

Saskatchewan Petroleum Innovation Incentive

The Saskatchewan Petroleum Innovation Incentive (SPII) offers eligible innovation commercialization investment projects across any segment of oil and gas sector a royalty/freehold tax credit worth 25 percent of eligible capital expenditures.

SPII is open to any company with a project that demonstrates an oil and gas innovation in an operational environment in Saskatchewan. The innovation must be new to Saskatchewan's oil and gas industry in terms of the specific technology, or its specific usage/application, or specific market/operating environment validation, or the project's scale.

SPII is a transferable credit, which allows non-producers/non-royalty payers to access the program directly and then partner with a royalty paying entity(ies) in any commercial arrangement of those parties' choosing.

SPII targets innovation commercialization investment projects that could provide benefits related to: improving oil and gas recovery; managing environmental impacts; value-added processing and production byproduct commercialization; and, reducing capital, operations, and administration costs through innovation commercialization

Program Highlights:

- Approved projects receive a royalty credit worth 25 per cent of approved capital expenditures.
- Maximum royalty credit of \$5 million per any one project.

The Only Program of Its Kind

SPII is the most versatile oil and gas sector innovation commercialization incentive in Canada.

- Companies without oil and gas production have the ability to utilize the credit's transferability and capitalize on the incentive.
- SPII can be used with other incentive and grant programs that companies have access to in Saskatchewan.
- Commercial scaling is encouraged as innovation commercialization investment projects that are successful at pilot scale can also be eligible for SPII if they are executed again at a larger scale.
- SPII royalty credits can be applied to any type of royalty owing in Saskatchewan.
- SPII applications will be open from April 1, 2019 to March 31, 2024.

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