



August 12, 2020

RMA and Alberta Energy Webinar Recording Now Available

In collaboration with Alberta Energy, RMA hosted a webinar on Thursday, July 31, 2020 to discuss Bill 12: Liabilities Management Statutes Amendment Act, the Site Rehabilitation Program, and the Orphan Fund Delegated Administration Amendment Regulation (OFDAF) to the Oil and Gas Conservation Act.

The webinar covered a wide range of items, including:

- Reasonable care under Bill 12, including weed control and routine maintenance. Licensees must provide reasonable care for their oil and gas well sites:
 - Orphan Well if the well has been designated by the Alberta Energy Regulator (AER) as an orphan, the Orphan Well Association (OWA) is responsible for providing reasonable care for the orphan well once they take over management of the well.
 - Abandoned Well the licensee or working interest participant is responsible for providing reasonable care.
- In the case that the OWA or licensee is not providing reasonable care, the land owner or municipality should contact the AER, who will be responsible for mandating reasonable care.
- Bill 12 and the OFDAF state that the Orphan Fund may be used for reasonable care and measures to prevent impairment or damage, suspension costs, abandonment costs, and remediation costs on smaller and large facilities;
- If the OWA takes ownership over a well site that can still produce, from the time the OWA takes ownership they must pay municipal taxes, royalties, and payments to the landowner;
- There are some cases where a municipality can negotiate with the AER for existing tax arrears to be paid. To enable this, municipalities would have to make the case that it would be in the public interest for those tax arrears to be paid. Alberta Energy provides some examples of cases where tax arrears may be paid in the webinar.

The recording of the webinar is now available online. The password is Qn##fL02.

Alberta Energy is also in the process of developing supplementary resources to further support RMA members, including:

A factsheet on the Liabilities Management Statues Amendment Act; and

A FAQ sheet based on questions from the RMA board and members.
 RMA will distribute the FAQ to members when it is received from Alberta Energy.

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BULLETIN

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