



## CAPITAL ADDITIONS/DELETIONS TO/FROM A FACILITY

### GATHERING LINES \*

Outside Diameter mm	Length Km	Year Installed	UWI gas well location	Location of pipeline segments gathering gas	
D1	D2	D3	D4	From D5	To
				From	To
				From	To
				From	To
				From	To
				From	To

### DEHYDRATION UNIT

Capacity Rating 10 <sup>3</sup> m <sup>3</sup> per month	Year Installed	Process Type Glycol or Dessicant	Central or Wellsite	Location
E1	E2	E3	E4	E5

### COMPRESSOR

Brake Horsepower	YYYYMM In Operation	Compressor Type (Gas Engine, Electric Motor or Turbine?)	Location
F1	F2	F3	F4

### FUEL GAS PROCESSING UNIT

Capacity Rating mcf/d	YYYYMM In Operation	Location
G1	G2	G3

Note: A map of the facility area showing wellsites, gathering lines, compressor and dehydrator locations should also be supplied.

\* Attach separate sheet for additional gas pipeline segments.

## REPORT COMPLETION GUIDELINES

### 6.10 APPLICATION FOR PRODUCER COST OF SERVICE (BC-22)

#### PURPOSE

The BC-22 is an application for a Producer Cost of Service (PCOS) allowance. This is a fixed rate deduction from gross natural gas royalties payable, expressed in  $\$/10^3\text{m}^3$  of raw gas gathered. The form is designed to ensure the Ministry has the information required to approve the PCOS application.

The current PCOS rates are based on a volume weighted average of the estimated unit cost for all facilities delivering to a given processing plant. The estimates are based on an inventory of the gas gathering system lines and capital equipment used at a facility.

The Ministry reviews the rates annually to determine whether or not volume swings and/or capital additions/deletions are sufficient to warrant a rate change. The BC-22 now serves as a way for facility operators to let the Ministry know when additional capital is installed. This will help the Ministry to maintain an up to date equipment inventory on which to base future rate calculations.

#### TIMING

The BC-22 is submitted to the Mineral, Oil and Gas Revenue Branch prior to the production month in which a PCOS status is to become effective. This generally occurs when a facility begins production or when a compressor or field processing unit begins operation.

#### FACILITY

- A1 Facility Code** Enter the 4-digit facility identification code.
- A2 Plant to Which Gas is Delivered** Enter the name or names of the processing plant(s) to which the facility delivers raw gas.
- A3-A6** Check off the box(es) for:
- Main Gathering and Dehydration,
  - Field Compression,
  - Processing of Fuel Gas, or
  - Conservation of Conservation Gas,
- as applicable.

#### VOLUME AND H<sub>2</sub>S CONTENT

- B1 Estimated Annual Volume of Raw Gas Delivered to Facility** Enter the estimated volume of raw gas throughput in the following 12 months. Estimates should reflect volumes expected as a result of capital additions or deletions.
- B2 Weighted average H<sub>2</sub>S content of inlet stream to the Facility** Enter the weighted average H<sub>2</sub>S content of the inlet stream for the facility using actual or estimated annual production volumes.

## REPORT COMPLETION GUIDELINES

### VOLUME AND H<sub>2</sub>S CONTENT cont'd

A check for reasonableness should be made by calculating a maximum and minimum weighted average for the same time period based on potential operating conditions.

### FACILITY OPERATOR

- C1 Company Name** Insert the name of the facility operator.
- C2 Name** Print the name of a production accounting contact person for the facility operator.
- C3 Telephone** Insert the telephone number of the production accounting contact person.
- C4 Field Engineering Contact Name** Print the name of the field engineer to contact for further information.
- C5 Telephone** Insert telephone number of the field engineer.

### GATHERING LINES

- D1 Outside Diameter** Insert the outside diameter of gathering lines in millimetres.
- D2 Length** Insert the length of gathering line in kilometers.
- D3 Year Installed** Insert the year of initial installation.
- D4 UWI** Assigned producing bottom hole well location (optional).
- D5 Location** Insert NTS or DLS map locations where each gathering line section begins and ends.

### DEHYDRATION UNIT

- E1 Capacity Rating 10<sup>3</sup>m<sup>3</sup>** Insert the actual design capacity of dehydration unit in 10<sup>3</sup>m<sup>3</sup> per month of raw gas.
- E2 Year Installed** Insert the year of initial installation.
- E3 Process Type Glycol or Dessicant** Specify the type of dehydration process used (e.g. glycol, dessicant, etc.).
- E4 Central or Wellsite** Insert W (for Wellsite) if the dehydration unit serves a single well. Enter C (for Central) if the unit serves multiple wells in the facility.
- E5 Location** Insert the NTS or DLS map location.

### COMPRESSOR

- F1 Brake Horsepower** Insert the horsepower rating of the compressor.
- F2 YYYYMM In Operation** Insert the year of initial installation. In the case of second-hand units previously installed at another location, enter the date of initial installation at that location.
- F3 Compressor Type (Gas Engine, Electric Motor or Turbine?)** Insert the type of drive that powers the compressor (e.g. gas engine reciprocating, electric motor reciprocating, turbine, etc.).

## REPORT COMPLETION GUIDELINES

**F4 Location** Insert the NTS or DLS map location.

### FUEL GAS PROCESSING UNIT

*NOTE: This section should be completed only for those facilities that process raw gas in the field for the exclusive purpose of providing fuel for the field gathering system, field dehydration or field compression.*

**G1 Capacity Rating MCFD** Insert the volume of raw gas in MCFD that the unit was initially designed to process.

**G2 YYYYMM In Operation** Insert the initial date of installation.

**G3 Location** Enter the NTS or DLS map location of the field processing unit.

### DOCUMENTATION REQUIRED

The following documentation to support the above cost claims should be provided:

- A map of the facility area showing wellsites, gathering lines, dehydrator and compressor location,
- A facility schematic.