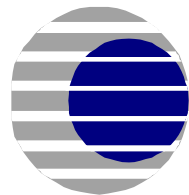


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*Transition to 15 ppm  
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## *Experiences to Draw on*

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- Annual RVP change over – since 1989



## *Experiences to Draw on*

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- Introduction of Oxygenated Gasoline – 1992
- Introduction of low sulfur diesel fuel – 1993
- Introduction of Simple Model RFG – 1995
- Introduction of Complex Model RFG – 1998

- Annual RVP change over – since 1989
  - Can produce blends below the maximum RVP to facilitate turn over

- Annual RVP change over – since 1989
- Introduction of Oxygenated Gasoline – 1992
  - Plenty of room between maximum oxygen limit and minimum specification requirement



- Annual RVP change over – since 1989
- Introduction of Oxygenated Gasoline – 1992
- Introduction of Simple Model RFG – 1995
  - Very similar to RVP change over

- Annual RVP change over – since 1989
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- Introduction of Complex Model RFG – 1998
  - Again, very similar to RVP change over

- Annual RVP change over – since 1989
- Introduction of Oxygenated Gasoline – 1992
- Introduction of Simple Model RFG – 1995
- Introduction of Complex Model RFG – 1998
- Introduction of Low Sulfur Diesel Fuel – 1993
  - Some things are the same
  - Some things are different



## *After Further, Further Review*

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- Introduction of low sulfur diesel fuel in 1993 will be the closest parallel for ULSD



## *Things That Are The Same*

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- Introduction of new product



## *Things That Are The Same*

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- Introduction of new product
- Drop dead compliance date

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- Immediate demand for product

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- Introduction of new product
- Drop dead compliance date
- Immediate demand for product
- Choices to make
- Adjustments to operations

- Introduction of new product
- Drop dead compliance date
- Immediate demand for product
- Choices to make
- Adjustments to operations
- Division of facilities or new construction



## *Things That Are Different*

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- Competing product still being marketed



## *Things That Are Different*

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- Competing product still being marketed
- Refinery Production is regulated 80/20, 100/0

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- Sulfur Credits
- Small refinery exclusion

- Competing product still being marketed
- Refinery Production is regulated 80/20, 100/0
- Initial need (verses demand) is zero, demand is...
- Choices are short term
- Radical changes to operations
- Sulfur Credits
- Small refinery exclusion
- Degrees of magnitude 3000 – 500 vs 400 - 15



# **TEPPCO** *Physical Transition, Initial staging*

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- June 1 – July ?



## **TEPPCO** *Physical Transition, Initial staging*

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- June 1 – July ?
- Won't be without problems

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- We have “outs” at this point



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## *Physical Transition, Initial staging*

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- June 1 – July ?
- Won't be without problems
- We have “outs” at this point
  - Downgrades
  - Little or no demand
  - Time



*Now Things Get Interesting*

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- July ? – August 31



*Now Things Get Interesting*

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- July ? – August 31
- Pace of downstream conversions





## *Now Things Get Interesting*

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- July ? – August 31
- Pace of downstream conversions
- Who/how many will handle both products?

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- Price differential vs inventory

- July ? – August 31
- Pace of downstream conversions
- Who/how many will handle both products?
- Price differential vs inventory
- Use of Credits?

- July ? – August 31
- Pace of downstream conversions
- Who/how many will handle both products?
- Price differential vs inventory
- Use of Credits?
- Out of the wood work/None to be had

- A non-event

- A non-event
  - No overnight change

- A non-event
  - No overnight change
  - Production control, 80/20

- A non-event
  - No overnight change
  - Production control, 80/20
  - No major distribution problems

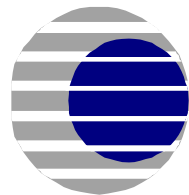


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