

## **Part F**

### **Stakeholder Consultation**



**TABLE OF CONTENTS**

	<b>Page</b>
<b>F STAKEHOLDER CONSULTATION .....</b>	<b>1</b>
<b>F.1 CONSULTATION ACTIVITIES.....</b>	<b>1</b>
<b>F.1.1 Aboriginal Communities .....</b>	<b>2</b>
<b>F.1.1.1 Group 1 Communities .....</b>	<b>3</b>
<b>F.1.1.2 Group 2 Communities .....</b>	<b>4</b>
<b>F.1.2 Trappers.....</b>	<b>5</b>
<b>F.1.3 Other Stakeholders .....</b>	<b>5</b>
<b>F.2 TRADITIONAL ECOLOGICAL KNOWLEDGE AND TRADITIONAL LAND USE.....</b>	<b>6</b>
<b>F.3 SUMMARY.....</b>	<b>7</b>

**List of Tables**

	<b>Page</b>
Table F.1.1 Summary/Dates of Key Consultation Activities.....	2

**List of Appendices**

Appendix V.1 Stakeholder Relations Policy
Appendix V.2 Aboriginal Consultation Plan
Appendix V.3 Public Consultation Plan
Appendix V.4 Newsletter
Appendix V.5 Community Consultation Brochure
Appendix V.6 Alberta Environment Approval of Aboriginal Consultation Plan
Appendix V.7 Advertising Plan
Appendix V.8 Public Notice
Appendix V.9 Project Description
Appendix V.10 Bi-Monthly Aboriginal Consultation Reports
Appendix V.11 Public Consultation Summary
Appendix V.12 ACFN Knowledge and Use Interim Report

## F STAKEHOLDER CONSULTATION

Southern Pacific Resource Corp. (STP) has had ongoing dialogue with local and regional stakeholders since 2007 regarding the environmental and social aspects of development in the McKay Area. Consultation successfully took place on STP McKay Thermal Project – Phase 1, approval for which was received in late 2010. STP is now planning to develop STP McKay Thermal Project – Phase 2 (Phase 2), and began consultation in late 2010.

Stakeholder groups consulted to date for Phase 2 have included affected landowners, local government, non-government organizations, special interest groups, other operators, government regulators, communities, and Aboriginal groups. Following approval of Phase 2, STP will continue to work in an open and inclusive manner with all communities and stakeholders potentially impacted by its operations.

STP recognizes that being a successful company means more than adding shareholder value. It also means being a good corporate neighbour in the communities in which it conducts business. Developing and maintaining mutually beneficial relationships with individuals and communities based on trust, integrity and respect, has and will, continue to lead to opportunities that will benefit both the community and STP. To accomplish this, STP has developed and is following a Corporate Stakeholder Relations Policy which is attached as [Appendix V.1](#).

### F.1 CONSULTATION ACTIVITIES

In carrying out consultation, STP has committed to providing stakeholders with an opportunity for open discussion based on two-way communication with the intent to understand the values and interests of all affected parties. Using its Corporate Stakeholder Relations Policy ([Appendix V.1](#)), Aboriginal Consultation Plan ([Appendix V.2](#)), and Public Consultation Plan ([Appendix V.3](#)) as guides, STP has either met or exceeded the public notification and consultation guidelines and regulations with respect to the STP McKay Thermal Project – Phase 2.

STP has prepared Phase 2 Project information for distribution to key stakeholders and other interested parties. This information included a description of Phase 2, maps of the Phase 2 location, and other information pertaining to the regulatory process and the opportunity for public input. In order to ensure that stakeholders had access to Phase 2 Project information, STP has used a variety of methods, including, but not limited to:

- direct mail to stakeholders;
- email;

- website postings; and
- advertising in local media.

STP held an open house forum in Fort McMurray on Thursday, September 15th, 2011. Directly affected stakeholders were mailed an invitation approximately two weeks before the event and advertisements were run in the Fort McMurray Today newspaper on September 2<sup>nd</sup>, 9<sup>th</sup>, and 12<sup>th</sup> in order to give the public ample notice of the open house. The open house was set up in order for the greater public and any affected stakeholders to learn about the Phase 2 Project, provide input, and raise issues and concerns. No issues or concerns were raised by those who attended.

Table F.1.1 summarizes some of the key submission, approval, notification, and event dates related to Phase 2:

Activity	Date
Mailed out Community Newsletter to potentially affected stakeholders ( <a href="#">Appendix V.4</a> )	January 2011
Mailed out Plain Language Project Brochure to potentially affected stakeholders ( <a href="#">Appendix V.5</a> )	February 2011
Received Alberta Environment Endorsement for Aboriginal Consultation Plan ( <a href="#">Appendix V.6</a> )	February 11, 2011
Received approval from Alberta Environment to proceed with our Advertising Plan for the Proposed Terms of Reference ( <a href="#">Appendix V.7</a> )	April 19, 2011
Advertised Proposed Terms of Reference Public Notice in The Calgary Herald, Calgary Sun, Edmonton Journal, Edmonton Sun, and Fort McMurray Today newspapers clearly indicating the due date for submitting comments to AENV ( <a href="#">Appendix V.8</a> )	May 2, 2011
Proposed Terms of Reference mailed out to potentially affected Aboriginal groups clearly indicating the due date for submitting comments to AENV	May 3, 2011
Advertised Proposed Terms of Reference Public Notice in the Alberta Sweetgrass clearly indicating the due date for submitting comments to AENV ( <a href="#">Appendix V.8</a> )	May 9, 2011
Mailed out a Phase 2 Project Description to all potentially affected stakeholders ( <a href="#">Appendix V.9</a> )	August 18, 2011
Mailed out invites for STP McKay Thermal Project – Phase 2 Open House in Fort McMurray to directly affected public stakeholders	September 1, 2011
Advertised STP McKay Thermal Project – Phase 2 Open House in the Fort McMurray Today newspaper	September 2, 9, & 12, 2011
Conducted STP McKay Thermal Project – Phase 2 Open House in Fort McMurray	September 15, 2011

### F.1.1 ABORIGINAL COMMUNITIES

STP has an AENV approved Aboriginal Consultation Plan ([Appendix V.6](#)). It is not designed to be fully prescriptive; rather, it is intended to provide guiding principles and practices for STP, while still allowing for flexibility and individual community input. The Aboriginal Consultation

Plan has been designed to assess the potential impact of Phase 2 on First Nations' Rights and Traditional Uses, to identify plans to address these potential impacts, and to satisfy the consultation requirement for the issuance of all surface dispositions needed for Phase 2.

To date, STP's consultation processes have supported meaningful engagement with potentially affected Aboriginal communities and ensured regulatory requirements have been met. The scope of STP's consultation with each Aboriginal community to date has been proportionate to both STP's understanding of the strength of the asserted Aboriginal right or title and the anticipated potential impact from the Phase 2 Project. Prior to consultation, Aboriginal communities were divided into two groups. Group 1 is comprised of Aboriginal communities that were anticipated to have stronger claims and who are more likely to be affected to a greater degree by the proposed Phase 2 Project. STP has been attempting to engage in a higher level of consultation with Group 1 communities. Group 2 is comprised of communities that STP has been providing Phase 2 Project information and notices to at key regulatory milestones. STP has been committed to addressing requests for more information from these communities, and has also been committed to entering into consultation, where appropriate. This grouping has worked well and has been a good method to represent the levels of consultation conducted to date. STP submits bi-monthly reports on the status of the Aboriginal consultation program to AENV and all Aboriginal communities included in the plan ([Appendix V.10](#)).

A copy of STP's complete Alberta Environment approved Aboriginal Consultation Plan is attached as [Appendix V.2](#).

#### **F.1.1.1 Group 1 Communities**

In accordance with STP's Aboriginal Consultation Plan, STP has been actively attempting to engage and consult with the following Group 1 Communities:

- Fort McKay First Nation;
- Mikisew Cree First Nation; and
- Athabasca Chipewyan First Nation.

STP attempted to consult with each of these First Nation communities early in the consultation process. Several attempts were made with each group to actively engage them. As outlined in the Aboriginal Consultation Summary, attached as [Appendix V.10](#), meaningful progress has been made with some First Nation's while less progress has been made with others. Regardless of the progress made to date, STP has put forth a strong consultation effort with each First Nation. There were some First Nation's that were more responsive than others and therefore those groups have been more involved and have provided valuable feedback on the STP McKay

Thermal Project – Phase 2. To date, none of the Group 1 communities have raised any major concerns with Phase 2.

STP has held three meetings with one of the First Nation's in close proximity to Phase 2 to discuss expectations on specific monitoring programs and on a TLU/TEK study. The first meeting with the First Nation was related to air quality and STP committed to incorporating some of their expectations into its EIA. As well, STP also committed to fulfilling several other expectations on air quality by agreeing to complete additional work and developing an additional document that will be provided to the First Nation. The work to be performed and the information that will be provided in this additional document is outside the scope of the EIA.

The second meeting with the First Nation was related to groundwater and STP committed to incorporating some of their expectations into its EIA. Due to limited resources on the part of the First Nation, the length of time it took to secure a Scope of Work for a TEK/TLU study, and constraints related to the timing of the submission of the application, not all commitments related to groundwater are able to be incorporated into the EIA prior to filing it. STP and the First Nation have, however, agreed that STP shall fulfill some of these other expectations by completing additional work and developing an additional document that will be provided to the First Nation at a later date.

The third meeting with the First Nation was to discuss a TLU/TEK study Scope of Work and the First Nation's expectations and processes. The meeting was successful and since that time five interviews with community members, including one with the holder of TPA 2894, have taken place.

Consultation with all Group 1 communities is currently ongoing. Two TLU/TEK studies are underway and a third is being negotiated. The Athabasca Chipewyan First Nation (ACFN) has provided STP with a Knowledge and Use Interim Report ([Appendix V.11](#)) with the intention of completing a final report in January 2012. STP will make every reasonable effort to mitigate any specific issues or concerns should they arise and will also continue to provide information and updates on Phase 2 to each respective First Nation. No specific concerns related to Phase 2 have been raised to date.

### **F.1.1.2 Group 2 Communities**

In accordance with STP's Aboriginal Consultation Plan and summarized in the Aboriginal Consultation Summary, attached as [Appendix V.10](#), STP has been providing Phase 2 Project information and notices at key regulatory milestones to the following Group 2 Communities:

- Métis Local #1935 (Fort McMurray);
- Métis Local #63 (Fort McKay);

- Fort McMurray First Nation #468;
- Métis Local #125 (Fort Chipewyan);
- Chipewyan Prairie Dene First Nation;
- Métis Nation of Alberta, Region 1; and
- Métis Nation of Alberta.

There has been relatively little interest from most of these groups as outlined in the attached Aboriginal Consultation Summary. STP remains committed to addressing requests for more information from these communities and resolving issues and concerns should they arise.

### **F.1.2 TRAPPERS**

There is only one directly affected trapper (TPA 2894) related to the Phase 2. STP has provided this trapper with Phase 2 Project information and notices at key regulatory milestones. Additionally, an STP representative has conducted one on one consultation with the trapper, as outlined in [Appendix V.11](#), and reviewed the Phase 2 Project Description in detail. STP plans to keep the trapper well informed about the Phase 2 and will make attempts to mitigate any concerns should they be brought forward.

### **F.1.3 OTHER STAKEHOLDERS**

Prior to beginning consultation, STP developed a Public Consultation Plan, which is attached as [Appendix V.3](#). STP believes this plan has created a consultation process that supports meaningful engagement with affected public stakeholders; ensures regulatory requirements are met; mitigates Project effects; and provides mutually beneficial opportunities for all parties involved in the consultation process. STP has proactively engaged key stakeholders, including industry stakeholders, to provide them with Phase 2 Project information, solicit input and feedback, and respond to issues, concerns and opportunities. This has been accomplished through mail-outs, by fulfilling requests for additional information, and by conducting an open house in Fort McMurray. To date, no stakeholders have raised any major concerns with the Phase 2 Project.

STP has been successful in working with other industry stakeholders. All adjacent oil sands and petroleum and natural gas lease holders, as well as, all overlapping petroleum and natural gas lease holders, have been sent regular information and updates about Phase 2 and were also invited to the Phase 2 open house held in Fort McMurray on September 15, 2011. STP and some of its adjacent lease holders have also had discussions on the placement of surface facilities on each other's leases. In one particular instance, STP has reached a letter agreement with an adjacent lease holder whereby both Parties agree to give their best efforts to work closely together when contemplating placing surface facilities on the other's leases. Working in good

faith under the terms of the letter agreement will reduce the likelihood of future conflicts. For a summary of consultation with other stakeholders please see [Appendix V.11](#).

## **F.2 TRADITIONAL ECOLOGICAL KNOWLEDGE AND TRADITIONAL LAND USE**

STP has engaged all Group 1 Aboriginal communities, as so defined in its Aboriginal Consultation Plan ([Appendix V.2](#)), to conduct Traditional Ecological Knowledge (TEK) and/or Traditional Land Use (TLU) studies. The purpose of these TEK/TLU studies is to gather relevant and necessary information regarding traditional lands, conduct specific assessments where warranted and determine the specific potential adverse impacts to Aboriginal rights and traditional uses.

To date, two TEK/TLU studies are currently under way (Fort McKay First Nation and Athabasca Chipewyan First Nation) and will be completed at a later date. STP attempted to engage the First Nation's on TEK/TLU studies early in the consultation process and eventually were successful with two First Nations. Due to limited resources, most First Nation's were unable to commence the studies in a timely manner. As a result, the studies are ongoing and only a limited amount of information is available to be incorporated into the EIA. Once the studies are completed, STP will make every reasonable effort to mitigate any issues or concerns identified and will also provide information based on the results of the studies.

The Athabasca Chipewyan First Nation has provided STP with a Knowledge and Use Interim Report ([Appendix V.11](#)) with the intention of completing a final report in January 2012. The main concerns identified in this preliminary report include:

- the potential for adverse effects on surface water, ground water, and air quality;
- the potential for adverse effects on wildlife including moose, fish and migratory birds;
- the potential for adverse effects on quantity and quality of water, including industrial contaminants, flowing into the McKay and Athabasca River systems; and
- the resulting adverse effects on the of the ACFN members to meaningfully practice Treaty rights.

STP has assessed the potential impacts of the Phase 2 Project on surface water quality and fisheries ([Section D.2](#) and [CR #2](#)), surface water quantity ([Section D.6](#) and [CR #6](#)), groundwater ([Section D.3](#) and [CR #3](#)), air quality ([Section D.1](#) and [CR #1](#)) and wildlife ([Section D.11](#) and [CR #11](#)). The valued environmental components selected for these environmental assessments took into consideration general traditional use concerns as identified in other similar applications.



Since the TEK and TLU studies are currently being undertaken, the specific information required in the Terms of Reference will need to be provided at the conclusion of these studies. STP will work with the Aboriginal communities to complete the studies and address the communities concerns as they are identified.

### **F.3 SUMMARY**

As previously mentioned, STP has made strong efforts to attempt to consult with all potentially affected First Nation's. In terms of the effectiveness of its Aboriginal Consultation Plan, STP feels that it has met all of its commitments and consultation with those FN's that have been engaged in the consultation process. The First Nation's that have been responsive to STP's consultation engagement have benefitted by being involved in providing input into the final Terms of Reference. They have also provided input into STP's proposed monitoring programs.

To ensure that the public and Aboriginal peoples will have an appropriate forum for expressing their views on the ongoing development, operation and reclamation of Phase 2, STP plans to continue providing Phase 2 Project information and notices at key regulatory milestones. Additionally, STP will continue to work in an open and inclusive manner with all communities and stakeholders potentially impacted by its operations. Any concerns brought forward by affected stakeholders will be addressed by STP to the best of its capability.

Throughout the consultation process, STP has given each Aboriginal community an opportunity to raise concerns and provide input on the Phase 2 Project. While no major concerns have been raised by the Aboriginal communities to date, STP has incorporated some of their input into Project planning. To be specific, STP funded three Proposed Terms of Reference review studies and some of the feedback from those studies has been incorporated into the final Terms of Reference.

STP has had three meetings with one of the First Nation's in close proximity to the Phase 2 Project to discuss expectations with respect to specific assessment and monitoring programs for air quality, hydrogeology and a TLU/TEK study.

As the Phase 2 Project evolves and as more feedback is received from potentially affected stakeholders, STP will continue to address any concerns should they arise. STP has given potentially affected Aboriginal groups an opportunity to provide input into the Phase 2 Project planning. STP has also proactively engaged key public and industry stakeholders by providing them with Phase 2 information, soliciting input and feedback, and responding to issues, concerns and opportunities. Through its various consultation plans and policies, STP has either met or exceeded the public notification and consultation guidelines and regulations with respect to the STP McKay Thermal Project – Phase 2.