



NEWS RELEASE

Alberta Energy Regulator should cut red tape, reduce approval delays and uncertainty

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For Immediate Release

CALGARY—Any meaningful reform of the Alberta Energy Regulator (AER) must target the corporation’s regulatory objectives, decision-making process and procedures, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“A sleeker, more efficient AER would be a big step in the right direction for Alberta and Canada as a whole,” said Steven Globerman, Fraser Institute senior fellow and co-author of [*Evaluating Alberta’s Energy Regulator*](#).

The AER, which is currently under review by the provincial government, regulates Alberta’s upstream oil and gas production, oilsands and coal development to ensure the safe, efficient and environmentally-responsible development of hydrocarbon resources over their entire lifecycle. Subsequently, the AER reviews and makes decisions on proposed energy projects.

However, the AER is in dire need of reform. According to a recent survey of oil and gas investors, 70 per cent of respondents cited the high cost of regulatory compliance in Alberta as a deterrent to investment compared to only 9 per cent in Texas. The study identifies several areas of potential reform for the AER:

- eliminate non-functional regulations that no longer serve a social purpose or that duplicate regulations enforced by other agencies, (including the Canadian Energy Regulator, formerly known as the National Energy Board)
- formally commit to make decisions about proposed energy projects in a timely manner—to add teeth to this reform, the provincial government should hold responsible both the AER board of directors and senior managers for any undue delay of proposed development projects
- update the AER’s cost-benefit analyses to make explicit the criteria used to evaluate new energy development projects and reduce uncertainty about the regulatory process.

“Canada’s oil and gas industry, centered in Alberta, has had a rough few years, so any meaningful reform of the AER would be welcome news for the industry and the Albertans and Canadians who work in oil and gas,” Globerman said.

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