Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER reports the updated liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2022	Reported by June 30, 2023	Reported by June 30, 2024	Reported by June 30, 2025	Reported by June 30, 2026
MFSP Liability	33.69	47.31	57.3	52.7	55.7
MFSP Asset Value				683	601
MFSP Security Held	1.55	1.68	1.71	2.60	4.70

Increased liability amounts from last year to this year are due to surface reclamation, process-affected water treatment, and end-pit lakes costs.

The MFSP asset value was included in this report as directed by the Government of Alberta.

Increases in security amounts from last year to this year are due to the following:

- Decreased reserve life at the Syncrude Mildred Lake and Aurora North oil sands mines triggered payment of the operating life financial security deposit.
- Fort Hills Energy Corporation triggered payment of the asset safety factor deposit due to an asset-to-liability ratio below 3.00 and triggered payment of the outstanding reclamation deposit due to completing less reclamation area than planned.

For more information about the MFSP, see the Guide to the Mine Financial Security Program.

Mine Financial Security Program – Security and Liability

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The AER reports the updated liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2021	Reported by June 30, 2022	Reported by June 30, 2023	Reported by June 30, 2024	Reported by June 30, 2025
MFSP Liability	33.19	33.69	47.31	57.3	52.7
MFSP Asset Value					683
MFSP Security Held	1.52	1.55	1.68	1.71	2.60

Decreases in liability amounts from year to year are due to alignment of oil sands approval holders MFSP liability calculations with the calculations included in the *MFSP Standard* and decreases reported in tailings treatment costs.

The MFSP asset value was reported in this report as directed by the Government of Alberta.

Increases in security amounts from year to year are due to the decreasing reserve life at the Syncrude Mildred Lake and Aurora North oil sands mines triggering the operating life financial security deposit.

For more information about the MFSP, see the Guide to the Mine Financial Security Program.

Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER reports the updated liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2020	Reported by June 30, 2021	Reported by June 30, 2022	Reported by June 30, 2023	Reported by June 30, 2024
MFSP liability	31.45	33.19	33.69	47.31	57.3
MFSP security held	1.48	1.52	1.55	1.68	1.71

Increases in liability and security amounts from year to year are due to

- changes to coal and oil sands mine approval holder's costs associated with water treatment, surface reclamation, environmental monitoring and maintenance, mine reclamation plan changes, and
- third-party equipment rate increases.

For more information about the MFSP, see the Guide to the Mine Financial Security Program.

Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER updates the liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2019	Reported by June 30, 2020	Reported by June 30, 2021	Reported by June 30, 2022	Reported by June 30, 2023
MFSP liability	31.39	31.45	33.19	33.69	47.31
MFSP security held	1.47	1.48	1.52	1.55	1.68

Increases in liability and security amounts from year to year are due to:

- Changes to coal and oil sands mine approval holders mine reclamation plans and life of mine closure plans,
- Inflation

For more information about the MFSP, see the Guide to the Mine Financial Security Program.

Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER updates the liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2018	Reported by June 30, 2019	Reported by June 30, 2020	Reported by June 30, 2021	Reported by June 30, 2022
MFSP liability	28.35	31.39	31.45	33.19	33.69
MFSP security held	1.46	1.47	1.48	1.52	1.55

Increases in liability and security amounts from year to year are due to changes to coal and oil sands mine approval holders' mine reclamation plans and life-of-mine closure plans.

For more information about the MFSP, see *Manual 024: Guide to the Mine Financial Security Program*.

Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER updates the liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2017	Reported by June 30, 2018	Reported by June 30, 2019	Reported by June 30, 2020	Reported by June 30, 2021
MFSP liability	27.79	28.35	31.39	31.45	33.19
MFSP security held	1.39	1.46	1.47	1.48	1.52

The following explains the changes in the liability and security amounts from year to year:

- The estimated liability increased every year due to mining operations and the related disturbance.
- Since 2014, additional security has been collected from coal mine approval holders based on an increase in disturbance at mining operations.

For more information about the MFSP, see the Guide to the Mine Financial Security Program.

Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER updates the liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2016	Reported by June 30, 2017	Reported by June 30, 2018	Reported by June 30, 2019	Reported by June 30, 2020
MFSP liability	23.19	27.79	28.35	31.39	31.45
MFSP security held	1.38	1.39	1.46	1.47	1.48

The following explains the changes in the liability and security amounts from year to year:

- The estimated liability increased every year due to mining operations and the related disturbance.
- Since 2014, additional security has been collected from coal mine approval holders based on an increase in disturbance at mining operations.

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Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

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MFSP liability and security, in billions of dollars

	Reported by June 30, 2015	Reported by June 30, 2016	Reported by June 30, 2017	Reported by June 30, 2018	Reported by June 30, 2019
MFSP liability	22.60	23.19	27.79	28.35	31.39
MFSP security held	1.36	1.38	1.39	1.46	1.47

The following explains the changes in the liability and security amounts from year to year:

- The estimated liability increased every year due to mining operations and the related disturbance.
- In 2015, the security held by the AER decreased. An oil sands approval holder became eligible to use a deemed netback in accordance with the program. As a result, the approval holder switched from paying full financial security to paying the base security deposit.
  - Base security deposit is $30 000 000 for a new oil sands mine with no upgrader or $60 000 000 for a new oil sands mine with an upgrader.
  - For oil sands mines with an *EPEA* approval in effect as of December 31, 2010, the base security deposit equals the security held by the government to cover disturbances up to that date.
  - Additional financial security above the base security is not required if the mine
    - has MFSP assets at least three times greater than the MFSP liability,
    - is 15 years or more from the end of its reserves, and
    - is keeping current with its reclamation plans.
- Since 2014, additional security has been collected from coal mine approval holders based on an increase in disturbance at mining operations.

For more information about the MFSP, see the Guide to the Mine Financial Security Program.

Mine Financial Security Program – Security and Liability

The Mine Financial Security Program (MFSP) security held by the AER and the MFSP liability for oil sands and coal mines with approvals under the *Environmental Protection and Enhancement Act* (*EPEA*) are provided in the table below.

The AER updates the liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2014	Reported by June 30, 2015	Reported by June 30, 2016	Reported by June 30, 2017	Reported by June 30, 2018
MFSP liability	20.82	22.60	23.19	27.79	28.35
MFSP security held	1.57	1.36	1.38	1.39	1.46

The following explains the changes in the liability and security amounts from year to year:

- The estimated liability increased every year due to mining operations and the related disturbance.
- In 2015, the security held by the AER decreased. An oil sands approval holder became eligible to use a deemed netback in accordance with the program. As a result, the approval holder switched from paying full financial security to paying the base security deposit.
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The AER updates the liability and security amounts annually. Oil sands and coal mine approval holders are required to provide liability estimates to the AER by June 30 every year.

MFSP liability and security, in billions of dollars

	Reported by June 30, 2014	Reported by June 30, 2015	Reported by June 30, 2016	Reported by June 30, 2017
MFSP liability	20.82	22.55	23.19	27.79
MFSP security held	1.57	1.36	1.38	1.39

The following explains the changes in the liability and security amounts from year to year:

- The estimated liability increased every year due to mining operations and the related disturbance.
- In 2015, the security held by the AER decreased. An oil sands approval holder became eligible to use a deemed netback in accordance with the program. As a result, the approval holder switched from paying full financial security to paying the base security deposit.
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  - Additional financial security above the base security is not required if the mine
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    - is 15 years or more from the end of its reserves, and
    - is keeping current with its reclamation plans.
- Since 2014, additional security has been collected from coal mine approval holders based on an increase in disturbance at mining operations.

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