



Corporate Financial and Reserves eSubmission Portal Guidance

VERSION 1.2: December 2023

About the Regulator

The BC Energy Regulator (Regulator) is the single-window regulatory agency with responsibilities for regulating oil and gas activities in British Columbia, including exploration, development, pipeline transportation and reclamation.



The Regulator's core roles include reviewing and assessing applications for industry activity, consulting with First Nations, ensuring industry complies with provincial legislation and cooperating with partner agencies. The public interest is protected by ensuring public safety, protecting the environment, conserving petroleum resources and ensuring equitable participation in production.

Vision, Mission and Values

Vision

A resilient energy future where B.C.'s energy resource activities are safe, environmentally leading and socially responsible.

Mission

We regulate the life cycle of energy resource activities in B.C., from site planning to restoration, ensuring activities are undertaken in a manner that:



Protects public safety and the environment



Supports reconciliation with Indigenous peoples and the transition to low-carbon energy



Conserves energy resources



Fosters a sound economy and social well-being



Values

Respect is our commitment to listen, accept and value diverse perspectives.

Integrity is our commitment to the principles of fairness, trust and accountability.

Transparency is our commitment to be open and provide clear information on decisions, operations and actions.

Innovation is our commitment to learn, adapt, act and grow.

Responsiveness is our commitment to listening and timely and meaningful action.

Additional Guidance

As with all Regulator documents, this document does not take the place of applicable legislation. Readers are encouraged to become familiar with the acts and regulations and seek direction from Regulator staff for clarification.

The Regulator publishes both application and operations manuals and guides. The application manual provides guidance to applicants in preparing and applying for permits and the regulatory requirements in the planning and application stages. The operation manual details the reporting, compliance and regulatory obligations of the permit holder. Regulator manuals focus on requirements and processes associated with the Regulator's legislative authorities. Some activities may require additional requirements and approvals from other regulators or create obligations under other statutes. It is the applicant and permit holder's responsibility to know and uphold all legal obligations and responsibilities. For example, Federal Fisheries Act, Transportation Act, Highway Act, Workers Compensation Act and Wildlife Act.

Throughout the document there are references to guides, forms, tables and definitions to assist in creating and submitting all required information. Additional resources include:

- [Glossary and acronym listing](#) on the Regulator website.
- [Documentation and guidelines](#) on the Regulator website.
- [Frequently asked questions](#) on the Regulator website.
- [Advisories, bulletins, reports and directives](#) on the Regulator website.
- [Regulations and Acts](#) listed on the Regulator website.

In addition, this document may reference some application types and forms to be submitted outside of the Application Management System but made available on the Regulator's website. Application types and forms include:

- Heritage Conservation Act, Section 12
- Road use permits
- Water licences
- Master licence to cut
- Certificate of restoration
- Waste discharge permit
- Experimental scheme application
- Permit extension applicatio

Table of Contents

About the Regulator	2
Additional Guidance	3
Table of Contents.....	4
Manual Revisions.....	5
Chapter 1: Introduction	6
Chapter 2: Using the eSubmission Portal	7
2.1 Accessing the Portal.....	7
2.2 Permittee Capability Assessment – Financial Submission	7
2.2.1 Permit Holder and Company Contact Info:	8
2.2.2 Financial Information:	8
2.3 Permittee Capability Assessment – Reserves Submission.....	10
2.3.1 Permit Holder and Company Contact Info	10
2.3.2 Reserves Information.....	10
2.3.3 Submission Status: Accepted or In-Revision	11
2.3.4 Submission Confidentiality	11

Manual Revisions

The Regulator is committed to the continuous improvement of its documentation. Revisions to the documentation are highlighted in this section and are posted to the [Documentation Section](#) of the Regulator's website. Stakeholders are invited to provide input or feedback on Regulator documentation to ServiceDesk@bc-er.ca or submit feedback using the [feedback form](#).

Version Number	Posted Date	Effective Date	Chapter Section	Summary of Revision(s)
1.1		February 1, 2022	Various	Updated eSubmission details to clarify data entry. Users are encouraged to review in full.
1.2	Dec.21, 2023	Dec.21, 2023	Various	Replace BCOGC with BCER; OGAA with ERAA; new logos, references and associations

Chapter 1: Introduction

The Regulator implemented the Permittee Capability Assessment (PCA) to determine security requirements for permit holders under To support the PCA, the Regulator uses the eSubmission Portal for Corporate Financial and Reserves Information. This manual was created to guide users in using the Corporate Financial and Reserves eSubmission Portal.

The Regulator developed the Permittee Capability Assessment (PCA) as a replacement for the Liability Management Rating (LMR) program. The PCA assesses the capabilities of permit holders to meet their regulatory liabilities obligations per ERAA requirements. The new system considers a number of parameters to create a more comprehensive and accurate corporate health assessment than the LMR program.

The Regulator requests permit holders submit annual financial information within five (5) months from their year end, and three (3) months from their quarterly end. Note, companies that do not submit their information within this timeframe will be considered high risk and assessed with maximum security requirements. For reserves information, the Regulator requests permit holder submit annually five (5) months after year end.

Chapter 2: Using the eSubmission Portal

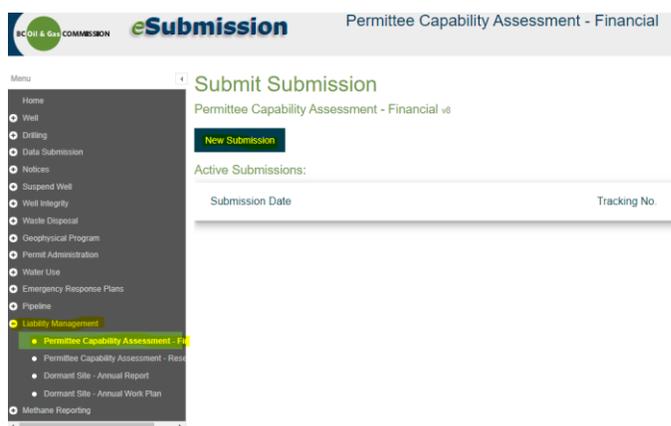
2.1 Accessing the Portal

Permit holders are able to administer access within their own organization to the eSubmission portal. Users submitting financial and reserves information will require the “Liability Management Representative” security role assigned in KERMIT. Users who do not have this role need to contact their company administrator to have this role assigned. For more information on managing KERMIT accounts, please visit: <https://www.bc-er.ca/energy-professionals/online-systems/online-systems-accounts/>

To access online submissions for the Corporate Financial and Reserves Information, please visit the [eSubmission online portal](#).

Once logged on, in the taskbar on the left, please choose Liability Management – Permittee Capability Assessment (Financial or Reserves), then click ‘New Submission’. Note, you can only submit these forms for a company that has granted you access via the KERMIT permissions.

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2.2 Permittee Capability Assessment – Financial Submission

This section will explain how to calculate and enter each piece of information found in the financial section of the eSubmission Portal for Corporate Financial Information.

Entry Notes:

- **All of the below information should be recorded at the corporate level for the permit holder.** These should not be exclusive to your operations in British Columbia. Consolidated financial statements are preferred when available.
- **Please record numbers in whole**, not thousands or millions as financial statements may show.
- Do not enter negative numbers on entries for Expenses, Royalties, Liabilities, Debt (unless a benefit was incurred).
- Use negative symbol on entries if a loss occurred against Income, EBITDA, EBIT and Cashflows from Operations.

2.2.1 Permit Holder and Company Contact Info:

Portal Entry Fields:

- **Permit Holder Company:** From the drop-down, please select the Company/Organization you are reporting information on behalf of.
- **Permit Holder – Subsidiary or Primary:** This field is to identify if the permit holder Company is a subsidiary. If it is, the portal will prompt whether the information being reported is for the Parent or Subsidiary. Please note, the Regulator requires that the permit holder in BC reports their financial information. If approved by the Regulator, the permit holder may report financials from their Parent entity where they have a Parental Guarantee to cover security obligations. Parental Guarantee's are to be attached with supporting financial statements.
- **Company Contact Name (First, Last):** Please enter your name (the individual creating the submission). This information will only be used in cases where the permit holder needs to be contacted about the submission.
- **Contact Phone Number / Email:** This information will only be used to contact you about the submission.

2.2.2 Financial Information:

Portal Entry Fields:

- **Annual or Quarterly Submission:** From the drop down, please choose if you are reporting for an Annual or Quarterly submission. Select this before entering any further information.
NOTE – Quarterly submissions should reflect the '3 months ended' period from your statement (not the year up to the end of that quarter). Please enter whole years, not abbreviations – i.e. 2020, not 20 or '20.

Page: 8

- **Credit Ratings:** These fields are optional for those companies that are rated by the listed credit rating agencies. Please enter the rating as seen per each agency:
 - **Standard & Poor's**
 - **Moody's**
 - **DBRS**
- **Total Revenue:** The total amount of revenue recorded in the income statement or statement of profit and loss (excluding comprehensive income) gross of royalties paid.
- **Operating Revenue:** Revenue from the sale of oil, gas and natural gas liquids as well as revenues from midstream and disposal services, but excluding investment, royalties and other income.
- **Operating Expense:** The total amount of expenses recorded in the income statement or statement of profit and loss for production, operating, and transportation (excluding royalties and/or comprehensive income).
- **Royalties:** This value is the total royalties paid through the production of oil and gas.
- **Interest Expense:** The total costs of servicing debt including interest and other costs of borrowed funds.
- **Net Income:** Net income (or loss) is calculated as total revenues less expenses, excluding components of other comprehensive income. This is net income (or loss) after taxes. (Use a negative symbol to represent a Net Loss)
- **EBITDA:** This value is net income before interest, taxes, depreciation, and amortization.
- **EBIT:** This value is net income before interest and taxes.
- **Current Assets:** The total amount of assets recorded as current on the balance sheet or statement of financial position.
- **Current Liabilities:** The total amount of liabilities recorded as current on the balance sheet or statement of financial position.
- **Total Liabilities:** The total amount of liabilities recorded on the balance sheet or statement of financial position.
- **Total Stockholders' Equity:** This value is the residual interest in assets after deducting all liabilities.
- **Total Debt:** This value is the short-term and long-term debt of the company. The purpose of this measure is to capture the bank or external debts owed by the company. Calculable as Total Liabilities excluding Decommissioning Liabilities or Asset Retirement Obligations.
- **Cash Flow from Operations:** The amount of cash a company generates (or consumes) from carrying out its operating activities over a period of time.
- **Year:** Enter the fiscal year that the financial information is from.
- **Quarter:** Select the quarter from the dropdown list (for Quarterly submissions only).
- **Attachments:** Please attach the supporting financial statement documentation here. In addition to financial statements, a Word document outlining assumption or special notes may be attached. When applicable, please attach a Parental Guarantee.

2.3 Permittee Capability Assessment – Reserves Submission

This section will explain how to calculate and enter each piece of information found in the reserves section of the eSubmission Portal for Corporate Reserves Information.

Entry Notes:

- **All of the below information should be recorded at the corporate level for the permit holder.** These should not be exclusive to your operations in British Columbia.
- **Please record numbers in whole BOE**, not thousands (MBOE) or millions (MMBOE) as statements may show. (i.e. if your financial statement lists Proved Reserves as 1 MMBOE, please enter it as 1,000,000). All items with an asterisk listed on the submission form are mandatory. An energy conversion factor of 6:1 can be used for calculating BOE.

2.3.1 Permit Holder and Company Contact Info

Portal Entry Fields:

- **Permit Holder Company:** From the drop-down, please select the Company/Organization you are reporting information on behalf of.
- **Contact Name (First, Last):** Please enter your name (the individual creating the submission). This information will only be used in cases where the permit holder needs to be contacted about the submission.
- **Contact Phone Number / Email:** This information will only be used to contact you about the submission.

2.3.2 Reserves Information

Portal Entry Fields:

- **Proved - Developed Producing:** Developed Producing reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate.
- **Proved – Developed Non-Producing:** Developed Non-Producing reserves include shut-in and behind-pipe reserves. Shut-in reserves are expected to be recovered from completion intervals that were open at the time of the reserve estimate but are not producing. Behind pipe reserves are

expected to be recovered from completion intervals not yet open but still behind casing in existing wells.

- **Proved – Undeveloped:** Undeveloped reserves are expected to be recovered from (1) new wells on undrilled acreage or (2) existing wells requiring major expenditure.
- **Total Proved:** Proven reserves are classified as having a 90% or greater likelihood of being present and economically viable for extraction in current conditions.
- **Probable:** Probable reserves have a 50% chance that reserves quantities will be higher than estimated and a 50% chance that the reserves will be smaller.
- **Total Production in BOE:** The total annual production of the permit holder at the corporate level.
- **Year:** Enter the year that the reserves information is from.
- **Attachments:** Please attach the supporting reserves documentation here.

2.3.3 Submission Status: Accepted or In-Revision

When users have completed submissions in the portal the Regulator's Liability Management team will review to ensure information matches attached reports. The team will either "Accept" the submission or ask for a revision and make a comment on what they suggest needs correction and return for users to resubmit their entry. A portal generated email will contact the listed contact email address with the announcement.

If you have any questions regarding your submission or need to make amendments to an 'Accepted' submission please contact: liability.management@bc-er.ca

2.3.4 Submission Confidentiality

Corporate financial and reserves information submitted by permit holders for the purposes of the Permittee Capability Assessment (PCA) will not be subject to routine release by the Regulator to the public. The Regulator acknowledges that the information is provided on a confidential basis and will not disclose the information unless, and only to the extent, required by law. Any request to access records that would include corporate financial and/or reserves information submitted under the PCA will be subject to the appropriate process set out in Part 2 of FIPPA, including as applicable, refusal to disclose records and/or giving written notice to allow permit holders to make representations concerning disclosure.

The only information that will be subject to routine disclosure is the Regulator's overall PCA score of each permit holder.