

The Petroleum Registry of Alberta

Energizing the flow of information

VOLUME 2, ISSUE 4 April 2002

REGISTRY COUNTDOWN

As incredible as it seems, there are only six months until the Petroleum Registry of Alberta goes live in October of this year. A lot of work has been done by the Registry team, government, and Industry to ensure companies are aware and prepared for implementation. The following are the processes that should be completed, or prepared for, to stay on a timeline that readies your company for the Registry.

Planning & Preparation

<u>Appoint a Change Leader</u> – this person will continue to be the main point of contact with the Registry team. A <u>Change Leader</u>'s main goal is to ensure their company is aware, prepared and able to realize the benefits of the Registry.

<u>Develop a Vision</u> – a company representative (a Change Leader) must understand how the Registry will impact your company and how your company may use the Registry for maximum benefit.

<u>Management Endorsement</u> – senior management must agree to, and support, the vision of how your company will prepare for the Registry. This support must include the authority and resources to make needed changes.

<u>Create a Change Plan</u> – an implementation plan must be created to make sure the vision becomes a reality. Key elements of the plan are training, budgeting, resources, and internal communication of the coming changes.

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CHANGE LEADERS MEETING #3

This is a reminder that there is still time for your company, or *Change Leader*, to sign up for *Change Leader* meeting #3. As with past meetings, there will be four separate sessions held over a two-day period on April 24 and 25, 2002.

The focus of these meetings will be Readiness Measurement and Planning, Hot Topics, Implementation, and Training.

The meetings are at the Nexen Conference Centre, located on the Plus 15 Level between the Nexen building (801 - 7 Ave SW) and Monenco Place (801-6 Ave SW). Stairway access to the plus 15 level is located at 7 Ave and 7 St SW.

To register for a session, call (403) 297-6111 (Calgary) or 1-800-992-1144 (other locations) or email petroleumregistry.energy@gov.ab.ca

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Current Focus Items

<u>Software Vendors and Service Providers</u> – companies should be working closely with their software vendors and service providers to define their requirements for the Registry. Companies must find out what Registry functionality vendors are, and are not, planning to include in their software. This will allow companies time to develop an action plan for the processes that their Production Accounting software won't handle.

Industry Benefits Committee – this group is working to exploit the maximum benefits associated with the Industry-to-Industry functions of the Registry. It is looking for Industry support for implementing "optional" Registry functionality, such as partner reporting and gas pipeline splits. (for more information see "Registry Champion" article)

Sign up for Registry Training – there are two training packages available. One is a free "Starter Package" that includes a Registry overview, plus training for set-up, security administration and invoice/statement retrieval. For a smooth transition to the Registry, it is highly recommended that companies look at the "Comprehensive Training Package". There is a fee for this package, which has detailed training modules, support of in-house coaches and problem solving workshops, if required. Both packages will be available through the Registry web site. (see "Training Invoice" article for more information)

<u>User Security Administrator and Access Code</u> – in the near future companies must (1) appoint a User Security Administrator (USA) and (2) have their USA obtain a user ID and password from the Registry offices. The ID and password allows your company access to its secure information in the Registry. It also allows your company to decide who gets access to what secure information.

Plans are underway to ensure that these USA access codes are distributed to the correct people and companies. This process will be explained at the *Change Leader* meetings on April 24 and 25, 2002. These plans will also be outlined in the May Registry newsletter. Training for USAs is included in the online training "Starter Package'.

Planning Assistance

<u>Change Leader Review</u> – the <u>Change Leader</u> handbook and its appendices were created (the handbook was recently updated) to assist

companies in preparation for implementation. Also, the Industry Readiness Team is available to answer any questions *Change Leaders* may have as they prepare for the change over to the Registry. Meetings have been organized to allow *Change Leaders* a chance to ask questions about the project and to work through specific examples of the changes created by the Registry.

<u>Presentations</u> - the Registry Industry Readiness team has made over 100 detailed and executive level presentation to industry stakeholders. The team is still available to make presentations to interested companies or associations

If you have any questions about what needs to done in the near future to adequately prepare for the Registry, please contact (403) 297-6111 (Calgary) or 1-800-992-1144 (other locations) or email petroleumregistry.energy@gov.ab.ca

NEW REGISTRY CHAMPION COMMITTEE

As we move closer to implementation, Industry representatives are taking steps to ensure that all aspects of the Registry are taken advantage of. Under legislation, the Industry-to-Government functions of the Registry will be fully functional as of October 2002. However, the Registry's Industry-to-Industry functions are not legislated. Most in industry are anxious to see the full benefits of these "optional" processes realized. This will require a coordinated and collaborative approach from industry.

To ensure that these Industry-to-Industry benefits are fully achieved and to promote a smooth "implementation" for the Registry, a subcommittee of the CAPP Accounting Committee has been formed. This group has been named the Industry Benefits Committee (IBC).

Over the month of March, the Industry Benefits Committee held two meetings to form a broad consensus regarding an implementation approach for the Industry-to-Industry functions of the Registry. Examples of these functions include reporting of gas pipeline splits, partner reporting and other key Industry-to-Industry functions.

At the first meeting of the committee, 30 individuals, representing 18 producing companies were present. This group represents 67% of the province's well count. In a round table discussion, all present

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unanimously indicated their support for the Registry's optional functions, and saw the need to generate consensus and champion the full use of the Registry.

"It was felt that a combined voice from the producing community would be able to (1) provide constructive input for software vendors, (2) encourage pipeline companies to get on board, and (3) collectively agree to publish partner reporting and gas pipeline split data on the Registry." says committee member Darren O'Dell of PWC BPO Solutions Inc. representing BP Canada Energy "The vision of the team is to achieve maximum benefits associated with the Petroleum Registry of Alberta and encourage smooth implementation." This group hopes to push Industry to take advantage of a tool that will improve the business of doing business.

"From my perspective, now is the right time to pursue this." says O'Dell. "Among other things, we need to take advantage of the (Registry) Industry Readiness Team while that team is still available to assist Industry."

To learn more about the Industry Benefits Committee, or to join, please contact co-chair Dale Ham at (403) 237-1018 or email dham@talisman-energy.com

Involvement with this committee is open to all producers, not just CAPP members.

REMINDER: TRAINING INVOICES

During the week of March 18th, the Registry Industry Readiness and Training teams sent out correspondence to further industry's understanding of the Registry's training plans. These letters were sent "care of" *Change Leaders*, and divided into four groups. These groups were producing company *Change Leaders*, *Change Leaders* for multiple companies, mid-stream operators and Production Accounting Service Providers. The letters explained the advantages of Internet based training, how the training modules were designed, the cost of the "comprehensive" training package, and why industry must pay for the development of this package.

The letter also contained two attachments. One presented *Change Leaders* with 19 frequently asked questions. These provided answers about training and how it evolved into its present form. These

questions will be posted on the Registry web site, in the Recently Asked Questions (RAQ) section, for all stakeholders to review.

The other attachment was an invoice for the Registry's "Comprehensive Training Package". This invoice contained a breakdown of how many wells each individual company operates and what it will cost for each company to use the "Comprehensive Training Package".

All companies are strongly recommended to consider signing up for all available Registry training. Just a reminder that the basic "Starter Package" for training for the Registry is free of charge and is also available through the Registry web site.

Any company that has not received this letter and invoice should contact the Registry offices as soon as possible at (403) 297-6111 (in Calgary) or 1-800-992-1144 (other locations).

USE OF OPERATOR CODES FOR CONTRACT OPERATING

Over the last year, the EUB has found numerous instances of operators using another licensee's operator code to file S-reports. According to EUB reporting requirements, contract operators must use their own operator code to file S-reports.

It would be beneficial for operators to correct their reporting practices prior to the implementation of the Registry to avoid non-compliance with the EUB. After implementation, security access for reporting will be limited to filing operators and their service providers.

A service provider is defined as company or person that is engaged to perform production accounting for a facility (well, battery, facility). This company or person is given security access, via the "designate BA", as a service provider to input data into the registry.

Contract operators use their field staff to operate a facility (well, battery, facility). Contract operators may or may not do the production accounting, and if they do the production accounting, they are required to use their own operator code.

Any questions regarding contract operating versus service providers, should be directed to Eileen Dickson of the EUB at (403) 297-6111.

ROYALTY PAYERS ONLY

The Petroleum Registry of Alberta is now in its 6-month countdown towards implementation. To ensure communication to all areas affected by operation of this new system, the Registry newsletter will now include a section that deals with issues facing Royalty Payers only. Over the next six months, this section will explain some of the unique opportunities and changes that face this group of industry stakeholders.

IMPORTANT NOTICE

Companies and individuals that are not operators of facilities, but do currently receive information from industry partners, or invoices, statements and other correspondence from the Department of Energy will be able to obtain this information online through the Registry. There are significant advantages to the non-operator, industry as a whole and the Crown in using the Registry.

Saving time and access to the data of record are two advantages industry partners will achieve when exchanging information through the Registry. As an example, the Registry allows users quicker access to viewing their allocations from operators online. Under the current system, this involves the mailing or faxing of information, which may take weeks to reach the intended parties. The Registry allows non-operators to view their allocations, as soon as operators submit this information to the database.

In addition to this, the Registry will have "Crown Royalty Invoice" and "Crown Royalty Details" available in several formats online. This means that non-operators will be able to view and download/print their invoice package as soon as it is available. They will also be able to summarize this data in the manner of their choosing. The Registry will contain a majority of the other material sent by the Department of Energy, which allows non-operators immediate access to "Crown Notices".

Detailed information about this and other benefits of reporting and retrieving information through the Registry will be outlined over the coming months in this and other publications.

For more information about use of the Petroleum Registry of Alberta please call (403) 297-6111 (Calgary), 1-800-992-1144 (other locations), or email petroleumregistry.energy@gov.ab.ca Additional information about the Registry can also be found on its web site at www.petroleumregistry.gov.ab.ca.

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NEW NAME, BETTER QUALITY

As you may recall from the December 2000 newsletter, DMR Consulting was chosen to undertake the task of building the application that will become the Petroleum Registry of Alberta.

As of April 1, 2002, DMR officially became Fujitsu Consulting, the global consulting arm of Fujitsu Limited, outside of Japan. As a subsidiary, it is expected the Calgary team will have better and more effective access to the technology and resources of its corporate parent.

Fujitsu Ltd. is the third largest IT service provider in the world. Anyone who wishes to learn more about this change can contact the Registry offices at (403) 297-6111 (Calgary) or 1-800-992-1144 or for more information about Fujitsu visit their website at www.consulting.fujitsu.com

The Petroleum Registry of Alberta is a joint strategic initiative of the Alberta Ministry of Energy and the oil and gas industry of Alberta.

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If you have any comments about the newsletter, or if you would like to contribute an article, please contact Registry Communications Coordinator Mark Dickey at (403) 297-6111 or mark.dickey@gov.ab.ca

To submit comments or questions about the Petroleum Registry of Alberta check out our web site at: www.petroleumregistry.gov.ab.ca

Or call our information lines at:

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