



Petrinex Information Bulletin 009

July 16, 2020

IOGC Change Leader Email dated July 3, 2020 Sent from Petrinex Admin to IOGC Change Leaders

Subject: Indian Oil and Gas Canada (IOGC Update)

Dear Petrinex IOGC Change Leader,

A. **Indian Oil and Gas Canada (IOGC) Update**

Attached is an important update from IOGC that addresses:

- Information related to the *Indian Oil and Gas Act*, *Indian Oil and Gas Regulations* and the detailed Stakeholder Readiness Guide;
- Expanded Royalty Reporting Requirements;
- Operational Deferrals and processes during the COVID 19 Pandemic;
- Acceptance of electronic payments; and
- IOGC information sources and contact information.

You are encouraged to review this IOGC update and associated links. A link to this IOGC communique has also been posted to Petrinex IOGC Inclusion Project [Initiatives Page](#).

B. **Petrinex IOGC Inclusion Project Update**

Below is an overview of important Petrinex IOGC Inclusion Project (PIIP) reminders, updates and timing changes related to:

1. IOGC **Product Price reporting in Saskatchewan** (Go-Live August 5, 2020 for June Pricing [deadline August 15, 2020])
2. IOGC **Royalty Tax Payer reporting in Alberta** (Go-Live August 5, 2020 for July Production [deadline August 30, 2020])
3. IOGC **First Nation Interest Discrepancy Report AB** [Go-Live September 2020]
4. IOGC **Invoices and Statements SK functionality** [Go-Live October 2020]
5. IOGC **Oil Valuation Royalty Tax Payer (RTP) and Oil Valuation Purchaser** in Alberta [Go-Live November 2020]
6. IOGC **Gas Cost Allowance (GCA) Rollover enhancement** being promoted to Petrinex in October, 2020.

The PIIP [Industry Readiness Handbook](#) (available on the Petrinex/Initiatives/IOGC page); and the PIIP Industry Change Summary (Table 1.3a of the Handbook and attached to this email) have been updated to reflect these changes. Changes from previous versions highlighted in yellow.

Details on each of these changes are provided below:

1. IOGC **Product Price reporting in Saskatchewan** (Go-Live August 5, 2020 for June Pricing [deadline August 15, 2020])

For Saskatchewan, where leases require valuation to be determined on actual sales (vs. index), a new Petrinex IOGC screen/process will be used for the Royalty Tax Payer (RTP) to enter prices received for Gas/C5-SP/Cond, NGLs and Sulphur (if applicable).

If you have these types of Saskatchewan leases, you must file product pricing, through Petrinex by the 45th day (specifically, the 15th day of the second month) following the end of month of production. This deadline matches deadline for filing allocations. The first filing in Petrinex will be for June pricing and must be filed by August 15.

- Petrinex learning modules for this functionality are available (5.20 Manage Pricing Submissions and 5.21 Manage Pricing Reports) and have been published to the [Petrinex Learning Centre](#).
- The August to December 2020 SK Reporting and Petrinex/Business Desk Hours of Operations calendars are being updated and will be published under [Calendars](#).
- CSV Upload Specifications and Templates will be made available prior to implementation of this functionality. (Scheduled for July 15)

2. IOGC Royalty Tax Payer reporting in [Alberta](#) [Go-Live August 5, 2020 for July Production deadline August 30, 2020]

AB IOGC Royalty Tax Payer functionality, a modification of the existing SK process, is being introduced in AB for operators to identify RTPs for production/sales on FN interest land.

The deadline for filing Alberta IOGC Royalty Tax Payer information is the 30th day of the month following the month of production. As such the first filing will be for July production and must be filed by the 30th of August. RTP information for all IOGC streams will be required for the first month (July). Since RTP information “rolls over” on a monthly basis, after July only changed RTP information needs to be filed.

- A Petrinex Learning Module for this functionality is available (6.13 Manage Royalty Tax Payer Submissions and 6.14 Manage Royalty Tax Payer Reports) and has been published to the [Petrinex Learning Centre](#).
- The August to December AB Reporting and Petrinex/Business Desk Hours of Operations calendars are being updated and will be published under [Calendars](#).

3. IOGC First Nation Interest Discrepancy Report AB [Go-Live September 2020]

Petrinex will use Alberta Department of Energy (DOE) ownership records to identify FN wells/facilities “of interest”. IOGC will rely on IOGC ownership records for the purposes of royalty calculation. AB Petrinex will have a First Nations Interest Discrepancy Report identifying DOE and IOGC “views” of ownership for reference. Alberta BAs will also be able to access FN ownership information through Query PE (online) and the PE Report AB.

- A learning module and Tip will be available prior to Go-Live.

4. IOGC Invoices and Statements SK functionality [Go-Live October 2020]

IOGC will begin to use Petrinex IOGC Invoice and Statements for SK in October 2020. As an initial step, IOGC will provide its current assessments to BA’s through a new area in Petrinex similar to “Ministry Invoices and Statements” called “**IOGC Invoices and Statements.**”

- A learning module and Tip will be available prior to Go-Live.

IOGC Invoices and Statements AB functionality is targeted for Q1 2021.

5. IOGC Oil Valuation RTP and Oil Valuation Purchaser in Alberta functionality [Go-Live November 2020 for October Production]

IOGC Oil Valuation – RTP (AB) - The oil volume to be valued will be auto-populated based on volumes from Volumetrics and RTPs from RTP functionality. In OV-RTP, the RTP will identify the purchasers and the price received for their oil. This is a modification of the OV-RTP Saskatchewan functionality and submission deadline is November 30, 2020 [this deadline is required to auto-generate Oil Valuation – Purchaser].

IOGC Oil Valuation (OV) – Purchaser (AB) - Purchasers identified in the OV-RTP functionality will report prices paid in a process similar to OV-Purchaser in SK and submission deadline is December 15, 2020 [required to allow time for RTP to address any Oil Valuation-RTP issues.

- Learning module development is underway and will be available prior to Go-Live as will Upload Specifications and Batch file

6. IOGC Gas Cost Allowance (GCA) Enhancements

An enhancement will be promoted in October to ensure that a specific GCA3, GCA1 and current operator year are correctly selected together [relevant to each other]. This is a Petrinex filtering/selection function during the rollover process.

The following additional IOGC GCA enhancement opportunities will be reviewed in coming months:

- a. Add submission dates to IOGC GCA screens;
- b. Add a Missing and Incomplete Report;
- c. Resolution of working interest owner impacts in situations where the operator cannot file due to insolvency;
- d. Ability to submit a GCA2 where no GCA1 exists (related to c. above);
- e. GCA Groupings/Single Well Battery Groupings; and
- f. Determine if FL 990, FL 770 and FL 880 [at BT, GS, GP and CS level] can be handled in a more straightforward manner.

If you have questions on how to use Petrinex for IOGC reporting please call the Petrinex Business Desk at 403-297-6111, toll-Free at 1-800-992-1144 or petrinexsupport@petrinex.ca.

Sharon Rudyk (403-297-3313), Industry Coordinator on the Petrinex Industry Team is available as a resource for IOGC filers.

Regards,

Ross.

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