

Alberta

2025

BUSINESS PLAN

EMISSIONS
REDUCTION
ALBERTA



2028

FUTURE PROOFING ALBERTA

CONTENTS

P3

MESSAGE FROM
THE CHAIR
KELLY J. OGLE

P4

MESSAGE FROM
THE CEO
JUSTIN RIEMER

P5

EMISSIONS
REDUCTION
ALBERTA
OVERVIEW

P7

PROJECTED
PORTFOLIO
IMPACT

P11

BUSINESS
PLAN
AT-A-GLANCE

P13

STRATEGIC
PRIORITY 1

—
**ACCELERATE
TECHNOLOGY**

P17

STRATEGIC
PRIORITY 2

—
**DRIVE
COMMERCIALIZATION**

P21

STRATEGIC
PRIORITY 3

—
**MAXIMIZE
IMPACT**

P25

BUDGET

DISCLAIMER

While ERA makes every effort to ensure claims related to emissions performance are accurate, it does not audit underlying information or verify all source data and is not responsible or liable for any environmental claims, environmental performance metrics, or any representations, statements, or claims regarding emissions or emissions reductions contained in this Business Plan, or any assumptions or methodologies underlying any such claims.

**KELLY J. OGLE**CHAIR,
ERA

MESSAGE FROM THE CHAIR

ERA's one-of-a-kind business model, coupled with a diversified investment strategy, and informed by the needs of government and industry, has proven that ERA can adapt to dynamic markets, shifting policy priorities, and evolving technology trends, while consistently delivering impact and significant outcomes for innovators and Albertans as a whole.

We acknowledge the ever-changing political and policy landscape in Canada, the United States, and around the globe. Amid this change, we see an abundance of opportunity for Alberta's industries and innovators. These are reflected not only in this Business Plan, but also in the newest edition of ERA's Technology Roadmap (TRM), which guides our investment decisions for the short, medium, and long-term.

Now more than ever, it's important for Alberta and Canada to boost investments in scaling up and deploying clean technology, especially in areas where we are a proven leader: monitoring and abating methane; creating new, higher-performing materials; and advancing the uptake of energy efficiency technologies. We must also broaden our portfolio to expand our impact, mitigate risk, and develop solutions that improve our competitiveness and environmental performance. For instance, we can support technologies that enable broader environmental benefits, like improved recycling processes and circularity, water treatment, soil remediation, and more.

Alberta's pioneering industrial carbon pricing regulation, currently known as Technology Innovation and Emissions Reduction (TIER), makes our impact in the province possible.

TIER provides ERA with the critical funding required to accelerate developing technologies toward commercialization and market adoption. It's important to note, these investments are as much about enhancing industrial competitiveness as they are about reducing emissions.

Since 2009, ERA has been a trusted delivery partner for the Government of Alberta and plays an essential role in delivering on its economic and environmental priorities. Over its 16-year history, ERA has demonstrated incredible stewardship of TIER funds by leveraging those dollars by nearly 7 to 1, with a strong history of accelerating technology development, commercializing technologies, reducing emissions, cutting operational costs, and creating jobs. These investments continue to position Alberta as a forward-thinking jurisdiction.

Sustained investment by the Government of Alberta is critical to continuing the development and commercialization of promising solutions that will lower costs, improve competitiveness, and accelerate our province's environmental performance. As always, ERA's efficient and responsive business model gives us the ability to scale up our efforts as required.

I am proud to serve as Board Chair and help shepherd ERA through its next era of supporting the competitiveness of Alberta's established industrial sectors and the development of new ones. ERA's 2025-28 Business Plan outlines a plan to continue advancing our mandate of reducing emissions while contributing to a competitive economy that attracts investment and creates jobs.

MESSAGE FROM THE CEO

ERA's investment strategy aims to maintain and further enhance the global competitiveness of Alberta's core industrial and natural resource sectors: oil and gas, electricity generation, pulp and paper, forestry, agriculture, biotechnology, concrete and cement, petrochemicals, manufacturing, and more.

These significant investments not only meet the needs of our large operators, but also small- and medium-sized enterprises (SMEs), startups, post-secondary institutions, and municipalities. Moreover, they advance the economic and environmental goals of the province.

Diversification is where ERA does its best work, whether it's by incentivizing the deployment of commercialized technologies or accelerating the development and commercialization of the step-change innovations the province and the world needs.

Our impact to date has been nothing short of impressive. In our 16 years, we've committed almost \$1 billion to more than 300 projects. Leverage is critical, these projects add up to more than \$7.4 billion in public and private funds. This leads to an estimated \$7 billion in GDP impact for the province and over \$9 billion for the country by 2027. Furthermore, we've created thousands of jobs across the province, from Cold Lake to Calgary, Edmonton to Exshaw, Lethbridge to Leduc.

Last year, we had \$170 million in approved investments worth over \$800 million – we hope to improve upon this commitment in the years to come. Our 2025-28 Business Plan outlines how we will do it. It is critical that we invest in projects that the market is investing in.

We will accomplish this through our annual, broadly focused Industrial Transformation Challenge and more targeted funding calls focused on strategic areas to meet market and policy needs. We will also leverage our Continuous Intake Program to ensure high-potential and strategically important projects don't go unnoticed. And, of course, we'll continue to incentivize energy efficiency technology adoption and training through the Strategic Energy Management for Industry (SEMI) program, which already has over 250 organizations registered.

Knowledge sharing is a critical part of ERA's value proposition. Over the next three years, we will continue to focus on analyzing our portfolio and sharing our impact and insights more effectively with industry, innovators, and government partners. Along with our funding, sharing findings is especially integral for entrepreneurs, start-ups, and SMEs at the later stages of technology development, where significant resources are needed to overcome the commercialization valleys of death.

This Business Plan outlines our strategic priorities, our areas of focus for investment, and the actions we will take to deliver on our mandate—specifically driving investment in high-risk, high-reward opportunities and first-of-kind initiatives that align with strategic priorities for Alberta. The Plan also provides for the collaboration, networking, communications, and engagement activities necessary to get technology to market—sending a positive investment signal for the province and enabling our industries to keep pace with international competitors.



JUSTIN RIEMER

CEO,
ERA

EMISSIONS REDUCTION ALBERTA OVERVIEW

MANDATE

Reduce emissions and support the competitiveness and growth of Alberta's economy by accelerating the development and adoption of innovative technology solutions.

VISION

Alberta has a diversified economy with competitive industries that deliver sustainable environmental outcomes and attract investment.

CORE VALUES



INNOVATION



COLLABORATION



INTEGRITY



TRANSPARENCY

VALUE PROPOSITION

ERA provides funding to reduce emissions and strengthen the competitiveness of industries in Alberta. These investments help innovators develop and demonstrate technologies that reduce emissions and enhance Alberta's environment and ecosystems. These technologies will lower costs, improve competitiveness, and accelerate Alberta's transformation to a carbon-neutral economy with high environmental performance. ERA delivers results through a competitive, transparent, efficient, and outcomes-focused delivery model.

STRATEGIC FUNDING

ERA receives its funding from the Government of Alberta through the Technology Innovation and Emissions Reduction (TIER) Regulation. TIER is at the core of emissions management in Alberta and serves as a framework that offers industrial facilities an opportunity to advance innovative approaches to reduce emissions and encourages investments that maintain competitiveness.

ERA also receives funding from Canada's federal government through Natural Resources Canada (NRCan), the Low Carbon Economy Leadership Fund (LCELF), and other federal funds to deliver targeted initiatives that support Alberta's priorities. This funding supports late-stage technology demonstration projects and energy efficiency programming, such as ERA's Strategic Energy Management for Industry (SEMI) program.

UNIQUE BUSINESS MODEL

While many jurisdictions have a mechanism to invest in clean technology, ERA's model is unique:

- Establishes a clear line of sight from the carbon price paid by industry under the TIER Regulation to investment in the solutions needed to achieve provincial environmental and economic goals.
- Funding accelerates innovation toward commercialization by de-risking technology in the demonstration and first-of-kind deployment stages of development.
- Non-dilutive* grant funding enables ERA to accelerate the advancement of clean technology by allowing ERA to share risk with industry and private funders through key development stages.
- A Delegated Administrative Organization (DAO) structure means ERA has no annual investment caps, can fund multi-year projects, carries funding over from year to year, and, if necessary, reinvest funds when projects do not progress. This allows for decisions to be made at arm's length from policy creators.
- ERA requires a minimum 1:1 matching of its investments with private dollars. For projects funded to date, for every dollar invested by ERA, \$6.50 has been leveraged from public and private funders.

*Non-dilutive funding is defined as funding that does not require companies to give up ownership or shares of the company or product.

BOARD AND GOVERNANCE

ERA is a not-for-profit organization that reports to an independent Board of Directors. ERA remains accountable to the Government of Alberta through the TIER Fund Administration Regulation, a Memorandum of Understanding, and a Grant Agreement. Through this accountability framework, ERA has two primary reporting requirements to the Alberta Ministry of Environment and Protected Areas:

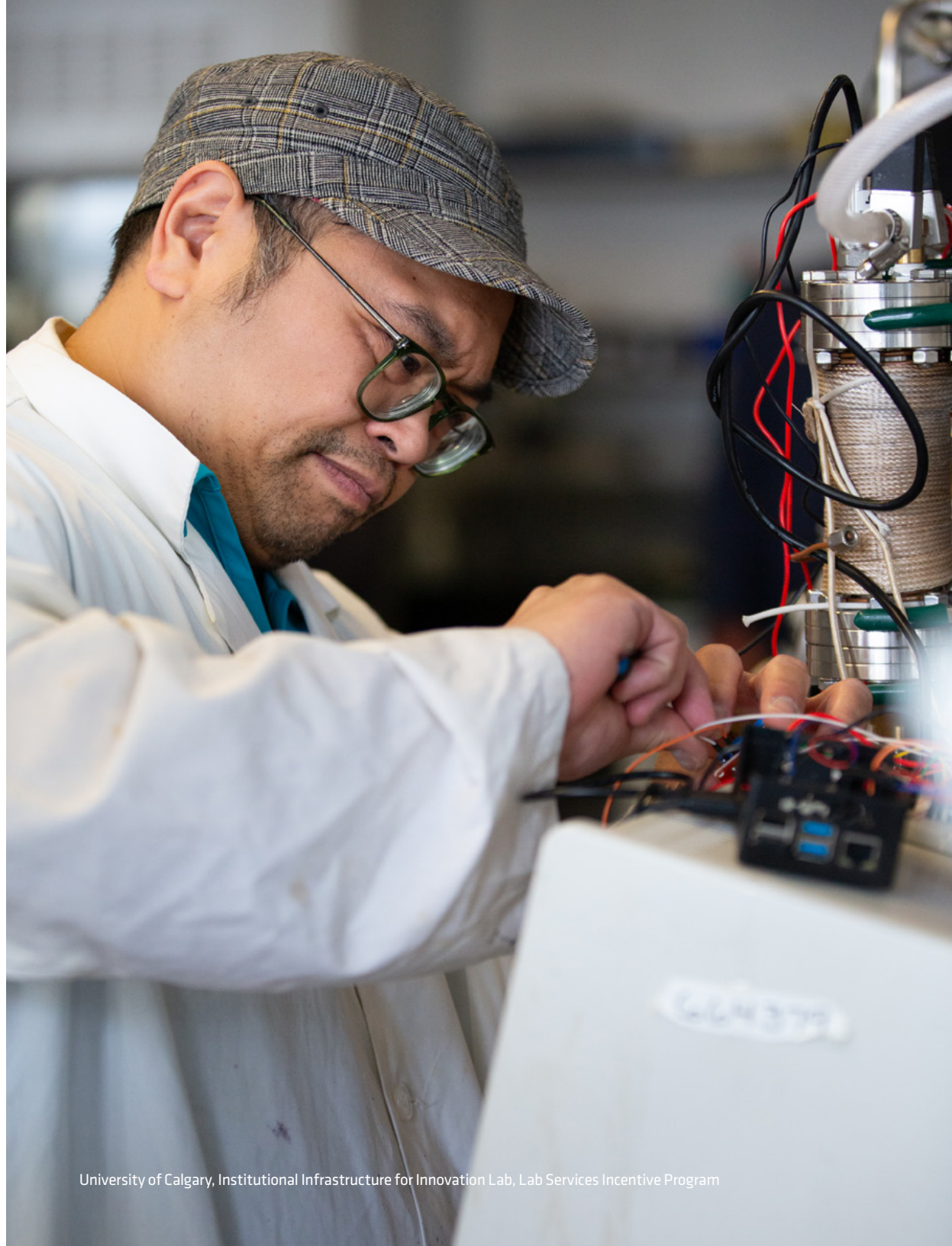
- Delivery of an annual rolling three-year Business Plan to highlight priorities and planned activities.
- Completion of an Annual Report to highlight achievements and outcomes from each fiscal year.

The governance role of ERA's Board involves strategic planning, organizational oversight, risk management, standards of business conduct, and reporting to the Government of Alberta. They are also responsible for selecting and evaluating the performance of ERA's CEO in alignment with organizational goals.

ERA's Board makes the final investment decisions to fund projects and provides advice to inform Alberta's overall efforts to achieve environmental and economic objectives. With highly accomplished backgrounds across industry, post-secondary, finance, and government, ERA's Board provides tremendous expertise and leadership to the organization.

Membership of ERA's Board includes:

- | | |
|--------------------------------|-----------------|
| ■ Kelly J. Ogle – <i>Chair</i> | ■ Clive Mather |
| ■ Kevin Birn | ■ David Moss |
| ■ Mark Blackwell | ■ Dale Swampy |
| ■ Stuart Cullum | ■ Sherri Wilson |
| ■ Kate Chisholm | |



PROJECTED PORTFOLIO IMPACT

TECHNOLOGY INNOVATION FUNDING



ECONOMIC OUTCOMES



ENVIRONMENTAL IMPACT

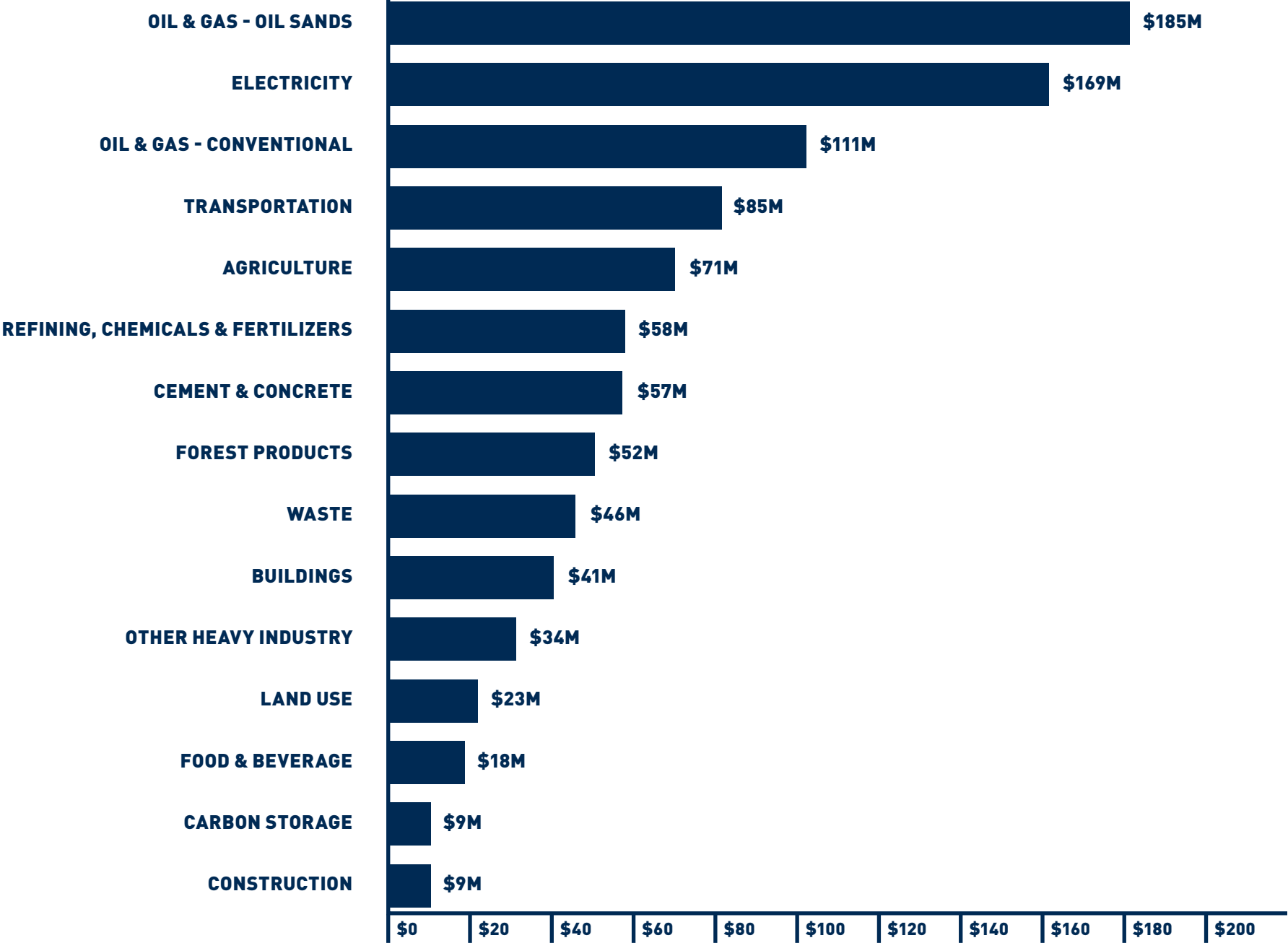


EFFICIENCY INCENTIVE PROGRAMMING



Note: Data accurate as of April 2025

BALANCED PORTFOLIO



MAP OF ERA-FUNDED PROJECTS

With the support of the Government of Alberta, Emissions Reductions Alberta has funded a total of 306 projects.

- 261 projects are located across Alberta.
- 18 projects take place across various locations in Alberta and are not represented on the map.
- Some project locations represent proponent head offices, not project site locations.
- 27 demonstration projects are located outside Alberta; each has a demonstrable economic benefit to the province and a pathway to broader environmental impacts when commercialized in Alberta.

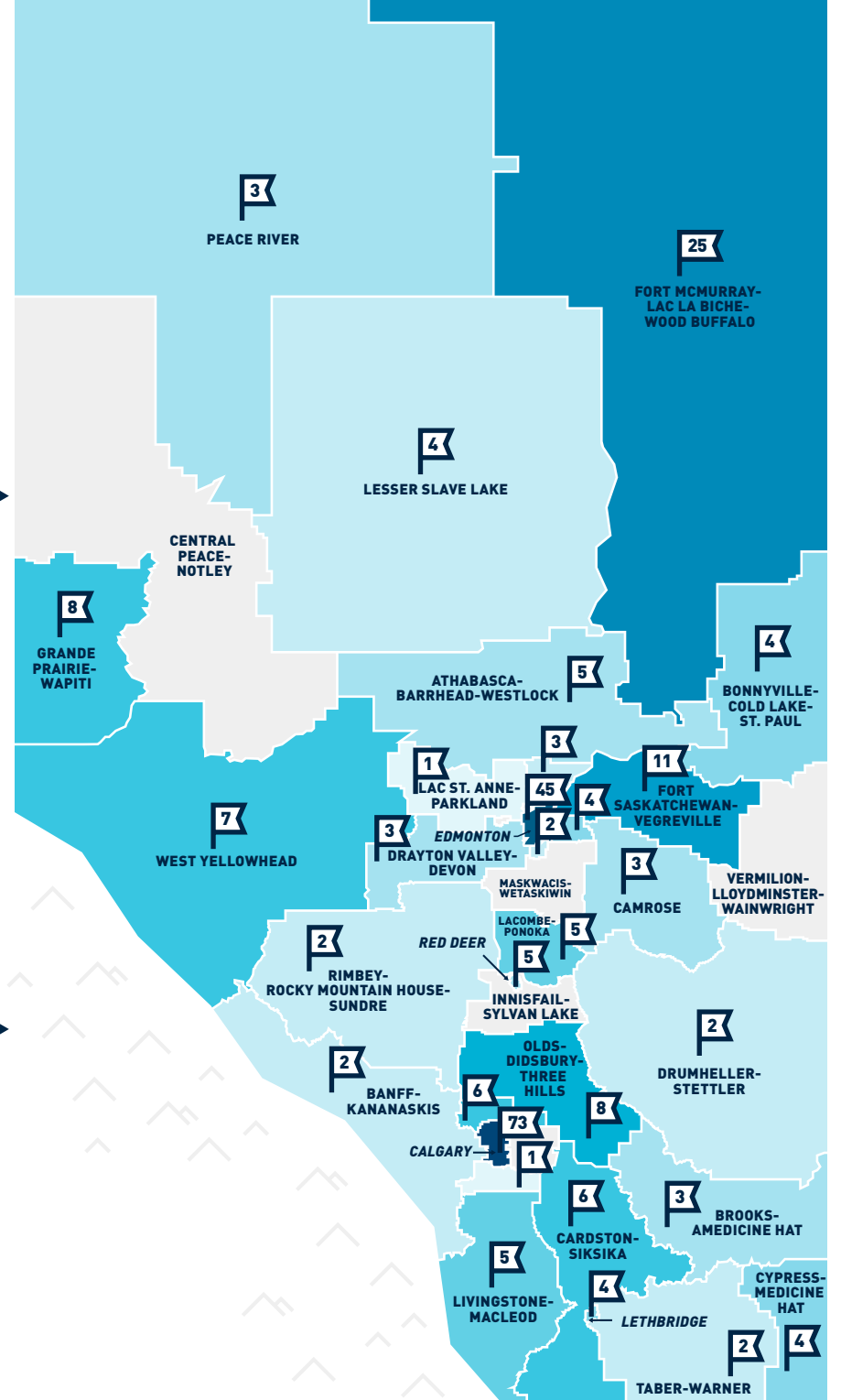
EDMONTON AND SURROUNDING AREA



CALGARY AND SURROUNDING AREA



SITE DENSITY



ADVANCING TOWARDS COMMERCIALIZATION

81% OF COMPLETED PROJECTS INCREASED IN TECHNOLOGY READINESS LEVEL (TRL)

160 COMPLETED PROJECTS*



130 ADVANCED TRL

79 COMPLETED PROJECTS REACHED COMMERCIALIZATION

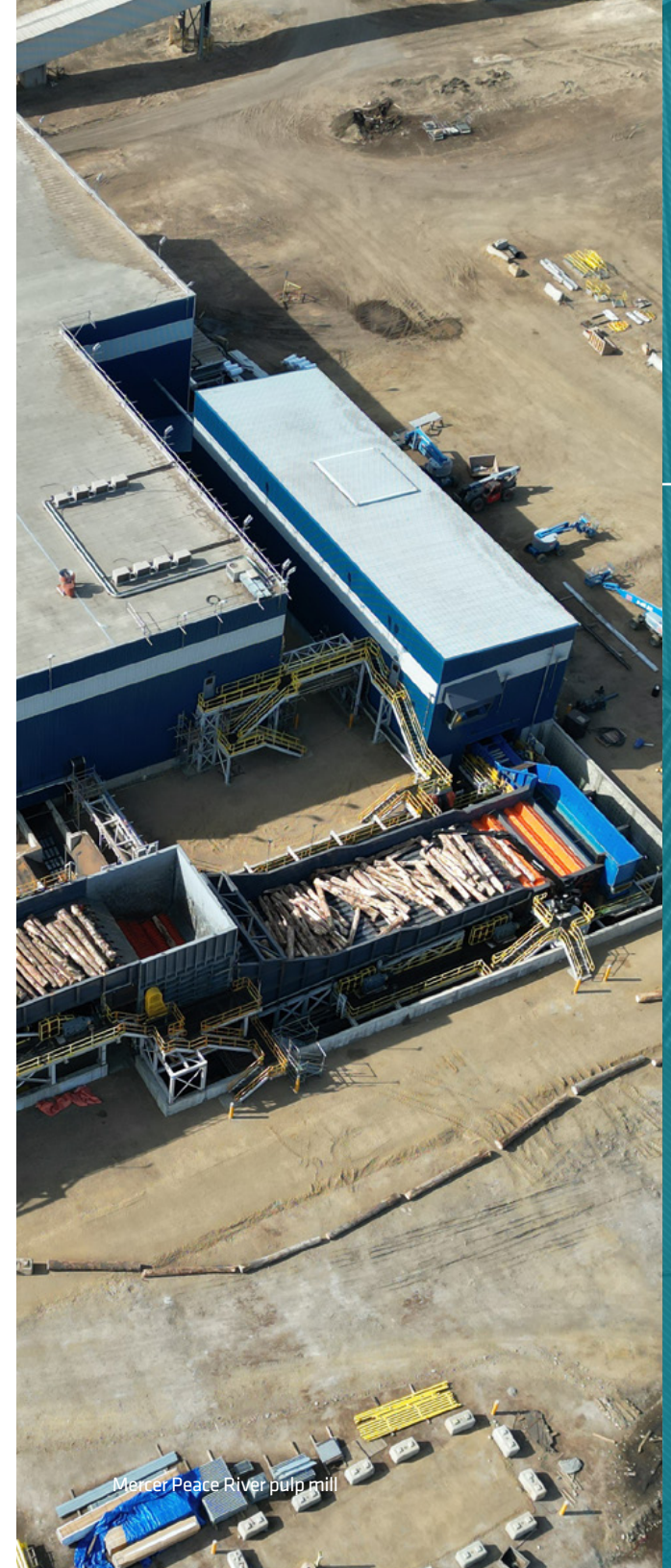
ERA considers a project to be commercialized if the technology is derisked and commercially available, commercial demonstration was successful, the technology reached a TRL 9 or higher, the technology is successfully piloted and implemented, or the project was commercially installed.



INDUSTRY

- 24% Oil & Gas - Conventional
- 13% Electricity
- 13% Cement & Concrete
- 11% Oil & Gas - Oil Sands
- 9% Agriculture
- 9% Refining, Chemicals & Fertilizers
- 6% Buildings
- 5% Forest Products
- 4% Transport
- 4% Waste
- 1% Land Use
- 1% New Industry

**Excludes projects without TRL data such as studies.*



Mercer Peace River pulp mill

BUSINESS PLAN AT-A-GLANCE

STRATEGIC PRIORITIES

ERA has three strategic priorities to deliver on its mandate and vision for Alberta. These priorities serve as the framework for deliberate initiatives that ERA will implement over the next three years.

1. ACCELERATE TECHNOLOGY

Invest in de-risking innovative technologies that improve the competitiveness of Alberta's industries while reducing emissions and enhancing the province's environment and ecosystems.

2. DRIVE COMMERCIALIZATION

Convene the right resources to accelerate the adoption of technology solutions that lead to economic growth and environmental sustainability.

3. MAXIMIZE IMPACT

Maximize ERA's impact beyond technology support by sharing knowledge and striving for operational excellence.

1. ACCELERATE TECHNOLOGY

OBJECTIVES

1. Identify high-potential opportunities and gaps where investment can accelerate clean technology solutions that can drive environmental sustainability and enhance the competitiveness of Alberta's industries.
2. Support efforts by Alberta's businesses to accelerate innovative clean technologies toward commercialization and deployment in Alberta and beyond, resulting in increased employment and investment attraction in Alberta.

STRATEGY

Manage and invest in a balanced portfolio directed by ERA's Technology Roadmap (TRM).

Initiatives

1. Identify solutions that reduce emissions for Alberta industries, building on existing strengths and creating new business opportunities.
2. Deliver competitive funding calls and continuous intake programming.
3. Expand the project pipeline by accepting applications that include solutions with additional environmental benefits beyond emissions reductions, including improved water, air, and soil quality, land use, and waste management.

2. DRIVE COMMERCIALIZATION

OBJECTIVES

1. Accelerate commercialization and market adoption of emissions-reducing technologies within Alberta, across Canada, and around the world.
2. Leverage investments to create larger pools of capital for innovation and technology.
3. Foster economic benefits (direct and indirect) in Alberta from projects funded by ERA.

STRATEGY 1

Reduce barriers to commercialization through thought leadership and knowledge sharing.

Initiatives

1. Increase and strengthen strategic partnerships.
2. Strengthen international partnerships.
3. Alleviate barriers to commercialization.
4. Engage strategic ecosystem supports.

STRATEGY 2

Leverage government programming and other technology funding opportunities to continue to strengthen partnerships with federal government departments, and other clean technology organizations, to better optimize funding and maximize the impact and benefits for Alberta.

Initiatives

1. Deliver the Strategic Energy Management for Industry program.
2. Support the delivery of strategic priority areas in efficiency programming.

3. MAXIMIZE IMPACT

OBJECTIVES

1. Promote widespread dissemination of knowledge and lessons learned from ERA-supported technologies among innovation ecosystem partners to gain support for greater adoption.
2. Increase awareness of ERA's role within the innovation system.
3. Incorporate learnings into future implementation and projects across the province.
4. Increase recognition of Alberta as an innovation and clean technology leader, strong environmental steward, and globally competitive investment destination.
5. Demonstrate the efficient and effective use of public funds.

STRATEGY 1

Elevate awareness of ERA's impact.

Initiatives

1. Host and participate in strategic events, workshops, and conferences.
2. Develop ERA impact stories to engage new and existing audiences.
3. Secure media coverage.
4. Engage with project proponents.
5. Build internal awareness and alignment.

STRATEGY 2

Government of Alberta participation in funding announcements, workshops, roundtable meetings, and key ERA-hosted events.

Initiatives

1. Secure Government of Alberta participation in funding announcements, workshops, roundtable meetings, and key ERA-hosted events.
2. Host regular, proactive briefings and knowledge sharing events.

STRATEGY 3

Strengthen ERA's performance management framework.

Initiatives

1. Strategic dashboard refinement.
2. Implement updated project reporting processes.
3. Quantify and report emissions reductions.
4. Enhance ERA's open data portal.
5. Quantify and report economic impact.

STRATEGY 4

Continuous improvement of operations and governance.

Initiatives

1. Seek out and implement ongoing operational efficiencies.
2. Continue to foster a culture of belonging and respect.



Elemental Energy and Cold Lake First Nations project announcement

1.0

ACCELERATE TECHNOLOGY

Invest in de-risking innovative technologies that improve the competitiveness of Alberta's industries while reducing emissions and enhancing the province's environment and ecosystems.

OBJECTIVES

1. Identify high-potential opportunities and gaps where investment can accelerate clean technology solutions that can drive environmental sustainability and enhance the competitiveness of Alberta's industries.
2. Support efforts by Alberta's businesses to accelerate innovative clean technologies toward commercialization and deployment in Alberta and beyond, resulting in increased employment and investment attraction in Alberta.

KEY INDICATORS

- Total project investment and total dollars invested.
- Impact on provincial and national GDP.
- Jobs created.
- Impact of funding by sector.
- Project location.
- Direct, market, and enabled emissions reductions.
- Technology Readiness Level* (TRL) progression of projects.
- Measurable non-emissions, environmental, social, and other benefits.

STRATEGY 1

Manage and invest in a balanced portfolio directed by ERA's Technology Roadmap (TRM)

ERA supports the advancement of technologies that reduce emissions at various stages of development, aiming to deploy more solutions across sectors as quickly as possible to improve the competitiveness of Alberta's industries. In 2024, ERA launched the fifth edition of the Technology Roadmap (TRM). The TRM serves as ERA's investment strategy and aligns with the Government of Alberta's priorities and innovation needs.

Following extensive stakeholder consultations, ERA revised the TRM to reflect international and national context while maintaining a focus on five cross-cutting technology areas. Investment dollars are intended to be spread across a portfolio that exhibits technological, sectoral, geographical, and risk diversification. The five areas outlined in the TRM are designed to pursue a multi-pathway approach, maximize impact on Alberta's environment and economy, and align with the provincial environmental and energy development priorities. The newest edition of the TRM reframes emissions challenges in each area to emphasize the role of technology disruption. It also opens the door for more diverse investments in water and land remediation.

The TRM identifies five technology focus areas, these include:

- Improved Efficiency
- Emerging Energy
- Industrial Decarbonization
- Circular Economy
- Carbon Management

The latest edition of the TRM can be [found here](#).



*Technology readiness levels are a method for estimating the maturity of technologies.

Initiatives

1. Identify solutions that reduce emissions and improve the competitiveness of Alberta's industries, building on existing strengths and creating new business opportunities

Alberta's industries have a track record of driving the discovery and adoption of clean technology. ERA will continue to enhance its technology scouting capacity to help bring technology to Alberta for environmental and economic benefits. ERA will also continue to leverage its provincial, national, and international strategic partners to identify shared challenges and opportunities and tap into local and global innovation activity.

2. Deliver competitive funding calls and continuous intake programming

ERA's funding is delivered through targeted, competitive funding challenges and continuous intake programming. ERA's rigorous and transparent processes and systems are well-regarded and designed to fill a significant need for de-risking technologies that have been proven in concept and prototype and need to prepare for field piloting, demonstration, and first-of-kind commercial deployment.

ERA continues to explore alternative opportunities to enable and catalyze new technologies and major projects of interest through various mechanisms, including support for feasibility and front end engineering design (FEED) studies and an expanded focus on a broader range of project outcomes, including resilience, remediation, and environmental performance. In 2025, ERA will explore delivering targeted funding opportunities to improve the drilling process's performance, oilsands mine water reduction and tailings remediation, and strategic investments in technology development. ERA will also investigate applying additional evaluation criteria for environmental benefits beyond emissions reduction.

ERA understands that technology investments across multiple focus areas and sectors is needed. ERA continues to be committed to a flexible approach that is not technology-prescriptive and allows for the best solutions for emissions reductions and environmental sustainability to come forward. The 2025-28 Business Plan commits to delivering competitive funding calls that are accessible to a broad range of sectors and technologies.

ERA Funding Program Outlook 2025-2028

In 2024, ERA responded to stakeholder feedback to create greater certainty for technology innovators and industry and moved to a predictable, consistent schedule for funding call delivery. For the term of this Business Plan, ERA anticipates delivering two major competitive funding calls annually.

Annual Open Call

Estimated timing: Spring 2025, Spring 2026 and Spring 2027



INDUSTRIAL TRANSFORMATION CHALLENGE

Scheduled for each spring, ERA's Industrial Transformation Challenge targets a broad range of technologies through a consistently timed process to provide predictability for industry and innovators in their long-term planning and capital allocations. This call improves Alberta's competitiveness and environmental performance through de-risking, demonstrating, and deploying a wide range of novel technologies and solutions that offer the potential for step-change improvements in the province's major industries.

These technologies may include next-generation processes for extraction and manufacturing; automation and novel digital solutions; process electrification; novel feedstocks, processes, and chemistries; waste heat upgrading and thermal energy storage; water treatment; soil remediation; integration of geothermal, nuclear, and other new energy sources; circular processes and industrial symbiosis; development of new products like bitumen advanced materials; and major facility technology upgrades; among others.

By investing annually in transformative emissions reduction opportunities across multiple sectors, ERA expects to achieve the following outcomes:

- Attract world-leading solutions that will reduce emissions and manage the province's natural resources while enhancing competitiveness and reducing costs.
- Develop a pipeline of commercial-ready clean technologies that can be broadly adopted across Alberta's major industrial sectors.
- Foster new low-emissions industries in Alberta to deliver economic diversification and open the province to new market opportunities.

Annual Targeted Calls

Estimated timing: Fall 2025, Fall 2026, Fall 2027

Targeted Calls, launched each Fall, will help address specific strategic needs for ERA and Alberta based on ongoing analysis of the innovation landscape, technology trends, and the needs of industry. These funding calls are intended to be complementary to the annual Industrial Transformation Challenge and will draw upon themes from the TRM and other sources. Example focus areas that could be the topic of future targeted calls, either alone or in various combinations, include:



TAQA North, East Crossfield Gas Plant

Example Focus Area: Digital Optimization and Resource Efficiency

The digital economy is rapidly evolving with recent advancements in artificial intelligence, machine learning, and quantum science, with technologies in development that offer tremendous potential for economic development and enhanced efficiency balanced against greater demands for energy and resources.

Solutions are required to optimize the use of Alberta's resources to maximize economic output while minimizing negative impacts. Digital technologies offer the potential for rapid and radical improvements in a range of sectors by enabling measurement, quantification, management, and optimization of energy, processes, resources, and emissions across the economy.

ERA investment in these areas can help achieve the following outcomes:

- Contributing to economic diversification and the growth of Alberta's economy by advancing the digital economy, including new value-added industries and ventures.
- Reduced emissions and enhanced economic competitiveness via increased efficiency and productivity.
- Optimization of Alberta's resources and infrastructure to deliver lower costs, improved performance, and enhanced environmental performance.

Timing and scope of competitive funding calls are subject to change based on direction from the Government of Alberta, market dynamics, and other factors.

Example Focus Area: Nature-Based Solutions and Resiliency

Natural systems and nature-based solutions provide a unique opportunity to harness the power of ecosystems to reduce emissions, enhance resilience, and create new economic opportunities. These solutions emphasize the sustainable management of land, water, and natural resources, enhancing balance while promoting natural carbon sequestration and ecosystem health.

Solutions that integrate advanced technologies with natural systems can enhance Alberta's climate resilience and drive long-term emissions reductions while delivering a range of benefits beyond just emissions, including enhancing biodiversity, optimizing land and water management, and leveraging nature to remove and sequester carbon.

ERA investment in this area is expected to deliver the following outcomes:

- Enhanced carbon sequestration through natural systems.
- Optimized resource management by efficiently and sustainably using land and water resources, leading to reduced environmental degradation and improved productivity.
- Development of new employment opportunities in sectors such as ecosystem restoration, sustainable agriculture, and remediation.
- Improved resilience to better withstand adverse climate events such as drought, floods, and wildfires.

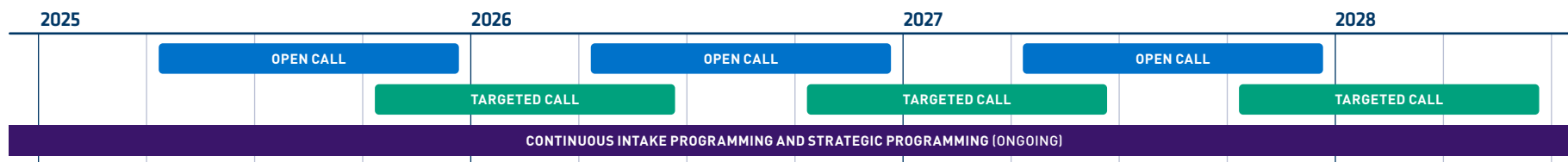
Example Focus Area: Fuels of the Future

Energy demand remains the largest driver of emissions globally and in Alberta, and demand growth is expected to accelerate to support data centres, new industries, and electrification. There is a critical need and substantial economic opportunity associated with the development and production of new clean energy resources such as hydrogen, renewable fuels, sustainable aviation fuels, nuclear, geothermal, novel renewables, and energy storage.

Opportunities exist for transformative innovation, step-change improvements, and critical technology enablers to reduce costs, optimize resources, and meet future demands for next-generation clean fuels, heat, and electricity.

ERA investment in these areas can help achieve the following outcomes:

- Improved diversity and resilience of Alberta's energy systems and enabling access to affordable clean energy for fuel switching across multiple sectors to help support emissions reduction efforts.
- Expanding Alberta's leadership role as a producer and exporter of energy while optimizing its resource mix.
- Deliver substantial economic benefits associated with attraction of new investment, deployment of capital projects, growth in export opportunities, and local job creation.



CONTINUOUS INTAKE PROGRAM

While most of ERA's funding is distributed through competitive funding calls, projects are also considered through the Continuous Intake Program. This allows ERA to remain nimble in addressing gaps to ensure high-potential and strategically important projects can be evaluated outside the traditional call for proposals cycle.

Core to the Continuous Intake Program is a referral process that allows ERA to evaluate proposed projects referred by Trusted Partners, organizations with rigorous, fair, and transparent processes comparable to ERA's. This approach allows ERA to leverage funds and due diligence, share risk, and reduce administrative burden for applicants.

The Continuous Intake Program also allows for the re-intake of previously advanced projects that were paused or canceled, providing flexibility to reconsider funding for high-potential opportunities once barriers are resolved. It also enables follow-on funding for previously supported technologies, ensuring continued progress and momentum in their development.

3. **Expand the project pipeline by accepting applications that include solutions with additional environmental benefits beyond emissions reductions, including improved water, air, and soil quality, land use, and waste management.**

The fifth edition of the TRM highlights opportunities in nearly all focus areas to invest in water treatment, agriculture, forestry, and other sectors that foster emissions reduction, economic development, and additional environmental benefits. Throughout 2025-28, ERA will broaden the funding call criteria to attract project applications various environmental outcomes.

TRUSTED PARTNERS



ERA is a key delivery partner of the Government of Alberta's TIER fund.



Natural Resources
Canada

Ressources naturelles
Canada



2.0 DRIVE COMMERCIALIZATION

Convene the right resources to accelerate the adoption of technology solutions that lead to economic growth and environmental sustainability.

OBJECTIVES

1. Accelerate commercialization and market adoption of emissions-reducing technologies within Alberta, across Canada, and around the world.
2. Leverage investments to create larger pools of capital for innovation and technology.
3. Foster economic benefits (direct and indirect) in Alberta from projects funded by ERA.

KEY INDICATORS

- Completed projects continuing toward commercialization.
- Support for small- and medium-sized enterprise innovation.
- Investment allocation by facility type.
- Collaborative partnerships.
- Measurable transformation toward a carbon-neutral economy.
- Lifetime emissions reductions and energy savings.

STRATEGY 1

Reduce barriers to commercialization through thought leadership and knowledge sharing

While public funding plays a vital role in accelerating new technologies, it alone cannot drive innovation to commercialization. Innovators encounter numerous obstacles that impede technological progress and industry adoption. Bridging these gaps requires a collaborative effort, with government and industry working together around the same table.

From 2025 through 2028, ERA will continue to work with government, innovators, ecosystem partners, accelerators, industry, innovation networks, industry alliances, and post-secondary institutions to help address gaps and bring new technologies and solutions to market.

Initiatives

1. Increase and strengthen strategic partnerships

ERA will continue to build a broader suite of partnerships along the innovation continuum. This will enhance ERA's role as a convener in connecting innovators to the right resources based on their technology and business maturity. It will also allow ERA to gain deeper knowledge of high-potential technologies as they advance toward the demonstration and commercialization stages.

ERA will continue to work with business support service providers such as Plug & Play, Avatar Innovations, Foresight Canada, Platform Calgary, Edmonton Unlimited, and Alberta Innovates to help ensure entrepreneurs and innovators have the business capacity and skills to advance their technology toward commercialization.

2. Strengthen international partnerships

ERA invests in technology that is expected to have an economic impact in Alberta and globally. Achieving a diversified local economy will demand global cooperation as the world demands affordable, secure and reliable energy. ERA is committed to deepening its existing relationships with US and international partners to promote the export of local technologies and the import of global technologies to enhance local industries.

■ Support Clean Energy Transition Partnerships (CETP)

ERA is a member of the Clean Energy Transition Partnership (CETP), a transnational initiative for joint research, technological development, and innovation (RTDI) programming to boost and accelerate the energy transition. The initiative enables 50 national and regional funding partners from 30 countries to align on priorities and pool budgets for annual funding calls through 2027.

In addition to partnering on funding programs, ERA will elevate projects and lessons learned at local and international events. ERA will host international experts at events and continue to uncover new opportunities, establish partnerships to leverage funding, share knowledge and help support important industrial projects leading to final investment decisions.

3. Alleviate barriers to commercialization
ERA's 2023 Barriers to Commercialization study uncovered common gaps in commercialization. The report provided insight into notable trends in barriers and success criteria relevant to Alberta's current and future industries. The study findings have helped ERA identify relevant opportunities that support innovators.

■ **Innovator Support Services Program**
In 2024, ERA relaunched the Innovator Support Services (ISS) Program.

The program pairs ERA proponents with curated experts who provide advisory services to strengthen business success. It offers strategic support that enhances commercial readiness and expands pathways to commercialization. The program also supports SMEs facing talent gaps in their organizations or strategic plans, thereby addressing a barrier they encounter in advancing their technology solutions.

- **Lab Services Incentives Program Pilot**
ERA committed \$1 million to the Lab Services Incentive Program (LSIP) Pilot. The pilot aims to enhance collaboration and access to lab services for early-stage technology developers in Alberta. It is designed to offer easier access, greater efficiency, and improved affordability for lab services. Applications for the pilot will be accepted until December 2025 or until funds are exhausted.

4. Engage strategic ecosystem supports
Alberta has a hearty ecosystem of academia, industry and industry associations, government, and accelerators that make emissions-reducing technology innovation more accessible. As a convener, ERA is able to enhance this ecosystem in various ways.

- **Continued support of Decentralized Energy Canada's (DEC) Next Generation Energy Innovation Challenge**
DEC is working with the City of Medicine Hat to accelerate the adoption of near-commercial innovative energy technologies. In 2025-26, ERA will continue to support DEC with the second intake of its Next Generation Energy Innovation Challenge. ERA has already committed \$100,000 in funding and will provide emissions quantification support as an in-kind service for Challenge winners.

- **Continued support for Carbon Capture, Utilization, and Storage (CCUS) research**
ERA and the International CCS Knowledge Centre continue to advance Carbon Capture Kickstart Challenge projects, share learnings from these studies, and support waterSMART in its work to understand the water impacts of CCUS in Alberta. Findings will be available in 2025.

- **Support other strategic investment areas**
ERA can provide various supports, including leading studies, technical expertise, funding for regional technical or knowledge hubs, and resources to develop whitepapers, presentations, and conference speaker participation.



Sparks Eggs grading facility

STRATEGY 2

Leverage government programming and other technology funding opportunities to continue to strengthen partnerships with federal government departments, and other clean technology organizations, to better optimize funding and maximize the impact and benefits for Alberta

Initiatives

1. Deliver the Strategic Energy Management for Industry program

In October 2024, ERA launched the Strategic Energy Management for Industry (SEMI) program. This \$50 million program, with funding provided by the Government of Alberta and Natural Resources Canada (NRCan), supports the province's industrial and manufacturing sectors to build internal capacity, improve energy efficiency, and reduce emissions.

SEMI provides industrial and manufacturing facilities with the tools to identify energy efficiency opportunities through energy assessments and audits; implement energy management systems that can be used to track, analyze, and manage energy consumption; build internal capacity through Strategic Energy Management training; and provide incentives to upgrade energy-consuming systems and equipment.

The program will build lasting institutional competencies that enable companies to plan and implement continuous operational efficiency improvements, invest in efficiency-focused capital retrofits, and develop long-term emissions reduction strategies necessary to meet future goals. By focusing on corporate leadership, these benefits can expand across the corporate structure, contribute to capacity-building opportunities, and support the implementation of industry best practices. The SEMI Program ends on March 31, 2027.



STRATEGIC ENERGY MANAGEMENT FOR INDUSTRY

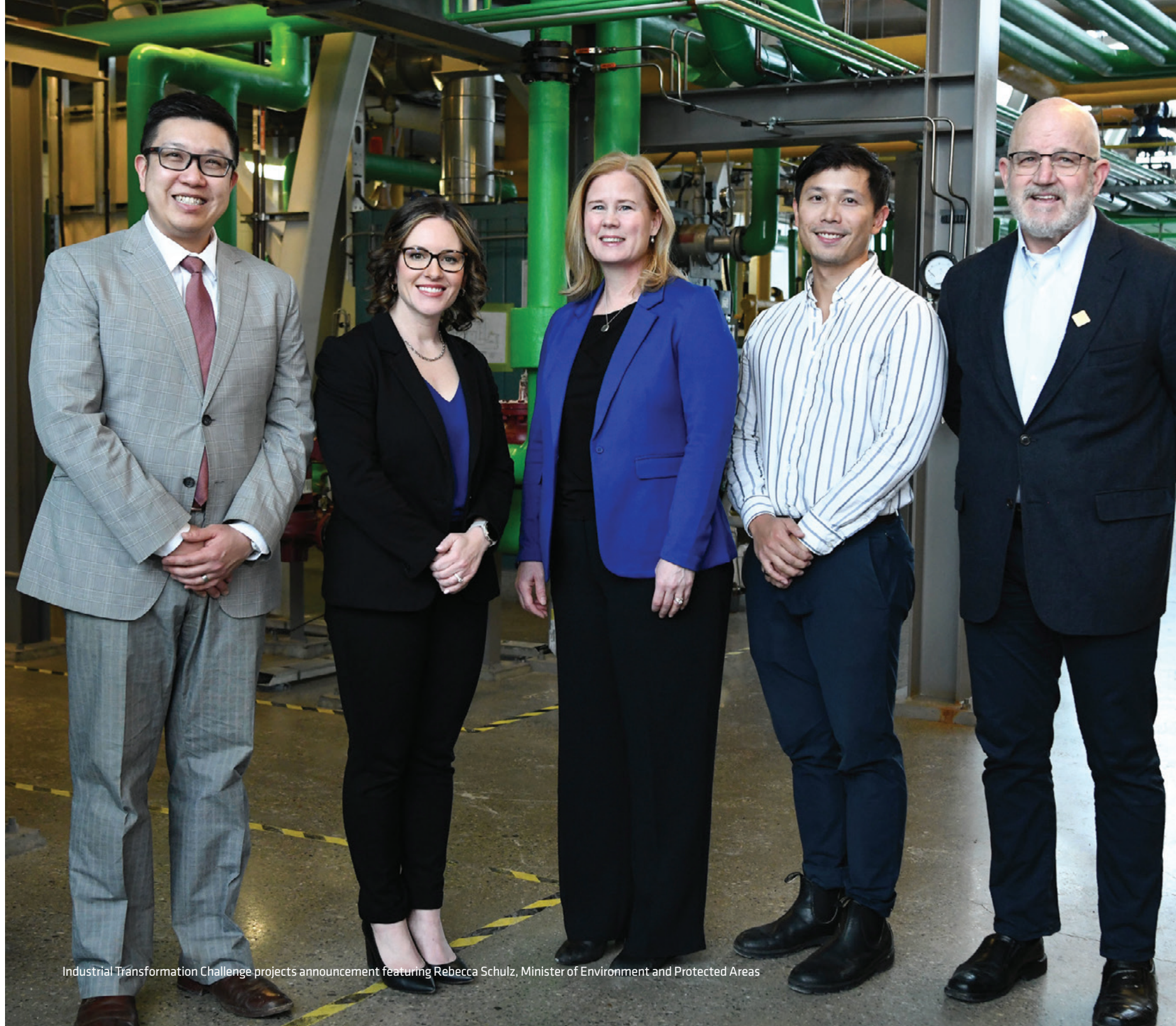
SEMI is expected to deliver the following outcomes:

- \$350 million in economic activity.
- 1,250 jobs (direct and indirect) in Alberta.
- Up to \$100 million of energy expenditure reductions resulting in improved competitiveness for program participants.
- A cross-section of approximately 200 industrial facilities successfully participated.
- 69Mt of CO₂e of anticipated lifetime emissions reductions from SEM activities.
- 193Mt of CO₂e from capital project implementations.

**Strategic Energy Management for Industry program projected impact data is based on preliminary program design and accurate as of October 2023.*

2. Support the delivery of strategic priority areas in efficiency programming

ERA has a proven track record of delivering emissions-reducing incentive programs, and in 2025-28, ERA is set to support new efficiency programming that addresses the Government of Alberta's key strategic areas. Through technology deployment and industry collaboration, efficiency programming aims to reduce emissions and generate economic benefits.



Industrial Transformation Challenge projects announcement featuring Rebecca Schulz, Minister of Environment and Protected Areas

3.0

MAXIMIZE IMPACT

Maximize ERA's impact beyond technology support by sharing knowledge and striving for operational excellence.

OBJECTIVES

1. Promote widespread dissemination of knowledge and lessons learned from ERA-supported technologies among innovation ecosystem partners to gain support for greater adoption.
2. Increase awareness of ERA's role within the innovation system.
3. Incorporate project learnings into future implementation and projects across the province.
4. Increase recognition of Alberta as an innovation and clean technology leader, strong environmental steward, and globally competitive investment destination.
5. Demonstrate the efficient and effective use of public funds.

KEY INDICATORS

- Stakeholder awareness and support and collaborative partnerships.
- Operating costs as a percentage of approved project commitments.
- Length of ERA intake, decision-making, and contracting cycle.
- Leveraged investment.
- Projects supporting global sustainable development goals.
- Strengthened employee engagement.

STRATEGY 1

Elevate awareness of ERA's impact

ERA's success stories, lessons learned, and project outcomes highlight Alberta's proactive approach in delivering the environmental and economic results the world requires. Promoting knowledge sharing and collaboration across the broader industry helps accelerate the commercialization and proliferation of successful technologies.

From 2025-28, ERA will utilize best-in-class internal and external communication strategies to underscore the importance of ERA's critical role in supporting Alberta's economic growth and environmental sustainability.

ERA's communication mix will help raise the profile of Alberta's emissions reduction successes, showcase Alberta as a place for clean technology investment, and amplify project outcomes to provincial, national, and international audiences to drive future investment in technologies that benefit Alberta and beyond.

Initiatives

1. Host and participate in strategic events, workshops, and conferences

Leveraging industry connections and government influencers will continue to build ERA's credibility as a convener across the innovation system and an accelerator of the commercialization and adoption of emissions-reducing technologies.

To create the greatest impact, ERA will organize key events and take part in international events that offer the best opportunities to have a reputational impact.

■ Lessons Learned Events

ERA, partner organizations, and proponents will share insights from ERA's portfolio during interactive, ticketed events in 2025/26. These events will provide an opportunity to

share expert knowledge with those who can benefit from it. The aim is to accelerate technology adoption and pave the way for commercialization by disseminating learnings from project proponents and industry leaders. The format of Lessons Learned Events will vary in size and location based on the topic and target audience.

■ Thought leadership opportunities through events, roundtables, and webinars

ERA will sponsor and speak at external innovation and sustainability events focused on raising awareness of emissions-reducing technology trends and projects. ERA will also attend and participate in events, roundtables, and webinars where cleantech researchers and innovators convene with representatives from the business community, government, and the innovation system. Key events include Inventures, Alberta Emerald Foundation Awards, ASTech Awards, National Coalition of Chiefs Energy Summit, Energy Disruptors, PTAC Methane Leadership Summit, Global Energy Show, and more.

■ International event participation

ERA is a supportive partner for the Government of Alberta and provides a delivery mechanism for the government to share Alberta's success. ERA will continue to support key international events when the team's presence can lead to reputational gain or greater investment in Alberta.

2. Develop ERA impact stories to engage new and existing audiences

ERA has over 15 years' worth of stories to share, each showcasing unique challenges and lessons learned from the investment portfolio. These impact stories inspire innovation and illustrate that Alberta is a leader in technology development. From 2025-28, ERA will build on its existing content strategy centered around these stories.

ERA's content strategy will continue to focus on project and portfolio success stories, ERA-supported white papers, and project learnings. The content will be distributed across various communication platforms, including ERA's website, social media, newsletters, traditional media, YouTube, Spotify, Apple Podcasts, Google Podcasts, speeches, presentations, stakeholder updates, internal communications, and more.

To engage the audience and increase awareness of ERA's impact in 2025 and beyond, ERA will:

- Continue to broaden the scope of the Carbon Copy podcast, which currently has over 6,000 listeners annually and is downloaded in more than 65 countries.
- Produce monthly video stories and write monthly blog stories focused on new and completed projects.
- Develop quarterly animations highlighting investment areas of focus from ERA's portfolio.
- Leverage sponsored content or boosted posts to share stories with a wider audience.
- Proactively distribute all content produced by ERA to its Trusted Partners and the Government of Alberta.

- Develop case studies that include learnings and outcomes in a range of forms (including updated project pages on the ERA website and fact sheets for the Government of Alberta).
- Increase traffic to the ERA website and social media accounts, where users will be directed to apply for funding, attend events, and subscribe to ERA's newsletter.
- Increase the deployment of whitepapers that dive deep into technology advancements and commercialization to appropriate partners and on the website.

3. Secure media coverage

ERA will continue to pursue earned media coverage from top-tier news organizations at the provincial, national, and international levels. This will include generating media coverage to share the Alberta clean technology and economic development story.

4. Engage with project proponents

ERA will offer project proponents media training and storytelling workshops to enable organizations to tell their own stories and speak to the value of ERA's support. ERA will work closely with project proponents and partners on their media relations activities to amplify ERA's investments. ERA will also develop new communications toolkits to help proponents share and promote projects through earned media.

5. Build internal awareness and alignment

It continues to be important for ERA staff to be aware when new initiatives, media announcements and funding calls are in market. To continue to evolve the culture of ERA, decisions about strategy need to be shared widely, this includes:

- Continuing to orient staff on decisions made about strategy and communications.
- Enhancing the employee onboarding program and creating tools that streamline knowledge sharing with new staff.
- Share key information through internal communication channels such as the monthly staff meetings and the new internal newsletter.
- Reinforcing the consistent expression of the ERA brand and story.

STRATEGY 2

Share ERA's successes and lessons learned with the Government of Alberta

ERA will continue to collaborate closely with the Government of Alberta through sharing the successes and lessons learned from ERA's investments to ensure government departments and relevant agencies have this intelligence to support their reporting and decision-making processes.

Initiatives

1. Government of Alberta participation in funding announcements, workshops, roundtable meetings, and key ERA-hosted events

As an enabler of the province's strategic communications outcomes, objectives, and activities, ERA aligns its annual Communications Strategy and Event Plan to ensure funding launches and project announcements are made in partnership with the Government of Alberta.

This includes in-person or digital media events with participation from the appropriate Minister(s) and, where possible, the Premier of Alberta. It also includes a corresponding news release from the Government of Alberta. ERA will work with the Government of Alberta to ensure industry and innovator stakeholders participate in these announcements and provide validator quotes for news releases.

- 2. Host regular, proactive briefings, and knowledge-sharing events**
ERA will continue to share regular briefings on project progress with the Government of Alberta's Environment and Protected Areas communications team and other ministries when appropriate. The Government of Alberta and the Government of Canada's senior officials, departments, and agencies will be provided with relevant and timely information about ERA's unique value proposition, impact stories, and investment impacts related to emissions reductions and Alberta's economic growth.

STRATEGY 3

Strengthen ERA's performance management framework

Performance management is critical to demonstrating that ERA is delivering on its mandate while staying true to its core values. For over 15 years, ERA has been a well-established delivery agent of Alberta's emissions reduction and economic policy, and its efforts are aligned with defined provincial, national, and international metrics. ERA is continually updating the metrics it uses and fine-tuning its collection methodology to align with best practices. ERA will continue strengthening its performance management approach to measure performance against key indicators and deliver maximum value to its partners.

Initiatives

- 1. Strategic dashboard refinement**
Each quarter, ERA reports on portfolio-based performance outcomes and measures to demonstrate and communicate how it delivers results. ERA's strategic dashboard shows how its portfolio of projects is performing against original projections. Throughout 2025-28, ERA will further analyze attrition metrics and identify barriers that can be addressed by the broader innovation ecosystem. ERA's strategic dashboards will continue to be augmented to provide more meaningful KPI reporting.
- 2. Implement updated project reporting processes**
Throughout 2025-28, ERA will implement updated processes to collect and share highlights from active projects for various communications tactics, such as newsletters, stewardship reports, videos, and podcasts. This process will also include reviewing final reports at project closeout and developing lessons-learned writeups and knowledge-sharing plans. Retroactive lessons-learned writeups will also be added to the current closeout process to provide additional value to innovators, policymakers, and funders.
- 3. Quantify and report emissions reductions**
ERA has a vigorous quantification methodology that aligns with industry standards and is applied by a team of experts. ERA funding applicants are evaluated on the emissions reduction potential of their proposed projects. This is central to ERA's mandate and is the most heavily weighted criteria during ERA's project selection process. ERA quantifies the estimated emission reductions that will be delivered through its portfolio of projects on a quarterly basis.

In 2025, ERA is reviewing its market emissions forecast policy. Any recommendations from the independent consultant will lead to enhancements of forecasted emissions reductions out to 2050. ERA will continue to quantify and refine its internal policy on how it estimates emissions reduction potential for its investments in the Direct/Indirect and Enabled categories.

- 4. Enhance ERA's open data portal**
In 2024, ERA launched its Open Data Portal, a publicly accessible database that increases the transparency and accessibility of our data. The portal shares details of projects and the emissions reductions associated with them, enabling users to obtain a copy of the dataset. In 2025, ERA will enhance the portal's functionality and introduce new features such as an interactive map, making it even easier for the public to access project information.

The project portal is available at eralberta.ca/projects.

- 5. Quantify and report economic impact**
Ensuring responsible and effective stewardship of public funds requires ERA to track and report metrics on past performance. ERA will continue to refine its analysis to quantify the net economic impact of ERA's emissions reduction investments. This quantification includes direct benefits from economic activities advanced through ERA-funded projects.

ERA uses Statistics Canada's Input-Output (I-O) model (2018) to determine the projected GDP impact to Alberta by 2027. ERA's funded projects were expected to contribute \$6.99 billion to Alberta's GDP and \$9.26 billion to the national GDP by 2027.

As data analysis and reporting become more advanced, additional initiatives are being evaluated. In 2025-28, ERA will continue:

- To communicate and signal to investors the potential economic benefit these technologies offer in both Alberta and Canada.
- The valuation of emissions reductions for projects and determining and explaining trends.

ERA will further demonstrate to its stakeholders a clear line of sight between its funding, technology commercialization activities, and emissions reductions, including:

- Identifying and investing in promising technologies that have a high potential in Alberta's short- and long-term future.
- Helping support Alberta energy producers achieve their emissions reduction goals.
- Contributing to local, national, and international targets.
- Deploying additional communication tools for diverse audiences.

STRATEGY 4

Continuous improvement of operations and governance

Delivering operational effectiveness and efficiency continues to be ERA's guiding principle. The organization's approach to resourcing and capacity building is centred on being able to scale in response to the needs of ERA, the government, and the innovation ecosystem. To enable this, ERA relies upon a hybrid of internal staff and external service providers.

ERA will continue to hold staff and service providers to high standards, encouraging them to identify efficiencies and assist ERA in maintaining low operating costs while delivering high value for money. Given the significant increase in the portfolio of funded projects, ERA has enhanced the internal capacity of the team to manage and oversee this portfolio, with offices in both Edmonton and Calgary.

Initiatives

1. Seek out and implement ongoing operational efficiencies

ERA has a culture of continuous improvement to enhance internal and external partner experiences and generate high-quality work and client satisfaction. Upcoming operational improvement initiatives include:

- Internal process improvements:
 - Leveraging technology solutions to optimize operational efficiencies, including enhancing SharePoint functionality and leveraging AI tools such as Microsoft Copilot and ChatGPT. These enhancements are guided by an overarching Digital Strategy for ERA to ensure effective processes and controls are implemented alongside new technologies. This includes reviewing and updating internal policies, including developing guidelines for the use of Artificial Intelligence.
 - Coordinating a workshop on the governance and methodology of emissions reduction for ERA's board and executive team members.
 - Enhancing resource management to ensure ERA has reviewers and advisors for all projects.

- Refresh our technical review roster with Alberta Innovates to meet increasing demands.
- Creating awareness and opportunity for education on ERA's approaches to quantifying emissions reductions.

■ Proponent engagement and satisfaction:

- Streamlining and modernizing the Contribution Agreement process.
- Refining the stewardship of project execution from the project intake process through to the close-out process to ensure proponents have a streamlined experience.

2. Continue to foster a culture of belonging and respect

ERA promotes a positive workplace culture by fostering employee well-being, inclusivity, and diversity. The success of ERA is rooted in its small but mighty team and the values they embody daily—innovation, integrity, collaboration, and transparency—anchored in mutual respect and a relentless drive to deliver results.

Team members contribute to ERA's success via the People and Culture Committee, which enhances the company's culture and work environment. The team has strong policies that offer structure and guidelines for a healthy and safe workplace.

ERA focuses on empowering every team member to thrive, grow, and contribute to our collective achievements. The team regularly evaluates and updates policies to adapt to the needs of team members and the organization.

BUDGET

In light of the current economic uncertainty Alberta is faced with, and in keeping with public cost constraints, ERA is maintaining a flat cost for key processes in its core operations. Additional revenue and costs are included for new efficiency programming supporting the federal government grant received, an incentive program, and two additional calls for investments in key strategic areas. ERA has always maintained a focus on operating with a lean administrative approach and an operating model that provides strong value for dollars invested. As a trusted delivery agent for the Government of Alberta and other public funders, ERA actively manages its operations to maximize cost effectiveness and efficiency. ERA maintains strong alignment with the policies and priorities of the Government of Alberta and has the capacity to deliver funding calls exceeding this annual funding commitment.

REVENUE

The 2025 fiscal year was the final year of the three-year agreement with Government of Alberta. ERA is currently in discussions with the Government of Alberta regarding future TIER funding allocations. The 2026 to 2028 fiscal year budgets reflect a \$50 million grant revenue per year less forecasted interest earned from the prior year for the core grant. In addition to the core grant, funding for the management of efficiency programs and investment in strategic areas, have been included in the upcoming budgets. ERA received approval of \$40 million from Natural Resources Canada through the Green Industrial Facilities and Manufacturing Program, for support of ERA's Strategic Energy Management for Industry program. This program was launched in October 2024 and the approved funding is reflected over the three-year program life. ERA is currently working with the province on the delivery of further efficiency programming aligned with the Government's priorities. Funding for this program has been budgeted at \$7 million per year, for three years.

ERA will work with Government of Alberta on proposals for additional federal funding that will be used to augment anticipated efficiency programming and other relevant opportunities. The funding has been budgeted as an even split over 3 years, subject to approval, and actual timing of the distribution is still to be determined.

ERA is also in discussion with the province for a \$20 million targeted call in a priority sector for the Government of Alberta. The relevant revenue and expenses for this call have been presented in the budget, however this is subject to change based on a final decision from the Government of Alberta.

ERA continues to assess the interest rate environment and invest in low-risk financial instruments to hedge against falling interest rates and preserve capital committed for future project expenses. ERA will continue to exercise prudent cashflow management and ensure excess funds are invested to maximize return while favoring capital preservation.

EXPENDITURES

ERA is committed to managing its operating expenses prudently and ensuring the responsible use of public funds. To this end, the organization consistently reviews its expenses.

Call volume is expected to significantly increase in 2025-26, with ERA supporting the Federal and Provincial Governments in key strategic areas. The increase in operating expenses is reflective of this, but the per unit cost of adjudicating and monitoring projects has remained consistent with prior years. ERA remains nimble by utilizing service providers to support its core operations team, therefore any change in approved funding will have a corresponding decrease in operating expenses from those presented.

In 2025-26, ERA is planning to host two Lessons Learned events and a Technology Summit, along with investing in commercialization supports such as the Innovator Support Services and the Lab Services Incentive Program pilot. These investments are critical in supporting the wider innovation ecosystem on the pathway to commercialization of technologies.

ERA has a robust internal control framework ensuring that project payments are subject to the terms laid out in executed contribution agreements. This includes adhering to schedules which lay out required milestone tasks and deliverables to be completed prior to claiming reimbursement from ERA. Holdbacks are retained by ERA as a standard per cent of each payment until the project is completed and a final outcomes report is shared publicly.

ERA has large amounts of funds under management due to project attrition and delays resulting from continued challenges of supply chains, evolving economic conditions, policy/regulatory uncertainty and competing capital allocation decisions for organizations. Attrition data is analyzed and considered when funding recommendations are brought forward, to acknowledge that not all projects will proceed to execution and completion. Unallocated funds due to project attrition will be utilized to augment future funding calls and new priorities that may emerge.

| | 2024/25 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---------------------------------|--|---------------------------------------|--------------------|----------------------|
| | Budget (Approved March 2024) | Annual Forecast (Provided to Board March 2025) | Budget (Provided to Board March 2025) | | |
| | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | |
| Government of Alberta | 50,000,000 | 34,306,809 | 101,651,933 | 40,311,506 | 44,613,668 (a) |
| Government of Canada | 13,333,333 | 13,333,333 | 26,467,575 | 26,467,575 | 13,134,242 (a) |
| Interest Income | 21,807,428 | 25,814,809 | 17,155,161 | 12,852,999 | 9,280,072 (c) |
| Conference and Sponsorship revenue | - | 470,088 | 50,000 | 50,000 | 50,000 (h) |
| Total Revenue | 85,140,762 | 73,925,039 | 145,324,669 | 79,682,081 | 67,077,981 |
| Project Expenditures | | | | | |
| Technology Contributions | 176,918,951 | 106,745,600 | 91,716,735 | 111,813,815 | 113,895,721 (d) |
| Efficiency Programming | 14,666,632 | 9,215,091 | 29,718,996 | 28,928,592 | 11,928,720 |
| Total Project Expenditures | 191,585,583 | 115,960,691 | 121,435,730 | 140,742,407 | 125,824,441 |
| Operating Expenses | | | | | |
| General & Administrative | | | | | |
| Corporate costs | 502,816 | 552,363 | 662,788 | 684,447 | 699,340 |
| Insurance | 36,050 | 33,000 | 35,000 | 37,000 | 38,000 |
| GST expense | 186,302 | 199,000 | 198,000 | 186,000 | 149,000 |
| Total General & Admin | 725,168 | 784,363 | 895,788 | 907,447 | 886,340 (e) |
| Management | | | | | |
| Project Adjudication and Portfolio Management | 2,595,121 | 2,820,561 | 3,967,422 | 2,948,283 | 3,100,667 |
| Contracts | 311,144 | 341,714 | 601,912 | 355,748 | 363,292 |
| Communication and Engagement | 1,682,450 | 1,570,899 | 1,811,052 | 1,666,985 | 1,683,175 |
| Strategic | 620,274 | 696,359 | 764,817 | 780,625 | 796,680 |
| Corporate Administration | 1,087,038 | 1,021,077 | 1,029,185 | 1,047,028 | 1,067,144 |
| Governance | 304,440 | 311,021 | 327,213 | 333,804 | 340,511 |
| Total Management | 6,600,467 | 6,761,631 | 8,501,601 | 7,132,473 | 7,351,469 (f) |

| | 2024/25 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---------------------------------|--|---------------------------------------|----------------------|--------------------------|
| | Budget (Approved March 2024) | Annual Forecast (Provided to Board March 2025) | Budget (Provided to Board March 2025) | | |
| | \$ | \$ | \$ | \$ | \$ |
| Contracted Services and Special Initiatives | | | | | |
| Fee-for-Service Projects | 225,000 | 142,838 | 75,000 | 143,500 | 105,000 |
| Performance, Measurement and Evaluation | 156,700 | 108,196 | 85,000 | 87,125 | 89,250 |
| Innovator Support Services | 398,500 | 176,073 | 320,000 | 328,000 | 336,000 (g) |
| Other Strategic | 200,000 | 232,636 | 135,000 | 138,375 | 141,750 |
| GHGT Conference | 136,888 | 228,072 | - | - | - (h) |
| Total Contracted Services and Special Initiatives | 1,117,088 | 887,815 | 615,000 | 697,000 | 672,000 |
| Energy Incentive Programming | | | | | |
| ESB | 276,608 | 274,110 | 2,025 | - | - |
| SEMI | 1,993,774 | 2,125,062 | 2,092,691 | 1,752,033 | - |
| Incentive Program | - | - | 2,105,068 | 2,105,068 | 2,105,068 |
| Total Energy Efficiency Programming | 2,270,382 | 2,399,172 | 4,199,784 | 3,857,101 | 2,105,068 |
| Board and Oversight | | | | | |
| Board remuneration and expense | 131,840 | 141,000 | 151,000 | 153,000 | 155,000 (i) |
| Professional fees | 82,400 | 82,000 | 84,000 | 86,000 | 88,000 |
| Total Board and Oversight | 214,240 | 223,000 | 235,000 | 239,000 | 243,000 |
| Total Operating Expense | 10,927,345 | 11,055,981 | 14,447,173 | 12,833,021 | 11,257,877 |
| Surplus / (Deficiency) of Funds for the year | (117,372,166) | (53,091,634) | 9,441,766 | (73,893,347) | (70,004,337) |
| Total Funds Under Management - beginning of year | 459,990,374 | 540,563,370 | 487,471,736 | 496,913,502 | 423,020,155 (j) |
| Total Funds Under Management - end of year | 378,273,567 | 487,471,736 | 496,913,502 | 423,020,155 | 353,015,817 |
| Committed Funds for Approved Projects | 1,276,039,238 | 1,115,048,998 | 1,293,001,921 | 1,328,177,451 | 1,325,017,255 (k) |
| Total Project Funds paid to date | (909,048,297) | (700,326,798) | (821,762,528) | (962,504,935) | (1,088,329,376) |
| Remaining Funds required to fulfill approved project commitments | 366,990,949 | 414,722,200 | 471,239,393 | 365,672,516 | 236,687,879 (l) |

Notes and assumptions

FY25 is the final fiscal year of the three year funding agreement with the Government of Alberta (GOA) executed in September 2022. In August 2024, it was confirmed that the fiscal 2024/25 grant amount of \$50M will be reduced by the interest earned in the prior fiscal year, which totaled \$29.7M. In addition, ERA received a grant letter from the Minister confirming that \$14M of funding had been allocated to ERA to build on the success of the Alberta Innovates work in the advanced materials space. The combined total from the GOA TIER fund of \$34.3M was received in October 2024.

- (a) FY26 budget includes the \$50M core grant allocation from the GOA less the interest earned in the prior year and \$50M for a targeted Tailings Call, to address the management and remediation of oil sands tailings and mine water. In addition, ERA has submitted a proposal to the GOA for a \$20M Drilling Accelerator call to enable technology development and commercialization of innovative drilling technologies. The relevant revenue and expenses for this call have been presented but are subject to change based on the final decision from the GOA.

ERA has been awarded \$40 million of funding from Natural Resources Canada (NRCan) for the three-year Strategic Energy Management for Industry program which was launched in October 2024. The funding is currently forecast as an even spread over the 3 years (FY25 to FY27), however actual timing of disbursement is still to be determined.

ERA will work with the GOA on proposals for additional federal funding that will be used to augment anticipated efficiency programming and other relevant opportunities. The funding has been budgeted as an even split over 3 years, subject to approval, and actual timing of the distribution is still to be determined.

- (b) In collaboration with Natural Gas Innovation Fund (NGIF), ERA has received approval from the GOA for a \$29.4 million allocation to support the launch of a Methane Incentive Program in 2025 focused on incentivizing deployment of methane mitigation technologies in the oil and gas sector. ERA will receive \$22.4 million of the total allocation, with \$7 million allocated to NGIF dedicated to commercial-ready but under adopted technologies in this sector.

- (c) Interest income has been based on cash flow projections for the Corporation and current interest rate assumptions forecasted by ERA. Current effective rate earned on notice hold accounts are 4.05% (Reference rate +0.55%) and 4.15% (Reference Rate +0.65%) for Scotiabank 31 and 95 day notice periods respectively, the ATB Notice Demand Account, 3.96% effective rate (Prime less 1.49%) and the CWB Flex Notice Account, 4% effective rate (Prime less 1.45%).

- (d) Program expenditures have been budgeted based on signed contribution agreements or on a set of assumptions regarding approved and anticipated funding for projects. Future funding initiatives are based on anticipated calls laid out in the Business Plan and funding received from the GOA and GOC. Expected and estimated project attrition has been applied to the monthly forecasted project expenditures. Expected delay for milestone payments has been estimated based on our average project delay.

- (e) General and Administrative Expenses budget for FY26 reflect an increase due to FY25 having a rent free period for the new Edmonton office; this will normalize in future years.

- (f) Total Management expense costs on ERA's core operations are expected to remain stable for FY26 in comparison to the FY25 forecast. The increase in FY26 is a result of ERA investing in Strategic areas, resulting in an additional two calls (Tailings and Drilling Accelerator) being included in the budget. Total expenses are subject to change based on final decision from the GOA on the Drilling Accelerator allocation.

- (g) The increase in Contractor Services and Special Initiatives relates to a full year of the Innovator Support Program.

- (h) ERA co-hosted the GHGT-17 conference in October 2024. The expenses reflects the effort and resources dedicated to this conference delivery over FY25, however ERA is expected to receive half of the profits from the conference amounting to approximately \$350K, this will give ERA \$117K of profit that will be kept in

- (i) Board remuneration and expense budgets for FY26 and beyond are expected to remain consistent with FY25 activity. This reflects Board meetings for 2 days per quarter and the associated committee meetings: Governance, Accountability and Human Resource, Audit, Finance and Investment, and Engagement and
- (j) Based on Cash flow projections for the period ended December 31, 2024 and representing the actual funds under management. The change each year may differ from the Surplus/deficiency noted above due to timing of revenue accrual and receipt of grant amounts.
- (k) Based on actual funding for remaining active and board approved projects, and estimated future calls.

- (l) Total ERA Operating costs for the year as a percentage of the funds required to fulfill all remaining project commitments is 3.2%. The funds required to fulfill remaining commitments will be reduced as project payments continue to be made in accordance with the project plans. Given we have placeholders for future year grant allocations, the actual percentage will differ from the estimate. When Energy Efficiency Programming is removed, the operating metric improves to 2.4%, given the programs experience a higher administrative cost burden than ERA's typical portfolio of projects.



Heidelberg Materials, Edmonton Cement Plant



Supported by: *Alberta* 