

Online Royalty Reporting Metallic and Industrial Minerals Coal

Webinar
March 7, 2018

Audio

Toll-free: 1-866-792-1317

Phone: 780-409-9282

Conference ID: 5997672

Overview

Who

- Metallic and Industrial Minerals
- Coal

What

- Online royalty reporting
- Electronic Transfer System (ETS)

Why

- More efficient
- More client control

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What is changing?

CURRENT

Paper forms

Royalty payment can be submitted with report

Royalty must be paid manually

Manual input of royalty to MINRS by staff

NEW

Electronic form via Electronic Transfer System

Royalty payment must be made separately

Option for pre-authorized auto-debit

Automated input of royalty to MINRS through ETS



What is not changing?

- Royalty rates
- Reporting requirements
- Reporting schedule
- Regulations
- Forms (with exception of formatting)

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ETS Account

- Need an ETS account to apply for lands
- Up to 15 days to set up an account
- New applications accepted starting March 2
- New functions will be added for applications made by March 12, 2018
- Request access for:
 - Crown agreement documents retrieval for designated representative
 - Crown transfers
 - Direct purchases (applications) ammonite shell, coal, and MIM
 - Royalty reporting – bituminous, subbituminous, quarriable, placer, salt

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ETS Account

training.energy.gov.ab.ca/Pages/ETSAccounts.aspx

- Site Administrator
 - Backup Site Administrator
- Client Accounts
 - Individual roles, assigned by form type
- Single account per company
 - If your company already has an ETS account, you need to update your account to add the new functions
- GST number
- Authorization letter
 - Company letterhead; signed by an authorized executive
 - Existing Administrator cannot authorize self

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For more information on section A & B, hover over text or refer to pages 3 - 5

| A: <u>APPLICANT INFORMATION</u> | | |
|--|--|--|
| A1 Check One <input type="checkbox"/> Setup <input type="checkbox"/> Amendment <input type="checkbox"/> Terminate | A2 Account ID: | |
| A3 Type of Amendment: | A4 GST Number: | |
| A5 Company/Individual Name: | A6 Client ID(s): | |
| A7 Site Administrator: Include Authorization Letter Name: Email: | Phone: Business: () Alternate: () | |
| A8 Backup Site Administrator (Optional): Include Authorization Letter Name: Email: | Phone: Business: () Alternate: () | |
| B: <u>DOCUMENT SUBMISSION/RETRIEVAL</u> | | |
| <u>CROWN POSTING/SALE/TRANSFER</u> | <u>ACCOUNTS</u> | |
| Crown Agreement Documents retrieval for Designated Representative <input type="checkbox"/> | Debit Remittance for Royalty, Compensation, Searches, etc. Include Pre-Authorized Automatic Debit Payment Agreement <input type="checkbox"/> | |
| Posting Requests <input type="checkbox"/> | Monthly Statement Auto Debit Increase Include Form <input type="checkbox"/> | |
| Bidding on Public Offering of PNG and Oil Sands Include Electronic Fund Transfer Authorization Letter <input type="checkbox"/> | Monthly Surface Rental Statements Include: Monthly Statement Process Agreement <input type="checkbox"/> | |
| Crown Transfers (Ownership and/or Designated Representative) <input type="checkbox"/> | Monthly Mineral Rental Statements <input type="checkbox"/> | |
| <u>OIL SANDS ROYALTY</u> | <u>PNG AGREEMENT/WELL MAINTENANCE</u> | |
| Oil Sands – Project Application <input type="checkbox"/> | Crown Mineral Activity (CMA) <input type="checkbox"/> | |
| Oil Sands – Royalty Reporting <input type="checkbox"/> | Offset Management <input type="checkbox"/> | |
| Oil Sands – Supplemental Reporting <input type="checkbox"/> | PNG Continuation <input type="checkbox"/> | |
| <u>SEARCHES</u> | Agreement Management <input type="checkbox"/> | |
| Land Searches <input type="checkbox"/> | | |
| <u>AMMONITE SHELL/COAL/METALLIC & INDUSTRIAL MINERALS AND SUBSURFACE RESERVOIR</u> | <u>MISCELLANEOUS</u> | |
| Direct Purchases (Applications) Ammonite Shell, Coal and Metallic & Industrial Mineral Minerals <input type="checkbox"/> | Urban Development Sub Region (UDSR) <input type="checkbox"/> | |
| Royalty Reporting – Bituminous, Subbituminous, Quarriable, Placer, Salt <input type="checkbox"/> | Assignments Public Lands Surface Dispositions <input type="checkbox"/> | |
| | Freehold Mineral Tax <input type="checkbox"/> | |
| | Unit Agreement Exhibit A <input type="checkbox"/> | |
| Applicant Comments: Click here to enter text. | | |
| For Office Use Only | Date all Documents Received: | Date Processed: |
| Setup FDN <input type="checkbox"/> | Setup ETS <input type="checkbox"/> Update <input type="checkbox"/> | Setup ILS <input type="checkbox"/> Existing <input type="checkbox"/> |
| Bid Doc's to Sales <input type="checkbox"/> | Email Conf. Rec'd Sales <input type="checkbox"/> CMA <input type="checkbox"/> Offsets <input type="checkbox"/> | Relayed Login <input type="checkbox"/> |
| Doc's to CARS/Finance <input type="checkbox"/> | | |
| Misc. | | |

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ETS Account

- To set up an account, contact Alberta energy Client Registry:
Client Registry, Client Services
Alberta Energy
North Petroleum Plaza
9945-108 Street NW
Edmonton, Alberta T5K 2G6
Email: ClientRegistry@gov.ab.ca

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Royalty reporting

- Reports uploaded to ETS in Excel format
- Royalty payments made separately
- Initial confirmation of submission
- Second report after processing that confirms the data submitted and provides any errors or warnings
 - Within 15-30 minutes

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Royalty reporting



DOE Confidential

**Mineral Royalty System
Industry Submission Turnaround Report**

Report Date: 2018/03/07 7:40:26 AM
Request No: OR401446

Form ID: CMDSLRQTR
Activity ID:
Reporting Year: 2017

Primary Royalty Client:
File Name:
Reporting Quarter: Q2 I

Lease Number
Mineral: SALT
Rate: 0.4500

| Validation Edits | Description |
|------------------|-------------|
| Warning | 0 |
| Error | 0 |

| | * Production (tonnes) | * Royalty Due (\$) | * Payments (\$) |
|--------------------|-----------------------|--------------------|--------------------|
| Q1 Total | 0.000 | \$0.00 | \$0.00 |
| April | 7509.960 | \$3,379.48 | \$4,897.80 |
| May | 7645.890 | \$3,440.65 | \$4,986.45 |
| June | 7316.760 | \$3,292.54 | \$4,771.80 |
| Q2 Total | 22472.610 | \$10,112.67 | \$14,656.05 |
| Grand Total | 22472.610 | \$10,112.67 | \$14,656.05 |

Name :

Telephone :

Fax :

Email :

*** End of Report ***

Royalty types - forms

- It is important to choose the correct for reporting royalties
- Use most current form

Coal

- BIT Bituminous coal (Coal 3, Coal 4, Coal 5)
- SUB Subbituminous coal (Coal 1)

Metallic and Industrial Minerals

- QRR Quarriable minerals
- SLR Salt
- PMR Placer minerals

Annual confirmation of no production

- All non-producing coal and MIM leases
- Respond to our request

Royalty types - forms

www.energy.alberta.ca/Coal/FormsReport/Pages/Forms.aspx

www.energy.alberta.ca/Minerals/FR/Pages/Forms.aspx

- Content on forms unchanged
- Formatting of the forms updated
- Do not change the forms

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COAL 3 REPORTING INSTRUCTIONS

All information is for the production month for which a report is submitted.

- * Activity ID **COAL 3**
- * Primary Royalty Line 301 The coal mine/royalty activity ID registered with Alberta Energy as reference in the mine confirmation letter.
- * Lease No(s). Line 302 Name of the person or company name that is paying the royalty.
- * Year Line 303 List the coal lease numbers related to this mine.
- * Quarter Line 304 Month for which the report is being filed.
- * Mineral Line 305 Production year for which the report is being filed. Relates to not having any production to report.
- * Royalty Rate Line 306 Total marketable coal sales.
- Line 307 Total revenue at point of sale. This normally considered to be at the port.
- Line 308 Total costs to transport the coal to the point of sale.
- Line 309 Line 307 - Line 308
- January Line 310 Marketable sales of Crowned leased coal, same as line 306.
- February Line 311 The revenue generated from the Crown portion of coal sales at point of sale, same as line 307.
- March Line 312 The portion of total revenue from line 311 that is from the Crown portion of coal sales, same as line 308.
- Q1 Total** Line 313 Line 311 - Line 312
- Line 314 The first tier royalty Form ID: CMDQRRQTR
- April Line 315 Line 313 x 0.01 2 Version #: 1.00
- May Line 316 Addition revenue 12 of coal 4.
- June Line 317 The amount spent on capital costs allowable under the Coal Royalty Regulation, from line 412 of coal 4.
- Q2 Total** Line 318 The allowance for the amount spent on capital costs allowable under the Coal Royalty Regulation, from line 417 of coal 4
- July Line 319 Line 317 x 0.10
- August Line 320 The amount spent on capital costs allowable under the Coal Royalty Regulation, from line 417 of coal 4
- September Line 321 The estimated second-tier monthly installement from Line 427 of the Coal 4 report for the production year.
- Q3 Total** Line 322 Line 315 + Line 321; This amount payable is due with the submission of this royalty report.
- October Line 323 The first and last name of the person submitting the royalty report.
- November Line 324 Position of the person submitting the royalty report.
- December Line 325 Phone numbers of the person submitting the royalty report.
- Q4 Total** Line 326 Fax numbers of the person submitting the royalty report.
- Line 327 Email address of the person submitting the royalty report.
- Grand Total**

CERTIFICATION

By submitting this report and correct an

- * Name
- * Telephone
- * Fax
- * Email

| | A | B | C |
|---|------------|-----------|---|
| 1 | Form ID: | CMDQRRQTR | |
| 2 | Version #: | 1.00 | |
| 3 | | | |
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Coal 3 Form Instructions ADMIN

Coal 3 Form Instructions ADMIN

Activity ID

- Each mine or quarry has a unique Activity ID for royalty reporting purposes
- Royalty form requires the exact Activity ID
- Payment allocation information requires the correct Activity ID(s)

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Royalty payment

- Mail or deliver a cheque to Alberta Energy
Alberta Energy
North Petroleum Plaza
9945-108 Street NW
Edmonton, AB T5K 2G6
- Electronic Funds Transfer (EFT)
Bank: CIBC
Beneficiary Name: PT-Mineral Revenue Account
Bank Address: 10102 Jasper Avenue
Edmonton, AB T5J 1W5
Bank No.: 010
Swift Code: CIBCCATT
Transit No.: 00059
Account No: 00-54305

Royalty payment

- Pre-Authorized Automatic Debit Payment
 - Auto-debit agreement
 - Monthly remittance form

Finance Support:

CARS.HelpDesk@gov.ab.ca

780-427-7705

780-638-4067

780-422-5198

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Payment allocation

- Required for all payments
- Payment may be returned if not included
- Activity ID

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Reporting schedule

Coal

Coal 1 – Subbituminous coal: last day of the month following reported month

Coal 3 – Bituminous coal: last day of the month following reported month

Coal 4 – Bituminous coal annual estimate:
December 31 prior to production year

Coal 5 – Bituminous coal annual reconciliation:
March 31 following production year

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Reporting schedule

Metallic and Industrial Minerals

Production months

Jan, Feb, Mar

Apr, May, Jun

Jul, Aug, Sep

Oct, Nov, Dec

Reporting deadline

Apr 30

Jul 31

Oct 31

Jan 31

Confirmation of no production

February 15 following the non-producing year

Transition

Coal

- Online only after July 31, 2018

Metallic and Industrial Minerals

- Online only after October 31, 2018
- If possible, wait to submit February royalty report until after we go live and submit online
- For the first six months we request that you email us the royalty report that you submit online
 - CMD.Energy@gov.ab.ca

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Questions

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Tenure Support:

CMD.Energy@gov.ab.ca

780-427-7707

ETS Account Support:

ClientRegistry@gov.ab.ca

Finance Support:

CARS.HelpDesk@gov.ab.ca

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780-638-4067

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