

Frequently Asked Questions

Bulletin 2024-07: 2024/25 AER Administration Fees (Industry Levy)

March 28, 2024

- Q1. When are the administration fees due?
- A1. May 1, 2024.

Q2. Who is responsible for paying the administration fees?

A2. The invoice is sent to the operator of a facility (i.e., well, oil sands scheme, pipeline, larger facility, or coal mine) or the licensee of an inactive well as of December 31, 2023. The operator or licensee is responsible for paying the invoice. If the operator fails to pay the fee, then the licensee is responsible for paying the invoiced amount and any assessed penalty.

Q3. What are the administration fees for?

A3. The administration fees support the AER's operations. The fees are allocated according to industry sector—oil and gas, oil sands, coal, pipelines, and larger facilities —and are based on our operational requirements for the specific sector.

Q4. Who is responsible for paying the fees if wells or facilities were sold after December 31, 2023?

A4. The operator on record as of December 31, 2023, is responsible for paying the 2024 administration fees, even if the wells or facilities were sold after that date.

Q5. Why are inactive wells determined as of January 31, 2024?

A5. Because of the one-month lag in <u>Petrinex</u> for reporting volumetric data, the inactive well report is run on January 31 to capture those wells without production throughout the entire base year (January to December 2023).

Q6. Where can I get a copy of my invoice?

A6. Invoices will be emailed to the email address on file or mailed on April 1, 2024, addressed to the chief financial officer or controller. To request an extra copy or electronic version of your invoice, please contact <u>AdminFeeCoordinator@aer.ca</u>.

Q7. Can I pay by credit card?

A7. No. Cheques and Electronic Fund Transfer (EFT) are the only methods of payment accepted.
If you are paying by EFT, please send the remittance advice to <u>cashreceipts@aer.ca</u>

Q8. Will I be charged a penalty if I do not pay the invoice by the due date?

A8. Yes, you will be penalized for late payment. Payments are due May 1, 2024. A late-payment penalty of 20 per cent will be charged on the portion of the AER administration fee that remains unpaid after May 1, 2024.

Q9. Will I be charged a penalty if I do not pay the Alberta Upstream Petroleum Research Fund (AUPRF) contribution?

A9. Payment of the AUPRF contribution is voluntary, and no penalty will be charged if it is not paid.

Q10. Why has my pipelines and facilities invoice amount increased this year?

A10. The pipelines and facilities were levied for the first time in 2022/23 and did not reflect the full 3-year AER staff effort until this year. The allocation methodology remains unchanged for these sectors, but due to the normalization of the 3-year effort, the levy allocation for these sectors has increased and should now reflect the complete three years of effort.

Q11. What if I disagree with details on my invoice and wish to appeal?

A11. Any disagreements or appeals can be directed to

Administration Fee Coordinator Email: <u>AdminFeeCoordinator@aer.ca</u>

Payment of all invoices is required by May 1, 2024, regardless of whether an appeal has been filed. Following a decision on the appeal, adjustments will be applied as needed.