The NewsRoom

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MMS Seeking Comment on Small Refiner Program

Federal Register Notice Part of Program Analysis

DENVER – The Department of the Interior's Minerals Management Service (MMS) today published a <u>Federal Register notice</u> opening a 45-day public comment period on the bureau's "Small Refiner Program."

The "Small Refiner Program" provides access to crude oil supplies for domestic refining companies with a daily refining capacity under 125,000 barrels per day and up to 1,500 employees. This program is currently operating at a level of approximately 45,000 barrels per day in the Gulf of Mexico.

By law, MMS has the authority to take its royalties "in value," as a cash payment, or "in kind" as actual product, and then resell that product in the competitive marketplace. The law authorizes and directs the Secretary of the Interior to grant preference to small refiners when sufficient supplies of oil are not available in the open market.

In 1997, MMS began a closer examination of the small refiner program. This led to a structured and documented methodology to examine the needs of eligible refiners. MMS performed a full analysis of the program in 1999 and in 2003, and is now conducting its third full analysis.

As part of soliciting comments from the general public and other interested parties, MMS also is requesting that any refiner that meets or has met the qualifications of a small refiner to submit comments regarding the program, including their perception of the need for continuing the program. Comments should be sent to Colin Bosworth.

The Federal Register notice opening the comment period can be accessed via the web.

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MMS: Securing Ocean Energy & Economic Value for America
U.S. Department of the Interior