

SENT VIA EMAIL AND UPLOADED TO SHAREPOINT

May 5, 2023

Mr. Francis Scarpaleggia
Chair of the Standing Committee on the Environment and Sustainable Development
House of Commons
131 Queen Street, Room 4-37
Ottawa, Ontario K1A 0A6

RE: Requested information following Imperial's appearance before the Standing Committee on Environmental and Sustainable Development on April 20, 2023

Dear Mr. Chair,

As requested by members of the Committee on the Environment and Sustainable Development (the "Committee") on April 20, 2023, the following documents have been submitted to the Clerk via the Committee's SharePoint:

External Communications

- 1) Email notifications of the initial discovery of the discolored water on May 19, 2022; the Drainage Pond 4 overflow event on February 6, 2023, and the Environmental Protection Order (EPO) on February 7, 2023, to the following communities:
 - Mikisew Cree First Nation
 - Athabasca Chipewyan First Nation
 - Fort McMurray First Nation 468
 - McMurray Metis 1935
 - Fort Chipewyan Metis
 - Fort Mackay Metis Nation
 - Fort Mackay First Nation
- 2) Imperial is providing the initial notifications sent to the Community Environmental Committee contacts following the established community protocols. Regular updates to the Regional Municipality of Wood Buffalo were provided starting February 22 as part of weekly community and stakeholder updates on the EPO. These communications are included in the contact log that was provided to the Committee on April 20 during Imperial's testimony and reflects the extensive engagement with communities on the EPO.

Sampling Data

1) The 2022 Groundwater Summary Report was submitted to the Alberta Energy Regulator ("AER") and the above-noted communities on April 15, 2023. This report covers the entirety of the Kearl site and is an extensive and comprehensive annual summary of groundwater monitoring and sampling activities. For the purposes of the Committee's

- study, the Executive Summary, Section 7 External Tailings Area (ETA) Groundwater Summary and Section 8 2022 Iron Precipitate Investigation Summary are most applicable.
- 2) 2023 Surface Water Summary Report provided to the above-noted communities on April 15, 2023. This document provides a comprehensive summary of the surface water quality data and related evaluation relevant to the EPO.
- 3) 2023 Groundwater Sampling Results to Date and summary of same. This document presents the data for off-lease groundwater wells that were reported through the EDGE hotline.

In addition to the information requested by the Committee, Imperial would like to offer additional clarity on our assessment that the risk to river systems and drinking water was, and remains, low. We would also like to provide an update on our mitigation measures to date. The reports being submitted, and additional information provided below, support our testimony on April 20, 2023.

Water Monitoring Programs

Imperial's assessment is based on its water monitoring program, which has been in place since Kearl operations began over a decade ago. Background water quality data samples were taken in the Firebag and Muskeg rivers in 2008; routine monitoring began in 2012 and continues today. Thousands of groundwater samples and hundreds of surface water samples are taken annually. Data is provided to regulators and results shared with Indigenous communities through joint environment committees.

Throughout our investigation, the sampling and monitoring results consistently demonstrate that there are no risks to drinking water or fish populations in the Firebag River. Additionally, the Regional Municipality of Wood Buffalo and Alberta Environment and Protected Areas have not found any indication of impacts to drinking water at Fort Chipewyan, more than 200 kilometres downstream from Kearl.

It may also benefit the Committee's study to have additional context on the critical role of third-parties in Imperial's environmental monitoring programs and processes. All environmental monitoring data at Kearl is collected and interpreted by independent, third-party companies. Desika, (formerly Mikisew Advisian Environmental), which is part owned by Mikisew Cree First Nation and Fort McKay First Nation, conducts Imperial's water sampling. Water samples are shipped to Bureau Veritas, a federally accredited, third-party lab. Data from the lab is shared directly with Desika, who compiles results and provides reports to Imperial.

Update on Mitigation Measures

Imperial has implemented a series of measures to address the areas of shallow seepage and collect water on site. Pumping and collection systems have been activated at all four locations of shallow seepage. Work is expected to be fully complete by end of May.

This work included installation of more than 140 additional monitoring and collection wells, construction of additional drainage collection structures and addition of surface pumps to ensure water is captured and recycled. Collection systems are being activated and continuous monitoring is also in place to ensure mitigations are working as intended.

Regular inspections and sampling in seep areas are ongoing with water sampling results provided to the AER and communities. The company is also progressing plans to further protect a nearby waterbody from potential seepage, and water recovery equipment is fully operational at the seep location. As a further precaution, we are progressing plans to install a fish barrier at the outflow of the waterbody.

Fencing continues to be installed as work is completed to prevent potential access by wildlife. Wildlife monitoring is ongoing, with regularly scheduled sweeps in the area.

Additionally, as part of our existing groundwater seepage interception system, which is a design feature of managing tailings ponds, Imperial continues to monitor and enhance the system to ensure that it is working as intended. This includes installing supplemental monitoring and pumping wells in the deeper groundwater system. Imperial will continue to keep communities informed.

As noted in our testimony, Imperial cares deeply about the First Nations and Metis communities impacted by our Kearl operations and acknowledges that we have jeopardized their trust. We apologize for this and realize we must demonstrate that we have addressed our missteps while working to rebuild this trust, and we are committed to doing so.

Regards,

Brad Corson

Chairman, President and Chief Executive Officer

Imperial Oil Ltd.