

ACR Aboriginal Programs Project Program Template

Program Area:	5.0	Resource Stewardship
Sub Program:	5.2	Implementing Consultation Processes for Resource Access and Management
Template:	5.2.1	Aboriginal Engagement Process and the Oil Sands Markets Study
Sponsor(s)	<i>Enbridge Inc.</i>	

Objective

To build relationships between the Oil Sands Markets Study aboriginal relations team and key communities between Fort McMurray, Alberta, and the north-central west coast of British Columbia.

Description

In early 2002, Enbridge Inc. began a comprehensive study to fully explore the market, transportation and stakeholder issues and challenges underpinning the success of producing and moving oil sand products to market. This initiative, known as the Oil Sands Markets Study (OSMS), was designed to answer some key questions regarding future oil sands production and markets, as well as the pipeline infrastructure required to move the oil to new or existing markets.

The Aboriginal Engagement Process was structured as the relationship-building component of the OSMS - designed to introduce Enbridge to communities which likely would not have knowledge of Enbridge. This process allowed Enbridge to establish relationships and gain an understanding of desired community and consultation protocols well in advance of a decision to actually proceed to a regulatory application stage.

The Aboriginal Engagement Process included:

- Use the framework of the Enbridge Indigenous Peoples Policy (see addendum) to structure the overall engagement strategy and plan
- Identify all affected Aboriginal stakeholders
- Open, establish and maintain lines of communications between the OSMS project team and Aboriginal communities
- Provide an overview and educational component of study parameters - what the study is and what it is not
- Issue identification and potential mitigation strategies
- Identify local protocols to facilitate field studies

- Develop a plan of full engagement to facilitate any move from the study phase to the project application stage

Principles of Aboriginal engagement

In accordance with Enbridge's Indigenous Peoples Policy, the OSMS project team committed to working with Aboriginal communities to develop mutually beneficial relationships and opportunities that address both Enbridge's business interests and the interests of Aboriginal stakeholder communities.

The principles of engagement include:

- Developing a program that fully supports and is aligned with Enbridge's overall business objectives
- Promoting an environment of respect, openness and honesty with its Aboriginal community stakeholders
- Providing accurate and timely information on OSMS activities to Aboriginal community stakeholders
- Creating an environment where Aboriginal community stakeholders are given the opportunity to provide input in a meaningful way
- Remaining flexible to meet the distinct needs of its Aboriginal community stakeholders
- Meeting or exceeding regulatory, agency and community consultation expectations through interactive communications that are transparent, sincere, proactive, responsive, flexible, reasonable, and respectful
- Seeking community input with respect to the proposed route and eliciting comments regarding the project scope as a whole
- Maintaining a positive profile of the study team with key decision-makers and affected stakeholders
- Honouring community elders, leaders and communities by following traditional protocols when working with and within the Aboriginal communities
- Documenting communication with the communities and organizations, and input all information into an issues tracking database in a timely manner
- Building on existing resources (economic, human resource, education, and social programs) within communities, making it cost-effective for communities to adopt new initiatives from the project
- Developing community profiles to better understand Aboriginal stakeholders and communities
- Developing and maintaining a database of new and existing Aboriginal companies and proprietors that may assist with project in providing economic, training and capacity building opportunities
- Fostering respect and trust regarding Enbridge's approach

Aboriginal Engagement Process

The Enbridge OSMS aboriginal relations team was mandated to establish and maintain mutually beneficial relationships with Aboriginal stakeholder communities. The team recommended a phased approach that would lead to a future formal consultation program with Aboriginal stakeholders when a decision is made to proceed to a regulatory application. It was envisioned that future formal consultation would be structured around two main principles:

1. While the nature and scope of consultation may vary depending on specific circumstances, the fundamental principles of consultation are the same for both Aboriginal rights and Aboriginal title.
2. Consultation efforts must be made in good faith with the intention of substantially addressing a community's concern(s) relating to infringement. In practical terms, this means the quality of consultation is of primary importance.

Key to building goodwill and trust with the various communities during the engagement process was the positioning of the OSMS simply as being a feasibility study that is only in the preliminary stages. Defining the process as a study allowed Enbridge to demonstrate a genuine commitment and goodwill when engaging communities. It also demonstrates that Enbridge was seeking their views and identifying concerns prior to any decisions being made. In short, it demonstrated that Enbridge was not participating in "token consultation".

Short-term engagement initiatives (during feasibility):

- Build solid mutually beneficial relationships between Enbridge and Aboriginal communities now to enhance any future consultation with Aboriginal communities
- Working under the guidance and review of Enbridge public and government affairs, generate policy recommendations for the OSMS, regarding economic opportunities, participation, training, training, social investment and the incorporation of traditional knowledge
- Commence the OSMS from a traditional perspective to establish a "foot print" for Enbridge, and be the first in the industry to use such an approach in working with Aboriginal communities

Implementation

Some key elements for implementation and management of this program were:

- Establishing a credible external Aboriginal relations team - with demonstrable negotiation skills and knowledge of the local communities
- Building an Aboriginal engagement strategy within an overall communications/consultation strategy for feasibility study
- Providing Aboriginal sensitivity training to all members of the feasibility project team
- Allowing adequate time to engagement a large and diverse group of communities - most of which had never been exposed to Enbridge in the past
- Provide adequate funding to support to the community engagement program

Timeframe for Results

The study commenced in the spring of 2002 and proceeded until late 2004 - at which time a decision was made with respect to the feasibility of the project.

Measurable Criteria

In 2002, Enbridge engaged more than 120 Aboriginal communities during the OSMS process. Detailed records of these meetings were compiled. Without exception, the communities expressed support for the Enbridge approach to relationship building. In essence, trust had been established which in turn provided Enbridge with valuable assessment of community needs and expectations.

Budget

The OSMS Aboriginal Engagement process for 2002 cost approximately \$400,000 and included two Alberta coordinators and two British Columbia coordinators - as well as support for various field and community activities.

Partners and Sponsors

Enbridge was the sole sponsor.

Experience with the Program

In early 2005, Enbridge announced that the proposed transportation project, Gateway Pipeline LP, would commence activities to determine detailed routing and environmental baselines in advance of regulatory application filings. The success of the Aboriginal Engagement Program enabled Enbridge to quantify community expectations and capacities. By producing a good foundation to build productive relationships, Enbridge was also able to begin to identify community protocols which have also helped to facilitate engineering and environmental field studies.

General Applicability

The Enbridge Aboriginal Engagement approach is relatively unique in terms of project development. Typically, most companies will only begin external consultation programs after determining the business and engineering viability of a proposal. The OSMS approach has demonstrated the value of early engagement as well facilitating the building of productive and trusting relationships in advance of any definitive project. There may be a general applicability to this program - for those companies willing to engage communities outside of the conventional project cycles.

Additional Information or Support

Lyle Neis, Manager, Aboriginal Affairs, Enbridge Pipelines Inc., PO Box 398, 21st Floor, 10201 Jasper Avenue, Edmonton, AB T5J 2J9
Telephone: (780) 420-8768
Email: lyle.neis@enbridge.com

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Addendum

Enbridge's Indigenous Peoples Policy

Enbridge recognizes the history, uniqueness and diversity of indigenous peoples, and they are often key stakeholders in Enbridge's activities. Positive relations with indigenous peoples based on mutual respect and trust will help Enbridge to reach its strategic business objectives and indigenous peoples to realize their aspirations.

Enbridge's commitment is to forge mutually beneficial relations with indigenous peoples in proximity to its operations. To achieve this Enbridge will:

- ensure forthright and sincere consultation with indigenous peoples about Enbridge's projects that affect them, to facilitate a shared understanding of interests and appropriate courses of action;
- respect indigenous peoples' traditional ways, the land, heritage sites, and the environment;
- commit to the fair and equal access of indigenous peoples to opportunities in education, training, employment and business development that result from Enbridge's operations, and foster their greater participation in those opportunities;
- build understanding, sensitivity and respect for local indigenous peoples among Enbridge's employees and contractors; and
- promote participation by indigenous communities in Enbridge's community investment funding programs.

This commitment is a shared responsibility involving Enbridge and its subsidiaries, employees and contractors:

- Enbridge and its employees will conduct business in a manner that recognizes and respects indigenous peoples.
- Senior management of Enbridge will provide ongoing leadership and resources to ensure the effective implementation of this policy.
- Relevant business units or subsidiaries will be responsible for developing specific action plans, in conjunction with indigenous communities, to implement this policy.
- Contractors and suppliers will be expected to comply with this policy and its provisions as set out in Enbridge agreements and contracts.