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September 1, 2015

OIL SANDS INFORMATION BULLETIN 2015-08

Subject: Cost Analysis and Reporting Enhancements (CARE) Revenue Reporting for Oil Sands Royalty Projects with Multiple Ownership Interests

Under section 38.1(1) of the *Oil Sands Royalty Regulation, 2009* (OSRR'09), the operator of a Project is responsible for furnishing CARE reports that address both revenue and cost information for all volumes of oil sands products produced from the Project. Please note that the reporting requirements for CARE Revenue reports are on a stream level basis, and as a result there may be multiple CARE Revenue reports required for a single Project, depending on how many streams are used to market a Project's oil sands products. For some Projects where there are multiple owners, each owner may market its share of Project production, without sharing detailed sales information with the operator, and as such, the operator may not be able to provide CARE Revenue reporting for those particular volumes.

This information bulletin provides clarification of the CARE Revenue reporting requirements for oil sands royalty Projects involving multiple ownership interests, either in such Project or in the leases forming part of such Project, where each ownership interest separately markets its share of Project oil sands products.

In situations where the operator does not have access to the other owners' detailed revenue information, the operator may request that the Minister collect this revenue information directly from the persons in possession of such information for the purposes of CARE Revenue reporting, pursuant to section 38.1(1.1) of the OSRR'09.

Such requests should be made in writing to the Royalty Administration Manager, Oil Sands Division, Department of Energy. The request should be signed by all of the Project owners, and indicate which Project owners commit to file individual CARE Revenue reports for their individual volumes. Collectively, all of the CARE Revenue reports from the individual owners and the operator must address all Project volumes. Such request must be submitted at least two months prior to the reporting deadline for which the individual reports are being first proposed. Requests must include the address and contact information for each of the owners who wish to supply their own CARE Revenue reports.

The Minister shall advise the operator in writing as to whether or not the request has been accepted. If accepted, the Minister will direct that an impacted owner submit separate CARE Revenue reports for its respective volumes on a go-forward basis. Such an impacted owner will then be responsible for submitting CARE Revenue reports under section 38(1.1) of the OSRR'09. The operator will remain responsible for CARE Revenue reporting to the extent directed by the Minister.

In the event the Minister has directed a Project owner other than the operator to supply CARE Revenue reports pursuant to section 38.1(1.1) and that ownership interest in the Project is sold or otherwise disposed, the operator and all current Project owners must make a signed request in writing within 30 days of the closing of such sale or disposition for the new ownership interest to provide the CARE Revenue reporting for its Project volumes. The request should also reconfirm the reporting responsibilities for all other Project volumes. Requests must include updated address and contact information for each of the owners who wish to supply their own CARE Revenue reports. The Minister will advise in writing as to whether such a request is accepted.

Until such time the Minister has directed in writing that an impacted owner submit separate CARE Revenue reports for their respective volumes, the operator is responsible for submitting CARE Revenue reports that address all volumes, regardless of ownership.

Regardless of whether CARE Revenue reports are submitted under section 38.1(1) or (1.1), each CARE Revenue report must be accompanied by a statement of approval in accordance with section 38.1(3)(b) of the OSRR'09. Each CARE Revenue report must be submitted through the Correspondence feature in the Electronic Transfer System (ETS). Please refer to Information Bulletin 2015-03 "Cost Analysis & Reporting Enhancements (CARE) – New CARE Reports Effective for the 2015 Period" for more information on submitting CARE reports through ETS and on the file naming conventions. Please also refer to section 7.9 of the Alberta Oil Sands Royalty Guidelines Principles and Procedures, January 31, 2015.

Penalties may apply pursuant to section 44 of OSRR'09 if required reports are not submitted by the due date.

Please refer to [Information Bulletin 2013-12](#) for more information regarding penalties.

Questions regarding this Information Bulletin may be directed to:

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