

Notes from 1/4/11 Sequence VG Surveillance Panel Conference Call

Attendees:

Andrew Ritchie, Gordon Farnsworth, Mike McMillan, Doyle Boese – Infineum

Jo Martinez, Mark Sutherland – Chevron

Ron Romano – Ford

Bruce Matthews, Matt Snider - GM

Raham Kirkwood, Bill Buscher – SwRI

Al Lopez – Intertek

Ed Altman, Dave Glaenzer – Afton

Rich Grundza – TMC

Jerry Brys, Alison Rajakumar, George Szappanos, Chris Castinean – Lubrizol

Mark Overaker, Wayne Petersen – Halterman

Timothy Caudill – Ashland

Timothy Miranda – Castrol

Adam Bowden, Jason Bowden – OHT

Zack Bishop, Clayton Knight - TEI

- 1) Minutes from December 20, 2010 conference call were approved without comment.
- 2) Chairman Ritchie indicated that the intent of this meeting was to review data from Row 3 of the new VG fuel approval matrix. Labs A and G have completed and reported their Row 3 data. Lab D is scheduled to complete its run tomorrow, although there are indications that this run may have to be declared operationally invalid; Lab B will complete its run on Saturday, Jan 8, and will report the data by Monday, Jan 10. Andy summarized the

data from the 2 new runs from Row 3, as were summarized in the Excel file which Gordon Farnsworth sent out. (See attached) Jo Martinez went through her analysis, which is also attached. AES shows discrimination at a p level of 0.12; the other parameters show discrimination at p values less than 0.05.

- 3) Discussion ensued as to whether to make a decision on whether to accept the new fuel batch now or wait for the results from the other 2 tests from Row 3 to complete. It was pointed out that it is possible we might be able to discriminate among the 3 oils if the other 2 results come in more severe, but even then the LS means for AES (particularly for Oil 925-3) are not likely to be close to the previous targets. Ron Romano expressed concern that an oil like 925-3 might be able to pass the GF-5 AES limit with the new fuel.
- 4) Possible options on how to proceed from here were laid out:
 - a. Reject the new fuel batch based on data obtained thus far. Implications of doing this are that the VG test likely becomes unavailable by about March 2011.
 - b. Reconvene next Monday, Jan 10, to review remaining Row 3 data. Each organization would canvass others within their organization for additional input and opinions.
 - c. Continue on with the matrix and complete Rows 3 and 4. Convene a meeting after that to discuss all of the matrix data, likely around Jan 18.
- 5) If the decision were made to reject the fuel now, Halterman indicated they have some ideas on how to make fuel more severe on sludge, but this would probably take about 3 months to enact, and the fuel approval matrix would then have to be rerun again. This would also likely add as much as \$4.00 per gallon to the cost of the fuel. Halterman indicated there was also a very high degree of uncertainty as to whether such an approach would be successful. Further discussion made it apparent the sentiment of the Panel was that the new fuel was likely too mild and unsuitable for acceptance, but the group was unwilling to make that decision today.
- 6) Action items:
 1. Halterman to put together a plan on what is required to make an adjustment to fuel, the time required to do it, the impact on the fuel cost, etc.
 2. Next conference call will be Monday, Jan 10, at 2 pm EST.

