

The Petroleum Registry of Alberta

Energizing the flow of information

VOLUME 6, ISSUE 2, 2006

THE PETROLEUM REGISTRY TURNS FOUR

In October 2006, the Petroleum Registry of Alberta (the Registry) will celebrate its fourth anniversary of operations as the Registry team continues to expand system functionality and enhance performance. Over the past 12 months, the Registry team has worked closely with its stakeholders to enhance the value of the Registry:

- A number of new stakeholder sponsored enhancements to the Registry, as well as major enhancements to its existing functionality have been completed or are underway.
- A series of Registry performance tuning initiatives were implemented this year and continue in our ongoing efforts to leverage the Registry's ability to meet or exceed established stakeholder performance targets.
- Annual planning initiatives such as the Registry Calendar Year in Review, Registry Business Plan, and Registry Performance Plan development, presentations, and Registry Steering Committee endorsement ensure that the needs of our stakeholders (Industry, EUB, DOE) are considered in all aspects of Registry operations.
- A series of ongoing Registry hardware, software, and security related initiatives completed this year continue to demonstrate that the Registry's system infrastructure is well positioned to take advantage of new and emerging technologies.

In reflecting on the past 4 years, the Registry continues to represent an ever-evolving, dynamic

environment and we continue to celebrate a number of achievements. These results, in conjunction with the proven commitment and support of the Registry Steering Committee, represent a successful and unique Government/Industry model that continues to attract interest from outside jurisdictions and organizations.

Looking to the future, we are committed to a Registry team that strives to maintain the effective working relationship with its Industry, EUB, and DOE stakeholders that it has enjoyed to date, to ensure continued successful collaboration.

Don Keech
Executive Sponsor
Registry Steering Committee

PIPELINE SPLIT REPORTING IN THE REGISTRY

The Pipeline Split Adjustment Project is under development at the Registry, and is scheduled for completion by the end of March 2007. Currently, Industry uses the Registry pipeline split process for mandated APMC reporting; and a number of producers load additional split information to the Registry to facilitate reporting to their partners.

Continued on Page 2

INSIDE THIS ISSUE

- Shadow Billing Begins for DOE Oil (APMC) Penalties
- 3 Security and the Registry
- 3 Survey Says.....Petroleum Registry Receives Higher Ratings
- 3 Registry Holiday Hours of Operation











PIPELINE SPLIT REPORTING... con't from page 1

The expanded functionality will facilitate two different approaches to reporting pipeline splits in the Registry. "Full" and "Lite" pipeline split capabilities will be available and used based on the preference of each pipeline. In the "Full" approach, the pipeline will require operators to report split information exclusively through the Registry (online or by batch). In the "Lite" approach, in addition to current paper or electronic processes used by the pipeline, the pipeline will also accept split information from the operator via standardized electronic batch formats, similar to the batch processes used at the Registry. In the "Lite" approach, once the split is accepted by the pipeline, the operator will batch the split information to the Registry. With both approaches. information sent to the Registry will be available to those operators, working interest owners, pipelines and shippers entitled to view the data.

Implementation of this reporting will be conducted on a pipeline-by-pipeline basis:

- Pembina will use the "Full" Registry approach. A "pilot" phase will be initiated in early 2007 on one of Pembina's pipelines. "Full" Registry pipeline splits will be adopted for the rest of Pembina's pipelines by the end of 2007 or early 2008.
- TransCanada's Alberta System clients will have the option of utilizing the "Lite" Registry approach for pipeline split reporting once the initiative is formally reviewed by the Tolls, Tariffs, Facilities and Procedures Committee in an upcoming meeting.
- ATCO Pipelines has agreed in principle to adopt the "Lite" Registry approach (likely 2008).
- Additional pipelines have expressed interest in Registry split processes and will be encouraged to adopt these over time.

Industry is sponsoring and funding the required changes to the Registry. The project and funding approach have been approved by senior CAPP and SEPAC committees.

The business case for the project identified significant benefits for Industry:

- Reduced partner reporting distribution costs.
- Access to data in electronic format.
- Reduced data chasing.
- Reduced keying and re-write time and errors.
- Industry can confirm that "ROYALTY" reported in volumetrics and APMC pipeline split volumes are reconciled.
- APMC will benefit as the Registry split processes reduces points of error and reconciliation.

As we move towards expanded pipeline split reporting in the Registry, the Registry team will work with all affected stakeholders, including producers, production accountants, shippers, pipelines and production accounting software vendors to ensure they are aware and are prepared for these changes. Readiness activities will include updating of the Registry training system, changes to the Registry website, Industry Information Sessions, and other approaches.

A reminder: You can get a "Head Start" on this process by uploading your pipeline splits to the Registry now. Uploading split data to the Registry make the information available to partners and shippers in a safe, secure environment, improving and accelerating communications to the respective parties.

If you would like to learn more about this process, please contact Industry Registry Manager Ross Weaver at (403) 297-4411.

SHADOW BILLING BEGINS FOR DOE OIL (APMC) PENALTIES

On August 23, 2006, the first new and revamped reports for the DOE Oil (APMC) 6-month non-compliance penalty shadow billing period, related to the delivery and reporting of conventional Crown oil royalty, were released. These reports are created by the DOE and are available twice monthly in the Ministry Invoices and Statements area of the Registry, in the DOE Oil – Delivery/Reporting Penalty Statements package (See Registry calendar for exact dates).

Industry clients are encouraged to use the six month shadow billing period to correct non-compliance issues and adjust their reporting procedures to avoid non-compliance in the future.

Specific areas that are addressed by the penalty system are:

- Late or missing Crown royalty pipeline split reports and/or over-delivery amendments.
- Inaccurate reporting, which includes reporting an inaccurate field delivery point or delivered volume.
- Over delivery and under delivery of Crown oil royalty volumes.

For more information on this topic, please go to the Registry Website – Tips & Alerts – Alerts Current - New and Revamped Reports to Accommodate Shadow Billing for DOE Oil (APMC) Penalties.

SECURITY AND THE REGISTRY

The Registry team continually looks for ways to ensure appropriate safeguards are in place to protect confidentiality, integrity and availability of information in the Registry.

This includes taking steps to ensure that client data within the Registry is protected and secured from unauthorized access. As a result, one of these steps is the implementation of the use of "Strong Passwords in the Registry.

A "Strong Password" increases security by requiring users to create a password that is at least six characters long and be made up of at least 3 of the following 4 categories:

- Lower case letters
- Upper case letters
- Numbers
- Special characters Some special characters may not be allowed. Details to follow.

The strong password requirements are expected to be introduced into the Registry at the end of the fourth calendar quarter of 2006.

Additional security measures have already been implemented. On June 2, 2006, a new user ID procedure was introduced that results in users being locked out of the Registry for repeatedly entering an incorrect password.

To learn more about this security procedure change, please go to the Registry website under: Tips & Alerts – Alerts Greater than 60 Days – *Registry User ID Lockout Changes*.

As in the past, the Registry team continues to look for ways to ensure that Registry data remains secure.

SURVEY SAYS.....PETROLEUM REGISTRY RECEIVES HIGHER RATINGS

Between February and March of this year, Industry stakeholders of the Registry were surveyed to gauge their satisfaction with key elements of the Registry and to determine if the Registry is meeting client needs.

The results of the 2006 survey were very positive as the overall Industry stakeholder satisfaction rate for Registry performance was listed at 80%. This compares to a 71% overall satisfaction rating returned in a 2004 industry stakeholder satisfaction survey.

The 2006 Industry Satisfaction survey registered increases in all areas of Registry services as compared to the 2004 survey.

Feedback from the Satisfaction survey has also led to the decision to publish the Registry Newsletter once a year, rather than semi-annually..

REGISTRY HOLIDAY HOURS OF OPERATION

Please take note below of Registry closure dates for the upcoming holiday season.

Sunday, December 24/06 Closed
Monday, December 25/06 Closed
Tuesday, December 26/06 Closed
December 27-30/06 Regular Hours
Sunday, December 31/06 Closed

Monday, January 1/07 Closed Tuesday January 2/07 Regular Hours

For more information regarding the December 2006 and/or the January 2007 Registry Calendars, visit the Registry website: Bulletin Board – *Registry Hours & Reporting Calendars*.

REGISTRY CONTACT INFORMATION

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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:

(403) 297-6111 (Calgary) 1-800-992-1144 (other locations)

The material in the *Petroleum Registry of Alberta News* may be reprinted with acknowledgement.

In closing, our accomplishments, achievements and stakeholder feedback over the past year confirm that efforts to continually enhance performance and functionality in collaboration with our stakeholders are key elements of Registry success.

> Wally Goeres Registry Manager