

NOTICE

The Joint Venture GHG Cost/Credit allocation interim accounting guideline was developed by the CAPP Working Group on Industry JV GHG Cost Accounting practices in the first quarter of 2008. At that time, as the Industry had not gone through a fiscal compliance period, the document was scheduled for review and update in the fall of 2008 when comments and learnings from industry were to be gathered and incorporated.

The GHG Working Group is aware that an emissions program will be implemented soon by the Federal Government of Canada, however the timing and details of this program are currently unknown. The GHG Working Group recommends the update of the current PASC Accounting Guideline be deferred pending release of the Federal Guidelines so that any updates incorporate the Federal requirements.

Based on feedback received at the February 2009 PJVA Early Morning Discussion, it appeared many companies have treated cost allocations in the 2008 GHG fiscal compliance period in the manner suggested in the interim accounting guideline. Also since no major comments or disagreements have been received by the CAPP Working Group, it is suggested that the Industry continues its cost allocations under the Alberta emission program using these interim guidelines until the Federal guidelines are announced and its requirements incorporated into the future updated document.