



Ministry of
Natural Gas
Development

INFORMATION LETTER

PAR2017-05

May 19, 2017

POLICY and ROYALTY BRANCH

**SUBJECT: NATURAL GAS POSTED MINIMUM PRICE
FOR THE MONTH OF APRIL 2017**

The British Columbia Posted Minimum Prices (PMP) for raw and residue gas volumes made available for sale in the production month of April are as follows:

| <u>Plant Group</u> | <u>\$/10³m³</u> |
|------------------------------|---------------------------------------|
| Group 1 – Fort Nelson | 31.485 |
| Group 2 – McMahan | 50.213 |
| Group 3 – Pine River | 32.605 |
| Group 4 – Other BC | 53.135 |
| Group 5 – Alberta | 48.384 |

The PMP are the lowest prices that may be used in both the determination of the Crown royalty rates and in the valuation of the Crown's royalty and freehold production tax shares.

For a complete description of the plants included within each group, please refer to website <http://www2.gov.bc.ca/gov/content/taxes/natural-resource-taxes/oil-natural-gas/forms-publications/publications/posted-minimum-price>

Any questions regarding PMP can be directed to Cindy Wan at 778-698-3676.

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PMP TABLE
For the Period April 2016 to April 2017
\$/10³m³

| Month | Group 1 | Group 2 | Group 3 | Group 4 | Group 5 |
|--------------|----------------|----------------|----------------|----------------|----------------|
| Apr-16 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 |
| May-16 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 |
| June-16 | 10.000 | 15.795 | 10.000 | 22.244 | 11.631 |
| July-16 | 12.981 | 31.718 | 10.316 | 38.504 | 31.039 |
| Aug-16 | 11.728 | 29.222 | 10.000 | 39.666 | 40.999 |
| Sept-16 | 20.627 | 38.616 | 14.498 | 43.631 | 41.657 |
| Oct-16 | 25.294 | 43.770 | 10.000 | 49.210 | 52.079 |
| Nov-16 | 22.781 | 38.914 | 10.000 | 46.425 | 53.445 |
| Dec-16 | 35.350 | 49.907 | 10.000 | 59.244 | 63.054 |
| Jan-17 | 42.317 | 61.640 | 10.000 | 67.065 | 66.162 |
| Feb-17 | 30.201 | 47.717 | 17.639 | 52.072 | 51.211 |
| Mar-17 | 27.138 | 45.247 | 28.225 | 48.221 | 44.530 |
| Apr-17 | 31.485 | 50.213 | 32.605 | 53.135 | 48.384 |

Rates are expressed in \$/10³m³

Group 1 - Fort Nelson

Group 2 - McMahan

Group 3 - Pine River

Group 4 - Other BC

Group 5 - Alberta

For further details on PMP, refer to Section 5.4 of the Oil and Gas Royalty Handbook.