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OIL SANDS INFORMATION BULLETIN 2013-16

Subject: Eligibility of Fees under the Joint Canada/Alberta Implementation Plan for Oil Sands Monitoring as Allowed Costs of Oil Sands Royalty Projects

This Information Bulletin is for all operators and lessees of oil sands royalty projects.

The Governments of Canada and Alberta, in an effort to develop a more comprehensive understanding of the cumulative impacts of oil sands development recently released a plan for oil sands environmental monitoring: the Joint Canada/Alberta Implementation Plan for Oil Sands Monitoring - ("the Plan"). The purpose of the Plan is to address regional, ambient effects, and not specific facility / source effects, that enhance the foundation of existing monitoring in the oil sands area. The Plan describes a phased implementation of monitoring enhancements over three years (2012-2015).

Under the Plan, any additional monitoring costs will be funded by industry up to $50 million per year. For the 2012-13 program fiscal year, Alberta Environment and Sustainable Resource Development assessed and billed the Plan fees under Ministerial Order 24/2013 and implemented the plan under Ministerial Order 25/2013, both issued by the Minister of Environment and Sustainable Resource Development pursuant to the Government Organization Act. In future years, fees will be assessed under section 36.1 of the Environmental Protection and Enhancement Act.

Operators and lessees should be aware that Alberta Energy is currently engaged in a review of the eligibility of these industry fees under the provisions of the Oil Sands Allowed Costs (Ministerial) Regulation.

Alberta Energy will notify operators and lessees upon the outcome of the review, which is expected to take several months.

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