

BY E-MAIL AND MAIL

October 25, 2017

Gail B. Gallupe
Métis Nation of Alberta Association Fort McMurray Local Council 1935

SUNCOR ENERGY INC.
APPLICATIONS NO. 1857270, 1857274, 1890348, AND 075-94
STATEMENTS OF CONCERN NO. 30383 AND 30384

Dear Gail B. Gallupe:

You are receiving this letter because you filed statements of concern (SOC) on behalf of McMurray Métis Local 1935 (McMurray Métis) concerning the subject applications filed by Suncor Energy Inc. (Suncor). The Alberta Energy Regulator (AER) is appreciative of McMurray Métis' contributions during the review of the applications, including your involvement in the Enhanced Review Process (ERP) technical meeting on July 17 and 18, 2017, and your feedback on the draft approval conditions.

The AER notes that many of the concerns McMurray Métis raised are reflected in the attached 20171025A, including:

- McMurray Métis raised concerns regarding engagement and opportunities to be involved in tailings management, and recommended an annual forum or workshop to be held to discuss tailings management. The AER's decision is in the *Stakeholder Engagement* section.
- McMurray Métis recommended conditions of approval that focused on shortening reclamation timelines. Further, McMurray Métis supported the proposal to minimize new land disturbance by placing treated tailings in pit, but indicated that Suncor should explore alternative tailings treatment methods. The AER's decision is in the *General Technology Selection* section.
- McMurray Métis stated that the draft conditions on settlement monitoring and research and technology improvement were not forceful enough. The AER's decision is in the *DDA1/MD9 – Technology Selection* section.
- McMurray Métis expressed concern about the risks specifically associated with containment of treated tailings in a water-capped dedicated disposal area and with PASS technology's lack of demonstrated success. McMurray Métis recommended content it would like to see addressed as part of Suncor's research.

DDA3 and PASS technology were discussed at ERP. The AER's decision is in the *DDA3 – PASS Technology – Technology Selection* section.

- McMurray Métis expressed concern with the lack of a viable terrestrial option for DDA3 and recommended alternative submission timing for the terrestrial implementation plan. The AER's decision is in the *DDA3 – Terrestrial Closure Option – Technology Selection/Research* section.
- McMurray Métis expressed concern with the adequacy of RTR criteria and provided recommendations related to RTR criteria. The AER's decision is in the *RTR Criteria – Measurement and Averaging* section.
- McMurray Métis raised seepage concerns (e.g., water quality degradation from groundwater escape) and engagement on Suncor's groundwater monitoring plan and regional monitoring. The AER's decision is in the *Sub-objective 2 RTR Criteria for all Deposits and Groundwater* sections.
- McMurray Métis recommended details be added to the site-wide dust management plan. The AER's decision is in the *Dust* section.
- McMurray Métis expressed concern about water quality and implicitly with respect to water release. The AER's decision is in the *Water Quality and Water Release in Upper Pit Lake and Millennium End Pit Lake* section.
- McMurray Métis expressed concern with the use of the polyacrylamide polymer and the potential effects of the polymer use in DDA3. The AER's decision is in the *Chemical Use* section.
- McMurray Métis noted that the current water projection balance is not directly tied to a climate change aspect and is based on historical water amounts. The AER's decision is in the *Climate Change Scenarios* section.

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McMurray Métis also raised concerns or provided recommendations that are not related to the AER's decision on Suncor's applications, and therefore may not be fully reflected in the attached 20171025A. These concerns or recommendations were with respect to policy, *Directive 085*, application requirements, dam safety, reclamation planning and activities, and capacity funding.

The AER notes that at the ERP technical meeting Suncor made commitments to McMurray Métis in regards to the demonstration pit lake pilot test and incorporation of feedback into Suncor's engagement with indigenous communities and stakeholders going forward.

Based on the foregoing, the AER is satisfied that the concerns outlined in your SOC, and brought forth during the ERP have been addressed to the satisfaction of the AER.

The AER has decided that a hearing is not required under an enactment or otherwise necessary to consider the concerns outlined in your SOC, and has issued the applied-for approvals. This is your notice of those decisions. A copy of the approvals and 20171025A are attached.

Under the *Responsible Energy Development Act* an eligible person may file a request for a regulatory appeal on an appealable decision. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a

request for regulatory appeal, you must submit your request in the form and manner and within the timeframe required by the AER. You can find filing requirements and forms on the AER website, <http://www.aer.ca/applications-and-notice/appeals>.

If you have any questions, contact LaiLoni Boswell at 403-297-2450 or lailoni.boswell@er.ca.

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Sincerely,

<original signed by>

Paul Ferensowicz
Senior Advisor, Operations

Enclosure (3): **20171025A**
OSCA Approval No. 8535N
EPEA Approval No. 94-02-18

cc: Jason Heisler, Suncor
Ken Bisgrove, Suncor
Stacey McArthur, Suncor
AER SOC Coordinator
AER Fort McMurray Field Centre
AER Indigenous Relations
Government of Alberta, Aboriginal Consultation Office