



Saskatchewan Government Addresses Concerns of CCIL Regarding Role of Saskatchewan Research Council

FOR IMMEDIATE RELEASE

SEPTEMBER 10, 2020 – Thanks to CCIL’s advocacy efforts, the private-sector laboratory testing industry has now been given assurances that the Saskatchewan Research Council (SRC) will only be administering the province’s program for the abandonment and reclamation of inactive oil and gas wells and facilities, and will not be participating in any of the remediation activities.

On May 22, 2020, the Saskatchewan government announced the Accelerated Site Closure Program (ASCP) for abandoned and inactive oil and gas wells and facilities in the province. Supported by \$400 million in federal funding, the program is scheduled to run until December 31, 2022. Phase 1 will allocate up to \$100 million to service companies in the province to do abandonment and reclamation work. This funding is expected to support approximately 2,100 full-time equivalent jobs in the service industry.

Alerted by member concerns, CCIL became aware that the SRC, in administering the program, would have a serious conflict of interest – and an unfair competitive advantage over private-sector laboratories – if it was also allowed to bid on any of the remediation projects. CCIL moved quickly to raise this issue with SaskBuilds Corporation, which oversees the province’s procurement practices, and a meeting was held on June 1.

Greg Lusk, Chief Procurement Officer with SaskBuilds, issued a letter to CCIL on August 20, confirming that the SRC will only be conducting program administration on the Accelerated Site Closure Program and “will not be conducting laboratory analysis for the duration of all phases of this program.”

The SRC will not be bidding on, and will not be undertaking, any of the laboratory testing work under the ASCP. It is estimated that up to 8,000 inactive wells and facilities will be abandoned and reclaimed over the life of this program.

“CCIL is pleased with the Saskatchewan government’s quick response in addressing our concerns, and we are grateful for its support of the province’s private-sector testing laboratories,” said Tony Araujo, President of CCIL.

CCIL is a non-profit, federally-incorporated association representing almost 500 private-sector independent testing laboratories across Canada. These laboratories provide testing services for construction materials, manufactured goods, minerals, oil and gas, energy, crops, food, air, water, soil and more. CCIL is committed to a vibrant private-sector laboratory testing industry in Canada which is globally recognized for quality and innovation. CCIL's mandate is to protect the public and environment.

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