

Alberta Cuts Oil Production to Raise its Discounted Crude Oil Prices

On December 2, 2018, Alberta announced its plan to curtail crude oil production by 325,000 barrels (8.7%) per day across the board. This is a short-term measure to raise Alberta's crude oil currently selling at a discounted price of \$10 per barrel, in order to compete with the global price of \$50 per barrel.

The new production rate will take effect on January 1, 2019 through regulations, ministerial orders and directives of the Alberta Energy Regulator. The rate will be monthly reviewed and revised as needed. The plan promises to ensure that smaller producers are treated fairly. There is no industry consensus on Alberta's plan. While the results are uncertain, the risks and unintended consequences are significant.

BLG is actively monitoring Alberta's new curtailment plan and evaluating its impacts, challenges and potential solutions. More details to follow in the days ahead.

About Borden Ladner Gervais LLP

Borden Ladner Gervais LLP (BLG) is a leading, national, full-service Canadian law firm focusing on business law, commercial litigation and arbitration, and intellectual property solutions for our clients. BLG is one of the country's largest law firms with more than 700 lawyers, intellectual property agents and other professionals in five cities across Canada. We assist clients with their legal needs, from major litigation to financing to trademark and patent registration.

For more information, please contact:

[Tamara Costa](#)

National Director, Marketing and Communications
Borden Ladner Gervais LLP

TCosta@blg.com

416.350.2642

For more information, please contact:

[Tamara Costa](#)

National Director, Marketing and Communications
Borden Ladner Gervais LLP

TCosta@blg.com

416.350.2642



BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

[**blg.com**](https://www.blg.com)

© 2025 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.