

CANADA - NOVA SCOTIA OFFSHORE PETROLEUM BOARD

6th Floor TD Centre 1791 Barrington Street Halifax Nova Scotia B3J 3K9 Tel 902-422-5588 Fax 902-422-1799 www.uncspb.ns.ca

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March 10, 2005

Mr. Robert G. Connelly
Acting President
Canadian Environmental Assessment Agency
160 Elgin Street
Place Bell Canada
Ottawa, ON K1A 0H3

Dear Mr. Connelly:

**RE: Comprehensive Study Report for the BEPCo. Canada Company –
Exploration Drilling Program on Exploration Licence 2407 (Project)**

As the Responsible Authority (RA) for the Project, I am pleased to provide you with two (2) copies of a Comprehensive Study Report (CSR), in both official languages, for the proposed Project, as required under Section 21.1(1) of the *Canadian Environmental Assessment Act* (CEA Act). The proposed Project is located in the Nova Scotia offshore, approximately 200 km south of Halifax on the Scotian Slope.

The Project is subject to a Comprehensive Study because it includes activities described in section 15 of the *Comprehensive Study List Regulations*, namely:

15. A proposed offshore exploratory drilling project that is located outside the limits of a study area delineated in.

(a) An environmental assessment of a project for the exploratory drilling for, or production of, oil or gas in an offshore location that was conducted by a review panel or as a comprehensive study under the *Canadian Environmental Assessment Act*, or

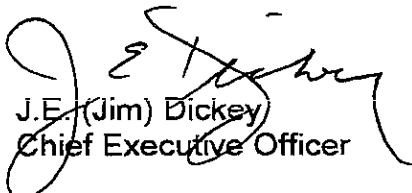
(b) An environmental assessment of a proposal for the exploratory drilling for, or production of, oil or gas in an offshore location that was conducted by a Panel under the *Environmental Assessment Review Process Guidelines Order*.

The CSR was prepared by the Canada Nova Scotia Offshore Petroleum Board (CNSOPB). The preparation of the technical environmental assessment was delegated to the proponent, in response to a Scope of Comprehensive Study prepared by the CNSOPB in consultation with expert federal departments and the Canadian Environmental Assessment Agency. The CSR report presents an overview of the proposed Project and the surrounding environment, an analysis of the potential environmental effects of the Project, a summary of consultations undertaken in relation to the Project, and recommendations with regard to mitigation measures designed to eliminate or reduce the environmental effects of the Project. The report concludes with an evaluation of the significance of the environmental effects of the Project after taking into consideration the implementation of recommended mitigation measures.

An extensive program of public consultation has been undertaken, and continues, for the project, including meetings with key groups, media releases and newspaper notices throughout Nova Scotia. In addition, the Public Registry established for the environmental assessment comprises a web site and public viewing centre. The public was given an opportunity to review and comment on draft versions of the Scope of Comprehensive Study, and the technical environmental assessment. In addition to public input, the Federal Authorities with relevant expertise, including Environment Canada and the Department of Fisheries and Oceans have reviewed the technical environmental assessment and CSR and provided comment and advice to the CNSOPB. All submissions received are in the Public Registry. An Addendum was prepared by BEPCo. containing specific responses to each point raised during the review of the environmental assessment. The Addendum is also in the Public Registry.

I have informed the Minister of the Environment that the CSR has been submitted to the Agency, and have provided him with a copy of the report. If you require further information on the report, please contact the undersigned.

Yours truly,



J.E. (Jim) Dickey
Chief Executive Officer

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Enclosures