

June 13, 2005

Bennett Jones LLP
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Attention: Lenard M. Sali, Q.C.

Dear Sir:

**RE: PROCEEDING NO. 1347905
BITUMEN CONSERVATION REQUIREMENTS
ATHABASCA, WABISKAW-MCMURRAY
PHASE 3 FINAL HEARING**

The Board does not normally respond to submissions made by a party prior to a hearing, however, I have been asked by the Board to provide you with its response to your letter of June 7, 2005. As you requested, your letter will be filed by the Board as a submission in this proceeding from Paramount Energy Operating Corporation.

The Board has a transparent hearing process and its decisions are based on the record of the proceeding. If the Board becomes aware of facts or information that may be relevant to its decision and it feels that one or more of the parties may not appreciate the importance of those facts or that information, it has been the Board's practice to draw the parties' attention to the matter so that the facts or information in question can be tested in the proceeding and the best possible record be obtained.

In terms of the earlier proceedings, the Board's decision reports and the records of those proceedings are available at the Board's offices, and in part on the Internet. If they are not already aware of the Board's views on the evidence and submissions made in previous proceedings, participants have ready access to the Board's decision reports which indicate the evidence and submissions that influenced the Board.

With respect to future interaction between the Board and Board staff, the Board is obviously not able to comment on discussions that have not taken place. However, if it will assist you to avoid having to make assumptions, I can advise that the Board expects that Board staff will fulfill its obligation to assist the Board by performing the duties and responsibilities the Board's staff has historically undertaken. The historical role of Board staff was described in the Board's Memorandum filed September 30, 2004, in Appeal No. 0301-0107 (appeal relating to a decision of the Board during the Chard Leismer hearing). If you or any other individual interested in this

proceeding wishes to review that material and does not have access to it, please feel free to contact me.

In summary, the Board is at least as concerned as each of the participants that its hearing process observe the core principles of due process, fairness and natural justice. The Board is satisfied that to date the course of the Phase 3 proceedings have honoured those principles, and that the Board will have due regard for those principles as the balance of the proceeding unfolds.

Yours truly,

Original Signed by

Gary D. Perkins
Board Counsel

cc: List of Interested Parties (email)
List of Counsel (email)

List of Interested Parties - Bitumen Conservation Final Hearing (revised June 9, 2005)

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