May 13th, 2020

INFORMATION LETTER 2020-22

Subject: Helium Royalty Rate

This Information Letter replaces Information Letter 2018-25 and provides clarity regarding the new royalty rate applicable to helium production.

The **Natural Gas Royalty Regulation, 2009** (A.R. 221/2008) and **Natural Gas Royalty Regulation, 2017** (A.R. 211/2016) have been amended to add a new Schedule 6.1. Section 2 of this schedule outlines the royalty rate applicable to helium production.

Operators who are producing helium must comply with the following:

- Effective April 1, 2020 the helium royalty rate is 5 per cent minus a Helium Royalty Adjustment Factor of 0.75 per cent, leading to an effective rate of 4.25 per cent for all wells in Alberta from which helium is recovered.
- The Helium Royalty Adjustment Factor will be reviewed in five years.
- Effective April 1, 2020 operators producing helium must report monthly production volumes and monthly average selling prices to the Department of Energy’s electronic mailbox, [Energy.Helium@gov.ab.ca](mailto:Energy.Helium@gov.ab.ca).

The above information is provided for general information purposes only. The information should not be relied upon as a representation of Alberta Energy’s official position in law or policy.

Clients wishing to obtain a copy of these regulations can do so through the Queen’s Printer at [www.qp.gov.ab.ca](http://www.qp.gov.ab.ca).

The Department of Energy and Alberta Energy Regulator are updating their information systems to accommodate new information related to helium production. Further updates will be provided to operators once available.

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Additional contact information may be available in the Gas Royalty Operations website (https://open.alberta.ca/publications/gas-royalty-operations-information-bulletin).

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