

Objective of the document

The objective of the document is to provide a quick reference for Husky suppliers to address the “Common Service Receipt rejections” receive through Cortex and what steps can be taken to eliminate rejections.

If the Service Receipt was rejected, the original Service Receipt is returned to the Supplier, with all the information it contained, except for the attachment. The Supplier will need to:

1. Change the Service Receipt according to the rejection reason.
2. Reattach the attachment.
3. Resubmit it to Husky Energy Inc.

PO vs. Service Receipt

The Supplier must receive a PO in their Cortex Desktop Inbox to create a Service Receipt.

- If a PO has not been sent by Husky Energy Inc., the Supplier should contact the person who requested the work.
- If the Supplier has been sent a blanket PO, it is a good practice to double-check the validity date on the PO.
- If the validity end date has expired, the Service Receipt will be rejected. To avoid the rejection, contact the person on the expired PO and request a new or updated PO.

Service PO vs. Material PO:

- For **Service PO's**, you will need to submit both a service receipt and invoice. This is a two-step process:
 - First, submit your service receipt.
 - Once accepted, you will receive an accepted acknowledgement which will allow you to submit the associated invoice.
- For **Material PO's**, you will receive a goods receipt acknowledgement on your Cortex account. That will enable you to submit the final invoice.

Common Service Receipt Rejections

Below are some of the common root causes that Husky Energy Inc. has been getting from Suppliers for their Service Receipt submissions.

1. Keying Errors.

- Wrong **Cost Object** used. For example, if the ticket has “CC” this means Cost Center. If any other Cost Object type is selected, the Service Receipt will be rejected.
- Cost Object was written on the ticket correctly, but was input into the Cortex Desktop system incorrectly and causing an error, i.e. *Numbers* or *letters* were missed, transposed etc.
- If you are unsure of the coding contact the Husky representative who placed the order to verify the cost object provided.

When a Service Entry Sheet is rejected due to Cost Object error, you will see messages such as:

- WORK ORDER NUMBER XXXXXXXX IS INCORRECT
- COST CENTER NUMBER 8002526 IS INCORRECT
- AFE NUMBER US-058758-16-50-02-05 IS INCORRECT

Below is the Husky structure for Cost objects. When entering a cost object ensure you are following the formatting below.

COST OBJECT		Formatting for Cost Objects – Work order, Cost Centre, AFE, Network order	
Cost Center (Sunrise only)	1 alpha(Z) + 6 digits(number)	Z _ _ _ _ _ _	Sunrise Cost Centers start with “Z” and are 7 Characters
Cost Centre (all other areas except Sunrise)	Any number up to 10 Digits	_ _ _ _ _ _ _ _	Other areas
AFE/WBS	9 alphanumeric characters	CP - _ _ _ _ - _ Corporate MS - _ _ _ _ - _ Midstream RP - _ _ _ _ - _ Refined Products MP - _ _ _ _ - _ Major Projects IT - _ _ _ _ - _ IT	
AFE Other up to 24 characters		US- _ _ _ _ _ _ _ _ _ _ _ _	Number of characters will depend on the length of the project
Work Order (Downstream/Retail)	1 alpha (R) + 7 digits(numbers)	R _ _ _ _ _ _	Downstream Retail Marketing
Work Order - Other up to 12 digits(all other areas)	Can be any number up to 12 digits. Typically 4-8(numbers)	Work can start with 80 or 81 and some can start with 6	
Network Order	8 Digits (numbers)	7 _ _ _ _ _ _	Network should always be coded together with the 4 digit Activity Number
Network Activity	4 digits(numbers)	0 _ _ _	

2. Wrong Approver Code

- Always use the Husky **Approver Code** as it appears on the PO i.e. 2ZXXXX. If the Service Receipt is to be approved by a Field Approver, enter a valid email address. Use what is provided by the Husky Rep at signing or coding.

3. Incorrect PO

- Suppliers need to ensure the correct PO is being used.
- Check the PO Validity dates to ensure the job dates are in range, if not, contact your Husky Rep.
- Referring the wrong PO could cause rejections or delays in approval.

4. Duplicate Service Receipt/Invoice Numbers

If you submit a service receipt or invoice with the same invoice number used in the past (and was previously accepted), it will be rejected by Husky as a duplicate. The number must be unique.

5. No Negative Values

- Your document must contain positive values only.
- If you need to credit Husky, please see process below for submitting a credit invoice for a service receipt:

Husky credit invoices should be in PDF format and contain the following information:

- Original invoice number
- Original purchase order number
- Cost object (i.e. cost center, AFE or work order)
- Name of Husky representative

You may submit a credit invoice through Cortex. But if you are unable to, please send a credit note to credit.invoices@huskyenergy.com.

6. Rate Validation Rejections

Rate validated purchase orders require you to use the rate validation schedule when submitting service receipts to matches that of the contract.

Examples of common rejection messages for rate validation items:

- FIELD TICKET LINE 11013772 CANNOT BE FOUND ON OUTLINE AGREEMENT
- FIELD TICKET LINE 11016476 PRICE/UNIT 281.0000 DAY
- Service Picker and trailer: not limit amounting to \$\$\$ for unplanned service exists

Who to Contact for Assistance?

If you have a question pertaining to Husky information, rejection messages, invoice approvals, please contact Vendor.Relations@huskyenergy.com or 403 750-5069.

If it pertains to your Cortex account or is a request for various Cortex reports, please contact support@Cortex.net or 866 716-6272, option 1.

Cortex training videos and documents that can be accessed at: <http://www.cortex.net/customer-support/>.

Appendix

Husky Energy Inc. has three types of PO's noted below:

Services POs (PO-S) can be used for **both services and/or materials**. For example, a PO-S for materials is used if suppliers are providing items that require constant replacement or refill, but the final quantity is not known. If the PO type is PO-S, always follow the Services Workflow (even if materials are being ordered).

Material POs (PO-M): for equipment or goods that involves the shipment of the ordered items to Husky's warehouse or other location (no service receipt is required) receiving is done by Husky.

Mixed Purchase Orders In rare cases, a Supplier may receive mixed Purchase Orders that include Line Items from multiple categories. For example, both Services and Materials. In this case the PO type will hold a combination of the relevant letters for example, **PO-SM**. The Supplier should contact the PO issuer to confirm that was the intent. If so, each of the PO Line Items should be processed according to its specific workflow.

Purchase Order Review

Once set up on Cortex, all Husky purchases must be made by purchase order.

- A PO header displays details pertaining to the entire Purchase Order.

The screenshot shows a 'Purchase Order' header with the following details:

- PO identification number:** 8400145689
- Information:**
 - PO Date: 07/21/2010
 - Currency: CAD
 - Validity Start Date: (if provided)
 - Validity End Date: (if provided)
- Your Husky contact person:** Cathie Winterhalt, Phone: 306-825-1245, Fax: (blank), Email: Catherine.Winterhalt@huskyenergy.
- Delivery Location:** Lloyd Production
- ASN Enabled:** No
- Incoterm:** (blank)
- Incoterm Description:** (blank)
- Vendor Info:** My Company Ltd., PO Box 123, 1st Avenue, Calgary, AB, T1T 2T3
- Billing Address:** This Purchase Order has been sent via Husky's Automation partner. Any invoices relating to this purchase order therefore must be submitted to Husky via our Automation partner.
- Payment Terms:** Within 30 days Due net
- Your company's details:** (indicated by a callout pointing to the Vendor Info section)
- Payment terms:** (indicated by a callout pointing to the Payment Terms section)

Contact the person listed in the PO header for any questions about the PO.

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Validity Dates

All Service PO's have a validity start date and a validity end date. The date that services were provided as indicated on the service receipt must fall within this date range. Otherwise, the service receipt will be rejected, services are only required for Service PO's. Material PO's do not have validity dates.

Late Coded PO's

A Blanket PO is deemed late coded if the cost object information is not known at the time of PO creation. You will need to enter this information on your service receipt. That information is to be obtained by the Husky representative who placed the order with your company.

Early Coded PO's

A PO is deemed early coded if the cost object information is known at the time of PO creation. The cost object information on an early coded PO is passed to Cortex so you will not need to enter that on your service receipt. It will already be on your service receipt.

Rate Validated PO

A rate validated PO references a contract that has agreed upon services and rates. If a PO is rate validated, you will receive a rate validation schedule in Cortex. This schedule needs to be used for entering the services and rates onto the service receipt. This will ensure they match the contract. If you do not use the rate validation schedule, the service receipt will be rejected.

A non-rate validated PO does not require the use of a rate validation schedule. Please enter your own service descriptions and rates onto the service receipt manually for those ones

Closed PO's

If a PO is closed, the service receipt will be rejected back to Cortex with the rejection message. If you have any questions, please contact the PO Owner. They may reopen the PO or offer another one to use.