

PUBLIC NOTICE

Shell Canada Limited

Quest Carbon Capture and Storage (CCS) Project

Proposed Terms of Reference for Environmental Assessment Report

Shell Canada Limited (Shell, the Proponent) intends to construct and operate the Ouest Carbon Capture and Storage (CCS) Project (the Project), a fully integrated CCS project located in central Alberta. Shell proposes to construct and operate the Project in the Alberta Industrial Heartland region of the province, northeast of the city of Edmonton. The Shell Quest CCS Project will include the following components: capture, transport (pipeline) and storage infrastructure. The Project capture site will be located at the Scotford Upgrader located at NE and NW Quarters of Sec 31 and the NW Quarter of Sec 32, Twp 55, Rge 21, West of the 4th Meridian and the SE Quarter of Section 6, the NW, NE and SW Quarter of Sec 5 and the NW Quarter Sec 4, Twp 56, Rge 21, West of the 4th Meridian in the County of Strathcona. Up to 1.2 million tonnes of CO₂ per year would be captured from the existing Scotford Upgrader. The CO₂ would then be transported safely by pipeline to injection wells north of Shell Scotford and stored permanently more than two km below surface under thick layers of impermeable geological formations in the Basal Cambrian Sands. The approximate total length of the pipeline is 90 km following adjacent existing rights-of-way as much as practical. The pipeline routing would proceed east from the Upgrader and then north to cross the North Saskatchewan River and then northwesterly to the end of the pipeline in the county of Thorhild, section 29-60-21W4M. The Project is expected to begin CO_2 capture and storage in 2015.

Shell Canada Limited, on behalf of the Athabasca Oil Sands Project, a joint venture among Shell Canada Energy (60 per cent), Chevron Canada Limited (20 per cent) and Marathon Oil Canada Corporation (20 per cent), is advancing Quest.

The Director responsible for Environmental Assessment has directed that an Environmental Impact Assessment Report be prepared for the storage component of the proposed Project. Shell has prepared a proposed Terms of Reference for this Environmental Impact Assessment and the federal environmental assessment which will include all three of the Project components. Shell through this public notice invites the public to review this document. Any comments filed concerning the proposed Terms of Reference will be accessible to the public.

A single EA report will be provided, by Shell, and reviewed cooperatively under the *Canada-Alberta Agreement for Environmental Assessment Cooperation*.

The Proposed Terms of Reference for the environmental assessments and associated project information may be viewed at the following locations:

City of Fort Saskatchewan City Hall

10005 102 Street Fort Saskatchewan. AB T8L 2C5

Tel: 780-992-6200

Thorhild County Office Planning Department

801 - 1 Street

Thorhild, AB T0A 3J0

Tel: 780-398-3741

Lamont County Administration Building

5303 50 Avenue Lamont. AB T0B 2R0

Tel: 780-895-2233

Alberta Environment

Register of Environmental Assessment Information 111, Twin Atria Building 4999 - 98th Ave.

Edmonton, AB

Attn: Melanie Daneluk

http://environment.alberta.ca/1283.html

Further information on the Shell Quest CCS Project or copies of the Proposed Terms of Reference and associated project information may be obtained from:

www.shell.ca/quest

e-mail: quest-info@shell.com toll free: 1-800-250-4355

Shell Canada Energy 400-4th Avenue, SW PO Box 100, Station M Calgary, AB T2P 2H5

Attn: Kathy Penney, Regulatory and Environmental Manager, Quest CCS Project

Sturgeon County Centre

9613 100 Street

Morinville, AB T8R 1L9

Tel: 780-939-4321

Strathcona County Heartland Hall

55305 Range Road 214

Fort Saskatchewan, AB T8L 4A4

Tel: 780-992-6782

Persons wishing to provide written comments on the Proposed Terms of Reference must submit them by September 23, 2010 to:

Director of Environmental Assessment, Northern Region

Alberta Environment 111, Twin Atria Building 4999 - 98th Ave. Edmonton, AB T6B 2X3

Fax: (780) 427-9102

E-mail: environmental.assessment@gov.ab.ca