

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the matter of)	
)	
UNION OIL COMPANY OF CALIFORNIA,)	Docket No. 9305
)	
a corporation.)	
)	

DECLARATION OF WILLIAM ENGIBOUS IN SUPPORT OF
CHEVRON’S MOTION FOR *IN CAMERA* TREATMENT

I, William Engibous, declare as follows:

1. I am Manager, Business and Planning Operations, California Refining at Chevron U.S.A., Inc. (“Chevron”). My responsibilities in that capacity include planning matters for Chevron’s El Segundo and Richmond, California refineries, including directing gasoline blending operations at the refineries.
2. Chevron is not a party to the captioned matter.
3. The documents for which Chevron seeks *in camera* treatment, attached as Exhibits A-C hereto, are identified as:

EXHIBIT	RX	PRODUCTION BATES NUMBERS
A	245	CHUNO-0000312 to 316
B	246	CHUNO-0001115 to 1120
C	1041	CHUNO-0001748 to 1759

3. I have reviewed the documents for which Chevron seeks *in camera* treatment. By virtue of my position as described above, I am familiar with the type of information contained in those documents. I am also generally familiar with the confidentiality protection afforded this type of information by Chevron. Based upon my review of these documents, my knowledge of Chevron’s business, and my familiarity with the confidentiality protection that Chevron affords information of this type, it is my belief that disclosure of these documents to the public and to competitors of Chevron would cause serious competitive injury to Chevron.

Exhibits

4. Exhibit A (RX 245; CHUNO-0000312 to 316) is an executed Reciprocal Patent Non-Assertion Agreement between Chevron and BP America Inc. This document was created for the exclusive use of the parties to the Agreement. I am informed and understand that Exhibit A was produced to Union Oil Company of California (“Unocal”) with the designation “Confidential” pursuant to the Protective Order in this matter. Apart from that production, I am informed the Agreement has not been distributed to anyone outside of the parties, to the best of my knowledge. Chevron has invested significant legal resources and business efforts in reaching the final Agreement with BP America Inc. that is reflected in Exhibit A. Disclosure of this document to Chevron’s competitors, or to other third parties with whom it desires to form comparable agreements, is likely to result in serious harm to Chevron’s business interests. Outside parties could exploit the information contained in Exhibit A to their advantage when negotiating the terms of their agreements with Chevron, or make use of the information in their business activities to the detriment of Chevron.

5. Exhibit B (RX 246; CHUNO-0001115 to 1120) contains a draft Reciprocal Patent Non-Assertion Agreement and an e-mail communication between W. Keith Turner, Chevron’s Chief Intellectual Property Counsel, and a representative of Tesoro Petroleum concerning the Agreement. This document is intended solely for use by the parties to the Agreement, and other than its production to Unocal as a “Confidential” document pursuant to the Protective Order in this matter, I am not aware that it has been distributed to any third party. Within Chevron, the information in this document is known to only a select few employees who contributed to its preparation or were involved in negotiations with Tesoro Petroleum concerning its terms. Public disclosure of Exhibit B could cause serious competitive injury to Chevron. Third parties with whom Chevron is in the process of negotiating similar agreements could utilize the information concerning its terms to their commercial advantage, and at Chevron’s expense. Furthermore, if the provisions of a potential exchange of immunities between Chevron and Tesoro Petroleum became public before the parties had finalized its terms, it could undermine their negotiations and prevent them from reaching agreement.

6. Exhibit C (RX 1041; CHUNO-0001748 to 1759) is a detailed appropriation request relating to recent process unit modifications at Chevron’s El Segundo and Richmond Refineries. This business planning document was created by Chevron personnel for exclusive use by Chevron management, and it is labeled “Company Confidential – For Internal Use Only.” It is my understanding that Exhibit C was produced to Unocal with the designation “Restricted Confidential – Attorney Eyes Only” pursuant to the Protective Order in this matter because the document contains commercially sensitive information regarding Chevron’s compliance strategies, economic analyses, and refining processes. Many hours of work and substantial business resources were expended in the development and presentation of this appropriation request, as well as in its implementation. Exhibit C contains Chevron’s capital plans and business strategies for complying with the CARB Phase 3 regulations. More specifically, it describes the process unit modifications planned for Chevron’s Richmond and El

Segundo refineries and the costs associated with those projects. If Chevron's competitors had access to this information, they could adjust their business strategies to exploit Chevron's production capacities, supply requirements and cost position. For example, certain exchange agreement negotiations currently underway could be compromised if competitors knew of Chevron's planned production levels for conventional and CARB gasoline; ethanol terminating agreements and negotiations could be compromised if competitors gained knowledge of Chevron's cost data; and ethanol supply agreements, both existing and future, could be compromised if competitors knew of Chevron's strategic plan for ethanol supply coverage.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 17th day of October, 2003, in San Ramon, California.

William Engibous

**TABS A – C
REDACTED**