

Key Factors to Note (The COQG can help by....)

Contract Language

- Suggested wording
- Publicize precedents

Communications

- Use the COQG open forum to reach all industry participants (producers, traders, carriers, shippers, end users)
- Paper on quality in trade journal
- Wide distribution of crude oil quality and trading memo (use as an informal poll)

Technical Issues

- Support group assays (maybe just HTSD's and a few parameters)
- Assays and refining models presentation
- Keep members up to date on HTSD standard implementation

The Art of Trading

- *The Myth*: Producers will blend to a specification worsening the crude stream
- ✓ *The Reality*: Blending that decreases the variability of a crude steam is not necessarily all bad
- *The Myth*: Specifications reduce a trader's efficiency
- ✓ *The Reality*: Ratability and consistency are the true goals of crude oil specifications, not strict adherence to an onerous standard. Properly set specifications let everyone know the rules; they do not eliminate legitimate barrels or players.
- Educate traders as to what quality means

Economics

- The cost of stability to a refinery is invaluable
 1. How do we get information to put enough dollars around that stability to make producers, traders, etc. take notice?
 2. Those involved in transportation of crude seem to be on board.
 3. How do we get the other arms of the industry cognizant?
 4. Are there quality professionals involved in, for example, production that we can include in our sphere of influence?
- Quality banks need to compensate the correct entity

Other

- Use LLS experience to demonstrate how working together between carriers and shippers created a system that works for all parties. Expanding those involved can only make the end result better.
- There are common parameters that are important, in varying degrees, to all end users. Can we use that fact in our quality quest?