

## **Royalty and Related Information Review (RRIR) Gas Royalty Regime Changes**

The Department of Resource Development (DRD) has re-scheduled implementation of the gas royalty regime changes of the Royalty and Related Information Review (RRIR) to December 2002. This 18-month scheduling change will allow the department to better co-ordinate current Mineral Revenues Information System (MRIS)-related business initiatives. It will also help to ensure that critical interconnections with other projects can be identified and planned for.

Implementation will occur in consultation with industry.

Affected regime changes include:

- 13th-month Unit Operating Cost Rate (UOCR) adjustment;
- changes to the Custom Processing Adjustment Factor (CPAF);
- streamlining the mechanics of custom-processing cost claims;
- replacement of the Corporate Effective Royalty Rate (CERR) with a Facility Effective Royalty Rate (FERR);
- introduction of royalty-payer-specific allowable capital, recognized at an EUB facility level;
- suspension or write-off of minimal annual natural gas royalty charges;
- alignment of Allowable Cost definitions; and
- review of decommissioning/reclamation costs relative to those assets used to gather, compress or process Crown royalty volumes

### **Volumetric and Infrastructure Information Registry (VIPIR) Project**

The current scope of the VIPIR project is information management. It includes:

- streamlining the capture of upstream production and processing data;
- developing a registry containing key oil and gas information accessible and shareable by the ministry and industry.

[Please click for more information on the VIPIR project]

### **For more information, please contact:**

Carleen Edden  
Executive Director  
Gas Royalty  
Alberta Department of Resource Development  
(780) 422-9230