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OIL SANDS INFORMATION BULLETIN 2015-01

Subject: Oil Sands Crown Royalty Payments and Payment Allocation Details

This Information Bulletin rescinds and replaces [IB 2012-16](#). All oil sands Crown royalty payments will continue to be remitted to Alberta Energy Financial Services Branch through the various payment options outlined in [Methods of Payment](#) below. To ensure timely and accurate allocation of payments received, payment allocation details must accompany each remittance. The payment allocation details will be managed by Alberta Energy Financial Services Branch and must be received by them on or before the day of the deposit.

The payment allocation details in the format specified in IB 2012-16 will no longer be required for payments made after December 31, 2014. Reporting is simplified to only include the activity id(s) and payment amount(s). See [Payment Allocation Requirements](#) for details and example. As well, for payments made after December 31, 2014 payment allocation details will no longer be required to be sent to the Oil Sands Payment Mailbox (OilSandsPayment@gov.ab.ca).

Methods of Payment

All remittances in respect of oil sands Crown royalty must be made payable to the "Government of Alberta."

There are three methods for remitting Crown oil sands royalty payments.

1. Mail or deliver cheque payment to Alberta Energy offices:

Alberta Energy / Environment and Sustainable Resource Development Main
Floor Mail Room, North Petroleum Plaza
9945 – 108 Street
Edmonton, Alberta T5K 2G6

OR

Alberta Energy
Calgary Information Centre AMEC
Building
300, 801 – 6th Avenue SW
Calgary, Alberta, T2P 3W2

For this payment method, the total remittance must be less than \$25 million.

Payment allocation information must accompany the cheque payment at the time of the deposit. See [Payment Allocation Requirements](#) for details.

2. Deposit payment at designated CIBC Branches (RapidTrans Deposit Slip):

Clients can deposit the payment at two designated CIBC branches in Calgary (Bow Valley Square 2 and Bankers Hall). A RapidTrans Deposit Slip is required for this method of payment. RapidTrans Deposit Slips can be obtained from Alberta Energy offices. See [Assistance with Remittances](#) for details.

If the client has a CIBC bank account number for RapidTrans, deposit the payment into that account. If the client does not have its own CIBC bank account number for RapidTrans, deposit the payment into the generic bank account: Transit 00009 Account 09-35603.

Payment allocation information must be reported on the RapidTrans Deposit Slip. A copy of this deposit slip must be sent to Alberta Energy Financial Services Branch on or before the day of the deposit. See [Payment Allocation Requirements](#) for details.

3. Electronic Funds Transfer (EFT) to the account of the Government of Alberta:

Bank Name:	CIBC (Canadian Imperial Bank of Commerce)
Beneficiary Name:	PT-Mineral Revenue Account
Bank Address:	10102 Jasper Avenue Edmonton, Alberta T5J 1W5
Bank No.:	010
Swift Code:	CIBCCATT
Transit No.:	00059
Account No.:	00-54305

Payment allocation information must be sent to Alberta Energy Financial Services Branch on or before the day of the deposit. See [Payment Allocation Requirements](#) for details.

Note: Pre-authorized Automatic Debit Remittance (Auto-Debit) may not be a viable payment option for oil sands Crown royalty. Auto-Debit requires remittance on or before the 5th last working day of the month. Operators may not know the oil sands Crown royalty payable by this date for this payment option. However, operators who are interested in the Auto-Debit payment option can consult with Alberta Energy Financial Services Branch for set up procedures. See [Assistance with Remittances](#) for details.

Payment Allocation Requirements

To enable accurate allocation of payments to accounts, payment allocation information must accompany each payment. The payment allocation information must be received by Alberta Energy Financial Services Branch on or before the day of the deposit or the payment may be returned or applied to activity id(s) determined by Alberta Energy. There may be interest implications when deposits are returned or when deposits are transferred back to the correct activity id(s) due to missing or inaccurate payment allocation details provided to Alberta Energy.

The payment allocation information must contain the activity id(s) and payment amount(s). If a remittance contains payments *other than* oil sands Crown royalty, the activity id(s) for those payments must be indicated. The total payment allocations must reconcile to the remittance or they may be allocated as determined by Alberta Energy. There may be interest implications associated with the resulting allocations.

- For payments mailed or delivered to Alberta Energy offices, the payment allocation information must be provided on the cheque stub or on a separate document attached to the cheque.
- For RapidTrans Deposits, the payment allocation information must be provided on the RapidTrans Deposit Slip and a copy of the information must also be sent on the day of the deposit, via fax to Alberta Energy Financial Services – Cashiers at fax # (780) 422-4281 or email to: G94deposit@gov.ab.ca and include “Oil Sands Payment Allocation Details” in the subject line.
- For Electronic Funds Transfers, the payment allocation information must be sent on the day of the deposit, via fax to Alberta Energy Financial Services – Cashiers at fax # (780) 422-4281 or email to: G94deposit@gov.ab.ca and include “Oil Sands Payment Allocation Details” in the subject line.

Example of a Payment Allocation Summary

Operator Name: #####
 Operator Id: #####
 Remittance Reference: #####
 Remittance Date: YYYY-MM-DD
 Remittance Amount: \$4,500

<u>Activity Id</u>	<u>Payment Allocation</u>
OSR###	\$3,000
CSR###	\$1,000
NPR####	<u>\$ 500</u>
Total Allocations	\$4,500

Assistance with Remittances

For assistance with payment options and/or remittances, contact the Alberta Energy Financial Services Branch at (780) 427-8857 or (780) 427-3600.

Additional copies of the RapidTrans Deposit Slips are available at the Alberta Energy Calgary Information Centre.

Accounts with Credit Balances and Credit Transfers

Unless otherwise directed, credit balances will be retained in the same account (Project/Activity Id), but will not accrue interest, and will be applied to future month’s penalties, interest, and Crown royalty compensation owing. At Alberta Energy’s discretion, account balances may be applied to offset other payables of the operator/lessee.

If an operator does not wish to keep a credit balance in an account to offset against the next month’s payables, the operator may:

1. Request to refund the balance, or
2. Request to transfer the credit to another account (Project/Activity Id)

Requests should be sent to the Oil Sands Report Mailbox – OSReport@gov.ab.ca. For account transfers, please allow three business days for processing by Alberta Energy. If the credit transfer is to offset an upcoming payment, please ensure the request is made at least 3 business days prior to the payment due date. Interest may apply if the transfer cannot be completed by the payment due date as a result of late notification to Alberta Energy.

If the credit is the result of an End of Period Statement (EOPS) refund for the initial End of Period filing, requests to transfer the credit will not be accepted prior to the last day of the 4th month following the end of the Period pursuant to section 33(13) of the [Oil Sands Royalty Regulation, 2009 \(OSRR'09\)](#).

Notwithstanding any of the preceding, Alberta Energy reserves the right to:

- Refund any credit balance at any time
- Use its discretion to apply payments in accordance with Section 46 of the [OSRR'09](#), and prior to the issuance of a refund may reallocate credits to set-off against any amount owing to the Crown by the operator pursuant to Section 46(4) of the [Mines and Minerals Act](#). Interest may apply to any resulting underpayments.

Application of Payments

Unless the Minister otherwise directs, payments will be applied in accordance with section 46 of the [Oil Sands Royalty Regulation, 2009](#).

Questions regarding this Information Bulletin may be directed to:

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