

COQA Light Sweet Crude Subcommittee Meeting - 03/04/20 San Antonio Meeting

Website address: crudemonitor.us

Light Sweet Crude subcommittee discussion and planning by the Oversight Committee.

Highlights:

- Member Attendees
 - Approximately 28 persons in attendance
- Welcome
 - Welcome to the meeting by Dennis S (COQA)
 - The schedule was reviewed with announcement of other meetings this afternoon
 - A description of the presentation for the Thursday sessions was discussed
 - It was noted that Aaron (Phillips 66) and Bill (Crude Quality Inc.) have headed up the Domestic Sweet Subcommittee for many years
 - The discussion was turned over to Aaron and Bill
 - Aaron noted that the minutes for the October 9, 2019 meeting are to be posted on the COQA website and that the minutes from today's meeting with presentations will also be made available
- 'DSW/WTI Committee Meeting' presentation material
 - Aaron reviewed the agenda from the presentation
 - Crude Quality Inc. is continuing efforts on follow up with shipper contacts for expanding data for crudemonitor.us
 - Other items (Bakken proposal and API creep and gap) to be also discussed
 - New discussion items, such as WTI exports quality monitoring and discussion on future direction, will be included in this meeting
 - Discussion turned over to Bill
 - Bill commented that he works for Crude Quality Inc. (CQI) and they do the monitoring for crudemonitor.ca. CQI also developed the crudemonitor.us
 - The program was started to persuade CME to expand specifications on DSW crude. This has been completed so now we are trying to redefine the project
 - Something that is being pursued is to get data from shippers (from pipelines, ports, etc.) to input in the exiting cruemonitor.us. Emphasis needs to be put on this activity. Need to follow up with individuals that have indicated support, and also looking for new persons for that want to be involved supplying data
 - There was a meeting regarding Bakken with Continental Resources in North Dakota in January, and hopefully more discussion from NDPC will happen tomorrow

- It was noted that CME set an upper API DSW limit of 42 and yet WTL came on with a lower set at 44. The question is if this gap is an issue or not.
- Dennis S clarified that in the specifications the CME adopted, there was not a change to the API or S. It was left alone
- The question was put to Terry (Enterprise) who responded that since they are shippers, they try to maintain what they are given, and so it is not an issue for them
- Gene (Enterprise) noted that it was not seen as an issue. Discussion on testing and reproducibility and such are on and on, but the API discussion is more a commercial point
- Bill commented that it is more of a commercial thing between shippers and receivers
- Rick (Phillips 66) stated that it would be nice if it at least met the Houston specification
- Bill responded that since one is set by CME and the other is proposed by Enterprise, they are two different things. Terry clarified that he was not sure who sets it
- Bill suggested that he was not sure there is anything this group could do about it, and so likely an end of the discussion for the room. Aaron agreed with the statement
- Bill moved on to the next discussion and commented the he would be looking into WTI and would like to be looking into WTL as well. Calling the project DSW at this time with the successful completion of objective now that the focus is changing may be something to reconsider since the DSW project is done and name complete
- Bill noted we have been getting updates for Ni and V
- Turned over to Satbir Nayar (XOS) for discussions on updating method D8252
 - This discussion is to be a quick update
 - This method has been in process for 4-5 years. Round robin was completed summer 2017
 - The original intent was to cover 5 elements, yet there was not consensus. The work did cover wide variety of XRF techniques
 - Satbir noted they changed the ranges going by element to element and scaled back to Ni and V. This was approved by the ASTM subcommittee 8 months ago
 - Presently, they are proposing task group formation to expand method scope and precision inclusive of looking at different XRF techniques
 - Right now they are in the process of collecting samples. The process has a 3rd party handling the samples. This work will kick off in about 3-4 months, and they are still getting participants. [There was a description of scope from the presentation]
 - Benefit of XRF methods is no sample prep as opposed to other methods which require sample prep (ICP 5708B)
 - ASTM PTP data was presented
 - Terry asked about calibration for the high value on the chart. Satbir indicated that calibration was not dependent on range
 - It was noted that when you have to prepare the sample, it adds variability; Sample D (nickel slide) is not representative
 - The method has been out for 8 months. Persons are starting to use it
 - More information will be posted online as addendum to meeting minutes on the COQA web site

- Turned back over to Bill for a discussion on test methods
 - Bill commented that he hoped Satbir's discussion segues into the following portion of the presentation that is about a potential go forward basis for the group. Could we or should we consider replacement test methods?
 - Would the committee consider every 2 years the possibility of composing a letter from the COQA as an industry group to CME NYMEX to include, for example, D8252 and D8045 in updating test methods? Or periodically sending updates to test methods lists for CME NYMEX so that the methods can be updated and improved. This would be a potential utility for the group in the future. Having multiple test methods causes question on what the referee is
 - Gene noted regarding D8252 that he finds it to be an advantage to be able to look at quality with the different tools. If this group says the method is ok, then it is easier to add it as an accepted method and then move it up to a referee method. They have been in contact to update to this method
 - Rick stated that internally, they already use the D8252 and D8045
 - Bill clarified for the group that it is not the accepted method for the CME
 - Rick responded that it is used as an internal method
 - Bill commented that we need to have a way as an industry to update
 - Rick responded that it could be similar to the way ASTM adds a date on the method for updates
 - Dennis S suggested that similar to digital density microcarbon discussion, if we were able to come to CME NYMEX similar to what we did in 2010, said we are not recommending numerical change to the value, but are recommending an improvement to the method; thinking of Dan Brusstar, the discussion would be likely accepted well. Since it is not changing values with economic implications, methods would be much easier accepted
 - Rick asked if the committee is looking for names from companies like Enterprise, Magellan, etc. to back these methods
 - Bill responded that with all the accessible pieces of information, as a group we could recommend methods that we are good. The ability to include COQA membership names (or just the working group) on a document to industry would improve its credibility and acceptance.
 - Ranzy (Choice Analytical) suggested the work could be based on 2 years of data to evaluate methods for candidates as referee methods
 - Dan W (VUV Analytics) asked if we have a standing invitation to COQA meetings for CME and other members
 - Dennis S stated 'yes', Dan Brusstar and others have invitations
 - Aaron commented with that, what we would like to do is formalize this idea and put some words around it to move forward so that when we meet again, we can get the path solidified
 - Since scope of the subcommittee is changing, we are looking for new members. If interested in joining, please send Bill or me (Aaron) an email
 - Before the next meeting, an email will be sent to Dan Brusstar
 - Good discussions since there have been several inquiries about old standards and why we don't use the new standards. Also, there is the point on name change of the project

- Bill stated the we are looking for suggestions on the project name, and suggested ‘Light Sweet Crude Subcommittee’ as the recommended new name
- Dennis S said it might be good for him to put a blurb on the COQA website to describe the name and content change so that others not able to attend can be informed. He stated he would draft a letter from the COQA and describe the purpose of the change so that companies involved would know about the change
- Closing Remarks
 - Aaron indicated he would put a new space on the website to add the new meeting minutes. He asked if there were any other questions
 - Aaron thanked all for attending the new subcommittee
 - The meeting was adjourned

Appendices to the Minutes (attached)

- Presentation: DSW/WTI Committee meeting (COQA Meeting, San Antonio, TX; March 4, 2020) [includes Agenda].
- Presentation: ASTM Method D8252 Update; Standard Test Method for Vanadium and Nickel in Crude and Residual Oil by X-ray Spectrometry (COQA Meeting, San Antonio, TX; March 4, 2020).
- Presentation: ASTM Method D8252 – More than you ever wanted to know (XOS, March 2020)

- Attendees
 - Aaron Dillard (Phillips 66)
 - Anna Morris (Marathon Pipeline)
 - Bill Lywood (Crude Quality Inc.)
 - Bob Ford (Horiba)
 - Brant Easterlins (Magellan)
 - Chandler Markovchik (Choice Analytical)
 - Clint Bram (Citgo)
 - Dan Carson (Core Lab/Saybolt)
 - Dan Wispinski (VUV Analytics)
 - Dennis Compton (Infineum)
 - Dennis Haynes (Nalco Water)
 - Dennis Sutton (COQA)
 - Divya Krishnan (Citgo)
 - Donn Bonnette (Horiba)
 - Gene Filipse (Enterprise Products)
 - Greg Gilbert (Bureau Veritas)
 - Jay Silvas (Citgo)
 - Jeff Bowifas (Halliburton)
 - Larry Kremer (Retired)
 - Nathan Wreyford (Horiba)
 - Raj Wadhwa (Phillips 66)
 - Ranzy Morgan (Choice Analytical Inc.)
 - Rick Dobies (Phillips 66)
 - Sam Lordo (Consultant)
 - Satbir Nayar (XOS)
 - Terry Thompson (FFPO)
 - Tyler Caughman (Magellan)
 - Umberto Cabarocos (ASIKeco)