

Accelerated Site Closure Program (ASCP) Nomination Process Supplemental Information

(Updated June 26, 2020)



Documents Purpose:

This document is intended to provide some additional clarity around the Accelerated Site Closure Program (ASCP) nomination process. It will provide complimentary and in some cases supplemental information to the on-line training modules on the nomination process that can be found here

<https://training.saskatchewan.ca/EnergyAndResources/liability-management/index.html>. Please refer to this document and complete the on-line training modules prior to engaging in the project (well, facility and flowline) nomination process through the Integrated Resources Information System (IRIS).

Note:

The ASCP program is not a first come-first serve program. Each eligible licensee has received their funding allocation for Phase 1 and that allocation will remain with the licensee until it is used or the program concludes in December 2022. It is not necessary for nominations of projects into IRIS to occur immediately upon opening of the nomination process. In fact, licensees can nominate projects as they are ready throughout the program.

Should questions arise during the nomination process and answers are not available through the on-line training module or through this document or the ASCP [Question and Answer document](#), please contact the ER Service Desk at 1-855-219-9373 or ER.servicedesk@gov.sk.ca and assistance will be provided as soon as possible.

General Notes:

- A licence number is required for all well and facilities nominated to the program. If you have a well or facility that is not licensed, please contact the ER Service Desk.
- Flowlines do not need to have a license associated with them (Note: this should be included if it has been licensed). When nominating an unlicensed flowlines under the ASCP program ER requests that the following process be followed:
 - Fill out all flowline data fields in the input file that you have confident data for.
 - At a minimum you must provide the Substance type and the “From Latitude” and “From Longitude” coordinates.
 - If no flowline coordinate data is available, please provide the licence number of the associated well or facility in the “Additional Considerations” entry field and provide the latitude and longitude of the associated infrastructure in the “From” and “To” latitude and longitude fields.
- A licensee cannot nominate a project (license) for the same activity twice. The nomination process will reject that nomination and issue a notification of need for correction.
- When nominating a project into the program, the eligible licensee will be required to submit two declarations:
 - A declaration stating that the licensee does not have any outstanding municipal taxes owing with respect to the nominated wells, facilities or flowlines; and
 - A declaration stating that the licensee is current on surface lease payments to private landowners with respect to the nominated wells, facilities and flowlines.

Submitting a false declaration may result in collection actions by the Crown and could render a licensee ineligible for future funding under the ASCP.

Project Nominations and Sizes

- The expectation is that licensees, as much as possible nominate projects that they expect to be routine from a regulatory standpoint in order to reduce the workload for ER in terms of processing abandonment and AOR applications.

Given that many abandonment applications trigger non-routine application reviews (e.g. well proximity to another well), if non-routine applications are being nominated, the licensee should primarily nominate infrastructure projects in Phase 1 where there are no known or expected issues that will result in delays in completing the project or

where there is expected significantly higher costs for abandonment and reclamation

Regardless of whether a nominated project falls into a “routine” or “non-routine” IRIS review process, the expectation is that licensees will nominate infrastructure projects where the expectation is that the work can be done quickly and in-line with expected costs.

- The nomination template form has not been designed for licensees to nominate all of their funding eligibility in one file but rather is intended to be used on a project basis to nominate the specific stages of work that a licensee wishes to bundle into a project. For example, if the funding allocation allows for such activity, a licensee could use the template to nominate a project that consists of all the various activities from abandonment through to reclamations for a smaller number of sites, if that is how they would normally tender out a project
- ER has suggested that licences could nominate projects up to 125% of a licensee's funding allocation. For example, if a licensee has an allocation of \$100,000 which is in the range of two wells sites @ \$50K each, the licensee could nominate up to 3 sites. This allows for some flexibility in managing wells/facilities to support area-based closure or in the case where a well/facility needs to be pulled from the program phase. At the end of the day, the intent is to manage spending up to the maximum funding allocation.

The intent of allowing 125% project nominations is to provide some flexibility to form well/facility packages but also not to overwhelm the system with nominations for every possible well/facility. Licensee nominations should be done in terms of licensee priorities for abandonment and reclamation.

Put another way, if a licensee has a Phase 1 funding allocation of \$100k and has 20 inactive sites, we are asking licensees to not nominate all of their eligible sites but rather limit the number to priority sites in line with their funding allocation.

- Since you can over-nominate your wells to 125%, this provides you with a means to substitute wells. If you decide to remove wells or add wells at a later date you can as well.

Preferred Vendor Nominations

- Licensees will be allowed to nominate preferred service companies. This nomination can be done on a project basis and can be updated over time on subsequent project nominations, if required.
- ER will be assigning a Business Associate(BA) ID to all service companies prequalified under the prequalification processes managed by SaskBuilds. If a BA code has not been

issued (system not yet updated to reflect qualification or that vendor has not been pre-qualified), the process will not allow that selection.

Note that service company BA codes will be updated regularly.

Questions?

If you have any questions or concerns contact the ER Service Desk at 1-855-219-9373 or ER.servicedesk@gov.sk.ca, or visit www.saskatchewan.ca/Business/Agriculture-Natural-Resources-and-Industry/Oil-and-Gas/Accelerated-Site-Closure-Program.