

ERCB EPAP Implementation Strategy

What's Changed?

The Energy and Resources Conservation Board has issued a new directive for the Enhanced Production Audit Program (EPAP) that applies to all upstream oil and gas operators in Alberta. Directive 076 is requiring operators to:

- ensure compliance with ERCB measurement and reporting requirements at their facilities
- adjust the way they work to minimize the cost to ensure compliance and to improve volumetric reporting

Some oil and gas operators are scrambling to comply with the new directive.

How are Operators Responding?

Operators are taking this ERCB directive seriously and are implementing changes to comply with the new directive. Operators are:

- Evaluating existing process documentation to ensure they are adequate and/or adjusting them to raise the level completeness and accuracy
- Reviewing existing volumetric measurement data and how its collected
- Ensuring proper measurement is in place or implemented
- Questioning and ensuring checks and controls are in place
- Ensuring industry best practices are in place and/or implemented
- Ensuring that checks and controls are being evaluated for their effectiveness

Across the industry, operators are approaching these changes in a variety of ways, from ad-hoc to formal projects.

Why Corvelle?

Corvelle Consulting is offering a superior level of services to clients seeking consulting assistance to achieve compliancy with the EPAP program. Corvelle brings all relevant skills to prepare for your EPAP declaration, including decades of oil and gas experience, measurement and measurement management, process review and definition, IT systems implementation and project management.

Corvelle Phased Approach

Corvelle recommends operators take a structured approach to meeting EPAP requirements:

Corvelle Drives Concepts To Completion

Assessment

- Develop an understanding of EPAP to determine impacts
- Perform an assessment of current data gathering processes, controls and evaluation of controls to determine EPAP preparedness
- Perform a gap analysis between risks of noncompliance and actual work being performed in the areas of:
 - Business process definitions
 - Controls design and execution
 - Evaluations of controls awareness
- Evaluate the contents of:
 - The ERCB's Compliance Assessment Report
 - Recent Field Surveillance field inspection findings
- Review information systems and data flows

Planning & Scoping

- Identify areas which currently comply and areas requiring improvement and/or changes
- Look for areas of continuous improvement
- Identify and evaluate industry best practices from organizations like IMG¹ and CAPP²
- Develop a project plan articulating scope, resources, schedule and budget

Develop / Document Business Processes, Controls and Evaluation of Controls

- Develop new/refine current business processes and control processes
- Develop control evaluation processes

Pilot

- Execute the pilot project by:
 - Implementing new/refined business processes and control processes at one facility or group of facilities
 - Perform evaluation of control processes
- Evaluate pilot and make necessary adjustments to full rollout across the company
- Make any necessary adjustments based on feedback and observations
- Develop project for companywide implementation and rollout

Companywide Rollout

- Carry out plan to implement new/refined business processes and control processes across the company
- Develop and implement sustainable process for EPAP declaration

¹ IMG – [Industry Measurement Group](#)

² CAPP – [Canadian Association of Petroleum Production Accounting](#)