

## INDUSTRY BULLETIN 2015-09

April 23, 2015

## **Changes to Fee Structures for Major Projects**

**EFFECTIVE DATE:** Immediately

## **BACKGROUND:**

The BC Oil and Gas Commission (Commission) is changing the fee structures for major projects to better reflect the complexities of consultation, advice and reviews required for major oil and gas projects. The Fee, Levy and Security Regulation (FLSR) under the Oil and Gas Activities Act (OGAA) is the tool by which the Commission acquires funds to meet its regulatory obligations and recover expenses.

This change in fee structures takes into account two types of services offered by the Commission. The first is the consultation and advice offered by the Commission prior to an application, for example consultation that lasts more than three months when a project is undergoing an environmental assessment. The second service offered by the Commission includes any reviews that are needed prior to construction and operation.

The new fee structures come into effect immediately.

## **NEW FEE STRUCTURES:**

Changes to the fee structure for major projects permit fees are outlined below:

Activity	Existing Model	New Model	
	Permit Application	Engagement	Permit Application
Class C LNG Facility	\$650,000	\$350,000	\$300,000
Class C pipeline 50 km or greater	\$370,000 + \$1,400/km	\$350,000 As required*	\$20,000 + \$1,400/km
Class C pipeline under 50 km	\$2,000 + \$1,400/km		\$2,000 + \$1,400/km

<sup>\*</sup> Would occur when a pipeline goes through the environmental assessment process and requires a high level of advice and consultation from the Commission.

Changes to the fee structure for LNG Facility construction and operation phases are outlined below:

Activity	Existing Fee	New Fee Name	New Fee
Review of post-design amendment application Class C LNG Facility	\$350,000	Review of submissions required for Leave to Construct	\$150,000
		Review of submissions required for Leave to Operate	\$100,000
Review of post-design amendment application Class B LNG Facility	\$50,000	Review of submissions required for Leave to Construct	\$25,000
		Review of submissions required for Leave to Operate	\$25,000

Please note that Class B and C LNG facilities and Class C pipelines are defined in the FLSR.

Should you have any questions regarding this Industry Bulletin, please contact:

Anita Mathur Legislation Specialist BC Oil and Gas Commission Anita.Mathur@bcogc.ca 250-419-4400