



**ANNUAL PROGRESS REPORT
JOINT 2011 WORK PLAN ACTIVITIES**

**CANADA-NOVA SCOTIA OFFSHORE PETROLEUM BOARD
FISHERIES AND OCEANS CANADA**

AND

ENVIRONMENT CANADA

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Introduction

The Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) and Environment Canada (EC) entered into a Memorandum of Understanding (MOU) on March 31, 1999, to work co-operatively to meet the shared objective of environmental protection in the Nova Scotia offshore area. On July 26, 2001, a similar agreement was signed between the CNSOPB and Fisheries and Oceans Canada (DFO), Maritimes Region. In April 2004, the MOU between the CNSOPB and DFO was amended to formally include DFO Gulf Region as a signatory.

Under the MOUs, one of the deliverables is this annual report to the Executive Committee, which summarizes the progress of joint projects defined in the 2011 Annual Work Plan.

Discussion

In 2011, the CNSOPB, DFO and EC agreed to continue to work collaboratively on a tripartite work plan, with the objective of enhancing current mechanisms and practices for delivering environmental protection and conservation measures in the offshore environment.

The 2011 work plan included a total of eight projects, the majority of which were completed, while some are anticipated to continue into 2012. Table 1 provides a summary of the progress for each project.

TABLE 1: Summary of Progress

PROJECT	CO-LEADS	ALL / MOST DELIVERABLES COMPLETED	SOME DELIVERABLES COMPLETED	NO SIGNIFICANT DELIVERABLES COMPLETED
1- Joint Priority Setting and Planning	CNSOPB, EC, and DFO	X		
2 - Environmental Assessment	CNSOPB, EC, and DFO	X		
3 – Environmental Effects Monitoring	CNSOPB, EC, and DFO	X		
4 – Ongoing Activities	CNSOPB, EC, and DFO	X		
5 – Integrated Management and Conservation Initiatives	CNSOPB and DFO	X		
6 – Air Emissions	CNSOPB and EC	X		
7 – Ocean Disposal	CNSOPB and EC		X	
8 – Reporting on Progress	CNSOPB, EC, and DFO	X		

Progress was made on all projects planned for 2011. Major collaborative activities that took place in 2011 included: participation in the CNSOPB-led development of a Strategic Environmental Assessment for the Southwestern Scotian Slope area; review of environmental effects monitoring plans and environmental protection plans for multiple phases of Encana's Deep Panuke Project; a joint inspection of ExxonMobil's halocarbon containing equipment between EC and the CNSOPB, and continued collaboration in the process for the establishment of St Anns Bank as a Marine Protected Area. Other issues that staff members from the three signatory organizations exchanged information on, in a timely and effective manner, included: continued collaboration in the Sable Island National Park Reserve designation process; review of ExxonMobil's 2011 Environmental Effects Monitoring program and the results of their 2010 program; and the beginning of the environmental assessment process for a seismic program over EL2419 proposed by Scotian Exploration to take place in 2012.

A summary of the status and progress of each project in the work plan is included in Appendix 1.

Representatives of the three organizations reviewed and discussed the status of various projects under the 2011 work plan throughout the year. Overall, the progress on work plan deliverables was very good. Project 7 (Ocean Disposal) remains ongoing.

Approvals

For Fisheries and Oceans Canada:



David Millar
Regional Director
Ecosystem Management
Maritimes Region

16 Dec 2011

Date



Roland Cormier
Regional Director
Ecosystem Management
Gulf Region

Dec 16 / 2011

Date

For Environment Canada:

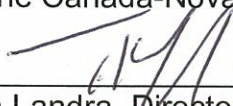


for _____
I.R. Geoffrey Mercer
Regional Director
Environmental Protection Operations Directorate
Atlantic

December 16, 2011

Date

For the Canada-Nova Scotia Offshore Petroleum Board:



Keith Landra, Director
Operations/Health, Safety & Environment

16 Dec 2011

Date

APPENDIX 1

STATUS REPORT ON CNSOPB/DFO/EC 2011 JOINT PROJECTS

The following summarizes the progress on the eight joint projects defined in the 2011 CNSOPB/DFO/EC Work Plan.

PROJECT 1- Joint Priority Setting and Planning

Project Team Leader: Keith Landra (CNSOPB)

Project Team Resources:

Geoff Mercer (EC)

Roland Cormier (DFO Gulf) and David Millar (DFO Maritimes)

Deliverables:

- Discussions of issues/areas requiring collaborative work, and an estimate of associated workloads.
- Continued input into research objectives of various funding groups [e.g. Environmental Studies Research Fund (ESRF), Program of Energy and Research Development (PERD)].
- Development of a joint 2012 Annual Work Plan, coordinated by the CNSOPB with DFO and EC.

Status: Complete

The three organizations were effective in working towards the achievement of the deliverables identified under this project. Progress was made on all of the deliverables. Research priorities were considered through the Offshore Energy Environmental Research Association (OEER), the Environmental Studies Research Fund (ESRF) and the Program of Energy and Research Development (PERD), as well as discussions with the Centre for Offshore Oil and Gas Environmental Research (COOGER). The 2012 MOU Work Plan has been drafted, including a new project: Air Emissions Monitoring (Deep Panuke start-up).

PROJECT 2 - Environmental Assessment

Project Team Leader: Eric Theriault (CNSOPB)

Project Team Resources: Don Logan and Elizabeth MacDonald (CNSOPB)
Jayne Roma and Jeff Corkum (EC)
Donald Humphrey (DFO Maritimes) and Ross Alexander (DFO Gulf)

Deliverables:

- Ongoing cooperation between the parties in fulfilling their respective obligations under the *Canadian Environmental Assessment Act* (CEAA).
- Continued cooperation in addressing post-Environmental Assessment (EA) commitments on the Deep Panuke project, including the review of additional information submitted by the proponent.
- Finalization of EnCana's production Environmental Protection and Compliance Monitoring Plan (EPCMP) for Deep Panuke.

Status: All deliverables were completed (there are annual ongoing projects). An additional project – the Strategic Environmental Assessment for the southwestern Scotian Slope – was initiated after the 2011 Work Plan was approved.

There was ongoing cooperation between DFO, EC and CNSOPB to ensure obligations under CEAA, and signatories' policies continue to be met during the review of the Scotia Exploration (EL2419) Seismic Project Description and post-EA follow-up for the Deep Panuke project. Several construction related environmental protection plans for Deep Panuke were reviewed and accepted. The Deep Panuke draft EPCMP was submitted and reviewed by all parties; it is anticipated that the final document will be re-submitted by mid-December. The Strategic Environmental Assessment for the southwestern Scotian Slope was initiated after the Work Plan was completed but was reviewed cooperatively.

PROJECT 3 – Environmental Effects Monitoring

Project Team Leader: Eric Theriault (CNSOPB)

Project Team Resources: Sue Ellen Maher (EC)
Donald Humphrey (DFO Maritimes), Ross Alexander (DFO Gulf) and Don Logan (CNSOPB)

Deliverables:

- Ongoing review of EEM programs and results on an as-needed basis, following the *Environmental Effects Monitoring Coordination Framework* developed by the CNSOPB, DFO and EC.

Status: This year's EEM reviews were completed. Annual ongoing review will continue.

In accordance with the 2005 EEM Coordination Framework, a review of ExxonMobil's 2010 EEM results and 2011 EEM Plan was completed during the year. The production related environmental effects monitoring program for Deep Panuke was reviewed and accepted.

PROJECT 4 – Ongoing Activities

Team Co-leads: Andrea Carew (DFO Maritimes, Fernand Savoie (DFO Gulf), Julie McKnight (EC) and Don Logan/Elizabeth MacDonald for the Species at Risk Act (SARA) deliverables. Wayne Barchard (EC), Don Logan and Elizabeth MacDonald (CNSOPB) for all other deliverables.

Deliverables:

- EC and the CNSOPB will endeavor to undertake joint compliance verification activities each year, including monitoring and audits, under their respective mandates.
- Exchange of information between EC and the CNSOPB regarding response to offshore spills.
- The CNSOPB will continue to participate in SARA recovery strategy discussions and recovery planning teams initiated by DFO and EC.
- The SARA Working Group will continue to meet and share information to help interpret SARA requirements and provide guidance.

Status: Ongoing

A joint inspection, related to the Federal Halocarbon Regulations, of ExxonMobil's Sable Offshore Energy Project was conducted by EC and the CNSOPB in 2011. The exchange of information regarding response to offshore spills/incidents continues as well. Several CNSOPB staff participated in the annual Regional Environmental Emergencies Team (REET) meeting. A special

offshore petroleum sector meeting with REET members is scheduled for January 2012 at the CNSOPB's offices. EC and DFO continue to participate on the CNSOPB SARA Working Group.

PROJECT 5 – Integrated Management and Conservation Initiatives

Project Team Leaders: David Millar (DFO Maritimes) and Roland Cormier (DFO Gulf), Eric Theriault (CNSOPB)

Project Team Resources: Elizabeth MacDonald and Don Logan (CNSOPB)
Glen Herbert (DFO Maritimes) and Ross Alexander (DFO Gulf)

Deliverables:

- The CNSOPB will collaborate with DFO on initiatives and governance structures developed under the *Oceans Act*, including the Eastern Scotian Shelf Integrated Management (ESSIM) and Gulf Region processes and related working groups.
- The CNSOPB and DFO will collaborate in support of the management and conservation of the Gully Marine Protected Area (MPA).
- The CNSOPB will continue to participate in DFO's MPA processes, as appropriate.

Status: Ongoing

The CNSOPB participated in the Regional Committee on Coastal and Oceans Management and all ESSIM Stakeholder Advisory Committee meetings. There was ongoing implementation of the Gully MPA Management Plan as it relates to CNSOPB activities. The CNSOPB also continues to participate in Gully Advisory Committee meetings. The CNSOPB continues to provide input into the St Anns Bank MPA planning process and broader MPA network planning.

PROJECT 6 – Air Emissions

Project Team Leader: Michael Hingston (EC)

Project Team Resources: Elizabeth MacDonald (CNSOPB)

Deliverables:

- Ongoing collection, sharing and analysis of data

Status: Ongoing

Sable Island air emissions data continues to be collected, analyzed and shared as appropriate. A new air emission monitoring project is planned for 2012 for monitoring emissions during Deep Panuke start-up.

PROJECT 7 – Ocean Disposal

Project Team Leader: Jeff Corkum (EC)

Project Team Resources: Eric Theriault (CNSOPB)

Deliverables:

- Following completion of the internal review of a 2008 study which examined the applicability of the Disposal at Sea requirements, EC will initiate discussions with the CNSOPB on the development of a guidance document.

Status: Ongoing

In June, EC provided the CNSOPB with a draft document generally discussing disposal at sea related to the offshore petroleum industry. Comments were provided back to EC at that time. The document required additional work, to make it more specific to the activities of the offshore industry.

PROJECT 8 – Reporting on Progress

Project Team Leader: Keith Landra (CNSOPB)

Project Team Resources: Geoff Mercer (EC), David Millar (DFO Maritimes) and Roland Cormier (DFO Gulf)

Deliverables:

- Bi-annual summary of progress
- Annual Report to Executive Committee

Status: Complete

The bi-annual summary was completed in June, 2011. This Annual Progress Report satisfies the second deliverable outlined under this project.