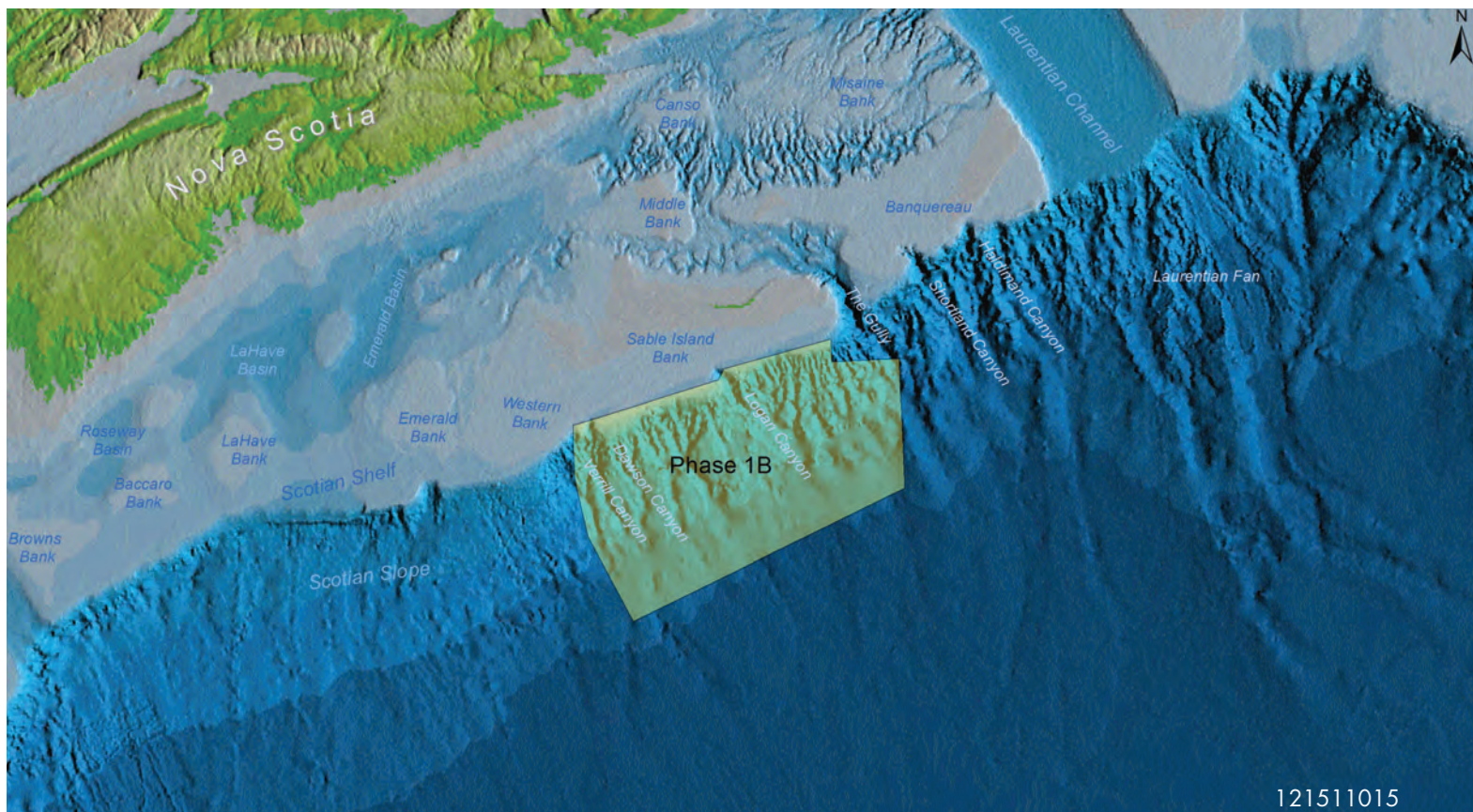


Draft Report

CNSOPB



CANADA-NOVA SCOTIA
OFFSHORE PETROLEUM BOARD



121511015

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR OFFSHORE PETROLEUM EXPLORATION ACTIVITIES **Eastern Scotian Slope** (Phase 1B)

Prepared for:

CANADA-NOVA SCOTIA
OFFSHORE PETROLEUM BOARD

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One Team. Integrated Solutions.

Stantec

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1.0 Introduction

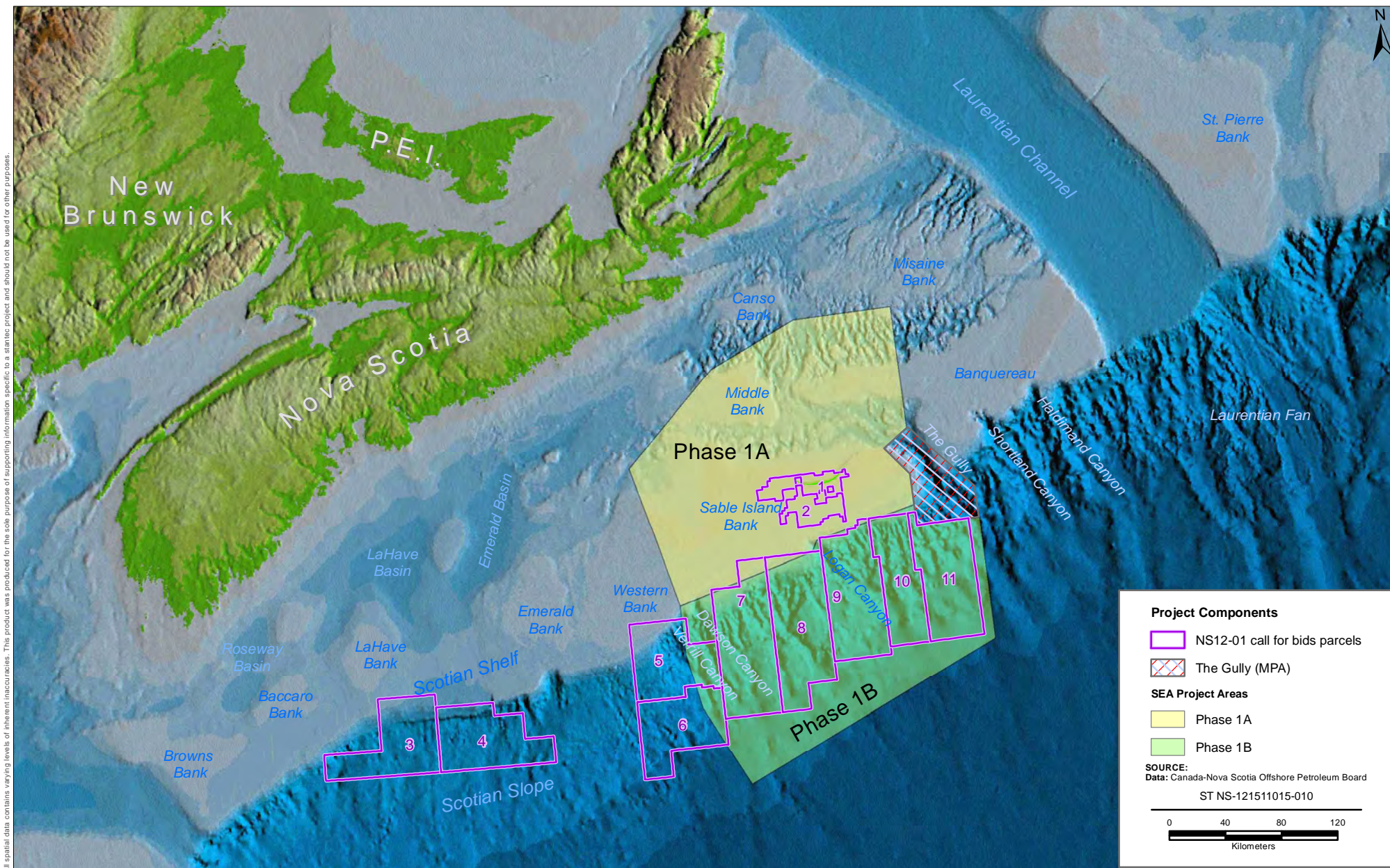
This report is a Strategic Environmental Assessment (SEA) of potential petroleum exploration activities on the Eastern Scotian Slope. SEA incorporates a broad-based approach to environmental assessment (EA) that examines potential environmental effects that may be associated with a plan, program or policy proposal and facilitates environmental management considerations at the earliest stages of exploration planning.

This SEA is intended to assist the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) in its determination with respect to the potential issuance of future exploration rights within the Eastern Scotian Slope SEA areas including general restrictive or mitigative measures that should be considered during the exploration program application and program specific environmental assessment process.

On April 30, 2012 the CNSOPB announced details of the 2012 Call for Bids for the Nova Scotia Offshore Area. The 2012 Call for Bids includes 11 parcels covering an area across both central and southwest regions of the Scotia margin in shallow and deep waters (Figure 1.1). Parcels 1 and 2 are located on the Sable Island Bank where 23 significant oil and gas discoveries have been made to date including those associated with the current Sable Offshore Energy Project (SOEP) and the Deep Panuke Offshore Gas Development Project. These parcels lie within the Project Area assessed for the Eastern Scotian Shelf – Middle and Sable Island Banks SEA (referred to as Phase 1A). Parcels 3, 4, 5, and 6 are located in deep water on the Scotian Shelf west of Dawson Canyon to south of LaHave Bank and were addressed in a previous SEA conducted for the Southwestern Scotian Slope (Hurley 2011). Portions of Parcels 5 and 6 and Parcels 7 – 11 lie in deep water on the Central Scotian Slope between Dawson Canyon and the Gully and are considered in this current SEA (referred to as Phase 1B). These 11 parcels total 3,166,070 hectares. Notable features for environmental management consideration within or directly adjacent to the Phase 1B Project Area include Sable Island and the Gully. Figure 1.2 shows the Assessment Area for Phase 1B which includes the Project Area as defined by the CNSOPB and a larger Study Area which has been delineated in recognition of a potential zone of influence of environmental effects for exploration activities which could hypothetically occur within the Project Area (refer to Section 4.4 for more information on assessment boundaries).

The SEA: defines general exploration activities; provides an overview of the existing environment within the Study Area; broadly describes potential adverse environmental effects associated with offshore oil and gas exploration; highlights relevant knowledge and data gaps; and recommends general mitigation measures for offshore petroleum exploration activities. , The SEA therefore identifies key environmental issues for the CNSOPB as well as prospective future operators with interest in the parcels. The SEA is not intended to replace project-specific environmental assessments which would be required for any proposed exploration program; rather it is intended to support and facilitate future project-specific environmental assessments.

This SEA has been prepared to meet requirements presented in the Scoping Document (Appendix A) which was subject to regulatory and public review. Additional information on the objectives and scope of the SEA is included in Section 4.

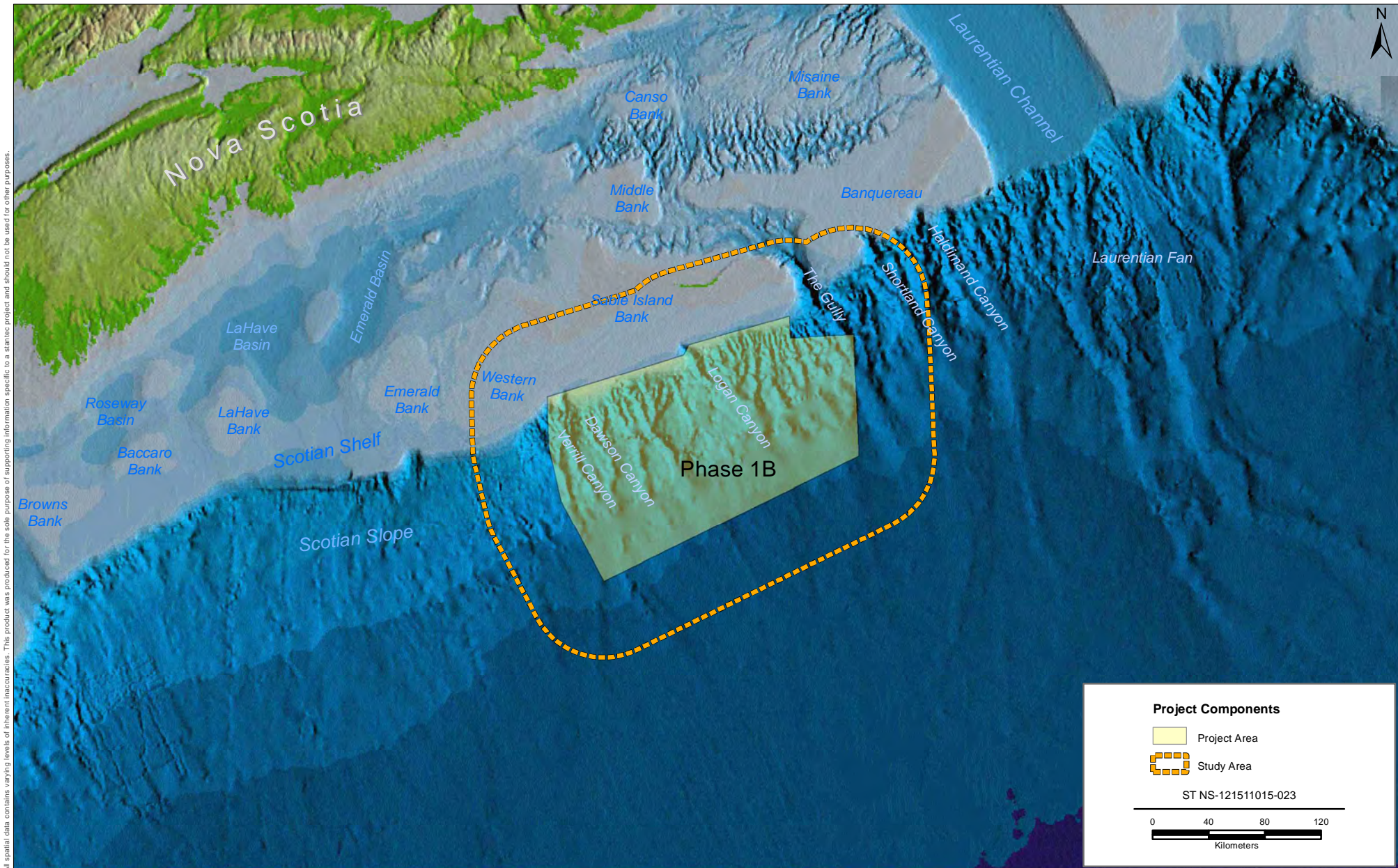


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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Shelf and Slope - Middle and Sable Island Banks Strategic Environmental Assessment

2012 Call for Bids Parcels

FIGURE NO.:	1.1
DATE:	Jul 13, 2012



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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope - Strategic Environmental Assessment

SEA Study Area

FIGURE NO.:	1.2
DATE:	Jul 13, 2012

2.0 Exploration Activities

Generic descriptions of potential exploration activities to be considered in the SEA are presented in Table 2.1. Consideration of routine emissions and discharges have been guided by the scope of the SEA (refer to Appendix A) assuming compliance with applicable regulations and guidelines including the Offshore Waste Treatment Guidelines (OWTG), (NEB *et al.* 2010), Nova Scotia Offshore Drilling and Production Regulations (and associated guidelines), Offshore Chemical Selection Guidelines (NEB *et al.* 2009), Compensation Guidelines Respecting Damage Relating to Offshore Petroleum Activity (C-NLOPB and CNSOPB 2002), and Environmental Protection Plan Guidelines (C-NLOPB *et al.* 2011).

Table 2.1 Generic Description of Exploration Activities

Exploration Activity	Details
Geophysical survey activities (2D seismic, 3D seismic)	<ul style="list-style-type: none"> Seismic surveys are the first step in oil and gas exploration in which sound waves are used to develop an image of subsurface strata and structure features where hydrocarbons could accumulate and be retained. Sound waves are typically generated by air guns with reflections from subsurface rock being recorded by hydrophones (streamers) towed behind the survey vessel. Air guns are typically arranged in arrays of 12-48 guns of various sizes distributed over a horizontal area approximately 20 m inline by 20 m cross line. An array typically has 3-6 sub arrays called strings with each string being made up of 6-8 air guns. The array is towed approximately 200 m behind the vessel and suspended by floats at a depth of 3m-10 m. The hydrophone streamer is also towed behind the vessel (usually 4500-6000 m in length). The air guns operate at 2000 psi or 137 bar and fire every 10-15 seconds. Most of the emitted energy lies within the 10 – 120 Hz range with some energy in the 500 – 1000 Hz range. In shallow waters (25 m-50 m) air guns can be audible at distances up to 75 km, while in deeper waters they can be audible at distances over 100 km. 2D seismic surveying is the simplest and most inexpensive method, typically using one air gun array and one seismic streamer and are used to create 2D slices of the sea bottom with several kilometer distances between each survey line. 3D seismic surveys use a series of parallel passes through an area with a vessel towing an air gun array with 6-10 seismic streamers at a speed of 5 knots. 3D methods require the operating vessel to transit along closely spaced parallel transects approximately 100-500 m apart. Multiple streamer cables and air gun arrays can produce data sets that can be processed with advanced software to reveal the 3D geometry of the surface at high resolutions. 3D WAZ seismic surveys are used for more complex geological settings, particularly in basins underlain with salt, like those found in deep water areas of the Nova Scotia offshore. The configuration of the survey can vary from project to project; multi-vessel configurations are used where two cable vessels are accompanied by up to four additional vessels towing source arrays only. This type of configuration is more logistically and technically complex and thus also more expensive. Typical zero-to-peak source levels for exploration seismic arrays are 245-260 dB relative to 1 µPa at 1m.

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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Table 2.1 Generic Description of Exploration Activities

Exploration Activity	Details
	<ul style="list-style-type: none"> Seismic surveys typically take 14-30 days to complete. <p>Source: Hurley 2009; DFO 2011a; Shell 2012</p>
Geohazard surveys	<ul style="list-style-type: none"> Geohazard surveys are used for: <ul style="list-style-type: none"> Identification of shallow geological hazards such as slump scars, channels, faulting, shallow gas accumulations, gas hydrates, and shallow trap closure Acquisition of detailed bathymetry Identification of surficial geology, boulder till, channel till, slumping, faulting, and gas charged shallow sediments Determining the nature and characteristics of seafloor sediments Identification of iceberg scours, morphology of seabed depositional units, seafloor obstruction and bedform indication of seafloor sediment dynamics Location and identification of seafloor installation, wrecks and cables. Geohazard surveys are conducted via 2D high resolution (2DHR) digital seismic (low energy) consisting of a small air gun array and a single streamer 1200 m or less in length towed 2-4 m below the surface. Sidescan sonar and multibeam echo sounders may also be used to acquire seabed images. If the sidescan sonar and multibeam identify potential debris a proton magnetometer will be used. Camera systems and sediment samples of the seafloor are typically used to corroborate data. A seabed imaging system is typically used to obtain high resolution sub-bottom profiles. A boomer or speaker acoustic source trawled within the water column at approximately 20 to 40 m off the seabed is used to capture a sub bottom image penetrating 40 to 100 m. <p>Source: Corridor Resources Inc. 2010; Hurley 2011</p>
Geotechnical Survey	<ul style="list-style-type: none"> Geotechnical sampling can involve a variety of technologies including geotechnical boring (well site locations), vibrocores and cone penetrometer technology (CPT). Surficial grab sampling and underwater video drop cameras are typically taken at each well site. <p>Source: Hurley 2011; Hurley and Stantec 2010</p>
Exploratory and Delineation Drilling	<ul style="list-style-type: none"> Drilling into the geological structure is conducted to identify potential hydrocarbon resources. In shallow waters (less than 100 m) a jack-up rig is usually used; in deeper waters a drill ship or semi-submersible rig is usually used. Offshore wells are typically drilled in stages, starting with a large diameter conductor hole (approximately 90 cm) being drilled several hundred meters into the seafloor. Water-based mud (WBM) is used to drill this portion of the well as there is no way to return the drilling muds and cuttings to the drilling unit before the riser is installed. As a result, these muds are released onto the seafloor. The drill string is removed and a steel casing is run and cemented into place to prevent the wall of the hole from caving in and to prevent the seepage of muds and other fluids. The casing also ensures that there is adequate pressure integrity to allow a blowout preventer (BOP) and the drilling riser to be installed. The BOP is a system of high pressure valves that prevent water or hydrocarbons from escaping into the environment in the event of an emergency or equipment failure. The drill bit and string are then lowered through the BOP and into the surface hole. The bit begins drilling at the bottom of the hole, and extra joints are added to the drill string as the drill bit cuts the hole. When a section of the well is complete, the drill string is pulled out and the sections of

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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Table 2.1 Generic Description of Exploration Activities

Exploration Activity	Details
	<p>the casing are joined together, lowered into the well and cemented into place.</p> <ul style="list-style-type: none"> For this portion of the well, the drilling riser connects the casing set at the seafloor up to the drilling unit, which allows the return of cuttings and drilling muds to the surface drilling unit where processing takes place. Synthetic-based muds (SBMs) may be used in drilling lower well sections if the use of water-based fluids is technically impractical. SBMs are transported with the cuttings up the riser to the drilling rig for recovery and reuse. Once onboard, the cuttings are removed from the drilling muds in successive separation stages, with some fluids being reconditioned and reused, and spent fluids returned to shore for disposal. WBM cuttings may specifically be discharged at the drill site provided they are treated prior to discharge to meet Offshore Waste Treatment Guidelines; cuttings containing oil-based mud (OBM) or SBM are collected and returned to shore for disposal. Once the exploratory well has been drilled the well is either removed or left in a safe condition for potential future use. If hydrocarbons are encountered, the size of the oil and/or gas reserves are assessed through drilling of appraisal or delineation wells. The typical duration of exploratory drilling program ranges from 30-90 days. <p>Source: JWEL 2003; Hurley 2009</p>
Vertical Seismic Profiling	<ul style="list-style-type: none"> A vertical seismic profile (VSP), also known as a check-shot survey, is required for all exploration and delineation wells in the Nova Scotia offshore. A VSP is recorded after the drilling of a well has been completed to obtain accurate "time-to-depth ties". This is necessary as seismic data are recorded in time and wells are drilled in meters. The VSP is taken by placing a string of geophones down the well, with a seismic source suspended from the drilling unit. The seismic source is usually similar to the seismic survey array but is usually smaller with a peak output pressure of 240- 250 dB. Checkshots are recorded every 25 m-100 m. If significant hydrocarbons are found, the well is then evaluated and tested, which may involve formation flow testing. The duration of VSP operations is in the order of hours to days. <p>Source: JWEL 2003; Encana 2005</p>
Well Abandonment	<ul style="list-style-type: none"> Once drilling and any well testing activities are complete, wells are typically abandoned. Cement mixtures or mechanical devices are used to plug the well. The well casing is cut and removed just below the surface of the sea floor and all previously installed equipment is removed. Wellheads are removed from the seafloor, often using a mechanical casing/wellhead cutting device. If the device fails, operators often use a chemical/directed explosive method to detach the wellhead. If this method is used the charge is usually set at a minimum of 1m below the sea substrate. A remotely operated vehicle (ROV) is used to inspect the seabed to ensure that no equipment or obstructions remain in place. <p>Source: JWEL 2003</p>
Vessel and Helicopter Traffic	<ul style="list-style-type: none"> During seismic surveys vessel traffic will typically include one seismic vessel, with one or two small chase vessels which are used to look for fishing activity in the area and to prevent gear loss and entanglement. During 3D WAZ seismic surveys vessel traffic will typically include two seismic vessels with up to an additional four vessels towing source arrays only. Helicopters may be used for resupply, crew changes, or medical emergencies depending on the length of the seismic survey. An exploration drilling program would likely require 2-3 supply vessel trips per week

**STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE
(PHASE 1B)**DRAFT FOR REVIEW

Table 2.1 Generic Description of Exploration Activities

Exploration Activity	Details
	<p>with a dedicated stand-by vessel attending the rig throughout drilling operations.</p> <ul style="list-style-type: none">• Helicopter flights would be used to transport personnel to and from the drilling rig approximately 4 times per week.• Work boats and helicopters would usually operate out of a Halifax shorebase.• Supply vessels usually range in size from 20 m to 100 m. <p>Source: Thompson <i>et al.</i> 2000; Husky 2010</p>

3.0 Key Characteristics of the Environment

This section provides an overview of key features of the existing environment in the Study Area that could potentially interact with or influence elements of a petroleum exploration program.

3.1 PHYSICAL CHARACTERISTICS

The Scotian Shelf is part of the North American Continental Shelf off of Nova Scotia. The Scotian Shelf is 700 km long and between 125 and 230 km wide. The northeast channel separates the Shelf from the Gulf of Maine to the southwest, while the Laurentian Channel is the natural boundary between Newfoundland and the Shelf to the northeast (DFO 2011a). The Scotian Shelf is a broad continental shelf made up of a number of shallow offshore banks and inner basins. The Eastern Scotian Shelf extends from the Laurentian Channel in the northeast to a line from Halifax south to the shelf break in the southwest, covering an area of approximately 100,000 km². The physical environment on the Scotian Shelf is governed by its close proximity to the meeting place of major currents of the northwest Atlantic and its complex bathymetry.

On the edge of the Scotian Shelf deep water lowlands can be found that feed canyons and the Scotian Slope with sediments. At the outer margins, water masses collide to form a “frontal zone” which shifts year to year, in which warm water masses occasionally spill onto the shelf through the lowlands and canyons (WWF 2009). Past the Shelf edge (at 200 m) the seabed slopes away relatively rapidly. On the slope, exposed bedrock cliffs and areas of slumping sediments can be found. In between the canyons found on the slope, the seabed is covered by furrows and pits creased by icebergs from the past. The area continues to erode creating a natural disturbance regime that may enhance biological diversity. The canyons found along the Scotian Slope are bathymetrically complex and contain more surface area and a higher variety of habitats compared with those of the surrounding shelf. These canyons act as a transition from the outer shelf to the deep ocean and also act as channels for the transport of sand (WWF 2009).

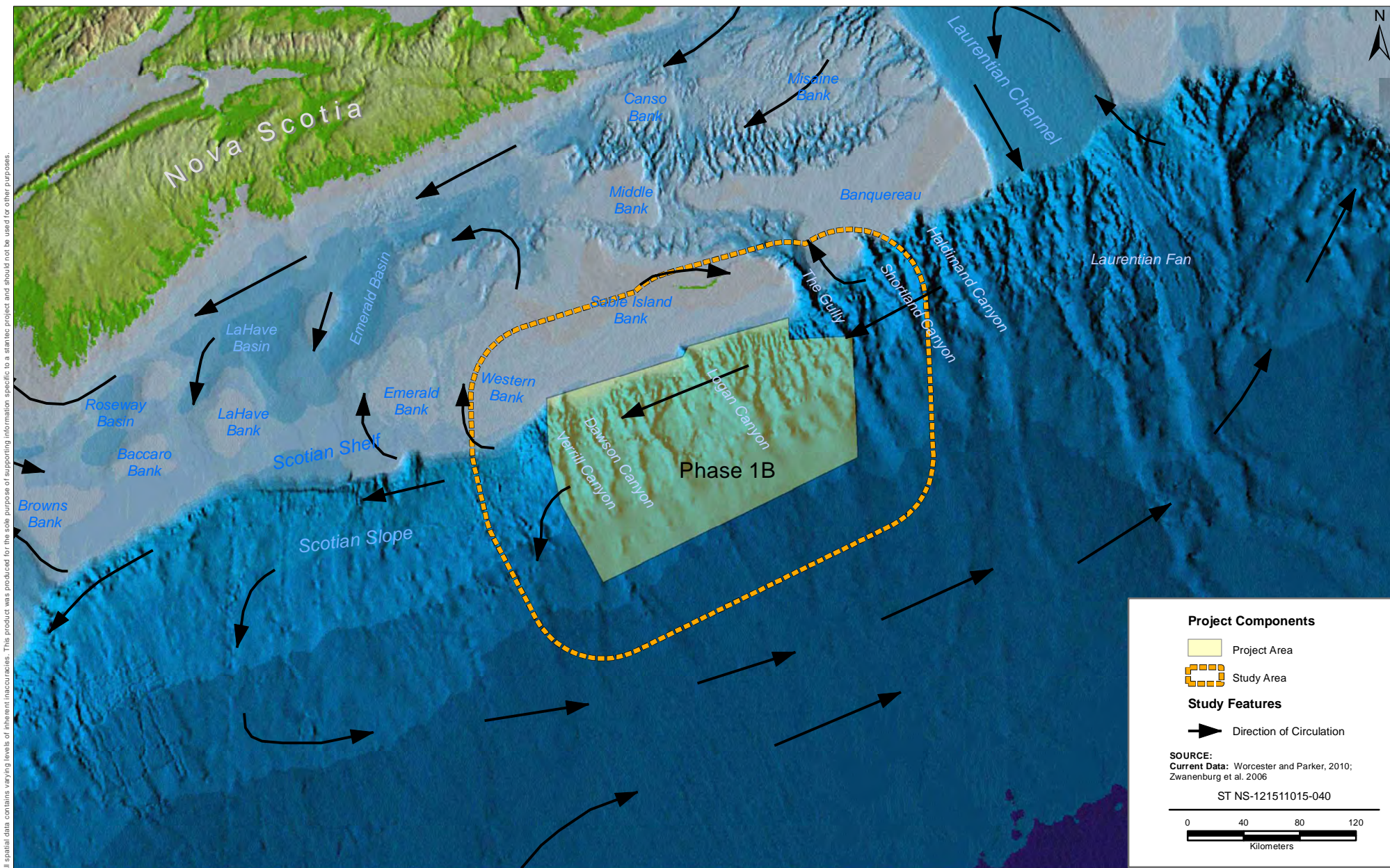
There are several large submarine canyons that emerge on the outer shelf and continental rise. Some of the major canyons located on the eastern Scotian Shelf include Logan Canyon, Dawson Canyon, Verill Canyon, and the Gully (Zwanenberg *et al.* 2006). At 15 km wide and over 65 km in length, the Gully is the largest canyon on the Scotian Shelf. The size and shape of the Gully influences water transport to and from the Shelf (DFO 2011b).

At the edge of the Scotian Slope is the Scotian rise, where glacial and modern day erosion have deposited a wide area of sediment. Deep currents, as well as smaller eddies peel off of the Gulf Stream in this area and rework the sand and mud here. These currents can sometimes be intense disturbing the seabed and bringing fresh nutrients into the ecosystem. The Project Area

encompasses the edge of the Scotian Shelf, the Scotian Slope, and the Scotian rise, with depths ranging from 100 m – 5000 m where the rise meets the abyssal plain.

The three major currents influencing the movement of water on the outer Scotian Shelf and Slope: the Nova Scotia Current; the Labrador Current; and the Gulf Stream (Zwanenburg *et al.* 2006). Relatively cool, fresh waters flow from the Gulf of the St. Lawrence through the Cabot Strait. A portion of this water turns at Cape Breton to flow southwest along Nova Scotia's Atlantic coast, while the rest of the flow continues through the Laurentian Channel to the shelf break. At the shelf break it turns and joins the Labrador Current to flow southwest along the shelf edge. The Gulf Stream flows northeastwards, and its warmer, more saline waters mix with the cool Labrador Current waters over the Scotian Slope, forming a mass of water known as slope water (DFO 2011a). This slope water periodically leaks onto the Shelf through channels and the Gully. The shelf bottom consists of a series of submarine banks and cross-shelf channels along the outer shelf and basins and troughs along the central shelf which limit and guide the near-bottom flow. The predominant flow of cold, fresh water from the northeast to the southwest results in a general increase in both temperature and salinity as you move closer to the southwest (Zwanenburg *et. al* 2006). This flow is strongest in the winter and weakest in the summer.

Oceanic fronts exist where there is a sharp boundary between currents and water masses with differences in hydrographic properties. The Gulf Stream meets the Labrador and Nova Scotia Currents and mixes over the Scotian Slope creating a shelf/slope front. Fronts are important for organisms such as plankton and jellyfish, as they aggregate at these fronts. These aggregations attract predators such as sea turtles, jellyfish, whales, and pelagic fish (Worcester and Parker 2010). For an overview of currents on the Scotian Shelf and Slope refer to Figure 3.1.



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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope - Strategic Environmental Assessment

Overview of Currents on the Scotian Shelf

FIGURE NO.:	3.1
DATE:	Jul 13, 2012

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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The eastern end of the Scotian Shelf edge and Slope is made up of mostly cold fresh water from the Gulf of St. Lawrence and the Newfoundland Shelf. The water tends to be cold, especially at greater depths, because the Banquereau and Sable Island Banks tend to prevent the mixing of warm saline water from the Gulf Stream. The dominant oceanographic feature of the eastern Scotian Slope is the strong southwesterly flow of the Nova Scotia and Labrador Currents flowing along the Shelf edge and Slope. Current speeds are typically in the range of 5 to 30 km per day and can change seasonally, being stronger in the winter and weaker in the summer (Worcester and Parker 2010).

Table 3.1 summarizes physical characteristics of the Study Area.

Table 3.1 Overview of Physical Characteristics

Physical Characteristics	
Climatology	<ul style="list-style-type: none"> Climate is strongly influenced by the warm Gulf Stream and the cold Labrador Current Daily Air Temperature Range: -1.4°C (February) to 17.8°C (August) Extreme Minimum Air Temperatures: -19.4°C (January) to 4.4°C (August) Extreme Maximum Air Temperatures: 12.8°C (February) to 29.6°C (July) Average Monthly Precipitation: 95.2 mm (July) to 147.0 mm (November) Extreme Daily Precipitation: 66.00 mm (April) to 166.1 mm (November) <p>Source: Environment Canada 2012a</p>
Wind	<ul style="list-style-type: none"> Average Wind Speeds: 17.5 km/h (September) to 31.5 km/h (January) Most Common Wind Direction: Southwest (April to September) and West (October to March) Maximum Hourly Wind Speed: 74km/h (August) to 130 km/h (November) Maximum Wind Gust Speed: 100km/h (August) to 130 km/h (November) <p>Source: Environment Canada 2012a</p>
Waves	<ul style="list-style-type: none"> Monthly mean (m): 1 – 1.5 in (July/August) to 3 – 4.5 (December) Monthly maximum (m): 3 - 4(July) to 9 - 10 (December to March) 1 - Year return Hmax (m): 14.7 100 - year return Hmax (m): 24 <p>Source: Hurley and Stantec 2010, OceanWeather 2012.</p>
Ocean Currents	<ul style="list-style-type: none"> Circulation patterns are governed by the influence of three major currents: <ul style="list-style-type: none"> Cool, relatively fresh (less saline) Nova Scotian Current derived from the outflow of the Gulf of St. Lawrence flowing along the inner, middle, and outer portions of the shelf Cold Labrador Current from the north flowing along the shelf edge Warm, higher saline Gulf Stream flowing northeast over the Scotian Slope and mixing with the Labrador Current, creating “slope water”. Overall flow is from the Northeast to southwest, with speeds ranging from 5 – 30 km/day. Currents are stronger in the winter and weaker in the summer. <p>Source: Worcester and Parker 2010; Zwanenberg <i>et al.</i> 2006</p>
Water Temperature	<ul style="list-style-type: none"> Most variable in the North Atlantic, varying with depth and location. Eastern Scotian Shelf usually cooler than the majority of the Shelf due to the influence of cool water from the north flowing over the Misane Bank. Mixing of warm water from the slope is limited by the Sable Island and Banquereau Banks, resulting in cooler waters, especially at depth. Upper 50 m of water warms in the summer months. Warmer “slope” water periodically leaks onto the eastern Scotian Shelf through submarine canyons. <p>Source: Worcester and Parker 2010; DFO 2011b</p>
Salinity	<ul style="list-style-type: none"> Coastal waters : 30-32 parts per thousand (ppt) Nova Scotian Current: 31-33 ppt

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Table 3.1 Overview of Physical Characteristics

Physical Characteristics	
	<ul style="list-style-type: none"> • Labrador Current: 34-36 ppt • Gulf Stream 34-36 ppt Source: Worcester and Parker 2010
Stratification	<ul style="list-style-type: none"> • Increased stratification can inhibit vertical mixing, decreasing nutrient fluxes to surface waters, in turn affecting primary production. • Alternatively increases in stratification can inhibit turbulence and concentrate phytoplankton, thus increasing primary production. • Strong stratification can inhibit vertical mixing and cause depleted dissolved oxygen levels at depth. Source: Worcester and Parker 2010; Zwanenburg <i>et al.</i> 2006; DFO 2011b
Sea Bed Characteristics	<ul style="list-style-type: none"> • A variety of surficial sediments exist on the continental slope, with silty sediments being carried down the slope by suspension, with sand and gravel slumping over the shelf edge. • Generally finer sediments are carried in a southwestward direction along the shelf edge. • Some areas of steep slope have exposed bedrock, as do the submarine canyons. • Escarpments exist; they are believed to be caused by the 1929 Grand Banks earthquake, which caused slumping of sediments along the slope and resulted in turbidity currents. These currents deposited large amounts of sediments on the slope, rise, and deep seafloor. • Sable Island is the only offshore island and exposed section of Sable Island Bank, with sand waves, sand ridges, ripples, and mega-ripples making up the seabed features surrounding the island. Source: Breeze <i>et al.</i> 2002; DFO 2011b
Sea Ice and Icebergs	<ul style="list-style-type: none"> • Ice cover is rare in the offshore Scotian Shelf. • Sea Ice is generally transported out of the Gulf of St. Lawrence through the Cabot Strait. • Ice can be transported from the Cabot Strait by north westerly winds and ocean currents onto the Eastern Scotian Shelf, although this is very rare. Source: DFO 2011b

3.2 BIOLOGICAL CHARACTERISTICS

The Scotian Shelf edge has a steep topography which causes enhanced vertical mixing, which leads to an area of heightened phytoplankton production (Breeze *et al.*, 2002). Landslides and slumping occasionally occur along the slope, causing the shape of the slope to change as well as disturbing organisms living within the area of the landslide. During the summer months, whales and large pelagic fish species travel along the shelf edge. Sea turtles can be found at the shelf edge, slope, and further offshore during the summer and fall months. Concentrations of halibut can be found on the shelf edge and mackerel have been known to overwinter along the shelf edge. Overall invertebrate knowledge along the shelf edge is relatively unknown, with deep-sea crab species being found along some portions of the slope. Solitary stone coral formations can also be found along some sections of the slope (Breeze *et al.* 2002).

There are several submarine canyons which indent the edge of the shelf, the Gully being the largest (Breeze *et al.* 2002). Recent research has indicated that the Gully provides varied habitat. Northern Bottlenose whales inhabit the Gully year-round, feeding on deep sea squid. Sperm whales can be found regularly in the area, with other species of whales and dolphins

also being sighted on a regular basis. Deep sea corals and other filter feeders can be found on hard substrates along the canyon walls. Research has not been conducted in the other canyons that are found along the Eastern Scotian Slope. It is thought that these canyons may contain varied habitats which may be important to some species (Breeze *et al.* 2002)

The lower slope and abyssal plain are located at the edge of the Project Area. The area is vast, and relatively little research has been conducted in these deep seas. Large pelagic fish species can be found in the waters over the lower slope during the summer months. Beaked whales can also be found along the lower slope and abyssal plans (Breeze *et al.* 2002).

3.2.1 Plankton

3.2.1.1 Phytoplankton

Phytoplankton are the base of the marine food web and as a result, their production sets an upper limit on the production of all higher trophic levels (Worcester and Parker 2010). Phytoplankton are distinctive among ocean biota in that they derive their energy from sunlight and structural requirements from nutrients in the surrounding water (DFO 2011a). On the Scotian Shelf and Slope diatoms and dinoflagellates are the largest and most common phytoplankton. Their abundance is based on the Shelf's complex physical oceanographic features. There is a distinctive cycle to their abundance characterized by widespread spring and fall blooms related to a high concentration of nutrients and sunlight in the water column. Blooms can vary in temporal and spatial scales. Recent trends in the magnitude and duration of the spring bloom on the Scotian Shelf and Slope indicate that blooms are beginning earlier now than they did in the 1960s and 1970s and are more intense and longer in duration (Worcester and Parker 2010).

3.2.1.2 Zooplankton

Zooplankton are animals that are unable to maintain their horizontal spatial distribution against the current flow (DFO 2011a). The dynamics and abundance of zooplankton determines, in part, how much energy produced from phytoplankton is transferred to higher tropic levels (fish, mammals, birds) (Worcester and Parker 2010). Zooplankton can be divided into three main categories based on size:

- Microzooplankton (20-200 µm in length), which includes ciliates, tintinnids, and the eggs and larvae of larger taxa;
- Mesozooplankton (0.2-2 mm in length), which includes copepods, larvaceans, pelagic molluscs, and larvae of benthic organisms; and
- Megazooplankton (20 cm – 2 m), which includes larger and gelatinous taxa.

The mesozooplankton on the Scotian Shelf is dominated by copepods. Three species of copepods known as *Calanus* comprise over 70% of the copepod biomass. *Calanus*

finmarchicus appears to be a significant link in the food chain. On the Scotian Shelf zooplankton levels have been lower in more recent years than in the 1960s and 1970s, which is the reverse of the recent phytoplankton trend. However they are beginning to recover from the lows observed in the 1990s (DFO 2011a). *Calanus* species require deep water to overwinter and can be found in dense aggregations at depths > 400 m along the Scotian Slope during these months. Euphausiids (krill) play an important role on the Scotian slope. They can be found at depths between 100 m - 300 m and play an important role in transferring energy from phytoplankton to higher trophic levels. Krill feed on phytoplankton and other small zooplankton and are in turn eaten by juvenile groundfish as well as baleen whales (Zwanenburg *et al.* 2006).

3.2.1.3 Ichthyoplankton

Ichthyoplankton are the eggs and larvae of fish and shellfish. Ichthyoplankton, along with other planktonic early life stages of marine animals, are collectively referred to as the meroplankton (NOAA 2007).

One of the major sources of information on zooplankton for Eastern Nova Scotia is the Scotian Shelf Ichthyoplankton Program (SSIP), which was conducted from 1976-1982. The copepod community in Eastern Nova Scotia is very diverse with high abundances of *Calanus finmarchicus*, *Pseudocalanus minutus*, *Centropages typicus* and *Scolecithricella minor*. Other species present at this time were *Acartia longiremis*, *Calanus glacialis*, *Calanus hyperboreus*, *Candacia pachydactyla*, *Centropages bradyi*, *Clausocalanus furcatus*, *Clytemnestra rostrata*, *Corycaeus speciosus*, *Paraeuchaeta* (as *Euchaeta*) *norvegica*, *Paraeuchaeta* (as *Euchaeta*) *tonsa*, *Gaetanus* sp., *Lucicutia flavicornis*, *Macrosetella gracilis*, *Metridia longa*, *Metridia lucens*, *Microcalanus pygmaeus*, *Oithona atlantica*, *Oithona similis*, *Oncaea media*, *Paracalanus parvus*, *Pleuromamma borealis*, *Pleuromamma robusta*, *Scolecithrix danae*, *Temora longicornis*, *Temora stylifera*, *Undinula vulgaris* and unidentified harpacticoids (Locke 2002). *Calanus* species require deep water to overwinter and can be found in dense aggregations at depths > 400 m along the Scotian Slope during these months.

The outflow of the Gulf of St. Lawrence (Nova Scotia Current) is responsible for maintaining high biomass of ichthyoplankton on the northeast half relative to the southwestern half of the Scotian Shelf and Slope during June and October. The current is responsible for maintaining large populations of copepods in the area. High biomasses of various ichthyoplankton communities have been found on the Misaine and Banquereau Banks in May, September and October (Locke 2002).

3.2.2 Algal Communities

Marine plants include both phytoplankton and macrophytic marine algae which are commonly referred to as “seaweeds”. Seaweeds in Nova Scotia can be grouped into three main categories: green algae; red algae; and brown algae.

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Green algae need a large amount of light and can generally be found closer to the surface in the intertidal or shallow subtidal areas. Red algae can grow at greater depths and are generally found in the intertidal zone. Brown algae are the dominant seaweeds in Nova Scotia and can also be found in the subtidal zone (DFO 2011b). Table 3.2 provides an overview of marine vegetation.

Table 3.2 Marine Plants

Outer Shelf edge and Slope (Sable Island Bank)	<ul style="list-style-type: none"> • Phytoplankton is the primary marine plant in the region. • Phytoplankton productivity is similar to that found in the middle shelf with spring and fall blooms. • Encrusting algae may occur on hard substrates on the bank. • The outer edge of the shelf has enhanced plant productivity due to the interaction of shelf and slope waters which brings nutrients to the surface. • Occasionally masses of <i>Sargassum</i>, can be found floating in this area.
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Source: NSM 1997

3.2.3 Corals and Sponges

Cold water corals are suspension-feeding invertebrates with delicate appendages which capture food particles from the water column. Cold-water corals do not contain symbiotic algae and as a result, can live in deeper waters without the influence of sunlight. Most corals require a hard substrate to attach to, while some can anchor themselves into soft sediment (DFO 2011b). Table 3.3 summarizes characteristics of cold water corals in the Study Area.

Table 3.3 Cold Water Corals

General Characteristics	<ul style="list-style-type: none"> • Suspension-feeding invertebrates with delicate appendages that capture food particles from the water column. • Do not contain symbiotic algae, and can live at depths without the influence of sunlight. • Most require a hard substrate for attachment; few can anchor into soft sediment. • Occur in many sizes, shapes, with some species forming reef structures. • Slow growing, some maybe over 100 years old. • Two major groups occur on the Scotian Shelf: Hard/Stony corals (<i>Scleractinia</i>) and Octocorals, some of which are solitary while others form reefs. • Octocorals include sea pens, sea whips, sea fans, and “soft corals”. • The largest octocorals on the Scotian Shelf are the gorgonian corals which include: bubblegum and seacorn corals. <p>Source: DFO 2011b; Zwanenburg <i>et al.</i> 2006; Kenchington <i>et al.</i> 2010</p>
Locations within Study Area	<ul style="list-style-type: none"> • Large gorgonians have only been identified in channels between the banks and in canyons. • Sea pens and small gorgonians have been found on soft sediments. • There are a few large concentrations of gorgonians near the Gully and on the edge of Sable Island Bank (Figure 3.3). <p>Source: Kenchington <i>et al.</i> 2010</p>

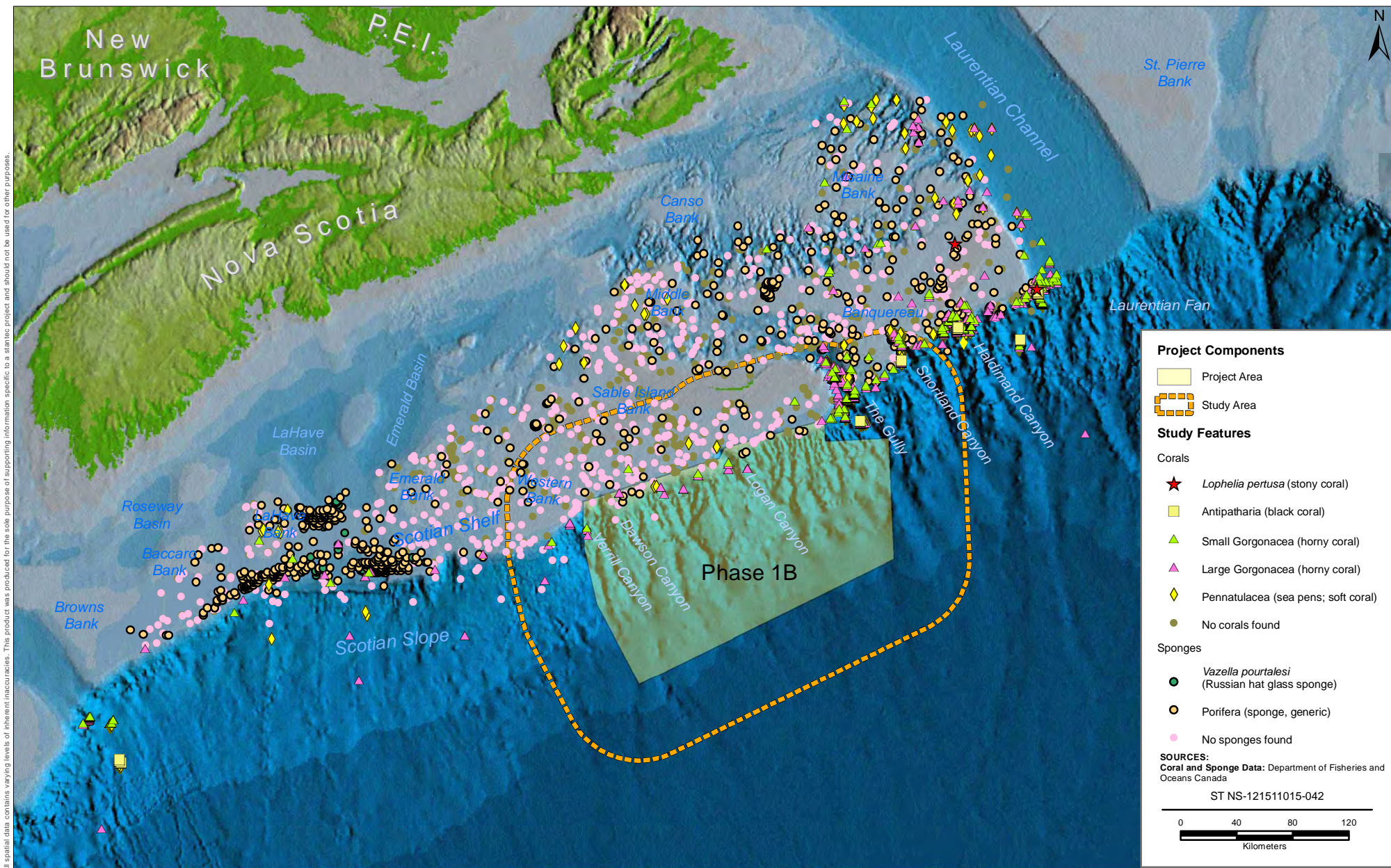
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Table 3.4 summarizes the general characteristics of Scotian Shelf sponges and potential distribution in the Study Area.

Table 3.4 Sponges

General Characteristics	<ul style="list-style-type: none">• Marine invertebrates that attach themselves to bottom substrates.• Filter feeders, which are generally found at depth below 300 m.• Sponges provide substrate and shelter for many other species. Source: DFO 2011b; Kenchington <i>et al.</i> 2010
Locations within Study Area	<ul style="list-style-type: none">• The only confirmed glass sponge ground is located outside of the Study Area (Russian Hat Sponge Area located in the Emerald Basin).• There are no significant sponge locations within the Study Area (Figure 3.4). Source: DFO 2011b; Kenchington <i>et al.</i> 2010

Figure 3.2 displays known distribution of corals and sponges on the Scotian Shelf (data courtesy of DFO).



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REVIEWED BY:	C. Shupe
CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope - Strategic Environmental Assessment

Coral and Sponge Locations

FIGURE NO.:	3.2
DATE:	Aug 07, 2012

3.2.4 Commercial Fish and Invertebrates

Key fish species on the Eastern Scotian Shelf are described in three categories: groundfish, pelagic fish, and invertebrates (e.g., shellfish). Groundfish spend the majority of their life near the bottom of the ocean and include the gadoids (cod, pollock, and haddock), skates, and flatfishes. Pelagic organisms live in the water column and at the surface and can include highly migratory species such as tuna, swordfish, and sharks. Groundfish and pelagic species are a major component of the Scotian Shelf edge and Slope fishery; Invertebrates play a limited role.

Table 3.5 summarizes reproductive times (spawning, hatching, mating) for key commercial fish species that are likely to occur in the Study Area.

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Table 3.5 Summary of Spawning and Hatching Periods for Principal Commercial Fisheries Species with the Potential to Occur in the Study Area

Common Name	Latin Name	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Atlantic cod	<i>Gadus morhua</i>												
Atlantic halibut	<i>Hippoglossus hippoglossus</i>												
Albacore tuna	<i>Thunnus alalunga</i>												
Bluefin tuna	<i>Thunnus thynnus</i>												
Cusk	<i>Brosme brosme</i>												
Haddock	<i>Melanogrammus aeglefinus</i>												
Hagfish	<i>Myxine glutinosa</i>												
Mako shark	<i>Leurus oxyrinus</i>												
Pollock	<i>Pollachius virens</i>												
Porbeagle shark	<i>Lamna nasus</i>												
Redfish (deepwater and Acadian)	<i>Sebastes mentella</i> / <i>Sebastes fasciatus</i>												
Stripped catfish (wolfish)	<i>Anarchichas lupus</i>												
Swordfish	<i>Xiphias gladius</i>												
Turbot – Greenland flounder	<i>Reinhardtius hippoglossoides</i>												
White hake	<i>Urophycis tenuis</i>												
Northern Shrimp	<i>Panadulus borealis</i>												
Snow crab	<i>Chionoecetes opilio</i>												

Source: Scott and Scott 1988; Cargnelli *et al.* 1999a; Cargnelli *et al.* 1999b; Campana *et al.* 2003; O'Dea and Haedrich 2000; COSEWIC 2001a; COSWEIC 2001b; DFO 2001, 2003, 2004, 2006a, 2006b; 2009a, 2009b, 2009c, 2012

	potential spawning and hatching periods
	peak spawning period anticipated
	mating period

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The following descriptions of fish and invertebrates focus on species of commercial value.

3.2.4.1 Groundfish

Table 3.6 summarizes the distribution of groundfish of commercial value likely to occur in the Study Area.

Table 3.6 Groundfish of Commercial Value Likely to Occur in the Study Area

Common Name	Latin Name	Distribution
Acadian redfish	<i>Sebastes fasciatus</i>	Closely associated with the seafloor commonly found inhabiting waters 150 to 300 m in depth along the Scotian Shelf Edge and Slope. Mature individuals expected in to occur in the Study Area from May to October. Spawning occurs in fall. Larvae may be present in water column May to August
American plaice	<i>Hippoglossoides platessoides</i>	Closely associated with the seafloor and commonly found in water depths of 100 to 200 m where soft/sandy sediments are present. The maritime population is common to the Scotian Shelf. American plaice are spring spawners and feed on benthic organisms, sometimes swimming off the sea floor at night to chase capelin. Within the Study Area American plaice can be found along the Sable Island Bank and slopes.
Atlantic cod	<i>Gadus morhua</i>	A demersal gadoid species usually found within 2 m of the seafloor. Atlantic cod can be found from Greenland to Cape Hatteras, and can be found on the Shelf edge and Slope as well as on the banks of the Gully. In 1993 a moratorium on cod fishing was put in place and remains in effect today. Cod remains an important commercial fishery on the southwest Scotian shelf.
Atlantic halibut	<i>Hippoglossus</i> <i>Hippoglossus</i>	Atlantic halibut are distributed from north of Labrador to Virginia. On the Scotian Shelf and Slope, halibut are most abundant between 200 – 500 m. Within the Study Area halibut are most common along the shelf edge as well as in the Gully. They prefer sand, gravel or clay substrates. The species spawns on the slope of the banks and continental shelf during the late fall, winter and early spring, with peak spawning occurring from November to December. Atlantic halibut is the most important groundfish species within the Study Area.
Haddock	<i>Melanogrammus aeglefinus</i>	A demersal gadoid species usually closely associated with the seafloor, preferring broken ground, gravel, pebbles, clay, smooth hard sand, sticky sand of gritty consistency, and shell beds. The species is a broadcast spawner, spawning batches of eggs over several weeks. The juveniles are pelagic for a period of 3 – 5 months before settling on the sea bed in suitable habitat. Haddock can be found from Greenland to Cape Hatteras, and can be found in the Study Area on Sable Island Bank,
Hagfish	<i>Myxine glutinosa</i>	The hagfish can be found from Greenland to the waters off New York. Hagfish prefer to live at depths greater than 30 m and on soft bottoms. The species has the potential to spawn year-round with eggs taking 6 months or more to hatch. Hagfish eggs provide a source of food for juvenile groundfish species. As a new fishery in the area Hagfish are becoming an important source of income within the groundfish fishery. Limited concentrations of hagfish can be found on the slope of Sable Island Bank.
Monkfish	<i>Lophius americanus</i>	Monkfish can be found from the Northern Gulf of St. Lawrence to Cape Hatteras. They have been found inhabiting areas up to 800 m in depth, but are most commonly found from 70-100 m. Monkfish spawn on inshore shoals as well as in offshore areas during the

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Table 3.6 Groundfish of Commercial Value Likely to Occur in the Study Area

Common Name	Latin Name	Distribution
		spring to early-fall. Spawning peaks from May to June. Concentrations of Monkfish can be found on the western portion of Sable Island Bank as well as the edge and slope in the Study Area.
Pollock	<i>Pollachius virens</i>	Pollock is a gadoid species found from southern Labrador to Cape Hatteras, with major concentrations on the Scotian Shelf, including areas of Sable Island, Middle, and Banquereau Banks. Pollock spawn offshore, with recruitment occurring in the coastal environment for a period of one to two years followed by an offshore migration.
Turbot – Greenland flounder	<i>Reinhardtius hippoglossoides</i>	The Greenland flounder can be found in water depths ranging from 90-1600 m from western Greenland to the southern edge of the Scotian Slope. Within the Study Area, the species is most common along the Shelf Edge and Slope.
Witch flounder	<i>Glyptocephalus cynoglossus</i>	The witch flounder is a deep water boreal flatfish that can be found from Labrador to Georges bank at depths from 50 – 300 m. The species spawns near the sea floor from late March to November, with a peak during the summer months. The species is common in the Study Area along the slopes of the Sable Island Bank.
Yellowtail founder	<i>Limanda ferruginea</i>	The Yellowtail flounder is a small-mouthed Atlantic flatfish that inhabits relatively shallow waters of the continental shelf from southern Labrador to Chesapeake Bay. The species is a batch spawner, spawning from March to August with a peak in May. High concentrations of the species can be found on Sable Island Bank.

Source: Scott and Scott 1988; Cargnelli *et al.* 1999a; Cargnelli *et al.* 1999b; DFO 2001, 2006b, 2009b, 2009c 2012.

3.2.4.2 Pelagic Fish

The following table contains common pelagic species of commercial importance that are likely to occur within the Study Area.

Table 3.7 Pelagic Fish of Commercial Value Likely to Occur in Study Area

Common Name	Latin Name	Distribution
Albacore tuna	<i>Thunnys alalunga</i>	Migration routes are still uncertain. Albacore tuna enter Canadian waters in July and remain until November feeding on forage species. Albacore tuna are distributed sparsely along the Scotian Shelf Edge and Slope, with higher numbers further offshore above the abyssal plain.
Atlantic herring	<i>Clupea harengus</i>	Common along the coast of Nova Scotia and offshore banks. Known to be present in the northern portions of Sable Island Bank, the Gully trough area, and Banquereau Bank. Recent studies have suggested that there is an offshore spawning population, which spawn during the summer and fall months in the offshore area.
Atlantic mackerel	<i>Scomber scombrus</i>	During the winter they occupy moderately deep water, 70-200 m, along the continental shelf edge from Sable Island Bank to Chesapeake Bay. Migrate over Sable Island bank in the spring and summer months.
Bigeye tuna	<i>Thunnus obesis</i>	Young individuals typically inhabit tropical waters while mature individuals migrating to northern latitudes. Mature bigeye tuna enter Canadian waters including the Scotian Shelf edge and Slope in July and remain until November to feed. Bigeye tuna have a similar distribution as the Albacore with a few fish inhabiting waters along the Scotian Shelf Edge and Slope, with higher numbers further offshore.

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Table 3.7 Pelagic Fish of Commercial Value Likely to Occur in Study Area

Common Name	Latin Name	Distribution
Black dogfish	<i>Centroscyllium fabricii</i>	The black dogfish is a deepwater species found in temperate to boreal waters over the outer continental shelves and slopes of the North Atlantic Ocean. The species has been found along the Scotian Shelf outside of the Project Area.
Bluefin tuna	<i>Thunnus thynnus</i>	Bluefin tuna is distributed throughout the North Atlantic, occupying waters up to a depth of 200 m. Adult Bluefin tuna enter Canadian waters, including the Scotian Shelf from June to October. The Bluefin can be found distributed along the edges and slopes of Sable Island Bank.
Blue shark	<i>Prionace glauca</i>	The blue shark is a highly migratory species, with its western Atlantic range from Newfoundland to Argentina. The blue shark has been recorded in Canadian waters including the Scotian Shelf most commonly during the summer months. The blue shark mates on the continental shelf during the spring and early summer, moving further offshore afterwards. Blue sharks can be found along the Scotian Shelf Edge and Slope, as well as on the northwest slope of Sable Island Bank and the northeast corner of the Emerald Basin.
Porbeagle shark	<i>Lamna nasus</i>	Porbeagle sharks move onto the Scotian Shelf in the early spring. The primary factor affecting distribution is thought to be temperature, with the species typically inhabiting waters between 5-10 °C. Porbeagles can be found in a similar distribution as the blue shark inhabiting the Scotian Shelf Edge and Slope, as well as on the northwest slope of Sable Island Bank and the northeast corner of the Emerald Basin.
Shortfin mako shark	<i>Lurus oxyrinus</i>	This species migrates into Canadian waters generally in the later summer and early fall, where they are associated with the warm waters of the Gulf Stream. Shortfin makos inhabit similar water as the blue and Porbeagle sharks including the Scotian Shelf Edge and Slope, as well as on the northwest slope of Sable Island Bank and the northeast corner of the Emerald Basin.
Swordfish	<i>Xiphias gladius</i>	Swordfish migrate into Canadian waters in the summer as part of their annual seasonal movement, following spawning in subtropical and tropical areas. Swordfish are commonly caught along the slope of Sable Island Bank and is one of the most important pelagic commercial fish species in the Study Area. Swordfish can be found along the Scotian Shelf Edge and Slope as well as on the northwest slope of Sable Island Bank and the northeast corner of the Emerald Basin.
Yellowfin tuna	<i>Thunnus albacares</i>	Yellowfin tuna migrate into Canadian waters, including the Scotian Shelf to feed during the summer months. Yellowfin tuna have similar distributions as the albacore and bigeye tunas, sparsely populating the Shelf Edge and Slope with higher numbers further offshore.

Source: Scott and Scott 1988; Campana *et al.* 2003; Maguire and Lester 2012; DFO 2006a; DFO 2011a; DFO 2012

3.2.4.3 Invertebrates

Table 3.8 summarizes invertebrate species of commercial value that are known to occur or are common within the Study Area.

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Table 3.8 Invertebrates of Commercial Value Likely to Occur in the Study Area

Common Name	Latin Name	Distribution
Snow crab	<i>Chionoecetes opilio</i>	Snow crabs can be found from the Gulf of Maine to Greenland at depths from 1 m to 470 m. The species prefers temperatures in the range of 3-4 °C. Mating pairs migrate to shallow waters during February and March. The female carries the fertilized eggs for one to two years before larvae are released during April and May. Larvae have a planktonic stage lasting 3 – 5 months. Within the Study Area Snow crab can be found in limited numbers along the Scotian Shelf edge and Slope.
Atlantic sea scallop	<i>Placopecten magellanicus</i>	The Atlantic sea scallop can be found from the Gulf of St. Lawrence to Cape Hatteras, North Carolina. Within the Study Area the Atlantic sea scallop is common on the south and southwest portions of Sable Island Bank.
Iceland sea scallop	<i>Chlamys islandica</i>	The Iceland Sea Scallop can be found from the Gulf of St. Lawrence to Cape Hatteras, North Carolina. Within the Study Area the Iceland sea scallop is common on the south and southwest portions of Sable Island Bank.
Northern shrimp	<i>Panadalus borealis</i>	The species can be found from New England to Greenland and Baffin bay at depths ranging from 20 -1300m. Northern shrimp prefer soft, muddy ocean bottoms. The species can be found in limited numbers on the Scotian Shelf edge and Slope.
Striped shrimp	<i>Panadalus montagui</i>	The striped shrimp can be found from New England to Greenland and Baffin Bay at depths from 20 – 100 m. The species prefers hard substrates including rock, gravel, sand and mud. The species can be found in limited numbers on the Scotian Shelf edge and Slope.

Source: DFO 2002, 2004b, 2007, 2009a, 2012; Government of Newfoundland and Labrador 2003.

3.2.4.4 Fish Species of Special Status

Table 3.8 lists fish species of special status which may be present in the Study Area. Species of special status are those that are listed as endangered, threatened, or special concern either under the *Species at Risk Act* (SARA) or by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC). Populations that are highly unlikely to occur in the Study Area have been excluded (e.g., Atlantic cod Laurentian North population).

Table 3.8 Fish Species of Special Status Potentially Occurring in the Study Area

Common Name	Species Name	SARA Schedule 1 Status	COSEWIC Designation	Potential Occurrence in Study Area
Northern Wolffish	<i>Anarhichas denticulatus</i>	Threatened	Threatened	Low potential for occurrence – Main range is off northeast Newfoundland and across the north Atlantic with some occurrence on the eastern Scotian Shelf off Cape Breton. Most commonly found inhabiting the seafloor in water depths of 100 to 900 m. Non-migratory spawning occurs in the fall. Larvae may be present on the seafloor in fall to early winter.
Spotted Wolffish	<i>Anarhichas minor</i>	Threatened	Threatened	Low potential for occurrence – Main range is west of Greenland to the Grand Banks with some occurrence on the eastern Scotian Shelf off Cape Breton. Most commonly found inhabiting the seafloor in water depths of 50 to 600 m. Non-migratory spawning occurs in the summer. Eggs / larvae may be present on the seafloor in summer to fall.
Atlantic (striped) Wolffish	<i>Anarhichas lupus</i>	Special Concern	Special Concern	Moderate potential for occurrence – Occurs along the Scotian Shelf with a higher concentration around Brown's Bank, along the edge of the Laurentian Channel and into the Gulf of Maine. Most commonly found inhabiting the seafloor in water depths of 150 to 350 m. Short migrations to spawning grounds in shallow waters during the fall. Eggs / larvae may be present on seafloor in fall to early winter.
White Shark	<i>Carcharodon carcharias</i>	Endangered	Endangered	Low potential for occurrence – Rare in north Atlantic Canadian waters (32 records in 132 years), as it is the northern edge of their range. Recorded sightings range from the Bay of Fundy to the Laurentian Channel as well as on the Sable Island Bank. Can range in depth from the surface to 1,300 m, are highly mobile and seasonally migrant.
Acadian Redfish (Atlantic population)	<i>Sebastes fasciatus</i>	Not Listed	Threatened	High potential for occurrence - Closely associated with the seafloor commonly found inhabiting waters 150 to 300 m in depth. Can be commonly found along the slopes of Sable Island Bank. Spawning occurs in fall. Larvae may be present in water column May to August.
American Plaice (Maritime population)	<i>Hippoglossus platessoides</i>	Not Listed	Threatened	Moderate potential for occurrence – Population is concentrated in the Gulf of St. Lawrence and on the Scotian Shelf. Closely associated with the seafloor and commonly found in water depths of 100 to 200 m where soft / sandy sediments are present. Spawning occurs in April / May. Larvae may be present in the water column between May and June. Major Spawning area on the Scotian Shelf is on Banquereau Bank.

Table 3.8 Fish Species of Special Status Potentially Occurring in the Study Area

Common Name	Species Name	SARA Schedule 1 Status	COSEWIC Designation	Potential Occurrence in Study Area
Atlantic Bluefin Tuna	<i>Thunnus thynnus</i>	Not Listed	Endangered	High potential for occurrence – Atlantic bluefin tuna are highly migratory, with long and varied routes and can usually be found in Canadian waters in the summer. Regularly seen on the Scotian Shelf and Slope and can be found between the surface and a depth of 200 m. The Bluefin can be found distributed along the edges and slopes of Sable Island Bank.
Atlantic Cod (Laurentian South population)	<i>Gadus morhua</i>	Special Concern (Schedule 3)	Endangered	High potential for occurrence – Benthopelagic species that migrates from the southern Gulf to the waters of the Scotian Shelf off Cape Breton between May to October. Eggs and Larvae may be present in upper water column from May to April.
Atlantic Cod (Southern population)		Special Concern (Schedule 3)	Endangered	Moderate potential for occurrence – Atlantic Cod from this population inhabit waters from the Bay of Fundy and southern Nova Scotia, including the Scotian Shelf south and west of Halifax, to the southern extent of the Grand Banks.
Atlantic Salmon (Outer bay of Fundy)	<i>Salmo salar</i>	Not Listed	Endangered	Low to moderate potential for occurrence – Population extends from the Saint John River westward to the U.S border. Migration patterns to the north Atlantic may cause the population to be present in the project area; any presence will be transient in nature.
Atlantic Salmon (Eastern Cape Breton population)		Not Listed	Endangered	Low potential for occurrence – Population extends from the northern tip of Cape Breton to northeastern Nova Scotia (mainland). Migration to the north Atlantic should not cross the project area.
Atlantic Salmon (Nova Scotia Southern Upland population)		Not Listed	Endangered	Moderate potential for occurrence – Population extends from northeastern Nova Scotia (mainland) along the Atlantic and Fundy coasts up to Cape Split. Migration between freshwater rivers and the north Atlantic means the population may pass through the project area with an presence being transient in nature.
Basking Shark (Atlantic population)	<i>Cetorhinus maximus</i>	Not Listed	Special Concern	Low to moderate potential for occurrence – Found throughout the north Atlantic with concentrations in coastal waters of Newfoundland and near the mouth of the Bay of Fundy. Known presence along the Scotian Shelf and typically only present in Canadian waters during the summer. Have been shown to be sensitive to low frequency (25-200 Hz) pulses.

Table 3.8 Fish Species of Special Status Potentially Occurring in the Study Area

Common Name	Species Name	SARA Schedule 1 Status	COSEWIC Designation	Potential Occurrence in Study Area
Blue Shark (Atlantic population)	<i>Prionace glauca</i>	Not Listed	Special Concern	Moderate to high potential for occurrence – Commonly found in offshore waters in water depths up to 350 m. Most abundant along the coast of Nova Scotia including the Scotian Shelves and most common during the late summer and fall. Blue sharks can be found along the Scotian Shelf Edge and Slope, as well as on the northwest slope of Sable Island Bank and the northeast corner of the Emerald Basin. Have been shown to be sensitive to low frequency (25-200 Hz) pulses.
Cusk	<i>Brosme brosme</i>	Not Listed	Threatened	High potential for occurrence – Commonly found between the Gulf of Maine and southern Scotian Shelf. Most common along the southwestern shelf but have been frequently noted as far up the shelf as Sable Island. Within the Study Area, cusk can be found along the Scotian Shelf Slope, as well as within the Gully.
Deepwater Redfish (Gulf of St. Lawrence - Laurentian Channel population)	<i>Sebastes mentalla</i>	Not Listed	Endangered	Low potential for occurrence - Closely associated with the seafloor commonly found inhabiting waters 350 to 500 m in depth in the Gulf / Laurentian Channel. Not expected to extend into the project area from the Laurentian Channel.
Deepwater Redfish (Northern population)		Not Listed	Threatened	Low potential for occurrence - Closely associated with the seafloor commonly found inhabiting waters 350 to 500 m in depth from the Grand Banks to northern Labrador.
Porbeagle Shark	<i>Lamna nasus</i>	Not Listed	Endangered	Moderate potential for occurrence – Migrant in Atlantic Canadian waters between the Gulf of Maine and Atlantic waters off Newfoundland, moving onto the Scotian Shelf in the spring. Most often caught in water depths of 35 to 100 m. Porbeagles can be found in a similar distribution as the blue shark inhabiting the Scotian Shelf Edge and Slope, as well as on the northwest slope of Sable Island Bank and the northeast corner of the Emerald Basin. Can be attracted to low frequency sounds.
Roundnose Grenadier	<i>Coryphaenoides rupestris</i>	Not Listed	Endangered	Moderate potential for occurrence – More abundant in the northern portion of its Canadian range although some captures have been made along the Scotian Shelf. Closely associated with the seafloor, commonly found inhabiting waters 800 to 1,000 m in depth. Could occur at any time of the year. Non-migratory. Spawning occurs in summer and fall.

Table 3.8 Fish Species of Special Status Potentially Occurring in the Study Area

Common Name	Species Name	SARA Schedule 1 Status	COSEWIC Designation	Potential Occurrence in Study Area
Roughhead Grenadier	<i>Macrourus berglax</i>	Not Listed	Special Concern	Moderate potential for occurrence – Closely associated with the seafloor commonly found in water depths of 400 to 1,200 m on or near the continental slope of the Newfoundland and Labrador Shelves from the Davis Strait to the southern Grand Banks, including around Sable Island. Spawning may occur within the southern Grand Banks.
Shortfin Mako	<i>Isurus oxyrinchus</i>	Not Listed	Threatened	Moderate potential for occurrence – A pelagic species which migrates north following food stocks (<i>i.e.</i> , mackerel, herring, and tuna) in the late summer and fall. Known to frequent the Scotian Shelf, Grand Banks and Georges Banks. Any occurrence would likely be transient in nature. Have been shown to be sensitive to low frequency (25-200 Hz) pulses.
Smooth Skate (Laurentian-Scotian population)	<i>Malacoraja senta</i>	Not Listed	Special Concern	Low to moderate potential for occurrence – Population can be found throughout the northwest Atlantic including the Scotian Shelf at depths of greater than 90 m.
Spiny Dogfish (Atlantic population)	<i>Squalus acanthias</i>	Not Listed	Special Concern	High potential for occurrence – Commonly found from the intertidal zone to the continental slope in water depths up to 730 m. Most abundant between Nova Scotia and Cape Hattaras. Highest concentration in Canadian waters is along the Scotian Shelf.
Thorny Skate	<i>Amblyraja radiata</i>	Not Listed	Special Concern	Low to moderate potential for occurrence – Population is common throughout the north Atlantic, is concentrated on the Grand Banks with some occurrence on the Scotian Shelf. Common at depths from 30 to 440 m.
Winter Skate (Eastern Scotian Shelf Population)	<i>Leucoraja ocellata</i>	Not Listed	Threatened	High potential for occurrence – Located along the eastern Scotian Shelf and into the Laurentian Channel. Non-migratory spawning has been observed in the fall. Eggs / larvae may be present up to 22 months after spawning and are attached to the seafloor.

3.2.5 Marine Mammals and Sea Turtles

There are three groups of marine mammals that have the potential to inhabit the Study Area: the Mysticetes (toothless/baleen whales), Odontocetes (toothed whales), and Pinnipeds (seals). In 2007 a large scale aerial survey of marine megafauna was conducted in the Northwest Atlantic (DFO 2011b). During this survey 20 species of cetaceans were identified on the Scotian Shelf. Common dolphins were the most prevalent species, followed by pilot whales and white-sided dolphins.

3.2.5.1 Mysticetes and Odontocetes

Table 3.9 lists cetacean species known to inhabit the Study Area. Special designations by SARA and/or COSEWIC are included as applicable.

Table 3.9 Marine Mammals Known to Occur within the Study Area

Common Name	Latin Name	SARA Status	COSEWIC Designation	Potential Occurrence in Study Area
Mysticetes (Toothless or Baleen Whales)				
Blue whale (Atlantic population)	<i>Balaenoptera musculus</i>	Schedule 1, Endangered	Endangered	Moderate potential for occurrence -Has a large range, including along the Scotian Shelf but a low population density. Forages for krill in both coastal and offshore waters, especially in areas of upwelling such as the continental shelf during spring, summer and fall. Found in small migrant herds and surface every 5 to 15 minutes for breathing.
Fin whale (Atlantic Population)	<i>Balaenoptera physalus</i>	Schedule 1, Special Concern	Special Concern	Moderate potential for occurrence -Concentrated in the northwest Atlantic region during summer months (but seen year round) for feeding, with a high concentration on the Scotian Shelf. The most commonly sighted whale species along the Scotian Shelf. Calving occurs in winter, in lower latitudes.
Humpback whale (Western North Atlantic population)	<i>Megaptera novaeangliae</i>	Schedule 3, Special Concern	Not at Risk	High Potential for occurrence - Humpback whales are common in the summer and can be sighted from the Gulf of Mexico to southeastern Labrador. They have regularly been sighted in the Gully.
Minke whale	<i>Balaenoptera acutorostrata</i>	Not Listed	Not at Risk	High Potential for occurrence - The minke whale can be found from the Davis Strait in the north to the Gulf of Mexico. Minke whales can be found in the Study Area during the spring and summer.
North Atlantic right whale	<i>Eubalaena glacialis</i>	Schedule 1, Endangered	Endangered	Moderate potential for occurrence - Range along the Atlantic coast from the southeastern U.S. to the Scotian Shelf, with the <i>Roseway Basin Area to be Avoided</i> (also SARA designated Critical Habitat) located on the southwestern Scotian Shelf. Migration patterns typically bring them to the waters of the Scotian Shelf from July to October. Primarily feeds on copepod and other zooplankton.
Sei whale	<i>Balaenoptera borealis</i>	Not Listed	Not Listed	High Potential for occurrence - In Atlantic Canadian waters sei whales can be found from Georges Bank in the south to Labrador in the north. During the summer and early autumn months, a large portion of the population can be found on the Scotian Shelf and Slope.
Odontocetes (Toothed Whales)				
Atlantic white-sided dolphin	<i>Lagenorhynchus acutus</i>	Not Listed	Not at Risk	Moderate Potential for occurrence - Atlantic white-sided dolphins are distributed throughout the continental shelf and slope areas of the North Atlantic.

Table 3.9 Marine Mammals Known to Occur within the Study Area

Common Name	Latin Name	SARA Status	COSEWIC Designation	Potential Occurrence in Study Area
Harbour porpoise (Northwest Atlantic population)	<i>Phocoena phocoena</i>	Schedule 2, Threatened	Special Concern	Low Potential for occurrence - Harbour porpoises are widely distributed over the continental shelves of the northern hemisphere and are generally found within 250 km of shore. They are an occasional visitor to the shallow banks of the Scotian Shelf, although they are rarely sighted.
Killer whale	<i>Orcinus orca</i>	Not Listed	Special Concern	Low Potential for occurrence - Occasional visitor to the area, although rarely seen.
Long-finned pilot whale	<i>Globicephala melas</i>	Not Listed	Not at Risk	Moderate Potential for occurrence - During the late spring, pilot whales migrate into Canadian waters and remain until late autumn.
Northern bottlenose whale (Scotian Shelf Population)	<i>Hyperoodon ampullatus</i>	Endangered	Endangered	High Potential for occurrence - The Scotian Shelf population occurs around the Gully, Shortland and Haldimand canyons (all designated Critical Habitat under SARA), this being the southernmost extent that they are routinely sighted. Highly concentrated at the mouth of the Gully and at depths to 800 m. Non-migratory with mating and calving occurring in August. Known to be extremely curious and will investigate vessels or equipment.
Sowerby's beaked whale	<i>Mesoplodon bidens</i>	Special Concern	Not Listed	Moderate Potential for Only found in the north Atlantic with some known occurrence along the Scotian Shelf but not often sighted; have been seen in the Gully MPA. Habitat tends to concentrate around shelf edges and slopes.
Sperm whale	<i>Physeter macrocephalus</i>	Not Listed	Not at Risk	High Potential for occurrence - The sperm whale can be found along the Scotian Shelf edge and may be more common in the submarine canyons of the shelf, as it is regularly seen in the Gully.
Striped dolphin	<i>Stenella coeruleoalba</i>	Not Listed	Not at Risk	High Potential for occurrence - The striped dolphin can be found from Cape Hatteras to the southern margin of Georges Bank and also offshore over the continental slope and rise in the mid-Atlantic regions. They prefer the warm waters found on the Shelf edge and are often seen in the Gully.

Source: DFO 2011a, DFO 2011b, SARA 2011

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3.2.5.2 Pinnipeds (Seals)

Sable Island is a significant area for seals on the Scotian Shelf. It is important for two breeding populations of seals, containing approximately 80% of the world's largest breeding population of grey seals, as well as a smaller population of harbour seals. Seals feed off Sable Island and in the Gully year-round (DFO 2011b). Table 3.10 lists pinniped species found within the Study Area. No seal populations within the Study Area are designated under SARA or by COSEWIC.

Table 3.10 Pinniped Species found within the Study Area

Common Name	Latin Name	Potential Occurrence in Study Area
Grey seal	<i>Halichoerus grypus</i>	Largest breeding population, pupping on Sable Island mid-December to late January. Forages in Study Area year round.
Harbour seal	<i>Phoca vitulina</i>	Breeding population uses Sable Island for pupping mid-May to mid-June and forages in the Study Area year round.
Harp seal	<i>Phoca groenlandica</i>	Forage in the Study Area.
Hooded seal	<i>Cystophora cristata</i>	Forage in the Study Area.
Ringed seal	<i>Phoca hispida</i>	Forage in the Study Area.

Source: DFO 2011a, DFO 2011b

3.2.5.3 Sea Turtles

There are four species of turtles that can be found migrating and foraging within the Study Area (Table 3.11).

Table 3.11 Sea Turtle Species Known to Occur in the Study Area

Common Name	Latin Name	SARA Status	COSEWIC Designation	Potential Occurrence in Study Area
Leatherback turtle	<i>Dermochelys coriacea</i>	Schedule 1, Endangered	Endangered	Moderate Potential for occurrence - The species forages for jellyfish in the waters of the Scotian Shelf and Slope during the summer and fall months.
Loggerhead turtle	<i>Caretta caretta</i>	Not Listed*	Endangered	Moderate Potential for occurrence - Immature loggerhead turtles occur regularly at the edge of the Scotian Shelf and on the Slope. They migrate north during the summer months and return south for the winter.
Kemp's ridley turtle	<i>Lepidochelys kempii</i>	Not Listed	Not Listed	Low Potential for occurrence - Occasionally seen in the waters of Nova Scotia, but generally found further south. The Scotian Shelf is not a regular foraging area.
Green turtle	<i>Chelonia mydas</i>	Not Listed	Not Listed	Low Potential for occurrence - Recently documented on the Scotian Shelf, although it does not regularly occur in the area.

*Being considered for inclusion under SARA (DFO 2010a)

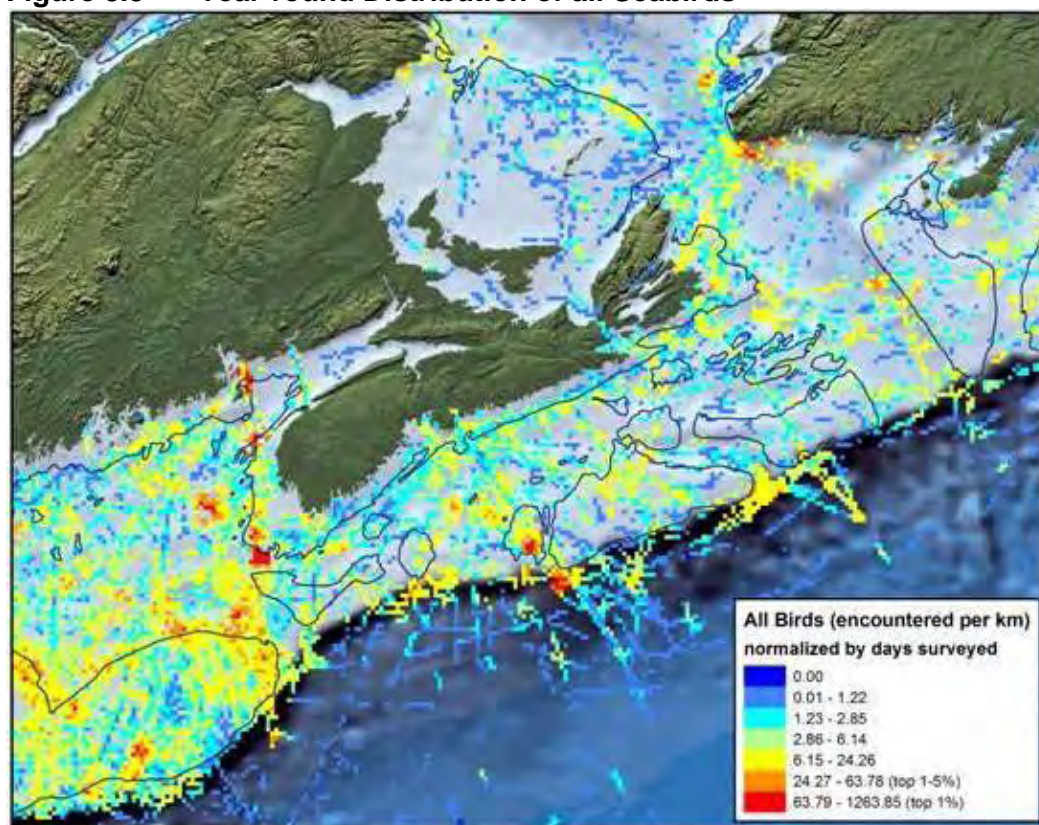
Source: DFO 2011a

3.2.6 Marine Birds

The east coast of Canada supports large numbers of breeding marine birds as well as millions of migrating birds from the southern hemisphere and the northeastern Atlantic (Gjerdrum *et al.* 2007). Marine birds are reliant upon land when they are raising their young, but the majority of their lives are spent in the marine environment. The Dovekie (*Alle alle*) is considered the most abundant seabird in the North Atlantic. The Dovekie breeds between May and August in the arctic and spends the rest of the year living in the open ocean and is common throughout the Scotian Shelf. The species feeds on large zooplankton and can be found on the Shelf breaks where large numbers of zooplankton aggregate.

A recent study by the Canadian Wildlife Service (CWS) of Environment Canada involved seasonal observations of marine birds around Nova Scotia and Newfoundland (Gjerdrum *et al.* 2007). During the spring 0.8 birds/km² were observed. Murre, dovekie, and Atlantic puffin accounted for 62% of birds observed. During the spring months, murre and puffins are moving from their offshore wintering areas to begin colonizing breeding areas in Eastern Newfoundland, Labrador, and the arctic (Gjerdrum *et al.* 2007), while dovekies are migrating towards colonies in the eastern arctic. During the spring months Greater Shearwaters can be found on the eastern Scotian Shelf. During the fall months 0.8 birds/km² were also observed. During the fall months large concentrations of Dovekies are known to occur on the Scotian Shelf. Figure 3.3 shows relative bird densities offshore.

Figure 3.3 Year-round Distribution of all Seabirds



Source: DFO 2011a

As shown in Figure 3.3, offshore seabird concentrations are greater in the Shelf edge where there is higher productivity. Of particular relevance to the Study Area is the presence of two Species at Risk: the Roseate Tern (*Sterna dougallii*) and the Savannah (Ipswich) Sparrow (*Passerculus sandwichensis princeps*). Details on these species are included in Table 3.12.

Table 3.12 Marine Bird Species of Special Status Which May Occur in the Study Area

Common Name	Species Name	SARA Schedule 1 Status	COSEWIC Designation	Potential Occurrence in Study Area
Shore, Migratory and Marine Birds				
Barrows Goldeneye	<i>Bucephala islandica</i>	Special Concern	Special Concern	Low potential for occurrence – A migratory duck that is largely concentrated in the Rocky Mountains with only a small portion of its population extending east to Atlantic Canada, wintering in coastal areas.
Harlequin Duck	<i>Histrionicus histrionicus</i>	Special Concern	Special Concern	Low potential for occurrence – Eastern population known to winter in Nova Scotia, along the coast with a preference for coastal islands close to the mainland.

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Table 3.12 Marine Bird Species of Special Status Which May Occur in the Study Area

Common Name	Species Name	SARA Schedule 1 Status	COSEWIC Designation	Potential Occurrence in Study Area
Piping Plover (melodus subspecies)	<i>Charadrius melodus melodus</i>	Endangered	Endangered	Low potential for occurrence – Population inhabits sandy beach ecosystems throughout Atlantic Canada but is not known to inhabit Sable Island. Winters on the southern Atlantic coast of the U.S.
Roseate Tern	<i>Sterna dougallii</i>	Endangered	Endangered	Moderate potential for occurrence – Small population breeds almost exclusively on a small number of islands off of Nova Scotia, Sable Island being one of them. Noted to be sensitive to increases in large shipping traffic and any possible beach activity on Sable Island.
Savannah Sparrow (Ipswich Sparrow)	<i>Passerculus sandwichensis princeps</i>	Special Concern	Special Concern	High potential for occurrence – Population nests almost exclusively on Sable Island. Winters in the mid-Atlantic U.S. and therefore would migrate across Study Area.

Source: SARA 2011

3.2.7 Special Areas

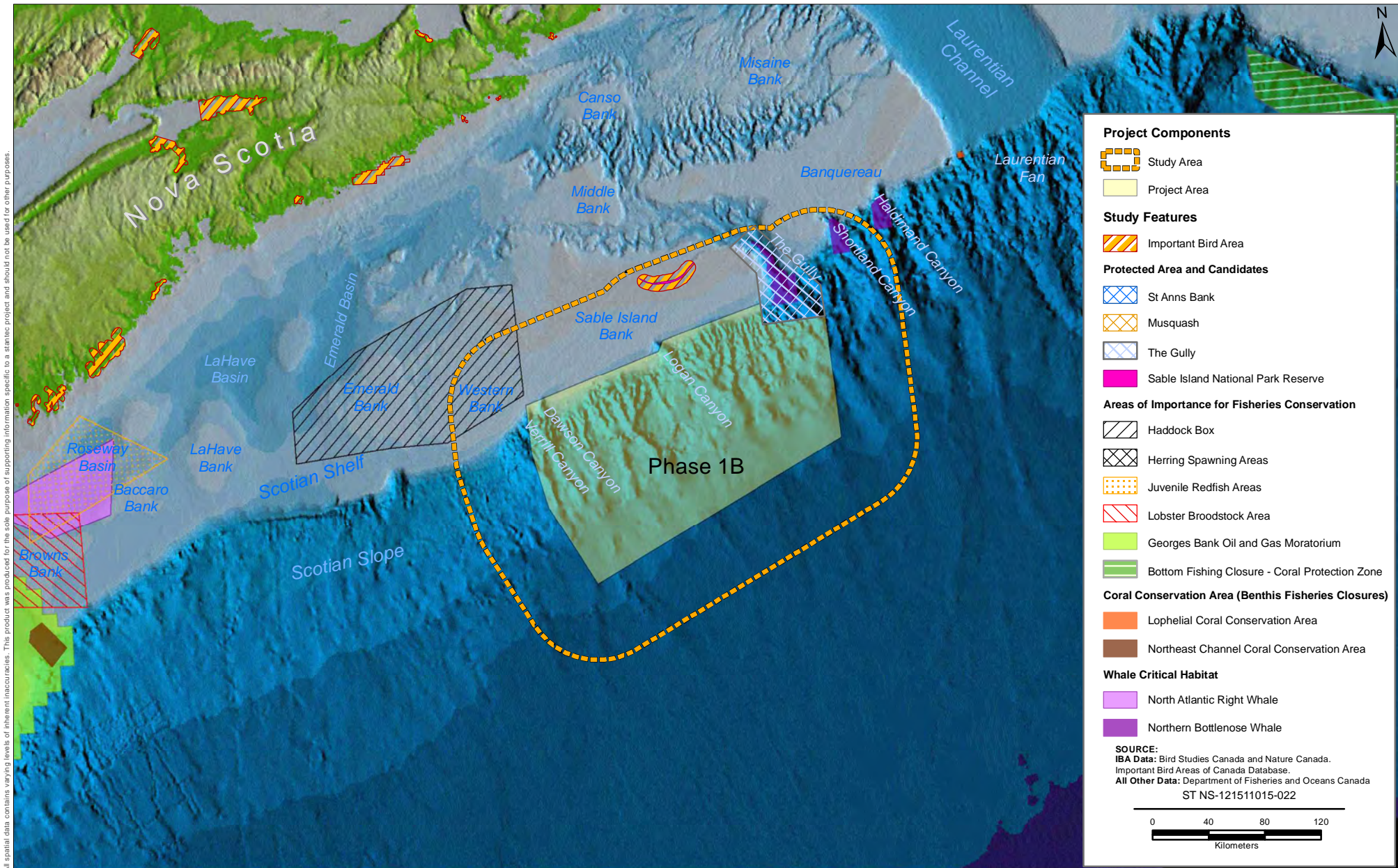
Special Areas within the SEA Study Area include protected areas, whale sanctuaries (Critical Habitat designations under SARA), areas of importance for fisheries conservation (primarily fisheries closures), and Ecologically and Biologically Significant Areas (EBSAs). Special Areas are not equally ecologically significant or sensitive. Protected areas such as the Sable Island National Park and the Gully Marine Protected Area (MPA), the Shortland and Haldimand Canyons Whale Critical Habitat for the Northern Bottlenose Whale, and the Haddock Box are afforded more significance given their official designations and long-term protection from most benthic fishing activity, in the case of the Haddock Box.

EBSAs are areas that have been identified as ecologically significant due to structural properties and/or ecosystem functions they may provide based on criteria developed by DFO (DFO 2004a; Doherty and Horsman 2007). EBSAs on the Scotian Shelf were identified at a workshop in 2006 based on scientific expert opinion and have no legal protection (Doherty and Horsman 2007). However, they have been included in this assessment as they are potentially ecologically significant and/or sensitive areas and may require special consideration in terms of mitigation and planning. Certain EBSAs are more widely recognized for their significance. DFO is working towards formal approval of EBSAs for management purposes and is in the process of adjusting EBSA boundaries based on more recent data (K. Curran, DFO, pers. comm. 2012). The EBSAs identified in the 2006 workshop (Doherty and Horsman 2007) have been adjusted based the new data and some overlapping EBSAs have been consolidated. Further adjustments to the boundaries are expected (K. Curran, DFO, pers. comm. 2012). In the meantime, the EBSAs delineated in the 2006 workshop will be used for the Special Areas VEC assessment discussed in Section 5.2.

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Figures 3.4 and 3.5 depict Special Areas and Ecologically and Biologically Significant Areas respectively found not only within the Study Area but also the larger Scotian Shelf area. Table 3.13 describes the designated protected areas in the Study Area (*i.e.*, Sable Island National Park and The Gully Marine Protected Area) and Table 3.14 describes the other special areas (including EBSAs) in the Study Area.

Although there are several overlapping Special Areas (*e.g.*, the Gully MPA and the Gully EBSA) they will be described separately in this section as illustrated in Figures 3.6 and 3.7. Overlapping areas will be consolidated in Section 5.2 in the assessment of potential effects.

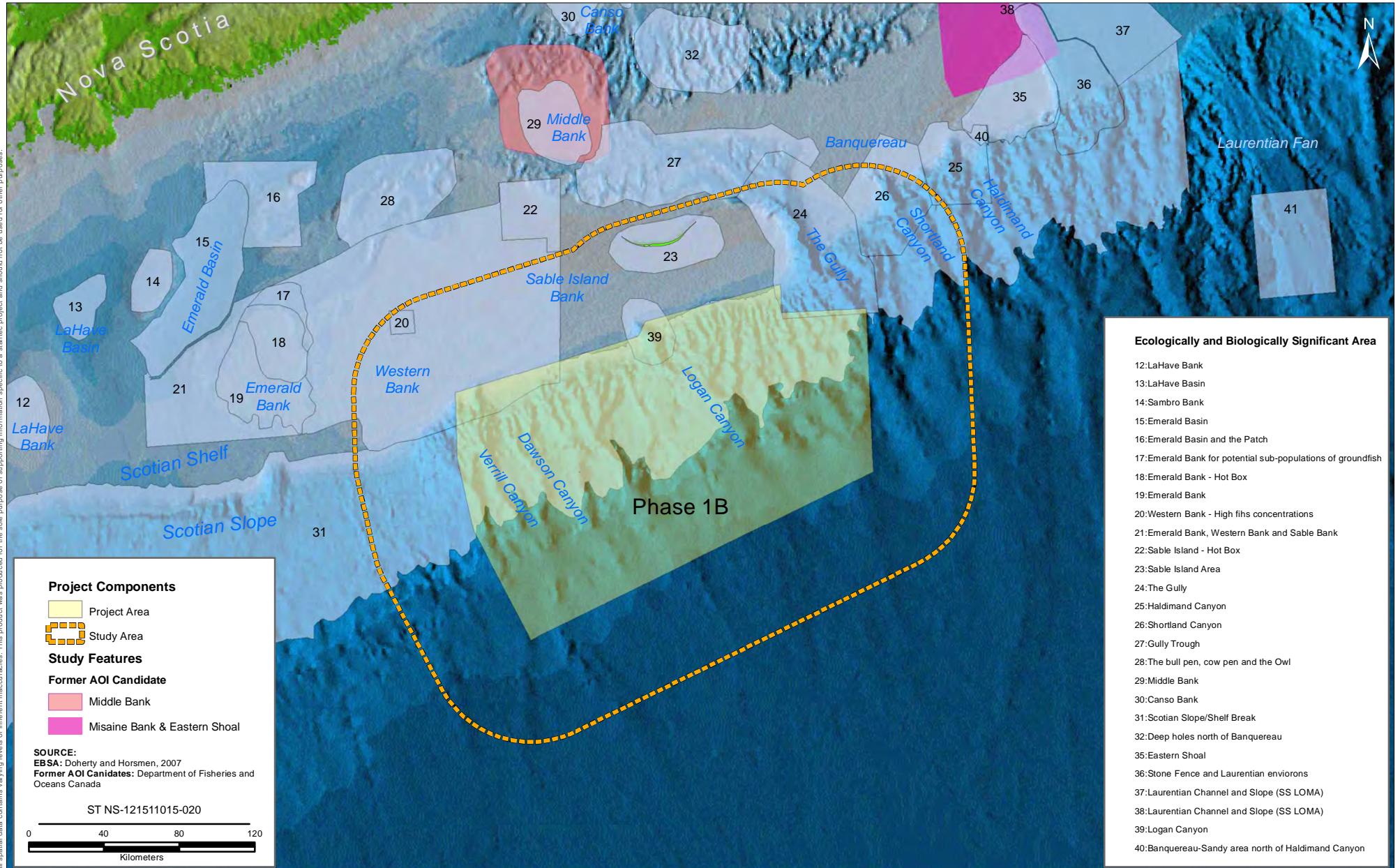


PREPARED BY:	M. Huskins-Shupe
REVIEWED BY:	C. Shupe
CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope - Strategic Environmental Assessment

Designated Special Areas

FIGURE NO.:	3.4
DATE:	Aug 03, 2012



PREPARED BY:	M. Huskins-Shupe
REVIEWED BY:	C. Shupe
CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope- Strategic Environmental Assessment

Ecologically and Biologically Significant Areas

FIGURE NO.:	3.5
DATE:	Aug 03, 2012

Table 3.13 Designated Protected Areas

Sable Island National Park Reserve	
Location	<ul style="list-style-type: none"> Located 290 km offshore from Halifax, Sable Island is a windswept crescent-shaped sandbar 42 km long by 1.5 km wide that emerges from the Atlantic Ocean near the edge of the Continental Shelf (Parks Canada 2010).
Designation and Protection	<ul style="list-style-type: none"> Sable Island is protected under the <i>Canada National Parks Act</i> which prohibits drilling from the surface of Sable Island and one nautical mile seaward of the low water mark of Sable Island as defined by the Canadian Hydrographic Service (Parks Canada 2011). To comply with the <i>National Parks Act</i>, an <i>Amending Agreement of Significant Discovery Licence 2255E</i> was executed on December 21, 2011 (CNSOPB 2011a). As of April 1, 2012, Parks Canada is responsible for managing access to the island by coordinating registrations, schedules, logistics, and written authorizations from the Canadian Coast Guard pursuant to the <i>Canada Shipping Act</i>, as is required in the current legislative context until the Canada <i>National Parks Act</i> is amended to include Sable Island National Park Reserve. (J. Sheppard, Parks Canada, pers. comm., 2012). Sable Island was designated as a Migratory Bird Sanctuary (MBS) in 1977 and is administered by the Canadian Wildlife Service (CWS) and is also an Important Bird Area (IBA) (Environment Canada 2012b). Sable Island is protected under the <i>Special Places Protection Act</i> for its rich archaeological and heritage resources. Sable Island is listed as a site considered for designation as a World Heritage Site (Parks Canada 2009).
Administration	<ul style="list-style-type: none"> The Meteorological Service of Canada, a branch of Environment Canada, maintains a continuous presence on the island. They also continue to provide operational services by agreement with Parks Canada, including all services related to landing on and visiting the island (J. Sheppard, Parks Canada, pers. comm. 2012). There are seasonally occupied facilities belonging to Department of Fisheries and Oceans, and Coast Guard including a number of buildings, two lighthouses, two helicopter landing pads and a navigation beacon (Canadian Coast Guard 2012).
Ecological Significance	<ul style="list-style-type: none"> Over 190 species of plants and 350 species of birds recorded. The Ipswich (Savannah) Sparrow and the Roseate Tern both breed on the island and are protected under SARA. The Ipswich Sparrow nests almost exclusively on Sable Island and is the dominant terrestrial bird on the island. The birds breed on virtually all vegetated areas on Sable Island, including healthy terrain and areas dominated by Marram Grass. In winter, they occur in coastal dunes, especially in areas with dense beach grass (COSEWIC 2009). The species' localized distribution makes it particularly vulnerable to potential threats such as chance events (e.g., harsh weather and disease during breeding season), predation, human activity, and habitat loss. The 2006 proposed Recovery Strategy for the Roseate Tern (Environment Canada 2006) was the first recovery strategy for a migratory bird posted on the SARA Public Registry to identify "critical habitat" as defined in the Act (200 m buffer zone around tern colonies). The Amended Recovery Strategy for the Roseate Tern (Environment Canada 2010) has the objective to continue to maintain the small peripheral colonies of Roseate Terns nesting on Sable Island. A former recommended focus on restoration of Roseate Terns to Sable Island was not attempted on Sable Island (primarily due to financial constraints) and since then, only one or two pairs of Roseate Terns have nested there each year (Environment Canada 2010). Home to the world's largest breeding colony of grey seals, which pup on the island between late December and early February.

Table 3.13 Designated Protected Areas

	<p>Harbour Seals also breed on the island and are year round residents.</p> <ul style="list-style-type: none"> • Hundreds of Harp and Hooded seals and one or two Ringed seals come ashore for a few hours or days during the winter and early spring (Sable Island Green Horse Society 2002). • Over 400 Wild horses, believed to have been introduced sometime in the mid 1700s, inhabit the island (Parks Canada 2011).
The Gully Marine Protected Area (MPA)	
Location	<ul style="list-style-type: none"> • The Gully is located approximately 200 km south-east of Nova Scotia, east of Sable Island, on the edge of the Scotian Shelf (DFO 2008). • In the Gully the seafloor drops away over 2.5 km extending approximately 65 km long and 15 km wide making it one of the most prominent undersea features on the east coast of Canada (DFO 2008).
Designation and Administration	<ul style="list-style-type: none"> • In 1994, DFO identified part of the Gully as a Whale Sanctuary to reduce noise disturbance and ship collisions with whales (DFO 2008). • In May 2004, the Gully was designated an MPA under the <i>Oceans Act</i> (DFO 2011c). • The Gully MPA Regulations prohibit any activity within or in the vicinity of the MPA that disturbs, damages, destroys or removes any living marine organism or any part of its habitat within the MPA and in the vicinity of the MPA. These regulations apply to the entire water column and the seabed to a depth of 15 m (DFO 2011c). • The Gully MPA Management Plan was developed to support the MPA Regulations and provide guidance to DFO, other regulators, marine users, and the public on protecting and managing this important ecosystem (DFO 2008, DFO 2011c). • The MPA contains three management zones, each providing varying levels of protection based on conservation objectives and ecological sensitivities (DFO 2008): Zone 1 consists of the deepest sections of the canyon and is preserved in a near-natural state with full ecosystem protection - this zone is highly restricted with few activities permitted (research and limited vessel transit); Zone 2 provides strict protection for the canyon sides and outer area of the Gully - some fisheries are allowed in this region; and Zone 3 includes the shallow water and sandy banks that are prone to regular natural disturbance and allows some fishing. • Fishing for halibut, tuna, shark and swordfish have been allowed in Zones 2 and 3 provided the activities are conducted under a federal fishing license and approved management plan (DFO 2008). Scientific research and monitoring may be approved in all three zones provided a plan is submitted and the research meets all regulatory requirements. Other activities may be permitted in Zone 3 provided they do not cause disturbance beyond the natural variability of the ecosystem and are subject to plan submission and Ministerial approval. • The CNSOPB has not allowed petroleum activities in the Gully since 1998 (CNSOPB 2012).
Ecological Significance	<ul style="list-style-type: none"> • The Gully has significant coral communities, a diversity of both shallow and deep-water fishes, and a variety of whales and dolphins including blue whales, sperm whales, Sowerby's beaked whales, and aggregations of prey of whale species. A resident population of endangered Northern bottlenose whales is found in the deep canyon area. These whales are among the world's deepest divers and make regular trips to the canyon depths for food (DFO 2008).

Table 3.14 Additional Special Areas in the Study Area

Whale Critical Habitat	
<i>Northern bottlenose whale Critical Habitat (Sanctuaries): The Gully and Shortland Canyon</i> ¹	<ul style="list-style-type: none"> • In 1994, Fisheries and Oceans Canada (DFO) designated a "Whale Sanctuary" in the Gully for the Northern bottlenose whales. Using an annual Notice to Mariners, vessel operators are asked to avoid the Gully or transit it cautiously. • Northern bottlenose whales are sighted consistently, throughout the year, at the entrance of the Gully (COSEWIC 2002). • The Gully population of Northern bottlenose whales live at the southern extreme of the species' range and appear to be largely or totally distinct from the populations further north, seem to be non-migratory, and spend an average of 57% of their time in a small core area at the entrance of the Gully, which has seafloor relief that is unique in the western North Atlantic. These characteristics make the population particularly sensitive to human activities (COSEWIC 2002). • Northern bottlenose whale habitat is characterized by waters of more than 500 m in bottom depth, particularly around steep-sided features (e.g., underwater canyons and continental slope edge), and access to sufficient accumulations of prey (<i>Gonatus</i> squid) (DFO 2011d). • The Critical Habitat Statement for the Scotian Shelf population identifies the entirety of Zone 1 of the Gully Marine Protected Area and areas with water depths of more than 500 m in Haldimand Canyon and Shortland Canyon as Critical Habitat under SARA for the Scotian Shelf population. Since Northern bottlenose whales use the full depth range in these areas, breathing and socializing at the surface and diving to feed at or near the bottom, critical habitat for this species should be considered to include the entire water column and the seafloor (DFO 2011d).
Areas of Importance for Fisheries Conservation	
<i>Haddock Box – Haddock Spawning Area</i>	<ul style="list-style-type: none"> • An important fish conservation area on the western Scotian Shelf – a nursery area for haddock which the western portion of eastern Bank and most of Emerald Bank. • Includes the defined 4W Haddock Box Nursery Area which has been closed to ground fish otter trawl since 1987 and to all ground fish fishing since 1993. The Haddock Box is an important nursery area for the protection of juvenile haddock, and is closed year-round by DFO to the commercial ground fish fishery. • The boundaries of the Haddock Box were initially designed to encompass the high concentrations of young haddock that were consistently observed by research vessel surveys in this area. • It is the largest of all commercial fishery closures on the Scotian Shelf. Adult haddock aggregate to spawn within the Haddock Box, including Emerald Bank, from March-June, with peak spawning in March/April. Eggs are released near the bottom and rise

¹ The Haldimand Canyon is part of the Northern Bottlenose Whale Critical Habitat designation, although the canyon falls outside of the SEA Study Area and is referenced accordingly throughout the report.

Table 3.14 Additional Special Areas in the Study Area

	<p>to the surface due to their positive buoyancy. The density of the eggs increases with time, and they descend to approximately 30 m. Once hatched, haddock larvae gradually descend to the bottom as juveniles in midsummer. Juvenile haddock distribution appears to coincide with oceanographic “retention” features related to the circulation of water masses in this area. Haddock grow at a rate of 5-10 cm per year, become sexually mature at 3-5 years and are relatively long-lived (>10 years).</p> <p>Source: JWEL 2004</p>
Ecologically and Biologically Significant Areas	
20 Western Bank - High fish concentrations	<ul style="list-style-type: none"> Gravel and sandy seabeds support higher concentrations of fish, particularly juvenile fish (Doherty and Horsman 2007).
21 Emerald Bank, Western Bank and Sable Bank	<ul style="list-style-type: none"> Area of highest larval fish diversity potential as a result of a gyre. Area of concentration of spawning fish (e.g., gadoids). Juvenile nursery area for haddock, cod, monkfish, yellowtail, skate, flounder. Recruitment source for downstream Browns Bank. Includes the defined 4W Haddock Box Nursery Area which has been closed to groundfish otter trawl since 1987 and to all groundfish fishing since 1993. Important overwintering area in the slope waters (Doherty and Horsman 2007).
23 Sable Island Area	<ul style="list-style-type: none"> Area with high concentrations of juvenile fish, particularly haddock (young-of-year and age 1) (Doherty and Horsman 2007)
24 The Gully	<ul style="list-style-type: none"> A unique geological feature with unique current patterns resulting in a highly productive area with very high diversity and density of cetacean species (Doherty and Horsman 2007). Largest abundance of endangered Northern bottlenose whales on the Scotian Shelf (Doherty and Horsman 2007). Habitat for aggregations of other whales, including endangered blue and sperm whales, and aggregations of prey of whale species (Doherty and Horsman 2007).
26 Shortland Canyon	<ul style="list-style-type: none"> Aggregation of endangered Northern bottlenose whales and probably other species (e.g., sperm and blue whales). Presence of gorgonian corals. Bottlenose whales move between the Gully, Shortland Canyon and Haldimand Canyon, likely along deeper contours (800-1200 m). Northern bottlenose whales are regularly sighted at mean water depths of 1052 m within the canyon (DFO 2009b) Area of high finfish diversity with a variety of depth preferences (Doherty and Horsman 2007).
31 Scotian Slope/Shelf Break	<ul style="list-style-type: none"> Includes areas of unique geology (iceberg, furrows, pits, complex/irregular bottom). High finfish diversity due to habitat heterogeneity provided by depth Primary residence for mesopelagic fishes Inhibited by corals, whales, probeagle shark, tuna, swordfish. Migratory route for endangered leatherback turtles – the area supports concentrations of salps which are a source of food for

Table 3.14 Additional Special Areas in the Study Area

	<p>turtles.</p> <ul style="list-style-type: none">• High diversity of squid• Overwintering area for number of shellfish species• Halibut overwintering, lobster overwintering• Seabird feeding/overwintering area• Greenland sharks (Doherty and Horsman 2007).
39 Logan Canyon	<ul style="list-style-type: none">• Area of high finfish diversity. The assemblage would include fish with a variety of depth preferences (Doherty and Horsman 2007).

3.3 SOCIO-ECONOMIC CHARACTERISTICS

3.3.1 Commercial Fish and Fisheries

Commercial fishing started in the mid-1500s and by 1700, Nova Scotia was exporting cod, mackerel, and herring. In 1973, the total landings of fish on the Scotian Shelf peaked, with catches exceeding 750, 000, 000 kg (750 000 t) (DFO 2011b). Throughout most of history groundfish have dominated the commercial catch, although the catch of shellfish has steadily been increasing and overtook groundfish as the main contributor in 1996. However, on the Shelf edge and Slope, groundfish and pelagic species make up the majority of fish caught. In 1993 a moratorium on the groundfish fishery, especially for cod, was imposed on the Eastern Scotian Shelf encompassing all of the Study Area (NAFO Divisions 4VsW) and remains in effect (Worcester and Parker 2010). A longline fishery for Atlantic halibut is presently the only major ground fishery operating on the Eastern Scotian Shelf. The overall total landings of fish have dropped; however, the overall landed value of fish increased dramatically in 1977-1978 with the extension of the Canadian jurisdiction to 200 miles, eliminating foreign fishing (Worcester and Parker 2010). During 2010, within the Project Area, groundfish made up the majority of the catch value (64%), with pelagic species (36%) making up the remainder of the catch respectively. No invertebrate species were caught within the Project Area during 2010.

Table 3.15 2010 Catch (Landings and Value) for all Species Caught Within the Phase 1B Project Area

Species Group	Landings (kg)	Value (\$)
Pelagic	83,451	437,853
Groundfish	121,099	791,253
Invertebrates	0	0
Total	204,550	1,229,106

Source: DFO Catch and Effort Database 2006-2010

Table 3.16 outlines the number of fishery licenses (commercial and communal commercial) that may fish in the vicinity of SEA Areas 1A and 1B. This data, provided courtesy of DFO, is meant to demonstrate the relative context of fisheries operating in the vicinity of the Phase 1A and 1B Study Areas, based primarily on licensing data from NAFO 4W.

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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Table 3.16 Summary of Fishery Licenses in General Phase 1B Study Area

Fishery by Species and Management Zone	Total Number of Fishery Licenses by Species (i.e. Commercial and Communal Commercial)	Number of Communal Commercial Fishery Licenses by Species	Total Number of Fishery Licenses by Species that had Landings Last Season (i.e. Commercial and Communal Commercial)	Number of Communal Commercial Fishery Licenses by Species that had Landings Last Season
CFA 24 Snow crab	50	11	40	7
NAFO 4W and 4VS Groundfish (license can fish in both NAFO areas)				
• Fixed gear (<45)	560	1	84	0
• Fixed gear (45-65)	56	0	8	0
• Mobile gear (<65)	313	11	12	2
• Midshore (65-100)	20	0	5	0
• Offshore (>100)	24	0	6	0
Large Pelagics				
• Swordfish& Other Tunas	77	10	57	6
• Offshore	1	0	1	0
• Bluefin tuna	32	4	24	3
• Porbeagle shark	9	0	1	0
Mobile shrimp	35	10	21	5
Offshore scallops	6	0	6	0
Sea Cucumber (Exploratory)	1	0	1	0
Offshore Whelk (Exploratory)	2	0	2	0
Offshore Clam	4	0	4	0
LFA 41 Offshore lobster	8	0	8	0

Courtesy of DFO 2012

Table 3.17 summarizes fishing seasons for key commercial fisheries occurring in the Study Area. Additional details on the groundfish, pelagic and invertebrate fisheries is provided in the following sections. Spatial data for fisheries landings 2006 to 2010 (in draft; currently being validated by DFO) are provided in Appendix B) to provide a regional context of fisheries activities offshore Nova Scotia. Figures 3.6 to 3.8 in this section illustrate general locations and species caught in each fishery, although this does not depict intensity of fishing effort. Although there is minimal offshore lobster fishing occurring in the Study Area (single license holder), this is not depicted on invertebrate fishing mapping (Figure 3.8).

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Table 3.17 Summary of Fishing Seasons for Principal Commercial Fisheries Species Potentially Within Project Area

Common Name	Latin Name	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Atlantic cod	<i>Gadus morhua</i>												
Atlantic halibut	<i>Hippoglossus hippoglossus</i>												
Albacore tuna	<i>Thunnys alalunga</i>												
Bluefin tuna	<i>Thunnus thynnus</i>												
Cusk	<i>Brosme brosme</i>												
Haddock	<i>Melanogrammus aeglefinus</i>												
Hagfish	<i>Myxine glutinosa</i>												
Mako shark	<i>Leurus oxyrinus</i>												
Pollock	<i>Pollachius virens</i>												
Porbeagle shark	<i>Lamna nasus</i>												
Redfish (deepwater and Acadian)	<i>Sebastes mentella / Sebastes fasciatus</i>												
Stripped catfish (wolfish)	<i>Anarchichas lupus</i>												
Swordfish	<i>Xiphias gladius</i>												
Turbot – Greenland flounder	<i>Reinhardtius hippoglossoides</i>												
White hake	<i>Urophycis tenuis</i>												
Northern Shrimp	<i>Panadalus borealis</i>												
Scallop	potential for multiple species												
Snow crab	<i>Chionoecetes opilio</i>												

Data sources: DFO 2011e

	Open Fishing Season
	Closed Fishing Season
	High Fishing Activity within the Season
	Low Fishing Activity within the Season

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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3.3.1.1 Groundfish Fisheries

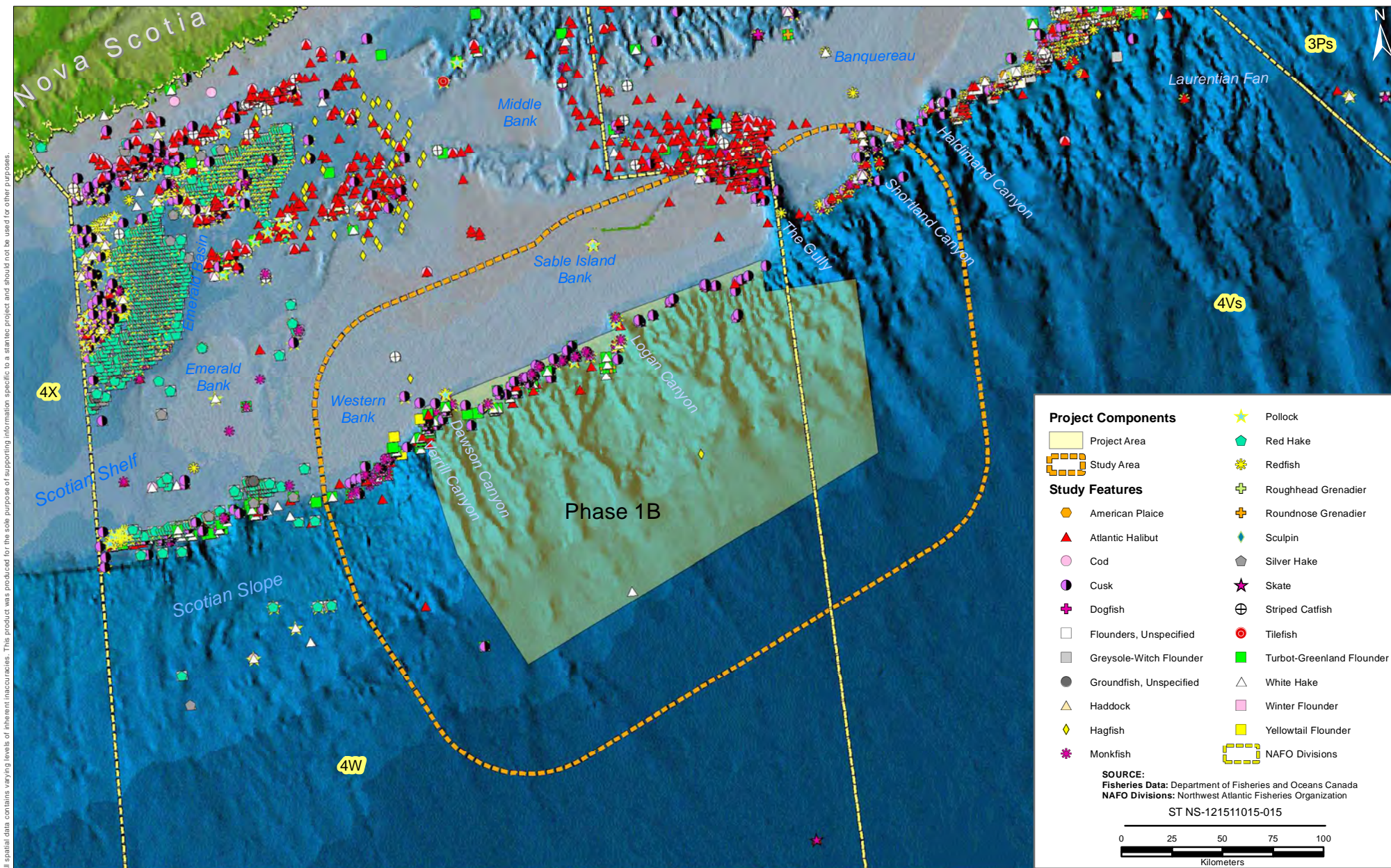
Total landings of groundfish on the eastern Scotian Shelf declined from a maximum of 450,000 t in 1973 to less than 15,000 t in 1997 (Worcester and Parker 2010). A moratorium for cod fishing was imposed in 1993 and remains in effect. The longline fishery for Atlantic halibut is presently the major groundfish fishery operating on the eastern Scotian Shelf. In 1980, 1990, and 2000, the percentage contribution of groundfish to the total landed value was 73 %, 55 %, and 9 %, respectively. In 2010, Atlantic halibut contributed to 94 % of the total landed value, while white hake (1.9%) and redfish (1.5%) made up the remainder of the top three species of groundfish respectively. In 2010, groundfish accounted for 64 % of the total landed value within the Project Area. Table 3.18 lists 2010 catch landings and value for key groundfish species harvested in the Project Area.

Table 3.18 2010 Catch (Landings and Value) for Groundfish Species Caught Within the Phase 1B Project Area

Species	Landings (kg)	Value (\$)
Atlantic halibut	74,246	746,488
Atlantic cod	85	198
Cusk	9,445	9,415
Haddock	23	32
Hagfish	3,709	3,857
Monkfish	105	153
Pollock	116	102
Redfish	18,307	12,265
Roundnose Grenadier	26	22
Turbot - Greenland flounder	2,520	3,889
White hake	12,510	14,823
Yellowtail flounder	7	9.00
TOTALS	121,099	791,253.00

Source: DFO Catch and Effort Database 2006-2010

Figure 3.6 depicts locations of groundfish species catches within the Study Area. Table 3.19 summarizes information regarding fishing seasons and gear types.



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Groundfish Fisheries, 2006-2010

FIGURE NO.:	3.6
DATE:	Aug 03, 2012

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Table 3.19 Groundfish Fishery Seasons and Gear Type

Fishing Seasons and Areas	<ul style="list-style-type: none"> • Ground fishery is open during all seasons. • Fishing occurs in NAFO subdivisions 4W and 4Vs. • Cod and haddock fishery has been closed since 1993, and species can only be caught and kept through by-catch. • Some seasons are more important than others based on the seasonal movement of fish species. • Most intensive fishing occurs in the summer from July to September where fishing activity is widespread on the Scotian Shelf. • The central shelf basins and valleys yield high landings year round. • In the fall months there is less fishing pressure and landings, as many fishermen fishing for groundfish switch to lobster in late November. • Halibut catch is concentrated in the Gully trough and along the shelf break.
Gear Type	<ul style="list-style-type: none"> • The main gear types used are trawls and longlines. Longlines are used most frequently on the shelf edge and deep water channels and basins. • Handlines and gillnets are rarely used.
Other Information	<ul style="list-style-type: none"> • The collapse and closure of the cod and haddock fisheries has resulted in a switch from groundfish as the main target to invertebrates (on the Scotian Shelf).

Source: DFO 2011e

3.3.1.2 Pelagic Fisheries

During the period from 1980-2000 pelagic species have shown fluctuations in catch and have ranged from 8 % - 15 % of the total landed value (Worcester and Parker 2010). In 2010 pelagic species accounted for 0.2 % of the total landed value. In 2010 pelagic species accounted for 36% of the total landed value. In 2010 swordfish accounted for 66 % of the total landed value, while yellowfin tuna (18 %) and bigeye tuna (6.5 %) made up the remainder of the top three species of pelagic species respectively (Table 3.20).

Table 3.20 2010 Catch (Landings and Value) for Pelagic Species Caught Within the Phase 1B Project Area

Species	Landings (kg)	Value (\$)
Albacore tuna	2,109	4,345
Bigeye tuna	2,121	28,619
Blue marlin	42	58
Bluefin tuna	1,337	15,309
Mahi mahi	625	3,552
Mako shark (bycatch)	4,983	15,165
Porbeagle shark	3,083	2,886
Swordfish	59,906	287,730
White marlin	128	183
Yellowfin tuna	9,201	80,122
TOTALS	83,535	437,969

Source: DFO Catch and Effort Database 2006-2010

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

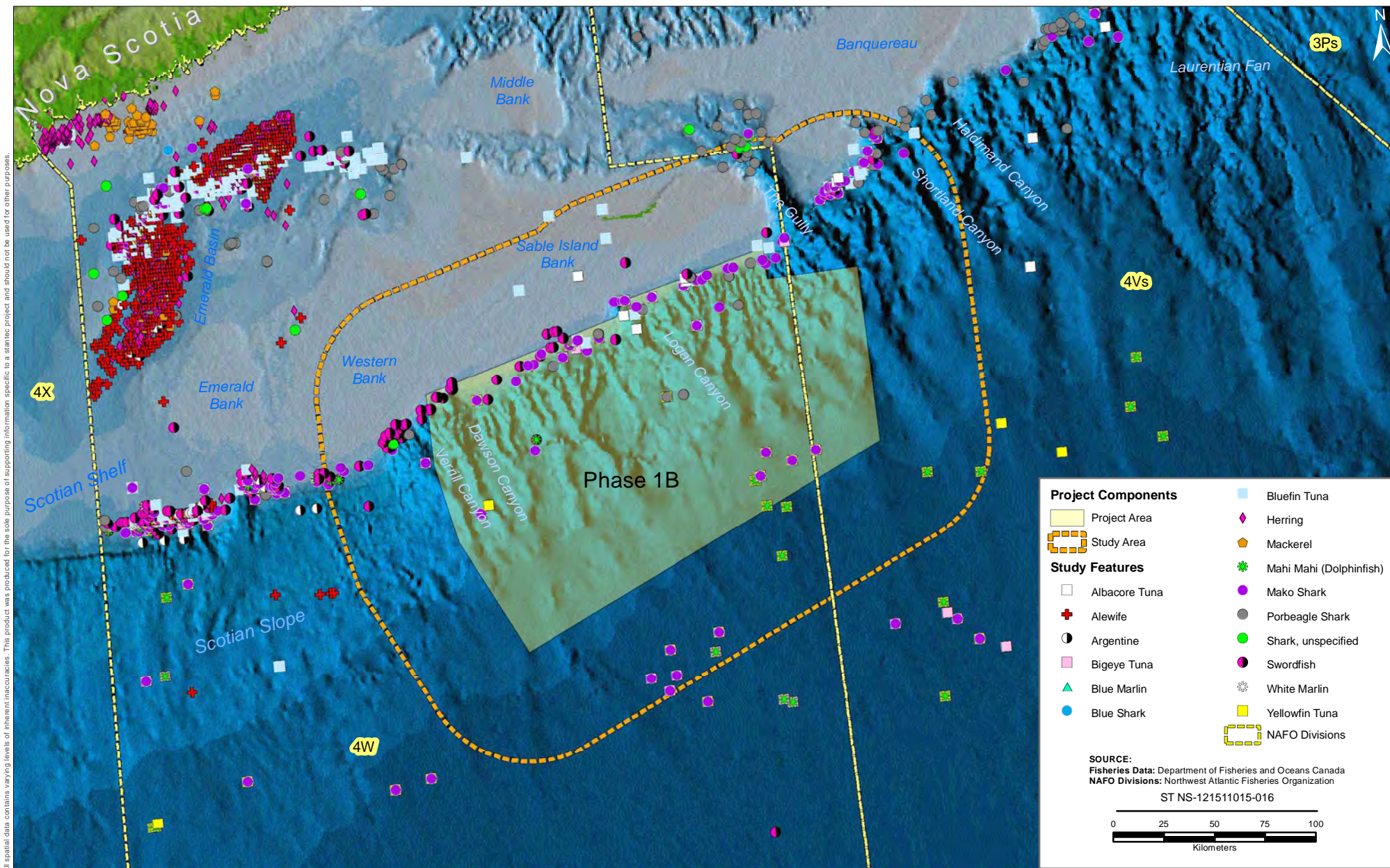
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Figure 3.7 depicts locations of pelagic species catches within the Study Area. As shown on Figure 3.7 and Figure 4 in Appendix B, pelagic fisheries in the Study Area are concentrated primarily along the shelf break. Table 3.21 summarizes information regarding fishing seasons and gear types.

Table 3.21 Pelagic Fishery Seasons and Gear Type

Species	Fishing Season and Gear Type
Bluefin tuna	<ul style="list-style-type: none"> Season is during the summer and fall months Catch limits are governed by the International Commission for the Conservation of Atlantic Tuna (ICCAT) Gear used is either direct fishing by angling (rod and line), tended line trap, or electric harpoon
Albacore tuna	<ul style="list-style-type: none"> Season is from September to November Gear used is pelagic (floating) longline, with some trolling using rod and line Mainly fished for along the shelf edge and slope
Bigeye tuna	
Yellowfin tuna	
Swordfish	<ul style="list-style-type: none"> Season is from June to September Catch limits are governed by the ICCAT Gear used includes pelagic longline, and electric harpoon Mainly fished for along the shelf edge and slope
Porbeagle shark	<ul style="list-style-type: none"> A large proportion of sharks are caught as bycatch in the swordfish longline fishery. There is a direct fishery for porbeagle sharks using pelagic longline gear and angling. The main commercial fishery occurs along the Scotian Slope.
Mako shark	

Source: DFO 2011d



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Eastern Scotian Slope - Strategic Environmental Assessment

Pelagic Fisheries, 2006-2010

FIGURE NO.:	3.7
DATE:	Aug 03, 2012

3.3.1.3 Invertebrate Fisheries

During the years from 1980 to 1990 to 2000, the total landed value of invertebrates has rose from 12% to 38% to 85% respectively. This increase in invertebrate catch is mainly due to increased landings of snow crab and northern shrimp (*Panadalus borealis*). Both of these species prefer cold water and their increased landings coincide with the cooling of the eastern Scotian Shelf. During 2010 there were no Invertebrate catches within the Phase 1B Project Area.

Figure 3.8 depicts locations of invertebrate species catches within the Study Area. Table 3.22 summarizes information regarding fishing seasons and gear types. As depicted on Figures 5 and 6 of Appendix B, fishing grounds for snow crab and shrimp fisheries (key invertebrate fisheries) on the Scotian Shelf are concentrated in the Phase 1A Study Area.

Table 3.22 Invertebrate Fishery Seasons and Gear Type

Species	Fishing Season and Gear Type
Snow Crab	<ul style="list-style-type: none"> Crab Fishing Areas 23 and 24 are located within the Study Area. The fishing season runs from April 2 – September 30. Gear used are crab traps, which are either conical or rectangular in shape.
Sea Scallop	<ul style="list-style-type: none"> Scallop fishing area 25 is located within the Study Area. The fishing season is open year-round; however there may be closures if catch rates or yields are low. There is a lull in fishing activity during the winter months. The gear used for fishing is mainly scallop drags.
Northern Shrimp	<ul style="list-style-type: none"> Shrimp Fishing Area 14 and 15 fall within the Study Area. The fishing season is open year-round; DFO creates quotas based on information received from the Eastern Scotian Shelf Shrimp Advisory committee. The gear used are shrimp trawls.

Source: DFO 2011e

3.3.2 Aboriginal Fisheries

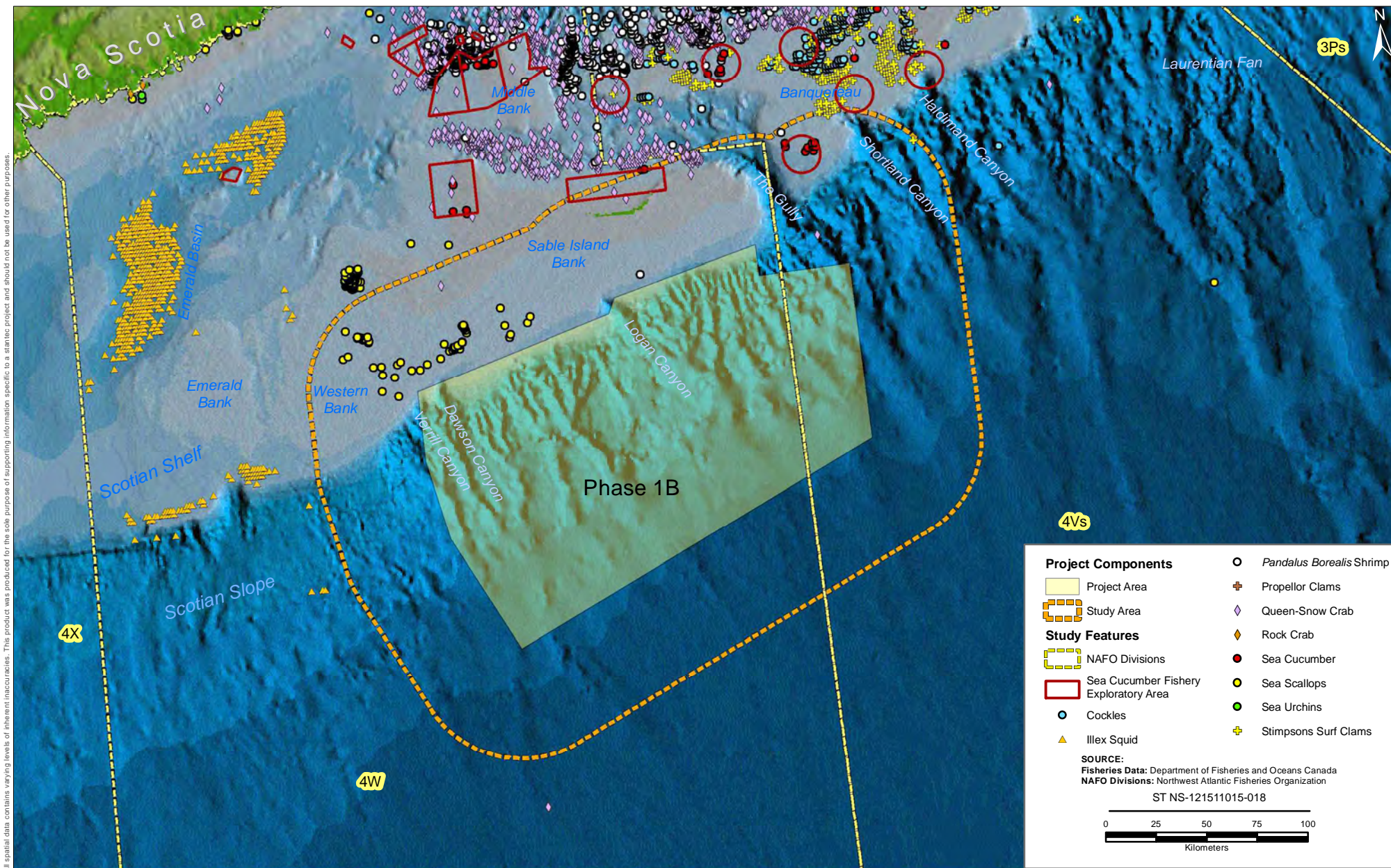
In 1990, the Supreme Court of Canada issued a landmark ruling in the *Sparrow* decision. This decision found that the Musqueam First Nation had an Aboriginal right to fish for food, social and ceremonial purposes. The Court found that where an Aboriginal group has a right to fish for food, social and ceremonial (FSC) purposes, it takes priority, after conservation, over other uses of the resource. The Supreme Court also indicated the importance of consulting with Aboriginal groups when their fishing rights might be affected (DFO 2008b).

In response to this ruling, in 1992, DFO developed an Aboriginal Fishing Strategy (AFS). The AFS assists DFO in managing the fishery in a manner consistent with *Sparrow* and subsequent Supreme Court of Canada decisions (e.g., *Marshall* [1999]) The AFS seeks to provide for the effective management and regulation of fishing by Aboriginal groups through the negotiation of mutually acceptable and time-limited fisheries agreements between DFO and Aboriginal groups. Under the AFS, DFO will issue communal licenses for FSC fisheries as well as commercial fisheries (K. Curran, DFO, pers. comm. 2012).

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(PHASE 1B)****DRAFT FOR REVIEW**

In the Maritimes Region, communal licenses (both types) in the region are held by sixteen First Nations (11 in Nova Scotia and five in New Brunswick) and the Native Council of Nova Scotia (The Native Council of Nova Scotia is the self-governing authority for the large community of Mi'kmaq/Aboriginal peoples residing off-reserve in Nova Scotia throughout traditional Mi'kmaq territory). Pictou Landing First Nation and Paq'tnkek First Nation while residing in Nova Scotia fall under the jurisdictional authority of DFO Gulf Region, therefore their licenses are not reflected in Table 3.16. The communal licenses may afford these organizations opportunity to fish for FSC and commercial purposes. FSC licenses are for inland and inshore areas; DFO does not provide access for FSC purposes in offshore areas (K. Curran, DFO, pers. comm. 2012).

There are 47 communal licenses for commercial fishing in the vicinity of the Phase 1B Study Area. These licenses are for snow crab, groundfish, swordfish and other tunas, bluefin tuna, and mobile shrimp (K. Curran, DFO, pers. comm. 2012).



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Eastern Scotian Slope - Strategic Environmental Assessment

Invertebrate Fisheries, 2006-2010

FIGURE NO.:	3.8
DATE:	Aug 03, 2012

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3.3.3 Recreational Fisheries

There are no recreational offshore fisheries in the SEA Study Area (K. Curran, DFO, pers. comm. 2012).

3.3.4 Other Ocean Uses

In addition to the fisheries described above, there are several other ocean activities and uses occurring within and around the Study Area including commercial shipping, military exercises, petroleum exploration and development, telecommunication cables, and scientific research (refer to Table 3.23).

Table 3.23 Other Ocean Uses In and Around the Study Area

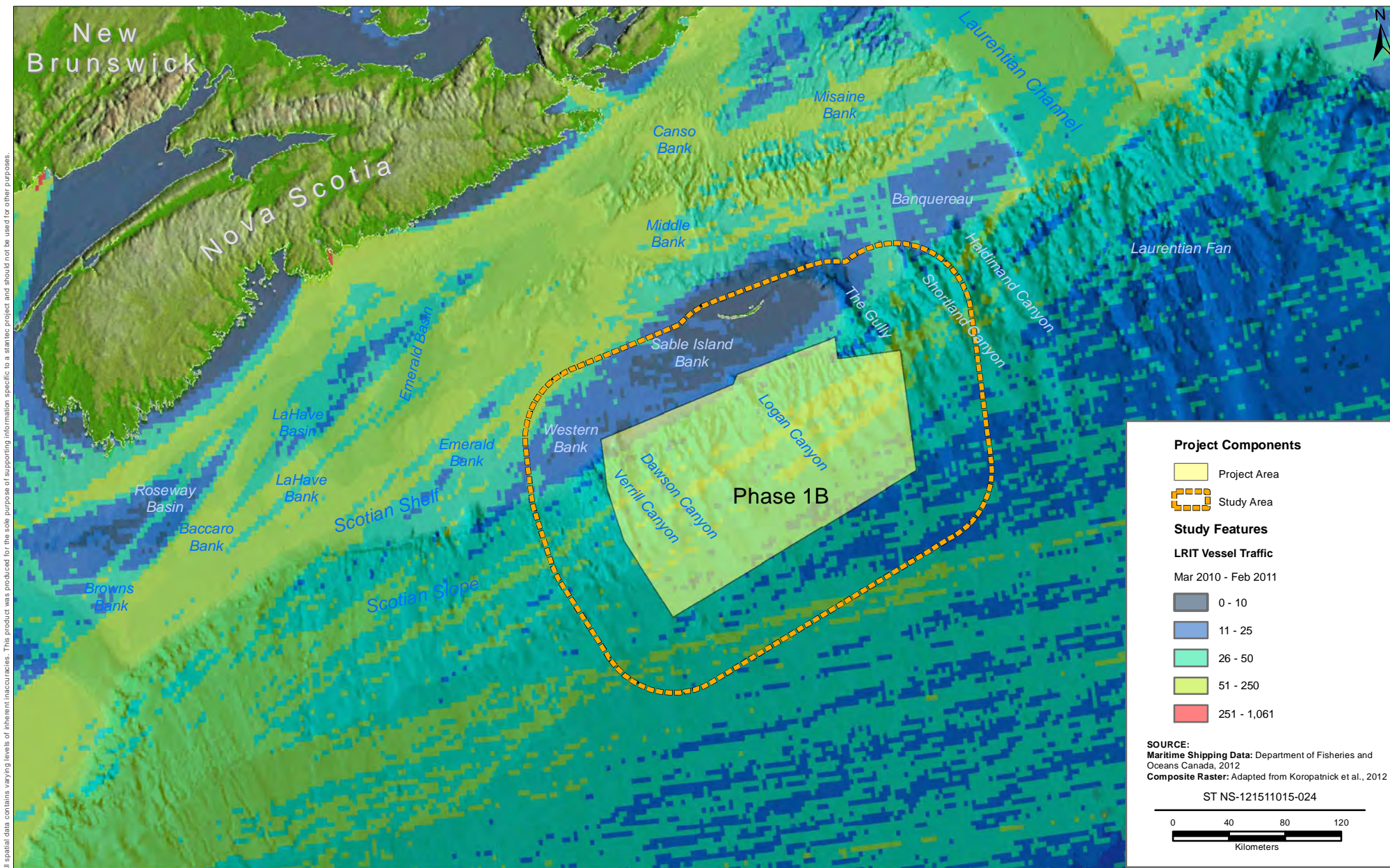
Use	Description
Commercial Shipping (refer to Figure 3.9)	<ul style="list-style-type: none"> The Study Area is heavily used for domestic and international commercial shipping consisting of mostly tankers and bulk and containerized cargo carriers, as well as a range of fishing vessels, cruise ships and various government vessels. There are four distinct regional traffic patterns including: international shipping over the Scotian Shelf as part of the "great circle route" (<i>i.e.</i>, shortest distance over the earth's surface) between Europe and the eastern seaboard of the United States and Canada; international and domestic shipping along the coast of Nova Scotia bound to and from the United States, Bay of Fundy, Gulf of St. Lawrence and Newfoundland; shipping through the Cabot Strait, a major sea route linking trans-Atlantic shipping lanes to the St. Lawrence Seaway and the Great Lakes; and traffic associated with the major ports of Halifax, Saint John, Port Hawkesbury (Strait of Canso) and Sydney (DFO 2011a). Shipping traffic within the Study Area is greatest running parallel to the Shelf Edge on the Slope within the Study Area.
Military Activity (refer to Figure 3.10)	<ul style="list-style-type: none"> Canada's east coast naval presence is provided through Maritime Forces Atlantic (MARLANT), which has its headquarters in Halifax. MARLANT engages in a range of operations and activities including sovereignty patrols, maritime surveillance, naval training and combat readiness, search and rescue, humanitarian relief and aid to civil authorities, and operational support to other government departments, including fisheries and environmental protection (DFO 2011a). MARLANT also conducts naval training activities in designated exercise areas off Nova Scotia. Exercise areas may also be used by foreign vessels or aircraft during periodic multinational exercises or with permission from the Government of Canada. Maps, coordinates and descriptions of military activities permitted in these exercise areas are provided in the Canadian Coast Guard's Annual Notice to Mariners (DFO 2011a). The Study Area is not an actively used military training area.
Offshore Petroleum Activity (refer to Figure 3.11)	<ul style="list-style-type: none"> Hydrocarbon exploration offshore Nova Scotia began in 1959 in the Sable Island region with the first well being drilled on Sable Island in 1967. Between 1967 and 1978, 71 wells were drilled and 140,000 km of 2D seismic profiles were acquired. During this phase of offshore exploration several significant oil/gas discoveries were made, including at Onodaga (Shell, 1969-gas), West Sable (Mobil, 1971 – oil and gas), Primrose (Shell, 1972 – oil and gas), Citnalta (Mobil, 1972-gas), and Intrepid (Mobil, 1972-gas). A second phase of explorations occurred from 1979 to 1989, resulting in a major gas discovery just east of Sable Island at Venture by Mobil and Petro Canada. By the end of this second phase of exploration, 54 wells were drilled, with 15 significant discoveries being made.

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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Table 3.23 Other Ocean Uses In and Around the Study Area

Use	Description
	<ul style="list-style-type: none"> A third phase of exploration began in late 1989 with a two-level approach exploring the shallow Scotian Shelf and the deep-water Scotian Slope with the announcement to develop light oil discoveries at Cohasset and Panuke and six gas fields in the Sable Island area in 1996 by Mobil, Shell, and partners. In 1998, large tracts of the deep-water Scotian Slope were acquired by industry following the acquisition of a large volume of 2D and 3D seismic data. Six wells were drilled between 2002 and 2004. Since 2004, no wells have been drilled in the shallow and deepwater regions of the Scotian Basin. There are 6 previously drilled wells within the boundaries of the Study Area.
Seabed Cables (refer to Figure 3.12)	<ul style="list-style-type: none"> Several active submarine telecommunications cables make landfall in Nova Scotia. The CANAT-3 Telecom cable runs through the southwest corner of the Project Area. The Hibernia Atlantic Section A Telecom Cable runs through the SW corner of the Study Area There are numerous inactive cables on the Scotian Shelf and Slope, some of which are more than 100 years old. The SITIFOG 2000 cable running to Sable Island recently became in-operational and has not been repaired (DFO 2005).
Shipwrecks and Legacy Sites (refer to Figure 3.13)	<ul style="list-style-type: none"> As shown on Figure 3.14 there are several shipwrecks existing within the Study Area, particularly in the vicinity of Sable Island which has been known as the "Graveyard of the Atlantic". One shipwreck is recorded as a "legacy site" which represents a MARLANT shipwreck expected to contain unexploded ordnance (UXO). There are two explosive dumpsites between Logan canyon and Dawson canyon on the Scotian slope within the Project Area.
Scientific Research (refer to Figure 3.14)	<ul style="list-style-type: none"> There are several ongoing scientific research programs on the Scotian Shelf, some of which occur in the Study Area. Figure 3.16 shows locations of ongoing research initiatives but may not capture short-term research initiatives. There is a meteorological research station on Sable Island. Environment Canada owns and operates a meteorological buoy within the Study Area. The Continuous Plankton Recorder Survey, run by the Sir Alister Hardy Foundation for Ocean Science, has been using vessels of opportunity to collect plankton samples since 1931 (Sir Alister Hardy Foundation for Ocean Science, 2005) (DFO 2011a). Scientists at DFO monitor fish populations of the Scotian Shelf, Bay of Fundy, and Gulf of Maine on an ongoing basis. Some of the most important sources of information on the state of marine fish populations are bottom trawl surveys (DFO 2011a).

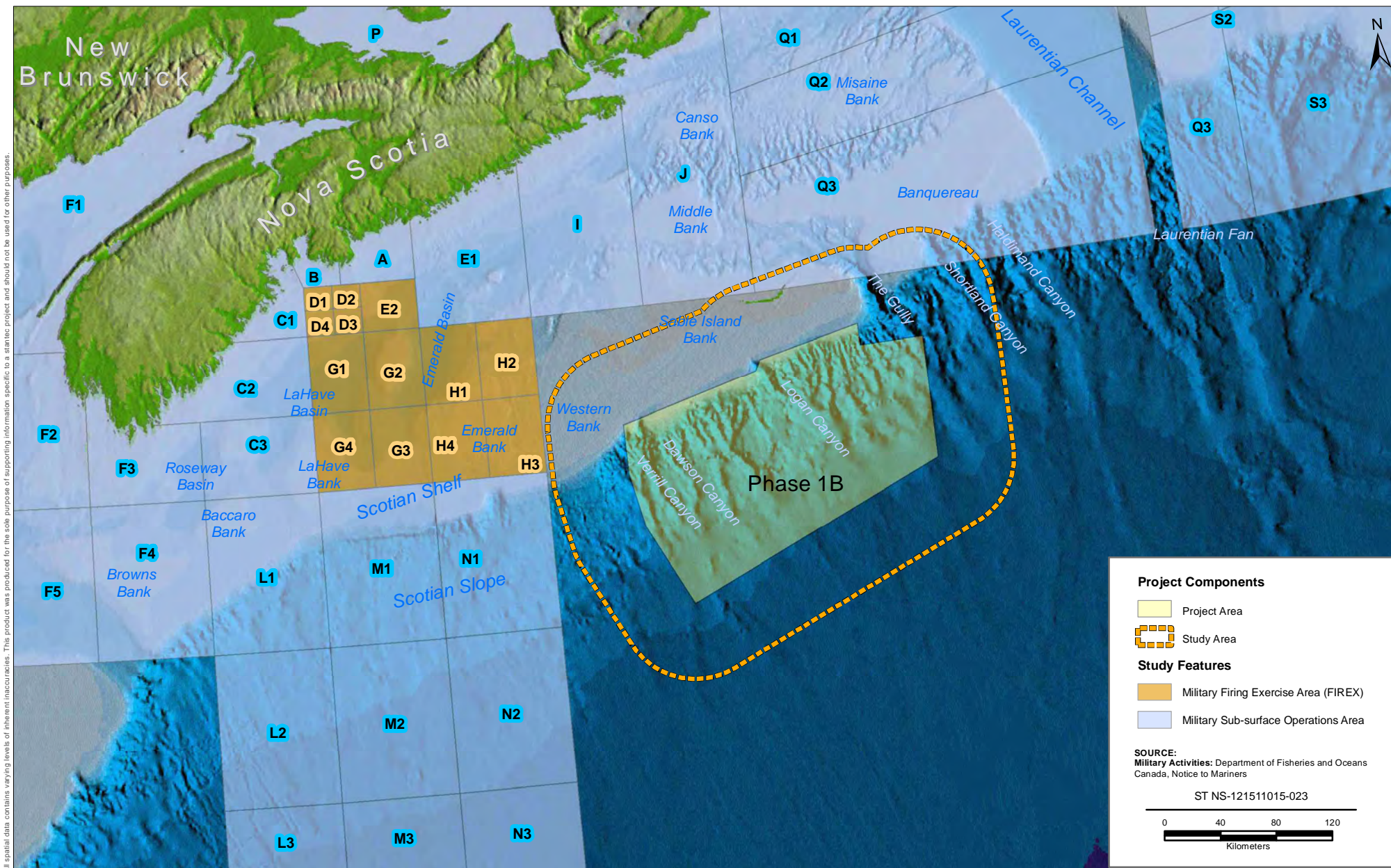


PREPARED BY:	M. Huskins-Shupe
REVIEWED BY:	C. Shupe
CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope - Strategic Environmental Assessment

Shipping Routes

FIGURE NO.:	3.9
DATE:	Aug 03, 2012

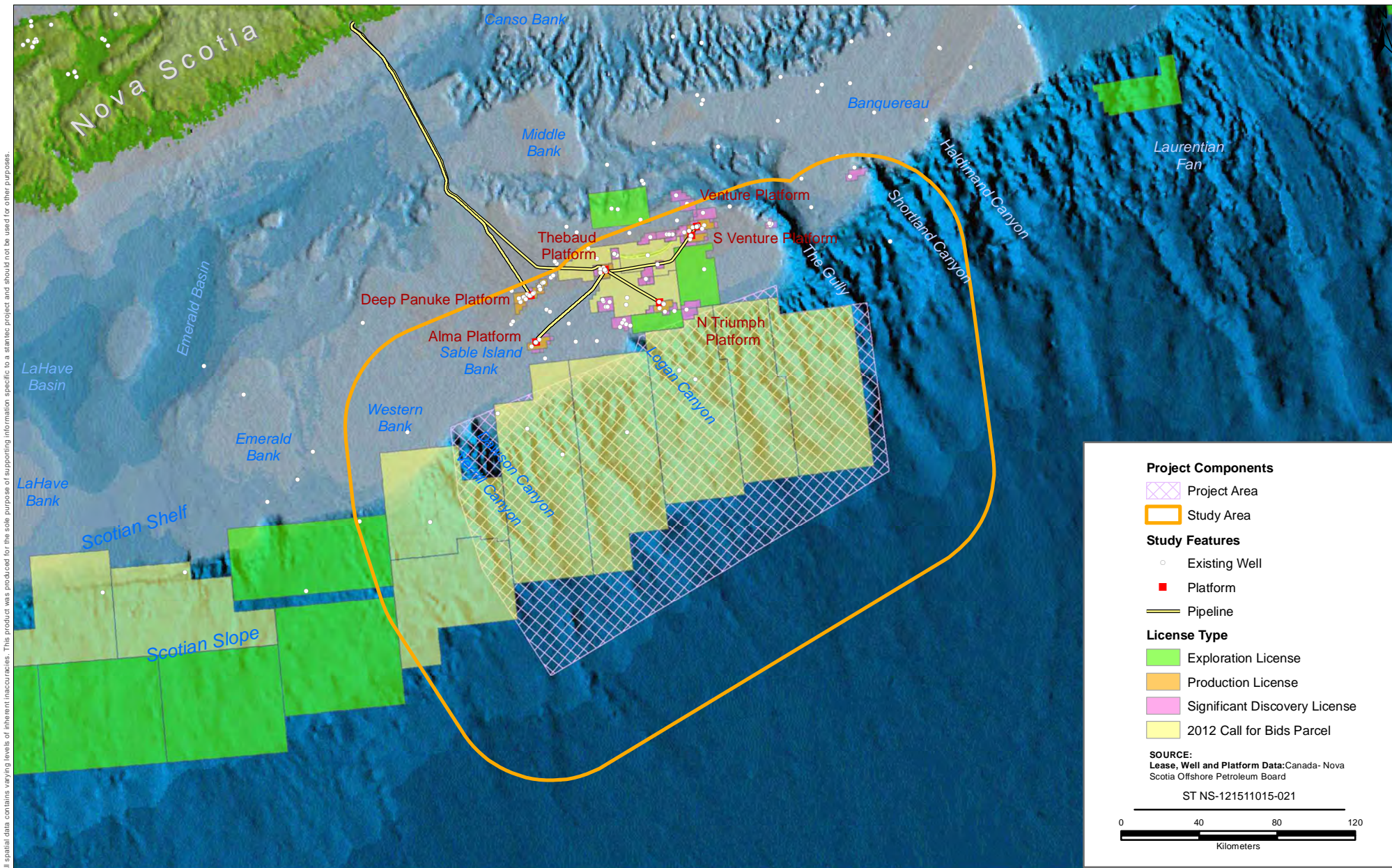


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Eastern Scotian Slope - Strategic Environmental Assessment

Military Exercise Areas

FIGURE NO.:	3.10
DATE:	Aug 03, 2012

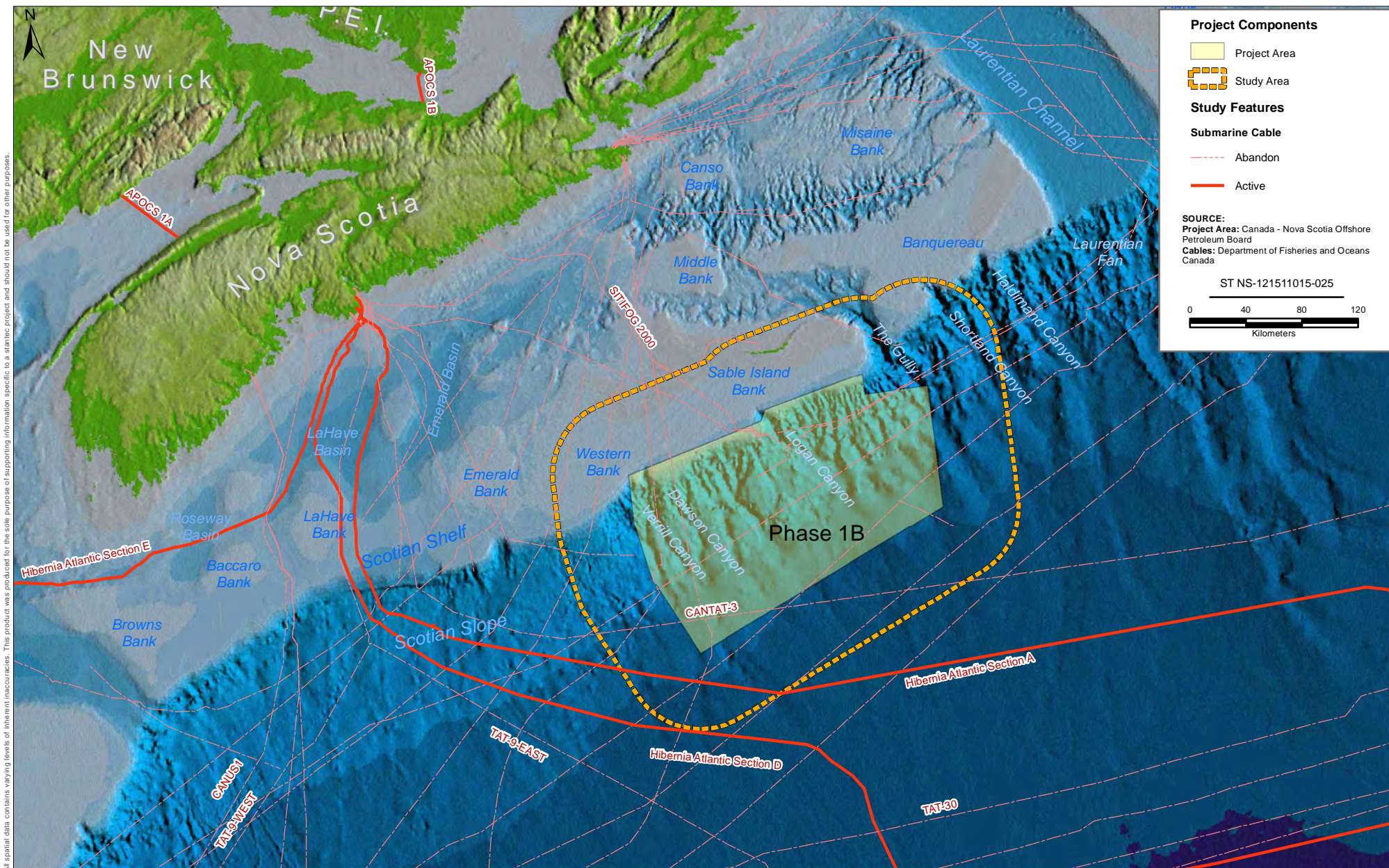


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Eastern Scotian Slope - Strategic Environmental Assessment

Offshore Petroleum Activities

FIGURE NO.:	3.11
DATE:	Aug 03, 2012

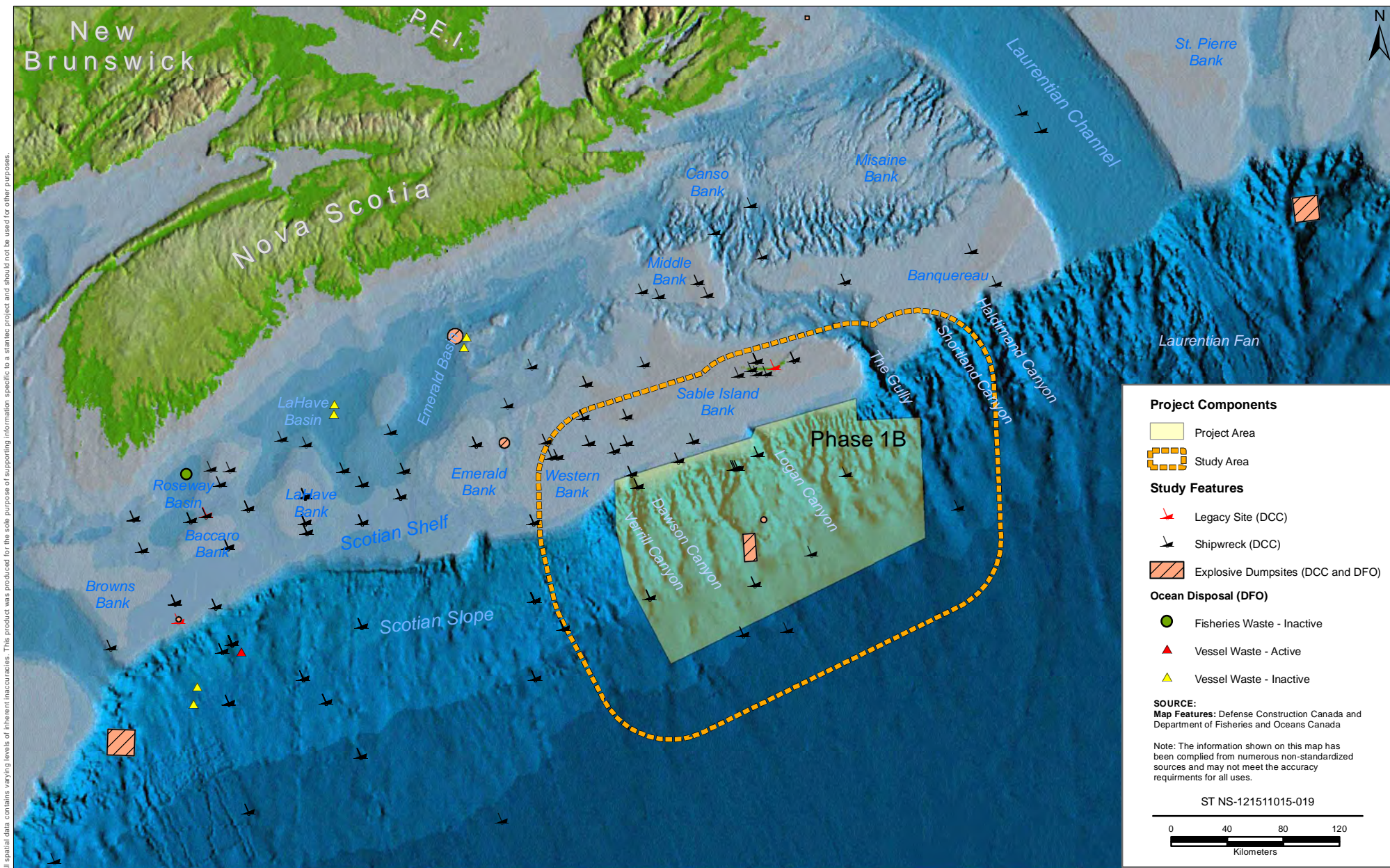


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Eastern Scotian Slope - Strategic Environmental Assessment

Subsea Cable Routes

FIGURE NO.:	3.12
DATE:	Aug 03, 2012

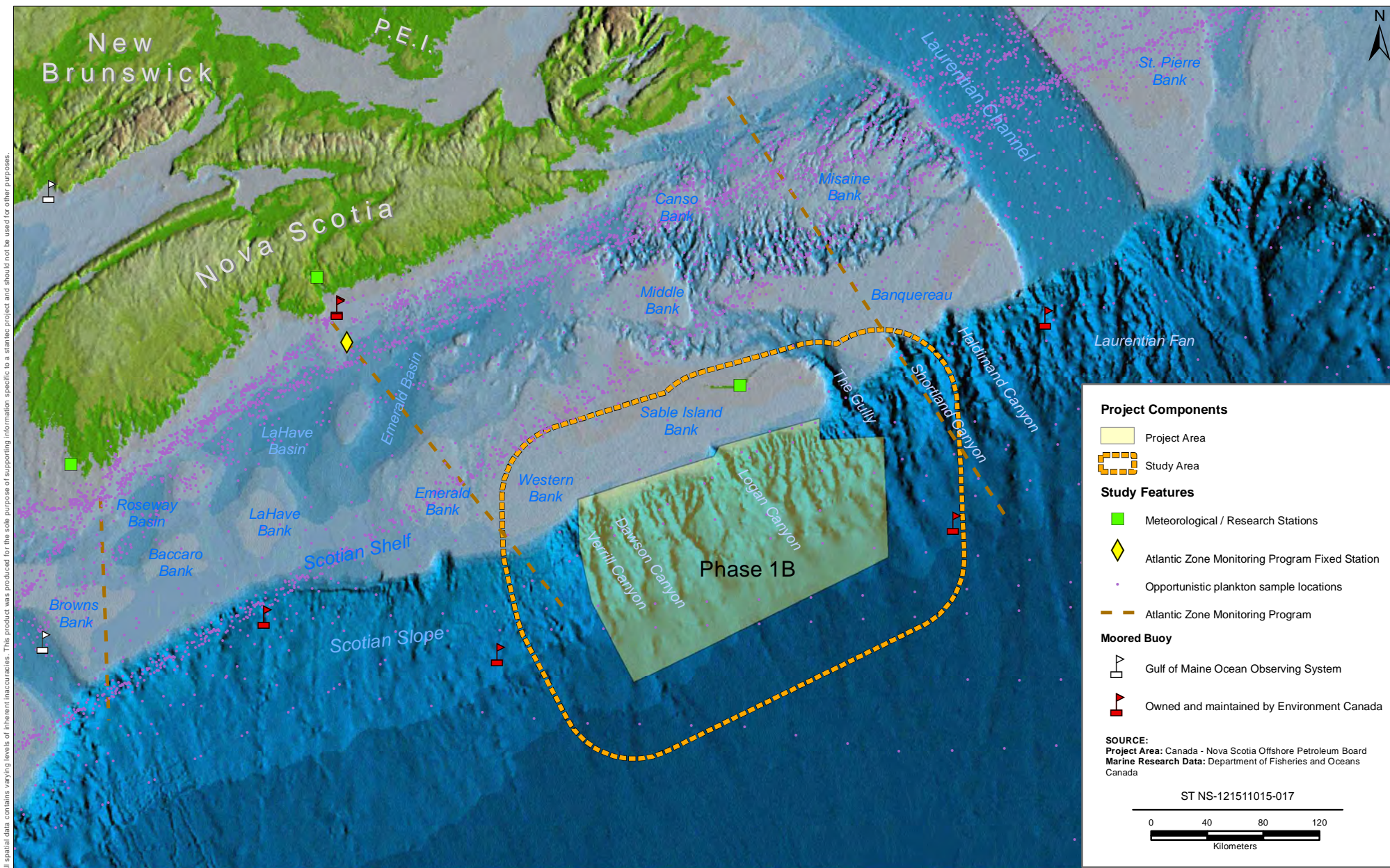


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Eastern Scotian Slope - Strategic Environmental Assessment

Shipwrecks and Legacy Sites

FIGURE NO.:	3.13
DATE:	Aug 03, 2012



PREPARED BY:	M. Huskins-Shupe
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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Slope - Strategic Environmental Assessment

Marine Research Locations

FIGURE NO.:	3.14
DATE:	Aug 03, 2012

4.0 Strategic Environmental Assessment Approach

4.1 OVERVIEW OF SEA APPROACH

Environmental assessment is a systematic process for analyzing and evaluating the potential environmental effects of proposed development activities, and is an important means of incorporating environmental considerations into decision-making. Although environmental assessment has traditionally been applied primarily to individual projects, recent years have seen increased interest in its application to policies, plans and programs. SEA expands the scope of environmental assessment to include these earlier stages of the planning process. SEA has been defined by Therivel *et al.* (1992) as:

[T]he formalized, systematic and comprehensive process of evaluating the environmental impacts of a policy, plan or programme and its alternatives...and using the findings in...decision-making.

The federal government's approach to SEA is set out in the Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals. The SEA approach is broader and more proactive in assessing and managing environmental effects than traditional project-specific EAs which focus on site-specific issues with defined geographic boundaries. An SEA:

- allows environmental issues to be identified and addressed at the earliest stages of planning, and typically focuses on "regional-scale" environmental concerns;
- can facilitate the consideration of stakeholder issues and concerns early in the planning process, and demonstrates accountability and due diligence in decision-making.; and
- can also help to define the environmental components and potential effects which may require consideration in subsequent project-specific EAs by identifying the key environmental issues associated with a particular sector and/or region.

The CNSOPB's approach to SEA is less broad than the Cabinet directive and more sector-specific (oil and gas exploration). In this particular case, information from the SEA will assist the CNSOPB:

- with respect to potential issuance of future exploration rights within the CNSOPB SEA Project Areas outlined on Figure 1.2; and
- to identify general restrictions or mitigation measures that should be considered for application to consequent exploration activities within this area.

The approach and methods used in this SEA were chosen to help deliver a focused SEA which is useful to both the CNSOPB in its decision making, but also for operators in their future project planning and approval processes.

4.2 SCOPING CONSIDERATIONS

The scope of environmental assessment, including definition of components and activities to be assessed as well as spatial and temporal assessment boundaries, must be established at the outset of the analysis to ensure the analysis remains focused and manageable. A scoping exercise for this SEA was based primarily on knowledge of existing environmental conditions (refer to Section 3), applicable regulatory guidance, results of stakeholder engagement, review of relevant publications and experience of the study team and government reviewers.

4.2.1 Regulatory Context

Petroleum activities in the Nova Scotia offshore are regulated by the CNSOPB, an independent joint agency of the federal and provincial governments. Under the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act* and the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation (Nova Scotia) Act*, collectively referred to as the Accord Acts, the CNSOPB is responsible for the management and conservation of the offshore petroleum resources, in a manner that protects the environment and health and safety of offshore workers, while maximizing employment and industrial benefits for Nova Scotians and Canadians. The CNSOPB reports to the federal Minister of Natural Resources Canada and the provincial Minister of Energy.

The Board enters into memoranda of understanding with government departments and agencies, such as Environment Canada and Fisheries and Oceans Canada (DFO), in order to effectively coordinate activities and avoid regulatory duplication. Annual work plan projects are developed with each department and implemented under these memoranda. Although typically authorizations are not required from these other federal agencies for exploration projects, legislation and regulatory guidance administered by these departments are taken into consideration during environmental assessment as applicable.

Table 4.1 summarizes federal legislation and guidelines relevant to exploration activities. They are used to inform environmental assessment by establishing mitigation and standards for compliance and have influenced the scope of this assessment.

Table 4.1 Summary of Key Relevant Legislation and Guidelines

Legislation/Guideline	Regulatory Authority	Relevance
<i>Nova Scotia Offshore Area Petroleum Geophysical Operations Regulations</i> (and associated Guidelines)	CNSOPB	These Regulations pertain to the geophysical operations in relation to exploration for petroleum in the Nova Scotia Offshore area and outline specific requirements for authorization applications and operations.

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

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Table 4.1 Summary of Key Relevant Legislation and Guidelines

Legislation/Guideline	Regulatory Authority	Relevance
<i>Nova Scotia Offshore Drilling and Production Regulations</i> (and associated Guidelines)	CNSOPB	The Regulations outline the various requirements that must be adhered to when conducting exploratory and or production drilling for petroleum.
Offshore Waste Treatment Guidelines	National Energy Board (NEB) / CNSOPB/ Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB)	Guidelines to aid operators in the management of waste material associated with petroleum drilling and production operations in offshore areas regulated by the Boards. This document contains key mitigation to be adhered to by operators to allow streamlining of EA process.
Offshore Chemical Selection Guidelines	NEB / CNSOPB / C-NLOPB	The Offshore Chemical Selection Guidelines (OCSG) provide a framework for chemical selection which minimizes the potential for environmental impacts from the discharge of chemicals used in offshore drilling and production operations.
Compensation Guidelines Respecting Damage Relating to Offshore Petroleum Activity	CNSOPB / C-NLOPB	Guidelines describing the various compensation sources available to potential claimants for loss or damage related to petroleum activity offshore Nova Scotia and Newfoundland and Labrador; and outline the regulatory and administrative roles which the Boards exercise respecting compensation payments for actual loss or damage directly attributable to offshore operators.
Environmental Protection Plan Guidelines	CNSOPB	Guidelines to assist an operator in the development of an environmental protection plan (EPP) that meets the requirements of the Acts and Regulations and the objective of protection of the environment from its proposed work or activity.
Statement of Canadian Practice with respect to the Mitigation of Seismic Sound in the Marine Environment	DFO / Environment Canada (EC) / CNSOPB / C-NLOPB	Specifies the mitigation requirements that must be met during the planning and conduct of marine seismic surveys, in order to minimize impacts on life in the oceans. This document contains key mitigation to be adhered to by operators.
<i>Canadian Environmental Assessment Act, 2012</i>	Canadian Environmental Assessment Agency	The <i>Canadian Environmental Assessment Act, 2012</i> (CEAA 2012) is new legislation aimed at updating the previous CEAA and streamlining environmental assessment of projects where federal authorities are involved.
<i>Fisheries Act</i>	DFO	The <i>Fisheries Act</i> contains provisions for the protection of fish, shellfish, crustaceans, marine mammals and their habitats. Under the <i>Fisheries Act</i> , no one may carry out any work or undertaking that results in the harmful alteration, disruption or destruction (HADD) of fish habitat, unless this HADD has been authorized by the Minister of Fisheries and Oceans Canada
<i>Canadian Environmental Protection Act, 1999</i>	EC	The <i>Canadian Environmental Protection Act, 1999</i> (CEPA 1999) pertains to pollution prevention and the protection of the environment and human health in order to contribute to sustainable development. Among other things, CEPA provides a wide range of tools to manage toxic substances, other pollution and wastes, including disposal at sea.
<i>Migratory Birds Convention Act, 1994</i>	EC	Under the <i>Migratory Birds Convention Act, 1994</i> , it is illegal to kill migratory bird species not listed as

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Table 4.1 Summary of Key Relevant Legislation and Guidelines

Legislation/Guideline	Regulatory Authority	Relevance
<i>Species at Risk Act</i>	DFO/EC/Parks Canada	game birds or destroy their eggs or young. The <i>Species at Risk Act</i> (SARA) is intended to protect species at risk in Canada and their critical habitat (as defined by SARA). The main provisions of the Act are scientific assessment and listing of species, species recovery, protection of critical habitat, compensation, permits and enforcement. The Act also provides for development of official recovery plans for species found to be most at risk, and management plans for species of special concern. Under the Act, proponents are required to demonstrate that no harm will occur to listed species, their residences or critical habitat.
<i>Oceans Act</i>	DFO	The <i>Oceans Act</i> provides for the integrated planning and management of ocean activities and legislates the marine protected areas program, integrated management program, and marine ecosystem health program. MPAs are designated under the authority of the <i>Oceans Act</i> .
<i>Navigable Waters Protection Act</i>	Transport Canada	The <i>Navigable Waters Protection Act</i> (NWPA) is intended to protect navigable waters by regulating the construction of works on those waters and by providing the Minister of Transport with the power to remove obstructions to navigation.
<i>Canada National Parks Act</i>	Parks Canada	Sable Island was recently designated a National Park Reserve under the <i>Canada National Parks Act</i> . Since April 1, 2012, Parks Canada is the main point of contact for Sable Island National Park Reserve, and is coordinating all access to the island.

4.2.2 Stakeholder Engagement

Table 4.2 summarizes the regulatory agencies and stakeholder groups which were consulted during the preparation of the SEA either individually or through the CNSOPB Fisheries Advisory Committee (FAC) and key issues or interests raised during discussions. A presentation of the SEA is planned for the FAC in September 2012. Additional comments which may be received during the public review of the draft SEA will also be taken into consideration with Table 4.2 updated as necessary.

Table 4.2 Summary of Stakeholder Engagement During SEA Preparation

Name of Organization	Representative	Issues/Comments
Atlantic Herring Co-op Ltd. and Full Bay Scallop Association	Dick Stewart	No major concerns identified. Study Area is outside key fishing areas.
Guysborough County Inshore Fishermen's Association	Ginny Boudreau	GCIFA would like to remain involved in SEA process on behalf of their snow crab, mobile shrimp, sea cucumber and groundfish license holders. GCIFA has concerns about the proposed area, many of which could be resolved through specific timing of activities. Communication and cooperation with fisheries interests is crucial.

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Table 4.2 Summary of Stakeholder Engagement During SEA Preparation

Name of Organization	Representative	Issues/Comments
W. T. Grover Fisheries Ltd.	Willard T. Grover	Expressed strong opposition to the proposed areas due to potential interaction with fishing grounds.
Maritime Aboriginal Peoples Council	Roger J. Hunka	Expressed expectation for SEA to address the "Treaty Rights Based Fisheries, accommodated by the Minister through the Aboriginal Communal Fisheries and requested meeting.
DFO (Ecosystems Management, Gulf Region)	D. Ross Alexander	Acknowledged history of intensive oil and gas exploration and development activity in the area and abundance of previous documentation and also provided recent reference (Ellis <i>et al.</i> 2012) on drilling waste discharges for review and consideration. Pointed out there was no specific reference to wolffish in the Scoping Document. Indicated that consultation with Aboriginal groups should be given high priority.
DFO (Maritimes Region)	Kristian Curran	Provided comment on draft scoping document and provided spatial data held by DFO regarding fisheries and other ocean uses.
Environment Canada	Michael Hingston	Migratory birds should be assessed as valued ecosystem components.

4.2.3 Relevant Publications

In addition to relevant regulations and guidelines and stakeholder input, there are several key documents which were reviewed during the preparation of this SEA and informed issues scoping and effects analysis (refer to Section 10 for a complete list of references consulted):

- Strategic Environmental Assessment of Potential Exploration Rights Issuance for Eastern Sable Island Bank, Western Banquereau Bank, The Gully Trough and the Eastern Scotian Slope (CNSOPB 2003)
- Strategic Environmental Assessment – Petroleum Exploration Activities on the Southwestern Scotian Shelf (Hurley 2011)
- Environmental Assessment Biophysical Data Gap Study – Petroleum Exploration Activities on the Offshore Scotian Shelf and Slope (Hurley 2009)
- Consideration of the Potential Impacts on the Marine Environment Associated with Offshore Petroleum Exploration and Development Activities (DFO 2011a)
- A Synopsis of Nova Scotia's Offshore Oil and Gas Environmental Effects Monitoring Program Summary Report (CNSOPB 2011b)
- Deep Panuke Environmental Assessment Report (Encana 2006)
- Ecologically and Biologically Significant Areas of the Scotian Shelf and Environs: A Compilation of Scientific Expert Opinion (Doherty and Horsman 2007)

- The Scotian Shelf: An Atlas of Human Activities (DFO 2005)

4.3 SCOPE OF THE ACTIVITIES TO BE ASSESSED

The scope of the activities to be assessed in this SEA includes reasonably foreseeable offshore oil and gas exploration activities in the Study Area. In particular, the scope of activities to be considered includes:

- seismic surveying;
- seabed surveying (*i.e.*, geophysical, geotechnical data collection);
- VSPs;
- exploratory and delineation drilling and ancillary activities;
- vessel traffic (supply vessels, seismic vessels, helicopters); and
- well abandonment operations.

Section 2 provides a description of each of these activities.

Accidental spills, which may include a seismic streamer break, accidental large spill of diesel, blowout of condensate/oil or SBM release during drilling are considered separately from routine exploration activities.

4.4 SPATIAL AND TEMPORAL BOUNDARIES

Temporal assessment boundaries consider the temporal extent of project activities (*e.g.*, time of year, frequency and duration of project activities). Temporal boundaries for this SEA include consideration of all components and activities that may be associated with exploration programs as described in Section 2. Oil and gas production activities are not addressed in the SEA except to the extent that they may contribute to cumulative effects.

The spatial assessment boundary for exploration activities to be considered in the Phase 1B SEA is shown in Figure 1.2. This boundary is based on the 2012 Call for Bids and represents the area within which exploration activities could occur (*e.g.*, Project Area).

However, it is also important to consider the extent of zones of influence (spatial and temporal extent of effects) when defining assessment boundaries. As outlined in the Operational Policy Statement entitled “The Process for Defining the Spatial Boundary of a Study Area During an Environmental Assessment of Offshore Exploratory Drilling Projects” (CEA Agency 2003), defining a study area requires consideration of the cause-effect relationships between project components or actions and environmental components and the location at which the potential for environmental effects (including cumulative effects) becomes insignificant.

In order to define these extents of influence, it is necessary to consider ecological boundaries on a case by case basis. Ecological boundaries are determined by temporal and spatial scales over which environmental components or populations function. Temporal ecological boundaries take into consideration relevant characteristics of environmental components or populations including:

- trends in natural variation of a population;
- time required for a biological, physical and/or chemical response to an effect to become evident;
- effect recovery time ;
- timing of sensitive life history periods; and/or
- timing whereby the species or component remains in the Project zone of influence (Jacques Whitford 2004).

Spatial ecological boundaries are determined by the distribution and movement patterns of the environmental component in relation to the potential zones of influence of the project.

For the purpose of this SEA, the Study Area is defined as a 54 km buffer around the proposed Project Area (refer to Figure 1.2.). This buffer was adopted from the Phase 1A SEA which had been determined primarily by the estimated zone of influence from the worst case scenario of an accidental spill modeled for the Deep Panuke Offshore Gas Development (54 km predicted distance for dispersion of oil cloud from 100 barrel diesel spill) (Encana 2006). This 54-km buffer is considered conservative for the Phase 1B SEA as deepwater spill modeling conducted by BEPCo. in 2004 on the Scotian Slope indicated a worst case spill scenario zone of influence of 35 km (JWEL 2004). The 54 km radius is also sufficient to include other expected zones of influence (e.g., blowout spills, and behavioral effects of marine mammals, sea turtles or fish associated with seismic noise), and also encompasses Special Areas in the vicinity of the proposed Project Area.

4.5 SELECTION OF VALUED ENVIRONMENTAL COMPONENTS

It is generally accepted that an environmental assessment should focus on those components of the environment that are valued by society and/or which can serve as indicators of environmental change and thus, which have the most relevance to the final decision regarding the environmental acceptability of a proposal (JWEL 2003).

Table 4.3 presents a preliminary screening of issues that was undertaken to identify appropriate Valued Environmental Components (VECs) for the assessment. In cases where an environmental component has not been carried forward as a VEC for assessment, it is generally

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because experience and research has shown that they are unlikely to be adversely affected by petroleum exploration activities, particularly given implementation of standard mitigation.

Table 4.3 Section of Valued Environmental Components

Environmental Component	Scoping Considerations	VEC Selected
Atmospheric Environment	<p>It is anticipated that emissions from routine exploration-related operational activities will not cause an exceedence(s) of applicable air quality standards or guidelines. Since there are limited emissions sources and few receptors in the SEA Study Area, and given the short duration of exploration projects, assessment of potential effects on air quality can be excluded from the SEA provided that future license holders/operators adhere to:</p> <ul style="list-style-type: none"> • MARPOL Annex VI, Regulations for the Prevention of Air Pollution from Ships; and • Air Emissions provisions of the Offshore Waste Treatment Guidelines, including provisions for greenhouse gas emissions. <p>However, malfunctions and accidental events (<i>i.e.</i>, blow-out) may have an environmental effect on air quality therefore potential effects of air quality as a result of a blow-out on Special Areas (<i>e.g.</i>, Sable Island) is considered.</p>	Not further assessed as a VEC. Considered in terms of accidental events for Special Areas VEC.
Water Quality	<p>Assessment of the potential environmental effects of discharges from platforms/vessels on water quality during routine exploration activities can be excluded from the SEA provided that future leaseholders/operators adhere to:</p> <ul style="list-style-type: none"> • Nova Scotia Offshore Area Petroleum Geophysical Regulations; • Offshore Waste Treatment Guidelines; • Offshore Chemical Selection Guidelines; • <i>Fisheries Act</i> (Section 36); and • MARPOL 73/78. <p>Compliance with the above requirements involves implementation of standard mitigation and will prevent adverse environmental effects on water quality for routine operations. However, malfunctions and accidental events (<i>i.e.</i>, oil spills) may have an environmental effect on water quality. An environmental assessment of the potential effects on water quality as a result of oil spills is considered as applicable for other VECs.</p>	Not assessed further as a VEC. Considered as applicable for accidental spills on other VECs.
Fish	<p>Fish species of special status, important feeding, nursery, and/or spawning grounds for fish (<i>i.e.</i>, Middle Bank), and commercial and Aboriginal fisheries resources are addressed under relevant VECs (Species of Special Status, Special Areas, and Fisheries VECs). Fish species which are not species of special status, don't support fishery resources or other fish species of special status, and are not present in such abundance for a special area to be designated for that species, are excluded from the SEA and EAs provided that future license holders/operators adhere to:</p> <ul style="list-style-type: none"> • Statement of Canadian Practice with Respect to the Mitigation of Seismic Noise in the Marine Environment (SOCP). <p>The SOCP was developed as a result of an extensive review by federal and provincial government advisors and scientific experts of the most effective and appropriate mitigation measures used world-wide to minimize adverse environmental effects on marine life.</p>	Species of Special Status Special Areas Fisheries

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Table 4.3 Section of Valued Environmental Components

Environmental Component	Scoping Considerations	VEC Selected
	Compliance with the SOCP, which is reviewed and updated regularly, will result in minimization and/or avoidance of adverse residual environmental effects on marine fish and other marine life.	
Marine Benthos	Discharges of drilling mud and rock cuttings during exploration drilling can result in burial or toxic effects on the marine benthos. Based on past environmental effects monitoring results and other research studies, these effects are understood to be limited spatially and temporally. However, in recognition of sensitive and/or commercially important benthic species that may occur within the SEA Study Area (e.g., sponges, corals scallop, clam, quahog, crab, shrimp, and sea cucumber), these effects will be assessed in the Special Areas and Fisheries VECs.	Special Areas Fisheries
Marine Mammals and Sea Turtles	<p>The potential for environmental effects on marine mammal and/or sea turtle Species of Special Status that may occur within the SEA Study Area, as well as those species that may occur in nearby designated environmentally sensitive areas will be assessed under the Species of Special Status VEC and Special Areas VEC respectively. Provided that appropriate mitigation is applied for species of special status, it is not anticipated that exploration activities will have an adverse environmental effect at the population level for secure populations of marine mammals or sea turtles.</p> <p>No further assessment beyond that stated in Section 6.3 will be required provided that:</p> <ul style="list-style-type: none"> The proponent adheres to mitigation measures outlined in the Statement of Canadian Practice with Respect to the Mitigation of Seismic Noise in the Marine Environment for marine mammals and sea turtles. 	Species of Special Status Special Areas
Marine Birds	<p>It is recognized that the attraction of any avian species to lights on platforms/vessels or to flares during drilling operations/well testing, may cause injury or death from collisions or may disrupt migrations. An environmental assessment of the potential adverse environmental effects on avian species of special status (including migratory birds) will be carried out under the Species of Special Status VEC. Population level effects on seabirds, however, are not anticipated.</p> <p>No further assessment of environmental effects on seabirds shall be required, provided that:</p> <ul style="list-style-type: none"> The SEA considers the potential impacts of vessel lights/flares on avian species of special status (including migratory birds) and identify any necessary mitigation measures (i.e., should birds land on vessels involved with the project, then implementation of the Williams and Chardine handling protocol brochure entitled "The Leach's Storm Petrel: General Information and Handling Instructions" should be carried out. A permit is required from the Canadian Wildlife Service of Environment Canada to implement this protocol). 	Species of Special Status Special Areas
Species of Special Status	Species of Special Status includes consideration of the following species and their critical habitat which may be present in the SEA Study Area and determined to be potentially affected during exploration activities: species designated as at-risk under the <i>Species at Risk Act</i> (SARA); species assessed as endangered, threatened, or of special concern by the Committee on the Status of Endangered Wildlife of Canada (COSEWIC) and/or migratory birds protected by	Species of Special Status

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Table 4.3 Section of Valued Environmental Components

Environmental Component	Scoping Considerations	VEC Selected
	the <i>Migratory Birds Convention Act, 1994</i> ..	
Special Areas	Designated areas of special interest due to their ecological and/or conservation sensitivities (<i>i.e.</i> , marine protected areas, existing or future coral conservation zones, fish conservation areas, <i>etc.</i>) could be potentially affected by exploration activities in the SEA Study Area. This VEC includes consideration Sable Island National Park, the Haddock Box, the Gully MPA, Northern bottlenose whale Critical Habitat designations under SARA, and ecologically and biologically significant areas (EBSAs) (<i>e.g.</i> , nearby canyons, corals and sponges). The scope of the VEC also includes the inhabitants of the special areas which may not be covered under the Species of Special Status VEC.	Special Areas
Fisheries	Commercial, recreational and aboriginal fisheries (including relevant fish species) that could be affected by exploration activities in the SEA Study Area will be considered. The focus of the assessment of this VEC is on potential disruptions to commercial fishing activities, including aboriginal fisheries interests as applicable, through environmental effects on fisheries resources, displacement from current or traditional fishing areas, or gear loss or damage resulting in a demonstrated financial loss to commercial fishing interests. Key fisheries to consider in the area include large pelagics (<i>e.g.</i> , tunas, swordfish, sharks), halibut, and other groundfish.	
Other Ocean Uses	Other ocean uses (<i>i.e.</i> , marine shipping, military use, research surveys, and other petroleum development activities, <i>etc.</i>) could potentially be affected by exploration activities. Other than petroleum development activities, other ocean users are expected to have intermittent overlap with potential exploration activities in the SEA Study Area, and effects can be minimized through liaison and early communication of activities to other ocean users. With respect to other petroleum activities in the area which would experience longer term occupation of the area, exploration activities are not expected to interfere with these uses. Communication of planned exploration activities would be considered sufficient mitigation. Other Ocean Uses is considered to be more appropriate for consideration of potential cumulative effects with exploration activities (refer to Section 3.3.4). To the extent that fisheries research surveys may interact with exploration activities, these interactions are addressed under the Fisheries VEC.	Not further assessed as a VEC. Other Ocean Uses considered in cumulative effects assessment (Section 7). Fisheries VEC used to capture interactions with fisheries research surveys.

In summary, the VECs to be assessed in this SEA include:

- Species of Special Status;
- Special Areas; and
- Fisheries.

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4.6 POTENTIAL EXPLORATION ACTIVITIES - ENVIRONMENT INTERACTIONS

Table 4.4 considers potential interactions between selected VECs and exploration activities. These interactions are explored in greater depth for each VEC in Section 5, drawing on existing literature and professional knowledge of the Study Team to provide a current understanding of environmental effects and mitigation, indicating data gaps and uncertainties where applicable.

Table 4.4 Potential Environmental Interactions of Petroleum Exploration Activities and Selected VECs

Exploration Activity	VEC			Nature of Interactions
	Species of Special Status	Special Areas	Fisheries	
Seismic surveying	✓	✓	✓	<ul style="list-style-type: none"> Interference with fisheries and other ocean uses during routine operations Underwater noise issues (e.g., hearing loss, behavioural effects, etc.) on species of special status, commercial fish species and spawning areas, and species which may be inhabiting Special Areas (e.g., The Gully)
Seabed surveying (i.e., geophysical, geotechnical data collection)	✓	✓	✓	<ul style="list-style-type: none"> Localized disturbance to marine benthos, potentially affecting benthic species of special status and commercial fish species
Vertical Seismic Profiles (VSPs)	✓		✓	<ul style="list-style-type: none"> Localized disturbance to marine benthos, potentially affecting benthic species of special status and commercial fish species
Exploratory/delineation drilling (e.g., mobile offshore drilling unit (semi-submersible or drill ship)) and ancillary activities	✓	✓	✓	<ul style="list-style-type: none"> Attraction (due to lights and/or flares) of bird species of special status to platform structures or support vessels Effects (e.g., smothering, toxicity, reduced growth or reproductive potential) of operational discharges (i.e., drill wastes) on species of special status and commercial fish species, particularly bottom-dwelling fish and invertebrates Underwater noise issues (e.g., hearing loss, behavioural effects, etc.) on species of special status and commercial fish species Interference with fisheries and other ocean uses (e.g., loss of access due to safety zone)
Vessel traffic (e.g., supply vessels, helicopters)	✓	✓		<ul style="list-style-type: none"> Noise disturbance to Special Areas and species of special status depending on proximity of traffic Effects on fisheries and other ocean users expected to be negligible given infrequency and short-term nature of traffic
Well abandonment operations	✓		✓	<ul style="list-style-type: none"> Localized disturbance to marine benthos, potentially affecting benthic species of special status and commercial fish species
Accidental events	✓	✓	✓	<ul style="list-style-type: none"> Effects of accidental events (e.g., large condensate or diesel spill) on all VECs (e.g., contamination, oiling and mortality of biological VECs and fouling of other ocean users' gear)

5.0 Potential Effects of Exploration Activities

This section discusses potential effects of routine exploration activities with accidental events assessed as a separate component. Mitigation and planning considerations are proposed to address potential effects, and data gaps and uncertainties are acknowledged.

5.1 SPECIES OF SPECIAL STATUS

5.1.1 Potential Effects and Existing Knowledge

Potential effects of exploration activities on species of special status include effects on the change in mortality risk (e.g., increases in mortality, impacts on species population level success) and effects on the change in habitat (e.g., displacement from critical spawning, feeding, nursery areas) of fish, marine mammals, sea turtles, and birds of special status (as defined in Section 4.5).

5.1.1.1 Seismic and Seabed Surveys

Seismic surveys use sound waves (primarily generated by airguns) to gather information about geological structures lying beneath the seafloor (DFO 2011a). Airguns release a specified volume of air under high pressure which creates a sound pressure wave from the expansion and contraction of the released air bubble (DFO 2011a). Typical zero-to-peak source levels for exploration seismic arrays are 245-260 dB relative to 1 μ Pa at 1m. Seismic emissions are categorized as pulsed noise (discharged approximately every 10 seconds at intervals of about 25 m along the survey track) (DFO 2011a).

Key issues of concern related to effects of seismic and seabed surveys on species of special status include potential physiological and behavioral effects on fish and marine mammal species, which may affect mortality risk or have negative population level effects.

Physiological and Behavioral Effects on Fish Species

At very close range, seismic noise can affect the fitness and survival of fish and invertebrates causing abnormal development and possibly mortality to eggs and larvae (refer to Section 5.1.1.1). These acute effects have only been observed at distances less than 5 m from the air gun, with more frequent and severe effects occurring at the distances less than 1.5 m (Dalen *et al.* 2007, Payne 2004). Since the majority of the fish species of special status that are likely to be present in the Study Area are demersal, the likelihood of seismic sound impacting fish in the developmental stage due to close proximity is expected to be minimal due to large distance between the airgun and any young fish and or eggs/larvae. Although a large portion of the species at risk in the area have eggs and or larvae which are found on the sea floor or close to it, a few species have eggs and larvae which are pelagic in nature (DFO 2011a). Redfish

species have eggs which are pelagic in nature and are usually found at mid-depths within the water column. Cod and cusk also have pelagic eggs which can be found in the mid to upper water column and have the potential, although slight, to be impacted by seismic exploration.

There is evidence that damage could be done to fish from lower sound levels. Damage to fish hearing organs in adult fish has been reported by McCauley *et al.* 2003 (DFO 2011a). McCauley experimented on caged fish and subjected them to repetitive firing of air guns (similar to seismic surveys), which resulted in damage of the sensory hair cells of the inner ear after 18 hours of exposure. Damage to these animals was severe, and they did not regain damaged cells after 58 days (DFO 2011a). The peak noise levels involved were 180-190 dB root mean square (RMS), which corresponds to sound levels that would be encountered less than 500 m from the source. The animals in this experiment were caged and could not act upon their natural avoidance response, which would reduce exposure levels. Due to the fact that most fish species will swim away from the sound source as a natural flight avoidance response, it is unlikely that any noise damage from seismic surveys would be permanent or severe.

To date, there have not been any documented cases of large-scale fish mortality due to exposure to seismic sound under regular operating conditions. Seismic noise does have the potential to elicit short term impacts on fish including startle responses, changes in swimming patterns, and changes in vertical distribution (Worcester, 2006, cited in DFO 2011a). These short term effects have been observed up to a radius of 30 km. If these fish are swimming to a spawning ground or are spawning during the time of seismic exploration, spawning success could be impacted. If a seismic program is underway, fish may expend more energy on travel and avoidance than on spawning activities or may even delay spawning, which could impact year class sizes and recruitment.

Physiological and Behavioral Effects on Marine Mammals

The effects of seismic noise on marine mammals are not fully understood, although possible effects are thought to include: masking of conspecific sounds; increased stress levels; change in vocalizations; change in behavior which may include avoidance of affected habitat; and temporary and/or permanent hearing damage (Richardson *et al.*, 1995, Hildebrand, 2005, Weilgart, 2007, DFO 2011a; Dalen *et al.* 2007). The extent of each of these effects varies depending primarily on species type, noise level/proximity to seismic source, and pre-disturbance activity of the marine mammals when exposed to the seismic sound (Dalen *et al.* 2007).

Mysticetes (e.g., blue, fin and North Atlantic right whales) produce a variety of communication sounds in the very low frequency range (<100 Hz) and can hear sounds in the low frequency range (<1000 Hz), which falls within the range of seismic activity (Clark and Gagnon, 2006, cited in DFO 2011a). Low frequency noise associated with seismic activity may interfere with vocalizations in areas of ecological importance and/or biological significance. Blue whales have been documented changing vocalization patterns and frequencies during seismic surveys (Di Loro and Clark, 2009, cited in DFO 2011a). Although little is known about the hearing of

mysticetes (baleen) whales, it is assumed they are sensitive to low to medium frequency sounds (Dalen *et al.* 2007).

Odontocetes (toothed whales) (e.g., long-finned pilot whale, Northern bottlenose whale, Sowerby's beaked whale, and sperm whale) appear, in general, to be more sensitive than mysticetes to seismic sound and tend to show the strongest lateral distance/avoidance, moving out of the immediate area (Stone and Tasker 2006, cited in DFO 2011a) while mysticetes and killer whales demonstrated more localized avoidance to seismic noise (*i.e.*, orient themselves away from the noise but do not leave the area). However, there have also been observances of dolphins swimming close to airgun arrays (e.g., 50 m and 2 km of seismic vessel during shooting) (Duncan 1985, Stonach 1993, cited in JWEL 2003). Davis *et al.* (1998) concluded the zone of behavioral effect on the Scotian Shelf for odontocetes may be approximately 1 km in radius.

Displacement and diversion caused by seismic noise on marine mammals is unknown although it is possible that animals could be displaced from feeding grounds, breeding grounds, nursery areas, or migration routes. Given the presence of critical habitat for the endangered Northern bottlenose whale in the Study Area, there is potential that seismic noise could cause a change in swimming behavior and avoidance of this habitat, thereby potentially affecting the local population.

In 2003 the Gully Seismic Research Program was undertaken by multiple Canadian and international agencies to observe marine mammals before, during and after exposure to seismic exploration in the Gully and adjacent shelf edge (Lee *et al.* 2005). There were no indications that marine mammals including endangered species such as the blue whale or Northern bottlenose whale were significantly affected by either the Marathon or EnCana seismic programs that took place during this study (Lee *et al.* 2005), although marine mammals avoided the seismic arrays at close ranges (<100 m) and appeared to be less vocal when seismic sources were active (Potter *et al.* 2005).

There have been no documented cases of marine mammal mortality or injuries as a consequence of seismic surveys (Dalen *et al.* 2007). However, as noted by DFO (2011a), detrimental effects suffered by one species at risk can translate into detrimental effects on the population therefore behavioral effects noted above should not be overlooked as inconsequential.

Physiological and Behavioral Effects on Sea Turtles

There is relatively little research on effects of seismic activities on sea turtles. Studies to date indicate that seismic surveys have short term effects such as a change in hearing sensitivity (Moein *et al.* 1994), as well as physiological responses. There is little evidence to suggest that sea turtles would be more sensitive to seismic sound than cetaceans or fish. Therefore, mitigation implemented to protect those marine animals would also serve to protect sea turtles

from harmful effects (DFO 2011a). There remains however, a lack of research on the acoustic sensitivity of sea turtles and on the importance of the acoustic environment on sea turtles.

As noted by DFO (2011a), an added risk for sea turtles is potential entanglement in seismic gear. Although some work has been conducted to develop mitigation measures (e.g., turtle exclusion devices) the effectiveness of these measures is not well known.

Physiological and Behavioural Effects on Sea Birds

There is little information available on the effects of seismic surveys on seabirds. The sound created during seismic activities is directed downward below the surface of the water and sound levels at and immediately below the water are greatly reduced compared to levels deeper in the water. Diving birds, however, could potentially be exposed to seismic sound in the water column.

A study on the effects of seismic surveys on moulting long-tailed ducks in the Beaufort Sea found no effects on movement or diving behavior (Lacroix *et al.* 2003; cited in Jacques Whitford, 2005). Observations made during a seismic program in the Davis Strait area showed no evidence of mortality or distributional effects on marine birds. Shearwaters with their heads underwater were observed within 30 m of seismic sources and did not respond. As a result, it is unlikely that seismic activities will have profound negative effects on seabirds of special status or their populations.

5.1.1.2 Exploratory Drilling

The main concerns related to routine exploratory drilling are related to: discharges of drilling mud and rock cuttings and their burial and toxic effects on seabed fauna; seabird attractions with highly-illuminated drilling rigs and incineration during flaring/well testing; and drilling noise effects on marine mammal species of special status (accidental spills are discussed separately).

Potential effects of drilling discharges on fish relate to potential lethal or sublethal effects. Discharge of drilling muds and cuttings can result in smothering of benthic species and health effects as result of chronic exposure of bentonite, barite or other drilling fluid components. Effects of drilling waste discharges on commercial fish species are discussed in Section 5.3.1.2. There is predicted to be negligible effects of drilling waste discharges on fish species of special status which may occur within the Study Area.

Artificial light has been known to influence seabirds, which are highly visually oriented and can become disoriented at night in the presence of artificial light. Artificial light from drilling rigs and flares can attract birds depending on the weather, season, age of the birds and the lunar phase, which can lead to collisions, incineration and mortality (Merkel and Johansen 2011). A Norwegian study on bird impacts associated with offshore drilling has shown that the impact of flaring on flocks of birds is small and is only significant at night during migration periods (Ospar Commission 2007). It was found that sound associated with drilling did not affect bird migrations

and that 10% of birds were affected by light emitted from the main deck of offshore oil installations. With proper mitigation (minimization of flaring and reduction in horizontal light emission) the impacts of exploratory drilling on birds at risk is considered to be minimal. Seabird monitoring as part of the SOEP EEM has shown little to no effect on birds transiting to and from Sable Island or the Scotian Slope (CNSOPB 2011).

Drilling noise can potentially cause a temporary avoidance of an area by marine species of special status. Continuous noise generated by a drill rig may cause prolonged avoidance by some demersal fish species from the immediate area (e.g., up to 400 m) (ICES 1995, cited in JWEL 2003). The spatial extent of avoidance for marine mammals is expected to be in the range of 0.5 to 1 km. Thompson *et al.* (2000) reports avoidance from a drill rig is expected to be limited beyond 100 m whereas avoidance from a drill ship may range from 1 to 10 km. The North Atlantic right whale is one species known to exhibit long distance avoidance behavior. The effect of drilling noise on marine mammals of special status is considered to be temporary and reversible (Davis *et al.* 1987).

5.1.1.3 Vessel Traffic

Vessel traffic is likely to increase as a result of seismic and exploratory drilling operations. An increase in vessel traffic will have impacts on marine mammals and bird species.

An increase in vessel traffic has the potential to increase the amount of artificial light within the Study Area which could potentially attract migrating seabirds. The number of additional vessels associated with exploration should not substantially affect mortality rates due to collisions with lit vessels as the vessel increase will be temporary and nominal compared to existing traffic in the Study Area. With proper mitigation, including adherence to CWS protocols for handling stranded birds, the effect of additional vessels within the Study Area should be minimal on birds species of special status.

Historical data has been examined from 1885 to 2002 with regards to vessel strikes on marine mammals. Vessel strikes have been known to be a large cause of marine mammal mortality. As a result, an increase in vessel traffic due to oil and gas exploration could potentially increase the number of mortalities of marine mammals due to vessel impacts. The most frequent species affected by vessel strikes are:

- Fin whales;
- Humpback whales;
- Gray whales; and
- North Atlantic right whales.

North Atlantic right whales are the species most affected by vessel strikes, with mortalities being twice as frequent as any other whale species (Vanderlaan and Taggart 2006). The North Atlantic right whale is the most endangered whale species with a population size of

approximately 300 individuals and decreasing (Elvin and Taggart 2008). It is expected that the species will be extinct within 200 years unless anthropogenic induced mortalities are reduced. Right whales tend to be easily injured because they are slow moving, and have a low profile in the water. Results have shown that reducing vessel speed can reduce the number of deaths by vessel impact. As a result, speed limits may be warranted in highly populated and important habitat areas.

The Study Area falls within feeding and migratory paths of some marine mammal species; however, the increase in number of vessels due to exploratory operations is not expected to be substantial. With proper mitigation (marine mammal observers and avoidance of the Gully MPA) the impact of vessel traffic on marine mammals is not expected to be a major concern.

5.1.1.4 Well Abandonment

There is little predicted interaction with species of special status during the mechanical separation of well-heads from the seabed. However, if blasting is required for wellhead removal there could potentially be serious effects, including mortality, on fish, marine mammals, and sea turtles. However, these effects can be avoided with the implementation of mitigation which involves monitoring of the blast site and delay of detonation until observed marine mammals and sea turtles are more than 1 km away from the blast site. It is not expected therefore that well abandonment activities will have a substantial effect on species of special status in the Study Area.

5.1.1.5 Accidental Spills

Accidental spills, although unlikely to occur, are the most likely element of exploratory activities to result in significant adverse effects on marine life. Spill scenarios can include, but not necessarily be limited to: a spill from a broken streamer during a seismic survey; subsea or surface blowout during drilling; loss of drilling fluid during drilling; or batch spill of diesel or condensate from a drill rig or vessel. Although a batch spill of crude oil or diesel is most likely to have the most far-reaching detrimental effects, even a small spill can result in adverse effects on marine life, particularly for bird species of special status.

With respect to fish, alterations in fish larvae mortality have been documented with increasing concentrations of oil contaminants in the surface microlayer (DFO 2011a). Sublethal effects on fish can include changes in biochemical responses of enzyme systems, increased frequency of histopathological changes and diseases in bottom fish, and degradation of ichthyoplankton communities in response to oil contaminants. Spawning events of fish are generally restricted in time and place; as a result there can be impacts on year class strength if a spill coincides with a spawning event. A number of studies have shown that the presence of oil can have both lethal and sublethal effects (reduced growth and abnormal development) in eggs, larvae and juveniles. The effects of oil on mature fish are difficult to study in the field as they have the ability to avoid a spill, provided the area is small enough. As a result, fish can mainly be affected by spills from the egg stage until maturity and full mobility is reached.

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Marine mammals can be affected by an accidental spill in several ways depending on the scale and nature of the spill (Marine Mammal Commission 2011) including:

- The oil (or other product), its metabolites or dispersants through direct contact, ingestion or inhalation;
- Injury and/or disturbance from spill response activities; and
- Short and long-term ecological changes resulting from the spill and response efforts.

The exposure to oil and its metabolites is known to be harmful to marine mammals. Inhalation of by-products can cause respiratory irritation, inflammation, or emphysema (Marine Mammal Commission 2011). The ingestion of oil may cause gastrointestinal inflammation, ulcers, bleeding, diarrhea, or maldigestion. Certain inhaled or ingested by-products may cause damage to organs such as the liver, kidneys, adrenal glands, spleen or cause reproductive failure. Chemical contact can cause skin and eye irritation, inflammation, burns to mucous membranes, mouth and nares, or increased susceptibility to infection. Oil can also physically foul the baleen of mysticetes whales, which can inhibit feeding.

Response activities to contain and remove oil can also impact marine mammals. The increased marine and air traffic associated with a large spill can disrupt foraging, habitat use, daily and migratory movements and behavior. The increased vessel traffic as mentioned above can have the potential to increase vessel strikes. Oil spills can indirectly affect marine mammals in the area by altering the marine ecosystem and the key features of their habitat such as contamination, shifts and reduction in prey biomass (Marine Mammal Commission 2011).

Marine birds are extremely vulnerable to the effects of oil pollution. Feathers readily absorb oil, decreasing their ability to insulate birds from the cold, and reduce their waterproofing and buoyancy abilities. Contact with a small amount of oil can lead to death through hypothermia and starvation. Seabirds can also die from ingesting petroleum products while preening their feathers. During certain times of year large numbers of birds congregate while migrating. If an oil or fuel spill were to occur in these locations at times where large numbers of birds are congregated, the global population of the species could be greatly impacted. As discussed in Section 5.2.1.5, if a spill were to reach the coastline of Sable Island it could have severe adverse effects on species of special status (e.g., Roseate Tern and Ipswich Sparrow) nesting on the Island.

Site specific spill probability and fate modeling would be required for a project-specific EA to determine the risk of potential effects on species of special status (including risk of potential interaction with Sable Island).

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5.1.2 Mitigation and Planning Considerations

Table 5.1 summarizes mitigation and planning considerations to mitigate potential effects of exploration activities on species of special status such that residual effects would be considered to be minor, short-term and localized.

Table 5.1 Mitigation and Planning Considerations for Species of Special Status

Seismic and Seabed Surveys	<ul style="list-style-type: none"> • Adherence to the Statement of Canadian Practice with Respect to Mitigation of Seismic Noise in the Marine Environment. • Schedule surveying to minimize interactions with marine mammals found in the Gully Trough. • Use of trained wildlife observers to visually monitor and record marine mammal and sea turtle interactions and help enforce safe operating distances. • Detailed acoustic modeling as input to any project-specific EAs for seismic project in the Phase 1B Project Area.
Exploratory Drilling	<ul style="list-style-type: none"> • Conduct a pre-spud survey to verify characterization of benthic habitat, in particular the absence of coral formations. • Adherence to the OWTG with regard to waste streams such as drilling muds and cuttings, deck drainage, desalinization brine, sewage and grey water. • Chemicals will be screened through the most recent version of the CNSOPB "Offshore Chemical Selection Guidelines (OSCG) for Drilling and Production Activities on Frontier Lands." • Adherence to CNSOPB Drilling and Production Regulations. • Environmental Protection Plans will be required for exploratory drilling. • Bulk transfer and hose handling procedures as per best management practice. • Minimize flaring and ensure the use of high efficiency igniters as per best available practice. • Focus all area lighting on the work areas of offshore platforms and down shade lights as feasible to minimize marine bird attraction. • Conduct a post-drilling survey to verify that the muds and cuttings are within the predicted zone of influence. • Emergency contingency measures and response plans will be developed to address significant weather scenarios. • A code of conduct will be developed for operations near the Gully MPA and Sable Island that specifies the minimum safe working distances for aircraft and vessels.
Vessel Traffic	<ul style="list-style-type: none"> • Adherence to Transport Canada Guidelines for the Control of Ballast Water Discharge from Ships in Waters under Canadian Jurisdiction. • Use of existing vessel routes to the extent practical. • Avoidance of the Gully MPA and a buffer zone around Sable Island.
Well Abandonment	<ul style="list-style-type: none"> • Mechanical separation of wellhead to the extent practical. • If blasting is necessary, delay of blasting until no marine mammals or sea turtles observed within 1 km of blasting site.
Accidental Spills	<ul style="list-style-type: none"> • Detailed spill probability and behavior modeling as input to any project-specific EAs for drilling project in the Phase 1B Project Area. • Implement Emergency and Oil Spill Response Plan to address spill prevention and response, including routine spill response exercises. • Engineering design and protocols to prevent spills from occurring and/or reaching the marine environment including but not limited to secondary containment, inspection and maintenance, spill response kits, and blowout safeguards. • Development of EEM Plan to address post-spill monitoring effects.

5.1.3 Data Gaps and Uncertainties

The specific distribution of species of special status in the Study Area is a data gap in this assessment with much less available information compared to the Study Area in the Phase 1A SEA. While some species have been studied extensively, with critical habitat known to exist in the Study Area (e.g., Roseate Tern, Northern bottlenose whale), less is known about other species and how they may be using the Study Area. Continued research and wildlife monitoring during oil and gas activities may further knowledge in this area, particularly if monitoring surveys are standardized and data is shared for future use. The use of a trained marine mammal observer onboard during seismic and drilling activities is particularly important in this Project Area given the proximity of species at risk and critical habitat for these species.

With respect to effects of exploration activities on species of special status, most of the data gaps and uncertainties are related to effects and monitoring of seismic noise. This gap in knowledge is widely recognized and seismic related research is the focus of various research funding initiatives including the Exploration and Production (E&P) Sound and Marine Life Joint Industry Programme (JIP) and Environmental Studies Research Fund (ESRF) Program. In particular, these research programs have studies underway which are addressing sound source characterization and propagation; physical and physiological effects and hearing; behavioral reactions and biologically significant effects; and mitigation and monitoring.

Although these data gaps exist, it is assumed that existing knowledge is sufficient to predict general effects of exploration activities on species of special status. Site-specific acoustic and spill modeling as input to project-specific EAs will further inform potential effects analysis and appropriate mitigation as necessary. Seismic operators will adhere to the SOCP, which includes a shutdown zone of 500 m and use of Passive Acoustical Monitoring (PAM) under conditions of low visibility.

5.2 SPECIAL AREAS

Exploratory oil and gas activities may have long or short term effects on Special Areas, affecting biodiversity, abundance and/or presence of species within these areas, as well as cultural or aesthetic values (Hurley 2011).

Several Special Areas have been identified in this report and cover an extensive portion of the Phase 1B area and 54 km buffer zone. In cases where Special Areas overlap with each other or with EBSAs, information on these areas are consolidated under one overarching area, using the boundaries that cover the largest surface area. For example, the Gully MPA overlaps with the Gully EBSA (EBSA 24). Information pertaining to the Gully EBSA will be included in the description of the Gully MPA.

All Special Areas within this report are not equally ecologically significant or sensitive. A higher degree of caution and enhanced mitigation should be exercised in Special Areas that have been recognized through formal designations as areas with specific management measures: the

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Gully MPA, Sable Island National Park, Shortland Canyon (along with Haldimand Canyon as Northern Bottlenose Whale Critical Habitat), and the Haddock Box. DFO is in the process of identifying a network of MPAs in the Eastern Scotian Shelf / Bay of Fundy region (DFO 2009a) building on past efforts to identify EBSAs (Doherty and Horsman 2007) using a data-driven approach, which will help confirm the ecological significance of certain EBSAs and may also result in the identification of different EBSAs than those identified in this report. Certain EBSAs are better understood and recognized for their ecological significance, however most of those EBSAs are outside the Study Area. The Scotian Slope/Shelf Break (EBSA 31) is recognized as an area of unique geologic features and bathymetry which provides high biological diversity. The shelf break provides habitat for mesopelagic species while providing a migration route for large pelagic finfish, marine mammals and leatherback turtles (Doherty and Horsman 2007).

Some of the Special Areas have regulations that prohibit oil and gas exploration within and in the vicinity of their boundaries, namely the Gully MPA and Sable Island National Park.

5.2.1 Potential Effects and Existing Knowledge

Table 5.2 provides a summary of this assessment, identifying the Special Areas and their key ecological features that may be affected by oil and gas activities. Each of these interactions is discussed below.

Table 5.2 Special Areas and Ecological Features Potentially Affected by Oil and Gas Activities

Oil and Gas Activity	Special Areas Potentially Affected	Particularly Sensitive Ecological Feature(s)
Seismic and Seabed Surveys	The Gully MPA	<ul style="list-style-type: none"> Northern bottlenose whale Sowerby's beaked whale Other whales (e.g., blue whale)
	Shortland and Haldimand Canyons	<ul style="list-style-type: none"> Northern bottlenose whale Critical Habitat
	Sable Island National Park Reserve	<ul style="list-style-type: none"> Globally significant grey seal colony Harp, hooded, ringed seals High concentrations of juvenile fish (haddock)
	Haddock Box	<ul style="list-style-type: none"> Important haddock nursery area Area of high larval fish diversity (including cod) Several whale sightings
	EBSA 21 Emerald Bank, Western Bank, Sable Bank	<ul style="list-style-type: none"> Juvenile nursery area for haddock, cod, monkfish, yellowtail, skate, flounder
	EBSA 31 – Scotian Slope/Shelf Break	<ul style="list-style-type: none"> Inhabited by whales and leatherback turtles
Exploratory Drilling	The Gully MPA	<ul style="list-style-type: none"> Northern bottlenose whale Critical Habitat Habitat for Sowerby's beaked whale Other whales (e.g., blue whale)
	Sable Island National Park Reserve	<ul style="list-style-type: none"> High concentrations of juvenile fish (haddock)

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Table 5.2 Special Areas and Ecological Features Potentially Affected by Oil and Gas Activities

Oil and Gas Activity	Special Areas Potentially Affected	Particularly Sensitive Ecological Feature(s)
	Haddock Box	<ul style="list-style-type: none"> • Important haddock nursery area • Area of high larval fish diversity (including cod)
	EBSAs 21 Emerald Bank, Western Bank, Sable Bank	<ul style="list-style-type: none"> • Significant location of Sea Pens (Pennatulacea) • Juvenile nursery area for several fish species
	EBSA 31 – Scotian Slope/Shelf Break	<ul style="list-style-type: none"> • Overwintering area for a number of shellfish species (including lobster) • Halibut overwintering area • Inhabited by corals
	Shortland and Haldimand Canyons	<ul style="list-style-type: none"> • Northern bottlenose whale Critical Habitat
Vessel Traffic	Sable Island National Park Reserve	<ul style="list-style-type: none"> • Migratory Bird Sanctuary • Presence Roseate Tern (endangered, SARA) and Ipswich Sparrow (special concern, SARA)
	The Gully MPA	<ul style="list-style-type: none"> • Northern bottlenose whale • Sowerby's beaked whale • Other whales (e.g., blue whale)
	Shortland Canyon	<ul style="list-style-type: none"> • Northern bottlenose whale Critical Habitat
	Haddock Box	<ul style="list-style-type: none"> • Many whale sightings including blue and North Atlantic Right whales (endangered, SARA) and fin whales (special concern, SARA) • Pelagic birds are found regularly over this area
	EBSA 31 – Scotian Slope/Shelf Break	<ul style="list-style-type: none"> • Inhabited by whales and leatherback turtles • Seabird feeding/overwintering area
Well Abandonment	Sable Island National Park Reserve	<ul style="list-style-type: none"> • High concentrations of juvenile fish (haddock)
	Haddock Box	<ul style="list-style-type: none"> • Important haddock nursery area • Area of high larval fish diversity (including cod)
	EBSAs 21 Emerald Bank, Western Bank, Sable Bank	<ul style="list-style-type: none"> • Significant location of Sea Pens (Pennatulacea) • Juvenile nursery area for several fish species
	EBSA 31 – Scotian Slope/Shelf Break	<ul style="list-style-type: none"> • Overwintering area for a number of shellfish species (including lobster) • Halibut overwintering area • Inhabited by corals
Accidental Spills	All Special Areas, especially: <ul style="list-style-type: none"> • Gully MPA • Sable Island National Park Reserve • Shortland and Haldimand Canyons • Haddock Box 	

Table 5.2 Special Areas and Ecological Features Potentially Affected by Oil and Gas Activities

Oil and Gas Activity	Special Areas Potentially Affected	Particularly Sensitive Ecological Feature(s)
	<ul style="list-style-type: none"> • EBSA 31 – Scotian Slope/Shelf Break 	

Note: **Bolded** areas indicate a higher degree of sensitivity

5.2.1.1 Seismic and Seabed Surveys

Although seismic surveys will not affect the Special Areas themselves, they may have an effect on the species that are found within these areas, thereby affecting the biodiversity and integrity of these areas. Seismic surveys have a greater impact on some species than others (particularly marine mammals) and the effects can vary according to oceanographic conditions (DFO 2007a cited in DFO 2011a). For example, depth is an important consideration where sound attenuates faster at shallower depths.

Effects of Seismic Noise on Areas of Significance for Fish and Invertebrates

As described in the assessment of Species of Special Status (Section 5.1.1.1), seismic noise can affect the fitness and survival of fish and invertebrates at very close range, although this is not determined to be significant compared to natural mortality.

Considering the limited knowledge on these effects of seismic noise, a precautionary approach should be applied by exercising caution in spawning and juvenile areas for fish or invertebrates when conducting seismic surveys, in particular, those that occur in the water column. Long-term effects on larvae and eggs have been observed at close range only, however larvae and eggs for some species are found in the water column where seismic surveying occurs (e.g., redfish, American plaice, Atlantic cod (upper water column) (refer to Table 3.8) and potentially others. In addition to effects on larvae and eggs, seismic surveys may displace adult fish from their spawning grounds (Worcester 2006, cited in DFO 2011a). The Haddock Box is a well-known nursery/spawning areas for haddock and cod, respectively as well as other species and may be affected by seismic activity during important life cycle stages for these species. Emerald Bank, Western Bank, and Sable Bank (EBSA 21) may also be vulnerable to seismic activities due to the presence of several juvenile fish species however less is known about the importance of this area as a nursery ground.

Effects of Seismic Noise on Areas of Significance for Marine Mammals and Sea Turtles

Section 5.1.1.1 describes potential effects of seismic noise on marine mammals and notes that although mysticetes (e.g., fin and blue whales) are assumed to be sensitive to sound frequencies similar to those emitted by seismic surveys, odontocetes (e.g., Northern bottlenose whales and Sowerby's beaked whales) appear to be more sensitive, particularly within a 1 km radius of the array. The Gully MPA, Shortland Canyon and Haldimand Canyon are designated

as Critical Habitat under SARA for the endangered Northern bottlenose whale. Sowerby's beaked whales (special concern, SARA) have also been observed in the Gully MPA.

Although monitoring of marine mammals was conducted during seismic programs in the vicinity of the Gully showing no indication of significant effects (Lee *et al.* 2005), the aforementioned Special Areas should be given particular attention when planning seismic activities given the close proximity of the Gully to the Phase 1B Project Area and the noted sensitivities to the Northern bottlenose whale. Consideration of potential effects on seals should be given to Sable Island which provides important habitat for grey and harbour seals, and to some extent hooded and harp seals (Hurley 2011).

The importance of the Scotian Slope/Shelf Break (EBSA 31) for whales and leatherback turtles is uncertain, however their presence has been observed and it is likely that these species are transiting this area during the summer months. As mentioned in Section 5.1.1.1, turtles may become entangled in seismic gear. As seabirds do not appear to be affected by seismic surveys (refer to Section 5.1.1.1), this activity is not likely to affect any Special Areas containing seabirds.

Effects of Seabed Surveys on Sensitive Benthic Areas

Seabed surveys involve localized disturbance of seabed substrate and benthos, using a variety of tools and techniques such as 2D high-resolution digital seismic (low-energy) using air gun arrays surveying 2-4 m below the surface of the seabed, multi-beam echo-sounders, and seabed core sampling (Hurley 2011). The most sensitive benthic communities are those with high vulnerability and low recovery rate (e.g., deep-sea coral communities) and the least sensitive benthic communities have a low vulnerability and high recovery rate, for example communities dominated by scavengers and mobile species (Burbidge 2011).

Irreversible damage including mortality to corals and sponges by removal of entire organisms or physical alteration may be caused by seabed surveys. Sensitive benthic areas include those that contain high densities or diversity of corals and sponges and should be avoided when conducting seabed surveys (none of which are present in the Phase 1B area). Similar to seismic surveys, seismic noise from seabed surveys may affect juvenile fish and invertebrates near the seabed. Special Areas of importance for juvenile fish species within the Phase 1B area include: Sable Island National Park, the Haddock Box, Emerald Bank, Western Bank, and Sable Bank (EBSA 21).

The Scotian Slope/Shelf Break (EBSA 31) contains corals which are long-lived and slow growing, as well as overwintering areas for shellfish. This area is likely sensitive to seabed surveys, however more detailed information regarding the distribution and abundance of these features would enable better planning and management.

5.2.1.2 Exploratory Drilling

Special Areas containing sessile benthic species (corals and sponges) and other benthic species (haddock, Atlantic cod, wolffish, surf-clam, winter skate, and others) are more susceptible than pelagic species to be affected by exploratory drilling (Hurley 2011). These effects could potentially include direct physical impact or mortality (see above regarding relative sensitivity and recoverability of benthic environments). Drilling mud and cuttings discharges can smother benthic species and result in toxic effects, causing acute and chronic long-term impacts such as reduced growth or reproductive potential (see Section 5.1.1.2). However, Environmental Effects Monitoring (EEM) results at drilling sites off Atlantic Canada have demonstrated that changes in the diversity and abundance of benthic organisms have been generally limited to within 1000 m of the drill site and returned to baseline conditions within 12 months of cessation of drilling discharges using SBM or Enhanced Mineral Oil Based Mud (EMOBM) in combination with WBM (Hurley 2011; CNSOPB 2011b). Special Areas potentially affected by exploratory drilling are also those that are likely vulnerable to seabed surveys: Sable Island National Park, the Haddock Box, Emerald Bank, Western Bank, and Sable Bank (EBSAs 21 and 23), and the Scotian Slope/Shelf Break (EBSA 31).

Migratory birds including the Roseate Tern (endangered under SARA) and the Ipswich Sparrow (special concern under SARA) that travel to Sable Island may interact with illuminated vessels or platforms and become exposed to contaminants from waste disposal, operational discharges, and spills or be incinerated by flaring (Hurley 2011; DFO 2011a). The risk of these interactions is expected to be low due to a low number of migrating individuals within the area and short periods of flaring during well testing (8-24 hours) when hydrocarbons are present (Hurley 2011).

Noise from exploratory drilling may impact marine mammals at close range, as noted in Section 5.1.1.2. The Gully MPA is adjacent to the Phase 1B area and contains whales that feed at depths that may be in range of noise from drilling.

5.2.1.3 Vessel Traffic

Pressures on marine habitats and communities resulting from the high volume of shipping activity and vessel traffic on the Scotian Shelf include ship-source pollution, shipboard wastes, noise and collisions between vessels and marine life (Burbidge 2011). Vessel traffic from oil and gas exploration activities is expected to be minimal with minor effects on Special Areas in the Study Area (refer to Section 5.1.1.3).

Although Northern bottlenose whales generally avoid ships (DFO 2009b), other whales may be more vulnerable and efforts should be made to reduce the intensity and duration of vessel traffic in areas where whales are present, particularly the Gully MPA, Shortland Canyon, and potentially the Haddock Box during peak migratory periods for other whale species seen in these areas (summer and fall).

Surveys conducted under the Cohasset-Panuke Project (COPAN) and Sable Offshore Energy Project (SOEP) EEM programs suggest that offshore oil and gas activities have had little to no impact on benthic communities, fish health, or seabird populations (CNSOPB 2011b). However, it is estimated that ship-source oil pollution results in the oiling of thousands of seabirds in the Scotian Shelf region each year, and the number of oiled seabirds in the region increased 3.2% annually between the early 1970s and 2000 (Coffen-Smout *et al.* 2001; DFO 2009c; Burbidge 2012). Beached bird surveys have been conducted on Sable Island by a resident researcher since 1993 and have become part of the EEM program for the Sable Island Bank region. Between 1993 and 2002, more than 7000 seabird corpses were recovered, 40% of which had experienced some oiling. Most of the contamination was weathered crude and heavy fuel oil mixed with varying amounts of lubricants and diesels (Sable Island Green Horse Society 2004). While most of these fatalities were primarily attributable to large ocean-going vessels and not petroleum exploration and development on the Scotian Shelf, these results do demonstrate the vulnerability of bird species in the area and prevalence of hydrocarbon contamination. Due to its importance for migratory birds, precautions should be taken when conducting oil and gas activities in the vicinity of Sable Island National Park.

5.2.1.4 Well Abandonment

The effects of well abandonment on Special Areas are similar to those of other exploration activities that can affect benthic organisms through physical alteration, mortality or contamination, with impacts being worse on juvenile fish and invertebrates (JWEL 2003). There is typically little interaction with fish and fish habitat during the mechanical separation of well-heads from the seabed; however, in cases where blasting is required for well-abandonment there would be mortality at the site of blasting, mainly to the infauna community (JWEL 2003). Effects of well abandonment are not expected to extend beyond the previous zone of influence affecting the marine benthos during drilling unless blasting is required in which case there would be increased mortality over a larger area.

5.2.1.5 Accidental Spills

Accidental spills can range from small to large-scale resulting in short or long-term contamination and toxicity of the water column, sediments, and biota causing both lethal and sub-lethal effects depending on the severity. Although the risk of accidental spills is low due to several mitigation measures in place by the oil and gas industry, the consequences of an accidental spill can be severe and/or far reaching as evident in the 2009 Deepwater Horizon blowout in the Gulf of Mexico. The severity of an accidental spill depends on the site and well-specific characteristics, oceanographic conditions, location and timing of the spill, and particularly the hydrocarbon product and quantity being released: gas, gas condensate, or crude oil, with crude oil being the most severe (DFO 2011a; JWEL 2003).

Spill trajectory modeling conducted for the BEPCo. Exploratory drilling on EL 2407 on the southwest Scotian Slope (assuming water depth of 1,200 m) predicted spill probabilities and dispersion behavior for various spill scenarios. Although project-specific spill modeling would be

conducted for each EA of an exploration project in the SEA Study Area, the BEPCo, modeling results gives an indication of the potential extent of a spill on the Scotian Slope. As indicated above, the severity of spill effects will vary depending on a variety of factors, although the worst case predicted scenario would involve a 100-barrel batch spill of condensate which could persist as a slick for about 5 hours and travel about 15 km prior to the complete loss of surface oil, with a dispersed oil cloud in the water column potentially extending up to 35 km (JWEL 2004). It is predicted that subsea or surface blowouts would result in a much smaller area of influence.

Depending on the relative proximity and nature of the spill, Special Areas within the SEA Study Area could be adversely affected. The Gully MPA has unique oceanographic conditions including retention that may make it susceptible to accumulation of contaminants (DFO 2009c). However, sampling sites on the western boundary of the Gully MPA have shown no elevated concentrations of total petroleum hydrocarbons since monitoring began in 1998 (Burbidge 2012). Sediment samples taken within the Gully contained low concentrations of total alkanes (C10-C35) ranging in concentrations from 966 to 6486 nanograms per gram (dry weight) and PAHs were not detected (DFO 2009c). The composition and concentrations of these samples are consistent with observations of hydrocarbon concentrations in mostly uncontaminated sandy shelf sediments elsewhere, but also suggest an anthropogenic source is likely. Where only few samples have been taken from a limited number of sites within the Gully, very little can be concluded regarding the source of contamination within the Gully and the degree to which oil and gas activities have impacted the Gully (Burbidge 2012). Monitoring within the Gully has not occurred following the event of a large spill; it is therefore uncertain how a large oil spill would actually affect the Gully ecosystem.

Due to the vulnerability of birds to oil spills, Sable Island is considered to be highly sensitive to accidental spills, given the presence of endangered Roseate Terns (SARA) which breed on the island from May to July and forage in nearby waters (Hurley 2011). During a blowout event, there could potentially be atmospheric discharges which would temporarily result in adverse effects on air quality of Sable Island, potentially affecting species and humans residing on the Island.

All Special Areas in the SEA Study Area are considered to be vulnerable to accidental spills that may occur as a result of exploration activities due to potential far-reaching effects. Special Areas considered the most vulnerable are those that are within or adjacent to the Phase 1B Project Area and are well-recognized as areas of high ecological importance, containing several important ecological features or single unique or sensitive features. These include: Sable Island National Park, the Gully MPA, Shortland Canyon, and the Haddock Box. Sable Island National Park is the most vulnerable to impacts due to its importance for birds that are easily (and often lethally) impacted by direct contact with oil.

Although the Scotian Slope/Shelf Break (EBSA 31) is not well studied and covers a very large area, it is thought to be an area of high biodiversity, containing several ecologically important features including corals, pelagic species such as sharks and tuna, whales, seabirds, and many

others. Given the potential ecological importance of this area, it is likely highly vulnerable to an accidental spill.

5.2.2 Mitigation and Planning Considerations

Avoidance is the most effective mitigation measure in consideration of Special Areas that are deemed to be highly sensitive to all oil and gas activities (the Gully MPA, Sable Island National Park, Shortland Canyon, and the Haddock Box). Regulations ensure avoidance of the Gully MPA for all oil and gas activities within the MPA boundaries, including in *the vicinity* of the MPA (DFO 2007b). Similarly, in the Sable Island National Park, the *Canada National Parks Act* and *Amending Agreement of Significant Discovery Licence 2255E* (signed December 21, 2011) prohibits drilling from the surface of Sable Island and one nautical mile seaward of the low water mark of Sable Island as defined by the Canadian Hydrographic Service.

Given the high number of Special Areas within the scope of this report, avoidance of all areas is not feasible. Limiting or minimizing the extent of exploration activities within Special Areas should be considered while applying a suite of other mitigation measures described in Table 5.3.

A Code of Conduct can be an important and useful mitigation measure for operating in proximity to or within protected or Special Areas. For example, industry codes of conduct exist for the Gully MPA and Sable Island, which specify minimum safe working distances for aircraft and vessels near these areas, among other mitigation measures. Other operators who may wish to conduct activities in the vicinity of these designated Special Areas should also be expected to develop and implement codes of conduct which would be reviewed by, at a minimum, the CNSOPB, DFO, Environment Canada, and Parks Canada.

Special Areas that are particularly important and/or sensitive to oil and gas activities are those that provide important habitat for Species of Special Status and are important for life cycle stages (spawning, breeding, nursery areas, *etc.*) of fish, invertebrates, and marine and migratory birds. Avoiding these areas during these critical lifecycle stages is an appropriate mitigation measure, especially in spawning and juvenile areas (*e.g.*, March to May avoidance in Haddock Box). Current spatial and temporal information of these critical life history stages will be required for the application of most mitigation measures.

It is advised to maintain regular communication with DFO's Oceans and Coastal Management Division, responsible for implementation of Canada's *Oceans Act*, to obtain up to date information on Special Areas and to work collaboratively on mitigation measures regarding Special Areas identified in this report. Parks Canada and the Canadian Wildlife Service are also important departments to consult regarding activities around Sable Island National Park and areas that may be identified as important areas for birds.

Table 5.3 summarizes mitigation and planning considerations for Special Areas for each of the key exploration activities.

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE (PHASE 1B)

DRAFT FOR REVIEW

Table 5.3 Mitigation and Planning Considerations for Special Areas (additional to those identified in Section 5.1.2)

Seismic and Seabed Surveys	<p><i>Seismic Surveys</i></p> <ul style="list-style-type: none"> • Apply mitigation measures required as per the Statement of Canadian Practice with Respect to Mitigation of Seismic Sound in the Marine Environment such as increasing safety zones near gun arrays and shut down when whales are present or during limited visibility. • Schedule surveying to minimize interaction in Special Areas during spawning and breeding events (e.g., avoid seismic activities in the Haddock Box during spawning from March-May) <p><i>Seabed Surveys</i></p> <ul style="list-style-type: none"> • Avoid areas with known concentrations and/or high diversity of corals or sponges. • Avoid spawning areas during key spawning events: the Haddock Box, Emerald Bank, Western Bank, and Sable Bank (EBSA 21), and Sable Island National Park and adjacent waters.
Exploratory Drilling	<ul style="list-style-type: none"> • Avoid the significant Sea Pen area in Emerald Bank, Western Bank, and Sable Bank (EBSA 21) <ul style="list-style-type: none"> ◦ The CNSOPB requires that areas with known aggregations of deep sea coral be avoided during oil and gas drilling activities. If aggregations of deep sea coral are found to occur as the result of an environmental assessment that is conducted following an application for drilling or production, the Board requires mitigation to avoid harming these aggregations (DFO 2006). • Conduct pre-drilling ROV investigation to determine presence of corals, sponges, or other sensitive features as required by the CNSOPB. • Follow Canadian Wildlife Service mitigation measures when finding a dead or injured bird. • Follow regulatory guidelines (MARPOL and Offshore Waste Treatment Guidelines) for the treatment and disposal of various operational waste streams and emissions.
Vessel Traffic	<ul style="list-style-type: none"> • Adhere to The Statement of Canadian Practice with Respect To Mitigation of Seismic Sound in the Marine Environment. • DFO issues a notice to mariners annually within the Gully MPA that calls for voluntary measures to protect the Gully MPA, which include slowing down and avoiding the area. • Minimize discharges in accordance with the <i>Canada Shipping Act</i> and other relevant regulations and apply best practices when transiting through or in the vicinity of all Special Areas
Well Abandonment	<ul style="list-style-type: none"> • Apply standard mitigation measures during well abandonment (e.g., mechanical separation of wellhead whenever possible).
Accidental Spills	<ul style="list-style-type: none"> • Avoid oil and gas exploration in the Gully MPA, Sable Island National Park, and the Haddock Box. • Detailed spill probability and behavior modeling as input to any project-specific EAs for drilling project in the Phase 1B Project Area. • Develop codes of conduct to guide new exploratory activities in the vicinity of Special Areas including the Haddock Box and Middle Bank. • Apply standard preventative measures to avoid accidental spills. • Implement Emergency and Oil Spill Response Plan approved by the CNSOPB that includes routine spill response exercises.

5.2.3 Data Gaps and Uncertainties

Several data gaps and uncertainties have been identified in this section and for the other VECs identified in this assessment. Despite the uncertainties pertaining to environmental effects from

oil and gas activities it is important to take a precautionary approach in the vicinity of Special Areas, particularly those of well-known ecological importance, while research continues.

The key source of uncertainty pertaining to the Special Areas VEC is the identification of areas within the Scotian Shelf / Bay of Fundy MPA Network planning process being led by DFO (DFO 2012). This planning process may result in the identification of EBSAs or ecological priority areas other than those discussed in this report. Some of the EBSAs presented in this section may require further investigation of their ecological importance (e.g. Logan Canyon). Although the Scotian Slope/Shelf Break appears to have ecological significance, it is a very large area with few surveys to confirm its ecological importance. More research should be conducted to investigate the importance of this area and to more accurately delineate key areas of ecological importance within this large area. The MPA network planning process may help clarify the significance of some of these areas by taking a data-driven approach to the identification of EBSAs (DFO 2009a) and therefore providing greater certainty with respect to their sensitivities to oil and gas exploration and potential restrictions of activities.

Consultation with scientific and special interest groups that may be involved in the protection of special areas (e.g., Sable Island Preservation Trust, Sable Island Green Horse Society) is also important to obtain up to date information on the ecological importance and status of special areas.

5.3 FISHERIES

5.3.1 Potential Effects and Existing Knowledge

Potential effects of exploration activities on fisheries include effects on the fisheries resource (e.g., direct effects on fished species indirectly affecting fishing success) and effects on fishing activity (e.g., displacement from current or traditional fishing areas, gear loss or damage resulting in a demonstrated financial loss to commercial fishing interests). Although this VEC focuses primarily on commercial fisheries (including Aboriginal), research-related fishing activities are also considered as applicable. As stated in Section 3.3.3, there is no offshore recreational fishery.

5.3.1.1 Seismic and Seabed Surveys

Key issues of concern related to effects of seismic and seabed surveys on fisheries include:

- potential physiological and behavioral effects on fisheries resources (*i.e.*, commercial and recreational fish species) which may affect catchability; and
- fisheries gear loss and damage due to an interaction with seismic equipment.

Physiological Effects on Fisheries Resources

The effects of seismic exploration on fish and invertebrates have been the subject of numerous studies around the world. Injuries and mortality of fish and invertebrates will occur within immediate proximity of an operating air gun (e.g., 1.5 to 5 m depending on species and development stage), with eggs and larvae being the most vulnerable (Payne 2004; Dalen *et al.* 2007; DFO 2011a). Effects of seismic-induced mortality on eggs and larvae at the population level are considered to be insignificant compared to natural mortality (Saetre and Ona 1996; Dalen *et al.* 1996). To date, there have not been any well-documented cases of acute post-larval fish or invertebrate mortality as a result of exposure to seismic sound under normal seismic operating conditions (DFO 2011a). Likewise, studies on physiological effects of seismic noise on fish and invertebrates have not revealed significant adverse effects. While sublethal effects (e.g., reduction in feeding, growth or reproduction rate, histochemical changes) have been measureable in some studies (e.g., Payne *et al.* 2007; Lagardere 1982), other studies have detected no significant differences between exposed and control individuals (e.g., McCauley *et al.* 2000a, 2000b; Esso Norge AS 2001; Christian *et al.* 2003; Payne *et al.* 2009; Harrington *et al.* 2010), or effects have been shown to be measurable but temporary (e.g., DFO 2004b; Sverdrup *et al.* 1994). In any case, physiological effects have not been demonstrated to occur at the population level in the open ocean environment such that fisheries resources would be affected.

Behavioural Effects of Fisheries Resources Affecting Catchability

Effects of seismic noise on invertebrate and fish behavior (e.g., startle response, changes in swimming speed and direction and changes in vertical distribution (Worcester 2006) can affect catchability. Several studies have been conducted, most notably in the North Sea, demonstrating behavioral responses of fish to seismic noise leading to catch reductions. Scare effects can entail catch reductions that will vary from species to species and between various types of fishing gear (Dalen *et al.* 2007).

Dalen and Raknes (1985) observed a change in the distribution of fish at 100-300 m depth along the course lines of a seismic vessel, with the averaged measured volume of bottom fish (mainly cod and pollock), was reduced by 36% after seismic shooting compared with measured values prior to shooting. Quantity of small pelagic species was reduced by 13%. It was concluded in this research study, as in others, that some fish move to greater depths during seismic exposure. A study of seismic exploration effects on cod and haddock behavior in the Barents Sea found that seismic shooting severely affected fish distribution, local abundance, and catch rates. Trawl catches of cod and haddock and longline catches of haddock declined approximately 50% after shooting started and longline catches of cod were reduced by approximately 21%. Reductions in catch rates were observed 18 nautical miles from the seismic shooting area with most pronounced effects observed within the shooting area (3 x 10 nautical miles) where trawl and longline catches of cod and haddock ranged from a reduction of 45% to 70%. Abundance and catch rates did not return to preshooting levels during the 5-day period after seismic shooting ended. Conversely, Gausland (2003) reported higher catches in the

immediate track of a seismic survey where bottom trawling was used. Løkkeborg *et al.* (2009) demonstrated that differences in species reactions with Greenland halibut, redfish and ling increasing their level of swimming activity thus making them more liable to be taken in gillnets and reducing efficiency of longline catch. Sedentary benthic species (*e.g.*, snow crab) are not likely to disperse, therefore catch rates are less likely to be affected (DFO 2011a). In summary, it can generally be concluded that seismic survey activity is likely to affect fish behavior but if or how it affects catchability remains uncertain.

Depending on the relative location of the seismic survey airgun, the fish being harvested and the fishing gear, effects on fish behavior can vary. Effects of seismic noise in displacing fish from their usual habitat is of most concern during spawning season, on nursery and foraging grounds and possibly during seasonal migrations.

Gear Loss and Damage

Damage to fishing gear or vessels can occur as a result of physical contact with seismic vessels and equipment. In general, fixed gear (*e.g.*, crab pots, longlines, gill nets) pose a greater potential for conflict with seismic surveys since it is hard to detect and can be set out over long distances in the water (LGL 2005). Groundfish and pelagic longline fisheries can have gear that can extend more than 60 km in length behind the vessel. Both seismic and longline fishing activities result in large areas of influence associated with each activity as well as the turning radii associated with each type of vessel. Changing wind, waves and tides can also result in considerable drift of longline fishing gear (DFO 2011a). Mobile gear (*e.g.*, trawls, seines) is towed behind vessels and has a lower risk of conflict since the activity is more visible and seismic survey ships and fishing vessels can communicate with each other and exchange information about operating areas and activities (LGL 2005). As shown on Figures 3.8-3.10, the greatest density of fishing activity in the SEA Project Area occurs along the shelf break and involves primarily pelagic and groundfish fisheries. As of 2011, there have been no seismic/longline gear entanglements offshore Nova Scotia (DFO 2011a).

5.3.1.2 Exploratory Drilling

Exploratory and delineation drilling and ancillary activities can affect fisheries primarily through potential effects on fisheries resources and loss of access.

Physiological Effects on Fisheries Resources

Potential effects of drilling discharges on fisheries relate to potential lethal or sublethal effects on fisheries species. Discharge of drilling muds and cuttings can result in smothering of benthic species and health effects as result of chronic exposure of bentonite, barite or other drilling fluid components. Laboratory studies have linked prolonged exposure of bentonite and barite to sublethal effects affecting scallop growth and reproduction at bentonite concentrations as low as 2 ppm (Cranford and Gordon 1992; Cranford *et al.* 1999, 2001; Barlow and Kingston 2001). However, these studies did not take into account active wind and tidal mixing and changes in

biophysical benthic conditions. Laboratory studies involving exposure of snow crabs (Andrews *et al.* 2004) and lobster (Hamoutene *et al.* 2004) demonstrated minor metabolic differences between experimental and control group individuals, neither of which would be expected to impact fisheries success. It is noted that all of these experiments involved exposure concentrations much higher than would be realized in an open ocean environment where drilling fluids and cuttings would be diluted and dispersed. Therefore there is no predicted effect on fishing success in the Study Area due to routine drilling discharges.

A review of environmental effects resulting from offshore exploratory drilling in Canada determined that changes in diversity and abundance of benthic organisms were most common within 50 to 500 m of drill sites and that benthic communities typically returned to baseline conditions within one year after drilling operations ceased (Hurley and Ellis 2004). Sediment quality monitoring and toxicity testing as part of the SOEP Environmental Effects Monitoring (EEM) program found above background concentrations of total petroleum hydrocarbon (TPH) and barium associated with drill waste and cuttings piles at all drilling platforms in 1999. Since then these concentrations have decreased at different rates at different locations with the greatest persistence at Thebaud showing elevated barium concentrations out to 250 m in 2007. No toxic responses (as demonstrated by amphipod mortality testing) have been observed at any site since 2003 (CNSOPB 2011b). Benthic habitat monitoring as part of the SOEP EEM demonstrated no obvious effect on fauna or habitat beyond the drill waste piles. Each year since 1998 the EEM program has demonstrated an increase in biomass and potential growth related to maturing communities of marine species (CNSOPB 2011b). Taint and body burden monitoring demonstrated no tainting effects between the 250 m and 1000 m sampling sites. Tainting was only encountered once in Jonah crabs collected directly from the platform structure at Venture (within safety zone). The results of the SOEP EEM program are consistent with EEM programs conducted elsewhere in Atlantic Canada (e.g., Hibernia, White Rose, Terra Nova) concluding no significant effects on fish health and fish habitat. Fisheries are therefore not expected to be affected by drilling discharges.

Loss of Access

Drilling programs generally last one to three months, during which time access to marine space by fishers or other ocean users is excluded from a 500 m radius (0.8 km²) safety exclusion zone around the drilling project. For certain fisheries that use longline gear, a larger exclusion zone would be in effect to ensure gear did not drift into drilling rigs (Thompson *et al.* 2000).

The issue of safety zone and loss of access is not so much a project-specific issue as it is a cumulative effects issue whereby cumulative loss of access due to drilling (and production activity where applicable) could potentially result in a displacement and demonstrated financial loss to fishing interests. There are five parcels in the 2012 Call for Bids that fall within the Project Area for Phase 1B. There is typically no more than two exploratory wells drilled per parcel and exploration licenses generally last for five years. Given this scenario, it is reasonable to assume there could be up to 10 wells drilled over five years, in addition to whatever activity is

occurring on existing exploration and production licenses thus creating a cumulative loss of access to fishing activity.

The safety exclusion zone around the Deep Panuke Offshore Gas Production Project is approximately 30 km² due to interconnecting field flowlines. The SOEP safety zone is 500 m radius from each surface structure. Safety zones are established to prevent damage to oil and gas infrastructure, minimize likelihood and effects of environmental incidents, and maintain the safety and security of industry personnel (Stantec 2010). However, they may also represent lost fishing opportunity, particularly for sedentary species or migratory species with a well-defined area and timing. Restrictions on fishing activity in certain areas can also potentially result in overcrowding of other areas and can potentially affect net income of commercial fishers. Given the temporary and localized nature of exploration and delineation drilling programs, loss of access from safety exclusion zones is expected to be minimal on a project-by-project basis. Different fisheries are targeted on the Slope than on the Sable Island Bank therefore the cumulative effect on fisheries from a loss of access as a result of the Deep Panuke and SOEP development projects is expected to be minimal.

5.3.1.3 Vessel Traffic

The interaction of vessel traffic (e.g., supply vessels, helicopters) is predicted to have a negligible effect on fisheries given the limited frequency and intermittency of trips associated with an exploration program. Interactions with seismic vessels and drilling equipment are discussed above.

5.3.1.4 Well Abandonment

Well abandonment may involve mechanical means (*i.e.*, well is plugged and well casing is cut and removed just below the surface of the seafloor) or explosive means (explosive charge set in the well casing and detonated approximately 1 to 10 m below the seabed floor). If mechanical means are used for well abandonment, there is not predicted to be any interaction with fisheries. If explosive means are used, there could potentially injury or mortality of fish, particularly in juvenile fish and invertebrates due to shock waves produced by the explosion. Effects from underwater explosions range from light hemorrhaging of juvenile body cavities to temporary disbursement of adults in the immediate vicinity of an explosion, with tissue damage occurring up to 600 m from a blast site (Nedwell 2001, cited in JWEL 2003). Goertner (1981) found that for a 25 kg severance explosion buried at 4.6 m in a mud bottom in 61 m water depth, measurable fish kills can occur near the surface out to a horizontal range of 27 m, with larger fish considered less vulnerable to injury. Near the bottom, significant fish kills of all sizes of fish were predicted to be limited to a maximum horizontal range of approximately 21 m. As water depth increases such as is the case on the Slope, the hazard is reduced. There is no predicted interaction with fisheries following well abandonment.

5.3.1.5 Accidental Spills

Accidental releases through a streamer break, well blowout, batch spill, or SBM release during drilling could potentially occur during exploration activities and affect fisheries through effects on fisheries resources, fishing exclusion (e.g., during spill and clean-up), fouling of gear (e.g., through oiling), or reduced marketability (e.g., perceived taint). The severity of effects of a spill on fish (including eggs, larvae, juvenile and adult fish) depends on the properties of the spilled product, and magnitude (e.g., volume), timing, and location (e.g., water depth, temperature, wind and wave energy; proximity to sensitive locations) of the spill.

Although spills can result in biophysical effects on fish which could in turn result in a subsequent loss of fish catch or fish value, there is higher potential for effects on fisheries to occur as a result of perceived fish taint. Following the Uniacke blowout (involving condensate) near Sable Island in 1984, a no-fishing zone was established in spite of no evidence of taint (Zitko *et al.* 1984). Negative public perception of fisheries resources in the event of a spill could affect marketability and therefore result in reduced income for commercial fishers harvesting in proximity to the affected area.

The only hydrocarbons currently produced on the Scotian Shelf are natural gas and condensate, both of which are highly volatile and have reduced impacts compared with crude oil (Zwanenburg *et al.* 2006). A diesel spill would be more likely to occur than a blowout and would have greater potential for environmental effects.

Spill modeling conducted for the BEPCo. Exploratory drilling on EL 2407 on the southwest Scotian Slope (assuming water depth of 1,200 m) predicted spill probabilities and dispersion behavior for various spill scenarios. Although project-specific spill modeling would be conducted for each environmental assessment of an exploration project in the SEA Study Area, the BEPCo. modeling results give an indication of the potential extent of a spill on the Scotian Shelf. As indicated above, the severity of spill effects will vary depending on a variety of factors, although the worst case predicted scenario would involve a 100-barrel batch spill of condensate which could persist as a slick for about 5 hours and travel about 15 km prior to the complete loss of surface oil, with a dispersed oil cloud in the water column potentially extending up to 35 km (JWEL 2004). It is predicted that subsea or surface blowouts would result in a reduced area of influence. All fisheries operating in these areas of influence could be affected through effects on fisheries resources, fishing exclusion, fouling of gear, or reduced marketability of seafood.

5.3.2 Mitigation and Planning Considerations

Table 5.4 summarizes mitigation and planning considerations to mitigate potential effects of exploration activities on fisheries such that residual effects would be considered to be minor, short-term and localized. Mitigation as presented below is primarily intended to be implemented by individual operators. The CNSOPB will also take into account, when considering work authorization applications, potential cumulative effects associated with concurrent exploration activities, particularly where safety (exclusion) zones are established. Many fisheries occurring

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in the Phase 1B Study Area are quota-based and can be fished almost any time of year therefore it is difficult to prescribe specific seasonal avoidances. Stakeholder consultation early in project planning is crucial to mitigating effects of exploration activities on fisheries and other ocean users.

Table 5.4 Mitigation and Planning Considerations for Fisheries

Seismic and Seabed Surveys	<ul style="list-style-type: none"> • Fisheries Liaison Officer familiar with NS offshore fisheries to be present on seismic survey vessel to communicate with fishing vessels in the area to avoid potential conflict with fishing activities/gear. • Adherence to the Statement of Canadian Practice with Respect to Mitigation of Seismic Sound in the Marine Environment which includes “soft-start” (<i>i.e.</i>, ramp-up) procedures. • Adherence to the CNSOPB “Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity”. • Issuance of “Notice to Shipping” on location and scheduling of survey activities. • Commencement of seismic data acquisition in daylight hours and only if survey area confirmed to be clear of fixed fishing gear or floating longline gear (<i>e.g.</i>, for large pelagics such as porbeagle shark, swordfish). • Consultation with key organizations representing fishing interests (including commercial and Aboriginal) in the area during the EA planning stage and just prior to activity start. • Consultation with DFO Science Branch to ensure survey area and timing does not overlap with research vessel programs. • Coordination of seismic program activities with fishing industry to reduce potential conflict with commercial fishing activity and DFO survey vessels during peak fishing/survey times. • Avoidance of heavily fished areas during active fishing season to the greatest extent practical.
Exploratory Drilling	<ul style="list-style-type: none"> • Adherence to the CNSOPB “Offshore Waste Treatment Guidelines” and “Offshore Chemical Selection Guidelines” to minimize effects of drill waste discharges. • Issuance of “Notice to Shipping” on location and scheduling of drilling activities. • Consultation with key organizations representing fishing interests (including commercial and Aboriginal) in the area during the EA planning stage. • An Environmental Protection Plan must be submitted prior to drilling activity.
Vessel Traffic	<ul style="list-style-type: none"> • Use of common routes by supply vessels and alternate routes around key fishing grounds particularly when fishing is at its peak.
Well Abandonment	<ul style="list-style-type: none"> • Design of wells and casings to facilitate effective mechanical cutting and removal of the wellhead; avoiding explosive means of separation where possible.
Accidental Spills	<ul style="list-style-type: none"> • Preparation and implementation of an Emergency Response Plan to address spill prevention and response including interactions with fishers and other ocean users. • Engineering design and protocols to prevent spills from occurring and/or reaching the marine environment including but not limited to secondary containment, inspection and maintenance, spill response kits, and blowout safeguards. • Operator to establish ongoing communication with key fisheries stakeholders and other ocean users in the event of a spill and during spill response activities, including but not limited to issuance of a Notice to Shipping/Mariners. • Development of EEM Plan to address post-spill monitoring effects. • Adherence to CNSOPB “Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity”.

5.3.3 Data Gaps and Uncertainties

There are no crucial data gaps identified with respect to effects on fisheries. As noted above, ongoing consultation with the fisheries stakeholders is important to confirm specific fishing locations and seasons. Potential areas for future research pertain to sublethal physiological effects of seismic sound and drilling discharges on invertebrates that are fished in the area (e.g., scallop, sea cucumber, crab). The majority of research on physiological effects has been primarily laboratory based so measurement of effects in the dynamic open water conditions on the Scotian Shelf could prove to be beneficial to increasing the understanding of significance of these effects.

6.0 Potential Effects of the Environment on Exploration Activities

Offshore exploration activities require careful consideration of environmental conditions in the operating area. Aspects of the environment potentially affecting offshore exploration activities include:

- Fog and ice;
- Seismic events and tsunamis;
- Waves and tides;
- Hurricanes, winds and extreme weather events;
- Marine life (biofouling and presence of species of special status);
- Climate change; and
- Sediment and seafloor stability.

The interactions between these physical forces and exploration activities need to be considered in both normal and extreme circumstances. Extreme conditions may affect program schedule and operations including the timing of seismic and drilling programs and provisions of supplies and service support.

Detailed analyses of meteorology and oceanographic conditions are included in operators' engineering feasibility and design to ensure safety of personnel, and protection of equipment, vessels and the natural environment. The Offshore Physical Environment Guidelines (NEB *et al.* 2008) provide detailed requirements for operators regarding the observation, forecasting and reporting of physical environment data to ensure safe and prudent conduct of operations, emergency response, and spill countermeasures (NEB *et al.* 1994). It is important to note that a more comprehensive analysis would be required to adequately address the risks presented by these physical factors on a project specific basis.

An overview of potential environmental conditions which could potentially affect exploration activities is provided below.

Fog and Ice

Sea ice typically forms in the western and northern coastal zones of the Gulf of St. Lawrence during December; by the end of January the sea ice starts to flow through the Cabot Strait under the influence of surface currents and wind. Some year's ice, as a mixture of drift ice and locally formed ice may extend as far as Halifax and to the southwest towards Sable Island,

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although this is rare. The spring breakup of ice normally commences in March and recedes to patches within the Gulf of St. Lawrence by mid-April. In severe years, ice may stay longer on the Scotian Shelf until May or June. In the event that ice does migrate to the Scotian Shelf and Slope, it is not anticipated to result in significant adverse effects since structures are now designed with ice protection systems able to withstand impacts of up to a 6 million tonne iceberg (CAPP 2012).

Icebergs generally degrade by the time they reach the Scotian Shelf and Slope but ships will track and maneuver to avoid any icebergs that may be present and drilling platforms would likely be evacuated. The extent of ice coverage and ice movements can be tracked through the Canadian Ice Service (Environment Canada 2012c). Ice accumulation on equipment and vessels from sea spray can also affect exploration activities. Sea spray can form for a large portion of the year (Nov-Apr) as it only requires air temperatures below -2°C, wind speeds of 10 km/h and water temperatures below 6°C (JWEL 2003). If working under these conditions, Operators would need to have proper de-icing equipment available for use as necessary.

Fog is often present on the Scotian Shelf and Slope, with approximately 35% of days reporting fog with a visibility less than 1 km. This jumps to 65% of days in July as warm tropical air masses move north and cause large fog banks and stratiform clouds (Hurley 2011). Impacts of fog on exploration activities pertain primarily to delay due to poor visibility and inability to detect species of concern for avoidance.

Seismic Events and Tsunamis

The Scotian Shelf and Slope is an area of known seismic activity with recorded earthquakes, and fault zones occurring.. While the area is seismically active, events tend to be of a low magnitude and given the short duration of exploration activities the probability of a significant seismic event or tsunami occurring during an exploration program is low. Guidance on planning and designing for seismic activity and other geological instabilities can be found in the American Petroleum Institute's design document "Recommended Practice for Planning, Designing and Constructing Fixed Offshore Platforms – Working Stress Design" (API 2005).

Waves and Tides

Waves and tides will be present throughout any exploration work that is done; however, the degree to which they may affect the potential work will vary substantially.

Wave heights vary from a monthly mean of 1 m -1.5 in July and August to 3 m -4.5 in December while monthly maximum wave heights vary from 3 m – 4 m in July to 9 m – 10 m in December, January, February, and March (OceanWeather 2012). The safe deployment of some exploratory equipment may require waves to be below a certain height, thus requiring constant and accurate monitoring of wave conditions.

Tidal currents and eddies should be considered as they will influence any drifting equipment and navigation. The semidiurnal M2 tide (12.4 hour period) will have the greatest effect on local water currents and can result in local tidal elliptical movement of up to 15 km (DFO 2011a). Along with tidal currents, the Scotian Shelf is influenced by three primary ocean currents: the Gulf Stream, the Labrador Current and the Nova Scotia Current. The resulting flow is generally northeast to southwest at speeds ranging from 5 to 30 km/day.

Hurricanes, Wind and Extreme Weather Events

The Scotian Slope lies in the path of occasional hurricanes and tropical storms that travel up the eastern coast of North America in the late summer and fall. These large storm events pose many risks to exploration activities including reduced visibility, increased wave height, increased wind speeds and heavy precipitation. Winter storm events are also an important consideration as they have the potential to add significant weight to any equipment or vessels very quickly in the form of ice or snow.

Average wind speeds range from 17.5 km/h in September to 31.5 km/h in January while wind speeds can be sustained at 130 km/h during severe storm events (Environment Canada, 2012). A detailed analysis of meteorological and oceanographic conditions should always be maintained to ensure storm events and high wind and wave events are anticipated and avoided.

Marine Life

The biological environment could impact exploration activities in several ways, including;

- Biofouling of instrumentation or equipment;
- Structure colonization by barnacles, urchins or sea grasses; and
- Presence or migration of species of special status could halt or delay work.

Given the timeframe anticipated for exploratory work (e.g., 30 – 90 days for drilling), it is unlikely that biofouling or colonization of structures or equipment would occur. Presence of species of special status could delay seismic or drilling activities, particularly if they are present within the 500 m safety zone. Planning of programs should take into consideration known distribution of species of special status including known migration routes and timing.

Climate Change

While many of the effects of climate change are expected to be realized over extended time scales (increased temperatures, rising sea levels), others such as large storm events could occur over shorter time scales. Climate models predict an increase in large storm events both in terms of storm intensity and frequency. The Scotian Shelf lies in the path of occasional tropical storms and hurricanes and is thus directly exposed to any increases in storm intensity attributed to climate change. A detailed analysis of meteorological and oceanographic

conditions should always be maintained to ensure storm events and high wind and wave events are anticipated and avoided to the extent practical.

Sediment and Seafloor Stability

A variety of sediment types exist on the Scotian Shelf with silty sediments having settled in deep basins while sand and gravel cover the shallow banks and tend to slump over the shelf edge. Thick accumulations of slumped sediments are found on the slope between 200 m and 2,000 m in depth. From the base of the slope towards the deep water is a gradation of surficial sediments cut by erosion channels (NSM 1997). Steep banks of canyons along the Slope represent possible areas of slope instability and provide avenues for sediment transport between the Shelf and the deep ocean. Sediment scour, liquefaction of sediments from seismic events and slope failure could all adversely affect exploration drilling activities. In particular, scour and/or deposition could occur around footings of jack-up drilling rigs. Periodic monitoring of footings (where applicable) should be carried out, particularly during the winter storm season, to avoid adverse effects associated with sediment transport and seabed stability.

Summary

In summary, it is expected that vessels and equipment would be designed and installed (where applicable) based on appropriate environmental design criteria to ensure integrity of facilities and safety and protection of workers and the natural environment. Although effects of the environment require consideration in project-specific design and environmental assessment and monitoring plans, these effects are not expected to be significant assuming appropriate planning and design criteria are followed.

7.0 Potential Cumulative Effects

“Cumulative environmental effects” is generally used to describe environmental change resulting from several anthropogenic alterations with environmental effects overlapping in both time and space. These effects could result from the activities of several large-scale developments or the combined effects of multiple developments. SEA allows for cumulative effects assessment (CEA) at a broad scale before individual project development to assist with planning and environmental management on a regional basis and to inform project specific assessments

7.1 CUMULATIVE EFFECTS ASSESSMENT SCOPING

An important component of assessing cumulative effects involves the identification of past, present and likely future projects and activities that could interact in combination with proposed activities. Section 4.3 describes the other ocean uses in the Study Area. These ongoing activities can potentially result in effects that can overlap spatially and temporally with effects associated with petroleum exploration and thus have been considered in terms of potential cumulative environmental effects (*i.e.*, military training, shipping, oil and gas developments). The cumulative effects of commercial fishing activity have also been considered.

7.2 CUMULATIVE EFFECTS ANALYSIS

Table 7.1 presents a summarized analysis of cumulative effects for Species of Special Status, Special Areas, and Fisheries in consideration of residual effects discussed in Section 5 of this SEA and potential cumulative effects from other ocean uses and/or other contributing factors which could affect the resilience of a VEC. Data gaps and uncertainties at the SEA level of analysis limit the confidence of cumulative effects predictions; however this constraint should not prevent identification of potential mitigation and planning considerations to reduce potential cumulative effects.

In consideration of the other ocean uses in the Study Area, the greatest potential for cumulative effects comes from shipping and commercial fisheries. Petroleum exploration and development on the Sable Island Bank (*e.g.*, SOEP, Deep Panuke developments and ongoing exploration) are further removed, but can still contribute to potential cumulative effects on Special Areas (and Species of Special Status which inhabit these areas) and fisheries.

The CNSOPB is responsible for authorizing all petroleum related activities in the Nova Scotia Offshore and therefore has the authority to reduce spatial and temporal overlap of activities and associated environmental effects. For example, all applications for seismic programs are reviewed by the CNSOPB to determine potential overlap with historic seismic surveys, reducing unnecessary overlap in data acquisition.

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Of particular relevance to cumulative effects on the Scotian Shelf is the Eastern Scotian Shelf Integrated Management (ESSIM) Initiative which was a collaborative ocean planning process led by the Oceans and Coastal Management Division (OCMD) of DFO under the *Oceans Act*. The ESSIM planning process involved a broad range of interests, including government, Aboriginal groups, ocean industry and resource users, environmental conservation groups, coastal communities, and university researchers. The primary aim of the ESSIM Initiative was to develop and implement a strategic long-term Integrated Ocean Management Plan for integrated, ecosystem-based and adaptive ocean management (DFO 2010b). Key interests in ocean use and activities included fisheries, offshore oil and gas, shipping, maritime defence operations, submarine cables, science research and development, recreation and tourism, potential offshore minerals development, and marine conservation (DFO 2002).

Intergovernmental cooperation and collaboration around management of ocean resources has allowed ocean users and regulators to better understand the nature of cumulative effects on the marine ecosystem and identify applicable adaptive management strategies. For example, EEM programs conducted by the offshore petroleum industry are designed in cooperation with various regulators, scientific experts and interested stakeholders so that data on ecosystem effects can be shared with other interested parties to inform future mitigation and environmental management decisions. Continued cooperation and information sharing among ocean users and applicable regulators will help to manage potential cumulative effects on the marine environment.

Table 7.1 Cumulative Effects Assessment

Environmental Component and Associated Residual Effects of Exploration Activities	Residual Effects of Other Past, Existing or Future Projects/Activities	Potential Cumulative Effects	Mitigation Measures	Residual Cumulative Effects
Species of Special Status	<p>Existing marine activities in the Study Area (including military training, shipping, oil and gas developments) result in a noisy underwater environment which can potentially affect marine mammal and sea turtle behavior.</p> <p>Entrapment and entanglement in fishing gear (including bycatch) and collision with ships contribute to adverse effects on Species of Special Status.</p>	<p>Potential increase in underwater noise.</p> <p>Potential increase in mortality risk.</p>	<p>Adherence to SOCP, including soft ramp-up and use of Marine Mammal Observer.</p> <p>Use of established vessel routes for supply vessels and avoidance of known sensitive areas.</p>	Cumulative effect not likely to be significant given implementation of mitigation
Special Areas	<p>Other ocean uses generate noise and traffic in and around special areas although residual effects are expected to be limited given implementation of codes of practice for operating in proximity to some special areas (e.g., Sable Island, the Gully).</p> <p>Chronic hydrocarbon discharges from vessels result in oiling of species (particularly diving birds) and Special Areas (e.g., shoreline of Sable Island).</p> <p>Fishing activities, particularly bottom trawling, can adversely affect areas of benthic ecological significance.</p>	<p>Potential increase in underwater noise.</p> <p>Potential increase in hydrocarbon contamination as a result of chronic or accidental spills.</p>	Development and implementation of Codes of Practice to minimize interaction with Special Areas.	Cumulative effect not likely to be significant given implementation of mitigation

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Table 7.1 Cumulative Effects Assessment

Environmental Component and Associated Residual Effects of Exploration Activities	Residual Effects of Other Past, Existing or Future Projects/Activities	Potential Cumulative Effects	Mitigation Measures	Residual Cumulative Effects
Fisheries	Past and existing petroleum exploration and development projects have resulted in loss of fishing access due to establishment of safety zones (typically 500 m) around operational survey vessels and/or platforms	Potential cumulative effect of loss of access and gear conflict with addition of new drilling and/or seismic programs	Use of Fisheries Liaison Officer (seismic programs) and ongoing communication with stakeholders and coordination of program activities with fishing industry to reduce potential conflict during peak fishing times. Financial compensation for damage to fishing gear	Cumulative effect not likely to be significant given implementation of mitigation

8.0 Data Gaps and Recommendations

Hurley (2009) presents an evaluation of environmental assessment biophysical data gaps for the offshore Scotian Shelf and Slope. The majority of these gaps, some of which have been identified through previous environmental assessments or research reports, remain valid for this SEA. Table 8.1 summarizes data gaps and recommendations specifically relevant to potential exploration activities in the SEA Study Area. Many of these gaps have been previously identified by others and relate to ongoing research being conducted by E&P Sound and Marine Life JIP and ESRF programs. In light of these data gaps and uncertainties, a precautionary approach to oil and gas exploration should be taken in the vicinity of sensitive areas and presence of species at risk. This precautionary approach may mean enhanced mitigation and monitoring until understanding of potential interactions and effects can be improved and appropriate mitigation developed accordingly.

In May 2012, it was announced that the Centre for Offshore Oil and Gas Environmental Research (COOGER), a research centre established in 2002 at the Bedford Institute of Oceanography to coordinate DFO research into the environmental and oceanographic effects of offshore petroleum activities, would be significantly affected by funding cuts. In particular, research programs focusing on biological effects of oil and gas activity will be phased out. The loss of this research will reduce the capacity to develop knowledge relevant to effects and mitigation of offshore petroleum activities in Canadian waters. As government funding for research is reduced, industry-led research becomes even more important to closing data gaps and improving understanding. The JIP and ESRF programs are largely funded by the petroleum industry and are expected to continue. Project specific EEM is also expected to provide a continuing source of valuable environmental information.

The following is a summary of data gaps and recommendations specific to the Phase 1B SEA.

Table 8.1 Summary of Data Gaps and Recommendations

Data Gap/Uncertainty	Implications/Recommendations
General lack of site-specific information on the distribution of species of special status in the Study Area.	Monitoring and observation programs of species of special status during operator-specific exploration programs can increase knowledge, particularly if the data can be collected and analyzed using standardized methods.
Limited data on communities including deepwater fish and invertebrates.	The lack of biological information for the deepwaters of the Scotian Slope is widely recognized in the scientific community. From a petroleum exploration perspective, it may be prudent to consider pre-drilling surveys for coral or other sensitive benthic communities.
Uncertainty regarding MPA Network planning process – additional AOIs/MPAs could be identified; some EBSAs require further investigation of their ecological importance and sensitivity to petroleum exploration activities.	Additional MPAs may be identified in the Study Area thereby requiring additional planning and mitigation considerations. The CNSOPB is committed to reviewing and updating SEAs on a regular basis to ensure validity; therefore it is likely that any change to EBSA and/or MPA

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(PHASE 1B)****DRAFT FOR REVIEW****Table 8.1 Summary of Data Gaps and Recommendations**

Data Gap/Uncertainty	Implications/Recommendations
	designations would be addressed in these updates accordingly.
Uncertainty around sublethal effects of seismic sound on marine animals.	Research programs have studies underway to address sound source characterization and propagation; physical and physiological effects and hearing; behavioral reactions and biologically significant effects; and mitigation and monitoring.
Consequences of seismic exploration (sound levels) and accidental spills on special areas in the Study Area.	Site specific acoustic and spill fate modeling should be conducted for project-specific EAs for exploration projects proposed in Phase 1B Project Area with mitigation and monitoring plans implemented as appropriate.
Detection of presence and behavioral effects of marine mammals and sea turtles during low visibility conditions (e.g., at night and during fog events).	Use of PAM and trained marine mammal observers as well as adherence to the Statement of Practice with Respect to the Mitigation of Seismic Sound in the Marine Environment

In recognition of mitigation and monitoring measures and ongoing research to address these data gaps, it is expected that adverse environmental effects from oil and gas exploration activities can be managed to acceptable levels within the Phase 1B Project Area.

9.0 Summary and Conclusions

This report is an SEA of potential impacts of petroleum exploration activities on the Eastern Slope and is intended to assist the CNSOPB and potential developers with respect to future applications and environmental management planning within the Eastern Scotian Slope Phase 1B Project Area. This SEA has focused on VECs and interactions of concern as identified in the Scoping Document (Appendix A). Mitigation measures to reduce environmental effects and address data gaps and uncertainties are summarized in Table 9.1.

Table 9.1 Summary of Key Mitigation for Exploration Activities in Phase 1B Project Area

Exploration Activity	Proposed Mitigation
Seismic and Seabed Surveys	<ul style="list-style-type: none"> • Adherence to the "Statement of Canadian Practice with Respect to Mitigation of Seismic Noise in the Marine Environment". • Use of trained wildlife observers to visually monitor and record marine mammal and sea turtle interactions and help enforce safe operating distances. • Use of Passive Acoustic Modelling (PAM) as per the "Statement of Practice with Respect to the Mitigation of Seismic Sound in the Marine Environment" and trained marine mammal observers. • Detailed acoustic modeling as input to any project-specific EAs for seismic project in the Phase 1B Project Area. • Schedule surveying to minimize interaction in Special Areas during spawning and breeding events (e.g., avoid seismic activities in the Haddock Box during spawning from March-May). • Avoid areas with known concentrations and/or high diversity of corals or sponges and nursery. • Avoid spawning areas during key spawning events: the Haddock Box, Emerald Bank, Western Bank, and Sable Bank (EBSA 21), and Sable Island National Park and adjacent waters. • Fisheries Liaison Officer familiar with NS offshore fisheries to be present on seismic survey vessel to communicate with fishing vessels in the area to avoid potential conflict with fishing activities/gear. • Adherence to the CNSOPB "Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity". • Issuance of "Notice to Shipping" on location and scheduling of survey activities. • Commencement of seismic data acquisition only if survey area confirmed to be clear of fixed fishing gear (e.g., snow crab traps) or floating longline gear (e.g., for large pelagics such as porbeagle shark, swordfish). • Consultation with key organizations representing fishing interests (including commercial and Aboriginal) in the area during the EA planning stage and just prior to activity start to coordinate seismic program activities with fishing industry to reduce potential conflict with fishing activity during peak fishing times. • Consultation with DFO Science Branch to ensure survey area and timing does not overlap with research vessel programs. • Avoidance of heavily fished areas during active fishing season where practical.
Exploratory Drilling	<ul style="list-style-type: none"> • Conduct pre-drilling ROV investigation to determine presence of corals, sponges, or other sensitive features as required by the CNSOPB. • The CNSOPB requires that areas with known aggregations of deep sea coral be avoided during oil and gas drilling activities. If aggregations of deep sea coral are found to occur as the result of an environmental assessment that is conducted

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Table 9.1 Summary of Key Mitigation for Exploration Activities in Phase 1B Project Area

Exploration Activity	Proposed Mitigation
	<p>following an application for drilling or production, the Board requires mitigation to avoid harming these aggregations (DFO 2006).</p> <ul style="list-style-type: none"> • Follow Canadian Wildlife Service mitigation measures when finding a dead or injured bird. • Adherence to the CNSOPB “Offshore Waste Treatment Guidelines” and “Offshore Chemical Selection Guidelines” to minimize effects of drill waste discharges. • Adherence to CNSOPB Drilling and Production Regulations. • Bulk transfer and hose handling procedures as per best available practice. • Minimize flaring and ensure the use of high efficiency igniters as per best management practice. • Focus all area lighting on the work areas of offshore platforms and down shade lights it to minimize marine bird attraction. • Conduct a post-drilling survey to verify that the muds and cuttings are within the zone of influence, including chemical and sedimentation analysis. • Emergency contingency measures and response plans will be developed to address significant weather scenarios. • A code of conduct will be developed for operations near the Gully MPA and Sable Island that specifies the minimum safe working distances for aircraft and vessels. • Issuance of “Notice to Shipping” on location and scheduling of drilling activities. • Consultation with key organizations representing fishing interests (including commercial, Aboriginal and recreational) in the area during the EA planning.
Vessel Traffic	<ul style="list-style-type: none"> • Adherence to Transport Canada Guidelines for the Control of Ballast Water Discharge from Ships in Waters under Canadian Jurisdiction. • Use of existing vessel routes to the extent practical. • Avoidance of the Gully MPA and a buffer zone around Sable Island. • Use of common routes by supply vessels and alternate routes around key fishing grounds particularly when fishing is at its peak.
Well Abandonment	<ul style="list-style-type: none"> • Design of wells and casings to facilitate effective mechanical cutting and removal of the wellhead; avoiding explosive means of separation wherepossible. • If blasting is necessary, delay of blasting until no marine mammals or sea turtles observed within 1 km of blasting site.
Accidental Spills	<ul style="list-style-type: none"> • Detailed spill probability and behavior modeling as input to any project-specific EAs for drilling project in the Phase 1B Project Area. • Implement Emergency and Oil Spill Response Plan approved by the CNSOPB to address spill prevention and response including interactions with fishers and other ocean users, and includes spill response exercises. • Engineering design and protocols to prevent spills from occurring and/or reaching the marine environment including but not limited to secondary containment, inspection and maintenance, spill response kits, and blowout safeguards. • Development of EEM Plan to address post-spill monitoring effects. • Avoid oil and gas exploration in the Gully MPA, Sable Island National Park and the Haddock Box. • Develop codes of conduct to guide new exploratory activities in the vicinity of Special Areas including the Haddock Box. • Operator to establish ongoing communication with key fisheries stakeholders and other ocean users in the event of a spill and during spill response activities, including but not limited to issuance of a Notice to Shipping/Mariners. • Adherence to CNSOPB “Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity”.

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Stakeholder consultation will play an important role in mitigating effects on fisheries and other ocean users. Assuming adherence to applicable standards and regulations and implementation of mitigation and monitoring as recommended, the issuance of exploration rights in the Phase 1B Project Area is not expected to result in unacceptable adverse environmental effects (including cumulative effects) such that populations of species of special status or integrity of special areas would be compromised beyond sustainable levels. Effects of exploration on fisheries are also not expected to result in unacceptable effects provided the implementation of recommended mitigation and ongoing communication with fishery stakeholders.

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**STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE
(PHASE 1B)**

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**STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE
(PHASE 1B)**

DRAFT FOR REVIEW

APPENDIX A
Scoping Document

**Scoping Document for the Strategic Environmental
Assessment for the Eastern Scotian Shelf and Slope–
Middle and Sable Island Banks**

Canada-Nova Scotia Offshore Petroleum Board

May 2012

**SCOPING DOCUMENT FOR THE STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE
EASTERN SCOTIAN SHELF AND SLOPE– MIDDLE AND SABLE ISLAND BANK**

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SCOPING DOCUMENT FOR THE STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SHELF AND SLOPE– MIDDLE AND SABLE ISLAND BANK

1.0 Introduction

This draft document describes the scope of two strategic environmental assessments (SEAs) for offshore petroleum exploration related activities in the marine area on the Eastern Scotian Shelf and Slope – Middle and Sable Island Banks. The Phase 1A SEA will address seismic and exploratory drilling on the Eastern Scotian Shelf - Middle and Sable Island Banks up to water depths of 180 m, and the Phase 1B SEA will address seismic and exploratory drilling on the Eastern Scotian Slope off Sable Island in water depths up to 5000 m (refer to Figure 1 for the SEA Proposed Project Areas which correspond to the NS12-1 Call for Bids area). This Scoping Document outlines the factors to be considered in the SEAs, the scope of those factors, and guidelines for the preparation of the SEA reports.

The Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) has the responsibility pursuant to the *Canada-Nova Scotia Offshore Resources Accord Implementation Act* and the *Canada-Nova Scotia Offshore Resources Accord Implementation Act (Nova Scotia)* (the Accord Acts) to ensure that offshore oil and gas activities proceed in an environmentally responsible manner. The CNSOPB conducts SEAs in those areas offshore Nova Scotia that may have the potential for offshore petroleum exploration activity but that were not subject to a recent SEA nor to recent and substantial project-specific environmental assessments, such as a Comprehensive Study or Panel Review under the *Canadian Environmental Assessment Act* (CEAA). In addition, the CNSOPB endeavours to review SEAs within five years of completion to determine validity.

This draft scoping document has been prepared by the CNSOPB, and will be subject to regulatory and stakeholder review before finalization.

2.0 Background

SEA incorporates a broad-based approach to environmental assessment (EA) that proactively examines the environmental effects that may be associated with a plan, program or policy proposal and that allows for the incorporation of environmental considerations at the earliest stages of program planning. SEA typically involves a broader-scale (*i.e.*, regional, sectoral) assessment that considers the larger ecological setting, rather than a project-specific EA that focuses on site-specific issues with defined boundaries.

In this particular case, information from these SEAs will assist the CNSOPB in its determination in respect to the potential issuance of future exploration rights within the Eastern Scotian Shelf and Slope – Middle and Sable Island Banks SEA areas and may identify general restrictive or mitigative measures that should be considered for application to consequent exploration activities.

SCOPING DOCUMENT FOR THE STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SHELVE AND SLOPE– MIDDLE AND SABLE ISLAND BANK

An exploration license confers:

- The exclusive right to explore, drill and test for petroleum;
- The exclusive right to develop those portions of the offshore area in order to produce petroleum; and
- The exclusive right, subject to compliance with the other provisions of the Accord Acts, to apply for a production license.

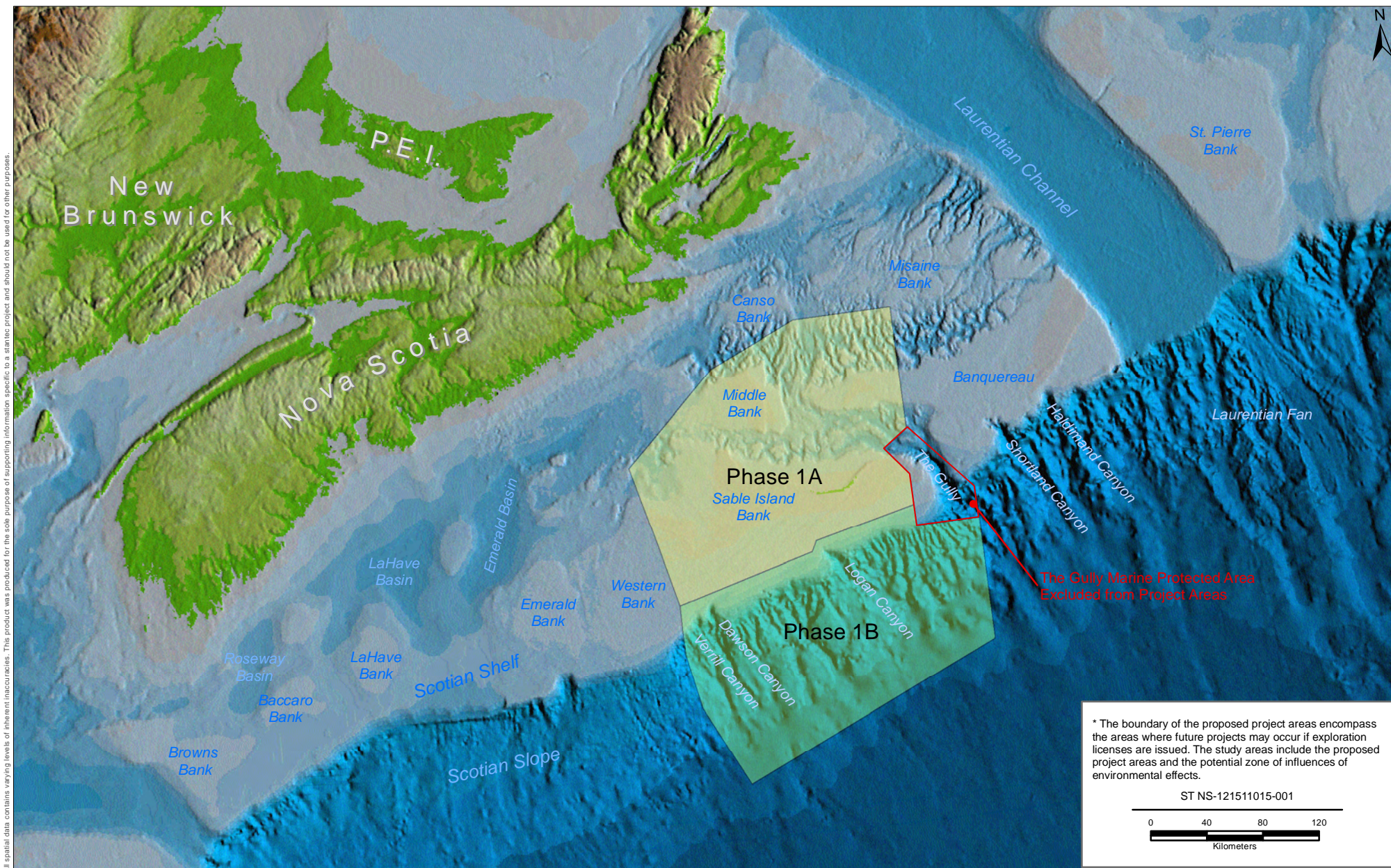
Activities associated with exploration licenses may include: conduct of seismic surveys, other geophysical surveys and geotechnical surveys; drilling of wells (either exploration or delineation); and well abandonment.

Each of these activities requires the specific approval of the CNSOPB, including a project-specific assessment of its associated environmental effects in accordance with the CEAA. The SEA does not replace this requirement for a project-specific EA. However, the SEA assists in focusing these EAs by providing an overview of the existing environment, discussing in broader terms the potential environmental effects associated with offshore oil and gas exploration activities in a large area or region, identifying knowledge and data gaps, highlighting issues of concern, and making recommendations for mitigation and planning.

3.0 Geographic Scope

The SEA proposed project areas encompass the areas shown on Figure 1. Projects areas are those areas included in the NS12-1 Call for Bids lands, and therefore could be included in any potential resulting Exploration Licence lands. As per guidance from the Canadian Environmental Assessment Agency¹, the spatial domain of the SEA study areas may extend beyond the boundaries of the project areas where relevant, to include potential project interactions with the Valued Environmental Components (*i.e.*, within zones of influence of certain project discharges/emissions). Lands within the Gully Marine Protected Area (MPA) are not included within the NS12-1 Call for Bids lands, and would not be included in any potential resulting Exploration Licence lands. Therefore assessment of potential impacts on the Gully MPA is included in the SEA study area, but the Gully MPA is excluded from the Phase1B project area (see boundary lines defined in Figure1). Within the entire Phase 1 SEA study area, water depths range from 80 m to 5000 m. The Phase 1A SEA encompasses the Middle and Sable Island Banks in water depths up to 180 m, whereas the Phase 1B SEA encompasses the Gully MPA and water depths up to 5000 m.

¹ Operational Policy Statement entitled “The Process for Defining the Spatial Boundary of a Study Area During an Environmental Assessment of Offshore Exploratory Drilling Projects” (CEA Agency 2003).



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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Shelf and Slope - Middle and Sable Island Banks Strategic Environmental Assessment

Strategic Environmental Assessment Proposed Project Areas*

FIGURE NO.:	1
DATE:	May 11, 2012

4.0 Objectives

Each SEA will:

- Provide an overview of the existing environment;
- Generally describe typical offshore oil and gas exploration activities (production activities are excluded);
- Describe and evaluate potential adverse environmental effects associated with offshore oil and gas exploration, including cumulative effects from existing production projects within the study areas;
- Identify knowledge and data gaps;
- Identify species of special status and special areas that may interact with exploration activities;
- Make recommendations for general mitigation measures that should be employed during offshore petroleum exploration activities;
- Identify, where appropriate, activities/areas requiring enhanced levels of mitigation; identify, if feasible, the level of enhanced mitigation required;
- Identify follow-up measures (*i.e.*, environmental effects monitoring), as appropriate, that may be required to verify environmental assessment predictions related to future offshore petroleum exploration activities; and
- Assist the CNSOPB in its determination in respect to the potential issuance of future exploration rights within the SEA areas of the Eastern Scotian Shelf and Slope – Middle and Sable Island Banks.

5.0 Past and Current Petroleum Activity

The SEA proposed project areas, particularly the Phase 1A project area, have been the most extensively exploited in terms of oil and gas exploration in the Nova Scotia offshore². Several significant discovery licenses and production licenses demonstrate proven hydrocarbon

² The discussion on past exploration activity is based on the following source: Canada – Nova Scotia Offshore Petroleum Board, Call for bids 2011-12, Exploration History
http://www.cnsopb.ns.ca/call_for_bids/11_1/cnsopb/exploration_history.html

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resources in this area, including the Sable Offshore Energy Project gas field, Deep Panuke gas field, and the Cohasset-Panuke oil field. The Sable Offshore Energy Project includes development of Thebaud, North Triumph, Venture, Alma, and South Venture gas fields. A central processing platform exists at Thebaud, with satellite platforms at Venture, North Triumph, Alma and South Venture. The Deep Panuke Offshore Gas Development, which is preparing for first gas in 2012, involves a Production Field Centre (PFC) and various subsea production wells. Both projects include subsea pipelines transporting natural gas to landfall near Goldboro, Nova Scotia. The Cohasset-Panuke project, which operated from 1992 to 1999 and has since been decommissioned, was Canada's first offshore oil project.

Hydrocarbon exploration offshore Nova Scotia began in 1959 in the Sable Island region with the first well being drilled on Sable Island in 1967. Between 1967 to 1978, 71 wells were drilled and 140,000 km of 2D seismic profiles were acquired. During this phase of offshore exploration several significant oil/gas discoveries were made, including at Onodaga (Shell, 1969-gas), West Sable (Mobil, 1971 – oil and gas), Primrose (Shell, 1972 – oil and gas), Citnalta (Mobil, 1972-gas), and Intrepid (Mobil, 1972-gas).

A second phase of explorations occurred from 1979 to 1989, resulting in a major gas discovery just east of Sable Island at Venture by Mobil and Petro Canada. By the end of this second phase of exploration, 54 wells were drilled, with 15 significant discoveries being made.

A third phase of exploration began in late 1989 with a two-level approach exploring the shallow Scotian Shelf and the deep-water Scotian Slope with the announcement to develop light oil discoveries at Cohasset and Panuke and six gas fields in the Sable Island area in 1996 by Mobil, Shell, and partners. In 1998, large tracts of the deep-water Scotian Slope were acquired by industry following the acquisition of a large volume of 2D and 3D seismic data. Six wells were drilled between 2002 and 2004. Since 2004, no wells have been drilled in the shallow and deep-water regions of the Scotian Basin.

6.0 Scope of SEA

6.1 SCOPE OF THE PROJECT

The SEAs (for Phases 1A and 1B) will describe all foreseeable offshore oil and gas exploration activities in the study area. It will examine potential environmental interactions associated with these petroleum exploration activities. Exploration activities to be considered in the SEA include exploratory and delineation drilling, seismic survey activities (2D, 3D, vertical seismic profiling, geohazard surveys), geotechnical surveys, and wellsite abandonment. The focus of the SEA will be on offshore exploration activities (and interactions with the environment of those activities) which are under the jurisdiction of the CNSOPB. The SEA will describe where data and information are lacking, or limited. Suggestions for strategies to address data gaps will be identified.

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6.2 SPATIAL AND TEMPORAL BOUNDARIES

The spatial boundary for exploration activities to be considered in the Phase 1A and Phase 1B SEAs is shown in Figure 1. The boundaries for the study areas will be chosen based on the upcoming 2012 Call for Bids and will take into consideration the Operational Policy Statement entitled “The Process for Defining the Spatial Boundary of a Study Area During an Environmental Assessment of Offshore Exploratory Drilling Projects” (CEA Agency 2003).

The SEAs will include the offshore petroleum exploration activities, as described in the preceding section, which may occur within the Call for Bids NS 12-1 area. The SEAs will be reviewed in at least five years to determine validity.

6.3 FACTORS TO BE CONSIDERED

This section outlines the Valued Environmental Components (VECs) to be assessed in the SEAs and includes rationale for the inclusion of each of these components. Appendix A describes those components that will not be considered in the SEA because experience and research has shown that they are unlikely to be adversely affected by petroleum exploration activities. Rationale for the exclusion of these components, and specific mitigation that must be implemented to allow for their exclusion in the SEAs, are also included in Appendix A. These exclusions are considered outside the scope of the SEAs and do not require assessment.

6.3.1 Valued Environmental Components

Each VEC (including components or subsets thereof) will be identified and the rationale for its selection provided. VECs could include “Species of Special Status”, “Special Areas”, “Fisheries”, and “Other Ocean Uses” of importance in the vicinity of the study area since these categories appear to cover environmental components to be potentially adversely affected by offshore hydrocarbon exploration activities.

Species of Special Status

Species of Special Status includes consideration of the following species and their critical habitat which may be present in the SEA study area and determined to be potentially affected during exploration activities: species designated as at-risk under the *Species at Risk Act* (SARA); species assessed as endangered, threatened, or of special concern by the Committee on the Status of Endangered Wildlife of Canada (COSEWIC) and/or migratory birds protected by the *Migratory Birds Convention Act, 1994*. These are expected to include, but may not be limited to, loggerhead turtle, fin whale, northern bottlenose whale, blue whale, Sowerby’s beaked whale, grey seal, sperm whale, coral/sponges, and migratory birds.

Special Areas

Designated areas of special interest due to their ecological and/or conservation sensitivities (*i.e.*, marine protected areas, existing or future coral conservation zones, fish conservation

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areas, etc.) could be potentially affected by exploration activities in the SEA study area. At a minimum, this discussion will include consideration of the Middle Bank Area of Interest candidate, the Sable Island Bank, including Sable Island National Park Reserve, the Haddock Box, the Gully MPA, and ecologically and biologically significant areas (EBSAs) (e.g., nearby canyons, corals and sponges). The scope of the VEC also includes the inhabitants of the special area which may not be covered under the Species of Special Status VEC.

Fisheries

Commercial, recreational and aboriginal fisheries (including relevant fish species) that could be affected by exploration activities in the SEA study area will be considered. The focus of the assessment of this VEC is on potential disruptions to commercial fishing activities, including aboriginal fisheries interests as applicable, through environmental effects on fisheries resources, displacement from current or traditional fishing areas, or gear loss or damage resulting in a demonstrated financial loss to commercial fishing interests. Key fisheries to consider in the area include sea cucumber, shrimp, snow crab and other crab fisheries, large pelagics (e.g., tunas, swordfish, sharks), halibut, groundfish, offshore scallop, offshore clam (surf clam on western Sable Island Bank), whelk, and quahog (western Banqereau).

Other Ocean Uses

Other ocean uses that could be affected by exploration activities in the SEA study area (*i.e.*, marine shipping, military use, research surveys, and other petroleum development activities, *etc.*) will also be considered.

6.3.2 Scope of the Factors to be Considered

Each SEA will include the following:

- Historical overview of offshore petroleum exploration activities in the study area and a discussion of regional offshore oil and gas activities in the Nova Scotia offshore area;
- Overview of typical offshore petroleum exploration activities (well site surveys, vertical seismic profiling, 2D/3D seismic, geotechnical programs, exploration drilling (including onshore to offshore drilling), well abandonment) and methods to carry out these activities (including a brief description of various types of rigs and vessels);
- Overview of the physical and biological environments in the SEA study area based on existing information and data, with data gaps highlighted;
- Overview of other marine activities in the SEA study area (e.g., commercial and recreational fisheries, marine transportation);
- Identification and qualitative assessment of potential environmental interactions of the VECs with petroleum exploration activities;

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- Identification of mitigation measures and monitoring that might be considered in project-specific EAs for offshore activities to minimize residual effects, highlighting specific or “non-typical” mitigation that may be required to address specific concerns especially those proposed for any Species of Special Status or Special Areas identified within or adjacent to the SEA study area;
- Discussion of potential planning implications/considerations (*i.e.*, need for additional data, special mitigation) which may have to be considered in project-specific EAs within the SEA study area;
- General discussion of effects and mitigation of potential accidental events and malfunctions associated with offshore oil and gas exploration activity; and
- General discussion of potential cumulative environmental effects associated with multiple offshore human use activities in the study area based on past, present and an estimate of potential future human use activity.

The SEAs will consider the environmental factors and issues outlined in Sections 6.3.3-6.3.5, as a minimum, with emphasis upon factors unique to the SEA study areas. Sufficient supporting information will be provided, or referenced and summarized if it already exists in publicly available publications. Substantive uncertainties or information gaps will be identified.

6.3.3 Potential Exploration Activities - Environment Interactions

For each of the identified VECs, a description of the interactions of petroleum exploration activity with the environment will be presented. Proposed activities include:

- Seismic surveying;
- Seabed surveying (*i.e.*, geophysical, geotechnical data collection);
- Vertical seismic profiles (VSPs);
- Exploratory/delineation drilling (*e.g.*, mobile offshore drilling unit (semi- submersible or drill ship)) and ancillary activities;
- Vessel traffic (*e.g.*, supply vessels, seismic vessels, helicopters); and
- Well abandonment operations.

Potential project interactions include, but are not limited to the following:

- Underwater noise (*e.g.*, during seismic surveying, seabed surveying, drilling) issues (*e.g.*, hearing loss, behavioural effects, *etc.*) on Species of Special Status and commercial fish species;

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- Effects (e.g., smothering, toxicity) of operational discharges (i.e., drill wastes) on Species of Special Status and commercial fish species, particularly bottom-dwelling fish and shellfish species;
- Interference with fisheries and other ocean uses during routine operations (i.e., seismic surveying, seabed surveying, drilling) and/or accidental events (e.g., large oil spill, blow-out);
- Attraction (due to lights and/or flares) of bird Species of Special Status to platform structures or support vessels; and
- Effects of accidental events (e.g., large condensate spill) on all VECs.

6.3.4 Cumulative Exploration Activities - Environment Interactions

Cumulative environmental effects will be examined in consideration of the past, present and estimate of potential future petroleum activities in the SEA study area and mitigation measures identified. Planned and reasonably foreseeable exploration activities will be included in the cumulative environmental effects assessment and it will also consider other non-petroleum activities ongoing in the SEA study area (and adjacent Shelf and Slope areas) such as commercial fishing, marine traffic, and fisheries research surveys.

6.3.5 Effects of the Environment on the Project

For exploration activities identified, the SEA will include a discussion of the physical environmental conditions which could potentially affect exploration activities, including earthquakes, tsunamis, turbidity current, and significant storm (severe winds and waves) events within the SEA study area.

7.0 Conclusions and Recommendations

Based on the information presented in the physical and biological environment overview, the description of potential exploration activities-environment interactions and the application of mitigation measures, conclusions will be presented and planning approaches recommended for the CNSOPB to consider in the issuance of exploration licenses in the SEA study areas. Data gaps with potential to affect the validity of these conclusions will be highlighted. It is anticipated that any data gaps identified will not compromise the ability to identify the likelihood of potentially significant impacts with an adequate level of certainty for this assessment. Should project-specific EAs be conducted in areas where data gaps are identified in this, or other, studies, these data gaps will need to be addressed at the project-specific EA level.³ Sensitive

³ Refer to the Hurley Environment Ltd. 2009. Environmental Assessment Biophysical Data Gap Study – Petroleum Exploration Activities on the Offshore Scotian Shelf and Slope for more information on data gaps and recommended research.

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issues, particularly those of public concern identified during the SEA process, will also be highlighted.

8.0 Consultations

Throughout the development of the SEAs, the CNSOPB and its contractor will consult with federal government departments, the fishing industry and other ocean users, and local non-governmental organizations. Information on the SEA process will be provided and stakeholders will be encouraged to discuss issues and concerns that are relevant to the SEA study areas and SEA objectives. SEA documents will be posted on the CNSOPB Public Registry.

It is anticipated that the final draft SEAs will be published for public/stakeholder review and comment for a 5-week period commencing in August 2012. Comments received will be considered by the CNSOPB, and the SEAs revised as appropriate, with final SEA documents published in October 2012.

APPENDIX A

Components and Activities Outside of the Scope

SCOPING DOCUMENT FOR THE STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SHELF AND SLOPE– MIDDLE AND SABLE ISLAND BANK

The following components are proposed to be excluded from the scope of the SEA process based on limited interactions and/or standard mitigation.

I) Air Quality

Emission sources from the proposed project are seismic and other survey/support vessels and drilling rigs. It is anticipated that emissions from routine exploration-related operational activities will not cause an exceedence(s) of applicable air quality standards or guidelines. Since there are limited emissions sources and few receptors (if any) in the SEA study area, and given the short duration of exploration projects, assessment of potential effects on air quality can be excluded from the SEA and EAs provided that future license holders/operators adhere to:

- MARPOL Annex VI, Regulations for the Prevention of Air Pollution from Ships; and
- Air Emissions provisions of the Offshore Waste Treatment Guidelines, including submissions of greenhouse gas emissions.

However, malfunctions and accidental events (*i.e.*, blow-out) may have an environmental effect on air quality. An environmental assessment of the potential effects of air quality as a result of a blow-out on VECs proposed in Section 6.3 (*i.e.*, Species of Special Status, Special Areas, Fisheries, and Other Ocean Uses) is the appropriate focus for this assessment rather than “Air Quality” per se. Assessment of the environmental effects of malfunctions and/or accidental events is required as is stated in Section 6.3.

II) Water Quality

Assessment of the potential environmental effects of discharges from platforms/vessels on water quality during routine exploration activities can be excluded from the SEA and EAs provided that future leaseholders/operators adhere to:

- Nova Scotia Offshore Area Petroleum Geophysical Regulations;
- Offshore Waste Treatment Guidelines; and
- Fisheries Act (Section 36).

Compliance with the above requirements involves implementation of standard mitigation and will prevent adverse environmental effects on water quality for routine operations. However, malfunctions and accidental events (*i.e.*, oil spills) may have an environmental effect on water quality. An environmental assessment of the potential effects on water quality as a result of oil spills on VECs proposed in Section 6.3 (*i.e.*, Species of Special Status, Special Areas, Fisheries, and Other Ocean Uses) is the appropriate focus for this assessment rather than Water Quality per se. Assessment of the environmental effects of malfunctions and/or accidental events is required as is stated in Section 6.3.

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III) Fish

Fish species of special status, important feeding, nursery, and/or spawning grounds for fish (*i.e.*, Middle Bank), and commercial and Aboriginal fisheries resources are addressed under relevant VECs (Species of Special Status, Special Areas, and Fisheries VECs) and assessed as stated in Section 6.3. Fish species which are not species of special status, don't support fishery resources or other fish species of special status, and are not present in such abundance for a special area to be designated for that species, are excluded from the SEA and EAs provided that future licenses holders/operators adhere to:

- Statement of Canadian Practice with Respect to the Mitigation of Seismic Noise in the Marine Environment (SOCP).

The SOCP was developed as a result of an extensive review by federal and provincial government advisors and scientific experts of the most effective and appropriate mitigation measures used world-wide to minimize adverse environmental effects on marine life. Compliance with the SOCP, which is reviewed and updated regularly, will result in minimization and/or avoidance of adverse residual environmental effects on marine fish and other marine life.

IV) Marine Benthos

Discharges of drilling mud and rock cuttings during exploration drilling can result in burial or toxic effects on the marine benthos. Based on past environmental effects monitoring results and other research studies, these effects are understood to be limited spatially and temporally. However, in recognition of sensitive and/or commercially important benthic species that may occur within the SEA study area (*e.g.*, sponges, corals scallop, clam, quahog, crab, shrimp, and sea cucumber), these effects will be assessed in the Special Areas and Fisheries VECs, respectively, as stated in Section 6.3. No further assessment of marine benthos is required at this time.

V) Marine Mammals and Sea Turtles

As stated in Section 6.3, the potential for environmental effects on marine mammal and/or sea turtle Species of Special Status that may occur within the SEA study area, as well as those species that may occur in nearby designated environmentally sensitive areas will be assessed under the Species of Special Status VEC and Special Areas VEC respectively. Provided that appropriate mitigation is applied for species of special status, it is not anticipated that exploration activities will have an adverse environmental effect at the population level for secure populations of marine mammals or sea turtles.

No further assessment beyond that stated in Section 6.3 will be required provided that:

- The proponent adheres to mitigation measures outlined in the Statement of Canadian Practice with Respect to the Mitigation of Seismic Noise in the Marine Environment for marine mammals and sea turtles.

SCOPING DOCUMENT FOR THE STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SHELF AND SLOPE– MIDDLE AND SABLE ISLAND BANK

As stated in Section 6.3, the proponent should note that additional mitigation may be required following the conduct of a project-specific EA.

VI) Seabirds

It is recognized that the attraction of any avian species to lights on platforms/vessels or to flares during drilling operations/well testing, may cause injury or death from collisions or may disrupt migrations. An environmental assessment of the potential adverse environmental effects on avian species of special status (including migratory birds) will be carried out under the Species of Special Status VEC, as outlined in Section 6.3. Population level effects on seabirds, however, are not anticipated.

As stated in Section 6.3, the proponent should note that additional mitigation may be required following the conduct of a project-specific EA.

No further assessment of environmental effects on seabirds not assessed in Section 6.3 shall be required, provided that:

- The SEA and EAs consider the potential impacts of vessel lights/flares on avian species of special status (including migratory birds) and identify any necessary mitigation measures (*i.e.*, should birds land on vessels involved with the project, then implementation of the Williams and Chardine handling protocol brochure entitled “The Leach’s Storm Petrel: General Information and Handling Instructions” should be carried out. A permit is required from the Canadian Wildlife Service of Environment Canada to implement this protocol).

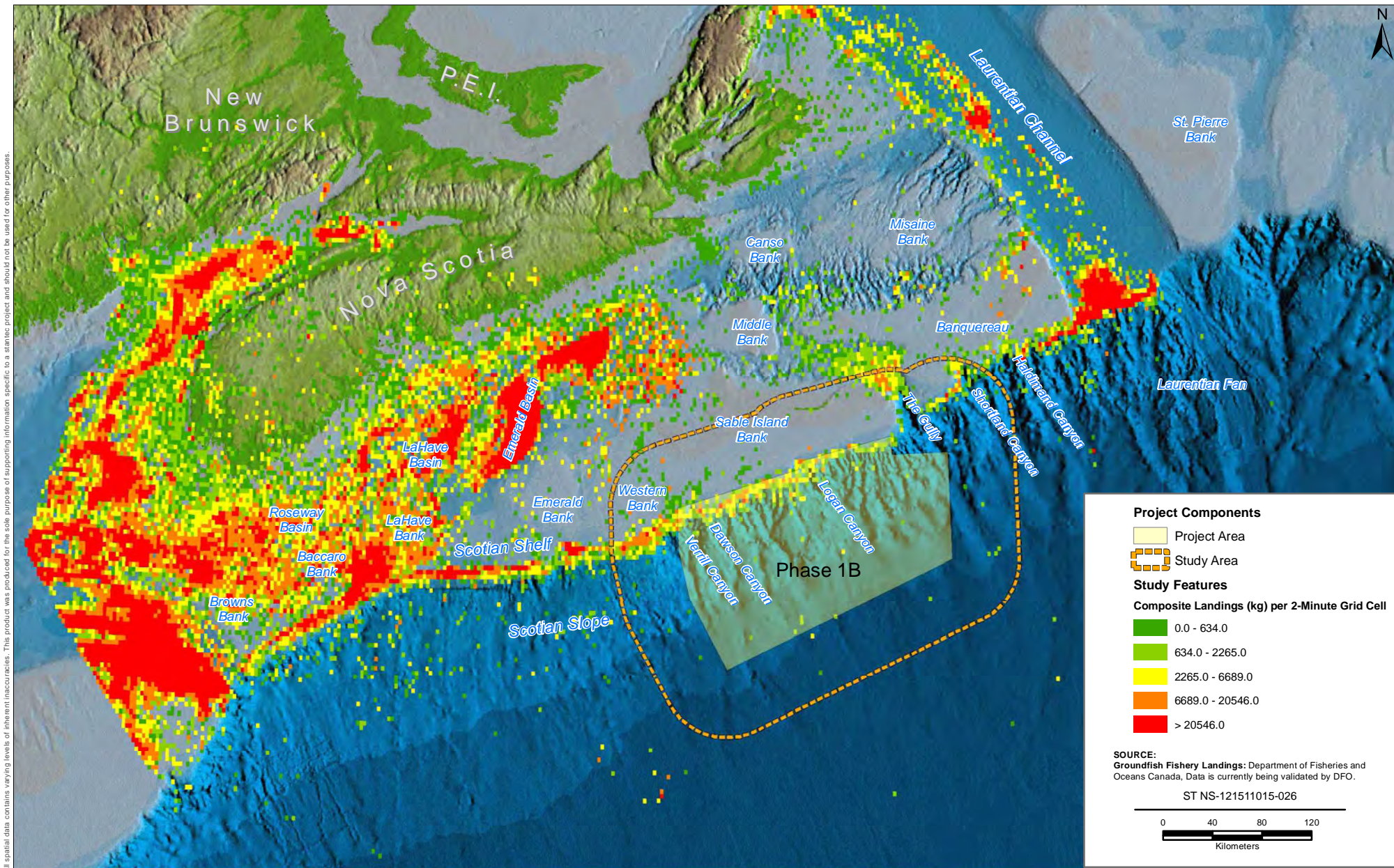
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**STRATEGIC ENVIRONMENTAL ASSESSMENT FOR THE EASTERN SCOTIAN SLOPE
(PHASE 1B)**

DRAFT FOR REVIEW

APPENDIX B

Composite Fishery Landings Maps

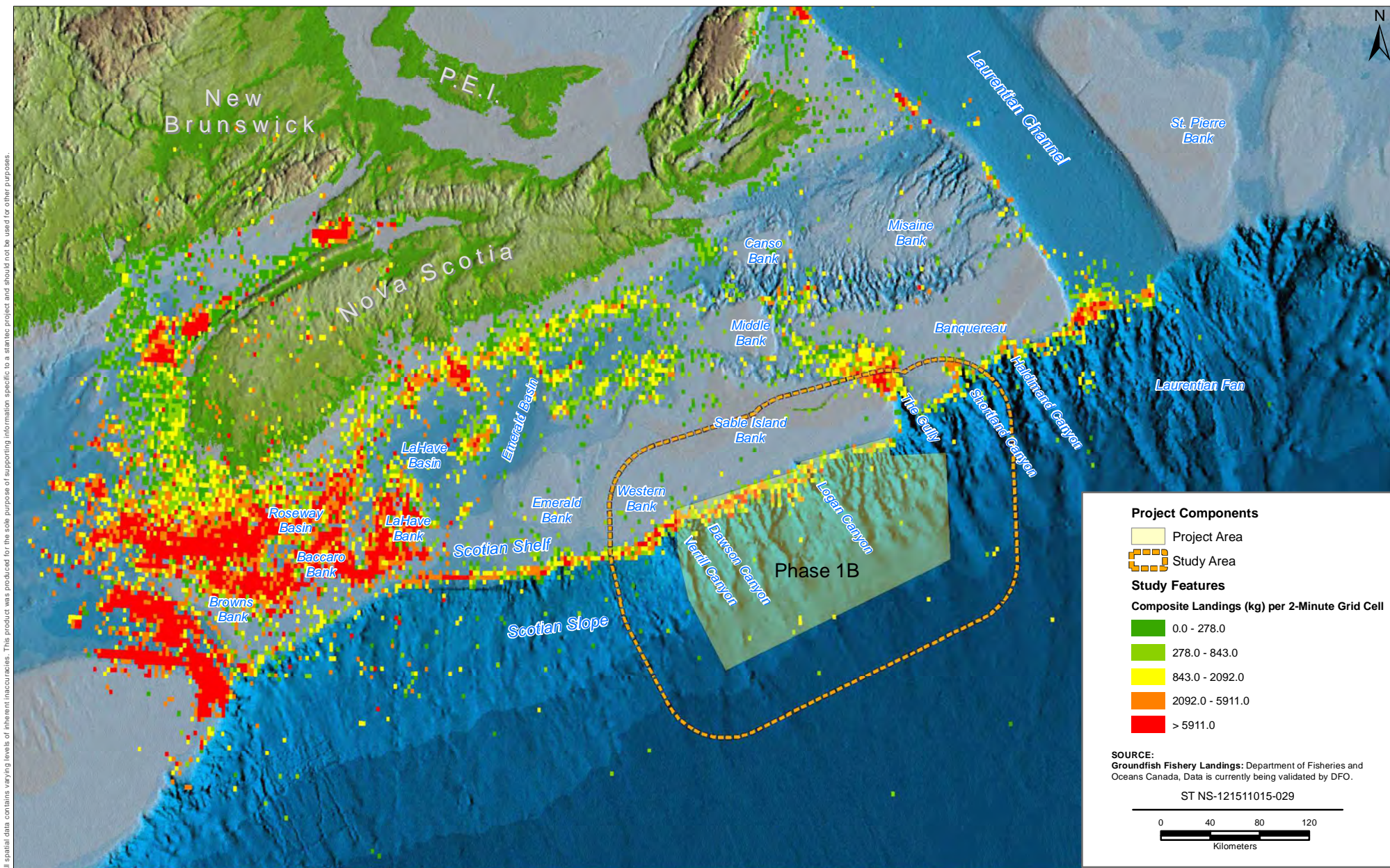


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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Shelf - Middle and Sable Island Banks Strategic Environmental Assessment

Groundfish, All Gear Types, 2006-2010

FIGURE NO.:	1
DATE:	Jul 13, 2012

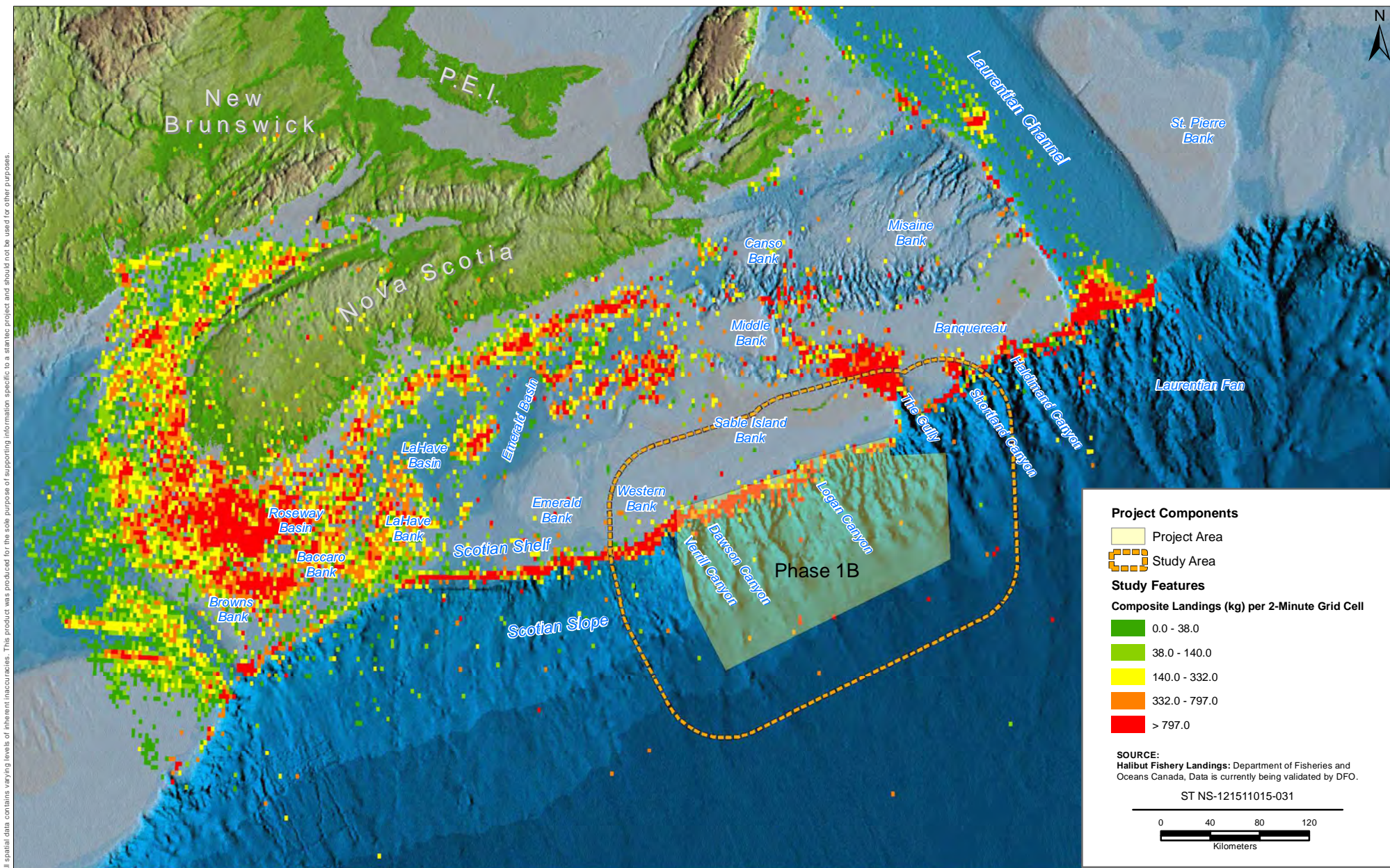


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Eastern Scotian Shelf - Middle and Sable Island Banks Strategic Environmental Assessment

Groundfish, Longline, 2006-2010

FIGURE NO.:	2
DATE:	Jul 13, 2012

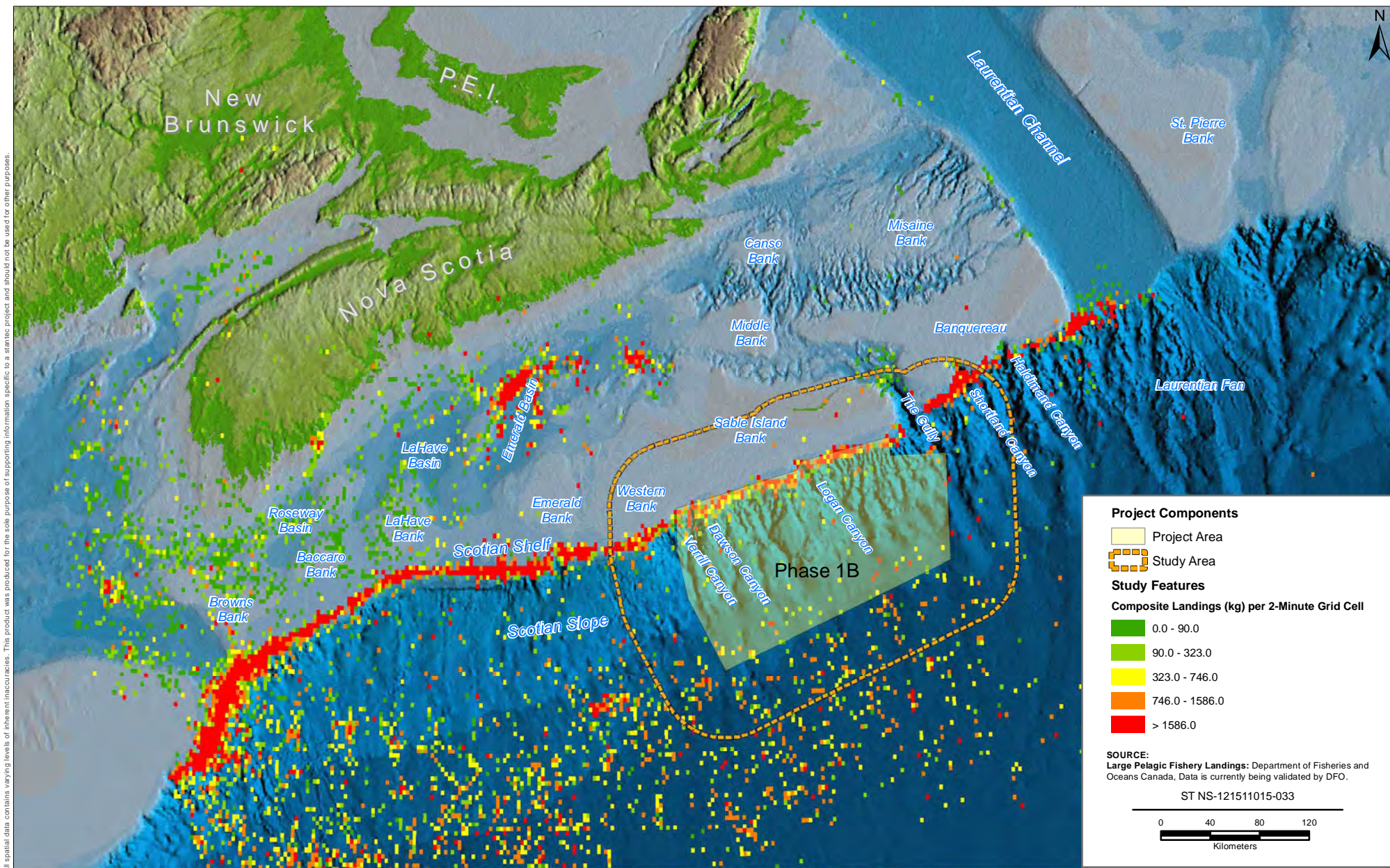


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Eastern Scotian Shelf - Middle and Sable Island Banks Strategic Environmental Assessment

Halibut, 2006-2010

FIGURE NO.:	3
DATE:	Jul 13, 2012

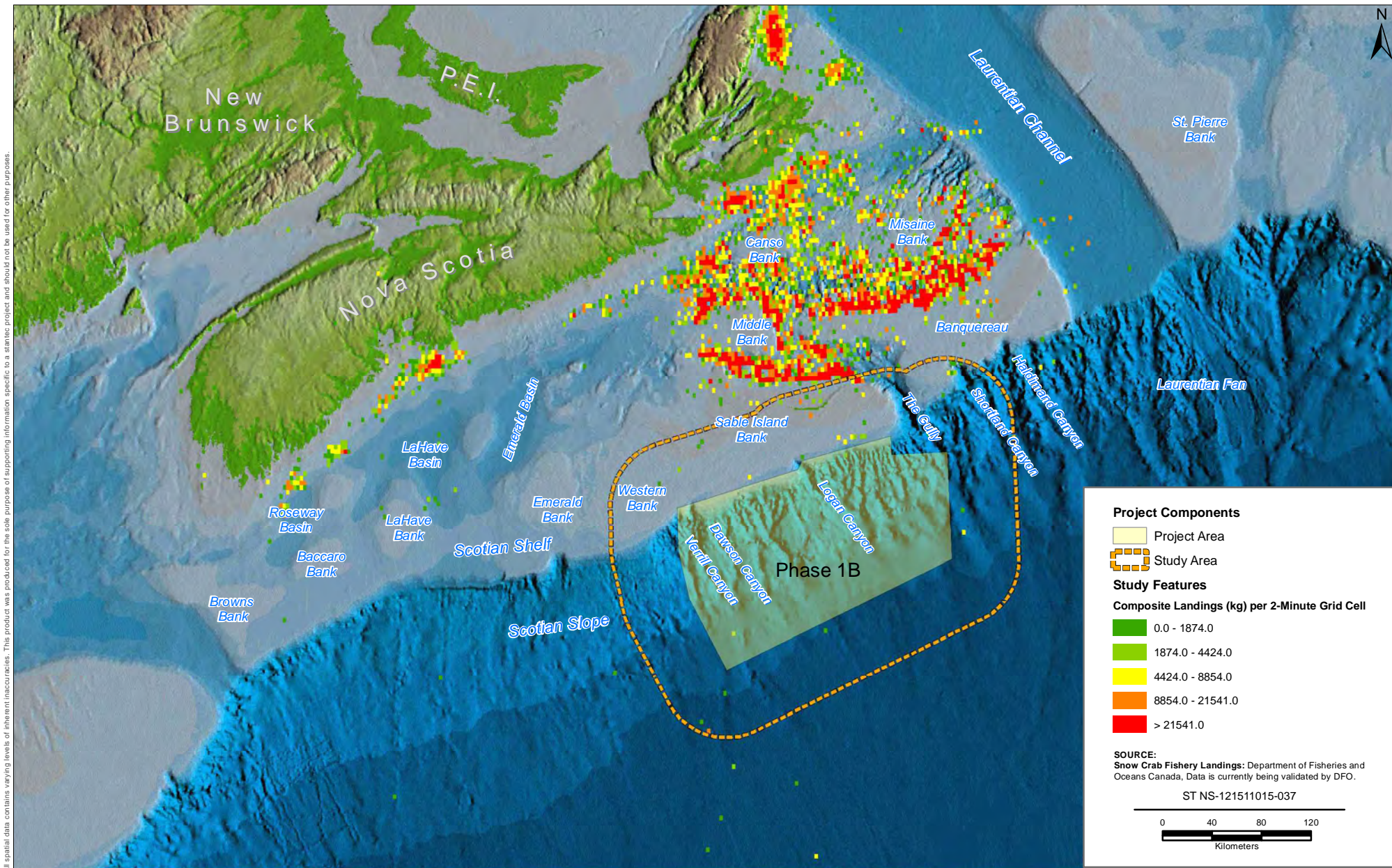


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Eastern Scotian Shelf - Middle and Sable Island Banks Strategic Environmental Assessment

Large Pelagics, 2006-2010

FIGURE NO.:	4
DATE:	Jul 13, 2012

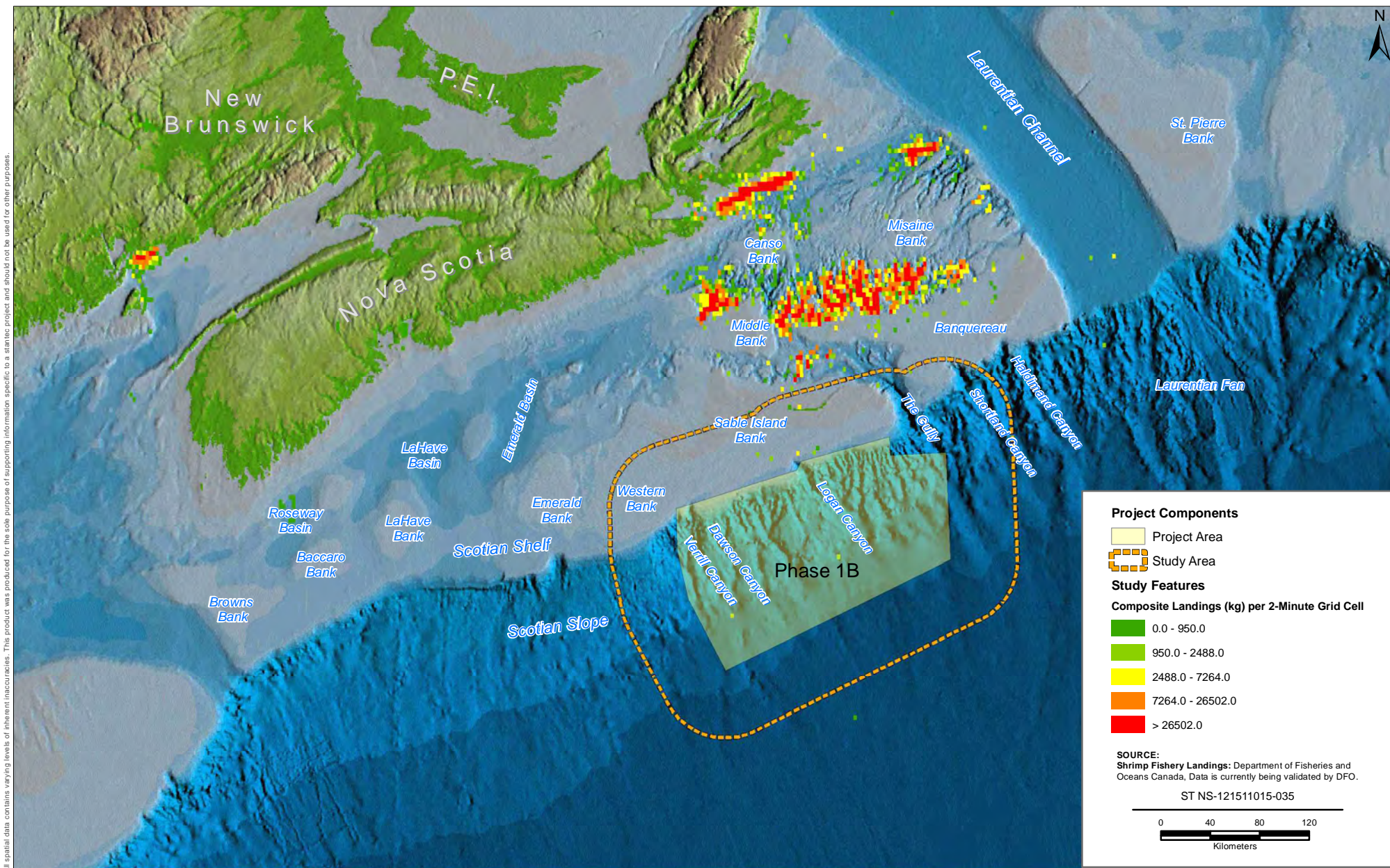


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Eastern Scotian Shelf - Middle and Sable Island Banks Strategic Environmental Assessment

Snow Crab, 2006-2010

FIGURE NO.:	5
DATE:	Jul 13, 2012



PREPARED BY:	M. Huskins-Shupe
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CLIENT:	Canada - Nova Scotia Offshore Petroleum Board

Eastern Scotian Shelf - Middle and Sable Island Banks Strategic Environmental Assessment

Shrimp, 2006-2010

FIGURE NO.:	6
DATE:	Jul 13, 2012