



Shell Canada Limited
400 – 4th Avenue S.W.
P.O. Box 100, Station M
Calgary, Alberta T2P 2H5
Tel: (403) 691-3111
Internet www.shell.ca

January 31, 2018

Anastasia Shukalkina, Hearing Services
Alberta Energy Regulator
Anastasia.Shukalkina@aer.ca

**Re: Shell Canada Report on Action Plan for ERCB Decision 2013-009
Waterton 68 Applications for Pipeline and Facilities Licences**

Shell Canada Limited (Shell) received approval from the Alberta Energy Regulator for the Waterton 68 pipelines and facilities on May 28, 2013 in ERCB Decision 2013 ABERCB 009. Appendix 4 to the Decision set out an Action Plan with action items and requirements for follow-up. Shell last reported on the status and evidence of completion of the Action Plan items on September 19, 2017. The following is an update to that report.

1. RWDI Recommendations: Partially Complete, Actions Ongoing

The AER directed Shell to install the first perimeter monitor at the Waterton 68 well site before producing the Waterton 68 well, with the other perimeter monitors being installed after the start of production and testing of the initial perimeter monitoring system. The perimeter monitoring system at WT-68 is currently operational and has been piloted to test viability long-term and at other sites. Shell upgraded certain aspects of this system as detailed below. These upgrades will remain consistent with the implementation of the new perimeter monitoring systems.

During Q4 of 2017, Shell procured two additional perimeter monitors for sites at 6-17-6-2 W5M and 5-20, 5-20-6-2 W5M. Both perimeter monitors were installed and are anticipated to be commissioned in Q1 2018.

The following *Table 1: RWDI Recommendations Report* provides the most recent status of the outstanding RWDI recommendations, with updated information noted in purple font. Shell will continue to provide regular status updates through the Waterton Advisory Group (WAG) meetings.

2. WAG Meetings

The progress of implementation of the RWDI Recommendations have been discussed at all WAG meetings since the approval of the Waterton 68 pipeline and facility on May 28, 2013.

Shell hosted the latest WAG meeting on November 28, 2017. The next WAG meeting will take place in the Fall of 2018.

Development of new wells and infrastructure in the Waterton field is presented, when required, to the New Development Sub-Committee (NDSC) of WAG. The last NDSC meeting was October 14, 2015 and minutes were provided as part of the previous November 18, 2015 update to AER. The next meeting will be scheduled in advance of potential new development so the committee can be involved in early evaluation. Shell also provides a bi-monthly activity emails to all WAG members which includes the NDSC members to keep them informed of timely updates in Waterton.

- Attached please find the four email updates from 2017 and the meeting minutes from the WAG meeting:
 - November 28, 2017 – WAG Meeting
 - October 4, 2017 – WAG Email Update
 - July 12, 2017 – WAG Email Update
 - May 19, 2017 – WAG Meeting Minutes

Shell would like to inform you that the interim reclamation on the WTN 68 location was completed in the Fall of 2017. Interim reclamation included:

- reduction of footprint on the western section of the lease by re-contouring the existing western slope
- the original perimeter fence was moved east, topsoil was added from the storage piles on lease and this area was hydro-seeded
- the existing trail network through western portion of the site was re-connected to the south, north and west
- hydro-seeding on the cut slope on the south end and south eastern portion of the lease
- the entire reclaimed area was re-seeded with a native grass seed mix approved by AB parks and erosion control was implemented where required using the salvaged brush piles and bio-logs

Shell will follow all additional reclamation reporting requirements as per *External Directive SD 2010-02*.

Table 1: Summary of Ongoing Actions Related to Open RWDI Recommendations

RWDI Recommendation Number	Recommendation Description ^a	Shell Updates (As of August 23, 2017)	Status
#3	Four perimeter H ₂ S monitors should be installed at each of the following six well sites: WAT junction, 6-16-6-2 W5M; TX-5-20, 5-20-6-2 W5M; TX-6-17, 6-17-6-2 W5M; WT-61, 10-7-6-2 W5M; WT-68, NE-1-6-3 W5M; and CA 6-12, 6-12-6-3 W5M.	<ul style="list-style-type: none"> • The perimeter monitoring system at WT-68 is currently operational and has been piloted to test viability long-term and at other sites. • Shell conducted a number of upgrades for the WT-68 perimeter monitoring station in the summer of 2016, which included replacement of fiber optic cables, upgrades to software, and the installation of new post foundations. Based on the upgrades conducted to the existing WT68, Shell will be advancing plans for the remaining perimeter monitoring systems in 2017. • Shell will keep the AER and WAG updated on progress as this work is undertaken. • Shell has installed perimeter monitors at 06-17 and 5-20 in Q4 2017. These monitors will be commissioned in Q1 2018. • Shell has confirmed installation of 2 more perimeter monitors to commence later in 2018. 	Ongoing
<p>NOTE:</p> <p>^a For full details on the recommendations, refer to the RWDI report entitled “Ambient Air Monitoring Program Design: Screwdriver Creek Valley” (dated December 5, 2012).</p>			

We trust that this information meets your current needs. If you would like to further discuss the information contained herein, please do not hesitate to contact me by phone at 587-233-4869 or via email at Molly.Minuk@shell.com.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Molly Minuk', written in dark ink.

Molly Minuk
Regulatory Specialist
Shell Canada Limited

Waterton Advisory Group
Meeting Notes - November 28, 2017

Attendees:

Name	Organization
Fraser Stewart	Resident, CMR
Mitch Hardy	Resident
Patsy Hardy	Resident
Kim Hardy	Resident
Tamara Zembal	Alberta Environment & Parks
Darryl Carlson	Resident
Brent Barbero	Resident
Peter Argument	Shell (Waterton Plant Operations Manager)
Steve Polvi	Shell (Foothills Development Manager)
Patty Richards	Shell (External Relations Manager)
Kristen Schmidt	Shell (Waterton Community Liaison)
Terry Gottenbos	Shell (Surface Land Manager)
Stephen DeCock	Shell (Environmental Coordinator)

What follows is an informal summary of the topics and perspectives shared at a Waterton Advisory Group (WAG) meeting. WAG meetings are intended to supplement (but not replace) Shell's obligation to consult directly with affected stakeholders under the Alberta Energy Regulator's Directive 56. These meeting notes are a public document. The views shared within are the views of individuals and are not necessarily the consensus views of participants.

1. Introductions and Welcome

Kristen Schmidt introduces herself as the facilitator – notes that if people see a need for a third party facilitator similar to what we've done in past meetings, we are happy to consider. Let Kristen know if any thoughts or concerns with this modification.

2. Operations Report

Peter Argument reviewed operations for the field and the Waterton Complex since last meeting (from April 2017-November 2017). Peter talked about the turn-around from earlier in the year and a reminder that this work would happen every five years for maintenance.

Integrity Events: 1 to date – October 5, 2017 at WAT JCT.

Odour notifications: A total of 16 notifications were received from April 2017-November 2017, of which 12 were confirmed to be from Shell sources. 10 of these notifications were from 2 separate events during the May plant turnaround. These included plant stack top emissions, waste disposal in wastewater ponds, and condensate loading. 4 notifications did not have a source.

Traffic related notifications:

- Speed – none
- Noise - One related to line heaters in field. Two related to Condensate truck Jake brakes on HWY 6. One unconfirmed near Beaver Mines.

- Dust - Four dust complaints on 7 Gates Road, Two complaints on Riviere Road, and One Complaint on Shell Loop Road (West of the plant)
- Other - Complaints about Sorage Grader parked at 7 gates, complaints about Riviere Road, Traffic commitments

3. Alberta Parks and Waterton Socio-Economic Impact Assessment

Patty Richards provided an update. Shell took AEP on a field tour in August 2017 to look at various reclamation sites, points of interest, and potential opportunities for future collaboration. Shell continues to work with AEP to understand any potential limitations, restrictions and mitigations when operating and developing within Parks boundaries. We will seek their feedback in road reclamation, amongst other potential work that can affect parks.

Patty then provided an update on the Waterton Socio-Economic Impact Assessment being conducted for the Southern Alberta Sustainable Communities Initiative (SASCI). Phase 1 is almost complete and Shell has partnered with SASCI for Phase 2 starting in 2018, which will include some public consultation.

3. Shell Waterton Development Plans for 2017 and 2018

Steve Polvi provided an update on Shell's development plans for the Waterton area:

- WT-78: We are deferring our application on the WT-78 well in the south area of the field. While it did not compete for 2018 funding, it is still economic and will remain in the queue for future consideration.
- CR-74: We have completed public consultation on the CR-74 sidetrack well and we are working on the regulatory application. This would be re-entering the well location at CR-74 (Castle River 6-17). Shell previously constructed and drilled this well, although we could not produce it due to gravel and rocks. We are planning to re-enter and sidetrack the well-bore with a screen to mitigate the rocks and produce the gas into existing infrastructure. No new footprint will be required for this application.
- H2S Perimeter Monitoring: Discussed wellsite perimeter monitoring and how it works. Two additional sites planned by the end of 2017 with more in 2018.
- WT-61: We have completed public consultation on WT-61 pipeline project and we are working on the regulatory application. This would be a small pipeline (~650 m) on private land at Junction 61 to tie-in existing wells into existing infrastructure and produce to the Waterton plant.
- Caroline Injection Project: explained process and that we are currently screening for Waterton and Jumping Pound. Potential condensate in sheet 3 is the driver and there could be some ideal well locations straight west of plant.

Questions:

1. Would we inject back into an old well? A: Yes. Old well, same lines, not much detail as still in screening phase.
2. Would this increase truck traffic? A: No, this is not a plant increase, more keeping the decline 'line' stable.

4. Shell Emergency Response program

Kristen Schmidt provided an overview of Shell's Emergency Response program. Discussion was on the Incident Command System (ICS), Firesmart program, Caliber Callout system and the collaboration with local agencies. The Kenow Wildfire was discussed as a case study for the emergency response program

5. WAG Participant Updates

Synergy Alberta:

- The Synergy Alberta conference was held in Leduc on November 6-7, 2017.
- Fraser Stewart and Tamara Zembal provided an update on the conference.

Adjourn 8:00pm

Next meeting will take place in the Spring 2018. Should you require any further information on these or other Shell related projects, please contact Kristen Schmidt.

Minuk, Molly SCAN-UPU/S/R

From: Schmidt, Kristen SCAN-ERD/A
Sent: Wednesday, October 4, 2017 4:55 PM
To: Fisher, Allison L SCAN-UPU/S/R; Anna Eggert; Anne Stevick; Barrie and Grace Orich; Behn Morris; Brad Brush; Brent Barbaro; brett.fairbairn@usask.ca; Carolyn Aspeslet (CCWC; Chris Coleman; Cliff Elle; Darryl and Valerie Carlson; David Green; Grant, Deanna SCAN-UPU/S/R; Dick and Stephanie Hardy; Donna Zoller; Drew Rendall; Fraser Stewart; Gary Mills; Gordon Petersen; Janet Casey; Jennifer Lough aer; Judy Huntley; Karen Rendall; Kathy Day; Kim and Patsy Hardy; Kim Barbero; Kyra Dziedzic; Lee McClelland; Leo Reedyk; Lorraine Robbins; Murray McFarland; Nora Manners; Norma Fairbairn; Pat Anderson; Pat Neumann; Argument, Peter SCAN-UPU/F/W; Phil Hazelton; Phill Edmondson; Ron Schmidt; DeCock, Stephen SCAN-UPU/S/CF; Polvi, Steve SCAN-UPU/F/T; Tamara Zembal; Tara Cryderman; Aspeslet, Thalia SCAN-ERD/A; Wendy Kay; Yvonne McNeely; 'Celesa Horvath'; Richards, Patty L SCAN-ERD/A; Gottenbos, Terry SCAN-UPU/L/CG; Anne Loosen; 'karlareesor@movingfwd.ca'; Minuk, Molly SCAN-UPU/S/R; Sarah Spranza; Sinclair, Rod SCAN-ERD/A
Subject: WAG Email Update - Oct 2017
Attachments: Kristen Schmidt.jpg

Hello everyone!

I hope you are doing well and the rest of your summer was enjoyable. As some of you may already know I am stepping in for Rod Sinclair as he retires this month. In July 2015, I joined Shell and have been fortunate enough to work with great teams so far. Prior to Shell, I worked in a few other energy companies while completing my Marketing and Sociology degrees at the University of Calgary. I am excited for the opportunity to learn about Shell Waterton and work closely with all of you going forward. Please say hi if you see me around town, I've attached a picture for reference.

Please find updates below regarding some of the 2017 plans for the Waterton Complex. If you have any questions or require more details, please feel free to contact me.

2017 Kenow Wildfire Response

- Wells that were shut-in proactively for the nearby wildfire are back up and running following thorough safety assessment and guidance from local fire command.
- We will be supporting the recovery efforts for the community in collaboration with local agencies.

Development

- In July, we sent out D56 consultation information to stakeholders in the Emergency Planning Zone for WT-61 and WT 10-7 pipeline installation in the Screw Driver Creek Valley to replace the abandoned pipeline which serviced these wells in the past. An environmental assessment (EA) compliant with Alberta Energy Regulator (AER) Information letter (IL) 93-09 has been completed for this pipeline. The 500m total pipeline length is constructed largely on existing right of way with minimal additional footprint which includes a 250m underground bore.
- In August, we initiated consultation regarding the re-entry in 2018 of the Castle River 6-17 well. This well was previously constructed and drilled in 1958, although it could not be produced due to well bore restrictions. We are planning to re-enter and sidetrack the well-bore into existing infrastructure. No new footprint will be required for this application.

- We will be moving ahead with reactivation of WT-64 by connecting it into a junction at a nearby line heater. No new right of way is required.
- In 2017, we will be moving forward with the installation of well-site H2S perimeter monitoring on two well sites in the Screw Driver Creek Valley. The monitoring system is similar to that at the WT-68 well site.
- We will not be submitting application binders for WT-78 at this time. While the well is economic it did not successfully compete for capital investment in Shell's 2018 budget. However, as it is still economic, budget approval may change and therefore this project will stay in the queue.

Environment/Groundwater

- Earlier this year we installed six additional piezometers for ground water testing on properties approximately 4km directly east of the Waterton Complex as part of our ongoing Sulfolane groundwater monitoring program. We have successfully flow tested these wells and the results show that these wells are non-detect for Sulfolane.
- Shell is continuing to work in coordination with the AER to enhance the Sulfolane ground water contamination mitigation program at Waterton.
- The fall groundwater monitoring program is scheduled for October to monitor groundwater at the plant and surrounding area.
- We continue with our ongoing monitoring of air, soil, groundwater and waste water as part of our Environmental Approval to Operate which is reported to the AER.
- Our 2017 weed management went well this spring/summer, we are currently finishing up the program with a second bare ground pass to remove all vegetation on leases as a Firesmart measure. This fall we are also targeting deep rooted perennial plants such as Canada Thistle and Leafy Spurge in the plant area.
- At the end of July, a liming program was completed to mitigate sulphur dust impacts in soil downwind of sulphur handling area.
- As a continuation of our commitments from the WT-68 Hearing, we will be completing the annual monitoring of the Limber Pine Seedling Trial in early October. This was delayed due to the wildfires in the area.

Pipeline Inspections

- We have successfully completed the pipeline depth of cover restoration project and the water crossing inspections throughout the field, focusing on Crown property.
- In October, we are running a pilot project for the annual pipeline right of way (ROW) aerial inspections with the use of an Unmanned Aerial System (UAS) i.e. drone rather than using a helicopter. This is a safer, more environmentally friendly way to inspect our pipeline gathering systems. After several months of coordination with Transport Canada, we have secured the permit to complete this project.
- We will continue our ongoing inspections of pipelines throughout the Waterton field gathering system over the course of the year.

Reclamation

- We have received the reclamation certification on WT-5 well site access trail, which is located west of the Waterton Complex below Prairie Bluff. It has been re-established and seeded and will be removed from Shell's liability in the near future. In Butcher Canyon, we have received a reclamation certification for WT-21 well site, the associated line heater and junction. We will be moving forward with road reclamation to these sites starting with the access road to WT-39 below

Prairie Bluff in 2017. We will be working with stakeholders who are using some of our access roads that are listed for reclamation to ensure they are aware and have time to make necessary alternative access plans.

- We have recently received a reclamation certificate for WT-4, which is located on the north side of Prairie Bluff.
- Starting on October 1st, the interim WT-68 lease site interim reclamation in the Screw Driver Creek Valley, will be starting on October 1st.

Abandonment

- Our plans to complete a downhole well abandonment at CA-6-12 well site at the end of the 7 Gates road this summer have been postponed and will be re-evaluated in 2018.

Social Investment

- We have some excellent opportunities to support our community in 2017. The final application deadline for 2017 funding was on October 1st, and the application process will re-open in 2018 with quarterly funding deadlines (February 1, April 1, July 1, and October 1). Below are some of the organizations Shell Waterton has supported to date in 2017.
 - Beauvais Lake Provincial Park Interpretive Program
 - Matthew Halton High School Awards
 - Pincher Creek and District 4-H Scholarship and Training Fund
 - Plain Eagle Youth Arts and Crafts program
 - Group Group Youth Society of Pincher Creek
 - Pincher Creek Watershed Group Blue weed Blitz
 - Pincher Creek & District Agricultural Society
 - Drywood Yarrow Watershed Group
 - Kidsport Pincher Creek
 - Twin Butte Community Hall Sign project
 - Lundbreck Patton Park improvements
 - Foothills Cowboy Association
 - Waterton Biosphere Reserve Association

General Information

- At the end of August, Shell met with AEP (Alberta Environment and Parks) to tour Shell sites within crown boundaries and around the new Alberta Parks. This included sites in various states of reclamation, road infrastructure, and special environmental projects. Going forward, AEP is working on their capital plan and key projects while defining a process for the future. We will seek their feedback in road reclamation, amongst other potential work that can affect crown lands and the nearby Alberta Parks.
- The Waterton SEIA (Social Economic Impact Assessment) project is progressing with public consultation planned for this fall through SASCI (Southern Alberta Sustainable Communities Initiative). The intent of the project is to assess potential social and economic impacts to the area when Shell leaves.
- Our traffic management system was in place throughout the summer and will continue into fall to manage Shell and public traffic for Shell activities using the 7 Gates Road in Screw Driver Creek Valley.
- The next WAG meeting is planned for the end of November, stay tuned for more details on this event.

- Rod Sinclair is retiring from Shell in mid-October following 41 years working at the Shell Waterton Complex, with 36 of those as a Shell employee. Please join me in wishing him happy trails in his hard-earned retirement!

If you know of neighbors or friends who are interested in receiving these updates, or if you would like to unsubscribe please get in touch with me through email at kristen.schmidt@shell.com or by phone at 403-462-4862. Please do not hesitate to contact me if you have any questions or concerns, I'll talk to you soon.

Thanks,

Kristen

Kristen Schmidt

Community Liaison Officer - Waterton

Shell Canada Limited

Mobile: 1-403-462-4862

Telephone: 1-403-627-7282

Minuk, Molly SCAN-UPU/S/R

From: Sinclair, Rod SCAN-ERD/A
Sent: Wednesday, July 12, 2017 9:24 AM
To: Anna Eggert; Anne Loosen; Anne Stevick; Argument, Peter SCAN-UPU/F/W; Barrie and Grace Orich ; Behn Morris; Brad Brush; Brent Barbaro; Carolyn Aspeslet (CCWC) ; Chris Coleman; Cliff Elle ; Darryl and Valerie Carlson ; David Green; David Green; DeCock, Stephen SCAN-UPU/S/CF; Dick and Stephanie Hardy; Donna Zoller ; Fisher, Allison L SCAN-UPU/S/R; Fraser Stewart; Gary Mills; Gordon Petersen ; Grant, Deanna SCAN-UPU/S/R; Janet Casey; Jennifer Lough aer; Judy Huntley ; Karen Rendall; Kathy Day; Kim and Patsy Hardy; Kim Barbero; Kyra Dziedzic; Lee McClelland; Leo Reedyk; Lorraine Robbins; Molly; Minuk, Molly SCAN-UPU/S/R; Murray and Susanne Kirby; Murray McFarland; Nora Manners; Norma Fairbairn ; Pat Anderson; Pat Neumann ; Patty Richards; Phil Hazelton; Phill Edmondson; Platman, Jennifer SCAN-ERD/A; Polvi, Steve SCAN-UPU/F/T; Ron Schmidt; Sarah Spranza ; Tara Cryderman; Terry Gottenbos; Gottenbos, Terry SCAN-UPU/L/CG; Wendy Kay; Yvonne McNeely; Drew Rendall; Schmidt, Kristen SCAN-ERD/A; Aspeslet, Thalia SCAN-ERD/A
Subject: WAG Email update
Attachments: Waterton Advisory Group Air Bulletin_06July2017.pdf

Hello folks!

- Hope all is well and your summer has been good. Please find below updates regarding some of the 2017 plans for the Waterton Complex. Also attached is the most recent Screwdriver Creek Valley air monitoring data newsletter.

If you have any questions or require more details, please feel free to contact me.

2017 Complex Turnaround

- We completed the 2017 Waterton Complex Turnaround the first week of June.

Development

- We have recently sent out the D56 consultation information to stakeholders in the Emergency Planning Zone for the WAT-61 and 10-7 wells pipeline installation in the Screw Driver Creek Valley proposed to replace the abandoned pipeline which serviced those wells in the past. An environmental assessment (EA) compliant with AER Information letter (IL) 93-09 will be completed this summer for the WT-61 pipeline. The EA will include a vegetation assessment, soil assessment, wildlife assessments, wetland assessment, and cumulative effects assessment.
- We will be moving forward this summer/fall with the installation of well-site H2S perimeter monitoring on two well sites in the Screw Driver Creek Valley. The monitoring system is similar to that at the WAT-68 well site.
- We will be moving forward this summer with consultation regarding the re-entry in 2018 of the Castle River 6-17 well. Shell previously constructed and drilled this well, although we could not produce it due to gravel and rocks in the well bore. We are planning to re-enter and sidetrack the

well-bore with a screen to mitigate the rocks and produce the gas into existing infrastructure. No new footprint will be required for this application.

Environment/Groundwater

- Earlier this year we installed six additional piezometers for ground water testing on properties approx. 4km directly east of the Waterton Complex as part of our ongoing Sulfolane groundwater monitoring program. We have successfully flow tested these wells and are currently awaiting the test results.
- Shell is working in coordination with the AER to enhance the Sulfolane ground water contamination mitigation program at Waterton.
- We reactivated our 2017 weed management plan starting in May. Weed picking crew, contract spraying and vegetation mowing teams are currently addressing weed issues throughout the Shell field on roads, leases and Pipeline right of ways.
- We continue with our ongoing monitoring of air, soil, groundwater and waste water as part of our Environmental Approval to Operate which is reported to the AER (Alberta Energy Regulator). The spring groundwater monitoring program is now completed and the second round of monitoring will continue in the fall.
- A liming program to mitigate sulphur dust impacts in soil will be completed in July.
- Interim reclamation for the pipeline integrity digs were completed in May and June.
- Foothills Stream Crossing Partnership inspections have been completed in June in the Castle and Carbondale and Corner Mountain areas of the field.
- As a continuation of Shell's commitments from the Waterton 68 Hearing, Shell has scheduled its annual monitoring of the Limber Pine Seedling Trial for late-August or early-September (weather dependent).

Pipeline Inspections

- We have successfully executed our Russell Tool Lined Pipe Line inspections on the Carbondale pipeline system in May. We also completed the inspection of the existing pipeline we plan to produce into as part of the WAT-61 and 10-7 well reactivation. We will also be continuing our ongoing inspections of various pipelines throughout the Waterton field gathering system over the course of the year.
- We successfully completed the inspection of our Sour water injection pipeline in the south field as part of the Complex shut down inspection plan.
- We successfully completed all our planned pipeline integrity inspection digs in the south field during the plant outage in May.

Reclamation

- We have received the reclamation certification on WAT-5 well site west of the Waterton Complex below Prairie Bluff along with WAT-21 well site and associated line heater and junction in Butcher Canyon. We will be moving forward with road reclamation to these sites starting with the access road to WAT-39 below Prairie Bluff in 2017. We will be working with stakeholders using some of our access roads that are listed for reclamation to ensure they are aware and have time to make necessary alternative access plans.
- We have recently received a reclamation certificate for WAT-4. This site is located on the north side of Prairie Bluff.
- We plan to move forward this year with the WAT-68 lease site interim reclamation in the Screw Driver Creek Valley.

Abandonment

- Our plans to complete a downhole well abandonment at the CA-6-12 well site at the end of the 7 Gates road this summer have been postponed for 2017 and will be reevaluated in 2018.

Social Investment

- We have some excellent opportunities to support our community in 2017. Although remaining funds are limited for the year applications can still be made with review scheduled on a quarterly basis. Following are some of the organizations Shell Waterton has supported to date in 2017.
 - Beauvais Lake Provincial Park Interpretive Program
 - Matthew Halton High School Awards
 - Pincher Creek and District 4-H Scholarship and Training Fund
 - Plain Eagle Youth Arts and Crafts program
 - Group Group Youth Society of Pincher Creek
 - Pincher Creek Watershed Group Blue weed Blitz
 - Pincher Creek & District Agricultural Society
 - Drywood Yarrow Watershed Group
 - Kidsport Pincher Creek
 - Twin Butte Community Hall Sign project
 - Lundbreck Patton Park improvements

General Information

- Shell continues to work with AEP (Alberta Environment and Parks) to understand any potential limitations, restrictions and mitigations when operating and developing within Parks boundaries. We will seek their feedback in road reclamation, amongst other potential work that can affect parks.
- The Waterton SEIA (Social Economic Impact Assessment) project is progressing. The intent of the project is to assess potential social and economic impacts to the area when Shell leaves. Public consultation will begin this fall through SASCI (Southern Alberta Sustainable Communities Initiative)
- We had our traffic management system in place starting mid May to manage Shell and public traffic for Shell activities using the 7 Gates Road in Screw Driver Creek Valley.
- Shell in conjunction with the MD of Pincher Creek has activated its dust control program at various other locations in the rural community.
- After 41 years working at the Shell Waterton Complex, 36 of those as a Shell employee I will be retiring later this fall. I'm happy to announce that Kristen Schmidt will be replacing me.

If you know of neighbors or friends who are interested in receiving these updates, or if you would like to unsubscribe please get in touch with Rod Sinclair through email at rod.sinclair@shell.com or by phone at 403-627-7282. As always, if you have any questions, please do not hesitate to contact me. Talk to you soon.

Rod Sinclair

Community Liaison Officer

My journey is not to arrive at my grave site rested and in a well preserved body.....but rather to skid in, jump off my horse and shout.....YAHOO.....what a ride!!

Shell Canada Energy
PO Box 1088, Pincher Creek, Alberta T0K 1W0, Canada

Tel: +1 403 627 7282

Email: Rod.Sinclair@shell.com



Waterton Advisory Group

Meeting Notes – May 8, 2017

Attendees:

Name	Organization
Fraser Stewart	Resident, CMR
Ron Schmidt	Resident
David Green	SASCI
Stuart McDowall	Resident
Cliff Elle	Resident
Mitchell and Pat Hardy	Residents
Garry Marchuk	MD Pincher Creek
Jen Lough	Alberta Energy Regulator (AER)
Peter Argument	Shell (Waterton Plant Operations Manager)
Steve Polvi	Shell (Foothills Development Manager)
Rod Sinclair	Shell (Waterton Community Affairs)
Patty Richards	Shell (External Relations)
Jen Platman	Shell (External Relations)

What follows is an informal summary of the topics and perspectives shared at a Waterton Advisory Group (WAG) meeting. WAG meetings are intended to supplement (but not replace) Shell's obligation to consult directly with affected stakeholders under the Alberta Energy Regulator's Directive 56. These meeting notes are a public document. The views shared within are the views of individuals and are not necessarily the consensus views of participants.

1. Introductions and Welcome

Jen Platman introduces herself as the facilitator – notes that if people see a need for a third party facilitator similar to what we've done in past meetings, we are happy to consider. Let Jen or Rod know if any thoughts or concerns with this modification. Karla and Kerry with Moving Forward have done a wonderful job over the past 9 years and we appreciate their support and dedication to WAG and Synergy groups.

2. Operations Report

Peter Argument reviewed operations for the field and the Waterton Complex to date (from June 2016 to April 2017). Peter talked about the current turn-around and that every five years we need to shut down for maintenance. This effort requires a considerable amount of resources .

Integrity Events: 0 to date - May 2016 through April 2017.

Odour notifications: A total of 11 notifications were received, of which 8 were confirmed to be from Shell sources. These included plant stack top emissions, field heater emissions and condensate loading. One non-Shell source was identified from a prescribed burn.

Traffic related notifications:

- Speed – one complaint of Shell steamer unit speeding on the Seven Gates road.

- Noise- three related to line heaters in field; one related to plant emergency alarm; one related to condensate truck jake brakes on highway 6; one unconfirmed source in Beaver Mines.
- Dust- one dust complaint on 5-20 Screw Driver Creek road during pipeline liner repairs. one dust complaint on MD road and Shell loop road.
- Other- one unconfirmed vehicle trespassed off Screw Driver Creek road on to private land.

3. Alberta Parks and Waterton Social and Environmental Impact Assessment

Patty Richards provided an overview. Shell continues to work with AEP to understand any potential limitations, restrictions and mitigations when operating and developing within Parks boundaries. We will seek their feedback in road reclamation, amongst other potential work that can affect parks.

David Green provided an update on the Waterton Social Impact Assessment being conducted for the Southern Alberta Sustainable Communities Initiative (SASCI). The contract has been awarded to Nicolls and they will be looking at the social and economic impact of Shell on the community. Public consultation will begin this fall.

4. Shell Waterton Development Plans for 2017 and 2018

Steve Polvi provided an update on Shell's development plans for the Waterton area:

- We are progressing the WT-78 well in the south area of the field. We have applied to the AER for a license, and are actively consulting with concerned residents through the AER's Alternative Dispute Resolution process.
- We are also proposing to re-enter the well location at CR-74 (Castle River 6-17). Shell previously constructed and drilled this well, although we could not produce it due to gravel and rocks. We are planning to re-enter and sidetrack the well-bore with a screen to mitigate the rocks and produce the gas into existing infrastructure. No new footprint will be required for this application. We will be progressing with public consultation shortly with affected stakeholders.
- Discussed wellsite perimeter monitoring and how it works. Further sites will have this technology installed in 2017.
- We are proposing a small pipeline (~650 m) on private land at Junction 61 to tie-in existing wells into existing infrastructure and produce to the Waterton plant. Discussed the route chosen due to existing ROW's and linear disturbance. Discussion around boring under wetlands. Consultation to begin shortly with affected stakeholders.

4. Environmental update:

Rod Sinclair provided an update on behalf of Stephen DeCock (Shell Environmental Coordinator). Rod outlined the weed management plan and ongoing monitoring of air, soil, groundwater and waste water on which we will report to the AER.

A question is asked whether members could see charts showing what has improved in air, soil and groundwater.
Conversation around the Enersul operation and how they do not always turn on the water.

5. WAG participant updates:

Synergy Alberta

- The next Synergy Conference will be held in late October/early November 2017 and the venue will be announced shortly.
- Further information about Synergy Alberta and materials from past conferences are available at <http://www.synergyalberta.ca>.
- If members are interested in attending the conference, please contact Rod Sinclair to discuss.

Alberta Energy Regulator (AER)

- AER provides an update on the overall work to improve the application process – area based permitting and rec certificates are two pilot projects in this larger process overhaul.
- Further information is available at <http://talk.aer.ca/onestop>. The following is an excerpt from the site: *OneStop is a dual purpose tool. [The public map viewer](#) (External link) is available to everyone who can access the internet, and provides energy related maps of the province. There are many different data layers that you can turn on and off, including the status of reclamation certificate applications.*

This tool also allows industry to submit their applications. AER staff can now review reclamation certificate applications and make decisions with greater speed and accuracy. The new integrated system better equips the AER to process high volumes of applications going forward.

Question asked about the Town emergency response tabletop and if Shell is involved. Shell is unaware but Rod will check with Greg Hallet (Shell Safety Lead).

Adjourn 8:00 pm

Next meeting will take place in the Fall 2017. Should you require any further information on these or other Shell related projects, please contact Rod Sinclair.