



ON BEHALF OF



**Pathways
Alliance**

VIA EMAIL

March 4, 2025

Beaver Lake Cree Nation
PO Box 960
Lac La Biche, AB T0A 2C0

Attention: Chief Gary Lameman
<email address removed>

Heart Lake First Nation
PO Box 447
Lac La Biche, AB T0A 2C0

Attention: Chief Curtis Monias
<email address removed>

Whitefish (Goodfish) Lake First Nation
PO Box 271
Goodfish Lake, AB T0A 1R0

Attention: Chief Herb Jackson
<email address removed>

Cold Lake First Nations
PO Box 1769
Cold Lake, AB T9M 1P4

Attention: Chief Kelsey Jacko
<email address removed>

Kehewin Cree Nation
PO Box 220
Kehewin, AB T0A 1C0

Attention: Chief Vernon Watchmaker
<email address removed>

Frog Lake First Nations
PO Box 621
Frog Lake, AB T0A 1M0

Attention: Chief Greg Desjarlais
<email address removed>

Onion Lake Cree Nation
PO Box 730
Onion Lake, SK S0M 2E0

Attention: Chief Henry Lewis
<email address removed>

Dear Chiefs:

**Re: Pathways CO₂ Transportation Network and Storage Hub
Federal IAA Designation Request**

Background

We are in receipt of your letter dated January 28, 2025 (the **Letter**), regarding the December 2, 2024 request for federal designation (the **Designation Request**) under section 9(1) of the *Impact Assessment Act (IAA)* made by Beaver Lake Cree Nation, Cold Lake First Nations, Frog Lake First Nation, Heart Lake First Nation, Kehewin Cree Nation, Onion Lake Cree Nation, and Whitefish (Goodfish) Lake First Nation #128 (the **Nations**), and the subsequent temporary suspension of that request.

Canadian Natural Resources Limited, on behalf of the members of Pathways Alliance (**Pathways**), appreciates the efforts you are making on behalf of your respective Nations to progress the understanding of the CO₂ Transportation Network and Storage Hub, including raising your concerns about potential impacts on Aboriginal and Treaty rights. Pathways remains committed to ongoing consultation and positive working relations and is providing this response to your Letter to assist in a greater understanding between Pathways and the Nations.

In pursuit of the CO₂ Transportation Network and Storage Hub, Pathways is intent on pursuing respectful working relationships with the Nations. This includes diligently sharing information and providing complete and meaningful responses to your concerns raised to date, to the extent Pathways is able to do so at the given time. Information thus far has been provided through meetings between our respective representatives, community meetings, newsletters, safety sessions, and regulatory applications. Additionally, plain-language fact sheets were prepared and distributed to help address some of the queries we received from the Nations regarding the CO₂ Transportation Network.

Request for Pause of the Federal Process

To be clear, in no way does Pathways view the current suspension of the Designation Request as indefinite in nature, nor is it an attempt to frustrate or circumvent the designation process under the IAA. Pathways is not ignoring the regulatory process – on the contrary, Pathways is complying strictly with the robust applicable regulatory requirements and attempting to reduce inconsistencies and confusion by providing clear, reliable information.

Pathways received a comprehensive request for information from the Impact Assessment Agency of Canada (the **Agency**) arising from the Designation Request on December 3, 2024. That request required Pathways to submit a response by the deadline of December 23, 2024. As noted in Pathways' request for suspension letter, the extent of the information requested and the current status of the CO₂ Transportation Network and Storage Hub did not allow for a complete response to the Agency's requests by the December 23, 2024 deadline.

The Nations' Designation Request specifically noted the "project" as the CO₂ Transportation Network, injection wells, and the sequestration hub (the latter two being the Storage Hub). Specifically, in relation to the Storage Hub, the Pathways Carbon Sequestration Agreement (the **CSA**) with the Government of Alberta has not yet been finalized. The CSA is a mandatory precursor for a CO₂ sequestration hub in Alberta. Consequently, Pathways is unable to complete and file regulatory applications relating to the Storage Hub until such time as the CSA has been finalized. In the meantime, Pathways continues to diligently develop the technical information for the Storage Hub, including the preparation of all the requirements for a CO₂ sequestration scheme pursuant to AER Directive 65.

It is, therefore, not possible at this time for Pathways to respond to several of the Agency's information requests with information it does not yet have and that remains in development (i.e. 'the status of the Pathways CO₂ Transportation Network and the Storage Hub').

Pathways' response to the Agency will, as a result, be contingent on finalizing of Storage Hub information, including the CSA and the corresponding technical information that will be contained in the provincial regulatory applications. It is only on this basis that a response by Pathways to the Agency will be accurate, complete and reliable.

Pathways has nevertheless attempted to provide the Nations with advance information about the Storage Hub, and CO₂ sequestration generally. We have offered tours of the operating Quest carbon capture and storage Project, held early information sessions with Indigenous groups with our CO₂ sequestration technical experts in attendance, and we have encouraged the Nations to book community open houses with our technical experts in order to share advance information to the Nations' broader communities. Further, Pathways has supported third party 'CO₂ Sequestration 101' technical information sessions and the creation of a Storage Hub-specific joint technical consultation group with all potentially affected Treaty 6 Nations; and we remain committed to conducting further technical sessions on the Storage Hub once applications are available to the Nations.

While the Nations await information on the Storage Hub, we have continued to recommend that Nations move forward to review information related to the CO₂ Transportation Network and collect their Nation-specific traditional land use information related to its routing. We have developed community-specific work plans and associated capacity funding to complete that work.

Provincial Regulatory Process

The Nations have also raised concerns over the continuation of the provincial permitting and regulatory process while the Designation Request is suspended.

Pathways is seeking approval of both the CO₂ Transportation Network and Storage Hub via the thorough, comprehensive regulatory and corresponding consultation processes in place through the Alberta Energy Regulator (**AER**) and, where applicable, the Aboriginal Consultation Office (**ACO**). These ACO and AER processes are mandatory irrespective of any other process, including under the IAA. With respect to the Nations' view regarding federal jurisdiction, Pathways is of the view that the project is wholly within provincial jurisdiction and should remain that way. Pathways will address the Nations' concerns in this regard in its response to the Designation Request.

The IAA suspension request is not intended to be disrespectful in any way to the Nations; instead, it reflects the need for a process that will yield accurate information for review by the Agency, the Nations and stakeholders. As described above, when accurate, complete and reliable information becomes available, Pathways is committed to providing that information to the Nations, which we acknowledge is required for the Nation's to review.

Pathways notes that a designation request does not impede or effect the continuation of provincial regulatory processes, nor is a designation request impacted by a continued AER process. The Designation Request operates independently of the AER, such that any ACO or AER decision will not, in any way, pre-decide the Agency's recommendations or the decision by the Minister of Environment and Climate Change Canada. On this basis, Pathways views the AER process as the continued good faith pursuit of information development, dissemination and sharing with the Nations, including because there will be no pause on:

- ongoing consultation and engagement;
- capacity funding and ongoing Traditional Land Use information and/or studies;
- the sharing of information by Pathways, as it becomes available; and
- having collaborative and respectful discussions regarding the CO₂ Transportation Network and Storage Hub.

As noted above, filings with the AER continue to focus on the CO₂ Transportation Network, as per provincial legislation and the AER's regulatory requirements and processes. Regardless, it is necessary to continue to advance the work required to prepare and submit applications to the AER in order to effectively and substantively respond to the Agency, and to provide those details to the Nations.

Requests for Confirmation

The AER and ACO processes are necessary components of consultation and engagement and are anticipated to assist in developing and disseminating the knowledge for the Nations to understand and respond to potential impacts of the CO₂ Transportation Network and Storage Hub on the exercise of Aboriginal and Treaty rights. Similarly, the ongoing collection of Indigenous Knowledge and Traditional Land Use information may assist in informing Pathways' response to the Designation Request.

As a result, Pathways views it as imperative to continue these processes while the Designation Request remains outstanding.

With respect to Pathways' response to the Agency, in order to provide accurate, complete and reliable information, Pathways intends to provide its responses to the Agency's requests in a single document. These responses will be shared with the Nations. Pathways also commits to providing the Nations with two weeks notice prior to its intended date of submission to the Agency.

Senior Leadership Meeting

We appreciate the opportunity to meet with you in person, and, as referenced in your Letter, to discuss principles of engagement, relationship building and resetting our collective relationship on the pillars of respect, positive and collaborative working relations, and starting afresh on our long-term relationship with the Nations. We agree that doing so at a leadership level is appropriate.

We will coordinate with the Nations to schedule a leadership meeting between the Nations and the company members of Pathways.

On a separate note, your Letter references that you intended to enclose your request to the Agency to lift the suspension. We would appreciate if you could please forward that letter as it was inadvertently not enclosed.

Best regards,

<original signed by>

Bill Clapperton
VP – Regulatory, Stakeholder & Environmental Affairs
Canadian Natural Resources Limited

cc: Impact Assessment Agency of Canada PathwaysCO2@iaac-aeic.gc.ca