

## INDUSTRY BULLETIN 2016-13

May 06, 2016



## Fee and Levy Changes

The <u>Fee, Levy and Security Regulation</u> (FLSR) under the <u>Oil and Gas Activities Act</u> (OGAA) is the tool by which the BC Oil and Gas Commission (Commission) acquires funds to meet its regulatory obligations and recover expenses. Current fees, levies and securities are noted in the FLSR.

The Commission's regular rate review has resulted in temporary changes to the levy on marketable gas and an expanded pre-application advice and consultation fee for projects that require an assessment under the Environmental Assessment Act.

## **Production levy**

The Commission has ascertained all expenses and other revenues for the fiscal year 2015-16 and is temporarily reducing the production levy which will affect the production months of February and March 2016 (for which levies are invoiced in May and June 2016) as follows:

- Petroleum levy will go from \$1.30/m³ to \$1.20/m³.
- Marketable gas levy will go from \$0.71/thousand m³ to \$0.60/thousand m³.

The production levy in April will revert to:

- Petroleum levy \$1.30/m³.
- Marketable gas levy \$0.71/thousand.

## Expanded pre-application advice and consultation fee

The pre-application advice and consultation fees are moving to a tiered approach:

- \$180k for less than 9 months of service.
- \$260k for 9-18 months of service.
- \$350k for 18 plus months.

The rates are effective May 9, 2016. This fee only affects those projects for which an environmental assessment certificate is required.

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

Anita Mathur
Legislation Specialist
BC Oil and Gas Commission
Anita.Mathur@bcogc.ca
250-419-4434