Planning, Analysis, & Competitiveness (PAC) Subcommittee Friday, August 3, 2018 11:00am-12:30pm EST Meeting Summary

AGENDA

- Welcome
- Roll Call
- Interior Update
- ONRR update: rents/royalties/bonuses TENTATIVE
- Working Group Updates
- Discussion
- New Business
- Adjournment

WELCOME AND DOI UPDATE

- Ann Miller will be replacing Adam Stern on the subcommittee to represent the DOI economics group.
- Between now and the next PAC meeting, we should have any draft recs reviewed and approved by the subcommittee.
- Workgroup leaders should use templates previously used to draft recommendations and send to Colin and Randall before the next meeting. Discussing recommendations will be the primary agenda item for the next PAC meeting.
- Recommendations should be turned into the Department by the day of the next PAC meeting.

ONRR Presentation

- In response to a request for further information on offshore revenue sharing programs, ONRR provided a briefing on high-level offshore revenues and disbursements, with a specific focus on revenue sharing from Phase I and Phase II of the Gulf of Mexico Energy Security Act (GOMESA).
- ONRR explained that the data used for the briefing is available on revenuedata.doi.gov.

WORKING GROUP RECOMMENDATIONS:

Non-Fossil

- The work group is inviting everybody in the PAC subcommittee to a geothermal briefing on Monday Aug 6 at 11 am pacific. An email about this briefing went out from the RPC email a couple days ago, and people can also reach out to Marisa directly about the briefing.
- No recommendations from this work group for September.

Coal

• The work group met with WY DEQ about permitting, system administration, and data collection.

- There are a substantial number of industry white papers that will be circulated to the work group.
- There will probably not be any recommendations for September but instead for January. They are looking at a recommendation related to responses to compliance issues, such as how long the appeals process takes. Guidelines exist on the gas and oil side but not for coal. The recommendation will relate to bringing coal guideline in line with FOGRMA guidelines.

Studies

No update or recommendations at this time

Alaska

- The work group has an interest in continuing to look at revenue sharing programs.
- There will likely not be recommendations for September.
- There is interest in the National Petroleum Reserve including an upcoming lease sale.

Onshore

- Working on recommendations on unitization agreements, notification for permit to drill, Remote on-site inspections from UAVs (unmanned aerial vehicles), and rights of ways.
- The work group is moving forward with the onshore order task force, which will be meeting in Denver on August 22-23. The small group of technical experts will report back to the PAC subcommittee.
- The Aug 6th call on onshore orders will be canceled.

Offshore

- The work group will have a call with outside groups to look at comparative royalty systems.
- They will schedule a meeting soon.

Additional Ideas and Next Steps

• The calendar provided at the June RPC meeting is posted online and currently has three meetings scheduled for calendar year 2019.

Attendees:

Colin McKee, State of Wyoming, Co-Director James Schindler, RPC Executive Director Albert Modiano, US Oil and Gas Association Renee Orr, BOEM Matthew Adams, Cloud Peak Stella Alvarado, Anadarko Tim Charters, NOIAA Pat Noah, ConocoPhillips Rod Eggert, Colorado School of Mines Kathleen Sgamma, Western Energy Alliance Jennifer Malcolm, ONRR Nathan Brannberg, ONRR

John Crowther, State of Alaska Paul Blair, Americans for Tax Reform Marissa Mitchell, Intersect Power Greg Morby, Chevron