

**Shadow Billing for Non-Compliance Errors Will Be Eliminated at the End of December 2013**

Jurisdiction	Release/Revision Date	Location of Change in this Document	Comment
SK	December 20, 2013		Initial Release

**Audience:** All Saskatchewan Users

**Purpose:** To remind stakeholders that the **shadow billing period for all Pipeline Split and Oil Valuation reporting errors will end on December 31, 2013**. As a result, all outstanding errors must be corrected prior to the oil valuation reporting deadline for the January 2014 production month (i.e. February 28, 2014) to avoid penalty.

**Background:** In February and June 2013, Saskatchewan Petrinex users were informed that due to a number of outstanding functionality related items that needed to be addressed the shadow billing period for non-compliance penalties related to Pipeline Split and Oil Valuation errors was extended to the end of December 2013. While there are still a few small unresolved items that require addressing, ECON is confident that there are short term work-arounds in place to enable Industry to effectively correct all reporting errors.

In July 2013, ECON informed users that, oil valuation submissions related to Subsequent Purchaser and Sales to Subsequent Purchaser would no longer be required effective August 2013 production month because of the introduction of the Enhanced Valuation Audit Program (EVAP). As of August 2013 the Subsequent Purchaser and Sales to Subsequent Purchaser functionality was removed from Petrinex, but stakeholders have continued to receive a non-compliance report and a shadow bill for all outstanding OVE006 errors.

**Key Messages** Effective immediately, the OVE006 reporting error (identifies incomplete subsequent purchaser oil valuation) will be

changed from \$100 per facility to a No Charge error. Any outstanding OVE006 errors will not be subject to penalty and will not be included on future non-compliance invoices. At this time the existing OVE006 errors will continue to appear on the non-compliance report in Petrinex. ECON plans to initiate a change to have Petrinex remove the OVE006 error completely in the near future.

ALL Pipeline Split and Oil Valuation errors (except OVE006 reporting errors noted above) related to reporting for production months starting with March 2012 through December 2013 must be corrected prior to the oil valuation reporting deadline for the January 2014 production month (i.e. February 28, 2014) to avoid being invoiced for penalties that will be payable within 30 days of the invoice date.

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