

**COMPREHENSIVE STUDY PROCESS**  
**for the**  
**DEEP PANUKE OFFSHORE GAS DEVELOPMENT PROJECT**  
**under the**  
***CANADIAN ENVIRONMENTAL ASSESSMENT ACT***

**1. Introduction:** This document has been prepared in accordance with the Federal Environmental Assessment Coordinator provisions (subsections 12.1 through 12.5) of the *Canadian Environmental Assessment Act* (the CEA Act). It describes the comprehensive study process under the CEA Act, and is intended to aid coordination among the federal authorities in conducting the environmental assessment (EA) of the project. The federal authorities have agreed upon the process described herein.

**2. Project: DEEP PANUKE OFFSHORE GAS DEVELOPMENT**

- Proponent: EnCana Corporation
- Description: The project is a modified version of an offshore gas development project that was previously assessed. See the 2002 Comprehensive Study Report (CSR)([http://www.ceaa-acee.gc.ca/010/0003/0057/report\\_e.htm](http://www.ceaa-acee.gc.ca/010/0003/0057/report_e.htm)) for a full description of original proposal, and EnCana's August 28, 2006 Project Description ([http://www.cnsopb.ns.ca/whatsnew/pdf/Official\\_Project\\_Description.pdf](http://www.cnsopb.ns.ca/whatsnew/pdf/Official_Project_Description.pdf)) for further details of the revised project. In addition to variations in the facility itself, the new project proposes two options for the transportation system to deliver Deep Panuke sales product, either:
  - through a new 176 km subsea pipeline to an onshore interconnection near Goldboro, Nova Scotia, with the existing Maritimes & Northeast Pipeline (M&NP Option), or
  - through a new 15 km subsea pipeline to an interconnection with the existing Goldboro Sable Offshore Energy Project (SOEP) subsea pipeline (SOEP Subsea Option).

**3. Federal Environmental Assessment Process**

The CEA Act contains no provisions for updating a completed assessment. Therefore, if the changes warrant additional assessment, a new federal EA of the project may be required. The responsible authorities (RAs) have determined that the new proposed project introduces potential environmental effects that were not previously assessed. In addition, some of the components that are unique to the new proposal may, in themselves,

require federal approvals that are named in the *Law List Regulations* of the CEA Act. Therefore a new federal EA is required.

Both the M&NP and SOEP Subsea project options are described in Part V (Oil and Gas Projects) of the *Comprehensive Study List Regulations* of the CEA Act (Paragraph 11.1(b)). Thus a comprehensive study is required. The Deep Panuke project, albeit in a different configuration, was the subject of a comprehensive study that was conducted in 2001-02, at the conclusion of which the Minister of the Environment (the Minister) chose not to refer the project to a review panel, instead referring it back the RAs for regulatory decision-making. On November 9, 2006 the Minister recommended that assessment of the new project also be completed as a comprehensive study.

The CEA Act requires that the previous EA be used to whatever extent is appropriate in conducting the EA of the new project. Section 24 states:

"24. (1) Where a proponent proposes to carry out, in whole or in part, a project for which an environmental assessment was previously conducted and

- (a) the project did not proceed after the assessment was completed,
- (b) in the case of a project that is in relation to a physical work, the proponent proposes an undertaking in relation to that work different from that proposed when the assessment was conducted,
- (c) the manner in which the project is to be carried out has subsequently changed, or
- (d) the renewal of a licence, permit, approval or other action under a prescribed provision is sought,

the responsible authority shall use that assessment and the report thereon to whatever extent is appropriate for the purpose of complying with section 18 or 21.

(2) Where a responsible authority uses an environmental assessment and the report thereon pursuant to subsection (1), the responsible authority shall ensure that any adjustments are made to the report that are necessary to take into account any significant changes in the environment and in the circumstances of the project and any significant new information relating to the environmental effects of the project."

Furthermore, the new proposed project shares many similarities with the original proposal. Therefore, a great deal of the information from the original EA remains applicable and will be used. The new review will focus on the variations. Regulatory and policy changes since the original EA will also be taken into account, as well as any significant changes in the environment and any significant new information about the project's environmental effects. For example, the new *Species at Risk Act* (SARA) has implications for federal EA, as well as the 2003 amendments to the CEA Act.

For the SOEP Subsea Option, Exxon-Mobil would require NEB approval for a connection to the SOEP pipeline, which would trigger an EA pursuant to the CEA Act. Although this may require a separate EA, it is intended that the environmental effects of this option will be addressed to the extent possible in the Deep Panuke EA.

#### **4. Coordination With Other Review Processes**

Based on current information, no other EA processes are applicable. This is premised on the understanding that land-based components of the project, if applicable, would remain similar to what was proposed in the original project. If the land-based components change, the applicability of the Nova Scotia *Environmental Assessment Regulations* would have to be re-examined.

The project is also subject to regulatory review (including environment aspects) by the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) and the National Energy Board (NEB). To avoid duplication and provide a single forum for the receipt of public comments and evidence respecting the Project, the CNSOPB and the NEB have agreed that they will conduct a coordinated and concurrent public regulatory review process (the Public Process), as outlined in the Directions on Procedures issued jointly by the two Boards.

This project review takes place in the context of the February 2005 *Memorandum Of Understanding On Effective, Coordinated And Concurrent Environmental Assessment And Regulatory Processes For Offshore Petroleum Development Projects In The Nova Scotia Offshore Area*. In keeping with the MOU, the CEAA review will proceed concurrently with and, to the extent possible, be coordinated with the Public Process. Specifically, RAs will use the Public Process to request information and clarification from EnCana and to provide the public with an opportunity to participate in the comprehensive study. Following completion of the oral hearing portion of the Public Process, the CNSOPB Commissioner and NEB Member will prepare an Environmental Report that will also be considered by the RAs when preparing the comprehensive study.

#### **5. Federal Coordination**

Upon receipt of a project description, a federal coordination notice was issued by the CNSOPB to Fisheries and Oceans Canada (DFO), Environment Canada (EC), Industry Canada (IC), Transport Canada (TC), Natural Resources Canada (NRCan), the NEB, National Defence (DND) and Health Canada (HC). Copies were provided to the Canadian Environmental Assessment Agency (the Agency) and the Province of Nova Scotia (the Province). All replies were sent to the CNSOPB, with copies to the Agency.

## **6. Federal EA Committee**

Based on the outcome of the federal coordination process, the federal EA committee is as follows:

- Agency: Federal EA Coordinator (FEAC) and chair
- CNSOPB: RA
- DFO: RA
- EC: RA
- IC: RA
- NEB: RA
- TC: RA
- NRCan: expert Federal Authority (FA)

These will henceforth be referred to collectively as the members, or the committee.

In order to proceed, the project will or may require the various approvals listed below.

- CNSOPB authorizations under subsections 142(1)(b) and 143(4)(a) of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act* (Accord Act);
- NEB section 52 certificate of public convenience and necessity (M&NP Option), or a section 58(1) Order for pipeline works (SOEP Option) pursuant to the *National Energy Board Act* (NEB Act);
- DFO authorization under subsection 35(2) of the *Fisheries Act* for the harmful alteration, disruption or destruction (HADD) of fish habitat. Depending on the methods used to install the pipeline, the project may also require a section 32 *Fisheries Act* authorization for the destruction of fish by means other than fishing (e.g. use of explosives);
- EC permit under subsection 127(1) of the *Canadian Environmental Protection Act* (CEPA) for disposal of a substance at sea;
- TC approval under subsection 5(1) of the *Navigable Waters Protection Act* (NWPA) for a work to be built or placed in, on, over, under, through or across any navigable water; and

- IC approval under paragraph 5(1)(f) of the *Radiocommunication Act* for sites on which radio apparatus may be located as well as the erection of such things as towers and masts, and for which paragraph 13 (Schedule I, Part I General) of the *Exclusion List Regulations* does not apply.

All authorizations named above are described in the *Law List Regulations* of the CEA Act. Their issuance therefore constitutes a power as described in section 5 of the CEA Act and results in the requirement to ensure that an EA is conducted.

The committee will operate based on the following principles:

- RA and FEAC or alternates authorized by the committee are always present at meetings when required;
- Composition may be amended according to the issues;
- Members must inform other members without delay if there are problems in meeting a deadline;
- Tasks may be transferred among members;
- Information should be shared among all the members;
- There will be no formal minutes of committee meetings, but action items will be recorded.

### **7. Canadian Environmental Assessment Registry (CEAR)**

Upon confirming its status as an RA, the CNSOPB posted a notice of commencement on the CEAR Internet site. The CEAR Reference number is 06-03-21748. The CNSOPB will promptly post all records described in sub-section 55.3 of the CEA Act, as they become available, and will maintain the project file. The Agency will post the records listed in sub-section 55.2 and will provide copies to the CNSOPB as necessary for inclusion in the hard copy project file. The applicable 55.2 and 55.3 records are listed in Appendix 1.

In addition to the CEAR, the CNSOPB maintains a public registry for the project on its web site, which contains all documents related to the EA.

### **8. Scoping**

The RAs developed a draft scope for the comprehensive study, describing the scope of the project to be assessed, the factors to be considered and the proposed scope of those factors. The scope is focussed on those aspects that vary from the 2002 EA.

In accordance with section 21(1) of the CEA Act, the public was invited to comment on the draft scope, and the ability of the comprehensive study to address issues related to the project. The public comment period was twenty-one days (from September 22 to October 13, 2006). The written submissions received from the public have been placed in the CEAR and the CNSOPB public registry and were taken into consideration by the RAs prior to finalizing the track report (see following section).

### **9. Report to Minister on Recommended Assessment Type (Track Report)**

The RAs prepared a report as required by subsection 21(2) of the CEA Act. The report, commonly referred to as the ‘track report’, provided the basis for the Minister’s decision to either refer the project to the RAs to continue the comprehensive study, or refer the project to a mediator or review panel. The final track report was placed into the CEAR project file. On November 9, 2006, the Minister decided that the EA would continue as a comprehensive study.

### **10. Public Consultation**

Consultation with the public is available at three stages of a comprehensive study: during the preparation of the scope of the environmental assessment, during the preparation of the comprehensive study and while the Minister is reviewing the completed CSR. In addition, participant funding is available for every comprehensive study conducted under the CEA Act. The Agency manages the participant funding program. Details of the Deep Panuke participant funding are available on the Agency’s Internet site.

As described in Section 8, the public was given three weeks to provide written comment on the draft Scoping Document.

The public will also have an opportunity to submit written and oral comment on the proponent’s Environmental Assessment Report (EA Report) in accordance with the Directions on Procedure (DOP) issued jointly by the CNSOPB and the NEB as part of the Public Process.

Finally, the public will also have a period (to be determined by the Agency) to examine the CSR, prior to the Minister’s decision. This period is typically about four weeks. The Agency will be responsible for the final CSR comment period, including publishing notices and directly notifying interested parties. Comments will be received by the Agency and will be publicly available.

## **11. Government Review of the Proponent's EA Report**

While the RAs will prepare the Comprehensive Study Report (CSR) itself (see following section), the RAs have delegated the conduct of the EA to the proponent, pursuant to section 17 of the CEA Act. The proponent will prepare and submit an EA Report as part of its application.

Government agencies will comment on the EA Report in accordance with the Directions on Procedure (DOP) issued jointly by the CNSOPB and the NEB as part of the Public Process. Specifically, this can be accomplished through the Information Request (IR) process or via a Letter of Comment, or through other means of participation in the hearing, as described in the joint DOP. Prior to submission, comments and IRs will be coordinated by the RAs in a clear, coherent manner that minimizes repetition and facilitates the proponent's ability to respond.

## **12. Comprehensive Study Report (CSR)**

The RAs will prepare the CSR for submission to the Minister in fulfilment of sub-section 21.1 (1)(a) of the CEA Act. The proponent's EA Report, public comments, the proponent's responses to government and public submissions, and the Environmental Report prepared by the CNSOPB Commissioner and NEB Member after the Public Process will all be taken into account by the RAs when preparing the CSR.

A draft of the CSR will be prepared by the CNSOPB and circulated to the members for review prior to completion and translation. The CSR must be able to substantiate the conclusions reached (stand-alone, traceable logic, readily understandable to non-expert readers). The CSR will also show how public comments were considered. The RAs will submit the CSR to the Minister in both official languages. Electronic versions will also be submitted for the Agency to post on its Internet Site, in accordance with the web posting guidelines in Appendix 2.

## **13. Communications**

Communications with the proponent will be primarily through the Public Process. In the event that an RA needs to communicate with the proponent other than through the Public Process, the other committee members should be kept informed. RAs will ensure that any significant outcomes of discussions with the proponent outside the Public Process are placed on the public record.

#### **14. Mitigation**

The RAs will ensure that all mitigation measures taken into consideration in arriving at their respective decisions are implemented. As per 37(2.3) of the Act, the expert FAs will provide any assistance requested by the RAs in ensuring the implementation of mitigation measures upon which the FAs and RAs have agreed. Any such agreement will be confirmed in writing, such as through exchange of letters or e-mail.

#### **15. Follow-Up**

The RAs will design a follow-up program for the project and ensure its implementation. As per the 38(4) of the Act, the expert FAs will provide any assistance requested by the RAs in ensuring the implementation of a follow-up program upon which the FAs and RAs have agreed. Any such agreement will be confirmed in writing, such as through exchange of letters or e-mail.

## Appendix 1 – Internet Site Contribution Listing

<b>The CNSOPB shall ensure that the records referred to in section 55.3, and listed below, are included in the Internet site and project file</b>	<b>The Agency shall ensure that the records referred to in section 55.2, and listed below, are included in the Internet site and project file</b>
Within 14 days after the commencement of an environmental assessment, notice of its commencement	Notice of the Minister's track decision under paragraph 21.1(1)(a) to refer the project to the CNSOPB for continuance of a comprehensive study
A description of the scope of the project in relation to which an environmental assessment is to be conducted, as determined under section 15	The Minister's environmental assessment decision statement under subsection 23 (1) and any request for additional information made prior to the issuance of the decision statement under subsection 23 (2)
A description of the factors to be taken into consideration in the environmental assessment and of the scope of those factors or an indication of how such a description may be obtained	
Any public notices that are issued by the RAs to request public input into the environmental assessment	
The comprehensive study report taken into consideration by the RAs for the purpose of a decision under section 37, or a description of how a copy of the report may be obtained	
The decision of the RAs, made under section 37, concerning the environmental effects of the project, and a statement of any mitigation measures the implementation of which the RAs took into account in making their decisions	
A description summarizing any follow-up program and its results or an indication of how a full description of the program and its results may be obtained	
Any other information that the RAs consider appropriate, including information in the form of a list of relevant documents in which case a description of how they may be obtained shall be provided	
In the event that the environmental assessment is terminated before its completion (under section 26), a notice of termination	

## Appendix 2 – Web Posting Procedures for Comprehensive Study Reports

The Canadian Environmental Assessment Agency (the Agency) invites the public to submit comments on comprehensive study reports as part of the environmental assessment process. These comments are considered by the Agency in its recommendation to the Minister and by the Minister in his decision on the next steps in the process.

### Accessibility

In order to ensure that they are accessible to all Canadians, comprehensive study reports (CSRs) must be available:

- in both official languages; and
- in electronic formats that can be accessed from the Agency Web site.

### Web Posting Requirements

The Government of Canada's standard Web format is HTML. A CSR that is provided in an alternate format will be posted with a standard disclaimer that informs the public how to obtain a hard copy of the report.

The Agency routinely posts reports in **Adobe PDF** (portable document format).

If you cannot save in PDF format, you may submit the report in a **Word file format** such as DOC (document) or RTF (rich text format) and the Agency will save it to PDF before posting it. The Agency will not be responsible for editing or formatting the report.

### File Size and Document Structure

You may submit the report as a single PDF file, or as a series of files, provided the following conditions are met:

- No single file should exceed **2 MB**.
- If the report exceeds 2 MB, please break it into separate files that are more accessible over a slow Internet connection. Please **do not exceed 12 separate files**.

**Tip:**

Consider breaking the report at the main headings of the Table of Contents.

After reducing the file size of graphics, figures and tables (see below), they should be inserted into the text of the report to mirror the presentation of the printed version.

### Tips for Improving Accessibility

Graphics, such as photos and figures, are the most significant source of data contributing to file size. High-resolution photographs containing a great deal of information are often used for printed reports.

To reduce overall file size for the Web, consider the following:

- Can a photograph or figure be scaled down without losing essential information?
- Can the resolution of an image be reduced?

**Tip:**

A typical computer screen has a resolution of fewer than 100 dots per inch (dpi). A photograph saved at 1200 dpi will not appear any sharper on a monitor than an image saved at 300 dpi. The difference would, however, be apparent when the member of the public prints out the PDF. Typical office printers are set to 300 or 600 dpi for everyday printing.

Reports are generally easier to read if the figures and images are incorporated into the text, rather than saved as stand-alone files. This reduces the number of times the Web site visitor must click to find relevant information and puts the images in context.

**Submission Deadlines**

Please submit the electronic files for your CSR at least five business days before the start of the public consultation period. This will allow the Agency to save the files to PDF and create an HTML table of contents if necessary. It also allows you time to resend the files if there is any problem opening them.