## PIDX_BPWG_Minutes_FT_12-13-2006

# Business Process Work Group: Field Ticket BPG Discussion

| Location | Schlumberger iCenter - iProduction | Chair | Jana Schey |
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| Date | 12/13/2006 | Co-Chair | |

## Agenda

| Item | Subject | High Level Summary/Issues |
|---|---|---|
| 1.0 | **Introductions and Code of Conduct** | All participants are bound to observe the Sherman antitrust and/or European anti-competition laws. |
| 2.0 | **Meeting Schedule** | Date: 12/13/2006<br>Time: 8:30am-3:30pm CT |
| 3.0 | **Meeting Agenda** | 1) Welcome & Anti-Trust Reminder<br>2) Meeting Notes – Comments/Approval<br>3) Review key points from Nov. 9th session<br>4) Issues for Resolution<br>5) Process Flow Diagrams<br>6) Current Process – Revision based on previous meeting<br>7) Desired Process – Review draft process flow<br>8) Data fields – gap analysis results<br>9) Next steps |
| 4.0 | **Meeting Details** | We began discussion with a brief review of comments and decisions from the last meeting, captured in the meeting notes and presentation. Clarifications and additions are noted below. Meeting notes and presentation to be posted on PIDX website on the Business Process Work Group (under development).<br><br>Refer to associated 12/13/2006 presentation as necessary.<br><br>ASSUMPTIONS:<br>With respect to item #2, information needed (preferably with order) should include work location. The operator needs to provide this information as it would be confusing if everyone has their own codes. A unique identifier for the Field Ticket that will be referenced on the invoice and facilitate processing should also be included. In general, trading partners will determine which collection of fields must be completed in order to process the field ticket and subsequent messages (e.g., Invoice) in their internal systems.<br><br>Discussion concerning item #4: Approved, "locked" (i.e., unalterable financials) document is available to both trading partners.<br><br>Rather than specifying "financials", the team determined that "core elements" would be more appropriate language. "Core elements" are TBD by the trading partners although PIDX may want to make recommendations. |

It is understood that pricing may not be altered once a field ticket is approved unless the original field ticket is modified or canceled and re-issued by the supplier (according to mutually agreed dispute resolution process).

Routing and other internal information used to facilitate processing may be added as appropriate by the trading partner.

It was noted that if on site, the supplier and buyer will generally review a field ticket and agree upon the details and any resulting changes to be made by the supplier prior to approval.

NOTE: To be very clear, the Field Ticket is an ESTIMATE of work performed and products delivered. While pricing may be included, we are not suggesting that an approved Field Ticket automatically corresponds to approved, final pricing.

A mutually agreed dispute resolution process should be in place prior to transmission of electronic messages.

NOTE: No attachments to the Field Ticket/Field Ticket Response.  The FT and FTR documents include elements for Reference Information and Comments.

## PROCESS ISSUES FOR RESOLUTION

These issues were discussed at the previous meeting but were defined and discussed in more detail at this meeting. Clarification and comments are detailed below for each issue.

1.  Is pricing capability a field ticket requirement? **Yes – optional element.** To what level (e.g., complex pricing/price structure)? **Must satisfy current invoice requirements – more complex pricing scenarios will be addressed by PIDX BPWG in 2007 and are not within the scope of the Field Ticket BPG project.**

2.  What information needs to be provided at time of order to facilitate electronic field ticket process? Need to define best practices.  Key win would be a reference # or code from the operator and one from the supplier that will point to all relevant information in their respective systems.  **For now, trading partners will determine which collection of fields must be completed in order to process the field ticket and link to the Invoice (and potentially other order-to-pay documents).**

3.  How is additional supporting documentation handled?

**Remains with the invoice per current process.**

4. How are changes to field ticket handled (applied post signature)?
   a. Additional charges (e.g., third party services) **- line item coding**
   b. Significant adjustments (e.g., truck weight, missing charges) – focus on minor adjustments – **major adjustments are fairly rare and would be handled by hand (outside of current BPG project scope)**

5. What information needs to be on the field ticket to meet everyone's needs and do we have fields available? Gap analysis task – be careful not to expand functionality of field ticket beyond original intent (at least for now) – **With the exception of safety data one organization provides on their field tickets, it appears all elements are handled by the current field ticket message with the exception of tags to capture images (signature). We need to make sure Field Ticket approval and dispute may be handled at the header level (Field Ticket Response message).**

6. What is mechanism for electronic authorization/approval? **The Master Service Agreement would be the mechanism by which trading partners agree to approval methods. In general, the Field Ticket Response is the mechanism to communicate approval or dispute of the Field Ticket. Tools used to capture and/or transmit approval may vary by company but should comply with machine-to-machine communication protocols.**

**NOTE: It was agreed that the Field Ticket and Field Ticket Response messages include fields to capture embedded, unalterable "physical" signatures to meet trading partner-specific requirements for actual signature. In this scenario, it is anticipated FT and corresponding FTR will be transmitted electronically with embedded signature (image).**

**NOTE: Encana indicated that a field allowing for an embedded signature to accommodate trading partner requirements is fine but they (Encana) are working toward a solution that will eliminate physical signatures.**

**NOTE: Bill Le Sage indicated that the ABA is working on a definition of electronic signature.**

**NOTE: Buyers should send electronic FTR but could be streamlined if digital certificate accompanies FT. Authorized parties for both trading partners would handle FT/FTR (authorized to send/approve).**

7. How can field ticket be conveyed to customer? **Should be electronic data transfer (FT and Field Ticket Response) – may be onsite or after the fact. Portable USB drive or Email is NOT electronic data transfer in this context.**

8. What happens if supervisor makes changes in the field? **On-site review typically is a collaborative process that may result in changes (made by supplier) but these would be prior to approval and therefore are not an issue for this process.**

9. How do we handle unattended sites? Ideally, electronic processing should address this need. **Field Ticket would be transmitted to Buyer as close to real-time as possible; Buyer would convey approval or dispute via Field Ticket Response, returned electronically.**

10. Legal requirements for electronic signature and SOX requirements for revenue recognition should be considered as we review Field Ticket BPG and when trading partners negotiate processes.

| 5.0 | **Outstanding Issues** | • Changes to be made to XML messages (FT and FTR) – including (possibly) Rejection reasons, fields to capture embedded, unalterable signatures and FTR header-level approve/dispute capability. |
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| 6.0 | **Action Items** | • Jana – Meeting Notes, draft BPG including process flow and use cases<br>• Bill Le Sage – advise re: legal aspects of electronic approval<br>• Business Messages – review documentation for BMWG action items and additional considerations that may require Business Process discussion/resolution |
| 7.0 | **Next Steps** | • Review and comment: Draft BPG, process flow, notes<br>• Compile comments, schedule next meeting as appropriate<br>• Preliminary BMWG review and response |
| 8.0 | **Upcoming Meeting(s)** | TBD |

## Attendees (A=Attendee, C=Conference Call)

| | | | |
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