

Cliffside Refiners Limited Partnership Meeting

May 10, 2018 @ 10:00 AM

Attendees:

Sam B. Joan G. Barry S. Tim D. Mark M. Rodney C.
Heath M. Alex C. Brock V. Melissa H. Nick D. (CRLP)
Rick G. (Praxair) Tom H. (Praxair) Bob L. (Air Products)?

I. Call to Order

II. Roll Call

- Taken

III. Antitrust Issues

- a) **Nick D.**-If there are any questions please feel free to ask me about it, so that should be sufficient.

Sam B.-Does everyone on the line have a nondisclosure agreement signed?

Melissa H.-That would be on the BLM side, for BLM employees on the phone. Is there anyone on the phone from BLM that we do not have a nondisclosure form? We need one for Joan G. and Brock V. again. I know you have done it but if you can just send it to me again I will save it electronically.

IV. Proposals for projects that need approval

- a) **Nick D.**-Some of this is still a work in progress so I'm open to suggestions and open to adding items that I have omitted. I'm trying to get caught up on all of these bits and pieces. We've had a month and a quarter and I actually I think the process is working ok. We've proposed a few things and the feedback has been timely. The process I am pretty happy with and I hope that you are as well. Let me just go through, there are 6 on the list that I have. Waukesha #2 there was some noise issues we sent some technicians in there and as far as I know that work was completed. Barry are you comfortable that that work was completed?

Barry S.-Yeah I believe that it was.

Melissa H.-Did we ever go over who is on the phone for CRLP? Nick Remember we had talked and I wanted to see a list of people and I haven't seen that for this call. I did send out an email to everyone to say in the future we need the list by Wednesday evening.

Nick D. -Rick Gard, Tom Harrison, and Bod Leinrd. I sent a list of potential people with the agenda and attachments.

Melissa H.-Since we are discussing the contract I need to know who is on the phone. I'm asking for a list Wednesday evening and then if something

changes on that list you can let me know Thursday morning. I as the CO am putting in a requirement that I need to know who will be on the call Wednesday evening and we will leave it at that.

Nick D.-So if on the Thursday call we have additional people then I guess we will have to defer the call.

Melissa H.-Yep or you let me know and then I will decide if I defer them or not. But that shouldn't be the norm.

Nick D.-**PRISM planned maintenance** progressed just like I think we all wanted to, submitted a preliminary, had BLM approval. Barry you will hear from myself or Ray F., he is the lead engineer for the team that will be doing the work. Planning for the week of Memorial Day, likely come out on Tuesday, work Tuesday, Wednesday, Thursday, Friday. So that is the tentative plan but you and I will hear from Ray probably the later part of next week just as a last minute confirmation that nothing has changed on your end or my end.

Nick D.-There were some materials and parts on hand at Amarillo. In the agreement, we said that we would use parts when available and if suitable for purpose before we would buy parts. Both parties agreed that we don't want to risk Ray and his team coming to site counting on parts being in storage without having them inspected for quantity but inspected for suitable for purpose. We agreed that we would go ahead and purchase the parts and then we would use parts from storage and anything that we had extra we would be restocking on the shelf at Amarillo.

Nick D.-Last week we discussed the **C100 Booster**. I have requested a proposal that I should be sending to you tomorrow if not Monday to carry out the Operational Readiness Inspection (ORI). Which basically is a sign off by the CRLP that the BLM contractor work is suitable for purpose and the machine is accepted into integration into the CRLP CHEU.

Nick D.-Depending on the ORI, Brad B. and the engineering team at Air Products have come up with a tentative proposal that I will present to you to try to reduce the CHEU process operating pressure. It's aimed at production but it's also aimed at giving us a little bit of margin on high temperatures should that arise as the summer approaches. That would all be mitigated by the Booster Compressor.

Nick D.-**Training program development** we are in the process of preparing the statement to confirm what the training program will involve. So this is to give you a scope of that the training program that is stipulated in the contract will mean in terms of effort, process, maturation and so on. We will be in the process of that and then provide to the Bureau hopefully sometime in the next 3 weeks with what we see as a proposal for the overall training program.

Mark M.-In my reply I had talked about updating the SWIM manuals before we do the training. Is your proposal going to consolidate those two?

Nick D.-Yeah and that's why we want to have a proposal. The idea is to give you the proposal so you can ask questions. My feeling is that yes that is in but when you get the proposal you should check it and make sure that that is in.

Nick D.-A little bit of follow up on the Booster Compressor, the AP team is prepared to carry out the ORI but can you just give us the three, four, whatever it is items that your contractor is still working on and the time to be completed and if you still believe that the end of May date is ok.

Alex C.-Yeah I have a modification out for contract that I expect they will begin working on next week and the target date for that is the last week in May. Primarily it is getting the PI and PM programs implemented, flushing out the operating procedures and integrating them into AP's procedures and there is some minor mechanical work too but the main items are the operating procedures and the MI and PM program.

Nick D.-So primarily it is administrative versus a small amount of mechanical work.

Alex C.-Right. And do you know if in AP's proposal they have allowed for reviewing documents beforehand? We have some stuff for them to review already.

Nick D.-Yeah my stipulation was that they be able to accept things and not wait until it is all done.

Sam B.-Just wanted to give you an update Nick, the portable coolers that we talked about would lower the atmospheric temperature around the plant have arrived. I don't know what the roll out is on that but just to let you know.

Alex C.-What documentation would you like for those/

Nick D.-I will present that question but since there is not installation or process piping, electrical or mechanical integration they are just sitting there on the ground I don't think there is an issue there but let me check on that.

V. BLM deficiency/issues reporting

- a) **Nick D.-Index Testing**-A couple of years ago we did a Polarization test of the two major motors there. This just tests the integrity of the motors. We tested it we reviewed it and we were comfortable continuing to run the motor. Sometime down the road when we have another outage we may want to do that index testing again.
- b) **Nick D.-TSA screen breakthrough**-seems to be manageable. Barry and Mark if you see something or no longer agree that it is manageable then we need to escalate that discussion.

- c) **Nick D.-Compressor building ventilation**-all ventilation fans were operating, no ventilation louvers were closed, doors are open and purging of those buildings is not a major issue
- d) **Nick D.-PRISM utility room Life safety system oxygen monitor**-more about the alerting system than the monitor itself. Not installed with a red light, green means it is ok to enter, indicates that the fan is running and oxygen sensor is ok.
- e) **Mark M.**-I remember that the oxygen sensor in that building was locked into a false positive so we had a new one installed. It came in after most people had left on the shutdown. So that was left as an action item but a new one had been installed.
- f) **Nick D.-PRISM utility room ventilation fan**-same building and that fan is operating.
- g) **Nick D.-Valve closure issue/purge gas disconnect**-just a fluke accident. There was some large valve that was difficult to close. The valve locked up and was difficult to close. We need to follow up with which valve it was.
- h) **Nick D.-DGA solution**-now able to purchase proper quantity of DGA so that is complete. We did put on the contract that we would have DGA ordered through the CRLP, this one was before the start of this contract so that is why we ordered it.
- i) **Nick D.-Waukesha building atmospheric monitoring**-approved project.
- j) **Nick D.-Personal protective devices**-goes hand in hand with bullet i.).
- k) **Nick D.-Booster compressor**-already discussed
- l) **Waukesha excessive noise #2**-already discussed-completed that will come off
- m) **Nick D.-K100/K600**-work was just done on the K600, a list of parts that were consumed during the outage has been given to Nick D. and he will be getting that to Barry, Mark, Brad and Alex for your consideration. K100 added cylinders back to service and I think there are some parts there with those additional cylinders that need to be added to our parts list.

Sam B.-If these were things going on during the shutdown procedure then they still go under the agreement is that not right?

Nick D.-No, that ended on March 31st. Anything that happened after that would go on the new contract.

Melissa H.-I will just clarify that. This work that was done by CRLP was done in April?

Nick D.-The work was done in March. The replacement of any consumed parts could not be done in March so it will be done there after.

Melissa H.-So you did not order those parts in March?

Nick D.-No.

Melissa H.-Ok so you are going to give us a list of those parts that need to be ordered so that we can approve them and then you will order them?

Nick D.-Yes

Barry S.-The valve parts that you are talking about are ones that we will send in to get refurbished right?

Nick D.-Yeah there is some of that so the price would be less than buying a new one.

n) **Nick D.-BLM PPE**-are you confident that you have enough equipment?

Mark M.-we have 8 monitors, they detect Hydrogen Sulfide and Carbon Monoxide. We have 4 Spherion hand held monitors and we also have 4 Honeywell in the belt clip size. The CHEU team shares them, the monitors are nearing end of life and now is the time to order a new set. We will be working with all of the crews out here to purchase a set that will have a common calibration technique.

o) I have some invoices that I need to get finished and to prove that I can use the IPP system.

p) **Sam B.-Roles and responsibilities**-Just a review Christine Shaver is replaced with Melissa Hutchison and Heath Moore. Sam B. and Joan G. role as programmatic officers is replaced with the 4 CORs, Tim D., Barry S., Mark M., and Brad H. Advise all CORs if there is a discussion in case someone is out.

q) **Nick D.-Emergent work**-There is not a complete agreement with BLM and CRLP about how to handle emergent work right now, I think it is close. The idea is to facilitate the operation to not add any steps that are inefficient or ineffective. I would like to have you be able to go to whomever you need to go to who can help with the issue. We need to give some sort of authorize that holds BLM harmless.

Melissa H.-One of our CORs could call if we have it in writing from Nick D. as to who they would authorize us to go ahead and get a hold of directly. We would go ahead and call them and get them going and then follow up in writing to CRLP in an email and that is where we would give some limitation as we have done in the past about pricing.

r) **Event Horizon**-We don't have to talk about it each time anymore it is just a future long term planning so that you can communicate with your customer base. Maybe we could update it once a month. Tentative auction date July 18th tentative storage meeting date July 19th.

s) **Sam B.-Invoices**-Are we getting the invoices in so we can close out?

Nick D.-Yes the idea is to get all of the numbers so that we could have that in the week of the 21st. I am going to try to have the invoices by that same time. There are only about 3 invoices and there is March payment that we have only received a portion of. Should be good to go by the end of May.