



Registry Tip

Problems caused by Downstream Operators Using ALL When Submitting SAF/OAF

Release/Revision Date	Location of change in this document	Comment
January 30, 2003		Initial Release

Audience: All stakeholders

Background: The use of ALL in the "from/to" field was implemented at the request of Industry. It allows stakeholders to allocate all volumes for a particular activity and product, regardless of how many different from/to facilities or IDs have been reported.

Some gas plant operators prefer to track the volume applicable to each owner, instead of tracking the specific well(s) that deliver gas to each meter station. At the gas plant inlet, operators know how much volume is attributed to each upstream well and owner, but do not track well-related detail beyond that point. By using the ALL option, gas plant operators allocate their dispositions to streams and owners in a single SAF/OAF submission, without having to identify the specific destinations. For downstream (i.e., gas plant) operators, the ALL option is appealing because it is a simpler reporting method.

Issue: When downstream (i.e. gas plant) operators use the ALL option, it can result in two types of problems for upstream (i.e. gathering system or battery) facility operators that have been cascaded to (i.e. that facility is named in the stream ID field of the downstream operator's SAF/OAF):

1. Upstream operators, may find that they do not have the functionality in their production accounting system to also use ALL when responding to a cascade. Because of this, upstream operators must take extra care in their SAF reporting to avoid provisional assessments. The upstream operator would need to ensure they have filed an SAF/OAF for each delivery from the downstream facility.



2. The ALL disposition may include both royalty and non-royalty activities. For example: the ALL disposition may include gas sent to meter stations (royalty triggers) and return fuel to a battery (non royalty trigger). In this situation, if the upstream operator submits a volumetric SAF/OAF that only details the royalty trigger volumes, they will experience a variance when the Registry compares the total of the details to the total volume cascaded from the downstream operator. This variance will only apply to the volumes, but not the energy, since there is no energy reported for the return fuel volume.

This can cause confusion, but not a provisional assessment, because the royalty is triggered by each volumetric transaction and then the appropriate allocation factor is applied to determine the royalty obligation.

Resolution Options:

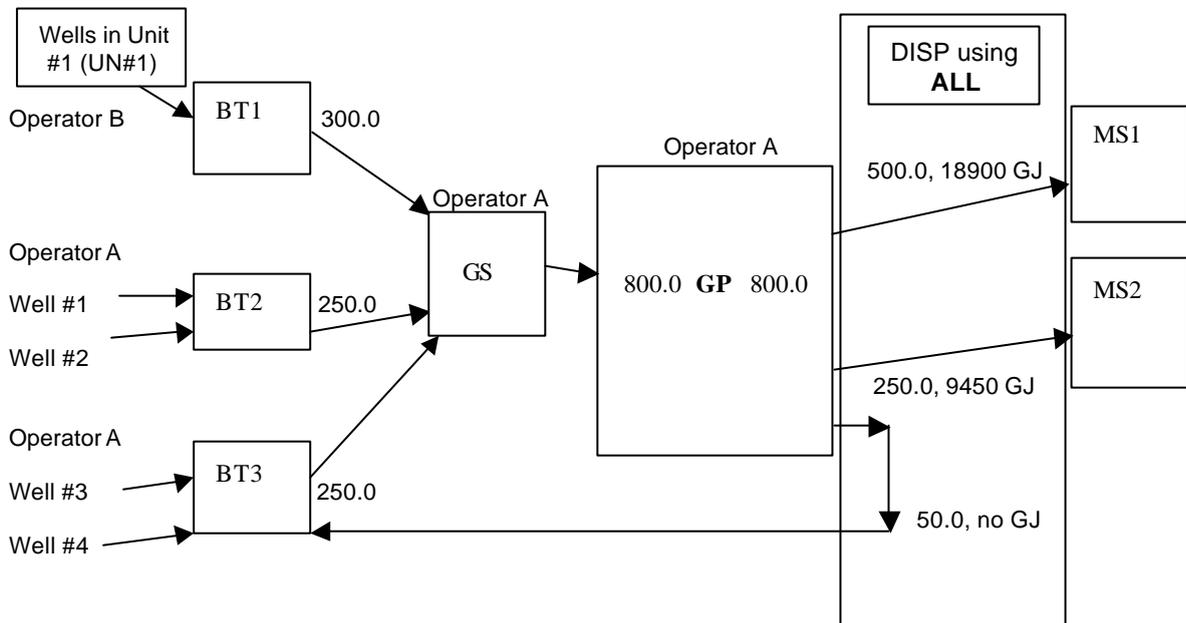
1. As an upstream operator, you could ask the downstream operators NOT to use ALL when submitting SAF/OAF data. Ask them to be specific in their From/To reporting.
3. As an upstream operator responding to a cascade where the downstream operator has used ALL... if you can use ALL, do so for your allocations as well.
3. As an upstream operator without the ability to use ALL, you must submit separate allocations for each destination. (As noted earlier, if you do not list each destination identified in the downstream operator's volumetric submission, you will be open to higher provisional assessments.)

Note: if you are unsure whether you have listed each destination (From/To), use the Ensure/Complete function to check for any errors involved with the submission.



Example:

The following example outlines why it is important for upstream operators to list each destination identified in the downstream operator's volumetric submission when that downstream operator uses ALL in the "From/To" field.





Operator A – submits SAF for GP

Product	Activity	From/To	
Gas	DISP	ALL	
Stream	Factor	Vol. Calc.	Energy Calc. (GJ)
Well #1	0.1562500000	125.0	4430
Well #2	0.1562500000	125.0	4430
Well #3	0.1562500000	125.0	4430
Well #4	0.1562500000	125.0	4430
BT1	0.3750000000	300.0	10630
Total	1.0000000000	800.0	28350

Operator B must create a SAF for BT1 to respond to the cascade:

Product	Act	From/To	Cascade FAC
Gas	DISP	ALL	GP

Operator B can choose either of the following methods:

Method #1 – submit three SAFs

	Product	Activity	From/To	Cascade FAC
	Stream	Factor	Vol. Calc.	Energy Calc. (GJ)
	GAS	DISP	MS1	GP
SAF #1	AB UN 0000001	1.0000000000	187.5 (1.0 x .375 x 500.0)	7087
	GAS	DISP	MS2	GP
SAF #2	AB UN 0000001	1.0000000000	93.8 (1.0 x .375 x 250.0)	3543
	GAS	DISP	BT #3	GP
SAF #3	AB UN 0000001	1.0000000000	18.7 (1.0 x .375 x 50.0)	0
			300.0	10630

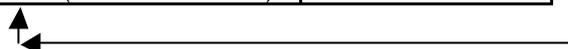
Note: if your submission did not include SAF's for all three destinations, you would be subject to provisional assessments for the volume associated with the destination that was not reported.. Your submission must equal the total that was cascaded from the GP, for all destinations.

Or



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Method #2 – submit one SAF				
Product	Act	From/To		Cascade FAC
Gas	DISP	ALL		GP
	Stream	Factor	Vol. Calc.	Energy Calc. (GJ)
SAF	UN#1	1.0000000000	300.0 (1.0 x .375 x 800.00)	10630 ←



For more info:

Contact the Registry Service Desk.