

Bulletin 2025-08

March 3, 2025

Review Estimated Liability Before Issuance of Orphan Fund Levy

The Alberta Energy Regulator (AER) is targeting issuance of the 2025/26 orphan fund levy on April 1, 2025. Wells, facilities (including oilfield waste management facilities), and pipelines will have their estimated liability included in the calculation of the annual levy. The formula in section 16.530(1) of the [Oil and Gas Conservation Rules](#) will be updated before the issuance of the 2025/26 orphan fund levy since it will no longer be calculated using the liability management rating.

Recent updates occurred as part of the ongoing implementation of the *Liability Management Framework* (see [Bulletin 2025-04](#)), including [Directive 011: Estimated Liability](#), which describes how estimated liability will be determined, including the estimation methods and when liability changes. Additionally, appendix 1 of *Directive 011* sets out licence types that are eligible for Orphan Well Association orphaning and the licence types included in the calculation of the orphan fund levy. Leading up to the issuance of the 2025/26 levy, licensees can use the daily liability assessments available in the OneStop Liability Assessment Report along with appendix 1 of *Directive 011* to review licences that will be included in the orphan fund levy calculation.

Through use of a new [Groundwater Protection Missing Information form in OneStop](#), *Directive 011* now enables licensees to submit missing cementing information. As outlined in section 5.1.1.2 of *Directive 011*, if the groundwater is not protected, a groundwater protection estimated liability cost is added. Once the AER receives the form and reviews the information, if appropriate, the AER will remove this additional estimated liability cost.

Information that could affect estimated liability as identified in *Directive 011* must be submitted on or before March 26, 2025, to be considered in the calculation of the 2025/26 orphan fund levy, including groundwater protection, abandonment notifications, or submissions under the Conditional Adjustment of Reclamation Liability Program. Submissions made after this date will not be considered. Once the levy is issued, licensees will be able to view the specific licences and estimated liability used to calculate their 2025/26 orphan fund levy through the OneStop Liability Assessment Report.

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