

TEXAS PROJECT DELIVERY FRAMEWORK
BUSINESS CASE



Railroad Commission of Texas
Operator Portal Project

VERSION: 1.5

REVISION DATE: February 14, 2013

Approval of the Business Case indicates an understanding of the purpose and content described in this deliverable. Approval of the Business Case constitutes approval of the business case analysis results and hereby certifies the overall accuracy, viability, and defensibility of the content and estimates. By signing this deliverable, each individual agrees the proposed business solution has been analyzed effectively as described herein.

Contents

Section 1. Executive Summary	1
1.1 Issue.....	1
1.2 Anticipated Outcomes.....	1
1.3 Recommendation	2
1.4 Justification	4
1.5 Assumptions.....	5
1.6 Limitations	5
Section 2. Governance and Business Case Analysis Team.....	6
2.1 Governance.....	6
2.2 Business Case Analysis Team Members	6
Section 3. Problem Definition.....	8
3.1 Problem Statement	8
3.2 Agency and Constituent Environment	8
3.3 Current Technology Environment	9
Section 4. Project Overview	11
4.1 Project Description.....	11
4.2 Goals and Objectives.....	13
4.3 Performance Measures.....	13
4.4 Assumptions.....	13
4.5 Constraints	14
4.6 Proposed Technology Environment.....	14
4.7 Major Project Milestones.....	15
Section 5. Project Evaluation	16
5.1 Statutory Fulfillment	16
5.2 Strategic Alignment.....	17
5.3 Agency Impact Analysis.....	17
5.4 Financial Analysis	18
5.5 Initial Risk Consideration	18
5.6 Alternatives Analysis.....	19
Section 6. Project Selection	20
6.1 Methodology.....	20
6.2 Results	20
Section 7. Glossary	22
Section 8. Revision History	23
Section 9. Appendices	24

Section 1. Executive Summary

For a standard Business Case, complete this section *after* completing all other sections.

1.1 Issue

Briefly describe the business issue that the recommended project would solve without describing how the problem will be addressed. Include a brief statement of any mandates that require processes and/or services not currently in place.

With the recent boom in oil and gas drilling and production since the discovery of the various shale plays, the agency needs to move more quickly in transforming to a flexible and agile web-based environment. The Commission needs to reduce its reliance on paper mailings to communicate with its customers and move to an all-inclusive Railroad Commission (RRC) Operator Portal.

At this time, because of the organization of functions and features within each application, external users have to navigate back and forth through different menus looking for certain business functions. This project is intended to provide users with a front-end that allows them to enter and to view their information more easily and to receive feedback on missing items or errors. The result will be a consolidated view of the RRC Online information and functions.

This consolidated view will allow external users to more easily find functions within the RRC Online system and to provide an efficient and less expensive way of communicating with external users. It will also increase the efficiency of the application development process as new application are identified and deployed.

1.2 Anticipated Outcomes

Describe the anticipated outcomes of implementing a project that specifically addresses the business issue. The description should include answers to questions such as “What are we aiming for?” and “What are the expected benefits to business operations?”

The RRC portal will reduce the number of paper mailings to industry by as much as 50%. This would enable staff to focus on monitoring compliance and enforcing rules and regulations instead of correcting and handling paper forms.

The objective of the project would be:

1. Make the RRC Online application easier to use.
2. Provide a secure and guaranteed way of communicating with online users.
3. Provide Enhanced data Queries.

4. Provide a consistent “Look and Feel” across all applications.
5. Allow operators to check the status of their filings online.

1.3 Recommendation

Describe the project that is being recommended to achieve the anticipated business outcomes by summarizing the approach for how the project will address the business issue. Identify the stakeholders/customers involved in determining whether the desired results are achievable by implementing the project.

The foundation of this project will be business analysis. This will determine process efficiency and a more robust system architecture to ensure that internal business functions and external customer requests can be met without impacting system performance and efficiency. New internal permitting and external filing services not currently offered within existing systems will be made available based on the results of the foundational business analysis. In addition, the system will be built using current technology and software versions.

The approach that will be used for this project is an iterative development process. This means developing a system through repeated cycles (iterative) and in smaller portions at a time (incremental), allowing software developers to take advantage of what was learned during development of earlier parts or versions of the system.

The RRC Software Development Life Cycle is comprised of the following phases:

- Project Organization
- Current Process Analysis
- Re-engineered Process Development
- Software Requirements Analysis
- Software Design and Development
- System Testing and Evaluation
- User Acceptance
- User Training
- User Acceptance
- Product Release Management
- Deployment – Software /Business

The project being recommended is the development of a Portal as a front-end for the RRC Online applications. The Portal would provide a personal home-page for external users to view or submit data to the commission. The Portal would achieve the following goals:

- A. Make the RRC Online application easier to use.
 - The current menu system is cumbersome. There is no common EDI menu through which to submit an Electronic Data Interchange (EDI). The EDI function is available within the menu structure of each functional application (e.g., production reporting,

H-10). As the number of RRC Online applications increases, this method is not easy to use from a user perspective, nor is it efficient from a software development standpoint. The same code is replicated in numerous locations to support each application.

B. Provide a secure and guaranteed way of communicating with online users

- Currently, the RRC Online applications either send email or hardcopy letters. Email is no longer a method of communication that guarantees information delivery because of the spam blockers and the hundreds of emails people receive. If all communication for an online filer is within the portal, users can visit the portal and review all necessary communication (e.g., Discrepancy letters, Violation Letters, Request for More information, Updates on Statuses)

C. Provide Enhanced Queries

- There are numerous links to the various queries that have been developed. A single query menu with all the queries would facilitate ease of use. In addition, queries do not always cross reference data. For example, when selecting a District and County in the Wellbore query, the results set has the API Number, Operator, District, County, and Field as additional drill down links. These links basically provide well counts of various types. The Operator link should also provide a link to P-5 Operator information provided as part of the P-5 Operator Query. From there a user may want Severance information without having to leave one Query to go to the Severance Query. To get to Drilling Permit information for this Operator, you have to leave the Oil & Gas Query application entirely, go to the RRC website Online Research Queries page and choose the Drilling Permit Application Query. To get Production data for this Operator, you would have to do the same thing. Since each query was built separately, there is little sharing of data within the different applications.

D. Provide a consistent “Look and Feel” across business units.

- With each new application, improvements based on lessons learned have been implemented. Certain features in the earlier applications are built differently than the same features in the more recently developed applications. To make applications easier to use, the newly developed standards should be applied across all applications. As an example, all searches should work in a similar way, data in lists should have the some sorting and drill down behavior, and filing screens should all allow work in progress states so users don't have “one shot” at completing a filing. Having consistent look and feel across the RRC applications will reduce the number of support calls.

1.4 Justification

Justify why the recommended project should be implemented and the rationale for why the project was selected above the other alternative solutions. Provide a compelling argument by summarizing key quantitative and qualitative information from the Project Evaluation section, including a description of the impact of not implementing the project.

Determine and include analysis information that is necessary to provide a clear justification for the project. The type and extent of information included in the justification will vary based on the best approach for making a compelling and accurate argument. Charts from the Project Selection, Results section may be copied to support justification for selecting this project.

- A. The RRC relies heavily on paper mailings to communicate with its customers. There are approximately 124 different letters or reports produced either monthly, weekly, or daily on the Mainframe and Unix servers. These are printed, folded and stuffed at the consolidated data center and mailed. The combined printing and postage charges are considerable. As part of this project, the RRC is planning to move to an all-inclusive RRC portal as a one stop way to file forms on line and receive notices of any violations, discrepancies, or additional information needed.
- B. Better usability will increase external adoption of online filing, and reduce processing costs associated with handling paper forms. Unifying RRC applications under a single portal will promote reuse of existing code that has already been tested, which will accelerate new projects by providing a core set of functionality that is shared by all applications, allowing new projects to focus on functionality that is unique to that project's requirements.
- C. Summary:

Summary: All Project Evaluation Factors			
Line	Factor	Maximum Rating Possible	Rating
SF	Statutory Fulfillment	35	13
SA	Strategic Alignment	45	45
IA	Agency Impact Analysis	35	29
FA	Financial Analysis - Government/Constituent	60	38
RC	Initial Risk Consideration	45	45
AA	Alternatives Analysis	30	20
	Total, All Project Factors	250	190

1.5 Assumptions

List and describe any assumptions relevant to the project that is being recommended to achieve the anticipated business outcomes.

- A. It is assumed that both permanent and contract staff will be needed to complete the project on schedule.
- B. DCS Server Transformation – Application Remediation project is approved and that this project would be implemented in conjunction with, and as a part of the DCS Server Transformation – Application Remediation project.
- C. Key members of Division staff will be able to devote approximately 20% of their time to the project. The online filing community (Industry) will be included in prototype reviews

1.6 Limitations

List and describe any limiting factors, or constraints, relevant to the project that is being recommended to achieve the anticipated business outcomes.

- A. During the time the portal is being developed, new applications cannot be deployed. Standards being set while building the portal would be implemented in all future software. Therefore, building and deploying old standards while trying to develop a new set of standards is problematic and risky. However, during this time, new application development can occur, but the deployment will need to be delayed until the Portal is deployed.
- B. Maintenance work of existing systems cannot stop while new applications are produced.

Section 2. Governance and Business Case Analysis Team

2.1 Governance

Describe the IT governance processes and structures within the agency.

The Railroad Commission has an established Information Technology (IT) governance process to guide the selection and oversight of major information technology projects. Strategic goals and priorities are set by the three elected Railroad Commissioners. The Executive Director sets tactical goals and priorities in support of the Commission's strategic goals. The Executive team and Division Directors determine the Commission's IT initiatives, priorities, strategies and approaches. Initiatives that have been identified by the executive team, in support of Commission goals, are evaluated and analyzed by the Information Technology Services Division in partnership with the business divisions. For major projects, the Texas Project Delivery Framework is used to provide a consistent method for project selection, control, and evaluation based on alignment with business goals and objectives. The results of project evaluations are provided to the executive team. Based on the project evaluations, the Executive Director will make recommendations to the Commissioners regarding major projects and initiatives. The Commissioners ultimately support projects and initiatives that sustain and enhance the capability to meet the Railroad Commission mission and goals.

2.2 Business Case Analysis Team Members

Describe the roles on the business case analysis team. Provide the names and titles of agency staff that will fulfill them.

Role	Description	Name/Title
IT Director	Provides ITS Management support for project and interaction with leadership and other divisions.	
Business Unit Director (s)	ITS is the sponsor of this initiative and will work with other Business Units as necessary. Business Management support for project and interaction with leadership and other divisions.	
Project Manager	Overall management of the scope, cost, schedule and communication.	
Technical Subject Matter Expert (s)	Provides subject matter expertise related to technology	

Role	Description	Name/Title
Business Subject Matter Expert (s)	Provides subject matter expertise related to business needs	
Lead Business Analyst	Leads requirements, design and testing in collaboration with Business SMEs, PM and Technical SMEs.	

Section 3. Problem Definition

3.1 Problem Statement

Describe the problem the project would address, including any problems related to technology, processes and/or services, without presupposing a solution.

- A. With the recent boom in oil and gas drilling and production since the discovery of the various shale plays, the agency needs to communicate more quickly in a flexible and agile web-based environment. The Commission needs to reduce its reliance on paper mailings to communicate with its customers and move to an all-inclusive RRC portal accessible by Operators.
- B. Currently users don't have RRC Online access that allows them to enter and to view their information easily and to receive feedback on missing items or errors. The result is many more operators continue to call staff with questions about filings and notification.
- C. A consolidated view will allow external users to more easily find functions within the RRC Online system and to provide an efficient and less expensive way for staff of communicate with external users. It will also increase the efficiency of the application development process as new application are identified and deployed.

3.2 Agency and Constituent Environment

Identify and briefly describe the relation of each stakeholder/customer to the project.

Stakeholders/Customers	Description
Oil and Gas Industry	The RRC provides the Oil & Gas industry with web-based online access to filing applications for various required regulatory forms and permits.
RRC State Office Staff	RRC state office staff utilizes RRC data as part of their ongoing regulatory functions. The data will provide a consolidated view of an Operators Filings and communication.
RRC Field Staff	RRC field staff access data as part of standard field operations and inspections. The data will provide a consolidated view of an Operators Filings and communication.
ITS	Maintains and modifies system(s) at request of Division Staff.

Describe the processes and/or services that would be modified or automated by the project. Include processes and/or services for agencies and constituents (citizens, employers, other agencies).

Processes/Services	Description of Modifications/Automation
Communication	The RRC uses a large volume of paper mailings to communicate with the industry. An online portal will reduce printing and postage costs
Online Queries	The RRC currently provides the general public access to a wide range of data through static web pages and online queries. The RRC would move forward in making more data available through online queries integrated with the GIS data and minimize data available through static web pages.
Data Sharing between agencies	In some instances, state agencies collect the same data multiple times from the industries they regulate. This project would facilitate collecting the data once and sharing that data with other agencies that need it for their regulatory functions.
Location Information	Enhanced locational data will be stored and available for field and Austin staff to access.

3.3 Current Technology Environment

3.3.1 Current Software

Describe the agency's existing software that will be modified or replaced by the proposed project.

Software Items	Description
BEA Web Logic 8.XX	Application development
Oracle 10.XX	Database software (RDBMS)
Oracle 9.XX	Database software
Oracle Forms 9.XX	Application development and reporting
JDeveloper 10g	Oracle application development tool
Oracle Business Intelligence 10g	Business Intelligence environment (data warehouse)
ESRI ArcGIS 9.X	GIS software
IMS Version 10.X	Mainframe database

3.3.2 Current Hardware

Describe the agency's existing hardware that will be modified or replaced by the proposed project.

At present, the RRC is in the middle of transformation to the State Data Center. The information shown below is derived from a Transformation plan 10/11/12. Some items are to be decommissioned as part of transformation, but are included to represent our current environment.

The hardware environment changes periodically based on transformation efforts.

Hardware Items	Description
Mainframe	Austin Data Center- Z Series Multiprise 3000
Linux Servers	Database, Print Queues, File Shares, Applications, Webhosting, DNS, DHCP
Windows Servers	Database, Middleware, WebProxy, Security Apps, Reporting Services and Performance Monitoring Apps, DNS, DHCP, Domain Controllers, Email
Unix Servers	Database, Middleware, Webhosting, Security Apps, Reporting Services and Performance Monitoring Apps

Section 4. Project Overview

4.1 Project Description

Describe the approach the project will use to address the business problem. Include the project sequence number(s) for the project from the Information Technology Detail (ITD).

Description of Project

The Project is the development of a Portal as a front-end for the RRC Online applications. The Portal would provide a personal home-page for external users to view or submit data to the commission.

The approach that will be used for this project is an iterative development process. This means developing a system through repeated cycles (iterative) and in smaller portions at a time (incremental), allowing software developers to take advantage of what was learned during development of earlier parts or versions of the system. Key steps in the process start with a simple implementation of a subset of the software requirements and iteratively enhance the evolving versions until the full system is implemented. During each iteration, design modifications are made and new functional capabilities are added.

The procedure itself consists of the initialization step and subsequent iteration steps. The initialization step creates a base version of the system. The goal for this initial implementation is to create a product to which the user can react. It should offer a sampling of the key aspects of the problem and provide a solution that is simple enough to understand and implement easily. To guide the iteration process, a Work Breakdown Structure (WBS) is created that contains a list of all tasks that need to be performed. It includes such items as new features to be implemented and areas of redesign of the existing solution. The control list is constantly being revised as a result of the analysis phase.

Each iteration involves the redesign and implementation of a task from the project WBS, and the analysis of the current version of the system. The goal for the design and implementation of any iteration is to be simple, straightforward, and modular, supporting redesign at that stage or as a task added to the project WBS. The level of design detail is not dictated by the iterative approach. In a light-weight iterative project the code may represent the major source of documentation of the system; however, in a critical iterative project a formal Software Requirements Specification (SRS) and Software Design Document may be created. The analysis of an iteration is based upon user feedback. It involves analysis of the structure, modularity, usability, reliability, efficiency, and achievement of goals. The project WBS is modified in light of the analysis results.

The RRC Software Development Life Cycle is comprised of the following phases:

- Project Organization
- Current Process Analysis
- Re-engineered Process Development
- Software Requirements Analysis
- Software Design and Development
- System Testing and Evaluation
- User Acceptance
- User Training
- User Acceptance
- Product Release Management
- Deployment – Software (Production Verification)
- Deployment – Business

A consolidated view will allow external users to more easily find functions within the RRC Online system and to provide an efficient and less expensive way for staff of communicate with external users. It will also increase the efficiency of the application development process as new application are identified and deployed.

The system would have the following features:

- A new and improved RRC Online application - easier to use.
- A secure and guaranteed way of communicating with online users (To & From).
- Enhanced data Queries – improved access to large amounts of RRC data.
- A consistent “Look and Feel” across all applications as requested by Industry.

ITD Project Sequence Number(s): (Component of “IT Modernization”) ITD #11

4.2 Goals and Objectives

Describe the business goals and objectives of the project. Ensure the goals and objectives support business needs.

Business Goal/Objective	Description
Increase Use of the RRC Online System	Reduce the number of hardcopy filings received by the commission
Open RRC Online to other appropriately authorized entities that must file data with the Commission	Currently only P-5 Operators and Registered Consultants may file online. Certain filings required by the commission are filed by entities that are not P-5 Operators.
Industry Satisfaction	Allow Industry to check the status of current and past filings.

4.3 Performance Measures

Describe performance measures that will be used to gauge the project's business outcomes for key processes and services.

The Portal project will impact many of the agency performance measures.

Key Process/Services	Performance Measure
Mailing/Postage Costs	Paper mailings and postage costs are reduced by as much as 50%
Public Queries	Black-out periods for public queries to online RRC data are eliminated
Percentage of forms and reports filed electronically	Up to 90% of forms and reports filed electronically through the RRC Online System

4.4 Assumptions

List the assumptions regarding the Portal project processes and/or services affected by the proposed project.

- A. Online usage by Industry will increase.
- B. Staff intervention with Industry relative to providing status information will be greatly reduced.
- C. Paper mailings and postage costs are reduced by as much as 50%.
- D. Industry and the public will support the development of a new electronic filing and permitting system if it produces improved access to the data and speeds up compliance.
- E. After system implementation, the Commission will monitor and track adoption rates of online filing or submittals.

- F. The Commission plans to engage the vendor community through DIR cooperative contracts to provide the contract resources necessary to implement a project of this scope and magnitude.
- G. Appropriate security, accessibility, and other applicable state or other mandates will be requirements for the new system during its development and implementation.

4.5 Constraints

List the limitations or constraints regarding the project and/or services affected by the proposed project.

During portal application development new applications written for the existing system will need to be reviewed against the portal's standards and framework to ensure future interoperability.

Constraints include:

- A. Paper communication with operators is slow, expensive and unreliable.
- B. Staff spends a large amount to time responding to phone queries regarding permitting and filing status.
- C. IT Resources
- D. The Commission mainframe will continue to provide data and services to support the business functions and interface with the planned open systems technology environment.
- E. The Data Center Services contract administered by DIR will be used to provide necessary hardware and software components. Historic service delivery issues have existed which could, if they continue, impact this project's schedule and deliverables.

4.6 Proposed Technology Environment

4.6.1 Proposed Software

Describe software for the project, including technical factors that may be critical to project selection if applicable.

Software Item	Description
BEA Web Logic 11g	Middle Tier Java EE Application Server
Oracle Database Server 11gR2	Database software
Oracle Forms 11g	Application development and reporting
JDeveloper 11g	Oracle application development tool
Oracle Business Intelligence 11g	Business Intelligence environment (data warehouse)

Software Item	Description
ESRI ArcGIS 10.1	GIS software
IMS Version 10.1	Mainframe database

4.6.2 Proposed Hardware

Describe the hardware for the project, including technical factors that may be critical to project selection if applicable.

Hardware Item	Description
Mainframe	Austin Data Center- Z Series Multiprise 3000
Linux Servers	38 File shares, print queues, applications
Windows Servers	Database, Middleware, Webhosting/Web Proxy, Security Apps, Reporting Services and Performance Monitoring Apps, Collaborative (e.g. Sharepoint), DNS, DHCP, Radius, WINS, Domain Controllers, Active Directory
Unix Servers	Middleware, Webhosting/Web Proxy, Security Apps, Reporting Services and Performance Monitoring Apps

4.7 Major Project Milestones

Describe the project's preliminary major milestones, deliverables, and target dates.

Milestones/Deliverables	Target Date
Selection of Vendor	December 2013
Project Initiation/Kickoff	December 2013
Requirements Gathering & Validation	April 2014
Project Design	June 2014
Development	May 2015
Testing & Acceptance	July 2015
Deployment	August 2015

Section 5. Project Evaluation

The Business Case Workbook is completed as part of this section. Once completed, the Business Case Workbook evaluation factors are summarized in this section.

5.1 Statutory Fulfillment

Describe the direct and derived mandate(s) related to the project and cite reference(s) for federal and state statutes, rules, and regulatory requirements. Describe any penalties or funding losses.

Mandates Related to Project	Statutory Citations	Penalties/Funding Losses
Administrative Compliance	Texas Natural Resources Code, Chapters 81 - 92.	N/A
Technical Permitting	Texas Natural Resources Code, Title 3, Subtitles A and B, Chapters 81 - 92; Texas Water Code, Chapters 26, 27 and 29; Federal Safe Drinking Water Act	N/A
Groundwater Advisory Unit	Texas Natural Resources Code, §91.0115	N/A
Oil and Gas Monitoring and Inspections	Texas Natural Resources Code, Title 3, Subtitles A and B, Chapters 81-92; Texas Water Code, Chapters 26, 27, and 29; and Texas Health and Safety Code, Chapter 401	N/A
State-Managed Cleanup (Site Remediation)	Texas Natural Resources Code, 81.068 and 91.113 et seq.	N/A
Oil and Gas Well Plugging	Texas Natural Resources Code, 81.068 and 91.113 et seq.	N/A
Geographic Information Systems (GIS) and Well Mapping	Texas Natural Resources Code §81.051; Texas Natural Resources Code Chapters 85, 89 and 91; Texas Utilities Code, Chapter 121.	N/A

Mandates Related to Project	Statutory Citations	Penalties/Funding Losses
Public Information and Services	Texas Government Code, Chapter 552 (Public Information Act); Texas Natural Resources Code §91.551 et seq.	N/A

5.2 Strategic Alignment

Identify titles of strategic plans the project addresses, including the State Strategic Plan for Information Resources Management, agency strategic plan, and any other applicable plans. Cite the specific goals and objectives in each plan that are related to the project. Describe the relationship of the project to each of the plans based on how the project aligns and meets the goals and objectives cited in the strategic plans.

Plan	Goals/Objectives	Relationship to Project
RRC Strategic Plan – Fiscal Years 2013-2017	Goal 4 - Increase efficiency in providing public access to information and provide more efficient interaction with regulated industries	Continued availability of mission critical computing resources supporting the efficient delivery of services. Increase efficiency in providing public access to information and provide more efficient interaction with regulated industries.
State Strategic Plan for Information Resources Management	P3 – Data Sharing P4 – Infrastructure P5 – Legacy Applications	The project will improve the usability of the Data. Updating technical environment to current technology will address the “Connect” guiding principal by allowing improvements to methods of gaining access to data. The legacy applications will be updated.

5.3 Agency Impact Analysis

Summarize how the project would impact the use of technology resources at the agency level, including support of the defined architecture and standards for the agency and state.

- A. As a result of this project, the RRC will move to a flexible and agile web-based environment. The Commission will reduce its reliance on paper mailings to communicate with its customers and move to an all-inclusive RRC portal.
- B. Industry will be able to check the status of current and past filings there by reducing the need to contact staff whenever questions about a filing arise.

5.4 Financial Analysis

Using the level of detail illustrated in the instructions, describe methods used to calculate business case cost and quantitative project benefit estimates. Describe estimate factors and underlying assumptions.

Methods: Business Case Cost Estimates	Estimate Factors/Underlying Assumptions
<ol style="list-style-type: none"> 1. Compare analogous RRC projects 2. Technical RRC Staff Expert estimates 	50% variable depending on scope as defined in the Requirements Phase.
Methods: Agency and Constituent Quantitative Project Benefits	Estimate Factors/Underlying Assumptions
Business staff expert projections based on past experience with business process reengineering efforts.	50% variable based on projected growth patterns vs. anticipated benefits.

5.5 Initial Risk Consideration

Identify each additional initial risk and rate it consistent with the instructions provided in the Business Case Workbook Evaluation Factor worksheet. These are initial risks that were not already identified in the Evaluation Factor worksheet.

Risk	Rating
Inadequate and insufficient detail in requirements of project and resulting contracts	3
Change Federal, State, and/or Agency mandates	5
Cost over-runs	3
Inadequate database model and application design	5
Incorrect or inadequate interfaces	5
Contractor availability and expertise	3
Complexity and size of the project contributes to the risk of failure, delay and cost over-runs.	3

5.6 Alternatives Analysis

Describe alternative options, including the option of not implementing any project at all and at least one non-selected project option. State the reasons for not selecting each alternative. If at least one rejected alternative is not included, explain why.

No Project (Status Quo)	Reasons For Not Selecting Alternative
No Online Portal – continue industry communication via phone, email or paper mail.	The Portal is needed as a way to streamline Industry communication. Given the growth of the O&G industry in Texas and the size of many O&G companies, paper communication can be slow and not reach the intended recipients in a timely manner.
Alternative Option	Reasons For Not Selecting Alternative
Procure Portal software	Customization and software licensing may be prohibitive. This may be re-evaluated after detailed requirements are documented.
Alternative Option	Reasons For Not Selecting Alternative

Section 6. Project Selection

6.1 Methodology

Describe the agency-developed methodology used for project selection.

The Railroad Commission has an established Information Technology (IT) governance process to guide the selection and oversight of major information technology projects. Strategic goals and priorities are set by the three elected Railroad Commissioners. The Executive Director sets tactical goals and priorities in support of the Commission's strategic goals. The Executive team and Division Directors determine the Commission's IT initiatives, priorities, strategies, and approaches. Initiatives that have been identified by the executive team in support of Commission goals are evaluated and analyzed by the Information Technology Services Division in partnership with the business divisions. For major projects, the Texas Project Delivery Framework is used to provide a consistent method for project selection, control, and evaluation based on alignment with business goals and objectives. The results of project evaluations are provided to the executive team. Based on the project evaluations, the Executive Director will make recommendations to the Commissioners regarding major projects and initiatives. The Commissioners ultimately support projects and initiatives that sustain and enhance the capability to meet the Railroad Commission mission and goals.

This project was selected based on the recommendation of the Executive Committee following a review of all prioritized projects within the agency.

6.2 Results

State the rationale for why the project was selected above the other alternative solutions. Cite any market research that was conducted.

After reviewing alternative options, the Executive Committee determined that creating an IT environment that makes communication between the oil and gas industry and RRC staff more efficient represents a huge economic gain for the state as a whole.

- A. To carry out its regulatory responsibilities, the RRC requires the industries it regulates to file many forms and reports. These industries represent a large part of the overall Texas economy. Creating an IT environment that makes filing requirements quick and efficient for both the industry and the RRC staff who review them results in an economic gain for the state as a whole. As stated previously, adoption rates of online filings when new forms are added to RRC Online quickly reach 80% to 90% in a very short period of time. This project will allow the RRC to keep up with its regulatory requirements while not putting a burden on the industries it regulates.
- B. This personalized Operator Portal view will allow external users to more easily find functions within the RRC Online system and to provide an efficient and less expensive way for staff to communicate with external users. It will also increase the efficiency of the application development process as new application are identified and deployed.

Replace the blank graphical summary charts below with the completed charts located in the Selection Results worksheet of the Business Case Workbook. The charts may also be copied to the Executive Summary depending on the desired approach for justifying selection of the project.

Copy and paste the Summary: All Project Evaluation Factors chart to this section by completely replacing the blank chart.

Summary: All Project Evaluation Factors			
Line	Factor	Maximum Rating Possible	Rating
SF	Statutory Fulfillment	35	13
SA	Strategic Alignment	45	45
IA	Agency Impact Analysis	35	29
FA	Financial Analysis - Government/Constituent	60	38
RC	Initial Risk Consideration	45	45
AA	Alternatives Analysis	30	20
	Total, All Project Factors	250	190

Copy and paste the Financial Analysis: Agency/State chart to this section by completely replacing the blank chart.

Financial Analysis: Agency/State							
Line	Measure	Year 1	Year 2	Year 3	Year 4	Year 5	10 Year Total

Copy and paste the Financial Analysis: Constituents chart to this section by completely replacing the blank chart.

Financial Analysis: Constituents							
Line	Measure	Year 1	Year 2	Year 3	Year 4	Year 5	10 Year Total

Section 7. Glossary

Define all terms and acronyms required to interpret the Business Case properly.

API Number - An API well number or API number is a "unique, permanent, numeric identifier" assigned to each well drilled for oil and gas in the United States. The API number is one of many industry standards established by the American Petroleum Institute.

Electronic Data Interchange (EDI) - The structured transmission of data between organizations by electronic means, which is used to transfer electronic documents or business data from one computer system to another computer system.

Communication Portal – A place on the Internet (RRC Online) that allows individuals, businesses, organizations to share information from various sources within the Commission.

GIS – Geographic Information Systems. RRC mapping services.

Operator P-5 Number: Permanent number assigned to an operator by the Railroad Commission after the initial filing of the Form P-5 (Organization Report). Any entity, i.e., person, firm, partnership, joint stock association, corporation, or any other organization, domestic or foreign, operating wholly or partially within this state, acting as principal or agent for another, for the purpose of performing operations within the jurisdiction of the Railroad Commission shall have on file with the Commission an approved organization report.

Section 8. Revision History

Identify changes to the Business Case.

Version	Date	Name	Description
1.2	12/11/2012		Initial creation
1.3	01/16/2013		Changes after Check-list recommendations
1.4	01/28/2013		Updated following Management Review
1.5	02/14/2013		Updates following QAT Review (after meeting with P.J. Vilanilam of DIR)

Section 9. Appendices

Include any relevant appendices.

⇒