

The Petroleum Registry of Alberta

Energizing the flow of information

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SURVEY - A POSITIVE FIRST STEP

Thank you to the hundreds of participants who took part in the first survey conducted by the Petroleum Registry of Alberta (formerly VIPIR). An important goal of the Registry team is to establish an effective two-way communication with stakeholders. To help establish and maintain communication, the Registry will be conducting a number of surveys throughout the rest of the project's development phase.

The surveys will gauge industry awareness, attitude, understanding and readiness as we move towards implementation in October 2002. Additional questions will be added as needed to each survey.

The results of our first operator/producer survey have just been released and provide a benchmark for tracking progress as we move towards Registry implementation. Survey #1 collected information from a production accountant and supervisor in each Alberta oil and gas operating company. In addition to awareness, attitude, and understanding, this survey also determined who would be a *Change Leader* for each company, what technical capabilities each company has, and opinions on future training programs.

AWARENESS

Supervisors 78% PAs 86%

The survey took place before the Registry's major communications launch in October, but an important finding of the survey was the high degree of awareness about the project within industry.

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CHANGE LEADERS SPEAK OUT

In four sessions, on November 21 & 23, *Change Leaders* learned more about how to make sure their companies are aware and prepared for implementation of the Registry.

Approximately 200 *Change Leaders* took part in the sessions, which were designed to:

- Discuss the Change Leader's Roles and Responsibilities and Key Success Factors
- Further enhance Change Leader's understanding of the Registry
- Discuss the Registry's approach to Training
- Encourage *Change Leaders* to start preparations for the Registry.

A major portion of the presentation reviewed a simple Registry application example. The example included how the Registry will deal with oil volumetric, partner, and pipeline split reporting. The question and answer session provided attendees with a chance to ask detailed questions about these processes and was very well received.

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<u>ATTITUDE</u>

Positive 50% Neutral 29% Negative 10% Don't know 11%

It was encouraging to see that close to 80% of those surveyed had a positive, or at least neutral, attitude towards the project. Of the 10% that were negative, the majority said their attitude stems from a feeling that the project represents too much forced change.

Just over half of respondents were positive that they, and their company, would see benefits from implementation of the Registry. The more PAs a company has, either in-house or out-sourced, the more positive their attitude towards the Registry.

UNDERSTANDING

Good Understanding 7%
Some Understanding 59%
No Understanding 30%
Don't Know 4%

Starting with the October launch a strategy has been kicked off to ramp-up understanding about the Registry. A *Change Leader* Program is a key component of this strategy.

TECHNICAL INFORMATION

This section was to determine whether operators met the minimum requirements needed to run the Internet based Registry. All companies with Internet access met or exceeded the minimum standards. A number of very small companies stated that they do not have Internet access.

TRAINING

Offering training to all users of the Registry is a huge undertaking and the answers collected in the survey will be an invaluable service to those working on the logistics of meeting stakeholder training needs. More details on training will be covered in upcoming issues of the Registry newsletter.

A huge benefit of the Survey was the naming of *Change Leaders* for each company surveyed. To date, roughly 555 *Change Leaders* have been identified. These are the people each company will count on to keep them up to date about the Registry, create a Registry plan, and ensure each company realizes the maximum benefits from the Registry.

The Registry team would like to thank all stakeholders who took part in this survey. The information collected is confidential and will only be used for Registry purposes. Currently, another survey is underway of non-operator royalty payers to find better ways to serve their Registry needs. The next operators/producer survey will be held early in the New Year.

SPECS RELEASED TO OPERATORS

The Registry team held a very successful meeting on November 9, 2001 to deliver the development specifications to the operators of pipelines, cleaning plants, and terminals. Ten of the 22 companies invited attended the meeting. Information packages were sent to those who could not attend.

The specifications released to the pipeline companies allows them to modify their internal systems and procedures to meet the regulatory reporting requirements of the Registry. These specs will also help this group develop the functionality needed to streamline the pipeline split work process in the Registry.

It is hoped this release will further the goal of having producers and pipeline companies take the opportunity to input and retrieve information on pipeline splits within the Registry.

Follow-up meetings with these companies will be held before the end of the year to review their development plans and incorporate them into the overall Registry testing and training plans.

PRESENTATIONS R US

As mentioned at the recent *Change Leaders* sessions, the Industry Readiness team is ready, willing, and able to come to your offices to make presentations to executives, supervisors, and production accountants. This gives future Registry users the opportunity to discuss the project. The Industry Readiness team will also be able to answer detailed questions about the Registry and provide assistance in preparing for implementation.

If you wish to set up a meeting and/or presentation, please call (403) 297-6111 (Calgary) 1-800-992-1144 (other locations) or e-mail petroleumregistry.energy@gov.ab.ca

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At the end of each session, participants were asked to evaluate how the Industry Readiness team dealt with different sections of the presentation in terms of clarity and usefulness. Attendees gave the sessions an overall rating of 8 out of 10.

Comments collected during the sessions will be used to enhance future meetings with *Change Leaders*.

A big thanks to all who took part in the first set of *Change Leaders* sessions. The next round of sessions will take place in late February. For *Change Leaders* who were not able to attend, we can only reiterate how important it is for *Change Leaders* to become informed, and begin their planning for implementation.

The presentations given at the November 21 and 23 sessions are posted on the Registry web site. Please review these documents and give the information line a call if you have any questions.

CORPORATE CHAMPIONS

The Registry team is on the look out for corporate champions to promote the non-legislated opportunities of the Registry. To date, a number have come forward.

Implementation of the Registry in October 2002 means the monthly reporting requirements of industry to the Energy and Utilities Board (monthly statistical volumetric information) and the Department of Energy (monthly and annual royalty information) will be conducted electronically through the Registry. This reporting is required under legislation and, like today, will be enforced by a system of fees, penalties, and other actions.

The Registry also offers industry numerous opportunities to streamline the flow of information between industry partners and optimize business processes. However, because these functions are strictly industry- to- industry, their use will not be legislated by government. Corporate champions, who see the value of conducting business electronically through the Registry, (and want their company and their partners to use the Registry for these functions) can help lead the charge.

One of these opportunities is the reporting of pipeline splits. In preparation for the November 9, 2001 pipeline meeting, the Registry team asked a number of producer companies to sign a letter indicating their support for using the Registry for the

pipeline split process. All of the companies contacted indicated their intent to push for usage of the Registry for reporting pipeline splits. The companies contacted - including Apache, AEC, Fletcher, Burlington, Canadian Hunter, Exxon Mobil, Imperial, Conoco, Crestar, Gulf, CNRL, Pan-Canadian, Devon, Anderson, Numac, Northstar, Ventus, and Talisman - make up 48% of the total wells in the province.

It is hoped that this corporate championing of the Registry, will move others in the industry to look more closely at the benefits the business-to-business functions the Registry has to offer.

For more information about the business-to-business functions of the Registry, or to arrange for a presentation on this subject, please e-mail petroleumregistry.energy@gov.ab.ca or call 297-6111 (Calgary) 1-800-992-1144 (other locations).

SECURITY ASSESSMENT

Over the past number of weeks, Deloitte and Touche (DT) LLP has been conducting a detailed "Threat and Risk Assessment" of the Registry. The assessment was commissioned by the Ministry of Energy, and among other topics, DT commented on the application of digital certificates for the Registry.

Digital certificates ensure that the people sending and receiving electronic data are whom they claim to be and that the data sent has not been tampered with. Based on the assessment's findings, and internal analysis, the Registry team is recommending that digital certificates are not required for Registry security, at this time.

On November 28, 2001, DMR Consulting made a presentation of the Registry's technical security design to a special meeting of the Registry Advisory Committee and a number of oil and gas security experts. No concerns were raised at the meeting about excluding digital certificates from the project's design.

If you have any questions or comments about the recommendation regarding the digital certificates, please contact Industry Readiness Manager Ross Weaver at (403) 297-6111.

If no significant concerns about this issue are reported to the Registry office in the next few weeks, the decision to exclude the certificates will become final.

REGISTRY LOOK AND FEEL

At the same meeting of the Registry Advisory Committee, DMR Consulting gave a presentation on the team's approach to "user interface" and demonstrated the "look and feel" of a number of Registry screens.

For many at the meeting, seeing the "concept" become "reality" was very exciting. A number of Committee members invited production accountants from their companies to the meeting and the reaction was universally positive. A number of suggestions were made and these will be considered.

This presentation is on the Registry web site. Take a look at the screens and give us your comments.

REGISTRY USES XML

DMR consulting) will be using Extensible Mark-up Language (XML). XML is an open standard for defining and sharing data on the web.

Like the better-known HTML, XML is a language, for integrating data from a variety of sources. XML is extensible, meaning it can be used to both convey display instructions and describe the content of virtually any file type, including web pages, spreadsheets, database files and graphics. By allowing content to be described to a great deal of specificity, XML enables automated data exchange without requiring substantial custom programming. XML works well in applications, like the Registry, which transfer data from one system to another, offers different views of the same data, and business- to-business scenarios.

HOLIDAY OFFICE HOURS

Most of the Registry team will be off between December 22, 2001 and January 2, 2002.

We look forward to the New Year as we work towards implementation in October 2002.

The whole team wishes you and your families' a happy and safe holidays.

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 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

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