



Electricity and Gas
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Gas Royalty Calculation

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Attention: Manager, Production and Royalty Accounting.

Operating Cost Reporting Survey Request – Non Designated EUB Facilities For Proposed Royalty and Related Information Review (RRIR) Initiative.

This is a reminder notice to the facility operators who have been notified to provide operating cost information to the Department for the operating cost survey. The submission deadline is October 31, 2003. The operating cost information from the survey will be used by the Royalty and Related Information Review (RRIR) Committee to evaluate potential royalty impact of the proposed operating cost regime change. If the change initiative is approved for implementation by the Department, the information will also be used to determine the base gathering and compression rates in the new UOCR calculation.

The proposed operating cost regime is expected to address stakeholders' concerns with the current operating cost regime. As the operating cost survey information is critical to the advancement of the initiative, the RRIR Committee has asked the Department to publish in next month's (November 2003) Information Bulletin, the names of the facility operators who have not complied with the reporting requirement by the reporting deadline. Additionally, since the reporting requirement was imposed under section 48(1) of the Mines and Minerals Act, compliance is required under section 48(3) of that Act. Contravention of section 48(3) is an offence under Section 63(1) of the Mines and Minerals Act.

If you require additional information concerning the regime changes, please contact:

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or Dave van Kampen, Industry Committee Member – CAPP @ (403) 237-1016,
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Yours truly,

David Breakwell
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