

February 28, 2007

Mr. Keith Firmin, P. Eng.
Manager Regulatory Affairs & Land
Shell Canada Limited
400 – 4th Avenue S.W.
P.O. Box 100, Station M
Calgary, AB T2P 2H5

Dear Mr. Firmin:

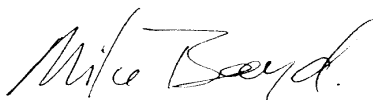
Further to your letter of January 24, 2007, and Public Disclosure Document, I wish to advise that the proposed Shell Canada Upgrader Project is a mandatory activity pursuant to Schedule 1(j) of the *Environmental Assessment (Mandatory and Exempted Activities) Regulation*. Shell Canada is required, pursuant to Section 44(1)(a) of the *Environmental Protection and Enhancement Act (EPEA)*, to prepare and submit an Environmental Impact Assessment (EIA) report for this project.

The proposed Project is located in Strathcona County, approximately 10 km north of the City of Fort Saskatchewan and approximately 50 km northeast of the City of Edmonton. The legal land description for the proposed Project is the following:

- N ½ Sec. 28, NW & S ½ Sec. 30, SW Sec. 31, Sec. 33-55-21-W4M,
- N ½ Sec. 4, NE & Ptn. NW Sec. 5, Ptn. SW Sec. 8 & Ptn. E ½ Sec. 8, W ½ Sec. 9, SE Sec.16, Ptn. SW Sec. 16 & Ptn. NW Sec. 16-56-21-W4M.

The EIA report is to be prepared in accordance with the provisions of Division 1 of Part 2 of the *EPEA*. Please contact Corinne Kristensen at (780) 415-9640 if you have any questions or require further direction.

Sincerely,



Mike Boyd
Regional Environmental Manager
Northern Region
(Designated Director Under the Act)

cc: T. Abel (EUB)
L. Coulson (CEAA)
K. Singh (AENV)
T. Polzin (SRD)