

FILE COPY

CANADA - NOVA SCOTIA OFFSHORE PETROLEUM BOARD

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File No.: 30,008.23/EDP50,001.3

December 19, 2006

Mr. Myles Kehoe
Myles and Associates
PO Box 628
Margaree Forks, NS
B0E 2A0

Dear Mr. Kehoe,

This letter is to address your comments, dated October 12, 2006, on the Draft Scoping Document for the Deep Panuke Offshore Gas Development Project.

Specific to your comments, the Responsible Authorities (RAs) provide the following responses, which are included in the Track Report submitted to the Minister of the Environment:

- It is the opinion of the RAs that a comprehensive study for the Deep Panuke project will ensure a complete and thorough assessment.
- The government of Nova Scotia has conferred on the Commissioner the powers conferred on persons appointed as Commissioners under the Public Inquiries Act (Nova Scotia).
- The Department of National Defence (DND) was contacted during the Federal Coordination Process. At that time they determined that there was not sufficient reason to be involved in the EA as either an RA or an expert federal department. The Board was also informed by DND at that time that there are no known UXO issues in the proposed project area. Please note that DND is the recognized authority for offshore munitions issues.

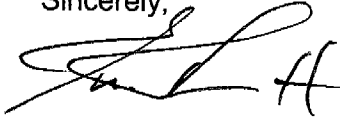
The following is in response to the information items that you requested from EnCana in 2003, and which you reiterated in your letter of comment:

- 1) The Canada Nova Scotia Offshore Petroleum Board (CNSOPB) is not in possession of the correspondence or transcripts of meeting between EnCana and DND regarding the proposed project. Your request for information on correspondence/meetings between the proponent and DND should be directed towards these parties.
- 2) Attachment 1 is DND's Federal Coordination Response sent to the CNSPOB regarding their role in the environmental assessment for the proposed project. A thorough search of our records indicate that no transcripts or minutes were kept for a June 5, 2002 meeting between CNSOPB, EC and DND on the topic of munitions.

- 3) EnCana has committed to, and will be required by the Board, to prepare an Emergency Response Plan. At this early stage of the project the Plan has not yet been developed. The CNSOPB does not develop Emergency Response Plans for proponents.
- 4) EnCana's reason and rationale regarding a letter of indemnification should be requested of the company themselves. The Board has no knowledge of EnCana's reasons or rationale on this matter.
- 5) Please see answer for question 4.
- 6) This information requested is not the property of the CNSOPB. Please refer to the Environmental Assessment submitted by EnCana, for further information on this topic.
- 7) The CNSOPB will require detailed site surveys prior to the construction of the project. At this early stage of the project, the details of these surveys have not yet been developed.
- 8) The lead agency for accidents and malfunctions related to offshore gas activities is the CNSOPB. Depending upon the incident, the CNSOPB obtains expert advice from various government departments.
- 9) Please see response to question 7.
- 10) The report requested is not a CNSOPB publication. Suggest you contact Neill and Gunter to determine if it is publicly available.

Thank you for your comments on the Draft Scoping document and your continued interest in this process. We note that you are registered as an intervener in the public review for the project and expect that this process will be able to fully address your questions.

Sincerely,



Eric Theriault, P. Eng.
Advisor, Environmental Affairs

Enclosure



FORMATION SAFETY AND ENVIRONMENT ATLANTIC

FACSIMILE TRANSMITTAL SHEET

ATTENTION: Beth Vardy - Environmental Analyst	FROM: Sean Brushett - SO Environmental Assessment MARLANT Formation Safety & Environment
SECTION: Canada-Nova Scotia Onshore Petroleum Board	DATE: SEPTEMBER 1, 2006
FAX NUMBER: (902) 422-1799	TOTAL NO. OF PAGES INCLUDING COVER: 2
Phone number:	SENDER'S REFERENCE NUMBER:
RE: Degr Panuke Offshore Gas Development Project Description FCR	YOUR REFERENCE NUMBER:

URGENT
 FOR REVIEW
 PLEASE COMMENT
 PLEASE REPLY
 PLEASE RECYCLE

NOTES/COMMENTS:

Beth,

At this present time, MARLANT/DND has no known UXO issues in the proposed area for offshore gas development (including proposed M&NP option). However, please be advised that the proposed laydown areas for piping appears to traverse through MARLANT Op Areas I & J. As such, we request that prior to any development work, EnCana contact Kyle Penney, F SEMS Officer (902-721-8622) to determine MARLANT Op Area usage during that time.

Regards,

Sean Brushett
 SO Environmental Assessment
 (902) 721-8610
 Brushett.sk@forces.gc.ca

CNSOPB Rec'd	Date: SEP - 1 2006
Distribution:	bv / ET / CAP / ND
Orig to file	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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FEDERAL COORDINATION REGULATIONS

Sections 6

RECORD OF DETERMINATION

File No.: 30,008.23;
EDP 50,001.1

PROJECT NAME: EnCana Corporation's Deep Panuke Offshore Gas Development Project

FEDERAL AUTHORITY:	<u>Department of National Defence</u>
NAME & TITLE:	<u>Kyle Pacey - E SENS officer</u>
SIGNATURE:	<u>[Signature]</u>
	DATE: <u>01/09/06</u> dd / mm / yy

Is your Department / Agency:

(a) likely to require an environmental assessment of the project

(b) not likely to require an environmental assessment of the project

(c) in possession of specialist or expert information or knowledge that is necessary to conduct the environmental assessment of the project

Does your Department / Agency

(d) require additional information to make a determination under items (a), (b) or (c)

If the answer to (a) is "yes"

- Indicate the "trigger" under section 5 of the *Canadian Environmental Assessment Act*
Trigger: _____
- Identify the contact person for the environmental assessment if different from above.
Name & Title: _____
Address: _____
Telephone/Fax: _____
e-mail: _____

If the answer to (d) is "yes", the Regulations require that the additional information be requested within 10 days after making the determination.

Please return by fax to:
CANADA-NOVA SCOTIA OFFSHORE PETROLEUM BOARD
Fax Number: (902) 422-1799