

**RPC Fair Return and Value Subcommittee
Meeting Summary
Wednesday, February 27, 2019, 3:00pm**

Opening Remarks and Updates from DOI:

- The RPC staff is waiting for decisions on the timing of the next public meetings, nominations, and Charter.
- Matthew Adams would like to go over all recommendations and their status at the next the meeting as part of the update.

Work Group Updates

Coal Benchmarks

- Talked about white paper that was proposed, on a high level it deals with alternative methodology for valuing royalties for coal. The working group looked at the topic and does not believe currently that the methodology would provide more clarity as to the current system. The group does not see recommendations coming out based on the white paper.
- Would like to look at the issue to provide clarity and proper values attributed and royalties paid in situations where there is a co-op or mine mount where there is not arm's length sale for ONRR to value that coal.

O&G Payor Handbook

- Met last week, should see more publications in the coming months.
- Published Indian Oil on the website.

Index Pricing and Marketable Condition

- Continuing to work through index pricing and marketable condition issues.

Audit:

- Presentation on PASO conference on OMT, the high-level time line is to pilot audit in OMT beginning of summer and through the summer to train how to use OMT with audit. Based on results of pilot, they are hoping to go live by end of summer or beginning of new fiscal year.
- Cycle time has gone down without audits going to OMT.

Attendees:

Amy Lunt, DOI/ONRR
Gregory Morby, Chevron
James Schindler (RPC Executive Director), DOI/BOEM
Karl Wunderlich, DOI/ONRR
John Barder, DOI/ONRR
Kwame Awuah-Offei, MO University of Science and Tech
Maroya Faied, ONRR
Matthew Adams (Co-Director), Cloud Peak
Pat Noah, ConocoPhillips

Peter Christnacht, DOI/ONRR
Rowena Cheromiah, Navajo Nation
Stella Alvarado, Anadarko
Michael Marchetti, ONRR