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CANADA - NOVA SCOTIA OFFSHORE PETROLEUM BOARD

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File No.: 30,008.23/EDP50,001.3

November 8, 2006

Donna Morykot
EnCana
Suite 700
1701 Hollis Street
Halifax, Nova Scotia
B3J 3M8

Dear Ms. Morykot:

Subject: Scope of the Environmental Assessment for the Deep Panuke Offshore Gas Project

On November 8, 2006, the Minister of the Environment has directed the Responsible Authorities to continue the environmental assessment for the Deep Panuke Offshore Gas Project by means of a comprehensive study.

Attached is the final scope for the environmental assessment.

Best regards,

Eric L. Theriault, P.Eng.
Advisor, Environmental Affairs

Encl.

Cc: Derek MacDonald, CEAA
Marcus Eyre, NEB
Carl Ripley, TC
Mark McLean, DFO
Jayne Roma, EC
John Janes, IC
Curtis Lockett, NRCan

Minister of the Environment



Ministre de l'Environnement

Ottawa, Canada K1A 0H3

Ms. Diana Lee Dalton
 Acting Chief Executive Officer
 Canada-Nova Scotia Off-Shore Petroleum Board
 TD Centre
 1791 Barrington Street, 6th Floor
 Halifax NS B3J 3K9

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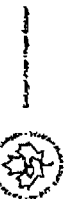
Dear Ms. Dalton:

I am writing to advise you of my decision regarding the level of environmental assessment required for the proposed Deep Panuke Off-Shore Gas Development project.

On October 20, you wrote to me on behalf of the other responsible authorities (RAs), the National Energy Board, Fisheries and Oceans Canada, Transport Canada, Environment Canada and Industry Canada, transmitting the RAs' track report and recommendations for this project. Having taken into consideration the track report and the recommendations, I am referring the project back to the RAs pursuant to subsection 21.1 (1) of the *Canadian Environmental Assessment Act*, to continue with the environmental assessment by means of a comprehensive study. Please be advised that you must ensure that a comprehensive study report is prepared and is provided to me and the Canadian Environmental Assessment Agency (the Agency).

With respect to informing the public about the federal government's decision in this matter, I ask that the Canada-Nova Scotia Off-Shore Petroleum Board, on behalf of the RAs, include on the Canadian Environmental Assessment Registry a description of the factors to be taken into consideration in the environmental assessment of the proposed Deep Panuke Off-Shore Gas Development project and of the scope of those factors, or an indication of how such information may be obtained. Please be advised that the Agency will be issuing, on my behalf, a news release of my determination in this matter.

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Also note that I have written a similar letter to the five RAs; the Honourable Gary Lunn, Minister of Natural Resources, the Honourable Loyola Hearn, Minister of Fisheries and Oceans, the Honourable Lawrence Cannon, Minister of Transport, the Honourable Maxime Bernier, Minister of Industry and Mr. Michael Horgan, Deputy Minister of the Environment, to advise them of my decision and actions in this matter.

I look forward to receiving the completed comprehensive study report on this project.

Yours sincerely,

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a cursive name.

Rona Ambrose