

## Enhanced Price Sheet (PTP)

# Project Team Proposal Specification Support

## Enhanced Price Sheet Project

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## 1. Proposed Project Team / Study Name

Project Name: **Enhanced Price Sheet Project**

## 2. Description

### 3.1 Purpose

Develop business process guidelines governing the enhancements to the Price Sheet and the Invoice document which allows for greater automatic rate validation within the existing PIDX standard for hierarchical representation of complex items

### 3.2 Scope

- Define the appropriate PIDX tags and their use
- Define the implementation for new PIDX tags within the Invoice document and their use to support automatic rate validation
- Develop Business Process Guidelines
- Record lessons learned from pilots with Chevron and ConocoPhillips

### 3.3 Goal

The goal is to define the business process guidelines for line item enhancements allowing for greater rate validation through supplying the Invoice document with additional attributes per line item given that the trading partners already have exchanged Price Sheets with the additional attributes available.

#### 3.3.1 Identify criteria for success of the deliverables / specification as deployed in industry.

Success would be adoption of a PIDX Business Process Guideline that defines the additional price attributes and product/service identification elements in the line item details of the Price Sheet document and the Invoice document, as well as associated schema changes for new tags.

#### Background:

The Invoice document is probably the most utilized PIDX document available today within the PIDX community. Additional information has been requested by operators to facilitate better rate validation of line item prices for speedier processing and improved quality of approvals. Most suppliers can provide additional attributes for Price Sheet items within the Invoice document but so far there hasn't been a well-defined set of tags to handle these additional attributes.

Typically, an operator will receive an invoice and attempt to validate the line item prices against an approved Price Sheet (contract/catalog/outline agreement) to validate the correctness of the price submitted by the supplier. Often, an invoice can be 'auto-approved' if the price of the line item falls within certain operator set limits and thereby speed up the approval process of the invoice as well as minimize the disputed number of invoice line items.

To facilitate rate validation it is required that the supplier and operator has exchanged an electronic version of the Price Sheet prior to submitting invoices. Additionally, operators must have stored, electronically, a version of the supplier's Price Sheet with the additional attributes in such a way that the additional attributes supplied in the Invoice document can be matched against the Price Sheet attributes for a given line item.

3.4.1 Identify all of the stakeholders of which you are aware.

Operators, Suppliers, and Marketplaces

3.4.2 Identify the stakeholders who are willing to join the work effort.

(See Sponsor & Participants)

### 3.5 Proposal

- Create additional tags for the Invoice document allowing trading partners to exchange additional attributes per line item. The number of additional attributes per line item should be finite. A 'best practices' experience believes that 3 additional attributes per line item covers most situations.
- Develop a PIDX Business Process Guideline that covers document flow and content for additional attributes within the Invoice document.
- Ensure that the Business Process Guideline supports a single process for automated rate validation, whether invoice data is presented in a hierarchical or flat format.

## 4 PIDX Definitions

An essential part of this project will be to update the Petroleum Industry Data Dictionary (PIDD) with terms definitions and XML element annotations, as appropriate.

## 5 Benefits

- Faster approval of invoices, reduced invoice processing cycle times
- Improved rate validation for operators
- Less manual processing of invoices by operators
- Fewer disputed invoices
- Less invoice accruals and more accurate cash forecasting for operators

## 6 Sponsor and Participants

PIDX member/company sponsoring development of these specifications/this project:

Member	Company	E-Mail Address
John Stukes	OFS Portal	<a href="mailto:jstukes@ofs-portal.com">jstukes@ofs-portal.com</a>

The following PIDX members/companies are participants in the development of these specifications:

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Mail distribution list required?	No
Please provide the name of the mail distribution list:	NA

## 7 Deliverable Schedule

Component	Status	Estimated Completion Date
Business Process Guidelines documentation – including: Use Case(s), diagrams, best practices	Not Started	January 2011
Business Messaging Requirements – tag formats	Not Started	January 2011
PIDD <ul style="list-style-type: none"> <li>Clarify and agree to terminology and definitions</li> <li>Update PIDD entries throughout life of the project</li> <li>Workgroup chair is responsible for ensuring PIDD is updated</li> </ul>	Not Started	January 2011
Distribute Initial document build for discussion	Not Started	January 2011
Finalize Document Design	Not started	February 2011
BPWG Approval	Not started	March 2011
Recommend action by Executive Committee	Not started	March 2011

## 8 Anticipated Completion Date

Project Completion date	April 2011 (Spring Meeting)
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## 11 Sponsoring Member /Work Group/ Sub-Committee

This specification has been submitted by John Stukes on behalf of the Business Process Work Group/Sub-Committee.

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The chair of this Work Group/ Sub-Committee has reviewed this submission for completeness and understands this particular Work Group/ Sub-Committee is the Sponsoring Work Group/ SIG, responsible for the communication process. This does not mean the Chair or Work Group/ SIG is approving the actual work or its inclusion in any specification.

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Chair's Signature or Initials (*electronic is acceptable*)



## 12 PIDX Executive Committee

Upon review by the PIDX Executive Committee, this Project Team Proposal (PTP) is:

Approved

Denied

Requires additional information

If “Denied” or “Requires additional information, please provide details:

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