



Suncor Energy Inc.  
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August 31, 2022

Chief Thaidene Paulette  
Smith's Landing First Nation  
PO Box 1470  
Fort Smith, NT X0E 0PO

Suncor Energy Inc.  
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**RE: Response to Smith's Landing First Nation (SLFN) Consultation on Suncor's Base Mine Extension Project (BMX)**

Dear Chief Thaidene Paulette,

Thank you for your letter dated July 21, 2022. We appreciate your perspective and the concerns that you provided. Suncor is committed to working closely with Canada's Indigenous communities to build and maintain effective, long-term, and mutually beneficial relationships. To achieve this commitment, we strive for relationships that are based on transparency, mutual respect, and trust. In response to your letter, we reached out by email on August 11, 2022, and followed up with a phone call on August 19, 2022, to encourage SLFN to meet with the Project team in person.

Suncor is in the early stages of the Base Mine Extension Project (Project) application process and there is ample time for meaningful dialogue. We are currently collecting data on baseline (existing) conditions in the Project area as a critical early step in the application process. We have not yet started to model potential Project impacts and cumulative effects, or to determine mitigations and monitoring required to address those effects. On April 6, 2022, Suncor received approval of an extension request for submission of the Impact Statement to February 25, 2025. This request was made to align with our net-zero greenhouse gas plan, new federal regulations and to provide additional time to consider feedback

received from Indigenous communities and stakeholders. This extension provides even more time for meaningful consultation and consideration of the concerns and feedback provided thus far.

Before responding to your specific concerns, Suncor would like to provide some general context on our consultation and engagement to date. The [Indigenous Engagement and Partnership Plan](#) for the Project, developed by the Impact Assessment Agency of Canada (IAAC) was released on May 31, 2021, and updated on January 4, 2022. The plan provides a list of the of the 21 Indigenous communities that require consultation and the list of an additional 16 other communities that require notification on the Project. Suncor conducted early consultation and engagement for the Project based on a draft of the plan; however, it should be noted that this plan was recently formalized with the final list of communities requiring consultation, which includes Smith's Landing First Nation (SLFN).

When Suncor initiated early consultation with SLFN on the Project in 2020, the COVID-19 pandemic had just been declared. Due to this health crisis Suncor adjusted our approach with governmental limitations on travel and in-person meetings. As a result, we adapted to offering virtual meetings and virtual information sessions as an alternative way to progress consultation and information sharing. Over the last two years, Suncor has met with SLFN on four separate occasions: June 30, 2020, August 12, 2020, February 26, 2021, and February 24, 2022. The first two discussions occurred via phone and the last two discussions occurred via Microsoft Teams. Through our meetings with SLFN, Suncor has heard the following concerns and comments:

- Cumulative effects
- Consultation capacity funding required to review an application
- Limited experience with regulatory consultation and are unclear how to proceed
- Previous experience on engagement for Teck Frontier Project
- Air quality on the Alberta and Northwest Territory border could be impacted by the Project
- Downstream impacts particularly on water and water bodies
- Traditional plants could lose their potency and is there a connection with either air or water regarding potency of traditional plants
- Concerns regarding socio-economic work
- Draft sharing agreement
- Water, tailings and effluent releases
- It was important that the Dene Tha' methodology be incorporated into the assessment

SLFN has also provided formal submissions to the IACC Project registry, as well as attending and providing comments in the initial technical information session, which Suncor has reviewed:

- Comments on Initial Project Description
- Comments on Tailored Impact Statement Guidelines (TISG)
- Comments on Impact Statement Methods (Valued Components, Study Areas, Assessment Cases)



We have been documenting SLFN’s comments in a concern/response log to ensure they are captured for the development of the Impact Statement. We welcome the opportunity to discuss these items further with SLFN. For your reference, Suncor has recorded the contact attempts to either schedule a meeting or discuss the topics above (see Table 1). Other than the four meetings mentioned above, we have reached out an additional 18 times via email throughout the last few years to provide information and attempted to set up additional sessions. Unfortunately, SLFN was either unavailable to meet or did not respond to our requests.

Suncor’s intention is to have a regular meeting schedule, as we do with other Indigenous communities, but have struggled to get uptake on meeting requests. Suncor would still like to pursue this approach if SLFN is amenable.

**Table 1. Suncor requests to meet and exchange information with SLFN**

| Scheduling Attempts | Method |
|---------------------|--------|
| March 9, 2020       | Phone  |
| March 18, 2020      | Email  |
| April 6, 2020       | Email  |
| May 28, 2020        | Email  |
| June 30, 2020       | Email  |
| September 24, 2020  | Email  |
| November 27, 2020   | Email  |
| February 17, 2021   | Email  |
| February 24, 2021   | Email  |
| February 27, 2021   | Email  |
| December 17, 2021   | Email  |
| January 11, 2022    | Email  |
| January 25, 2022    | Email  |
| March 3, 2022       | Email  |
| March 25, 2022      | Email  |
| June 8, 2022        | Email  |
| July 14, 2022       | Email  |

## Capacity Funding

On the issues that SLFN raised in the July 21, 2022 letter regarding capacity funding, Suncor understands and appreciates that there are costs for a community to consult with a project proponent. Suncor has



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established a funding model for the Project and has offered several opportunities for SLFN to access this funding.

To date, Suncor has offered \$39,400 in capacity funding to SLFN to participate in consultation activities for the Project. SLFN has either not expressed an interest in accepting the offered funding or expressed interest but has not provided an invoice to Suncor to be able to provide these funds. We realize that SLFN has incurred some limited costs so far. Suncor will cover these costs once invoicing is provided and will continue to offer capacity funding as the Project progresses. For your reference, a summary of the offers for capacity funding is provided in Table 2.

**Table 2. Suncor Offers to SLFN for Capacity Funding**

| Date              | Activity   | Capacity Funding Amount   |
|-------------------|--|---|
| February 2, 2021  | <p>Suncor offered preliminary capacity funding in the amount of \$10,000 to execute a Sharing Agreement and complete a community introduction questionnaire. The offer was extended again on February 24, 2022, and then on March 2, 2022.</p> <p>Suncor has received confirmation that SLFN is interested in the funding but has not yet received an invoice from SLFN.</p>   | \$10,000  |
| February 23, 2022 | <p>SLFN provided a proposal on the Base Mine Extension Project.</p> <p>The proposal was broken into two phases. Suncor stated in the February 24, 2022 meeting that they were prepared to provide funds for Phase 1 of SLFN’s proposal (the Sharing Agreement and Community Profile) and that there would be more information required before considering Phase 2 (Impact Assessment Community Engagement, Indigenous Knowledge Study and Western Science Technical Review).</p> <p>Suncor has not received an invoice for the Phase 1 agreed upon work.</p> | \$29,400 <sup>1</sup> (Sharing Agreement and Community Profile video) |

<sup>1</sup> Funding based up SLFN February 23, 2022 SOW. Task 1 & Task 2



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| <p>March 11, 2022</p> | <p>Suncor offered funding to SLFN to participate in the first Technical Information Session regarding Impact Statement Methodologies. Suncor followed up with SLFN on March 31, 2022 with a reminder about the upcoming session and the capacity funding deadline. SLFN expressed an interest in the funding two weeks after the deadline. Suncor provided the details that they needed from SLFN at the beginning of May 2022. Suncor followed up again at the end of May 2022 to explain what information was required to process the payment.</p> <p>To date, Suncor has not received an invoice.</p> | <p>\$5,000</p> |
| <p>June 22, 2022</p>  | <p>Suncor offered funding to SLFN to participate in the second Technical Information Session regarding Baseline Study Design. Suncor followed up with SLFN on July 6, 2022 with a reminder about the upcoming session and the capacity funding deadline.</p> <p>SLFN decided not to participate in the Technical Information Sessions and therefore was not granted this funding.</p>  | <p>\$5,000</p> |

Suncor has developed a work plan and associated fee schedule that details further capacity funding opportunities in 2022 and beyond. However, as we have previously noted we have been unsuccessful in scheduling a Project meeting with SLFN to discuss this future funding and work plans.

## Method of Engagement and Tiering of Communities:

### Approach to Technical Information Sessions

As mentioned previously, Suncor has been providing technical information sessions as a means of sharing consistent information about the Project application with the Indigenous communities. In the first technical information session that SLFN attended, it was mentioned that comments, questions, or further discussions after the session would be accepted, and several communities took us up on this offer.

We have logged the comments from each Indigenous community that were raised during the information session or afterwards in individual concern/response logs. We will share the concern/response log with SLFN in the near future and can discuss how this feedback has been considered for the Impact Statement methodology. Where it is not possible or not practical for Suncor to incorporate this feedback, it will still be logged in the application alongside a rationale as to why it was not included. This rationale will help IAAC and the Review Panel to decide if Suncor was reasonable in incorporating feedback.

We have been delayed in sharing this log, as we received a large number of comments. The varied feedback we have received is not surprising and resolving the diverse perspectives is taking some time. Although a concern/response log specific to the Impact Statement Methods will be provided in the near future, Suncor has developed draft responses in the table below on the specific concerns raised in your July 21, 2022, letter.

| SLFN Concern<br>(Letter to<br>Suncor July 21,<br>2022)   | Suncor Response   |
|--|---|
| Extending spatial boundary to areas north of Lake Claire including the WBNP and Slave River to Fort Fitzgerald and Fort Smith. | Based on feedback from SLFN collected at the Impact Statement Methods Technical Information Session on April 19, 2022, Suncor believes this comment specifically refers to the limits of the Aquatics Study Area, which was proposed for the hydrology, surface water quality, fish and fish habitat valued components. As indicated at the session, the regional study area boundaries are Suncor’s initial estimate of the geographic extents over which cumulative impacts, including those from the Project may be observed. As required in the Project TISG, Suncor must account for “any cumulative effects that are likely to result from the designated project in combination with other physical activities that have been or will be carried out.” This initial study area is developed before Impact Assessment modelling is conducted and is used to provide an area within which baseline field |

data reflects the existing environmental conditions can be collected and compiled. The size of the study area may be expanded or reduced at a future date dependent on the results of the Impact Assessment modelling, which will provide a better prediction of Project effects and cumulative effects. In the absence of this modelling, Suncor relies upon previous assessment work to understand where reasonable study area boundaries should initially be drawn. Special consideration was made to include the southern portion of Wood Buffalo National Park, including Lake Claire, in the initial study area description.

With regard to hydrology, water quality, fish and fish habitat:

- Presently the northern limit of the aquatic study area has been defined by the confluence between Lake Athabasca's outlet channels and Peace River (the start of the Slave River). Based on previous assessments this confluence is the point beyond which cumulative changes in flow, from oil sands development activities, have been shown to be negligible (AER and CEAA 2019).
- From a water quality perspective, Suncor acknowledges that aerial depositions could impact surface waterbodies outside the currently defined study areas. If deposition modelling indicates this could occur, the study areas would be modified accordingly.
- From a fish and fish habitat perspective, the inclusion of the defined portion of the Athabasca River and the Peace Athabasca Delta (PAD) in the Regional Study Area is intended to support the assessment of potential cumulative upstream and downstream effects of the Project in combination with existing, approved, and planned developments on the Athabasca River and PAD, including regional migratory fish populations.

Suncor is currently compiling the feedback from each Indigenous Community with respect to each study area presented at the Impact Statement Methods Technical Information Session on April 19, 2022, as well as related discussions with communities. Suncor intends to provide a memo later in 2022 summarizing the feedback received in relation to the Aquatics Study Areas and whether changes have been incorporated or the rationale for why this has not occurred.

References:

Alberta Energy Regulator and Canadian Environmental Assessment Agency. 2019. Report of the Joint Review Panel Established by the Federal Minister of Environment and Climate Change and the Alberta Energy Regulator. Decision 2019 ABAER 008: Teck Resources Limited, Frontier Oil Sands Mine Project, Fort McMurray Area. July 25, 2019. Published by Alberta Energy Regulator, Calgary, AB



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|   | <p>and Canadian Environmental Assessment Agency, Ottawa, ON. Cat. No.: En106-222/2019E-PDF. ISBN: 978-0-660-31973-5. 1325 pp.</p>  |
| <p>Determining the magnitude and extent to which chemical emissions from current oilsands development are impacting the WBNP and Slave River.</p> | <p>Chemical emissions will be modelled through two main environmental pathways in the application (air and water). Based on Federal TISG, and as mentioned at the Impact Statement Methods Technical Information Session on April 19, 2022, Suncor intends to complete air and water modelling for a “Current (Existing) Case” for the Project application. This would include all existing projects within the region and would provide an estimate of current cumulative effects, as requested in this comment.</p> <p>Suncor is still considering feedback on whether the initial Air Quality and Aquatics Study Areas should be extended to include the northern portion of the Wood Buffalo National Park (WBNP) and Slave River to Fort Smith. Suncor is evaluating the current technical limitations of the recommended regulatory models and whether another model could be used. Alternately, Suncor may consider using conservative predictions upstream and upwind to represent concentrations at Fort Smith and the northern part of the WBNP.</p>   |
| <p>Understanding changes in moose and bison population dynamics in the Lower Athabasca Region (LAR).</p>  | <p>Both wood bison and moose were identified as wildlife species of importance to the Indigenous communities of the region and will be a focus of both the baseline report and the Impact Statement for the Project. While wood bison do not currently reside within the Local Study Area for the Project, where the majority of baseline data was collected, the species will be discussed under the Regional Study Area section of the baseline report.</p> <p>The baseline report will summarize findings from the specific field surveys targeting ungulates and other mammals, including: winter track count surveys and remote camera monitoring surveys. Field data collected for ungulates provide information on relative abundance, habitat associations, and distribution across the landscape. Baseline surveys were conducted over several years between 2010 and 2022 and therefore provide a temporal lens over which wildlife population dynamics are documented.</p> <p>Several aerial surveys targeting waterbirds and aquatic mammals (i.e., beavers and muskrats) were completed from 2019 to 2022. The aerial survey’s took place over the watercourses and waterbodies within the study area. All incidental observations of moose made during these flights were recorded and added to the dataset of moose observations made during targeted surveys for the species. No</p> |

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|   | <p>observations of bison were made during the extensive baseline surveys conducted in the Local Study Area. Results of the field surveys for moose and bison will be highlighted within the baseline report alongside information related to population condition in the region, population size, current threats facing the species, and information related to historical range for the species.</p> <p>Indigenous knowledge (IK) and traditional land use information on both bison and moose, if provided by SLFN or other Indigenous communities, will be incorporated into the baseline report and will feature within the wildlife section of the Impact Statement.</p>   |
| <p>Characterizing the current health condition of Indigenous peoples in the Regional Municipality of Wood Buffalo and LAR.</p>      | <p>Both the Provincial and Federal requirements for the Project Impact Statement indicate that a human health assessment associated with Project impacts must be conducted. This will comprise of a Human Health Risk Assessment (HHRA) and a Health Impact Assessment (HIA). The HHRA will provide an evaluation of the potential for chemical exposures through air, water, soil and, ultimately, food (e.g., plants, fruits, fish and game). The HHRA is dependent upon air and water modelling results. As mentioned in the previous response, if Fort Smith is not within the air and water study areas, then a conservative assumption would be taken to use higher concentrations occurring further upstream or upwind at the northern boundary of the study area. The HIA is focused more on the social determinants of health (for example availability of medical or recreational facilities, prevalence of health or mental conditions). Both the HHRA and HIA will include information related to current health conditions of Indigenous communities in the Regional Municipality of Wood Buffalo. This information will be taken from publicly available databases and any information each community is willing to share through their community profile.</p> |
| <p>Characterizing the condition and safety of ingesting traditional foods and medicines under the current state of development.</p> | <p>As part of the HHRA application requirements, and mentioned in the previous response, Suncor is required to provide predicted impacts of the Project on the consumption of traditional plants and animals. When data allow, the HHRA will characterize the health risks associated with the consumption of traditional foods under existing conditions. When forecasting conditions under an application case scenario, the predictions will be the result of the air and water modelling estimates, uptake rate into plants and animals and rate of consumption by community members. This uptake and consumption information will be taken from publicly available sources and any information each community is willing to share through their community profile.</p>  |

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| <p>Considering impacts to the Treaty and Aboriginal Rights of each Indigenous group within the LAR.</p> | <p>The Federal TISG require that each community speak to the impact of the Project on their members’ Treaty and Aboriginal Rights. Suncor has requested information from SLFN and other Indigenous groups regarding potential Project effects to Indigenous peoples, including Impact to Rights, and has offered capacity funding to complete this work. Suncor understands that it may not be possible to fully speak to Rights impacts until results of the Impact Assessment are available later in 2023.</p> |
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### Tiering of Communities

Given the large number of communities that Suncor is consulting and engaging with as outlined in the [Indigenous Engagement and Partnership Plan](#), Suncor has been grouping communities to improve the effectiveness and efficiency of consultation and engagement activities:

- communities that have Relationship Agreements with Suncor;
- communities that do not have Relationship Agreements with Suncor; and
- communities that are notification only.

Suncor has been an operator in the Region for the last 50 years. Suncor has existing Relationship Agreements with a number of Indigenous communities. Through these relationships, communities have gained a greater understanding of our operations, and Suncor has learned more about individual communities including their consultation procedures/expectations, which has helped tailor the consultation approach with communities.

Our end goal through this consultation process is to further develop relationships with the communities we have not consulted with previously, such as SLFN, to learn about your community concerns and consultation procedures/expectations. This is a process that Suncor believes starts with developing a sharing agreement as well as an initial picture of concerns and priorities. Suncor has offered the funding for these deliverables and can issue the funding as soon as an invoice is received. The community profile, along with the preliminary Impact Assessment findings will be used to determine if additional work is required to gain a mutual understanding of impacts. We appreciate that further work may be necessary, but we believe a step-by-step approach is prudent.

Suncor wants to be clear that in terms of the technical information sessions, site visits and other consultation activities, Suncor’s Project team has, and will continue to, provide each Indigenous community with the same opportunities, capacity funding and Project information. Study work associated with the application may be reviewed and supported on a case-by-case basis. There are several factors considered when reviewing scopes of work for studies. It is also important to note, outside of these group sessions, individual consultation will be available for your community. Suncor is willing to build a cooperative relationship to better understand your community’s perspectives.



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## Technical Review Request

Suncor would encourage SLFN to participate in the technical information session process and provide feedback on the various sections as the Impact Statement is developed. This approach of working together should reduce full technical review requirements and result in a better application.

Suncor is willing to provide capacity funding for key technical support activities (TISG requirements) related to SLFN's review of the Project. In the coming months we also have plans for community sessions and further technical sessions that we would like to share with SLFN provided you are still open to meeting. Our funding model is provided per activity to ensure accountability and is targeted towards addressing potential Project related impacts and understanding community concerns.

## Next Steps

We would like to propose a few dates where we can meet in person to discuss concerns, capacity funding, participation in upcoming technical sessions and moving forward with community sessions if desired. We will reach out via the Project email ([basemineextension@suncor.com](mailto:basemineextension@suncor.com)) with potential dates.

Suncor has also extended an invitation to your community for a Base Mine Extension overview meeting as well as a site visit to the Project location. The invitation was distributed on August 11, 2022. Please consider meeting with us and accepting our invitation for a tour.

Lastly, we would like to offer a Senior Leadership Relationship meeting with Suncor's Management while in Fort McMurray for the Project site visit. This meeting will speak holistically to developing a stronger relationship on several fronts. We hope you consider our offer.

We look forward to hearing from you soon.

Thank you,  
<Original signed by>  
Daniel Hikita

Director of Mine Development