

Notice of Proposed Directive Changes
***Directive R01: Volumetric, Valuation and Infrastructure Reporting in
Petrinex***

Background

The following proposed changes to *Directive R01: Volumetric, Valuation and Infrastructure Reporting in Petrinex* are related to the earlier proposed changes to *The Oil and Gas Conservation Regulations, 2012* which were presented for industry consultation between June 23 and July 27, 2017. Those changes, known as *The Oil and Gas Conservation (Miscellaneous) Amendment Regulations, 2017* are intended to be introduced for consideration by the Lieutenant Governor and Council in the fall of 2017. Changes to Directive R01 are intended to coincide with any accepted changes to *The Oil and Gas Conservation Regulations, 2012*.

The Saskatchewan Ministry of the Economy is undertaking consultations and seeking feedback from the oil and gas and pipeline industries on the content of the proposed directive changes.

Overview of Proposed Changes

The proposed changes fall into the following categories:

- Insertion of specific regulations as a result of those regulations concurrent repeal from the *Oil and Gas Conservation Regulations, 2017*.
- Directive name change from R01 to PNG032
- Clarification of requirements and restructuring of subsections.
- Miscellaneous additions/revisions/clarification/grammatical corrections.

Highlights of the some of the changes are included below. Please review the draft Directive document in its entirety for further information.

Summary of Proposed Changes

- The use of directives has replaced a number of regulations. Much of the amendments to the Directive R01 are an insertion of those regulations proposed to be repealed from the *Oil and Gas Conservation Regulations, 2017*. Specifically, Directive R01 will now contain the regulations previously located in the following sections of the *Oil and Gas Conservation Regulations, 2012*.
 - Section 105
 - Section 106
 - Section 107
 - Section 110

- Section 111
- Directive R01: Volumetric, Valuation and Infrastructure Reporting in Petrinex will be re-named as Directive PNG032: Volumetric, Valuation and Infrastructure Reporting in Petrinex.
- Clarification of definitions include the following (found in Section 8 of the Directive):
 - Sales Price (formerly Gross Price)
 - Trucking Expenses (formerly Clean Oil Transportation Charge)
- Clarification of allowable trucking expenses is found in Section 8 of the Directive.
- Clarification of the use and purpose of the First Point of Sale Flag is found in Section 8 and Appendix 6 of the Directive.
- **Changes related to Petrinex:**
 - Field name changes within the Oil Valuation functionality are:
 - The following OV RTP field names will be changed:
 - “Gross Price (\$/m3)” is changed to “Sales Price (\$/m3)”.
 - “Gross Sales Value (\$)” is changed to “Sales Value (\$)”.
 - “Clean Oil Transportation Charge (\$)” is changed to “Trucking Expenses (\$)”
 - The following OV Purchaser field names will be changed:
 - “Gross Price (\$/m3)” is changed to “Sales Price (\$/m3)”.
 - “Gross Purchase Value (\$)” is changed to “Sales Value (\$)”.

Miscellaneous items of note

- **Deliveries to Refineries.** The Deliveries to Refineries functionality has existed in Petrinex since March, 2012; however, the explanation of this functionality was absent from the Directive. A subsection was added to the Directive to explain the requirements related to this functionality.
- **Ministry Audit of Data Submitted Through Petrinex .** A subsection was added to the Directive to clarify the authority of the minister in obtaining supporting documentation for the verification of data submitted to the minister, through Petrinex.
- **Definition of a Reporting Pipeline.** This definition was added to clarify what type of pipeline operators are required to report through Petrinex, for Saskatchewan reporting purposes.
- **Meter Station Subtypes.** A decision tree was added to the Directive to assist industry in selecting the appropriate meter station subtype for Saskatchewan reporting purposes.
- **Facility Subtype: Licence Types Required.** Further clarification was added to provide industry with a list of all licence types required by facility subtype.

Review of Draft Regulations

The proposed changes to Directive R01 are highlighted in yellow within the pdf, and the comments detail the nature of the change. ECON is seeking written comments on the proposed changes. Comments can be submitted through replying to the comments in the pdf or through a separate submission. Please direct any comments or questions about the proposed changes to:

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The deadline for submitting written comments is **October 17th, 2017.**