Annual Report

2025-26

Ministry of Energy and Resources

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Letters of Transmittal

The Honourable
Chris Beaudry
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, 2026.

The Honourable Chris Beaudry
Minister of Energy and Resources

William Greuel
Deputy Minister of
Energy and Resources

The Honourable Chris Beaudry
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, 2026.

William Greuel
Deputy Minister of Energy and Resources

Ministry of Energy and Resources Overview

Mandate

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 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

To advance sustainable resource development for the benefit of all Saskatchewan people.

Vision

Saskatchewan is the best jurisdiction in the world 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 Saskatchewan.

In 2025-26, the ministry's actual full-time equivalent (FTE) utilization was 304.8.

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 Low Productivity and Reactivation Oil Well Program 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 CO_2 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 CO_2 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 2025-26 Business Plan:

https://publications.saskatchewan.ca/api/v1/products/125826/formats/147149/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 a major contributor to 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, lithium, copper and zinc, and has occurrences of 27 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. The Ministry of Energy and Resources is committed to ensuring sustainable and responsible growth across all of Saskatchewan's natural resource sectors.

Strategy: *The approach we took to achieve our goal*
Analyze and enhance competitiveness.

Key Actions: *What we did to get there*

- Launch the Low Productivity and Reactivation Oil Well Program (LPRP) to support new capital investment in qualifying low-producing and inactive oil wells to increase oil production.
    - The Government of Saskatchewan launched LPRP in April 2025 to increase production and revenue from low-producing or inactive wells.
    - The program encourages industry investment in low-producing or inactive horizontal oil wells through a new volumetric incentive for eligible wells. In the final year of the four-year LPRP program, it is projected to add 30,000 barrels per day of oil production and generate $21 million in additional royalty revenue for the province.
    - LPRP helps extend the life of wells and unlock oil that would otherwise remain unrecovered, supporting the province's Growth Plan target of 600,000 barrels per day.
- Support and diversify critical minerals development to position Saskatchewan as a globally leading, secure and sustainable supplier through Saskatchewan's Critical Mineral Strategy.
    - The Government of Saskatchewan expanded the Targeted Mineral Exploration Incentive (TMEI) in July 2025 to include more early-stage exploration activities.
    - The changes include broadening eligible activities to include geophysical surveys and pre-sampling work, improving the access to funding and helping smaller companies attract investment.
    - By recognizing a broader scope of the exploration process, this expansion supports new mineral discoveries and the diversification of Saskatchewan's mining sector.
- Support Indigenous engagement and participation opportunities in the natural resources sector.

    - The ministry advanced Indigenous youth engagement and education by delivering Saskatchewan Geological Survey (SGS) outreach and geoscience programming to students in northern communities and strengthened regional relationships through participation in events such as Core Days in La Ronge and the Energy Summit.
    - The ministry supported Indigenous economic participation by engaging in the Trade and Export Development (TED) Indigenous Business Forum and Saskatchewan Mining Association (SMA) events, by providing targeted input to advance Indigenous business opportunities in the forestry sector.
    - The ministry promoted dialogue on Indigenous participation in critical minerals development by presenting Saskatchewan's Critical Minerals Strategy at the Indigenous Critical Minerals Forum, increasing awareness of the province's approach and opportunities for Indigenous partnership.
- Address competitiveness barriers and seek opportunities to support the growth of Saskatchewan's forestry sector.
    - The ministry actively participated in the Forestry Sector Competitiveness Committee discussions and advanced work on key issues such as timber royalties, trade pressures and wildfire impacts to strengthen sector competitiveness.
- Advocate for Saskatchewan's rights and interests in natural resource development.
    - The Minister participated in the 2025 Energy and Mines Ministers' Conference to advance Saskatchewan's interests, emphasizing competitiveness, investor confidence, respect for provincial jurisdiction, streamlined federal regulatory processes, the advancement of uranium and nuclear development, and trade and economic corridors to improve market access for Western Canadian resources.
    - The Minister met with western provincial and northern territorial counterparts at the Western Mining Ministers Summit in Vancouver. Saskatchewan helped lead discussions on economic corridors and shared infrastructure, including connections to key ports, and signed a memorandum of understanding (MOU) to reduce delays for major natural resource projects and advance a Western Canadian Critical Minerals Strategy.
- Implement changes to the Oil Infrastructure Investment Program (OIIP) through the program's renewal to continue supporting expanded market access for Saskatchewan oil and the development of carbon dioxide (CO_2) pipeline infrastructure.
    - In April 2025, the Government of Saskatchewan extended OIIP to expand market access for Saskatchewan oil and support the continued development of CO_2 pipelines, which reduce emissions and support enhanced oil recovery (EOR).
    - Since 2020, the program has added 80,000 barrels per day of pipeline capacity and helped secure over $180 million in private capital investment, with an additional $300 million tied to conditionally approved projects.
    - The ministry will continue accepting new applications until March 31, 2029. The program will continue to offer a 20 per cent royalty tax credit, up to a maximum of $40 million, on qualifying oil and CO_2 pipeline projects.

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 strategic priorities for carbon capture, utilization and storage (CCUS) and continue to support business investment into the sector.
  - The Government of Saskatchewan continued to advocate for the federal government to formalize its commitment under the Canada–Alberta MOU to recognize EOR as an eligible use of captured carbon dioxide under the federal CCUS Investment Tax Credit. As announced in the 2026 Spring Economic Statement, EOR projects would be eligible at a lower credit rate.
- Continue to implement Saskatchewan's Subsurface Brine Minerals Development framework.
  - The Government of Saskatchewan supports the development of the province's emerging lithium industry. Regulatory amendments were introduced that establish a clear and consistent royalty framework for lithium and other minerals produced from natural brine aquifers.
  - The amendments to *The Subsurface Mineral Royalty Regulations, 2017*, provide certainty for resource companies and encourage investment in lithium projects in Saskatchewan.
  - The new royalty framework sets a Crown royalty rate of three per cent on brine mineral sales, includes a two-year holiday for new production capacity and maintains consistency with Saskatchewan's Crown royalties for potash, salt and sodium sulphate while remaining competitive with other leading jurisdictions.
- Advance options to enable access to subsurface land for resource exploration and development projects of public interest.
  - The Government of Saskatchewan introduced legislative amendments to *The Mineral Resources Amendment Act, 2025,* to support mining projects and maximize the value of mineral resources for the provincial economy and the residents of Saskatchewan.
  - The legislation provides stability and certainty for resource companies and mineral owners, strengthening Saskatchewan's position as a leading jurisdiction for mining investment.
  - The legislation enables the establishment of designated subsurface development areas allowing companies to access resources that would otherwise remain underground while ensuring compensation for mineral owners.
  - The legislation received Royal Assent at the end of the Spring 2026 session.

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*

- Through the Public Geoscience Initiative, advance new geoscience research projects to support exploration for critical minerals.
  - In 2025-26, the second year of a 10-year funding commitment, the Government of Saskatchewan invested $350,000 in Public Geoscience Initiatives supporting the completion of a large ground geophysical survey, the development of an extensive surficial geochemistry dataset using samples stored in Regina, and bedrock geology and surficial mapping.

- Launch the ministry's comprehensive geoscience data management system that improves access to high-quality data for stakeholders.
    - The ministry completed the database implementation phase and is testing the system to ensure its functionality and data quality align with business requirements. The ministry extended the timeline of the project to 2026-27.
- Promote and support Saskatchewan's competitive natural resource investment position through a growing presence at industry events, increased direct stakeholder engagement, targeted marketing, and stronger international partnerships.
    - The ministry hosted the Saskatchewan Geological Open House in December 2025 in Saskatoon and participated in the Williston Basin Petroleum Conference and other key industry events.
    - The Minister of Energy and Resources, supported by ministry officials, led and participated in missions to major national and international forums, including the Energy and Mines Ministers' Conference (EMMC), the Provincial-Territorial Energy Summit, the Western Mining Ministers' Summit, Association for Mineral Exploration (AME) Roundup, and the Global Energy Show. Ministry officials also represented the Government of Saskatchewan at the North American Prospect Expo (NAPE), Prospectors and Developers Association of Canada (PDAC) Convention and Cambridge Energy Research Associates (CERAWeek) Week.
    - The Minister participated in site visits across Saskatchewan and beyond, including NexGen Energy Ltd.'s Rook I Project in northwest Saskatchewan; the McClean Lake uranium mine and mill, a joint venture between Orano Canada Inc. and Denison Mines Corp.; Whitecap Resources Inc.'s enhanced oil recovery project in Weyburn; and Steel Reef Infrastructure Corporation's Viewfield gas processing facility and combined heat and power project near Estevan. Additional visits included Foran Mining Corporation's exploration warehouse in Saskatoon, the Port of Vancouver to support Saskatchewan export interests, and meetings in Calgary with Explorers and Producers Association of Canada (EPAC) and oil and gas companies to engage directly with industry leaders.
    - Ministry officials regularly meet with the Canadian Association of Petroleum Producers (CAPP), Petroleum Technology Alliance Canada (PTAC) and SMA to gather industry input, support policy and regulatory development and advance innovation.
    - The ministry engaged with TED's international offices to promote opportunities in Saskatchewan's resource sectors.

Performance Measure Results:

Saskatchewan Forest Products Sales

- Increase the value of Saskatchewan forest products sales to $2.2 billion by 2030, with an annual value of Saskatchewan forest product sales of $1.3 billion in 2025-26.
    - In the 2025 calendar year, the value of Saskatchewan's forest product sales was $1 billion.

Saskatchewan Potash Sales

- Increase the annual value of potash sales to $9 billion by 2030, with annual sales of $8.4 billion in 2025-26.
    - In 2025-26, the value of Saskatchewan's potash sales was $9.7 billion.

Saskatchewan Uranium Sales

- Increase the annual value of uranium sales to $2 billion by 2030, with annual sales of $3.1 billion in 2025-26.
    - In 2025-26, the value of Saskatchewan's uranium sales was $3.1 billion.

Saskatchewan Oil Production

- Increase oil production to 600,000 barrels per day by 2030, with a target of 460,000 barrels per day in 2025-26.
    - In 2025-26, oil production in Saskatchewan was 434,000 barrels per day.

Saskatchewan Helium Production

- Increase helium production to 5.5 million cubic meters in 2025-26.
    - In 2025-26, Saskatchewan produced 4.8 million cubic meters of helium.

Fraser Institute Global Petroleum Survey Policy Perception Index

- Achieve number one Canadian ranking in the Fraser Institute Canada-US Energy Sector Competitiveness Survey in 2025.
    - Targeted policy enhancements were advanced in 2025 to position Saskatchewan competitively within the North American energy sector, aligning with key indicators in the Fraser Institute Global Petroleum Survey. Results had not 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 2025.
    - Saskatchewan secured third place globally among the most attractive jurisdictions for mining investment, achieving this distinction for the eighth time in the past 10-years.

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*

- Ensure emissions management programming remains practical and cost-effective for industry and is based on relevant research and data specific to Saskatchewan oil and gas operations.
  - In response to Environment and Climate Change Canada's (ECCC) Enhanced Methane Regulations (EMR) published in December 2025 and coming into effect on January 1, 2028, the ministry engaged with the Saskatchewan oil and gas industry to assess impacts and identify options to maintain provincial jurisdiction over methane regulations beyond 2027.
- Initiate improvements to the provincial Seismic Exploration Program to streamline processes and procedures to meet the needs of industry exploration activities.
  - The ministry identified potential enhancements to streamline administration while maintaining appropriate regulatory oversight and is using these findings to guide next steps for program improvements.
- Continue to reduce the prospects of new orphan oil and gas infrastructure.
  - The ministry finalized the risk-adjusted Licensee Liability Rating (LLR) process and completed public consultations in March 2026. The ministry will complete regulatory amendments in 2026–27, with deemed liabilities taking effect following finalization of the PNG025 amendments.
  - The ministry worked with industry to establish a seven per cent target for the 2026 Inactive Liability Reduction Program (ILRP). Results from 2025 show industry exceeded the $114 million spending target, demonstrating continued progress in reducing inactive infrastructure liabilities.

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*

- Build upon strong relationships with industry to clarify regulatory expectations, support regulatory services delivery and enhance operational practices at the field level.

  - In 2025–26, the ministry strengthened collaboration with industry, clarified pipeline regulatory requirements and improved delivery of regulatory services. Through targeted engagement on Saskatchewan’s pipeline licensing framework, including Directive PNG034, Integrated Resource Information System (IRIS) application requirements, and risk-based review processes, the ministry improved compliance, application quality, and field level operational practices.
- Continue to monitor and maintain the sites administered under the Institutional Control Program.
  - In June 2025, the Government of Saskatchewan amended *The Reclaimed Industrial Sites Regulations* to strengthen the Institutional Control Program (ICP) by requiring proponents to provide funding for future community engagement as a requirement of site acceptance and by formalizing local site knowledge as a procurement evaluation criterion for site inspections. These changes improve long-term site stewardship, support informed and effective inspections, and ensure ongoing engagement with communities local to sites accepted to the ICP.
  - The ministry accepted the remaining 28 former Beaverlodge uranium mine sites into the ICP, enabling long-term monitoring, maintenance, and protection of human health and the environment. There are currently 78 sites accepted into the ICP.
- Provide oversight of the remediation of the abandoned Gunnar and satellite mine sites through the Clean-up of Abandoned Northern Sites (CLEANS) Program.
  - The ministry oversaw remediation activities at the Gunnar and satellite mine sites under the CLEANS Program, advancing long-term site stabilization and reducing environmental risk. Once current work concludes, the Gunnar site will transition to Phase Three, the monitoring and maintenance phase, before applying for ICP acceptance.
- Analyze the existing regulatory framework to ensure legislation can address future needs of non-hydrocarbon resource production activities.
  - The ministry reviewed the legislative framework to improve clarity and alignment and to ensure Saskatchewan’s regulations support current and emerging non-hydrocarbon resource development while maintaining strong regulatory oversight of wells and facilities throughout the full resource lifecycle.
- Enhance compliance management practices to improve efficiency, transparency and consistency in decision-making processes.
  - The ministry completed all planned 2025 reviews and assessments and implemented associated compliance actions.
- Enhance the Integrated Resource Information System (IRIS) to improve regulatory oversight, industry reporting and risk mitigation.
  - The ministry implemented the Incident Reporting Enhancement Project in January 2026 to strengthen oversight, improve the quality and timeliness of industry reporting, and support proactive risk mitigation through improved tracking of incident causes, impacts, remediation, and closure.
  - The ministry implemented the Pipeline License Multi-Substance Project in March 2026 to modernize IRIS and support multi-substance pipeline licenses. These enhancements improve oversight, increase reporting accuracy, and strengthen risk mitigation through better data, risk rating, and system visibility.

Performance Measure Results:

Reduction of GHG Emissions

- Maintain or further reduce greenhouse gas emissions from reported flaring and venting of gas produced in association with oil from the previous year.
    - Upstream oil and gas GHG emissions from reported flaring and venting has reduced by 0.28CO_2e by the end of 2025. This translates to a reduction of 8.67 per cent from the previous year.

Inactive Liability Reduction

- Reduce industry inactive liabilities in 2025.
    - Industry spends exceeded 6 per cent target for 2025.

Progress on Goal 3: Achieve Strategic and Operational Excellence

Saskatchewan's Growth Plan is focused on building a strong economy, including growing Saskatchewan's natural resource advantage and improving competitiveness across its resource sectors. To achieve this, the Ministry of Energy and Resources strives for strategic and operational excellence, ensuring it remains 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*

- Promote a positive workplace culture by providing learning and development opportunities that support engagement and inclusivity for all employees.
    - Supported a respectful and inclusive workplace by encouraging staff participation in learning and development opportunities, including initiatives that strengthen understanding of reconciliation.
    - Improved employee engagement and trust, as reflected in strong survey participation and higher engagement scores above the government average.
- Take action to ensure the workplace is physically and psychologically safe, and free from hazards and harm.
    - Strengthened health and safety through training and initiatives supporting mental health, de-escalation and workplace violence prevention.
    - Maintained compliance with all Government of Saskatchewan oversight and reporting requirements.
    - Promoted a supportive and psychologically safe environment through mental health awareness initiatives and campaigns.
    - Enhanced physical safety through initiatives focused on emergency preparedness, ergonomics and overall workplace safety awareness.

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 projects and innovative solutions improve the client's experience and solve business needs.
    - An IRIS industry engagement survey was conducted in May 2025 to gather direct feedback from system users. Survey results have been reviewed collaboratively with ministry and industry representatives to identify actionable improvements that enhance system usability, service delivery and overall client experience.
    - The Industry IRIS Advisory Committee was successfully renewed and met in June and October 2025. The committee now meets biannually, strengthening ongoing engagement with industry stakeholders to inform decision-making, validate priorities and guide continuous improvement of the IRIS system.

- Support better decisions by using business intelligence and other ministry tools to manage data and information.
    - The ministry improved how it uses data by moving key information to a modern analytics tool and providing staff with self paced training to build data skills. The ministry will continue to improve data organization in future years.
    - The ministry launched an internal Energy and Resources Service Desk Dashboard to enhance visibility, strengthen performance reporting and support more efficient and responsive service delivery for internal and external clients.

Performance Measure Results:

Service Desk Inquiries

- Percentage of ER Service Desk inquiries responded to within the established resolution time, with a target of 95 per cent for 2025-26.
    - In 2025-26, the ministry achieved a 96.5 per cent response rate.

2025-26 Improvement and Innovation Highlights

1	**IRIS Enhancements to Support Priority Capital Projects** • The ministry launched the Incident Reporting Enhancement Project in January 2026 to improve incident oversight and align with updated reporting requirements. The project introduced enhancements to modernize reporting and management, including improved data quality, clearer reporting requirements and stronger tracking of incident causes, status and remediation. • The ministry launched the Pipeline License Multi-Substance Project in March 2026 to improve pipeline licensing and data accuracy. The updated system now allows multiple substances under a single pipeline license and ensures records, mapping, and search results reflect all transported substances. • Together, these enhancements strengthen the completeness and reliability of regulatory information, support consistent risk assessment, and enable more effective review and follow-through within IRIS. By improving tracking of incident remediation and long-term pipeline management, the system supports earlier risk identification, enhances regulatory oversight, and enables more consistent engagement on high-impact issues, providing greater assurance to the public and more predictable processes for industry.
2	**High Water-Cut Oil Well Program** • A 2025–26 program review identified opportunities to streamline administration and improve service delivery. The ministry will consolidate the two-step application process into a single, simplified process, making it easier for applicants to prepare and submit information while better meeting stakeholder needs. • The program helps address the financial challenges of operating high water-cut wells by extending the life of marginal or uneconomic wells. It supports continued production from wells that might otherwise be shut in and reduces risks associated with inactive or orphaned infrastructure. Given its ongoing value to industry, the program has been extended to March 31, 2031. • The program supports maintaining or increasing oil production and contributes to the Growth Plan target of 600,000 barrels per day by 2030.

Financial Summary

In 2025-26, the Ministry of Energy and Resources had expenses of $56.6 million, an increase of $151,000 from the Budget estimate of $56.5 million. Higher expenditures were primarily driven by information technology (IT) capital costs.

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 2025-26, the ministry recorded revenues of $2.2 billion, a decrease of $204.8 million from the budget estimate.

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

	(In thousands of dollars)				
	2024-25 Actuals	**2025-26 Budget**	**2025-26 Actuals**	**2025-26 Variance**	**Notes**
ER01 Central Management and Services					
Minister's Salary (Statutory)	57	57	57	-	
Executive Management	846	1,009	969	(40)	
Central Services	24,675	22,160	23,653	1,493	1
Accommodation Services	3,942	3,357	3,748	391	
Central Management and Services Total	**29,521**	**26,583**	**28,427**	**1,844**	
ER05 Energy Regulation					
Operational Support	12,883	13,196	13,355	159	
Surface Rights Arbitration Board	189	244	167	(77)	
Energy Regulation Total	**13,072**	**13,440**	**13,522**	**82**	
ER06 Resource Development					
Operational Support	5,452	5,332	5,222	(110)	
Saskatchewan Geological Survey	7,223	9,185	8,975	(210)	
Remediation of Contaminated Sites		-	-	-	
Resource Development Total	**12,675**	**14,517**	**14,197**	**(320)**	
Non-Appropriated Expense Adjustment			15	15	
Total Appropriation	**55,268**	**54,540**	**56,161**	**1,621**	
Capital Asset Acquisition	2,159	2,666	3,825	1,159	
Capital Asset Amortization	4,274	4,620	4,324	(296)	
Non-Appropriated Expense Adjustment			**(15)**	**(15)**	
Total Expense	**57,383**	**56,494**	**56,645**	**151**	

Notes:

Special Warrant
In 2025-26, the ministry received $2.0 million via a Special Warrant to address increased lease and IT costs in addition to increased capital expenses due to a previously delayed IT project. Overall expense pressures were partially offset by savings due to lower-than-anticipated applications under the Targeted Mineral Exploration Incentive.

Explanations for Major Variances:

1. Higher than budgeted capital costs related to IT projects.

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 $3.0 million.

Ministry of Energy and Resources
Revenue Actuals

	(In thousands of dollars)			
	2025-26 Budget	**2025-26 Actuals**	**2025-26 Variance**	**Notes**
Non-Renewable Resource Revenue				
Oil	1,066,500	867,869	(198,631)	1
Disposition Mineral Public Offering	49,000	68,416	19,416	2
Natural Gas	1,200	1,174	(26)	
Potash	720,005	914,523	194,518	3
Uranium	290,242	255,550	(34,692)	4
Other Minerals	45,593	38,682	(6,911)	5
Total Non-Renewable Resources	**2,172,540**	**2,146,214**	**(26,326)**	
Other Own-Source Revenue				
Mineral Rights Tax	10,500	10,338	(162)	
Sales, Services and Service Fees	11,312	4,355	(6,957)	6
Other Miscellaneous Revenue	15	873	858	
Transfers	172,200	0	(172,200)	7
Total Other Own-Source Revenue	**194,027**	**15,566**	**(178,461)**	
Total Revenue	**2,366,567**	**2,161,780**	**(204,787)**	

Notes:

Explanations of Major Variances:

1. Decrease of $198.6 million in oil revenue mainly driven by an 8.4M barrel (bbl) decline in production, a 0.0197 increase in the USD/CAD exchange rate, a $6.13 U.S./bbl drop in West Texas Intermediate (WTI) prices, and a 0.4% reduction in the average royalty/tax rate.
2. Increase of $19.4 million in disposition mineral public offering is due to higher than anticipated results from the August 2025 public offering.
3. Increase in potash revenues of $194.5 million is primarily due to higher realized prices across all major markets.
4. Decrease in uranium revenues of $34.7 million can be attributed to the higher-than-expected operating and capital costs at mine sites.
5. Decrease of $6.9 million in other minerals revenue primarily reflects a lower than anticipated value of sales.
6. Decrease of $7.0 million in sales, services and service fees is due to a decline of $6.13 USD/bbl in the WTI price and an overestimation of actively producing mineral lands associated with Treaty Land Entitlement.
7. Decrease of $172.2 million in transfers is due to ongoing litigation with the federal government and a settlement not being reached in the 2025-26 fiscal year.

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