

Bulletin 2011-05

March 3, 2011

Volumetric Reporting Submission Errors and Noncompliance Fees Related to Waste Plant Reporting

The Energy Resources Conservation Board (ERCB) is implementing twelve waste plant error messages consistent with *Directive 047: Waste Reporting Requirements for Oilfield Waste Management Facilities* and one volumetric reporting error message consistent with *Directive 007: Volumetric and Infrastructure Requirements*. These error messages will become effective as of the March 2011 production month. This is being done to improve the accuracy of Waste Plant Submission Reporting in the Petroleum Registry of Alberta (PRA). The error messages, related shadow billing, and payable invoice implementation timelines are detailed below.

1 Shadow Billing and Payable Invoices

- **Shadow billing will be for six consecutive months commencing with the March 2011 production month and ending on the August 2011 production month.**
- Shadow billing and payable invoices will be loaded into the Ministry Invoices and Statements area of the PRA.
- If an error is not cleared by the ERCB volumetric deadline, it will continue to appear on the shadow billing invoice each month until it has been corrected.
- Payable noncompliance invoices will commence with the September 2011 production month.
- Errors incurred and not corrected during the shadow billing period will be invoiced at the time payable invoices are implemented and as detailed below.
- Errors incurred and not corrected prior to and including the February 2010 production month will appear in the noncompliance report, but will not be included in the shadow billing or payable invoice.

2 Waste Plant Error Messages and Noncompliance Fees

- 1) **WPE0001** – Facility is missing for the current month.

Description: Facility has an “active” or “suspended” operational status for the current production month, and the required waste plant submission has not been made.

Noncompliance Fee: \$500.00 per facility.

- 2) **WPE0002** – Amendment is missing for a prior month due to a change in DISP/REC volume.

Description: The operator of the facility that you delivered to/received from has amended the disposition/receipt volume at your facility, and you have not accepted the change (pending DISP/REC).

Noncompliance Fee: \$100.00 per facility.

- 3) **WPE0003** – Amendment is missing for a prior month due to a change in inventory.

Description: The operator of the facility amends the closing inventory for a prior month. This resulted in a change to the next months opening inventory, and you have not accepted the change (pending INVOP).

Noncompliance Fee: \$100.00 per facility.

- 4) **WPE0004** – Imbalance cannot exist for the product oil.

Description: The facility is out of balance (i.e., the balance is not 0.0) for the product group oil.

Noncompliance Fee: \$100.00 per facility.

- 5) **WPE0005** – Inventory adjustment exceeds the 10% tolerance for oil.

Description: The facility has an inventory adjustment (INVADJ) for the product group oil which is greater than 10% of the total receipts (REC) for the same product group.

Noncompliance Fee: \$100.00 per facility.

- 6) **WPE0006** – Imbalance cannot exist for the product water.

Description: The facility is out of balance (i.e., the balance is not 0.0) for the product group water.

Noncompliance Fee: \$100.00 per facility.

- 7) **WPE0007** – Imbalance cannot exist for the product solids.

Description: The facility is out of balance (i.e., the balance is not 0.0) for the product group solids.

Noncompliance Fee: \$100.00 per facility.

- 8) **WPE0008** – Inventory adjustment exceeds the 10% tolerance for water.

Description: The facility has an inventory adjustment (INVADJ) for the product group water which is greater than 10% of the total receipts (REC) for the same product group.

Noncompliance Fee: \$100.00 per facility.

- 9) **WPE0009** – Inventory adjustment exceeds the 10% tolerance for solids.

Description: The facility has an inventory adjustment (INVADJ) for product group solids which is greater than 10% of the total receipts (REC) for the same product group.

Noncompliance Fee: \$100.00 per facility.

- 10) **WPE0010** – Imbalance cannot exist for the product gas.

Description: The facility is out of balance (i.e., the balance is not 0.0) for product group gas.

Noncompliance Fee: \$100.00 per facility.

11) **WPE0011** – Facility is missing for a prior month.

Description: A retroactive change to the facility has changed the facility operational status to “Active” and you have not submitted volumetric data for the production months that the facility is now active.

Noncompliance Fee: \$500.00 per facility.

12) **WPE0012** – Pending DISP created at a suspended facility.

Description: A DISP volume has been reported at a suspended facility.

Noncompliance Fee: No charge.

These twelve noncompliance error messages are assessed as Low Risk using the ERCB Risk Assessment Matrix, in accordance with *Directive 019: Compliance Assurance*. Error messages and billing details are on the ERCB Web site www.ercb.ca under Industry Zone : Rules Regulations, Requirements : Directives : Directive 007: Volumetric and Infrastructure Requirements : ERCB Noncompliance Fees Related to PRA error messages.

3 Volumetric Reporting Error Message and Noncompliance Fees

In conjunction with the implementation of waste plants a new volumetric error message was created to identify when a waste plant operator has received a volume from a facility which has a “Suspended” operational status resulting in a pending transaction at the suspended facility. The facility operator must either change the operational status to “Active” and submit the volumetric submission or communicate with the waste plant operator to request a correction.

VME0027– Suspended facility with a pending submission

Description: A suspended facility has sent material to a waste plant facility resulting in a pending transaction at the suspended facility.

Noncompliance Fee: \$100.00 per facility.

4 Related Business Rules

For error messages WPE0002 and WPE0003, a facility may receive several pending REC, DISP, and INVOP at one facility, year/month due to amended volumes not being accepted by the operator. In these situations, regardless of the number of occurrences, only one noncompliance fee will be issued. Industry will still be required to correct all outstanding errors to avoid noncompliance, in accordance with *Directive 019*.

Other than the specified production months, the above information is captured in the November 2010 edition of *Directive 047*. Any questions regarding these changes may be directed to the Production Accounting Help Line at 403-297-8952, extension 3, or by e-mail at pa.help@ercb.ca.

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