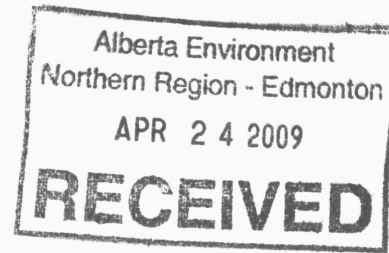


April 22, 2009



Chris Powter,
Environmental Assessment Team Leader
Designated Director Under the Act - Northern Region
111 Twin Atria Building
4999 - 98 Avenue
Edmonton, Alberta T6B 2X3

Brad Braun
Manager, Environmental & Stakeholder Relations
OSUM Oil Sands Corp.
Suite 300, 1204 Kensington Road N.W.
Calgary, Alberta T2N 3P5

Environmental Impact Assessment (EIA) for the OSUM Taiga Project

March 28, 2009, a North Bay Holdings (NBH) director informed us OSUM Sands Corp is planning to develop in close proximity to the neighborhood of the private North Bay summer vacation location many families enjoy within the Provincial Park. North Bay Holdings owns a private pristine property on the tranquil shore of North Bay, Cold Lake. NBH is located within the park near Birch Ridge. Birch Ridge, located on the shoreline, is a year round private residential community bordering the Provincial Park.

Richard Todd, Chairman and CEO, OSUM Oil Sands Corp, claimed "no development will occur within the boundary of the Provincial Park". Development in the neighborhood of the park boundary is of major concern to people that were there since 1959.

We recommend the project be placed on hold until our local, provincial and federal governments perform a detailed assessment showing short term and long term impact on all inhabitants (plants, animals, fish, birds, people) in the surrounding area of the Taiga Project. All three levels of government need to present the findings to all the residents near the Taiga Project with reasonable time for all parties to understand and decide.

1. We need to understand the project's affect on this area because Cold Lake is home to more than 200 bird species, an important breeding area for numerous species. Cold Lake has the highest number of fish species of any lake in Alberta. Many of the birds and fish congregate near the two major rivers. Water, air and or noise pollution would negatively impact all life in the area. Martineau and Medley Rivers (two major rivers) flow into Cold Lake from the general area that the Taiga Project is proposed to locate.

2. An estimate of long term economic value to local residents, Albertans, Canadians, Americans and foreign interests for the proposed 30 year life of the OSUM Taiga oil sands project. Include all public and private investors. The total economic value should show an actual dollar breakdown for each of the above entities.

NBH requires formal dialogue and feedback from our governments and OSUM along with ample time to obtain an understanding of the issues by all parties.

We're looking forward to your response.

Thank you.



Don Brandon, Chairman and President
North Bay Holdings Ltd
205 Kingfisher Bay
Sherwood Park, Alberta T8A 3M1

Copy for:

North Bay Holdings Directors
Todd Drake Williams Findlater LLP
Fotty Stevenson Wilson LLP
Hon Rob Renner, Alberta Minister of Environment
Richard Todd, Chairman and CEO, OSUM Oil Sands Corp

Melanie Daneluk

From: Pam Campbell [pcampbell@wittenlaw.com]
Sent: Thursday, April 23, 2009 8:19 AM
To: AENV Environmental Assessment
Cc: 'bbraun@osumcorp.com'; Garry Appelt; 'Julie Machatis'; Keltie Lambert; Melinda Campbell
Subject: Public Notice - OSUM Oil Sands Corp. - Taiga Project - Proposed Terms of Reference for EIA
Attachments: CLFN Ltr to AB Env Apr 22 09.pdf

On behalf of Cold Lake First Nations, attached is a copy of their written submission regarding OSUM's Proposed Terms of Reference.

Pam Campbell
Paralegal to Garry Appelt
Witten LLP
Barristers & Solicitors
2500, 10303 Jasper Avenue
Edmonton, AB T5J 3N6

Phone: 780-702-8528
Fax: 780-429-2559
E-mail: pcampbell@wittenlaw.com

*** PRIVILEGE AND CONFIDENTIALITY NOTICE ***

This communication and any attachment is confidential and may be subject to solicitor-client privilege and/or be exempt from disclosure under privacy laws. There is no intention to waive privilege. It should only be read by the person to whom it is addressed. If you have received this communication in error, please notify us by reply and delete the communication. There is a risk of data error and transmission of viruses with electronic communication. Please take appropriate precautions.



COLD LAKE FIRST NATIONS

PO Box 1769
Cold Lake, Alberta
T9M 1P4

Phone: (780) 594-7183
Fax: (780) 594-3577

April 22, 2009

VIA E-MAIL AND REGULAR MAIL

Alberta Environment
Northern Region
111 Twin Atria Building,
4999 - 98 Avenue
Edmonton, AB T6B 2X3

Attention: Director, Environmental Assessment

Dear Sir or Madam:

RE: OSUM Taiga Oil Sands In-Situ Project - Proposed Terms of Reference

We have reviewed OSUM's proposed terms of reference respecting the Taiga Oil Sands In-Situ Project. Enclosed please find our written submissions regarding the same.

Yours truly,

COLD LAKE FIRST NATIONS

Per:

CHIEF WALTER S. JANVIER

c.c. OSUM Oil Sands Corp.
Attention: Mr. B. Braun

**COLD LAKE FIRST NATIONS' SUBMISSIONS
WITH RESPECT TO THE
PROPOSED TERMS OF REFERENCE
FOR
OSUM'S EIA: TAIGA PROJECT**

1. Section 2.3.2 Process and Infrastructure Alternatives Subsection [G] - Page 3.

In CLFN's previous reviews of EIA's, companies have indicated that in order to minimize SO₂ and NO₂ emissions, they will follow AE and ERCB guidelines. As the guidelines for SO₂ (ERCB) and NO₂ (AE CCME) have not been reviewed for years, they do not reflect best available technologies. The Director has the authority to require companies to utilize emission reduction technologies that are more effective than those outlined in the guidelines. CLFN requests that in the EIA, OSUM be required to provide information and "discuss options and technologies considered for air emission and air quality management and the evaluation of emission minimization options...". We leave it to the Director to find the words which will make it clear to OSUM that they must provide meaningful discussion on options, not simply say existing guidelines will be met. The air shed area in which the proposed plant will be located is known to contain soils and vegetation which are highly sensitive to acid deposition, and it is, therefore, essential that the emissions of acid forming air pollutants are minimized.

2. Section 2.10 Conservation and Reclamation Subsection [A] C) - Page 7.

In CLFN's view there should be two levels of information provided:

- (a) The first level is partially covered in this section i.e., what time frame will elapse from when the land is disturbed until the land is reclaimed and accepted back by the Crown.

- (b) The second time frame which is also important to CLFN is the time frame from the return of the reclaimed land to the Crown until when the trees and shrubs have grown to the point that the lands will have the same overall productive capacity they had before industry arrived. Parameters such as habitat availability and connectivity and core sensitivity should be at the levels they were at before OSUM obtained the leases or the pre-oil industry era.

3. Section 2.11 Environmental Management Systems Subsection [B] - Page 8.

OSUM should be sure to consider and address any future guidelines etc. which will result from the Alberta Government report entitled, "Responsible Action: A Plan for Alberta Oil Sands".

4. Section 3.1.4 Information Requirements Subsection [A] New e) - Page 10.

CLFN is very concerned that the OSUM Taiga Project will have a negative impact on the Rights it has under Treaty 6 to pursue their traditional avocations of hunting, fishing, trapping, and gathering berries, other food plants, medicinal plants, etc.. As you are aware, the proposed Project is in CLFN traditional territory and part of the mineral lease lands are adjacent to CLFN IR 149C. CLFN would request a new subsection e) to explicitly address how the OSUM project might, in the immediate, short and long term impact CLFN's Rights under Treaty 6.

5. Section 3.2.1 Baseline Information Subsection [A] b) - Page 11.

Over the past years CLFN has noticed increasing occasions when there is a brown haze in the sky over the Cold Lake area. We understand this may be the result of emissions of NO_x and fine particulate. It is important that a baseline be established on the number of days when a brown

haze is present and the “intensity” of the brown haze. If, as we suspect, it is caused by oil sands operations and is getting worse over time, then it is an issue that must be addressed. It is definitely an EIA topic.

6. Section 3.4.1 (Hydrology) Baseline Information Subsection [A] and Section 3.4.2 Impact Assessment - Page 13

As the OSUM leases and the processing facility are located in the area near IR 149C we wish to ensure that the EIA addresses the flow pattern of surface water onto and off of IR 149C. Water quantity and quality may be affected by the project.

If released waters may flow into or through IR 149C, we must be aware of the possibility before any approvals are issued by Alberta Environment or the ERCB. In addition, if any of the wetlands etc, on IR 149C may be affected, we must be made aware of this through the EIA process.

7. Sections 3.7 Vegetation, 3.8 Wildlife, 3.9 Biodiversity and Fragmentation, 3.1 Terrain and Soils - Pages 16 to 19

As the OSUM Taiga Project will be near the Saskatchewan border and CLFN traditional territory extends into Saskatchewan, it is important that all baseline and impact assessments include our traditional lands which are in Saskatchewan.

8. Summary:

CLFN appreciates the opportunity to comment on the PTR for the Environmental Impact Assessment for the proposed OSUM Oil Sands Corp. Taiga Oil Sands In-Situ Project. We

recognize that many traditional matters have been included in the proposal. CLFN wishes to emphasize that it is important that all possible changes be identified in two ways. The first is the way the changes relate to the environment and the second is how the change may relate to CLFN's Rights under Treaty 6. We have identified areas of concern that must be addressed in the EIA. Your consideration of these concerns and the manner in which they will be reported will be appreciated.

OSUM Oil Sands Corp. Taiga In-situ Proposed Terms of Reference Consideration of Comments Received from the Cold Lake First Nation

The following explains Alberta Environment (AENV)’s views on some of the general comments and questions asked in the Mikisew Cree First Nation review of the Terms of Reference.

Section	Comment	Result of Consideration
1. Section 2.3.3 Process and Infrastructure Alternatives Subsection [g] - Page 3.	In CLFN’s previous reviews of EIA’s, companies have indicated that in order to minimize SO ₂ and NO ₂ emissions, they will follow AE and ERCB guidelines. As the guidelines for SO ₂ (ERCB) and NO ₂ (AE CCME) have not been reviewed for years, they do not reflect best available technologies. The Director has the authority to require companies to utilize emission reduction technologies that are more effective than those outlined in the guidelines. CLFN requests that in the EIA, OSUM be required to provide information and “discuss options and technologies considered for air emission and air quality management and the evaluation of emission minimization options...” We leave it to the Director to find the words which will make it clear to OSUM that they must provide meaningful discussion on options, not simply say existing guidelines will be met. The air shed areas in which the proposed plant will be located is known to contain soils and vegetation which are highly sensitive to acid deposition, and it is, therefore, essential that the emissions of acid forming air pollutants are minimized.	No changes were made to the TOR in response to this comment. AENV viewed the TOR as inclusive of this item. See final TOR clause 2.3.2[G].
2. Section 2.10 Conservation and Reclamation Subsection [A] C) - Page 7.	In CLFN’s view there should be two levels of information provided: (a) The first level is partially covered in this section i.e., what time frame will elapse from when the land is disturbed until the land is reclaimed and accepted back by the Crown. (b) The second time frame which is also important to CLFN is the time frame from the return of the reclaimed land to the Crown until when the trees and shrubs have grown to the point that the lands will have the same overall productive capacity they had before industry arrived. Parameters such as habitat availability and connectivity and core sensitivity should be at the levels they were at before OSUM obtained the leases or the pre-oil industry era.	No changes were made to the TOR in response to this comment. AENV viewed the TOR as inclusive of this item. See final TOR clause 3.7.2[E] and [F].
3. Section 2.11 Environmental Management Systems Subsection [B] - Page 8.	OSUM should be sure to address any future guidelines etc. which will result from the Alberta Government report entitled, “responsible Action: A Plan for Alberta Oil Sands”.	No changes were made to the TOR in response to this comment. AENV viewed the TOR as inclusive of this item. See final TOR clause 2.11[B]a).

Section	Comment	Result of Consideration
4. Section 3.1.4 Information Requirements Subsection [A] New e) - Page 10.	CLFN is very concerned that the OSUM Taiga Project will have a negative impact on the Rights it has under Treaty 6 to pursue their traditional avocations of hunting, fishing, trapping, and gathering berries, other food plants, medicinal plants, etc.. As you are aware, the proposed Project is in the CLFN traditional territory and part of the mineral lease lands are adjacent to CLFN IR 149C. CLFN would request a new subsection e) to explicitly address how the OSUM project might, in the immediate, short and long term impact CLFN's Rights under Treaty 6.	No changes were made to the TOR in response to this comment. AENV encourages the CLFN to share information, knowledge and concerns with the Proponents to ensure they are able to prepare a high quality EIA report.
5. Section 3.2.0 Baseline Information Subsection [A] b) - Page 11.	Over the past years CLFN has noticed increasing occasions when there is a brown haze in the sky over the Cold Lake area. We understand this may be the result of emissions of NOx and fine particulate. It is important the a baseline be established on the number of days when a brown haze is present and the "intensity" of the brown haze. If, as we suspect, it is cause oil sands operations and is getting worse over time, then it is an issue that must be addressed. It is definitely an EIA topic.	No changes were made to the TOR in response to this comment. AENV viewed the TOR as inclusive of this item. See final TOR clause 3.2.1[A]a).
6. Section 3.4.1 (Hydrology) Baseline Information Subsection [A] and Section 3.4.2 Impact Assessment - Page 13	<p data-bbox="776 789 1784 930">As the OSUM leases and the processing facility are located in the area near IR 149C we wish to ensure that the EIA addresses the flow pattern of surface water onto and off of IR 149C. Water quantity and quality may be affected by the project.</p> <p data-bbox="776 1045 1784 1187">If released waters may flow into or through IR 149C, we must be aware of the possibility before any approvals are issued by Alberta Environment or the ERCB. In addition, if any of the wetlands etc, on IR 149C may be affect, we must be made aware of this through the EIA process.</p>	<p data-bbox="1811 789 2491 1003">No changes were made to the TOR in response to this comment. Study area boundaries are project-based and are not set by AENV. If the rationale provided by proponents for the selection of study area boundaries is not satisfactory, AENV may request additional information.</p> <p data-bbox="1811 1045 2491 1222">No changes were made to the TOR in response to this comment. AENV encourages the CLFN to share information, knowledge and concerns with the Proponents to ensure they are able to prepare a high quality EIA report.</p>

Section	Comment	Result of Consideration
7. Sections 3.7 Vegetation, 3.8 Wildlife, 3.9 Biodiversity and Fragmentation, 3.1 Terrains and Soils - Pages 19 to 19	As the OSUM Taiga Project will be near the Saskatchewan boarder and CLFN traditional territory extends into Saskatchewan, it is important that all baseline and impact assessments include our traditional lands which are in Saskatchewan.	No changes were made to the TOR in response to this comment. Study area boundaries are project-based and are not set by AENV. If the rationale provided by proponents for the selection of study area boundaries is not satisfactory, AENV may request additional information.
8. Summary:	CLFN appreciates the opportunity to comment on the PTOR for the Environmental Impact Assessment for the proposed OSUM Oil Sands Corp. Taiga Oils Sands In-Situ Project. We recognize that many traditional matters have been included in the proposal. CLFN wishes to emphasize that it is important that all possible changes be identified in two ways. The first is the CLFN's Rights under Treaty 6. We have identified areas of concern that must be addressed in the EIA. Your consideration of these concerns and the manner in which they will be reported will be appreciated.	The Director has carefully considered all of the comments that were received regarding this Project.

Melanie Daneluk

From: Mike Robbins [mikerobbins13@gmail.com]
Sent: Friday, May 01, 2009 9:49 AM
To: AENV Environmental Assessment
Cc: Norm Tessier
Subject: Re: OSUM Terms Of Reference

Attachments: Response_to_OSUM_PTOR.doc



Response_to_O
M_PTOR.doc (64

Attn: Director, Environmental Assessment

Following review of the "Guide to Providing Comments on Proposed Terms of Reference" I realize the format of my original response was not consistent with the format requested. Please review my revised comments on Osiums proposed terms of reference.

Thanks,
Mike Robbins

On Thu, Apr 30, 2009 at 8:43 PM, Mike Robbins <mikerobbins13@gmail.com> wrote:

- > Attn: Director, Environmental Assessment
- >
- > As the holder of registered trapline 1782, I would like the following
- > issues addressed in OSUM Corps Taiga projects Terms of reference:
- >
- > 1) Describe how an assessment of visual impacts associated with
- > lighting will be conducted. What mitigation will be implemented to
- > reduce the visual impacts associated with lighting at the project?
- >
- > What follow up assement will be conducted on visual impacts associated
- > with lighting?
- >
- > 2) How will compliance with ERCB Directive 57 as well as Directive 71
- > impact traditional land users, trappers and recreational users? How
- > will the company address site security while maintaing the right of
- > access to traditional land users, other disposition holders
- > (trappers), and recreational land users?
- >
- > 3) How will the company address detection and prevention of
- > production casing failures? What mitigation and monitring will be
- > conducted where cyclic steam operations are conducted near
- > waterbodies? How will monitoring be conducted if bitumen recovery is
- > conducted in proximity to Cold Lake?
- >
- > 4) How will the company address river crossings of its
- > infrastructure? Osum's mineral leases are located on both sides of
- > the Medley River. How will crossings be conducted? Where will they
- > be located? What mitigations will be in place for spill response?
- > How will the company address draining steam lines during commisioning
- > and decommissioning? Will additional infrasture (drain tanks and
- > roads) be required?

>
> 5) Caribou have been known to utilize the area. The project is on
> the southern edge of the Cold Lake Air Weapons Caribou Range. What
> mitigation will the company put in place to prevent impacts to
> caribou? Will timing restrictions be implemented on activity to
> prevent disturbing caribou during calving season? How will impacts to
> wildlife movement associated with above ground steam lines be
> mitigated? Will the company restrict the use of ATV's and firearms by
> its employees and contractors?

>
> 6) How will domestic waste be managed to prevent proliferation of
> scavenger birds as well as negative impacts to bears and other
> wildlife in the area? How will the company deter crows, ravens and
> magpies from work areas?

>
> I appreciate your consideration of my concerns on these matters on
> OSUM's terms of reference.

>
> Thanks,
> Mike Robbins
> RFMA 1782
> 403-627-5412

>

Attn: Director, Environmental Assessment

As the holder of registered trapline 1782, I would like the following issues addressed in OSUM Corps Taiga projects Terms of reference:

Please add the following to section 3.2.1

Describe baseline conditions for visual impacts associated with light from industrial activity during all seasons.

Please add the following under sections 3.2.2

Describe how an assessment of visual impacts associated with lighting will be conducted. What mitigation will be implemented to reduce the visual impacts associated with lighting at the project?

Please add the following to section 3.2.3

What follow up assessment and monitoring will be conducted on visual impacts associated with industrial lighting?

Please add the following to section 3.11.2, A)

Describe how compliance with ERCB Directive 57 as well as Directive 71 will be achieved while minimizing the impact traditional land users, trappers and recreational users?

Describe how the company will address site security and public safety relating to sour gas, while maintaining the safety and right of access to traditional land users, other disposition holders (trappers), and recreational land users?

I am particularly concerned that compliance with Directive 57 will block access to large sections of my trapline. Similar access issues exist with Imperials Cold Lake operations.

Describe impacts to land access associated with installation of above ground steam lines. Describe mitigation measures that will be in place to allow other land users to cross utility corridors.

Please add the following to section as appropriate. I am not sure the relevant section however given recent incidents of this nature the topic must be addressed.

How will the company address detection and prevention of production casing failures? What mitigation and monitoring will be conducted where cyclic steam operations are conducted near waterbodies? How will monitoring be conducted if bitumen recovery is conducted in proximity to Cold Lake?

Please add the following to relevant sections (perhaps 2.8.2 – surface water is most relevant)

Describe how river crossings of its infrastructure will be accomplished? Osum's mineral leases are located on both sides of the Medley River. How will crossings be conducted? Where will they be located? What mitigations will be in place for spill response?

Describe how the company will address draining steam and emulsion lines during start ups and shutdowns? Describe if additional infrastructure (drain tanks and roads) will be required. Describe what mitigation measures will be in place to prevent a release during these operations.

Please add the following to section 3.8.2

Caribou have been known to utilize the area. The project is on the southern edge of the Cold Lake Air Weapons Caribou Range. What mitigation will the company put in place to prevent impacts to caribou? Will timing restrictions be implemented on activity to prevent disturbing caribou during calving season?

How will impacts to wildlife movement associated with above ground steam lines be mitigated?

Will the company restrict the use of ATV's and firearms by its employees and contractors?

Please add the following to section 2.9

Describe Osum's non oilfield waste management plan. Describe how non oilfield waste will be managed to prevent proliferation of scavenger birds as well as negative impacts to bears and other wildlife in the area? Describe how crows, ravens and magpies will be deterred from work areas?

Please add the following to section 3.8.2

In addition to impacting songbird and other wildlife populations the proliferation of scavenger birds can have negative effects on trapping operations by causing damage to trapped furbearers. Describe how proliferation of scavenger birds will be prevented.

Please add the following to section 3.8.3

Describe how the company will monitor success in preventing the proliferation of scavenger birds.

I appreciate your consideration of my concerns on these matters on OSUM's terms of reference.

Thanks,
Mike Robbins
RFMA 1782
403-627-5412