

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.cnsopb.ns.ca

07/30823/EDP501001/2

June 4, 2007

Mr. Jean-Claude Bouchard
President
Canadian Environmental Assessment Agency
22nd Floor, Place Bell Canada
160 Elgin Street
Ottawa, Ontario
K1A 0H3

Dear Mr. Bouchard:

On behalf of the responsible authorities for the Deep Panuke Offshore Gas Development Project (the Project), I am pleased to inform you that a Comprehensive Study Report (CSR) for the Project has been prepared, as required by paragraph 21.1(1)(a) of the *Canadian Environmental Assessment Act* (the Act). I have enclosed three copies, in both English and French, of the CSR as well as an electronic version on CD.

The Project was previously assessed as a comprehensive study in 2002. At the conclusion of the 2002 comprehensive study, the Minister of the Environment determined that the Project was not likely to cause significant adverse environmental effects and referred the Project back to the responsible authorities for regulatory decision-making. In early 2003, shortly after the Minister's decision, but before the coordinated Canada Nova Scotia Offshore Petroleum Board and National Energy Board regulatory review process commenced, EnCana Corporation withdrew its application, while it re-evaluated the Project.

In 2005, EnCana Corporation indicated that it wished to have the Project re-considered and submitted a new project description in August 2006. However, the Project design was modified from the one that was originally proposed and assessed. The new Project is generally smaller in scale than the 2002 proposal.

The responsible authorities concluded that the new proposal involves components that were not previously assessed, and that some new components may require approvals or permits named in the Law List Regulations of the Act. Thus, a new environmental

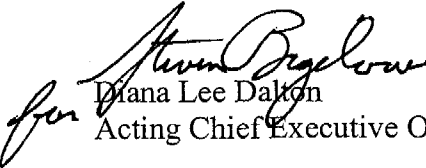
assessment is required. Because the Project as proposed is described in Section 11.1(b) in the Comprehensive Study List Regulations of the Act, the responsible authorities determined that the new environmental assessment must be conducted by means of a comprehensive study, using the 2002 CSR to the extent that is appropriate, as required by Section 24 of the Act. Thus, the new comprehensive study is focused on taking into account any significant changes in the environment, in the circumstances of the Project and any significant new information relating to the environmental effects of the Project (including changes in policy or legislation) that have arisen since the 2002 review.

Five triggers have been identified under section 5(1)(d) of the Act. Authorizations under sub-sections 142(1)(b) and 143(4)(a) of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act*, will be required by the Canada-Nova Scotia Offshore Petroleum Board. The National Energy Board will require a section 52 Certificate of Public Convenience and Necessity, or Section 58 Order, pursuant to the *National Energy Board Act*. An authorization under subsection 35(2) of the *Fisheries Act* will be required, since the Project will impact on fish habitat. Because the Project includes a variety of works in navigable water, approval may be required under paragraph 5(1) of the *Navigable Waters Protection Act*. Finally, the Project requires that Industry Canada issue a Radio license under subsection 5(1)(a) of the *Radiocommunication Act* and pursuant to subsection 5(1)(f) requires Industry Canada approval for each site on which a radio apparatus including antenna systems may be located. Therefore, there are five responsible authorities for the Project, namely, the Canada Nova Scotia Offshore Petroleum Board, the National Energy Board, Fisheries and Oceans Canada, Transport Canada, and Industry Canada. Environment Canada and Natural Resources Canada participated as expert departments.

The CSR was prepared by the responsible authorities, the expert departments and the Canadian Environmental Assessment Agency. The report describes the Project, its environmental setting, potential project-specific environmental interactions, proposed mitigation and follow-up measures, and offers the responsible authorities' determination of the significance of the Project's residual adverse environmental effects. This review, along with the 2002 CSR, ensures that the responsible authorities have carefully considered the environmental effects of the Project before making any decisions that would allow it to proceed.

The Canada Nova Scotia Offshore Petroleum Board received the attached letters from the responsible authorities and Environment Canada indicating that they have reviewed the CSR and confirming that all the factors identified in the scope of the assessment have been considered and that the CSR is complete. If you would like more information on the CSR, please call Eric Theriault at (902) 496-0742.

Yours truly,


Diana Lee Dalton
Acting Chief Executive Officer

DD/wa

Attachments

c.c: Paul Schafer, Canadian Environmental Assessment Agency
Derek McDonald, Canadian Environmental Assessment Agency
Eric Theriault, Canada Nova Scotia Offshore Petroleum Board
Robert Steedman, National Energy Board
Sue Kirby, Fisheries and Oceans Canada
Michael R. Stephenson, Transport Canada
George Hastings, Industry Canada
Maria Dober, Environment Canada

National Energy Board



Office national de l'énergie

File OF-Fac-Gas-E112-2006-02 02
Hearing Order GH-2-2006

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Date:	MAY 30 2007
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Original file	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Doc # / J. No.:	9150
File No.:	EPP50,001.2 / 30,008.23.

Ms. Diana Dalton
Chief Executive Officer
Canada - Nova Scotia Offshore Petroleum Board
1791 Barrington Street
Halifax, NS B3J 3K9
Facsimile 902-422-1799

Dear Ms. Dalton:

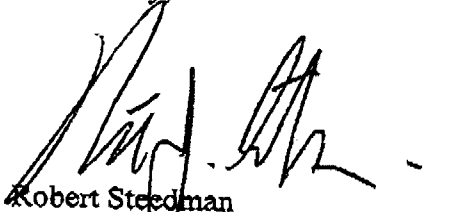
EnCana Deep Panuke Offshore Gas Development – Comprehensive Study Report

The National Energy Board (NEB) is a responsible authority, under the *Canadian Environmental Assessment Act*, for the proposed EnCana Deep Panuke Offshore Gas Development Project.

The NEB has reviewed the Comprehensive Study Report prepared for the environmental assessment of this project and, pursuant to subsection 10(b) of the *Regulations Respecting the Coordination by Federal Authorities of Environmental Assessment Procedures and Requirements*, the NEB can confirm that the factors to be assessed have been considered and the Comprehensive Study Report is complete.

Should you require any further assistance regarding the NEB and the Comprehensive Study Report for this project, please contact Marcus Eyre at 403-292-4911.

Yours truly,


Robert Steedman
Professional Leader, Environment

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

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Fisheries and Oceans
Canada

Pêches et Océans
Canada

Oceans

Océans

Assistant
Deputy Minister

Sous-ministre
adjoint

MAY 30 2007

Your file Votre référence

Our file Notre référence

Ms. Diana Lee Dalton
Chair
Canada - Nova Scotia Offshore Petroleum Board
1791 Barrington Street
Halifax, NS B3J 3K9

Dear Ms. Dalton:

Re: Deep Panuke Offshore Gas Development Project - Transmittal of the Comprehensive Study Report

As you are aware, Fisheries and Oceans Canada (DFO) has determined that it is likely a Responsible Authority (RA) under the *Canada Environmental Assessment Act* (CEAA) for the Panuke Offshore Gas Development Project. However, I will note that depending on the final detailed design and construction methods, Authorizations under *Fisheries Act* Section 32 and Subsection 35(2) may not be required for this Project. DFO will continue to participate as an RA until such time as information indicates that there will be no requirements for an Authorization(s) from DFO.

As an RA, DFO has completed its review of the May 2007 Comprehensive Study Report (CSR) for the Panuke Offshore Gas Development Project, and has found it to be complete. As required by the CEAA, DFO recommends that the CSR be transmitted to the Minister of the Environment and that it be made available to the public for review and comment.

Should you have any questions, please do not hesitate to contact Mark McLean A/Regional Manager, Environmental Assessment and Major Projects Division, at (902) 426-9898.

Sincerely,

Sue Kirby

cc: Eric Theriault, CNSOPB
Derek McDonald, CEAA
Jayne Roma, Environment Canada
Carl Ripley, Transport Canada
George Hastings, Industrial Canada
Marcus Eyre, National Energy Board

CNSOPB Rec'd
Date: MAY 30 2007
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Original & No. of No
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Transport
Canada
Regional Director
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Transports
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Directeur général
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MAY 22 2007

Ms. Diana Dalton
Chief Executive Officer
Canada - Nova Scotia Offshore Petroleum Board
1791 Barrington Street
Halifax, NS B3J 3K9

Your file Votre référence

Our File Notre référence

Dear Ms. Dalton:

Re: Deep Panuke Offshore Gas Development Project - Comprehensive Study Report

As you are aware, the proposed Deep Panuke Offshore Gas Development project includes a variety of works that may require approval from Transport Canada under section 5(1)(a) of the *Navigable Waters Protection Act* (NWPA). An approval under this section of the NWPA is identified in the *Law List Regulations* under the *Canadian Environmental Assessment Act* (CEAA), and as a result, Transport Canada is a Responsible Authority for the environmental assessment (EA) of this project, by means of a comprehensive study.

As required by sub-section 21.1(1)(a) of CEAA, Transport Canada has participated in the preparation of the Comprehensive Study Report (CSR) for the Deep Panuke project. Transport Canada is satisfied that the factors determined pursuant to section 8 of the *Regulations Respecting the Coordination of Federal Authorities of Environmental Assessment Procedures and Requirements* have been considered and that the CSR is complete. Transport Canada supports the transmittal of the Comprehensive Study Report to the Canadian Environmental Assessment Agency to release the report for public comment pursuant to section 22(1) of the Act. It is our understanding that you will undertake this transmittal of the Report to the Agency on behalf of the responsible authorities.

Please contact Carl Ripley, Environmental Officer, at (506) 851-7561 if you require further assistance with this EA.

Yours truly,

Michael R. Stephenson
A/Regional Director General

P. O. Box 42, Moncton, NB E1C 8K6

Canada



Industry Canada

1045 Main St., 4th Floor
Unit 103
Moncton, New Brunswick
E1C 1H1

Industrie Canada

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CNSOPB Rec'd	MAY 31 2007
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Doc. Reg. No.:	9151
No.:	EDP50.001.2 / 30,008.23

May 28th, 2007

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

Re: Deep Panuke Offshore Gas Development - Comprehensive Study Report

Dear Ms. Dalton:

As you are aware the proposed Deep Panuke offshore gas development project requires that Industry Canada issue a Radio license under subsection 5(1)(a) of the Radiocommunication Act and pursuant to subsection 5(1)(f) requires Industry Canada approval for each site on which radio apparatus including antenna systems may be located. A license under subsection 5(1)(a) of the Radiocommunication Act is identified in the Canadian Environmental Assessment Act (CEAA) under sub-section 5.1(d) and as a result Industry Canada is a Responsible Authority for the environmental assessment (EA) of this project.

As a Responsible Authority and as required under sub-section 21.1(1)(a) of CEAA, Industry Canada has ensured the preparation of the Comprehensive Study Report (CSR) for the Deep Panuke project. Our department is writing this confirmation letter, fulfilling our share of the requirements of sub-section 10(b) of the Regulations Respecting the Coordination of Federal Authorities of Environmental Assessment Procedures and Requirements (SOR/97-181), indicating that we are satisfied that the factors determined pursuant to section 8 of the same regulations (SOR/97-181) have been fully considered and that the CSR is complete. Therefore pursuant to section 22(1) of CEAA, the environmental assessment is ready for transmittal to the Canadian Environmental Assessment Agency, which will release it for public consultation. It is our understanding that you will undertake this transmittal on behalf of all Responsible Authorities.

We greatly appreciate your coordination efforts with respect to this environmental assessment. Please do not hesitate to contact Steve Mills, Regional Environmental Assessment Coordinator, at (506) 851-3323 for any further assistance with the environmental assessment process.

Sincerely

George Hastings
Atlantic Regional Director SITT



Environment
Canada

Environnement
Canada

Environmental Stewardship Branch
16th Floor, Queen Square
45 Alderney Drive
Dartmouth, Nova Scotia B2Y 2N6

May 25, 2007

ONSOPB Rec'd	JUN 04 2007
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File no. 2005-295	

Diana Lee Dalton, Acting Chief Executive Officer
Canada-Nova Scotia Offshore Petroleum Board
1791 Barrington Street
Halifax, Nova Scotia B3J 3K9

Dear Ms. Dalton:

Re: Deep Panuke Offshore Gas Development Comprehensive Study

Environment Canada (EC) has received the final draft of the comprehensive study report (CSR) for the Deep Panuke project. As you are aware, EC had been participating in the comprehensive study as a potential Responsible Authority (RA) on the basis that a Disposal at Sea Permit may be required by the proponent under the *Canadian Environmental Protection Act, 1999* (CEPA 1999).

While it has since been determined that a disposal at sea permit is not required in relation to the project as currently proposed, the proponent has been advised to inform EC of any project change or modification that could involve disposal at sea activities (e.g., changes to trenching methods or types of equipment used for pipeline installation). Any disposal at sea activities, which may be proposed in the future, must be assessed under the *Canadian Environmental Assessment Act* before a course of action can be taken under paragraph 127(1) of CEPA 1999.

Beyond the department's potential RA role, EC contributed to CSR preparations as a federal authority with pertinent expertise and information. In this capacity, EC has reviewed the final draft of the CSR and can advise that it adequately reflects a consideration of the department's input.

Ecology Paper / Papier Eco-Logé



Canada

www.ec.gc.ca

At this time, EC can also confirm that it is prepared to remain engaged in the comprehensive study process. Specifically, the department would be pleased to participate in the review of public concerns that may be put forward and assist with the implementation of the proposed mitigation and follow-up program as it relates to the department's mandated interests.

Yours sincerely,



Maria Dober
A/Regional Director
Environmental Protection Operations Directorate
Atlantic

Cc: E. Theriault, CNSOPB
D. McDonald, CEAA
M. McLean, DFO
M. Grondin, NEB
C. Ripley, TC
S. Mills, IC
B. Jeffrey
J. Roma
M.T. Grant