

Industry Tip

Submission Penalties for Corporate Health Test and Inactive Liability Reduction Program

Date	Module/Application/Functionality	Notes
July 31, 2023	Corporate Health Test and Inactive Liability Reduction	<i>Choose an item.</i>

Background

The *Financial Security and Site Closure Regulations (FSSCR)* enable the Ministry to assess non-compliance penalties for unfulfilled corporate financial data and Inactive Liability Reduction Program (ILRP) expenditure data submission obligations. Part 9, Table 2 of the *FSSCR* indicates all information required to be submitted pursuant to Directive PNG025: Financial Security Requirements may be subject to a penalty of \$100 per day for each submission that is not submitted by the required date to a maximum of \$20,000.

PNG025 Financial Security Requirements outlines the time frame for submission of the following: (1) the due date for Corporate Financial Information submission is June 30th of each year, and (2) the due date for ILRP expenditures towards Annual Reduction Target (ART) submission is 90 calendar days following the program year end.

Non-Compliance Penalties for IRIS FSSCR Submission Obligations

The following chart outlines the IRIS FSSCR submission obligations that have non-compliance penalties.

Obligation Code	Short Description	Long Description	Due Date	Non-Compliance Fee	Assessment
CHT1105	Submit Financial Information	Submit Corporate Financial Information to meet requirement	June 30	\$100	Daily – until maximum of \$20,000 is reached for the obligation
ILRP1100	Submit expenditure report	Submit expenditure report to meet Annual	March 30	\$100	Daily – until maximum of \$20,000 is reached for the obligation

		Reduction Target (ART)			
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Non-Compliance Shadow Billing Invoicing

Shadow Billings will return all Active Non-compliance Errors that are currently being Shadow Billed. A shadow billed invoice will be sent to the licensee but does not require payment (as stated on top of the invoice. The shadow billed invoice serves as a warning to fulfill the obligations on time.

Sample shadow-bill summary invoice

This invoice shows an obligation that was due on February 8, 2023. The obligation has not been met as of February 28, 2023 for a total of 20 days past due (20 days x \$100 = \$2,000). The detailed invoice shows how many days per month the obligation was past due.

		MINISTRY OF ENERGY AND RESOURCES 610 - 1945 HAMILTON STREET REGINA Saskatchewan S4P 2C7				Invoice No: S198488 Date: 2023-05-25 GST No: R107864258		
DO NOT PAY THIS INVOICE								
Non-Compliance Invoice						Total Payable : \$ 4,000.00		
Item Number	Non-Compliance Type	Non-Compliance Identifier	Identifier Type	Identifier	Obligation Code	Obligation Message	Days Non-Compliant	Net Penalty Assessed (\$)
1	Obligation	704182	Corporate Health		CHT1105	Submit Corporate Financial information to meet requirement	20	2,000.00
2	Obligation	704183	Inactive Liability Reduction		ILRP1100	Submit expenditure report to meet Annual Reduction Target (ART)	20	2,000.00

Sample shadow-bill detailed invoice

		MINISTRY OF ENERGY AND RESOURCES 610 - 1945 HAMILTON STREET REGINA Saskatchewan S4P 2C7			Business Associate ID: Business Associate Name: Invoice Number: S198488			Report: IRIS Non-Compliance Invoice Detail Date: 2023-05-25 Invoice Inquiries: EP.SERVICEDESK@GOV.SK.CA or 1-855-219-9373							
DO NOT PAY THIS INVOICE															
Item Number	Non-Compliance Type	Non-Compliance Identifier	Identifier Type	Identifier	Obligation Code	Obligation Message	Due Date	Fulfillment Date	Calculation From Date	Calculation To Date	Days Non-Compliant	Penalty Amount (\$)	Current Calculation (\$)	Previous Calculation (\$)	Net Penalty Assessed (\$)
1	Obligation	704182	BA Information Submission		CHT1105	Submit Corporate Financial information to meet requirement.	2023-02-08		2023-02-09	2023-02-28	20	100.00	2,000.00		2,000.00
2	Obligation	704183	BA Information Submission		ILRP1100	Submit expenditure report to meet Annual Reduction Target (ART)	2023-02-08		2023-02-09	2023-02-28	20	100.00	2,000.00		2,000.00

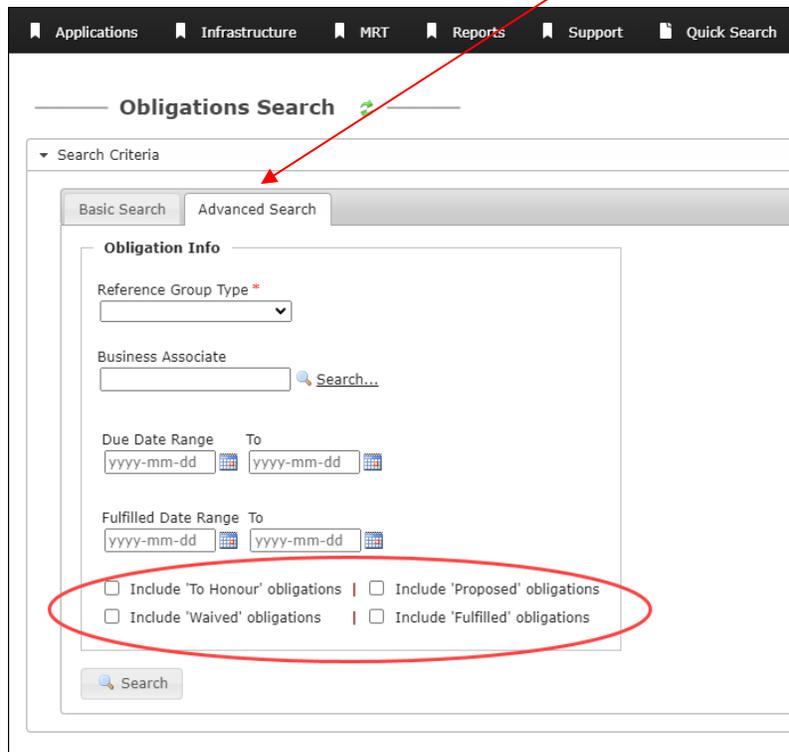
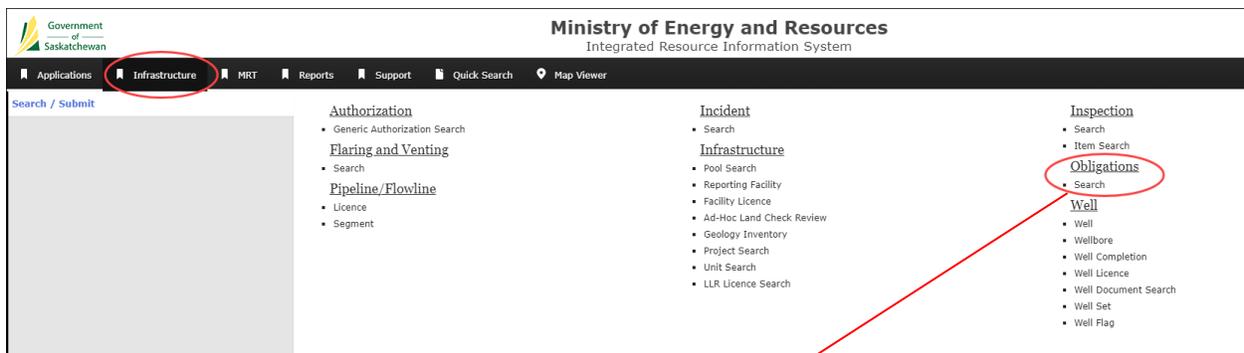
Any errors that have been 'fulfilled' within the Shadow Billing Period will NOT be billed, but any 'unfulfilled' errors that have been identified during the Shadow Billing period will be billed when the

Actual Billing period starts right after the Shadow Billing period. They will be billed for the total number of days they were non-compliant, including the number of days during the Shadow Billing period.

Tools Available to Manage Obligations and Avoid Non-Compliance Penalties

The following tools are available in IRIS to assist industry in managing their obligations to avoid non-compliance penalties:

- Obligations search functionality in IRIS: Industry users with appropriate permissions search their organization's 'To Honour', 'Waived', 'Proposed', 'Fulfilled' and 'Overdue' obligations using the advanced search capability under the 'Infrastructure' tab in IRIS:



- **Obligations report:** Industry users with the appropriate permissions can generate a report through IRIS that identifies all the organization's obligations as well as their status.

Government of Saskatchewan
Ministry of Energy and Resources
 Integrated Resource Information System

Tenure Applications Infrastructure MRT **Reports** Security Reports Support Quick Search Map Viewer

Facility

- Facility Licence Inventory

 Emissions

- Emissions Report

 Inspections

- Inspections

 Well

- Royalty Tax Attributes By Payer BA Id and Month

 Wellbore Completion

- Infrastructure Wellbore Completion ARP
- Allowable Rate of Production - Cumulative Overproduction Report

 Unit

- Unit Details

 Royalty Credit

- Royalty Credit Project
- Ledger Transaction

 Obligations

- IRIS Non Compliance Detail
- Unfulfilled Obligations**

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Unfulfilled Obligations

BA ID: 12345 - Company A

Reference Group Type:

- Emissions
- Facility
- Pipeline Infrastructure
- Project
- Reporting Facility
- Well Infrastructure
- Licensee Liability Rating**
- Incident

 Select 'Licensee Liability Rating' to view obligations related to FSSCR

Obligation Type: [Dropdown]

Status: Overdue Only

View Report

Government of Saskatchewan

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Tenure Applications Infrastructure MRT Reports Security Reports Support

Unfulfilled Obligations

BA ID: 12345 - Company A

Reference Group Type:

- Emissions
- Facility
- Pipeline Infrastructure
- Project
- Reporting Facility
- Well Infrastructure
- Licensee Liability Rating
- Incident

 The two annual obligations: (1) Submit expenditure report (ILRP) (2) Submit Financial Information (CHT)

Obligation Type:

- Amend expenditure report (Inactive Liability Reduction)
- Amend Financial Information (Corporate Health)
- ILRP Compliance Milestone (Inactive Liability Reduction)
- Submit expenditure report (Inactive Liability Reduction)**
- Submit Financial Information (Corporate Health)
- Submit ILRP Compliance Plan (Inactive Liability Reduction)

Status: [Dropdown]

View Report

Build: 9.8.0.23177 Environment:

- Non-compliance sweep report: The data within the report will be refreshed three times a day (5 AM, 12 Noon and 5 PM) and will enable industry to view and fulfill any outstanding obligations to mitigate the financial impact of penalties (reduce the number of days penalties are assessed by fulfilling the obligation). It's important to note that the sweep only reflects changes and updates as of the previous data refresh. If a user fulfills outstanding obligations at 10 AM they won't be reflected in the sweep until 12 Noon, the next scheduled data refresh.

Non-Compliance Detail For the most recent Actual run which took place on 2023-06-30 03:06:06 Run Date (YYYY-MM-DD): 2023-07-12 Run Time: 04:03:56 PM

BA ID	BA ID Name	Non-Compliance Type	Non-Compliance Identifier	Attached To	Identifier Type	Identifier	Obligation Code	Obligation Message	Due Date	Fulfilled Date	Days Non-Compliant	Cancel Type
12345	COMPANY A	IRIS Obligation	690341	BA Information Submission	Corporate Health	12345	CHT1105	Submit Corporate Financial information to meet requirement	2023-03-31		91	
12345	COMPANY A	IRIS Obligation	690585	BA Information Submission	Corporate Health	12345	CHT1105	Submit Corporate Financial information to meet requirement	2023-04-01		90	
12345	COMPANY A	IRIS Obligation	690829	BA Information Submission	Corporate Health	12345	CHT1105	Submit Corporate Financial information to meet requirement	2023-04-02		89	
12345	COMPANY A	IRIS Obligation	691073	BA Information Submission	Corporate Health	12345	CHT1105	Submit Corporate Financial information to meet requirement	2023-04-03		88	
12345	COMPANY A	IRIS Obligation	691317	BA Information Submission	Corporate Health	12345	CHT1105	Submit Corporate Financial information to meet requirement	2023-06-30		0	

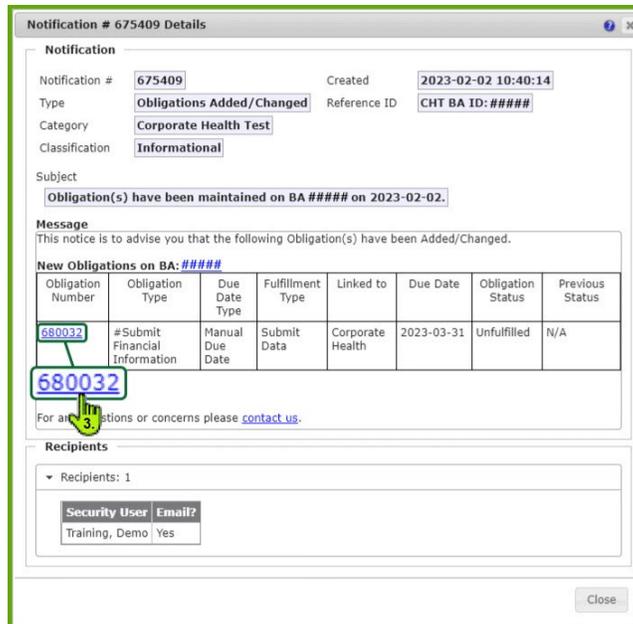
Fulfillment Process

There are two ways to fulfill the Corporate Health obligations:

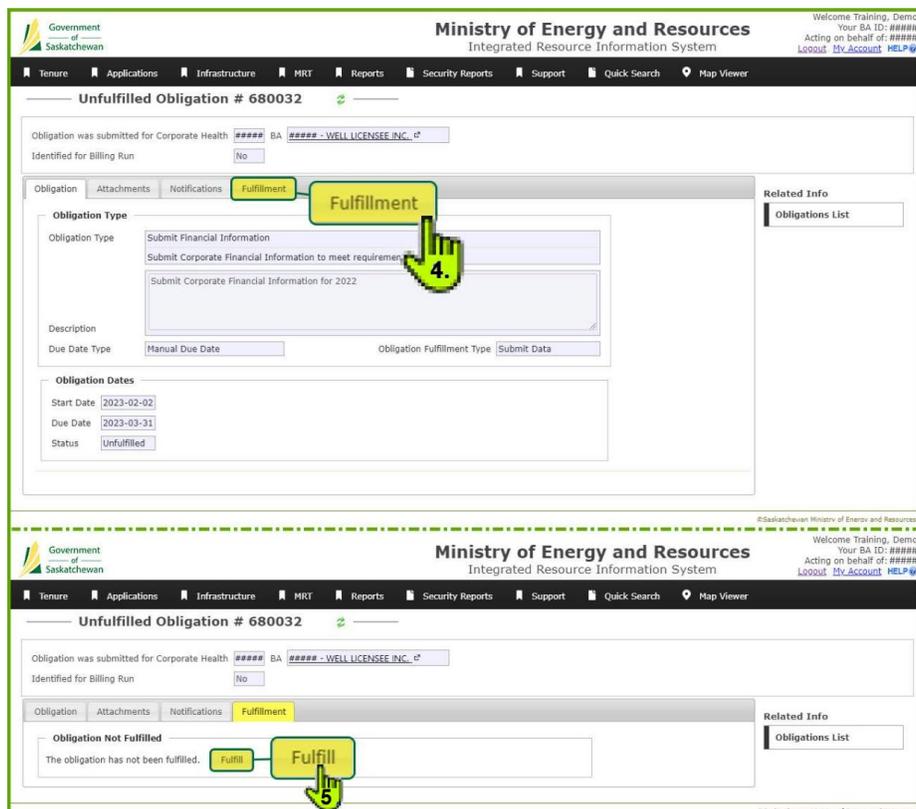
I. Responding to Notification of an Obligation:

The image shows two screenshots of the Ministry of Energy and Resources Integrated Resource Information System. The top screenshot displays the 'Business Associate Search' page. A hand cursor labeled '1' points to the 'NOTIFICATIONS' link in the top right corner. The bottom screenshot displays the 'Notification Search' page, showing a table with one result. A hand cursor labeled '2' points to the 'View' link in the 'Detail' column of the table.

- (1) Click on the **NOTIFICATIONS** link, the Notification Search will open.
- (2) Under Detail, click on the **View** hyperlink for the obligation.



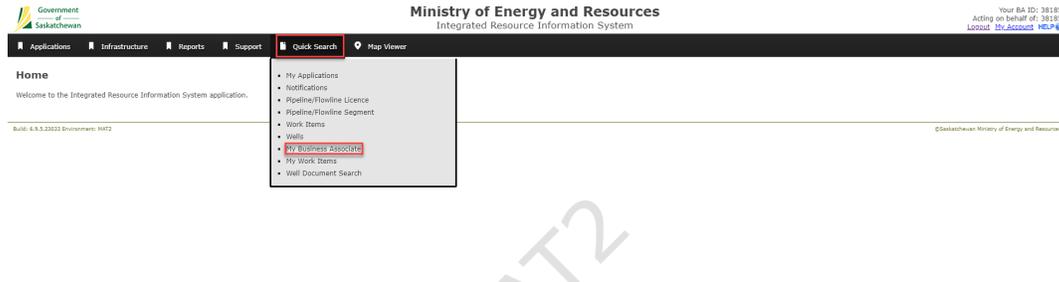
(3) Click on the **Obligation Number** hyperlink and the Obligation screen will open.



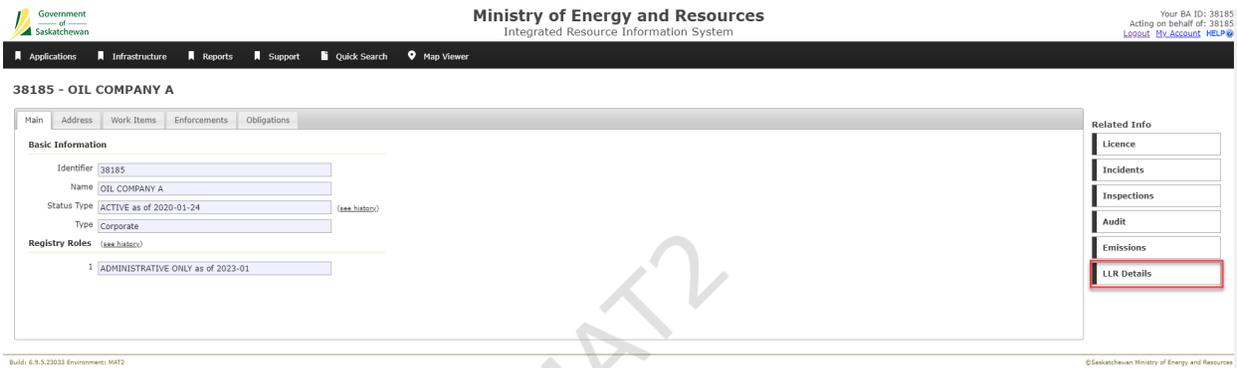
(4) Click on the **Fulfillment** tab, this will open the Fulfillment screen.

(5) Click on the **Fulfill** button. This will take you to the CHT tab, where you click on Submit Corporate Health Report to upload the appropriate files.

II. Submission through Business Associate LLR Details screen:



(1) Click on **Quick Search** and **My Business Associate**.



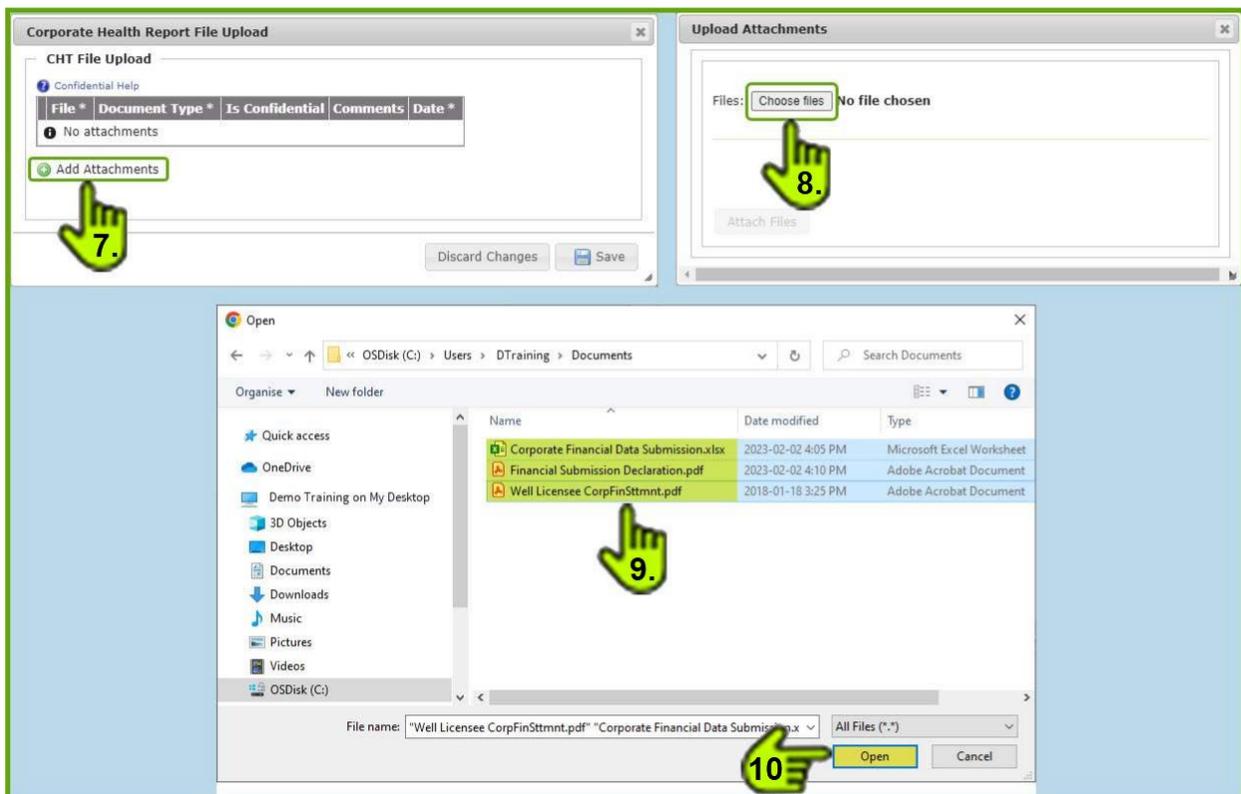
(2) Click on **LLR Details** on the right side.



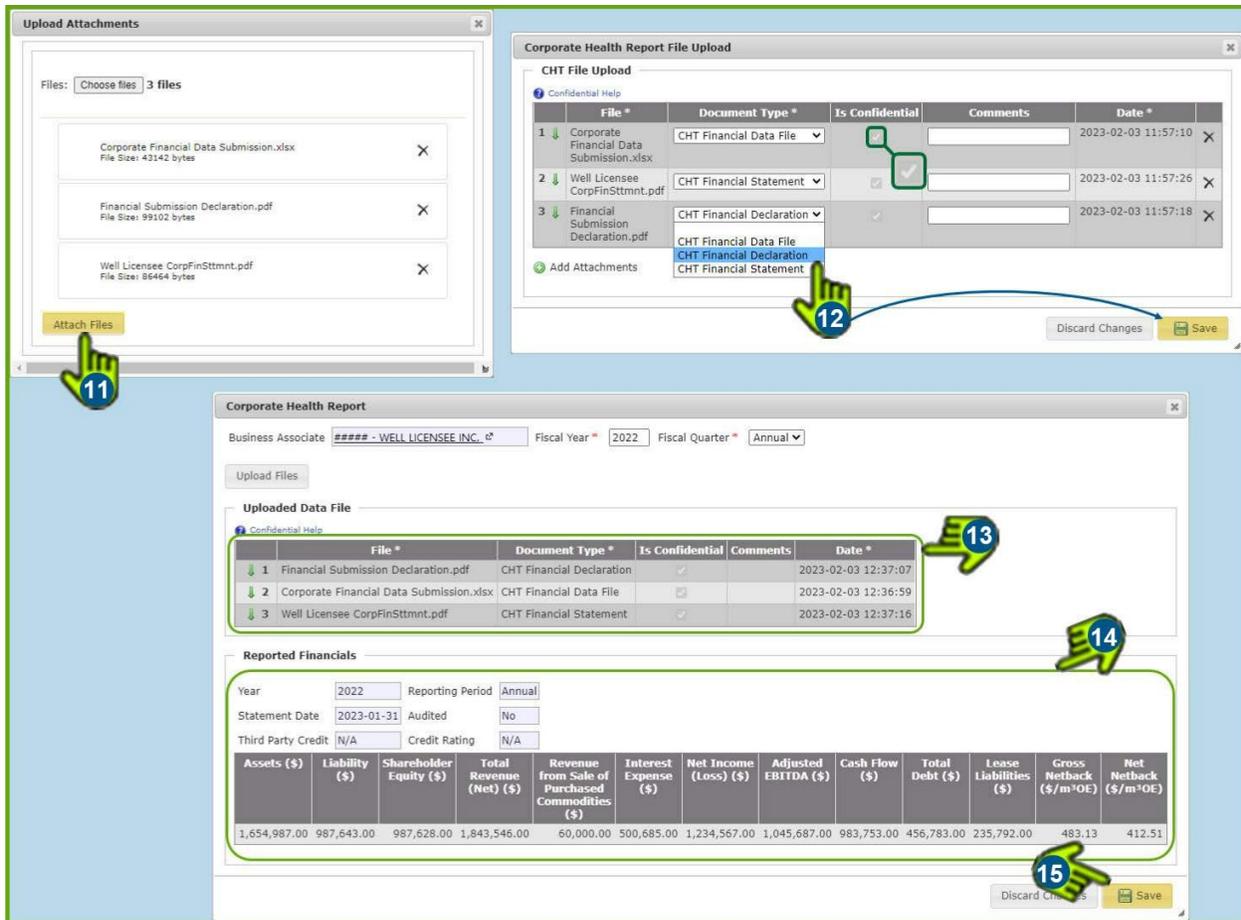
(3) Click on **Submit Corporate Health Report**.



- (4) Enter the Fiscal Year for the report financial submission.
- (5) Select the application Fiscal Quarter (must match the spreadsheet being submitted).
- (6) Click **Upload Files**.



- (7) Click on the **Add Attachments** hyperlink.
- (8) Click **Choose Files** in the Upload Attachments window.
- (9) Select the requirements documents (Corporate Financial Submission spreadsheet, Declaration form and/or annual corporate financial statement).
- (10) Click the **Open** button.



- (11) Click on **Attach Files** button.
- (12) After upload, the Corporate Health Report File Upload pop-up will have a list of the documents. You will be required to select a **Document Type** for each document listed.
 - *Corporate Financial Data spreadsheet* = **CHT Financial Data File**
 - *Financial Submission Declaration* = **CHT Financial Declaration**
 - *PDF of audited or management-prepared financial statement* = **CHT Financial Statement**
 Click on the **Save** button.
- (13) The Corporate Health Report pop-up will now be populated with the list of uploaded documents.
- (14) The financial information derived from the uploaded spreadsheet will be listed as Reported Financials.
- (15) If all looks acceptable, click on the **Save** button. If you need to start again, click on Discard Changes.

There are three ways to fulfill the Inactive Liability Reduction Program (ILRP) obligations:

- I. **Responding to Notification of an Obligation:** the exact same process as mentioned above for Corporate Health but will take the user to the ILRP tab. Click on the Report Expenditure hyperlink to upload appropriate ILRP files.

Government of Saskatchewan
Ministry of Energy and Resources
Integrated Resource Information System

Welcome Training, Demo
Your BA ID: #####
Acting on behalf of: #####
Logout My Account HELP

Tenure Applications Infrastructure MRT Reports Security Reports Support Quick Search Map Viewer

Business Associate: ##### - WELL LICENSEE INC.

Main Inactive Liability Reduction Corporate Health Test

Related Info
Obligations List

Inactive Liability Reduction Program Summary

Current year ART (\$)	21,281.40
Cumulative ART (\$)	54,723.60
Cumulative Expenditures (\$)	0.00
Cumulative Security Used towards ART (\$)	0.00
Carryover (\$)	(54,723.60)
ILRP Security Paid (\$)	0.00
ILRP Security Balance (\$)	0.00
Security Adjusted Carryover (\$)	(54,723.60)

Inactive Liability Reduction Program Detail

Year	Annual Reduction Target (\$)	Cumulative ART (\$)	Reported Expenditures (\$)	Cumulative Expenditures (\$)	Carryover Used (\$)	Security Used Towards ART (\$)	ILRP Security Paid (\$)	ILRP Security Balance (\$)	Carryover (\$)	Security Paid Carryover (\$)	Actions
2025	21,281.40	54,723.60	0.00	0.00	0.00	0.00	0.00	0.00	(54,723.60)	(54,723.60)	Report Expenditure View Expenditure
2024	18,241.20	33,442.20	0.00	0.00	0.00	0.00	0.00	0.00	(33,442.20)	(33,442.20)	Report Expenditure View Expenditure
2023	15,201.00	15,201.00	0.00	0.00	0.00	0.00	0.00	0.00	(15,201.00)	(15,201.00)	Report Expenditure View Expenditure

II. Access through Obligations List

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2024	18,241.20	33,442.20	0.00	0.00	0.00	0.00	0.00	0.00	(33,442.20)	(33,442.20)	Report Expenditure View Expenditure
2023	15,201.00	15,201.00	0.00	0.00	0.00	0.00	0.00	0.00	(15,201.00)	(15,201.00)	Report Expenditure View Expenditure

Related Info
Obligations List

Government of Saskatchewan
Ministry of Energy and Resources
Integrated Resource Information System

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- WELL LICENSEE INC.

Main Address Work Items Power Of Attorney Authorized Organizations Enforcements **Obligations**

Include Waived Obligations with Inactive Codes

MINISTRY OF ENERGY AND RESOURCES

Detail	Component Type	Identifier	Proposed	Unfulfilled	Fulfilled	Waived	N/A	Over Due
Corporate Health		36415	-	1	1	-	-	-
Inactive Liability Reduction		36415	-	3	-	-	-	-

To Fulfill

Obligation	Status	Due Date	Due Date Type	Fulfilled Date	Obligation Type	Actions
680262	Unfulfilled	2023-03-31	Manual Due Date	-	Submit expenditure report	Actions Attachments
680210	Unfulfilled	2024-03-31	Manual Due Date	-	Submit expenditure report	
678546	Unfulfilled	2025-03-31	Manual Due Date	-	Submit expenditure report	

Related Info
Licence
Incidents
Inspections
Audit
Emissions
LLR Details

- (1) Click on the **Obligations List** button.
- (2) Click on the icon under Actions to open the obligation. The Fulfillment tab can be found on this page. Once the Fulfill button is clicked, the ILRP screen will appear where the user can click Report Expenditures.

III. Submission through Business Associate LLR Details

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Ministry of Energy and Resources
Integrated Resource Information System

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Acting on behalf of: #####
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Tenure Applications Infrastructure MRT Reports Security Reports Support **Quick Search** Map Viewer

Home
Welcome to the Integrated Resource Information System application.

My Business Associate

- Dispositions
- My Applications
- Notifications
- Pipeline/Flowline Licence
- Pipeline/Flowline Segment
- Work Items
- Wells
- My Business Associate**
- My Work Items
- Well Document Search

- (1) Click **Quick Search** section of the navigation bar and select **My Business Associate**.

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Ministry of Energy and Resources
Integrated Resource Information System

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Acting on behalf of: #####
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Tenure Applications Infrastructure MRT Reports Security Reports Support Quick Search Map Viewer

- WELL LICENSEE INC.

Main Address Work Items Power Of Attorney Authorized Organizations Enforcements Obligations

Basic Information

Identifier: #####
Name: WELL LICENSEE INC.
Status Type: ACTIVE as of 2015-11-19 (see history)
Type: Corporate
Registry Roles (see history):
1 LICENSEE as of 2015-11
2 FACILITY OPERATOR as of 2015-11
3 HISTORICAL ONLY as of 2012-03

LLR Details

Related Info

- Licence
- Incidents
- Inspections
- Audit
- Emissions
- LLR Details

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(2) Click on **LLR Details** on the right side of the Business Associate screen.

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Acting on behalf of: #####
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Tenure Applications Infrastructure MRT Reports Security Reports Support Quick Search Map Viewer

Business Associate: #### - WELL LICENSEE INC.,

Main Inactive Liability Reduction Corporate Health Test

Inactive Liability Reduction Program Summary

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ILRP Security Paid (\$) 0.00
ILRP Security Balance (\$) 0.00
Security Adjusted Carryover (\$) (54,723.60)

Inactive Liability Reduction Program Detail

Year	Annual Reduction Target (\$)	Cumulative ART (\$)	Reported Expenditures (\$)	Cumulative Expenditures (\$)	Carryover Used (\$)	Security Used Towards ART (\$)	ILRP Security Paid (\$)	ILRP Security Balance (\$)	Carryover (\$)	Security Paid Carryover (\$)	Actions
2025	21,281.40	54,723.60	0.00	0.00	0.00	0.00	0.00	0.00	(54,723.60)	(54,723.60)	Report Expenditure View Expenditure
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2023	15,201.00	15,201.00	0.00	0.00	0.00	0.00	0.00	0.00	(15,201.00)	(15,201.00)	Report Expenditure View Expenditure

Report Expenditure

Related Info

- Obligations List

3

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(3) Click on the **Report Expenditure** to upload ILRP files

Questions ? ER Service Desk Phone: 1-855-219-9373 Email: ER.ServiceDesk@gov.sk.ca