

RPC Fair Return and Value Subcommittee Meeting Summary
Wednesday, April 18th, 2018, 3:00pm

- 1) Roll Call and Welcome**
- 2) Update from DOI**
- 3) Work Group Updates**
- 4) Other Topics**
- 5) Wrap Up**

Update from DOI

- Houston meeting summary, slides, and recommendations were distributed to the RPC and posted to the website.
- Proposed template for recommendations will be distributed and will include space for Background, Recommendation, and Analysis. It is optional for use. If you are agreeing to the proposed recommendation, you are agreeing to everything on this template.
- Recommendations for Albuquerque will need to be made by each subcommittee by May 9th.
- More details on Albuquerque meeting to be sent soon.
- Secretary Zinke issued press release in response to RPC recommendation on royalty rates.

Workgroup Updates

Coal Benchmarks

- Still meeting every other week.
- Planning conversations with experts on coal valuation to ensure that consider different viewpoints.
- Focusing on range of issues, specifically when there is no arm's length sale and when a coal co-op is involved.
- May soon have a discussion about valuation for gas and oil.

Audit

- ONRR provided update on the operations management tool.
- Tribal representatives raised questions about accounting standards.
- Will not have a recommendation for June.

O&G Payor Handbook

- Continued progress on Federal Handbook.
- Plans to create new Tribal Handbook.

Index Pricing and Marketable Conditions

- Index Pricing and Marketable Conditions have been combined at this time. Index Pricing may come back in the future – depending on future recommendations.

Other Topics, Questions?

- Workgroup focused on solar and wind, currently under the Planning, Analysis, and Competitiveness Subcommittee, will move under the Fair Return and Value Subcommittee.
- If anyone is interested in joining this workgroup, let co-directors know.

- Will need economist in the group, as well as tribal representatives.

Wrap up

- The next subcommittee call will be Wednesday, May 2nd, from 3:00-4:00.
- Plan to spend considerable time on updates from workgroups and potential recommendations.

Roll Call

Attendees:

Matthew Adams, CloudPeak, Subcommittee Co-Director

Councilman Adam Red, Southern Ute, Co-Director

Brian Bex, Navajo Nation

Amy Lunt, DOI/ONRR

Jennifer Malcolm, DOI/ONRR

Greg Morby, Chevron

Bonnie Robson, DOI/ONRR

Daniel Rusz

James Schindler, DOI/BOEM, RPC Executive Director

Karl Wunderlich, DOI/ONRR

Deirdre McCarthy Gallagher, Facilitator