EXHIBIT G

In The Matter Of:

THE CITY OF NEW YORK, ET AL v. EXXON MOBIL CORPORATION, ET AL

VOLUME 23 September 3, 2009

TRIAL
SOUTHERN DISTRICT REPORTERS
500 PEARL STREET
NEW YORK., NY 10007
212-805-0300

Original File 993RCITF.txt, Pages 3368-3539 (172)

Word Index included with this Min-U-Script®

Page 3490

Page 3491

Page 3488

- water, correct? [1]
- A. That is correct. [2]
- Q. In fact, Mobil agreed that MTBE in gasoline will dissolve [3]
- in groundwater at a faster rate than any gasoline hydrocarbon, [4]
- including benzene, correct? [5]
- A. That is what this document says. [6]
- Q. It goes on to say, "Theoretically MTBE therefore," at the [7]
- end of the highlighted section, "should migrate faster in [8]
- water," correct? [9]
- A. That is exactly the way the document reads. [10]
- Q. As of the time of this document, May 1987, Mobil knew that [11]
- it was important to be aware of MTBE from an environmental and
- engineering standpoint in order to respond effectively to [13]
- regulatory and remedial requirements, isn't that right? [14]
 - A. I would say the answer is yes.
- MR. SHER: If you go, Liz, to the third page of the 1161
- document and blow up that highlighted paragraph. [17]
- Q. The authors of the document says, "Because of its more frequent occurrence, even when other hydrocarbons are not [19]
- found, we feel it is important for you to be aware of MTBE. [20]
- From an environmental and engineering standpoint, you may need [21]
- to be informed of its presence to assist you in responding 1221
- effectively to regulatory and remedial requirements." Do you
- see that statement?
- A. Yes, I do.

- one of our managers, at one of our service stations. The only
- way that MTBE gets into the ground is if it is actually spilled 121
- or it leaks out of a tank. We have controls in place to make 131
- sure that we are advised if there's even a suspicion of a leak.
- Q. Sir, this document says that in order to respond 151
- effectively to remedial and regulatory requirements, you need 161
- to be aware of MTBE, correct? 171
- A. It does, and they would have been aware of that. [8]
- Q. Your dealers, Mobil dealers, correct?
- A. Absolutely correct. [10]
- Q. What about non-Mobil dealers, wouldn't they need to know
- about MTBE as well? [12]
- A. When you say non-Mobil dealers --[13]
- Q. Yes, sir.
- A. -- are you talking about Exxon dealers or are you talking [15]
- about unbranded sites? [16]
- Q. Let's take them in turn. Do you think Exxon dealers would [17]
- have known? [18]
- I can't speak for the Exxon side.
- Q. Let's not speculate then. What do you think about [20]
- nonbranded dealers? [21]
- A. I would say that they would have known as well, because the [22]
- requirement was that any time any gasoline was sold, there [23]
- would be a document that they would have on file the first time [24]
- that they received that document. And that document, if the [25]

Page 3489

- gasoline contained MTBE, that is, what we would call a
- reformulated gasoline product --[2]
 - Q. In 1987 sir, was there RFG? [3]
- Q. Someone who did not know of MTBE's presence could have THE COURT: Was RFG there in 198 --[4] A. What I'm saying is that the document, if in fact MTBE was [5]
- in there -- I maybe shouldn't have said reformulated gasoline requirements, isn't that right? [6]

[1]

- at the time of 1987. But if there was MTBE in that gasoline at [7]
 - that time, the requirement by law would be that the document [8] that we have, which was called at Mobil an MSDB document, or an
 - [9] MSDS as others referred to it, which was required by OSHA
 - [10]
 - starting in 1985, would in fact have advised the dealer or
 - distributor, a manager, or an unbranded dealer that they in [12]
 - fact had MTBE in that product. [13]
 - Q. What does MSDB stand for? [14]
 - A. MSDB was the material safety data bulletin. It was similar [15]
 - to an MSDS that the OSHA required. [16]
 - Q. Mobil did not provide information in their MSDB's for
 - gasoline containing MTBE regarding the face and transport of [18]
 - MTBE, isn't that right? [19]
 - A. The MSDB did not require that type of information. [20]
 - Q. So it identified MTBE as a component of the gasoline, [21]
 - according your testimony, but did not say anything about the [22]
 - significance of the MTBE, isn't that right? [23]
 - That is incorrect.
 - Q. It's incorrect? [25]

Q. That was Mobil's state of knowledge as of that time, correct?

A. Yes, it was. 131

[2]

191

- difficulty responding effectively to regulatory and remedial [6]
- MR. BONGIORNO: Objection, your Honor. Calls for [7] speculation: Someone. [8]
 - THE COURT: It's just semantics. A person who?
- MR. SHER: Sure, a person who. [10]
- THE COURT: A person who did not know of MTBE's presence would have difficulty responding, right, if they [12] didn't know it was there? [13]
- **THE WITNESS:** I'd have to disagree with that. [14]
- THE COURT: All right. [15]
- THE WITNESS: I have to disagree because the issue is [16] not MTBE. The issue becomes gasoline, which is the transporter [17] of MTBE.
- THE COURT: If you don't know it spilled, can you [19] respond? [20]
- THE WITNESS: You can surely respond, because our 1211 people would have understood that MTBE was in there, was in the [22] product. The key is to --
- Q. What do you mean by your people? [24]
- A. I'm saying an individual such as a dealer, a distributor,

Page 3494

Page 3495

Page 3492

A. It is incorrect.

Q. It did not say, did it, that MTBE travels farther and raster in groundwater than the other components of gasoline, did it?

[5] A. It did not.

[4]

[25]

[1]

[2]

[3]

141

[5]

[6]

[10]

[12]

[13]

[14]

1151

[17]

[18]

[19]

[21]

[22]

Q. It did not say that MTBE does not biodegrade in groundwater, isn't that right?

[8] A. I would say that's probably correct.

Q. It didn't say that gasoline with MTBE in it, if it leaks out, could contaminate greater areas of groundwater than gasoline without, did it?

[12] A. That was not a requirement of the MSDB.

[13] Q. I'm sorry. It was not a requirement?

[14] A. It was not a requirement of the MSDB. It contained other information.

[16] Q. The MSDB does not include that information, did it?

A. The MSDB did not include that information.

Q. The MSDB did not include information that a release of gasoline containing MTBE could more, frequently than gasoline that did not contain it, contaminant receptor wells in the area, did it?

A. I'm going to simply go back to what I said before. It's the gasoline that transports --

[24] Q. It's a yes or no question, sir.

THE COURT: Please let him finish each time, Mr. Sher.

(1) A. It did not.

Q. Did it contain any information that gasoline containing

31 MTBE was likely to lead to greater clean-up costs than gasoline

that did not contain MTBE because of the features of MTBE?

151 A. No, it did not.

Q. Did it contain any information that the owner-operator of a

171 station that released gasoline containing MTBE might become

[8] responsible for the treatment costs on wells that were affected

by MTBE and that that would be an increased cost compared do

gasoline that did not contain MTBE?

[11] A. The fact of the matter is an MSDB doesn't cover those types

[12] of issues

[13] Q. Sir, did Mobil notify its customers about any of those

features of MTBE in any document other than an MSDB?

(15) A. There may have been a notification about the odor of MTBE

at one time, but the answer is no, again because we did not

want to confuse our customers -- when I say our customers, our managers, dealers, and distributors -- with the fact that the

real issue is gasoline, that we do not want it leaking or

1201 spilled into the ground.

Q. The answer to the question about whether or not there was

ever any discussion about MTBE causing increased costs,

1231 increased effects compared to gasoline without was never

disclosed by Mobil in any writing to its stations, correct?

A. I am not aware that they were.

Page 3493

MR. SHER: I would appreciate an answer to my question.

THE COURT: But I'd appreciate if you would let him finish his answer

THE WITNESS: Thank you, your Honor.

A. I'm going to go back to what I said before. The only way MTBE gets into the ground and can be transported is through gasoline. So our concern is to make sure that our dealers and our distributors and anybody who gets our product on a branded or unbranded basis does in fact know that gasoline is the issue.

In fact, that's the requirement typically on a federal level. Federal regulations and guidelines don't dictate that you have to know that MTBE is in the product. They simply state that we don't want gasoline in the ground. So we know if we can keep the gasoline out of the ground, then we don't have a problem with MTBE.

MR. SHER: I move to strike as nonresponsive. My question was about information in the MSDB.

THE COURT: Yes, I think he didn't answer the question that you asked, and that needs to be stricken. Your question was?

Q. My question was whether the MSDB provided information that gasoline containing MTBE compared to gasoline that did not was more likely to impact local receptor wells in particular. Q. Mobil never warned unbranded gas station owners that

gasoline containing MTBE would have any of these

characteristics if it escaped from their tanks, did it?

[4] A. We would not, and it would not have been our responsibility

to notify them of that.

Q. Did you provide any notification concerning those features

of MTBE to any unbranded stations?

[8] A. We did not.

[9] Q. Did you provide any notice of those features of gasoline

[10] containing MTBE to any water suppliers?

[11] A. No, we did not, that I'm aware of.

[12] **Q.** I'm sorry?

[13] A. That I'm aware of.

[14] Q. You conducted an investigation to discover whether the

[15] company had provided any warnings, did you not?

[16] A. I did.

[17] Q. You didn't find any, did you?

[18] A. I did not find any.

[19] Q. With regard to customers of Mobil that were responsible for

their own investigation and clean-up at gas stations, Mobil

never advised them to even test for the presence of MTBE when

gasoline was discovered at a site, isn't that right?

A. The answer to your question, again, is one that I have to

take some exception to, because the fact of the matter is our

gasoline is the issue. We have very strict environmental

Page 3498

Page 3496

- guidelines at Mobil and at ExxonMobil. They have been in [11]
- effect for years. Our whole point is to make sure that our
- dealers understand the environmental responsibilities. It's
- part of their contract. It's a material and significant
- provision of that. We want to make sure that they don't leak
- any gasoline into the ground, period.
- Q. Sir, you remember I think you told us you were deposed in
- 181 2007, correct?
- [9] A. Correct.
- [10] Q. You were under oath at the time, do you remember that?
- [11] A. I do.
- Q. You were testifying truthfully to the best of your ability
- [13] at that time?
- [14] A. Yes, I was.
- Q. You were asked at 165, starting at line 5 -- I'm sorry,
- [16] line 7:

[21]

- "Q. In review and preparation for your deposition, did Mobil in
- [18] its MSDS's advise its customers who purchased MTBE gasoline
- that they should test for the presence of MTBE when gasoline
- [20] contamination is discovered at a site?"
 - Your answer was, "We did not."
- [22] A. That is correct.
- Q. The MSDS is what your company called an MSDB?
- 1241 A. Mobil called it an MSDB, yes.
- Q. Did you find in your investigation any specific evidence

- Q. Did you provide any such advice to unbranded stations?
- [2] A. We would not. Unbranded owners would be the responsibility
- of the deliverer of the product that picked up the product.
- [4] Q. Sir, did you provide any warnings to unbranded distributors
- who obtained your gasoline?
- [6] A. Unbranded distributors have a contract to pick up, and they
- would have received an MSDB. That would have been it.
- [8] Q. An MSDB that did not talk about the characteristics of
- [9] MTBE, is that right?
- [10] A. Yes, because the MSDB doesn't address those issues.
- [11] Q. Since the merger, has ExxonMobil warned third parties that
- MTBE is more difficult and more expensive to clean up or
- remediate than conventional gasoline?
- [14] A. No, we have not.
- [15] Q. Did ExxonMobil ever warn its own stations, station owners,
- or its customers that gasoline containing MTBE should be
- handled differently than gasoline without MTBE?
- [18] A. I keep going back to what I said before. It's gasoline
- that's the transport. To make it as easy as possible as we can on our customers, we tell them don't spill gasoline into the
- on our customers, we tell them don't spill gasoline into the ground, don't let it leak into the ground. If it doesn't leak,
- there is no MTDE in the ground
- there is no MTBE in the ground.
- 1231 Q. Has ExxonMobil ever provided warnings regarding MTBE to
- [24] water providers?
- [25] A. I'm not aware that we have.

Page 3497

Page 3499

- that Mobil was providing information to its customers regarding environmental problems associated with MTBE in groundwater?
- [3] A. I don't believe we did, no.
- Q. Mobil never warned service stations or customers that
- gasoline containing MTBE should be handled differently than
- gasoline without MTBE, correct?
- A. From our perspective, it should not be handled any
- differently. Gasoline is the transport for MTBE. It should be
- [9] contained in the tanks of the cars and in the underground
- [10] storage tanks.
- [11] Q. Sir, in the mid '80s, when Mobil started blending MTBE into
- its gasoline at its refineries, was it aware that there was a
- large number of leaking underground storage tanks in the
- [14] country?
- [15] A. I would say that we were aware, and we took action.
- [16] Q. You took action with regard to Mobil's stations, correct?
- [17] A. Absolutely.
- [18] Q. Did you take any action, including warning folks who might
- end up with your -- I'm sorry, not folks -- gas station owners
- and operators who might end up with Mobil gasoline that they
- needed to take steps to upgrade their stations?
- A. Absolutely. As I was indicating a little while ago, it's
- part of the contractual obligation that we have established
- environmental guidelines being a core value of ExxonMobil and
- 1251 at that time Mobil.

- Q. That's either in the vicinity of ExxonMobil stations or otherwise. No such warning?
- [3] A. I'm not aware of any warnings.
- MR. SHER: I don't have any further questions, your
- [5] Honor.

[6]

- THE COURT: Thank you.
- [7] Mr. Bongiorno.
- [8] MR. BONGIORNO: Thank you, your Honor. May I switch
- [9] out the notebooks?
- [10] THE COURT: Sure.
- [11] CROSS-EXAMINATION
- [12] BY MR. BONGIORNO:
- [13] Q. Good afternoon, Mr. Roman.
 - A. Good afternoon.
- Q. Mr. Roman, I believe you said in response to Mr. Sher's
- question that you have been with the company, first Mobil, now
- [17] ExxonMobil, for 33 years, correct?
- [18] A. That is correct, counsel.
- [19] Q. In an effort to streamline this process, we have created a
- graphic of your positions. I'd like to put that up on the
- board. Mr. Roman, if you could briefly, and I emphasize
- briefly, walk through your positions in overview fashion. I
- then want to get to those that focused on overview of retail
- stations, distributors, and the like.
- [25] A. Thank you. I started with the company in 1976 as a

esmi

[4]

151

161

[7]

[8]

[9]

[10]

[11]

[12]

[13]

[14]

[15]

[16]

[17]

[18]

[19]

1201

[21]

[22]

1231

1251

121

141

[5]

161

[7]

[8]

191

[10]

[22]

Page 3500

marketing representative in the state of Connecticut, where I was responsible for actually all what we call classes of trade. I had dealers, distributors, and company-operated stores. I went to New York as a staff analyst working on issues such as tires, batteries, accessories, sales that we were doing at the

I then moved up to the Boston area. I had responsibility for Boston, southeastern Massachusetts, Cape Cod, Nantucket, Martha's Vineyard as the area manager. In that case I was actually supervising six marketing representatives.

I went to Fairfax, Virginia, which at the time was the Mobil headquarters prior to the merger, and was wholesale systems manager. I was working with our distributor group on the systems side, and I had some heating oil responsibility as well. I then moved into the planning function as the headquarters budget manager and back into marketing as marketing products manager. Then took over as dealer channel manager from '94 to '96. Again, these were all in Fairfax. Then took over responsibility for the fuels franchise and developed then our new franchise documents.

From there to manager of business planning. That was in San Antonio Texas. I ran our joint venture operation with one of our partners there for a little over a year. Came back again as the fuels franchise manager to coordinate the consolidation after the merger of the two franchises, the Exxon customers?

A. I did become familiar with the training, yes.

Q. Likewise, did you did you become familiar with any warnings

that would have been provided to those customers? 141

A. Yes. [5]

[8]

191

[11]

[12]

[13]

[14]

[15]

1161

[17]

[18]

[19]

[21]

[22]

[23]

1241

[3]

[4]

[7]

[8]

191

[10]

[13]

[14]

[15]

[16]

[18]

[19]

[20]

[21]

[22]

1231

Q. In fact, I learned vesterday I should have said that were [61 indeed provided to those customers. The answer is still yes? 171

A. The answer is still yes, yes.

Q. There has been talk of customers. Mr. Sher actually walked you through some of the levels. I'd like to go to one more demonstrative so we can help the jury actually see the different levels of customers and have you explain them.

MR. BONGIORNO: Dave, I believe it's tab 6.

Q. Mr. Roman, I'll read the classes that are up on this demonstrative and then I'll ask you to explain the differences to the jury. We have at the top company operated retail store, then company owned leased to dealer store, dealer owned and operated store, then we have branded distributor supplied station and unbranded stations.

First let me ask you to focus on ownership of the underground storage tanks. Could you explain within each class where the company, Mobil or ExxonMobil as the case is now, owns the underground storage tanks and in which classes they do not. A. In the first category, company operated retail stores, those are stores that we own and we operate, and we own the

Page 3501

franchise and the Mobil franchise, brought those together, and them switched over into the legislative/regulatory affairs

position in 2002. All the jobs up to this point, including the [3]

legislative and regulatory affairs, were in what we called our marketing function.

I then switched over to our corporate public affairs group in 2007 and hold the position that I now have.

Q. Mr. Roman, with regard to those positions that you described as being within the marketing function, did your job involve in some respects relationships with service stations,

dealers, distributors, and the like?

A. Yes, sir, they did. [12]

Q. We will jump right back to those. I did skip one step.

Could you again, with emphasis on briefly, walk us through your 1141

educational background. 1151

A. I graduated in 1973 from Central Connecticut State [16]

University with a bachelor's degree in economics. In 1988 I (17)

received a Master's degree in management from Leslie University

in Cambridge, Mass.; an MBA in 1994 from Marymount University 1191

in Arlington, Virginia; an international business certificate 1201

from Georgetown University in 1996. [21]

Q. Thank you, Mr. Roman. Now, throughout those various positions that you just described as involving relationships with dealers, distributors, and retail stations, did you become

familiar with the training that was provided to those

Page 3503

Page 3502

underground storage tanks there. We own them as well at the company owned leased to dealer stores, the tanks and the pumps and the lines.

Dealer owned and dealer operated store. A dealer, going back to what was mentioned a little bit earlier in the testimony, actually owns the site, may actually lease the site from another owner but owns the tanks and the pumps at that

A branded distributor supplied station, let me elaborate a little bit on this to make it clear. The distributor is like a mini oil company. They come, as I mentioned a little bit earlier, and they pick up product with their own trucks or trucks through a third party at a terminal. They get that product and then they deliver it.

If you look up at the chart up there, you've got company operated stores, you've got leased stores and dealer owned and operated stores. A distributor may have any one or all three of those first three, because all they are doing is they are establishing a relationship with dealers. They may actually have stores that they own and operate where they have their own people, and they own the tanks in those particular cases.

They may own and lease to dealers, and they would own the tanks in those cases. Or they may have the same type of relationship with the dealer that we do on a direct basis,