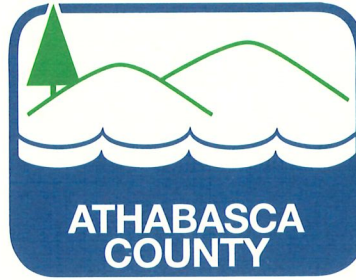


PHONE: 780-675-2273
FAX: 780-675-5512
www.athabascacounty.com



3602 - 48 Avenue
ATHABASCA, ALBERTA
T9S 1M8

March 11, 2021

Alberta Energy Regulator (AER) – Directive 067 Feedback
Suite 1000, 250-5th Street SW
Calgary, AB
T2P 0R4

RE: Proposed Changes to AER Directive 067

At the February 25, 2021, regular County Council meeting, Council passed a motion to express support for Thorhild County and other municipalities, including Athabasca County, impacted by Directive 067, which fails to address non-payment of levied municipal taxes by license holders of provincially regulated oil and gas properties.

Many rural municipalities rely heavily on tax revenue from the oil and gas industry and the current problem with the orphan wells is creating a heavy financial burden for them.

Athabasca County supports the request that the following changes be made to Directive 067:

1. *"Section 5 - Maintaining Eligibility" the AER should immediately revoke the licenses of continuing viable Licence Holders choosing not to pay all (or any) of their municipal tax obligations.*
2. *"Section 4.5) - Unreasonable Risk (Obtaining General Licence Eligibility)" the AER should not authorize or permit the purchase or transfer of any licences involving an existing oil or gas licence holder (or operator) currently in default of any municipal tax obligation anywhere in Alberta and*
3. *"Section 4.5) - Unreasonable Risk (Obtaining General License Eligibility)" the AER should initiate steps with the assistance of the Alberta Government (Municipal Affairs) to ensure that municipalities are recognized as secured creditors (through any bankruptcy involving Licence Holders) to secure and collect that municipality's (and the province's) taxes levied and owed.*

Alberta's rural communities are the municipalities that own and safely maintain the infrastructure necessary for the oil and gas industry to succeed. As a partner in this success, the fair assessment and collection of municipal taxes (including provincial taxes levied for schools and seniors housing) is foundational to the support and maintenance of this infrastructure.

Thank you for your attention to this matter and we look forward to your response. Please contact me by e-mail at larmfelt@athabascacounty.com or call 780-675-2273 should you wish to discuss this matter further.

Sincerely,



Larry Armfelt
Reeve

cc: MLA Glenn van Dijken
MLA Laila Goodridge
Provincial Caucus
Rural Municipalities of Alberta (RMA)
Alberta Urban Municipalities of Alberta (AUMA)