

Process Change for Oil Pipeline Split and Valuation Management for Non-waste and Waste Plant Facilities

Jurisdiction	Release/Revision Date	Location of Change in this Document	Comment
SK	June 29, 2012		Initial Release

Audience: All Saskatchewan Users

Purpose: Inform stakeholders of a process change in reporting Oil Pipeline Split and Valuation Management at non-waste and waste plant facilities.

Background: Saskatchewan Petrinex users continue to experience challenges using owner/shipper contract numbers for Pipeline Splits and Oil Valuation for non-waste and waste plant facility types.

Key Principles: **Non-Waste Plant Facility Types**

For non-waste plant facility types, it is important for Industry to use contract numbers **only** in the case where there are different prices and multiple valuation entries are required.

In cases where contract numbers are needed, the contract field for the lowest priced contract should be left blank, then the next highest priced contract should be assigned a “2” in the contract field, and the next highest priced contract a “3” etc. If both sides of the transaction use this process, Petrinex will be able to match up the transactions.

Waste Plant Facility Types

Industry created a solution where the delivering facility operator can distinguish between 'Oil Program' (oil to be valued in valuation process) volumes and 'Waste Oil' (oil that does not require valuation) volumes in their pipeline split reporting through the use of the optional 'Contract Number' field. This way, two different prices may be reported for the same DISP volume.

However, because of the number of different formats that are used when entering waste oil in the contract field it is difficult to match the entries. Therefore, the Ministry of the Economy (ECON) has decided to recommend the use of **WO** in the contract number field rather than Waste Oil **on a go forward basis**. There is also no need to identify **Oil Program** in the contract number any longer.

To support this recommendation, ECON will implement changes in early August 2012 which will prevent the auto-population of OV-RTP and OV-Purchaser records in cases where '**WO**' (previously 'Waste Oil') is used in the contract number field.

Industry is encouraged to adopt the recommended changes to the contract number field immediately (June production month reporting). However, Industry should be aware that the requirement to submit OV-RTP and OV-Purchaser data on "WO" records will continue to exist until the Petrinex code is changed in early August 2012.

More information:

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