

Terms of Reference - DRAFT
Oil Sands Royalty Group
Discussed - June 18, 2009 – as reference in IB 2009-05

Purpose

To provide a forum for the Department of Energy, Oil Sands Operations Division and oil sands operators to communicate and consult with each other on issues relating to the operation, administration and development of the generic oil sands royalty regime.

Scope

Subject matter must be within the mandate of the Department of Energy and Oil Sands Operations Division, and related to the *Oil Sands Royalty Regulation, 2009*, the *Oil Sands Allowed Cost (Ministerial) Regulation*, the *Bitumen Valuation (Ministerial) Regulation*, or the *Oil Sands Royalty Guidelines*.

Topics may include oil sands royalty project approvals (in general), royalty accounting and reporting processes, guidelines and business rule development, legislative and policy updates, and emergent oil sands-related trends and issues. The forum will not deal with approval, reporting or any other issues relating to a specific oil sands royalty Project.

Participants

The group will consist of selected government representatives from Oil Sands Operations and industry representatives. Industry representatives should be current oil sands operators or holders of oil sands leases. In the interests of fairness and efficiency we suggest that no more than two industry representatives appear from each oil sands operator.

Scheduling and Venue

Meetings will be held in Edmonton, every three months or as determined by the group.

Governance

The group will be chaired by the Executive Director of the Oil Sands Operations Division, or her delegate. The chairperson will keep the proceedings focussed within the scope described in this document. The chairperson will canvass group members for agenda topics for future meetings, ensure that comments from industry representatives are considered, and keep Department of Energy Executive informed of group progress and member input. The chairperson will also ensure that any subgroup fulfills its terms of reference, if any.

Secretary

The chairperson may establish the position of secretary, who will arrange for minutes, establish meeting agendas, coordinate meetings, and ensure that minutes and agendas are completed and distributed prior to meetings.

Expert Stakeholder Subgroups

Where the chairperson believes it to be beneficial, the group may refer a problem or issue that is within the scope of the group to a smaller group of department and industry experts for study and recommended resolution. The chairperson may ask the subgroup for terms of reference and a work plan for resolution of the problem or issue. The subgroup may choose its own members, who will be expected to provide expertise in royalty accounting and reporting, oil sands engineering, and government processes.