Atlantic Technical Management & Harvest Midstream

to the RCAC

Tanker Screening Presentation
May, 2021

Who is Harvest Midstream?

- Harvest Midstream ("Harvest") is a privately-held transportation and logistics company providing specialized services to the energy industry.

- Harvest is headquartered in Texas and has operations in Alaska, Louisiana, New Mexico, Ohio, Pennsylvania and Texas.

- Harvest shares common ownership with its sister company Hilcorp.

- In Alaska, Harvest owns 49% of TAPS and the Valdez Marine Terminal along with other common carrier pipeline assets in Cook Inlet and on the North Slope.

- In specific areas, Harvest acts as agent for Hilcorp, managing several transportation and logistics aspects of its businesses, including the tankers calling on Valdez on Hilcorp's behalf.

- To broaden its knowledge and competency within the tanker and maritime industry Harvest partners with Atlantic Technical Management and other key contractors.

Who is Atlantic Technical Management?

Atlantic Technical Management (ATM) was founded over 30 years ago in response to a growing need for marine expertise for the oil, chemical and gas industry. ATM provides expert services, which include:

- Ship & Barge Inspections under the OCIMF SIRE system
- Ports, Terminals, Ship, Tug & Barge screening system
- Risk Assessments for Ship/Shore Interface
- Owner Audits for Ship & Barges

ATM draws on a vast reservoir of marine expertise among its team of Master Mariners, Chief Engineers, and USCG safety inspectors. ATM has performed over 10,000 SIRE inspections on ships, tugs & barges, and screened more than 12,000 vessels. ATM has developed a proprietary internet based vetting system that is specifically tailored to a company's individual ship vetting requirements.

Safety and security are paramount in maritime operations. ATM has the personnel and the resources to exceed these requirements.

Why have a screening system?

A screening system should be a repeatable process that ensures the chartering of high-quality vessels…

…the right vessel for the right voyage

Risk Management

- Screening is an independent review of a potential vessel to meet Harvest Midstream marine needs.

- Users establish company criteria that reflect specific regional operational requirements that includes terminal and port specific limitations.

- Define options if a vessel does not meet established company criteria.

Compliance

- Follow Corporate Guidelines to ensure consistency through out marine operations.

- Demonstrate that Insurance requirements are being maintained.

- Document that Industry Standards are being used in marine operations.

Accountability

- A screening program provides an auditable record to show that all marine vessels are reviewed and are meeting the established criteria.

Port/ Terminal Screening

The goal of a port/terminal screening program is to ensure that potentially scheduled vessels meet the safety standards of Harvest Midstream as well as the terminal and port limitations.

- Each port and facility have different limitations, the review of vessels based on an establish criteria ensures that the vessel matches the terminal requirements.

- Clear definition of Dock and Port Limitations allows for focused selection of vessels.

Vetting Policy

When defining a vetting policy, the company needs to ensure all aspects of their operations are reviewed and reflected. Consistent guidelines and parameters are key to a successful vetting policy.

Points to be considered:

- Vessel Age Limits

- New vessel on maiden voyage

- Physical Criteria – Berth Restrictions

- Age of Reports

- Approval Period

- Management Override Procedures

Vessel Screening

- The goal of vessel screening is to establish acceptable vessels to meet Harvest tonnage requirements.

- The review of potential ships utilizes established inspection protocols and industry accepted data bases.

- Ensure that owners, operators and vessels are meeting industry standards as well as worldwide compliance.

- Ensures that vessels under consideration match up to the load and discharge ports and terminals.

Screening Steps

ATM has developed a proprietary internet-based screening system that is specifically tailored to a company's individual terminals and ship vetting requirements.

Upon request from the client, ATM reviews the following info sources:

- **SIRE Report, Crew List & Vessel Particular Questionnaire**
    - Inspector observations, repeat findings, Officer language proficiency, consistent track record
- **Q-88**
    - Cross referencing data, disclosure of recent operational history and incidents
- **Lloyds casualty**
    - Vessel history and compliance risk ratings, notes of casualties or detentions
- **Paris/Tokyo MOU**
    - Port state inspections based on established criteria and protocols
- **Port State Information Exchange PSIX**
    - US Coast Guard inspections
- **Equasis**
    - Data repository for inspections and Classification Society documentation, certificates and expirations
- **Office of Foreign Assets Control (OFAC)**
    - Database of sanctions that have been imposed against a vessel (prohibited trade)
- **Negative news search**
    - Internet search for negative stories, shipwreck log or PR related to specific vessels

Screening Outcome

- The screening process uses the numerous data bases listed above to confirm vessel particulars, information about the owners and operators of the vessel and to ensure there are no outstanding concerns related to the vessel.

- The screening information allows for detail cross checking of information. If any additional information is needed from the operator details can be obtained from recognized sources.

- ATM would recommend against chartering vessels that do not meet the criteria, do not match the load or discharge port, or have blemishes discovered through the review process.

- Vessels that pass all criteria of the ATM review are passed along to Harvest for consideration.

- Vessels that pass are then subject to additional review by the Valdez Marine Terminal.

Putting the puzzle together

Will it fit?

Equasis

OFAC

Name of Operator

Operational History

Class Changes?

Negative News search

Change of Operator

Inspection History

Current Class?

Overall Fleet Profile

Voyage Risk Assessment

Review Current Sire Report

Flag Changes?

Can it load nominated cargo?

Crew