

## Transportation Allowance Rate Calculations for APMC Royalty Volumes

Jurisdiction	Release/Revision Date	Location of Change in this Document	Comment
AB	June 11, 2026	Pages 4 and 5	Updates include: Users can now attach trucking documents when entering their rate; updated FAQ to include examples of ineligible costs (See yellow highlights)
AB	December 11, 2025	Throughout the document.	Please review this updated tip in its entirety.
AB	December 1, 2023		Initial Release

**Audience:** Alberta crude oil producers who deliver APMC royalty volumes to Alberta, and approved Saskatchewan, or British Columbia facilities. For a listing of approved SK and BC facilities see Tip [“Reporting APMC Volumes at Out-of-Province Facilities”](#).

**Purpose:**

To help Alberta producers and battery operators understand how to properly calculate the trucking rate used when claiming an allowance for the transportation of Crown oil to a custody transfer point – such as a Battery (BT), Terminal (TM), or Cleaning Terminal (CT).

**Calculating a Trucking Allowance Rate**

The transportation rate is expressed as a unit cost in dollars per cubic metre (\$/m<sup>3</sup>) and is calculated by dividing the sum of eligible cost components by the volume of oil delivered (total of Crown royalty and lessee volumes) in the month. The unit cost of trucking Crown royalty oil is equal to the *eligible* unit cost of trucking the lessee’s share.

The following documents and inputs are required to calculate and verify unit costs per \$/m<sup>3</sup>:

- Trucking invoices and tickets for the *total volume* (crown and company production) transported from the battery to a receipt point for the delivery month; and
- Producer Activity Report, or similar report indicating:
  - Total volume received at facility on Producer Activity Report (volume should match the Oil Disposition volume reported in Petrinex) and;
  - Basic Sediment and Water content per truckload as a percentage (only BSW ≤ 0.5% is eligible for claim).

**Non-Arm’s Length Calculations**

Trucking costs incurred on a non-arm’s length (a purchase transaction in which the buyer and seller have a relationship or business affiliation) basis cannot exceed trucking rates

available from the lowest cost competitive source as documented by competitive bids. Applications and/or inquiries may be made via email to [Valuation@apmc.ca](mailto:Valuation@apmc.ca) as they are reviewed and approved on a case-by-case basis. Any related claims will remain on hold until the review is completed.

## Sample 1: Varying Rates and Billable Hours

In delivery month September 2025, Battery A delivered 2,500m<sup>3</sup> (as per Petrinex volumetric reporting) of crude oil to Terminal B of which 625m<sup>3</sup> was the crown royalty share. In the first half of September 1,250m<sup>3</sup> was transported under a fixed rate contract of \$16.85/m<sup>3</sup>. There were 50 billable hours in travel and wait times at a rate of \$100/hr for this volume. The second half of September saw 1,250m<sup>3</sup> transported under a fixed rate contract of \$21.15/m<sup>3</sup> with 40 billable hours in travel and wait times at a rate of \$120/hr. Assume all oil delivered meets pipeline specification.

First half of September: 1,250m<sup>3</sup> x \$16.85/m<sup>3</sup> = \$21,062.50

Billable hours: 50 x \$100/hr = \$5,000.00

**First half total cost:** \$21,062.50 + \$5,000.00 = \$26,062.50

Second half of September: 1,250m<sup>3</sup> x \$21.15/m<sup>3</sup> = \$26,437.50

Billable hours: 40 x \$120/hr = \$4,800.00

**Second half total cost:** \$26,437.50 + \$4,800.00 = \$31,237.50

Total cost for month: \$26,062.50 + \$31,237.50 = \$57,300.00 Total

cost divided by total volume trucked for September:

$\$57,300.00 \div 2,500\text{m}^3 = \$22.92/\text{m}^3$

**Total September trucking claim: \$22.92 x 625m<sup>3</sup> = \$14,325.00**

## Sample 2: Eligible and Ineligible Associated Costs

There are conditions under which the transportation of Crown royalty oil must meet to be eligible for trucking allowance claims. Please refer to the [Petroleum Marketing Regulation Guidelines: Principles and Procedures](#) for further details.

In delivery month October 2025, battery A delivered 1,875m<sup>3</sup> of crude oil to terminal B where 500m<sup>3</sup> was the crown royalty share. In October, the entire volume was transported under a fixed rate contract of \$21.15/m<sup>3</sup>. There were 45 billable hours in travel and wait times at a rate of \$100/hr for this volume. This month, however, 250m<sup>3</sup> of the oil delivered (and 15 of the hours charged) from battery A to terminal B did not meet the BSW requirement of ≤ 0.5% per truckload. The costs associated with these deliveries cannot be used in the calculation of the trucking rate. The rate should be calculated as such:

**October cost (eligible):** 1,875m<sup>3</sup> - 250m<sup>3</sup> = 1,625m<sup>3</sup>

1,625m<sup>3</sup> x \$21.15/m<sup>3</sup> = \$34,368.75

Billable hours: 45 - 15 = 30

30 x \$100/hr = \$3,000.00

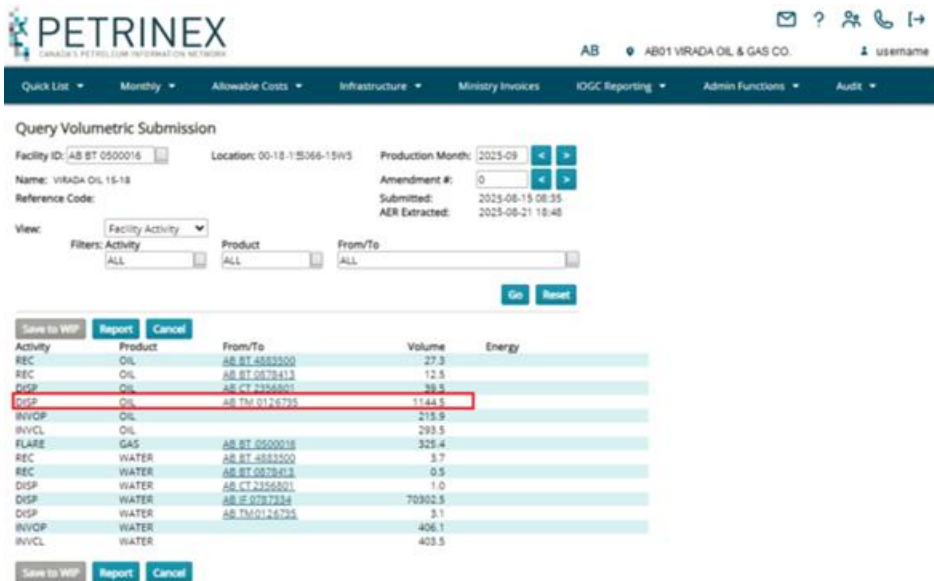
**Total cost for month:** \$34,368.75 + \$3,000.00 = \$37,368.75

Total eligible cost divided by total volume trucked for October:

$\$37,368.75 \div 1,875\text{m}^3$  (entire volume reported to Petrinex) = \$19.93/m<sup>3</sup>

**Total October trucking claim:  $\$19.93 \times 500\text{m}^3 = \$9,965.00$**

- Note:** To find the total disposed volume trucked for a specific delivery path log into Petrinex.
- Go to **Monthly tab > Volumetric > select Query Volumetric Submission** and search by Facility ID and Production Month.



**Query Volumetric Submission**

Facility ID: AB BT 0500016 Location: 00-10-1-S366-15V5 Production Month: 2025-09

Name: VIRADA OIL 15-18 Amendment #: 0

Reference Code: Submitted: 2025-08-15 08:35 AER Extracted: 2025-08-21 18:48

View: Facility Activity Product From/To

Filters: Activity ALL Product ALL From/To ALL

Go Reset

Activity	Product	From/To	Volume	Energy
REC	OIL	AB BT 4883500	27.3	
REC	OIL	AB BT 0878413	12.5	
DISP	OIL	AB CT 2356501	38.9	
DISP	OIL	AB TM 0126735	1144.5	215.9
INVOP	OIL		215.9	
INVCL	OIL		293.5	
FLARE	GAS	AB BT 0500016	325.4	
REC	WATER	AB BT 4883500	3.7	
REC	WATER	AB BT 0878413	0.5	
DISP	WATER	AB CT 2356501	1.0	
DISP	WATER	AB CT 0787534	70902.5	
DISP	WATER	AB TM 0126735	9.1	
INVOP	WATER		406.1	
INVCL	WATER		403.5	

Save to WSP Report Cancel

This screenshot shows the BT disposed 1144.5m<sup>3</sup> to ABTM0126735 in 2025-09. The reported disposed volume includes both crown and the company's own production. The number reported here should always serve as the denominator in any trucking rate calculations for the month.

### Sample 3: Multiple Allowance Costs

The following is a suggested template, producers/operators are free to create their own if the methodology is compliant with what's been described here.

<b>Total Rebate Calculated:</b>			
Total Trucking costs for month:			
<b>a) Trucking Charges per Volume</b>	<i>Invoice #22617</i>	<i>Invoice #22645</i>	
Total volume trucked (uninterrupted delivery)	395.00	825.00	
Multiplied by Truck rate (\$) per invoice	\$ 25.00	\$ 25.00	
	\$ 9,875.00	\$ 20,625.00	\$ 30,500.00
<b>b) Trucking Charges per Hour (Wait-time)</b>			
Total hours billed	17.0	14.0	
Rate per hour	\$125.00	\$125.00	
	\$ 2,125.00	\$ 1,750.00	\$ 3,875.00
<b>c) Chains</b>			
		4.0	
		\$125.00	
		\$ 500.00	\$ 500.00
<b>d) Fuel surcharges</b>			
	\$ 9,875.00	\$ 20,625.00	
	0.21	0.21	
	\$ 2,073.75	\$ 4,331.25	\$ 6,405.00
<b>e) Terminalling charges</b>	\$ 685.00	\$ 645.00	\$ 1,330.00
<b>Total Trucking Charges</b>			42,610.00
<b>Total Petrinex Volumes Delivered</b>			1,289.00
<b>Calculated Trucking Rate</b>			\$ 33.06
<b>APMC Volume delivered</b>			x 179.00
<b>Expected Rebate</b>			\$ 5,917.14

## Entering a Trucking Rate

After logging in to Petrinex, go to the *Monthly* menu, select “Edit Transportation Allowance and Overdelivery Claims” and then enter all delivery details, including the calculated trucking rate, in the fields below:

### Example:

Operator	Delivering Facility	Receiving Facility	Custody Transfer Point	Contract#	Amend#	APMC Volume	Rate	Claim Volume	Overdelivery	APMC Extracted	Ref. Code	Attachments
AB BT		AB TM	AB TM	2026-05	2	0.4	29.02					0

Users are encouraged to attach backup documentation (invoices, tickets, *Producer Activity Report*, etc.) at the time of claim submission. The APMC will contact users directly and request this information if it has not been provided, to confirm proper rate calculation.

The following file formats can be uploaded: .xlsx, .pdf, .docx, .jpg, .png, & .zip

## FAQs:

- **Who do I contact for help with a transportation question or calculation?**
  - Please email [Valuation@apmc.ca](mailto:Valuation@apmc.ca) or [Chris.Kirby@apmc.ca](mailto:Chris.Kirby@apmc.ca)
- **What information do I need to provide as a first-time reporter?**
  - Please provide a copy of Producer Activity Report, and applicable trucking invoices, if possible.

- **Is there a claim deadline for trucking claims?**
  - All claims, including amended claims for reimbursement of transportation allowances, must be submitted by the end of the *second year* following the year in which the delivery occurred.
- **Should GST be included in my calculation?**
  - No. GST is *not* eligible and *cannot* be claimed in the trucking allowance.
- **Can I submit an estimated truck rate?**
  - No. Trucking allowance claim disbursement is based on actual trucking costs and not estimates. A claim should only be submitted once *all* relevant documentation (ie: invoices, Producer Activity Report) for the production month have been received. The reporter must be able to provide this documentation upon request by the Pricing & Analysis group.
- **What if I need to change or redirect a delivery path?**
  - Producers are required to obtain *prior approval* from the APMC when changing or redirecting delivery paths as per the [Petroleum Marketing Regulation Guidelines: Principles and Procedures](#). Please email [Valuation@apmc.ca](mailto:Valuation@apmc.ca) for further discussion.
- **Do I get a rebate for the transportation costs of oil delivered to an Alberta Cleaning Terminal (CT)?**
  - Yes, but only for oil deliveries that measure  $\leq 0.5\%$  BSW. To qualify for this type of claim, you must first contact [Valuation@apmc.ca](mailto:Valuation@apmc.ca) and provide applicable transportation invoices along with a Producer Activity Report that clearly indicates the BSW content of each delivery. Any claim entered without first notifying [Valuation@apmc.ca](mailto:Valuation@apmc.ca) will not be paid.
- **Which transportation costs am I allowed to include in the rate calculation?**
  - Typical costs include travel/wait time billed by the hour, chains, terminalling fees, and fuel surcharges provided they are direct costs of transporting oil from the BT to the delivery point.
- **Which transportation costs am I not allowed to include in the rate calculation?**
  - Ineligible costs include tanker maintenance (ie: body job), exclusive road and land use agreements, and costs associated with the detection of sulphur and the cleaning of trucks (ie: flush outs, scavenger pails, head monitors). APMC has the final determination on cost eligibility for trucking allowance claims.
- **If a battery delivers to another battery, then to a terminal am I eligible to claim trucking costs on both legs of the delivery?**
  - No, you can only claim the trucking cost on the final leg. The second BT serves as an interruption in the delivery process and transportation costs prior to that point are ineligible as per the [Petroleum Marketing Regulation Guidelines: Principles and Procedures](#).

- **When can I expect to be paid after submitting a trucking allowance claim?**
  - Please refer to the [Petroleum Industry Reporting Calendar](#). Under normal circumstances, if your claim is extracted from Petrinex *prior* to the invoice deadline you can expect payment by the payment deadline (see table below). However, if several claims are received for multiple months or facilities, payment may be delayed while documentation is reviewed. This review can be expedited by sending supporting documents to [Valuation@apmc.ca](mailto:Valuation@apmc.ca) at the time of submission and without prompting by the Pricing & Analysis group.



PETROLEUM INDUSTRY REPORTING CALENDAR – JANUARY 2026 THROUGH DECEMBER 2026

	☆ TRUNK/FEEDER PIPELINE TO OPERATOR AND TRUNKLINE TO FEEDER PIPELINE	☆ OPERATOR TO FEEDER PIPELINE	☆ OPERATOR TO TRUNKLINE PIPELINE	☆ FEEDER PIPELINE TO TRUNKLINE PIPELINE	OPERATOR TO APMC	PIPELINE TO SHIPPER	SHIPPER TO BUYER	
PRODUCTION MONTH	PIPELINE RECEIPTS BY FIELD BATTERY	PIPELINE RECEIPTS SPLIT BY SHIPPER	PIPELINE RECEIPTS SPLIT BY SHIPPER (NOON)	TRANSFERS	ROYALTY VOLUME SPLIT AND TRANSPORTATION ALLOWANCE (9PM)	SHIPPERS BALANCES	INVOICES	PAYMENTS
JANUARY	February 5	February 11	February 12	February 12	February 12	February 17	February 20	February 25
FEBRUARY	March 5	March 11	March 12	March 12	March 12	March 17	March 20	March 25

- **Why has my payment been held?**
  - If an operator doesn't respond to an APMC inquiry and provide the requested supporting documents, the APMC may place the claim on hold and suspend all future payments until receipt and verification of the documents is complete. There may be other reasons for your payment to be held. Please contact [Valuation@apmc.ca](mailto:Valuation@apmc.ca).
- **Why has my company been audited?**
  - Trucking claims are periodically selected for audit verification to ensure the accuracy of submitted rates. If discrepancies are discovered, the operator is required to correct the submission in Petrinex. While an audit is in progress, payments from the selected battery are held pending resolution of the audit.

Trucking allowance-related inquiries can be directed to [Valuation@apmc.ca](mailto:Valuation@apmc.ca)

**More information:** Please contact the Petrinex Business Desk.

Phone: 403-297-6111 (Calgary)  
 Toll Free: 1-800-992-1144 (other locations)  
 E-mail: [petrinexsupport@petrinex.ca](mailto:petrinexsupport@petrinex.ca)