



take a closer look

# Responsible Products Program Encana's Experience To Date

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# Responsible Products Program

## Program Drivers

- Manage Risk
  - safety & environmental
  - regulatory
  - social
- Respond to Stakeholder Concerns
  - increased disclosure and transparency
  - improved understanding
  - improved communications
- Support and Enhance our “Social Licence to Operate”
  - community acceptance and support

# Responsible Products Program

## Program Development

- Design Basis:
  - establish a **risk based** product assessment and management program
  - products assessed against recognized independent (i.e. governmental) **health and environmental** screening criteria
  - products assessed at an ingredient level
  - simple, repeatable process and outcomes
  - initial focus on hydraulic fracturing fluid systems
  
- Program Development:
  - Multi-disciplinary collaborative effort between our completions, procurement, environmental, industrial hygiene, regulatory and legal groups in both Canada & the U.S.
  - Supported by Intrinsik (Toxicological Consultants)

# Responsible Products Program

## Program Implementation

- RPP was implemented in both US and Canadian operations
  - integrated within our completion operations groups with support from EH&S and procurement
- In excess of 600 unique completions fluid system products assessed
  - vast majority classified as category A or B
- Proactively work with suppliers for missing and proprietary data
  - third-party inter-mediatory (Intrinsik) obtains data under a confidentiality agreement; Encana provided screening result
- New products assessed prior to usage
  - working to integrating program into the procurement system
- Program conformance assurance
  - Audit program established

# Responsible Products Program

## Program Outcomes

- RPP has been a success to date
  - improved product awareness within procurement and completions operations
  - improved communications between suppliers and Encana; clearer understanding of Encana's requirements and supplier's ability to deliver on those requirements
- Program is influencing product selection and procurement
  - No Category C products currently in use
  - Prohibition of 2BE, diesel, benzene, arsenic, cadmium, chromium, lead & mercury
- Comprehensive product inventory complements FracFocus disclosure
  - Increased transparency to our stakeholders

# Responsible Products Program

## Drives Behaviours & Decision Making

- Example 1: “Won’t Tell/Won’t Use”
  - Supplier refused to disclose CAS# to either Encana or a third-party under a confidentiality agreement; Encana unable to assess risk
  - Encana sourced and identified an alternate product from an alternate supplier who was prepared to comply with the program
  - With the support of Senior Management, the original supplier was released (they had already mobilized to the location) and replaced with the compliant supplier
  - Alternate supplier’s product performed comparably or better than the original product and turned out to be a more cost effective solution

# Responsible Products Program

## Drives Behaviours & Decision Making

- Example 2: “Assessed & Replaced”
  - A fluid was assessed and found to contain a Category C ingredient
  - Working cooperatively with supplier Encana and the supplier’s technical representative were able to identify an alternative product from the supplier’s existing product line that both met Encana’s technical requirements and had a better risk profile (Category B)
  - The original Category C product has been removed from use and substituted with the Category B replacement across our operations