

Annual Report

2024-25

Ministry of Energy and Resources

Letters of Transmittal



The Honourable
Colleen Young
Minister of Energy and
Resources

Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for the Ministry of Energy and Resources for the fiscal year ending March 31, 2025.

A handwritten signature in blue ink that reads "Colleen L. Young". The signature is fluid and cursive.

Colleen Young
Minister of Energy and Resources



Blair Wagar
Deputy Minister of
Energy and Resources

The Honourable Colleen Young
Minister of Energy and Resources

Dear Minister:

I have the honour of submitting the Annual Report of the Ministry of Energy and Resources for the fiscal year ending March 31, 2025.

A handwritten signature in blue ink that reads "Blair Wagar". The signature is cursive and stylized.

Blair Wagar
Deputy Minister of Energy and Resources.

Ministry of Energy and Resources Overview

Mandate Statement

The Ministry of Energy and Resources develops, coordinates and implements policies and programs to promote the growth and responsible development of Saskatchewan's natural resource industries. The Ministry of Energy and Resources operates as the primary regulatory authority for the oil and gas industry and ensures competitive royalty systems, regulations and policies for all natural resource sectors. The ministry also plays an important role in promoting Saskatchewan's diverse resource potential to investors around the world.

Mission Statement

To advance responsible resource development.

Vision Statement

Saskatchewan is the best place in Canada to develop natural resources.

Core Lines of Business

The Ministry of Energy and Resources is made up of two primary lines of business:

- To explore and develop Saskatchewan's natural resources; and,
- To regulate the lifecycle activities related to the responsible development of Saskatchewan's natural resources.

The ministry's employees provide services and programs through its main office in Regina and regional offices across the province.

In 2024-25, the ministry's actual full-time equivalent (FTE) utilization was 298.9.

The Minister of Energy and Resources is responsible for the following Acts and Regulations

The Crown Minerals Act

- *The Alkali Mining Regulations*
- *The Bayhurst Viking Voluntary Gas Unit Regulations*
- *The Coal Disposition Regulations, 1988*
- *The Crown Mineral Royalty Regulations*
- *The Crown Oil and Gas Royalty Regulations, 2012*
- *The High Water-Cut Oil Well Program Regulations*
- *The Late Payment Interest Charges Regulations*
- *The Mineral Tenure Registry Regulations*
- *The Mineral Trust Revestiture Regulations*
- *The Multi-lateral Oil Well Program Regulations*
- *The Oil and Gas Tenure Registry Regulations*
- *The Quarrying Regulations, 1957*
- *The Subsurface Mineral Royalty Regulations, 2017*
- *The Subsurface Mineral Tenure Regulations*
- *The Tailings Disposal Area Regulations*
- *The Totnes Viking Gas Storage Royalty Regulations*
- *The Waterflood Development Program Regulations*
- *The Weyburn Unit CO₂ Crown Oil Royalty Regulations*

The Economic and Co-operative Development Act

But only with respect to clause 8(a) which is jointly assigned to the Minister of Energy and Resources, the Minister of Trade and Export Development, the Minister of Immigration and Career Training, the Minister of Agriculture, the Minister of Parks, Culture and Sport and the Minister Responsible for Tourism Saskatchewan.

The Energy and Mines Act

- *The Targeted Mineral Exploration Incentive Regulations*

The Ethanol Fuel Act

- *The Ethanol Fuel (General) Regulations*

The Financial Administration Act, 1993

But only with respect to Section 24, which is jointly assigned to the Minister of Energy and Resources and the Minister of Finance as it relates to:

- *The Critical Minerals Processing Investment Regulations*
- *The Oil and Gas Processing Investment Incentive Regulations*
- *The Oil Infrastructure Investment Program Regulations*
- *The Petroleum Innovation Incentive Regulations*
- *The Petroleum Research Incentive Regulations*
- *The Saskatchewan Critical Minerals Innovation Incentive Regulations*

The Forest Resources Management Act

But only with respect to Sections 5, 6 and 7 which are jointly assigned to the Minister of Energy and Resources and the Minister of Environment.

The Freehold Oil and Gas Production Tax Act, 2010

- *The Freehold Oil and Gas Production Tax Regulations*
- *The Recovered Crude Oil Tax Regulations*
- *The Totnes Viking Gas Storage Freehold Production Tax Regulations*
- *The Weyburn Unit CO₂ Freehold Oil Production Tax Regulations*

The Mineral Resources Act, 1985

- *The Mineral Exploration Tax Credit Regulations, 2014*
- *The Mineral Parcel Accretion Regulations*
- *The Seismic Exploration Regulations, 1999*
- *The Subsurface Mineral Conservation Regulations*

The Mineral Taxation Act, 1983

- *The Freehold Coal Production Tax Regulations*
- *The Mineral Rights Tax Regulations, 2022*
- *The Mineral Taxation Late Payment Interest Charges Regulations*
- *The Potash Production Tax Regulations*
- *The Sodium Chloride Production Tax Regulations*

The Oil and Gas Conservation Act

- *The Financial Security and Site Closure Regulations*
- *The Oil and Gas Conservation Regulations, 2012*
- *The Oil and Gas Emissions Management Regulations*
- *The Petroleum Registry and Electronic Documents Regulations*

The Pipelines Act, 1998

- *The Pipelines Administration and Licensing Regulations*

The Reclaimed Industrial Sites Act

- *The Reclaimed Industrial Sites Regulations*

The Renewable Diesel Act

- *The Renewable Diesel Regulations*

The Surface Rights Acquisition and Compensation Act

- *The Surface Rights Acquisition and Compensation Regulations*

The Ministry of Energy and Resources 2024-25 Business Plan:

<https://publications.saskatchewan.ca/api/v1/products/123244/formats/143335/download>

Progress on Goal 1: Grow Natural Resource Exploration and Development

Growth in resource development is a key component in *Saskatchewan's Growth Plan: The Next Decade of Growth, 2020-2030*. As outlined in the Growth Plan, Saskatchewan's natural resource industries are instrumental to the province's overall economic growth. The oil and gas industry is the largest sector of Saskatchewan's economy and will continue to meet worldwide energy demands for decades to come. Saskatchewan is also a global leader in the uranium and potash markets, an emerging producer of helium and lithium and has occurrences of at least 23 of the 31 minerals identified in Canada's critical minerals list. In addition, forestry is northern Saskatchewan's second largest industry and is a significant contributor to the province's economy. Sustainable and responsible growth in Saskatchewan's natural resource industries is a key priority for the Ministry of Energy and Resources.

Strategy: *The approach we took to achieve our goal*

Analyze and enhance competitiveness

Key Actions: *What we did to get there*

- Work collectively with industry stakeholders to address competitiveness barriers to the growth of the forestry sector in Saskatchewan.
 - The ministry actively participated in the Forestry Sector Competitiveness Committee meetings held in 2024-25, making progress on priority issues such as key highway improvements supporting the sector and development of new standardized timber harvesting licenses. The new standardized timber harvesting licenses are an improvement from the previous licenses, providing greater clarity, consistency, certainty and enhanced benefits to industry and government.
- Develop a new multilateral well drilling incentive program to drive incremental oil production.
 - In April 2024 the Government of Saskatchewan introduced the Multi-lateral Oil Well Program (MLWP), which brought renewed interest to Saskatchewan's oil industry. In 2024-25, there were 103 approved multi-lateral well applications, including six appraisal well applications that test the drilling technology in a new area. Total production for multi-lateral wells in 2024 reached 31,300 barrels per day (bpd), up 6,000 bpd since program inception.
 - The new program creates a competitive royalty regime to encourage the drilling of multi-lateral horizontal oil wells. These wells can increase access to oil that would otherwise be left in the ground and improve the sustainability of oil production by reducing the surface footprint and, in many cases, water usage.
- Extend and expand the Oil and Gas Processing Investment Incentive and the Saskatchewan Petroleum Innovation Incentive to continue to support key investments in the oil and gas sector and to support the Critical Mineral Strategy.
 - The five-year extension of the Oil and Gas Processing Investment Incentive (OGPII) and the Saskatchewan Petroleum Innovation Incentive (SPII) to March 31, 2029, was approved in the 2024-25 Budget. SPII and OGPII are two of the province's flagship oil and gas investment incentive programs and served as

the framework for the development of two new critical minerals incentive programs: the Critical Minerals Processing Investment Incentive (CMPII) and the Saskatchewan Critical Minerals Innovation Incentive (SCMII).

- CMPII and SCMII mirror OGPPII and SPII to support value-added processing projects and commercial innovation projects for 11 emerging critical minerals (helium, lithium, rare earth elements, copper, zinc, magnesium, nickel, gallium, aluminum, cobalt and graphite). Together, they are expected to accelerate progress towards Saskatchewan's Critical Minerals Strategy goals of doubling the number of critical minerals produced in the province and establishing Saskatchewan as a rare earth element hub.
- Engage with industry stakeholders to understand program or policy needs to support increased oil production at lower carbon intensity.
 - The ministry actively collaborated with industry partners on ways to increase oil production in the province. Consultations resulted in the development of a new drilling program targeted at low producing, suspended or inactive horizontal wells. The Low Productivity and Reactivation Oil Well Program was announced in the 2025-26 Budget.
- Expand modelling capacity to analyze the impacts of federal climate change policies on Saskatchewan and assess policy responses to protect competitiveness.
 - At the request of the Saskatchewan Economic Impact Assessment Tribunal (the Tribunal), the ministry supported an assessment of the impacts of the proposed federal oil and gas emissions cap and the federal draft *Enhanced Oil and Gas Methane Regulations* (Methane 75) on Saskatchewan's economy. The Tribunal's findings aligned with a growing body of research from respected organizations that the two policies would negatively impact oil and gas production, employment and Gross Domestic Product (GDP), both at the provincial and national levels.
 - Worked with Navius Research Incorporated, as part of a government-wide effort, to build Saskatchewan's oil and gas sector into their model to improve modelling capacity and outcomes.
 - Contracted Process Ecology to conduct a study of methane abatement opportunities and costs in Saskatchewan to better position the province to respond to federal policy on methane emissions.
- Explore opportunities to increase and enhance Indigenous engagement and participation in the natural resources sector.
 - In partnership with the Saskatchewan Research Council (SRC), the ministry sustained strong collaboration with Indigenous communities through the Cleanup of Abandoned Northern Sites (CLEANS) project. In 2024-25, SRC and its contractors achieved key targets, including 48 per cent Indigenous workforce participation in the Athabasca Basin region, 91 per cent use of locally sourced heavy equipment and 51 per cent of total project spending within the region.
 - The ministry conducted engagement with northern Indigenous communities and organizations for the ongoing review of the Institutional Control Program (ICP). The ICP implements the process for the long-term management of decommissioned mine and mill sites on provincial Crown lands.
- Advance Saskatchewan's interests and protect Saskatchewan's jurisdiction over natural resource development in engagements with the federal government.
 - Critical minerals continued to be a key topic of discussions and engagement with the federal government. The ministry participated in the 2024 review of the Canadian Critical Minerals List, which added three new minerals: high-purity

iron, phosphorus and silicon metal. This brought the total number of critical minerals on Canada's List to 34, of which 27 have confirmed occurrences in Saskatchewan.

- Engagement with Natural Resources Canada on the initial call for proposals for the Critical Minerals Infrastructure Fund (CMIF). The federal program aims to provide up to \$1.5 billion (B) in funding to support clean energy and transportation infrastructure projects that enable the sustainable development and expansion of critical minerals in Canada.
- Participation in the 2024 Energy and Mines Ministers' Conference resulting in a collective front by federal, territorial and provincial ministers to respect government jurisdiction, and remain committed to working with Indigenous partners, industry and stakeholders to promote the economic opportunities in energy and natural resource development and continue to build a sustainable future across the country.
- The ministry also collaborated with the Ministry of Trade and Export Development to promote Saskatchewan's critical minerals opportunities through Global Affairs Canada and Invest in Canada.

Strategy: *The approach we took to achieve our goal*

Create a policy environment that advances the innovative development and diversification of the natural resource sector.

Key Actions: *What we did to get there*

- Advance Saskatchewan's priorities for carbon capture utilization and storage (CCUS) and clarify regulations to support investment and provide certainty around pore space ownership, access and utilization for carbon dioxide storage and Enhanced Oil Recovery (EOR).
 - The Government of Saskatchewan committed to support CCUS investment in the province through the 2021 release of key priorities that recognize the important role carbon dioxide (CO₂)-EOR plays in Saskatchewan's oil output, while reducing greenhouse gas (GHG) emissions. The ministry continued to advance discussions on key decisions tied to the 2021 CCUS priorities in 2024-25 with a goal to make Saskatchewan an attractive place to invest in CCUS.
 - In 2024-25, the ministry continued its advocacy with the federal government to allow CO₂ EOR as an eligible use of captured CO₂ under the federal CCUS Investment Tax Credit, which would improve economics of deploying carbon capture and increase production of low emissions oil.
- Assess co-development opportunities to advance sustainable natural resource extraction in Saskatchewan.
 - The ministry reviewed its policies and identified the need for a framework to guide co-development opportunities in sustainable resource extraction. Development of this framework will support continued investment and decision-making by considering factors such as geology, engineering, interest holder rights, conservation and the regulatory environment.
- Design and implement updates to Saskatchewan's Subsurface Brine Minerals Development Framework.
 - Industry projects for the future production of lithium from subsurface brines continued to advance in Saskatchewan. The ministry conducted consultations

with sector stakeholders for the development of the SCMI and CMPI programs, which were implemented in August 2024.

- Regulatory changes are being proposed to introduce a stable and competitive royalty system for the production and sale of minerals from subsurface brines.

Strategy: *The approach we took to achieve our goal*

Attract investment through accessible, high-calibre data, geoscience information and effective stakeholder engagement.

Key Actions: *What we did to get there*

- Release emerging geoscience information on research activities to support mineral and petroleum exploration.
 - The ministry released the results of geoscience investigations, including:
 - Bedrock and surficial field programs conducted in northern Saskatchewan, including geological maps and technical reports to ensure industry continues to have access to relevant geoscience information.
 - Core logging and sampling studies in southern Saskatchewan to advance knowledge of potential for petroleum and mineral resources (e.g. lithium, helium, potash).
- Advance new public geoscience initiatives that support exploration for critical minerals.
 - The Government of Saskatchewan announced \$10 million (M) investment over ten years into the Public Geoscience Initiative (PGI). The PGI supports the goals of Saskatchewan's Critical Minerals Strategy and is a key tool in driving mineral exploration activities and reducing investment risk in the province.
 - In 2024-25, \$250,000 of PGI funding was used to initiate new geoscience programs throughout the province to advance knowledge of the potential for lithium, rare earth elements, nickel, copper, zinc, uranium and other critical minerals.
- Advance development of a comprehensive geoscience data management system to improve access to high-quality data for stakeholders.
 - The Geoscience Data Management Project received \$1.6M in capital funding in 2024-25 to continue the development of an integrated system for the collection, management and distribution of Saskatchewan's public geoscience data. Implementation has been delayed to 2025-26 and will include loading data, soliciting feedback from stakeholders and undertaking internal and external training.
- Geologically assess EOR potential of Saskatchewan's oil reservoirs.
 - A report is under development detailing the EOR potential of heavy oil resources in west-central and northwestern Saskatchewan.
 - The ministry is conducting an assessment of potential for EOR in depleted oil pools in southeastern Saskatchewan.
- Promote and support Saskatchewan's competitive natural resource investment position through a growing presence at industry events, increased direct stakeholder engagement, targeted marketing and establishing and strengthening international partnerships.
 - The ministry hosted the Saskatchewan Geological Open House in December 2024 in Saskatoon and attended several other annual events,

including: North American Prospect Expo Summit, Williston Basin Petroleum Conference, Lloydminster Heavy Oil Show, GeoConvention, LaRonge Core Days, AME Round-Up and Prospectors and Developers Association of Canada convention.

- Saskatchewan's Premier, Energy and Resources Minister and ministry officials led a mission to CERAWeek 2025 in Houston. This major annual energy conference provided an opportunity to reinforce the province's reputation as a stable and reliable partner in energy, responsible resource development and sustainability with investors and industry leaders from across the world.
- Engaged with the Ministry of Trade and Export Development's international offices to promote opportunities in Saskatchewan's critical minerals sector in international markets and to leverage support offered through international critical minerals-focused government programs.

Performance Measure Results:

Saskatchewan Forest Products Sales

- Increase the value of Saskatchewan forest products sales to \$2.2B by 2030, with an annual value of Saskatchewan forest product sales of \$1.3B in 2024-25.
 - In the 2024 calendar year, the value of the Saskatchewan's forest product sales was \$1.2B.

Saskatchewan Potash Sales

- Maintain an annual value of Saskatchewan potash sales of \$9B in 2024-25, as the Growth Plan goal to increase annual sales to \$9B by 2030 was achieved in 2022-23.
 - In 2024-25, the value of Saskatchewan's potash sales was \$7.8B

Saskatchewan Uranium Sales

- Increase the value of uranium sales to \$2B in 2024-25, meeting the Growth Plan goal for 2030.
 - In 2024-25, the value of Saskatchewan's uranium sales was \$3B.

Saskatchewan Oil Production

- Increase oil production to 600,000 barrels per day by 2030, with a target of 460,000 barrels per day in 2024-25.
 - In 2024-25, oil production in Saskatchewan was 449,000 barrels per day.

Fraser Institute Global Petroleum Survey Policy Perception Index

- Achieve number one Canadian ranking in the Fraser Institute Canada-US Energy Sector Competitiveness Survey in 2024.
 - In 2024, continued efforts were made to strengthen policy competitiveness in the energy sector, aligning with areas typically assessed by the Fraser Institute Global Petroleum Survey. Results had not yet been released at the time of this report's publication.

Fraser Institute Survey of Mining Companies' Investment Attraction Index

- Achieve top three world ranking in the Fraser Institute Survey of Mining Companies' investment attractiveness index in 2024.
 - In 2024, initiatives to enhance the Saskatchewan's investment attractiveness in mining were advanced, in line with the Fraser Institute benchmarks, despite the survey results not being published at the time of this report's publication.

Helium Producing Wells and Purification/Liquefaction Facilities

- Increase the number of helium-producing wells and purification facilities to 150 wells, 15 facilities and one liquefaction facility by 2030, with a target of 15 new wells and five new purification facilities in 2024-25.
 - During the 2024-25 fiscal year, one new helium-producing well and one new purification facility were established while over 20 new helium wells were drilled in the province. Saskatchewan's helium production in 2024-25 increased by 30 per cent, reaching 5.2 million cubic meters.

Progress on Goal 2: Pursue Regulatory Excellence in Support of Resource Development

Industry needs clear and predictable regulations to guide long-term decisions and financial commitments. Many resource development projects are large-scale, multi-year, and multi-billion-dollar investments. A rapidly changing regulatory environment challenges investment decisions and can negatively impact Saskatchewan's competitiveness. The Ministry of Energy and Resources will continue to achieve regulatory excellence in support of the Growth Plan commitments, to support responsible resource development and to attract investment and maintain a competitive regulatory environment.

Strategy: *The approach we took to achieve our goal*

Apply a results-based approach to the development and delivery of regulatory programs.

Key Actions: *What we did to get there*

- Maintain jurisdiction over greenhouse gas emissions (GHG) through regulatory improvements, assessment of measurement practices, on-going monitoring, research and enhancements.
 - Saskatchewan emissions from vented and flared gas at upstream oil facilities totaled 3.2 million tonnes (Mt) of carbon dioxide equivalent (CO₂e) in 2024, representing a 7.7 Mt CO₂e reduction from 2015 levels (similar to taking more than 1.6 M cars off Saskatchewan roads for a year). Additional insight and information on annual emissions can be found in the 2024 *Oil and Gas Emissions Management Regulations* (OGEMR) Annual Emissions Report.
 - The Government of Saskatchewan and the federal government entered into a renewed Methane Equivalency Agreement for a subsequent five years, allowing the Government of Saskatchewan to retain sole jurisdiction over methane emissions in the upstream oil and gas sector in Saskatchewan. The made-in-Saskatchewan approach to reducing upstream methane emissions, supported through OGEMR, will continue.
 - In support of the renewed Equivalency Agreement, the ministry made amendments to OGEMR and *Directive PNG036: Venting and Flaring Requirements*, which came into effect on January 1, 2025.
 - The ministry presented at the Petroleum Technology Alliance Canada's 2024 Methane Leadership Summit, attended Methane 75 workshops, held bilateral talks with the federal government represented by the Environment and Climate Change Canada (ECCC) and provided additional feedback to ECCC regarding the regulations such as highlighting the ministry's position on the content and timing of the regulations.
- Lead on technical assessments of new and innovative solutions for carbon storage, multilateral drilling and the development of minerals and resources that utilize wellbores.
 - Work included assessment of carbon storage definitions to support Leases of Space contracts, technical review workflow for carbon storage projects and clarifying discussions with project proponents throughout the year. The latter

- included a carbon storage regulatory overview presentation to the Saskatchewan Industry Petroleum Tenure Advisory Committee with representation from both producer and land professionals groups.
- As a result of the MLWP, the ministry leveraged business intelligence and data analytics to track the number of multi-lateral wells across the province and monitor their production performance to ensure efficient regulatory processes and effective reservoir management. Technical assessments of well and production data offer deeper insights into the performance of these wells and the efficacy of the various multi-lateral designs, supporting the ministry in making informed, data-driven decisions for regulatory improvement.
 - Reduce the prospects of new orphan oil and gas infrastructure through key programs under *The Financial Security and Site Closure Regulations*.
 - The ministry is developing a Corporate Health Test (CHT) model and has been consulting industry through a working group. The CHT will work in conjunction with the Licensee Liability Rating program to provide an accurate measurement of a licensee's financial health along with production.
 - Review the Seismic Exploration Program with intent to streamline processes and procedures to meet the needs of industry exploration activities.
 - Findings from the review will inform potential program changes. The program supports safe and responsible seismic operations, helping companies gather subsurface resource information and guide future development.

Strategy: *The approach we took to achieve our goal*

Pursue initiatives that contribute to sustained public confidence in industry regulation, strengthened client service and the delivery of efficient and effective regulatory programs.

Key Actions: *What we did to get there*

- Work with Saskatchewan's resource industries to clarify regulatory expectations and build education and awareness with new and existing licensees.
 - Held regular information sessions to support understanding and compliance with regulatory rules and reporting processes.
 - The ministry continued to work closely with industry to address risks identified in licence and other application processes.
 - The ministry continued to support non-oil and gas companies on operational requirements for licensing and operations.
- Initiate a review of existing regulatory framework in the context of clarity, applicability and adequacy pertaining to non-hydrocarbon resource production activities.
 - The ministry initiated and continues to review and assess applicable legislation and regulations to identify potential regulatory improvements for activities related to non-hydrocarbon resource production.
- Build upon strong relationships with industry to support regulatory services delivery and enhance operational practices at the field level.
 - Participated in the Lloydminster Heavy Oil Show, which provided an opportunity to connect and establish relationships with industry and discuss energy-related issues.
 - Participated on CSA Group's (formerly Canadian Standards Association) technical standard committees, with other regulators and industry experts, to develop technical standards applicable to the oil and gas sector. The meetings

- were focused on operational practice, energy development, sustainability and innovation.
 - In partnership with the Western Regulators Forum support open access to the CSA Petroleum and Natural Gas Standards.
 - Participated in the International Pipeline Conference, which brought together members of the industry from around the world to discuss and share knowledge about the energy sector with a focus on pipelines.
 - Presented at the Annual Spill Co-op Chairperson’s Meeting and the Western Canadian Spill Services Meeting. These co-ops are industry-led and exist to share the costs associated with spill management equipment and services in the province.
- Enhance compliance management practices to improve efficiency, transparency and consistency in decision-making processes.
 - The focus of the Compliance Management Framework in 2024-25 was on implementing and monitoring compliance activities related to the Administrative Levy, well licence applications and facility and well data programs.
 - As an example, through the compliance enforcement program, the Retroactive Flowline Licensing project achieved 100 per cent compliance.
- Effectively manage the decommissioning and remediation of mines in the Uranium City area and continue to monitor and maintain the sites administered under *The Reclaimed Industrial Sites Act*.
 - Continued to make progress on the Clean-up of Abandoned Northern Sites (CLEANS) project as work is completed at 27 of 35 satellite sites. Cover and revegetation on most of the tailings areas is expected to be 100 per cent complete in 2025. Borrow areas are being reclaimed as remaining work is completed.
 - In 2024-25, the Cluff Lake site was accepted into the Institutional Control Program. As of March 31, 2025, a total of 50 sites were being successfully monitored and maintained in the program.
 - Engagement activities informing *The Reclaimed Industrial Sites Regulations* review continued.

Performance Measure Results:

CLEANS

- The CLEANS project will continue to be managed within the established liability (+/- 5 per cent).
 - The overall liability has not changed. In 2024-25, \$24.4M was spent on CLEANS project activities.

Reduction of GHG Emissions

- Reduce GHG emissions from reported flaring and venting of gas produced in association with oil by 4.5 Mt of carbon dioxide equivalency annually from 2015 levels by 2025.
 - Upstream oil and gas GHG emissions from venting and flaring have reduced by 7.7 Mt of CO₂e by the end of 2024 from 2015 levels. This translates to a 71 per cent reduction from the 2015 baseline.

Inactive Liability Reduction

- Enforce industry retirement of six per cent of inactive liabilities in 2024 and an estimated seven per cent in 2025.
 - Industry retired 11.8 per cent of the provincial deemed inactive liabilities based on the reported expenditures in 2024.
 - The confirmed Liability Reduction Percentage required for 2025 is six per cent.

Progress on Goal 3: Achieve Strategic and Operational Excellence

Saskatchewan's Growth Plan is focused on growing a strong economy, including growing Saskatchewan's natural resource advantage and improving competitiveness across Saskatchewan's natural resource sectors. Achieving strategic and operational excellence ensures The Ministry of Energy and Resources is responsive, adaptable and effective in meeting client needs. The ministry will provide timely client services and develop new services and supports as needed.

Strategy: *The approach we took to achieve our goal*

Support a safe, inclusive and engaged workforce.

Key Actions: *What we did to get there*

- Establish and implement an action plan based on the 2023-24 Employee Engagement and Culture Survey results to foster an engaged workforce and strive for a culture of excellence.
 - The ministry's Culture and Inclusion Committee led the development of an action plan to address key priorities identified through the 2023-24 Employee Engagement and Culture Survey. The priorities were organized under six focus areas: Senior Leadership Visibility, Information Flow, Onboarding, Employee Development, Recognition and Inclusion. With foundational elements now in place, the implementation will begin in 2025-26.
- Promote and support learning and development opportunities including the Four Seasons of Reconciliation Training.
 - Developed an internal online platform called Indigenous Connections to share information on Indigenous knowledge with staff. The intranet is in the final stages of implementation.
 - Together, the ministries of Energy and Resources and SaskBuilds and Procurement delivered a presentation on Truth and Reconciliation to celebrate the National Day for Truth and Reconciliation and share the history and importance of the Truth and Reconciliation Commission of Canada's Calls to Action that influence the ministry's operations.
 - Plans are in place to deliver the Indigenous Reconciliation training to ministry staff. Other learning and development opportunities continued to be promoted through the Government of Saskatchewan's Corporate Mentorship and Leadership Development programs, employee work plans, ministry newsletter and articles, intranet and annual all-staff meetings.
- Ensure the workplace is physically and psychologically safe and free of hazards and harm.
 - The ministry's Healthy Workplaces Committee led the development and initial implementation of a two-year action plan (2024-26) to address key priorities identified through internal surveys. The priorities were organized under three focus areas: work-life balance, organizational culture of trust and honesty and psychological competencies and demand.

- Conducted the 2024 Employee Health and Safety Survey and recorded a 90 per cent response rate. The ministry's Psychological Safety Climate score rose 3.5 per cent to 3.86, while the Physical Safety Climate score rose 0.5 per cent to 3.79.
- Created an important safety resource for ministry staff called the Health and Safety Hub — an online portal intended to provide quick access to health and safety information and policies essential for employees to know. The hub also serves as a central landing page linking to information already available on the ministry's and the Government of Saskatchewan's intranet sites.
- Launched the Workplace Violence Prevention and Escalation Plan to show continuous commitment to providing a safe, secure and violence-free work environment, where everyone is treated with respect and dignity. The document was developed by the Physical and Psychological Safety Committee and is intended to complement the Government of Saskatchewan's Workplace Violence Policy.
- Staff engagement in mental health and violence prevention was supported through other initiatives such as the Moose Hide Campaign, stress management discussions and the recognition of special awareness days including the White Ribbon Campaign, Movember, Action Anxiety Day and National Friendship Day.
- Introduced the *Psychological Health and Safety Best Practices Toolkit* to all staff. The toolkit aims to provide employees with the necessary tools and resources to cultivate a workplace that promotes psychological wellbeing and safety.

Strategy: *The approach we took to achieve our goal*

Continuously improve operational performance, client service delivery and financial management.

Key Actions: *What we did to get there*

- Ensure timely execution of Information Technology projects and innovative solutions to meet business and client needs.
 - Completed the Internal Review Enhancement Project, a functionality designed to ensure efficiency when reviewing industry applications to help improve client service delivery.
 - Implemented the Automated Testing Tool project, which is aimed at reducing the overall testing time of critical functionalities in the Integrated Resource Information System (IRIS) while improving quality and reducing any potential financial implications to the Government of Saskatchewan.
- Enhance the client experience and strengthen decision-making by continuing to implement the ministry's business intelligence, data management and governance framework.
 - Completed a data dictionary to catalogue all available data elements in the ministry's data warehouse from the operational IRIS system. This will help users quickly identify opportunities to use IRIS data to drive optimal decisions.
 - Continued to deliver ongoing Business Intelligence (BI) training across the ministry and reviewed BI governance materials and artifacts, improving administrative efficiency, enhancing data literacy and strengthening system architecture knowledge.

- Establish an initiative to renew and modernize the ministry's mineral resources management business processes and information systems.
 - The ministry continues to look for opportunities to improve systems and client services, including engaging with industry to identify their needs.

Performance Measure Results:

Service Desk Case Closure Rate

- Reduce unresolved case rate to five per cent or lower within the prescribed target based on priority level assignment.
 - In 2024-25, the average unresolved case rate was within the prescribed target at 2.8 per cent, a reduction from the previous year result of 4.1 per cent.

Information Technology (IT) Projects

- Continue to deliver IT projects on time and within +/- 10 per cent of budget.
 - In 2024-25, IT projects came in 7.1 per cent under budget.
 - Implementation of the Geoscience Data Management System was delayed to 2025-26, resulting in lower expenditures during the fiscal year.

2024-25 Improvement and Innovation Highlights

<p>1</p>	<p>Geoscience Data Management System</p> <ul style="list-style-type: none"> • Development of an integrated information technology system for the collection, management and distribution of Saskatchewan’s public geoscience data has been delayed to 2025-26. • As outlined in Saskatchewan’s Growth Plan, establishing a comprehensive Geoscience Data Management System allows industry to use modern information management technologies to increase exploration efficiency, improve drilling and development outcomes and facilitate new natural resource discoveries. Greater availability of standardized, high-quality geoscience data to industry clients and the public results in enhanced investment attraction and competitiveness.
<p>2</p>	<p>Modernize Field Inspections and Incident Reporting Protocols</p> <ul style="list-style-type: none"> • The ministry developed an analytical data program to identify licensee compliance performance associated with inspections, as well as infrastructure risk criteria to better identify annual inspection targets, to commence use in 2026-27. The Incident Management Framework and <i>Directive PNG014: Incident Reporting Requirements</i> have been updated and approved. Associated IRIS enhancements to occur in 2025-26. • Data analytics provided the ministry with the capacity to identify higher-risk operations and proactively determine where education or enforcement is most needed. Improved documentation and compliance assessments associated with field inspections assists in training, reporting and enforcement of industry operations, leading to improved industry compliance efforts. Improvements to incident and inspection management will reduce potential risks to health and safety and environmental impacts associated with oil and gas operations.
<p>3</p>	<p>Expansion of the Oil and Gas Processing Investment Incentive and the Saskatchewan Petroleum Innovation Incentive Programs</p> <ul style="list-style-type: none"> • A program review of OGPII and SPII was completed in 2023-24 and identified a need for critical mineral support. Two new critical minerals incentive programs, CMPII and SCMII, were launched mirroring OGPII and SPII to support value-added processing projects and commercial innovation projects for 11 emerging critical minerals. • The programs are intended to drive innovation, boost competitiveness and stimulate investment in the critical minerals sector, which is essential to the diversification and sustainability of the Saskatchewan, Canadian and global economies. The incentives support goals within the Critical Minerals Strategy and further supports Growth Plan objectives.

Financial Summary

The ministry's actual expenditures for 2024-25 were \$55.27M, which was \$0.25M under the budgeted appropriation of \$55.52M. This includes an additional \$4.15M appropriation received under the special warrant.

The ministry collects revenue on behalf of the Government of Saskatchewan from the production and sale of Saskatchewan's energy and mineral resources, disposing of Crown mineral rights and other associated taxes, services and fees. All revenue collected is deposited in the General Revenue Fund. In 2024-25 the ministry recorded revenues of \$2.07B, a decrease of \$275.14M under budget estimates.

Expense Summary

The following table outlines information on actual and budgeted expenditures by subvote and subprogram, as per the structure for the Ministry of Energy and Resources. Variance explanations are provided for individual variances that are greater than \$500,000.

Ministry of Energy and Resources Expense Actuals

	<i>(In thousands of dollars)</i>				
	2023-24	2024-25	2024-25	2024-25	Notes
	Actuals	Budget	Actuals	Variance	
ER01 Central Management and Services					
Minister's Salary (Statutory)	57	57	57	1	
Executive Management	884	929	846	(83)	
Central Services	22,021	20,885	24,675	3,790	1
Accommodation Services	4,330	3,357	3,942	585	2
ER01 Central Management and Services Total	27,292	25,227	29,521	4,294	
ER05 Energy Regulation					
Operational Support	11,972	12,170	12,883	713	3
Surface Rights Arbitration Board	166	229	189	(40)	
ER05 Energy Regulation Total	12,138	12,399	13,072	673	
ER06 Resource Development					
Operational Support	4,561	4,921	5,452	531	3
Saskatchewan Geological Survey	7,611	8,822	7,223	(1,599)	4
Remediation of Contaminated Sites	96,771	-	-	-	
ER06 Resource Development Total	108,943	13,743	12,675	(1,068)	
Special Warrant		4,151		4,151	5
Total Appropriation	148,373	55,520	55,268	(252)	
Remediation of Contaminated Sites	-	-	-	-	
Capital Asset Acquisition	(3,797)	2,321	2,159	(162)	
Capital Asset Amortization	4,026	4,712	4,274	(438)	
Total Expense	148,602	57,911	57,383	(528)	

Notes:

Variance Explanations (Amounts greater than \$500,000):

1. Pressure due to salary expenses offset by savings in an information technology project.
2. Pressure due to increased lease costs and leasehold improvements.
3. Pressure due to increases in salary expenses.
4. Savings are attributed to the lower-than-anticipated uptake of the Targeted Mineral Exploration Incentive.
5. A Special Warrant of \$4.151M was requested and issued to address operating cost pressures and an increase in salary expense due to adjustments stemming from the Collective Bargaining Agreement and the Out-of-Scope Compensation Plan.

Revenue Summary

The following table outlines information on actual and budgeted revenue by category for the Ministry of Energy and Resources. An explanation of major variances is provided on all revenue that is greater than \$3.0M.

Ministry of Energy and Resources Revenue

	<i>(In thousands of dollars)</i>			
	2024-25 Budget	2024-25 Actuals	2024-25 Variance	Notes
Non-Renewable Resource Revenue				
Oil	1,058,800	1,150,774	91,974	1
Disposition Mineral Public Offering	69,900	60,058	(9,842)	2
Natural Gas	3,100	864	(2,236)	
Potash	796,400	604,096	(192,304)	3
Uranium	173,952	191,531	17,579	4
Other Minerals	33,048	36,833	3,785	5
Total Non-Renewable Resources	2,135,200	2,044,155	(91,045)	
Other Own-Source Revenue				
Mineral Rights Tax	10,500	10,381	(119)	
Sales, Services and Service Fees	23,512	8,576	(14,936)	6
Other Miscellaneous Revenue	15	3,175	3,160	7
Transfers	172,200	0	(172,200)	8
Total Other Own-Source Revenue	206,227	22,132	(184,095)	
Total Revenue	2,341,427	2,066,287	(275,140)	

Notes:

Explanations of Major Variances:

1. Increase in oil revenues of \$92M was primarily due to a decrease in the \$US/\$CAD exchange rate, a 0.5 percentage point reduction in the light-heavy blend differential and a 0.7 per cent increase in the average royalty/tax rate.
2. Decrease of \$9.8M is due to the reduced competition for oil mineral rights as the most prospective lands have already been acquired.
3. Decrease in potash revenues of \$192.3M is primarily due to decreases in realized prices, which were marginally offset by higher-than expected sales volumes.
4. Increase in uranium revenues of \$17.6 M can be attributed to higher basic royalties than those projected in the budget estimate.
5. Increase of \$3.8M in other mineral revenue largely due to elevated gold prices which were driven by political instability and economic uncertainty.
6. Decrease of \$14.9M due to a budget overestimation of the amount of actively producing mineral lands associated with Treaty Land Entitlement.
7. An increase of \$3.2M is attributed to higher-than-anticipated forfeitures during the fiscal year.
8. Decrease of \$172.2M due to ongoing litigation and settlement with the federal government not being reached in the 2024-25 fiscal year.

Additional financial information can be found in the Government of Saskatchewan Public Accounts located at <https://publications.saskatchewan.ca/#/categories/893>