

INDUSTRY BULLETIN

2012-01

January 9, 2012



Fee and Levy Changes Approved

TO: Industry Clients

EFFECTIVE DATE: Immediately

BACKGROUND

Two regulation changes affecting fees and levies have been approved by the BC Oil and Gas Commission (Commission) Board of Directors. The changes include:

1. Well application fees and production levies will increase in order to fund the Science and Community Environmental Knowledge Fund (SCEK).

The revised levies are:

- \$1.50 per cubic metre of petroleum (\$0.08 of this going to SCEK).
- \$0.75 per thousand cubic metres of marketable gas (\$0.04 of this going to SCEK).

These rates will appear on producers' January invoices. Any well permit applications submitted after the date of this information bulletin will be subject to the new fees, which are:

- \$18,700 if the application is from someone other than an existing permit holder.
- \$10,700 if the application is from an existing permit holder.

In each case, \$400 of this fee goes to SCEK.

2. Liquefied natural gas plant applications will have a different application fee from other plant/facility applications.

Applicants for permits for liquefied natural gas plants will require fees of:

- \$50,000 for a facility with a capacity less than 5.634 million cubic metres per day.
- \$100,000 for a facility with a capacity greater than or equal to 5.634 million cubic metres per day.

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

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