



# The Petroleum Registry of Alberta

*Energizing the flow of information*

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## REGISTRY CELEBRATES ONE-YEAR ANNIVERSARY

In October 2003, The Petroleum Registry of Alberta celebrated a successful first year of operations.

The Registry went live, on time and under budget, in October 2002. The Registry is the result of an unprecedented public and private sector strategic initiative between the Alberta Ministry of Energy (the Department of Energy and the Energy and Utilities Board), the Canadian Association of Petroleum Producers, and the Small Explorers and Producers Association of Canada.



*Members of the Registry Advisory Committee celebrate the Registry's one-year anniversary*

The Registry provides a stable environment that brings a new level of e-business based efficiency to the up-stream oil and gas industry and the Ministry of Energy. Immediate benefits include:

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## INDUSTRY SPONSORED REGISTRY ENHANCEMENTS

Beginning in October 2003, industry-sponsored enhancements began to be implemented onto the Registry system. The enhancements themselves were identified by the Industry Benefits Committee as being of particular value to Industry users of the Registry.

The first set of Industry initiated Registry enhancements were implemented in October and December 2003. These were:

**In-box:** Gives clients the ability to "filter" by recipient and return to top of in-box through enhanced navigation and sorting ability.

**Notifications:** Offers enhanced item identification and improved message content by creating ability to identify file name, list by success/failure and sort by message type.

**Partner Reporting: Distribution Lists:** This allows specified non-operators to access detailed information.

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providing stakeholders with a single, authoritative source of secure, valid, standardized, shareable, and timely petroleum-related information.

"The leading-edge information management that stems from Alberta's Petroleum Registry is another example of the Alberta Advantage at work," said Energy Minister Murray Smith. "The Registry allows the oil and gas industry to be more competitive in the global marketplace, enhances decision-making capabilities for government and industry, and leads to greater efficiencies for both."

The Registry minimizes incorrect reporting, and simplifies industry-to-industry, government-to-industry and government-to-government information sharing and reporting.

"Our industry is excited about the savings and reduction in overlap and duplication that is a result of the Registry," said Pierre Alvarez, President of Canadian Association of Petroleum Producers. "It is a great example of how industry and government co-operation can lead to benefits for both."

The success of the Registry will continue into the future as all three Registry stakeholders have given the green light to fund and develop new Registry functionality and numerous jurisdictions and organizations have expressed a keen interest in becoming part of the Registry.

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## EUB NON-COMPLIANCE UPDATE

Now that the EUB shadow billing period is over, clients have begun to receive invoices for non-compliance errors. This article provides information concerning the EUB Enforcement Appeal and Escalation process.

### Industry's responsibilities in the Appeal Process

If a client feels they have a case for appeal, the appeal must be received by the EUB within 15 calendar days of the invoice date.

Before submitting an appeal, the client should be able to say "yes" to one of the following three questions.

1. Is the error related to a Registry/EUB issue?
2. Is the error caused by a "last-minute" submission by another operator that you did not have time to respond to?

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## ENHANCEMENTS – con't from page 1

**Server to Server:** Offers clients upload and download functionality directly between the Registry and their own Production Accounting application.

**Partner Reporting -Reports:** Allows clients to save report request parameters for the Facility Activity Report.

In January 2004, the following enhancements will be implemented. These include:

**Partner Reporting -Reports:** Allows clients to save report request parameters for other commonly requested reports.

**EUB Non-compliance Report:** Offers clients CSV report output selection options.

**Partner Reporting -Operator Calculated Oil Crown Royalty:** Allows for oil and condensate net share reporting.

A number of help guides have been created to ensure clients are able to understand and benefit from these enhancements. A summary document can be found on the Registry web site at: **Bulletin Board – Documents – Reference Material**. Individual documents, outlining each enhancement, can be found in the **Alerts** section of the Registry web site. Change Leaders have also received a document outlining the primary sources of information created to help clients deal with these enhancements.

In addition to this, the training modules have been updated to reflect the changes the enhancements have made to the Registry. Clients can identify modules with changes by signing on to the PSS/Training site and locating the modules with red folders. A red folder indicates that there has been a change in that module since it was last viewed. "Clicking" on a red folder will take a client directly to the Module Summary that will indicate the areas that have changed. There is a direct link from the Module Summary to the changes and once a client has viewed the changes, they have the option of turning the folder black, which indicates that the client is current with the material in the module.

The Industry initiated Registry enhancements were funded through a voluntary billing to the largest Alberta operators. To date, 62 of 63 companies invoiced have chosen to support the initiative, an indication of the strong level of interest in these changes and commitment to maximizing the benefits to be realized through the Registry.

## NON-COMPLIANCE – con't from page 2

3. Is the error caused by another operator failing to report any volumes or reporting the wrong volumes?

Full instructions for the EUB appeal process can be found on the Registry web site at:

**Tips/Alerts/FAQs – Tips – Monthly Reporting: Infrastructure - EUB: Appeals of Enforcement Decisions letter and EUB: Appeals Template.**

**Note:** If an operator does not have all their data together in time, they are urged to submit an appeal and not miss the appeal deadline. The operator should add a note to the appeal to inform the EUB that the missing data will be forwarded ASAP.

### The EUB's Appeal Process

- o EUB logs the appeal and notifies the requester of the assigned log # within 24 hours of receipt of the appeal.
- o EUB reviews the appeal.
- o EUB will mail a letter with appeal decision (within approximately 10 calendar days).

The requester should include their name/title in the appeal. If not, an EUB letter will be mailed to Manager, Production Accounting.

### The EUB Escalation Process

First step: The EUB sends out the EUB Non-compliance Invoice – Level 1 Enforcement Volumetric Reporting Deficiencies. This involves levying fees for each outstanding error.

The operator will not be escalated to Level 2, if:

- o The error is corrected.
- o The error is successfully appealed.
- o A plan for correction of the error is submitted and approved by the EUB.

If the EUB does not receive a response from an operator to a "correct the error" notice or the "EUB non-compliance Invoice – Level 1 Enforcement Volumetric Reporting Deficiencies there will be an escalation to Level 2. This involves placing selected delinquent operators on formal notice. This notice will be sent to the Manager, Production Accounting.

Currently, there is a two-month time line before an escalation from Level 1 to Level 2. This interim timeline is set to expire in May 2004. After that time, the time line will move back to a one-month timeline before escalation from Level 1 and Level 2.

After being moved to Level 2, operators have 30 days to correct the error before being escalated to Level 3. More details on this escalation process will be provided in upcoming Registry Tips and communications from the EUB.

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## EUB NON-COMPLIANCE FEES ARE DOWN

Thanks to some serious effort and cooperation between Industry, the Registry team and the EUB, the end of the EUB shadow billing period saw significant reductions in outstanding EUB non-compliance errors. This outstanding effort resulted in the monthly number of errors dropping from 9172 in October 2002 to only 265 in October 2003.

The cumulative total number of errors outstanding after 13 months of Registry operation was 1365. The total fee billing for this period was under \$200,000. This compares to an average billing of roughly \$500,000 per year before Registry implementation. This reduction from \$500,000 to under \$200,000 demonstrates that Industry is already achieving some of the expected benefits from the Registry. The total billing amount for the 13-month period is expected to drop further as companies file appeals through the EUB appeal process.

It is important to note that prior to the Registry these types of fees were only levied on battery facilities. Since Registry implementation all facility types are included in the error fee system. So not only has the annual amount charged for errors dropped significantly, but the scope of the charges has increased, making the savings even larger.

Apart from the reduction in non-compliance errors and associated fees, Industry's greatest benefit may prove to be from "doing it right the first time", which will result in less "re-work" of filings with the EUB and Industry partners.

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## UP NEXT

Over the coming year, the Registry will be communicating a number of high priority new initiatives that may be on the horizon for the Registry system. These projects include the enhancement of existing functionality and bringing new business processes onto the Registry, including adding new functionality to meet the needs of outside jurisdictions and/or organizations.

Please continue to read our communications to keep up to date on new developments with the Registry.

## REGISTRY TAKES THE PRIZE!

### **TIMs:**

A year into operation and the Petroleum Registry of Alberta is beginning to be recognized for its innovative use of technology. The Registry has been awarded the Technology in Manufacturing (TIM) "2003 Most Innovative Software Implementation" (more than 200 employees) Award.

The TIM awards were created as a way to recognize the outstanding technology of Canadian manufacturers and their technology providers.

The Registry was submitted for consideration by Fujitsu Canada and was presented the award at the Canadian Manufacturing Technology show in Toronto on October 21, 2003.

"It's great to be recognized for the ultimate success created by the efforts of the Ministry of Energy, Alberta's oil and gas industry and the Registry team," says Registry Manager Wally Goeres, "A committed team took an idea that had never been attempted before and created an Internet based system that provides stakeholders with a single, authoritative source of secure, valid, standardized, shareable, and timely petroleum-related information".

The Registry is a world first, with jurisdictions across Canada, and the world, looking to it as an example of how to simplify and streamline the collection, use, storage, and distribution of volumetric and royalty related information reported to government and industry partners.

### **Pinnacle:**

In November, it was announced that the Registry is the recipient of the Alberta Department of Energy's 2003 Pinnacle Award.

In receiving this Award, the Department recognized the Registry for its significant contribution to achievement of the Department's business objectives while demonstrating the business excellence principles of Customer Focus, Developing Human Potential, Innovation, and Developing Long Term Win-Win Relationships.

Submissions for the award are reviewed by senior management with the Department under its Recognition and awards Program.

## HOURS OF OPERATION DURING HOLIDAYS

During the holiday season, the Registry team will be offering service to clients of the system on all but statutory holidays. Listed below are the regular system and Service Desk hours of operation that will be impacted by the holiday season.

### **DECEMBER 2003**

24 <sup>th</sup>	System Availability	6:30 a.m. to 5:00 p.m.
	Service Desk	7:30 a.m. to 2:30 p.m.
25 <sup>th</sup>	System and Service Desk closed	
26 <sup>th</sup>	System and Service Desk closed	
31 <sup>st</sup>	System Availability	6:30 a.m. to 5:00 p.m.
	Service Desk	7:30 a.m. to 2:30 p.m.

### **JANUARY 2004**

1 <sup>st</sup>	System and Service Desk closed
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These hours of operation can also be found on the Registry web site under: **Bulletin Board-Calendar**s. If you have any concerns or comments about these hours of operation, please contact the Registry Service Desk at: (403) 297-6111 (Calgary) or 1-800-992-1144 (other locations).

### **Questionnaire**

During the December 2, 2003 Registry Information session, a questionnaire was made available to participants regarding Registry hours of operation. Through the Registry's survey activity, it has been made clear that the majority of clients are fine with the current hours of operation. However, we would like some feedback as to whether there are hours beyond the current hours of operation that others are interested in. Listed below are suggested options.

#### Hours

#### Ranking (1-8)

8:00 – 9:00 p.m.  
9:00 – 10:00 p.m.  
10:00 – 11:00 p.m.  
11:00 – Midnight  
Midnight – 6:30 a.m.

#### Sundays

2<sup>nd</sup> Sunday before EUB extract  
3<sup>rd</sup> Sunday before EUB extract  
4<sup>th</sup> Sunday before EUB extract

If you would like to take part in this questionnaire, please send your response to [petroleumregistry.energy@gov.ab.ca](mailto:petroleumregistry.energy@gov.ab.ca). Please include your name, BA code and phone number. All responses will be reviewed and a decision will be made at a later date as to whether the Registry hours of operation can be expanded.

**The Registry team would like to wish you a happy holiday season!**