



Strategic Policy Division  
8th Floor, North Petroleum Plaza  
9945 - 108 Street  
Edmonton, Alberta T5K 2G6  
Canada [www.alberta.ca](http://www.alberta.ca)

December 11, 2018

## INFORMATION LETTER 2018 - 41

### Subject: January Temporary Production Curtailment Threshold

---

The Department of Energy has heard from operators who have curtailment levels significantly higher than anticipated relative to their recent production, as opposed to the established baseline calculations. Some have suggested that these higher levels could cause technical issues that may impact safety or cause long-term damage of the resources.

The Government of Alberta is assessing these claims but has decided to exercise caution by making a temporary adjustment to the January production limits for those operators facing the highest proportional reduction limits. The temporary adjustment applies to all operators that whose production limit, as initially established, was more than 16 per cent below their October 2018 production amount.

This is a temporary reduction. The newly established Alberta Energy Regulator (AER) [Production Curtailment Issues Panel](#) will accept and assess submissions from companies that have concerns about unintended consequences from their individual curtailments. Operators who would like to make comments or raise concerns are encouraged to contact the panel at [curtailment@aer.ca](mailto:curtailment@aer.ca).

The panel will provide advice to government prior to the establishment of the February curtailment production limits.

Earlier this month, the government announced a temporary curtailment of crude bitumen and crude oil production starting Jan. 1, 2019. Production curtailment will be implemented and enforced by the AER under the *Responsible Energy Development Act*, the *Oil Sands Conservation Act* and the *Oil and Gas Conservation Act*. The Curtailment Rules that apply to curtailment may be viewed online at the Queen's Printer, or by clicking [here](#).

For further information please contact:

|  |   |
|--|---|
| Alberta Energy:<br>Energy Supply<br><a href="mailto:Energy.Supply@gov.ab.ca">Energy.Supply@gov.ab.ca</a> | Alberta Energy Regulator:<br>General Inquiries Customer Contact<br>Centre: Phone: 403-297-8311<br>Toll-free: 1-855-297-8311<br><a href="mailto:Inquiries@aer.ca">Inquiries@aer.ca</a> |
|--|---|

**Authorized by: Mike Ekelund**  
Senior Assistant Deputy Minister

Energy Diversification  
Alberta Energy

**David James**  
Assistant Deputy Minister

Strategic Policy  
Alberta Energy