

Regulatory Bulletin:

How To Access Funding for Emissions Reduction and Low Carbon Fuels

Can your next project benefit from Research,
Development, and Demonstration grants?

Also in this issue:

Alberta

- Release of Directive 088: Licensee Life-Cycle Management
- Upcoming Expiration of the Curtailment Policy
- Geothermal Resource Development Act (GRDA) Proclamation
- Promoting Alberta's Energy Industry in the United States.

British Columbia

- Process Simplified for Gas Processing Plant Fluid Analyses
- New Allowable Annual Cut (AAC) Level for Tree Farm Licence (TFL) 33
- Advancing Clean Energy Projects in First Nation Communities
- Adoption of ParcelMap BC

Canada Opens Call for Development and Demonstration Projects on Industrial Decarbonization and Low-Carbon Fuels

The Government of Canada has announced a new call for expressions of interest to support [low-carbon fuels research, development, and demonstration \(RD&D\) projects](#), further advancing Canada's competitiveness as markets shift to more sustainable, low-carbon operations. The intent is to provide research funding to help industries address emissions.

The funding targets industrial fuel switching, pre-commercial production of clean fuels, and the development and upgrade of hydrogen codes and standards. Applicants are to demonstrate how their project has the potential to reduce greenhouse gas emissions, as well as how it addresses a gap in Canada's energy systems.

The call for expressions of interest will remain open until February 2, 2022. Funded through the Energy Innovation Program, the call for expression is underpinned by Canada's Climate Plan, [A Healthy Environment, and a Healthy Economy](#), and initiatives such as the [Hydrogen Strategy for Canada](#), the [Emissions Reduction Fund](#), and the \$1.5-billion [Clean Fuels Fund](#).

Integrated Sustainability has significant expertise drawing from funding for our customers and are well placed to assist with low carbon project development; be it biogas management; ultrapure and low-cost distillation technology for hydrogen generation; or pioneering renewable energy collection.

Contact us today to access RD&D funding for your next project.

Call for Proposals to Support Marine Conservation Efforts

On 15 December 2021, the Government of Canada (GOC) launched a [Call for Proposals](#) to provide funding for ocean conservation and management projects via the Oceans Management Contribution Program.

The Program, first established in 2016, is currently offering a minimum of \$5 million in funding for eligible marine conservation programs, with an additional \$20 million to support agreements in support of federal ocean conservation and planning.

Eligible applicants can submit proposals under three streams: outreach, monitoring, and capacity building. Funding opportunities under the program are intended to help meet the GOC's commitment of conserving 25% of Canada's oceans by 2025, working towards 30% by 2030. Proposals will be accepted until 06:00 PM (EST) on 11 February 2022 and an [application guide](#) is available on the GOC's website.

Nature-Based solutions for Restoring Carbon-Rich Ecosystems

The Government of Canada announced \$200M to address climate change by restoring carbon-rich ecosystems through nature-based solutions. [Nature Smart Climate Solutions Fund](#) helps individuals and organizations reduce Canada's greenhouse gas emissions by conserving, restoring, and enhancing the management of critical ecosystems.

The fourteen projects that received funding in 2021/2002 are projected to conserve up to 30,000 hectares; restore up to 6,000 hectares; and contribute to the enhanced management of up to 18,000 hectares of wetlands, grasslands, and riparian areas.

Supported projects will focus on restoring degraded ecosystems and conserving carbon-rich areas at high risk of conversion. Nature-based solutions address several key sustainability goals such as improving air and water quality, and capturing and storing carbon emissions, protecting wetlands, and preventing biodiversity loss.



Release of Directive 088: Licensee Life-Cycle Management

On December 1, the Alberta Energy Regulator (AER) released [Directive 088: Licensee Life-Cycle Management](#), which includes [new tools](#) to manage oil and gas liability. The new directive has been developed to ensure Alberta's oil and gas industry remains accountable for end-of-life management and reclamation of wells. It is the next step in implementing the Government of Alberta's new [liability management framework](#). The AER has also released a [What We Heard](#) document from their engagement session on Directive 088, which was held in June 2021.

The additional tools within Directive 088 intended to assess a company's life-cycle management capabilities include:

- A holistic assessment of a licensee's capabilities and performance across the energy development life cycle supported by the licensee capability assessment (LCA)
- An inventory reduction program, which sets yearly industry-wide and company-specific targets to complete closure work, starting with an industry target of \$422 million in 2022.
- A licensee management program that determines how licensee management will occur across the energy development life cycle
- An update to application requirements related to the license transfer process

Information sessions on Directive 088 will be held in early 2022 and [registration](#) for the session is now open.

Upcoming Expiration of the Curtailment Policy

Minister of Energy, Sonya Savage, issued the expiration of the [curtailment policy](#). Curtailment rules introduced on 1 January 2019, to align production with export capacity, protecting the value of the province's oil by helping prevent Canadian crude from selling at large discounts. Oil production limits were intended as a short-term measure when storage levels were high and there were significant pipeline constraints. Curtailment was scheduled to end 31 December 2019, but ongoing concern about high volumes of oil lingering in Alberta storage led to an extension of the curtailment policy.

Continuous monitoring production, inventories, pipeline capacity and rail shipments are expected ensure production does not exceed what the province can export. Storage levels are also expected to remain within the normal range of operations

Geothermal Resource Development Act (GRDA) Proclamation

On 8 December 2021, the Government of Alberta announced the [Geothermal Resource Development Act \(GRDA\)](#). This establishes the Alberta Energy Regulator (AER) as the primary regulator for deep geothermal energy developments in Alberta; amendments to other supporting acts to manage geothermal resources were also included. The regulatory framework, including the application process, rules, directives, and technical requirements for development of geothermal resources is to be published in spring 2022.

Geothermal application is not accepted until the rules and associated regulatory instruments are in force. Questions about geothermal resource development, including application submission, timelines, licenses, and transfers, can be emailed to geothermal@aer.ca

Promoting Alberta's Energy Industry in the United States.

On 6 December 2021, Alberta's Energy Minister Sonya Savage attended the [World Petroleum Congress \(WPC\)](#), a premier global oil and gas conference hosted in 2021 by Houston, Texas. The minister will also attend the Energy Council Conference in New Orleans. The Energy Council is an organization of elected legislators from fourteen energy-producing states in the U.S. and two Canadian provinces, Alberta and Saskatchewan.

Participation at both the WPC and Energy Council Conference provides opportunities to promote Alberta as a supplier of responsible, secure, reliable, and affordable energy. The minister will encourage conference delegates to attend the 24th World Petroleum Congress, scheduled to take place in Calgary in 2023.

BRITISH COLUMBIA

Process Simplified for Gas Processing Plant Fluid Analyses

Effective 6 December 2021, the process of submitting Gas Processing Plant ("Plant") Fluid Analyses submission must be via [eSubmission online portal](#). This includes both the gas analysis and associated hydrocarbon liquid analysis, and each marketable product leaving the Plant due by January 31 each year. The submission of Plant inlet and marketable product sales stream analyses has been a specific requirement within the Drilling and Production Regulation, section 34(7), until the recent release of the new Oil and Gas Processing Facility Regulation (OGPFR). Currently, Part 6, Division 1 of the OGPFR specifies records requirements for Plants and other processing facilities.

Permit holders will be able to administer access within their own organization. Users submitting analyses in eSubmission will require the "Methane Reporting" security role. Users who do not have this role will need to contact their company administrator to have this role assigned in KERMIT. Refer to the [Online System Accounts page](#), and [eSubmission User Guide](#) [3] for more information about creating accounts and obtaining security roles, and the Company Administration.

New Allowable Annual Cut (AAC) Level for Tree Farm Licence (TFL) 33

Effective immediately, a [new allowable annual cut \(AAC\) level](#) for Tree Farm Licence (TFL) 33 is 23,160 cubic metres, an increase of approximately 10% from the previous AAC, set in 2011. The increase reflects updates to the inventory information used in the analysis. This decision maintains a stable timber supply and accounts for forest health factors and the protection of non-timber values. This includes cultural resources, wildlife habitat, and old-growth forest, and established land-use objectives. The Diane Nicholls, British Columbia's chief forester's AAC determination is based on information ranging from technical forestry reports, First Nations, and public input to the government's social and economic goals.

Under the **Forest Act**, the chief forester must determine the AAC in each of the province's 37 timber supply areas and 34 tree farm licences at least once every 10 years.

Advancing Clean Energy Projects in First Nation Communities

Funding will be provided to ten First Nations communities through the [British Columbia Indigenous Clean Energy Initiative \(BCICEI\)](#) to develop alternative energy projects and advance energy efficiency. Funding from the BCICEI supports the planning and development of clean-energy generation projects, such as run of river, wind, biomass, solar, marine, and geothermal. It targets energy-efficiency projects and energy storage and seeks to assist remote communities in reducing dependency on fossil fuels, including diesel generators.

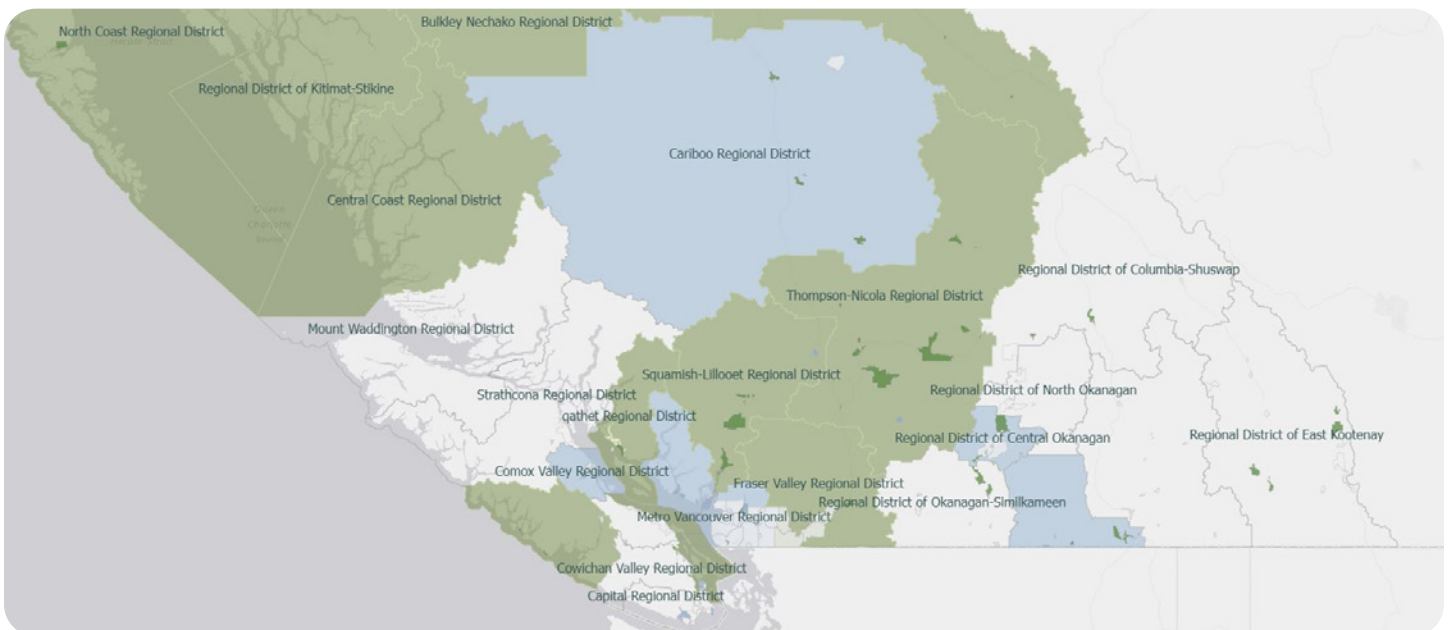
Minister of Environment and Climate Change Strategy, George Heyman, stated that “by investing in clean energy in remote Indigenous communities, we’re helping replace diesel power, reduce greenhouse gas emissions and increase energy independence for First Nations.” The 2021 Project list for B.C. Indigenous Clean Energy Initiative includes Feasibility, site selection, environmental review, permitting, project design, and engineering.

For a list of funding opportunities for clean-energy projects led by Indigenous Nations and local governments, visit the [community climate funding guide](#).

Adoption of ParcelMap BC

The BC Oil and Gas Commission (the Commission) has transitioned to [ParcelMap BC](#), replacing the Integrated Cadastral Fabric (ICF) as the main source for cadastral data, including parcel descriptions and land ownership status. Land surveyors continue to play a critical role in the maintenance of ParcelMap BC through the submission of survey plan datasets, as required by the Surveyor General, which will continue to improve the overall spatial accuracy of the ParcelMap BC fabric while facilitating efficient up-to-date currency, including all new Statutory Right of Way plans registered.

ParcelMap BC is continually updated by the ParcelMap BC Operations Team and is recommended for use by all stakeholders by the Surveyor General of BC. Industry users of cadastral data are encouraged to use ParcelMap BC to support consistent language and communication around land ownership and parcel descriptions in communications and applications to the Commission.



DID YOU KNOW

Alberta Watercourse Crossing Owner Advisory Update

The Watercourse Crossing (WCC) Program Advisory Committee held a meeting to discuss updates and results of the 2021 crossing repairs, inspections, and planning initiatives. It was noted that existing roadway crossings were acting as barriers to fish passage. Results of the 2021 inspection and audits performed by the Alberta Energy Regulator (AER) and the Department of Fisheries and Oceans (DFO) identified several structural deficiencies at existing crossings that have led to poor fish passage (i.e. use of too much riprap).

The AER noted that new manual for installation of new crossings and remedial works is underway, which is said to become available in the upcoming year. Existing WCC owners with operating temporary aboveground (AG) pipelines were notified that increased stakeholder concerns have been submitted due to dropping water levels near these structures. As a result, temporary diversion licences (TDLs) that have indicated the use of a temporary AG pipeline may be subject to additional review during their application process.

The AER will be preparing an annual report that outlines 2021 non-compliances and proposed crossing repair locations and priority watersheds for the new year. Owners are encouraged to select their 2022 crossing repair locations based on the [priority list](#) set out by the AER.

For more information, please contact Jamie Peters, Regulatory Manager at (403) 200 7905 or jamie.peters@integratedsustainability.ca. Thank-you.



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Integrated Sustainability acknowledges that our Calgary head office resides on Treaty 7 territory, the traditional territories of the Blackfoot Nations, including Siksika Piikani, and Kainai, the Tsuut'ina, Nation and Stoney Nakoda First Nations. We acknowledge all the many First Nations, Métis, and Inuit whose footsteps have marked these lands for centuries.

We also acknowledge that our Vancouver office is on the unceded territories of the Coast Salish Peoples, including territories of Musqueam (Muss-quee-um), Squamish, and Tsleil-Waututh (tSlay-wah-tooth) Nations. We thank them for having been the stewards for these lands and waters since time out of mind.