December 1, 2017

Memorandum of Understanding
Respecting Environmental Monitoring of Oil Sands Development

BETWEEN: THE GOVERNMENT OF ALBERTA, as represented by the Minister of Environment and Parks ("Alberta")

AND: THE GOVERNMENT OF CANADA, as represented by the Minister of the Environment ("Canada")

(Referred to individually as "Party" or collectively as "Parties")

WHEREAS the integrated monitoring, evaluation and reporting system for the environmental impacts of oil sands development is established and consists of the current successor to the Oil Sands Environmental Monitoring Program (the "Program") as provided for in section 2 of the Oil Sands Environmental Monitoring Program Regulation, Alberta Regulation 226/2013 and as further refined in the Operational Framework Agreement developed under this MOU;

WHEREAS the Parties have an interest in building upon the principles and design of earlier agreements ensuring that authoritative environmental monitoring data and related evaluations and reporting are made publically available, in a timely, open and transparent manner;

WHEREAS the treaty and aboriginal rights of Indigenous people are recognized and affirmed in section 35 of the Constitution Act, 1982;

WHEREAS the Parties are committed to the engagement of relevant Indigenous Communities in the oil sands region ("Indigenous Communities") in the integrated monitoring, evaluation and reporting system for the environmental impacts of oil sands development including the appropriate use of the best available Indigenous knowledge;

NOW THEREFORE, the Parties agree to enter into this Memorandum of Understanding ("MOU"):

1.0 PURPOSE

The purpose of this MOU is to establish the parties' mutual intentions regarding collaboration and accountability for the design and implementation of an integrated monitoring, evaluation and reporting system that includes the acquisition and reporting of regional data on baseline environmental conditions, tracking any environmental impacts, and the assessment of cumulative environmental effects from oil sands development (the "System") in accordance with existing legislative and regulatory controls. Additionally, the Parties intend to provide the data and information obtained from the System to decision-makers and other stakeholders to inform management and regulatory action.
The purpose of this MOU is also to confirm the Parties' intention and joint commitment to establish, in cooperation with Indigenous Communities, effective mechanisms for Indigenous participation in the design, implementation, and governance of the System.

2.0 ACTIONS BY THE PARTIES

2.1 The Parties, in cooperation with Indigenous Communities, will develop a comprehensive, ongoing agreement (the "Operational Framework Agreement") that articulates the respective roles and responsibilities for the System of the Parties, relevant Indigenous Communities and various stakeholders.

2.2 The Parties will implement the System in accordance with the timeframes to be established and agreed to under the Operational Framework Agreement.

2.3 The Parties will ensure that the System incorporates the following components:

   a. Prioritizes monitoring effort according to the magnitude of environmental impacts from oil sands development;
   b. Scientifically credible;
   c. Holistic and comprehensive;
   d. Adaptive and robust;
   e. Inclusive and collaborative;
   f. Inclusive of Indigenous knowledge; and
   g. Provides data and scientific reporting in a timely, transparent and accessible manner.

2.4 The Parties will ensure work plans are developed through inclusive planning processes using appropriate scientific and Indigenous expertise.

2.5 The Parties will use a five-year planning cycle, with an annual monitoring plan based on assessments and updates, for designing and implementing the System that consists of longterm monitoring and related focused studies that generate data and information addressing specified monitoring priorities and questions. Priority setting will occur during an annual planning process that must consider Indigenous community and stakeholder concerns or issues as priorities. Reporting on environmental condition from the System must identify circumstances related to air (including GHGs), water, land and biodiversity where/when tiers, triggers, limits, thresholds or other "limits of change" are being approached, including as defined under regional planning (i.e., Lower Athabasca Regional Plan).

2.6 The Parties will ensure the data and information obtained from the System are evaluated using appropriate scientific and Indigenous expertise.

2.7 The Parties will collaborate annually on the reporting of the data and materials obtained from the System and their evaluation.

2.8 Every five years, the Parties will ensure the System undergoes an external expert scientific review by a qualified third party mutually agreed to by the Parties to assess its scientific
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integrity. Parties may consider conducting an internal review to assess the efficiency and effectiveness of the System. The Parties must agree on the scope and timing of any such review.

2.9 The Parties will ensure that the System incorporates Indigenous designed and led community-based monitoring. Development of capacity for Indigenous designed and led community based monitoring in the oil sands region will be supported by an annual contribution, subject to an approved workplan, of up to $2Million by the Government of Canada.

3.0 OBJECTIVES OF THE SYSTEM

3.1 The intended objectives of the System are as follows:

i) To obtain data on baseline conditions, identify and track the environmental impacts from oil sands development, including timely assessment of cumulative environmental effects, that remain after application of existing legislative and regulatory controls and including the identification and tracking of monitoring indicators of relevance to indigenous Communities;

ii) To ensure monitoring is and remains comprehensive, by seeking and integrating a multiple evidence based approach, inclusive of Indigenous knowledge, to inform monitoring program decisions;

iii) To ensure monitoring is and remains relevant by seeking information on environmental impacts of oil sands development from relevant Indigenous Communities, stakeholders, established advisory panels, and appropriate scientific experts, regardless of their affiliations to the Parties;

iv) To implement scientifically rigorous, comprehensive, integrated and transparent environmental monitoring of oil sands development that meets the highest standards of scientific integrity;

v) To make use of the best cost-effective technical resources available for environmental monitoring of the impacts of oil sands development;

vi) To be of sufficient scope to consider the trans-boundary nature of the issue and, where appropriate, to collaborate with other territorial and provincial governments;

vii) To ensure quality monitoring data and information exists as a tool to inform provincial and federal decision-making and policy development pertaining to individual and cumulative effects; and

viii) To ensure transparency and timely public reporting through accessible, comparable and quality-assured data and information, reports, and publications evaluating, interpreting and synthesizing the monitoring results of the System.
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4.0 PRINCIPLES

4.1 The following principles are to direct and guide the activities of the Parties in order to achieve the Objectives set out above:

Development and Implementation
1) System monitoring is intended to augment, not replace, monitoring activities used for the purposes of ensuring compliance with facility-based approval conditions, operating permits or other legislated requirements;

ii) The Parties are jointly accountable for ensuring the timely completion of the approved annual monitoring plan;

iii) The costs for delivering the Program are to be detailed in annual monitoring plans approved by the Parties in accordance with the Operational Framework Agreement;

iv) Alberta is to collect and allocate funds collected under the Oil Sands Environmental Monitoring Program Regulation, as set out in the approved annual monitoring plans approved by the Parties; and

v) The Parties will recover the costs incurred in delivering this program as detailed in the approved annual monitoring plans and the Parties may provide additional funding of the Program by making direct contributions.

Collaboration
0 The Parties are to collaborate in an ongoing, inclusive, open, transparent, respectful and professional manner.

ii) The Parties are to work diligently to allow for the effective participation of Indigenous Communities and consideration of Indigenous knowledge.

Responsiveness and Transparency
i) The Parties are jointly accountable for providing data and information gathered through monitoring at least on an annual basis

5.0 GENERAL

5.1 Nothing in this MOU alters the legislative or other authorities of each of the Parties or the rights of either Party with respect to the exercise of their legislative or other authorities under the Constitution of Canada.

5.2 This MOU comes into force on the date of signature by the Ministers or their delegates and remains in force unless terminated by either of the Parties in accordance with paragraph 5.3.
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5.3 Either Party may terminate this MOU at any time by giving the other Party one years’ written notice of its intention to terminate.

5.4 The Parties may amend this MOU by mutual written consent of the Parties.

5.5 This MOU may be signed in several counterparts and each counterpart shall constitute an original document - these counterparts taken together shall constitute one and the same MOU. The Parties agree that executed counterparts may be transmitted by facsimile machine and that such counterparts shall be treated as originally executed instruments. Each Party undertakes to provide the others with a copy of the original MOU bearing actual original signatures within a reasonable period of time following execution of this MOU.

5.6 This MOU is to be publically available through the Canada-Alberta oil sands monitoring website and by such other means as the Parties determine appropriate.

5.7 The Parties acknowledge that some Indigenous Communities or Organizations may constitute or represent an aboriginal people within the meaning of section 35 of the Constitution Act, 1982, and may hold rights within the meaning of that section.

5.8 Indigenous, aboriginal peoples, communities: Case law is still developing and the use of these terms for the purposes of the System is not intended as recognition that any particular First Nation or Metis organization is or represents, or is not or does not represent, a community holding any particular (or any) aboriginal or treaty rights within the meaning of section 35 of the Constitution Act, 1982.

6.0 NOTICES

6.1 Communications regarding this MOU are to be delivered to each Party at the following email addresses, or such other email addresses as provided by the Parties:

    to Canada:

    Attention: George Enei
    Assistant Deputy Minister

    Science and Technology Branch
    Environment and Climate Change Canada
    George.Enei@canada.ca

    to Alberta:

    Attention: Dr. Frederick J. Wrona
    Chief Scientist and Assistant Deputy Minister,

    Environmental Monitoring and Science Division
    Alberta Environment and Parks
    Fred.wrona@gov.ab.ca
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7.0 LEGAL STATUS

7.1 This MOU is a statement of intent and does not create any legally binding obligations between Alberta and Canada.
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SIGNATURES

THE GOVERNMENT OF ALBERTA, As Represented by the Minister of Environment and Parks

By: Shannon Phillips

Signature: [Signature]

Signed this [1 day of December] 2017

Title: Minister of Environment and Parks

FOR THE GOVERNMENT OF ALBERTA

Approved pursuant to the Government Organization Act

Intergovernmental Relations, Executive Council

THE GOVERNMENT OF CANADA, as represented by the Minister of the Environment

By: Catherine McKenna

Title: Minister of the Environment

Signature: [Signature]

Signed this [day of] 2017

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