

Letter to Alberta Minister of Energy and Alberta Energy Regulator

Dear Minister Savage and Alberta Energy Regulator Executives,

We are writing alongside the Alberta Liabilities Disclosure Project (ALDP) to express our strong concern about the government's management of corporate oil and gas cleanup liabilities. The ALDP is an association of experts, citizens, former energy regulators, and academics calling for full transparency about the staggering cleanup costs associated with oil and gas activity in our province.

This crisis is not unique in the world. Instead, it reflects widespread inaction on the part of governments in holding companies accountable for the cost of well and facility abandonment or decommissioning, and reclamation of these sites. Indeed, [two respected international analysts estimate](#) that “the industry’s global environmental debt is several trillion dollars, an amount far greater than that officially reported in corporate financial statements.”

Recent defaults by companies such as Sequoia and Trident, which added thousands of wells to a growing inventory of wells without viable owners in Alberta have — yet again — highlighted the inadequate government leadership on this issue.

Using site-by-site cleanup estimates from the Alberta Energy Regulator's own internal study, the ALDP applied them to the companies that are registered as operators for every oil and gas well in Alberta. The data for this alternative analysis reveals that roughly 1500 companies are responsible for up to \$64.6 billion in oil and gas well cleanup obligations.

We respectfully request your review of our detailed company-by-company analysis and that you work with us to provide the leadership on addressing this colossal and growing public liability, including making public more independently verified estimates of Alberta's oil and gas liabilities annually. The ALDP also asks for a meeting with Robert Wadsworth, Vice President of Closure and Liability at the Alberta Energy Regulator, to discuss these issues and potential reforms.

We look forward to meeting and discussing these concerns to hopefully find real leadership on this, one of the largest financial and environmental risks faced by current and future Albertans.

Sincerely,

on behalf of the Alberta Liabilities Disclosure Project:

Alberta Wilderness Association

Dr. David Cooper (Emeritus Professor of Accounting, University of Alberta School of Business)

Dr. David Swann (Retired MLA and former Leader of the Alberta Opposition)

Gordon Laxer (Founding Director of the Parkland Institute)

Keepers of the Athabasca

Mark Dorin (President of Dorin Land and Oilfield Management)

Regan Boychuk (Lead Researcher, Alberta Liabilities Disclosure Project)

Robert Ascah (Former Director of the Institute for Public Economics)

Dr. Thomas Schneider (Associate Professor of Accounting, Ryerson University)
Vern Bretin (farmer and landowner)