

## In This Issue:

- API Invokes Provisional Licensing for API CK-4 and FA-4
  - Esso Italiana to Sell Augusta Refinery
  - NMMA Publishes Its 2018 TC-W3®, FC-W®, and FC-W Cat® Certified Oils Lists
  - Vivo Energy Launches GBP 2 Billion Africa-focused IPO
  - California and 17 Other States Sue U.S. EPA
  - Please Complete the Form to Subscribe!
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## API Invokes Provisional Licensing for API CK-4 and FA-4

The ASTM Caterpillar C13 Oil Aeration Test (COAT) Surveillance Panel Chair has informed API that there are currently no referenced ASTM D8047 (COAT) test stands that can be used to qualify oils against the API CK-4 and FA-4 standards. The COAT measures a diesel oil's ability to prevent aeration. In response to this notification, API's Engine Oil Licensing and Certification System (EOLCS) has invoked Provisional Licensing in accordance with paragraph 6.7 of API 1509, API's Senior Manager for Engine Oil Licensing and Certification System Kevin Ferrick announced in a letter last Tuesday.. Provisional Licensing may be requested by oil marketers that need to run the COAT test (but no other tests) to qualify a formulation against the API CK-4 or API FA-4 standard. Engine oils granted an API Provisional License will be listed in API's Directory of Licensees without any special designation. The licensee is still responsible for the satisfactory performance of all engine oils granted an API Provisional License. The requirements and application instructions for Provisional Licensing are provided below: 1. A request for Provisional Licensing of an oil formulation is made by checking the Provisional License box found on the Formulation Information screen of the EOLCS online application system. Note that this box should only be checked if an ASTM D8047 (COAT) test has not been completed on the formulation. 2. Once API has received notification from ASTM that the COAT test is available for candidate testing, a licensee with a provisionally licensed formulation will be notified by API that Provisional Licensing has ended and will be given 6 months from the date of notification to obtain a passing COAT result for each provisionally licensed formulation. 3. The licensee will receive instructions from API at the time of the above notification that will outline the necessary documentation and steps that will be required to reconcile the provisionally licensed formulations. 4. If a provisionally licensed oil fails to pass the COAT, the licensee must notify API immediately. The licensee agrees to take whatever corrective action (including product recall) that is deemed necessary by API to protect consumers or API in a time frame specified by API. 5. If a new oil formulation or confirmation of testing is not received by API by the end of the 6-month period, API will cancel the Provisional License for that formulation.

## Esso Italiana to Sell Augusta Refinery

Esso Italiana last Wednesday announced it has signed an agreement for the sale of its Augusta refinery, three fuel terminals in Augusta, Palermo and Naples, and associated pipelines to the Algerian state oil company SONATRACH. Esso Italiana and ExxonMobil will enter into multi-year commercial and technology agreements with SONATRACH for refinery products, including Group I base stocks and waxes, as well as the operation, improvement, and use of the Augusta, Naples and Palermo terminals. The Augusta refinery has the capacity to produce up to 14,000 barrels per day of Group I lube base oil. "ExxonMobil is committed to meeting its customer's evolving needs. We will continue to provide a reliable supply of Group I base stocks, globally and in EAME including the ExxonMobil AP/E CORETM slate manufactured in Augusta," said Julia Ruessmann, sales manager, EAME Basestocks & Specialties. "With this agreement and a robust manufacturing network around the world producing Group I CORETM, we will remain the largest global marketer of high-quality Group I base stocks." Base stocks and waxes from Augusta will continue to be marketed by ExxonMobil at current specifications. A dedicated transition team will ensure continuity of the business and prepare for a successful hand over and continuation of manufacturing of ExxonMobil products. "Customers can continue to rely on our CORETM and SN Group I base stocks to deliver consistent quality and broad blending coverage across the full viscosity range," said Ruessmann. "The transaction does not affect ExxonMobil's contracts and business relationships. We will continue to supply our base stocks and wax customer portfolio, with the goal of being their supplier of choice." The sale is expected to close by the end of 2018 and is subject to a number of conditions and applicable legal requirements.

## **NMMA Publishes Its 2018 TC-W3®, FC-W®, and FC-W Cat® Certified Oils Lists**

The National Marine Manufacturers Association (NMMA) is now showing online its 2018 lists of approved, or certified, TC-W3®, FC-W®, and Catalyst Compatible FC-W® engine oils. TC-W3® oils are recommended for use by two cycle engine manufacturers. FC-W® lubricants are required in today's high performance four-stroke engines. FC-W Catalyst Compatible® lubricants meet the catalyst-friendly four-stroke cycle marine engine oil specification that focuses on limiting catalyst poisoning.

NMMA licenses those two cycle lubricants that meet the stringent performance tests conducted by sanctioned laboratories approved by NMMA to conduct the tests. The tests include varied bench tests for fluidity, lubricity, viscosity, etc., plus the oil must meet minimum ring sticking and carbon build up on pistons in engine tests. The chemical make up of the TC-W3® oils vary due to the various additive packages involved with each oil brand. Accordingly, it's a performance based qualifications program. The testing process is comprehensive and expensive.

In previous discussions with Tom Marhevko, NMMA VP of Engineering Standards, Marhevko told OEM/Lube News "The oil registration program is on a calendar year so every year we archive the previous year list and start all over again. We continually add brands as they register. The renewals go out on December and most of the brands are renewed by April but stragglers come in throughout the summer and so the list is always being updated".

To view the complete 2018 TC-W3® list, visit <http://www.nmma.org/certification/oil/tc-w3>

To view the complete 2018 FC-W® list, visit <http://www.nmma.org/certification/oil/fc-w>

To view the complete 2018 Catalyst Compatible FC-W® list, visit <http://www.nmma.org/certification/oil/fc-wcat>

Please note: The pdf link to the 2017 lists are still shown on these NMMA pages. Please go toward the bottom of the page to view the 2018 lists.

## Vivo Energy Launches GBP 2 Billion Africa-focused IPO

Vivo Energy PLC launched on the London Stock Exchange on Friday May 4 with a valuation of nearly two billion pounds (US\$2.7 billion), the largest London IPO so far this year and the largest Africa-focused IPO in more than a decade. According to a Reuters report, the initial offer price for the just under 30 percent of the company floated equity was set at 165 pence (USD 2.24) per share and the shares advanced to 169.50 pence in conditional trading. The company is the downstream fuels joint venture of energy trading house Vitol and Helios Investment Partners, which are cutting their stakes in Vivo Energy. Vivo Energy sells Shell-branded fuels and lubricants at nearly 2,000 filling stations in 15 African countries. The IPO creates liquidity for its primary shareholders, bringing Vitol's ownership down to 40%, from 55%, and that of Helios to 30%, from 44%. The offer of 332.2 million shares equates to GBP 548 million (USD 742.52 million) representing 27.7% of the company. "It's a success," said Vivo chief executive Christian Chammas. "The offer was seriously oversubscribed." "Our success comes from the success of Africa," he said, noting that the average growth rate in the countries where the company operates is roughly 4% per year. "It's a different environment," he added. The IPO is the largest Africa-focused London listing since Telecom Egypt raised 514 million pounds on a 2.662 billion pound valuation in December 2005 and the most significant since Seplat raised \$500 million in a 2014 IPO with a market capitalization of \$1.9 billion.



## California and 17 Other States Sue U.S. EPA

Moving to curb toxic air pollution and improve car gas mileage, California Governor Edmund G. Brown Jr., California Attorney General Xavier Becerra and the California Air Resources Board announced on May 1, 2018 California is leading an 18-state coalition to sue the U.S. Environmental Protection Agency to preserve the nation's single vehicle emission standard. The 18 jurisdictions joining this legal action represent approximately 43 percent of the U.S. automobile market and approximately 140 million people: California, Connecticut, Delaware, District of Columbia, Illinois, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia and Washington. "The states joining today's lawsuit represent 140 million people who simply want cleaner and more efficient cars," said Governor Brown. "This phalanx of states will defend the nation's clean car standards to boost gas mileage and curb toxic air pollution." "The evidence is irrefutable: today's clean car standards are achievable, science-based and a boon for hardworking American families. But the EPA and Administrator Scott Pruitt refuse to do their job and enforce these standards," said Attorney General Becerra. "Enough is enough. We're not looking to pick a fight with the Trump Administration, but when the stakes are this high for our families' health and our economic prosperity, we have a responsibility to do what is necessary to defend them." "The standards we are fighting to protect were adopted in 2012 and don't take effect until 2022. They were a lifeline thrown to an industry that was in trouble and desperate for stability. They were based on the best judgment of engineers about what technology could achieve. And in fact they are being achieved today, years ahead of the deadlines, because of the good work of the auto industry," said California Air Resources Board Chair Mary D. Nichols. "But now Administrator Pruitt, based on no new information or facts, wants to roll back all that progress in the name of deregulation. The Final Determination is just the first step but it is intended to provide the legal basis for a decision that has already been made: to halt the progress that regulators and industry have made toward a new generation of vehicles. It does not withstand scrutiny and it will not stand." The lawsuit, which was filed in the United States Court of Appeals for the District of Columbia Circuit, seeks to set aside and hold unlawful the U.S. EPA's effort to weaken the existing clean car rules. The lawsuit is based on the fact that the U.S. EPA acted arbitrarily and capriciously, failed to follow its own regulations and violated the Clean Air Act. Beginning in 2010, the U.S. EPA, National Highway Traffic Safety Administration and California Air Resources Board established a single national program of greenhouse gas emissions standards for model year 2012-2025 vehicles. This program allows automakers to design and manufacture to a single target. The rules save drivers money at the pump, cut oil consumption, reduce air pollution and curb greenhouse gases. Last year, the U.S. EPA affirmed these standards were appropriate based on an extensive record of data. The California Air Resources Board also affirmed the standards were appropriate and that the federal government should continue to support a single national program for all states. On April 13, 2018, however, the U.S. EPA, without evidence to support the decision, arbitrarily reversed course and claimed that the clean car standards for model years 2022-2025 should be scrapped. The federal government offered no evidence to support this decision and the forthcoming rulemaking intended to weaken the existing 2022-2025 standards. The federal standard the states are suing to protect is estimated to reduce carbon pollution equivalent to 134 coal power plants burning for a year, and save drivers \$1,650 per vehicle. The car industry is on track to meet or exceed these standards. Last year, Governor Brown wrote a letter to the U.S. EPA Administrator to defend the existing emission standard.

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