

Bulletin 2024-25

October 8, 2024

Invitation for Feedback on Revised Liability Directives

Changes in directives and the *Oil and Gas Conservation Rules* are required to meet the [Liability Management Framework](#) policy direction to replace the liability management rating (LMR) and licensee liability rating (LLR) programs. The proposed changes provide greater clarity on estimating liability and liability management programs, better organization of information, improved alignment between energy developments, and position regulatory requirements for future updates that will include changes to security requirements for the oil and gas sector.

We are seeking feedback on updates to the following directives:

- *Directive 001: Requirements for Site-Specific Liability Assessments*
- *Directive 011: Estimated Liability (previously Licensee Liability Rating (LLR) Program: Updated Industry Parameters and Liability Costs)*
- *Directive 088: Licensee Life-Cycle Management*
- *Directive 068: Security Deposits*

The draft directives are available on [the “Directives” page of our website](#), under the “Draft / Open for Comments” tab.

Some of the proposed changes include the following:

- Rescind *Directive 006: Licensee Liability Rating (LLR) Program*, *Directive 024: Large Facility Liability Management Program (LFP)*, and *Directive 075: Oilfield Waste Liability (OWL) Program* and related language and content (e.g., deemed assets and deemed liabilities).
- Move applicable content from rescinded directives to retained directives and consolidate content to ensure related requirements can be found together.
- Simplify and clarify how liability is estimated.

- Align liability management requirements for waste management facilities with other facilities (including site-specific liability assessment requirements) with some exceptions for landfills (e.g., full security for oilfield landfills retained).
- Incorporate transitional requirements to support liability management programs while the transition to a new security approach is made.
- Clarify who contributes to and what is covered by the orphan fund.
- Clarify what estimated liability information will be made available to the public.

The estimated liability costs for well abandonments were updated in *Directive 011* in June of this year and are not part of the scope for this public comment period (see [Bulletin 2024-16](#)).

The forms associated with these directives will be updated to align with the language in the directives. No other material changes to the forms are proposed.

For further details on the changes, please refer to the video presentation and summary document provided alongside the draft directives.

To provide feedback, complete the [public comment form](#) on our website. Comments in other formats can be emailed to inquiries@aer.ca or mailed to Alberta Energy Regulator, Suite 1000, 250 – 5 Street SW, Calgary, Alberta T2P 0R4. Feedback will be accepted through November 8, 2024.

All feedback received will be reviewed and may be used in finalizing the directive. The comments provided through this consultation will form part of the public record and may be attributed to the specific individual who provided them. Personal information provided with comments will be collected, used, and disclosed in accordance with the *Freedom of Information and Protection of Privacy Act*. We may use the personal contact information you provide for follow-up communication related to your feedback.

If you have any questions, contact our Customer Contact Centre by phone at 1-855-297-8311 or by email at inquiries@aer.ca.