

DRILLING TECHNOLOGY CHALLENGE

Up to \$35 million to build on more than a century of expertise

Online Submission: ERAlberta.ca

Deadline:

Thursday, January 29, 2026 5:00 p.m. M (UTC-6h)







Introduction

This document is intended to provide answers to common questions from prospective applicants to ERA's funding programs. In the event of discrepancy between this document and the official Call guidelines/template, the latter shall govern.

Applicants are encouraged to contact ERA (applications@eralberta.ca) with specific questions regarding their project(s) or to clarify any of the information provided.

Frequently Asked Questions

1. Who is ERA?

ERA is Emissions Reduction Alberta. We previously operated as the Climate Change and Emissions Management (CCEMC) Corporation. ERA is a key partner in implementing Alberta's climate change strategy. Our funding, which comes from the Government of Alberta's Technology Innovation and Emissions Reduction (TIER) Fund, is helping to shape a province with a diverse economy, a healthy environment and a robust innovation ecosystem.

For more information, visit the About ERA web page.

2. How can I stay apprised of ERA funding opportunities?

The best way to stay apprised of our activities is by subscribing to the <u>ERA Update</u> Newsletter.

3. How does ERA find projects to fund?

ERA regularly selects projects to fund through a competitive call for proposals process. Visit our <u>Apply For Funding</u> page to learn more about our process.

4. How can I get funding for my project from ERA?

To receive funding from ERA, your project must meet the eligibility requirements set out in an active funding opportunity and must succeed in a criteria-driven competitive proposal adjudication process. The eligibility requirements and funding criteria are in the Guidelines documents that are published on our website for each opportunity. The guidelines vary for each round of funding, so it is important to review the specific Call for Expressions of Interest document for the opportunity that you are responding to.

5. Do I need all of my funding secured at the initial application phase?

No. While Letters of Intent and demonstration of matching funding make for a stronger proposal, proof of matching funding is not required until approximately 60 days after funding is awarded and prior to executing a Contribution Agreement.

6. How do I apply? How can I access the Application template? Can I submit an Application without using the online system?

Applicants must complete a formal Application. The Application template can be downloaded on ERA's application portal (https://grant-manager.com/erims) after you have created an account and started a submission. All submissions must be completed through the Grant Manager system; no submissions will be accepted via other means.

7. How do I determine if my project qualifies for funding? What sectors are eligible for this call? What are some examples of technologies you are looking for?

This Call for Proposals is targeted at technologies that support improvement in performance of the drilling and completion process in Alberta in terms of cost, speed, performance, energy use/emissions, environmental impacts, and other considerations. In the context of this Call, eligible solutions could involve one or more novel technologies that improve or enable the preparation and execution of well drilling and completions.

A non-exhaustive list of example technology areas of interest can be found in the official Call guidelines document. When in doubt, applicants are encouraged to contact ERA's technical team (applications@eralberta.ca) to discuss the eligibility and fit of their technology.

8. Are GHG detection projects or other projects with indirect or enabled emissions reductions eligible?

GHG detection, quantification, measurement and monitoring technologies are not eligible. Technologies with *indirect* or *enabled* emissions reductions are eligible, provided a **strong case** can be made for how the technology will support emissions reductions. ERA recommends that applicants in this category clearly articulate how their solution will support improvements in drilling and completion processes. Similarly, for projects with no current GHG baseline in Alberta (i.e.: materials not currently produced commercially in Alberta), applicants may still claim GHG benefits by taking a lifecycle approach on a global basis (For example, claiming reductions compared to the current business-as-usual emissions intensity of producing that material elsewhere, and/or accounting for the emission to transport materials into Alberta.) See Question 19 for more information.

9. If I have already received funding from ERA, can I still apply?

Past recipients are eligible for funding for new projects or technologies, or for follow-on projects, provided their current project with ERA is complete prior to ERA awarding funding. Projects that have received funding or funding approval from ERA/CCEMC are not eligible to receive further ERA funding. The scope of proposals submitted to this Call must be distinct from work previously funded by ERA.

10. How does ERA define "novel," "innovative," or "first-of-kind" technologies? ERA's funding is intended to support advancement of new technologies towards commercialization within Alberta. Applicants must justify how their proposed project

represents a departure from "business as usual" activity and how the technology involved is differentiated from current options used in the province. In general, projects must feature an element of technical risk. This can include:

- Entirely new technologies or unique combinations of technologies
- Application of existing technology to a new end use, new sector, new product, etc.
 - This can include deployment of commercial technology in Indigenous communities.
- Testing and/or implementation of technology that is in use elsewhere but has not previously been deployed in Alberta.

In order to justify how the project represents an opportunity beyond "business-as-usual", applicants are encouraged to consider the following elements:

- the additionality of the potential project outcomes relative to a reasonable future baseline condition;
- the extent to which the technology has been previously implemented/tested in Alberta and in a particular sector;
- the incremental strategic value of the project relative to current/past investments in ERA's portfolio; and
- the degree of technology risk associated with the proposed project.

The Call guidelines include further guidance on how applicants can make a strong case for the novelty of their project.

Applicants are encouraged to contact ERA to discuss questions regarding alignment.

11. How strict are the stage of development requirements? What Technology Readiness Level (TRL) is required at the start/end of the project?

ERA is targeting projects spanning a range of TRLs. Regardless of the current stage of development, all projects must reach the stage of a field pilot/field testing or higher TRL by the end of their ERA-funded scope of work. ERA will not fund standalone pre-construction work (such as feasibility, FEED, or other studies) in this Call. Applicants must demonstrate they have a minimum viable product and/or prototype, with early demonstrable results prior to applying.

12. Does the applicant need to be incorporated in Alberta? Do all project partners need to be from Alberta?

No. The applicant, technology, and consortium partners can come from anywhere. However, all projects supported through this Call must demonstrate a clear and justified value proposition for reducing provincial emissions and improving Alberta's competitiveness in the sector deploying the technology. On a case-by-case basis, ERA will evaluate projects that are piloted outside of the province, provided the technology provider or one of the lead project partners is an Alberta-based company with the potential to

commercialize the technology in Alberta. Companies piloting projects within Alberta can originate from anywhere in the world.

13. Can a portion of project activity occur outside of Alberta?

Yes, projects may involve activities or incur expenses outside of Alberta. However, the focus of the project must involve piloting, demonstration, or implementation of the technology within Alberta. Applicants must justify the balance of in-province and out-of-province activities associated with their project. On a case-by-case basis, ERA may consider supporting projects led by Alberta-based entities but where the pilot/demonstration site is outside of Alberta, provided they demonstrate a clear value proposition to the province.

14. Can one applicant submit multiple applications?

Yes. There is no limit on the number of submissions from any party. Due to the volume of proposals expected and the competitive nature of the process we encourage applicants to present only their highest quality opportunities. It is unlikely that ERA will invite more than one full project proposal from a given lead applicant.

15. Would a portfolio of projects qualify or is it preferable to submit as individual projects?

Typically, ERA funds "projects" with clear timelines, objectives, deliverables, and milestones. Proposals may include multiple technologies and multiple sites; however, ERA recommends that each proposal be kept as focused as possible, with a clear objective. Having a large portfolio of technologies within a single project risks diluting the value of the most compelling elements of the portfolio and/or creating an overly complex project.

Through this call, projects that propose test centres and other shared infrastructure that enable testing and validation activities for <u>multiple participants</u> are also eligible for support.

16. Can ERA funding be used as provincial support for other programs? Are projects that have received other government funding eligible?

Yes, ERA can fund projects that have received or will receive other government funding. ERA does not have a strict "stacking" limit for government funds if ERA's contribution is matched at least 1:1 by industry dollars. However, other funding organizations may restrict stacking of government funds.

If the intent is to apply to other grant programs with the same project, ERA recommends that this is noted when completing the financing table in the ERA application. Having other grant proposals in progress can improve ERA's assessment of the project's financial viability. ERA reserves the right to award less funding than the amount requested, so it is necessary for applicants to justify the amount requested from ERA, taking into consideration the likelihood of securing other grant funding.

17. Why does ERA request permission to share my application with Trusted Partners? What does this mean?

ERA collaborates with other funding organizations to share application materials and, in some cases, jointly consider proposals for funding. This provides applicants with greater exposure to other funding organizations and programs. Applicants are encouraged to submit applications to other programs in parallel to ERA where appropriate. ERA proposal sharing does not guarantee consideration by partner organizations.

18. How does the amount of ERA funding requested impact the decision whether to fund a project?

The amount of funding requested does not change how projects are evaluated. Projects are not sorted or grouped based on funding amount or project size; all projects must stand on their own merits regardless of the funding amount requested. It is necessary for applicants to justify the amount requested. Funding requests should be commensurate with the scale of the project and potential associated outcomes.

19. For calculating GHG reductions, what timeline and baseline should we consider?

ERA will base assessments on annual emissions reductions for the life of the project and will consider the overall GHG impact by 2030 and 2050. Further information is available in the Call for Expressions of Interest Guidelines.

ERA encourages applicants to make their case for GHG emissions reductions relative to a realistic forecasted (forward-looking) baseline for what would happen in a "business as usual" scenario in the absence of the project. For new industries and/or inherently-low-emissions products with no Alberta baseline, ERA encourages applicants to consider using Alberta's average economic emissions intensity (tCO2e/\$ of GDP) when developing their emissions benefits section. See the next question for more information.

20. Is emissions reduction potential assessed for the project only or on a market basis?

ERA considers both the project-level emissions reductions as well as the potential for reductions from commercialization of the technology (i.e. widespread market adoption). The size of opportunity and potential for GHG and economic benefits at commercial scale will be taken into consideration during ERA's project selection. Lifecycle benefits (i.e.: extended Scope 2 benefits that are realized elsewhere in the value chain upstream and downstream of the technology itself) may be included in the benefits calculation, however ERA is predominantly focused on those emissions reductions that occur within Alberta's boundaries. Applicants must justify the assumptions used in all GHG reduction estimates.

21. If a project is accepted, does the IP become public? What information does ERA share for funded projects? Does ERA enter into confidentiality or non-disclosure agreements with applicants?

Under normal circumstances all IP remains with the original owner. ERA does require public reporting of the project outcomes and learnings, but business/competitive confidentiality is maintained.

Application details are kept confidential on a permanent basis. When funding is announced, ERA will publicly share a non-confidential summary of the projects selected for funding. Once the funded project is complete, public reporting of outcomes and learnings is required. ERA collects and publicly reports key outcomes data, such as emissions reductions and job creation, for all funded projects.

ERA does not enter into non-disclosure or confidentiality agreements with applicants. All applicants are already covered under ERA's privacy and confidentiality policies as described in the Call guidelines and the eralberta.ca website.

Upon funding award, ERA will enter into a legal Contribution Agreement (CA) with the project proponent. The CA includes terms that pertain to confidentiality and privacy for both ERA and the proponent.

22. What criteria are used for decision making? Does ERA have Key Performance Indicators or targets for successful projects, for example: a specific \$/tCO₂e target?

Proposals are assessed based on the criteria described in the Call guidelines document that is posted on ERA's website. Specific quantitative targets for key performance indicators are not used due to the diversity of proposals expected and the need for all proposals to stand on their own merits.

23. What constitutes 1:1 matching? Can use of IP, facilities, etc. be considered an eligible matching contribution? Can debt financing be used to match ERA funds?

ERA will only match contributions related to actual eligible expenses related to the project incurred during the term of the project. Use of patents or existing infrastructure would not be eligible for matching, however certain other in-kind contributions such as use of internal personnel can be eligible. Applicants may use debt or equity financing to provide their share of funds, among other options.

Please refer to the eligible expense guidelines on the ERA website for more details on eligible in-kind and cash matching contributions.

24. If the project location has not been finalized for the project can an Application still be submitted for consideration?

Proposals may be submitted without a host site finalized; however, applicants should be aware that having a site confirmed will be viewed positively during the review process. Potential sites and plans to finalize the project site should be indicated in the proposal.

25. Do all project team members, partners, and consultants need to be finalized prior to the application?

ERA recognizes that some project elements may not be finalized at the time of Application submission. Applicants are encouraged to provide as much detail as possible about the core project team, plans to acquire expertise where needed, and planned subcontracting to provide ERA's review team with confidence that the right expertise is available to successfully execute the project.

26. If changes/developments to the project occur after my Application is submitted, is there an opportunity to revise?

After the Application deadline no changes can be made to submission. Applicants that are shortlisted to advance to the next stage of the process will have the opportunity to make changes when preparing their presentations, although the core project scope cannot change between submission and presentation date.

27. Does ERA provide a "matchmaking" service to connect technology developers with host sites, financing sources, or other consortium members?

No, ERA does not provide this type of service. Interested parties are encouraged to make use of industry associations, technology accelerators, and other resources when assembling a consortium.

28. How long does ERA monitor the project? What ongoing verification and validation is required?

ERA monitors the progress of each project throughout its scope. All projects must provide a work plan outlining key milestones tied to progress reports. Upon project commencement, applicants are also required to submit a monitoring, measurement, and validation (MMV) plan outlining data collection during and after the project to support GHG quantification activities. ERA requires that a third-party verification report be submitted one year after commissioning of the project technology/installation to verify the emissions reductions. In addition, ERA requires that funding recipients provide brief annual updates for a period after the project is complete (typically three years). Details of the post-completion reporting requirements will be detailed in the contribution agreement between ERA and successful recipients.

29. Does ERA provide examples of previously submitted strong proposals?

ERA cannot share previous proposals due to the need to respect the confidentiality of past applicants.

30. Who can I contact for help with my proposal? Does ERA provide feedback on proposals before submission?

General inquiries can be sent to applications@eralberta.ca, and questions about the online submission system can be sent to IMS@eralberta.ca.

Email inquiries are preferred over phone inquiries.

ERA does not provide feedback on proposals prior to submission. However, ERA personnel are happy to help with questions about eligibility, fit, or how to best address the criteria.