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2016-2017
Indian Oil and Gas Canada
(IOGC)

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Message from the CEO

To our stakeholders

In addition to Indian Oil and Gas Canada's (IOGC) daily operations, there were two ongoing key projects that were priorities:

- the Modern Act, Regulations and Systems (MARS) project; and,
- Organizational Change Management (OCM), with particular focus on the implementation of the 2009 Act and its Phase I regulations

The MARS project was initiated in Fiscal Year (FY) 2010-2011 to guide the modernization of the *Indian Oil and Gas Regulations, 1995* and the implementation of the *Indian Oil and Gas Act, 2009* and its new regulations. The first milestone enabling the MARS project was achieved once amendments to the *Indian Oil and Gas Act* received Royal Assent in May 2009. This resulted in a new *Indian Oil and Gas Act, 2009* that will eventually replace the existing *Indian Oil and Gas Act, 1974*.

A Joint Technical Committee (JTC) – comprised of First Nation oil and gas technicians, Government of Canada officials from IOGC, Indigenous and Northern Affairs Canada, and Justice Canada – worked on both the *Indian Oil and Gas Act, 2009* and have since focused on the development of its supporting regulations.

An agreement reached in 2014 between the department and oil and gas First Nations established a phased, or staggered, approach for regulatory development. First, the 2009 Act plus a set of Phase I, or Core, regulations would become law. Next, regulations would continue to be developed and implemented until the existing *Indian Oil and Gas Regulations, 1995* have been entirely replaced by new, modern regulations. IOGC's new legislative and regulatory regime will be implemented by modernized business practices, supported by new or enhanced information systems.

During FY2016-2017, two significant milestones were reached on the MARS project. Firstly, the official, or Blue-Stamped, regulations were produced by Justice Canada in May 2016. Secondly, Treasury Board gave both Project and Expenditure Approvals for the Resource Information Management System 2 (RIMS2) project at about the same time in May 2016. A key feature of the RIMS project will be Petrinex data exchange with IOGC. Petrinex is the result of a unique provincial-industry partnership that created and which maintains the recognized, authoritative source for hydrocarbon volume and pricing information. Once fully implemented, the RIMS2 project will provide two important benefits: 1) avoid potential disagreements between First Nations and their industry partners, namely in volume measurement and pricing; and, 2) improve both the accuracy and timeliness of IOGC's royalty assessment process.

In February 2017, the Phase I regulations were ready for Treasury Board consideration and approval for pre-publication in the *Canada Gazette, Part I*. However, at the urging of oil and gas First Nations, this process was temporarily put into abeyance. In response

to persistent, low world prices for oil, some First Nations have expressed a desire for greater authority and control over their oil and gas resources as well as the ability to customize each of their business deals. The department is exploring options to accommodate these concerns and, since First Nations' governance is outside the scope of a new Act and regulations, governance-related issues would likely require the establishment of a separate table for resolution.

The OCM project addresses the people side of change so IOGC will be better-equipped to adapt to both internally and externally-driven change. Internally-driven changes would be those arising from the implementation of our new Act and regulations; an example of externally-driven change would be the implementation of new government-wide processes or systems. The benefit of the OCM project will be realized via IOGC and its stakeholders adapting to change with minimal disruption.

On the operations side, persistent, weak world oil and natural gas prices have resulted in: 1) a movement away from dry gas plays to oil plays and liquids-rich gas plays; and, 2) fewer wells being drilled. In FY2016-2017, IOGC collected \$59,644,356 on behalf of First Nations and issued a total of 24 new surface agreements and 15 sub-surface agreements. Greater details on IOGC's operational activities are contained within this report.

The progress in the past year would not have been possible without the contributions made by IOGC's dedicated staff, our partners, and our clients. Through hard work, effective partnerships, and perseverance, a strong foundation has been established for IOGC to implement and to administer its new Act and regulations, beginning on the day they both become law.

Sincerely,
Strater Crowfoot
Executive Director and CEO

Overview

History of Indian Oil and Gas Canada and Related Legislation

The Government of Canada has a broad mandate for First Nation issues, which arises from existing legislation and from legal obligations contained in section 91(24) of the *Constitution Act, 1867*. Indigenous and Northern Affairs Canada (INAC) is entrusted with fulfilling various obligations of the federal government to Indigenous people as outlined in the Constitution, treaties, the *Indian Act*, and other legislation. Included in this obligation is the management of natural resources on First Nations reserve lands, including oil and gas.

Oil and gas development on First Nations reserve lands has been legislated since 1974 under the *Indian Oil and Gas Act, 1974*. Prior to that, oil and gas activities were administered under the *Indian Act*. In 1977, the *Indian Oil and Gas Regulations* were promulgated and brought under the *Indian Oil and Gas Act, 1974*. Those regulations were last revised in 1995.

In 1987, Indian Oil and Gas Canada (IOGC) was established and replaced Indian Minerals West within the Department of Indian Affairs and Northern Development¹. IOGC's mandates are to manage oil and gas development on First Nations reserve lands and to further First Nation initiatives to manage and control their resources. In 1993, IOGC became a Special Operating Agency to increase its client focus.

Statutory Authorities

IOGC operates in accordance with provisions of the *Indian Oil and Gas Act, 1974* and the *Indian Oil and Gas Regulations, 1995*.

IOGC also operates in accordance with other federal legislation including provisions of the *Indian Act*, the *Canadian Environmental Assessment Act, 2012*, and the *Financial Administration Act*.

¹ The legal name of the department is the "Department of Indian Affairs and Northern Development", or DIAND, and this name appears on all legal documents. The department also has an approved name for everyday use, "Indigenous and Northern Affairs Canada" or INAC.

IOGC Co-Management Board

IOGC operates under the direction of an Executive Director and Chief Executive Officer (CEO) who participates as a member of the IOGC Co-Management Board. The Board was established in 1996 by the signing of a Memorandum of Understanding between the Minister of Indian Affairs and Northern Development and the Indian Resource Council (IRC), an Indigenous organization that advocates on behalf of approximately 189 member First Nations with oil and gas or the potential for such resources. The Board focuses on areas of common interest.

There are nine members on the IOGC Co-Management Board. The Board is comprised of the IRC Chair and five other members appointed by the IRC. Two positions are named INAC positions: the Assistant Deputy Minister of Lands and Economic Development; and, the Executive Director and CEO of IOGC. One position is appointed by the Minister from the oil and gas industry.

Roles and Responsibilities

IOGC is a Special Operating Agency and separate employer within Indigenous and Northern Affairs Canada with responsibility for managing and regulating oil and gas resources on designated² First Nations reserve lands across Canada.

IOGC currently manages the oil and gas resources of 57 First Nations (101 reserves) with active oil and gas agreements. All funds collected on behalf of First Nations are placed in their trust accounts.

IOGC works closely with First Nation Chiefs and Councils through the negotiation and approval processes. All agreements require Chief and Council approval through a band council resolution (BCR). For those First Nations who have designated their reserve lands for oil and gas activities; IOGC's main functions are to:

- Negotiate, issue and administer agreements with oil and gas companies;
- Conduct environmental reviews;
- Monitor oil and gas production and sales prices;
- Verify / assess and collect moneys such as bonuses, royalties, and rents; and,
- Ensure legislative and contract requirements are met.

² Land Designation is a process by which a community has assented, via a referendum vote, that certain described lands are to be used for a specific purpose – in this case, for oil and gas exploration and / or development. Designations can be considered as analogous to “zoning” land off a reserve for residential, commercial or industrial development purposes.

Strategic Priorities FY2016 - 2017

Key Project #1a

Modern Act, Regulations, and Systems (MARS) – Regulations Development

a) Legislation Development – First Nations' Involvement

Legislation modernizing the *Indian Oil and Gas Act, 1974* received Royal Assent in May 2009 and resulted in the *Indian Oil and Gas Act, 2009*. The 2009 Act is not currently in force because regulations, authorized under that statute, need to be completed to provide a complete framework for managing oil and gas activity on First Nations reserve lands. Once it comes into force, the 2009 Act will provide many benefits for First Nations as a result of new authorities provided for IOGC:

- 1) to audit companies working on First Nations reserve lands;
- 2) to set longer periods for industry to maintain records for auditing purposes;
- 3) to deal more effectively with surface and sub-surface trespass;
- 4) to protect First Nations sites of historical significance, or sites of cultural, spiritual, or ceremonial importance;
- 5) to order companies to take remedial action under certain circumstances;
- 6) to provide for the issuance of fines and penalties for offences under the Act or regulations;
- 7) to add specificity on regulation-making authorities; and,
- 8) to be accountable to Parliament, with reporting required every two years, on consultations and future variations in regulations from province to province.

To ensure that First Nations benefitted, with minimal delay, from the many improvements contained within the 2009 Act, in 2014 the Department proposed – with First Nations' concurrence – a phased approach for developing regulations and bringing them into force. Under such an approach, the IOGA, 2009 will come into force simultaneously with the Phase I, or Core, Indian Oil and Gas Regulations. The IOGA, 2009 provides for modernized regulations that would align with provincial regimes in key competitive areas. The resulting benefits would be: 1) industry would be working with rule sets that are familiar to them; and, 2) First Nations reserve lands would be as competitive for industry investment as equivalent lands off reserve.

The IOGA, 2009 was developed with the assistance of the Indian Resource Council (IRC) along with the participation of a Joint Technical Committee (JTC) made up of departmental officials, experienced First Nation oil and gas technicians, and officials from other federal departments. Once their work on the 2009 Act was completed, the JTC focused their attention on the development of new regulations.

b) Regulations Development – First Nations’ Involvement

The JTC is a working-level committee, comprised of First Nation and government members, appointed with the responsibility to review and comment on proposed changes to the existing *Indian Oil and Gas Regulations, 1995*. This group does not replace individual involvement sessions with First Nations but allows IOGC to access those First Nation technicians with significant oil and gas expertise. Due to the expected complexity of the new regulations, the work was divided into a number of themes with each theme subsequently becoming a distinct regulatory module.

In early FY2015-2016, the work of the JTC resulted in the completion of the 2nd Consultation Draft, Phase I regulations – a version sufficiently complete and detailed that it could be widely circulated to all IOGC’s stakeholders for review and feedback. Printed copies of the 2nd Consultation Draft, Phase I regulations were provided to First Nations, industry with active agreements on First Nations reserve lands, and the oil and gas producing provinces for their detailed review and input. Electronic versions of these documents were published on the *First Nations Gazette* (<http://www.fng.ca>) website on May 12, 2015.

Stakeholder feedback received was grouped under three categories: 1) Technical; 2) First Nations’ governance; and, 3) First Nations’ consultation. Technical comments received were accommodated, where appropriate. For feedback related to First Nations’ governance or consultation, by the end of FY2015-2016, the Department began exploring options with oil and gas First Nations to establish a negotiating table for the development and consideration of potential solutions.

c) Regulations Development – Consultation, Engagement and Outreach

Throughout regulations development, face-to-face consultation and outreach with individual First Nations, Tribal Councils, and Treaty Areas were conducted upon request. In addition to these in-person meetings, First Nations with oil and gas potential, as well as all companies with oil and gas interests on reserve, receive a quarterly newsletter with progress reports on the MARS project. The 2nd Consultation Draft, Phase I regulations was distributed to all First Nations for their review and feedback in early FY2015-2016. Towards the end of FY2015-2016, a special, pre-Blue-Stamped version of the Phase I regulations was prepared and shared at two symposiums hosted by IOGC.

Consultations on the Act and regulations have been among the most comprehensive ever conducted by the Department. Overall, IOGC engaged more than 250 stakeholders in over 80 one-on-one meetings, ten symposiums and six technical workshops.

Stakeholders engaged and consulted included

- 68 First Nations who are significant and smaller oil and gas producers;
- First Nations located in geographic areas with potential production;

- First Nation representative organizations (Indian Resource Council; Federation of Sovereign Indigenous Nations);
- IOGC Co-Management Board.

177 Canadian Oil and Gas Companies & Organizations

- Representative organizations (Canadian Association of Petroleum Producers Explorers and Producers Association of Canada);
- Individual companies with leasehold interests on First Nations reserve lands.

8 Provincial Governments

- Provincial Departments / Ministries of Energy;
- Provincial oil and gas regulatory bodies.

IOGC maintains an up-to-date “Record of Consultations” on the Act and regulations on its public website:

<http://www.pgic-iogc.gc.ca/eng/1471964522302/1471964567990>

<http://www.pgic-iogc.gc.ca/eng/1100110010002/1100110010005>

Key Project #1b

Modern Act, Regulations, and Systems (MARS) – Business Process Modernization and Resource Information Management System 2 (RIMS2)

a) Business Process Modernization

To optimize the benefits to First Nations of the new on-reserve legislative and regulatory regime, its implementation needs to include modernized business practices supported by enhanced informatics. IOGC uses business process mapping / modeling tools to:

- Review existing business practices and processes to ensure synergy and compliance;
- Identify and eliminate duplication of effort; and,
- Reduce red tape and streamline procedures.

Business process modelling and modernization is important because it helps identify the business and user requirements for informatics – new tools, changes needed to existing tools, or identifying data sources that can replace and retire existing ones. It also provides a means of ensuring that IOGC staff continues upgrading their knowledge and expertise of new processes; therefore, allowing them greater responsibility. This benefit results in greater transparency for IOGC’s clients and stakeholders.

In FY2016-2017, key process areas considering changes to support the implementation and administration of the proposed regulations made “design-state changes” to their workflow processes.

A key deliverable in the Informatics Enhancements activities will include an information management activity to document all the business processes that support or are beneficiaries of the enhanced system development.

b) Informatics Enhancement– Resource Information Management System 2

IOGC's existing Resource Information Management System (RIMS) is the system that stores data concerning all surface and sub-surface agreements, Indian interest wells, and royalty entities. The informatics enhancements that support the implementation of the new Act and regulations are known as the "RIMS2 Project". The RIMS2 Project is a joint initiative between IOGC and the Information Management Branch of Indigenous and Northern Affairs Canada. In May 2016, the RIMS2 Project received both Project and Expenditure Approvals from Treasury Board.

The proposed RIMS2 Project provides for IOGC membership and data exchange with Petrinex (**PET**Roleum **IN**formation **EX**cellence). Petrinex is the result of a unique provincial-industry partnership that created, and which currently operates and maintains, the recognized, authoritative source for hydrocarbon volume and pricing information. IOGC's request for membership in Petrinex was approved in October 2013. Petrinex partners currently include the provinces of Alberta and Saskatchewan as well as the oil and gas industry.

A Memorandum of Agreement (MOA) with the Province of Alberta was drafted and signed in year-end of FY2016-2017.

The proposed RIMS2 Project solution includes:

- Petrinex data exchange with IOGC;
- New Royalty Management functionality; and,
- Introduction of Case Management Capability.

The procurement process began shortly after Treasury Board provided both Project and Expenditure Approvals. A contract by Public Services and Procurement Canada (PSPC) was issued in November 2016 to Fujitsu Consulting Canada Ltd. to begin development work within the Petrinex environment. A number of design workshops were completed before fiscal year end to confirm and formalize the data elements to be transferred to IOGC and the format of that transfer. This work has focused on data from Saskatchewan, in support of developing the royalty management capability for leases in that province first. This work will continue into the next fiscal year.

IOGC continues to work with PSPC to develop a contract for the development of the royalty management and case management capability. This contract should be available next fiscal year to initiate that work.

Key Project #2 – Organizational Change Management (OCM) Project

The objective of the Organizational Change Management (OCM) project is to prepare IOGC to be ready to implement and to administer the new Act and new regulations beginning on the day they both become law. OCM focuses on building internal change management capacity so IOGC and its staff are better-equipped to implement both internally and externally-driven changes. The resulting benefit is that IOGC and its stakeholders should be able to adapt to the 2009 Act and its new regulations with minimal disruption.

In early FY2015-2016, IOGC officially adopted Prosci's research-based, change management methodology to build individual competencies and organizational capabilities. Training was provided so that each of IOGC's four directorates was provided with a Prosci-certified change management practitioner. Since then, IOGC has leveraged and built upon the change management capacity by using a variety of OCM processes and tools (e.g., assessments, frameworks, lessons learned) to help managers and staff identify what activities and tools (e.g., policies, procedures, forms, agreements, training, information requirements) were required for IOGC to begin administering the 2009 Act and new regulations.

In early 2017, IOGC was able to access change management training for additional employees. Small teams of Prosci-certified change management practitioners are being created to provide change management advice on the multitude of changes affecting IOGC, including the MARS project and other internally-driven changes, as well as for externally-driven changes like the transition to the Government of Canada's new official Electronic Document and Records Management Solution known as GCDocs.

Key Operational Project # 1 – Royalty Management

The goal of this project is to mirror key changes originating from the Alberta and Saskatchewan royalty regimes plus any other royalty regime changes that apply at the provincial level. This would allow IOGC to assess royalties in a more accurate, complete, and timely manner while minimizing instances of royalty overpayments and underpayments.

IOGC meets regularly with the Canadian Association of Petroleum Producers (CAPP) to get valuable feedback from industry on areas of mutual interest. This included changes to the royalty submission including communications with industry advising them of such changes.

IOGC's new electronic royalty data submission web interface is designed to be more user-friendly while introducing additional data validation rules to inform users of errors in their data entry. Although the new web interface was ready for launch, its implementation has been delayed due to server system upgrades and the requirement to conduct a threat and risk assessment of the system and data security. The new web interface will be implemented once the informatics threat and risk assessment is completed.

Another priority area for the Royalty Management project is verifying and processing underpayments and overpayments. IOGC developed, and continues to refine, its data quality assurance processes. Directions to comply (DTC) for underpayments issued in FY2016-2017 resulted in IOGC collecting approximately \$1.3 million from DTC; plus \$7.9 million in additional royalties that were owed to First Nations, from companies that were either insolvent, or deemed uncollectable from the royalty payment side.

Operations

IOGC has four directorates that administer and manage the exploration and development of oil and gas resources on First Nations reserve lands:

1. Executive
2. Lease and Royalty Administration
3. Regulatory Compliance
4. Planning and Corporate Services

Executive Directorate

The Executive Directorate focuses on:

- Setting corporate direction and strategy;
- Fostering effective working relationships among First Nations, industry, and government via:
 - Consultation and effective partnerships;
 - Implementation of the directives of the IOGC Co-Management Board; and,
 - Organizational Change Management.

The Executive directorate contains three units: Strategic Projects; Communications and Executive Services; and, the Project Management Office.

Strategic Projects Unit

- Supporting other IOGC units with business process improvements;
- Leading RIMS2 informatics enhancements;
- Creating strategic partnerships for data exchange with authoritative sources;
- Facilitating IOGC business units access to services such as:
 - business process mapping and modernization
 - business analysis / advisory services
 - technical writing

Communications and Executive Services Unit

- Disseminating information to First Nations, oil and gas industry companies, the public and government;
- Developing Corporate communications and strategies regarding IOGC issues that have the potential to impact First Nations or the private sector;
- Developing and preparing briefing material on IOGC issues for senior departmental officials and the Minister;
- Preparing communications plans, strategies, reports (including the Annual Report, the quarterly MARS Newsletter, and Information Letters or Notices on IOGC's website), and correspondence on IOGC activities;
- Maintaining IOGC's Internet and Intranet websites; and,
- Assisting IOGC's directorates with their communications requirements.

Project Management Offices

MARS Project & Organizational Change Management (OCM)

- Providing project co-ordination services for the MARS Project;
- Providing services related to Organizational Change Management, which focuses on the "people side" of change, including the procurement of professional services in this area of specialty.

Lease and Royalty Administration Directorate

The Lease and Royalty Administration Directorate is responsible for the issuance and administration of oil and gas agreements. The directorate contains five units: Negotiations, Contracts, and Research; Lease Administration; Royalties; Geology; and, Treaty Land Entitlement Support.

Negotiations, Contracts, and Research Unit

- Identifying disposition options with First Nations;
- Assessing proposals from interested companies to ensure fair return;
- Providing negotiation and facilitation expertise to reach agreements between First Nations and companies;
- Drafting and issuing sub-surface oil and gas agreements;
- Administering sub-surface continuances;
- Monitoring and verifying regulatory and contractual commitments;
- Verifying legal title and status of minerals for surrendered and designated Indian reserve lands prior to disposition; and,
- Providing title verification and confirming acreage for pooling purposes.

The royalty changes that were introduced by the Province of Alberta continue to have an impact on IOGC's operations. The Negotiations, Contracts, and Research Unit continued to review agreements to the extent to which First Nation agreements have been affected by the Alberta royalty regime changes. This review confirmed that there is a continued requirement to dedicate significant resources to ensure these royalty changes are properly reflected in both existing and new agreements issued by IOGC on First Nations reserve lands.

The Negotiations, Contracts, and Research Unit; by working diligently with all stakeholders, was able to continue to implement competitive agreements as compared to provincial royalty regimes. The Negotiations, Contracts, and Research Unit was able to ensure that every new and amended disposition recommended last fiscal year provided a return to First Nations that was higher than both the Alberta and Saskatchewan royalty regimes.

The total number of agreements issued varies from year to year; however, with the impact of the industry slow-down, in FY2016-2017, IOGC issued 15 sub-surface agreements, two less than last year. The total number of these agreements under IOGC administration was 655, comprising 313,340 hectares.

As a result of the economic downturn in the oil and gas sector in 2014, IOGC saw a decrease in the number of registrations. In FY2016-2017, IOGC staff performed 395 registrations into the Indian Lands Registration System (ILRS), a slight decrease of 34 from 429 the preceding year.

Lease Administration Unit

Issues oil and gas surface leases, rights of way, exploratory licenses, and associated surface rights to companies:

- Administering surface and sub-surface leases;
- Verifying and maintaining corporate information and records; and,
- Registering IOGC transactions in ILRS.

As part of IOGC's "Streamlining Lease Administration" project, the Lease Administration Unit issued an Information Letter that clarified IOGC's survey requirements and implemented a change to the surface disposition process, both of which came into effect October 1, 2016. To assist stakeholders, the unit conducted a joint webinar with Natural Resources Canada, Surveyor-General Branch (SGB) on July 27, 2016, which was hosted and recorded by the Association of Canada Lands Surveyors. The expected outcomes of this initiative were the following:

Elimination of:

- outstanding Canada Lands Survey Records (CLSR) survey plans on a go-forward basis
- discrepancies between the IOGC surface contract and the CLSR survey plan

Significant reduction in:

- time spent monitoring by IOGC, SGB, surveyors and industry
- processing times for surrender applications for newer agreements

Real-time access to IOGC surface disposition information:

- assists First Nations members, INAC regional staff, surveyors and land professionals
- reduce risk of overlapping land tenure arrangements
- CLSR will be available for viewing in various sources [e.g. Electronic Registry Index Plan (eRIP), Canadian Land Survey System (CLSS Map Browser), Natural Resources Canada-Surveyor General Branch (NRCan-SGB) website]

In FY2016-2017, IOGC issued 24 surface agreements. This is a decrease of 37 dispositions from the year before. When oil and gas prices are strong, IOGC typically processes between about 145-450 agreements in a year.

The current trend is a continued decrease in dispositions as a result of lower commodity prices. During these uncertainties in the economy due to the downturn of the energy sector, IOGC usually experiences a decrease in requests for new contracts coupled with a substantial increase in assignments and surrenders.

In FY2016-2017, surface land area under disposition amounted to 10,687 hectares. This is an increase of 33 hectares over the previous year. This number includes new dispositions minus surrendered dispositions. Surface area under disposition refers to the actual amount of reserve land impacted by oil and gas development.

In FY2016-2017, the total number of surface agreements under IOGC administration was 4977. This is a slight increase of 8 from the previous year. The total number of agreements varies from year to year. At some point in time, the number of surface leases will decrease as hydrocarbon resources eventually become depleted and sites are reclaimed.

Royalties Unit

IOGC is responsible for verifying and collecting royalty moneys generated by the production and sale of oil and gas resources from First Nations reserve lands.

The Royalties Unit is responsible for:

- Ensuring accuracy and completeness of royalty submissions;
- Conducting royalty assessments;
- Managing gas cost allowance deductions;
- Managing trucking deductions; and,
- Monitoring and addressing royalty moneys in suspense.

Geology Unit

IOGC's Geology Unit is responsible for:

- Maintaining annual drilling statistics/summary; and,
- Conducting reviews for the continuation or termination of leases.

Drilling on First Nations reserve lands continued to reflect national averages, declining overall but with a late Q4 rally. Only 28 wells were drilled on First Nations reserve lands, a significant decrease from the 43 wells drilled in FY2015-2016 and the 143 wells drilled in FY2014-2015. However, 17 of these wells were drilled in the last quarter, possibly reflecting a more positive outlook. Overall, the per well drilling costs increased, with just under \$65,000,000 spent during the fiscal year, compared to \$48,000,000 the year prior. This cost is reflected in the fact that horizontal wells by far dominated development drilling with only 5 of the 28 wells being classified as having directional or vertical status. Thanks to development of heavy oil thermal projects in Frog Lake and Onion Lake reserves, the number of oil wells equaled the number of gas wells this year, each with 14 wells.

Treaty Land Entitlement (TLE) Support Unit

The TLE Support Unit continues to provide TLE process guidance and oil and gas rights advice to First Nations engaged in Additions to Reserve (ATR) processes as a result of TLE. This Team supports:

- Verification of legal title and disposition information for surface and mineral agreements on status of minerals on designated TLE;
- Drafting and issuance of surface and sub-surface Replacement Agreements (i.e., federal agreements applicable to reserve lands replace existing agreements issued under provincial jurisdiction);
- Ensuring all ATR, specifically TLE stakeholders, are informed and understand IOGC's role in the ATR process.

TLE claims are a type of land claim arising from the fact that some First Nations did not receive all the land they were entitled to under treaties signed with the Federal Crown. Today, the TLE process exists to fulfill these outstanding obligations. TLE often results in an ATR – that is, land is added to a First Nation's reserve lands base – though First Nations can opt to receive other forms of settlement.

One of IOGC's primary roles under the TLE process is to assist with Replacement Agreements for third party interests that existed prior to the lands becoming reserve lands pursuant to a TLE claim. IOGC replaces agreements that are oil and gas-related, typically from provincial title and jurisdiction, which can then be administered according to the *Indian Oil and Gas Act* and its regulations once the lands become reserve lands under federal title.

In FY2016-2017 no new TLE claims were initiated at IOGC. As of March 31, 2016, there were 458 active Replacement Agreements being administered by IOGC on behalf of

several First Nations who have exercised TLE rights. The revised work plan for the TLE Support Unit has identified another 245 Replacement Agreements that have been executed and are awaiting Ministerial Order for creation of additional reserve lands and a further 194 TLE transactions are being worked on, at various stages of completion.

Special Subject:

Band-Owned Oil and Gas Companies

Many First Nations are no longer passive recipients of oil and gas royalties from their natural resources. In fact, they are becoming more involved in the oil and gas operations on their lands. First Nations have created Band-owned oil and gas companies (BOCs). The structure of each BOC can be different for every First Nation as it reflects their desired level of participation and their community goals. A BOC provides a First Nation with greater control, additional economic rent, and an opportunity for capacity building.

At the end of FY2016-2017, there were 15 BOCs holding 173 sub-surface agreements comprising 118,049 hectares (26% of all sub-surface contracts, and 38% of all sub-surface hectares, managed by IOGC) of First Nations reserve lands.

Regulatory Compliance Directorate

The Regulatory Compliance Directorate is responsible for maintaining a clear and transparent on-reserve oil and gas regulatory framework – supported by policy and enforceable rules – so as to encourage industry compliance, to take appropriate action to address instances of non-compliance, and to instill confidence in First Nations that resource development on their lands is conducted in a manner that minimizes environmental impact while conserving resources. The directorate contains five units: Environment; Resource Analysis and Compliance; Technical Business Support; Review; and, Policy.

Environment Team

IOGC provides environmental stewardship for the complete life cycle of upstream oil and gas activities on First Nations reserve lands.

Before approval is granted to a company to conduct surface oil and gas activity, the Team reviews the company's application, which must contain an environmental review. The types of activities that require an environmental review include exploratory or seismic work, drilling for oil and gas, flow lines, service wells, remediation and access roads. The Environment Team ensures that potential environmental impacts are mitigated before IOGC and the First Nation approve the application.

After construction of surface facilities and sites, industry compliance with environmental requirements is monitored during their operation. The Team reviews environmental

audits that companies are required to submit regularly and also perform field inspections where necessary. The 2016/17 fiscal year was especially challenging for field inspections due to the sharp increase in industry bankruptcies and insolvencies as IOGC endeavoured to perform additional inspections on those sites to ensure they were left in a safe and secure manner.

After operations of a surface facility or site have ceased, companies must abandon wells, remove facilities, conduct remediation if necessary, and reclaim the area. The Environment Team will approve the surrenders of surface agreements following confirmation, by inspection with First Nation representatives, that reclamation is satisfactory.

Review Unit

- Providing litigation support, including assisting Justice Canada and the Litigation Management and Resolution Branch (LMRB) at INAC with legal actions;
- Compliance and enforcement;
- Monitoring quality assurance of instruments that have compliance/enforcement impacts.

Compliance and Enforcement

- Providing litigation support, including assisting Justice Canada and LMRB at INAC with legal actions;
- Establishing a strategy for Compliance and Enforcement Framework: Staffing the Manager position within the next year and ensuring readiness for implementation when the *Indian Oil and Gas Act, 2009* and the Phase I regulations come into force.

Resource Analysis and Compliance

- Maintaining well files on all newly-drilled wells;
- Managing trespass and potential drainage situations, including enforcement;
- Preparing revenue forecasts;
- Conducting ongoing and routine engineering and geology work including review of notices and applications;
- Maintaining hydrocarbon resource inventory.

The Resource Analysis and Compliance unit has two main goals – the first is to support conservation of the oil and gas resources of First Nations and the second is to provide First Nations with information forecasting oil and gas activity and projected revenues from such activity on their reserve lands. The unit strives to provide a high level of service to First Nations related to its assigned functions.

One of its most important functions is to conduct drainage monitoring and issue drainage notices. To carry out this function, the unit monitors for off-reserve wells producing close to reserve boundaries. Each of these situations is reviewed to

determine whether or not drainage may be occurring. Where IOGC believes that drainage may be occurring, and where the relevant on-reserve lands are leased, the relevant First Nation's band council is contacted so that a joint determination of potential drainage may be made. Once such a determination is made, IOGC will prepare and issue a drainage notice to the relevant lessee(s) of the reserve lands in consultation with the band council. If the unit believes that drainage may be occurring yet the adjacent reserve lands are not leased, then IOGC's Negotiations, Contracts, and Research and the First Nation are advised so that any opportunities for leasing the reserve lands can be investigated.

One of the most popular services is the revenue forecast service, whereby assigned engineers prepare royalty revenue forecasts and land revenue forecasts for First Nations with oil and gas activity. In FY2016-2017, the unit completed 42 revenue forecasts, 30 for First Nations in Alberta and 12 for First Nations in Saskatchewan. Usually each revenue forecast is comprised of two scenarios, a base case and a low case, and separate forecasts are provided for each. On occasion, a high case scenario may also be provided for a First Nation where warranted.

Technical Business Support Unit

The Technical Business Support (TBS) Unit contributes to the Regulatory Compliance Directorate mandate by:

- Leading and coordinating production and royalty-related audits, investigations and inspections to ensure safe and appropriate field operations and a fair return to First Nations for their resources;
- Leading and collaborating on research with respect to technical and economic issues; and,
- Supporting other IOGC business units, other Government of Canada bodies, First Nations, and provincial agencies.

The unit responds to many varied requests from other IOGC business units, First Nations, federal and provincial government organizations and from the oil and gas industry. These requests range from the evaluation or modification of royalty structures, coordination with and participation in federal and provincial initiatives, support for specific claims, investigation into existing and emerging issues, provision of technical data and information to support royalty assessment, and initiating and supporting compliance actions.

During FY2016-2017, unit staff concluded over 80 desk reviews of prices received for oil, natural gas and gas products and four full-fledged audits of various kinds. The Unit initiated three and progressed on five on-going audits, investigations and inspections. The Unit was enlisted, along with Resource Analysis and Compliance staff, to provide technical and historical support for the resolution of a long-standing specific claim; resolution is anticipated in subsequent years. In addition, the TBS Unit collaborated with other IOGC units in the investigation of properties leased by companies that have fallen on challenging financial times. Unit staff also provided minor administrative and technical support with respect to the safe decommissioning of legacy wells in Ontario and elsewhere. Finally, advice and input were provided with respect to initiatives in

Alberta and Saskatchewan, data and information to other federal departments and agencies.

Oil Production from First Nations Reserve Lands

During FY2016-2017, oil was produced from 35 reserves belonging to 25 First Nations. The oil production history chart indicates that oil production from First Nations reserve lands increased by almost 9% from the preceding year. Total First Nations oil production in FY2016-2017 was approximately 803,000 cubic metres, up from 738,000 the year before. Although oil production from Alberta-based First Nations dropped by about 28%, oil from Saskatchewan First Nations increased by over 50%. As in previous years, most of the oil produced from First Nations is heavy oil.

The majority of oil production, approximately 64%, comes from First Nations in Saskatchewan, a dramatic change from previous years. It is worthy to note, however, that over 90% of Saskatchewan oil production comes from just one First Nation.

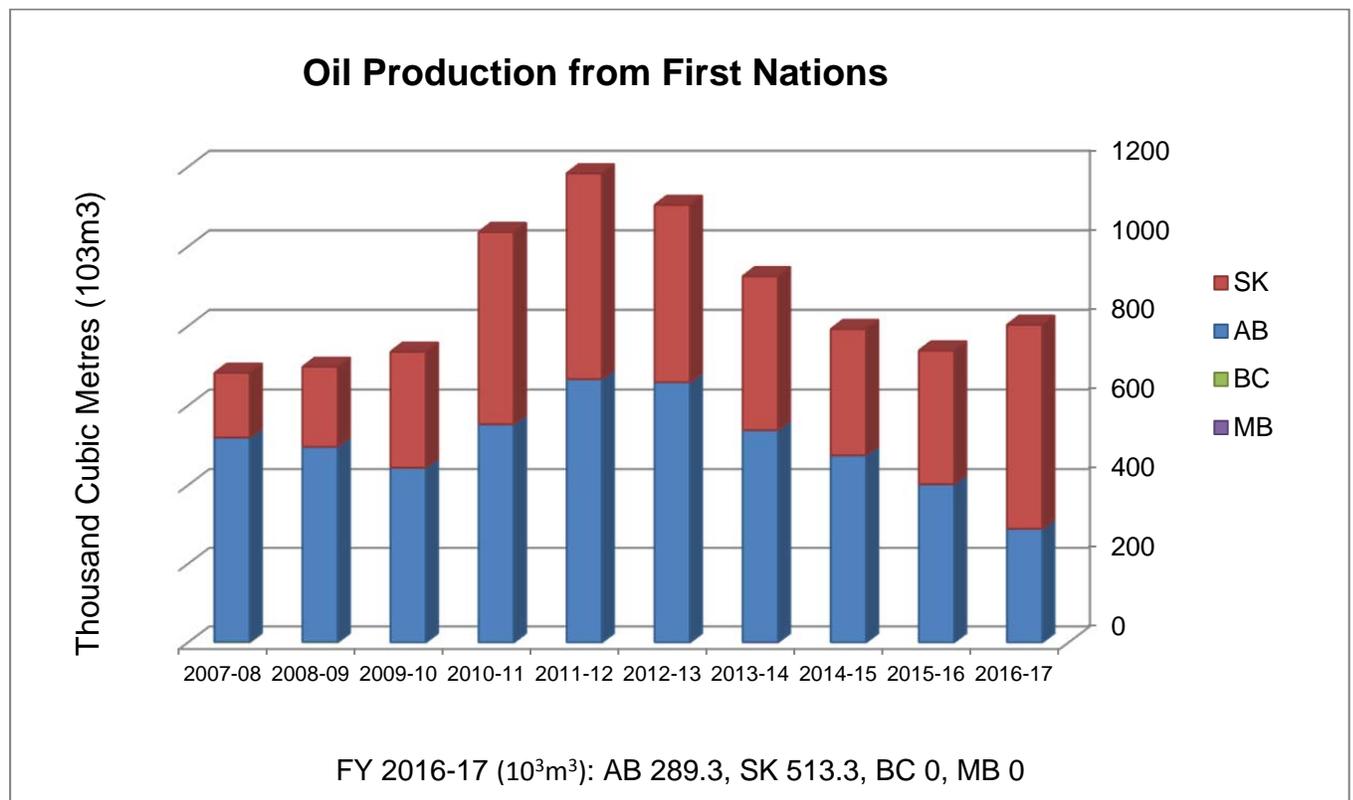


Figure A – History of Oil Production from First Nations reserve lands, 2007-08 to 2016-17

Oil Prices

As reported in previous years, prices for oil, natural gas and natural gas products fluctuate according to a wide variety of influences. Canadian prices are influenced principally by North American markets, US drilling and production levels, and US crude oil inventories. Yet they also feel the effects of geo-politics and geo-economics.

The effects of the deflation of crude oil prices, beginning in late November 2014, are still being felt today although not quite as severely. After experiencing another low point near the end of FY2015-16, oil prices rose fairly steadily until the end of FY2016-17.

However, the modest rebound, experienced world-wide, has not totally recovered to levels seen in 2014. Many oil and gas companies are still facing difficult financial circumstances and several have gone out of business or have been acquired by competitors. The faith of many industry analysts and prognosticators was re-paid slightly when OPEC member nations and non-member nations cooperated in November 2016 to promote price stability. Most industry experts believe that oil prices will not reach 2014 price levels for many years, if ever.

Meanwhile, as illustrated in the following graph, average prices for First Nations' oil continue to track between heavy oil prices and bitumen prices. This is appropriate because the "average" First Nation oil has properties that place it between those oil varieties.

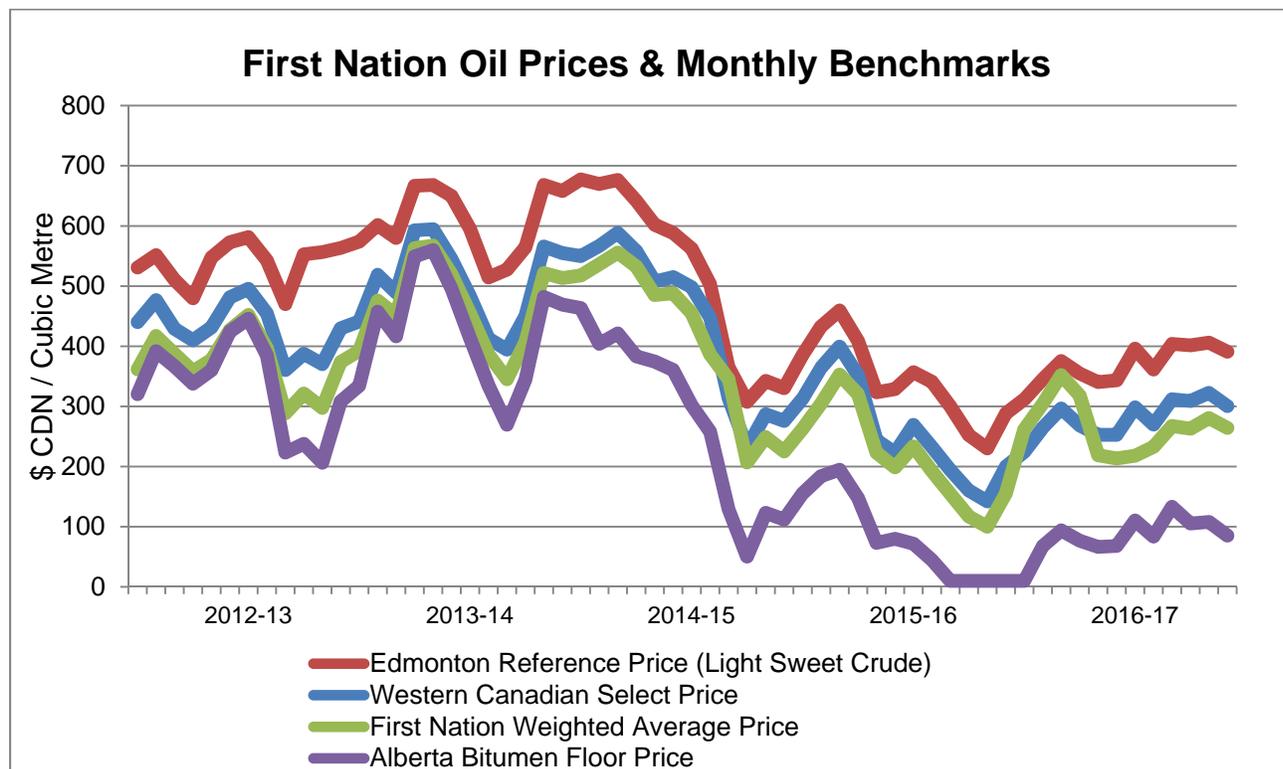


Figure B – History of First Nation Weighted Average Oil Prices versus Benchmark Prices, 2012-13 to 2016-17

Natural Gas Production from First Nations Reserve Lands

As described in previous annual reports, natural gas comes from more than one source. However, all these sources are in geological formations hundreds or thousands of meters deep in the subsurface of the earth. Some of those geological formations contain only natural gas and, occasionally, natural gas plus some associated products,

like ethane, propane, butane, and even some hydrocarbon liquids. Yet natural gas can also originate in subsurface formations that contain oil. In the oil-bearing formations, the gas is dissolved in the oil. When the oil is produced, the gas “bubbles out” of the oil as it rises to the surface and even more gas “bubbles out” as the oil is treated and stored at the surface.

In these cases, the gas behaves much like the carbonation found in soft drinks. In other cases, the gas can occur in the same formation as the oil but it occupies the top of the formation while the oil occupies the bottom. In these instances, most of the oil and gas have separated naturally over the millions of years they have shared the formation. The oil will still contain some gas, which will, as stated above, “bubble out” as the oil is produced and treated at the surface.

During fiscal year FY2016-2017, natural gas was produced from 51 First Nation reserves belonging to 39 First Nations. The natural gas production history chart indicates that natural gas sales from First Nations reserve lands, in contrast to the increased oil production described above, declined slightly by about 13% from the preceding year. Total First Nation gas production was just below 1.6 billion cubic metres. The vast majority of Indian interest gas is still produced from Alberta First Nations, slightly over 97.5%.

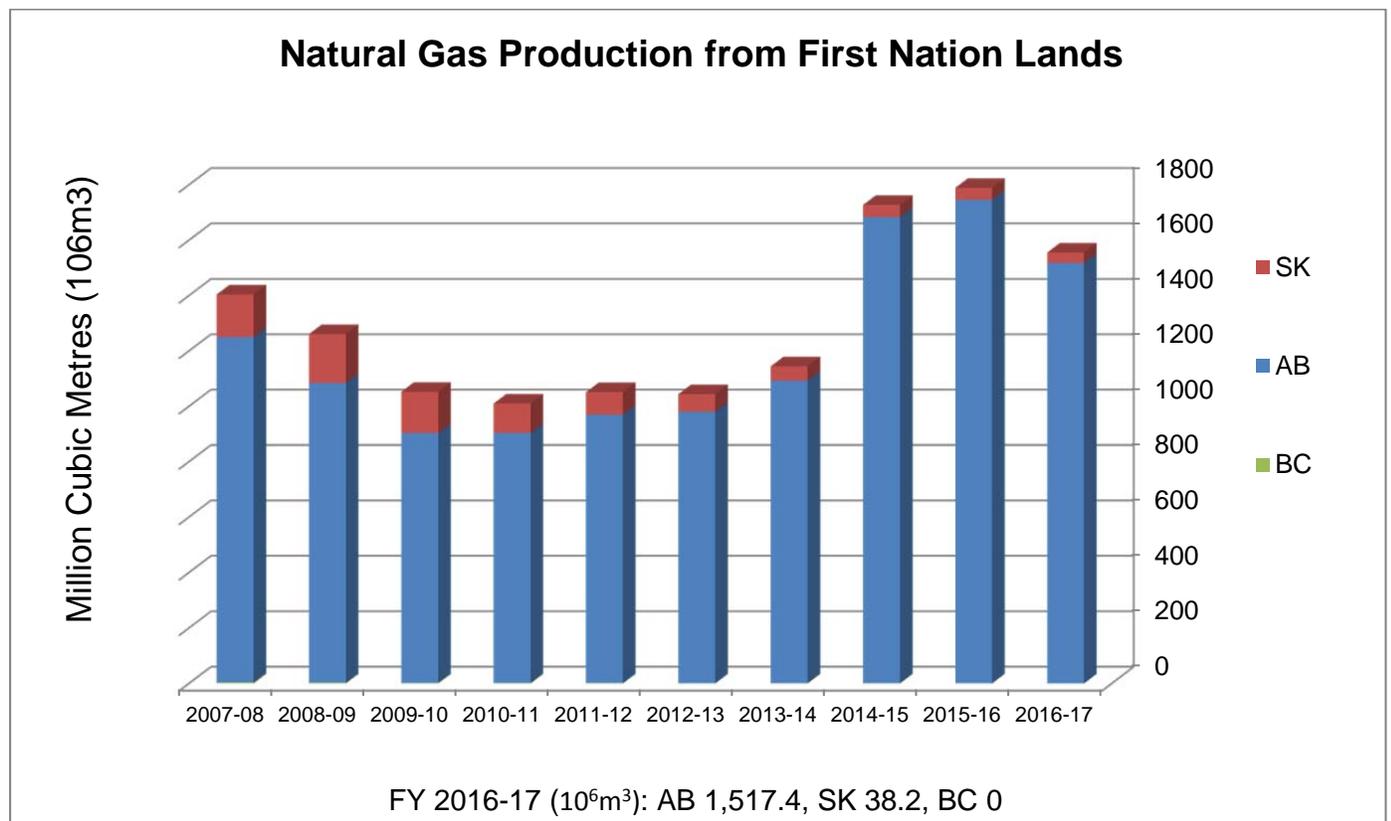


Figure C – History of Natural Gas Sales from First Nations, 2007-08 to 2016-17

It's worth noting that the production of natural gas liquids (NGLs) decreased during FY2016-2017 by about 10% from the year prior. This is a reversal of behavior from previous years and reflects the fact that natural gas and product prices are not as robust as oil prices and that natural gas fields are more capital-intensive than oil fields. As a result, at least for the time being, companies generally prefer to drill for oil.

Natural Gas Prices

Although Canadian natural gas producers must continue to compete for market share with the prolific US natural gas fields, prices rose slightly during fiscal year 2016-17. The following natural gas price history chart indicates that the average 2016-17 First Nation natural gas prices, along with the benchmark prices they are compared to, rose from the near-record lows of approximately \$1.00 per gigajoule experienced near the end of FY 2015-16, to nearly reach the levels they were at in 2013. Yet, once again, prices dipped slightly as spring and summer approached towards the end of the fiscal year.

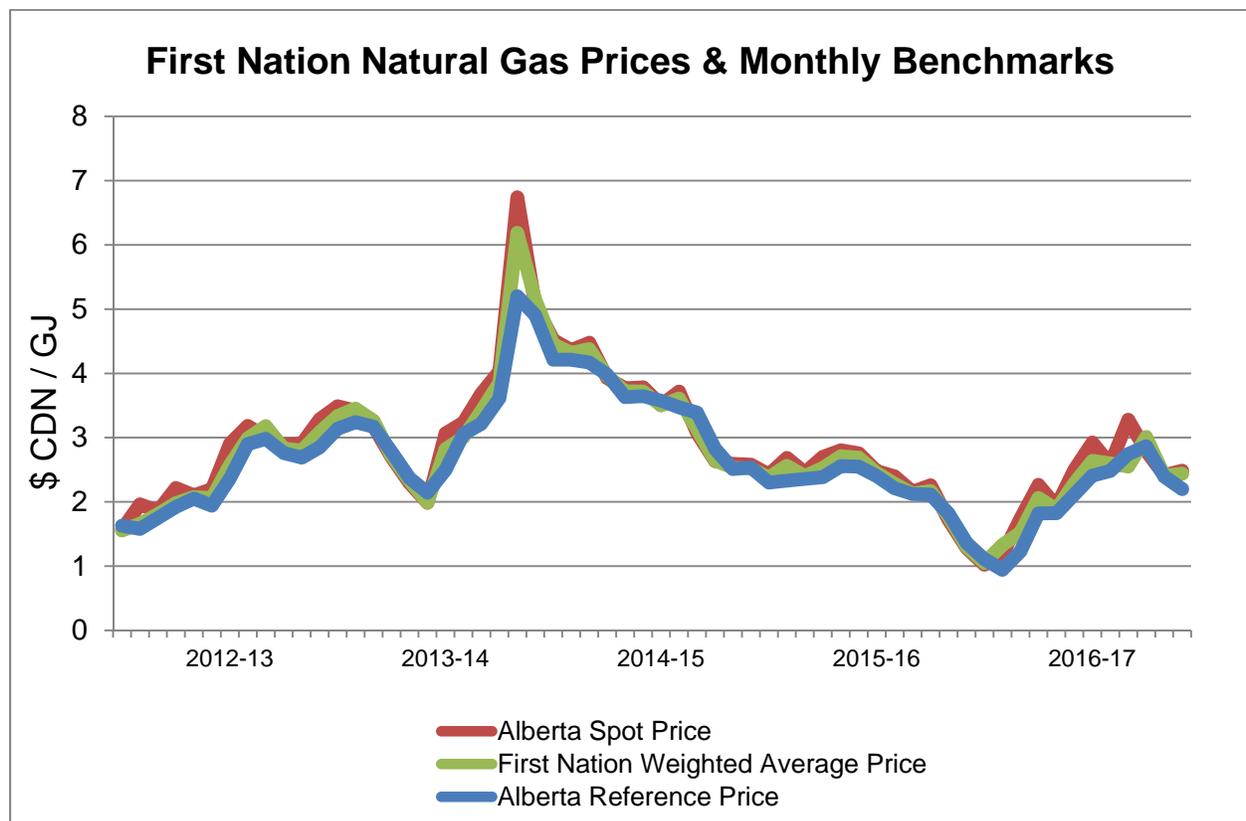


Figure D – History of First Nation Weighted Average Sales Gas Prices versus Benchmark Prices, 2012-13 to 2016-17

Policy Unit

Regulatory Compliance's Policy Unit is responsible for:

- Advising on strategic policy;
- Researching and developing operational policy;
- Monitoring and preparing responses to Parliament on changes to provincial regimes; and,
- Consulting on operational and strategic policy changes.

The Policy Unit's primary focus has been the development of new regulations:

The Department (Indigenous and Northern Affairs Canada) adopted a phased approach for regulations development designed to have the 2009 Act become law with minimal delay. This approach ensures that First Nations will benefit sooner from the improvements embodied within the IOGA, 2009 which provides new authority for IOGC in the following areas:

- Audit companies working on First Nations reserve lands;
- Determine and advise industry of longer records retention time for auditing purposes;
- Deal more effectively with surface and sub-surface trespass;
- Protect First Nation sites of cultural importance;
- Order companies to take remedial action under certain circumstances; and,
- Issue fines and penalties for offences under the Act or regulations.

Furthermore, the phased approach will require updates to the *Indian Oil and Gas Regulations, 1995* – ensuring they are in congruence with the IOGA, 2009 – including new regulations in the areas of:

- Drainage and Compensatory Royalty;
- Sub-surface Tenure;
- First Nations' Audit (a component of Royalty Management);
- Reporting Requirements to Facilitate Royalty Verification.

The remaining regulatory modules will become law once they are completed and, at the end of the process, IOGC will have jurisdiction to oversee and enforce a complete set of new, modern regulations. In consideration of the time required to accommodate input from stakeholders and the government's regulations review and approval process, it is projected that the 2009 Act and its regulations will come into force in 2018. The Policy Unit spent much of the year working on the new regulations while consulting, engaging, and informing First Nations. Throughout the regulations development process, upon request, face-to-face meetings have taken place with individual First Nations, Tribal Councils, and Treaty Areas, as well as with the Joint Technical Committee (JTC) and at the Indian Resource Council (IRC) Annual General Meeting where updates were presented.

In late FY2016-2017, a resolution was passed at the 2017 IRC Annual General Meeting that called upon Canada to temporarily put the regulations approval process into abeyance. The resolution contained six specific areas of concern. By the end of the fiscal year, the Department agreed to accommodations in three of the six areas, and work was ongoing to resolve the concerns in the remaining three areas.

This special version was also scheduled to be posted on the *First Nations Gazette* in May 2016. Stakeholder feedback received at the symposiums was grouped under three themes: 1) technical; 2) First Nations' governance; and, 3) First Nations consultation. Technical comments will be reviewed and accommodated, where appropriate. For feedback related to First Nations' governance or consultation, by the end of FY2015-2016, the Department began exploring options with oil and gas First Nations to establish a negotiating table for the development and consideration of potential solutions.

Planning and Corporate Services Directorate

The Planning and Corporate Services (PCS) Directorate's key responsibilities include management planning, administrative policy, human resources, finance, procurement, office administration, and information technology. PCS also acts as secretariat to the IOGC Co-Management Board. The PCS directorate includes five groups: Contracts and Administration; Finance; Human Resources; Planning, Administrative Policy & Corporate Coordination; and, Information Technology.

Contracts and Administration Unit

- Contract and procurement services;
- Material management services;
- Office administration and tenant services;
- Security services;
- Records and information management, resource library and *Access to Information and Privacy Act* (ATIP) services.

Finance Unit

- Corporate financial services;
- Resource planning;
- Trust fund administration;
- Accounts payable;
- Accounts receivable.

Human Resources Unit

- Human resources planning and reporting;
- Employee recruitment;
- Staff relations and workplace well-being;
- Compensation and benefits;

- Training and career development;
- Classification and organizational development;
- Human resources policy development;
- Official languages.

Planning, Administrative Policy & Corporate Coordination Unit

- Annual IOGC Management Plan;
- Quarterly reporting;
- IOGC inputs into INAC plans and reports;
- IOGC Co-Management Board secretariat services;
- Implementing corporate-wide INAC and government directed initiatives and administrative policy development;
- Occupational Safety and Health (OSH);
- Management Accountability Framework (MAF).

Information Technology Unit

- Database administration;
- Linkage / support to application development, RIMS Steering Committee governance, RIMS issue resolutions and enhancements;
- Distributed computing including end user support (via call centre), computer ever-greening, and software management;
- Implementation of Shared Services;
- IT security;
- Technical support for video-conferencing, smart-boards and rollout of other HQ technology and systems.

Revenues Collected on Behalf of First Nations

During FY2016-2017, IOGC received \$59.6 million on behalf of First Nations. This included \$45.3 million as a result of oil and gas royalties, \$844,221 in bonuses, \$13.1 million in compensation and rentals, \$268,351 in royalties from Treaty Land Entitlement 5.08 lands, and \$26,133 in interest.³

2016-17 Total Moneys Collected on Behalf of First Nations (\$Millions)

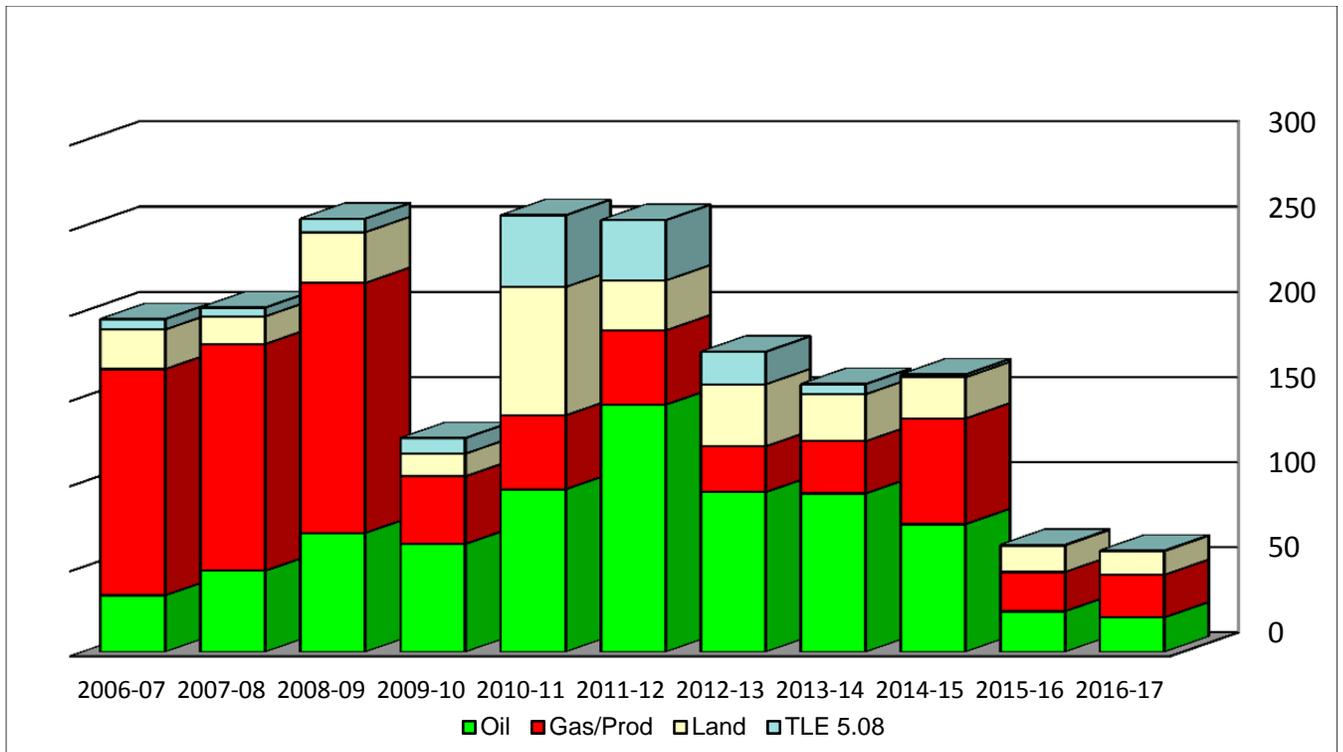


Figure E – History of Moneys collected on behalf of First Nations FY2006-07 to FY2016-17

³ Reductions in world oil prices are expected to have a significant impact on future royalty dollars.

Human Resources at IOGC

IOGC is committed to ensuring a safe and healthy work environment where all staff are valued and treated with respect, dignity and fairness.

At IOGC, we fully recognize that our people make our organization what it is. We are proud of our diverse workforce and our employment equity representation levels which exceed labour market availability. Tremendous synergy results when differing viewpoints, skill sets, and experiences are brought together. IOGC employees are professional and bring their best to the achievement of our organization's mandate, vision, and values.

IOGC strives to be a workplace of choice and this is an essential spoke on our Strategic Wheel (see following page). IOGC believes in being a learning organization and each employee has a personal annual learning plan. IOGC offers in-house French language training, numerous "lunch and learn" training sessions which focus on well-being, and annual Indigenous Cultural Awareness training. In FY2016-2017, various other in-house training was provided to all staff:

- Mental Health Awareness Webinar;
- Communicating in Groups;
- HR Systems Training;
- Respectful Workplace Sessions;
- Workplace tools such as CIDM, RIMS, Test Track Pro, and e-mail management.

In addition, selected staff received training to obtain Certification in Change Management. IOGC offers a tuition reimbursement program for those employees pursuing professional development outside of work hours. IOGC also has an Employee and Family Assistance program.

IOGC actively promotes work-life balance and utilizes flexible hours of work and telework, as approved through the IOGC Telework Policy. Our Pride and Recognition program is used to reward employee achievements and recognize staff with long-term service. IOGC maintains its own Committee for the Advancement of Native Employees (CANE).

IT - Resource Information Management System 1

IOGC's existing Resource Information Management System (RIMS) is the operational database that stores information regarding all surface and sub-surface agreements, Indian interest wells, and royalty entities. It supports the departmental trust fund management system with both land and royalty financial transaction records that help IOGC verify that First Nations receive the proper royalties that are due.

As a result of a new RIMS2 that focuses on development of a new royalty module and the use of Petrinex data exchange and case management tools that track and resolve issues, there will be a continued need to maintain the current RIMS into the foreseeable future. Over the past year, investigative work was completed to identify required upgrades to ensure current RIMS sustainability.

IOGC STRATEGIC FRAMEWORK

Excellence in managing First Nation oil and gas resources

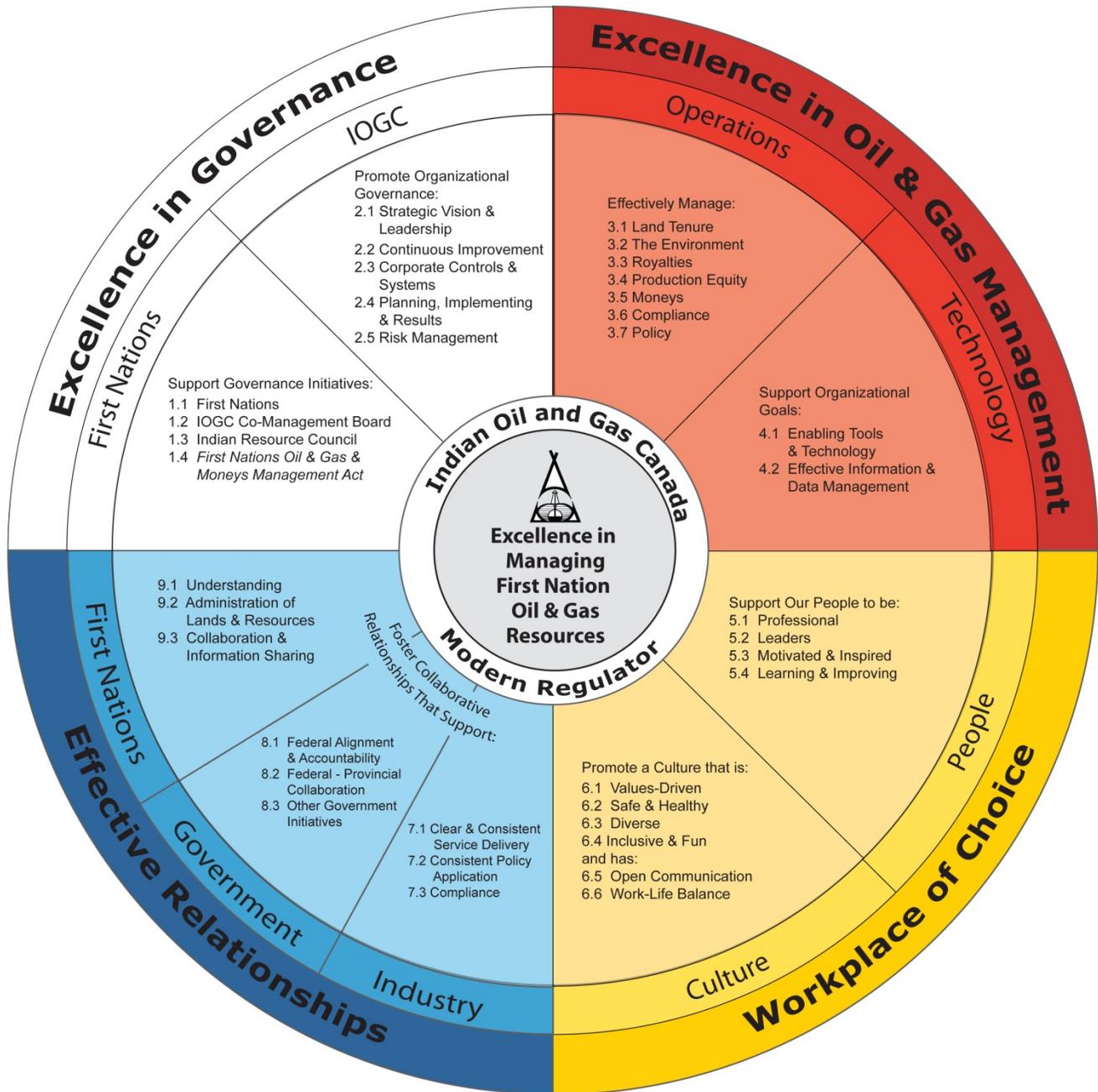


Figure F – Excellence in managing First Nation oil and gas resources

Excellence in Governance

First Nations

Support Governance Initiatives:

- 1.1 First Nations
- 1.2 IOGC Co-Management Board
- 1.3 Indian Resource Council
- 1.4 *First Nations Oil & Gas & Moneys Management Act*

IOGC

Promote Organizational Governance:

- 2.1 Strategic Vision & Leadership
- 2.2 Continuous Improvement
- 2.3 Corporate Controls & Systems
- 2.4 Planning, Implementing & Results
- 2.5 Risk Management

Excellence in Oil & Gas Management

Operations

Effectively Manage:

- 3.1 Land Tenure
- 3.2 The Environment
- 3.3 Royalties
- 3.4 Production Equity
- 3.5 Moneys
- 3.6 Compliance
- 3.7 Policy

Technology

Support Organizational Goals:

- 4.1 Enabling Tools & Technology
- 4.2 Effective Information & Data Management Workplace of Choice

Workplace of Choice

People

Support Our People to be:

- 5.1 Professional
- 5.2 Leaders
- 5.3 Motivated & Inspired
- 5.4 Learning & Improving

Culture

Promote a culture that is:

- 6.1 Value-Driven
- 6.2 Safe & Healthy
- 6.3 Diverse
- 6.4 Inclusive & Fun
- 6.5 Open Communications
- 6.6 Work-Life Balance

Effective Relationships

Foster Collaborative Relationships That Support:

Industry

- 7.1 Clear and Consistent Service Delivery
- 7.2 Consistent Policy Application
- 7.3 Compliance

Government

- 8.1 Federal Alignment and Accountability
- 8.2 Federal – Provincial Collaboration
- 8.3 Other Government Initiatives

First Nations

- 9.1 Understanding
- 9.2 Administration of Lands and Resources
- 9.3 Collaboration & Information Sharing

Financial Operations FY2016-17

Funding - O&M, Contributions & Transfers		15,759,573
<u>O&M</u>		
Salaries		7,836,410
Expenses		
IOGC Board	2,589	
Inventory Management	4,153	
Negotiations Disposition/Amendment	12,280	
Agreement Management	3,099	
Compliance	736,841	
Policy Management	1,156	
Informatics	73,292	
Corporate Management	523,248	
Environment	64,814	
Royalty	125,328	
Direct Operations Support	175,651	
IOGA Implementation	721,726	
Admin/Strategic Policy	0	
Total Expenses		2,444,178
Capital		147,527
<u>Transfers</u>		
Salaries	301,069	
O&M	1,793,653	
Capital	152,746	
Contributions	2,963,314	
Total Transfers		5,210,783
Total O&M, Contributions & Transfers		15,638,897
Surplus/Deficit		120,676
<u>Revenues Collected on Behalf of First Nations</u>		
Royalties	45,392,281	
Bonus	844,221	
Compensation and Rentals	13,113,369	
Treaty Land Entitlement	268,351	
Interest	26,133	
Total Revenues Collected on Behalf of First Nations		59,644,356

Glossary of Acronyms

AB NRF	Alberta New Royalty Framework
ACLS	Association of Canada Lands Survey
ADM	Assistant Deputy Minister
ADR	Alternate Dispute Resolution
AER	Alberta Energy Regulator
ATIP	Access To Information and Privacy
ATR	Additions To Reserve
BA	Business Associate
BCR	Band Council Resolution
BPM	Business Process Map(ping)
CA	Certified Accountant
CALS	Constitutional and Administrative Laws Section (JUSTICE CANADA)
CAPP	Canadian Association of Petroleum Producers
CCM	Cost Centre Manager
CEAA	<i>Canadian Environmental Assessment Act</i>
CEAR	Canadian Environmental Assessment Registry
CEO	Chief Executive Officer
CGA	Certified General Accountant
CLSR	Canada Lands Survey Records
CMA	Certified Management Accountant
CR	Change Request (RIMS1)
CSIA	<i>Claims Settlement (Alberta and Saskatchewan) Implementation Act</i>
DIAND	Department of Indian Affairs and Northern Development
DM	Deputy Minister
DPR	Departmental Performance Report
DSAR	Departmental Staffing Accountability Report
EE	Employment Equity
EMIS	Environmental Management Information System
eRip	Electronic Registry Index Plan
EVAP	Enhanced Valuation and Audit Process
FMC	Financial Management Committee
FNOGMMMA	<i>First Nations Oil and Gas and Moneys Management Act</i>
FRPA	<i>Federal Real Property and Federal Immovables Act</i>
FTE	Full Time Employee
GCA	Gas Cost Allowance
GCDocs	Government of Canada's Official Electronic Document and Records Management Solution
GoC	Government of Canada
HQ	Headquarters (INAC)
HR	Human Resources
HRIS	Human Resources Information System
IFS	Integrated Financial System
ILRS	Indian Lands Registration System
IM	Information Management
INAC	Indigenous and Northern Affairs Canada
IOGA	<i>Indian Oil and Gas Act</i>

IOGC	Indian Oil and Gas Canada
IRC	Indian Resource Council
IT	Information Technology
JTC	Joint Technical Committee
LAS	Land Agreement Subsystem (RIMS1)
LDV	Low Dollar Value
LEDS	Lands and Economic Development Sector
LMRB	Litigation Management and Resolution Branch
MAF	Management Accountability Framework
MARS	Modern Act, Regulations and Systems
MOS	Memorandum of Surrender
NRCan	Natural Resources Canada
NRCan-SGB	Natural Resources Canada-Surveyor General Branch
NRF	Alberta New Royalty Framework
OCM	Organizational Change Management
OPEC	Organization of the Petroleum Exporting Countries
OPI	Office of Primary Interest
OSH	Occupational Safety and Health
PARF	Personnel Action Request Form
PCS	Planning and Corporate Services Directorate, IOGC
PM-RDP	Project Manager – Regulations Development Project
PM-RIMS2	Project Manager – RIMS2 Development Project
PMO-MARS	Project Management Office – Modern Act, Regulations and Systems Project
PMO-OCM	Project Management Office – Organizational Change Management
PMS	Performance Measurement Strategy
PREA	Performance Review and Evaluation Assessment
PSC	Public Service Commission
PSECA	Public Sector Equitable Compensation Act
PWGSC	Public Works and Government Services Canada
RCM	Responsibility Centre Manager
REN	Royalty Entity Number
RFP	Request for Proposals
RIAS	Regulatory Impact Analysis Statement
RIMS1 or RIMS2	Resource Information Management System
RPP	Report on Plans and Priorities
RTA	Royalty Tax Attribute
RTP	Royalty / Tax Payer
RUGS	RIMS1 User Group
SAP	Systems, Applications and Processes for Enterprise Projects
SEA	Strategic Environmental Assessment
SGB	Surveyor-General Branch
SMART	Specific, Measureable, Attainable, Realistic, Time-framed
SMS	System Management Server
SO	Strategic Outcome

TA
TB
TFMS
TLE
WTI

Task Authorization
Treasury Board
Trust Fund Management System
Treaty Land Entitlement
West Texas Intermediate



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