

## **Saskatchewan Business Change Committee** **Minutes of June 5, 2018 Meeting**

- **Entrained Gas:** It was discovered by the Ministry of Energy and Resources (ER) that some operators of custom treaters, injections facilities, terminals and waste plants were inappropriately using miscellaneous codes to report vented gas volumes received in the trucking process in an attempt to meet the Regulatory requirements to report emissions at the location of the emission activity. These operators put forward a request to ER to adopt the Entrained Gas functionality that was actively being used in Alberta. The adoption, with some amendments, of this functionality allows for reporting of gas emissions at custom treaters, injection facilities, terminals and waste plants. It is not an expectation of ER that these volumes balance with a REC except at waste plants. This functionality was part of the June 2018 Petrinex release. See the Petrinex tip “Volumetrics – Addition of New Product Type ENTRAINED GAS” for further information.
- **New Definitions of Fuel, Flare and Vent:** the proposed changes to the definitions of Fuel, Flare and Vent are best addressed through the public consultation of the draft Oil and Gas Emissions Management Regulations. Visit [http://www.saskatchewan.ca Public Consultation](http://www.saskatchewan.ca/Public%20Consultation) to review the draft regulations and to provide comments.
- **New GOR Functionality:** This functionality is to address situations in which the emissions volumes are not substantial enough to be measured. ER will accept GOR conducted using the requirements found in Section 4.3.8.5 of *Directive PNG017: Measurement Requirements for Oil and Gas Operations*.
- **Changes to INVADJ:** Upon audit ER has identified inappropriate use of inventory adjust, as such ER will be eliminating the INVADJ code for all facilities with the exception of pipelines, waste plants and custom treaters. ER recognizes situation exist where an operator inherits inaccurate inventories; to manage this ER requires an email by the operator to [facilitydata@gov.sk.ca](mailto:facilitydata@gov.sk.ca) to explain the situation and the intention to use an SK MC code. See the Petrinex tip “Volumetrics – Removal of INVADJ Activity for Volumetric Reporting” for further information.
- **Removal and Addition of Petrinex Errors:** Attendees expressed concern over the elimination of metering differences for smaller volumes. ER intends to amend VME0057 to read “Metering Difference is greater than or equal to 5% less than 100% and volume difference of less than or equal to 10”. ER will be implementing a change that operators will be not be allowed to have a metering difference for batteries (excluding facility subtypes 321, 326, 361, 362). ER will further evaluate the other metering difference errors before implementing a change.
- **Analysis Data Collection:** Discussions have commenced pertaining to development of Fluid Analysis data submission into Petrinex. Two tentative options have been identified:
  - 1) Pre-submission by the lab into Petrinex, where the operator will have the opportunity to review the data prior to submission; specific “header” data will be editable by the operator (i.e. sample location, facility or well ID). The operator will have the ability to reject the submission or to accept the submission. Acceptance will result in the submission being made to ER. OR

- 2) Operator will receive the lab results outside the system, the operator will load the data into Petrinex, along with a PDF of the lab data, for submission to ER.

ER will review these options with input from Industry. A variety of reports are also intended to be developed as part of this build.

- **Summary Table of Industry Issues:**
  - ER has put forward an audit schedule that was shared with operators in early January. ER will make every effort to stay on schedule.
  - ER recognizes the challenges of operating some business objectives in a manual manner. A project to address this issue is planned for the 2019-20 fiscal year. Until such time ER appreciates your patience pertaining to such matters as invoicing outside of Petrinex, and manual waiver requests.
  - As per the Oil and Gas Conservation Regulation, 2012 Section 122(7) payment of a penalty must be made in advance of a request for waiver; application for waiver must be received by ER within 45 days of invoicing. ER does not intend to alter this requirement.