
NEWS RELEASE

For Immediate Release
2016MNGD0100-002805
Dec. 20, 2016

Ministry of Natural Gas Development
Ministry of Finance

Interprovincial collaboration increased as B.C. joins Petrinex

VICTORIA – British Columbia is joining Petrinex to improve how information about the oil and natural gas industry is recorded and managed, Minister of Natural Gas Development Rich Coleman announced today.

Petrinex is a proven system in managing and exchanging key volumetric, royalty billing, regulatory activities and commercial information associated with the petroleum sector.

The Province consulted industry before determining the Petrinex system meets the needs of government and B.C.'s oil and gas industry. The benefits include:

- Standardized reporting processes across jurisdictions.
- Enhanced completeness and accuracy of reporting with reduced errors, rework and penalties.
- All stakeholders (industry partners and BC Ministries) view the same data.
- Opportunity for greater transparency in terms of information and business processes between all stakeholders.

The adoption of Petrinex will harmonize data submissions between Canada's three western provinces and industry using the program. Inter-provincial collaboration will be increased, traceability across jurisdictions will improve, and royalty compliance costs in B.C. will be reduced. Petrinex will replace B.C.'s system, which has been in place for 28 years.

Petrinex is owned by the Government of Alberta and is collectively governed, managed, operated and funded by Alberta, the Government of Saskatchewan and industry partners. It provides a standardized and accurate system to manage petroleum sector information from the system B.C. has been using. Petrinex has been operating since 2002.

Quotes:

Rich Coleman, Deputy Premier and Minister of Natural Gas Development –

"Petrinex provides us with a better way to monitor natural gas and oil produced in the province and improves how we account for revenues owed to government. We are adopting this system because it has a proven track record and the support of both industry and our neighbouring provinces."

Margaret McCuaig-Boyd, Alberta Minister of Energy –

"We are excited that our western neighbour will be joining Petrinex, a world-class, made-in-Alberta means to manage valuable data in the oil and gas sector. This collaboration will lead to

greater efficiencies and support economic activity in this important industry that provides tens of thousands of jobs across Western Canada.”

Brad Herald, vice-president, Western Canada operations, Canadian Association of Petroleum Producers –

“We are pleased to see the Government of British Columbia adopt Petrinex. This adoption will allow the collection of standardized data that is consistent with Alberta and Saskatchewan, helping Canadian producers enhance competitiveness in an increasing competitive continental and global market.”

Gary Leach, president, Explorers and Producers Association of Canada (EPAC) –

“As president of EPAC, we welcome British Columbia’s decision to join Petrinex. Petrinex has significantly improved reporting and administrative processes and greatly enhanced access to timely and accurate information. On behalf of our member companies operating in BC, we appreciate the support of the B.C. government in this initiative.”

Quick Facts:

- Active users: 30,000
- Page hits: 3.5 million per month
- Batches/reports: 125,000 per month
- Transactions: 1.5 million per month
- Security: Annual American Institute of Certified Public Accountants (AICPA) service organization control reports (SOC) certification
- Performance: Managed against 37 stakeholder approved key performance indicators (KPI) with a successful 15-year track record of on-time/ on-budget growth

Learn More:

For more information on Petrinex: www.gov.bc.ca/petrinex

For more information about B.C. royalties and royalty programs:

<http://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/oil-gas-royalties/royalties-royalty-programs>

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