1. Preamble

This document details the procedures for monthly pipeline supply forecasting and the monthly initial nomination process for clean marketable quality crude oil and clean marketable quality segregated condensate. Forecast and nominated volumes represent only those volumes available for delivery from one facility or pipeline to another. While it is recognized that some fine tuning may be required as time progresses, these procedures shall be implemented with the March, 1996 production month as forecasted in February, 1996.

Not all detailed procedures apply to all feeder pipelines. Instead, feeder pipelines are divided into three broad groupings: those operating as single direction, multi-shipper pipelines; those operating as single direction, single shipper pipelines; and, those operating as bi-directional pipelines. Procedures for the first two groupings differ in detail but follow parallel intent such that levels of verification arrived at through differing procedures are equivalent in result. As the third grouping is made up of pipelines that also fall into one or other of the first two groupings, the unique procedures quoted for this grouping are limited to those areas made unique by its bi-directional nature only.

Any questions or concerns pertaining to these procedures or the method in which they are to be applied, shall be directed to the Crude Oil Logistics Committee Administrative Office at (403) 253-6378.

2. Pipeline / Facility Capability

2.1.1 Setting Pipeline Connected Battery and Pipeline Connected Truck Terminal/Cleaning Plant Capability

Pipeline connected battery and pipeline connected truck terminal /cleaning plant capabilities shall be determined by the receiving feeder pipeline using the last three full months of known receipts into the pipeline. The three months to be used shall be the three months ending two full months before the beginning of the month being forecasted (eg. for March forecast, the three months of actuals to be used shall be October, November and December). Using these last three full months of known pipeline receipts, the feeder pipeline shall determine for each pipeline connected battery and for each pipeline connected truck terminal/cleaning plant the sum of:

- The highest month's average in m3/d, and
- The average m3/d of all the three months

This sum is then divided by two to determine the capability for the next forecasting month.

Example:

Last 3 months of known receipts from a pipeline connected battery or pipeline connected truck terminal/cleaning plant

- Month 1 - 1 000 m3/d }
- Month 2 - 1 200 m3/d } - Average 1 066.7 m3/d
- Month 3 - 1 000 m3/d }
- Three month Average - - - - - 1 066.7 m3/d
- Highest Month's Volume - - - 1 200.0 m3/d
- Total - - - - - - - - - - - - - - - - - - 2 266.7 m3/d /2 = 1 133.4 m3/d

1 133.4 m3/d is the highest capability to which the pipeline connected battery or pipeline connected truck terminal/cleaning plant shall forecast without being required to provide detailed information to such receiving feeder pipeline in support of a capability increase. Increases to capabilities shall be decided upon by the receiving feeder pipeline operator. (See Section 2.2).

2.1.2 Setting Non-Pipeline Connected Battery and Non-Pipeline Connected Cleaning Plant Capability

Non-pipeline connected battery and non-pipeline connected cleaning plant capabilities shall be determined by the operator of the pipeline connected battery or pipeline connected truck terminal/cleaning plant that accepts volumes from the non-pipeline connected battery or cleaning plant for delivery into a feeder pipeline using the last three full months of known receipts from the non-pipeline connected battery or cleaning plant. The three months to be used shall be the three months ending two full months before the beginning of the month being forecasted (eg. for March forecast, the three months of actuals to be used shall be October, November and December). Using these last three full months of known receipts, the operator of the pipeline connected battery or pipeline connected truck terminal/cleaning plant shall determine for each non-pipeline connected battery and for each non-pipeline connected cleaning plant delivering to them the sum of:

- The highest month's average in m3/d, and
- The average m3/d of all the three months

This sum is then divided by two to determine the capability for the next forecasting month.

Example:

Last 3 months of known receipts from a non-pipeline connected battery or non-pipeline connected cleaning plant

- Month 1 - 1 000 m3/d }
- Month 2 - 1 200 m3/d } - Average 1 066.7 m3/d
- Month 3 - 1 000 m3/d }
- Three month Average - - - - - 1 066.7 m3/d
- Highest Month's Volume - - - 1 200.0 m3/d
- Total - - - - - - - - - - - - - - - - - 2 266.7 m3/d /2 = 1 133.4 m3/d

1 133.4 m3/d is the highest capability to which the non-pipeline connected battery or non-pipeline connected cleaning plant shall forecast without being required to provide detailed information to such receiving pipeline connected battery or pipeline connected truck terminal/cleaning plant that accepts volumes from the non-pipeline connected battery or cleaning plant for delivery into a feeder pipeline in support of a capability increase. Increases to capabilities shall be decided upon by the receiving pipeline connected battery or pipeline connected truck terminal/cleaning plant operator.

Capabilities for non-pipeline connected batteries and non-pipeline connected cleaning plants shall be a subset of the capability of the pipeline connected battery or pipeline connected truck terminal/cleaning plant to which they forecast deliveries. It is the responsibility of the receiving pipeline connected battery or pipeline connected truck terminal/cleaning plant operator to monitor closely the performance of these non-pipeline connected batteries and cleaning plants as their own capability is partly based on the performance of the non-pipeline connected facilities.

2.1.3 Setting Feeder Pipeline Capability

Feeder pipeline capabilities shall be determined by the feeder pipeline operator in conjunction with the Crude Oil Logistics Committee Administrative Office using the last three full months of known deliveries out of the pipeline. The three months to be used shall be the three months ending two full months before the beginning of the month being forecasted (eg. for March forecast, the three months of actuals to be used shall be October, November and December). Using these last three full months of known deliveries, the pipeline shall determine the sum of:

- The highest month's average in m3/d, and

- The average m3/d of all the three months
- This sum is then divided by two to determine the capability for the next forecasting month.

(This excludes volume deliveries from upstream pipelines that have their own capability. See Section 4.5)

Example:

Last 3 months of known deliveries from a pipeline

- Month 1 - 1 000 m3/d }
- Month 2 - 1 200 m3/d } - Average 1 066.7 m3/d
- Month 3 - 1 000 m3/d }
- Three month Average - - - - - 1 066.7 m3/d
- Highest Month's Volume - - - 1 200.0 m3/d
- Total - - - - - - - - - - - - - - - - - - 2 266.7 m3/d /2 = 1 133.4 m3/d

1 133.4 m3/d is the highest capability (except as set out herein) to which the pipeline shall verify forecasts without being required to provide detailed information to the Crude Oil Logistics Committee Administrative Office in support of a capability increase. Increases to capabilities shall be decided upon by the Crude Oil Logistics Committee with input from the feeder pipeline operator and the Committee's Administrative Office.

Requests for change by the feeder pipeline shall be made by email to the Crude Oil Logistics Committee, Attention: Administrative Manager at info@colcomm.com by the seventh business day of the month prior to the forecast month. Requests for change need only be made if the deviation from the current calculated capability is more than 1% or 100 m3/d, whichever is greater. Later, the same day the Crude Oil Logistics Committee shall inform any pipeline whose request for capability increase is not approved. Where a capability increase is not approved by the Crude Oil Logistics Committee's Administrative Office, the request will automatically be forwarded to the Committee's Working Group for further review. Final review may be provided by the general membership at the next Committee meeting.

In any instance where a feeder pipeline's request for an increase in its capability is not approved by the Committee, the feeder pipeline operator may choose to verify initial nominations to the level of its requested capability level. Should the volume verified not materialize, the appropriate government agency shall be asked by the Committee Administrative Office to formally discuss the feeder pipeline's verification procedures.

2.2 Requested Increases to Capability Properly Supported by Complete Detail

To forecast an increase to capability that reflects new production, the battery operator will provide, in addition to the Form A (or equivalent), a detailed list of wells affected. This list will include the LSD of the well, its licence number, the spud date, the expected first date of production and the forecast of its production level for the month being forecasted.

In the case of new wells in Alberta that do not achieve Good Production Practices (GPP) status, the battery operator may forecast any part of the cumulative 2400 cubic metres for a new well during any of the four test months, The total forecast during the four months cannot exceed the 2400 cubic metres cumulative limit. This cumulative 2400 cubic metres of allowable production during the first four months of production test may not be increased without proof of extension from the Alberta Energy and Utilities Board.

In the case of new wells in Alberta that do achieve GPP status, either before start-up or after start-up, but during the new production test period and of new wells in other jurisdictions, no cumulative limit for new production testing currently exists. The battery operator is free to forecast start-up volumes based on the producer's predictions. However, the battery operator is required to apply prudent controls on such forecast new production volumes to avoid developing a low credibility rating with the feeder pipeline to which the forecast new production will be directed.

To forecast an increase in capability that reflects field or tank inventory, a battery operator will provide, in addition to the Form A (or equivalent), a detailed list of inventory sites involved. This list will include the LSD of each inventory source; its associated well, where applicable; and the working capacity of the tank.

In each case of forecast increases to capability, the appropriate receiving pipeline connected battery or pipeline connected truck terminal/cleaning plant or the feeder pipeline will review the request and, on a best efforts basis determine if the request should be accepted. Disputes arising from refusals by the appropriate receiving pipeline connected battery or pipeline connected truck terminal/cleaning plant or the feeder pipeline to accept such requests may be discussed with the Crude Oil Logistics Committee. Unresolved issues may be taken to the applicable government authority.

Requests for increases in capability will be scrutinized on an individual basis, retroactively. Battery operators requesting capability increases that do not materialize may see future requests for increases to capability refused due to a history of poor credibility.

3. Forecast of Battery Supply - Forms A and B

3.1.1 Reporting Requirements - Forms A

The Form A forecast shall be completed by the non-pipeline connected battery operator and presented to the pipeline connected battery or truck terminal operator or to the pipeline connected or non-pipeline connected cleaning plant operator to which the non-pipeline battery intends to forecast and deliver its volume in the month being forecasted.

The non-pipeline connected battery operator shall present the Form A forecast on the schedule for Transfer Forms A (as shown in the Crude Oil Logistics Committee Industry Reporting Calendar) if the receiving facility is another non-pipeline connected battery; a pipeline connected battery, no matter who the operator is; a truck terminal not operated by the pipeline to which it is connected; a non-pipeline connected cleaning plant; or, a pipeline connected cleaning plant not operated by the pipeline to which it is connected.

The non-pipeline connected battery operator shall present the Form A forecast on the schedule for Forms A (as shown in the Crude Oil Logistics Committee Industry Reporting Calendar) if the receiving facility is a truck terminal operated by the pipeline to which it is connected, or a pipeline connected cleaning plant operated by the pipeline to which it is connected.

The non-pipeline connected cleaning plant operator shall present the Form A forecast on the schedule for Transfer Forms A (as shown in the Crude Oil Logistics Committee Industry Reporting Calendar) if the receiving facility is another non-pipeline connected facility or a truck terminal not operated by the pipeline to which it is connected.

The non-pipeline connected cleaning plant operator shall present the Form A forecast on the schedule for Forms A (as shown in the Crude Oil Logistics Committee Industry Reporting Calendar) if the receiving facility is a truck terminal operated by the pipeline to which it is connected.

The pipeline connected battery operator; the truck terminal operator; and the pipeline connected cleaning plant operator shall present the Form A forecast on the schedule for Forms A (as shown in the Crude Oil Logistics Committee Industry Reporting Calendar) to the pipeline to which it is connected. In the case of a truck terminal or cleaning plant operated by the operator of the pipeline to which it is connected, Forms A forecasts to the facility will be used by the pipeline.

In the event that a Form A is not filed with the receiving facility or the pipeline by the required deadline, the operator will attempt to obtain the required Form A. If no Form A is received, the operator may revert to the system calculated capability using the latest appropriate shipper splits.

3.1.2 Reporting Requirements - Form A Equivalent

In the case of a feeder pipeline that does not use the Form A format for some or all of its input points, the feeder pipeline operator shall inform those parties responsible to provide forecasts to the pipeline and the Crude Oil Logistics Committee of the format required for forecasts that are equivalent to Forms A forecasts. While such format changes can be accommodated, the information contained in the Form A Equivalent forecasts shall be the same as that contained in normal Form A forecasts.

3.1.3 Reporting Requirements - Forms B

The Form B forecast shall be completed by each of the parties completing Forms A forecasts and shall be presented to the shippers of volumes from their facility as notification of change in forecast volume or shipper ownership change after initial nominations are filed for a forecast month.

3.2 Interest Owner and Shipper Changes

For split changes to be effective with initial forecasting, the production interest owner shall present the delivery battery operator with such changes by the date shown on the Crude Oil Logistics Committee Forecast Reporting Calendar.

3.3 Forms A Forecasts and Form A Equivalent Forecasts

Forms A forecasts and Transfer Forms A forecasts and Form A Equivalent forecasts shall be presented to the appropriate facility or pipeline operator by the dates shown on the Crude Oil Logistics Committee Industry Reporting Calendar. It is imperative that the volume and shipper information be accurate.

The total volume forecast shall not exceed the system/facility calculated capability reported in cubic metres per day without a formal request for a capability increase accompanied with the require detailed backup for the requested increase and the appropriate COMS/EDI codes.

Lower total volume forecasts shall be submitted where appropriate.

Un-rateable deliveries shall be noted under the explanation section of the Form A or Form A Equivalent.

Where production is forecast for delivery to a bi-directional pipeline, volumes may be forecast to one or more pipeline-connected batteries or truck terminals providing that the total volume forecast does not exceed the total volume available for forecast.

Forecasts of new volumes to a pipeline-connected battery, a truck terminal or a pipeline connected cleaning plant that are transferred from another receipt point and are not new production will not be accepted until the receiving facility operator is satisfied that the previous receipt point is aware of the reduction in its forecast supply. Receiving facility operators will compare notes in this matter to prevent double forecasting. Such transfers will be checked monthly until a history of not less than three continuous months is achieved.

3.4 Upstream Gathering and Feeder Pipeline Operators

Upstream gathering and feeder pipeline operators provide downstream connected feeder pipelines with a Form A forecast for all volumes delivered through the pipeline injection point by the dates shown on the Crude Oil Logistics Committee Forecast Reporting Calendar.

4. Initial Shipper Field Supply Forecast - Form C

4.1 Feeder Pipeline - "Pipeline System Capability" and "Apportionment Factor"

Apportionment Factor ("App.F.") = "Capability" / "Sum of Verified Forecasts"

"Capability" is the system/facility capability as calculated by the appropriate receiving facility or feeder pipeline. (See Section 2).

"Sum of Verified Forecasts" is the sum of each of the Form A or Equivalent forecasts on the system as verified by the receiving facility or pipeline operator.

Each battery's "Verified Forecast" shall be determined using the following steps:

1. Form A or Equivalent forecast shall be compared to the system/facility calculated capability.
2. Forms A or Equivalent forecasts exceeding the calculated capability, without noted explanation (COMS/EDI Deviation Code and full detailed explanation),shall

be ignored and shall be set by the receiving facility or pipeline to the system/facility calculated capability.

3. Forms A exceeding the calculated capability, with explanation (COMS/EDI Deviation Code and full detailed explanation), shall be accepted on agreement by the appropriate receiving facility or pipeline.
4. Forms A less than the system/facility calculated capability shall be accepted.
5. Each shipper's split shall be based on the Form A split, multiplied by the appropriate total indicated in points 2. through 4. immediately above.

At each battery the adjusted forecast shall be calculated as follows:

"Adjusted Forecast" = App.F. x "Verified Forecast"

Where Forms A forecasts total less than the system "capability", the Capability Factor shall be set to 1.0 (i.e. - the App.F. shall not be greater than 1.0).

The feeder pipeline shall receive Forms A or Equivalent from its battery operators and from upstream systems (gathering pipelines etc.), shall calculate the App.F. for its entire system, and shall provide each shipper with a Form C, indicating both the original and the App.F. Adjusted Forecast. The gathering pipeline's total shall be indicated as a single volume.

The feeder pipeline also shall provide this system App.F. to the gathering pipeline. The gathering pipeline, using this App.F., shall provide each of its shippers with a Form C, indicating both the original and the App.F. Adjusted Forecast supply detailed to the battery level. This procedure will insure that the Form C totals provided by the gathering pipeline, and by the feeder pipeline (for the gathering pipeline) are identical.

4.2 Reporting - Form C

For any system utilizing an assigned capability, the apportionment factor shall be displayed on the Form C, along with:

- The original "Verified Forecast" at each battery
- The "App.F. - Adjusted Forecast" at each battery
- The totals of the original "Verified Forecast" and the "App.F. - Adjusted Forecast" at each battery
- The source (basis) of the supply data is indicated beside each battery
- "A" based on Form A forecast volume
- "H" based on historical formula calculation

- "U" based on verification by upstream gathering pipeline or other facility

4.3 Truck Terminal Operator

In most cases, truck terminals are treated the same as a pipeline-connected battery.

Where appropriate, separate apportionment factors shall be applied at a truck terminal, in the same manner as with a feeder pipeline, i.e. truck terminal operators shall provide Form C Forecasts to its shippers and an App.F. adjusted Form A to the downstream system.

Verification of supply to the downstream system shall be provided by the date noted in the Forecast Reporting Calendar (24 hours prior to the downstream system Form C deadline).

4.4 Gathering Pipeline Operator

In most cases, gathering pipeline shall be treated the same as a pipeline connected battery.

Where appropriate, separate apportionment factors shall be applied at a gathering pipeline, in the same manner as with a feeder pipeline, i.e. gathering pipeline operator shall provide a Form C forecast to each of its shippers and a App.F. adjusted Form A to the downstream system.

Verification of supply to the downstream system shall be provided by the date noted in the Forecast Reporting Calendar (24 hours prior to the downstream system Form C deadline).

4.5 Application of Upstream Capabilities

Upstream capabilities (for gathering pipelines, upstream connected feeder pipelines, pipeline connected truck terminals/cleaning plants not operated by the feeder pipeline to which they are connected) shall be applied at the instigation of either the upstream or downstream system, with the assistance of the Committee.

- Upstream capabilities shall be determined in the same manner as in Section 2.
- The upstream system receives Form A's from battery operators and calculates the App.F. for its system. The upstream system provides the feeder pipeline with unadjusted forecast totals by shipper on Form A's and indicates the upstream system's separate App.F. (4 decimals) on the comments section of the Form 'A'.
- The feeder pipeline shall receive Forms A or Equivalent forecasts from its battery operators and shall calculate the App.F. for its own pipeline (excluding any upstream

systems with a separate App.F.). It shall provide each of its shippers with a Form C, indicating both the original and the App.F. adjusted forecast supply, having applied the appropriate App.F. to each receipt point. The upstream system shall be provided as a single entry.

- The upstream system, applying its own separate App.F., shall provide each of its shippers with a Form C, indicating both the original and the App.F. adjusted forecast supply detailed to the battery level. This procedure shall insure that the Form C totals provided directly by the upstream system, and by the feeder pipeline (for the upstream system) shall be identical.

4.6 Communication With Battery Operators

Pipelines shall advise the connected facility operator of changes from original forecast production levels. Connected facility operators shall advise any upstream operators of changes from the original forecast production levels.

4.7 Bi-Directional Pipelines

Where a feeder pipeline has the ability to deliver in two directions, the bi-directional feeder pipeline will ensure that the same volume is not forecast or nominated in both directions. Volumes that are pipeline connected and that enter the bi-directional pipeline between a directional division point and the downstream end of the bi-directional pipeline must be forecast and nominated in the direction of the physical flow of that section of the pipeline. Volumes that are pipeline connected and enter the bi-directional pipeline in a section of the pipeline that can deliver in either direction may be forecast and nominated in either direction. While such volumes may be split between the two directions, the total volume forecast and nominated cannot exceed the volume available for forecast/nomination.

5. Initial Shipper Notice of Shipment

5.1 Supply - App.F. Adjusted Battery Receipts (Form C - to each shipper)

Shippers shall use the "App.F. - Adjusted Forecast" total provided by the receiving facility or pipeline on the Form C forecast.

Shippers shall provide the downstream system (feeder pipeline) and upstream system (gathering pipeline, other connected feeder pipeline, truck terminal and cleaning plants) with a notice of shipment, that shall confirm acceptance of deliveries from the upstream

system. This notice of shipment shall be equal to the volume provided to the shipper on the Form C forecast.

5.2 Supply - Shipper To Shipper Transfers

Where transfer volumes between shippers within a facility or a gathering or feeder pipeline do not balance, the facility or pipeline shall contact the shippers involved. If unable to resolve the imbalance, the facility or pipeline shall ensure that the transfer volume is set at the lower of the two parties stated volumes. The facility or pipeline shall notify the two shippers of the volume the facility or pipeline has set for the transfer. No change shall be allowed to this forecast transfer volume once the downstream trunk line(s) have been notified of verified volumes until the affected receiving trunk lines have completed their apportionment calculations and have announced apportionment levels. At that point, any changes made shall be subject to post-apportionment rules on the affected trunk line(s).

Where a shipper delivers from a facility or pipeline to more than one disposition point or to one disposition point, but to more than one receiving party, the shipper shall designate one ore more delivery points or recipients to be swing disposition(s). Any change in such a shipper's supply shall be reflected in the shipper's disposition to the designated swing disposition(s).

If the shipper has not designated a swing disposition, the facility or pipeline shall prorate any change in supply over all the indicated disposition points.

5.3 Supply - From Inventory

Shipper's balance (or Equivalent) inventory imbalances (other than inventory that the shipper/producer has in tankage) shall be handled in the month immediately following (e.g. March imbalance to be handled in April business). The facility or pipeline shall make known to the shipper, as soon as possible, any imbalance and the shipper shall adjust supply and disposition accordingly.

Where a facility or pipeline chooses another method for dealing with shipper's balance (or Equivalent) imbalances, that facility or pipeline shall notify all of its shippers (or non-shipper, customers) and the Crude Oil Logistics Committee of the method it has chosen for dealing with these imbalances. The facility or pipeline shall then consistently apply its published method across its system. No changes to this method shall be made without prior written notice to all affected parties.

Any inventory the shipper/producer has in tankage shall be identified separately on the original Form A forecast and/or notice of shipment. This volume shall be subject to acceptance and/or verification by the receiving facility or pipeline if an increase in capability is required to accommodate the inventory volume. If the inventory does not require an increase in capability, it shall be accepted without verification as part of current production.

5.4 Dispositions

Dispositions shall be identified by the shipper on the initial notice of shipment to the facility or pipeline and shall equal total identified supply.

Where the supply is not fixed, the shipper shall identify at least one "swing" disposition.

5.5 Imbalance - Supply versus Disposition

Failing a balance between shipper indicated supply and disposition, the facility or pipeline shall attempt to resolve with the shipper. If unable to resolve within twenty-four hours, the facility or pipeline shall adjust the supply and/or disposition, at the facility or pipeline operator's discretion, to bring volumes into balance. This may result in either shut-in volumes (see Section 5.6) or a reduced delivery for the shipper at one or more of the shippers indicated disposition points.

If the shipper involved has indicated a delivery to one or more swing disposition(s), the reduction in supply shall be reflected in the shipper's disposition to the swing disposition(s).

If the shipper is not delivering to one or more swing disposition(s), the facility or pipeline shall prorate the reduction in supply over all the shipper's indicated disposition points.

5.6 Shut-In

Where shut-in is required for lack of sales or pipeline apportionment, shippers shall advise facilities or pipelines of volumes and locations to be reduced. Lacking shipper direction, shut-in shall be carried out pro rata at shipper connected locations.

Pipelines shall also advise the connected facility operator of reduced production levels.

Feeder Pipelines shall hold oil out of the system presumably due to contravention of tariff rules and regulations (i.e. invalid Notice of Shipment). Based on available information pipelines shall call on pipeline-connected facility operators to restrict deliveries. Unless

advised by the shippers otherwise, volumes shall be prorated to facilities delivering crude in the name of the problem shipper or prorated to a pre-arranged facility shut-in schedule as submitted by the shipper in advance, and agreed to be the feeder pipeline.

Pipeline connected battery operators, truck terminal operators and pipeline connected cleaning plant operators shall hold oil out of the pipeline as instructed by the pipeline. In addition they shall determine the sources of production behind shipper volumes and either advise producing entities to reduce volumes or advise producer volumes shall be held in facility tankage. Additional suggested voluntary procedures are detailed in Section 5.7.

Producing battery operators (producers), on advisement by the pipeline connected battery operator, shall cut volumes to equal the offending shippers, volume and advise all shippers affected.

5.7 Battery Operators - Shut-In

These additional procedures are suggested to enable affected parties to be treated equitably.

Pipeline connected battery operators, truck terminal operators and pipeline connected cleaning plant operators:

- Production entities should be selected for reduction on the basis of having the least impact on the volumes of other shippers (i.e. high shipper interest properties first).
- In the case of joint working interest properties the total property should be restricted by the required volume. Working interest owners (or unit participants) should transfer oil or store oil amongst themselves to satisfy the working interest agreements and minimize the effect on each other.
- Production interest ownership at the well, not battery operational control, should be the determining factor in allocating shut-in.

Producing Battery Operators (Producers):

- Contact their shipper(s) to ascertain why they are not performing their required duties.
- Meet with shipper(s) and pipeline-connected facility operator to understand why and how action was taken.

6. Verification of Initial Supply

6.1 To Points of Disposition

Each feeder pipeline or facility directly connected to one or more extra provincial pipeline(s) and or one or more IPL upstream western Canadian refinery(ies) in Alberta and Saskatchewan shall inform:

Each extra provincial pipeline of:

- Total verified nominations for disposition from their feeder pipeline or facility to the individual extra provincial pipeline along with the verified ownership by crude stream, by shipper.

The Crude Oil Logistics Committee Administrative Office of:

- Total verified nominations for disposition from their feeder pipeline or facility to all receiving locations along with the verified ownership by crude stream, by shipper;
- Total verified nominations for disposition from their feeder pipeline or facility to each receiving extra provincial pipeline along with the verified ownership by crude stream, by shipper;
- Total verified nominations for disposition from their feeder pipeline or facility to each individual IPL upstream western Canadian refinery in Alberta and Saskatchewan by crude stream, by shipper.
- All battery requests for increases to capability that do not materialize to a level of at least 95% of the new requested additional capability.

Each trunk line shall inform:

the Crude Oil Logistics Committee Administrative Office of:

- Full details of initial notices of shipment for all shippers by stream, by crude type, by inlet point, by shipper.
- Full details of actuals volume receipts for all shippers by stream, by crude type, by inlet point, by shipper.

The Crude Oil Logistics Committee Administrative Office shall inform:

the Crude Oil General Membership of:

- Total verified nominations for disposition from all feeder pipelines and other connected facilities to each of the extra provincial pipelines along with the verified ownership by crude stream, by shipper. This report shall not be feeder pipeline or connected facility specific. This report will be sourced from feeder pipeline or other connected facility reports.
- Total of initial notices of shipment to each of the extra provincial pipelines by crude type, by shipper. This report will not be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total of actuals volume receipts to each of the extra provincial pipelines by crude type, by shipper. This report will not be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total verified nominations for disposition from each of the feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Alberta and Saskatchewan along with the verified ownership by crude stream, by shipper. This report will not be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- Total of actual volume deliveries from each of the feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Alberta and Saskatchewan by crude stream, by shipper. This report will not be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- All unresolved issues between delivery batteries, truck terminals and cleaning plants and downstream pipelines or other facilities in which requests for increased capability were granted, the oil failed to show up at least to the required 95% level and the downstream receiving facility operator and the Committee Administrative Office do not accept the explanation given for the shortfall. This report will only be producer specific. It will not be battery, field or well specific.

the Alberta Department of Energy of:

- Total verified nominations for disposition from all intra-Alberta feeder pipelines and other connected facilities to each of the extra provincial pipelines along with the verified ownership by crude stream, by shipper. This report will be feeder pipeline or connected facility specific. This report will be sourced from feeder pipeline or other connected facility reports.
- Total of initial notices of shipment to each of the extra provincial pipelines for intra-Alberta feeder pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.

- Total of actuals volume receipts to each of the extra provincial pipelines for intra-Alberta pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total verified nominations for disposition from each of the intra-Alberta feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Alberta along with the verified ownership by crude stream, by shipper. This report will be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- Total of actual volume deliveries from each of the intra-Alberta feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Alberta by crude stream, by shipper. This report will be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- All unresolved issues between delivery batteries, truck terminals and cleaning plants and downstream pipelines or other facilities within Alberta in which requests for increased capability were granted, the oil failed to show up at least to the required 95% level and the downstream receiving facility operator and the Committee Administrative Office do not accept the explanation given for the shortfall. This report will be battery, field and well specific.

Saskatchewan Energy & Mines of:

- Total verified nominations for disposition from all intra-Saskatchewan feeder pipelines and other connected facilities to each of the extra provincial pipelines along with the verified ownership by crude stream, by shipper. This report will be feeder pipeline or connected facility specific. This report will be sourced from feeder pipeline or other connected facility reports.
- Total of initial notices of shipment to each of the extra provincial pipelines for intra-Saskatchewan feeder pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total of actuals volume receipts to each of the extra provincial pipelines for intra-Saskatchewan pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total verified nominations for disposition from each of the intra-Saskatchewan feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Saskatchewan along with the verified ownership by crude stream, by shipper. This report will be individual refinery

specific. This report will be sourced from feeder pipeline or other connected facility reports.

- Total of actual volume deliveries from each of the intra-Saskatchewan feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Saskatchewan by crude stream, by shipper. This report will be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- All unresolved issues between delivery batteries, truck terminals and cleaning plants and downstream pipelines or other facilities within Saskatchewan in which requests for increased capability were granted, the oil failed to show up at least to the required 95% level and the downstream receiving facility operator and the Committee Administrative Office do not accept the explanation given for the shortfall. This report will be battery, field and well specific.

the appropriate government agency in Manitoba of:

- Total verified nominations for disposition from all intra-Manitoba feeder pipelines and other connected facilities to each of the extra provincial pipelines along with the verified ownership by crude stream, by shipper. This report will be feeder pipeline or connected facility specific. This report will be sourced from feeder pipeline or other connected facility reports. total of initial notices of shipment to each of the extra provincial pipelines for intra-Manitoba feeder pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total of actuals volume receipts to each of the extra provincial pipelines for intra-Manitoba pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- All unresolved issues between delivery batteries, truck terminals and cleaning plants and downstream pipelines or other facilities within Manitoba in which requests for increased capability were granted, the oil failed to show up at least to the required 95% level and the downstream receiving facility operator and the Committee Administrative Office do not accept the explanation given for the shortfall. This report will be battery, field and well specific.

the National Energy Board of:

- Total verified nominations for disposition from all National Energy Board regulated inter-provincial feeder pipelines and other connected facilities to each of the extra provincial pipelines along with the verified ownership by crude stream, by shipper.

This report will be feeder pipeline or connected facility specific. This report will be sourced from feeder pipeline or other connected facility reports.

- Total of initial notices of shipment to each of the extra provincial pipelines for National Energy Board regulated inter-provincial feeder pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total of actual volume receipts to each of the extra provincial pipelines for National Energy Board regulated inter-provincial pipelines by crude type, by shipper. This report will be feeder pipeline or other connected facility specific. This report will be sourced from extra provincial pipeline reports.
- Total verified nominations for disposition from each of the National Energy Board regulated inter-provincial feeder pipelines and other connected facilities, and Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Alberta and Saskatchewan along with the verified ownership by crude stream, by shipper. This report will be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- Total of actual volume deliveries from each of the National Energy Board regulated inter-provincial feeder pipelines and other connected facilities, including Interprovincial Pipe Lines Inc. to all of the IPL upstream western Canadian refineries in Saskatchewan by crude stream, by shipper. This report will be individual refinery specific. This report will be sourced from feeder pipeline or other connected facility reports.
- All unresolved issues between delivery batteries, truck terminals and cleaning plants and downstream pipelines or other facilities within western Canada in which requests for increased capability were granted, the oil failed to show up at least to the required 95% level and the downstream receiving facility operator and the Committee Administrative Office do not accept the explanation given for the shortfall. This report will be battery, field and well specific.
- Where a battery fails to achieve at least 95% of a requested increase to its capability, the Committee Administrative Office may request from the battery operator copies of supporting government reports for wells detailed in the original request and supporting information for inventories detailed in the original request. Where production from these wells and/or volumes from these inventories has failed to meet at least 95% of forecast, the feeder pipeline, Committee membership and the appropriate government agency shall be notified of such shortfall. The feeder pipeline shall use this information to develop its own credibility rating for battery operators to be applied to future requests for increases to capability.

6.2 Government Agency Monitoring

The Committee Administrative Office shall provide the appropriate provincial and/or federal government agencies with monthly reports as set forth in Section 6.1, above.

Each of the government agencies mentioned in Section 6.1 are the applicable regulators for the various individual feeder pipelines and may direct, from time to time, the Committee Administrative Office to redirect reports to other appropriate government agencies within their individual jurisdiction.

The government agencies shall review such reports and, either of their own volition or in response to a complaint may review the verification practices of one or more of the feeder pipelines under their jurisdiction. Through discussions and, where required, government intervention, the government agencies shall ensure that feeder pipeline operators are able to exercise their responsibilities as set forth in these procedures and any amendments thereto.

Government agencies may be asked, from time to time, to deal directly with parties who, through a history of activities appear to be thwarting the forecasting/nominating procedures. It is anticipated that the government agencies may wish to discuss among themselves what parties are causing problems.

7. Revisions to Initial Forecast of Battery Supply

7.1 Revisions

Companies should submit a revised Form A