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**From:** Clanton, Brett [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS [REDACTED]]  
**Sent:** 22/09/2017 15:07:23  
**To:** Sidoti, Elizabeth [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS [REDACTED]]; Stutz, Rachel [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS [REDACTED]]  
**CC:** Streett, Mary [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS [REDACTED]]  
**Subject:** RE: Houston Chronicle interview prep

FYI – The reporter has strep throat and had to cancel. We're trying to reschedule for next Tuesday.

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**From:** Sidoti, Elizabeth  
**Sent:** Thursday, September 21, 2017 4:09 PM  
**To:** Clanton, Brett; Stutz, Rachel  
**Cc:** Streett, Mary  
**Subject:** RE: Houston Chronicle interview prep

Thanks, Brett. Glad this came together. CCing Mary for awareness.

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**From:** Clanton, Brett  
**Sent:** Thursday, September 21, 2017 5:00 PM  
**To:** Sidoti, Elizabeth; Stutz, Rachel  
**Subject:** FW: Houston Chronicle interview prep

**Redacted - Privilege**

Best,  
Brett

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**From:** Clanton, Brett  
**Sent:** Thursday, September 21, 2017 12:51 PM  
**To:** Alvarez, Orlando A  
**Cc:** Constantin, Dawn M; Cole, Crystal K; Young, Noey S  
**Subject:** Houston Chronicle interview prep

Orlando,

We look forward to meeting with you this afternoon to prepare for the Houston Chronicle interview tomorrow morning. I think it should be a good opportunity to highlight a clear success story for NAGP in managing Harvey with minimal impacts to the business.

I've told the reporter that we have a good story to tell about picking up North America's largest natural gas marketing and trading business and moving it to a backup location without missing a beat. So, this is where we should try to focus the conversation. To this end, you might be thinking of anecdotes that highlight the complexity of the challenge, but that don't reveal any proprietary details. Ideally, we want to frame this as one of the business' finest hours – a sign of the lengths we are willing to go to meet our customers' needs, while also a demonstration of our commitment to taking care of our own people throughout a difficult situation.

Then, we can talk about the reopening of Helios this week and how good it is to have everyone from your business back, even as BP works to get the rest of the campus up and running. Below, I've included my notes from John Minge's interview with this same reporter a week ago about the progress of campus cleanup and our plans for getting a majority of Houston employees back in temporary office space in the next few weeks. (Further down, I also included notes from John's interview the week prior with the Wall Street Journal on the same topic.) You may find it helpful to read how he covered some of the issues.

Apart from NAGP business continuity and Westlake campus, we should be prepared for the reporter to ask about a few other topics, including:

- Our announcement Tuesday about the start of natural gas shipments to Mexico. How we are supporting, opportunities for growth, etc.?
- Efforts to grow/diversify NAGP beyond just natural gas
- Potential changes to Dodd-Frank
- Biogas

Attached you will find a short bio of Collin Eaton, the Houston Chronicle's lead energy reporter, along with a selection of his recent stories (including the one last Friday about our Westlake campus). I've also included a copy of the new BP Narrative, which is a collection of key messages that we're now trying to use in all external and internal communications. I'm sure you've seen it, but it might be worth a refresher.

Lastly, I've included (below) a grab-bag of notes and talking points that may be useful to review. Sorry to inundate you, but I thought you'd probably rather have more than less as you gather your thoughts for tomorrow.

Best,  
Brett

### **Energy Outlook**

- BP expects world **demand for energy to increase by around 30%** between 2015 and 2035 – largely driven by rising incomes in emerging economies.
- New technologies, consumer preferences and low carbon energy policies are leading to changes in the fuel mix, resulting in **gradual decarbonization**.
- We project **renewables to grow seven times faster** than all other energy types combined.
- **Oil and gas are likely to continue to play a significant part**. They currently account for around 56% of total energy consumption and we think that will decrease to about 54% by 2035.

### **Gas (from Energy Outlook)**

- We think the share of gas will go up slightly to 25% of global energy, placing it ahead of coal and not far behind oil.
- Shale production accounts for around two-thirds of the increase in gas supplies.
- US – shale output more than doubles.
- China emerges as the second largest shale supplier by 2035.
- Liquefied natural gas: the rapid growth increases the accessibility of gas across the globe.
- Nearly a third of this growth occurs over the next four years as a series of projects currently under development are completed.

- China, India and other Asian countries all increase their demand for LNG, helping gas to grow faster than either oil or coal in each of these economies.

### **Natural Gas (from AGM brief)**

We expect that natural gas is likely to meet around 25% of total global energy demand by 2035.

- **Natural gas is a vital lower carbon energy source.** It produces about half as much greenhouse gas emissions as coal when burned to generate power and it can serve as a back-up for intermittent renewable energy sources.
- **Around half of BP's upstream portfolio** is currently natural gas. We have new projects coming on stream in Oman, Egypt, Trinidad and the Southern Gas Corridor from the Caspian Sea to Europe.
- BP announced that it plans to acquire the upstream portion of Clean Energy, which produces renewable natural gas from organic waste.
- It is estimated to result in up to 70% lower GHGs than equivalent gasoline or diesel-fuelled vehicles.

### **BP Strategy**

Our strategy is designed to ensure BP is '**good for all seasons' in an uncertain environment.** It enables us to compete in a world of volatile oil and gas prices, changing customer preferences and the transition to a lower carbon future.

- Our strategy is rooted in society's need to use more energy while reducing carbon emissions. It reflects a changing global fuel mix, in which oil remains important but is used more efficiently.
- **Fit for the future – our strategic priorities**
- Shift to gas and advantaged oil in the upstream
- Market-led growth in the downstream
- Venturing and low carbon across multiple fronts
- Modernizing the whole group.
- **Safe, reliable and efficient execution** – good safety leads to reliable operation of our assets, greater efficiency and ultimately better financial results.
- **Focus on returns** – we aim to increase operating cash flow (upstream start-ups and downstream growth). With a constant capital frame, we intend to grow sustainable free cash flow and shareholder distributions in the long term.

### **Notes from JCM interview with Houston Chronicle reporter Collin Eaton on Sept. 14**

- About 20 percent of our Houston workforce will be back in offices on Mon, Sept. 18 (10 percent at Helios; and 10 percent at a contractor's building, which offered temporary space for our L48 employees).
- Roughly 60 percent of Houston-based BP employees should be back in offices (including temporary space) by the end of October. (Some employees should begin moving into temporary space in Westlake Four the first week of October.)
- On cost of repairs at Westlake: "It's not pocket change, but it's manageable for a company of our size."
- On business continuity: "Our business really didn't suffer."
- Said about 800 employees called us for assistance; more than 650 had damage to their homes.
- Said employees in Houston have learned to "work differently," with some holding meetings in coffee shops, churches, etc. Remarked how proud he was of our people and business units for "finding a way" to get the job done.

### **Notes from JCM interview with the Wall Street Journal on 9-6-17**

- He hit safety message right off the top and mentioned several times throughout.
- Went into a fair amount of detail about flooding at WL1, mentioning how waters were still waist deep on Saturday when he walked through in chest-high waders, 2 feet of water in the lobby, etc. And how we prob. won't be able to reoccupy until after the first of the year.
- Said we're actively working options for temp. office space, including restack of Helios and up to 15 floors at WL4, noting that utilizing those two buildings could accommodate up to 60 percent of our Houston workforce. He said several business partners had also offered space if needed. But many likely to continue working from home.
- Despite setback, said "morale is really high" among the Houston workforce, praising their resilience, generosity and professionalism.

- Said employees are learning how to “work differently” while recovery is underway.
- Said 650 employees had some flood damage and likely “hundreds” lost homes
- But “very minimal disruptions” to business . . . “the business is running well” . . . “we’ve had virtually no business continuity issues”
- “Houston is open for business, but our campus is not”
- Mentioned that some expats have wanted to come back to survey home damage, but we’ve had to place some restrictions on travel due to conditions
- She asked if there will come a point soon when we cut people off . . . John said we’ve told affected employees their jobs will be waiting for them when they come back, and we will continue to pay people . . . and “no one is abusing” . . . “We don’t have people saying, ‘Woo-hoo, we’re on vacation!’”
- “A lot of people don’t want to work from home.” . . . so trying to get people back in offices where possible
- On Harvey response . . . “So proud of our city and, frankly, our country. Sometimes things like this can really bring out the best in people.”
- Mentioned our donations . . . “You need to look after yourself and also give back.”

### **FINAL PRESS STATEMENT ON HARVEY (9-8-17)**

*BP is closely monitoring Hurricane Irma to ensure the safety of our personnel and operations in the deepwater Gulf of Mexico and elsewhere along the Atlantic Coast.*

*With forecasts indicating landfall this weekend in Florida and possibly early next week along the southeast Atlantic Coast, BP now is taking additional steps to prepare.*

*In the Gulf of Mexico, BP has secured offshore facilities for heavy weather and has evacuated non-essential personnel from our Thunder Horse platform and the West Vela drilling rig. BP is also preparing for the possible evacuation of remaining offshore workers and the shut-in of production at facilities if needed. However, no production is shut-in at this time.*

*Elsewhere, BP has begun storm preparations at its Cooper River petrochemical complex near Charleston, South Carolina. Depending on the storm’s path, BP is preparing to evacuate all non-essential personnel at the complex this weekend, and leave a small number of essential staff in place to continue safely operating the facility.*

*With safety as our top priority, we will continue to monitor weather conditions closely to determine next steps.*

*In addition, with the impacts of Hurricane Harvey still being widely felt, we also remain focused on the safety of our roughly 5,000 employees and their families in southeast Texas and our workers and operations elsewhere along the Gulf Coast.*

*BP continues to assess and remediate portions of our Westlake campus in Houston that sustained significant flooding during Harvey, including our Westlake One office tower and nearby childcare center. While this work is underway, BP’s U.S. headquarters offices will be closed until further notice and reopen only when safe for employees to return to work.*

*BP’s U.S. business activities were minimally impacted by Harvey, and all normal operations will continue as we work to secure temporary office space for a portion of our Houston workforce and permit other employees to work remotely as they are able. In addition, BP is providing assistance to employees affected by Harvey and also helping connect them with appropriate disaster relief services.*

*Elsewhere, BP is working to minimize disruptions from any -related oil refinery or terminal outages in the southeast and U.S. Gulf Coast area. At this time BP has been able to meet the needs of our wholesale customers, but we expect intermittent terminal supply outages and will continue working to locate alternate supplies of gasoline, diesel and other refined fuels as needed.*



Wall Street Journal story (quoting JCM) on Harvey impacts to Houston corporations . . .

<https://www.wsj.com/articles/harveys-rebuilding-squad-your-employer-1504797709>

## Harvey's Rebuilding Squad: Your Employer Big corporations are shelling out funds so staff can resume work; long-term costs may weigh on bottom line

HOUSTON—Chemicals maker Covestro AG set up a drive-through station for employees to pick up bleach, plastic tarps, gas and other emergency supplies. Occidental Petroleum Corp. is housing displaced staff in hotels and is giving out interest-free loans and \$5,000 grants to pay for repairs. When Beaumont's water service failed, Exxon Mobil Corp. used a fleet of 36 helicopters to deliver water to employees and their families.

"It's a small price to pay," said Jerry MacCleary, the North America chief for Germany's Covestro, which was forced to stop production at its Baytown manufacturing site, its biggest in the U.S., after Harvey knocked out key local suppliers and many of its employees couldn't get to work. "We can't run this place without people."

Never before in the modern era has a hurricane created such damage in one of America's major corporate hubs. Houston, the nation's fourth-largest city with 2.3 million people, has an economy roughly the size of Sweden's and is home to more Fortune 500 companies than any American metropolis except New York.

Harvey's record-setting floods, which have damaged or destroyed more than 300,000 homes in southeast Texas, disrupted lives here on a scale seldom before seen in the U.S., affecting executives and laborers alike. The scale of the problem is testing CEOs who see themselves as caretakers for their workers in and out of the office, and also as civic and community leaders in times of crisis.

Managers said they are focused primarily on giving staff the time and help they need to take care of their homes and families and cope with deep personal loss.

For now, the interests of employers and employees are aligned—both want to get their lives in order and get back to work. In the long run, their interests may diverge, if costs become intolerable. Companies will face pressure to get back to full strength to meet business targets to satisfy customers and shareholders, economists and analysts say. Missteps could harm corporate images.

It is a dilemma more bosses may soon face as a second major storm, Hurricane Irma, threatens to smash into the southeastern U.S. coastline this weekend.

The assistance companies are committing to flooded employees could be one of their biggest costs as they scramble to get back to work. Many businesses estimated that plants and refineries will be back to 100% in weeks but that it will be months before employees are.

An informal poll by the Greater Houston Partnership, the regional chamber of commerce, found that the typical company had 10% to 11% of employees with homes substantially affected by flooding.

"That's a very high level of impact that's hard to really make the office function as you'd like," said Bob Harvey, the Partnership's chief executive. Companies in some heavily flooded areas, such as oil and gas producer ConocoPhillips, were opting to keep main offices closed until next week.

Productivity could drop 10% in the Gulf Coast region for at least the next two months, which would cause a \$3 billion reduction in economic output, said Ray Perryman, a Texas economist and forecaster based in Waco.

Covestro, a maker of raw materials for adhesives, polyurethanes and other chemicals spun off from the pharmaceuticals giant Bayer AG in 2015, estimated 15% of its more than 1,000 Houston-area staff were hit by flooding.

Company managers assigned flooded employees a score to determine how much assistance to provide: Level 1 meant minor home damage and an estimated recovery time of less than a month; Level 2 indicated recovery could take up to three months and that some temporary housing was required; and Level 3 signified total losses or major home damage and as much as six months of recovery and shelter were needed. Of the roughly 150 employees who sustained damage, more than 60 were either Level 2 or 3.

"All the stuff we're doing in the first couple of weeks, those are, in a way, the easier things," said Mr. MacCleary, the North America chief. "It's the longer term that's tougher."

Three miles from Covestro's Baytown plant, a team of company employees worked Wednesday to finish stripping the inside of co-worker Javan Williamson's three-bedroom home down to its studs—it had been flooded to 5 feet. Water covered the SUV in the garage and set the backyard deck afloat like a raft, saving the two dogs that had been left behind when Mr. Williamson—expecting only a few inches of flooding—moved his pregnant wife and two small daughters to a friend's house for what he thought would be the night. A co-worker, Brett Ward, later waded with him through waist-high water to rescue the dogs.

On Wednesday, the family's ruined belongings—nearly all of them—were piled high on the sidewalk around the house: a couch, a mirror, various toys. Mr. Williamson's wife, Jill, said the couple's wedding photos were a total loss, but some snapshots of the children would dry.

Covestro also lent the Williamsons a car and is arranging a furnished apartment for the family for three months.

"I never thought a company I work for would be so willing to put out these types of resources," Mr. Williamson said. "Allowing me to be off work and not worrying about my job is absolutely critical."

Companies now tending to their employees are likely in for a long haul.

Paul Kusserow, CEO of Baton Rouge-based Amedisys Inc., said it has taken until now for the home health-care company to fully recover from catastrophic floods last year that left a quarter of its 400 corporate employees with flooded homes and properties.

Mr. Kusserow estimated the company has spent "well into the millions" of dollars in housing, cash, counseling and other aid for displaced employees, plus countless hours helping them negotiate with insurers, purchasing supplies and finding quality contractors to rebuild workers' homes.

"Even if it's not a question of economics, you as an employer get so much in return," he said. "What we got was a lot of good will and a lot of cohesion and loyalty."

He said he believes the effort is one reason the company's turnover rate has fallen to about 18% from the low-30% range before the floods.

Amedisys never hit a point where it considered pulling back and didn't feel pressure from investors to rein in spending, he said. "Our board wrote checks, and I expected them to write checks," said Mr. Kusserow.

He said he has gotten calls from companies in Houston and Florida asking for advice in building their own employee-recovery plans. "It ain't that tough. You just got to give," he said.

As Harvey inundated Occidental Petroleum Corp.'s Houston-area facilities with several feet of water, CEO Vicki Hollub tracked the whereabouts of the roughly 3,000 company employees in the storm's path using a company app and spreadsheet—and called and texted some herself, along with other company leaders. Ms. Hollub knows many of the workers personally because she came up through the ranks of the company.

"I would see names missing," said Ms. Hollub, adding, "We were trying to make sure we hadn't missed anybody." All staff were eventually accounted for.

The company estimates more than 400 employees had to evacuate their homes, and roughly half of those suffered damage.

"If employees are stressed about their personal situation, they can't really do a good job, and we wouldn't expect them to," Ms. Hollub said.

BP PLC, which has 5,000 employees in Houston, shut down its corporate campus after its main office tower flooded. BP temporarily moved part of its wind business unit to Barber County, Kansas, and many oil and gas employees are working remotely from home. It has a plan to get roughly 60% of its Houston crew over coming weeks into shared workspace in its buildings that didn't flood.

As he waded through waist-deep water around BP's corporate campus last week, John Mingé, president of BP America, said he realized it isn't just desks and cubicles that were swamped, but the company's expansive day-care center, too. About 300 children are cared for from early in the morning until the end of the workday.

"This is going to create stress, and we'll have to work through it," he said of working parents who counted on campus child care.

At Exxon Mobil, which has roughly 23,000 employees in Texas and Louisiana, senior executives held a conference call each day with about 50 people keeping tabs on the status of Exxon business units and personnel, said Steve Hart, vice president of global logistics and leader of Exxon's relief effort.

Mr. Hart and his team also guided operational priorities such as the refinery shutdowns and startups. He said he realized only later that some people on the calls coordinating the recovery were trying to manage their own flooded homes.

Some had moved in with co-workers and quietly kept doing their jobs. "They look at this as their role," Mr. Hart said. "They know that this is what they need to do."

Reno Castillo, an Exxon instrument specialist, was among a large crew of critical employees that stayed at the Baytown refining and chemical complex and helped safely shut it down during the storm.

He and others were stuck at the plant for days after floodwaters cut off access. He eventually got home—traveling at one point on a friend's bass boat—where his house was also flooded with two feet of water. Exxon hired a crew to rip out drywall and clean up—one of more than 100 contractors the company has mobilized to help employees.

In less than a week, his home was ready to start renovations, and by Tuesday he was able to get back to work on the turbines in the Baytown plant.

"They were trying to get my life back in order as quickly as possible," he said.

Once people get back to work, "their attention is going to be divided," said Curt Ross, a managing director in the Houston office of recruiting and consulting firm Russell Reynolds Associates. "These people are going to be talking to insurance companies and adjusters and contractors for months." He estimated it could be six months before workers return to full productivity.

"Given that people will need time off...absenteeism is likely to be a drain on productivity," said Mr. Perryman, the economist. "Perhaps an even greater concern will be 'presenteeism,' where workers are physically present but preoccupied with family and property concerns."

—Bradley Olson contributed to this article.

## Brett Clanton

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