

**BRITISH COLUMBIA ROYALTY CREDIT PROGRAM**

**PIPELINE DEVELOPMENT ROYALTY DEDUCTION AGREEMENT**

**NAME OF JOINT PRODUCER AND PIPELINE COMPANY PROJECT**

**THIS AGREEMENT** dated for reference \_\_\_\_\_, 20\_\_\_\_

**BETWEEN:**

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA  
REPRESENTED BY THE ROYALTY ADMINISTRATOR OF THE MINISTRY OF NATURAL GAS  
DEVELOPMENT**

**(THE "ADMINISTRATOR")**

**AND:**

**[Name of Producer Project Proponent]  
(THE "PRODUCER PROJECT PROPONENT")**

**AND:**

**[Name of Pipeline Project Proponent]  
(THE "PIPELINE PROJECT PROPONENT")**

**(The Project Proponents collectively referred to as THE "PROJECT PROPONENTS")**

**WHEREAS:**

- A. The Producer Project Proponent is a producer as defined under the Petroleum and Natural Gas Royalty and Freehold Production Tax Regulation, B.C. Reg. 495/92 (the Regulation).
- B. The Pipeline Project Proponent is a pipeline company as defined under the Regulation.
- C. The Project Proponents have advised the Administrator pursuant to [section 4](#) of the Regulation that they intend to undertake a project to construct or upgrade a pipeline in support of resource exploration or development.
- D. The Parties have agreed to enter into this Agreement to determine the Project Proponents' eligibility to deduct a portion of the costs attributable to the Project from royalty or tax otherwise payable by the Project Proponents under the [Petroleum and Natural Gas Act](#), R.S.B.C. 1996, c. 361.

- E. A deduction of costs attributable to its project from royalty or tax otherwise payable by the Project Proponents pursuant to this Agreement is subject to section 4 of the Regulation.
- F. The Project Proponents have obtained, or are in the process of obtaining, all necessary permits or authorizations under the Oil and Gas `Activities Act, S.B.C. 2008, c. 36.
- G. The Project qualifies as a “project” pursuant to section 4(9) of the Regulation.

**THE PARTIES AGREE AS FOLLOWS:**

**I. Definitions and Interpretation**

1. In this Agreement:

“**Act**” means the [Petroleum and Natural Gas Act](#), R.S.B.C. 1996, c. 361, and any amendments thereto;

“**Agreement**” means this Agreement;

“**Amended Project**” means the Project as amended under Section III of this Agreement;

“**Construction Completion Date**” means the Completion Date of the Construction as specified in the Statutory Declaration of Completion for the Project;

“**Eligible Costs**” means the following costs, actually paid by the Project Proponents, to complete the Project:

- (a) costs paid for planning, designing, surveying, mapping, obtaining licenses and approvals and engineering expenditures; and
- (b) all materials, labour and equipment charge-out costs incurred during construction and mobilization and demobilization;

but excludes:

- (c) maintenance costs;
- (d) goods and services tax (GST); and
- (e) contingency allowances, administration costs, consulting fees for supervision of clean-up of well site lease or pad site, overhead, accounting, interest and the purchase of, and amortization and depreciation on, capital equipment that is not integral to the operation of the project.

“**Fiscal Year**” means a period commencing April 1st and terminating March 31<sup>st</sup> of the following year;

**“Leave to Open”** means written approval from the Oil and Gas Commission to begin operation of a pipeline described under Schedule A to be part of the project;

**“Ministry”** means the Ministry of Natural Gas Development;

**“OGAA”** means the [Oil and Gas Activities Act](#), S.B.C. 2008, c. 36 and any amendments thereto;

**“Parties”** means the Administrator and the Project Proponents, and **“Party”** means any one of them as applicable;

**“Pipeline”** has the same meaning as provided in [section 4\(9.2\)](#) of the Petroleum and Natural Gas Royalty and Freehold Tax Regulation, and any amendments thereto;

**“Producer”** has the same meaning as found in [section 1](#) of the Regulation;

**“Project”** means the project described in Schedule A and constructed according to the specifications described in Schedule C, and includes the project as amended pursuant to the acceptance of the Administrator in accordance with Section III, paragraphs 1 through 5;

**“Regulation”** means the [Petroleum and Natural Gas Royalty and Freehold Production Tax Regulation](#), B.C. Reg. 495/92 and any amendments thereto;

**“Royalty Revenues”** means the net royalties payable to the Province of British Columbia from production of oil and gas enabled by this Project, prior to any infrastructure royalty deduction;

**“Step”** means a step of the Project as set out in Schedule A;

**“Well Permit”** means a permit issued pursuant to the *Oil and Gas Activities Act* S.B.C. 2008, c. 36 that includes permission to drill or operate a well.

2. Any headings or titles are for convenience of reference and do not affect the construction or interpretation of this Agreement.

## II. Schedules

The following attached schedules form a part of this Agreement:

- (a) Schedule A – Summary of Project Work and Step(s);
- (b) Schedule B – Documentation Required for Release of Deductions;
- (c) Schedule C – Construction Schedule, Project Map, and Approvals; and
- (d) Schedule D – Special Equipment, Inventory or Service for the Project.

### III. Project Amendments

1. Any amendment to the Project will not be considered within 6 months of the Reference Date to this Agreement or any subsequent date on which a written approval has been issued to amend the project.
2. A request by the Project Proponents to amend the Project must be submitted in writing to the Administrator with the necessary information satisfactory to the Administrator to describe the proposed change.
3. The Administrator has the sole discretion to accept or reject a proposed amendment to the Project. The Administrator must inform the Project Proponents of the decision to accept or reject the proposed amendment.
4. If the Administrator accepts the proposed amendment, the Parties will amend Schedules A, C and/or D, as applicable, in accordance with the accepted amendment.
5. If the Administrator does not accept the proposed amendment, but the Project Proponents constructs the Project in accordance with a proposed amendment, the Administrator may demand from the Project Proponents, an amount equal to any and all deductions that have been allowed by the Administrator under this Agreement, and the Administrator need not review a subsequent application for a deduction under this Agreement.

### IV. Completion of Project

1. The construction phase of the Project must not commence before the closing date of the Request for Applications for which this Project was proposed.
2. The Project Proponents have a maximum of three years to complete the Project from the date of signing the Agreement. Should unusual or exceptional circumstances arise, the Project Proponents may propose a different Completion date to the Administrator in which case the Administrator has the sole discretion to amend the date by which the Project may be completed under the Agreement in accordance with Section III, paragraphs 1 through 5.
3. A Project or Step will be considered complete on the date specified as the Completion of Construction Date in the Statutory Declaration of Completion executed by the Project Proponents in the form attached as Schedule B, submitted to and received by the Administrator.
4. Any goods or services such as special equipment, inventory or surveying services for the Project that are purchased before the actual start date of the Project must be described in accordance with **Schedule D - Special Equipment, Inventory or Services**.

5. If the Project Proponents have not completed the Project on or before [DATE], then the Administrator has sole discretion to demand from the Project Proponents an amount equal to any and all deductions that have been allowed by the Administrator under this Agreement, and the Administrator need not review a subsequent application for a deduction under this Agreement.

#### **V. Project Supervisor**

The Project Proponents must identify to the Administrator a supervisor for the Project, and ensure that the supervisor is available, with reasonable notification, to meet with, and provide information to the Administrator throughout construction of the Project.

#### **VI. Inspections, Audits and Safety**

1. The Administrator, or designated representative, may, at reasonable times, on written notice to and with the permission of the Project Proponents, such permission not to be unreasonably withheld, access the Project site for the purpose of conducting inspections, monitoring progress of the Project and conducting audits.
2. At any time during construction of the Project, and within **60 months** following the completion of the Project, the Administrator, or designated representative, may request that all relevant records and information related to the Project be made available, and the Administrator may conduct, or cause to be conducted, an audit of the records and information for the purpose of determining if costs claimed by the Project Proponents under this Agreement constitute Eligible Costs, and if the costs have actually been paid by the Project Proponents. The Project Proponents must comply with this request within 30 days. This clause survives the termination of this Agreement.

#### **VII. Application for Royalty Deduction**

1. The Project Proponents may apply to the Administrator for a deduction from royalty or tax otherwise payable by the Project Proponents under the Act for Eligible Costs expended in relation to the Project for each Step identified in Schedule A upon completion of the Step.
2. The application for a deduction must be accompanied by an executed version of all documents required under Schedule B. The Administrator will only release a deduction before receiving the Leave to Open, provided that the Project Proponents supplies evidence the pipeline is in operation and a true copy of the Leave to Open is provided to the Administrator once it has been received.
3. Subject to Section VII, paragraph 5, upon receipt of an application for deduction in relation to a Project, the Administrator will review the application within 90 days, and if the application meets the requirements of the Regulation and this Agreement, the Administrator will allow the deduction.

4. If the Administrator allows the deduction, the Parties agree that the Producer Project Proponent(s) are entitled to the deduction in the following proportions:

**<insert % entitlement of each Producer Project Proponent(s) for each Step>**

5. If the Administrator reasonably believes that any information accompanying the application for deduction is incorrect or inadequate, a notification will be sent by the Administrator, to the Project Proponents of the inadequacy. The Project Proponents must, within 30 days of receiving the notification, provide the further information to the requester. The Administrator need not begin a review of the application for a deduction or subsequent applications for deductions concerning the Project until the further information requested of the Project Proponents have been provided as requested, and the Administrator is satisfied that no further information is required in order to review the application.
6. If the Project Proponents' application for a deduction in relation to a Step is received by the Administrator more than six months after the completion date set out in Schedule A with respect to that Step, then the Administrator has the sole discretion to refuse to review the application.
7. Within six months of the Administrator's approval of a deduction for the Project under Section VII, paragraph 3, the Project Proponents must make a final submission to the Administrator reporting the actual costs for release of royalty credits. Within 90 days of that submission the Administrator will provide the Project Proponents with the final approval of the royalty credits which may be deducted from or added to the next royalty payment with respect to the Project.

## **VIII. Royalty Revenues**

1. In Section VIII, paragraphs 3 and 4, and Schedule A, "Maximum Deduction" means an amount which is the lesser of: XX% of the estimated completion cost for a Step shown in Schedule A or XX% of the amount of Eligible Costs actually spent by the Project Proponents to complete that Step of the Project.
2. The actual Royalty Revenues are calculated based on the executed Royalty Deduction Submission Spreadsheet provided to the Administrator by the Project Proponents at the time of making a request for a deduction under Section VII above.
3. If actual Royalty Revenues are greater than or equal to the Maximum Deduction plus any deduction allowed for a previous Step in the same fiscal year, then the Administrator, will, subject to this Agreement and the Regulation, allow the deduction for the Step.
4. If the actual Royalty Revenues are less than the Maximum Deduction plus any deduction allowed for a previous Step in the same fiscal year, then the Administrator has sole

discretion to allow a deduction in an amount less than the Maximum Deduction or not allow the deduction that fiscal year.

#### **IX. Notification**

After the Administrator has allowed a deduction, the Royalty Administrator will promptly notify the Project Proponents and the British Columbia Ministry of Finance of the amount of the Project Proponents' deductions.

#### **X. Reporting**

1. The Producer Project Proponent must provide the Administrator with a list of the well permits associated with the Project on or before July 31<sup>st</sup> in each of the five calendar years following the year of the completion date of the Project.
  - a. For an oil and/or gas well to be attributed to the Project it must:
    - i. have a well permit granted to the Producer Project Proponent under section 25 of OGAA; and,
    - ii. be directly associated with the Project.

#### **XI. Defaults**

1. The Producer Project Proponent is not eligible to make an application for royalty deductions under this Agreement if the Producer Project Proponent is in arrears in making any royalty payments or any other payment under this Agreement or the Act to the Administrator or the Province of British Columbia.
2. If the Administrator determines that a deduction allowed pursuant to this Agreement was greater than the amount to which the Project Proponents are eligible, the Administrator may demand from the Project Proponents, an amount equal to the difference between the amount allowed and the amount to which the Project Proponents are eligible.

#### **XII. Payments**

The Project Proponents must pay to the Administrator the amounts demanded by the Administrator under Section III, paragraph 5, Section XI, paragraph 2 within 90 days of the issuance of the demand by the Administrator.

#### **XIII. Dispute Resolution**

1. The Parties agree to negotiate all disputes arising from this Agreement in good faith after receiving written notification of the existence of a dispute.
2. If the Parties are unable to resolve the dispute, either party may refer the dispute to court.

#### **XIV. Project Proponents' Indemnity Related to Work**

The Project Proponents must indemnify and save harmless the Administrator, Her Majesty the Queen in right of the Province of British Columbia, and its servants, agents, representatives or consultants, from and against all claims, liabilities, demands, costs and expenses, fines, penalties, assessments and levies made against or incurred, suffered or sustained by the Administrator, or its servants, agents, representatives or consultants, or any of them at the same time or times before on or after the completion of the Project or early termination of this Agreement where the same or any of them are based upon or arise out of the negligence of, or for anything done or omitted to be done by, or the gross negligence or wilful misconduct of the Project Proponents, their employees, agents or subcontractors, in connection with carrying out the Project Proponents' obligations under this Agreement, or the Project, which indemnity will survive the completion of the Project or early termination of this Agreement, whichever comes first, for a period not exceeding 36 months.

#### **XV. Termination**

1. This Agreement terminates on the earlier of:
  - (a) the written mutual consent of the Parties;
  - (b) termination in accordance with Section XV, paragraph 2; or
  - (c) 10 years following the completion of the Project.
2. Subject to Section XV, paragraph 3, the Administrator may terminate this Agreement in the event of a breach by the Project Proponents of any obligation under this Agreement if, after giving 60 days written notice to the Project Proponents, the Project Proponents have not rectified or commenced to rectify the breach to the satisfaction of the Administrator.
3. If the Project Proponents disputes the existence of a breach in a court under Section XIII, paragraph 2, the Parties agree that the period of 60 days referred to in Section XV, paragraph 2 is extended until a decision confirming the existence of the breach is made by the court.

#### **XVI. Governing Law**

This Agreement must be interpreted in accordance with the laws of the Province of British Columbia.



## **Enurement**

This Agreement may not be assigned by a Party without the prior written consent of the other Parties. No Party may unreasonably withhold consent to assignment of this Agreement. This Agreement is binding upon and enures to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

## **XVII. Waiver**

Any Party may waive a breach of an obligation set out in this Agreement. However, no waiver has any effect, or binds the Party making the waiver, unless it is in writing. A waiver does not limit or affect the rights of a Party with respect to any other breach.

## **XVIII. Counterpart Execution**

This Agreement may be executed in counterpart and all executed counterparts together constitute one agreement.

## **XIX. Notices**

1. All communications under this Agreement between the Parties must be in writing. Any communication under this Agreement is deemed to have been received:
  - (a) if served personally, on the date of receipt;
  - (b) if by regular mail, on the third day following mailing;
  - (c) If, between the time a notice is mailed in accordance with subparagraph(b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it;
  - (d) Subject to subsection (f), if delivered by electronic mail before 1630 hrs, on the day it was sent;
  - (e) Subject to subsection (f), if delivered by electronic mail and sent after 1630 hrs, then the communication will be deemed to be received on the next business day; and
  - (f) If a communication is sent by electronic mail, the party sending the communication must take reasonable steps to ensure that the transmission has been successfully completed.

The addresses for the Parties are:

**Royalty Administrator:** Ministry of Natural Gas Development  
Physical Address: 5<sup>th</sup> Floor, 1810 Blanshard Street, Victoria BC V8T 4J1  
Mailing Address: P.O. Box 9323 Stn Prov Government, Victoria BC V8W 9N3  
Email Address: Project Manager email: XXXX.XXXXX@gov.bc.ca

**Project Proponents:** XXXXXXXXX  
Physical Address: XX  
Mailing Address: XX  
Email Address: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

**XX. Joint and Several Liability**

1. In the event that any liability of any kind whatsoever is incurred under this Agreement by any of the Project Proponents, each of them shall be jointly and severally liable for such liability.
2. For the purposes of this Agreement, the Administrator shall be entitled to treat any act or communication made by any one of the Project Proponents as being made as agent of the remaining <add number or remaining Producers> and the Administrator may rely on that presumption of agency, unless that Party expressly states in writing that it is acting or communicating solely on its own behalf.

SIGNED on behalf of **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, by the **ROYALTY ADMINISTRATOR** under the *Petroleum and Natural Gas Act*

\_\_\_\_\_  
Name: Inés Piccinino  
Royalty Administrator

\_\_\_\_\_  
Date

Signed on behalf of (**Name of Producer Project Proponent**) by a duly authorized signatory

\_\_\_\_\_  
Name (Printed):  
Title:

\_\_\_\_\_  
Date

Signed on behalf of (*Name of Pipeline Project Proponent*) by a duly authorized signatory

\_\_\_\_\_  
Name (Printed):

Title:

\_\_\_\_\_  
Date

## Schedule A – Description of Project Work and Step(s)

### COMPANY AND COMPANY – Project Name

#### XXXX Pipeline

**OVERALL DESCRIPTION OF PROJECT:** Please describe the project – Must Include: length of kilometers of project, area description, pipeline start and end locations, construction components/segments (phases), and location, timing and number of new wells to be drilled and produced as a result of the project.

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<b>Project Start date</b> (whole project) (mm/dd/yyyy)		<b>Project Completion Date</b> (whole project) (mm/dd/yyyy)	
<b>Construction Start date</b> (whole project) (mm/dd/yyyy)		<b>Construction Completion Date</b> (whole project)(mm/dd/yyyy)	

#### PROJECT STEP 1: - Description of Project Step 1:

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#### Pipeline Standards for Project Step 1:

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<b>Construction Start date for Step 1</b> (mm/dd/yyyy)		<b>Construction Completion Date for Step 1</b> (mm/dd/yyyy)	
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<b>Project-Step 1: Components and Segments</b>	<b>Expected Completion Date</b> (mm/dd/yyyy)	<b>ESTIMATED COMPLETION COSTS</b>	<b>Maximum Royalty Deduction</b>
<b>Design</b> (planning, applications and surveying)			DO NOT use this space
<b>Construction</b> (clearing, ditching, stringing and welding) (OGC/NEB documentation, e.g. Notice of Construction Start)			
<b>Segment #1</b> – Description of location			
<b>Segment #2</b> – Description of location			
<b>Construction</b> (compressor station, gas dehydrator, or facility)			
<b>Testing</b> (hydro or pneumatic) <b>Pipeline Commissioning</b> (OGC/NEB documentation / Notice of Leave to Open)			
<b>Clean up</b>			
<b>TOTAL</b>	DO NOT use this space	\$	\$

Use the following if the project is constructed over several years.

<b>PROJECT STEP 2: Description of Project Step 2:</b>			
<b>Pipeline Standards for Project Step 2:</b>			
<b>Construction Start date for Step 2</b> (mm/dd/yyyy)		<b>Construction Completion Date for Step 2</b> (mm/dd/yyyy)	
<b>Project-Step 2: Components and Segments</b>	<b>Expected Completion Date</b> (mm/dd/yyyy)	<b>ESTIMATED COMPLETION COSTS</b>	<b>Maximum Royalty Deduction</b>
<b>Design</b> (planning, applications and surveying)			DO NOT use this space
<b>Construction</b> (clearing, ditching, stringing and welding, etc.) (OGC/NEB documentation, e.g. Notice of Construction Start)			
<b>Segment #1</b> – Description of location			
<b>Segment #2</b> – Description of location			
<b>Construction</b> (compressor station, gas dehydrator, or facility)			
<b>Testing</b> (hydro or pneumatic) <b>Pipeline Commissioning</b> (OGC/NEB documentation / Notice of Leave to Open)			
<b>Clean up</b>			
<b>TOTAL</b>	DO NOT use this space	\$	\$
<b>GRAND TOTAL FOR ALL STEPS</b>	DO NOT use this space	\$	\$

## ***Schedule B - Documentation Required for Release of Royalty Deduction***

(All Schedule B materials to be provided by the Project Proponents to the Administrator when applying for a deduction.)

1. True copy of “Leave to Open” for the Project from the Oil and Gas Commission or a “Leave to Open” granted by the National Energy Board pursuant to [Section 47](#) of the *National Energy Board Act* to be provided to the Administrator;
2. Royalty Deduction Submission Spreadsheet (sample attached);
3. Statutory Declaration of Completion (attached);
4. Summary of Final As Built Costs Per Step(s) (sample attached); and
5. Detailed List of Invoices of Final As Built Actual Costs Per Step(s) (sample attached).

Schedule B Example - Royalty Deduction Submission Spreadsheet

Well Information - ONE ROW FOR EACH WELL				Enter Input into Blue Shaded Cells			
Well #	Well Permit	Well Name	Bottom Hole Location	Spud Date	Rig Release	Anticipated Initial Production Date	Product (Marketable Gas, LPG, Pentanes+, Condensate, Oil,)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
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16							
17							
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19							
20							
21							
22							
23							
24							
25							



Ministry of Natural Gas Development
STATUTORY DECLARATION OF COMPLETION

IN THE MATTER OF THE EVIDENCE ACT, 1996 RSBC c.124 AND IN THE MATTER OF CERTAIN DISBURSEMENTS MADE IN CONNECTION WITH THE AGREEMENT

dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ between:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Royalty Administrator of the Ministry of Natural Gas Development (the Administrator)

and:

\_\_\_\_\_ (the Project Proponents)

pertaining to Project Name: \_\_\_\_\_

I, \_\_\_\_\_, being the (PRINT OR TYPE FULL NAME AND POSITION OR TITLE)

duly authorized representative of and agent for the Project Proponents, solemnly declare and attest that:

- i) the Step identified below has been completed in the manner and to the extent required by the Agreement on the completion of construction date below,
ii) the Project Proponents intends to complete the project, and
iii) the completion costs for which the deduction amount is calculated have actually been paid.

Project Step(s): \_\_\_\_\_

ROYALTY PAYOR CODE No. \_\_\_\_\_ (FOR ALLOCATION OF ROYALTY CREDIT)

OIL AND GAS COMMISSION PIPELINE PERMIT No. \_\_\_\_\_

Date of "Leave to Open" from the Oil and Gas Commission or NEB \_\_\_\_\_

Date construction completed of applicable Step \_\_\_\_\_ (mm/dd/yyyy)

I MAKE THIS SOLEMN DECLARATION, conscientiously believing it to be true and knowing that it is of the same legal force and effect as if made under Oath.

DECLARED BEFORE ME AT THE \_\_\_\_\_ )
\_\_\_\_\_ )
of \_\_\_\_\_, in the \_\_\_\_\_ )
Province of \_\_\_\_\_, on this \_\_\_\_\_+ )
day of \_\_\_\_\_, \_\_\_\_\_ )
\_\_\_\_\_ )
A Commissioner for taking Affidavits for \_\_\_\_\_ )
(Province) )



## SUMMARY OF FINAL AS BUILT COSTS PER STEP(S)

(Summary to be provided by the Project Proponents should include the following information. Layout below is for illustrative purposes – alternative format satisfactory to Administrator may be submitted by the Project Proponents.)

<b>Project-Step 1: Components and Segments</b>	<b>ESTIMATED COMPLETION COSTS (as Per Schedule A)</b>	<b>FINAL AS BUILT COSTS</b>
<b>Design</b> (planning, applications and surveying)	\$	\$
<b>Construction</b> (clearing, ditching, stringing and welding, etc.) (OGC/NEB documentation, e.g. Notice of Construction Start)	\$	\$
<b>Segment #1</b> – Description of location	\$	\$
<b>Segment #2</b> – Description of location	\$	\$
<b>Construction</b> (compressor station, gas dehydrator, or facility)	\$	\$
<b>Testing</b> (hydro or pneumatic) <b>Pipeline Commissioning</b> (OGC/NEB documentation / Notice of Leave to Open)	\$	\$
<b>Clean up</b>	\$	\$
<b>TOTAL</b>	\$	\$

<b>Project-Step 2: Components and Segments</b>	<b>ESTIMATED COMPLETION COSTS (as Per Schedule A)</b>	<b>FINAL AS BUILT COSTS</b>
<b>Design</b> (planning, applications and surveying)	\$	\$
<b>Construction</b> (clearing, ditching, stringing and welding, etc.) (OGC/NEB documentation, e.g. Notice of Construction Start)	\$	\$
<b>Segment #1</b> – Description of location	\$	\$
<b>Segment #2</b> – Description of location	\$	\$
<b>Construction</b> (compressor station, gas dehydrator, or facility)	\$	\$
<b>Testing</b> (hydro or pneumatic) <b>Pipeline Commissioning</b> (OGC/NEB documentation / Notice of Leave to Open)	\$	\$
<b>Clean up</b>	\$	\$
<b>TOTAL</b>	\$	\$

<b>GRAND TOTAL FOR ALL COSTS</b>	<b>\$</b>	<b>\$</b>
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## Detailed List of Invoices of Final As Built Actual Costs Per Step(s)

Note: Must be submitted electronically in Excel format.

(List to be provided by the Project Proponent **MUST** include the following information, layout below is for illustrative purposes- an alternate format satisfactory to the Administrator may be submitted by the Project Proponents.)

### AFE # for the Project

STEP(S) (separate costs by Step)	Invoice Number	Invoice Date	Invoice Amount (less GST)	Item /Category	Vendor Name	Description of Service or Goods	Vendor Location (address)	Eligible Cost Category (Costs Paid)	Comments (identify any information of importance)
<i>Planning</i> (surveying, applications and design),	1. 2. 3.								
<i>Construction</i> (clearing of right of way , installing culverts, road and/or bridge construction) and	1. 2. 3.								
<i>Graveling</i> (sub-grade and running surface)	1. 2. 3.								
<b>TOTAL</b>									

### ***Schedule C – Proposed Construction Schedule, Project Map and Approvals***

1. Proposed Construction Schedule (attached);
2. Project Map (attached);
3. Construction Approvals (attached);
4. Project Proponents are to attach copies of all approvals issued by the Oil and Gas Commission made in relation to the construction and operation of the project. i.e. –all permits, authorizations or other approvals issued in relation to the “Pipeline Permit Application” for the Project; and
5. Project Proponents are to attach copies of all approvals issued by the National Energy Board made in relation to the construction and operation of the project.



Ministry Natural Gas  
Development

## PROPOSED CONSTRUCTION SCHEDULE

Project Name \_\_\_\_\_

Proponent Company \_\_\_\_\_

Work Type	Weeks	April-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
		Design	1	█						
Scout & Survey	5	█	█							
Environmental	4		█	█						
OGC Approval	3			█	█					
Consultation	5			█	█					
Clearing	4				█	█				
Construction	10				█	█	█			
Graveling	4						█	█		

Contact Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**PROJECT MAP: (new page)**

**CONSTRUCTION APPROVALS (Insert Approvals)**

**Schedule D – Special Equipment, Inventory or Services**

For clarity and audit review purposes, please provide a complete list of the goods or services purchased prior to the start date of this Project. The goods and services purchased must qualify as eligible costs under the Infrastructure Royalty Credit Program relevant to the Project.

**Note:** Project Proponents may be required to provide receipt/support for the costs included in Schedule D. Submitting the projected costs in advance does not take the place of a valid invoice/documentation of actual costs.

	Special Equipment / Inventory or Services required for project (outside of project dates) Eligible Item Description	Date Purchased [Month XX, Year]	Cost	Comments / Explanation
	Example: Dehydration Package	Time prior to commencement of project start date	\$xx.xx	Example: This piece of equipment had to be purchased in advance to ensure it was available at the start of construction.
	Example: Surveying costs	Time prior to commencement of project start date	\$xx.xx	Example: This surveying work was required because...[provide explanation]
1.			\$	
2.			\$	