

Business Plan

2024-25

Ministry of Energy and Resources

Saskatchewan! 

Statement from the Minister



*The Honourable Jim Reiter
Minister of Energy and Resources*

I am pleased to present the 2024-25 Business Plan for the Saskatchewan Ministry of Energy and Resources.

Budget 2024-25 positions Saskatchewan to provide the essential elements the world needs in a sustainable way. We continue to be a trusted and reliable supplier with a focus on leading the way in new technologies to extract underground resources responsibly. At the same time, we continue to take steps to maintain provincial jurisdiction over the regulation of greenhouse gas emissions from the upstream oil and gas sector as new federal initiatives are introduced. Saskatchewan is demonstrating how economic growth and environmental responsibility go hand in hand.

The 2024-25 Business Plan builds upon *Securing the Future: Saskatchewan's Critical Minerals Strategy*. With our history of world-leading sustainable resource production and occurrences of 23 of the 31 critical minerals on Canada's list, Saskatchewan can help meet the demand for critical minerals beyond our current leading potash, uranium and helium sectors into lithium, copper, zinc, cobalt, nickel, and rare earth elements. From early-phase exploration to major construction projects; more than 100 companies are actively advancing mineral projects in Saskatchewan.

The Government of Saskatchewan continues to invest in programs to further exploration and development. An additional \$10 million in funding will be provided over 10 years to support critical mineral exploration initiatives. We are also expanding the Oil and Gas Processing Investment Incentive and the Saskatchewan Petroleum Innovation Incentive to support key investments in value-added processing projects and innovative commercialization projects in the critical minerals sector.

Oil and gas is the largest sector of Saskatchewan's economy and key to the province's prosperity. In 2024-25, we continue to innovate by launching a new multilateral well drilling incentive program to drive incremental oil production and aid in meeting the Growth Plan goal of increasing oil production to 600,000 barrels per day by 2030. The Ministry will also continue to advance priorities for carbon capture, utilization and storage and enhanced oil recovery.

Energy and Resources continues to focus on regulatory excellence to maintain a reliable and competitive regulatory environment. This year we will seek to modernize field inspections and incident reporting, as well as ensure a compliance management framework that is clear and consistent.

The following pages outline a detailed plan for 2024-25 that focuses on fiscally responsible resource development and growth for sectors and communities across the province.

2024-25 Budget Highlights

1	\$10 million in funding over 10 years for the Public Geoscience Initiative to increase exploration for critical minerals in support of the Critical Minerals Strategy.
2	Extension and expansion of 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 Minerals Strategy.
3	Launch of a new multilateral well drilling program to drive incremental oil production to support goals outlined in the Growth Plan.
4	\$1.6 million in third-year capital funding to enhance Geoscience Data Management to improve competitiveness across Saskatchewan’s natural resource sector, as outlined in the Growth Plan.

Government Vision and Goals

Saskatchewan's Vision

"...to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

>> Government Goals

A Strong Economy

Strong Communities

Strong Families

Saskatchewan's vision and three goals provide the strategic direction for organizations to align their programs and services to build a strong Saskatchewan.

All organizations will report on progress in their 2024-25 annual reports.

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 the province'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 of Energy and Resources also plays an important role in promoting Saskatchewan's diverse resource potential to investors around the world.

Mission

To advance responsible resource development.

Vision

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

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 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 will take to achieve our goal*
Analyze and enhance competitiveness.

Key Actions: *What we will do to get there*

- Work collectively with industry stakeholders to address competitiveness barriers to the growth of the forestry sector in Saskatchewan.
- Develop a new multilateral well drilling incentive program to drive incremental oil production.
- 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.
- Engage with industry stakeholders to understand program or policy needs to support increased oil production at lower carbon intensity.
- Expand modelling capacity to analyze the impacts of federal climate change policies on Saskatchewan and assess policy responses to protect competitiveness.
- Explore opportunities to increase and enhance Indigenous engagement and participation in the natural resources sector.
- Advance Saskatchewan's interests and protect Saskatchewan's jurisdiction over natural resource development in engagements with the federal government.

Strategy: *The approach we will take to achieve our goal*

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

Key Actions: *What we will do 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).
- Assess co-development opportunities to advance sustainable natural resource extraction in Saskatchewan.

- Design and implement updates to Saskatchewan’s Subsurface Brine Minerals Development Framework.

Strategy: *The approach we will take to achieve our goal*

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

Key Actions: *What we will do to get there*

- Release emerging geoscience information on research activities to support mineral and petroleum exploration.
- Advance new public geoscience initiatives that support exploration for critical minerals.
- Advance development of a comprehensive geoscience data management system to improve access to high-quality data for stakeholders.
- Geologically assess EOR potential of Saskatchewan’s oil reservoirs.
- 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.

Performance Measures: *What success looks like*

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 2024-25.

Saskatchewan Potash Sales

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

Saskatchewan Uranium Sales

Increase the value of uranium sales to \$2 billion in 2024-25, meeting the Growth Plan goal for 2030.

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.

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.

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.

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.

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 will take to achieve our goal*

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

Key Actions: *What we will do to get there*

- Maintain jurisdiction over greenhouse gas emissions (GHG) through regulatory improvements, assessment of measurement practices, on-going monitoring, research and enhancements.
- Lead on technical assessments of new and innovative solutions for carbon storage, multilateral drilling and the development of minerals and resources that utilize wellbores.
- Reduce the prospects of new orphan oil and gas infrastructure through key programs under the *Financial Security and Site Closure Regulations*.
- Review the Seismic Exploration Program with intent to streamline processes and procedures to meet the needs of industry exploration activities.

Strategy: *The approach we will take 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 will do to get there*

- Work with Saskatchewan's resource industries to clarify regulatory expectations and build education and awareness with new and existing licensees.
- Initiate a review of existing regulatory framework in the context of clarity, applicability and adequacy pertaining to non-hydrocarbon resource production activities.
- Build upon strong relationships with industry to support regulatory services delivery and enhance operational practices at the field level.
- Enhance compliance management practices to improve efficiency, transparency and consistency in decision-making processes.
- 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*.

Performance Measures: *What success looks like*

Clean-up of Abandoned Northern Sites (CLEANS)

The CLEANS project will continue to be managed within the established liability (+/- 5 per cent).

Reduction of GHG Emissions

Reduce GHG emissions from reported flaring and venting of gas produced in association with oil by 4.5 million tonnes of carbon dioxide equivalency annually from 2015 levels by 2025.

Inactive Liability Reduction

Enforce industry retirement of six per cent of inactive liabilities in 2024 and an estimated seven per cent in 2025.

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 will take to achieve our goal*
Support a safe, inclusive and engaged workforce.

Key Actions: *What we will do 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.
- Promote and support learning and development opportunities including the Four Seasons of Reconciliation Training.
- Ensure the workplace is physically and psychologically safe and free of hazards and harm.

Strategy: *The approach we will take to achieve our goal*
Continuously improve operational performance, client service delivery and financial management.

Key Actions: *What we will do to get there*

- Ensure timely execution of Information Technology projects and innovative solutions to meet business and client needs.
- Enhance the client experience and strengthen decision-making by continuing to implement the Ministry’s business intelligence, data management and governance framework.
- Establish an initiative to renew and modernize the Ministry’s mineral resources management business processes and information systems.

Performance Measures: *What success looks like*

Service Desk Case Closure Rate

Reduce unresolved case rate to five per cent or lower within the prescribed target based on priority level assignment.

Information Technology (IT) Projects

Continue to deliver IT projects on time and within +/- 10 per cent of budget.

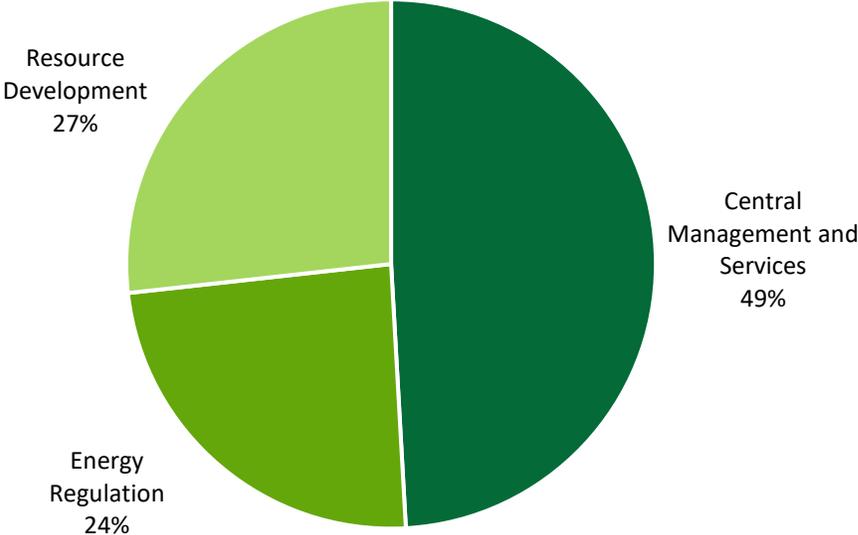
2024-25 Improvement and Innovation Highlights

<p>1</p>	<p>Geoscience Data Management System Approach: Innovation Description: Develop a comprehensive and integrated system for the collection, management and distribution of Saskatchewan’s public geoscience data. Expected Outcomes: Greater availability of standardized, high quality geoscience data to internal and industry clients and to the public, resulting in enhanced investment attraction and competitiveness.</p>
<p>2</p>	<p>Modernize Field Inspections and Incident Reporting Protocols Approach: Continuous Improvement Description: Update and improve field inspection and incident reporting protocols for wells, facilities and pipelines. Expected Outcomes: Improved documentation associated with ministry fieldwork which will assist in training, reporting and enforcement of operations. Better review and use of data associated to inspections and incidents. This will improve the performance of industry in their operations and lessen potential impacts to health and safety and environmental impacts associated to oil and gas operations.</p>
<p>3</p>	<p>Expansion of the Oil and Gas Processing Investment Incentive and the Saskatchewan Petroleum Innovation Incentive Programs Approach: Program Review Description: Following the 2023-24 Program Review, an expanded scope of the currently existing Oil and Gas Petroleum Investment Incentive and the Saskatchewan Petroleum Innovation Incentive programs will be implemented. Expected Outcomes: Expansion of incentive programs to support value-added processing projects and innovation commercialization projects in the critical minerals sector to meet industry investment needs and boost Saskatchewan’s competitiveness.</p>

Financial Summary

Ministry of Energy and Resources 2024-25 Estimates (\$53.760 million)	(in thousands of dollars)
Central Management and Services	\$25,227
Energy Regulation	\$12,399
Resource Development	\$13,743
Total Appropriation	\$51,369
Capital Asset Acquisitions	(\$2,321)
Capital Asset Amortization	\$4,712
Total Expense	\$53,760

Ministry of Energy and Resources 2024-25 Budget by Division
\$53.760 million



Links to More Information

- [Ministry of Energy and Resources](#)
- [Government of Saskatchewan Budget, Planning and Reporting](#)