

PCC-CM-LR-00003

*Via email*

December 4, 2019

Ms. Annette Antoniak  
CAO  
Regional Municipality of Wood Buffalo  
9909 Franklin Avenue,  
Fort McMurray, Alberta  
T9H 2K4

Dear Ms. Antoniak:

In advance of the Regional Municipality of Wood Buffalo (RMWB) Mayor and Council meeting on December 10, 2019, PetroChina Canada Ltd. (PCC) would like to update your office on how PCC is supporting the livability of the Fort McMurray community.

In May of this year, we met you and your team and discussed shared solutions that balance creating a vibrant RMWB community and avoiding by-laws that would negatively impact PCC's on-going operations and the safety of our workers. Although PCC is a new operator with limited oilsands production, we have identified some of our business practices that support the RMWB's goals:

- Since May of this year, for site-based positions, PCC has modified job postings to encourage candidates from the local Fort McMurray region to apply. There have been two site-based positions posted in 2019. We have modified the job posting to state: "[PCC] would also like to encourage local applicants from the Fort McMurray region to apply."
- PCC assesses our HR programs at least annually to ensure they are competitive to industry benchmarks and to gain insight into our employment business practices. These assessments support our planning in relation to the employment and retention of PCC staff. Workforce relocation is a long term endeavor and as opportunities that benefit both PCC and its workforce are identified, PCC will give it due consideration.
- PCC continues to use the Fort McMurray International Airport (YMM) as the main transportation hub for site-based employees. From January to the end of October 2019, PCC has spent ~\$170,000 on air transportation with approximately \$24,000 being provided in direct fees (Air Improvement Fees and parking) to YMM. There have been 341 seats booked on flights over this period. PCC has no plans for utilizing an aerodrome as a transportation hub and relies exclusively on YMM.



- PCC participates in the Oil Sands Community Alliance (OSCA) regarding infrastructure needs within the RMWB and is willing to collaborate with multi-stakeholder groups regarding plans for road infrastructure on the West side of the Athabasca.
- PCC continues to assess community development opportunities in the RMWB---initiatives that ideally support the livability of the community but balanced with PCC's profitability and corporate priorities.
- Engage with Keyano College on open job opportunities and build on our relationship. Our MacKay River Commercial Project (MRCP) recently informed Keyano College of a job opening for a Power Engineer position.
- PCC is planning a maintenance turnaround at the MRCP in 2020 and has actively and purposely sought out local and local Aboriginal companies to provide goods and services for this project.

PCC's priority is the safe, reliable and sustainable operation of MacKay River Commercial Project (MRCP). The short-term goal of the MRCP is to survive through this current challenging business environment by increasing production while lowering costs in order to generate positive cash flow. With an economically viable project generating a profit, PCC through a phased approach will be better positioned to consider continuing and expanding support of the community and enhancing the livability of the RMWB.

PCC looks forward to on-going engagement with the RMWB, on local, provincial and national issues to foster collaboration towards a competitive energy sector that will support the sustainability of the RMWB community and the competitiveness of the oil sands industry.

Sincerely,



Judy Mah  
VP Corporate Development  
PetroChina Canada Ltd.