
Site rehabilitation program

Supplemental information and guidelines



Site Rehabilitation Program Supplemental Information and Guidelines – Application Period 5

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Document Version Register

Version	Version Date	Description of Major Changes
1.0	February 12, 2021	First published version.
1.1	March 19, 2021	<p>Amendments:</p> <ul style="list-style-type: none"> • Clarified that single well applications with attached multi-well contracts will be declined (page 5). • Provided an example related to the scope of work and costs for the work in the contract needing to match the details and amounts in the application (page 5). • Clarified that the specific scope of work and estimated costs for each sub-contractor must be detailed in the contract uploaded with the application, and provided an example (page 8).
2.0	January 17, 2022	<ul style="list-style-type: none"> • Added that \$100 million in unused grant funding is available effective January 21, 2022 (page 4) • Clarified that a Licensee's allocation balance will also be adjusted when a grant agreement is terminated (page 6). • Removed the sequencing requirements so planned work activities can be applied for at any time even if the preceding work activity is not complete (page 6 and 7). • Added guidance that applicants are encouraged to ensure that contracts with Licensees cover those costs for work done that exceeds the amount offered by an SRP grant and for any cost overruns (page 7).

Site Rehabilitation Program Guidelines

There are two sets of guidelines to read before you apply for a Site Rehabilitation Program (SRP) grant. The [SRP Program Guidelines](#) – which provide the overall rules and details of the SRP across all grant application periods – and the application period-specific Supplemental Guidelines – which provide the specific details and criteria of a particular application period. Both must be thoroughly reviewed to prepare a successful grant application. Always read the [SRP Program Guidelines](#) first, followed by the Supplemental Guidelines for the application period to which you are applying.

These Supplemental Guidelines explain the details of SRP grant application Period 5.

Period 5 Overview – Licensee Funding Allocation

- SRP application Period 5 (with \$300 million in available grant funding) is open on February 12, 2021 to March 31, 2022. An additional \$100 million in grant funding is available effective January 21, 2022.
- Application Period 5 allocates grant funding to Licensees with confirmed hydrocarbon production in 2019 and closure spending on eligible program work activities in 2019 or 2020. Licensees can choose to use their allocation on sites where they are the Working Interest Participant (WIP). These Licensees and their grant allocations are listed on <https://www.alberta.ca/site-rehabilitation-program-apply-for-a-grant.aspx>.
 - Eligible closure spending is for abandonment, Phase 1 environmental site assessments (ESAs), Phase 2 ESAs, remediation and reclamation work activities.
- As with other SRP application periods, Period 5 Licensees cannot apply for funding. Contractors who are oil field service (OFS) companies can contract with these Licensees to do closure activities and apply for an SRP grant to do the work.
 - Projects are eligible for up to 50 per cent grant funding of the OFS/Licensee or OFS/WIP contract value. The Licensee/WIP is responsible for paying the remaining 50 per cent.
 - Grant funding will be increased up to 100 per cent of the OFS/Licensee or OFS/WIP contract value if the applicant qualifies for Indigenous business incentives – as set out in the [Indigenous Company Criteria](#) section below.

- Applicants will be able to identify as either an Indigenous company or as a prime contractor that is hiring Indigenous sub-contractors, as part of their grant application. The SRP criteria for being considered an Indigenous company is outlined in the [Indigenous Company Criteria](#) section below.

Application Acceptance Criteria

General Details

- Multiple applications (applications from multiple contractors or multiple applications from one contractor) are allowed up to the maximum allocation amount per Licensee/WIP.

Starting in period 5, the scope of work in your OFS contract must match the assets and work activities in your SRP grant application. The closure work on each asset will be reviewed and compared to the following application details – infrastructure site ID, activity type and grant amount requested. If the scope of work and costs for the work activities in the contract do not match the details and amounts in the application, the application will be declined. Single well applications with attached multi-well contracts will also be declined.

- For example, if an application is for the abandonment of 10 wells, the contract must include all and only those 10 wells, and have abandonment activities listed as their scope of work.
- Contractors are required to request a grant amount for each work activity type by infrastructure site ID, and this amount needs to match the scope of work and costs in the OFS contract.
- SRP grant funding is approved specific to the scope of work and activity type on each site in the application. Schedule A of the SRP grant agreement details the amount approved per infrastructure site ID and activity type.
- A Licensee/WIP must ensure that the total grant amount requested by their Contractors will not exceed the Licensee's/WIP's allocation. In other words, the sum of the grant amount requested for all submitted applications cannot exceed the maximum approved allocation per Licensee/WIP. (A list of Period 5 Licensees and their grant allocations can be found on <https://www.alberta.ca/site-rehabilitation-program-apply-for-a-grant.aspx>.)
- A Licensee's/WIP's allocation balance will be adjusted (including applications where the Licensee is the WIP) at the following stages in the application workflow:

- when an application is submitted to the Department,
- when an application is withdrawn,
- if an agreement is signed by both the Contractor and the Department for less than the requested amount,
- when an application is declined upon application review,
- if the grant agreement is declined by the Contractor,
- when a grant agreement is terminated, and
- if the final payment request is for less than the amount available as per Schedule A in the SRP grant agreement.
- For this reason, if the remaining Licensee/WIP allocation balance is less than a particular grant request, you can only receive the remaining allocation. For example:
 - If the desired grant is for \$10,000, but the remaining Licensee/WIP allocation balance is \$5,000, the SRP application system will not allow you to enter a grant request amount of more than \$5,000.
 - If the application qualifies for 100 per cent grant funding of the contract value because Indigenous OFS contractors are working on the project, and the allocation balance remaining is \$7,597, the maximum grant requested cannot be greater than \$7,597, irrespective of the value of the contract, or percentage of grant funding identified.
 - If an allocation balance is \$10,000, and the application qualifies for 50 per cent grant funding of the contract value (i.e. government pays for half of the project and the Licensee/WIP pays for the other half), a contract amount of \$20,000 or less could be funded at the 50 per cent level. However, if the contract amount exceeds \$20,000 then the maximum grant application amount would still be \$10,000.

Application Submissions

- Licensees/WIPs must plan the required closure work for each site and ensure that the associated applications submitted by their Contractors are submitted and approved according to their project plans. Effective January 6, 2022, applications for the planned

work activities can be submitted at any time even if the current work activity is not complete.

- A single application for all closure work on one inactive site – from abandonment to final remediation and reclamation – will be accepted effective January 6, 2022.
- Applicants are encouraged to ensure that contracts with Licensees cover those costs for work done that exceed the amount offered by an SRP grant and any cost overruns..

Work Activities

- Applications for the same work activity (i.e. remediation) at the same time by different Contractors will be accepted as long as the scope of work in each OFS contract is clearly distinguishable from the other work being done for that activity.
 - For example, one work activity may involve several sub-contractors who are receiving individual grants – such as line locators, equipment operators, and trucking firms. Each of these companies would have their own scope of work and would need to describe it clearly in their OFS contract.
- Conversely, a Prime Contractor may apply for all of the closure work required for one work activity on a site, however, they must identify their sub-contractors in the application, and;
 - the specific scope of work and estimated costs for each sub-contractor must be detailed in the contract used to apply to the program.
 - For example, a scope of work with downhole abandonment as the activity for a value of \$50,000 with four sub-contractors listed and no further details will be declined. Downhole abandonment should be broken down into the related sub-contractor activities and costs such as service rig, wireline, cementing etc.
- One application for the same work activity on multiple sites with the same Licensee Business Associate (BA) code is preferred over providing single well applications. However, it is important to keep in mind as part of your project planning, that you can only submit **one** interim and **one** final payment request for each grant.
 - For example, a Licensee/WIP may contract with one Contractor to conduct abandonment activities at fifteen different sites.
- As noted in the [SRP Program Guidelines](#), the SRP does not fund work on active sites. As such, multi-well pads that have an operating well(s) are not eligible for grant funding.

Remediation and reclamation work activities are eligible for grant funding if all wells on a multi-well pad have been abandoned prior to submitting an application.

- Identical work activities at the same site that have received grant funding in this or any previous application periods are not eligible for additional grants.

There are approximately 70,000 abandoned sites awaiting surface reclamation in Alberta.

Indigenous Company Criteria

Applicants can declare themselves as either an Indigenous company or as a prime contractor hiring Indigenous sub-contractors, when completing Period 5 grant applications. In order to be considered an Indigenous company/employer, for the purposes of the SRP, the following criteria must be met.

If the applicant is an OFS company, they must meet one of the four following criteria to be considered an Indigenous company under the SRP:

1. At least 50 per cent or more of the company is Indigenous-owned (sole proprietor, community-owned, or shareholders), and 50 per cent or more of the employees carrying out the work are Indigenous
2. At least 50 per cent or more of the company's board of directors or executive officers are Indigenous, and 50 per cent or more of the employees carrying out the work are Indigenous
3. The company is registered in [Indigenous Services Canada's Indigenous Business Directory](#). (Source: aadnc-aandc.gc.ca/eng)
4. The company is a [Certified Aboriginal Business](#) with the Canadian Council for Aboriginal Business. (Source: ccab.com/membership/certified-aboriginal-business-cab/)

If the applicant is a non-Indigenous prime contractor, they must meet the following criteria to be considered an Indigenous applicant:

- All (100 per cent) of the sub-contractors working on all of the sites in the application are Indigenous, as described above.

These criteria were developed with the SRP Indigenous Roundtable, a working group of Indigenous companies and communities.

How to Apply

- Applicants that already have an [Electronic Transfer System](#) (ETS) Site Rehabilitation Program user account with the Department should use this existing account to login to ETS and make an SRP grant application.
- Applicants that do not already have an ETS account will have to register first before being routed to the grant application.
- Follow the instructions in the application portal to fill out your grant application. A sample of the period 5 application you will fill out online is attached in [Appendix A \(page 11\)](#) for your reference.
- You will be asked to enter a unique identifier code – starting with SRP5 followed by 12 characters that the Licensee will provide so that your company can submit a period 5 application.
- You can find the list of Period 5 Licensees in the How to Apply section on <https://www.alberta.ca/site-rehabilitation-program-apply-for-a-grant.aspx>. You will be asked to enter a Licensee Business Associate identification number (BA ID) for each application, and the WIP's BA ID if the OFS contract is with a WIP. If the Licensee/WIP BA ID is not eligible for Period 5, the application system will display an error message notifying you that the Licensee/WIP is not eligible for grant funding in Period 5.
- The Licensee's/WIP's grant allocation balance will decrease as applications are submitted and grants approved.
- You must include a targeted work start and end date when completing an SRP grant application.
- You will be asked to indicate if a grant has previously been issued for any of the work listed in your application or in the OFS contract. If you don't know whether an application

has been submitted, or a grant issued, you may select “I don’t know yet”. Be aware that knowingly providing false or misleading information is punishable by law, and may result in your disqualification from the SRP.

- You must provide the company names of any sub-contractors in the OFS contract uploaded with your application that are doing work as part of the project.
- You will be asked if the infrastructure in your application is located on a “Land Nomination Site”. This means a site has been nominated for closure under the SRP (for more information about nominated sites visit: <https://www.alberta.ca/landowner-and-indigenous-community-site-nomination.aspx>.) If you don’t know whether a site has been nominated, you may select “no”.
- You will be asked to provide an accurate estimate of the number of employees or sub-contractors residing in the municipality or county working on the project. This information is used for important data collection.
- Upon submitting your application, the SRP application system will display the eligible grant amount as 50 per cent or 100 per cent of the contract value. If your requested grant amount is equal to or less than the eligible grant amount calculated by the system, you can “submit” the application or select “cancel” if you would like to make changes to the grant amount requested or any other part of the application. If the grant request exceeds the contract value or calculated value, an error message will be displayed.

After you apply

- Applications must be completed accurately and fully to be considered for the program. Deficient applications will be declined and applicants will be required to reapply.
- If you are deemed eligible for a grant, you will be required to sign an agreement with the Government of Alberta outlining the roles and responsibilities of all parties.
- SRP grant funding is being approved specific to the scope of work and activity type on each site in an application. Schedule A of your SRP grant agreement details the amount approved per infrastructure site ID and activity type, as well as the maximum approved amounts for the three grant payments and the total approved grant.
- Failure to meet the requirements laid out in the agreement could result in the loss of all or part of the grant.
- Once the agreement has been approved and signed, you will receive an initial payment of 10 per cent within 30 business days.

Appendix A – sample Period 5 online application form

Site Rehabilitation Program Grant

NOTE: Before you start grant application, please review the [Site Rehabilitation Program Guidelines](#)

Status: Work in Progress

Applicant's Information

Program Period:

Period 5

Company's Legal Business Name (Applicant) Choose an option...

2 - Corporate Registration Number

3 - Contact Information for the Company's Signing Authority.

Name:	Title:
<input type="text"/>	<input type="text"/>

Address:

City/Town:	Province:	Postal Code:
<input type="text"/>	<input type="text"/>	<input type="text"/>

Phone (Office):	Phone (Mobile):
<input type="text"/>	<input type="text"/>

Fax:	Email:
<input type="text"/>	<input type="text"/>

4 - Company's authorized Representative or Agent contact information (if different from #3).

For questions on submission and reporting.

Same as #3

Name:

Title:

Address:

City/Town:

Province:

Postal Code:

Phone (Office):

Phone (Mobile):

Fax:

Email:

5 - Is this site(s) under the care of the Orphan Well Program?

6a - Licensee Legal Name

What is the infrastructure Licensee's BA ID?



6b - Is the contract with a Working Interest Participant (WIP) and not the licensee?

If "Yes" what is the WIP's BA ID?

WIP's Legal Name



6c - Do you have a signed contract for the Abandonment/Reclamation work for which the Grant is being requested?

Upload the contract signed by the licensee/WIP and the signing representative for your company

6d - Unique Identifier Code provided by the Licensee/WIP

This unique code is available from the Licensee/WIP and is required to submit an application form.

7a - Has the contract been signed by authorized representatives of both companies?

7b - What is the value of the contract?

7c - Is the contract under a Master Service Agreement?

7d - Is the scope of work included in the contract?

7e - Please enter the work start date and work end date as stated in the contract:

What is the work start date?

What is the work end date?

7f - Please enter the contract start date and contract end date as stated in the contract:

What is the contract start date?

What is the contract end date?

7g - Has a SRP grant previously been issued for any of the work listed in the application or in the contract?

If a grant was previously received, provide the total approved grant amount.

If a SRP application(s) has previously been submitted for any of the sites in the current application, complete the table below:

<input type="checkbox"/>	Period	Application Reference Number
No matching records found		

7h - Are there any other companies or individuals identified in the contract? If so, provide the names of additional parties below.

<input type="checkbox"/>	Contract Party Names
No matching records found	

8a - Is the applicant an Indigenous company, as defined in the Supplemental Guidelines for Periods 3, 4 and 5?

If yes, provide the following information:

Is this company registered in Indigenous Services Canada's Indigenous Business Directory?

Is this company a Certified Aboriginal Business with the Canadian Council for Aboriginal Business?

If the two questions above are not applicable, complete the following three questions:

What percentage of the owners (sole proprietor, community-owned, or shareholders) of this company are Indigenous?

What percentage of the executive officers of this company, or board of directors of this company are Indigenous?

Choose an option... ▾

What percentage of the employees working on all the sites contained in this application are Indigenous?

Choose an option... ▾

8b -

If the applicant is not an Indigenous company, is the applicant a prime contractor who is employing Indigenous sub-contractors?

Choose an option.. ▾

If yes, provide the following information:

What percentage of the sub-contractors who will be working on all the sites contained in this application are Indigenous?

Choose an option... ▾

Provide the company names of all Indigenous sub-contractors:

Indigenous Sub-Contractor

No matching records found

Remove

Add Indigenous Sub-Contractor...

Well, Pipeline and Facility Information

8c - Specify the type of infrastructure, work activity and whether the site has a Land Nomination

Click here to choose one or more options ▾

8d - Specify the amount of grant requested

It is Government of Alberta's full discretion to determine the final amount of the grant provided.

9 -

Is the Licensee current (not in arrears) on Municipal Taxes due within the municipalities where work is being performed?

Choose an option.. ▾

Upload the receipt from the municipality confirming the municipal taxes have been paid

Choose Files

No file chosen

Municipal Taxes Documents

File Name

No matching records found

Remove

10 - Has the AER approved the removal of part of a pipeline (or segment)?

Choose an option... ▾

If you choose yes, provide AER's approval letter (see Application Guidelines).

Upload the document, as applicable

Choose file

Browse

11 - What are the estimated number of hours which will be generated during the contract period?

To determine total jobs created.

12 - How many employees or sub-contractors reside in the municipality or county where the proposed work is located?

To determine local jobs.

13 - Have you previously provided payment information (EFT Form/Cheque) to Alberta Energy under the SRP?

Choose an option... ▾

I certify that the information submitted in this application is true and accurate to the best of my knowledge, and the Licensee has provided me with their unique identifier so that my company can submit this application. I further understand that any false information may result in the rejection of my application or termination of the Grant Agreement.

Save

Submit