

RPC Fair Return and Value Subcommittee Meeting Summary
Wednesday, Date August 15, 2018 3:00pm

- 1) Roll Call**
- 2) Opening Remarks**
- 4) Index Pricing and Marketable Condition Recommendations**
- 5) Wrap Up**

Opening Remarks

- Thank you for making time to attend this meeting. Recommendations will be voted on during the full RPC September meeting. Stella Alvarado is leading this meeting.

Work Group Updates

Index Pricing and Marketable Condition Recommendations

- Recommendation 1: Gas Index pricing option
 - RPC recommends the DOI to pursue rulemaking to define Gas Index Pricing Option with a Marketable Condition Concept.
 - Only addition is concept of valuation option and design of model, everything else lines up with original recommendation.
 - Looked at design of Indian valuation and used as guideline to create changes.
 - Example of how to design pricing options from simple to complex.
 - Option gives payor choice of valuation for federal gas only.
 - Have to work with ONRR on which methods are best.
 - Negotiated or regular rule making? Bonnie Robson explained the pros and cons.
 - Change title to “Federal Gas Index Pricing Option with Marketable Condition Concept”
 - No objections with raising this at full RPC September meeting
- Recommendation 2: Oil and Gas data published for public
 - To increase transparency, RPC recommends appropriate agency within DOI/Agency to create and publish oil and gas federal data for public use. The data would incorporate all federal lands and offshore areas. It would not include Tribal lands or other areas marked as confidential.
 - Current data sources don’t address the need for industry and public, (BSEE website, Natural Resource Revenue Data website)
 - ONRR: Generally federal production volume is not proprietary, the problem is with mixed agreements that have Federal and Indian production, ONRR doesn’t give out proprietary Indian production data according to Indian Mineral Development Act.
 - No objections with raising this at full RPC September meeting.

Wrap Up

- Review recommendations again next week to capture all voices.
- There will be an update on draft of preliminary boosting recommendation during full RPC meeting in September.

Attendees:

Amy Lunt, DOI/ONRR
Bonnie Robson, DOI/ONRR
Claire Ware, Shoshone & Arapaho Tribes
Gregory Morby, Chevron
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
Yasmen Faied, ONRR
Helen Virene, ONRR
Kim Jackson, ONRR
Michael Marchetti, ONRR