



**Alberta Utilities Commission**

Fifth Avenue Place  
4<sup>th</sup> Floor, 425 – 1 Street SW  
Calgary, AB T2P 3L8

Shell Canada Limited

400 4th Avenue S.W.

P.O. Box 100 Station M

Calgary

Alberta T2P 2H5

Canada

Internet <http://www.shell.ca>

**ATTN:** Annie Chen

November 15, 2016

**Re: Shell Canada Limited (Shell)  
Letter of Enquiry  
Request for Time Extension to Construct on AUC Approval U2014-98 and AUC Permit  
and Licence No. U2014-99**

On March 21, 2014, Shell received approval from the Alberta Utilities Commission (AUC) to construct and operate a power plant (AUC Approval No. U2014-98) and substation (AUC Permit and Licence No. U2014-99) [Decision 2014-068] in Northern Sunrise County, approximately 40km northeast of the Town of Peace River.

The power plant area is located in the NE-15 and SE- 22-085-18 W5M. The substation area is located in the NE-15-085-18 W5M.

Both the Approval for the power plant and the Licence and Permit for the substation state:

*Unless otherwise authorized by the Commission, the construction shall be completed by December 31, 2016.*

Shell is applying to the AUC in accordance with Section 19(1) of the *Hydro and Electric Energy Act, R.S.A. 2000, c H-16* (HEEA) for an amendment to the existing approval and permit and licence. Specifically, Shell is requesting a change to the construction start date in Clause 4 of AUC Approval No. U2014-98 and AUC Permit and Licence No. U2014-99. Shell requests the clauses be amended from the December 31, 2016 construction completion date to August 31, 2020.

In October 2015, Shell suspended development of the Carmon Creek Peace River Oilsands Project, including the 690 MW Power Plant and substation portions of the project. Shell is in the process of divesting the partially constructed Power Plant, substation and associated infrastructure. Extending the construction completion date to Aug.31 2020 allows for the completion of the divestment process and provides time to complete the construction of the power plant, substation and all associated.

There is a continued focus on greenhouse gas emissions at both a federal and provincial level. With the federal *Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations* (SOR/2012-167), as well as the Alberta Climate Leadership Plan and the phase out of coal fired power generation in Alberta by 2030, Shell believes that extending the construction deadline to August 31, 2020, preserves the opportunity for this project to play an important role in meeting the changing electricity supply of the Alberta market.



Conversations have been held with representatives from Alberta Environment and Parks and Northern Sunrise County regarding the change to construction timing of the Carmon Creek Power Plant project. No concerns with these changes has been raised by the parties contacted.

Shell has also conducted public notification to occupants, residents, landowners, and interested parties identifying the extension to the construction dates for the power plant. The letter of notice and the list of those contacted as part of this participation involvement program is provided as an attachment. The 15 day notification period has elapsed with no concerns raised.

Should the AUC require any further information please contact Lorenzo Fontana at (403) 384-6465, or [Lorenzo.fontana@shell.com](mailto:Lorenzo.fontana@shell.com)

Sincerely,

A handwritten signature in blue ink, appearing to read 'Rejean Tetrault', with a long horizontal flourish extending to the right.

Rejean Tetrault, General Manager In-Situ Operations, Shell Canada Limited

'cc'

Lorenzo Fontana, Environmental & Regulatory Affairs Team Lead, In Situ, Shell Canada Limited  
Nicolas Vaschetto, Oilsand Commercial Manager, Shell Canada Limited  
Ryan Smith, Senior Environmental Planner, Shell Canada Limited

**Attachments:**

- AUC Notification List and Sample Notice Letter

**SHELL CANADA LIMITED  
PUBLIC CONSULTATION REPORT  
CARMON CREEK AREA  
AUC NOTIFICATION - Power Plant Approval Expiry Date Change  
15-85-18 W5M  
Initial - October 31, 2016  
Jenna Strachan**

SHELL FILE #

Legal Description of Land Impacted	Stakeholder (Landowner, Occupant)	Notification Disclosure Requirement Met - Y/N Date	Personal Consultation Yes/No Date	Confirmation Yes/No Date	Type of Contact	Project Description Distributed	Comments
					(Phone, fax, mail, person)		
<b><u>TWP 85 RGE 18 W5M</u></b>	<b>Interest: Landowner</b> Name: <b>Crown</b> Address: 9915 - 108 Street Edmonton, AB T5K 2G8 Phone: (780) 427-3570	<b>No</b> <b>Not Required</b>					
	<b>Interest: Local Authority</b> Name: <b>Northern Sunrise County</b> Address: PO Bag 1300 Peace River, AB T8S 1Y9 Phone: (780) 624-0013	<b>Yes</b> <b>Oct 31/16</b>	<b>No</b>		<b>Priority Post</b> <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<b><u>TWP 85 RGE 18 W5M</u></b>  <b>FMA 0900044 &amp; DTL P550001</b>	<b>Interest: Forest Management Timber Company</b> Name: <b>Daishowa-Marubeni International Ltd.</b> Address: PO Bag 6500 Peace River, AB T8S 1V5 [REDACTED]	<b>Yes</b> <b>Oct 31/16</b>	<b>No</b>		<b>Emailed</b> <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<b><u>TWP 85 RGE 18 W5M</u></b>  <b>CTL P030025 CTL P210002 CTL P210003</b>	<b>Interest: Forest Management Timber Company</b> Name: <b>West Fraser Mills Ltd.</b> Address: PO Box 1320 High Prairie, AB T0G 1E0 [REDACTED]	<b>Yes</b> <b>Oct 31/16</b>	<b>No</b>		<b>Priority Post</b> <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<b><u>TWP 85 RGE 18 W5M</u></b>  <b>CTL P210001</b>	<b>Interest: Forest Management Timber Company</b> Name: <b>Boucher Bros Lumber Ltd.</b> Address: PO Box 488 Nampa, AB T0H 2R0 [REDACTED]	<b>Yes</b> <b>Oct 31/16</b>	<b>No</b>		<b>Priority Post</b> <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<b><u>TWP 85 RGE 18 W5M</u></b>  <b>CTL P550001</b>	<b>Interest: Forest Management Timber Company</b> Name: <b>Community Based Value Added Corp.</b> Address: PO Box 488 Nampa, AB T0H 2R0 [REDACTED]	<b>Yes</b> <b>Oct 31/16</b>	<b>No</b>		<b>Priority Post</b> <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Legal Description of Land Impacted	Stakeholder (Landowner, Occupant)	Notification Disclosure Requirement Met - Y/N Date	Personal Consultation Yes/No Date	Confirmation Yes/No Date	Type of Contact	Project Description Distributed	Comments
					(Phone, fax, mail, person)		
<u>TWP 85 RGE 18 W5M</u>  CTL P210004 CTL P210006	<b>Interest: Forest Management Timber Company</b> Name: <b>Seehta Forest Products Ltd.</b> Address: PO Box 517 Slave Lake, AB T0G 2A0 [REDACTED]	Yes Oct 31/16	No		Emailed <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<u>TWP 85 RGE 18 W5M</u>  CTL P210005	<b>Interest: Forest Management Timber Company</b> Name: <b>Tolko Industries Ltd.</b> Address: 11401 - 92 Street High Level, AB T0H 1Z0 [REDACTED]	Yes Oct 31/16	No		Emailed <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<u>TWP 85 RGE 18 W5M</u>  TPA 1764	<b>Interest: Trapper</b> Name: <b>Leonie Cardinal</b> Address: PO Box 1269 St Isidore, AB T0H 3B0 [REDACTED]	Yes Oct 31/16	No		Priority Post <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<u>TWP 85 RGE 18 W5M</u>  TPA 1363	<b>Interest: Trapper</b> Name: <b>Joseph P. Whitehead</b> Address: PO Box 88 Cadotte Lake, AB T0H 0N0	Yes Oct 31/16	No		Priority Post <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<u>TWP 85 RGE 18 W5M</u>  TPA 1363	<b>Interest: Trapper</b> Name: <b>James Douglas Anderson</b> Address: PO Box 781 Grimshaw, AB T0H 1W0	Yes Oct 31/16	No		Priority Post <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<u>TWP 85 RGE 18 W5M</u>  TPA 1736	<b>Interest: Trapper</b> Name: <b>Andy Trudeau</b> Address: PO Box 1 Jean Cote, AB T0H 2E0	Yes Oct 31/16	No		Priority Post <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	<b>Interest: Interested Party</b> Name: <b>Donna Dahm</b> Address: PO Box 5254 Peace River, AB T8S 1R9	Yes Oct 31/16			Registered Mail <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

**NOTE:** Some contact information has been redacted to ensure privacy. Addresses provided meets the requirements of PP20 and TS12 in *AUC Rule 007: Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments.*



**Shell Canada Limited**  
400 - 4th Avenue S.W.  
P.O. Box 100, Station M  
Calgary, Alberta T2P 2H5  
**Internet** [www.shell.ca](http://www.shell.ca)

October 31, 2016

**NORTHERN SUNRISE COUNTY**  
Bag 1300  
Peace River, AB T8S 1Y9

**RE: Information on an upcoming filing - AUC Power Plant Approval No. U2014-98 & Substation Approval No. U2014-99 – Date Amendment**

The purpose of this letter is to share information regarding a regulatory filing that Shell will be making in November to the Alberta Utilities Commission (AUC) in order to amend the expiry dates of the Power Plant and Substation Approvals to December 31, 2020.

In 2013, Shell Canada Limited (Shell) applied to the AUC for approval to construct and operate a 690-MW natural gas-fired power plant within the Shell Peace River in-situ expansion Carmon Creek Project (CCP). The AUC issued a decision and granted the Power Plant Approval No. U2014-98 and Substation Approval No. U2014-99 on March 21<sup>st</sup>, 2014. These approvals stipulate the construction of the plant and substation to be completed by December 31, 2016.

In October 2015, Shell suspended development of the CCP, and is focusing its work activities at the Peace River Complex and at the Cliffdale Battery operations. Shell is in the process of divesting its partially constructed 690 MW Carmon Creek Power Plant and associated infrastructure. While Shell continues to pursue a buyer for the Power Plant, extension of the current expiry dates is required in order to ensure these approvals do not expire. Once any sale is complete, the AUC approvals will be transferred to the new buyer.

If you have any questions or concerns on the information that is provided in this letter, please do not hesitate to contact me at (780) 625-2040 (cell).

Sincerely,

A handwritten signature in black ink, appearing to read 'Jenna Strachan', is located below the 'Sincerely,' text.

Jenna Strachan, Community Liaison Officer  
Shell – In Situ – Peace River