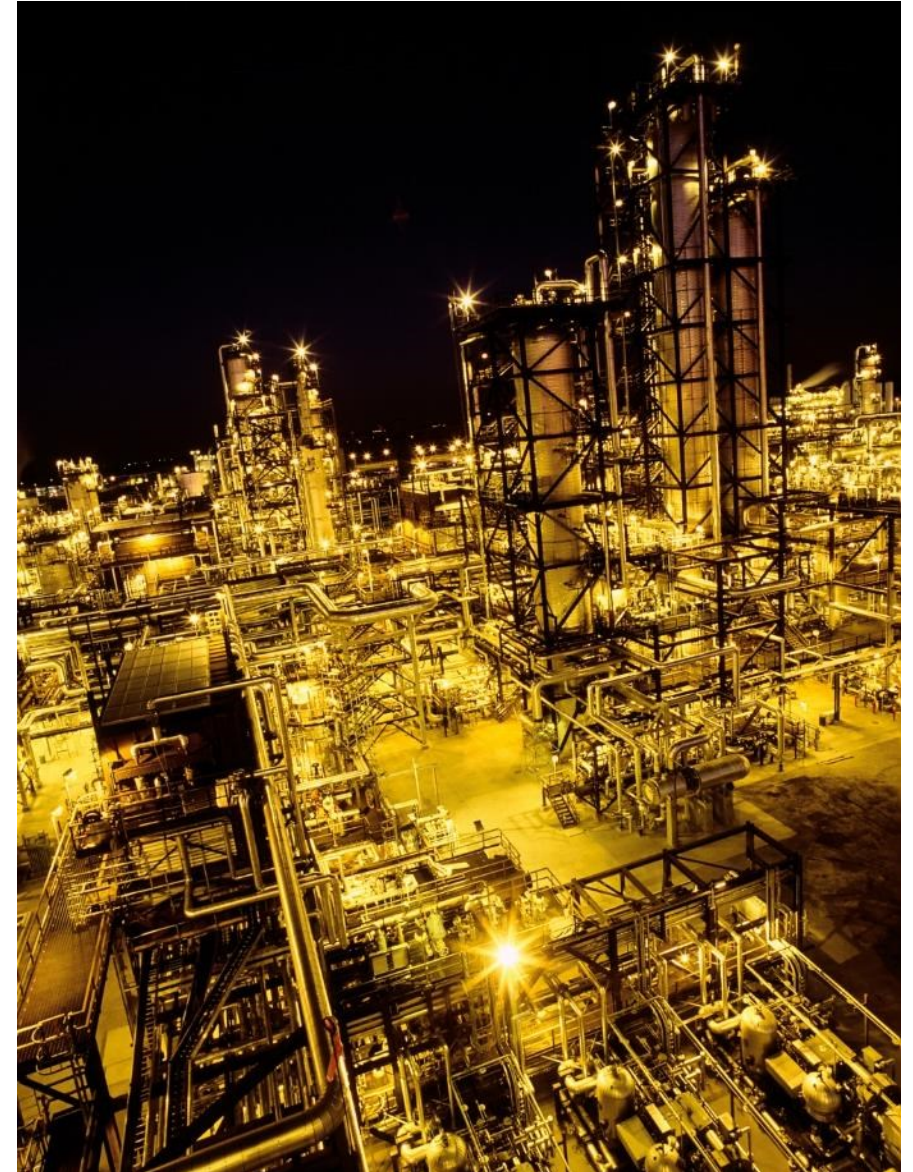# Shell Scotford

Annual Update

Peter Zebedee
General Manager, Shell Scotford

What is Shell Scotford?

- Refinery, Chemicals Plant, Upgrader and Carbon Capture & Storage (CCS) Facility
  - Producing gasoline, diesel and jet fuel
  - Producing ingredients for manufacturers to make plastic water bottles, foam food trays, truck bed liners, diapers

- Refinery, Chemicals Plant 100% owned and operated by Shell

- Upgrader, CCS facility operated by Shell
  - Owned by Athabasca Oil Sands Project (CNRL 70%, Chevron 20%, Shell 10%)

Tax & Economic Impact

- Approx. 1,400 employees, 500 long-term contractors and thousands of short-term contractors

- Approx. $125 million annually in contracts in Strathcona County & Fort Saskatchewan

- Approx. $50 million in municipal taxes paid to Strathcona County in 2017 (excludes taxes collected for other levies, education)
    - 24% of consolidated county budget
    - $500/resident or $1,400/residence

Our Business

- Scotford is a good location with feedstock and labour availability and distribution channels
- Heartland region has effective emergency response and communication practices

BUT…

- Operating with a lower oil price
  - Focus on reducing cost, efficiency, innovation
- Additional supply coming online for refined products
- Chemical markets are global and cyclical in nature
- Benchmark data shows we have higher cost for taxes and labour than facilities in other regions of the world

Fuelling Kindness

- Positive messages left at 22 elementary schools on first day back

- Acts of kindness completed in Sherwood Park

- 30+ Days of Caring completed to date in 2017

- 25+ organizations have received silent/live auction donations

- $100,000+ donated via Community Service Fund (2016 total; 2017 still under way)

Community Investment

Highlights from our 2017 program:

- $487,000 – United Way (2016 – still tallying 2017)
- $35,500 – Tree Planting – Broadmoor Lake Park
- $30,000 – Scotford Community Grants
  - Antler Lake Stewardship Committee
  - Boys & Girls Club of Strathcona County
  - Ecole Campbelltown
  - Linking Generations
- Plus, financial support for:
  - STEM Scholarships for high school students
  - Halloween Positive Ticketing (road safety)
  - Strathcona County Play Days
  - Be Seen Campaign (rural students road safety)
  - Josephburg Ag Society Farm Smarts Safety Camp
  - Christmas in the Heartland

Unlocking Technology

- Drone program
    - Safety focus
    - Innovation
    - Cost reduction

Quest Carbon Capture & Storage

- One million tonnes CO_2 per year capacity
  - Equiv to emissions from ~250,000 cars
- Permanent storage 2 km underground
- Quest has captured, transported, and safely stored over 2 million tonnes of CO_2
- Quest has the global CCS record for capture in a one-year period (1.2 Mt)
- Quest is seen as the project to learn from by the global community
  - Delegations from around the world come to see Quest
  - Currently Shell has a delegation at COP 23 to profile Quest

Turnaround Activity

- What is a maintenance turnaround?

- No turnaround activity in 2017

- Turnaround activity becomes business-as-usual moving forward:
  - 2 turnarounds in 2018
  - 2 turnarounds in 2019
  - More to follow

Questions?

Q&A