

PMCA Motor Fuels Committee Meeting
September 15, 2014
Wichita KS

Tom Palace called the meeting to order and introduced the guest speakers from Kansas Department of Agriculture - Weight & Measures, Lewis Hutfles and Doug Musick, program manager.

On the national level they are considering going 87 Octane all across the nation as the lowest octane approved in the retail sector. If national level approves it then each state will vote to adopt or not.

The national level is also looking into what octane level is approved to leave the rack, sub octane 85 or only allow a finished product to leave the rack which would be 87 Octane. At the present you can blend sub octane at the rack or at the dispenser.

Discussion was held on pros and cons

Scott Zaremba stated he does not want anymore regulations affecting the ability to blend at the pump or splash been at the rack. He feels all the octane tolerance level is the refiners' issues. W & M should test them more often. W & M test racks twice a year and retailers once every 18 months. Doug has set a target to test retail sites once every 16 months.

Kurt Wright mention the Magellan only brings 83 octane through their pipeline in KC so how do they blend 10% ethanol to make it an 87 octane. No good response.

KS W & M will be discussing these issue and others during their January meeting. If national group passes any new regulations then they would vote on it during the June meeting.

Testing of octane and other issues cost \$265 per sample and W & M does about 300 samples per year. They would like to increase this but the cost needs to come down. Tom and W & M have been discussing establishing a lab at KU where these samples can be tested. At this time the W & M has a two year contract with an out of state lab and would like to have something completed before that contract runs out.

W & M has an annual budget of \$790,000. W & M will need more funds if they test more at the current testing cost so they would propose to raise the per gallon fee for petroleum inspection fee fund.

Issues are money - KU would need to buy two engines and probably a new building to house them. Discussed briefly how to fund.

Benefits of State lab:

- In state lab
- Training for students on working in lab as well as maintenance of equipment
- More taxes stay in state
- Faster turn around

The next topic discussed was rejection periods. W &M has moved tolerance levels violations to 10 days and other violations stay at 30 days. There could be exemptions but probably not.

W & M is also discussing multi calibration points would have to be tested at each level from low flow to medium flow to high flow

W & M will hold an open house at their new facility in Manhattan on Thursday, September 18 at 2 pm with a ribbon cutting at 2:30 pm with Governor Brownback and other legislatures in attendance.

Time was short so all recommendations were tabled and a future meeting will be set up for committee members to discuss their position on these issues as well as others from the terminal side and others.

Meeting adjourned