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January 25, 2024

**OIL PIPELINE TARIFF FILING**  
**SPECIAL PERMISSION REQUESTED**

Debbie-Anne Reese  
Acting Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: ConocoPhillips Transportation Alaska, Inc. FERC No. 21.24.0

Dear Ms. Reese:

Enclosed for filing is FERC No. 21.24.0 of ConocoPhillips Transportation Alaska, Inc. (“CPTAI”), which is issued to comply with the orders issued by the Federal Energy Regulatory Commission (“Commission”) in *Trans Alaska Pipeline System*, 113 FERC ¶ 61,062 (2005) (Opinion No. 481); 114 FERC ¶ 61,323 (2006) (Opinion No. 481-A); 115 FERC ¶ 61,287 (2006) (Opinion No. 481-B); *BP Pipelines (Alaska) Inc.*, 185 FERC ¶ 61,206 (2023) (Opinion No. 588), and with the orders issued by the Regulatory Commission of Alaska (“RCA”) in *In re Formal Complaint of Tesoro Alaska Petroleum Co.*, P-89-1(104) / P-89-2(98) / P-94-4(37) / P-96-6(24) / P-98-9(16) / P-99-12(19) (2005); P-89-1(109) / P-89-2(103) / P-94-4(42) / P-96-6(29) / P-98-9(21) / P-99-12(24) (2006); P-89-1(111) / P-89-2(105) / P-94-4(44) / P-96-6(31) / P-98-9(23)/P-99-12(26) (2006). The referenced orders established a quality bank methodology for the Trans Alaska Pipeline System (“TAPS”). FERC No. 21.24.0 is filed to be effective February 1, 2024.

One of the terms of the methodology approved by the Commission and the RCA is embodied in Item III.G.6 of the tariff. Item III.G.6 requires that adjustments to the reference prices for Light Distillate, Heavy Distillate and Resid in Attachment 2 to the tariff be revised each year in accordance with the changes to the Nelson-Farrar Cost Index (Operating Indexes Refinery), by multiplying the adjustments or costs for the previous year by the ratio of (1) the average of the monthly indexes for the most-recent 12 consecutive months to (2) the average of the monthly indexes for the previous 12 consecutive months. The enclosed tariff is filed in compliance with the foregoing orders of this Commission and the RCA and Item III.G.6 of the tariff. Attachment 2 to the tariff reflects revised adjustments to the reference prices for the Light Distillate, Heavy Distillate and Resid components for the year beginning February 1, 2024, calculated in accordance with the method prescribed in Item III.G.6. A table showing the calculations is attached to this letter as Exhibit A.

Likewise, in accordance with the foregoing orders, the Naphtha component on the West Coast is valued using a formula shown in Attachment 2, page 3, of the tariff. The coefficients in this formula are recomputed whenever circumstances require, but not less often than annually, using a regression analysis of prices for gasoline, jet fuel, and naphtha on the Gulf Coast. The result of the regression analysis used to derive the coefficients that will be effective as of February 1, 2024, along with the data for the period 2014-2023, is shown in Exhibit B attached to this letter. The description on page 3 of Attachment 2 to the tariff has been revised to state that the prices used in the regression analysis are for the 2014-2023 period.

In accordance with Item III.G.5 of the tariff, CPTAI is revising the Resid properties and resulting coker product yield multipliers that are shown on pages 4-6 of Attachment 2 of the tariff. In Opinion No. 588, the Commission ordered the TAPS Carriers to test the Resid properties monthly and update the Resid properties and coker product yield multipliers annually to reflect the average of the monthly test results for the preceding year. The 2023 monthly test results, the calculation of the annual average test results, and the calculation of the coker product yield multipliers are shown in Exhibit C attached to this letter.

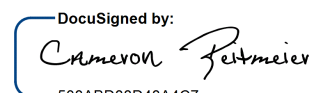
Pursuant to Section 6(3) of the Interstate Commerce Act and 18 C.F.R. § 341.14, CPTAI requests special permission for the enclosed tariff to be effective on February 1, 2024, which is six days' notice. As noted above, this tariff is being filed in compliance with the orders of this Commission and the RCA and Items III.G.6 and III.G.5 of CPTAI's presently effective Quality Bank Methodology tariff. Moreover, the data necessary to calculate the revised adjustments is not available in time to make the required tariff filing more than 30 days prior to February 1, 2024. Because the Quality Bank adjustments are calculated on a monthly basis, it is important that the tariff revisions become effective on February 1, 2024.

Pursuant to 18 C.F.R. § 343.3 of the Commission's regulations, CPTAI hereby requests that any protest to its enclosed filing be telefaxed or emailed at the time it is filed to Daniel J. Poynor, at the following telefax number or email address: (202) 429-3902 or DPoynor@steptoe.com.

I hereby certify that on January 25, 2024, a copy of the enclosed tariff will be sent to each subscriber on the subscriber list of CPTAI by electronic service or other agreed-upon means of transmission.

Any questions regarding the accompanying tariff should be addressed to Barat LaPorte at (907) 265-6544.

Sincerely,

DocuSigned by:  
  
508ABD88D48A4C7...  
Cameron Reitmeier  
CPTAI, Vice President

Enclosures

**CONOCOPHILLIPS TRANSPORTATION ALASKA INC.**

**LOCAL PIPELINE TARIFF**

CONTAINING THE TAPS  
QUALITY BANK METHODOLOGY

**GENERAL APPLICATION**

This tariff shall apply only to those tariffs which specifically incorporate this tariff, and successive issues hereof, by reference.

**NOTICES**

[W] ~~This tariff is issued to comply with Opinion No. 588, *BP Pipelines (Alaska) Inc.*, 185 FERC ¶ 61,206 (2023), issued by the Federal Energy Regulatory Commission on December 20, 2023. This tariff also complies~~ is issued to comply with the orders issued by the Federal Energy Regulatory Commission in *Trans Alaska Pipeline System*, 113 FERC ¶ 61,062 (2005) (Opinion No. 481); 114 FERC ¶ 61,323 (2006) (Opinion No. 481-A); 115 FERC ¶ 61,287 (2006) (Opinion No. 481-B); [W] *BP Pipelines (Alaska) Inc.*, 185 FERC ¶ 61,206 (2023) (Opinion No. 588); and with the orders issued by the Regulatory Commission of Alaska (“RCA”) in *In re Formal Complaint of Tesoro Alaska Petroleum Co.*, P-89-1(104)/P-89-2(98)/P-94-4(37)/P-96-6(24)/P-98-9(16)/P-99-12(19) (2005); P-89-1(109)/P-89-2(103)/P-94-4(42)/P-96-6(29)/P-98-9(21)/P-99-12(24) (2006); P-89-1(111)/P-89-2(105)/P-94-4(44)/P-96-6(31)/P-98-9 (23)/P-99-12(26) (2006).

For rules and regulations other than the TAPS Quality Bank Methodology tariff, see F.E.R.C. No. 20.2.0, and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

**REQUEST FOR SPECIAL PERMISSION**

Issued on [W] ~~six~~ twelve days’ notice under authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

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**ISSUED:** January 25, 2024

**EFFECTIVE:** February 1, 2024

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**ISSUED BY**

Cameron Reitmeier, Vice President  
CONOCOPHILLIPS TRANSPORTATION  
ALASKA, INC.  
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**COMPILED BY**

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## TAPS QUALITY BANK METHODOLOGY

### I. GENERAL PROVISIONS

#### A. Definitions

“Barrel” – as used herein means forty-two (42) U.S. gallons at sixty degrees (60°) Fahrenheit and atmospheric pressure.

“Carrier” – as used herein means ConocoPhillips Transportation Alaska, Inc., ExxonMobil Pipeline Company, Harvest Alaska, LLC, the successor to any of them, and/or a pipeline company which may, by proper concurrence, be a party to a joint tariff incorporating this tariff by specific reference.

“Connection” – as used herein means a connection to TAPS (other than at Pump Station No. 1) for the purpose of receiving Petroleum into TAPS.

“Connection Base Petroleum” – as used herein means the Petroleum resulting from the commingling of (1) the Petroleum entering TAPS at a Connection and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection.

“Gravity” – as used herein means the gravity of Petroleum expressed in API degrees at sixty degrees (60°) Fahrenheit.

“Gravity Differential Value Per Barrel” – as used herein means the gravity differential value set forth in Section II, Item No. B(3)(iii), as established from time to time in accordance with Section III, Item E.

“LSR” – as used herein means Light Straight Run.

“Mid-Alaska” as used herein means Mid-Alaska Pipeline, LLC.

“Month or Monthly” – as used herein means a calendar month commencing at 0000 hours on the first day thereof and running until 2400 hours on the last day thereof according to Valdez, Alaska, local time.

“OPIS” – as used herein means Oil Price Information Service.

“Petroleum” – as used herein means unrefined liquid hydrocarbons including gas liquids.

“Platts” – as used herein refers to Platts Oilgram Price Report.

“PSVR” – as used herein means the Petro Star Valdez Refinery.

“Pump Station No. 1” – as used herein means the pump station facilities near Prudhoe Bay, Alaska where Petroleum is received into TAPS.

“Pump Station No. 1 Base Petroleum” – as used herein means the Petroleum stream resulting from deliveries into TAPS at Pump Station No. 1 by all Shippers.

“Quality Bank Administrator” – as used herein means the person appointed by the TAPS Carriers to administer the Quality Bank.

“Quality Bank Value” – as used herein means the value of each Petroleum stream as calculated in Section III.

“Shipper” – as used herein means a party who tenders Petroleum to Carrier for transportation and thereafter actually delivers Petroleum to Carrier for transportation.

“State” – as used herein means the State of Alaska.

“STUSCO” – as used herein means Shell Trading (US) Company.

“TAPS” – as used herein means the Trans Alaska Pipeline System.

“TBP” – as used herein means True Boiling Point.

“Valdez Terminal” – as used herein means the TAPS terminal located at Valdez, Alaska.

“Valdez Terminal Base Petroleum” – as used herein means the Petroleum delivered out of the Valdez Terminal.

“Volume” – as used herein means a quantity expressed in Barrels.

“Weighted Average” – as used herein means an average calculated on a Volume weighted basis.

## **B. Quality Bank Administrator**

The TAPS Quality Bank shall be administered by the Quality Bank Administrator, who shall be appointed by the TAPS Carriers, and by those designated by the Quality Bank Administrator to assist the Administrator.

## **C. Information Furnished to the State of Alaska**

The Quality Bank Administrator shall furnish to the State each month copies of the invoices for Quality Bank adjustments and supporting data sent to each shipper. Such information is furnished to the State based upon the State’s representation that it will hold such information in confidence and that such information will be used only by officers or agents of the State in the exercise of the officers’ or agents’ powers.

#### **D. Information Furnished to Carrier by Shipper**

Carrier and its designee are authorized by Shipper to receive through measurement, connecting carriers or otherwise all information and data necessary to make the computations under Section II. Shipper will furnish Carrier or its designated Quality Bank Administrator, and consents to Carrier or its designated Quality Bank Administrator acquiring from other carriers or other persons, any additional information and data necessary to make the computations under Section II. Shipper also consents to Carrier or its agents disclosing to the designated Quality Bank Administrator all information and data necessary to make the computations under Section II. The name and address of Carrier's designated Quality Bank Administrator will be made available upon written request to Carrier.

### **II. QUALITY ADJUSTMENTS**

#### **A. Quality Adjustments**

Shippers shall be debited and/or credited for all adjustments as provided for in this Section II with respect to all Petroleum shipped. The calculation of Shipper's debits and credits shall be made for each Month as required herein. The credit and debit balances for each accounting shall be adjusted among Shipper and all Shippers in TAPS by collecting funds from those Shippers (including Shipper, if applicable) having debit balances and by thereafter remitting funds collected to the Shippers (including Shipper, if applicable) having credit balances. In the event of delay in collection or inability to collect from one or more Shippers for any reason, only adjustment funds and applicable interest charges actually collected shall be distributed pro rata to Shippers having credit balances. A Monthly accounting shall be rendered to Shipper after the end of each Month.

#### **B. Methodology**

Shipper authorizes Carrier or its designee to compute adjustments among all Shippers in TAPS for quality differentials arising out of TAPS common stream operation. Shipper agrees to pay Carrier or its designee the adjustment due from Shipper determined in accordance with the procedures set out in this Section II.

The procedures for determining quality adjustments among all Shippers are specified in detail in the TAPS Quality Bank Methodology set forth in Section III.

As prescribed in detail in Section III, at the close of each Month, Carrier or its designated Quality Bank Administrator shall compute adjustments calculated as follows:

1. Pump Station No. 1 Adjustment - An adjustment based on the difference between the Quality Bank Value of Pump Station No. 1 Base Petroleum during a Month and the Quality Bank Value of Petroleum received into TAPS at Pump Station No. 1 for a Shipper during the same Month shall be calculated as follows:
  - (i) the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during the Month for a Shipper shall be determined by

summing the Quality Bank Values of each component of one Barrel of that stream as determined in accordance with the TAPS Quality Bank Methodology.

- (ii) the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for the Month shall be determined by multiplying the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during that Month by the number of Barrels of that stream received into TAPS at Pump Station No. 1 during that Month, summing the products so obtained and dividing the total by the number of Barrels of Petroleum received into TAPS at Pump Station No.1 during the Month.
  - (iii) if the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.
  - (iv) if the Quality Bank Value per Barrel of Pump Station No. 1 Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.
2. Connection Adjustment - An adjustment based on the difference between the Quality Bank Value of any Connection Base Petroleum during a Month and the Quality Bank Value of a Shipper's Petroleum commingled at that Connection during the same Month shall be calculated as follows:
- (i) the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at a Connection during the Month shall be determined by summing the Quality Bank Values of each component of one Barrel of that Petroleum as determined in accordance with the TAPS Quality Bank Methodology.
  - (ii) the Quality Bank Value per Barrel of any Connection Base Petroleum for the Month shall be the Weighted Average Quality Bank Value of (1) the Petroleum entering TAPS at a Connection during the Month and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection during the Month.
  - (iii) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be debited an amount calculated by multiplying such



difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

- (iv) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is less than the Quality Bank Value per Barrel of Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

3. Valdez Terminal Gravity Adjustment - An adjustment based on the difference between the Weighted Average Gravity of the Valdez Terminal Base Petroleum and the Weighted Average Gravity of Petroleum received out of the Valdez Terminal by a Shipper shall be calculated as follows:

- (i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is greater than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.
- (ii) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is less than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.
- (iii) The Gravity Differential Value Per Barrel is established at [U] \$0.0288 for each one-tenth degree API Gravity (0.1° API).

### **C. Payment Provisions**

In addition to the adjustments described in this Section II, Shipper agrees to pay Carrier or its designee a per Barrel charge to reimburse Carrier for the costs of administering the adjustments among Shippers under this Section II.

In the event any payment is made to Shipper hereunder and it is subsequently determined by any Federal or state court, administrative agency or other governmental entity having jurisdiction that no other Shipper was liable for the adjustment for which payment was made, Shipper receiving such payment shall upon receipt of an accounting from Carrier return the same to Carrier or its designee. Carrier shall promptly utilize same to reimburse all Shippers who made such payments.

All payments due from Shipper under this Section II shall be made by Shipper within 20 days of receipt of each accounting and, for any delay in payment beyond such 20 day period, shall bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest of Citibank N.A. of New York, New York, on ninety-day loans to substantial and responsible commercial borrowers as of the date of accounting, or the maximum rate allowed by law, whichever is less.

If Shipper fails to make payment due hereunder within thirty (30) days of issuance of each accounting, Carrier shall have the right to sell at public auction either directly or through an agent at any time after such thirty (30) day period any Petroleum of Shipper in its custody. Such auction may be held on any day, except a legal holiday, and not less than forty-eight (48) hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all payments due and expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

Adjustment payments and administrative costs in this Section II are not a part of Carrier's transportation tariff rates, and such shall not be an offset or other claim by Shipper against sums due Carrier for transportation or other charges, costs, or fees due or collected under Carrier's tariffs.

### **III. QUALITY BANK PROCEDURES**

#### **A. Overview**

A distillation-based methodology shall be implemented at all TAPS Quality Banks (other than the TAPS Valdez Marine Terminal Quality Bank).

This methodology for calculation of the TAPS Quality Bank debits and credits is based on valuations of Petroleum components. This methodology shall apply to the specific Petroleum streams identified in Sections III.B, III.C. and III.D. and also shall be applied to any streams tendered to TAPS through a new connection. The Quality Bank value of each Petroleum stream shall be the volume-weighted sum of the Quality Bank values of its components. The characteristics and volumes of components for each separate Petroleum stream are based on assay information obtained using a defined set of testing procedures as set forth in Section III.F. Quality Bank credits and debits are determined by comparing the Quality Bank value of each Petroleum stream to the appropriate calculated TAPS "reference" stream Quality Bank value.

#### **B. Quality Bank Streams at Pump Station No. 1 Quality Bank**

1. The TAPS Pump Station No. 1 Quality Bank assesses the following four streams: (1) PBU IPA;<sup>1</sup> (2) Lisburne; (3) Kuparuk Pipeline; and (4) Northstar.

2. The Pump Station No. 1 Quality Bank reference stream is the blended common stream leaving Pump Station No. 1. The reference stream Quality Bank value is

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<sup>1</sup> PBU IPA is the abbreviation for the Prudhoe Bay Unit Initial Participating Areas.

calculated using the volume weighted average of the four Quality Bank streams identified above plus any streams tendered to TAPS through a new Pump Station No. 1 connection.

**C. Quality Bank Streams at Mid-Alaska Quality Bank**

1. The Mid-Alaska Quality Bank streams are the Petro Star refinery return stream delivered to TAPS by the Mid-Alaska Pipeline and the passing TAPS common stream at the Mid-Alaska offtake point, both of which are measured at the Mid-Alaska connection.

2. The Mid-Alaska Quality Bank reference stream is the blended TAPS stream immediately downstream from the Mid-Alaska return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the Mid-Alaska Quality Bank streams identified above.

**D. Quality Bank Streams at Petro Star Valdez Refinery Connection Quality Bank**

1. The TAPS PSVR Connection Quality Bank streams are the refinery return stream delivered to TAPS by Petro Star and the passing TAPS common stream at the PSVR offtake point.

2. The Petro Star Valdez Quality Bank reference stream is the blended TAPS stream immediately downstream from the Petro Star return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the two PSVR Quality Bank streams identified above.

**E. Methodology for Valdez Tanker Load Out Quality Bank**

1. A gravity-based Quality Bank methodology shall be used to determine the TAPS Quality Bank adjustments for volumes loaded out of the TAPS Marine Terminal at Valdez, Alaska. A Gravity Differential Value Per Barrel shall be calculated as specified in Items E.2 through E.5 below.

2. The daily average six month gravity differentials posted for November 1 - April 30 and May 1 - October 31 for California and West Texas Sour crude oils, applicable to the range(s) of gravity which includes the average API gravity of the TAPS commingled stream at Valdez (sometimes referred to as "ANS"), shall be determined. The postings of the following company shall be used for West Texas Sour crude oils: STUSCO. The postings of the following companies shall be used for California crude oils: Chevron Crude Oil Marketing, Exxon Mobil Corporation, STUSCO and Union 76. In the event that any of the aforementioned companies is merged or acquired by other companies, sells assets or reorganizes, the postings of any successor companies shall be utilized. As long as at least two companies' gravity differentials are posted in each region (West Texas and California), the postings shall be averaged to determine the gravity differentials for that region.

3. The aforementioned six-month average gravity differentials for the specified companies in each region shall be used to derive a simple average West Texas Sour differential and a simple average California differential.

4. The average West Texas Sour differential and the average California differential shall then be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Alaska and Hawaii), respectively, which percentages were last determined in 2011 by averaging the percentage distributed to each region as was last reported by the Maritime Administration of the United States Department of Transportation in September 2011 . Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region. Percentages provided by the Maritime Administration of the United States Department of Transportation for the period from 1999 to 2011 indicated that 100 percent of ANS was delivered to the West Coast, which is the percentage that will continue in effect until further notice.

5. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the weighting of the average differentials shall be adjusted to reflect the percentage of ANS actually distributed to such regions both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available , the Quality Bank Administrator shall use the percentage of ANS distributed to such regions last used, provided, however, that any shipper may protest such determination by filing a complaint with the Quality Bank Administrator and thereafter filing an appropriate pleading with the FERC and RCA if the complaint is not otherwise resolved.

6. The Gravity Differential Value Per Barrel shall be reviewed each November and May, and shall be adjusted to the nearest hundredth of a cent per one-tenth degree API gravity per barrel whenever the amount of any change in the quality adjustment derived above is at least five (5) percent greater or five (5) percent less than the adjustment then in effect. The effective dates of any such adjustments shall be the following January 1 and July 1 respectively.

7. The Gravity Differential Value Per Barrel in effect shall be applied to the difference in gravity (in API degrees @ 60° Fahrenheit) between the weighted average gravity of the Petroleum delivered out of the Terminal during a calendar month and the weighted average gravity of Petroleum received out of the Terminal by an individual shipper during such month.

## **F. Methodology For Pump Station No. 1, Mid-Alaska Connection and PSVR Connection**

### **1. Assay Methodology -- Sampling Procedure**

Except as specified below, and except for the reference streams, each of the Quality Bank streams listed above (for Pump Station No. 1, Mid-Alaska, and PSVR Quality Banks) will be sampled by the Quality Bank Administrator using continuous monthly composite samplers on a flow rate dependent basis, and assays of these continuously collected samples shall be performed monthly by the Quality Bank Administrator.

### **2. Assay Analysis Procedure**

a. Except as specified in paragraph b. below, the assays will include a TBP distillation and, as applicable, gas chromatograph analysis of each Quality Bank stream. Specifically, the TBP procedure will employ ASTM 2892 up to 650°F and ASTM 5236 for the 650 to 1050+°F range for the Petroleum samples. The light ends (175°F minus) from the Petroleum streams will be subject to a gas chromatograph analysis to determine the volumes of

the propane (“C3”), Iso-butane (“iC4”), and normal butane (“nC4”), with the LSR (sometimes referred to as natural gasoline) volume determined by difference between the total of the three components and the measured 175°F minus volume.

b. The specific gravities of C3, iC4, nC4 will be derived from GPA Standard 2145.

3. Assay Data

a. The following volume and quality data will be determined for each stream.

Component	TBP Boiling Range °F	% Vol	Specific Gravity
Propane (C3)		X	X
I-Butane (iC4)		X	X
N-Butane (nC4)		X	X
LSR	C5-175	X	X
Naphtha	175-350	X	X
Light Distillate	350-450	X	X
Heavy Distillate	450-650	X	X
Gas Oil	650-1050	X	X
Resid	1050+	X	X
Full Petroleum Stream			X

b. The total volume must add to 100% and the total component weighted mass must be checked against the mass of the full Petroleum stream. These weight balances must be the same within calculation and assay precision. If the assay fails this threshold test of validity, a second assay shall be performed on the sample. An example of assay data required is presented in Attachment 1. These data are the basis for all calculations in this Quality Bank methodology. The Quality Bank operates on a calendar month basis, with the continuous samples retrieved for analysis on the last day of each month.

c. The Quality Bank Administrator shall investigate the validity of a sample if each of the following two tests is met.

(i) If one or more of an individual stream’s reported component percentages for a month varies by more than the ranges indicated in the following table as compared to the prior month’s assay.

**Variation in % of Stream  
Relative to Prior Month**

**Component**

Propane	± 0.1
I-Butane	± 0.1
N-Butane	± 0.25
LSR	± 0.5
Naphtha	± 1.0
Light Distillate	± 1.0
Heavy Distillate	± 1.0
Gas Oil	± 1.5
Resid	± 1.0

As an example, if a Petroleum stream's heavy distillate volume percent is 23% for the prior month, a heavy distillate volume percent less than 22% or greater than 24% (exceeding the ± 1% range) shall cause the Quality Bank Administrator to check the second test.

(ii) The second test is whether the volume change in the specific component has resulted in a significant change in the stream's relative value when compared to the prior month's relative value using the prior month's prices. If the change results in a price movement of more than ±15¢ per barrel, then the sample's validity must be investigated.

(iii) The Quality Bank Administrator shall ascertain from the tendering shipper(s) possible causes for the change in the stream's assay. The Quality Bank Administrator may have a second assay performed for the sample in question. The Quality Bank Administrator may decide that the first assay is valid, that the second assay is valid, or that the sample is invalid.

(iv) Should the Quality Bank Administrator determine that a sample is invalid, the last assay results accepted and used in the Quality Bank for the stream will be used instead of the invalid sample in the Quality Bank calculation.

**G. Component Unit Value Procedure**

1. Component unit values for the U.S. Gulf Coast and U.S. West Coast will be weighted by the percentage of ANS which was distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Alaska and Hawaii), respectively, as was last determined using placement data reported by the Maritime Administration of the United States Department of Transportation in September 2011.

2. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the price weighting shall be adjusted to reflect the percentage of ANS actually distributed to each region both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available, the Quality Bank Administrator shall use the percentage of ANS distributed to such regions last used. Percentages provided by the Maritime Administration of the United States Department of Transportation for

the period from 1999 to 2011 indicated that 100 percent of ANS was delivered to the West Coast, which is the percentage that will continue in effect until further notice.

3. All the product prices used to calculate the unit values of the components other than the Gulf Coast and West Coast Resid components are taken from Platts and OPIS as set forth in Attachment 2. Prices will be collected for each day markets are open and published prices are available (each “quote day”). The calculated monthly average price will be the average of each quote day mid-point price for the month. These monthly average prices (adjusted as shown in Attachment 2) are used to calculate component unit values each month.

4. The unit value of the West Coast Naphtha component is calculated using the formula given in Attachment 2, page 3.

5. The unit values of the Resid component on the Gulf Coast and the West Coast are calculated using the formulas given in Attachment 2, pages 4 and 5 respectively. The prices for petroleum coke and natural gas are taken from Pace Petroleum Coke Quarterly and Natural Gas Week, respectively. The unit values of all other subcomponents are the same as those specified for that material in Attachment 2. The Quality Bank Administrator shall retest the API gravity, sulfur content and carbon residue of the Resid component of the common stream each month. In January of each year, the Quality Bank Administrator will update the API gravity, sulfur content and carbon residue content to reflect the average of the assay results of each month of the previous year. The updated API gravity, sulfur content and carbon residue content shall be used to calculate the multipliers (product yields) in the Resid formulas given in Attachment 2, pages 4 and 5. The calculation of the new multipliers will be done using the spreadsheet depicted in Attachment 2, page 6.

6. In January of each year the adjustments to the prices used to value Light Distillate and Heavy Distillate (shown on Attachment 2 page 2) as well as the Gulf Coast and West Coast coker costs (shown on Attachment 2, pages 4 and 5) shall be revised in accordance with the changes in the Nelson-Farrar Cost Index (Operating Indexes Refinery), by multiplying the adjustments or costs for the previous year by the ratio of (a) the average of the monthly indexes that are then available for the most recent 12 consecutive months to (b) the average of the monthly indexes for the previous (*i.e.*, one year earlier) 12 consecutive months.

7. a. In the event that one of the product prices listed in Attachment 2 is no longer quoted in one of the two markets (West Coast or Gulf Coast), the price quoted for the product in the remaining market shall be used to value the entire component.

b. If both of the product prices listed in Attachment 2 for a component are no longer quoted or if the specifications or other basis for the remaining quotation(s) is radically altered, the Quality Bank Administrator shall notify the FERC, the RCA and all shippers of this fact and propose an appropriate replacement product price, with explanation and justification. Comments may be filed with the FERC and RCA within thirty days of the filing by the Quality Bank Administrator. If the FERC and RCA take no action within sixty days of the filing, the replacement product price proposed by the Quality Bank Administrator will become effective as of the sixtieth day. For the period between the time that quotation of a product price is discontinued or the specifications or other basis for a quotation is radically altered and the time that the Commissions approve the use of a replacement product price, the Quality Bank Administrator

shall use as the unit value of the component in question the unit value for the last month for which a product price was available for such component.

8. For any particular month of Quality Bank calculations, the pricing data for the month of shipment will be used (i.e., the prices are current with the volumes and assay data).

#### **H. Quality Bank Stream Component Calculation Procedure**

After all volume, quality, and pricing data are collected, the Quality Bank Administrator will establish quality differentials for each stream identified in Sections III.B., III.C., and III.D.

#### **I. Quality Bank Calculations Procedure**

The assay data and calculation procedures required by this Methodology are summarized in the Attachments. The Attachments are for reference purposes only and are not intended to predict the impact of this procedure on any specific Petroleum stream or any specific company. In the event of a conflict between the provisions of this Methodology as set forth above and the Attachments, the provisions of this Methodology shall control.

- ATTACHMENT 1: Yield Data for Example Streams
- ATTACHMENT 2: Component Unit Value Pricing Basis
- ATTACHMENT 3: Example Component Unit Values in \$/Bbl
- ATTACHMENT 4: Example Stream Values in \$/Bbl
- ATTACHMENT 5: Quality Bank Calculation Example

#### **J. Unanticipated Implementation Issues**

This Methodology is intended to contain a comprehensive treatment of the subject matter. However, unanticipated issues concerning implementation of this Methodology may arise. If so, the Quality Bank Administrator is authorized to resolve such issues in accordance with the best understanding of the intent of the FERC and RCA that the Quality Bank Administrator can derive from their orders regarding the Quality Bank methodology. The Quality Bank Administrator's resolution of any such issue shall be final unless and until changed prospectively by orders of the FERC and RCA.

#### **Explanation of Symbols:**

- [I] Increase
- [D] Decrease
- [U] Unchanged rate
- [C] Cancel
- [W] Change in wording only



**ATTACHMENT 1**  
**YIELD DATA FOR EXAMPLE STREAMS**

<b>COMPONENT</b>	<b>DEFINITION BOILING RANGE (°F)</b>	<b>STREAM A</b>	<b>STREAM B</b>	<b>STREAM C</b>
PROPANE (C <sub>3</sub> )	--	0.15	0.00	0.10
ISOBUTANE (IC <sub>4</sub> )	--	0.10	0.02	0.40
NORMAL BUTANE (nC <sub>4</sub> )	--	0.50	0.10	2.00
LSR	C5-175	4.50	3.50	6.00
NAPHTHA	175-350	13.50	11.00	5.50
LIGHT DISTILLATE	350-450	9.00	9.00	2.00
HEAVY DISTILLATE	450-650	21.00	22.00	16.00
GAS OIL	650-1050	31.25	30.38	41.00
RESID	1050+	20.00	24.00	27.00
<b>TOTAL</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
EXAMPLE VOLUME, Thousands Barrels per Month 2,500		34,000	9,000	

**ATTACHMENT 2**

**COMPONENT UNIT VALUE PRICING BASIS  
EFFECTIVE [W] ~~2/1/2023~~ 2/1/2024**

**PROPANE (C<sub>3</sub>)**

United States Gulf Coast	United States West Coast
Platts' Enterprise Mt. Belvieu spot quote for Propane.	OPIS's Los Angeles delivered spot quote for Propane.

**ISOBUTANE (iC<sub>4</sub>)**

United States Gulf Coast	United States West Coast
Platts' Enterprise Mt. Belvieu spot quote for Isobutane.	OPIS's Los Angeles delivered spot quote for Isobutane.

**NORMAL BUTANE (nC<sub>4</sub>)**

United States Gulf Coast	United States West Coast
Platts' Enterprise Mt. Belvieu spot quote for N-Butane.	OPIS's Los Angeles delivered spot quote for Normal Butane.

**LIGHT STRAIGHT RUN (C<sub>5</sub> – 175° F)**

United States Gulf Coast	United States West Coast
Platts' Enterprise Mt. Belvieu spot quote for Natural Gasoline.	OPIS's Bakersfield delivered spot quote for Natural Gasoline.

**NAPHTHA (175° – 350° F)**

United States Gulf Coast	United States West Coast
Platts' U.S. Gulf Coast spot quote for Waterborne Heavy Naphtha Barge.	See Attachment 2, page 3.

**ATTACHMENT 2  
(Continued)**

**COMPONENT UNIT VALUE PRICING BASIS**

**LIGHT DISTILLATE (350° - 450°F)**

United States Gulf Coast	United States West Coast
Platts' U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less [D] <u>0.9685</u> cents per gallon.	Platts' U.S. West Coast spot quote for Waterborne Jet Fuel less [D] <u>0.9685</u> cents per gallon.

**HEAVY DISTILLATE (450° – 650°F)**

United States Gulf Coast	United States West Coast
Platts' U.S. Gulf Coast spot quote for Waterborne No. 2 less [D] <u>3.8736</u> cents per gallon.	Platts' U.S. West Coast spot quote for Los Angeles Pipeline ULS (EPA) Diesel less [D] <u>12.5330</u> cents per gallon.

**GAS OIL (650° – 1050°F)**

United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. West Coast (Los Angeles basis) spot quote for High Sulfur VGO.

**RESID (1050° F and Over)**

United States Gulf Coast	United States West Coast
See Attachment 2, page 4.	See Attachment 2, page 5.

**ATTACHMENT 2**  
**(Continued)**

**U.S. West Coast Naphtha**  
**Component Unit Value Pricing Basis**

West Coast Naphtha Component Value, \$ per Barrel = **[D]** 0.698 x Gasoline Price + **[D]** 0.012 x Jet Fuel Price + **[I]** 10.950

Where:

Gasoline Price – Platts’ West Coast Waterborne Unleaded 87, \$ per Barrel

Jet Fuel Price – Platts’ West Coast Waterborne Jet Fuel, \$ per Barrel

The prices used are the monthly average of the daily high and low prices.

The three constants in the equation were derived from a dual variable regression analysis of Platts’ Gulf Coast monthly average prices for waterborne Naphtha, unleaded 87 Gasoline, and Jet/Kero 54 over the 10-year period January, **[W]** ~~2013~~ 2014 through December, **[W]** ~~2022~~ 2023. The Quality Bank Administrator will recompute the constants in the regression equation whenever circumstances require, but not less than once each year.

**ATTACHMENT 2**  
**(Continued)**

**U.S. GULF COAST RESID**  
**COMPONENT UNIT VALUE PRICING BASIS**

Resid Component Value, \$ per Barrel =

$$\begin{aligned} & ([U] 0.0348) \times \text{QB Propane Value, \$/Bbl.} \\ & + ([U] 0.0040) \times \text{QB Isobutane Value, \$/Bbl.} \\ & + ([U] 0.0264) \times \text{QB Normal Butane Value, \$/Bbl.} \\ & + ([D] 0.0606) \times \text{QB LSR Value, \$/Bbl.} \\ & + ([D] 0.0992) \times \text{QB Naphtha Value, \$/Bbl.} \\ & + ([I] 0.2095) \times \text{QB Heavy Distillate Value, \$/Bbl.} \\ & + ([I] 0.3015) \times \text{QB Gas Oil Value, \$/Bbl.} \\ & + ([D] 0.0612) \times \text{Coke Price}^{(1)} - \$5.00 \\ & + ([U] 0.2989) \times \text{Natural Gas Price}^{(2)} \\ & - [D] 14.5391^{(3)} \end{aligned}$$

- (1) Monthly price quoted in *Pace Petroleum Coke Quarterly* for Gulf Coast high sulfur petroleum coke, >50 HGI, mid-point price, \$ per metric ton, converted to \$ per short ton.
- (2) Monthly Henry Hub natural gas spot price quote from *Natural Gas Week*, monthly weighted averages, \$ per MMBtu.
- (3) Gulf Coast coker and coker product treatment costs, including capital recovery, \$ per Barrel.

**ATTACHMENT 2  
(Continued)**

**U.S. WEST COAST RESID  
COMPONENT UNIT VALUE PRICING BASIS**

Resid Component Value, \$ per Barrel =

$$\begin{aligned} & ([U] 0.0348) \times \text{QB Propane Value, \$/Bbl.} \\ & + ([U] 0.0040) \times \text{QB Isobutane Value, \$/Bbl.} \\ & + ([U] 0.0264) \times \text{QB Normal Butane Value, \$/Bbl.} \\ & + ([D] 0.0606) \times \text{QB LSR Value, \$/Bbl.} \\ & + ([D] 0.0992) \times \text{QB Naphtha Value, \$/Bbl.} \\ & + ([I] 0.2095) \times \text{QB Heavy Distillate Value, \$/Bbl.} \\ & + ([I] 0.3015) \times \text{QB Gas Oil Value, \$/Bbl.} \\ & + ([D] 0.0612) \times \text{Coke Price}^{(1)} - \$8.75 \\ & + ([U] 0.2989) \times \text{Natural Gas Price}^{(2)} + \$0.15 \\ & - [D] 16.2689^{(3)} \end{aligned}$$

- (1) Monthly price quoted in *Pace Petroleum Coke Quarterly* for West Coast low sulfur petroleum coke, >2% Sulfur, mid point price, \$ per metric ton, converted to \$ per short ton.
- (2) Monthly California natural gas spot price quote from *Natural Gas Week*, gas price trends, (south, delivered to pipeline), \$ per MMBtu.
- (3) West Coast coker and coker product treatment costs, including capital recovery, \$ per Barrel.

**ATTACHMENT 2  
(Continued)**

**COKER PRODUCT YIELD MULTIPLIERS  
68 DEGREE F C5 CUT POINT (1)**

[C]—Unchanged Rate (Yield). All rates (yields) on this page are unchanged.

<b>Product</b>	<b><u>Base Yield</u> (per Bbl.)<sup>1</sup></b>	<b><u>Yield Impact</u> per +1% MCR (per Bbl.)</b>	<b><u>Yield Impact</u> per +1 °API (per Bbl.)</b>	<b><u>Yield Impact</u> per +1% Sulfur (per Bbl.)</b>	<b><u>Revised</u> Product Yield (per Bbl.)</b>
Propane	0.0348	0.0000	0.0000	0.0000	[U] 0.0348
Isobutane	0.0040	0.0000	0.0000	0.0000	[U] 0.0040
Normal Butane	0.0264	0.0000	0.0000	0.0000	[U] 0.0264
LSR	0.0609	0.0014	0.0008	-0.0003	[D] <u>0.0606</u>
Naphtha	0.0996	0.0023	0.0013	-0.0005	[D] <u>0.0992</u>
Heavy Distillate	0.2080	-0.0078	-0.0039	-0.0013	[I] <u>0.2095</u>
Gas Oil	0.2989	-0.0134	-0.0067	-0.0019	[I] <u>0.3015</u>
Coke	0.0618	0.0030	0.0015	-0.0003	[D] <u>0.0612</u>
Fuel Gas	0.2989	0.0000	0.0000	0.0000	[U] 0.2989

	<b>Base</b>	<b><u>[W] 2023 Average Resid</u> <u>Properties Caleb Brett 2001</u> <u>Assay</u></b>
MCR, %	23.00	[D] <u>22.6</u>
°API	5.50	[D] <u>5.9</u>
SULFUR, %	2.50	[I] <u>2.55</u>

<sup>1</sup> From EMT-197 revised to use 68°F cut point for C<sup>5</sup>+

**ATTACHMENT 3**  
**EXAMPLE COMPONENT UNIT VALUES IN \$/Bbl**

<b>COMPONENT NAME</b>	<b>WEST COAST (\$/Bbl)</b>	<b>GULF COAST (\$/Bbl)</b>	<b>WEIGHTED AVERAGE (\$/Bbl)</b>
PROPANE (C <sub>3</sub> )	19.7925	15.0442	19.68
ISOBUTANE (iC <sub>4</sub> )	24.1238	18.4333	23.99
NORMAL BUTANE (nC <sub>4</sub> )	18.1125	18.4800	18.12
LSR (C <sub>5</sub> - 175°F)	18.5850	19.5854	18.61
NAPHTHA (175°F - 350°F)	21.3383	21.3383	21.34
LIGHT DISTILLATE (350°F - 450°F)	25.9817	22.9396	25.91
HEAVY DISTILLATE (450°F - 650°F)	23.0000	22.1112	22.98
GAS OIL (650°F - 1050°F)	20.8133	21.8133	20.84
RESID (1050°F and over)	14.6349	15.0000	14.64
<b>WEIGHTING FACTOR</b>	<b>97.71</b>	<b>2.29</b>	



**ATTACHMENT 4**  
**EXAMPLE STREAM VALUES IN \$/Bbl**

<b>COMPONENT NAME</b>	<b>STREAM A</b>	<b>STREAM B</b>	<b>STREAM C</b>
PROPANE (C <sub>3</sub> )	0.029520	0.000000	0.019680
ISOBUTANE (iC <sub>4</sub> )	0.023990	0.004798	0.095960
NORMAL BUTANE (nC <sub>4</sub> )	0.090600	0.018120	0.362400
LSR (C <sub>5</sub> - 175°F)	0.837450	0.651350	1.116600
NAPHTHA (175°F - 350°F)	2.880900	2.347400	1.173700
LIGHT DISTILLATE (350°F - 450°F)	2.331900	2.331900	0.518200
HEAVY DISTILLATE (450°F - 650°F)	4.825800	5.055600	3.676800
GAS OIL (650°F - 1050°F)	6.512500	6.331192	8.544400
RESID (1050°F and over)	2.928000	3.513600	3.952800
<b>TOTAL</b>	<b>20.460660</b>	<b>20.253960</b>	<b>19.460540</b>

**ATTACHMENT 5  
QUALITY BANK CALCULATION EXAMPLE**

**QUALITY BANK REFERENCE STREAM VALUE CALCULATION**

	<b>VOLUME (MBPM)</b>	<b>VALUE (\$/Bbl)</b>	<b>TOTAL VALUE M\$/Month</b>
STREAM A	34,000	20.460660	\$ 695.66
STREAM B	9,000	20.253960	\$182.29
STREAM C	2,500	19.460540	\$48.65
TOTAL	45,500	20.364823 <sup>(1)</sup>	\$926.60
(Reference Stream)			
(1) Total Value Divided by Total Volume			

**QUALITY BANK PAYMENT/RECEIPT CALCULATIONS**

	<b>DIFFERENTIAL<sup>(2)</sup></b>	<b>(MBPM)</b>	<b>PAYMENT OR RECEIPT (M\$/Month<sup>(3)</sup>)</b>
STREAM A	0.095837	34,000	\$3,258.47
STREAM B	(0.110863)	9,000	\$ (997.76)
STREAM C	(0.904283)	2,500	\$ (2,260.71)
(2) Stream value minus reference value			
(3) Differential times volume			

01/05/2024

# TAPS Quality Bank

## Index Ratio & Price Adjustments

### Effective: February, 2024

#### Nelson-Farrar Index Ratio

<b>Index Ratio</b>	=	793.7 / 849.5	=	0.9342475697
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Index Date	Issue Date	Index	Index Date	Issue Date	Index
Sep 2021	12/10/2021	821.4	Sep 2022	12/29/2022	866.4
Oct 2021	01/10/2022	837.5	Oct 2022	03/17/2023	817.2
Nov 2021	04/05/2022	848.0	Nov 2022	03/17/2023	799.1
Dec 2021	04/05/2022	833.8	Dec 2022	03/17/2023	826.7
Jan 2022	05/20/2022	825.0	Jan 2023	04/20/2023	807.5
Feb 2022	05/20/2022	851.0	Feb 2023	04/20/2023	779.3
Mar 2022	06/20/2022	825.6	Mar 2023	05/30/2023	777.7
Apr 2022	06/20/2022	844.1	Apr 2023	07/10/2023	769.1
May 2022	07/12/2022	884.6	May 2023	08/09/2023	773.2
Jun 2022	09/02/2022	883.8	Jun 2023	09/07/2023	769.4
Jul 2022	10/14/2022	857.4	Jul 2023	10/12/2023	769.8
Aug 2022	11/18/2022	882.1	Aug 2023	11/08/2023	768.6
<b>Average</b>		849.5	<b>Average</b>		793.7

#### Reference Price Adjustments

(This year's Price Adjustments) = (Last year's Price Adjustments) x (Index Ratio)

	Gulf Coast		West Coast		
	(¢/Gal)	(\$/BBL)	(¢/Gal)	(\$/BBL)	
<b>Light Distillate</b>					
2023	-1.0367	-0.4354	2023	-1.0367	-0.4354
2024	-0.9685	-0.4068	2024	-0.9685	-0.4068
<b>Heavy Distillate</b>					
2023	-4.1462	-1.7414	2023	-13.4151	-5.6343
2024	-3.8736	-1.6269	2024	-12.5330	-5.2639
<b>Resid</b>					
2023	N/A	-15.5624	2023	N/A	-17.4139
2024	N/A	-14.5391	2024	N/A	-16.2689

**GC Naphtha, Gasoline, Jet Fuel Monthly Averages**  
**2014-2023**

	<b>X1</b> <b>GC Gasoline</b> <b>(\$/bbl)</b>	<b>X2</b> <b>GC Jet Fuel</b> <b>Gulf Coast</b> <b>(\$/bbl)</b>	<b>Y</b> <b>GC Naphtha</b> <b>(\$/bbl)</b>
<b>Jan-14</b>	108.7140	122.6048	111.6130
<b>Feb-14</b>	114.0349	125.2707	110.2228
<b>Mar-14</b>	115.7054	121.8592	111.2354
<b>Apr-14</b>	122.7586	121.8298	112.3046
<b>May-14</b>	120.7710	120.9320	112.9495
<b>Jun-14</b>	125.9424	121.6602	116.3704
<b>Jul-14</b>	119.9610	119.1737	111.7309
<b>Aug-14</b>	116.4634	120.2044	106.8374
<b>Sep-14</b>	111.1492	115.2680	102.7072
<b>Oct-14</b>	93.3459	104.0462	85.8670
<b>Nov-14</b>	84.3934	97.7858	78.0584
<b>Dec-14</b>	61.5176	76.1194	56.7026
<b>Jan-15</b>	54.7178	63.8553	56.0786
<b>Feb-15</b>	68.1656	73.6649	66.9056
<b>Mar-15</b>	71.0953	69.1423	66.6290
<b>Apr-15</b>	78.3730	72.3340	67.7380
<b>May-15</b>	83.3690	78.4409	73.9547
<b>Jun-15</b>	87.2298	73.5332	74.4017
<b>Jul-15</b>	83.3442	65.6208	59.4901
<b>Aug-15</b>	68.7016	59.0546	51.0866
<b>Sep-15</b>	57.6182	59.1398	53.1632
<b>Oct-15</b>	55.0017	59.2778	53.5603
<b>Nov-15</b>	52.7615	56.6655	53.2025
<b>Dec-15</b>	50.6636	46.4591	47.7475
<b>Jan-16</b>	43.9327	39.7470	40.1250
<b>Feb-16</b>	40.8851	41.4737	36.7414
<b>Mar-16</b>	52.2274	45.6475	47.1076
<b>Apr-16</b>	57.5694	48.3840	47.0244
<b>May-16</b>	61.7238	55.1676	52.3298
<b>Jun-16</b>	63.4276	58.8832	50.7942
<b>Jul-16</b>	57.3229	53.5416	48.1343
<b>Aug-16</b>	60.3949	55.5762	49.4539
<b>Sep-16</b>	59.3320	56.2086	49.3120
<b>Oct-16</b>	63.1896	61.4184	54.0486
<b>Nov-16</b>	55.8312	56.8399	50.5911
<b>Dec-16</b>	66.6972	63.6322	58.9582

**GC Naphtha, Gasoline, Jet Fuel Monthly Averages**  
**2014-2023**

	<b>X1</b> <b>GC Gasoline</b> <b>(\$/bbl)</b>	<b>X2</b> <b>GC Jet Fuel</b> <b>Gulf Coast</b> <b>(\$/bbl)</b>	<b>Y</b> <b>GC Naphtha</b> <b>(\$/bbl)</b>
<b>Jan-17</b>	67.0732	64.5343	60.5046
<b>Feb-17</b>	66.0129	66.4557	61.8295
<b>Mar-17</b>	64.8615	61.6187	56.0640
<b>Apr-17</b>	68.8804	64.0493	56.4473
<b>May-17</b>	64.7650	59.7608	53.7275
<b>Jun-17</b>	61.6243	55.1897	49.7297
<b>Jul-17</b>	65.4165	60.9309	53.4344
<b>Aug-17</b>	69.8265	67.3406	57.4766
<b>Sep-17</b>	73.2990	74.0634	62.6846
<b>Oct-17</b>	70.1390	70.2177	63.6777
<b>Nov-17</b>	74.4003	74.6953	67.4125
<b>Dec-17</b>	72.4487	77.2168	67.9232
<b>Jan-18</b>	78.8448	82.9372	72.9988
<b>Feb-18</b>	75.9818	78.6826	68.9335
<b>Mar-18</b>	77.7806	78.4732	67.9046
<b>Apr-18</b>	83.5980	85.4698	73.5740
<b>May-18</b>	88.8619	91.2236	80.9487
<b>Jun-18</b>	84.9018	88.4314	77.7878
<b>Jul-18</b>	86.5522	88.8738	81.6312
<b>Aug-18</b>	85.9501	89.6284	80.3787
<b>Sep-18</b>	86.1882	92.5534	80.3524
<b>Oct-18</b>	83.6560	95.2169	80.2430
<b>Nov-18</b>	66.0280	82.7759	62.1325
<b>Dec-18</b>	58.3161	72.5888	55.0086
<b>Jan-19</b>	58.4308	76.1066	56.2218
<b>Feb-19</b>	64.8261	80.4917	62.1790
<b>Mar-19</b>	77.3810	80.8028	69.5110
<b>Apr-19</b>	84.5202	83.7084	69.2952
<b>May-19</b>	79.6467	83.6974	65.0517
<b>Jun-19</b>	72.4769	77.0274	55.9604
<b>Jul-19</b>	78.1220	81.4370	61.5220
<b>Aug-19</b>	70.0577	76.4356	55.5009
<b>Sep-19</b>	70.8013	79.5644	56.0908
<b>Oct-19</b>	69.1614	78.6746	57.6680
<b>Nov-19</b>	69.5040	77.2166	60.6398
<b>Dec-19</b>	69.8204	80.1746	62.8904

**GC Naphtha, Gasoline, Jet Fuel Monthly Averages**  
**2014-2023**

	<b>X1</b> <b>GC Gasoline</b>  <b>(\$/bbl)</b>	<b>X2</b> <b>GC Jet Fuel</b> <b>Gulf Coast</b>  <b>(\$/bbl)</b>	<b>Y</b> <b>GC Naphtha</b>  <b>(\$/bbl)</b>
<b>Jan-20</b>	67.7450	74.8388	59.6300
<b>Feb-20</b>	64.4205	64.3984	54.1692
<b>Mar-20</b>	35.9644	39.8903	26.4476
<b>Apr-20</b>	24.1136	25.5916	19.1886
<b>May-20</b>	35.9682	31.5987	31.6737
<b>Jun-20</b>	47.0467	42.1825	42.7321
<b>Jul-20</b>	49.3485	46.2892	44.2607
<b>Aug-20</b>	51.4326	47.4636	44.7776
<b>Sep-20</b>	49.9608	43.1480	42.6758
<b>Oct-20</b>	48.6391	44.8304	43.0502
<b>Nov-20</b>	48.2142	48.1236	43.4782
<b>Dec-20</b>	55.3818	56.1332	50.5565
<b>Jan-21</b>	63.8524	60.0702	59.2324
<b>Feb-21</b>	72.9885	68.1085	66.7106
<b>Mar-21</b>	82.7648	70.2297	68.9824
<b>Apr-21</b>	83.3184	70.2782	65.9384
<b>May-21</b>	86.4557	74.0405	68.1280
<b>Jun-21</b>	89.9483	78.5581	72.8620
<b>Jul-21</b>	93.4536	79.8688	76.9596
<b>Aug-21</b>	92.2482	77.0809	74.5109
<b>Sep-21</b>	92.4952	84.6670	77.7062
<b>Oct-21</b>	102.0986	96.8580	87.8546
<b>Nov-21</b>	96.3755	93.0720	85.5637
<b>Dec-21</b>	89.8086	88.2540	77.9576
<b>Jan-22</b>	101.5526	102.7196	87.5729
<b>Feb-22</b>	113.1621	113.0828	98.1748
<b>Mar-22</b>	135.1164	146.0293	114.8441
<b>Apr-22</b>	134.3422	163.8424	104.6524
<b>May-22</b>	158.2826	165.4348	103.9756
<b>Jun-22</b>	170.4998	174.9298	114.1688
<b>Jul-22</b>	136.2287	148.9364	97.0952
<b>Aug-22</b>	118.3642	141.8362	90.5575
<b>Sep-22</b>	108.6522	137.0232	76.7688
<b>Oct-22</b>	120.2458	149.7032	83.8688
<b>Nov-22</b>	106.5802	134.0850	78.7395
<b>Dec-22</b>	93.5322	123.6308	71.0130

**GC Naphtha, Gasoline, Jet Fuel Monthly Averages**  
**2014-2023**

	<b>X1 GC Gasoline (\$/bbl)</b>	<b>X2 GC Jet Fuel Gulf Coast (\$/bbl)</b>	<b>Y GC Naphtha (\$/bbl)</b>
<b>Jan-23</b>	107.3976	150.6790	87.0477
<b>Feb-23</b>	104.5563	119.6505	80.5142
<b>Mar-23</b>	107.9318	113.4245	78.6702
<b>Apr-23</b>	110.8334	101.7969	81.4580
<b>May-23</b>	102.6927	93.2543	78.1351
<b>Jun-23</b>	103.0704	96.1208	77.9054
<b>Jul-23</b>	113.8249	107.1687	76.7103
<b>Aug-23</b>	123.3063	127.4108	73.9098
<b>Sep-23</b>	119.6026	131.3670	78.8909
<b>Oct-23</b>	97.0628	121.3082	74.5198
<b>Nov-23</b>	89.0986	115.5645	72.6220
<b>Dec-23</b>	85.3957	101.0904	69.9323

**Quality Bank**

**WC Naphtha**

**2014-2023 Regression**

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.92441671
R Square	0.854546253
Adjusted R Square	0.852059864
Standard Error	7.788805879
Observations	120

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	41700.21385	20850.10693	343.6897075	1.0457E-49
Residual	117	7097.863151	60.66549702		
Total	119	48798.077			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	10.95044335	2.378550389	4.603830719	1.06127E-05	6.239848941	15.66103775	6.239848941	15.66103775
X Variable 1	0.698149048	0.082661853	8.445843141	9.49989E-14	0.534441579	0.861856517	0.534441579	0.861856517
X Variable 2	0.011998319	0.069919831	0.171601082	0.864047602	-0.126474243	0.150470881	-0.126474243	0.150470881

**Effective February 1, 2024**

Gasoline, K <sub>1</sub>	0.698
Jet Fuel, K <sub>2</sub>	0.012
Intercept, K <sub>3</sub>	10.950



# TAPS Quality Bank

## Average Resid Properties Resid Formula Yield Factors Effective: February, 2024

Month	MCR, %	°API	S, %
Jan 2023	22.8	6.1	2.48
Feb 2023	22.7	5.7	2.50
Mar 2023	22.3	5.8	2.70
Apr 2023	22.5	6.1	2.59
May 2023	23.1	5.7	2.49
Jun 2023	22.3	6.1	2.58
Jul 2023	22.0	6.0	2.46
Aug 2023	22.1	5.8	2.61
Sep 2023	23.0	5.9	2.51
Oct 2023	22.8	5.9	2.57
Nov 2023	22.9	5.8	2.54
Dec 2023	22.6	5.9	2.55
<b>Average</b>	22.6	5.9	2.55
<b>Base Yield</b>	23.0	5.5	2.50
<b>Difference</b>	-0.4	0.4	0.05

## Revised Coker Product Yield Multipliers

<b>Propane</b>	0.0348
<b>Isobutane</b>	0.0040
<b>Normal Butane</b>	0.0264
<b>LSR</b>	0.0606
<b>Naphtha</b>	0.0992
<b>Heavy Distillate</b>	0.2095
<b>Gas Oil</b>	0.3015
<b>Coke</b>	0.0612
<b>Fuel Gas</b>	0.2989

**TAPS Quality Bank**  
**2023 Common Stream Resid Properties**

	<u>PSVR PASSING</u>						<u>PSVR RETURN</u>						<u>PSVR REFERENCE</u>		
	<u>Stream M Bbls</u>	<u>Resid %</u>	<u>Resid M Bbls</u>	<u>MCR, %</u>	<u>°API</u>	<u>S, %</u>	<u>Stream M Bbls</u>	<u>Resid %</u>	<u>Resid M Bbls</u>	<u>MCR, %</u>	<u>°API</u>	<u>S, %</u>	<u>MCR, %</u>	<u>°API</u>	<u>S, %</u>
<b>Jan 2023</b>	13,354,801	14.7	1,963,156	22.9	6.1	2.48	1,304,526	21.3	277,864	22.2	6.3	2.50	22.8	6.1	2.48
<b>Feb 2023</b>	11,966,412	14.3	1,711,197	22.8	5.6	2.51	1,173,301	21.6	253,433	22.0	6.2	2.46	22.7	5.7	2.50
<b>Mar 2023</b>	12,891,953	14.8	1,908,009	22.2	5.8	2.73	1,276,601	22.1	282,129	22.7	6.1	2.51	22.3	5.8	2.70
<b>Apr 2023</b>	12,416,892	15.4	1,912,201	22.5	6.1	2.60	1,219,237	22.6	275,548	22.7	6.3	2.51	22.5	6.1	2.59
<b>May 2023</b>	13,580,803	14.4	1,955,636	23.2	5.7	2.49	786,504	19.8	155,728	22.1	6.2	2.54	23.1	5.7	2.49
<b>Jun 2023</b>	11,858,016	15.3	1,814,276	22.2	6.2	2.59	1,245,384	21.1	262,776	22.9	5.8	2.55	22.3	6.1	2.58
<b>Jul 2023</b>	11,301,967	15.7	1,774,409	21.9	6.0	2.45	1,208,580	21.1	255,010	22.9	5.8	2.55	22.0	6.0	2.46
<b>Aug 2023</b>	11,061,722	16.2	1,791,999	21.9	5.9	2.61	1,203,637	23.1	278,040	23.1	5.4	2.63	22.1	5.8	2.61
<b>Sep 2023</b>	11,596,401	15.9	1,843,828	23.1	5.9	2.50	1,216,843	23.5	285,958	22.5	5.6	2.55	23.0	5.9	2.51
<b>Oct 2023</b>	12,491,393	15.3	1,911,183	22.8	6.0	2.58	1,278,525	21.7	277,440	22.7	5.6	2.52	22.8	5.9	2.57
<b>Nov 2023</b>	12,181,160	15.4	1,875,899	22.9	5.8	2.54	1,171,174	22.1	258,829	22.6	5.9	2.58	22.9	5.8	2.54
<b>Dec 2023</b>	13,031,187	15.6	2,032,865	22.6	5.9	2.55	1,169,409	21.3	249,084	22.7	5.8	2.52	22.6	5.9	2.55
<b>2023 Avg.</b>				22.6	5.9	2.55				22.6	5.9	2.54	22.6	5.9	2.55