

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: 9016-28

July 18, 2014

To: (original sent by mail)

Re: RESPONSE TO PUBLIC WRITTEN COMMENTS FOR CALL FOR BIDS NS14-1

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 May 2014, the public was provided the opportunity to submit written comments to the CNSOPB concerning the lands included in Call for Bids NS14-1 for our consideration.

We would like to thank those individuals and groups who submitted written comments for Call for Bids NS14-1. All comments are undergoing a review by CNSOPB staff and will be carefully considered by the Board members when making decisions related to this Call. These comments have also been posted on this Call's website at http://www.callforbids.ca/content/written-comments for the public and potential bidders to view. If there are successful bidders for the parcels of land included in Call for Bids NS14-1, they will formally be provided a copy of all submitted comments.

General concerns expressed about the Northern Bottlenose Whale, Scotian Shelf population, are evident and well understood. The CNSOPB recognized this when developing the terms and conditions associated with Call for Bids NS14-1 with the inclusion of additional provisions in the Call for Bids and sample Exploration Licence form that indicated that for Parcel #1 and #2:

Parcel #1 - "The Lands include a portion of Shortland Canyon, which has been designated as critical habitat area under the Species at Risk Act respecting the endangered Northern Bottlenose Whale, Scotian Shelf population. Any approved activity within or near this area may require enhanced mitigation and may require certain limitations for the protection of this species and the prevention of the destruction of critical habitat."

Parcel #2 - "The Lands include a portion of Haldimand Canyon, which has been designated as critical habitat area under the Species at Risk Act respecting the endangered Northern Bottlenose Whale, Scotian Shelf population. Any approved activity within or near this area may require enhanced mitigation and may require certain limitations for the protection of this species and the prevention of the destruction of critical habitat."

The boundaries of the Call for Bids NS14-1 parcels are defined by the geology and hydrocarbon potential of the area, and any activity that may be proposed will require a project specific Environmental Assessment prior to its potential authorization. We acknowledge the concerns raised for specific areas, and confirm that these concerns will be taken into account and addressed if and when any activity is proposed. An Exploration Licence holder must seek CNSOPB authorization for any proposed work or activity.

In preparation for this Call for Bids, a Strategic Environmental Assessment (SEA) was completed in August 2012 to examine potential environmental effects that may be associated with potential petroleum exploration activities in the Call for Bids NS14-1 area. This SEA and others are available on the CNSOPB's website – <u>http://www.cnsopb.ns.ca/environment/environmental-assessments/sea-public-registry</u>. The CNSOPB plans to maintain current SEAs in areas where future Calls for Bids are most likely.

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 next Call for Bids will be announced in April 2015. Please refer to our website at <u>www.cnsopb.ns.ca</u> and <u>www.callforbids.ca</u> for further information.

Sincerely,

Christine Bonnell-Eionor

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Director, Regulatory Affairs and Finance Secretary of the Board