



# Shell Scotford

## Annual Update

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# Shell Scotford overview

- Refinery

- Diesel, Gasoline, Jet Fuel

- Chemicals plants

- Building blocks for water bottles, foam food trays, truck bed liners, diapers, etc.

- Upgrader

- Converts bitumen into crude oils

- Quest Carbon Capture and Storage

- 1 million tonnes CO<sub>2</sub> capture/ yr



## Tax & Economic Impact

- Approx. 1,300 employees, 500 long-term contractors and thousands of short-term contractors
- Approx. \$150 million annually in contracts in the region
- 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 efficiency, innovation, reducing cost
- Additional supply coming online for refined products
- Demand for refined products has likely plateaued (or will soon)
- Benchmark data shows we have higher cost for taxes and labour than facilities in other regions of the world





# Energy Efficiency

- Scotford uses ~65% of the energy of a standard comparable refinery
- It is the **most energy efficient** facility of its type **in the world**
- And we're looking at ways to improve upon our current leadership position





# Quest Carbon Capture & Storage

- One million tonnes CO<sub>2</sub> 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<sub>2</sub>
- 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, learn from Quest
  - Shell at COP 23 and at the Globe forum to profile Quest



# Unlocking Technology

- Drone program
  - Safety focus
  - Innovation
  - Cost reduction





# Fuelling Kindness

- Positive messages left at 22 elementary schools on first day back
- Acts of kindness completed in Sherwood Park, Fort Sask, Bruderheim
- \$115,000 donated via Community Service Fund in 2017
- 30+ Days of Caring completed to date in 2017
- 30+ organizations received silent/ live auction donations
- 2017 Christmas video had ~ 2 million views





# Community Investment

## Highlights from our 2017 program:

- \$485,000 – United Way
- \$35,500 – Tree Planting – Broadmoor Lake Park
- \$30,000 – Scotford Community Grants
  - Antler Lake Stewardship Committee – Noxious weed program
  - Boys & Girls Club of Strathcona County – Sports equipment
  - Ecole Campbelltown – Lego STEM program
  - Linking Generations – Seniors-students program
- 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





# Turnaround Activity

- What is a maintenance turnaround?
- Turnaround activity becomes business-as-usual moving forward:
  - 2 turnarounds in 2018
  - 2 turnarounds in 2019
  - More to follow





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Questions?

Q&A



