# Conventional Oil and Gas Fall 2024 Webinar

#### **TIER Aggregate Enrolment**

Alberta Environment and Protected Areas Environment and Climate Change Canada Canda Revenue Agency October 15, 2024





# Agenda

- TIER Aggregate Objectives
- 2024 Aggregate Enrollment Stats
- Enrollment and Notification Updates
- ECCC Presentation
- CRA Presentation
- Questions and Answers

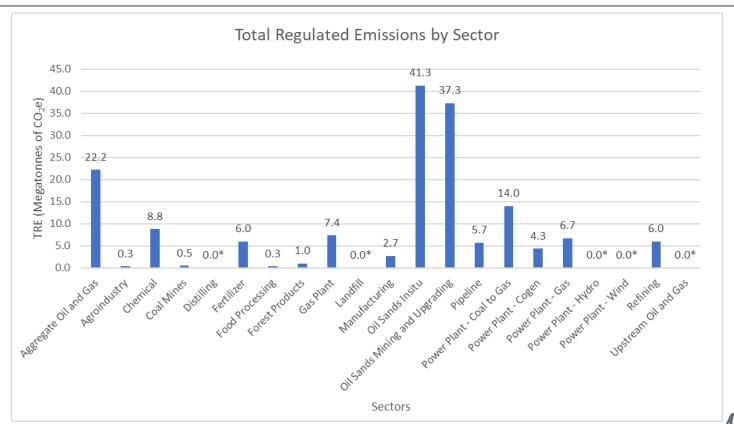


#### TIER Aggregate Program Objectives





# 2023 Sector Coverage Under TIER





#### Program Statistics – 2024 Active Aggregates

\*As of October 1, 2024 Map of Active Facilities 234 Companies 51,851 COGs क्री ₹<u>@}</u> **276 Aggregates** 60,021 Facilities

# Program Statistics – Enrollment Applications

\* As of October 1, 2024



#### **Total Applications**

We received a total of 166 applications submitted between January 1, 2024, and October 1, 2024, for the 2024 compliance year.



#### **Adding Facility Applications**

87% of the applications are for adding facilities.



#### **Average Review Time**

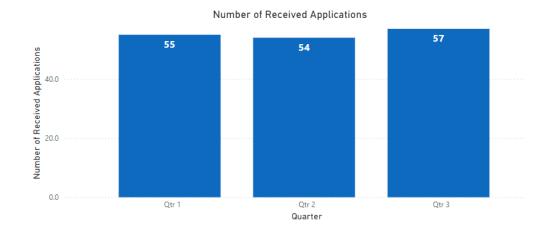
Each application takes an average of 9 business days to review.



# Program Statistics – Enrollment Applications

In 2024, we developed internal review tools, including a full-stack website and the Enrollment Application Review Assistant, as well as a one-stop dashboard that significantly automated processes and boosted efficiency.

# Full-stack Website Archive All Uploaded Requests Filter by Company: Filter by Request Type: Filter by Compliance Year: All One-stop Dashboard COG Team One-Stop Dashboard 276 Active Cogs Acti





<sup>\*</sup> As of October 1, 2024

#### Program Statistics – COGs with Emission > 10,000 tCO2e

\* As of October 1, 2024

We will contact companies with COGs emitting more than 10,000 tCO<sub>2</sub>e for the 2023 compliance year that have not yet submitted their boundary files and GHGRP ID for the associated facilities.



#### **420 COGs**

Based on the 2023 compliance reports, 420 COGs have emissions exceeding 10,000 tCO<sub>2</sub>e.



#### 110 Aggregates

These COGs belong to 110 aggregates.



#### 83 Companies

These aggregates are associated with 83 companies.



# Aggregate Application Types and Criteria

The person responsible for 2 or more conventional oil and gas (COG) facilities may apply for a(n):

- New aggregate Facility Designation. ID: AGXX
- Amendment
  - Addition
  - Removal
- Aggregate Revocation
- Boundary file (kml or kmz) is required for any COG exceeding 10,000 tCO2e/year
- Submission in the Director's prescribed form and manner- ETS only for applications, email for notifications
- None of the COG facilities are in the Large Emitter, opted-in or in another aggregate.
- COG: Single facility or 2 or more contiguous, adjacent facilities that are operated in an integrated manner and have the same person responsible.



### **Aggregate Notification**

#### Section 25(1) – Duty to notify director

- Change in person responsible for the whole aggregate
- Change in person responsible for a facility within the aggregate
- Updating Temporary Facility ID to Petrinex issued facility ID
- Exceeding 100,000 tCO2e direct emissions per year for a COG
- Exceeding 10,000 t imported Hydrogen for a COG
- Decommissioned COG

#### **Notification Forms:**

- Updates to Forms, v2.6
- TBD updates
- Notifications should be submitted as soon as possible



#### Mergers and Acquisitions

- 1. Company A acquires Company B's aggregate
  - Company A or B Submits a notification form and company A should submit an addition application for the next year.
  - Reporting duty under TIER stays with Company B for the year of the acquisition, however the department will accommodate if Company A reports on behalf of Company B as a successor.
  - For subsequent years, Company A either request to take on Company B's aggregate as the new operator of record OR merges it with its existing aggregate. Typically, merging will require re-benchmarking
- 2. Company A acquires some of the conventional oil and gas facilities from Company B.
  - Company A or B submits a notification form.
  - Facilities acquired by Company A remain in company B's aggregate for the full compliance year. Company A should submit an add application for the acquired facilities for the next compliance year.
- 3. Company A merges with Company B (Company B remains active)
  - Company B submits a notification form.
  - Reporting duty under TIER stays with Company B.

For all scenarios, the person responsible for the aggregate must match the operator on record in Petrinex.



# **Application Deadlines**

Upcoming Deadlines	Request
November 15, 2024	<ul> <li>Application to create a new aggregate for 2024</li> <li>Application to add facilities to an aggregate for 2024</li> </ul>
December 1, 2024	<ul> <li>Application to remove a facility from an Aggregate for 2025</li> <li>Request to revoke an aggregate</li> </ul>



# **Annual Aggregate Revision**

#### Jan 15, 2025: Director's Yearly Review

Removal of COG facilities that no longer meet the enrollment criteria such as:

- Change in person responsible for the COG or aggregate
- No TBD update Notification submission
- COGs exceeding 100,000 t CO2e per year etc.



#### **ETS Updates**

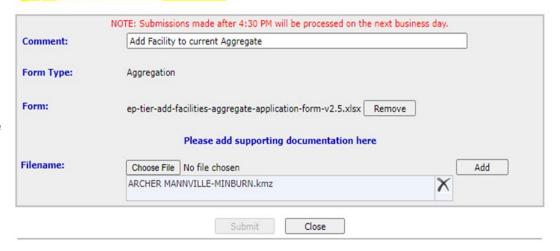
#### ETS form validation items:

- Form type and version check
- Aggregate ID check in the forms
- Latitude and Longitude check in Alberta
- Different COG facilities in with the same lat. and long. Locations (future implementation)

#### **Technology Innovation and Emissions Reduction Regulation**

The attached documents have NOT been submitted to Alberta Environment and Protected Areas. Please correct the errors and re-upload the documents

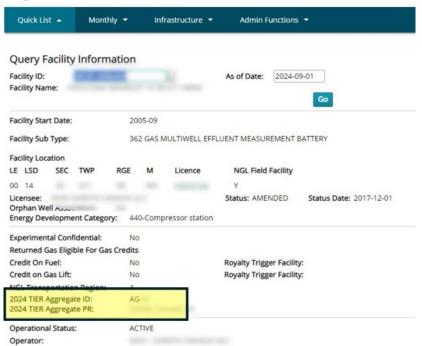
Submission - Aggregate Facility ID does not exist

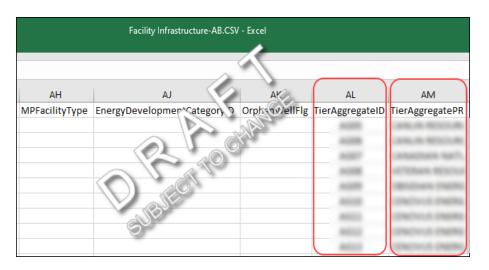




#### Petrinex Updates







- ✓ TIER Aggregate ID and Person responsible information on Petrinex.
- ✓ Current compliance year and Previous compliance year (future update).

Alberta

# Confirmation of Regulation (CoR)

- The Director will notify the person responsible via e-mail about the decision of an aggregate application.
- The email will contain steps on how to obtain an exemption from the federal fuel charge, the application decision letter and the approved list of facilities in the TIER aggregate.
- This list is also known as the Confirmation of Regulation (CoR) list.
- The person responsible for the aggregate should always review the CoR list to ensure the information contained in it is accurate.



# Contact the Department

Conventional Oil and Gas
Climate Regulation and Carbon Markets
Alberta Environment and Protected Areas

TIER Conventional Oil and Gas Website: <a href="https://www.alberta.ca/conventional-oil-and-gas.aspx">https://www.alberta.ca/conventional-oil-and-gas.aspx</a>

- Email: <u>EPA.GHG@gov.ab.ca</u>
- Request an in-person meeting at 3535 Research Road NW, Calgary
- Request a MS Teams meeting



# Questions and Answers

