



## Urgent Notice

Under the Climate Leadership Implementation Act (the “Act”), the Government of Alberta will impose a carbon levy on carbon-based fuels, which will come into effect on January 1, 2017 (the “Carbon Levy”). This notice is being published by NGX with the intention of clarifying our approach to the Carbon Levy.

Based on our analysis of the Act and the Climate Leadership Regulation (the “Regulation”), and the guidance provided by the Alberta government referenced below, NGX will not be collecting, charging, or remitting the Carbon Levy. Furthermore, we will not be registering with the Alberta government with respect to the Carbon Levy.

Section 6(2) of the Regulation states that “no carbon levy is payable at the time natural gas in a transmission pipeline is sold but not delivered.” In addition, the Government of Alberta’s FAQ page states the following: the “carbon levy is not payable on natural gas trading as mentioned, until the natural gas is sold and delivered. The [Act] and the [Regulation] also operate to require the person who purchases and takes delivery of the natural gas from a transmission pipeline to remit the carbon levy payable on such purchases in a reporting period so that it is received by Tax and Revenue Administration (TRA) not later than 28 days following the end of the period. In addition, the person that sells the natural gas to such purchasers does not have to collect or remit the carbon levy to TRA.” Furthermore, pursuant to section 30(3) of the Regulation, such sellers are not required to register under section 27 of the Act.

For more information, please refer to the following pages:

Carbon Levy Overview:

[http://www.finance.alberta.ca/publications/tax\\_rebates/carbon-levy/overview.html](http://www.finance.alberta.ca/publications/tax_rebates/carbon-levy/overview.html)

Carbon Levy FAQ: [http://www.finance.alberta.ca/publications/tax\\_rebates/faqs\\_carbon-levy.html#general](http://www.finance.alberta.ca/publications/tax_rebates/faqs_carbon-levy.html#general)

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