



**Ministry of Energy, Mines  
and Low Carbon Innovation**

**Oil and Gas Division**

**Regulatory and  
Infrastructure Branch**

**INFORMATION  
LETTER**

**PR2021-01 (SYD Road Charges)**

**SUBJECT: Sierra Yoyo Desan (SYD) Road Use Charges from August 1, 2021 Until Further Notice**

Road use charges are collected by the Ministry of Energy, Mines and Low Carbon Innovation (the Ministry) under the *Transportation Act* and this is used to make monthly payments to the Concessionaire for the availability of the SYD Road, and for operation, maintenance and management of the SYD Road.

The following table outlines the SYD Road Use Charges that are in effect as of August 1, 2021. These charges will remain in effect until further notice.

<b>Industrial Activity</b>	<b>Road Use Charges</b>	<b>Comments</b>
Active Wells	\$2,064 per well per year	Wells in SYD Road assessable area with well status of "Active".
Non-active Wells	\$455 per well per year	All wells in SYD Road assessable area (except wells with a status of "Active" or "Abandoned").
Wells Drilled	\$15,750 per well spudded in winter \$20,475 per well spudded in summer	Winter is from Dec. 1 to March 31 of any year. Summer is from Apr. 1 to Nov. 30 of any year. Applies to each well spudded in the SYD Road assessable area.
Drill Rig Moves	\$22,575 per move (winter) \$28,875 per move (summer)	Drill Rig Moves based on the spud date of each well (not the actual date of the rig move). Winter means Dec. 1 to Mar. 31 of any year. Summer means Apr. 1 to Nov. 30 of any year.
Compressor Moves	\$22,050 per move (winter) \$28,875 per move (summer)	Applies to compressor packages weighing 50 short tons or more that are moved on the SYD Road.
Timber Hauling	\$0.68 per m <sup>3</sup> of timber	Assessed on volumes of timber hauled on SYD Road for commercial timber operations.
Shale Gas Well Fracturing Moves	\$30,000 per well	Applies to the moving of any well fracturing materials or equipment on the SYD Road to a new shale gas well in the SYD Road assessable area.
Gas Processing Plant Construction Haul	\$0.035 per cubic metre of design capacity	Applies to the moving of any materials or equipment on the SYD Road for construction or expansion of a gas processing plant (based on the Effective Date of the plant) in the SYD Road assessable area with design capacity of 150,000 cubic metres or more a day.

Pipeline Construction Haul	\$7 per millimeter outside diameter per kilometer length	Applies to the moving of any materials or equipment on the SYD Road for construction of a pipeline (based on the Leave to Open Date) in the SYD Road assessable area that measure 152 millimeters outside diameter or more.
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Invoices for active and non-active wells will continue to be sent out three times per year. The intent of this billing method is to distribute the annual charge over the entire SYD Road fiscal year and to capture any changes in well status throughout the year.

**Payments are to be made to:**

**BC Transportation Financing Authority**  
c/o Ministry of Energy, Mines and Low Carbon Innovation  
PO Box 9323 Stn Prov Gov't  
Victoria, BC V8W 9N3

**Royalty Credits Available to Road Users**

Three times per year, road users are notified of the royalty credits they have earned, which are equal to 50% of the road use charges invoiced and fully received by the Province. Royalty taxpayer information must be reported in Petrinex in order to claim the royalty credit amount. Further information regarding royalty taxpayer reporting is available in section 3.3.5 of the Petrinex Readiness Handbook: [https://www.petrinex.ca/Initiatives/Documents/PBCIP\\_Industry\\_Readiness\\_Handbook.pdf](https://www.petrinex.ca/Initiatives/Documents/PBCIP_Industry_Readiness_Handbook.pdf).

**Operation and Maintenance of the SYD Road**

For matters related to road operations and maintenance, contact Ledcor at 1-866-453-3267. Additional information is available at [www.sydroad.com](http://www.sydroad.com).

**SYD System of Charges Order**

This Information Letter provides a summary of SYD Road Charges for ease of reference. For more detail, see the official Sierra Yoyo Desan Road System of Charges Order, as per Order in Council 446-2021.

[https://www.bclaws.gov.bc.ca/civix/document/id/oic/oic\\_cur/0446\\_2021](https://www.bclaws.gov.bc.ca/civix/document/id/oic/oic_cur/0446_2021)

**For further information, contact:**

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