



# BC Petrinex Inclusion Change Leader Meeting #3

June 7, 2018



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# Agenda

- I. **Introductions**
- II. Project Overview
- III. Interoperability Testing Update
- IV. Training Update
- V. Allocations & Pipeline Splits Update
- VI. Update from the BC Oil & Gas Commission
- VII. Industry Conversion Communication Plan Update
- VIII. End to End Testing Overview
- IX. Important Dates & Steps to Readiness Update
- X. Questions

# Project Attendees

## BC Attendees:

Andrew Spence: Executive Director, Analysis & Planning  
BC Oil & Gas Commission

## Petrinex Attendees:

Ross Weaver: Manager, Petrinex Industry Team

Steve Freeman: Industry Coordinator – BC Lead

Farhat Siddiqui: Business Operations Director

Sheryl Moody: Communications and Stakeholder Support Coordinator

Christian Traue: Project Manager – Fujitsu Consulting

# Other Key BC Project Contacts

## Ministry of Finance – Mineral, Oil & Gas Revenue Branch:

Andrew Ritonja: Executive Director

Ross Cooke: Manager, Natural Resource Revenue Operations

Kathy Brulotte: Manager, Petroleum Operations

Dave Rogers: Petrinex-BC Project Director

## BC Oil & Gas Commission:

Mike Janzen: Manager, Asset Integrity & Retirement

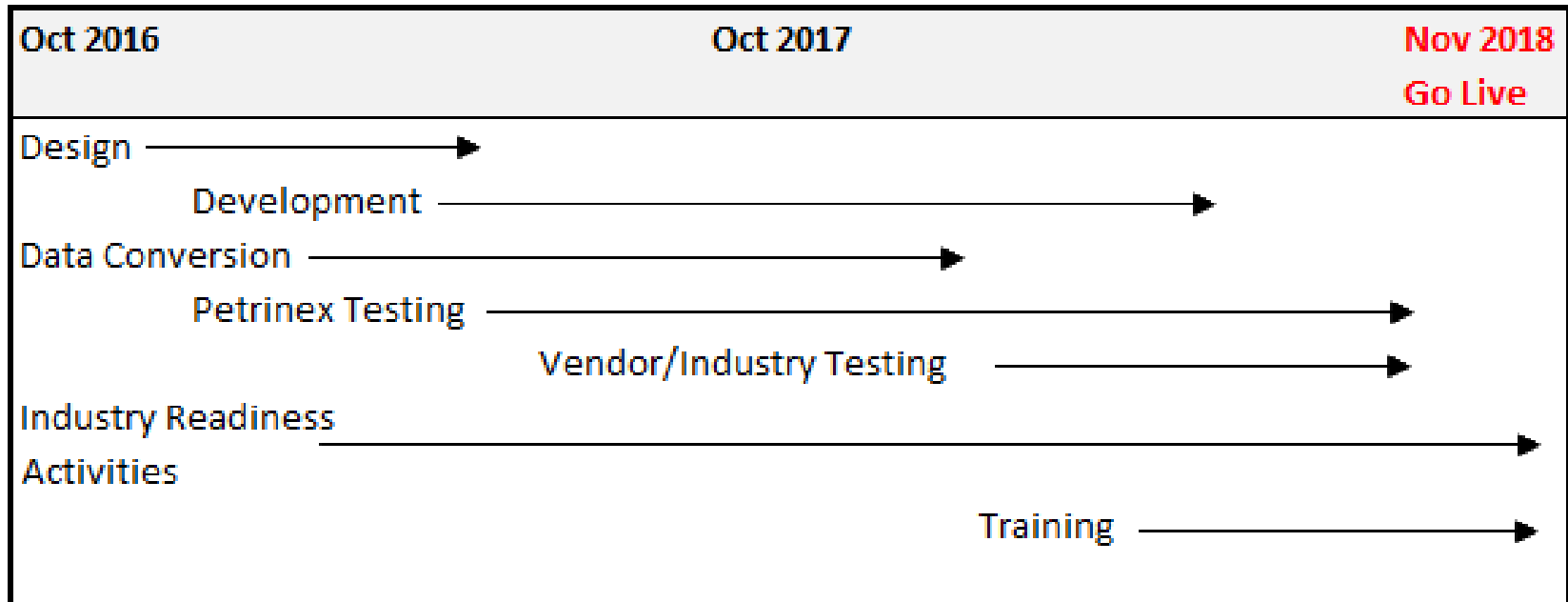
## Ministry of Energy, Mines & Petroleum Resources:

Geoff Turner: Director, Pricing, Tenure & Royalty Policy

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# High Level Project Scope & Timing



# High Level Project Scope & Timing

- Development has primarily been completed. Updates and fixes will continue through the summer.
- SME testing is ongoing and will continue through summer.
  - Current focus is on Allocations & NGL Valuation
  - On Deck: Allowable Costs
  - Completed or near completion in other areas
- Interoperability testing is open for everyone (more in next section).
- Work has begun on training modules (more in later section).
- Data conversion is ongoing.
  - The Industry Conversion Communication Plan was presented in the last CL Meeting and is posted in the PBCIP Industry Readiness Handbook (Appendix 11).
  - Updates will be provided later on in this presentation.

# High Level Project Scope & Timing

- Petrinex Go-Live for BC is November 5, 2018.
  - Reporting will begin for the October Production Month.
- The new TACS Finance system is scheduled to go-live on Nov 13.
- A conversion plan and cutover strategy was presented at the last Change Leader meeting and added to the PBCIP Industry Readiness Handbook.
- Planning for end to end testing of all systems has begun.
- Updates will be provided later on in this presentation.



# Industry Readiness Activities

- Industry company SME identification and recruitment for design workshops
- BC “Official” information release
- Stakeholder and Change Leader identification and contact info for “Scorecard”
- BC Business Change Committee set-up and meetings
- Joint or independent non-producer meetings (e.g. vendors, pipelines, waste plants)
- New Company processes
- Petrinex website changes (including BC “Initiatives Page”)
- Vendor specification release
- Industry Team annual billing
- **Industry Readiness Handbook (updates forthcoming)**
- **Change Leader Meetings**
- **Acceptance Testing (testing Allocations, NGL Val, Allowable Costs)**
- **Industry Conversion Communication Plan (updates forthcoming)**
- **Interoperability Testing**
- **Readiness Scorecard tracking & follow-up (emails, call-out program)**
- **Updates to EPAC, CAPP Acctg. Comm., Fiscal & BC EPGs, CAPP A etc.**
- **Training Development (Job Aids, training modules, videos)**
- SMOR (Small and Medium Operator Readiness) activities
- Training module content and release

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# Interoperability Testing

- Interoperability Testing provides both software vendors and operators a chance to submit batch files to the Petrinex Industry Team.
  - Files generated by PA Software systems (XML or CSV).
  - Manually created spreadsheets for uploading data to Petrinex (CSV).
- The Industry Team will run the submitted batch files in the test environment and provide feedback to the test submitter.
- Industry will not be engaged in testing online functionality.
- Vendors and operators will assess how much testing is appropriate.
  - Not every company will choose to engage in interoperability testing.
  - All upload processes should be covered through various participants' test submissions.

# Interoperability Testing

- Can test ALL kinds of submission files **NOW**.
  - Will accept files from both software vendors and Industry if ready.
- Change Leaders and software vendors were notified on May 16.
- Updated testing instructions are available on the Petrinex Website (Under Initiatives – Petrinex BC Inclusion Project Page) in the following two locations:
  - PBCIP Industry Readiness Handbook (Appendix 12)
  - Job Aids: - Instructions for BC Inclusion Project IIO Testing and Transmittal Form.
- Please ensure test files are using the proper revision/format for BC. Software vendors should check the sharepoint site to ensure they have the most recent IS document release.

# Interoperability Testing Cont'd.

Upload File Type	BC Revision #	Comments
Volumetrics	002	New fields for Temperature & Pressure (IF Reporting).
Waste Plant	001	Same as AB/SK.
Allocations	003	New fields for Shipper and RTP ID.
NGL/Sulphur Valuation	001	New functionality for BC.
Oil Pipeline Splits	003	Same as SK.
Oil Valuation (Royalty Tax Payer & Purchaser)	002	Looks same as SK, different price format.
Net Profit Allowable Costs	001	New functionality for BC.
PCOS Equipment Operator Change	001	New functionality for BC.

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# Training Update

- Changes are currently being made to existing learning modules to include a BC informational component and a BC step-by-step exercise.
  - Reviewing approximately 100 modules to determine which ones require a BC section and whether the functionality behaves differently in BC than other jurisdictions.
- New training modules will be developed for new BC functionality.
  - PCOS
  - Allowable Costs
  - NGL/Sulphur Valuation
- Release of modules scheduled to begin in Q3 of this year.
- Instructions for getting access to training modules will be communicated at the next Change Leader Meeting in the fall.

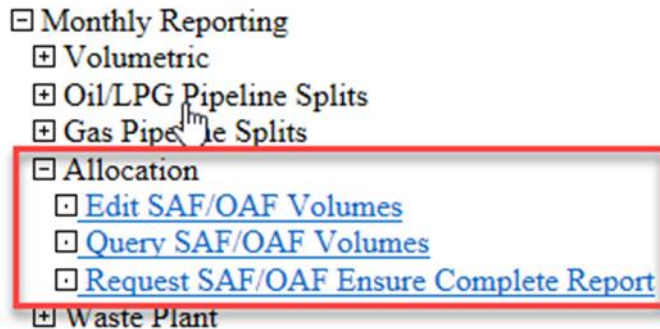
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# Allocations Development Update

- Allocations development has been recently completed.



- Allocations can only be filed by SAF/OAF volumes in BC. There is no factor reporting.
  - No Edit/Query screens for Stream Factors, Owner Factors.
  - No static factors.
  - Cross-border cascades are not affected by submission type.
    - BC operator can respond to AB cascade by volume regardless if AB operator filed allocations by factor.
    - AB operator can respond to BC cascade by factor even though BC operator filed allocations by volume.

# Allocations Development Update Cont'd.

- Certain allocations are considered to be “trigger” allocations and must be completed for regulatory purposes before the monthly deadline (25<sup>th</sup> of following month).
- Required allocations are triggered by certain volumetric transactions. These allocations are extracted and sent to Ministry monthly.
  - Allocations can be filed for any volumetric transaction (trigger or not).
  - Non-trigger allocations (partner to partner) are not part of the ministry extract.
- Completed allocations volumetric trigger table. Triggers are sorted into 8 different Allocation Types in Petrinex:
  - Gas Royalty
  - Royalty (GP/COS) – Plants that deliver to Younger
  - Dry Gas
  - Field Sale
  - Inlet COS
  - Royalty Volume Credit – Return fuel from MS
  - Returned Gas COS – Return fuel from GP
  - NGL Royalty

# Allocations Triggers

## Marketable Gas

- Gas Royalty – typical situation where BC produced gas moves from the plant to the meter station (BC or AB plants).
- Royalty (GP/COS) – plants delivering to Younger have their own trigger for royalty purposes.
- Dry Gas – movement of gas from a dry gas source (BT/GS) directly to a meter station (BC or AB MS).

Trigger Type	Product	Activity	Submitting Facility	From/To Facility	Energy Required
Gas Royalty	GAS	DISP	BC GP	BC MS	Y
Gas Royalty	GAS	DISP	AB GP	AB MS	Y
Royalty (GP/COS)	GAS	DISP	BC GP 0007806	BC GP	Y
Royalty (GP/COS)	GAS	DISP	BC GP 0007743	BC GP	Y
Royalty (GP/COS)	GAS	DISP	BC GP 0000439	BC GP	Y
Dry Gas	GAS	DISP	BC BT	BC MS	Y
Dry Gas	GAS	DISP	BC GS	BC MS	Y
Dry Gas	GAS	DISP	BC BT	AB MS	Y
Dry Gas	GAS	DISP	BC GS	AB MS	Y

# Allocations Triggers Cont'd.

## Gas Field Sales

- Gas that is sold directly between 2 facilities upstream of the meter station require an allocation for royalty purposes.
  - Volumetric PURDISP/PURREC activities.
- No cross-border field sale entries permitted.

Trigger Type	Product	Activity	Submitting Facility	From/To Facility	Energy Required
Field Sale	GAS	PURDISP	BC BT	BC BT	N
Field Sale	GAS	PURDISP	BC BT	BC IF	N
Field Sale	GAS	PURDISP	BC BT	BC GS	N
Field Sale	GAS	PURDISP	BC BT	BC GP	N
Field Sale	GAS	PURDISP	BC BT	BC CT	N
Field Sale	GAS	PURDISP	BC GS	BC BT	N
Field Sale	GAS	PURDISP	BC GS	BC IF	N
Field Sale	GAS	PURDISP	BC GS	BC GS	N
Field Sale	GAS	PURDISP	BC GS	BC GP	N
Field Sale	GAS	PURDISP	BC GS	BC CT	N
Field Sale	GAS	PURDISP	BC GP	BC BT	N

# Allocations Triggers Cont'd.

## Raw Gas Inlet

- BC produced gas that is delivered from any facility upstream of the plant to the inlet of the plant (BC or AB plant) for cost of service.

<b>Trigger Type</b>	<b>Product</b>	<b>Activity</b>	<b>Submitting Facility</b>	<b>From/To Facility</b>	<b>Energy Required</b>
Inlet COS	GAS	DISP	BC BT	BC GP	N
Inlet COS	GAS	DISP	BC GS	BC GP	N
Inlet COS	GAS	DISP	BC GP	BC GP	N
Inlet COS	GAS	DISP	BC BT	AB GP	N
Inlet COS	GAS	DISP	BC GS	AB GP	N
Inlet COS	GAS	DISP	AB BT	AB GP	N
Inlet COS	GAS	DISP	AB GS	AB GP	N

# Allocations Triggers Cont'd.

## Return Fuel

- Gas returned to the field from a meter station (off the pipeline) is a trigger for the Royalty Volume Credit.
  - Allocation must include the BT ID so that Finance can determine the Returned Fuel GP ID from Facility Infrastructure. If a GS receives the fuel first, must cascade to the BT before allocating to wells.
  - Industry allocates to any wells that deliver to that GP.
- Gas returned to the field directly from a plant is a trigger for Cost of Service reduction (Returned Gas COS).

Trigger Type	Product	Activity	Submitting Facility	From/To Facility	Energy Required
Royalty Vol Credit	GAS	REC	BC BT	BC MS	Y
Royalty Vol Credit	GAS	REC	BC GS	BC MS	Y
Royalty Vol Credit	GAS	REC	BC IF	BC MS	Y
Ret. Gas COS	GAS	REC	BC BT	BC GP	N
Ret. Gas COS	GAS	REC	BC GS	BC GP	N
Ret. Gas COS	GAS	REC	BC IF	BC GP	N

# Allocations Triggers Cont'd.

## NGL Royalty

- NGL/Sulphur products processed at the plant are a trigger for royalty purposes.
- Any BA identified as RTP in allocation must submit NGL/Sulphur valuation. This includes Non-op BAs.

Trigger Type	Product	Activity	Submitting Facility	From/To Facility	Energy Required
NGL Royalty	C2-SP	PROC	BC GP		N
NGL Royalty	C3-SP	PROC	BC GP		N
NGL Royalty	C4-SP	PROC	BC GP		N
NGL Royalty	C5-SP	PROC	BC GP		N
NGL Royalty	LITEMX	PROC	BC GP		N
NGL Royalty	C1-MX	PROC	BC GP		N
NGL Royalty	CO2-MX	PROC	BC GP		N
NGL Royalty	C2-MX	PROC	BC GP		N
NGL Royalty	C3-MX	PROC	BC GP		N
NGL Royalty	C4-MX	PROC	BC GP		N
NGL Royalty	C5-MX	PROC	BC GP		N
NGL Royalty	SUL	PROC	BC GP		N
NGL Royalty	C5-SP	PROC	BC GS		N

# New Allocations Auto-populated Fields

- Petrinex will auto-populate new fields depending on the allocation trigger type (Type, Royalty Trigger Facility, Linked Pipeline).

## Edit SAF / OAF Volumes

Facility ID:  ... Location:  Production Month:

Name:

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Product	Activity	From/To	Cascade From	Select From:
<input type="text"/> ...	<input type="text"/> ...	<input type="text"/> ...	<input type="text"/> ...	<input type="button" value="Volumetrics"/>
Volume:		Energy:		<input type="button" value="SAF/OAF"/>
Royalty Trigger Facility:		Type:		<input type="button" value="Cascade SAF"/>
Linked Pipeline:				<input type="button" value="Go"/>

Royalty Type	Royalty Trigger Facility	Linked Pipeline
Gas Royalty	First GP downstream of well	PL linked to MS
Royalty (GP/COS)	First GP downstream of well	N/A
Dry Gas	Submitting BT/GS	PL linked to MS
Field Sale	N/A	N/A
Inlet COS	First GP downstream of well	N/A
Royalty Vol Credit	Returned Fuel GP for BT in Facility Infrastructure	PL linked to MS
Returned Gas COS	Returned Fuel GP for BT in Facility Infrastructure	N/A
NGL Royalty	First GP downstream of well	N/A



# Cross-Border Allocations

- Three allocation trigger types make reference to BC-Produced gas flowing to BC:
  - Gas Royalty
  - Dry Gas
  - Inlet COS
- AB facility operators need to be made aware of allocations reporting changes effective for October production month.
  - Allocating across the border can't be directly to the well level.
  - BC-Produced gas will need to be allocated back to a valid BC facility ID for the 3 triggers listed above.
  - BC operators need to have volumes cascaded to them before the BC allocations deadline. Alberta allocations deadline is 45 days after production. BC require allocations to be filed by the 25<sup>th</sup> day.
  - Trigger for AB-Produced gas going to BC is still the raw disposition out of AB (royalty network).
  - AB operators do not need to respond to cascades from BC unless there is BC-produced gas to allocate further. Operators may choose to respond for partner to partner reporting purposes.

# Allocations Ensure Complete Process

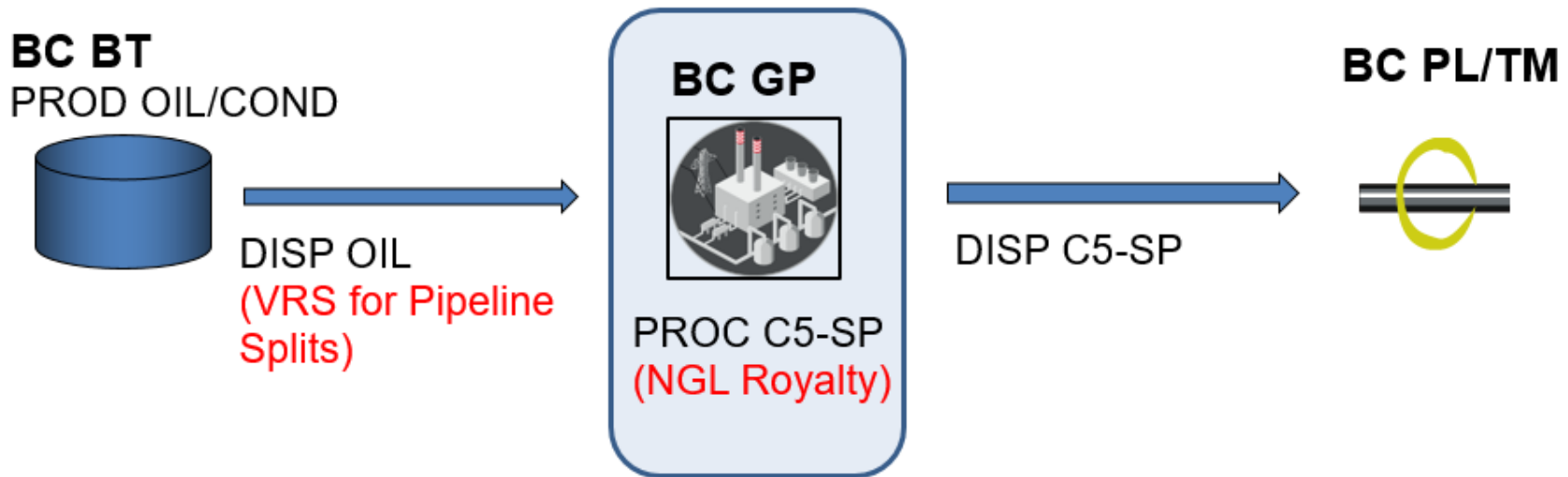
- If FIN does not receive an allocation for all trigger volumes with royalty implications, the operator may be charged a provisional assessment.
- If a stream ID or BA ID reported on the allocation is not valid, the volume associated with that row is subject to provisional assessment.
  - Allocation is considered to be incomplete.
- The provisional assessment is a financial charge to operators for the estimated royalty on the volumes that have not been allocated to a stream/owner level. The charge is calculated using the highest royalty rate for the product in question and no deduction for operating costs, etc. is allowed.
- The Petrinex Allocations Ensure Complete helps operators understand where there are problems in allocations.
  - Users may request the report online at any time.
  - Auto-generated report is sent to operators 2 days before deadline.
  - Final report is sent to operators after the deadline.

# Allocations Ensure Complete Process Cont'd.

- The Ensure Complete report checks all trigger allocations and notifies the operator responsible for the allocation if there are any applicable error/warning messages:
  - Missing allocation submissions
  - Missing responses to cascades
  - Invalid Stream IDs (facilities, wells, units)
  - Invalid BA ID (owner, shipper, RTP)
  - Use of BA ID for owner or RTP that does not have a WIO role
- Incomplete allocation submissions due to the use of invalid streams or BA IDs are identified in the ensure/complete process. Petrinex does not reject the submissions up front. Objective is to ensure that all stakeholders in the submission (cascaded to operators, owners, RTPs, etc) are not adversely affected by errors in only a portion of the submission.
- Petrinex will auto-balance the submission. If submitted volumes/energy do not balance to the trigger volume/energy, Petrinex will auto-adjust the submission rows proportionately to match the trigger figures.

# Pipeline Splits Update

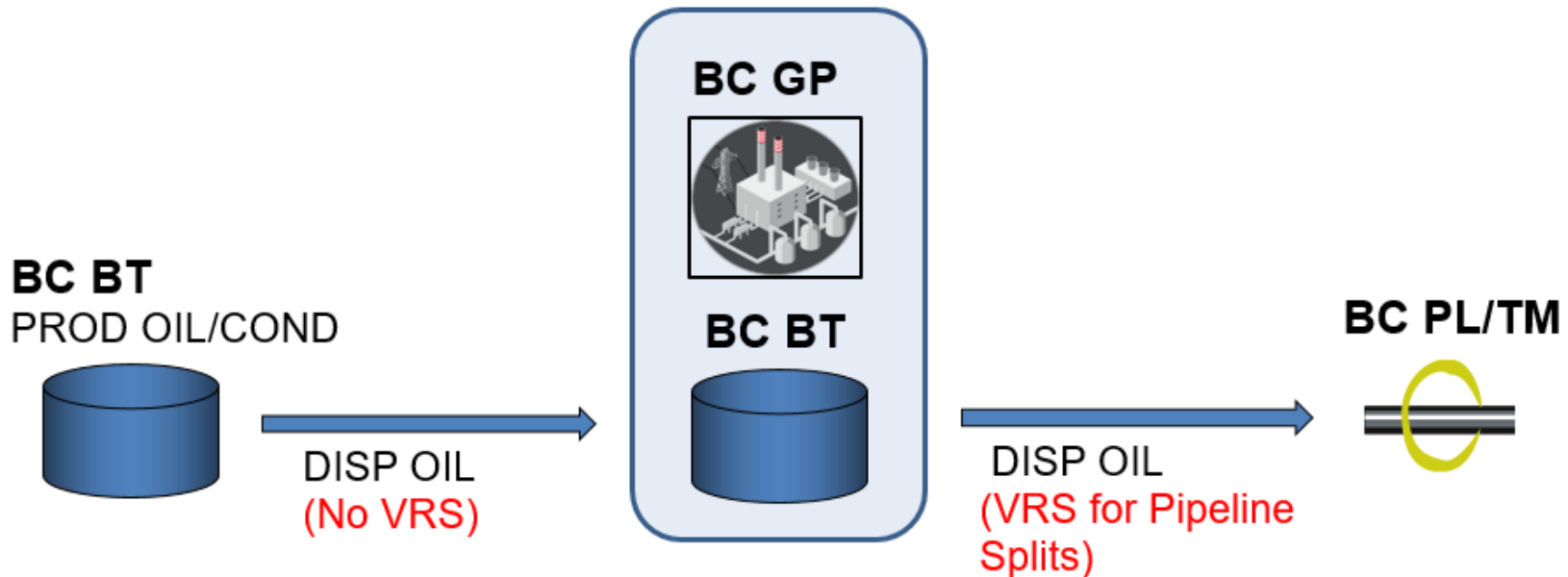
## GAS PLANT IS THE CUSTODY TRANSFER POINT



- Oil or Field Condensate is delivered to the plant as product OIL.
- Plant is combining with C5-SP that is processed out of the gas.
- Entire volume leaves the plant as product C5-SP.
- Trigger a pipeline split for volume delivered to plant.
  - Volume is cascaded back to the producing BT.
  - RTPs submit oil valuation for their share of delivered volume
- NGL royalties are triggered for PROC volume of C5-SP (from gas).
  - Volume is cascaded back to producing wells.
  - RTPs submit NGL valuation for their share of PROC volume.

# Pipeline Splits Update Cont'd.

## GAS PLANT IS NOT THE CUSTODY TRANSFER POINT



- Oil or Field Condensate is delivered to the plant as product OIL.
- Entire volume leaves the plant as product OIL.
- Create a separate BT ID (representing the tank at the plant). Have that BT receive the OIL.
- Trigger the pipeline split when the volume reaches its true custody transfer point (pipeline, terminal, etc.)
  - Volume is cascaded back through new BT ID to producing BTs.
  - RTPs submit oil valuation for their share of delivered volume.

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**BC Oil and Gas Commission**  
**Change Leaders Update**  
**June 7, 2018**



# Agenda

- BA data collection process update
- Data conversion update
- Commission process and system changes
- Overview of implementation support



# BA Data Collection Process

- **Industry Bulletin issued on March 23, 2018**
  - 102 operators registered to date through BA Data Collection Form
  - Commission identified unregistered companies expected to require access so that additional communications could occur (completed through Px industry readiness team)
  - Please review company information within Conversion Information Files for accuracy
- **Operators will not have access to Petrinex at launch if registration process is not completed**
  - Access will be granted through Commission's service desk in collaboration with Petrinex USA setup and password reset process.
  - Information is available on the Petrinex readiness webpage within Industry Zone of [bcogc.ca](http://bcogc.ca)

# BA Data Collection Form - Clarifications

- **Form includes both Petrinex and OGC information requirements**
  - Permit holders must complete entire form; WIO, RTP, other operators only need to complete address and primary/backup USA
- **Petrinex information for access and password generation:**
  - Primary USA to govern access for persons in your organization
  - Backup USA is optional
- **Other information is to confirm OGC data for process and validation of conversion to Petrinex:**
  - **OGC Company Admin:** controls user access to OGC systems (usually IT)
  - **OGC Asset Transfer Admin:** responsible for permit transfers
  - **OGC Financial Admin:** Responsible for e-Payment administration
  - **OGC General Fin email:** the general email for your company's finance dept.

Understood that Change Leaders may not have this information readily available. OGC can assist with clarifications of the requirements.

# Data Conversion Update

- **Data conversion and data clean up is an ongoing task**
  - June 1 snap-shot of operational data loaded to the Petrinex test environment this week.
  - No significant issues identified during industry review of converted infrastructure data
  - Current MEMID will become BA code
    - Some differences identified between FIN and OGC operator MEMIDs
    - Update process is in place to correct records and communicate with affected operators
  - Questions about converted infrastructure data go to [petrinex.conversion@gov.bc.ca](mailto:petrinex.conversion@gov.bc.ca)

# Process and System Changes

- **BC-S18**
  - Currently submitted via eSubmission but will transition to Petrinex
  - eSubmission access will allow modifications to historic submission
- **BC-11**
  - Currently submitted to Ministry of Finance then some data is passed to the Commission
  - Commission specific data will now be submitted via eSubmission to enable operators to create completion events
  - Company administrators provide eSubmission access
- **Facility Management**
  - Temporary reporting batteries replaced with industry self reporting in Petrinex
  - Self reporting of well-to-facility and facility-to-facility linkages in Petrinex
  - Water hub (battery) subtype created – balancing challenges for pits to be handled with inventory adjustments

# Process and System Changes

- **Corporate Registry and Asset Management**
  - The registration of new companies (BA's) will be managed within Petrinex
  - Corporate amalgamations and name changes will be initiated through the Commission.
  - Permit and Asset transfer processes are initiated through Commission
- **Website reports via Data Downloads**
  - Commission reports will be updated to reflect the changes made to align to Petrinex.
- **Legislative changes**
  - Changes made to Drilling and Production Regulation, Petroleum and Natural Gas Act, and Fee, Levy, and Security Regulation, to align reporting/invoicing dates with Petrinex

# Implementation Support

- **Training**
  - Commission led training will be limited to new eSubmission functionality
  - May be delivered through change leader program, webinar, or website video
  - Input from change leaders on preference
- **Support Materials**
  - Updates to Commission manuals
    - Minor changes to Oil and Gas Activity Application Manual
    - Updates to Oil and Gas Activity Operations Manual
    - Updates to Permit Operations and Administration Manual
    - Updates to the eSubmission User Guide
- **Frequently Asked Questions**
  - Limited in scope to content not captured within Petrinex support materials

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# Industry Conversion Communication Plan

## 3 Major Components of the Plan

### 1. Information Collected From Industry

- Business Associate: OGC BA Data Collection Form
- Facility: Gas Gathering Systems, Meter Stations, Pipelines

### 2. Conversion Information Files Shared With Industry

- Business Associate
- Well & Facility
- PCOS Equipment
- Royalty Tax Payer & Royalty Tax Attributes

### 3. Activities at Go-Live

- Primary USA sets up users/roles
- Opening Inventories
- Infrastructure Updates
- Related BAs for Oil Valuation purposes
- Linking gathering lines to batteries for PCOS
- **Setting MS auto-populate options (if desired)**



# 1. Information Collected From Industry

- Gas Gathering Systems
  - Enbridge currently cascades to Receipt Points (RP) in their allocations.
  - Petrinex process is to cascade back to a Facility ID.
  - Enbridge identified all RPs to be converted to GS facilities along with the operator of those facilities. This list was been modified a bit with input from the operators.
  - Many companies also provided a list of operated GS facilities outside of the Enbridge network.
- Meter Stations
  - Gas moving onto and off of a pipeline is reported in Petrinex using a Meter Station ID.
    - Residue gas moving from a gas plant or dry gas source to a downstream sales pipeline or gas returned to the field for Industry use.
  - Integral part of volumetrics and gas allocations.
    - Certain volumetric transactions reported at meter stations trigger a need for an allocations split.
- Pipelines
  - All gas transporter, gas distributor, oil, and NGL pipelines.

# 1. Information Collected From Industry

- All facilities collected from Industry were loaded into our test environment with 100% success.
  - Almost 250 GS facilities including Enbridge receipt points and non-Enbridge facilities.
  - Almost 150 MS facilities connected to gas pipelines for Enbridge, TCPL, Alliance and PNG (delivery and return fuel).
  - 9 PL facilities for gas, oil, and NGL.
- Industry created facilities will be included in the next data conversion file refresh happening in June.
- Can continue to accept updates up to **October 25**. This will help ensure that changes that occur in the next few months are included in the final data conversion for Go-Live.

## 2. Conversion Information Files Shared With Industry

- Industry conversion files are currently posted on the OGC website at <https://www.bcogc.ca/industry-zone/petrinex-bc-inclusion-project>.
  - Business Associate
  - Well Conversion (Well/Well Event & Well-Facility Link)
  - Facility (Facility ID, License, Subtype Descriptions)
  - PCOS Equipment (currently only has gathering lines)
  - Royalty Tax Payer (Well, Unit)
  - Royalty Tax Attributes (Well, Unit, Revenue Sharing, Net Profit)
- Files are saved in a spreadsheet format to allow industry to search and filter content easily.
- BA Update form is also posted on website along with email address to send completed forms to.

## 2. Conversion Information Files Shared With Industry

- Instruction document is also posted on the website to help Industry understand the information being shared.
  - Explanation of all files shared on the website.
  - Instructions for the OGC BA Collection form.
  - Instructions/Email Address for communicating errors in the conversion files or other conversion concerns.
    - [Petrinex.Conversion@gov.bc.ca](mailto:Petrinex.Conversion@gov.bc.ca) for most conversion concerns (excluding PCOS gathering lines)
- Conversion data refresh is currently underway in the Petrinex test environment. Once completed, files on the website will be updated.
- Facility file will include the newly created Industry facilities (GS/MS/PL).

## 2. Conversion Information Files Shared With Industry

- PCOS Equipment file will include all equipment types.
- PCOS Management equipment links for individual BTs will not be shared on the website as this information is not publicly available to everyone.
  - Finance has already distributed links as part of the 2018 PCOS rate approvals
- Next data conversion refresh will begin in late August. Files will be updated and reposted in September. This is the last refresh before final data conversion for Go-Live.
- Industry is encouraged to continue reviewing refreshed files to ensure data accuracy and to ensure that any corrections previously communicated have been made.
  - Wrong facility type/subtype, well-facility linkages, well statuses, etc.
  - Missing wells, facilities, PCOS equipment, etc.
  - Review GS/MS/PL. Emphasis on return fuel MS (subtype 632/638)

# 3. Activities at Go-Live

- Primary USA sets up users/roles
  - User IDs must be created and assigned User Security Roles before any reporting can commence on Petrinex.
- Opening Inventories
  - Users will report opening inventories as Inventory Adjustments in Petrinex.
    - Inventory at Facility level will use activity INVADJ
    - Load Inventory at Well level will use activity LDINVADJ
- Infrastructure Updates (Facility)
  - Operators of batteries that receive return fuel that is eligible for a credit MUST update the returned fuel information in Facility Infrastructure.
  - Applies to facilities receiving return fuel from a meter station.

# 3. Activities at Go-Live

- Infrastructure Updates (RTP)
  - Companies that have been assigned RTP operatorship responsibility for a stream may use the Operator Changes functionality in Petrinex to request an operator change if necessary.
- Related BAs for Oil Valuation purposes
  - Oil Valuation Purchaser records are not created for non-arm's length sales (owner/purchaser are the same in the pipeline split). Some companies may have different BA IDs for producing and marketing functions. This is still considered a non-arm's length sale (BAs are related).
  - Companies may enter their Related Business Associates in the Audit menu section of Petrinex.
- Linking gathering lines to batteries for PCOS
  - Industry must link the new BC Gathering Line IDs provided by the Commission to their batteries for PCOS reporting.
  - Industry has until December 31, 2018 to update the gathering line linkages in Petrinex.

### 3. Activities at Go-Live

#### Set Meter Station Auto-Populate Facility (optional)

- Auto-populate options are set through Edit Facility Infrastructure in Petrinex.

<b>Common Stream Operator:</b>	<input type="text" value="02774"/>	<b>Meter Station - Pipeline Link:</b>	<input type="text" value="BC PL 0000001"/>
<b>Auto Populate Flow Through:</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No	<b>Meter Station - Auto Populate Facility Link:</b>	<input type="text"/>

- All MS facilities are being setup with auto-populate set to "No."
- If there is only one upstream facility connected to the meter station, then it makes sense to set the auto-populate option to "Yes" and enter the Facility Link.
- Either the MS operator (same as PL operator) or Common Stream Operator (CSO) can change the auto-populate option.
  - The CSO is the operator of the upstream facility.
  - Does not apply to non-reporting MS facilities.



# 3. Activities at Go-Live

## MS Subtypes that deliver onto the Pipeline

### Subtype 631: Field Receipt/Reporting (Enbridge/TCPL)

- When auto-populate is set to "No" then:
  - CSO submits receipt at MS from upstream facility (volume/energy).
  - Receipt creates auto-populated disposition from upstream facility.
  - PL operator submits disposition at MS to pipeline (volume/energy).
  - PL operator also has ability to submit receipt if necessary. CSO never has ability to submit the disposition.
  - MS receipt and disposition must balance.
- When the auto-populate is set to "Yes" then:
  - PL operator submits disposition at MS to pipeline (volume/energy).
  - Petrinex auto-creates the receipt from the upstream facility at the MS and the auto-populated disposition at the upstream facility (volume/energy).
  - CSO does not make submission at MS.

## 3. Activities at Go-Live

### Subtype 637: NEB/Non-Reporting (Alliance/PNG)

- Non-reporting means that the PL operator has elected not to report in Petrinex.
- Must still set up a non-reporting PL and non-reporting MS facilities to accommodate volumetric/allocation reporting.
- Non-reporting facilities are created by the OGC when needed.
- For non-reporting facilities auto-populate is always set to “No”:
  - CSO/upstream operator submits disposition from upstream facility to MS (volume/energy).
  - No other entries are needed.
  - Disposition to the MS will trigger necessary allocation.

# 3. Activities at Go-Live

## MS Subtypes that deliver from Pipeline to the Field

### Subtype 632: Interconnect Receipt/Reporting (Enbridge/TCPL)

- When auto-populate is set to “No” then:
  - PL operator submits receipt at MS from pipeline (volume/energy).
  - CSO submits disposition at MS to upstream (volume/energy).
  - Disposition creates auto-populated receipt at upstream facility.
  - PL operator also has ability to submit disposition if necessary. CSO never has ability to submit the receipt.
  - MS receipt and disposition must balance.
- When the auto-populate is set to “Yes” then:
  - PL operator submits receipt at MS from pipeline (volume/energy).
  - Petrinex auto-creates the disposition to the upstream facility at the MS and the auto-populated receipt at the upstream facility (volume/energy).
  - CSO does not make submission at MS.

## 3. Activities at Go-Live

### Subtype 638: NEB/Non-Reporting Interconnect (Alliance/PNG)

- For non-reporting facilities auto-populate is always set to “No”:
  - CSO/upstream operator submits receipt at upstream facility from MS (volume/energy).
  - No other entries are needed.
  - Receipt from MS will trigger necessary allocation.

# Agenda

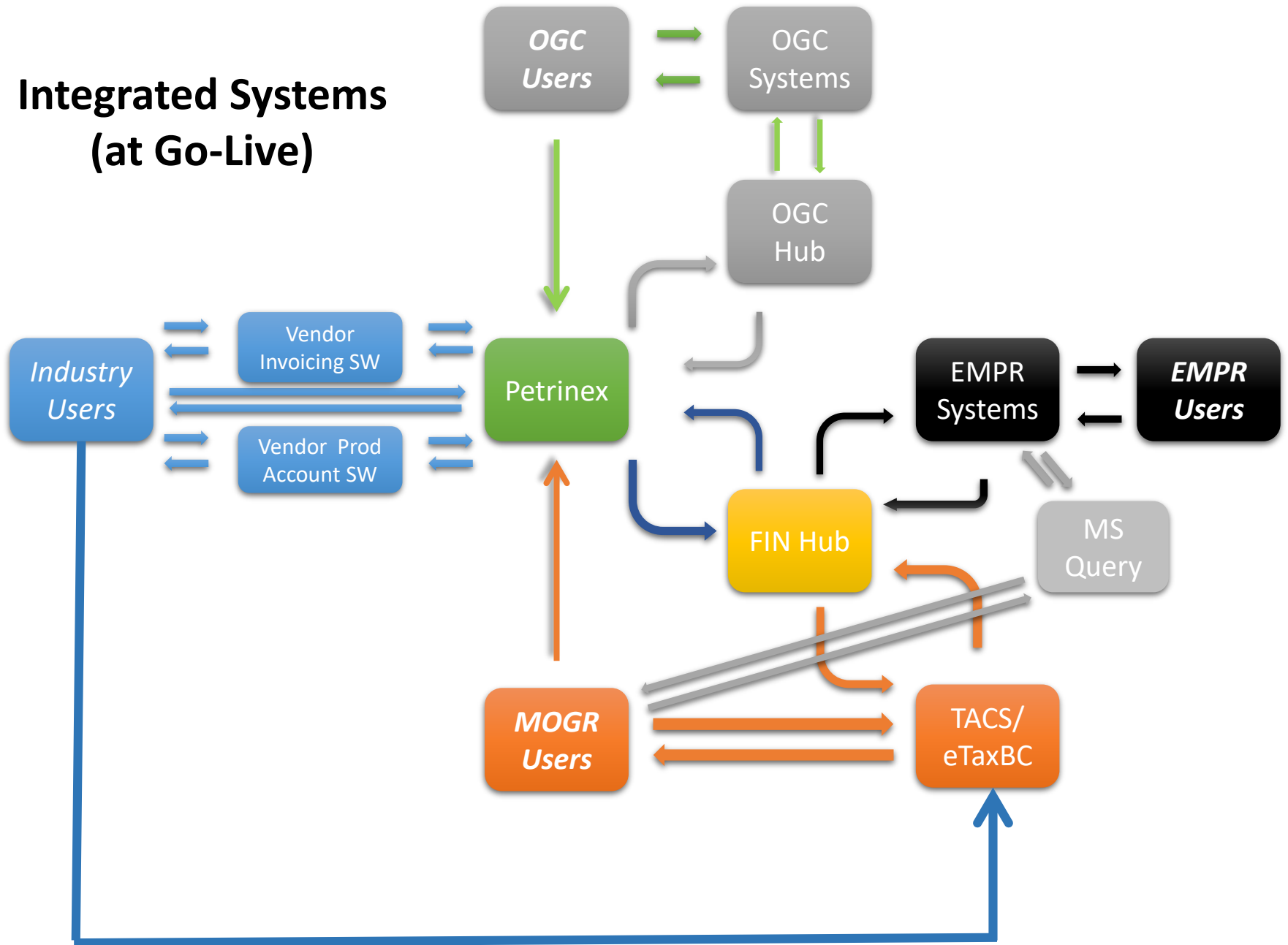
- I. Introductions
- II. Project Overview
- III. Interoperability Testing Update
- IV. Training Update
- V. Allocations & Pipeline Splits Update
- VI. Update from the BC Oil & Gas Commission
- VII. Industry Conversion Communication Plan Update
- VIII. End to End Testing Overview**
- IX. Important Dates & Steps to Readiness Update
- X. Questions



# End to End Testing

- End to End testing will take place from Sep 4 – Oct 22.
  - 3 separate test runs building upon each other.
  - Addition of new data, amendment of prior period.
- Test paths have been defined.
- Involves all aspects of data being exchanged between OGC, Petrinex, and Finance.

# Integrated Systems (at Go-Live)



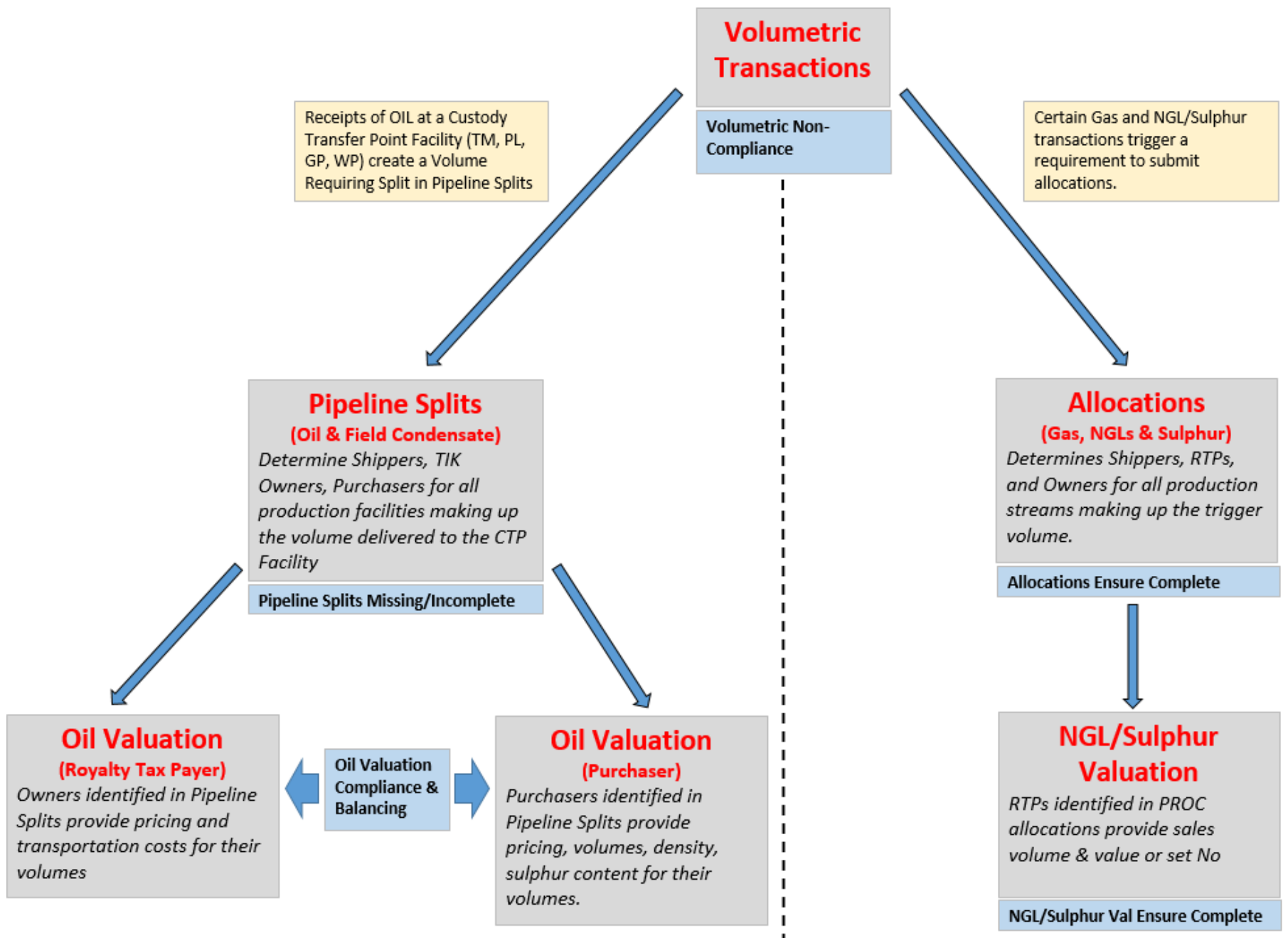
# End to End Testing Cont'd.

- Business Associate
  - New BA Application
  - Industry initiated changes
  - OGC initiated changes
  - Amalgamation
- Well Infrastructure
  - OGC well licence adds/changes
  - OGC load new well events
  - Industry & OGC initiated wells status changes
  - OGC well event changes (UWI changes/swaps)
  - Well-Facility Link Changes
- Facility Infrastructure
  - OGC facility licence adds/changes
  - Industry & OGC initiated facility creation/changes
  - Industry & OGC initiated facility operational status changes
  - Operator change requests



# End to End Testing Cont'd.

- PCOS
  - OGC add PL segments
  - Industry creation/change PCOS equipment
  - Industry PCOS Management submission & extraction
  - Finance send PCOS information (rates, reports) to Petrinex
- Royalty Tax Payer/Royalty Tax Attributes
  - Industry add/change RTP for wells/units
  - RTP operator change requests
  - RTP Missing/Incomplete process
  - Finance add/change RTA for wells, units, long-term royalty agreements, revenue sharing agreements, net profit royalty projects
- Monthly Reporting
  - Volumetrics, Pipeline Splits, Allocations, Valuation
  - Cover all triggers for Oil/Gas/NGLs.
  - Have some pre-determined scenarios from design. Load real Industry data and compare invoice results from PRMS/Gentax.
  - Non-compliance errors



# Agenda

- I. Introductions
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# Important Dates: Conversion Activities and Interoperability Testing

Prior to Petrinex Go-Live		
Target	Activity	Responsibility
Now	<ul style="list-style-type: none"> <li>Submit Interoperability testing files for all functions.</li> </ul>	Vendors/Industry
	<ul style="list-style-type: none"> <li>Submit BA Data Collection Form to OGC.</li> </ul>	Industry
June	<ul style="list-style-type: none"> <li>Change Leaders receive an email that conversion files have been updated on the OGC website and are ready for review. Refreshed files to include corrections, newly created infrastructure (since Feb), Industry GS/MS/PL facilities, all PCOS equipment types.</li> </ul>	Petrinex
Jun-Oct 25	<ul style="list-style-type: none"> <li>Review conversion files and communicate any errors or missing data.</li> </ul>	Industry
	<ul style="list-style-type: none"> <li>Continue to submit additions/changes to operated GS/MS/PL facilities.</li> </ul>	Industry
Sep	<ul style="list-style-type: none"> <li>Conversion files refreshed and reposted to webpage. New files should include corrections and newly created infrastructure (since June refresh).</li> </ul>	Project Team
Sep 4 - Oct 22	<ul style="list-style-type: none"> <li>End to End testing of integration between Petrinex, OGC Hub &amp; systems, Finance Hub &amp; Gentax.</li> </ul>	Project Team
Q3	<ul style="list-style-type: none"> <li>Begin releasing BC Learning Modules.</li> </ul>	Communications Team
TBD	<ul style="list-style-type: none"> <li>Login/Password information communicated to Primary USA.</li> </ul>	Commission

# Important Dates: Conversion Activities and Interoperability Testing

Post Petrinex Go-Live		
Target	Activity	Responsibility
Nov 5	<ul style="list-style-type: none"> <li>• Petrinex Go-Live for October Production Month.</li> </ul>	<b>Project Team</b>
	<ul style="list-style-type: none"> <li>• Primary USA sets up users and roles for their company.</li> </ul>	<b>Industry</b>
Early Nov	<ul style="list-style-type: none"> <li>• Update opening inventories from September Prod Month ending inventory.</li> </ul>	<b>Industry</b>
	<ul style="list-style-type: none"> <li>• Operators of batteries eligible for return fuel credits must update the Returned Fuel settings in Facility Infrastructure.</li> </ul>	<b>Industry</b>
	<ul style="list-style-type: none"> <li>• Request an Operator Change for any stream (well, unit) in which another BA should be responsible for submitting Royalty Tax Payer information.</li> </ul>	<b>Industry</b>
	<ul style="list-style-type: none"> <li>• Enter any Related BA relationships for Oil Valuation purposes.</li> </ul>	<b>Industry</b>
	<ul style="list-style-type: none"> <li>• Set up Auto-Populate options for Meter Stations (optional).</li> </ul>	<b>Industry</b>
Jan 31, 2019	<ul style="list-style-type: none"> <li>• Ensure all new gathering line IDs are attached to batteries for PCOS reporting purposes.</li> </ul>	<b>Industry</b>


# Important Dates: Reporting Changes for Cutover

<b>PRE-PETRINEX REPORTING</b>			
<b>July Production Month</b>			
GAS	22-Oct	Invoice Payment	3 Days Early
		BC-15 (Gas)	Early & Last Time
<b>August Production Month</b>			
FORMS	22-Oct	BC-08	9 Days Early
GAS	22-Oct	Estimates (for Aug)	3 Days Early & Last Time
	<b>23-Nov</b>	Invoice	1 Invoice run for 2 months
	<b>30-Nov</b>	Invoice Payment	(Aug & Sep same dates)
OIL	22-Oct	Invoice Payment	3 Days Early
		BC-15 (Oil)	Early & Last Time
<b>September Production Month</b>			
FORMS	20-Oct	BC12	Last Time
	22-Oct	BC-S1, BC-S2, BC-19	3 Days Early
	30-Oct	BC-09	1 Day Early
	15-Nov	BC-08	5 Days Early
GAS	<b>23-Nov</b>	Invoice	1 Invoice run for 2 months
	<b>30-Nov</b>	Invoice Payment	(Aug & Sep same dates)
OIL	22-Oct	Estimates (for Sep)	3 Days Early & Last Time
	<b>23-Nov</b>	Invoice	Later
	<b>30-Nov</b>	Invoice Payment	Short Turnaround

# Important Dates: Reporting Changes for Cutover

<b>PETRINEX LIVE</b>		
<b>October Production Month</b>		
REPORTING	21-Nov	Volumetrics
	25-Nov	Allocations
	10-Dec	Valuation (Oil, NGL, Sulphur)
GAS	23-Dec	Invoice
	31-Dec	Payment
OIL	23-Dec	Invoice
	31-Dec	Payment

# Steps to Readiness Summary

1.	Identify and Register a Change Leader for your Company.	
2.	Understand the impacts of PBCIP on your Company.	Now
3.	Have a Plan to respond to New Changes.	Now
4.	Prepare your Systems.	Now
5.	Ensure your staff members are Trained.	Q3-4
6.	Implement required Pre-Go-Live activities.	Ongoing
7.	Go-Live and get the benefits.	Nov. 5

- A Change Leader has been registered for every company!
- The Change Leader will receive all communications related to conversion and should ensure that all responses from the company (Primary USA, operated gathering systems/pipelines, corrections to conversion files) are sent to the appropriate contacts on time.



# Steps to Readiness Summary

1.	Identify and Register a Change Leader for your Company.	✓
2.	Understand the impacts of PBCIP on your Company.	Now
3.	Have a Plan to respond to New Changes.	Now
4.	Prepare your Systems.	Now
5.	Ensure your staff members are Trained.	Q3-4
6.	Implement required Pre-Go-Live activities.	Ongoing
7.	Go-Live and get the benefits.	Nov. 5

- Continue to read updates the PBCIP Industry Readiness Handbook.
- Create a plan to determine which members of your company must be engaged in readiness actions.
  - Conversion activities prior to Go-Live
  - Post Go-Live activities
  - **(Review Appendix 11 of PBCIP Handbook)**
  - Those impacted by monthly reporting changes for cutover
  - **(Review date changes)**

# Steps to Readiness Summary

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2.	Understand the impacts of PBCIP on your Company.	Now
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6.	Implement required Pre-Go-Live activities.	Ongoing
7.	Go-Live and get the benefits.	Nov. 5

- Take the opportunity to test upload files.
  - **Accepting IIO test files for all functionality now.**
- Minimum computer specifications for Petrinex are provided in the PBCIP Industry Readiness Handbook.

# Steps to Readiness Summary

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- Instructions for setting up the Primary USA and users will be communicated as Go-Live gets closer.
- Petrinex learning resources will continue to be updated and communicated.
- **Learning modules to begin release in Q3.**

# Steps to Readiness Summary

1.	Identify and Register a Change Leader for your Company.	✓
2.	Understand the impacts of PBCIP on your Company.	Now
3.	Have a Plan to respond to New Changes.	Now
4.	Prepare your Systems.	Now
5.	Ensure your staff members are Trained.	Q3-4
6.	Implement required Pre-Go-Live activities.	Ongoing
7.	Go-Live and get the benefits.	Nov. 5

- Review details and important dates presented today to ensure required conversion and cutover activities are completed on time.
  - **Complete OGC BA Update form ASAP**
  - Review of posted conversion files from the Commission/Finance.  
**(Files to be refreshed in June and September)**
  - Deadlines affected by Cutover for July – October production months.  
**(Review date changes)**
  - Post Go-Live activities  
**(New optional activity for setting MS auto-populate options)**
- The PBCIP Industry Readiness Handbook will be updated with details from this presentation.

# Questions