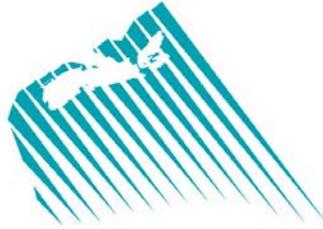


CNSOPB



CANADA-NOVA SCOTIA OFFSHORE PETROLEUM BOARD

The Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) is the independent joint agency of the Governments of Canada and Nova Scotia responsible for the regulation of petroleum activities in the Nova Scotia Offshore Area. It was established in 1990 pursuant to the provincial and federal Canada-Nova Scotia Offshore Petroleum Accord Implementation Acts (Accord Acts).

As part of its legislated mandate, the CNSOPB is responsible for the management and administration of offshore petroleum licences and associated land rights. Through an established Call for Bids process that is open and transparent, the CNSOPB issues exploration rights for provincially and federally approved parcels of Crown Reserve Lands in the form of Exploration Licences.

File No: 9016-27

October 23, 2013

To: (original sent by mail)

Re: RESPONSE TO PUBLIC WRITTEN COMMENTS FOR CALL FOR BIDS NS13-1

Since 2001, as part of the Call for Bids process, the Canada Nova Scotia Offshore Petroleum Board (CNSOPB) welcomes public written comments concerning the lands included in a Call for Bids from any person or group. In April 2013, the public was invited to submit written comments to the CNSOPB concerning the lands included in Call for Bids NS13-1 for our consideration. The deadline for submitting those comments was October 10, 2013. To date, we have received several submissions of written comments.

We would like to thank those individuals and groups who submitted written comments for Call for Bids NS13-1. All comments are undergoing a review by CNSOPB staff and will be carefully considered by the Board members at their upcoming meeting. Where permission was given by the author, these comments have also been posted on our website for potential bidders to view. If there are successful bidders for the parcels of land included in Call for Bids NS13-1, they will be provided a copy of all submitted comments.

Some of the comments we received relate to the Crown's constitutional duty to consult with aboriginal peoples. As this duty lies with the Federal and Provincial governments, and not the CNSOPB, these comments have been provided to the governments.

Other comments relate to potential petroleum related activities in the lands included in the Call for Bids NS13-1 parcels, and the overlap with areas of significant fishing activity and ecologically sensitive marine environments. It should be noted that:

- The Call for Bids is a formal announcement by the CNSOPB that Exploration Licences are available to be awarded through a competitive bidding process. An Exploration Licence confers the right to explore, the exclusive right to drill and test for petroleum, and the right to obtain a

Production Licence; an Exploration Licence is not an indicator that an application for these activities has been submitted and does not guarantee an authorization to work in the offshore area.

- **The Call for Bids and the issuance of an Exploration Licence does not give approval for a seismic program.** Separate applications for any seismic program proposed by an operator are required to be submitted to the CNSOPB; and associated work authorizations, if approved, are required from the CNSOPB for such activities. An Exploration Licence holder must seek CNSOPB approval for any work activity.
- No activity authorizations, including seismic authorizations, have been submitted for the lands included in the Call for Bids NS13-1 parcels at the time of this letter.
- In accordance with the Accord Acts, prior to the authorization of any petroleum related activities on the lands, an operator must demonstrate to the satisfaction of the CNSOPB that those activities can be conducted safely and in a manner that will not result in significant adverse environmental effects. All operators in the Nova Scotia offshore area must commit to the mitigation measures outlined in the [Canadian Statement of Practice with Respect to the Mitigation of Seismic Sound in the Marine Environment](#). Special precautions, such as enhanced environmental assessments, mitigation measure beyond standard mitigation and environmental effects monitoring may be required in some cases.

A Strategic Environmental Assessment (SEA) was recently completed to examine potential environmental effects that may be associated with potential petroleum exploration activities in the Call for Bids NS13-1 area. This SEA and others are available on the CNSOPB's website – <http://www.cnsopb.ns.ca/environment/environmental-assessments/sea-public-registry>.

An SEA is not intended to replace project-specific environmental assessments (EAs); rather it is intended to support and inform future project-specific EAs for exploration programs. All subsequent projects in an area covered by an SEA, including seismic programs and exploratory drilling, require a project-specific EA prior to a project being considered for authorization, and will also include the opportunity for public comments, usually in the form of a 30 day public comment period on the EA document.

The CNSOPB plans to maintain current SEAs in areas where future Calls for Bids are most likely. The next SEA is currently under way in the Western Scotian Shelf, and the next Call for Bids will be announced in April 2014. Please refer to our website at www.cnsopb.ns.ca and www.callforbids.ca for further information.

Sincerely,



Christine Bonnell-Eisnor

Director, Rights Management and Finance
Secretary of the Board