

# Liability Management Engagement Session

**Farmers' Advocate Office**



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# Farmers' Advocate Office (FAO)

- Established in 1973 by Minister of Agriculture
- Working as a liaison between landowners, industry, government and regulators, the FAO ensures that the rights and interests of rural Albertans are
  - *Recognized*
  - *Understood*
  - *Protected*

# Improvements to the Liability Management System

- Consider and represent the full lifecycle of an energy development
- Industry costs should not be a burden for Albertan landowners in future taxes or tax programs
- Corporate compliance, business practices, industry practices
- Required “Care and Custody” of all licensed wells, pipelines and facilities
- Coordinated and inclusive system

# Recommended Options

- Increase in Levy collected
  - Timely enforcement for non-payment or non-compliance
- Create a reporting mechanism that reflects industry business practices and offers accountability
  - New Licenses
  - License Transfers
- Expand the scope of the liability management system to pay for the care and custody of all licensed wells, pipelines and facilities
  - Industry will pay for their impacts to all Albertans
- Create a proactive and protective system reflective of the entire lifecycle of an energy development

# Review Outcomes

- Landowner assurances to protect Albertans from the financial and environmental liability for all energy development
- Extended scope of the Liability Management System to include the complete “Lifecycle”
- Financial sustainability for industry and public

# Questions ?

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