

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

Opening Remarks and Updates from DOI:

- Nothing new to report on secretary nomination or next public meeting.
- Senate hearing for confirmation is tomorrow.
- Starting a work group to look at an issue dealing with ONRR penalty rule revision, putting together a working group to start discussions. Issue relates to penalties related to filling, change to penalty rule in 2016 which some feel is not necessary and language needs clarifications. John Mehlhoff encourages this effort and would like one of ONRR's enforcement specialists to be a part of the group and a regulatory specialists.

Work Group Updates

Coal Benchmarks

- Did not meet this week, putting together a summary paper for valuation issue and circulating it to continue to elevate knowledge. Right now the group is in conversation and understanding perspective.

O&G Payor Handbook

- Heard from various people that work being published is greatly appreciated.

Index Pricing and Marketable Condition

- Continue to meet, good discussion for next steps. The group cannot proceed without guidance from senior management on ONRR's side for index pricing gas recommendations.
- John Mehlhoff stated if we are instructed to pursue a rulemaking then would be able to assist.
- Gathering information for economic impact for boosting recommendation.

Audit:

- Moving forward with OMT, will start to test OMT and put audits in OMT by end of summer. Have data from ONRR group that cycle time is going down with the new process within the last 2-3 years. Number of audits greater than 2 years have greatly been diminished.

Attendees:

James Schindler (RPC Executive Director), DOI/BOEM
Karl Wunderlich, DOI/ONRR
John Barder, DOI/ONRR
John Mehlhoff, DOI/ONRR
Maroya Faied, ONRR
Matthew Adams (Co-Director), Cloud Peak
Pat Noah, ConocoPhillips
Peter Christnacht, DOI/ONRR
Stella Alvarado, Anadarko