

December 15, 2014

Pierre River Mine Project - Joint Review Panel Canadian Environmental Assessment Agency 160 Elgin Street, 22<sup>nd</sup> Floor Place Bell Canada Ottawa, ON K1A 0H3 Shell Canada Energy 400 – 4<sup>th</sup> Avenue S.W. P.O. Box 100, Station M Calgary, Alberta T2P 2H5 Tel (403) 691-3111 Internet www.shell.ca

Attention: Mr. Alex Bolton – Joint Review Panel Chairman

## RE: Response to Notice of Panel Request for Written Comments Pierre River Mine Project Canadian Environmental Assessment Registry No. 59539

Dear Mr. Bolton:

The following is Shell Canada Energy's ("Shell") response to the Joint Review Panel's ("JRP") November 19, 2014 letter, which requested written comments from interested parties regarding Shell's proposed process to resolve methodological issues pertaining to assessment of effects to Aboriginal culture and heritage, and the sizing of a terrestrial regional study area ("RSA"), as these issues relate to the environmental impact assessment ("EIA") for the Pierre River Mine project ("PRM").

As indicated in Shell's November 13, 2014 quarterly update to the JRP, Shell recently initiated a process of engagement with various stakeholders to solicit input on the appropriate methods for assessing effects to Aboriginal culture and heritage associated with development projects and for determining the appropriate size for the RSA to be used in an EIA for an oil sands mine.

With respect to developing a methodology to assess effects to Aboriginal culture and heritage, Shell engaged with the Canadian Environmental Assessment Agency ("CEA Agency") earlier this year, and held a workshop-style meeting on November 20, 2014 in Fort McMurray, which included the participation of Athabasca Chipewyan First Nation, Fort Chipewyan Métis Local 125, Fort McMurray Métis Local 1935, Fort McKay First Nation, Fort McKay Métis Local 63, Mikisew Cree First Nation, Alberta's Aboriginal Consultation Office, the CEA Agency, Teck Resources Ltd. and Golder Associates Ltd. Shell has since pursued further engagements with Aboriginal groups regarding the methodology to assess effects to Aboriginal culture and heritage, and expects these engagements to carry on during the first quarter of 2015, after which Shell hopes to work with Aboriginal groups on community-led assessments of effects to Aboriginal culture and heritage. Shell is optimistic that involved parties will be able to work

collaboratively to determine an appropriate methodology or methodologies to allow Shell and the parties to provide the information requested by the JRP.

With regard to RSA sizing, Shell met with Environment Canada in October 2014 to discuss appropriate terrestrial RSA sizing for an oil sands mine. We are currently awaiting additional input from the Alberta Government on this matter. Shell has also tentatively scheduled to meet in late January to discuss RSA sizing methods with the same potentially affected Aboriginal groups that were included in the November 2014 cultural meeting. Once these discussions have taken place, Shell believes it will have gathered appropriate information that will allow it to revise the terrestrial RSA and address specific concerns raised by the JRP in its March 18, 2014 supplemental information requests.

Shell feels it is premature to hold a pre-hearing proceeding prior to it having worked through the process that is currently underway, as it may result in unnecessary use of resources to address issues that the various groups may be able to resolve on their own. Recognizing, however, that there may be unresolved issues at the end of the engagement process outlined above, Shell believes it would be prudent to schedule a pre-hearing proceeding at this time. Based on the timelines outlined in this letter, Shell believes the parties will have a good understanding of whether there are any outstanding or unresolved issues by the end of March, 2015. Accordingly, Shell submits it would be reasonable to schedule a one or two-day pre-hearing meeting in mid-April 2015. By the end of March 2015, Shell and the other parties can advise the JRP as to any remaining concerns or issues around culture and heritage effects assessment and RSA sizing and these can form the agenda for the pre-hearing meeting in April 2015.

We trust that this integrated approach is acceptable to the panel. If you have any questions or concerns on this matter, please do not hesitate to contact Gary Millard (gary.millard@shell.com or 403-691-2954).

Yours truly,

<original signed by>

Andrew Rosser VP, Heavy Oil Sustainable Development and Regulatory Shell Canada Energy

cc: Jill Adams, JRP Secretariat Gary Perkins, JRP Counsel Steven Van Lingen, AER Panel Manager (interim) Shawn Denstedt, Osler, Hoskin & Harcourt LLP Margwyn Zacaruk, Shell Canada Limited Sean Assie, Shell Canada Limited Scott Wytrychowski, Shell Canada Limited