



October 6, 2006

Mr. Eric Theriault
Advisor, Environmental Affairs
Canada-Nova Scotia Offshore Petroleum Board
6th Floor, TD Centre
1791 Barrington Street
Halifax, NS
B3J 3K9

Dear Mr. Theriault:

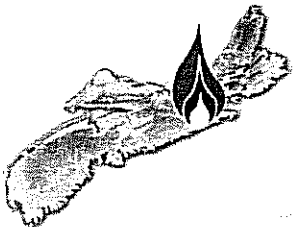
Re: EnCana Corporation Deep Panuke Offshore Gas Development Project

I write on behalf of the Council of the Municipality of the District of Guysborough with the following list of considerations and questions with respect to the Scope of the Environmental Assessment for the Proposed EnCana Corporation Deep Panuke Offshore Gas Development Project.

The Municipality of the District of Guysborough has been involved in the planning process for industrial projects in the Goldboro area for the past number of years. In 2004 the Municipality adopted an Industrial Development Strategy which focuses on industrial development in both Goldboro and Melford. The Municipality has also proceeded with the development of an industrial park in Goldboro which contains approximately 900 +/- acres of industrial land currently owned by the Municipality.

As part of our Municipality's strategy to encourage industrial development in the Goldboro Industrial Park area approximately 7,000 acres has been zoned Industrial Resource M-3 which is specifically designed to encourage and promote industrial development such as gas processing, including petrochemical facilities and LNG Plants (copy attached). Therefore, the Municipality supports activities in the Goldboro Industrial Park which could increase gas supply and availability to the Park. The majority of the Industrial Park lands are currently optioned to Keltic Petrochemicals Inc./Maple LNG to allow the development of the proposed LNG and Petrochemical facilities to proceed. The Municipality has reserved a 100 metre pipeline corridor along the eastern edge of the Park boundary and when considering easement requests the Municipality will consider proposals that demonstrate highest and best use of industrial park land and corridor.

.../2



33 Pleasant Street
PO Box 79, Guysborough
Nova Scotia B0H 1N0
Tel: 902-533-3705/3508 Fax: 902-533-2749

Local Communication:

In 2001 the Municipality formed an Industry Liaison Committee to provide ongoing communication between the Municipality, local representatives and the energy industry. Specifically, the Committee can provide feedback to industry project teams with respect to infrastructure design, environmental and socio-economic concerns as well as other local issues. This Committee consists of Members of Council as well as local Guysborough County Regional Development Authority and Citizen Representation. As such the Municipality would request that:

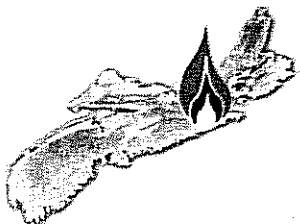
- EnCana be encouraged to take part in the Industry Liaison Committee and use this resource as a method of ongoing communication between this industry and the community especially during design and construction.

Off Shore Pipeline Corridor:

The Province of Nova Scotia has indicated in its energy policy that it will "ask the CNSOPB to help minimize energy and fishing industry conflict by creating a limited number of utility corridors for pipelines from the offshore to the onshore". Further the policy provides that "(r)outing will be restricted to a few defined utility corridors to concentrate the availability of liquids in a small number of onshore areas..." The EnCana project proposal is for the offshore pipeline to either consist of a sub-sea tie-in to the existing SOEP 26 inch pipeline downstream of the Thebaud Platform (SOEP Sub-sea Option); or, a dedicated pipeline to shore, with connection to the existing Maritimes and Northeast Pipeline (M&NP Option). The M&NP Option is for the offshore pipeline to follow the existing SOEP pipeline corridor with a separation of approximately 1 km between the SOEP and EnCana pipeline to 7 km from the shoreline at Goldboro where the pipeline will continue approximately 100 m from the SOEP pipeline until it reaches shore.

On the basis that there will be a limited number of pipeline corridors in order to concentrate natural gas and natural gas liquids and to minimize impact on the environment the Municipality is concerned that detailed offshore pipeline routing is not available at this point. In addition, the Municipality has a 900 acre industrial park in Goldboro and has recently expanded the industrial zoning to approximately 7,000 acres. Offshore access to the Industrial Park must be as efficient as possible to ensure that projects following the EnCana project have room to install either pipeline from offshore to the Industrial Park or other utilities such as high voltage direct current cables from the Park to the offshore, etc. The Municipality has also optioned land in the Goldboro Industrial Park to Keltic Petrochemicals Inc. for their proposed LNG and Petrochemical facilities.

.../3



33 Pleasant Street
PO Box 79, Guysborough
Nova Scotia B0H 1N0
Tel: 902-533-3705/3508 Fax: 902-533-2749

During the last number of years the Guysborough County Inshore Fisherman's Association has undertaken a conservation, recruitment and research program aimed at the lobster fishery. It is thought that his program has been very successful in increasing the lobster population. Also, issues have been raised at public meetings in the Goldboro area as to what impact industry will have on the fishing industry in the area and what measures will be taken to address those impacts. As such the Municipality would request that:

- Detailed near shore pipeline routing be produced and made available to the Municipality and the public as soon as possible; and
- Near shore pipeline routing must consider utility corridor expansion to and from the Goldboro Industrial Park - both onshore and offshore.
- Pipeline routing to take into consideration both offshore and onshore structures and facilities in relation to proposed Keltic Petrochemicals Inc. project and the Maple LNG project.
- Fishery information for the inshore area be updated to reflect the current state of the fishery; and, the environmental assessment to address the impact that the pipeline installation will have on the fishery.
- EnCana to work with local fishermen on a negotiated process establishing terms of agreement for compensation linked to project impact.

On Shore Pipeline Corridor:

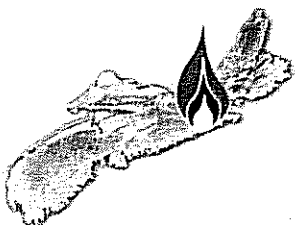
The Municipality of the District of Guysborough has identified a 100 metre pipeline corridor that follows along the eastern boundary of the Goldboro Industrial Park lands adjacent to the SOEP pipeline. The Municipality has reserved this pipeline corridor from lands optioned to Keltic Petrochemicals Inc.

- EnCana be requested to follow the 100 metre pipeline corridor while considering as a minimum highest and best use of industrial park land and corridor, environmental, safety, utility corridor,, etc.
- EnCana be requested to minimize impact of pipeline routing and construction on proposed Keltic Petrochemicals Inc. project and Maple LNG project.

Security of Supply and gas availability at Goldboro:

With respect to economic stability and growth, in the 2002 CSR Pan Canadian indicated that the project "adds not only quantity, but also security, to the supply of natural gas at Goldboro". On this basis, the Municipality would request that EnCana provide the following information:

.../4



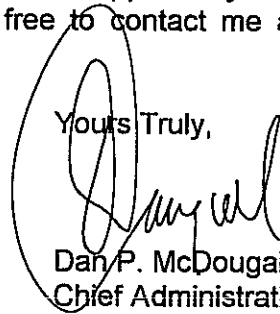
33 Pleasant Street
PO Box 79, Guysborough
Nova Scotia B0H 1N0
Tel: 902-533-3705/3508 Fax: 902-533-2749

Mr. Eric Theriault
October 6, 2006
Page 4

- Terms of access for industrial customers at Goldboro for natural gas;
- Terms of access for industrial customers at Goldboro for ethane, propane & butane;
- Will there be a transmission toll from the offshore platform to Goldboro to be applied to gas, liquids, etc.; and
- Quantity of gas, ethane, etc. that will be available for industrial use during the life cycle of the project (by year).

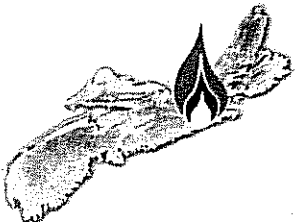
On behalf of Council I would like to thank you for the opportunity to comment on this document. If you have any questions please feel free to contact me at (902) 533-3705, Extension 228.

Yours Truly,



Dan P. McDougall
Chief Administrative Officer

c. Council



33 Pleasant Street
PO Box 79, Guysborough
Nova Scotia B0H 1N0
Tel: 902-533-3705/3508 Fax: 902-533-2749

PART 9 – INDUSTRIAL RESOURCE M-3 ZONE

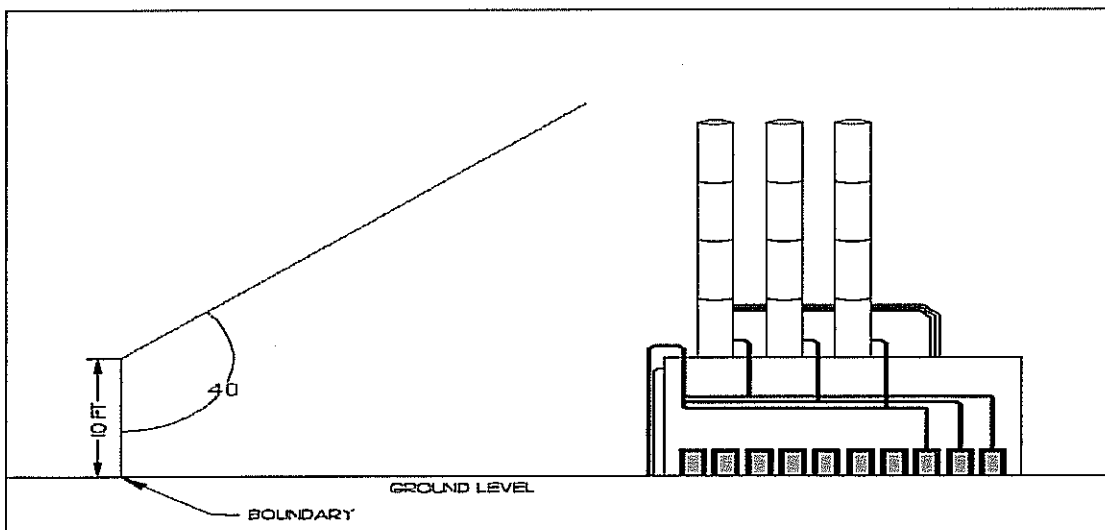
1. No development permits shall be issued in an Industrial Resource M-3 Zone except for one or more of the following uses:
 - Oil refineries and manufacturing
 - Gas processing, including petrochemical facilities and LNG plants
 - Marine terminals, including wharfs and storage facilities
 - Wind farms or wind turbine
 - Power Generation Facilities
 - Temporary uses related to industrial development

GENERAL LOT REQUIREMENTS

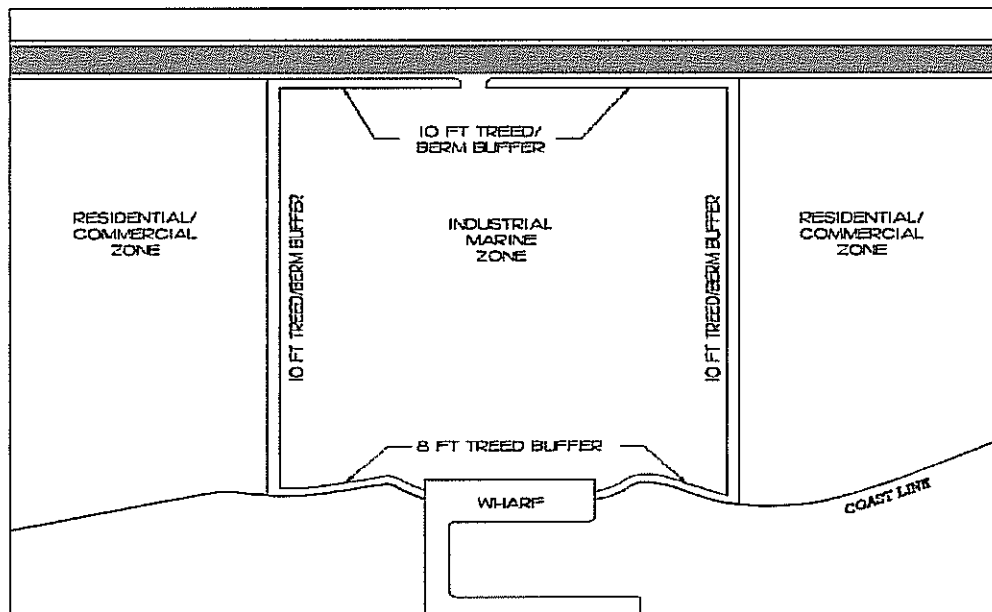
2. In any Industrial Resource (M-3) Zone, no development permit shall be issued except in conformity with the following requirements:
 - a. Minimum Lot Area: 40,000 square feet
 - b. Minimum Lot Frontage: 200 feet

SPECIAL PROVISIONS

3. The following special provisions shall apply to: Oil refineries and manufacturing, gas processing, including petrochemical facilities, LNG plants, marine terminals, including wharfs and storage facilities, power generation facilities and temporary uses:
 - a. All parts of buildings and structures shall be contained within a 40° plane commencing at a point 10 feet above grade inclined inwards at right angles in elevation from all parts of the front, side and rear boundaries where they adjoin any zone except another industrial M-2 or M-3 zoned site (refer to diagram for explanation). This rule does not apply to boundaries that adjoin the coastline, rivers or lakes.



- b. The front and side boundaries shall either contain a 10 feet in depth landscape strip consisting of tree saplings spaced at intervals no greater than 3.2 feet or a 10 feet high berm, unless the Development Officer agrees that the existing natural characteristics of the terrain and/or vegetation to be retained will provide a reasonable screen separation between the buildings/structures and adjoining properties/roads (refer to diagram below). This strip can only be interrupted by crossings required to access the site. The owner shall be responsible for replacing any trees that die within this landscape strip during the life of the project.
- c. The boundary(s) adjoining the coast shall provide an 8 feet in depth landscape strip starting from the vegetation line. The Development Officer shall determine the vegetation line. This landscape strip shall consist of trees spaced at intervals no greater than 3.2 feet unless the Development Officer agrees that the existing natural characteristics of the terrain and/or vegetation to be retained will provide a reasonable screen separation between the buildings/structures and coastline (refer to diagram below). This strip can only be interrupted by crossings required to access the site and wharf facilities. The owner/operator shall be responsible for replacing any trees that die within this landscape strip during the life of the project.

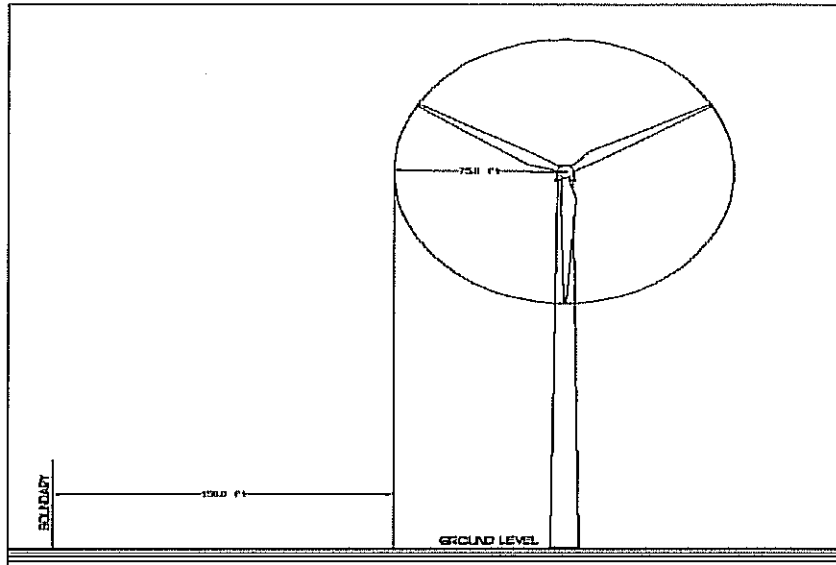


- d. All structures and buildings exceeding a height greater than 30 feet shall consist of non-reflective materials/colors.
- e. With the exception of pump stations and supporting pipes for the purposes of accessing water, no building or storage of material shall be permitted within 330 ft of a lake edge.

SPECIAL PROVISIONS CONTINUED

The following special provisions shall apply to wind farms:

- f. No wind turbine shall be located closer than twice the distance of the blade radius from the boundary.



- g. No wind turbine shall be permitted within 330 ft of a lake edge.
- h. All wind turbines shall consist of non-reflective materials/colours.
- i. The only form of advertising permitted on a wind turbine shall relate to the operator and/or manufacturer of the turbines and shall be limited to the gear box as illustrated below.

