

March 5, 2018

To: 2018 AER Oil & Gas Administration Fees Recipients

Re: Industry Support for the Alberta Upstream Petroleum Research Fund (AUPRF)

On behalf of the Canadian Association of Petroleum Producers, the Explorers and Producers' Association of Canada, Alberta Energy and Alberta Environment and Parks, we encourage your company's contribution to the voluntary Alberta Upstream Petroleum Research Fund (AUPRF).

We recognize the significant value the AUPRF applied research program provides the oil and gas industry, and believe that through innovation and collaborative R&D, we can minimize the environmental impact of our industry economically. The 2018 budget necessary to implement this research program is \$3.7 million

Background

- 300+ Projects launched to date
- 28 Best Management Practices to date
- Significant financial leveraging, averaging ~1:6

Performance Highlight

\$15M – \$35M annual industry cost savings due to three recently implemented AUPRF projects. These projects had a total research investment from AUPRF of only \$765K. The annual industry savings from these projects is more than the total AUPRF investment for all projects launched since inception of the program.

For more information on the AUPRF program, please visit: <https://www.ptac.org/auprf-program-background/>

As a funder, your organization is entitled access to electronic copies of all final reports from AUPRF projects, as well as best management practices developed to improve operational efficiencies and cost effectiveness. Your organization will also be recognized publicly as a financial contributor to this program.

We thank you for your cooperation, and hope that you will join our efforts in supporting the substantial value to industry generated by the Alberta Upstream Petroleum Research Fund.

For additional information on specific AUPRF projects please contact:

Tannis Such at Petroleum Technology Alliance Canada: 403-218-7703 or tsuch@ptac.org.


For information on how your portion of the AUPRF funding was collected, please contact:

Anila Kaceli at the AER: 403-297-6985 or anila.kaceli@aer.ca.

Sincerely,



Coleen Volk – Deputy Minister
Alberta Energy



Andre Corbould – Deputy Minister
Alberta Environment & Parks



Tim McMillian - President & CEO
CAPP



Gary Leach - President
EPAC