



June 11, 2008

ALBERTA WILDERNESS ASSOCIATION

"Defending Wild Alberta through Awareness and Action"

Amanda Black
Fort Hills Application Coordinator
ERCB Fort McMurray Branch
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Sheila Chernys
Environmental and Regulatory Affairs Manager
Petro-Canada Oilsands Inc.
P.O. Box 2844
Calgary, AB T2P 3E3

Re: Application No. 1520897, Fort Hills Oil Sands Project – Amendment to Approvals

Dear Ms. Black and Ms. Chernys,

This is a formal objection by Alberta Wilderness Association (AWA) to the Application for amendments to existing approvals for the Fort Hills Oil Sands Project (FHOSP).

AWA is a province-wide conservation group with 7,000 members and supporters in Alberta and around the world. In carrying out our mandate, “to defend Wild Alberta through awareness and action,” we speak for those who cannot speak for themselves – the wildlife, rivers, and ecosystems of our province. We focus on protecting areas of special ecological significance in Alberta. McClelland Lake watershed is one such place.

Alberta Wilderness opposes mining in the McClelland Lake watershed, which includes the McClelland Lake Wetland Complex and patterned fen, and requests that the portion of the FHOSP lease that overlaps the watershed be withdrawn from the mining application. We support compensating the project owners for this withdrawal.

The approved mining of the ‘upper’ portion of the watershed will almost certainly lead to prolonged water table disruption in the lower part of the watershed. This will produce severe effects on vegetation and organic soils of the peat wetlands. Moreover, the construction of uplands and wetlands on the disturbed site will result in a profoundly different hydrological, soil and vegetation regime in the upper part of the watershed. The September 2007 Reclamation and Closure FHOSP plan states that for the entire project site, “Class 5 wetland areas will see a decrease of 2,785 hectares.”

Reclamation will require re-engineering of the whole upper watershed. The spectacular McClelland patterned fen took approximately 8,000 years to develop. No evidence exists that a patterned fen can be reclaimed. There have never been attempts to construct peat wetlands on this scale, and the ecological effects of replacing peatlands with other types of wetlands are unknown. It is not an environmentally responsible practice to subject the McClelland Lake Wetland Complex to an untested trial and error process.

The McClelland Lake watershed drains into the Firebag River, an ecological sensitive area itself, and ultimately into the Athabasca River, a river about which both scientists and other Albertans currently have serious concerns because of the intensity of oil sands operations in the area. To sustain the water quality, water quantity and biodiversity of this landscape, we need to retain the most ecologically significant functioning natural watersheds in the larger Athabasca watershed.

The McClelland Lake watershed includes a unique system of wetlands, the heart of which is the McClelland patterned fen. Only 1% of Alberta's land base comprises patterned fens, and the McClelland fen is larger than 91% of patterned fens in the province. It is home to more than 100 species of birds, numerous rare plants including the carnivorous pitcher plant, amphibians such as the red-listed Canadian toad, and even the endangered whooping crane, which has been seen on the fen.

The McClelland fen was nominated for protection under the province's Special Places program in the 1990s and was designated as off-limits for oil sands mining under the Integrated Resource Plan for the area. When oil was found under the fen, the IRP was quickly changed at the request of True North, and True North's mining application, which included mining 45% of the fen, was approved despite overwhelming evidence that this would threaten the ecological integrity of the entire fen and Wetland Complex.

In light of the lack of evidence that the ecological integrity of this extraordinary place can be maintained or restored if mining proceeds, the ERCB should not permit mining in the McClelland Lake Wetland Complex, nor in the entire McClelland watershed. Sacrificing this unique ecosystem for 1/3 of 1% of Alberta's recoverable bitumen is not managing our energy resources in a sustainable manner. Emerging technology in subsequent decades may well offer alternative approaches to extract some of the bitumen resource without strip mining.

If this Amendment Application is approved, AWA believes that Petro-Canada must be required to produce a thorough and credible Environmental Impact Assessment of the McClelland Lake Wetland Complex (MLWC), since the portion of the original EIA that related to the MLWC was withdrawn from consideration by the EUB at the hearing in 2002.

In its December 17, 2007 response to AWA's Statement of Concern dated September 10, 2007, Petro-Canada Oil Sands Inc. stated that "as the MLWC Sustainability Committee progresses with its work, it will assess whether an EIA is required to develop the mitigation plan for the unmined portion of the MLWC. If required, the MLWC SC will also determine what the terms of reference for an EIA should be."

AWA believes that it is a blatant conflict of interest for the Sustainability Committee led by Petro-Canada to determine whether an EIA is warranted and to establish its terms of reference. This is a public interest determination that must be made by the regulator. For sustainable development of natural resources and responsible environmental stewardship, an impartial EIA needs to be done.

Thank you for considering our concerns.

Sincerely,
ALBERTA WILDERNESS ASSOCIATION

A handwritten signature in black ink that reads "Carolyn Campbell". The signature is written in a cursive style and is underlined with a single horizontal line.

Carolyn Campbell
Conservation Specialist