# VIPIR News

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## Volumetric and Infrastructure Petroleum Information Registry

## MINISTRY REQUESTS PROPOSALS FOR REGISTRY

The Ministry of Resource Development has issued a Request for Proposals (RFP) through the MERX system for the development of the registry component of the VIPIR project.

The RFP does not include system changes that will be made by industry, service providers and software vendors or interface changes required for Department of Resource Development (DRD) and Alberta Energy and Utilities Board (EUB) systems.

Interested bidders may obtain RFP information from Cebra Inc., manager of the MERX system used by the Alberta Government for public tenders.

Alberta Infrastructure oversees the procurement process. It will include a bidder information session on June 29, at 1:30 p.m., Room 1301, 10707 – 100 Avenue, Edmonton.

"Respondents must show they have the capability to undertake a project of this magnitude and complexity, and to bring it in on budget and on schedule," says VIPIR Project Director Jim Nichols. "We encourage innovation and will evaluate all proposals accordingly."

Bids will be evaluated against predetermined criteria, on a total points basis, as specified in the RFP. The successful respondent will be notified by the end of August 2000.

"We thank all respondents for their interest," said Nichols.

## BAA CONFIRMS VIPIR COST/BENEFITS

The Business Area Analysis (BAA) Report, now available, confirms the same costs/benefits for the VIPIR project that were identified in its conceptual design phase.

Business Area Analysis describes the volumetric and infrastructure business requirements governing the operation of the registry. It provides a clearer definition of the scope of the project and its impacts on existing systems.

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"Business Area Analysis has definitely been worth the time and effort. The ministry and industry worked together to pursue a goal that will create some much-needed efficiencies. Our commitment to the 'VIPIR solution' has not wavered," says VIPIR advisory group member Chris Dodd.

Building and implementing the Registry will:

- streamline communications from industry to industry and between industry and the ministry;
- provide opportunities to reduce fees, penalties and provisional assessments to industry;
- consolidate and centralize industry volumetric data output;
- provide immediate online access to information;
- provide immediate feedback about data submission and errors;
- improve data quality, reduce duplication and disseminate data more efficiently;
- facilitate better information management and reporting;
- standardize receipt of data;
- save money; and
- provide a framework for e-business.

"The process of arriving at the finalized BAA report gave the industry and ministry a better appreciation of certain stress points within the complicated matter of volumetric reporting," says Dodd, who is the Co-ordinator, Accounting Corporate Business Services with Numac Energy Inc.

Companies bidding on the development of the registry will be the most immediate report users. The Business System Design team, software vendors, service providers, such as production accounting and data entry service companies and data vendors, will also use the information.

The Business Area Analysis (BAA) report includes:

- descriptions of the data/processing requirements and business rules for the development of the registry (intended for a business audience).

- the process and data models that supplement the data/processing requirements and business rules (intended for a technical audience).

SECOND ITERATION PROVIDES RIGOROUS REVIEW

"The BAA has been hard work -- and all team members put in a lot of effort. The second iteration process, in which several groups from industry and the ministry reviewed the BAA report before publication, was worthwhile, even though it is sometimes tough to let other people critique your work," says industry analyst Ann Hagedorn. She participates on VIPIR, thanks to Alberta Energy Company Ltd.

"The questions raised during the second iteration proved that people read the document thoroughly! Their questions pointed out some areas that needed clarification – but nothing that could be seen as a major roadblock.

"Generally the responses from participants in the second iteration groups were very positive. I believe we have produced a high quality, detailed BAA report and I look forward to the next phases of the VIPIR project," said Hagedorn.

Dodd sees the BAA Report as another important step in moving the oil and gas industry and the ministry into the e-business world:

"The level of knowledge, commitment and dedication to complete this document in its infinite detail, is astounding. The BAA Team are a great group of people who deserve a large thank you from both the ministry and industry.

"Industry can feel reasonably optimistic about the future benefits of this effort to improve the volumetric reporting process and to involve industry in the solution.

"With successful implementation of the registry, there will be a ripple throughout the industry and related agencies, spawning new electronic-based solutions to communications and information exchange. I don't see this as the final step, more the beginning of something new and exciting for business," said Dodd.

**The BAA report can be accessed by clicking on:**
http://www.resdev.gov.ab.ca/vipir/keydocs/keydocs.htm

## REGISTRY WILL ELIMINATE PAPER-CHASING

*These questions were received during the second iteration review of the Business Area Analysis.*

### What is the VIPIR registry?

The registry is a central data base, communication and analysis tool that will allow the ministry and industry to submit, view, update and extract data on the reporting of Alberta oil and gas production, pipeline split and Crown royalty accounting functions.

### How will I access the registry?

Security protocols will be established to enable authorized users to submit or extract data and ensure user confidentiality. Data will be submitted through a variety of methods, such as web access, or through a company's internal production accounting system. Queries will occur through similar methods. Companies will be able to determine the level of access they wish to extend to their employees -- a senior production accountant may have full access to all properties and functions, while a junior production accountant may have access to a single facility with limited functions.

### What kind of data will be included in the registry?

The registry will include all the data required for the monthly reporting of volumes and Crown royalties in Alberta. It will replace the current Owner Activity Statement (OAS) and the APMC 120 and APMC 121 reports to the DRD and all S reports submitted to the EUB, except for S25 and S30. Pipeline split data and meter station receipts will also be included in the registry, and security protocols will be in effect for industry to industry and industry to ministry reporting. It will also be possible to query or apply for any infrastructure-related data, if necessary (i.e. facility codes), including the EUB's "change of well status request" (S4), which will be submitted, validated and processed through the registry.

### How will the registry help my company and me?

The registry will provide a central location for data required for monthly production accounting functions, and will virtually eliminate paper-chasing. Volume information will be available to all authorized users as soon as it is entered in the registry. Having one central location for data will enable all parties to "read from the same page." The registry will be able to notify users quickly that the submitted data has been accepted and is valid, or has been rejected. There should be no more surprises caused by key punching errors. Errors will be able to be corrected quickly before penalties or fees are levied, if the submitter follows the timing outlined in the registry reporting calendar.

## VIPIR GOES GLOBAL

**By Graham Jenkinson**

Calgary's 16th World Petroleum Congress afforded the chance for information-sharing between VIPIR project members and Mr. Kjell-Reidar Knudsen, project director for the Norwegian Petroleum Directorate's (NPD) DISKOS Project. DISKOS is Norway's national repository for exploration and production-related data. Knudsen discussed Norway's registry model and learned about VIPIR from Jim Nichols, Lynda Fleming, Jim Wekel and Graham Jenkinson. Dialogue between the two projects will continue, as there are many opportunities for the two projects to benefit from the mutual exchange of information.

DISKOS and VIPIR have much in common. A major difference results from the nature of the resource information being managed. Since all Norwegian production is offshore, there are fewer wells than in Alberta and each is much more expensive and prolific. The Norway registry was originally designed for and currently houses about 35 terrabytes of seismic data and petrophysical well logs, but is currently being expanded to capture production data. The NPD and the three Norwegian oil companies developed the concept of a national data repository in 1992.

NPD describes the benefits of its national repository in its August 1996 newsletter # 8:

"By means of this national repository, data may be transferred directly to workstations at high speed and low cost, and data may be traded by simply changing owner rights to the data in the data store. Its use is expected to result in lower operational costs and more effective exploration programs – thus strengthening the competitive ability of the Norwegian oil and gas industry."

**Visit the DISKOS website at:**
**http://www.npd.no/engelsk/projects/diskos/diskosfr.htm**

## VIPIR WEBSITE LAUNCHED

VIPIR's project office invites readers to access the VIPIR website. "Our initial focus has been providing an overview of the VIPIR project, as well as making sure we have all the information that bidders in the request for proposals will need," says VIPIR project office team lead, Nabat Kassam. "If you're new to the web, it's an easy way to start getting comfortable with it. We look forward to updating the site regularly – please get back to us with information you would like to see." The VIPIR website can be accessed at:
**http://www.resdev.gov.ab.ca/vipir/index.htm**

The focus of the site is to ensure that stakeholders can:
- have quick, easy access to current information about the project;
- increase their understanding of the background, purpose, and structure of the project;
- monitor the progress of the project and keep pace with new developments;
- ask questions about the project; and
- provide their feedback and opinions.

The VIPIR website will expand awareness of the project.

**Coming Up**
**Bidder Information Session for VIPIR RFP: June 29, 1:30 p.m., Room 1301, 10707 - 100 Ave, Edmonton**