

**COQA Domestic Sweet Monitoring Program
Subcommittee Meeting - 10/12/16
Houston, Texas**

Aaron Dillard and Bill Lywood presented an update of the Domestic Sweet Monitoring Program activities to the meeting attendees.

Highlights:

- Startup Financial Interest:
 - Confirmed Funding Companies (9): P66, HollyFrontier, CVR Energy, Marathon Petroleum, ExxonMobil, CME, Enterprise, and Plains.
- CME (NYMEX): Dan Brusstar, confirmed funding and advisory panel participation.
- Enterprise: During October 2016 Brent Secest confirmed they would participate in funding, oversight panel and also provide back fill quality data.
- Companies still considering funding the project: Valero, Sunoco Logistics, and AFPM
- Laboratory Selection Confirmed: Intertek Cushing
 - Several Labs were sent RFP's and responses were reviewed by three funding participants, with significant lab experience and COQA Direction.
 - The selection was based on several evaluation criteria
 - CQI currently arranging contract and financial details with Intertek.
 - Sampling scheduled to begin in November 2016.
- COQA Testing Program Invoices have been sent via email to the funding companies. The COQA has setup a separate bank account for the monitoring program funds. The companies are being encouraged to return payments prior to year-end 2016.
- Historical Data: Enbridge, Enterprise and Plains have all committed to providing the Domestic Sweet Monitoring Program with two years of data (historical comparisons) to help get the project database started.
- Domain registered – crudemonitor.us
 - crudemonitor.com will redirect to .us
 - Preliminary site uploaded based on crudemonitor.ca
 - Database established and ready to fill
 - Laboratory result validation system created for Cushing samples

- Oversight Committee Members (11): The initial subcommittee meeting will be a conference call. Tentative scheduled for Wednesday, November 16, 2016 from 2:00 – 4:00 PM, CST. George Lywood (CQI) will send out the meeting invitations.
 - Aaron Dillard, P66
 - David Friedman (or designee), AFPM
 - Dan Brusstar, CME
 - Ashok Anand (or designee), Enbridge Pipeline
 - Frank Hagardorn, ExxonMobil
 - Vijay Nair, Shell Pipeline (Retired)
 - John Harkins, Sunoco Logistics
 - Cara Madee, Marathon Petroleum
 - Dennis Haynes, Nalco
 - Brent Secrest, Enterprise
 - Derek Taylor, Plains

- Oversight Committee conference call objectives:
 - Member introductions
 - Elect an Oversight Committee chairperson
 - Reviewing funding status
 - Draft generic “permission/approval form”. From: Shippers and To: Pipelines/Terminals authorizing sampling for the project.
 - Establish goals for next Domestic Subcommittee Meeting in March 2017.

Flip Chart Notes:

- 1) Q: How long does the monitoring program last?
Answer: 2 Years
- 2) Q: How will the funds be allocated by year?
Answer: Bill explained they will be allocated evenly based on total funds received.
- 3) Q: How would/could this program take into consideration other crudes in order to increase funding interest?
Answer: The Cushing program need to be proven a success before the program could be expanded into other areas.
- 4) Q: Who should be contacted to participate in funding?
Answer: Bill Lywood
- 5) Q: Are there any contributions other than financial?
Answer: Yes, (Example: Oversight Committee member or providing back fill data).
- 6) Q: What is the sampling protocol?
Answer: To be determined by the Oversight Committee.
- 7) Q: What are the Domestic Sweet crude deliveries out?
Answer: A) Enterprise to Seaway PL; and B) Enbridge to Ozark PL.
- 8) Statement: All samples will be batch composites (randomly pulled).
- 9) Q: How will the sample request form be developed, send to the shippers for approval and returned to the pipeline/terminal operator?
Answer: Oversight Committee members will handle it.
- 10) Q: Why are the refiners funding the sampling program instead of the producers?
Answer: The refiners have the most to lose if the crude is off-spec.

- 11) Statement: Need to look to the future and merge/combine COQA/CCQTA efforts (crudemonitor.ca/Crudemonitor.us).
- 12) Q: Still need more funding members?
Answer: YES
- 13) Q: Will access to the web portal be limited to funding members?
Answer: No, the web portal will be open.
- 14) Q: Who will prepare the sampling approval form for shippers to sign?
Answer: Cara Madee, Marathon Petroleum.
- 15) Q: How to make sure that the “historical data” is/was using compatible API/ASTM test methods?
Answer: The Oversight Committee members.