



# Construction Owners Association of Alberta

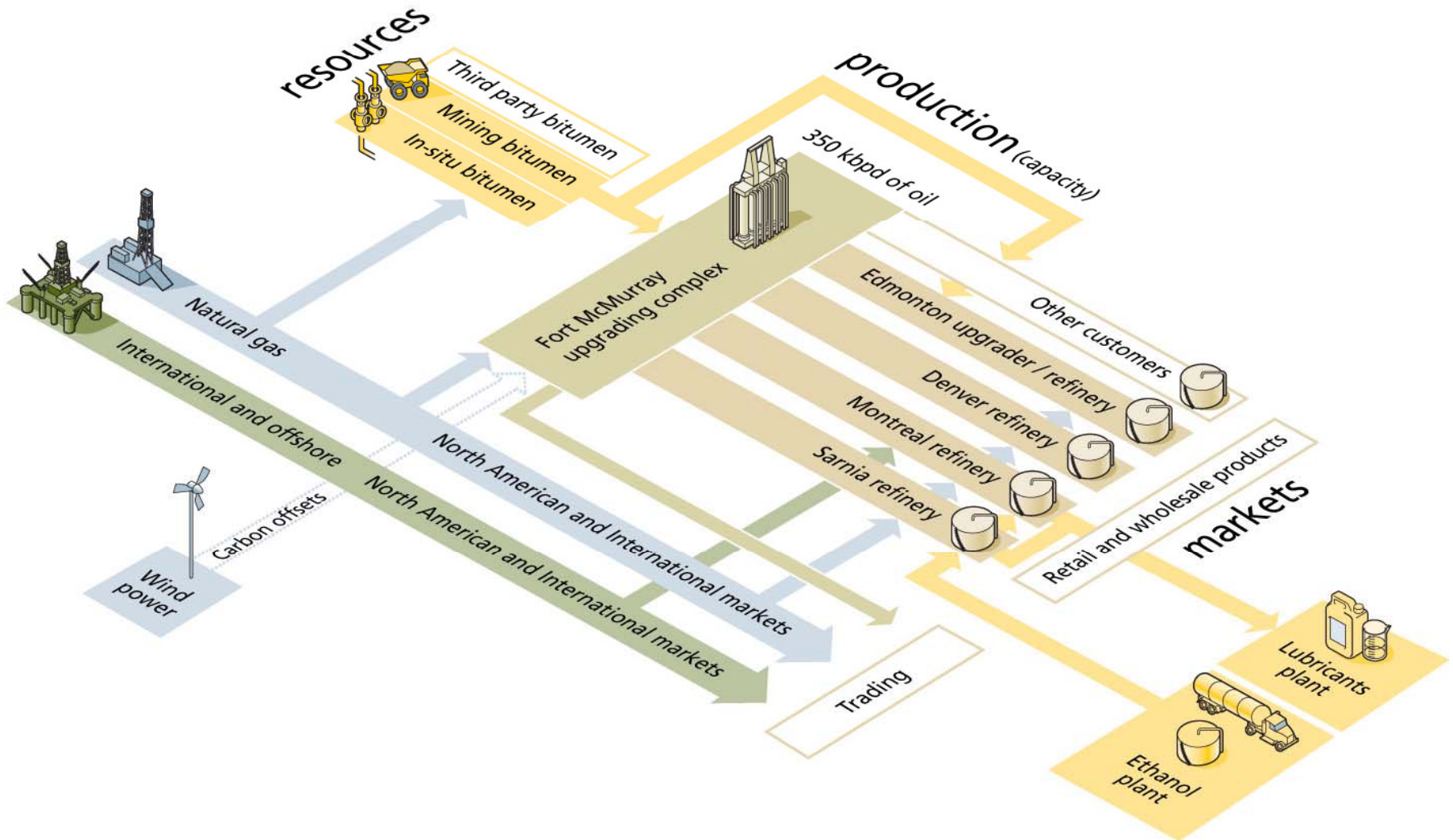
Kevin Nabholz, Suncor Energy Inc.

Edmonton, Alberta

May 18, 2010

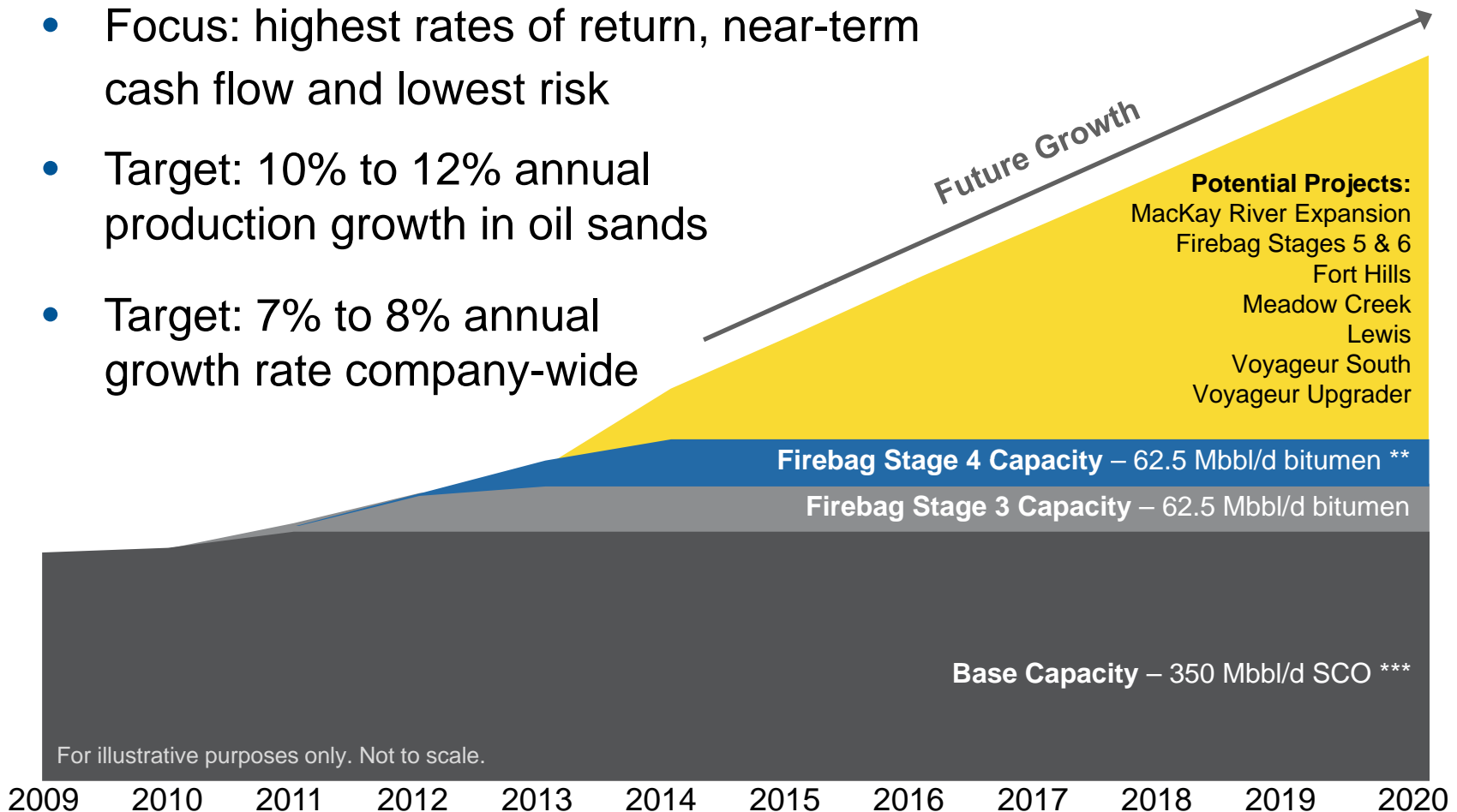


# Suncor's Strategy



# Suncor's Oilsands Growth Options

- Focus: highest rates of return, near-term cash flow and lowest risk
- Target: 10% to 12% annual production growth in oil sands
- Target: 7% to 8% annual growth rate company-wide



\*\* Subject to Board approval

\*\*\* Does not include Suncor's proportionate production share from the Syncrude joint venture

\*\*\*\* Production ramp-up over 18-24 months from first oil date



# Firebag



# Challenges

- **Weather/construction season**
- **Cost escalations**
- **Planning during rapid growth**
- **Equipment/material shortages**
- **Human Resources**

## What have we learned?

- **Freeze scope of projects before engineering and construction**
- **Complete engineering and procurement before fabrication and construction**
- **Avoid mega-projects**
  - Execute projects with smaller peak work forces

# Addressing the Human Resource challenge

## Immigration

- Work with governments
- Increase number of skilled trades allowed to immigrate to Alberta

## Apprenticeships

- Number of positions drop during recessions
- First year apprenticeships have no training, and no safety training
- High attrition rates
- All stakeholders need to work together to find solutions

