sir.
15 MR. FERNELIUS: Okay.
16 Q. (BY MR. COON) And there are a number of
17 PowerPoints. One of these is called the "Early
18 Impressions." I believe Mr. Gioja has testified
19 that they came back down to Texas City a month or
20 two before the report was done because they wanted
21 to give the leadership team an early impression of
22 what they were seeing in the surveys and
23 interviews.
24 Do you recall them telling you
25 that they wanted to come down for this type of

<p style="text-align: right;">Page 453</p> <p>1 briefing for that reason?</p> <p>2 A. Can you restate that again? I was</p> <p>3 reading -- I was reading the documents, sir. Could</p> <p>4 you restate your statement?</p> <p>5 Q. Yes, sir.</p> <p>6 Do you recall Mr. Gioja saying</p> <p>7 something to the effect that they wanted to come</p> <p>8 down in December, a month or so before the report</p> <p>9 was due, to provide some lead time with the</p> <p>10 leadership team as to what their early findings</p> <p>11 were?</p> <p>12 A. I'm not sure I actually recall. I</p> <p>13 remember a discussion around also what they can</p> <p>14 expect to happen, was also another purpose of them</p> <p>15 coming earlier.</p> <p>16 Q. Okay. I have an extra copy. You can</p> <p>17 read it off of that.</p> <p>18 A. I can just follow that. It makes it a</p> <p>19 lot easier for me.</p> <p>20 Q. One of the PowerPoints is the one called</p> <p>21 "Early Impressions," and I want to call your</p> <p>22 attention to the first bullet.</p> <p>23 Can you read that for me, sir?</p> <p>24 A. Read it out loud?</p> <p>25 Q. Yes, sir.</p>	<p style="text-align: right;">Page 455</p> <p>1 many separate instances in that short of a time</p> <p>2 frame?</p> <p>3 A. We covered it in the last deposition. I</p> <p>4 did not know the data for other refineries in the</p> <p>5 world. I just can't answer that question.</p> <p>6 Q. It would be fair to state on the heels of</p> <p>7 three more fatalities in 2004 and two dozen</p> <p>8 fatalities in the 20 or 30 years prior, absent</p> <p>9 having a slide show, for anybody with any kind of</p> <p>10 memory, they would have reason to have a sense of</p> <p>11 mortality every day they entered that gate,</p> <p>12 wouldn't they?</p> <p>13 A. I would have thought that putting up the</p> <p>14 slides seemed to have to refresh many memories,</p> <p>15 because I asked the question before the</p> <p>16 presentation; most people could not remember. And</p> <p>17 I found that pretty disturbing. And that was</p> <p>18 another reason why I wanted to make sure that we</p> <p>19 went through that. I mean -- and also the hourly</p> <p>20 people only recognized fatalities for hourly</p> <p>21 people. They didn't recognize any third-party</p> <p>22 fatalities.</p> <p>23 Q. Do you feel that the people out there</p> <p>24 were numb or desensitized to the number of</p> <p>25 fatalities that had occurred there over time, or</p>
<p style="text-align: right;">Page 454</p> <p>1 A. "We have never seen a site where the</p> <p>2 notion" -- in quotes -- "I could die today" --</p> <p>3 close quotes -- "was so real for so very many</p> <p>4 hourly people and for so many FLLs. It's as real</p> <p>5 to them as anything is."</p> <p>6 Q. And FLLs are Front Line Leaders, or</p> <p>7 people that may be salaried but at the lower levels</p> <p>8 of the management team?</p> <p>9 A. They're first level leaders in charge of</p> <p>10 round the shifts.</p> <p>11 Q. When was the first that you heard that as</p> <p>12 an early finding from the Telos Group?</p> <p>13 A. I want to say here. I'm not sure I heard</p> <p>14 it before that.</p> <p>15 Q. What was your initial reaction to hearing</p> <p>16 something like that?</p> <p>17 A. This came on the heels in which 1,800</p> <p>18 people had to sit through and watch 23 slides go</p> <p>19 through of all of the fatalities that occurred in</p> <p>20 the past 30 years. The intention of doing that was</p> <p>21 to make it very real for them.</p> <p>22 Q. And apparently it had some success?</p> <p>23 A. Yes, sir.</p> <p>24 Q. Are you aware of any other refinery in</p> <p>25 the world where that many people had died in that</p>	<p style="text-align: right;">Page 456</p> <p>1 that they just had amnesia?</p> <p>2 A. I can't explain what their thinking was.</p> <p>3 I found it -- I found it disappointing that many</p> <p>4 people who had been there a lot longer than I had</p> <p>5 been there did not remember or recall the number of</p> <p>6 fatalities at the site.</p> <p>7 Q. And would it be fair to state that to the</p> <p>8 extent that people, the hourly folks and the front</p> <p>9 line leaders, to the extent that they had the sense</p> <p>10 of mortality, that they could die today every day</p> <p>11 they went into the gate, it would due -- be due not</p> <p>12 only to the fact that so many people had died there</p> <p>13 in the past, but that there were still such a</p> <p>14 significant incidence of problems at the plant that</p> <p>15 posed the potential for a major catastrophe, such</p> <p>16 as the fires that were occurring all the time?</p> <p>17 MR. FERNELIUS: Objection, form.</p> <p>18 Q. (BY MR. COON) Deferred infrastructure?</p> <p>19 A. I mean, I don't know what led them to</p> <p>20 believe that, but the Telos Report indicated that</p> <p>21 it was still real.</p> <p>22 Q. (BY MR. COON) Okay. Well, would it be</p> <p>23 reasonable for somebody who worked out there in the</p> <p>24 field, the hourly people that are working on the</p> <p>25 units who were familiar with a fire a week in a</p>

29 (Pages 453 to 456)

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1 facility that's full of hydrocarbon and other types
2 of products that are very volatile and very
3 explosive, to have a sense of mortality when you
4 have a fire every week at the plant that you work
5 at? Even without any fatalities, wouldn't it give
6 you a sense of reality?

7 MR. FERNELIUS: Objection, form.

8 A. It would have an impact.

9 Q. (BY MR. COON) If you were aware of ten
10 years of deferred maintenance and that the
11 infrastructure in your facility was decaying, and
12 you had some awareness of that because you worked
13 out there on those units, wouldn't that all by
14 itself cause a reasonable person to feel like they
15 could die today?

16 MR. FERNELIUS: Objection, form.

17 Q. (BY MR. COON) Even if there had been no
18 prior fatalities?

19 A. It's a possibility. It's a --

20 Q. (BY MR. COON) Do you believe that if you
21 were an hourly person working on a unit that had
22 numerous years of deferred infrastructure, that you
23 were personally aware of because you worked on that
24 unit, and you were aware that there were fires
25 occurring out there all the time, that any day may

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1 be the day that one of the fires comes out on the
2 unit that you work at and it hits a major
3 hydrocarbon source and the unit blows up. That
4 would be a reasonable thing for you to believe,
5 based on what had been happening over there for
6 many years wouldn't it, sir?

7 MR. FERNELIUS: Objection, form.

8 A. There is the potential for that belief.

9 Q. Now, I want to read this next one here.
10 I thought this one was curious. Can you read that
11 third bullet?

12 A. "It also causes a solidarity, especially
13 amongst the hourly employees, that seems akin to
14 being in the war together."

15 Q. "To being" -- "being in a war together."
16 How did that sit with you?

17 A. Let me -- the interpretation being as the
18 unionized work force were -- and leadership were
19 not working as well together as they needed to
20 work.

21 They were working kind of counter
22 to each other. That's what I imply by the word
23 "war"; two sides with different view points. They
24 both believe in their cause.

25 Q. The sense of mortality and the

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1 recognition that many people had died is somewhat
2 akin to what happens in war, isn't it? I mean, you
3 can watch the news and see just what's going on in
4 Iraq as an example.

5 A. What's your question again, sir?

6 Q. Well, it does cause a -- create a sense
7 of solidarity if people are all put in the risk
8 where they feel like they may die. There tends to
9 develop some senses of solidarity amongst people,
10 doesn't it?

11 MR. FERNELIUS: Objection, form.

12 A. Possibility.

13 Q. (BY MR. COON) I mean, you've read enough
14 about motivation and psychology and just culture
15 and all these other issues to understand that's a
16 common feeling of people that are all put together
17 in harm's way at the same time?

18 A. As I say, it's a possibility.

19 Q. It's a probability, isn't it?

20 A. I answered the question; it's a
21 possibility, sir.

22 Q. Okay. I want to turn your attention, if
23 we can, sir, to what I think was marked as the next
24 tab for you. This one deals with any coaching.

25 Okay. Do you recall the Telos

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1 Group in this briefing to your leadership team --

2 A. This page I'm looking at is different
3 than the page you have up there.

4 Q. How about that? There are two pages of
5 it.

6 A. It now matches. Is this what you want to
7 refer to? I'm at the end right now. Two pages
8 forward?

9 Q. Yeah. I'm sorry. I thought we had it on
10 the right page. I'll move it again. I want you to
11 be able to follow along. I think the one I had a
12 tab there, Mr. Parus --

13 A. I'll give it back to you.

14 Q. -- I think is the one that we're showing
15 up there. Yes, sir, it is. Here.

16 A. Okay.

17 Q. Okay. These are the early admonishments
18 from the Telos Group, are they not?

19 A. Yes, sir.

20 Q. And I want you to read the first
21 admonishment.

22 A. Under "Any Coaching," it says "BP Texas
23 City cannot afford to do what it has done so many
24 times before."

25 Q. What did Telos Group explain to you and

30 (Pages 457 to 460)

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1 the leadership team what was meant by that?
 2 A. I'm not sure I can recall what they
 3 actually said to that specific point.
 4 Q. Well, do you know things that had been
 5 done so many times before that it could not afford
 6 to do any further?
 7 A. When you showed the 23 fatalities -- when
 8 you showed the 23 fatalities, there appeared to be
 9 some themes that are repeated, some causes that
 10 were common over 30 years.
 11 Q. Was there any discussion that BP could no
 12 longer continue to underinvestment in the
 13 infrastructure of the facility creating a
 14 heightened risk of a catastrophic event?
 15 A. There were concerns with Telos about the
 16 condition of the word "kit." That's how they
 17 described it.
 18 Q. So the answer to that is "yes"?
 19 A. Yes.
 20 MR. COON: We'll take a break now.
 21 THE VIDEOGRAPHER: Off the record
 22 at 3:30 p.m., ending Tape 2.
 23 (Recess taken.)
 24 THE VIDEOGRAPHER: On the record
 25 at 3:43 p.m., beginning Tape 3.

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1 Q. (BY MR. COON) Mr. Parus, I want to go
 2 back to one of the other PowerPoints we looked at,
 3 which is the "Early Impressions." We talked about
 4 Bullet Number 1 that you read for us?
 5 A. Let me catch up to you again. Okay?
 6 Q. That was the quote of "I could die
 7 today."
 8 A. I'm on the same page you are now.
 9 Q. Yes, sir. You had also provided an
 10 interview to the Telos Group, correct?
 11 A. That was pointed out to me in my last --
 12 the last deposition. That's correct.
 13 Q. And we had a copy of it that was attached
 14 to the first part of your deposition. It was
 15 Exhibit No. 500. And on Question Number 2D -- and
 16 what we need to do is we take the actual
 17 questionnaire that they utilized and we match it up
 18 with the answer that was given.
 19 If we go to the answers that you
 20 gave to these questions that were asked of you in
 21 your interview --
 22 A. You are now taxing my eyesight.
 23 Q. Well, I'll make it a little easier. And
 24 this was -- there's your name right there, Don
 25 Parus.

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1 A. Okay.
 2 Q. This is BP document 129-204. And if we
 3 look down here, each one of these is a question
 4 that was asked and the answer that you gave. So,
 5 for instance --
 6 A. This was the information that was not to
 7 be shared.
 8 Q. Well, I understand. And it's being
 9 shared now.
 10 So if we go through interview
 11 questions that were on the form -- this was the
 12 actual form that was used -- then you can look to
 13 see what was asked of each of you. And, for
 14 instance, Question Number 1 was asked: "What's the
 15 biggest challenge facing BP Texas City," and then
 16 you can look at the answer. And your answer here
 17 was: "One, is its erosion of its competitive
 18 position," and you go on to make some explanations.
 19 And when you go to Number 2, which is broken into
 20 A, B, C, D, E, and F, and there are answers you
 21 gave to 2D I want to ask you about.
 22 A. D as David?
 23 Q. D as in David. And Question 2 is: "What
 24 is it like to work here at the Texas City site?"
 25 And then D is: "What causes you the most

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1 frustration in your job?" And here was the form --
 2 A. I would like to just leave that there.
 3 Okay?
 4 Q. And then we look at the answer that you
 5 gave the Telos representative.
 6 A. Can I read that, sir?
 7 Q. Yes, sir.
 8 A. Yes, sir.
 9 Q. Okay. One of the things I highlighted
 10 there for you was a comment that you made. Can you
 11 read that first highlighted quote?
 12 A. "Why would people take the risk, based on
 13 the risk of not going home?"
 14 Q. What was meant by that in your interview
 15 with Telos?
 16 A. I don't know. The two sentences don't
 17 fit together, so I don't -- I just don't know. I
 18 mean, I'm reading the first sentence and I'm
 19 reading the second sentence, and there's either
 20 something missing or something taken out of context
 21 because they don't fit.
 22 Q. Okay. Do you have any understanding as
 23 to what you would have meant when you told the
 24 Telos Group, "Why would people take the risk, based
 25 on the risk of not going home?"

31 (Pages 461 to 464)

1 A. It doesn't make a lot of sense to me,
 2 sir, so, no.
 3 Q. Okay. Do you know if it had anything to
 4 do with what some of the early impressions were
 5 that were noted by Telos after reviewing some of
 6 the forms which was that "Early Impression," which
 7 was "They have never seen a site where 'I could die
 8 today' was so real for the hourly folks and front
 9 line leaders"?
 10 A. If the timing is right, this interview
 11 should have occurred before the Early Impressions
 12 were shared with us, so I don't think there's any
 13 connection in my mind to that.
 14 Q. Well, these impressions were made off the
 15 interviews that were completed, right? I mean, you
 16 would --
 17 A. Yes. But at the time of this interview,
 18 okay, I would have not have seen the Early
 19 Impressions, nor would Geoffrey share with me any
 20 results. He was still in the information-gathering
 21 stage.
 22 Q. That's right. But to the extent people
 23 in their interview or in their surveys were
 24 indicating some sense of risk or mortality, Telos
 25 would be reflecting that in their Early

1 Impressions, which is one of the things they did,
 2 which is that there was an intense notion of the
 3 hourly folks having a sense of mortality out at the
 4 facility. You just don't know if you're --
 5 A. I just don't know. I'm reading that and
 6 I'm just not able to connect those two sentences
 7 together or connect a thought out of it.
 8 Q. Okay. Let's go on a little further into
 9 some of the comments noted under 2D. It talks
 10 about six months -- well, let's go on and read the
 11 rest: "I don't know if I have the energy to
 12 single-handedly turn the site around."
 13 I think site was supposed to be
 14 S-i-t-e. You're talking about the facility site,
 15 correct?
 16 A. That is correct.
 17 Q. Were you expressing concerns at that time
 18 or having doubts or reservations about your ability
 19 to effectuate all of the goals that you've been
 20 telling us about?
 21 A. I was reflecting not my abilities; I was
 22 reflecting it was going to take more than one
 23 individual to change the culture of this site. It
 24 was going to take my whole leadership team, those
 25 reporting to them, the union, everyone. This was

1 not something one individual could single-handedly
 2 do, is what I was telling them.
 3 Q. Okay. And then you talk about the last
 4 six months of work, and then you say: "Thursday
 5 morning article took a lot of steam out of me."
 6 A. This is the --
 7 Q. Was that the art --
 8 A. -- this is -- we covered in the last
 9 deposition. This was the article that was authored
 10 by Bill Stephens, by public and government affairs,
 11 the morning that Ray Gonzalez's service occurred.
 12 Q. And as I understand, Mr. Stephens either
 13 remitted a press release or gave comments to the
 14 local press that intimated that the persons that
 15 were injured and killed in the September incident
 16 out at Texas City had done something wrong.
 17 Do you recall that?
 18 MR. FERNELIUS: Objection, form.
 19 A. The article, as I recall reading the
 20 article, would give you the impression that the
 21 interviewer was blaming the workers that died for
 22 what happened in the incident.
 23 Q. (BY MR. COON) Sure. The intimation was
 24 the workers were careless; and if the workers are
 25 careless, these kinds of things can happen.

1 A. I'd have to reread the article. I can
 2 tell you I walked away with the implication that
 3 the workers were blamed for the incident. What the
 4 words were used, I'd have to reread the article to
 5 be able to substantiate the words.
 6 Q. And you would agree that this coming out
 7 shortly after such a horrible fatality had
 8 occurred -- you understand this man burned to
 9 death. He boiled alive, didn't he?
 10 MR. FERNELIUS: Objection, form.
 11 A. I understand it very well, sir.
 12 Q. (BY MR. COON) And was --
 13 A. I must have made 60 trips to the hospital
 14 during his stay.
 15 Q. And you would agree there's not many ways
 16 that would be worse to go than being boiled alive,
 17 wouldn't you agree with that, sir?
 18 A. It's not on any of my ways I'd ever want
 19 to consider.
 20 Q. And while his family was in the grieving
 21 process from this, public relations representatives
 22 at BP made a decision to go to press and say,
 23 "These guys did it to themselves." That's pretty
 24 much the gist of what was stated in that article.
 25 A. The article --

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1 MR. FERNELIUS: Objection, form.
 2 A. The article should not have been written
 3 at any time, let alone the morning of the services.
 4 Q. (BY MR. COON) And to say the least, it
 5 was extremely insensitive, would you agree, sir?
 6 A. Yes, sir.
 7 Q. And you would also agree that after the
 8 investigation was conducted, that not only was it
 9 insensitive, but it was incorrect?
 10 A. Yes, sir.
 11 Q. And, in fact, those gentlemen, the one
 12 who was boiled alive then and the other who died
 13 later of his injuries, really hadn't done anything
 14 wrong, had they? They were doing what they were
 15 supposed to do, pursuant to standard procedure at
 16 BP Texas City.
 17 A. As I said earlier, the 200 years of
 18 experience did the job exactly how they were -- the
 19 procedures were outlined to do the job, all the way
 20 from the individuals to -- through up to the
 21 supervisors; that is correct.
 22 Q. And, in fact, what happened in that
 23 tragedy was that there were instructions then, a
 24 pump or a valve or something that retained pressure
 25 and nobody was able to realize it at the time

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1 because there was no bleeder valve in that area
 2 that was blocked off, correct?
 3 A. The way I'd characterize it is there was
 4 a source of energy that was not identified by
 5 anybody working on the job between the valve and
 6 the flange they were working on.
 7 Q. Now, doesn't what happened here just fly
 8 straight in the face of what you described as to be
 9 a just culture?
 10 A. Yes, sir.
 11 Q. Did you ever go back to this gentleman,
 12 Mr. Stephens, and say, "What the heck are you
 13 doing, blaming these people, because, one, you're
 14 wrong, and two, it's just wrong to do it"?
 15 A. I did a little more than that, sir.
 16 Q. Did you fire him?
 17 A. I recommend -- he did not report to me.
 18 Q. Did you have him fired?
 19 A. I brought him in. He was -- the
 20 recommendation was removal from the site, was my
 21 recommendation. What actually happened was is he
 22 came with me to the changehouse and explained to
 23 the work force what he did and why he did it, and
 24 then received a letter in file -- and if you're
 25 familiar with the discipline process -- received a

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1 DML, which is the last stage of discipline before
 2 termination.
 3 Q. Who did Mr. Stephens report to?
 4 A. Annie Smith.
 5 Q. Who is Ms. Smith?
 6 A. Head of the region of public and
 7 government affairs.
 8 Q. Why would he undertake a responsibility
 9 to feel compelled to report to the local media that
 10 this horrible tragedy was somehow the fault of the
 11 people that were killed and horribly injured?
 12 MR. FERNELIUS: Objection, form.
 13 A. To this day, I can't answer that
 14 question.
 15 Q. (BY MR. COON) Was he assigned a
 16 responsibility by BP Texas City, or even outside BP
 17 at the local level, to respond to tragedies like
 18 this and put some kind of spin on it?
 19 MR. FERNELIUS: Objection, form.
 20 A. That's not how I'd describe his role. He
 21 is the public and government affairs. He is the
 22 primary contact to the media.
 23 Q. (BY MR. COON) Who reviews what it is
 24 that he is to say or any press releases that
 25 emanate from his office?

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1 A. On this case, I should have.
 2 Q. Why did he not go to you in this set of
 3 circumstances? Was there some sense of urgency,
 4 that BP had to get something out real quick before
 5 they put this man in the ground?
 6 MR. FERNELIUS: Objection, form.
 7 A. I don't know what his thinking was.
 8 Okay. I could just tell you that I disagreed with
 9 him taking the interview. I disagreed with what
 10 was stated in the interview. At no time did
 11 anybody or anyone or any report point the fingers
 12 at these workers until this article appeared in the
 13 paper.
 14 Q. (BY MR. COON) Did you retain any kind of
 15 documentation in Mr. Stephen's file that formulated
 16 any kind of basis or reprimand and the
 17 circumstances associated with it?
 18 A. There is a letter in his file. I didn't
 19 retain it. I know it's in there.
 20 Q. Well, isn't Mr. Stephens the same person
 21 that Kathleen Lucas called as soon as she heard
 22 about this explosion in March of 2005?
 23 MR. FERNELIUS: Objection, form.
 24 A. I'm not sure who Kathleen called. You
 25 told me that before. I -- that was -- who she

33 (Pages 469 to 472)

1 called was not in my interest at the time.
 2 Q. (BY MR. COON) Well, I mean, after
 3 Mr. Stephens had gone out and erroneously blamed
 4 these people for their own demise, would it have
 5 been prudent for somebody at Ms. Lucas's level of
 6 experience and knowledge to immediately run to
 7 Mr. Stephens as the first contact after another
 8 tragedy out at BP Texas City?

9 MR. FERNELIUS: Objection, form.
 10 A. I don't know who she ran into. I mean,
 11 once you initiated the IMT, all of the roles, all
 12 of the contacts, all of the communication is
 13 established.

14 Q. (BY MR. COON) Well, isn't it true that
 15 that's part of the infrastructure at BP Texas City
 16 is to have a plan of action for damage control to
 17 its business reputation?

18 MR. FERNELIUS: Objection, form.
 19 A. It's not my plan of action, sir.

20 Q. (BY MR. COON) I didn't ask if it was
 21 your plan of action, sir. I asked if it was a plan
 22 of action of BP Texas City?

23 A. I view that to be one and the same.

24 Q. So if someone is initiating such
 25 protocols, they're violating the rules of their

1 leader, being you at the time?

2 MR. FERNELIUS: Objection to form.

3 A. Bill violated the rules I have on
 4 agreeing to the interview and making those
 5 statements.

6 Q. (BY MR. COON) Well, why would it be that
 7 Kathleen Lucas, as the person that -- let me re-ask
 8 this.

9 Did Ms. Lucas report to you?

10 A. Yes, sir.

11 Q. You were her boss?

12 A. Yes, sir.

13 Q. Then why would she undertake a decision
 14 to call public relations to start handling damage
 15 control after this explosion without consulting
 16 with you first?

17 MR. FERNELIUS: Objection, form.

18 A. I don't know, sir.

19 Q. (BY MR. COON) Would that have been
 20 imprudent of her?

21 A. It wouldn't be the steps that I would
 22 have used.

23 Q. Well, you're her boss. What did you do
 24 about it, if anything?

25 A. I was unaware she made that call.

1 Q. Well, after a tragedy like this, you
 2 never found out that your second-in-command ran
 3 around trying to organize a damage control team
 4 instead of taking care of what actually happened
 5 out at the plant and addressing all the injuries?

6 MR. FERNELIUS: Objection, form.

7 A. I went directly to the IMT war room where
 8 we managed the incident. Okay? That's where that
 9 was handled from.

10 Q. (BY MR. COON) Did you never get an
 11 understanding from Ms. Lucas or anyone that the
 12 first people called upon in this matter by the
 13 second-in-command were not emergency personnel or
 14 any leadership team members, but instead the public
 15 person, spokesperson, specifically Mr. Stephens,
 16 who had grossly misrepresented the facts the last
 17 time he reported to the press?

18 MR. FERNELIUS: Objection, form.

19 A. The first time I was aware of Kathleen
 20 making that call was when you informed me during
 21 the last deposition. I had no prior knowledge of
 22 that.

23 Q. (BY MR. COON) Well, again, sir, I know
 24 we have to do this hypothetically now since you're
 25 on leave of absence, but if you were still a BUL

1 out there and you found out the second-in-command,
 2 after a major tragedy of this nature, went right
 3 back to the well with Mr. Stephens as her first
 4 contact and told him to get into action, would you
 5 be mad at her?

6 A. I would use the just culture to have that
 7 discussion and find out more information before I
 8 would make a judgment or assessment. That's what I
 9 understand about it.

10 Q. Well, did you have an understanding that
 11 within a matter of hours after Ms. Lucas contacted
 12 Mr. Stephens, that the public relations department
 13 had an entire campaign of spin doctors working in
 14 Austin and in Washington addressing what happened
 15 at Texas City?

16 MR. FERNELIUS: Objection, form.

17 A. I was unaware that was going on. My
 18 major concern was the workers, the families, the
 19 people. That's where I put 100 percent of my
 20 effort into.

21 Q. (BY MR. COON) Well, why wasn't that
 22 Ms. Lucas' primary concern? What's different about
 23 you and her?

24 MR. FERNELIUS: Objection, form.

25 A. I don't know, sir. I would have thought

<p style="text-align: right;">Page 477</p> <p>1 that would have been her concern as well. 2 Q. (BY MR. COON) Do you think she is less 3 compassionate? 4 A. I don't know, sir. That's something I 5 can't answer. 6 Q. Had you ever assigned her the 7 responsibility of being the person to run out and 8 initiate damage control in the event of a major 9 catastrophe at BP Texas City? 10 MR. FERNELIUS: Objection, form. 11 A. Not that I recall. 12 Q. (BY MR. COON) Is she somebody who is 13 just overzealous to do things and would do things, 14 including things that you do not want her to do 15 without consulting with you? 16 A. I don't know, sir. 17 Q. Had she done other things that you did 18 not want her to do and she had not consulted with 19 you prior to this? 20 A. Not during her short tenure there, no. 21 Q. In talking about this article that came 22 out back in -- I'm presuming this article came out 23 in September of '04, regarding -- 24 A. No, sir, it did not. 25 Q. The statement Mr. Stephens made? When</p>	<p style="text-align: right;">Page 479</p> <p>1 least. 2 A. It extended beyond the rank and file, 3 sir. 4 Q. And I think you told Mr. Williams about 5 some of what occurred with respect to the reception 6 you got as a result of that? 7 A. Yes, sir. 8 Q. And I take it you were very disappointed 9 that a lot of that animus was directed towards you 10 as the leader of management at BP Texas City? 11 A. A lot of it wasn't; it all was. 12 Q. And so when you're talking here about 13 then the article "pissed it away," you're basically 14 talking about Mr. Stephens' article and comments 15 eliminating any basis or credibility that you had 16 been establishing over that three-month time frame? 17 MR. FERNELIUS: Objection, form. 18 A. I was working very hard to get the 19 credibility in the organization. I think that 20 severely undermined that effort. 21 Q. (BY MR. COON) And that's very 22 understandable under the circumstances, isn't it, 23 sir? 24 A. It was the outcome. 25 Q. It's very understandable under the</p>
<p style="text-align: right;">Page 478</p> <p>1 did that article come out? 2 A. Seventy-eight days after the incident. 3 Q. Okay. So when you say do the right 4 things for 78 days, you mean you had made efforts 5 -- or BP had made efforts to do right things for 78 6 days after the September incident? 7 A. For the families involved, for all of 8 those involved, I thought we were doing the right 9 thing for all of those families. 10 Q. Okay. So you believe that the article 11 that Mr. Stephens wrote, came out, and was 12 published the day of the second gentleman's 13 funeral? 14 A. Yes, sir, it was. 15 Q. And this was a man that had survived for 16 -- in excess of two months with third-degree burns 17 over 90 something percent of his body or something? 18 A. A very high percentage. 19 Q. And somehow he had lived through that 20 excruciating pain for the better part of three 21 months, only to finally succumb. And the day of 22 his burial, Mr. Stephens had this article out. 23 A. Yes, sir. 24 Q. And that was extremely demoralizing for 25 the rank and file at BP Texas City, to say the</p>	<p style="text-align: right;">Page 480</p> <p>1 circumstances, wasn't it, sir? 2 A. Complete your sentence. I understand -- 3 I want to make sure you complete your statement 4 before I agree to your statement. 5 Q. That Mr. Stephens' publication of this 6 article would be very demoralizing to the rank and 7 file of that facility. 8 MR. FERNELIUS: Objection, form. 9 A. Yes, sir. 10 Q. (BY MR. COON) I want to draw your 11 attention to one other area of inquiry with respect 12 to the survey. 13 A. Okay. 14 Q. If I can borrow this from you. 15 Question 34... 16 A. Is this the written or oral survey, sir? 17 Q. Sir? 18 A. Was this the written survey or the 19 oral -- or the interview? 20 Q. This is going to be a question off of the 21 interview question and your answer. 22 A. Okay. 23 Q. And I think they match up that way. 24 If you look at 34, the question 25 that was asked in the report was concerning</p>

1 supervision: "Do you believe that supervision was
2 committed to safety at this site?" And then
3 there's an A, B, C, D, on to G and H.
4 A. Okay, sir.
5 Q. And you answered --
6 A. Could I have that question paper back,
7 please? Can I use that?
8 Q. Yes, sir. I'll be happy to. I want to
9 read it on the monitor and I'll hand it to you.
10 Question 34E is: "How would you rate supervision
11 as a whole in your area? If there are
12 inconsistencies, why do you think that is the
13 case?"
14 A. What's the letter next to it?
15 Q. That's 34E. I'll let you read it there.
16 A. One more time, sir, 34 --
17 Q. E --
18 A. E?
19 Q. -- as in elephant.
20 A. Okay.
21 Q. And your answer -- we can read along
22 here. It says: "There are pockets, good portion
23 of FLLs."
24 These were front line leaders,
25 correct?

1 A. Yes, sir.
2 Q. -- "were promoted under Carter regime."
3 Are you talking about George
4 Carter?
5 A. Yes, sir.
6 Q. It says: "Keep it running with Band-Aids
7 and Super Glue. Some of the biggest compliance
8 offenders."
9 What was meant by those comments?
10 A. George had been at Texas City during a
11 significant amount of time prior to my arrival, and
12 George was the equivalent of Kathleen Lucas', his
13 position. They're senior in charge of operations.
14 I believe George was a portion of the reason the
15 kit was in the condition that it was in.
16 Q. And why is that?
17 A. Why, I can't answer, but him as leader of
18 the site allowed it.
19 Q. Fair to state the place, if it wasn't
20 there already, went to hell in a hand basket while
21 he was out there, didn't it?
22 MR. FERNELIUS: Objection, form.
23 A. I'm not going to -- I'd characterize it
24 as during his tenure there in Kathleen's position,
25 the decline of the kit, or infrastructure, happened

1 under his watch.
2 Q. (BY MR. COON) Do you know that
3 Mr. Carter has intimated that some of the decline
4 in the condition of the kit came as a result of the
5 mandates from London to cut the fixed operational
6 budget at BP Texas City by 25 percent?
7 MR. FERNELIUS: Objection, form.
8 A. It's possible.
9 Q. (BY MR. COON) Have you ever talked to
10 Mr. Carter about why he let the place continue to
11 run down under his supervision?
12 A. I'm not sure I had that full thing. I
13 mean, part of the change I made very quickly on was
14 to move George out and bring Rick in, very, very
15 quickly into my arrival at Texas City.
16 Q. Did you readily identify Mr. Carter as
17 part of the problem as opposed to part of the
18 solution?

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1 leadership team meeting was dedicated to letting my
2 leadership team read the report and get an overview
3 of what Geoffrey was going to tell the top 100 the
4 following week. I got a chance to read the report
5 then.

6 Q. So there was an opportunity for some
7 briefing before the report was officially
8 disseminated to --

9 A. To the top 100.

10 Q. -- to the top 100?

11 And who was held at this meeting?
12 How did it take place?

13 A. On Mondays, I have my regular scheduled
14 leadership team meetings. We dedicated this one.
15 One of them was dedicated to safety. So it was
16 done during this session, which would be all of my
17 direct reports. And also I included Kathleen's
18 direct reports in there as well, which would be the
19 MDLs that were in that session.

20 Q. And from December, when we went through
21 the bullets awhile ago called the Texas City
22 Site --

23 A. 13th.

24 Q. -- Integrity and Safety Leadership
25 Meeting that occurred in December, until

1 January 21, 2005, when the report actually came
2 out, did you have any other communications with
3 anyone else up the hierarchy in Chicago or London
4 with respect to anything going on related to the
5 Telos survey?

6 A. I don't recall anyone prior to receiving
7 the report. If it happened, I'm just -- I just
8 can't recall that.

9 Q. Do you recall any briefings of anyone in
10 Chicago or London regarding this report before the
11 explosion in March 23rd?

12 A. As I shared with you in my last
13 deposition, in mid February there was an afternoon
14 review with myself and I believe four or five of my
15 leadership team members, Mike Hoffman and Pat
16 Gower. You asked me where the meeting took place.
17 I think I recalled some hotel in downtown Houston.

18 Q. As we understood to some degree from your
19 last deposition and documents that we reviewed,
20 there was actually I think what was called an
21 Extended Leadership Team Action Day, maybe
22 February 14. Do you recall anything of that
23 nature?

24 A. There were numerous extended team action
25 teams. There was basically one, sometimes two full

6 Q. Mr. Parus, we've gone through, I guess,
7 the end of 2004 with respect to the work of Telos.

8 A. Yes, sir.

9 Q. That ended up consummating in a report
10 dated January 21, 2005, didn't it, sir?

11 A. The date seems very, very close.

12 Q. I have a copy of it here. I think we
13 have another one we can reference the exhibit
14 number.

15 When was it that you were first
16 provided with a copy of what's called the BP Texas
17 City site report of findings done by the Telos
18 Group dated January 21, 2005?

19 A. Exact dates, I can't tell you, but it's
20 very close. There was a two-day schedule to be
21 with the top 100 in the organization, which was
22 everybody's superintendent and higher prior to
23 that, the Monday of that week or the week before.
24 That's the closest I can give you on timing.

25 Prior to that, on that Monday, the

<p style="text-align: right;">Page 493</p> <p>1 days a week follow-up to the January Telos Report. 2 So I -- there's not one of them; there were many of 3 them in which the top 100 were meeting on this 4 various report. 5 Q. Would you agree that the Telos survey was 6 a comprehensive one, identifying the opinions and 7 concerns of both hourly and management folks at BP 8 Texas City? 9 A. Comprehensive due to the fact that 1,100 10 responded, with the hundred plus interviews. Some 11 issues concerned between Geoffrey and I were 12 around, you know, the timetable, how much of the 13 comments reflected today. It was subjective and it 14 didn't have any time table in there. 15 So there were some issues with how 16 the survey was structured, but I thought 1,100 17 responses was very high to get a fairly accurate 18 reading. 19 Q. And based on what Mr. Gioja had told you 20 back in December, that they had never seen such a 21 sense of mortality amongst the rank and file, and 22 then all the anecdotal comments reflected in the 23 report, did -- was that just like some kind of slap 24 in the face or just a -- was it some kind of shock 25 to you to say, "Man, this is bad. This is really</p>	<p style="text-align: right;">Page 495</p> <p>1 A. There was never a recommendation from 2 Geoffrey to shut the place down. I mean, I'm 3 reading one of his feedbacks here and the one he 4 shared with me, and says, "Many people noted 5 important improvements in the last two years." 6 So the report -- the report was a 7 wake-up call to the leadership piece of it. It was 8 not designed to tell what was going good. It was 9 designed to make change, but none of his 10 recommendations hinted or suggested shutting down. 11 His Number 1 concern was, given 12 the amount of organizational flux the site had gone 13 through, from an individual site to an integrated 14 site, back to an individual site, coupled with 15 people changes, that you need to get 16 accountabilities clear first. That's your Number 1 17 priority. And that's where we focused a lot of the 18 leadership effort first on. 19 Q. Okay. I want to talk about the statement 20 you just made, that it was a wake-up call. Are you 21 saying the Telos report was a wake-up call to the 22 management at BP Texas City? 23 A. Yes, sir. 24 Q. Did you ever have an opportunity to read 25 the hundred interviews given by predominantly</p>
<p style="text-align: right;">Page 494</p> <p>1 bad. We need to do something"? 2 MR. FERNELIUS: Objection, form. 3 A. I mean, I was disappointed. We had done, 4 just three to four months prior to this report, had 5 done a lot of efforts. I mean, what had came to me 6 was it was disappointing and I needed to accelerate 7 some of the things we were already doing. 8 Q. (BY MR. COON) Well, when you look at a 9 lot of the comments in here where people are saying 10 that you have major problems with the 11 infrastructure, that most of it's going either 12 unreported or unrecognized or non-responded to, and 13 you look at all of the specific little comments 14 made by all of these different individuals, 15 including one like this where it says, "It seems 16 like it all comes down to money. We tell them we 17 need it. They tell us they don't have the money. 18 As soon as it blows up or someone gets hurt, 19 there's all sorts of money." 20 When you saw those kinds of 21 comments in there, did you ever give any 22 consideration to shutting the units down or doing 23 something at a high level of urgency, other than 24 trying to put remedial plans into place? 25 MR. FERNELIUS: Objection, form.</p>	<p style="text-align: right;">Page 496</p> <p>1 management persons, including those at Level I and 2 Level II of management at BP Texas City regarding 3 their thoughts? 4 A. None of the interviews were shared with 5 me. 6 Q. To this day, none of them have been 7 shared with you, other than the one that you saw 8 involving yourself? 9 A. No, sir. 10 Q. Would it surprise you to see that amongst 11 many of those other interviews that were given, 12 that people on your own leadership team and other 13 people at high levels of authority within the BP 14 Texas City management structure made many of the 15 same comments that are -- as are reflected in the 16 Telos Report regarding the conditions of the kit, 17 potential for major catastrophe, the units being 18 run to failure, all of those types of things? 19 MR. FERNELIUS: Objection, form. 20 A. It's possible, if I could see the 21 comments. 22 Q. (BY MR. COON) Okay. Well, if in fact 23 those types of comments run rampant throughout many 24 of the statements given by those at Level I and 25 Level II, or even II or III, the reality is it</p>

39 (Pages 493 to 496)

<p style="text-align: right;">Page 497</p> <p>1 wouldn't be a wake-up call to them because they 2 were already aware of it in confessing that in 3 their confidential individual interviews. 4 MR. FERNELIUS: Objection, form. 5 A. I'd have to see the entire context of the 6 interviews. 7 Q. (BY MR. COON) I would encourage you to 8 ask your attorneys to give you a copy which they 9 have had in their possession for a year, sir. 10 When you read the report and you 11 saw where the survey participants rank making money 12 the Number 1 priority at BP Texas City, and that 13 people was the last priority at Texas City, what 14 was your response to that? 15 MR. FERNELIUS: Objection, form. 16 A. It was a violent disagreement with my own 17 personal views. 18 Q. (BY MR. COON) Well, do you think based 19 on that that your own personal views were somewhat 20 naive, not having been there over all the years and 21 dealing with all of the issues that these people 22 that provide these surveys completed? 23 A. Again, I don't know the time frame that 24 people made those rankings. Okay. I can just tell 25 you that --</p>	<p style="text-align: right;">Page 499</p> <p>1 at BP Texas City, and making money came out 2 Number 1 and people came out dead last, isn't it 3 fair to presume that what they meant was that's 4 their opinion at the time? 5 A. Yes, sir. 6 Q. It doesn't say "Tell us what you thought 7 a year ago," does it? 8 A. No, sir. 9 Q. It just says "Rank them." 10 A. Yes, sir. 11 Q. And that's what they did. 12 A. Yes, sir. 13 Q. And in ranking it, the people, when they 14 filled out these forms at the end of 2004, that's 15 where the rankings fell. 16 A. Yes, sir. 17 Q. And the Telos Group made you aware, from 18 the report and in your interviews with them and 19 meetings with them, that this ranking was one that 20 was not only the ranking of the hourly people out 21 there, but that this was the same ranking as was 22 reflected and viewed by management at Texas City, 23 correct? 24 MR. FERNELIUS: Objection, form. 25 A. That's the discussion I don't remember,</p>
<p style="text-align: right;">Page 498</p> <p>1 Q. Well, I'll -- I'll -- 2 A. -- that -- 3 Q. -- I'll interject something for you right 4 now. I'm going to represent to you that these 5 rankings were made as a result of your surveys, 6 which would be November/December of 2004. 7 A. I'm not disputing when they answered the 8 question. My comment was, I don't know what period 9 of time they had in their mindset when answering 10 the question. 11 The survey was not clear on that. 12 This is where Geoffrey and I had the concern, was 13 it didn't say what is the ranking today; what's the 14 ranking in the past, has it changed. It was a 15 subjective question without a time line in it. I 16 know when they responded to that, sir. 17 Q. Well, Mr. Parus, if I said how much money 18 do you have in your pocket and you told me, would 19 you think I meant how much money you got in your 20 pocket now or how much money you had in your pocket 21 last month? 22 A. To answer your question, it would be how 23 much money I had in my pocket today. 24 Q. So when people were asked in a form in 25 October and November of 2004 to rank the priorities</p>	<p style="text-align: right;">Page 500</p> <p>1 sir. 2 Q. (BY MR. COON) You don't recall in there 3 where you say there were very few distinctions and 4 percentage points between the numbers representing 5 the hourly people and management people at Texas 6 City, but there was a lot of consistency with 7 respect to all these issues? 8 A. I just don't recall it, sir. 9 Q. If the report says that, you're not going 10 to take issue with it, are you? 11 A. No, sir. 12 Q. I want to talk briefly with you, sir, 13 about just culture. You commented on that earlier. 14 And at Page 1 of the report, the very first issue 15 of discussion was understanding blame, punishment, 16 and a just culture. 17 And by "just culture" in this 18 report, it's the same thing that you were talking 19 about earlier when you told us what just culture 20 meant to you and what you were trying to do at 21 Texas City. 22 A. Yes, sir. Could you just finish the 23 whole sentence there? I can only read part of it. 24 Q. Sure. 25 A. In the perception...</p>

<p style="text-align: right;">Page 501</p> <p>1 Okay.</p> <p>2 Q. Okay. What it says on getting hurt on</p> <p>3 the job, this was one of the areas that was asked</p> <p>4 about in the survey, correct?</p> <p>5 A. Yes, sir.</p> <p>6 Q. And that was so that the surveyors, the</p> <p>7 Telos Group, and BP management could get a better</p> <p>8 read and understanding as to whether or not a just</p> <p>9 culture was being perceived or implemented or</p> <p>10 utilized at Texas City, correct?</p> <p>11 A. Yes, sir.</p> <p>12 Q. In fact, it says here on getting hurt on</p> <p>13 the job when people were asked if they had ever</p> <p>14 been hurt on the job, they gave answers and Telos</p> <p>15 looked at all those answers and then they commented</p> <p>16 on those in a broad format. And that's what this</p> <p>17 report does, right?</p> <p>18 A. Yes, sir.</p> <p>19 Q. So when we get to the subject matter of</p> <p>20 getting hurt on the job, it said, "When responding</p> <p>21 to queries about injuries and incidents on the job</p> <p>22 and the perception of a 'just culture' and</p> <p>23 appropriate organizational responses to those</p> <p>24 incidents and injuries, many acknowledge being</p> <p>25 injured and have the perception that the</p>	<p style="text-align: right;">Page 503</p> <p>1 trained at the same time the survey was handed out.</p> <p>2 So it doesn't surprise me that just culture did not</p> <p>3 show up in this survey. It was just rolling out.</p> <p>4 Q. How long had that plant been there?</p> <p>5 A. I'd say over 50 years. I don't have the</p> <p>6 exact date and time.</p> <p>7 Q. Do you know what decade it was built,</p> <p>8 originally?</p> <p>9 A. I'd say the '40s, if I had to guess.</p> <p>10 Q. I'd say you missed it by a decade.</p> <p>11 A. Okay.</p> <p>12 Q. '30s.</p> <p>13 Assume it was built in the '30s.</p> <p>14 There had been 70 years of operational activity at</p> <p>15 that facility. That would a rough guess. Say it</p> <p>16 was built in the mid '30s.</p> <p>17 A. That would be a good statement.</p> <p>18 Q. And BP and its predecessor/ownership had</p> <p>19 plenty of time and years to formulate a sense of</p> <p>20 responsibility with respect to the way it treated</p> <p>21 it's employees. Fair statement?</p> <p>22 A. Yes, sir.</p> <p>23 Q. What BP, or what you were trying to do in</p> <p>24 the few months before the plant blew up, was not</p> <p>25 something new and novel, that is treating your</p>
<p style="text-align: right;">Page 502</p> <p>1 organization did not respond appropriately."</p> <p>2 Did I read that correctly?</p> <p>3 A. Yes, sir.</p> <p>4 Q. And after they give those comments, they</p> <p>5 actually go back and reflect on what a lot of</p> <p>6 people said specifically to the question, "Have you</p> <p>7 been hurt on the job?"</p> <p>8 Do you remember that from the</p> <p>9 form?</p> <p>10 A. Yes, sir.</p> <p>11 Q. Okay. I want to ask you about a few of</p> <p>12 these. One of the person's response says, "After</p> <p>13 an incident, we add more detail to the procedure</p> <p>14 and fire the victim."</p> <p>15 Now, would that be an example of a</p> <p>16 just culture?</p> <p>17 A. No, sir. Just to put the timetable in</p> <p>18 place here, just culture was just being rolled out</p> <p>19 to the first level leaders at the same time this</p> <p>20 survey was handed out. Just culture had not</p> <p>21 permeated the organization yet. We were in the</p> <p>22 process of training the first level leaders at this</p> <p>23 same session.</p> <p>24 There was a separate session on</p> <p>25 compliance delivery and just culture, which they</p>	<p style="text-align: right;">Page 504</p> <p>1 employees right. That's not a new concept in</p> <p>2 management of a business, is it, sir?</p> <p>3 A. Not to me, sir.</p> <p>4 Q. It was just something that was to some</p> <p>5 degree new to Texas City, wasn't it?</p> <p>6 MR. FERNELIUS: Objection, form.</p> <p>7 A. New or forgotten. I'm not sure which one</p> <p>8 it was.</p> <p>9 Q. (BY MR. COON) Okay. Well, it's not</p> <p>10 advisable for management to forget how to treat</p> <p>11 their employees, is it?</p> <p>12 A. The reason I responded that way, I don't</p> <p>13 know if it existed in that past at all in that</p> <p>14 seven-year history.</p> <p>15 Q. Okay. Well, you were able to tell by</p> <p>16 reading a lot of these statements by people that it</p> <p>17 did appear that BP lacked a good sense of judgment</p> <p>18 with respect to its culture for its employees?</p> <p>19 A. That was obvious by their perceptions.</p> <p>20 Q. And it wasn't just this one person that</p> <p>21 talked about this comment about firing the victim.</p> <p>22 That's the blame game. But you go on to other ones</p> <p>23 here.</p> <p>24 Over and over again, it talks</p> <p>25 about blaming the employee. "Actions and</p>

<p style="text-align: right;">Page 505</p> <p>1 investigations for root causes were always after 2 someone gets hurt. Investigations all lead to the 3 conclusion that human error causes mishap. I find 4 that a little disturbing from the perspective that 5 it provides little insight about a meaningful 6 correction." 7 These are the kinds of things that 8 you were talking to us about earlier, where it's 9 important to understand why employees why do 10 certain things and whether they're doing things on 11 purpose, or if they just haven't been trained right 12 or some other activity has diverged their 13 attention, correct? 14 A. Yes, sir. 15 Q. Go to the next page. "Been hurt on the 16 job? "No. I run like hell and duck and dodge 17 every hazard in this dump." 18 A. I see that. 19 Q. That's not a particularly good comment 20 about the condition of the kit, is it, sir? 21 A. No, sir. 22 Q. Go down to here. "No, but I know someone 23 who was injured in my unit. After the 24 investigation, we never heard about the outcome or 25 what we learned from the accident." And I want to</p>	<p style="text-align: right;">Page 507</p> <p>1 Q. And at least there was some recognition 2 at that time that BP had recognized that there was 3 a benefit to be derived from going out and, one, 4 ascertaining what actually happened and why it 5 happened, correct? 6 A. Yes, sir. 7 Q. And then, two, making some effort to 8 disseminate that information to other facilities so 9 that they could learn from it without having to 10 learn the hard way, correct? 11 A. Yes, sir. 12 Q. And that's the whole purpose of learning 13 lessons, so that, one, you don't repeat it, right? 14 A. Yes, sir. 15 Q. And two is, to the extent that you can 16 communicate those issues to other personnel at 17 other facilities, it will hopefully reduce the 18 likelihood of such occurrences elsewhere. 19 A. Yes, sir. 20 Q. You can learn from other people's 21 mistakes instead of making them on your own. 22 A. Yes, sir. 23 Q. Okay. Other comments. "Yes, working 24 shorthanded. No concern was shown." 25 Again, assuming that's true, that</p>
<p style="text-align: right;">Page 506</p> <p>1 talk to you briefly about learning. 2 I think you told us earlier that 3 it is important to learn from what happens out 4 there at any place. 5 A. Yes, sir. 6 Q. And you were out at Grangemouth, or you 7 were at least working in London when the 8 Grangemouth plant in Scotland had a major event 9 back in the -- what, a couple of years before you 10 came to Texas City? Wasn't it 2000 or so? 11 A. Some -- somewhere in that time period. 12 Q. And there was a major investigation by BP 13 into what happened at Grangemouth, because it was, 14 in fact, a catastrophic event and just fortunately 15 or gratuitously there were very few, if any, 16 injuries, correct? 17 A. I know there were no fatalities. I don't 18 know about injuries. 19 Q. And as a result of what happened out 20 there, there was an investigation undertaken and 21 what came out of that was something called "Lessons 22 Learned from Grangemouth." 23 Do you recall that? 24 A. I only recently recalled that. It was 25 made known to me by my attorneys.</p>	<p style="text-align: right;">Page 508</p> <p>1 would not show just culture, would it? 2 A. I'm not sure I understand the full 3 context of that statement. 4 Q. Well, if someone got hurt and there was a 5 lack of concern, that would not be part of the just 6 culture, would it? 7 MR. FERNELIUS: Objection, form. 8 A. It doesn't say that, but that's okay. It 9 doesn't say that. 10 Q. (BY MR. COON) It says "No concern was 11 shown." 12 A. For what, though, sir? It doesn't say 13 any -- doesn't say anything about getting hurt. 14 Q. Well, it says here: "Have you been hurt 15 on the job?" "Yes, working shorthanded." 16 I make the presumption that the 17 person believed they got hurt because they were 18 having to work shorthanded. You know what that 19 means, don't you? It doesn't mean they have short 20 hands, does it? 21 A. No. 22 Q. It means they didn't have any help, 23 right? Isn't that what "shorthanded" means? 24 A. Yes, sir. 25 Q. And you understand there had been a lot</p>

<p style="text-align: right;">Page 509</p> <p>1 of complaints over the years, prior to your arrival 2 and after your arrival, that people had to work 3 shorthanded. 4 MR. FERNELIUS: Objection, form. 5 Q. (BY MR. COON) You're aware of that, 6 aren't you? 7 A. There's been references made to that. 8 Q. And, in fact, part of the cuts that took 9 place under the Carter regime that you yourself 10 were critical of is that a lot of people were laid 11 off, there was reductions in force, and fewer 12 people had to do more work. You're aware of that, 13 aren't you? 14 MR. FERNELIUS: Objection, form. 15 A. I'm not aware of what the whole 16 25 percent cuts did to Texas City. 17 Q. (BY MR. COON) And I'm going to jump 18 around a little bit and just use this as an 19 example. The board operator, Mr. Briggs, on 20 March 23rd, 2005, was working that board room by 21 himself, wasn't he? 22 MR. FERNELIUS: Objection, form. 23 A. I don't know, sir. 24 Q. (BY MR. COON) Sir? 25 A. I don't -- I was not aware if he was</p>	<p style="text-align: right;">Page 511</p> <p>1 first. 2 After the explosion, were you 3 still in charge of that plant until you were put on 4 leave of absence in mid May? 5 A. Yes, sir. 6 Q. And being in charge of the plant for that 7 duration, did you ever undertake any effort to find 8 out what happened at the ISOM unit that day to 9 cause such a major catastrophe? 10 A. That was the role of the incident team 11 that was brought up. 12 Q. And you never asked one person on the 13 incident team in the six or seven weeks after that 14 while you were still the leader of the Texas City 15 facility, "What the heck happened?" 16 A. I was getting periodic briefings, that 17 that team was busy on their own. I was told to 18 leave them on their own. Let them interview and 19 find the root cause. 20 I was working a different -- I was 21 working on different issues, and I was not 22 responsible for following up on the incident 23 report. 24 Q. Well, you did have an understanding at 25 some point that this resulted out of activities</p>
<p style="text-align: right;">Page 510</p> <p>1 working by himself or not. 2 Q. Okay. After this explosion, you never 3 went out to find who was doing what? 4 A. That was the investigation team to do 5 that. I was concerned with families. My effort 6 wasn't into the investigation; my effort was in 7 recovery and dealing with the fallout from the 8 incident. 9 Q. So you didn't have a passing curiosity as 10 to how many people were out there working and what 11 they were doing? 12 A. Not during the time period following the 13 incident, sir, no. 14 Q. Okay. Well, you had six weeks or better 15 to reflect on it before BP put you to pasture, 16 didn't they? 17 MR. FERNELIUS: Objection, form. 18 A. Six weeks before putting on leave. But, 19 again, I spent a lot of my time and effort around 20 families, those injured and recovering; let the 21 incident report find out the details. I didn't 22 overstep and start interviewing employees as far as 23 the incident. 24 Q. (BY MR. COON) Well, as the person that 25 was still in charge of the plant -- let me back up</p>	<p style="text-align: right;">Page 512</p> <p>1 associated to the control room in the ISOM, did you 2 not? 3 A. Yes, sir. 4 Q. And you understood, while you were still 5 there as the leader of that facility, that the 6 investigative team made decisions to terminate the 7 employment of a number of people that were on the 8 job that day. 9 MR. FERNELIUS: Objection, form. 10 A. The investigation team didn't make that 11 decision. 12 Q. (BY MR. COON) Were you ever made aware 13 that some people were going to get fired for some 14 perceived role in this explosion while you were 15 still the business unit leader at Texas City? 16 A. The timing overlapped. I knew I was 17 going on leave at the same time that investigation 18 was going on. 19 As to who would -- who would help, 20 I was not involved in any of the discussions, 21 interviews associated with the termination of any 22 employees. 23 Q. Did you have any idea from these periodic 24 briefings that anybody was going to get fired for 25 any perceived role or responsibility or</p>

<p style="text-align: right;">Page 513</p> <p>1 accountability in this explosion?</p> <p>2 A. No, because following the incident</p> <p>3 investigation, which it's agreed upon with the</p> <p>4 union that the incident investigation would not be</p> <p>5 the source of any discipline. That's what's agreed</p> <p>6 upon with the union.</p> <p>7 Following that investigation being</p> <p>8 completed then, a separate off-team looked at an</p> <p>9 interview to determine discipline. I was not part</p> <p>10 of that team.</p> <p>11 Q. Okay. Well, I hate to jump around too</p> <p>12 much on this. Let me back up. We're going to get</p> <p>13 into some of those issues after we finish</p> <p>14 discussing the Telos Report.</p> <p>15 Another comment here. This</p> <p>16 individual said, "Yes, I've been hurt and</p> <p>17 management punished me and make a fool of me. Need</p> <p>18 I say more?"</p> <p>19 Assuming that to be true, again, a</p> <p>20 very poor example of a just culture, agreed?</p> <p>21 A. If true, yes, sir.</p> <p>22 Q. Another one here in the middle of this</p> <p>23 page: "Yes, I reported it. They made me feel like</p> <p>24 a fool, and they will not make me feel that way</p> <p>25 again."</p>	<p style="text-align: right;">Page 515</p> <p>1 have reporting requirements any time anybody gets</p> <p>2 hurt on the job and misses time.</p> <p>3 A. Yes, sir.</p> <p>4 Q. And in the refinery sector, if not most</p> <p>5 other industries, management discourages people</p> <p>6 from having to file a lost-time incident from</p> <p>7 getting hurt on the job.</p> <p>8 A. No this -- not --</p> <p>9 MR. FERNELIUS: Objection, form.</p> <p>10 A. Not this manager.</p> <p>11 Q. (BY MR. COON) Are you aware of</p> <p>12 occurrences in the past at BP Texas City where</p> <p>13 people had maintained that they were discouraged</p> <p>14 from taking time off as a result of an injury so</p> <p>15 that it would not come out as an OSHA reportable</p> <p>16 event?</p> <p>17 A. I don't believe I was personally aware of</p> <p>18 it, sir.</p> <p>19 Q. Okay. Give you another one: "Yes, they</p> <p>20 made fun of me."</p> <p>21 Again, that would not be an</p> <p>22 example of a just culture, would it, sir?</p> <p>23 A. No, sir.</p> <p>24 Q. This one here: "Yes, they want you back</p> <p>25 to work as soon as possible, regardless of your</p>
<p style="text-align: right;">Page 514</p> <p>1 Again, assuming that to be true,</p> <p>2 not an example of a just culture, is it, sir?</p> <p>3 A. Not if true, sir.</p> <p>4 Q. Another one: "Yes, mechanical failure.</p> <p>5 I was blamed, and I was not the root cause."</p> <p>6 Again, assuming that the</p> <p>7 statements were true, not a good example of just</p> <p>8 culture, is it, sir?</p> <p>9 A. No, sir.</p> <p>10 Q. Another one: "Yes. And all they did was</p> <p>11 harass me and fight workmen's comp."</p> <p>12 As I understand, workman's comp is</p> <p>13 a medical and disability benefit eligible for</p> <p>14 people that get hurt on the job, isn't it?</p> <p>15 A. Yes, sir.</p> <p>16 Q. It's not prudent or appropriate for a</p> <p>17 company to oppose somebody's entitlement to such</p> <p>18 benefits if they're hurt on the job, is it, sir?</p> <p>19 A. No, sir.</p> <p>20 Q. But sometimes companies have a tendency</p> <p>21 to do that because it impacts adversely in a</p> <p>22 premium rate, doesn't it?</p> <p>23 MR. FERNELIUS: Objection, form.</p> <p>24 A. It's a possibility.</p> <p>25 Q. (BY MR. COON) Much like with OSHA, you</p>	<p style="text-align: right;">Page 516</p> <p>1 condition."</p> <p>2 Assuming that's true, that would</p> <p>3 not be part of a just culture, would it, sir?</p> <p>4 A. No, sir.</p> <p>5 Q. And there's a derivative benefit for</p> <p>6 people in management to encourage people to return</p> <p>7 to work, even if they're not suitable to return in</p> <p>8 their capacity, isn't there?</p> <p>9 MR. FERNELIUS: Objection, form.</p> <p>10 A. I'm not sure I understand it, sir.</p> <p>11 Q. (BY MR. COON) Isn't it part of the bonus</p> <p>12 incentive for management personnel reflective in</p> <p>13 their OSHA reportables?</p> <p>14 A. It has nothing to do with returning to</p> <p>15 work.</p> <p>16 Q. Does it have anything to do with taking</p> <p>17 time off in the first place?</p> <p>18 A. It doesn't make a difference if the</p> <p>19 person is off one day, one week, or one year. It</p> <p>20 still counts as a lost workday. So bringing them</p> <p>21 back sooner doesn't change the metrics.</p> <p>22 Q. So if a person gets hurt on the job and</p> <p>23 has to take time off, it has to be an OSHA</p> <p>24 reportable lost-time event, correct?</p> <p>25 MR. FERNELIUS: Objection, form.</p>

<p style="text-align: right;">Page 517</p> <p>1 A. Could you repeat that again, please --</p> <p>2 Q. (BY MR. COON) Yes, sir?</p> <p>3 A. -- to make sure I understand your words.</p> <p>4 Q. If one of your employees gets hurt on the</p> <p>5 job to the extent that they have to miss time from</p> <p>6 work, it has to be a -- it has to be reported to</p> <p>7 OSHA as a lost-time event?</p> <p>8 A. Yes, sir.</p> <p>9 Q. And BP is keenly aware of those persons</p> <p>10 that lose time from work as a result of an</p> <p>11 on-the-job injury. They actually track all those</p> <p>12 numbers, don't they?</p> <p>13 A. They track both OSHA recordables in which</p> <p>14 time is not lost, as well as tracking OSHA</p> <p>15 recordables in which time is lost as a measure of</p> <p>16 severity.</p> <p>17 Q. And when we go back and look at BP</p> <p>18 documents, we see throughout them a continued push</p> <p>19 at various levels to reduce the number of OSHA</p> <p>20 recordables. You're familiar with that, aren't</p> <p>21 you?</p> <p>22 A. I believe reduce the number of injuries,</p> <p>23 period.</p> <p>24 Q. And that's because it is used as a</p> <p>25 subjective barometer of the safety of the facility</p>	<p style="text-align: right;">Page 519</p> <p>1 sustained an occupational injury and it's an</p> <p>2 occupational safety issue, as opposed to a process</p> <p>3 safety management issue. Two different ways you</p> <p>4 can get hurt out there.</p> <p>5 A. There are different ways, yes, sir.</p> <p>6 Q. And one is a result of a process failure.</p> <p>7 Say a vessel blows up and somebody is just standing</p> <p>8 by it, there's nothing they could have done about</p> <p>9 it.</p> <p>10 A. Yes, sir.</p> <p>11 Q. That's a process safety failure resulting</p> <p>12 from in a lost time injury or even a fatality.</p> <p>13 A. Yes, sir.</p> <p>14 Q. And then you have the set of</p> <p>15 circumstances where somebody just steps in a hole</p> <p>16 and hurts themselves because they weren't paying</p> <p>17 attention to where they were going.</p> <p>18 A. Yes, sir.</p> <p>19 Q. And you can have a number of reportable</p> <p>20 instances where people stepped in holes or hurt</p> <p>21 themselves in some manner. That is not an indicator,</p> <p>22 one way or the other. It's an irrelevant number as</p> <p>23 it relates to process safety management.</p> <p>24 A. I connect them in my mind, sir. Okay?</p> <p>25 In my mind you don't have good OSHA recordables and</p>
<p style="text-align: right;">Page 518</p> <p>1 in its operations, correct?</p> <p>2 A. I'm not sure I would use "subjective,"</p> <p>3 because the rules for OSHA recordable are pretty</p> <p>4 well defined. I would agree with everything but</p> <p>5 the word "subjective" in there.</p> <p>6 Q. Well, you would agree that there's some</p> <p>7 perception of some parallel with a reduction in the</p> <p>8 number of lost time incidents is reflective of a</p> <p>9 increase in the level of safety.</p> <p>10 A. Just repeat it for me again to make sure</p> <p>11 I understand your words.</p> <p>12 Q. Yes, sir. There's a perception out there</p> <p>13 that a reduction in the number of reportable lost</p> <p>14 time incidents is a reflection or barometer of</p> <p>15 increased safety practices.</p> <p>16 A. It's a lagging indicator, yes. Used as</p> <p>17 one of the indicators, or many, but that's one of</p> <p>18 them.</p> <p>19 Q. But we could also agree that to the</p> <p>20 extent those OSHA recordables involve personal</p> <p>21 safety issues, such as utilization of -- let me</p> <p>22 rephrase that.</p> <p>23 If you have persons who get</p> <p>24 injured as a result of stepping in a hole, for</p> <p>25 instance, that's an instance where somebody</p>	<p style="text-align: right;">Page 520</p> <p>1 poor process safety or vice versa. To me, they're</p> <p>2 very related. And I would --</p> <p>3 Q. The reality -- I'm sorry.</p> <p>4 A. I was just saying they're integrated. I</p> <p>5 don't differentiate them in my mind.</p> <p>6 MR. COON: We will change tapes.</p> <p>7 THE VIDEOGRAPHER: Off the record</p> <p>8 at 4:43 p.m., ending Tape 3.</p> <p>9 (Recess taken.)</p> <p>10 (Exhibit Number 562 marked for</p> <p>11 identification.)</p> <p>12 THE VIDEOGRAPHER: On the record</p> <p>13 at 5:00 p.m., beginning Tape 4.</p> <p>14 Q. (BY MR. COON) Mr. Parus, are you ready</p> <p>15 to continue, sir?</p> <p>16 A. Yes, sir.</p> <p>17 Q. I have in front of you what's marked as</p> <p>18 562 to the record. It is called the Texas City</p> <p>19 Site Update. It looks to have been a briefing to a</p> <p>20 number of individuals regarding things going on at</p> <p>21 the facility in the months prior to the explosion.</p> <p>22 It indicates that Mr. Hoffman and</p> <p>23 Mr. Gower were in attendance. Would this have been</p> <p>24 the mid February meeting you told us about earlier?</p> <p>25 A. It appears to be, yes.</p>

1 Q. Okay. Do you have a specific
2 recollection of discussing any aspect of the Telos
3 study with Mr. Hoffman and Mr. Gower during that
4 visit to Texas City?

5 A. Yes, sir. It's called "Site Cultural
6 Assessment" in here on this page.

7 Q. Okay. It's called the "Safety Culture
8 Survey"?

9 A. Well, actually it's -- it's -- I believe
10 it has "Site Cultural Assessment."

11 Q. Okay. So you did in fact talk to
12 Mr. Gower and Mr. Hoffman about this Telos study,
13 didn't you, sir?

14 A. Yes, sir.

15 Q. And you talked to them about it because
16 it was a very important survey, wasn't it, sir?

17 A. It was the follow-up action item from the
18 September fatalities that I agreed to pursue at the
19 site as one of the action items.

20 Q. Right. And you had talked to Mr. Hoffman
21 and Mr. Gower about your plans to initiate this
22 survey. And they were well aware that that survey
23 had been undertaken by BP Texas City, correct?

24 A. I can't answer that for Pat Gower. Now,
25 whether Pat -- what communication Pat had to Mike,

1 I cannot speak for Pat. But I had direct
2 conversations with Pat regarding doing the survey,
3 who was going to do the survey, and it's time
4 frame.

5 Q. And then the report comes out January 21,
6 give or take a day, but that's the date on it.

7 A. Okay.

8 Q. And you communicated to Mr. Gower that
9 this report was out, and to Mr. Hoffman that this
10 report was out, at least at the mid February
11 meeting, correct?

12 A. I believe I shared with them what I
13 thought the five areas we were going to address as
14 a result of the Telos Report.

15 Q. All right. So there's no doubt in your
16 mind that Mr. Gower and Mr. Hoffman, at least by
17 February 15, were aware that you had initiated this
18 survey and you had the results of the survey back
19 and there were a number of things to discuss, and
20 they were briefed on those issues on or about
21 February 15, 2005.

22 A. Yes, sir.

23 Q. The reason I bring that up -- there's two
24 reasons. One is, not only was that how I read your
25 study there and what you said before, but we also

1 have Exhibit 564, which is an e-mail, and it
2 actually looks like a couple of e-mails. One's a
3 draft of an e-mail from you. I just want to --
4 I'll let you look at, but it's dated March 16th,
5 and it included a summary of the visit. I'll let
6 you look at it, but it talks about "Recently BP
7 Group, vice president, refining, Mike Hoffman and
8 U.S. region refining, BP, Pat Gower visited us."

9 And I'm presuming that that would
10 reflect this meeting that you had in February?

11 A. This is a draft.

12 Q. Okay. And if you look at --

13 A. This was not sent out.

14 Q. If you look at like the third page there,
15 I highlighted a couple of things for you, the third
16 and fourth page. It indicates on there that you
17 had met with Mr. Hoffman and Mr. Gower and had
18 briefed them on the culture survey which is the
19 Telos Report, correct?

20 A. I felt we did, but I'd like to be able to
21 see the one that was actually sent out --

22 Q. Okay.

23 A. -- versus the draft.

24 Q. Well, again, your comments there indicate
25 that you had met with Mr. Hoffman and Mr. Gower and

1 had briefed them on the Telos survey.

2 A. Yes.

3 Q. That's what is indicated in your draft.

4 A. I'm going to say not from the draft, I'm
5 telling you directly that because -- with this
6 presentation, I briefed Mike and Pat on Telos.

7 Q. Okay. Have you been told that Mr. Gower
8 has denied being informed of the existence of the
9 Telos report before the explosion?

10 A. No, sir.

11 Q. Would -- assuming he said that, would you
12 just say he's wrong?

13 MR. FERNELIUS: Object to the
14 form.

15 A. I don't know that's what he's thinking,
16 whether he didn't remember or whatever. I know he
17 was in this meeting.

18 Q. (BY MR. COON) And that's the meeting in
19 February, which was the month before the explosion,
20 right?

21 A. It's before the explosion, sir.

22 Q. Okay. I'm going to represent to you that
23 what he said in his deposition on page 187, he was
24 asked why he did not read the Telos report before
25 the explosion, and his answer was: "I wasn't aware

<p style="text-align: right;">Page 525</p> <p>1 of its existence prior to the fire." 2 Now, assuming he said that, he's 3 at least mistaken, if not lying, agreed? 4 A. It's time for you to take that up with 5 Pat. I don't know what he's thinking or saying. 6 And I don't want to answer his questions for you. 7 I can tell you that I shared the 8 output of the Telos report with four to five of my 9 leadership team members in a meeting with Pat and 10 Mike on February 15th in Houston, and that's the -- 11 this slide, what I'm looking at right now, remained 12 up on the screen and the majority of the discussion 13 was along this slide. 14 Q. Okay. I want to show you another page of 15 his testimony, page 193. 16 THE WITNESS: I'm assuming this is 17 an accurate statement? 18 Q. (BY MR. COON) Mr. Gower is critical of 19 you for not providing him with information 20 concerning the Telos report before the explosion. 21 A. Can I -- can you put what's -- 22 Q. Yes, it's right here (indicating). 23 Again, he was asked why he had not 24 been provided the Telos report and why he hadn't 25 done anything about it before the explosion, and</p>	<p style="text-align: right;">Page 527</p> <p>1 Q. But the Telos study itself and the 2 Executive Summary -- 3 A. He was going to retain a copy of that, 4 but there were to be no copies left at the site. 5 His concern expressed to me was, "Don, I don't want 6 a copy of this showing up in the control room. Too 7 much time and energy will be spent trying to place 8 a comment with individuals. This is not something 9 I want to share, so I want to collect them all 10 back." 11 Q. Okay. But I just want to be -- I 12 understand that. 13 A. The raw data that you shared, for 14 example, why interviews was to be shredded. 15 Q. Well, it wasn't shredded and instead your 16 lawyers went out and forced the Telos Group to give 17 them back to them, and as a result they're now a 18 part of the discovery. Do you understand that? 19 MR. FERNELIUS: Objection, form. 20 A. I now understand that. 21 Q. (BY MR. COON) Do you have any 22 understanding as to why any of the individuals in 23 this case were fired as a result of the incident on 24 March 23? 25 A. No, sir. I didn't do the investigation</p>
<p style="text-align: right;">Page 526</p> <p>1 this is his comments right here. And he was 2 critical of you for not educating him about the 3 Telos report. He was asked if you screwed up, and 4 his answer was that he, being you, he couldn't 5 handle it better than what he did. 6 A. One is I did -- 7 MR. FERNELIUS: Objection, form. 8 A. One is I did not have a report to give 9 him. Geoffrey made it clear that he was going to 10 give copies of the reports to us. We were to read 11 them. He was going to collect them back. In fact, 12 Geoffrey committed to destroying the reports and 13 the interviews, such that that information wouldn't 14 leak out. So I had no report to give to Pat, but I 15 did update Pat at this meeting on February 15th. 16 Q. (BY MR. COON) Okay. There weren't plans 17 to destroy the Telos survey, was there, sir? 18 A. All of the data supporting it, Geoffrey 19 said that he was going to destroy the interviews 20 that you have now shared. He was going to shred 21 them, because they were paper notes. 22 Q. Now, this is the underlying data. This 23 is the actual surveys filled out by people in the 24 interview forms. 25 A. Correct.</p>	<p style="text-align: right;">Page 528</p> <p>1 to it. I can only read what was presented by Ross 2 at his town hall meeting. 3 Kathleen and Willie did the 4 interviews, made the recommendations and 5 implemented during the week prior to that. I was 6 -- I already knew I was going to be on leave and, 7 therefore, was not part of that process. 8 Q. Okay. Did you give a statement to the 9 interviewers on the investigation, subsequent to 10 the explosion? 11 A. Make sure I understand your question. 12 Again, sir, please? 13 Q. Did you give an interview to the 14 investigators, Mr. Mogford and Mr. Holt? 15 A. My only recollection is I was interviewed 16 by Tim Holt, not Mr. Mogford. 17 Q. Did you have an opportunity to read a 18 copy of the statement you gave to him at the time? 19 A. I reviewed it some time ago. 20 Q. Under what circumstances? 21 MR. FERNELIUS: If you reviewed it 22 in connection with preparing for this deposition, 23 certainly you can let him know. I don't know. 24 A. I reviewed it in preparation for this. 25 Q. (BY MR. COON) Was this a copy of the</p>

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<p style="text-align: right;">Page 529</p> <p>1 statement that you had retained for your personal 2 archives that you had an opportunity to review, or 3 was this something that was provided to you for 4 specific preparation for your testimony? 5 A. I do not have my own personal copy. 6 Q. I'm going to show you a couple of things 7 you said. That's what it looks like, isn't it, 8 interview of Don Parus, April 28, 2005? 9 A. Yes, sir. 10 Q. Page 11, there was a discussion about the 11 just culture and some things that were done, the 12 Moody Gardens, Safety Reality. And you were -- it 13 said you had asked the question, "How many 14 fatalities had the site had in 30 years," and your 15 answer was -- when they told you, that you were 16 shocked with the answer. 17 Would you agree that that was your 18 impression at the time? 19 A. That's my words, sir. 20 Q. You were shocked with the answer because 21 you felt that to be an exceedingly large number of 22 people who had been killed on the job at BP Texas 23 City, correct? 24 A. I think anybody over one is high. 25 Q. So the answer is "yes," you were shocked</p>	<p style="text-align: right;">Page 531</p> <p>1 and now is that BP Texas City has added another 15 2 people to that statistic, haven't they? 3 MR. FERNELIUS: Objection, form. 4 A. On March 13th, 15 more were added to that 5 statistic. 6 Q. (BY MR. COON) So now instead of BP Texas 7 having a history of killing someone every 18 8 months, it's more like killing somebody less than 9 every 12 months. 10 MR. FERNELIUS: Objection, form. 11 A. You take 30 years and divide it by 38, 12 you come up with that answer. 13 Q. (BY MR. COON) That's more than one 14 fatality per year. 15 A. It doesn't mean it occurred every six 16 months is my point. 17 Q. And you would agree that's unacceptable? 18 A. Yes, sir. 19 MR. COON: I want to attach the 20 statement to the record as 563. 21 (Exhibit Numbers 563 and 564 22 marked for identification.) 23 MR. COON: Let's go off the record 24 just a minute. 25 MR. FERNELIUS: You've got it.</p>
<p style="text-align: right;">Page 530</p> <p>1 at the sheer magnitude of the numbers for one 2 plant? 3 A. That's what I stated. 4 Q. And then you also said as part of this 5 Moody Gardens program right under it, in terms of 6 why you were having the Safety Reality program, 7 after you talked about how shocked you were, you 8 said you were trying to wake people up, basically. 9 And the next page is -- this is 10 the question: "Shake them up; wake them up?" And 11 your answer was what, sir? 12 A. Do you want me to read it out loud? 13 Q. Yes, sir, please. 14 A. "Killing somebody here every 18 months 15 seems to be acceptable at this site. Does that put 16 it in honest enough terms for you" -- "to you?" 17 Q. And that was your candid feelings about 18 that at the time of this interview, a month or so 19 after the explosion? 20 A. That is referring to the Safety Reality 21 sessions prior to the explosion. 22 Q. And so the sad reality is, is that while 23 that was your opinion at the time you gave the 24 Safety Reality program in the Fall of 2004, the 25 only thing that changed historically between then</p>	<p style="text-align: right;">Page 532</p> <p>1 THE VIDEOGRAPHER: Off the record 2 at 5:12 p.m. 3 (Recess taken.) 4 THE VIDEOGRAPHER: On the record 5 at 5:15 p.m. 6 Q. (BY MR. COON) Mr. Parus, in the first 7 part of the deposition you gave a couple of weeks 8 ago, we asked you some questions concerning your 9 leave of absence, and you had told us that you did 10 not feel that BP had treated you fairly. 11 Do you recall a conversation of 12 that nature? 13 A. Yes, sir. 14 MR. FERNELIUS: Objection, form. 15 Q. (BY MR. COON) Could you elaborate on 16 that for us, please, sir? 17 MR. FERNELIUS: Objection, form. 18 A. The question was along my preference. 19 And strong preference still is, is to work for BP 20 and not be on leave of absence. That hasn't 21 changed. 22 Q. (BY MR. COON) Any further elaboration as 23 to the specifics of how you feel that BP is 24 treating you under the circumstances? 25 A. No, sir. I mean, just right now I'm on</p>

<p style="text-align: right;">Page 533</p> <p>1 leave. I'm kind of isolated at this point in time. 2 It's kind of hard to have any 3 different views. That's not my preference how I 4 would structure this. 5 Q. Okay. And irrespective of that, we 6 understand and appreciate your preference, but 7 you'd stated that BP was not treating you fairly. 8 And so in that regard, is not returning you to work 9 is what you meant by not treating you fairly, 10 that -- 11 A. I mean, returning me to work and also 12 maintaining an open dialogue with me as well. 13 Q. So you have two complaints, one is that 14 they have not returned you to work, which you would 15 like to be reinstated in some capacity -- 16 A. Yes, sir. 17 Q. -- at some point. 18 A. Yes, sir. 19 Q. The other is you feel like you have been 20 isolated and that BP is doing a poor job of trying 21 to communicate to you a number of issues associated 22 with your career, your future, what is going on, 23 et cetera? 24 A. They're not using me for what they stated 25 they would use me for.</p>	<p style="text-align: right;">Page 535</p> <p>1 A. Yes, sir. 2 Q. Any of them, in reflection, that I've 3 asked you that you feel the need to clarify or 4 retract at this time? 5 A. Not at this time, sir. 6 MR. COON: Okay. We'll pass the 7 witness to Trent here. Thank you, sir. 8 * * * 9 EXAMINATION 10 Q. (BY MR. BOND) How are you doing today, 11 sir? 12 A. I'm doing okay, sir. 13 Q. Good. My name is Trent Bond. I 14 represent the mother of Ryan Rodriguez and the 15 estate of Ryan Rodriguez. 16 You're familiar with Ryan, 17 correct? 18 A. The name, sir, yes. 19 Q. Okay. That was one of the individuals 20 killed in the explosion. Okay? 21 A. Yes, sir. 22 Q. I tend to talk as fast as Brent, but I'm 23 probably not as articulate. So if you don't 24 understand a question that I might ask, make me 25 repeat it as many times as necessary and I'll be</p>
<p style="text-align: right;">Page 534</p> <p>1 Q. And was that to assist them in this 2 investigation, to help them move forward? 3 A. Yes, sir. 4 Q. And they misrepresented those facts to 5 you? 6 MR. FERNELIUS: Objection, form. 7 A. I mean, they stated I was to be utilized 8 virtually full-time to help in the investigation. 9 I think I stated before it's been very little 10 involvement in that effort. 11 Q. (BY MR. COON) Do you have any 12 understanding as to what's happened to Mr. Pillari 13 with respect to the announcements that Mr. Malone 14 was going to replace him? 15 A. All I have is what I read in the papers. 16 Q. Do you understand that Mr. Gower is also 17 going through transition? 18 MR. FERNELIUS: Objection, form. 19 A. No, sir, I'm not aware of that. 20 Q. (BY MR. COON) Does it appear that the 21 regime change is going upstairs? 22 MR. FERNELIUS: Objection, form. 23 A. I have no information that supports that. 24 Q. (BY MR. COON) Okay. Have you understood 25 the questions we've asked you today, sir?</p>	<p style="text-align: right;">Page 536</p> <p>1 more than happy to. Okay? 2 A. I will do that, sir. 3 Q. Right now, I know you've been having a 4 long day. Are you okay to go forward or do you 5 want to take a break or anything? 6 A. Please proceed. 7 Q. Okay. I'm going to go -- fine. I'm just 8 going to kind of fill in blanks here that I'm a 9 little curious about, and I'll be skipping around 10 some. Okay? 11 A. Yes, sir. 12 Q. The first thing I want to talk about is 13 you indicated when Joe Barnes, I guess, was 14 promoted to HSE supervisor, that you had to get 15 approval from London. Is that what you said? 16 A. Two things on that. One, his position is 17 a level E position. All level E positions must get 18 concurrence from London. 19 Q. What do you mean by concurrence? 20 A. Meaning, I put the recommendation in and 21 they concur with it. 22 Q. So you really don't have the power to 23 hire him. That, you have to be, I guess, seconded 24 by London? 25 A. That's correct.</p>

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1 Q. Who in London?
 2 A. It would be Mike Hoffman.
 3 Q. All right.
 4 A. And also because it is a function --
 5 functional role. Okay. By functional role,
 6 meaning it is the HSSE function. You get
 7 concurrence from that, the head of that function
 8 group as well.
 9 Q. Who would that be?
 10 A. Well, I went through Pat King, who was
 11 vice president of HSSE for refining, who then
 12 secured it from Greg Coleman, who was, I believe,
 13 head of group vice president for all of BP HSSE.
 14 Q. Okay. Now, who was Greg Coleman employed
 15 by? Is it BP North America or is it BP London?
 16 A. I'm going to suspect BP London.
 17 Q. Okay.
 18 A. He's housed and located in London in the
 19 corporate office.
 20 Q. Okay. How about Pat King?
 21 A. Pat, at the time, was also housed in
 22 London.
 23 Q. So BP London? You're not sure?
 24 A. I'm going to answer the best I can. He's
 25 housed in London. BP -- Pat reported up through

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1 the downstream segment in London.
 2 Q. Okay.
 3 A. So whether that's BP London or not, I'm
 4 just not clear on that.
 5 Q. And how about Mike Hoffman?
 6 A. Mike, again, sits -- at the time, sat in
 7 London. He's currently now in Chicago.
 8 Q. He's in position E? Is that what you
 9 called it?
 10 A. Level E, which are my direct reports,
 11 with the exception of Kathleen.
 12 Q. Okay. What other positions or levels has
 13 London required to get concurrence on? Level E?
 14 Is that it?
 15 A. And above.
 16 Q. What's above Level E?
 17 A. Kathleen would be above it --
 18 Q. Okay.
 19 A. -- which would be the letter D.
 20 Q. Is she the only one at the plant?
 21 A. Yes, sir.
 22 Q. Okay. Who is a C?
 23 A. I am, sir.
 24 Q. And with Kathleen Lucas, would that be
 25 concurrence or is that -- they have -- are they

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1 kind of "Here's your" -- "Here she is and you're
 2 going to employ her," or how does that work?
 3 A. Level E make the recommendation and get
 4 concurrence. Level D, it is determined by London,
 5 even though I still put a recommendation in.
 6 Q. And Level C would be you, correct?
 7 A. My level, sir.
 8 Q. Okay. Was that when you first got there,
 9 or is that -- have you risen up in levels or is --
 10 A. I became a C in April, when I arrived at
 11 the South Houston as site director.
 12 Q. Okay. Could you kind of -- and I hope
 13 this isn't too much trouble, but kind of give me a
 14 list of people that had London concurrence for
 15 their positions? We know Kathleen Lucas. We know
 16 you. We know Joe Barnes.
 17 A. My entire leadership team was vetted with
 18 Mike Hoffman before I announced it with the
 19 separation of the chemical companies. So
 20 considering all of my direct reports are Level E or
 21 higher, and Kathleen's direct reports are Level E
 22 and higher, all of them I vetted with London.
 23
 24
 25

1
 2
 3 Q. Okay. So all the big decisions regarding
 4 high level people in London come from -- I mean --
 5 A. Recognizing George is a Level D.
 6 Q. Okay. Let me try that question again
 7 because I messed it up.
 8 All the big decisions regarding
 9 Level Es and up come from London, correct?
 10 MR. FERNELIUS: Objection, form.
 11 A. I'd make the separation as D and above.
 12 Q. (BY MR. BOND) D and above?
 13 A. D and above is where it is.
 14 Q. So the decision to hire and/or fire Level
 15 Ds and above are decisions made in London?
 16 A. Yes, sir, with input from direct
 17 supervisors.
 18 Q. And that includes Hoffman for sure,
 19 correct?
 20 A. Yes, sir.
 21 Q. Who else would that include?
 22 A. Well, for George, it would include me as
 23 well.
 24 Q. I'm sorry. I mean over in London.
 25 A. I'm not sure who else is involved in that

50 (Pages 537 to 540)

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1 process.
 2 Q. What other decisions out there, I guess,
 3 need approval from London, besides the level Ds and
 4 above?
 5 A. A plan, site's plan.
 6 Q. Site plan?
 7 A. Uh-huh.
 8 Q. And can you kind of explain to the jury
 9 what that is?
 10 A. A site plan, I would describe it through
 11 five lenses.
 12 Q. Okay. Please describe that.
 13 A. One would be safety.
 14 Q. Okay.
 15 A. Safety parameters. One would be its
 16 environmental plan. Its people plan. Its
 17 reliability plan. And its financial plan.
 18 Q. And those decisions are all made by BP
 19 London, correct, sir?
 20 A. It's an interim process. I mean, I've
 21 put recommendations in back and forth. It's
 22 negotiations, but the ultimate decision is from
 23 London.
 24 Q. Okay. And it's BP London?
 25 A. It's made in London. I'm just avoiding

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1 the term "BP London," because I don't know if that
 2 existed. It's the people located in London.
 3 Q. Who's the highest person that you know of
 4 at BP North America?
 5 A. Ross Pillari.
 6 Q. Okay. So far I haven't heard you -- him
 7 included in any of these decisions. Is it just
 8 kind of skip him? How does that work?
 9 A. I don't report through -- no one in my
 10 organization reports through Ross.
 11 Q. Okay. So y'all report directly through
 12 London?
 13 A. Correct.
 14 Q. Okay.
 15 A. Well, I actually report through Pat,
 16 who's located in the U.S --
 17 Q. Okay.
 18 A. -- okay, just to be clarified, I report
 19 through Pat, but Ross Pillari is higher ranking
 20 than Pat Gower.
 21 Q. Okay. So the plan is made in London.
 22 Level Ds and above hire and fire made in London.
 23 Anything else?
 24 A. Again, with the hire and fire, a
 25 selection process I would add in there as well.

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1 Q. And when you say "selection process,"
 2 what do you mean, sir?
 3 A. It's a session planning; who's going to
 4 move to where, who replaces whom.
 5 Q. Anything else?
 6 A. I think there's corporate policies,
 7 standards, and guidelines that are done in London
 8 as well.
 9 Q. Anything else, sir, that you are aware
 10 of?
 11 A. That's the majority of it.
 12 Q. Okay. Now, you made a statement in your
 13 first deposition -- and I'm going to kind of
 14 paraphrase it -- that roughly the responsibility on
 15 March 23rd lied with many people, all the way up
 16 the chain, and conditions that existed for many
 17 years before that. I think that there is
 18 significant chain -- there is a significant chain
 19 that doesn't completely include people at the site.
 20 What did you mean by that
 21 statement?
 22 A. The incident report by John Mogford
 23 strongly referenced that a lot of the conditions,
 24 the culture existed there many years before my
 25 arrival.

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1 Q. Uh-huh.
 2 A. So what I meant by that is I expand the
 3 chain vertically and horizontally. Horizontally,
 4 meaning to people that were there before.
 5 Q. Let's talk about horizontally, okay,
 6 first?
 7 A. Okay.
 8 Q. Expand that change for me horizontally.
 9 Who would you include in that chain that is not at
 10 the plant?
 11 A. Well, all the predecessors of the
 12 leadership team, from myself on downward.
 13 Q. George Carter being one of those
 14 individuals?
 15 A. George would be one.
 16 Q. Who else jumps out in your mind?
 17 A. I replaced Tim Scruggs.
 18 Q. Who else?
 19 A. I'm not sure I could go back a lot more
 20 in history. Those are my immediate ones.
 21 Q. All right.
 22 A. But that's what I mean by horizontally.
 23 Q. Just asking you to do the best you can.
 24 I understand.
 25 Let's go vertically now. Who

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1 would you include in that chain vertically?
 2 A. Well, it goes up the chain. I mean,
 3 above me, if I continue the chain, is I report to
 4 Pat Gower --
 5 Q. Okay.
 6 A. -- who reports to Mike Hoffman.
 7 Q. Okay. All right.
 8 A. Who reports to John Manzoni and then John
 9 Browne.
 10 Q. Okay.
 11 A. And that basically completes the chain.
 12 That did not include the board of directors in that
 13 chain.
 14 Q. Sure. Why would you include Pat Gower in
 15 that chain?
 16 A. Pat has responsibility for all of the
 17 refineries in the U.S. as regional vice president.
 18 Q. Why would you include Mike Hoffman in
 19 that chain?
 20 A. The refineries are in -- a part -- the
 21 refineries in the U.S. are part of Mike Hoffman's
 22 portfolio.
 23 Q. Why would you include John Manzoni in
 24 that chain?
 25 A. Same answer.

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1 Q. And why would you include Lord John
 2 Browne in that answer?
 3 A. Same answer. Even though it's a small
 4 percentage, it's still part of the portfolio.
 5 Q. It's his responsibility, the refineries
 6 in the U.S.?
 7 A. That's --
 8 MR. FERNELIUS: Objection, form.
 9 A. He has -- in his portfolio includes the
 10 refiners.
 11 Q. (BY MR. BOND) Now, I know you took
 12 responsibility in your deposition about some of the
 13 things that happened, but would you also lay the
 14 responsibility at the -- also at the feet of Lord
 15 John Browne, too?
 16 A. As I stated, there may be responsibility
 17 across the entire chain.
 18 Q. Okay. And that includes Lord Browne?
 19 A. I just named all the names as part of
 20 that chain.
 21 Q. Okay. Lord Browne, John Manzoni, Mike
 22 Hoffman, and Pat Gower?
 23 A. That's the horizontal portion. I think
 24 you also have to look --
 25 Q. Right?

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1 A. -- vertical. I think you also have to
 2 look horizontally as well as to what role their
 3 predecessors played as well, if you're going to do
 4 this completely.
 5 Q. Sure. And are you talking about their
 6 predecessors horizontally, too?
 7 A. Yes, sir.
 8 Q. Well, who -- whose -- I guess Lord
 9 Browne, he's been there for quite awhile, hasn't
 10 he?
 11 A. Yes, sir.
 12 Q. Okay. He's been there -- he was there
 13 when the plant was taken over in 1999, correct?
 14 A. Correct.
 15 MR. FERNELIUS: Objection, form.
 16 Q. (BY MR. BOND) So there's really nobody
 17 horizontally -- or is there someone that you blame?
 18 A. If you look at the -- if you look through
 19 an Amoco lens, there's somebody horizontally by the
 20 Amoco lens.
 21 Q. Sure. But Amoco wasn't controlling the
 22 plant for the preceding six years, correct?
 23 A. Yes, sir. That's correct.
 24 Q. John Manzoni, is there anybody
 25 horizontally that's -- that you want to --

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1 A. He replaced Doug Ford.
 2 Q. Doug Ford? Anybody else?
 3 A. I don't know prior to Doug Ford.
 4 Q. How about Mike Hoffman?
 5 A. Al Kozinski. Mike replaced Al Kozinski
 6 at the same time I arrived at Texas City.
 7 Q. Anybody else?
 8 A. No, sir.
 9 Q. How about Pat Gower?
 10 A. His job didn't exist prior to Pat.
 11 Q. And you would agree with me safety flows
 12 down? Starts from the top and goes down, correct?
 13 MR. FERNELIUS: Objection to form.
 14 A. I'm not sure I understand your statement,
 15 sir.
 16 Q. (BY MR. BOND) Sure. You know, I guess
 17 the responsibility for safety at a plant or safety
 18 at a refinery, that starts at the top, correct?
 19 MR. FERNELIUS: Objection, form.
 20 Q. (BY MR. BOND) And then goes all the way
 21 down to the guy sweeping the streets?
 22 A. Safety is responsible for everyone. Top
 23 sets the direction for it.
 24 Q. Okay. You said it a lot better than I
 25 did. Thank you.

<p style="text-align: right;">Page 549</p> <p>1 Now that we've talked about the 2 vertical chain a little bit and the horizontal 3 chain relative to that, do you believe, in your 4 opinion -- if I could find my question I had 5 already written out... 6 Was BP spending enough money to 7 address the inter-investment in the kit? 8 MR. FERNELIUS: Objection, form. 9 A. What aspects of the kit, so to be sure -- 10 I mean, I just want to make sure I'm clear on your 11 question. It's a very general question. 12 Q. (BY MR. BOND) Well, basically, doesn't 13 it -- from the Telos report, the leadership team 14 was well aware of the condition of the kit, 15 correct, the thinning pipe, a lot of the problems 16 it was experiencing? And in order to get the kit 17 back up to snuff, they -- you have to spend money 18 to do that, correct, sir? 19 MR. FERNELIUS: Objection, form. 20 A. Yes, sir. 21 Q. (BY MR. BOND) Okay. Do you believe BP 22 was spending that money? 23 A. I think it has been stated beforehand the 24 underinvestment of the site spanned a significant 25 number of years, even prior to BP's merger. So the</p>	<p style="text-align: right;">Page 551</p> <p>1 the equipment out there, correct, sir? 2 MR. FERNELIUS: Objection, form. 3 A. It increases risk. 4 Q. (BY MR. BOND) Okay. My question to you 5 is: Was BP spending enough money to rectify that 6 problem? 7 A. During what time period, sir? 8 Q. From 2000 to 2002? 9 A. Not being in their mix, it would be very 10 difficult to answer that question. 11 Q. Well, you got there in 2002, right? 12 A. Yes, sir. 13 Q. Okay. So you saw what the condition of 14 the property was in 2002, correct, sir? 15 A. Yes, sir. 16 Q. In your opinion, the plant that you 17 inherited, was that a plant that had been 18 demonstrated that -- of money being properly spent 19 to, I guess, maintain the infrastructure? 20 A. No, sir. 21 Q. Okay. Based on that, do you believe that 22 BP was spending enough money to maintain that site? 23 A. No, sir. 24 Q. Okay. 2002 to 2005, the day of the 25 explosion, do you believe BP was spending enough</p>
<p style="text-align: right;">Page 550</p> <p>1 condition of the site was a result of the 2 accumulation of many years of underinvesting, under 3 maintaining the infrastructure. 4 Q. I understand that. But -- and maybe I'm 5 doing a poor job of asking my question, but BP took 6 it over in 1999, correct? 7 A. Yes, sir. 8 Q. Okay. And when you take over a site, you 9 have the responsibility for your employees to get 10 that site up to a safe productive infrastructure, 11 correct, sir? 12 MR. FERNELIUS: Objection, form. 13 A. Yes, sir. 14 Q. (BY MR. BOND) I mean, because the 15 employees are dependent on, I guess, you know, BP 16 to spend enough money to make sure that site is 17 safe, correct? 18 A. Yes, sir. 19 Q. And you'll agree with me that a site that 20 has been under funded for ten years is not a safe 21 sight, correct, sir? 22 MR. FERNELIUS: Objection, form. 23 A. A site should not be under funded. 24 Q. (BY MR. BOND) Okay. Because it presents 25 dangers, both to the personnel and the, I guess,</p>	<p style="text-align: right;">Page 552</p> <p>1 money to maintain that site? 2 A. The amount of money being spent had 3 raised significantly, but more was still needed. 4 Q. All right. So the answer is "no," you 5 don't believe they were spending enough money to 6 maintain that site, correct, sir? 7 A. That's correct. 8 Q. Okay. And that was the decision -- how 9 much money you're going to get is ultimately made 10 by BP London, correct, sir? 11 A. Yes, sir. And my conduit for that is Pat 12 Gower. 13 Q. Okay. Whose conduit is Mike Hoffman? 14 A. Yes, sir. 15 Q. Whose conduit is Manzoni; whose conduit 16 is Lord Browne? 17 A. Yes, sir. 18 Q. Okay. Because Lord Browne is where the 19 buck stops ultimately, correct, sir? 20 MR. FERNELIUS: Objection, form. 21 A. You still have more directors and 22 shareholders, too, so I'm not sure where the 23 ultimate buck stops, but, yes, he's the head of the 24 company. 25 Q. (BY MR. BOND) Okay. And if Lord Browne</p>

<p style="text-align: right;">Page 553</p> <p>1 says "Put more money into the Texas City plant," 2 that's going to happen, correct, sir? 3 A. I would think so. 4 Q. Okay. Now, I want to ask you the same 5 and similar question about with respect to 6 training. 7 From the year 2000 to 2002, was BP 8 spending enough money to train their employees 9 properly? 10 MR. FERNELIUS: Objection, form. 11 A. I'm not sure if it was a money issue or 12 delivery issue. 13 Q. (BY MR. BOND) What do you mean by that, 14 sir? 15 A. I mean, you can spend all the money you 16 want on training and still not do it right. 17 Q. I understand. And I think they had 18 switched like -- it went from -- away from 19 classroom setting -- 20 A. Yes, sir. 21 Q. -- to more of a computer setting, 22 correct? 23 A. Yes, sir. 24 Q. When did they do that? 25 A. The exact time, I don't know.</p>	<p style="text-align: right;">Page 555</p> <p>1 A. I wouldn't think so, but I cannot be 2 sure. 3 Q. Now, you're aware from this Telos report 4 there were a lot of complaints about staffing, not 5 only BP, the plant, but also the ISOM unit in 6 particular. 7 A. I'm not aware of any -- 8 MR. FERNELIUS: Objection, form. 9 A. -- ISOM staffing issues raised to me with 10 the Telos report. 11 Q. (BY MR. BOND) Okay. Were you aware of 12 any staffing issues at all at BP? 13 A. Just in the general comments that were 14 read in the summary. 15 Q. Okay. 16 A. I don't recall any reference to ISOM unit 17 at all in the Telos report. 18 Q. I don't think there was in the Telos 19 report. But I believe there were some complaints 20 about losing some operators at the ISOM unit, 21 correct? Are you aware of that? 22 A. Not in the Telos report. 23 Q. I'm not asking about the Telos report, 24 but just in general? 25 A. No, sir, I'm not aware of that.</p>
<p style="text-align: right;">Page 554</p> <p>1 Q. Okay. Was it -- 2 A. It was done prior to my arrival. 3 Q. Did it ever change while you were there? 4 A. We were changing it. We were a week away 5 from changing it. 6 Q. When the explosion occurred? 7 A. Yes, sir. 8 Q. What is your opinion about computer-based 9 training? 10 A. Versus? 11 Q. Classroom training. 12 A. Not as interactive. More 13 documentation-oriented versus two-way communication 14 dialogue. 15 Q. Now, why -- I don't understand the reason 16 behind computer-based training. Is it money? Is 17 it time? 18 A. Probably many elements. I wasn't -- I'm 19 not sure what the decision was to switch to that. 20 Q. Okay. Whose decision would that have 21 been? 22 MR. FERNELIUS: Objection, form. 23 A. Unclear to me. 24 Q. (BY MR. BOND) Was that a decision that 25 would need to be approved by London?</p>	<p style="text-align: right;">Page 556</p> <p>1 Q. Okay. Do you believe the BP site was 2 staffed adequately? 3 A. I had no indications to tell me else 4 wise. 5 Q. You talked earlier about the 23 6 fatalities. Do you recall that, sir? 7 A. With reference to the Safety Reality, 8 yes, sir. 9 Q. Okay. And you said something that struck 10 me, that you said they all had certain things in 11 common. 12 A. I said there was a couple of common 13 themes that occurred in some of the fatalities -- 14 Q. Okay. 15 A. -- if I remember what was stated. 16 Q. All right. Can you tell me what those 17 common things were, sir? 18 A. The two I remember was there was, I 19 believe, three fatalities associated with nitrogen. 20 And I believe there were also three fatalities 21 associated with hot water or burns associated with 22 hot water. Those were the two that really kind of, 23 as you went through them, seemed to have a common 24 theme to them. 25 Q. And what was that theme?</p>

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1 A. Well, the same source; not properly
2 isolating hot water, not adhering to the risks
3 associated with confined space with nitrogen.

4 Q. Anything else?

5 A. That's all I recall. Those are the two
6 that -- those are two themes that I remember going
7 through them.

8 One more. I think there was
9 possibly two that had to do with fall, fall
10 protection. Two or three that had to do with not
11 wearing fall -- proper fall protection.

12 Q. The BP leadership team was aware of the
13 infrastructure issue at Texas City, correct, sir?

14 A. Can you be explicit when you refer to "by
15 BP leadership team"?

16 Q. You're right. I apologize.

17 A. It's a very generic term.

18 Q. And you're right. I made a poor -- Texas
19 City plant leadership team; Kathleen Lucas, you,
20 Willie Willis were aware of the infrastructure
21 problems at the site, correct, sir?

22 A. I would think so, yes, sir. We were
23 working hard to fix them.

24 Q. Right. And did you make those problems
25 known up the ladder, vertically?

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1 A. Yes, sir.

2 Q. Okay. And in that course the conduit
3 would be Mr. Gower, correct?

4 A. Pat knew.

5 Q. Who else knew?

6 A. Well, Mike. I took Mike on some tours on
7 pipe alleys that we had shown him kind of before
8 and after in which we had done a pipe alley and
9 completely stripped it, sandblasted it, inspected
10 it, repaired it, brought them above grade,
11 re-insulated it, kind of before and after kind of
12 thing. So Mike was aware we were systemically
13 going through the infrastructure.

14 Q. Anybody else?

15 A. John Manzoni may have on one of his
16 tours. It may not be as directly to it, but John
17 was aware of us repairing the infrastructure. We
18 used the term called "broken windows" was used a
19 lot.

20 Q. What does that mean?

21 A. This is -- "broken windows" was -- we
22 picked this up off of how to improve the subway
23 system in New York, and "broken windows" is -- was
24 -- the theory was that the first thing they did was
25 to improve crime was remove all the graffiti,

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1 because it sets a mind structure.

2 So we basically picked up the
3 theme of "broken windows," is the place has to look
4 like a first class site for it to start acting as
5 being a first class site. So we coined the phrase,
6 "broken windows." I know that was shared with
7 London.

8 Q. All right. So when these folks were
9 approving your budget or making the final decision
10 with regard to your plan, site plan, John Manzoni
11 and Mike Hoffman, over in London, were both
12 personally aware of the infrastructure of the site?

13 MR. FERNELIUS: Objection to form.

14 A. Mike would be. The intimate involvement
15 of John I'm not sure is as direct.

16 Q. (BY MR. BOND) But maybe not as direct,
17 but still he had knowledge of it, correct?

18 A. Mike --

19 MR. FERNELIUS: Objection, form.

20 A. John had made several site visits and
21 tours of the facility. In fact, we showed him some
22 before and after, what I call "transformation
23 pictures."

24 Q. (BY MR. BOND) And both Mike and John
25 Manzoni are experienced with refineries, correct?

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1 A. Mike is. I'm not sure I can say that
2 John is.

3 Q. And these -- the infrastructure, the
4 lacking of -- the issues with infrastructure are
5 pretty obvious to a person that's got some
6 experience with a plant, correct?

7 MR. FERNELIUS: Objection, form.

8 A. Not necessarily.

9 Q. (BY MR. BOND) Okay. What do you mean?

10 A. Insulation on the outside is not
11 maintained doesn't mean the pipe on the inside has
12 not been maintained. So the outside may not always
13 be indicative of the inside.

14 Q. So it may look bad on the outside, but
15 not necessarily on the inside?

16 A. Correct.

17 Q. How about vice versa?

18 A. Corrosion under insulation could do that,
19 vice versa. Okay. You could have relatively new
20 coating on the insulation, and you could have
21 moisture underneath that insulation that could
22 cause under insulating corrosion.

23 Q. Did any other London personnel, other
24 than John Manzoni and Mike Hoffman, tour the BP
25 Texas City facility?

55 (Pages 557 to 560)

1 MR. FERNELIUS: Objection, form.
 2 A. Some of the other senior management
 3 visits that I can recall, I would put Greg Coleman
 4 on that list.
 5 Q. (BY MR. BOND) Okay.
 6 A. Greg was out in the December time frame
 7 of '04. I think that was his second visit out
 8 there.
 9 Q. Okay.
 10 A. Tony Meggs had visited the site I believe
 11 twice. Tony Meggs was head of technology.
 12 I'm not sure I can give you more.
 13 That's the ones I can recall, in addition to Mike
 14 and John.
 15 Q. Do you know of all those individuals,
 16 John Manzoni, Greg Coleman, Tony Meggs, are any of
 17 them direct reports to Lord Browne?
 18 A. John Manzoni is.
 19 Q. Okay.
 20 A. Greg Coleman is not, because his function
 21 reports to an individual before John.
 22 Q. Okay.
 23 A. And I don't recall -- I'm not aware of
 24 any other individuals that made visits.
 25 Chemicals side, Ian Conn made a

1 visit, Andrew McKenzie, Holly Van Deursen. I'd add
 2 them to the list.
 3 There may be others, but that's
 4 the ones that I recall at this point.
 5 Q. You indicated before a Maria? I'm not
 6 sure. Who was sent to -- by London -- some lady
 7 that was sent by London? I've written it down. I
 8 can't find it now. Maria -- Maria Case?
 9 A. What about her, sir?
 10 Q. Okay. That's -- was she sent by London?
 11 A. I'm not sure I'd characterize it as "sent
 12 by London."
 13 Q. Okay.
 14 A. Okay.
 15 Q. How would you characterize it?
 16 A. That -- Marie Case was a third-party
 17 consultant that was a management coach that was
 18 contracted by Mike Hoffman.
 19 Q. Did Mike Hoffman, I guess, from BP
 20 London, pay her?
 21 A. The contract was between Mike and her, so
 22 I'm assuming that's where the funding came from.
 23 Q. Okay. You said "management coach." Was
 24 she kind of there to help you out, kind of give you
 25 some guidance?

1 A. To Mike, and then also help Mike's direct
 2 reports. So each of -- Mike had roughly 18 or 19
 3 business unit leaders under his organization.
 4 Marie and three of her associates
 5 then took that 18 or 19 and divided them up. Marie
 6 took four or five -- three of our associates; each
 7 took four or five BULs, and then that became our
 8 coach, our help, our trainer for leadership roles.
 9 Q. Now, was Maria your trainer or was
 10 somebody else your trainer?
 11 A. Maria -- Marie Case was assigned to me.
 12 Q. Okay.
 13 A. In fact, I believe she had all the U.S.
 14 BULs, because she was located in the U.S. Others
 15 were located around the world and, therefore, had
 16 different assignments.
 17 Q. Was this like -- was she employed by BP
 18 or was she employed by -- was she just a
 19 contractor, or do you know?
 20 A. I would describe her as a third-party
 21 consultant contracted by BP, management consultant.
 22 Q. When somebody was hurt or killed at BP,
 23 how would that information be transmitted to
 24 London? Would y'all just -- would it be letters,
 25 or how -- who would it go to?

1 A. I'd immediately pick up the phone and
 2 make a call to London.
 3 Q. Okay. Who would you call?
 4 A. Regardless of the time of the day.
 5 Q. Who would you contact?
 6 A. I'd make two calls under the current
 7 structure. I'd call Pat, and then ask Pat, "Pat,
 8 will you contact Mike directly or do you want me
 9 to?" So I could make one or two calls, based on
 10 that discussion.
 11 There was also an incident
 12 notification center within BP that I would call and
 13 inform. That way there I could make one phone call
 14 and make sure all of the proper folks inside of BP
 15 are informed.
 16 Q. Now, you receive a bonus every year,
 17 correct, sir -- or not every year, but do you -- do
 18 you -- do you sometimes receive a bonus in addition
 19 to your base salary?
 20 A. Yes, sir.
 21 Q. How was that bonus determined?
 22 A. Based on the business that you're
 23 running's performance and also some group level
 24 performance, how the company does. I believe
 25 there's also an individual contributor portion of

<p style="text-align: right;">Page 565</p> <p>1 it. I believe it's through three lenses. 2 Q. All right. Did you receive -- did you 3 receive a bonus in 2003? 4 A. Yes, sir. 5 Q. Okay. Was it -- 2004, did you receive a 6 bonus? 7 A. Yes, sir. 8 Q. 2005, did you receive a bonus? 9 A. Yes, sir. 10 Q. Okay. Over these three years, could you 11 give me -- and I don't want you to give me exactly, 12 but roughly what was the amount? 13 MR. FERNELIUS: I'm going to 14 object and instruct the witness not to answer that 15 in terms of an amount. 16 MR. BOND: How come? Is that 17 attorney/client or something? 18 MR. FERNELIUS: I think it's 19 irrelevant, personal information. 20 MR. BOND: How is it irrelevant? 21 MR. FERNELIUS: Yeah. 22 MR. BOND: So you're going to 23 instruct him not to answer a question with regard 24 to his salary or his bonus, which is based on 25 business that he's running at a group level?</p>	<p style="text-align: right;">Page 567</p> <p>1 A. Yes, sir. 2 Q. It would be shocking if you didn't. 3 2000 -- did you get a bonus in 4 2002? 5 A. Yes, sir. 6 Q. Was your bonus in 2003 more than 2002? 7 A. It was because I was a different level in 8 2003 than I was in 2002. 9 Q. Percentage-wise, how much more was it? I 10 don't want to know the number, just the percentage. 11 A. In the five to ten percent range. 12 Q. Okay. 2003 to 2004, which was higher? 13 2003 or 2004? 14 A. I don't remember, sir. I don't keep 15 track of that. 16 Q. Okay. 17 A. There has not been a substantial 18 difference from one year to the other. 19 Q. Okay. So it's roughly the same? 20 A. Give or take some percentages. 21 Q. 2004 to 2005? 22 A. Which year, sir? '04 or '05? 23 Q. Well, was '04 higher than '05? 24 A. Slightly. 25 Q. But again, like 2003, roughly all about</p>
<p style="text-align: right;">Page 566</p> <p>1 MR. FERNELIUS: Well, I don't know 2 if I agree with that characterization. Certainly, 3 you can go into the elements of how his bonus is 4 calculated, factors considered and whatnot. The 5 actual amount of the bonus, I don't think is 6 relevant, and I think it's personal, private 7 information. 8 Financial information throughout 9 this litigation in terms of salary, both sides have 10 agreed that that not be produced. That material 11 has been redacted by agreement with the plaintiffs' 12 steering committee. 13 So, again, I would just -- I would 14 instruct the witness not to answer that in 15 connection with that agreement. But how the bonus 16 is calculated, what factors are considered I think 17 is fair game. 18 MR. BOND: Okay. So the answer is 19 you're not going to make him -- let him answer the 20 question, correct? 21 MR. FERNELIUS: I'm advising him 22 not to. 23 A. And I'm taking his advice. 24 Q. (BY MR. BOND) That's fine. I figured 25 you would.</p>	<p style="text-align: right;">Page 568</p> <p>1 the same? 2 A. Yes, sir. 3 Q. And just so I'm clear, 2005 is the same 4 year those -- explosion occurred and these 15 5 people were killed? 6 A. 2005 was fixed. 7 Q. My question was, 2005 was the same year 8 the explosion occurred, correct? 9 A. Yes, sir. 10 Q. Okay. And it was the same as 2004, your 11 bonus-wise, roughly? 12 A. It was less, sir. 13 Q. Oh. Was it less than 2003? 14 A. Yes, sir. 15 Q. How much less, percentage-wise? 16 A. Ten to fifteen percent. 17 Q. Okay. So it was roughly the same as it 18 was in 2002? 19 A. Yes, sir. 20 Q. Okay. You indicated in the Telos report 21 that George Carter was running -- or the plant was 22 being run by -- with Band-Aids and Super Glue. 23 Do you recall that statement? 24 A. I think that was shown to me earlier. 25 Q. Okay. And when you took it -- from the</p>

1 time you took over the plant until the time of the
2 explosion, you weren't able to correct all those
3 things that occurred under George Carter's watch,
4 were you?

5 MR. FERNELIUS: Objection, form.

6 A. One is, I don't know if they all occurred
7 under George's watch, is point number one I'd like
8 to make with you. Point number two is we
9 systemically review it.

10 By Super Glue and --

11 Q. (BY MR. BOND) Band-Aids?

12 A. -- Band-Aids, I'm referring to clamps.
13 It's a metaphor for clamps that you put in the
14 process. We were systemically removing clamps out
15 of the site.

16 Q. So is it fair to say that when the
17 explosion occurred, metaphorically speaking, the
18 plant was still being run with Band-Aids and Super
19 Glue?

20 A. There were still clamps on some lines on
21 the date of the explosion.

22 Q. So on the date of the explosion, your
23 statement about George Carter and the plant being
24 run on Band-Aids and Super Glue still held true,
25 correct?

1 MR. FERNELIUS: Objection, form.

2 A. That's not what I stated.

3 Q. (BY MR. BOND) Well --

4 A. What I stated -- I'll be clear. I
5 understand the Telos report. Okay? I understand
6 the statement very clearly.

7 Q. Okay.

8 A. What I'm stating to you is systemically
9 we went through the piping and were removing clamp
10 by clamp by clamp was being taken out and repaired.

11 MR. BOND: I'm going to object as
12 nonresponsive.

13 Q. (BY MR. BOND) I understand that, sir.

14 A. Okay.

15 Q. But my question to you is this: You made
16 the comment that as of the time you took over, the
17 plant was being run with Band-Aids and Super Glue,
18 correct?

19 A. That's a statement I made, sir.

20 Q. Okay. During your watch there, you were
21 not able to, I guess, correct all of the things you
22 inherited, correct, sir?

23 A. That's correct.

24 Q. Okay. And it's a fair statement to say,
25 metaphorically speaking, just like you were

1 metaphorically speaking the Telos report, that when
2 this explosion occurred, certain portions of that
3 plant, metaphorically speaking, were still being
4 run with Band-Aids and Super Glue, correct?

5 MR. FERNELIUS: Objection, form.

6 A. There was piping in that plant, at the
7 time of the explosion, that still had clamps on it.

8 Q. (BY MR. BOND) I didn't see clamps in
9 this statement. You didn't say "clamps" in this
10 statement, correct?

11 A. No. But as I clarified it, that's what
12 my meant -- I meant was.

13 Q. I understand what you say you meant, but
14 -- and again, I'm going to say, metaphorically
15 speaking -- no.

16 The George Carter regime, how long
17 did that last?

18 A. George had various assignments for 20
19 plus years, so it's hard for me to definitively ask
20 that. I don't know how long he was in this -- in
21 the operations manager role. Several years I can
22 say, but, I mean, George has a long history of
23 starting at Texas City and working his way up
24 through various jobs.

25 Q. How long were you there before he was

1 moved? And when you were there, I'm talking about.

2 A. Well, I arrived April 1st. I believe I
3 communicated to George sometime in August, that he
4 would no longer be in that role; he would be moving
5 to a new assignment outside of Texas City.

6 MR. BOND: I will pass the
7 witness.

8 THE WITNESS: How much time is
9 left, Stephen?

10 MR. BOND: I think we have a
11 couple of minutes is all.

12 MR. FERNELIUS: Five minutes.

13 * * *

14 EXAMINATION

15 Q. (BY MR. STEVENSON) Sir, I have a few
16 questions for you. There was 15 people killed as a
17 result of this fire and explosion in March of 2005,
18 am I correct?

19 A. Yes, sir.

20 Q. All right. Those 15 people and their
21 families were dependent upon you and dependent upon
22 BP to ensure their safety at that plant on the day
23 that they died --

24 MR. FERNELIUS: Objection, form.

25 Q. (BY MR. STEVENSON) -- am I correct?

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1 A. The way I'd state it is they were
2 dependent on me and everybody there for the safety
3 of the plant.

4 Q. There were 1,800 people there that day,
5 weren't there?

6 A. Actually, there was more than that at the
7 time of the explosion. There was actually 3,300
8 people there.

9 Q. Well, did those 1,800 people that were
10 there have a reasonable expectation that BP, in the
11 years before this explosion, would have complied
12 with all applicable laws? Would that have been a
13 reasonable expectation on their part?

14 A. Yes, sir.

15 Q. Are you familiar with the guidelines of
16 29 CFR 1910.119 which deals with process hazard
17 analysis, specifically relating to pressure relief
18 systems?

19 A. Not without completely reviewing it at
20 this moment.

21 Q. Do you have any knowledge, sir, about
22 pressure relief systems and their importance to a
23 refinery like Texas City?

24 A. I'd have to read the document you're so
25 referring to.

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1 Q. Well, tell me, sir, who was it at BP
2 Texas City on March the 23rd, 2005, that had
3 responsibility for OSHA compliance as it related to
4 pressure relief systems?

5 A. I mean, the expert for process safety
6 that would know that guideline would be Bill Ralph.
7 Kathleen Lucas, my -- the operations manager of it,
8 would have the responsibility for ensuring we're in
9 compliance.

10 Q. So Bill Ralph should know the
11 regulations, and Kathleen Lucas --

12 A. She's --

13 Q. -- would be responsible for compliance?

14 A. She was chairman of the process safety
15 committee, which would then oversee this. Okay.
16 And all of the operating people that are
17 accountable for that report up through her.

18 Q. I just want to make sure I understand
19 what you're telling me.

20 A. Yes, sir.

21 Q. You're telling me from a technical
22 standpoint, Bill Ralph should know the regulation.
23 Did I hear you correctly?

24 A. Yes, sir.

25 Q. And Kathleen --

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1 A. He's the -- he's the local expert in the
2 regulations.

3 Q. So you consider him the local expert in
4 those OSHA pressure relief system --

5 A. Understanding the regulations.

6 Q. Okay. Understanding the regulations.
7 And Kathleen Lucas had the responsibility to ensure
8 compliance with those standards?

9 A. Yes, sir.

10 Q. Were you aware, sir, that there had not
11 been an up-to-date relief valve study in this unit
12 for 20 years before this explosion?

13 A. No, sir.

14 Q. Is that acceptable?

15 A. I was not aware of it.

16 Q. Well, you're aware of it now. Is that
17 acceptable?

18 A. I was not aware of it, sir.

19 Q. Did you read it in the final report?

20 A. I was aware of it with reference in the
21 final report.

22 Q. Now, you saw it in the final report. Is
23 it acceptable to you, now that you know that, for
24 someone to have failed to do any type of
25 comprehensive relief valve study for 20 years at

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1 Texas City? Is that acceptable or not, sir?

2 MR. FERNELIUS: Objection, form.

3 A. If there were changes done on the unit, a
4 study should have been done.

5 Q. (BY MR. STEVENSON) And you know there
6 were changes done on the unit?

7 A. The unit was modified sometime in the
8 past. When --

9 Q. Yes, sir.

10 A. -- it was exactly modified, I don't know
11 the exact time frame.

12 Q. Well, assume the modifications were made
13 after whatever studies supposedly was done back in
14 the mid '80s, there should have been updated
15 studies done, shouldn't there?

16 MR. FERNELIUS: Objection, form.

17 A. Yes, sir.

18 Q. (BY MR. STEVENSON) And who was
19 responsible for making sure those studies were
20 done?

21 A. I don't know who was there when the
22 changes were made to the units.

23 Q. What position did the person have who was
24 responsible for making sure those tests were done
25 or studies were done?

59 (Pages 573 to 576)

<p style="text-align: right;">Page 577</p> <p>1 A. I'd have to follow a similar position. 2 The operations manager at the site 3 and the operation -- the MDL at the site. 4 Q. So the operations manager at the site 5 would be responsible? 6 A. Yes, sir. 7 Q. Whoever it was, it was in Kathleen 8 Lucas's role back during that time frame, that from 9 the mid '80s up until 2005? 10 A. Or a similar role. 11 Q. Have you gone back and talked to any of 12 the people that were responsible for doing these 13 studies in that two decades, to find out why it is 14 nobody bothered to do them? 15 A. No, sir. 16 Q. Do you have any passing interest in 17 wanting to know why somebody would ignore that type 18 of required study for two decades? 19 MR. FERNELIUS: Objection, form. 20 A. I just did not go back and ask those 21 questions. I don't -- I wouldn't even know who was 22 there to ask. 23 Q. (BY MR. STEVENSON) Well, have you 24 thought to ask the people, that is Kathleen Lucas, 25 why it is that when she was involved she never</p>	<p style="text-align: right;">Page 579</p> <p>1 acted on? 2 A. No, sir. He just sent -- the e-mail was 3 pretty short and said, "Don, following the PSM 4 audit, I have one area of concern, and that is we 5 need to address the follow-up action items." He 6 didn't go into detail as to how long or how far 7 back they went. That was the substance of the note 8 I received. 9 Q. Well, do you know who it is that failed 10 to follow up on those action items he was referring 11 to? 12 A. No, sir. 13 Q. Did you ever ask him? 14 A. No, sir. My concern was moving forward 15 on getting those action items closed, not looking 16 past on who did them. 17 Q. Had you talked to Mr. Carter about the 18 disappointment, the surprise, your observations 19 that you made when you first got to this plant? 20 Have you talked to him about that, sir? 21 A. I might have. That's going back several 22 years. I'm not sure I recall his exact 23 conversation. 24 Q. Did you ever ask him why it is that he 25 allowed this plant, he and other people at BP,</p>
<p style="text-align: right;">Page 578</p> <p>1 ensured that those studies were done? 2 A. I've not had any dialogue with Kathleen. 3 Q. Have you asked Bill Ralph why it is that 4 he didn't see to it that those were done? 5 A. I've had no dialect with Bill Ralph since 6 being on leave. 7 Q. Bill Ralph was one of the people that 8 complained to you that the open action items that 9 he had put in various HAZOPs were not being 10 followed up on. 11 A. That's correct. 12 Q. Now, he complained to you about that 13 problem, didn't he? 14 A. Yes, sir. 15 Q. Were you aware, sir, that that was one of 16 the follow-up action items that he and others put 17 on a HAZOP, to do these studies? Were you aware of 18 that? 19 A. I was aware there was an issue raised by 20 Bill Ralph that not enough attention was placed on 21 following up the PSM items. As a result of that, 22 we then raised that metric to a leadership level, 23 to get attention, to go ahead and close that gap. 24 Q. Did he tell you how long it had been a 25 problem, that these action items weren't being</p>	<p style="text-align: right;">Page 580</p> <p>1 allowed this plant to get into the deplorable 2 condition it was in at the time you arrived? 3 MR. FERNELIUS: Objection, form. 4 A. I'm not sure I asked that question in 5 that format. 6 Q. (BY MR. STEVENSON) Well, did you ask it 7 in any format? 8 A. My concern was fixing what I saw, not 9 going back and spending time and energy finding out 10 why it existed like it did. 11 Q. And you didn't then at that point in time 12 deem it appropriate or necessary, as the case may 13 be, to go back and ask these people why they had 14 ignored this refinery for decades, failed to spend 15 the money to properly maintain it as you've 16 described? 17 MR. FERNELIUS: Objection, form. 18 A. Decades would span a lot of people. I 19 didn't spend energy in going back and trying to 20 find those people -- effort. Again, my effort and 21 energy was focused on fixing the site and moving 22 forward. 23 Q. (MR. STEVENSON) So it's fair to say that 24 you, Don Parus, the refinery plant manager at the 25 time this explosion occurred, were never given an</p>

<p style="text-align: right;">Page 581</p> <p>1 excuse for the failures of the people before you to 2 properly maintain that site, correct? 3 A. Let me make sure I understand what you 4 just stated. Can you repeat that for me, please? 5 Q. Yes, sir. You, Don Parus, as the plant 6 manager on the day this fire and explosion 7 occurred, never were given an excuse or a reason as 8 to why your predecessors allowed this site to get 9 in the condition it was in. 10 A. I'm not sure I fully understood the 11 rationale as to why. It was not -- it was not an 12 area of questions I pursued. 13 Q. Do you believe, sir, that it's acceptable 14 to blame innocent people? 15 A. It's a general statement. 16 Q. Yes, sir. Do you agree with that 17 statement? 18 A. No, sir. 19 Q. All right. You do agree with the 20 statement, or you don't? 21 A. You shouldn't blame innocent people. 22 Q. Do you believe it's acceptable to punish 23 innocent people? 24 A. No, sir. 25 Q. What is the ultimate price to pay?</p>	<p style="text-align: right;">Page 583</p> <p>1 Q. (BY MR. STEVENSON) Do you agree with 2 that concept, sir? 3 A. I'd have to see it and look at it before 4 I can comment on that. 5 Q. So you can't tell me whether or not you, 6 Don Parus, would agree with a cost-benefit analysis 7 in the calculation of a loss of a human life? 8 A. As I stated earlier, no loss of life is 9 acceptable. 10 THE VIDEOGRAPHER: I have 30 11 seconds of tape left. 12 Q. (BY MR. STEVENSON) Well, no loss of 13 human life is acceptable. We know 23 people died 14 before this explosion, and we know 15 people died 15 in this one, right? 16 A. Fifteen on March 23rd, yes, sir. 17 Q. Plus 23. That's 38 who lost their lives 18 at Texas City. 19 A. Over a 30-year period, sir. 20 Q. How many more people needed to die before 21 BP would maintain the property in the condition 22 that it should have been maintained? 23 MR. FERNELIUS: Objection to form. 24 A. I don't know the answer to that question, 25 sir.</p>
<p style="text-align: right;">Page 582</p> <p>1 A. For what, sir? 2 Q. The ultimate price? How many people paid 3 the ultimate price on March the 23rd, 2005, for 4 BP's failure to properly maintain their site in 5 Texas City? 6 MR. FERNELIUS: Objection, form. 7 A. I'm not sure I understand what you mean 8 by "ultimate price," sir. 9 Q. (BY MR. STEVENSON) Well, how about the 10 loss of life, sir? Isn't that the ultimate price? 11 Isn't that what they lost, 15 people? 12 A. I don't consider life and price in the 13 same sentence. 14 Q. Well, BP does, don't they? 15 MR. FERNELIUS: Objection, form. 16 A. I've answered your question. I don't put 17 them in the question. 18 Q. (BY MR. STEVENSON) Have you ever seen 19 BP's calculation of the loss of human life? 20 A. No, sir, I have not. 21 Q. Have you ever seen the memos referring to 22 BP's evaluation and calculation of the loss of a 23 human life on a cost-benefit analysis? 24 MR. FERNELIUS: Objection, form. 25 A. No, sir.</p>	<p style="text-align: right;">Page 584</p> <p>1 MR. STEVENSON: That's all. Pass 2 the witness. 3 MR. FERNELIUS: Is everybody done 4 with their questions? All right. I guess we're 5 concluded. 6 THE VIDEOGRAPHER: Off the record 7 at 6:07 p.m. 8 (Deposition concluded.) 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>

1	EXAMINATION	Page 585	1	CAUSE NO. 05CV0337	Page 587
2	CHANGES AND SIGNATURE		2	MIGUEL ARENAZA, ELIZABETH) IN THE DISTRICT COURT	
3	PAGE LINE CHANGE	REASON	3	RAMON, DAVID G. CROW and)	
4			4	JUANITA G. CROW, et al.)	
5			5) VS.) 212TH JUDICIAL DISTRICT	
6			6) BP PRODUCTS NORTH AMERICA)	
7			7	INC., B.P. CORPORATION)	
8			8	NORTH AMERICA INC., DON)	
9			9	PARUS, AND JE MERIT)	
10			10	CONSTRUCTORS, INC.) GALVESTON COUNTY, TEXAS	
11			11	CAUSE NO. 05CV0337-A	
12			12	IN RE: BP AMOCO EXPLOSION) IN THE DISTRICT COURT	
13			13	MARCH 23, 2005)	
14			14	COORDINATED DISCOVERY) 212TH JUDICIAL DISTRICT	
15			15	PROCEEDINGS)	
16			16) GALVESTON COUNTY, TEXAS	
17			17	REPORTER'S CERTIFICATE	
18			18	ORAL VIDEOTAPED DEPOSITION OF	
19			19	DONALD PARUS	
20			20	VOLUME 2	
21			21	JULY 10, 2006	
22			22	I, Stephanie Barringer, Certified Shorthand	
23			23	Reporter in and for the State of Texas, hereby	
24			24	certify to the following:	
25			25	That the witness, DONALD PARUS, was duly sworn	
				and that the transcript of the deposition is a true	
				record of the testimony given by the witness;	
				That the deposition transcript was duly	
				submitted on _____ to the witness or to the	
				attorney for the witness for examination, signature,	
				and return to me by _____.	
				That the following is the computer-calculated	
				amount of time used by each party at the time of the	
				deposition:	
				Mr. Coon (3 hours, 14 minutes)	
				Mr. Bond (39 minutes)	
				Mr. Stevenson (11 minutes)	
				Attorneys for Plaintiffs	
1	I, DONALD PARUS, have read the foregoing	Page 586	1		Page 588
2	deposition and hereby affix my signature that same is		2	That pursuant to information given to the	
3	true and correct, except as noted above.		3	deposition officer at the time said testimony was	
4			4	taken, the following includes the parties at the	
5			5	deposition:	
6			6	FOR PLAINTIFFS JAIME ANDREADE, ET AL.:	
7			7	Mr. Brent Coon	
8			8	Mr. Larry Sarten	
9			9	Mr. Eric Newell	
10			10	Mr. Arturo J. Gonzalez	
11			11	Brent Coon & Associates	
12			12	3550 Fannin	
13			13	Beaumont, Texas 77701	
14			14	Fax: 409-833-4483	
15			15	Telephone: 409-835-2666	
16			16	FOR PLAINTIFFS RHONDA DARLENE HEICKMAN,	
17			17	INDIVIDUALLY AND AS DEPENDENT	
18			18	ADMINISTRATOR OF THE ESTATE OF RYAN	
19			19	RENE RODRIGUEZ:	
20			20	Mr. Trent Bond	
21			21	Mr. Doug York	
22			22	Reaud, Morgan & Quinn	
23			23	801 Laurel Street	
24			24	Beaumont, Texas 77720-6005	
25			25	Fax: 409-833-8236	
				Telephone: 409-838-1000	
				FOR PLAINTIFFS CHARLES CONNER, ET AL.:	
				Mr. John Ramsey	
				Simon & Luke	
				America Tower, 42nd Floor	
				2929 Allen Parkway	
				Houston, Texas 77019	
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<p style="text-align: right;">Page 589</p> <p>1 APPEARANCES (Continued)</p> <p>2</p> <p>3</p> <p>4 FOR PLAINTIFFS CARLOS GALAN, LESLIE GALAN, JOSE VILLARREAL, HECTOR RODRIGUEZ, 5 ELEAZAR CANTU, MARCO FIGUEROA, LUIS LOPEZ, ELOY RODRIGUEZ, ERNESTO 6 VALENCIA, LAMIEL VALLANEUVA, JOSEPH MOISE, JESUS LOPEZ, GABRIEL JAIMEZ, EVA RAMIREZ, 7 VERONICA RAMIREZ, JOHN RANGEL, JOSE VILLANEUVA: 8 Mr. Daniel Horowitz, III Mr. Benny Agosto, Jr. 9 Abraham, Watkins, Nichols, Sorrels, Matthews & Friend 10 800 Commerce Houston, Texas 77002 11 Fax: 713-225-0827 Telephone: 713-222-7211</p> <p>12</p> <p>13 FOR PLAINTIFF ROGER RODRIGUEZ:</p> <p>14 Mr. John W. Stevenson, Jr. 15 John W. Stevenson & Associates 24 Greenway Plaza, Suite 750 16 Houston, Texas 77046 Fax: 713-622-3224 17 Telephone: 713-622-3223</p> <p>18</p> <p>19 FOR PLAINTIFFS, ET AL.:</p> <p>20 Mr. Jeff Burke The Buzbee Law Firm 21 1910 Ice & Cold Storage Building 104 Moody 22 Galveston, TX 77550 Fax: 409-762-0538 23 Telephone: 409-762-5393</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 591</p> <p>1 APPEARANCES (Continued)</p> <p>2</p> <p>3</p> <p>4 FOR PLAINTIFF DAWN PRATER: 5 Ms. Jill Heintzman Kljasas & Vercher, P.C. 6 550 Westcott, Suite 570 Houston, Texas 77007 7 Fax: 713-862-1465 Telephone: 713-862-1365</p> <p>8</p> <p>9 That a copy of this certificate was served on all parties shown herein on _____ and 10 filed with the Clerk.</p> <p>11 I further certify that I am neither counsel for, related to, nor employed by any of the parties in the 12 action in which this proceeding was taken, and further that I am not financially or otherwise 13 interested in the outcome of this action.</p> <p>14 Further certification requirements pursuant to Rule 203 of the Texas Code of Civil Procedure will be 15 complied with after they have occurred.</p> <p>16 Certified to by me on this _____ day of _____, _____.</p> <p>17</p> <p>18</p> <p>19</p> <p>20 Stephanie Barringer, CSR Texas CSR 6198 Expiration: 12/31/06 21 U.S. Legal Support Firm Registration: 122 22 519 N. Sam Houston Pkwy., Ste. 200 Houston, Texas 77060 23 Main number: 713/653-7100 Fax number: 713/653-7143</p> <p>24</p> <p>25</p>
<p style="text-align: right;">Page 590</p> <p>1 APPEARANCES (Continued)</p> <p>2</p> <p>3</p> <p>4</p> <p>5 FOR DEFENDANT DON PARUS:</p> <p>6 Mr. Judson W. Starr Venable, LLP 7 575 7th Street, NW Washington, DC 20004-1601 8 Fax: 202-344-8300 Telephone: 202-344-4886</p> <p>9</p> <p>10 FOR DEFENDANT JE MERIT:</p> <p>11 Ms. Bridgett M. Matthes 12 Ebanks, Smith & Carlson 2500 Five Houston Center 13 1401 McKinney Houston, Texas 77010 14 Fax: 713-333-4600 Telephone: 713-333-4500</p> <p>15</p> <p>16 FOR DEFENDANT BP PRODUCTS NORTH AMERICA, INC.:</p> <p>17 Mr. Stephen M. Fernelius 18 Ms. Jessica Gilmore Fulbright & Jaworski 19 1301 McKinney, Suite 5100 Houston, Texas 77010-3095 20 Fax: 713-651-5246 Telephone: 713-651-5151</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 592</p> <p>1 FURTHER CERTIFICATION UNDER TRCP RULE 203</p> <p>2</p> <p>3 The original deposition was/was not returned to 4 the deposition officer on _____.</p> <p>5 If returned, the attached Changes and Signature 6 page(s) contain(s) any changes and the reasons 7 therefor.</p> <p>8 If returned, the original deposition was 9 delivered to Mr. Brent Coon at Brent Coon & 10 Associates as the custodial attorney.</p> <p>11 \$ _____ is the deposition officer's 12 charges to the Plaintiffs for preparing the original 13 deposition and any copies of exhibits;</p> <p>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.</p> <p>17 Certified to by me on this _____ day of _____, _____.</p> <p>18</p> <p>19</p> <p>20</p> <p>21 Stephanie Barringer, CSR Texas CSR 6198 Expiration: 12/31/06 22 U.S. Legal Support Firm Registration: 122 23 519 N. Sam Houston Pkwy., Ste. 200 Houston, Texas 77060 24 Main number: 713/653-7100 Fax number: 713/653-7143</p> <p>25</p>