



METHANE REDUCTION DEPLOYMENT PROGRAM

Program Guide

November 2025 – version 1.0

Table of Contents

1. PROGRAM OVERVIEW	3
2. PROGRAM ELIGIBILITY	4
2.1 Applicant Eligibility Criteria	4
2.2 Eligible Facility	4
2.3 Eligible Projects	4
2.4 Eligible Technologies	5
2.5 Additional Eligibility Requirements for MMV technologies	5
2.6 Eligible Contractors	6
2.7 Eligible Project Costs	6
2.8 Project Aggregation	7
3. PROGRAM INCENTIVE.....	7
3.1 Incentive Details & Payments	7
3.2 Project Timeline Extension and Scope Changes	8
3.3 Funding from Other Sources	9
3.4 Environmental Attributes	9
4. REGISTRATION PROCESS	9
4.1 Program Application Portal Registration.....	9
4.2 Creating a Company Profile	10
5. QUALITY ASSURANCE AND PRIVACY PROCEDURES	10
5.1 Disclaimer and Confidential Information.....	10
5.2 Data Privacy and Storage.....	11
5.3 Quality Control	11
APPENDICES.....	12

Program Guide

Emissions Reduction Alberta (ERA)'s **Methane Reduction Deployment Program (Program)** is designed to support Alberta's oil and gas industry cut methane emissions faster and more cost-effectively. Funded through Alberta's Technology Innovation and Emissions Reduction (TIER) system, this Program focuses on deploying commercial-ready technologies that deliver measurable reductions in methane emissions while contributing to economic growth and regulatory readiness.

This Program Guide provides a comprehensive overview of the requirements and processes for proponents and contractors interested in participating in the Program. You will also find tips on how to submit an application, important deadlines and detailed information on eligibility and incentive payments. The Program Guide is an accompanying document to the Program Terms and Conditions and the Contractor Code of Conduct, which are all available on the Program's web page: www.eralberta.ca/methane.

The Program specific definitions referred to in this document are available in the Program Terms and Conditions. Please note that the Program Terms and Conditions and Contractor Code of Conduct shall control and supersede any inconsistencies, conflicts, or ambiguities within this Program Guide.

If you are unable to find an answer to your question in the supporting Program documents or require additional assistance, please contact us:

Email: support@mrp-deployment.ca

1. PROGRAM OVERVIEW

The Methane Reduction Deployment Program (the "Program") is delivered by Modern West Advisory (MWA) on behalf of ERA, working hand in hand with industry leaders to help deliver real methane emissions reductions across Alberta. The Program offers financial incentives to qualifying oil and gas facility owners and operators in Alberta for implementation of Eligible Technologies. These incentives cover up to 50% of Eligible Project Costs, with a maximum of \$1,000,000 per Project. The Program will continue until March 31, 2029, or until funding is fully allocated.

Funding is subject to the execution of the Participant Agreement, and all Participants must adhere to the Program Terms and Conditions, as well as meet all Program requirements and timelines throughout the duration of the Project.

Once a Project is approved by the Program, incentives are paid upon two key milestones. Half of the total Incentive Payment Amount is disbursed upon the approval of the Project procurement documentation, and the remaining 50% is disbursed upon Project completion. For more details on the incentive payments, please see section 3.

For more details, please refer to the Program Terms and Conditions, which can be found on the Program's web page.

2. PROGRAM ELIGIBILITY

2.1 Applicant Eligibility Criteria

The Program funding is available for upstream and midstream oil and gas facilities that are ready to deploy proven, commercial-ready technologies which deliver measurable methane reductions. To be eligible to apply for Program funding, the applicant must:

- (a) be duly constituted as a legal entity, validly existing, and in good standing under the laws of its jurisdiction, and authorized to carry on business in the province of Alberta;
- (b) have the legal authority and capacity to execute the Participant Agreement and carry out the Project;
- (c) confirm that it, or its parent company, has not applied for or received ERA funding that exceeds the maximum funding limit allowed under this Program; and
- (d) meet all other eligibility and compliance requirements set out in the Program Terms and Conditions (available on the Program's web page).

2.2 Eligible Facility

For the purpose of the Program, a "Facility" means any location in Alberta at which oil and gas activities are conducted, including but not limited to wells, facilities, equipment, pipelines, and associated infrastructure that are subject to the Methane Emission Reduction Regulation (AR 244/2018), **upon which the Project will be conducted.**

To be considered an Eligible Facility in the Program, the Facility must be located in Alberta and be either:

- Part of an aggregate facility as defined in the Technology Innovation Emissions Reduction Regulation (TIER),

OR

- not regulated under TIER.

Please note that facilities defined as "large emitters" or "opted-in facilities" under TIER, are not eligible.

2.3 Eligible Projects

Eligible Projects will reduce methane emissions through system or equipment upgrades. To be considered eligible a Project must:

- (a) Have started on or after January 1, 2025;
- (b) Consists solely of implementing one or more Eligible Technologies (defined below) at an Eligible Facility, as set out in the Participant Agreement; and
- (c) Be completed by or before the Project Completion Date, as set out in the Participant Agreement, which will be within two (2) years of acceptance into the Program or no later than March 31, 2029.

Consideration may be made on the abatement cost of the Project, specifically the life-time abatement cost for Projects should ideally be below \$500/tonne CO₂e to be eligible for funding. ERA reserves the right to approve or reject projects at our discretion based on project specific Greenhouse Gas (GHG) abatement cost evaluation.

Greenhouse Gas (GHG) emissions must be quantified for each Project and compared to baseline conditions. Details on the calculations and specific eligibility details for Eligible Technology types can be found in the GHG Emissions

Quantification Methodology for most Eligible Technology types listed, which are located on the Program's web page.

APPLICATION TIP: Before starting a Project application, applicants must first register in the [Portal](#) and create a company profile. Once registered, a Participant company can begin a Project by completing the pre-application step. The pre-application information will be reviewed once submitted to confirm eligibility, and a Project number will be assigned before the applicant can complete the full Project application.

2.4 Eligible Technologies

ERA's Methane Reduction Deployment Program offers continuous intake funding to accelerate the adoption of widely deployable, high-impact technologies that reduce methane emissions. To streamline the application process, the Program maintains a pre-screened list of technologies with demonstrated methane reduction potential (the "Eligible Technologies List"), which is updated from time to time. Please download the most up-to-date Eligible Technologies List on the Program's web page for comprehensive details.

Note that Projects must involve new equipment only, with the exception of Vapor Recovery Units (VRUs) and engines which may be new or refurbished/retrofitted, please see the Refurbished/Retrofit Engine/VRU Requirements document on the Program's web page.

Measurement, Monitoring, and Verification (MMV) technologies shall be considered eligible only if they are directly integrated with, or essential to, methane reduction or abatement technologies. See section 2.5 for details on MMV eligibility requirements.

Each Project application can only include one Eligible Technology type. Example of Eligible Technology types include:

- Engine optimization, retrofits, or replacements to reduce methane slip,
- Surface Casing Vent Flow (SCVF) capture solutions,
- Tank and compression routine venting mitigation solutions,
- Pneumatics (e.g., electrification, capture, or conversion to no-bleed systems),
- Casing gas conservation and destruction,
- Digital solutions, and
- Other innovative methane reduction technologies*.

***NOTE:** While only the Eligible Technologies are eligible for funding through the standard Program application process, ERA will also consider unique technologies submitted through an Eligible Technology Application form (further described below).

If there are multiple technology types being installed at a single Facility, each technology type must be submitted in a separate project application. Multiple units of the same technology can be combined into one application. Also, projects of the same type but at different facilities can be aggregated into one application (see section 2.8 for details on project aggregation).

2.5 Additional Eligibility Requirements for MMV technologies

In addition to the requirements set out above in section 2, eligible MMV technologies must:

- Be fully integrated into, and constitutes an essential component of, equipment that directly abates emissions, such that the equipment requires the MMV functionality to operate as intended;

OR

- Be capable of being integrated into equipment that abates emissions, and such integration directly increases the rate of emission abatement.

An MMV technology that is integrated into equipment as either (i) an optional add-on, or (ii) part of the indivisible standard equipment design, but has little or no effect on the rate of emission abatement may partially be eligible only where the incremental costs associated with the purchase and installation of the MMV component can be reasonably segregated from the costs of the abatement equipment.

Please note that standalone or purely optional MMV technologies that do not directly contribute to emission abatement are **ineligible**.

2.6 Eligible Contractors

To participate in the Program, contractors must be registered and recognized as Eligible Contractors. This requires agreeing to ERA's Contractor Code of Conduct (available on the Program's web page), which sets out the standards of conduct, compliance, and performance expected for all work performed under the Program. Only contractors who have completed this registration and have been deemed Eligible Contractors by ERA can support the Participant complete required documentation for the Program.

2.7 Eligible Project Costs

For projects to be eligible, no costs should have been incurred prior to January 1, 2025. Costs incurred after March 31, 2029 are also ineligible. For clarity, Eligible Project Costs can only include expenditures between the Program launch date (November 12, 2025) and the Program closure date (March 31, 2029, or an earlier date if the Program closes due to funding limits).

Eligible Project Costs include, but are not limited to, Front End Engineering Design (FEED), project equipment, construction equipment, and labour. No more than 10% of the total Eligible Project Costs can be attributed to FEED costs. Overhead, administrative, and internal expenses may not exceed 15% of total eligible project costs.

Ineligible costs include GST/PST and costs incurred prior to the timeframe outlined above. For a full list of the Eligible and ineligible Project Costs, please see the Project Cost Guide on the Program's web page.

A Project Cost Workbook has been provided to allow for eligible and ineligible Project cost tracking. This workbook is to be completed and submitted as part of the Project application.

Project approvals under the Program will continue until March 31, 2029, or until all available Program funds have been fully allocated, whichever occurs first. Applicants are advised to submit Project applications well in advance of this date to ensure sufficient time for review and approval. Applications submitted close to the deadline may not be considered if the review process cannot be completed prior to March 31, 2029.

All approved Projects must be completed no later than March 31, 2029, and no extensions will be granted beyond this date. Each approved Project will continue to be subject to a maximum completion period of two (2) years from the date of Project approval, unless a project deadline extension request has been approved by ERA.

For the Program, some expenses can be incurred prior to Project approval, including front-end engineering design, flow rate measurements, gas composition analysis, and ordering of project equipment. However, project construction or installation cannot occur before the Project is approved. Please note that incurring costs prior to Project approval

is always a risk as Project approval is not guaranteed. If you have any questions about Project eligibility or the approval process, please contact: support@mrp-deployment.ca

2.8 Project Aggregation

Projects for a single operator can be aggregated, provided they are located in the same economic region (visit the Government of [Alberta's Economic Regions](#) for more information) and are of the same Eligible Technology type. For example, where multiple pneumatic electrification conversions are happening across multiple well pads for the same operator in the same economic region, those projects can be aggregated and submitted in one Project application. Note that on all applicable Program documentation (Project Cost Workbook, quotes/PO summary, etc.) must be separated by LSD and Facility ID (as listed in Petrinex).

GHG emissions quantification calculations can be done in aggregation but must also include the LSD and Facility ID (as listed in Petrinex) for each installed Eligible Technology. Assumptions and calculations may be different for each Project, but all assumptions used for the calculations must be clearly listed and include proper justification for the values used. GHG Emission Quantification workbooks have been provided for most Eligible Technology types on the Program's web page. If the applicant elects to provide their own internal GHG emissions quantification workbook, the calculation methodologies, supporting data, and assumptions must be clearly stated. Supporting documentation may be required to be submitted for certain GHG quantification methodologies. Please review the GHG Emission Quantification workbooks for detailed guidance on supporting documentation. For more information about project eligibility and the GHG emissions quantification procedure, please contact: support@mrp-deployment.ca

3. PROGRAM INCENTIVE

3.1 Incentive Details & Payments

The Program provides eligible Participants with incentives of up to 50% of the total Eligible Project Costs. There is a maximum of \$1,000,000 incentive available per company, which can be dispersed among multiple Projects. There is a minimum of \$25,000 in incentives per Project; however, project aggregation is encouraged to meet the minimum eligible incentive value.

When a Project is approved, a Participant Agreement will be sent to the applicant indicating the total Incentive Payment Amount approved for the Project. If the Project cost changes from the initial submission, adjustments to the total Incentive Payment Amount will be made at the Project completion payment and will not exceed the total Incentive Payment Amount indicated on the Participant Agreement, unless a scope change has been requested and approved by ERA. If there are any other funding sources associated with the Project, adjustments to the total Incentive Payment Amount will be such that the combined total Incentive Payment Amount is no more than 50% of the total Eligible Project Costs, or as otherwise limited by the other funding source. Any changes to the total Project cost due to changes in the scope of the Project must be communicated to the Program immediately. For details about Project timeline extensions and changes to Project scope, see section 3.2. (Project Timeline Extension and Scope Changes). Major changes may require submission of a new application and would go through the approval process again.

Incentive payments are completed at two milestones in the Program: 50% of the Project incentive at approval of the procurement submission, and 50% at approval of the Project completion submission subject to the revised Eligible Project Costs.

Upon completion of either of the two milestones, submission of all required documentation, and approval of the submission by the Program, the Participant will be notified to submit a Banking Information Request Form for Electronic Fund Transfer (EFT). Unless consent is granted to MWA to continue to hold the banking information using the Banking Information Retention Request form, EFT details will be deleted from MWA's accounting records once the payment for the procurement submission is made and will need to be resubmitted for final Project completion submission. Payments will be made to the Participant unless the Participant has agreed with an Eligible Contractor and authorized MWA to pay the incentive directly to the Eligible Contractor by signing the Project Incentive Payment to Eligible Contractor Authorization Form located in the Documents and Templates tab on the Program Portal. Payments will be made within fifteen (15) business days following approval. For information about the privacy procedures, see section 5.

Examples of adjustments to the final incentive amount:

Example 1: The total Eligible Project Costs stated in the initial application are \$200,000 and the Participant Agreement reflects an approved total Incentive Payment Amount of \$100,000. Should the final Eligible Project Costs increase to \$220,000 upon the Project completion submission, the Incentive Payment Amounts will be distributed as follows:

Procurement payment: \$50,000

Final payment: \$50,000

Total Project Incentive: \$100,000 (50% of total Eligible Project Costs)

Note that the total incentive paid will not exceed the amount specified in the Participant Agreement, even if the actual Project costs increase at completion.

Example 2: The total Eligible Project Costs stated in the initial application are \$200,000 and the Participant Agreement reflects an approved total Incentive Payment Amount of \$100,000. Should the final Eligible Project Costs, upon the Project completion submission, decrease to \$180,000, the final Incentive Payment Amount will be adjusted accordingly:

Procurement payment: \$50,000

Final payment: \$40,000

Total Project Incentive: \$90,000 (50% of total Eligible Project Costs)

3.2 Project Timeline Extension and Scope Changes

All approved Projects must be completed within two (2) years or no later than March 31, 2029, whichever comes first. Note that absolutely no extensions will be granted beyond this date.

Before that deadline, timeline extensions or scope changes may be considered on a case-by-case basis. To request a timeline extension beyond the two (2) years for Project completion, please select the deadline extension scope change function in the application Portal. Any requests for an extension of the Project Completion Date must be made no less than two (2) months prior to the initial Project Completion Date outlined in the Participant Agreement. An updated project schedule and supporting rationale for the delay must be provided. Note that ERA has sole discretion to approve or deny any change request.

Minor scope changes that result in a less than ten percent (10%) increase in the total Eligible Project Costs do not require a scope change request. An updated Project Cost Workbook and supporting documentation, such as purchase orders and invoices, are required to be submitted to the Portal in the procurement and completions phases of the Project. If a minor scope change in cost is indicated in the Project Cost Workbook, the final incentive payment will be automatically adjusted to reflect this increase. Minor scope changes do not require the resubmission of an application or the reissuance of the Participant Agreement.

To request a major scope change resulting in a greater than ten percent (10%) increase in the total Project cost, or for Project changes such as an eligible technology or Project location revision, please select the major scope change function in the application Portal. An updated Project Cost Workbook, GHG Quantification Workbook, and supporting documentation, such as cost estimates, will be required to be submitted to the Portal. In this case, the Project will be required to resubmit its application for approval, and a Participant Agreement may be reissued.

Where ERA approves the Change Request, ERA will issue an Application Change Approval Notice setting out the amended incentive amount as applicable. For clarity, ERA will not pay any incentive for any Measure not listed in the Project Application or the Application Change Approval Notice.

If ERA rejects a change request, the Participant may terminate the Participant Acceptance and re-apply into the Program. In these circumstances, the Participant will be required to re-enter the queue and ERA shall have no liability to the Participant whatsoever.

3.3 Funding from Other Sources

Subject to section 3.4 (Environmental Attributes), Participants may receive additional funding, incentives, or grants from sources other than the *TIER Regulation*, the repealed *Climate Leadership Act*, or the *Pan-Canadian Framework* programs, as long as these amounts and sources are clearly disclosed in the Project application by completing the Declaration of Funding form and reflected in the signed Participant Agreement when possible.

3.4 Environmental Attributes

Participants agree to transfer ownership of all Environmental Attributes or products, including but not limited to carbon offset credits, generated by their Eligible Project in any jurisdiction to ERA or its successors. ERA is entitled to manage or use these Environmental Attributes and products as it deems appropriate, without requiring further consent from Participants. Participants further attest that these Environmental Attributes have not been claimed, sold, or transferred to any other party.

ERA retains the right to adjust Program guidelines in accordance with amendments to the Government of Alberta's legislation, policies, or protocols surrounding greenhouse gas emissions, carbon accounting or the carbon offset system. ERA will be entitled, unilaterally and without Participant consent, to deal with such environmental attributes and environmental products in any manner it determines.

4. REGISTRATION PROCESS

4.1 Program Application Portal Registration

To participate in the Program, the first step is to create an account on the Program Application Portal (the "Portal") (<https://portal.mrp-deployment.ca>). Each user will need an account to be able to view and submit Project

applications. Users will register with their email address and after the initial email address confirmation, they will be asked to authorize a two-factor authentication application to sign in the Portal. Please check your spam folder for any emails from the Portal. For issues with setting up an account please contact support@mrp-deployment.ca

4.2 Creating a Company Profile

Proponents can register their company in the Portal as either a Participant or an Eligible Contractor, with additional company information collected during registration.

Participant Registration: If your company is registering as a Participant (i.e., initiating a Project application), you will be asked to provide additional business details for your company profile. The first proponent to register the company will be designated as the company profile administrator and primary point of contact for the company. Once submitted, the Program team will review and approve the company profile in the Portal.

Eligible Contractor Registration: If your company is registering as an Eligible Contractor, you will also be asked to provide business details and confirm that your company:

- Agrees to adhere to the Eligible Contractor Code of Conduct, and
- Holds the required documentation, such as WCB clearance, an Alberta business license, and other relevant certifications.

This registration allows Eligible Contractors to be:

- Added to Project applications to provide supporting documentation, and
- Listed in the Program directory for Participants seeking technology or installation support.

The first proponent to register the contractor company will be designated as the company profile administrator and primary point of contact for the company. The Program team will review and approve the registration in the Portal.

Additional Users: Company profile administrators, for both Participants and Eligible Contractors, may invite additional company users to their profile. Portal users may also request to join an existing company profile.

For support in developing and managing company profiles please contact support@mrp-deployment.ca

Note that detailed information on initiating a Project application, the procurement and completion processes, and required supporting documentation will be added to this document as it becomes available.

5. QUALITY ASSURANCE AND PRIVACY PROCEDURES

5.1 Disclaimer and Confidential Information

When registering for the Program in the Portal, each user is required to acknowledge and accept the disclaimer before proceeding. By accepting the disclaimer, the Participant (on behalf of their organization) acknowledges that:

- The *Access to Information Act*, SA 2024, c.A-1.4 and the *Protection of Privacy Act*, SA, 2024, c.P-28.5 applies to all information and records provided through the portal.

- Information submitted may be subject to disclosure under these Acts.
- MWA and ERA will handle all information and data in accordance with these Acts.
- The user's personal information will be used to ensure compliance with the Program Terms and Conditions.

The disclaimer also confirms that the Participant understands the eligibility criteria for Program participation.

5.2 Data Privacy and Storage

All documents and information submitted through the Program Portal will be securely stored for five (5) years from the Project Completion Date. Participant data will remain confidential and will not be shared outside of MWA, except when required by ERA, the Government of Alberta, the Government of Canada or their authorized representatives. All information will be managed in accordance with applicable privacy and transparency laws, and any data used for reporting or analysis will be presented in a form that does not identify individual participants.

ERA may collect, verify, and store participant information as required by law. By participating in the Program, Participants consent to ERA publishing limited details—such as organization name, location, and Project information—to demonstrate Program benefits to Albertans. ERA may also share information with public authorities or third parties to confirm eligibility, verify submitted data, and ensure compliance with Program requirements, including funding from other sources. For more information on ERA's privacy policy, visit <https://www.eralberta.ca/privacy/>

5.3 Quality Control

Following the Program Terms and Conditions, ERA, the Government of Alberta or an agent acting on its behalf, such as, but not limited to, the Government of Canada, the Alberta Energy Regulator, or MWA, reserves the right to complete site verification of select projects for up to five (5) years after the Participant Agreement is signed.

Site verification is one of the methods the Program uses to ensure quality control of submitted documentation and Project implementation. Notification of an upcoming site verification will be given at a minimum of five (5) business days prior to the visit, and coordination will be done with the Participant or its assigned point of contact for the Project. The site verification will be completed by a MWA team member or a member of the agency acting on behalf of ERA or the Government of Alberta, who will follow all Health and Safety procedures required by the site as discussed and outlined prior to the visit. All visits will be documented and require sign off by an active site representative.

APPENDICES

Coming soon.