

NOVA SCOTIA ENVIRONMENTAL ASSESSMENT BOARD
KELTIC PETROCHEMICAL AND LIQUEFIED NATURAL GAS FACILITY
NOVEMBER 2006

HEARD BEFORE: Dr. Tony Blouin, Chair
Dr. Ray Cranston, Member
Ms. Penny Henneberry, Member

PLACE HEARD: Claymore Inn
136 Church Street
Antigonish, Nova Scotia

DATE HEARD: Saturday, November 25, 2006

PROPONENT: Keltic Petrochemical Inc.:
Mr. Shawn Duncan
Mr. Kevin Dunn
Mr. Derek Owen
Mr. Rob Schonk
Mr. Glenn Longert
Ms. Janet Blackadar

INTERVENORS: Ecology Action Centre
Ms. Chantal Gagnon

Environment Canada
Mr. Steve Zwicker

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THE CHAIR - OPENING REMARKS

Ladies and gentlemen, I think we'll get started. Welcome. This is the final session of the public hearings for the environmental assessment of the proposed Keltic petrochemicals facility. My name is Tony Blouin, I'm Chair of the Nova Scotia Environmental Assessment Board. On my left is Penny Henneberry, a Member of the Board, and also Ray Cranston, Member of the Board, and we are the Hearing Panel for this set of hearings. On my right is Jim Gordon, who is the Assessment Board Administrator, and Mark Rieksts, who is the Assessment Board's legal adviser. These hearings are being conducted under the provincial environmental assessment legislation. There is also a federal environmental assessment process that applies to this project. Under the federal process, the federal regulators have determined that a public hearing will not be required for this project, but there will be an assessment report prepared for the federal process, and that report, I expect, will also be released to the public at some future point for review. So these are just provincial hearings. The Panel Members are volunteers, we are not employees of

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the provincial Environment Department. We report only to the Minister. So our job following the hearings is to take all the input that we've received in the course of the hearings, plus all the written submissions we've received and information provided by Keltic, and we will prepare a report for the Minister with our recommendations. Basically, the Board can recommend that a project not go ahead, that it go ahead with conditions attached that we advise, or that it go ahead without any additional conditions, just as it is described in the Environmental Assessment report submitted. The role of the Board is advisory. The Minister of Environment & Labour for Nova Scotia makes the final decisions on the project. So we have been holding hearings in the area throughout the week. We started in Guysborough, and then in Sherbrooke and the last few days here in Antigonish. The public hearings don't follow the same Rules of Procedure or evidence that would be necessary in a court of law, but the regulations do set out operating procedures for hearings. For example, anyone who is giving substantial testimony to the Board must be sworn in. For the Keltic group we did that at the beginning of

the hearings, and that still applies. For our formal intervenors this afternoon, we have two of those, one of which has already been sworn in, and the other we will need to do that. There will be opportunity for anyone in the audience to come to a microphone to ask questions for the particular presenters, and we will have opportunity towards the end of the hearing, if you want to just get up and make a statement or voice a concern or an issue or ask a further question, there'll be time for that. When you come up to a microphone, we'd ask you to please identify yourself by name and give us the area that you live in, that's for the record. We are recording all sessions and there will be a complete transcript of all of the sessions produced. That should be available some time next week. It will be on the Department of Environment & Labour's website, and it will also be available at the Environment & Labour Library in the offices in Halifax and also in the Environment & Labour office here in Antigonish. As I said, the proceedings are informal, but they're intended to be non confrontational. The basic principle is everybody has an equal right to appear and to state their views, and we would, of

course, expect that everyone else would respect those rights. If someone's speaking at the microphone, we don't want interruptions. If you have a question, I'd ask you to direct the question to the Chair and I'll determine who's best able to answer the question. We don't want to start debates directly between the audience and presenters. We won't be able to get that on the record and it's just not proper procedure. And before you leave, if you would, if you do get up at a microphone we do want to make sure we get your name correct, so if you would just see Carol at the side in the dark sweater there, Carol will take your name and make sure that we have the correct spelling for the record. The order of speakers is that we will start with the proponent, Keltic. They are going to give us a short synopsis presentation to outline the project. Then, as I indicated, we have two intervenors who are going to make presentations. We have about 20 minutes apiece for them. Following Keltic and following each of the intervenors, there will be time for questions. If you have a specific question for that intervenor on the presentation you can come up and ask at that time. Then, as I indicated, we will have an open forum where

people are free to come up and voice an opinion or express a concern, ask a further question. The regulations provide that at the close of the hearings there is an opportunity for final response by the proponent to what we have heard during the course of the hearings, and then I'll just make a few closing comments at the end. So, at this time, I'm going to ask Keltic to come up and give us the presentation on the project.

KELTIC PETROCHEMICAL INC. - PRESENTATION

MR. DUNCAN

Thank you, Mr. Chair. I guess just on a personal note this is the last time I'll be doing this and I'm sure everybody else will be happy about that as well, as much as I am. I'll just give you a brief overview of the project and the Environmental Impact Assessment that was produced as part of the project, as well as some of the regulatory processes that the project will still have to undergo, and the reviews and permits associated with that. As I indicated, the Keltic project is what's called world class facilities. This means that these operate on global markets in terms of LNG supply and production of materials. There are two

main components, a liquid natural gas component or LNG -- LNG will be brought to the site and regasified, in other words turned back into natural gas, expected throughput of one billion cubic feet per day. Also integrated petrochemical complex. As part of the project, this complex will take liquids from the natural gas as well as the liquids from the existing Sable gas and use those to produce feedstock for the manufacturing of plastic goods. The Keltic project is located in Goldboro. In support of these two components of the project, the LNG and the petrochemical, there are a number of other facilities that are required. First of all, terminal -- marginal wharf would be required to support the petrochemical side for the storage and export of materials. A marine terminal is required for the unloading of the LNG ships. A power facility is required on site to supply electricity. Instead of acquiring the power from Nova Scotia Power this would be a natural gas-fired co-generation facility. As well, fresh water required for the processing will be taken from the Meadow Lake area, a dam structure will be built, raise the water in that lake and a pipeline taking the water to the facilities

will be constructed. A couple of -- the question's been asked "Why Goldboro? Why would you put a facility there?" First of all, Nova Scotia in general is well placed with respect to supplies of natural gas. Shipping distances from natural gas or LNG supplier is -- such as Russia, Middle East and Europe. The shipping distances to Nova Scotia are days shorter than they would be to areas of North America such as a facility that's located at Maryland or similar facility located in the Gulf of Mexico. Also, we have good access to Canadian and US markets for finished products. In addition to that, there is existing gas infrastructure in place. As mentioned, the Sable Gas is there. We would be taking liquids from that, as well as the pipeline infrastructure that's there will transport our remaining gas to market both locally here in Nova Scotia, New Brunswick, as well as the northeast US. The site is also -- where the project's located is what's called the Goldboro Industrial Park. It has been zoned heavy industrial. The municipality have satisfied this industrial park for these types of developments when the Sable line or the Sable development was being envisioned. This is exactly the

type of facility that is being planned for that location. It's also -- this area is also a corridor for other natural gas resources as they come on line, for example, Deep Panuke, it's currently being proposed to bring gas ashore and make landfall in this location. As well, Goldboro offers an ice-free deep harbour for the LNG ships as well as the ships transporting materials to market. What is an Environmental Impact Assessment or an EIA? An EIA is essentially a planning tool. In other words, it helps proponents determine how a project may affect the people, the economy or the environment. It's also used by decision makers such as Department of Environment or other regulators to determine what kind of conditions are required, what kind of permits and approvals are required for the project to proceed. It also helps the proponent refine the project and provide further design details. For example, if there's an unacceptable emissions from the plant determined through an EIA, we'd have to redesign the plant or the facility to ensure that regulations are met. As mentioned by the Chair, this is the provincial environment assessment process under the Nova Scotia Environment Act. The project is designated

as a Class II undertaking. It was registered with the province on January 12th, 2005, and a Terms of Reference was developed by the province which is essentially a road map or a means of conveying to the proponent what should be in the EIA. The EIA is then subject to a review by an Environmental Assessment Board, who are represented here today by the Panel. As well, these public hearings that we're currently in are part of this process. As mentioned, as well, there's also a federal environmental process under the Canadian Environmental Assessment Act. There are a number of -- I guess 2 agencies have indicated approvals and permits would be required. Those would be Fisheries & Oceans Canada and Transport Canada. Because of this requirement to issue approvals, a federal environmental assessment would be required. Also Environment Canada, Natural Resources Canada, Health Canada have declared themselves as what's called expert authorities. Essentially, they will participate in the review and assessment of that environmental assessment. What's produced is called a comprehensive study report, essentially that's another type of EIA, and that federal process is currently under way and progressing

in a parallel fashion. Some major elements of an EIA would include assembling an appropriate level of baseline information through field surveys, through literature searches. We would then conduct what's called issue scoping, essentially putting together a list of all the relevant environmental issues. This can be done through consultation efforts, through previous studies, through studies and evaluations. We then look at the effects of the environment on the project. We take into account the type of wind conditions, waves and weather that exists there and how that may impact the project. Then we identify what are called valued environmental components or VECs. Essentially, these are the focus and the backbone of any Environmental Impact Assessment. This is where we refine a large list of issues down to those that are most relevant to the project. We then assign those VECs with temporal and spacial boundaries. In other words, if there's a species, does it only occur there a certain type of year. That would be its temporal boundary. Or if the project is impacting a specific physical footprint, we need to evaluate that footprint, but you'd want to look at much larger areas if you're

talking about things like air emissions. You need to look farther than the actual facility site itself. We would then assess the potential impacts or effects of the project on these components, environmental components, and then we would determine the level of significance, are these effects negative, are they positive, and what is the significance of those effects. We would then apply mitigation to those in terms of design changes to the project or implementation of environmental controls, and then we would evaluate if there's any remaining effects still, and these are what's called residual effects. We would then assess the significance of those residual effects to determine if any remaining residual effects are considered significant. We also conduct cumulative effects assessment. This is again a way of evaluating the effects of your project in combination with other projects that may be occurring in the area. Because of the short timeframe we don't have time to go through all the VECs but a couple of examples here, just to give you an example of how they're assessed and the kind of conclusions that are reached. If you look at something like effects on fish habitat -- we evaluated

the Meadow Lake area, I mentioned the dam structure and the raising of Meadow Lake. Through the evaluation, we determined there would be both positive and negative effects from that activity, but through implementation of environmental protection measures, or mitigation measures, as well as compensation for offsetting any potential losses of habitat, these effects are considered to be not significant. We also talked about archaeological resources, specifically Red Head Cemetery, which is identified as an area of significance to Keltic. Archaeological surveys were conducted there. No human remains were found or no archaeological resources but there was enough evidence to suggest it's still an area of elevated potential. So this area will require specific mitigation if there's any ground disturbance to occur in this location. Effects on terrestrial habitat, again we would look at -- if you look at the example, the footprint of where the facilities will go, there will be a loss of that terrestrial habitat, and again through field surveys and through evaluations we've determined the type of habitat that exists there, and determined that that loss of habitat would not be what

we would call critical habitat, therefore would not be a significant effect from the project. Also effects on transportation, we recognize and outline that there would be significant additional traffic associated with the construction and operations of the facilities. We looked at the road infrastructure, and have determined, with consultation with Transportation & Public Works that there may be requirements for additional upgrades but with these minor upgrades it's likely that the infrastructure can accommodate the requirements of the project. A couple of effects, residual effects, that were further evaluated for significance. We looked at -- under socioeconomic we recognize that there would be a large economic benefit from the project or a positive effect from the project. This would come from the creation of jobs and employment as well as spinoffs associated with supplies that would be required or industries that would be related to the development. We considered this positive effect as a significant effect. We also looked at -- re-evaluated the visual characteristics of the site, or the aesthetics. We determined that this site, you can do some mitigation, you can put up some barriers or some plants and trees,

but generally the site will not look like how it looks today. There is no getting around that. But when we look at the low number of receptors for this issue, the planned industrial zoning of the area, in other words the municipality had set this location aside for these types of industrial developments, as well as the advantages of the project, we would not consider this as a major significant effect. As mentioned, there are a number of other permits and approvals still required for the project. Through the provincial legislation, there is a number of industrial approvals still required. This will be for the construction operation of the petrochemical facilities themselves, for the power plant, for the waste water treatment plant, withdrawal of water, as well as the construction operation of the LNG facilities. That would have to undergo a Utility and Review Board hearing process, so that would -- that still needs to be undertaken. Under the federal process, the proponent has initiated what's called the technical review process of marine terminal systems, or TERMPOL. This process or this evaluation will look at things such as operational ship safety, shipping route safety, the construction and operation

of a marine terminal, and conduct what's called a quantitative risk assessment for system design and emergency response planning. This review is co-ordinated by Transport Canada. It is also participated in with -- by Environment Canada as well as DFO. As well, there are municipal bylaws that do apply to this facility and, of course, the proponent would be required to adhere to these municipal bylaws. In conclusion the environmental effects assessment has included or has determined that all potential negative effects from the project can be successfully managed. The project itself would create economic benefits through employment, and will enhance personal income in the local area as well as the regional area. The project is in compliance with the planned industrial uses of this location. This is exactly the type of complex or exactly the type of industry that was intended to be drawn to this location. The project can be constructed and operated in a safe manner. This has been demonstrated by these industries operating all round the world in various locations for a number of years. And, as well, this industry -- both the petrochemical and the LNG industry are some of the most

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highly regulated industries in the world. So there's a lot of standards that are applied to the construction and operation of these facilities. As well, as mentioned, there are additional regulatory permits and approvals still to be done for the project and once -- and this will be done -- once we have further design details, permits will be applied for and those regulatory approvals will be sought from those agencies. Thank you, Mr. Chair, that's the overview.

THE CHAIR

Okay. Thank you very much. So at this point we do have time for questions if anyone has a question for Keltic regarding their proposal. Yes, please?

KELTIC PETROCHEMICAL INC. PANEL - QUESTIONED

MR. VAN HEMERT

Good afternoon, my name is Les van Hemert. I live in the Sherbrooke area. Regarding the portion of the presentation on the selection of Goldboro as the location, could the proponent please explain something about the costs of that location, and what value they place on the benefits of that location?

THE CHAIR

Okay. Sure, I'll ask them to respond.

MR. DUNCAN

Excuse me, sir, I'm not sure -- you might want to clarify, I'm not sure exactly what you mean by the costs of the location.

MR. VAN HEMERT

Well, in your project costs of 4.5 billion dollars, if that's correct, what amount had you ascribed to the cost of the location, the land?

MR. DUNCAN

In terms of acquiring the land?

MR. VAN HEMERT

Yes. Or the benefit to the project of the location?

MR. DUNCAN

I don't think that was a factor in assessing the benefit of the location. Those factors that I outlined were the primary reasons for location there, and I don't -- I stand to be corrected here but I don't think there's been a price or negotiation set for acquiring those lands. I understand there's an option with the municipality for acquiring those lands but the lands have not been purchased by Keltic yet.

MR. VAN HEMERT

Okay. Thank you.

THE CHAIR

Okay. Thanks. Any other questions for Keltic? No one else? Okay. So we have two intervenor presentations this afternoon, the first one being the Ecology Action Centre, Chantal Gagnon. As I mentioned, Chantal has already been sworn in so we don't need to repeat that.

ECOLOGY ACTION CENTRE - PRESENTATION

MS. CHANTAL GAGNON, (Previously Sworn)

MS. GAGNON

Good afternoon, ladies and gentlemen. My name is Chantal Gagnon, I'm with the Ecology Action Centre. Just a little bit about me so that you know, I have a Bachelor in International Studies specializing in Politics, History and Economics, as well as a Masters of Resource and Environmental Management here from Dalhousie University, and I have a thirst for knowledge and I've spent a long part of my short life observing, I guess, what goes on around the world. The Ecology Action Centre, just so you know, is Nova Scotia's oldest non profit environmental organization, and we work at creating a healthy and sustainable Nova Scotia. We received funding from the Canadian Environmental

Assessment Agency to participate in these environmental processes for the Keltic project. We have already read the Environmental Impact Assessment by the proponent. We have submitted our questions and concerns, and we have been attending every session of this hearing, so we've had five long days of hearing things and talking. The theme of this presentation is on sustainability and on the location which was mentioned again today. As defined in Nova Scotia's green plan, which was established in 2003:

"A sustainable community is a community that maintains, enhances or improves its environmental, social, cultural and economic resources in ways that support current and future community members in their pursuit of a healthy, productive and happy life."

And here the key words that I'd like to point out are "to maintain or enhance, improve" and, as well, "future community members." Now, the location of this site has been problematic. The gentleman that just came out has mentioned that again, and it has been mentioned throughout the hearing, so we won't cover everything regarding this. However, I will point a few things.

The access to the area both from land and water is problematic but one focus that I find is that it will spread out the high traffic transportation areas, both on land and on water, instead of localizing them and then keeping the impacts of that type of activity within a specific area. Now, as well, the location is far from most workers. It's already been established that most of the workers both during construction and operation would come from Antigonish County and not Guysborough County. As such, the distance to travel is roughly about 150 kms a day by the commuting traffic. So this obviously increases accident risks and time on the road, but also the air emissions produced by these vehicles, and thereby those air emissions need to be added to the total emissions of the site. If the site was in an area that already has an easier access and was closer -- was a shorter distance to drive for most workers, car pooling might be easier, but also there would be less emissions as a whole coming from that traffic, and the risks of accidents would potentially be lower. The location, as well -- the environmental impacts of this project would be less if situated in a currently developed industrial area where there is less

bio-diversity and where there is less important habitat, such as wetlands, which would be altered, disrupted or destroyed. The Environmental Impact Assessment does not cover what would be the environmental impacts of sitting the project in an existing industrial site, developed industrial site, and what would be the economic benefits to the province to do so. Now, the co-generation facility that is proposed by Keltic is a great source of -- a cleaner source of energy for local businesses. If it was placed in a currently used manufactured and developed site, other businesses could switch from the oil and coal used by Nova Scotia Power and take the better -- the slightly cleaner natural gas source of energy, thereby helping to reduce the overall emissions of greenhouse gas emissions by the province. At the Keltic site as it is, there are no other industries right away to be able to switch within a few years to using the natural gas from there or, I mean, the benefits of the co-generation facility. However, if plants were to be brought in next to the Keltic site, it would take substantially a lot of years to plan and then put in reality, but also the environmental

processes, and, as well, developing or investing in making the access to the site and the water supplies for businesses as well as the type of rezoning that has been decided for that area makes it less likely that local, small, medium or even large businesses from entrepreneurs will be able to settle to that site, but makes the site more available for foreign investment mega projects because of all the financial that would be required in order to use the benefits of the co-generation facility. But even despite these barriers, if companies did flock to the liquified natural gas and Keltic project petrochemicals to use the benefits of those facilities, their air emissions would have to be added to the Keltic air emissions and added to the existing industrial and manufacturing emissions that are using the dirtier coal and oil used by Nova Scotia Power. So as a whole basically the project -- despite the co-generation facility which is a cleaner source, to a certain point, of energy, if placed at the Goldboro site the Keltic project will only continue to increase air pollution and greenhouse gas emission from the province. According to the Environmental Impact Assessment, it says the development so I assume that

means the site will produce about 3 percent or more of the province's total annual greenhouse gas emissions. Now, it's not clear, so it's assumed that the car emissions from all the commuting is not included in that. Now, that's a lot, and it was mentioned at one of the hearings today that "Well, does that counter-balance the fact that most of the gas is shipped to the United States" or piped to the United States, rather, "and they can get off oil and coal?" The reality is that with the increased demand for energy in the United States, there is no actual guarantee that they will shut down their coal and oil powered plants and use the natural gas that we're shipping to them exclusively. So to assume that the natural gas that we're bringing in would actually count to decrease those greenhouse gas emissions and air pollutants, is not necessarily a subtraction. It might be more of an addition, especially considering the location. Now, this is a long quote, I won't read all, but it comes from the Green Plan again and the Energy Strategy, and it says:

"The province's idea is to reduce sulphur dioxide emissions, to reduce nitro dioxide emissions, to reduce mercury emissions,

particular matters."

And basically this project, as you can see if you read the report, produces all of these, it doesn't reduce -- it doesn't take away from what we're producing, it adds to what we're producing. This from the Green Plan. It says:

"The Nova Scotia -- Nova Scotians value clean air, safe drinking water and good quality of life. People in communities across Nova Scotia are concerned about issues such as sustainable land use, sewage management, trans-boundary pollution, our individual and collective impact on the local environment, and our impact on the Goldboro environment."

Now, the reasons I'm focusing so much on air pollution and greenhouse gas emission is that -- and the reasons why the province and the country is trying to reduce these emissions is because of the role we know they play in creating smog, which hurts our health, creating acid rain, which hurts ecosystems, and as well climate change, and that we are aware as Canadians that this affects us but also the planet and also the future generations that are to come. And the future

generation is in great part the reason why the world agreed to a definition of "sustainable development" in 1987 as being:

"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Now, the project has an average life of 35 years according to the response from the proponent, and we need to ask ourself what happens then. And that has been brought up throughout the hearing. Will we wait till that time to make the actual policy decisions to go to renewable energy sources and sustainable development, and will it be too late. Now, notwithstanding that 35 years is barely long enough to employ more than one generation, how much air pollution will be emitted throughout those 35 years? And knowing that they add up to each other into climate change and causing the climate impacts that we have, how much will that be and how much contribution will that play on impacting us but also our children, grandchildren and great grandchildren? And as well, the site uses a lot of water. Over a 35-year period, how much water will they be using and how does this fit with not only the

contribution water plays in the ecosystems of the region, but also from an ethical, I guess, moral stance? Water is the most precious and sought-after resource around the world. And how do we justify -- how can it be justified using that much water to produce something which basically contributes to making the world less healthy, and how will we be able to answer those questions when our children and grandchildren and the future generations ask these? As well, there has been talk that the Scotian Shelf with the exploration of Deep Panuke could produce more gas, local gas, that would keep the facilities supplied and extra expansion for labour force. Does this mean that we will be sort of forced to invest or to attract a billion dollar project that would use our oceans to exploit underground resources rather than investing in much less capital intensive sustainable fisheries options, for example. Now, the impacts of industrialization over 200 some years are various, but one thing recently that has been identified is that our oceans are becoming acidic, and it's not just because of what we emit in the water, it's also because of the emissions and gas in the air. Now, we have been able

to rely -- or survive, more or less, on fisheries for the last over 400 years even though the last 30 years or so have been a bit of a slump because of dependence on certain types of technology and management decisions. But when our oceans themselves are no longer able to provide us with food, what will we be able to -- because of those pollutants, what will we be able to rely on? Proper sustainable management of renewable resources permits our species as well as other species to have food, to have air, to have water, and to have material to protect us from the elements. Polluting industries, like the proposed Keltic project, contributes to the degradation of these ecosystems on a local and a global scale, and we may need plastics and fossil fuel energy because we've created that need. The future generation and our own will more than likely -- will really need the basic life essential and they'll need to be able to access those things that provide the essentials of life on earth. And the Guysborough County may be afraid of losing its population. This type of economic development is adding to the multitude of industries that are around the world which are actually putting at risk all

population of species on the planet. Now, on top of that, the Green -- or added to that, looking at specifically a bit more even within our generation, the Green Plan exposes -- says that:

"Exposure to pollutants through the contamination of air, water and soil has been linked to various health conditions such as cancer, cardiac and respiratory illness, reproductive problems and birth defects, nervous system disorders, allergic reactions, hypersensitivities and decreased resistance to disease. In April of 2002, the Physical Environment Committee of the Provincial Health Council released a report that recognizes the connections between the physical environment and human health."

So this economic development strategy that is proposed is at the expense of keeping alive -- keeping parts of our environment that are healthy that would provide us and our children the capacity to avoid increasing number of illnesses and to be subjected to. And this is something that I take very personally because I don't believe that suffering and slowly dying is a very

dignified way of living or ending one's life. So our own government again has said protecting and sustaining our environment is essential to our health, our economy and our collective wellbeing. And in essence, without clean air, clean water, there is no life on earth, and without precise temperature equilibrium and adequate food sources, there is also no life on earth. This project does not provide for these but rather takes them from us in exchange for jobs for one generation, at the most, two, and polluted air, waters and dangerous climatic conditions and decreased health for multiple generations. Now, the Ecology Action Centre does not support this project because in the small and big picture, and the short and long term, it is part of the addition to the problem in this country and around the world and not a subtraction of these problems. However, that being said, we admit to the unavailable -- unavoidable political realities of the era in which we live, and as such, we emphasize that this project's location is actually taking away from better provincial economic benefits and adding more environmental impacts than may be necessary. We recommend again that if the panel chooses not to reject this project, the panel

requires a more detailed environmental and economic assessment of alternative sites that are developed industrially, have easier access and are closer to the majority of workers, that the proponent should provide the panel with more details as to the description of the other sites and why they are not chosen, and that ship and vehicle routes still need further review and assessment. We do believe that alternative sites would have the potential to have less damage, more economic benefits, they could potentially be safer, with no residents in close proximity as there are close residents -- some close residents to proximity of this site, would be localized and industrial developed -- industrial development and traffic, instead of spreading it out, and would have existing infrastructure, making it easier for access and would prevent the creation of a one -- non-renewable resource economy in an isolated town. However, we would like to conclude by saying that the panel must that into consideration that environmental and health effects of this project will outlast the facility and that the contribution to climate changes will be increased throughout the life of this project. The project does

not fit with the goals and efforts of this province and its people in addressing the needs of our generation and further generations. The last quote from the Nova Scotia Green Plan is "Lessons of the Past":

"Nova Scotia is a land of contrast from the breathtaking highlands of Cape Breton Island to the expansive sandy beaches of the South Shore. Although we have a lot to be proud of, we also bear the burden of one of the largest contaminated sites in North America, the former steel plant and coke oven site in industrial Cape Breton. Past practices have left a legacy of social, economic and environmental cost. A successful approach to development must balance both costs and benefits. Environmental sustainability and pollution prevention is a fundamental part of economic prosperity. However, the Keltic project is neither environmentally sustainable, nor preventing pollution, and the role it will play in the province's economic prosperity has yet to be proven given the long-term environmental and health

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costs associated with this type of project,
which will be a social and financial burden
to Nova Scotians today and tomorrow."

And that's it.

THE CHAIR

Okay. Thank you very much. Before we get to
questions, Chantal, I just wanted to ask if we -- if
the panel can get a copy of that -- the presentation,
the slides. Okay, good. Thank you. Are there any
questions regarding this presentation? Yes.

ECOLOGY ACTION CENTRE - QUESTIONED

MR. VAN HEMERT

Hello.

MS. GAGNON

Hi.

MR. VAN HEMERT

Les van Hemert, Sherbrooke. Thank you for a nice
presentation. I wondered if in your analysis of
alternative locations you ever investigated the
possibility of an offshore location.

MS. GAGNON

No. I remember being at the hearing when you suggested
that option. We did not look at an offshore location,

no.

MR. VAN HEMERT

Okay. Thank you very much.

MS. GAGNON

Okay.

THE CHAIR

Okay. Thank you. Any further questions?

WARDEN HINES

Lloyd Hines, Warden of Guysborough Municipality. I'm wondering, Chantal, if you had done any research into the transportation issues around the construction of the existing separation plant and the 1,600-kilometre pipeline and the two 59-kilometre pipelines and the hundred million dollar "frac" plant that was constructed at Point Tupper in the course of your ---

MS. GAGNON

The Bear Head project?

WARDEN HINES

--- in the course of your review.

MS. GAGNON

The Bear Head project site?

WARDEN HINES

No. No, not -- no.

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MS. GAGNON

No?

WARDEN HINES

No, I'm talking about the one that was done already.

MS. GAGNON

No, I haven't had time to look at that.

WARDEN HINES

Okay. Well, I guess, Mr. Chairman, we did have an opportunity to look at that quite closely, and are continuing to review that and have asked the panel to spend some time looking at that part of it as a condition of the granting of any permits with regard to policing and traffic and so on. We really don't see the issue with access being a significant problem. There is discussion about improving access. The water access is certainly not a busy shipping area. SOEI operated a bus service that was very successful when they had a thousand workers over at the site. There was extensive car pooling from Antigonish and other areas. As a matter of fact, there were a lot of Cape Bretoners that car pooled. So the proponent could be encouraged to provide some bus services also. It's our hope that the site will become attractive to small and

medium-sized businesses as the availability of both natural gas, co-generated power, and plastic pellets become available.

THE CHAIR

Mr. Hines, I'm just going to remind you this is a session for questions at this point, please.

WARDEN HINES

Okay. With regard to the issue of emissions, I'm sure Heritage Gas will be very encouraged to extend their system in Halifax with the accessibility to a long-term supply of natural gas. Thank you, Mr. Chairman.

THE CHAIR

Thanks.

MS. GAGNON

I would like to say that we did not see in the Environment Impact Assessment the suggestion of a bus. So that would be something to see. And as well, as I mentioned, the information as to the cost and the environmental of other alternative sites was not mentioned, so it was hard to get that extra info.

THE CHAIR

Okay. Thank you. Any final questions? No? All right. Thank you very much. Oh, sorry. I'm sorry.

The panel.

MR. CRANSTON

When you're talking -- Ray Cranston, the Assessment Board. When you're talking about other locations, do you have some specific ones or are you referring to the ones that were discussed in the EA report?

MS. GAGNON

At this time, the ones that we, I guess, were thinking of were the ones that are referred to in the EA report that are not explored as to -- in detail as to why they would not be feasible sites. We haven't looked into alternative -- ourselves haven't looked at other site in Nova Scotia.

THE CHAIR

Okay. Thank you very much.

MS. GAGNON

Thank you.

THE CHAIR

Our second presentation today is Environment Canada. And I believe we have Mr. Steve Zwicker. They do have a number of staff here. We're going to swear them in as a group in the event that one or more of them may have to answer questions.

MR. STEVE ZWICKER, (Affirmed)

MR. SINCLAIR DEWIS, (Affirmed)

MR. MICHAEL HINGSTON, (Affirmed)

THE CHAIR

Okay. Go ahead, please.

ENVIRONMENT CANADA PANEL - PRESENTATION

MR. ZWICKER

Mr. Chair, Board Members, good afternoon. My name is Steve Zwicker. I'm here today representing Environment Canada. I would like to thank the Board for this opportunity to present Environment Canada's review of the Environmental Assessment Report for the proposed Keltic Petrochemicals development. This presentation is based on the Department's detailed submission provided to the Board earlier this month. I'm joined here today by two departmental staff involved in the review. Michael Hingston specializes in air issues, while Sinc Dewis specializes in environmental emergency preparedness and response. We're prepared to answer any questions you may have today and obtain additional information if it is needed. I'd like to start this afternoon by describing Environment Canada's role in

the review of the Environmental Assessment Report. Environment Canada has expertise in a number of areas that could be helpful to an understanding of the potential impacts from the project and the identification of appropriate mitigation and monitoring options. This departmental expertise stems from the administration of federal legislation such as the Canadian Environmental Protection Act, the Species at Risk Act, the Migratory Birds Convention Act, and certain sections of the Fisheries Act. Environment Canada's review of the Environmental Assessment Report focused on five key issues, namely, preventing pollution, minimizing greenhouse gases, anticipating potential effects of the environment on the project, preventing impacts on migratory birds, wildlife at risk and wetlands, and assessing cumulative effects. And environmental emergencies, sorry. One approach to preventing pollution is the identification and implementation of the best available techniques and best management practices. In this regard, the Environment Canada review of the Environmental Assessment Report considered chemical substances and waste materials, emissions to air, discharges to water,

and environmental emergencies. It is reasonable to expect that a number of chemical substances associated with the project either are or will be subject to controls under the Canadian Environmental Protection Act. It is appreciated that the selection of process technologies is not complete and certain project details are uncertain at this stage in the planning process. In our review, we have highlighted information sources that should be helpful in the identification and characterization of the chemical substances that could be associated with the project. One example is the National Pollutant Release Inventory, which is maintained under the Canadian Environmental Protection Act. This inventory contains information on pollutant releases from similar projects and project components across the country. A number of industry-led best practices and environmental management systems are identified in the Environmental Assessment Report. Key among them is the Responsible Care Charter and Codes. Environment Canada recognizes the many achievements of this initiative, including the tracking of over 500 substances that could be released from a petrochemical facility, the establishment of

reduction targets and the promotion of project stewardship, eco-efficiency and clean production. Environmental management initiatives such as the Responsible Care Charter are most effective when factored into project planning at the earliest opportunities. In the Environmental Assessment Report, Environment Canada looked for a detailed characterization of waste streams and the byproducts associated with the various project components. The report identifies several potential hazardous waste streams. There were a few details that were provided on the characteristics and quantities of these wastes. At this stage, it is not clear how Responsible Care Charter and related Hazardous Waste Management Code have been taken into account. Hazardous waste management alternatives should be evaluated and opportunities for recycling, reuse or recovery should be considered on a priority basis. The Environmental Assessment Report identified examples of eco-efficiency opportunities inherent in locating a liquified natural gas plant, petrochemical plant and electrical co-generation plant within the development complex. Pursuit of these opportunities is encouraged. A

preliminary study of the potential for other businesses and industries to use byproducts from the Keltic Petrochemicals facility has been provided to the Board. Environment Canada encourages the further characterization of byproducts and investigation of the eco-efficiency opportunities. Such an approach would be consistent with the Responsible Care Charter and Codes of Practice. The proposed project would result in emissions that have the potential to impact local air quality. Considerable scope remains at this early stage of project planning to enhance the accounting and characterization of emissions. Of particular interest are volatile organic compounds, other air toxics, and criterion air contaminants. In terms of identifying emission sources, important project components such as the cooling tower, a proposed incinerator and certain aspects of the petrochemical facility have not yet been taken into account. It is appreciated that all design details may not yet be available or confirmed, but Environment Canada believes a more complete estimation, characterization and analysis of air emissions, their fate and potential effects can be carried out during the planning process. In our review, we have

identified several documents which set out applicable best available techniques, best management practices, and appropriate objectives for certain contaminants which would be helpful to the proponent in assessing and managing emissions to air. The Environmental Assessment Report identifies several project activities that would result in discharges to the marine and fresh water environments. During the planning stage, more details should be provided on expected volumes and contaminant loadings of waste waters discharged from the many different process units and utilities. Some potential waste water sources, including cooling water and hydrostatic testing fluids, have not yet been identified. As presented in the report, information on waste water treatment schemes is largely conceptual. Any standards or criteria against which the proposed treatment systems and discharges can be evaluated should be identified, taking into account site specific conditions in the receiving environment. For example, Section 36.3 of the Fisheries Act prohibits the deposit of any substance deleterious to fish and any waters frequented by fish. While monitoring has been proposed for certain discharges, the frequency and parameters to

be analyzed should also be identified. Corrective actions that would be taken based on monitoring results should be specified. Environmental emergency planning is a critical environmental protection component for any industrial facility. Attention should be given to substances of concern, their quantities, pathways through which they may enter the environment, and the environmental receptors that may be impacted. This information can then be used in applying appropriate siting and design criteria and standards and an emergency prevention preparedness and response planning. Certain substances that will likely be stored at the Keltic facility are listed on Schedule 1 of the Environmental Emergency Regulations. This means that emergency planning work must be done because of the potential for these substances to cause harm to the environment if released. Environment Canada recognizes and supports the proponent's commitment to conduct a quantitative risk assessment and to initiate the TERMPOL review process. It is understood that the quantitative risk assessment would capture the facility as a whole, while the TERMPOL would deal with environmental considerations pertinent to shipping and

use of the marine terminal and marginal wharf. In its review of the Environmental Assessment Report, the Department has identified available guidance that should be of value to the proponent in conducting risk assessments and in refining project siting and design and environmental emergency planning. In order to characterize the contribution of this project to overall greenhouse gas emissions, a complete inventory of direct and indirect emissions should be prepared. This inventory should include separate emission estimates from each proposed significant project component and phase. Providing an inventory of greenhouse gas emissions in this manner can help in the preparation of the management plan which can then target opportunities for reductions through the implementation of best management practices and best available techniques. Environment Canada possesses expertise on meteorological and oceanographic conditions which have implications for project design and operation. In the coastal environment, extremes and variability in important environmental factors such as wind, precipitation, fog and wave action merit particular attention, taking into account appropriate

climate change scenarios. In its review of the Environmental Assessment Report, Environment Canada provided specific guidance on how environmental factors could be incorporated within the project planning process. Consideration of these factors will be important to minimizing the risk of adverse effects of the environment on the project. The project has the potential to impact migratory birds and their habitats. Additional details on the survey methodologies used in terrestrial surveys and in characterizing the habitat would be helpful in understanding the potential impacts and selecting appropriate mitigation options. In terms of habitat characterization, the Environmental Assessment Report identifies areas that are important to bird species. Further details on the characteristics of these habitats and the species present would be of assistance to the identification of appropriate mitigation and monitoring. As one example, routing of rights-of-way for pipelines, transmission lines and roads could be undertaken so as to reduce habitat loss and fragmentation. The proponent is responsible for compliance with the Migratory Birds Convention Act. One key element to the compliance

strategy is avoidance of certain project activities during the breeding season for migratory birds. These project activities would include clearing activities and modifications of water levels at Meadow Lake. In its review of the Environmental Assessment Report, Environment Canada has also offered guidance that could be helpful to the proponent in reducing potential adverse interactions of birds with lighting, transmission lines and contaminants. The Environmental Assessment Report provides some information on the presence, distribution and abundance of wildlife at risk in the project area. A further description of data collection methods would be helpful to an understanding of the potential impacts and the appropriate mitigation and monitoring options. In its review, Environment Canada has offered some observations on the potential presence of wildlife at risk and the importance of taking measures to protect these species. As an example, virtually the entire Canadian population of the Roseate Tern nests in two locations in Nova Scotia, one of which is Country Island. The Roseate Tern is listed as endangered on Schedule 1 of the Species at Risk Act. The

Environmental Assessment Report states that the relatively infrequent shipping traffic and the large foraging area available to the Roseate Tern will result in minimal impacts. In its review of the Environmental Assessment Report, Environment Canada has confirmed that foraging habitat for Terns will be lost as a result of construction of the wharf and marine terminal. At this time, however, further research is needed to determine the actual use and extent of these foraging areas. A recovery strategy for the Roseate Tern has been published, which identifies the management goals and objectives for this population. This strategy should be considered as an important element in the siting and planning of the proposed project. The Environmental Assessment Report indicates that several wetlands will be impacted directly or indirectly by the project. For example, it is noted that approximately 124 hectares of wetland habitat will be lost as a result of the impoundment of Meadow Lake. Specific mitigation options for avoiding or minimizing the impacts including route selection and construction techniques should be considered further. In general, project planning should be guided by a more detailed

functional analysis of the wetlands that could be affected and by application of mitigation options and a hierarchical sequence. And such a sequence emphasis should be placed on impact avoidance as a first priority with compensation only pursued as a last resort. The report includes a limited discussion on cumulative effects. As proposed it is appropriate to consider each of the individual components to the project in the cumulative effects assessment. However, more discussion on the environmental components and the values to be considered in the assessment is needed. This part of the analysis should consider the expected time period between construction of various components, differences in overlaps and timing of discharge and emissions from various operations. And the time required for particular VEC's to recover from exposure to subsequent and repeated stresses. The rationale for the selection of VEC's and of equal importance not selecting certain VEC's would also be helpful in this regard. In approaching cumulative effects assessment it is important to establish a regional or ecosystem based context, highlighting issues or VEC's of concern. Accumulative effects assessment is often more effective

when impacts are considered using indicator species rather than broad VEC's. For example selecting species for which management plans are already in place or for which population trends are evident can be particularly useful in this regard. As the project will be constructed in a relatively undeveloped area and there is a potential to encourage further industrial development, the cumulative effects assessment should be directed at better understanding potential effects such as further habitat loss for new development and increased access to sensitive environmental resources. The proposed Keltic project is large and complex. Some components of the project are new or relatively new to this region. Nevertheless additional planning can be conducted so as to further characterize the potential impacts and identify appropriate mitigation and monitoring options. The Proponent has committed to applying best available techniques and best management practice. And in its review Environment Canada has provided guidance which should assist the Proponent in meeting those commitments. In its role as an expert department Environment Canada is prepared to assist the Provincial Government in implementing provincial

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Environmental Assessment results as appropriate, work with those federal authorities responsible for the ongoing Federal Environmental Assessment of certain project components. Continue to advise the Proponent on applicable legislative requirements administered by the Department. And cooperate with other government agencies in guiding and reviewing the quantitative risk assessment and TERMPOL process proposed by the Proponent. That completes our oral submissions.

THE CHAIR

Okay. Thank you. So again, we do have time for questions for Environment Canada on their presentation.

ENVIRONMENT CANADA - QUESTIONED

MS. GAGNON

Chantal Gagnon, Ecology Action Centre. I think it was in the last point you said maybe but with the -- after they finalize designs, identify the chemicals and waste and water and emissions and all that, what is Environment Canada's role after that information becomes clear, does Environment Canada review, give permit or just guidelines how ---

MR. ZWICKER

We don't have any direct permitting requirements

ourselves as a department so we're offering to review that in cooperation with the Province, other federal agencies and the Proponent and other stakeholders.

MS. GAGNON

Okay, so it just sort of helps the other department who will be giving permits clarify what the impacts of this type of information would be.

MR. ZWICKER

Yeah, there are certain compliance requirements based on our legislation that need to be met but as far as permits, yes.

MS. GAGNON

Okay, thanks.

THE CHAIR

Okay. Thank you. Another question, yes, please.

MR. CHISHOLM

Ben Chisholm. You've been working with Keltic now for quite awhile, right?

MR. ZWICKER

With Keltic? No, we've been working on the project, yes.

MR. CHISHOLM

Or no, in relation to the project, right?

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MR. ZWICKER

Something I didn't know.

MR. CHISHOLM

Yeah, right?

MR. ZWICKER

For a couple of years, we've been on the file, yes.

MR. CHISHOLM

Yeah. Pretty professional group they put together
isn't it?

MR. ZWICKER

It's a typical EA for us.

MR. CHISHOLM

It's a masterpiece of a project, isn't it?

MR. ZWICKER

Yes.

MR. CHISHOLM

And do you think they have the ability to meet all the
standards set by the Government and the will?

MR. ZWICKER

The standards are there -- the guidelines are there.
It's for them to demonstrate and that's what the EA
process is meant to accomplish.

MR. CHISHOLM

It seems like that's their intention, right?

MR. ZWICKER

We hope, yes.

MR. CHISHOLM

Thanks.

THE CHAIR

Okay, thank you. Any other questions? Please, yeah.

MS. GRAHAM

Jennifer Graham, Ecology Action Centre. One of the questions I had actually was a little bit more of the specifics about Rosiate Tern forging requirements. One of the things that came up yesterday during the hearing was about the plans for the marginal wharf sizing location and it was something that the Proponent indicated was still under development. I wonder if you could talk a little bit more about what we know about forging requirements for Rosiate Terns and how the siting and size of the wharf would have potential to impact that. Is that clear as a question?

MR. ZWICKER

It's a clear question. I'm not the person that can answer it. Our wildlife experts aren't with us today. It's a question that we can certainly take back with

us. Work has been done and we've provided that in support of the EA and as we indicated there is more work that needs to be done but this specific question we can get some further information for you.

MS. GRAHAM

Thank you.

THE CHAIR

Okay. Thanks. Yes, please.

MR. vanHEMERT

Sir, I was just wondering if ---

THE CHAIR

Sorry, it's just - Les vanHemert.

MR. vanHEMERT

Les vanHemert, Sherbrooke area. I was wondering if your assessment was planning to include a calculation of the total emissions of the Keltic project over its lifespan? And I'm no expert here. I hardly know how to ask the question.

MR. ZWICKER

From an air perspective?

MR. vanHEMERT

From all kinds of, let me say undesirable output. Toxic emissions, greenhouse gas emissions, particulates

and if it were posed to drop entirely on the area of the project, what would it weigh and how high would it be?

MR. ZWICKER

Yeah. As an example I'll maybe ask Michael to talk about ---

MR. vanHEMERT

There are other plants like this. There's one in Dubai which is an LNG petrochemical facility. Its output I think is knowable by Environment Canada. You could make an estimate at some point. I don't need that today but for the benefit of the Panel here.

MR. ZWICKER

Yeah, I'll let Michael give an example of the air perspective and the approach would be similar for others.

MR. HINGSTON

Yeah, sure. Michael Hingston, the head of the air issues unit from Environment Canada's Atlantic office. I think the question -- I did answer one of the questions, we do have -- in the EA there are estimates for some of the emissions. There are not yet estimates I think for all of the emissions and that's one of the

things we have requested and again there's a commitment I think to do some modelling once the design study is gone so I think maybe a better answer to your question might be give you a sense of the process that we would go through is once we get those emissions and yes, we can compare as well as the Proponent has compared them to the Joffre facility, we've done that same comparison to say yes, these are in the right ballpark. You do need the final designs to sort of say, okay, do we have a very good comparison. Once you get those emissions and yes they will -- sort of the estimates will be vetted, the next function is actually to go and actually to model those. And that's where you would take the emissions, you would take the local meteorology, the local geology and get a sense of where do those emissions end up. Then you can go from there to figure out okay, we know what people are breathing, what organisms uptake, then you get a sense of that -- of the possible effects. So that's just an -- it's a process that we go through but one of our requests of the Proponent is to get the more detailed emissions.

THE CHAIR

Sorry, Mr. vanHemert, we're not going to be able to get

you on the record from there, please.

MR. vanHEMERT

I've always found it very difficult to understand those comparisons and that's why I tried to pose the question in such a way that I would be able to understand your answer. That's why I asked over the area of the project which I think is 160 hectares, 350 acres if that pollution were to fall on that area over the life of the project how deep would it be or how high would it be or if you could at some point later on express to us in some way we can understand what these amounts of pollution really mean for us.

MR. HINGSTON

I think the only thing is -- I mean, one answer to that is that that pollution won't fall within -- especially the air emission, within that bounds of the project. But I think what you would like to try and do and that's what actually modelling does, will give you a sense of once you have those emissions where do they end up and what do the people who live in that area, what will they be breathing. And I think that's what you'd eventually like to find out. And that's one of the questions. Like I said, we've seen that for parts

of the project, once they get these design details, you know, I request you have to see that for all of the projects. You take all of the emissions from the project over the lifetime, where do they end up, what will be people be breathing. But that is still a request. Our sense is this still isn't the total information in the current assessment to do that.

THE CHAIR

No, maybe I should just clarify. The question amongst us here was whether that's an undertaking to the Board here. As I understand it, I guess that would be a requirement of the further Federal process but it wouldn't be a submission to the Board because I suspect or process may well be concluded by the time you get to that phase in the Federal process.

MR. ZWICKER

My understanding is that it is a recommendation we make. That's something that we would hope maybe the Board would carry as a recommendation to the Proponent. That's something they'll have to do as the project planning proceeds.

THE CHAIR

I see. Okay. Well, that would be a possibility. But

gain I would emphasize that it could be recommended by the Board as a requirement for further work but it's not work that would be returned to the Board by the Proponent in the context of this assessment process it would follow.

MR. ZWICKER

Just for clarification, the questions that have come from the audience, do we submit those through to you?

THE CHAIR

Answers to the questions?

MR. ZWICKER

The Tern question for example, should we ---

THE CHAIR

If possible, yes. If there is further information that would be appreciated. Yes.

MR. SEGAL

Good morning -- good afternoon. It's still Brian Segal from the Antigonish Area Partnership. I have a question about inter-relationships. You were concerned about greenhouse gases for example. There are a lot of mitigating technologies available to deal with these kinds of things depending on a lot of different factors. How closely does your department, for

example, work with Energy -- Energy Canada or other departments that would have an expanded knowledge of mitigating technology so that when you come back to the Proponent you can not just say fix this but here are a number of avenues you may want to choose based on what we have in advice from both government and private sector.

MR. HINGSTON

We do have a very strong working relationship with departments -- Enercan which would be our Department of Energy, Industry Canada to sort of identify possible mitigation techniques, possible technologies. One thing however that we don't do is then sort of say here's a technology and then tell a company thou shall use a particular technology. It's up to the Proponent to identify the types of technologies that they use. We can evaluate them. We can make suggestions but in the end it's up to them to propose a technology that becomes acceptable to the project.

THE CHAIR

Thank you. Any other questions for Environment Canada? No, okay. Thank you very much. We do have time at this point for an open forum if anyone has a wish to

come up and express an opinion or voice a concern or ask a further question. Just identify yourself please. Thanks.

OPEN FORUM

MR. NEGUS

Colin Negus. I'm from Isaacs Harbour. I fish lobsters just outside of the harbour there. I don't know whether those guys would consider that an environment damage when they build the wharf or not. But Gordon MacDonald was there for the County and he was the first guy that I heard actually say anything about losing lobster ground. And as long as the Proponent follows his suggestion which is fair and compensation for the local fishermen then I back this project 100 percent. Thank you.

THE CHAIR

Thank you. Yes.

MR. DELOREY

May I use the podium?

THE CHAIR

Sure. Yes.

MR. DELOREY

Good afternoon everyone. My name is Herb Delorey. I

am the Warden of the Municipality of the County of Antigonish. Antigonish County is conveniently located with easy access to the major port facilities on both Cape Breton Island and Mainland side of Strait of Canso. As well as to Goldboro, Guysborough County that is the site of the Keltic Petrochemical project. I also serve as the Chairperson of the Strait Area Mayors and Wardens Committee which is comprised of the Town of Antigonish, the Town of Mulgrave, the Town of Port Hawkesbury and the Counties and the Districts of St. Mary's, Richmond County, Inverness County and Guysborough County including Antigonish County. Our primary aim of the Mayors and Wardens Committee since its inception in 2000 has been to establish a formal working arrangement and planning framework in order to take best advantage of opportunities for development of the natural and manmade resources of this area. And at the same time maintain a high quality of life in the region. Keltic Petrochemical project is that development we as a municipality and perhaps more importantly, as a region have been preparing for for the past number of years. The Mayors and Wardens Committee has been focused on the number of key issues

associated with development of the magnitude of the Keltic Petrochemical project. Some of those issues include extension of the four-lane highway from New Glasgow to the Canso Causeway. * area of regional municipal water supply plant is currently doing -- being done and a port masterplan also. In all, the Mayors and Wardens Committee identified 12 issues as a part of our ongoing planning process. The Municipality of the County of Antigonish has been a staunch supporter of this project since its inception. A major industrial development of this nature will have significant long-term benefits for our economy. We have watched and read with keen interest what 3,500 construction jobs would mean to our locally skilled tradespeople, a number of the people who are here today. And the effect 600 permanent positions will have on our open housing industry, local businesses, schools, services and spin-off opportunities that could stem from a major petrochemical plant in our region. Antigonish County will be a major benefactor of this project if it is allowed to proceed. It is in anticipation of the impact that this development will have on our municipality, our council has focused its

efforts on expanding our infrastructure. This year alone we have been progressed or completed three point one million dollars in new or upgraded water facilities allowing for additional services and lots in communities of St. Andrews, Lower South River, St. Josephs and other areas adjacent to the Town of Antigonish. Expansion plans for the Municipalities light industrial park are also underway to ready ourselves for related industries that will complement the Keltic Petrochemical and the associated LNG terminal. Our municipality is also in the process of developing six thousand acres of multi-seasonal recreation area just west of the Town of Antigonish. The *Kepic Beaver Mountain project will feature a recreation resort area consisting of a ski hill, restaurant, a lodge for hikers, cross-country skiers and snowmobilers and numerous other recreational activities. It is our goal that this area will evolve over time and be one of Nova Scotia's main tourism attractions for seasonal activities. The Keltic Petrochemical project will certainly allow us to showcase the strength of our region and the ability to capitalize on the opportunities associated with a

project of this nature. We hear too often that rural Canada is dying and that more and more people are migrating to urban areas for employment and opportunities. We now have a chance here in Eastern Nova Scotia to reverse this trend. Let's seize that opportunity. From a more personal and perhaps selfish perspective -- I'll speak on my own basis, I only wish this development could have taken place five or six years ago. Four of my five children moved to Calgary to gain employment in the fields of engineering and information systems with major oil and gas companies. They were born, raised and educated right here in Antigonish and I have enjoyed staying here and contributing to this community for sure. I always maintained probably the biggest export we have here is our education, out of Antigonish. They now have established their families, careers, their homes in Western Canada and the likelihood of their returning to Nova Scotia probably is slim. The Keltic Petrochemical project is crucial to the future growth and development of our region. An opportunity to keep our young people at home and make rural Nova Scotia a better place to live and raise a family. Thank you very much for the

opportunity to appear before you today and I trust the hearings held this week will certainly assist you in deliberations. And thank you very much again.

THE CHAIR

Okay. Thank you.

MR. GRAVES

My name is Steve Graves. And I'm from Bedford, Nova Scotia. Also President of the Mainland Nova Scotia Construction and Building Trades Council. And the Building Trades Council represents approximately 10,000 unionized construction workers on Mainland Nova Scotia. I'm not an expert on environmental issues outside of putting my green bin out by the curb every couple of weeks, that's about all I know about it and I'm -- you know, I have no problem admitting that. But I do know a little bit about the human element and the human factor. And that's what I'd like to speak on briefly today. Up until a few years ago, when our members were unemployed, they had no place to go. They'd sit home and draw EI for several months of the year. A few years ago when things started picking up in Alberta, out in Fort McMurray, the same guys that were unemployed a few years earlier would pack their bags

and they'd jump on a plane and they'd maybe spend six months, maybe in some cases 12 months in the Fort McMurray area just to send money home to feed their families. This project represents a fantastic opportunity during the construction phase for high paying jobs with benefits and it also would give a lot of local people from the Eastern Counties work opportunities. And I think there's probably a couple dozen tradesmen in the audience here today. There's also other spin-offs that would be associated with the project. An increased tax base for the Antigonish County, Guysborough County, sales tax increases or revenue gained by the increased sales tax. And I don't mean the rate. I mean the sales of vehicles and durable goods. There's a huge potential for economic spin-off, the establishment of other industries, both in the counties and in the Goldboro area itself. In 2002, I had the opportunity to sit on the Premiers Council for Rural Economic Development. And back in 2002 the stats were that only four counties in Nova Scotia of the 18 counties experienced any growth. I was told that earlier this year that was down to one county and that was -- actually that being Halifax

County. So as the previous speaker had mentioned, rural Nova Scotia is basically dying a slow death at this time. I was involved somewhat in the Sable project back in 1998 when the original gas plant was built in Goldboro. At that time, Guysborough had a population of roughly 14,000 people. Today that population base is down to somewhere in the 9,000 range. So as you can see there's been a steady outflux from Guysborough County. Actually Guysborough County is, I believe the largest county in the province with the smallest population. As I mentioned before any time that you can get a project of this magnitude to be established anywhere in rural Nova Scotia, to get the jobs that go with it, it's -- I think it's a once in a lifetime opportunity. There's also the issue of upgraded infrastructure, improved highway systems, I'm sure that additional schools will be built and other infrastructure related to benefits that this project would bring with it. Earlier I heard an analogy or there was an earlier analogy to the Sydney Steel Plant. I think that's maybe a bit unfair because the Sydney Steel Plant represents technology that's 50 to 100 years old. And I can't imagine anything of that type

taking place today. I think just being here today represents a fact that there's stringent guidelines in place. And the project is economically feasible. It's environmentally safe and I'd just like to go on record as saying that the 10,000 members of the Mainland Nova Scotia building trades fully endorse the Keltic project and the Maple Gas project and we would like to do anything we could. We've attended several open houses in the area and we'd like to integrate local people, additional local people from the tri-counties into our memberships and anything we can do to support the project we're certainly on board and as I said we have -- we're interested in improving the quality of life particularly in rural Nova Scotia and if we pass this project up I think we're doing ourselves a real disservice. As I mentioned, it's a once in a lifetime shot and let's not blow it. Thank you.

THE CHAIR

Okay. Thank you very much.

MR. MacLEOD

Good afternoon. My name is Bradley MacLeod. And as Councillor for District No. 7 and the Municipality of the District of Guysborough I represent the area for

the proposed LNG and Petrochemical facility in Goldboro. First of all, I would like to thank the Board for coming to our area and listen to the presentations from different groups. Everyone knows that I'm a strong supporter of this project. And like I said in my opening remarks in Guysborough on Monday, I feel with the proposal and the technology that Keltic has put forward and with the oversight this Board provides I feel that there will be limited effects on the environment. And last I would like to say we need this project. So let's move forward and support Keltic to make this happen. Thank you.

THE CHAIR

Okay. Thank you. Anything further? Any further comments or questions, please. For the record, we've been provided with some stickers regarding the Keltic project.

MR. CHISHOLM

My name is Ben Chisholm. I'm the business manager for the plumbers and pipefitters in this area. I had a whole list of stuff here that I was going to say but everybody else has pretty much covered it and like we're on the front lines of this. We're the

construction industry. We're the people that go to work when you fellows are done so let's not have any more delays here, right. Just a little explanation of the union and how it works in the industry and most other unions are the same. We see that -- well, the biggest thing we do is get people jobs because in this business the better you get, the sooner you're out of a job. And you're looking for another one, right, and it's a hard racket, right. Hard on families and -- but you make friends everywhere, right. And all our friends are ready for this one. And so anyway it's going to be no problem with demand. You hear all this stuff about a shortage of manpower. Like we have the skills, we've -- that's what we do, we build this kind of plants, right, you know. And we got all these people that are experienced in Alberta and around the world really, you know. So, the boys are ready to come home, and women. And it's very, very seldom -- and this will be the biggest of job of my lifetime here, you know. Everything else was on the road. In regard to the Members of the Local, like, we do our own training. We try to work with the owners and contractors to -- like, there's a lot of money at

stake, so we've got to make sure we're good at it. And in order to hold a job on their own, on the road, like, you've got to have -- like, you've got to be better than the average -- your skills have to be better than the average guy, because if you're not, you're laid off first, right? You're laid off first, anyway. We only get to man the jobs on the peaks, because the local people of each area, they man it up until they can't man it anymore, right? Anyways, we only get to man the peaks, and we're off to another job. And in order to even man the peaks, you've got to be good at it, right? You can't send a welder out to do a bunch of bad welds on the man's pipe, and he's got to cut it all out at a thousand dollars (\$1,000) a foot, you know. Anyway, long story short, we're ready for this job. And we go through the -- we abide by all the rules, the apprenticeship system, red seal system, right across the country, all kinds of other certifications. When I first met Kevin Dunn, after a couple of times, it was obviously who's the journeyman in the room here, right. He's a little older than I am. He's got an advantage that way, but, you know. But it's been a pleasure. It's been a pleasure, and Mr. Owen over here, too, we

worked with him before, ever since Maple. And, like, we're looking forward to this. And, like I said, we hope you fellows give this the approval. And any other details that need to be worked out, let's hope they can be worked out, as the project goes on. Because our people, they're getting older. Their families are growing up. We've got three kids. I spent more time with my kids since they've grown up, since -- instead of the -- instead of when they were young, because I was on the road, right? And it's hard on family life. Like, so let's -- you people are almost done. We're ready. And best wishes to Keltic and Maple, and I'd like to welcome you all to the area.

THE CHAIR

Okay. Thank you very much.

MR. CHISHOLM

I'm glad I didn't have to go through all these notes here, so ---

THE CHAIR

Okay. Thanks.

MR. SEGAL

Brian Segal, Antigonish Area Partnership. I just want to add one note to the proceedings, and that is that

this didn't happen because it dropped out of thin air. It happened because Mr. Dunn and his associates are visionaries. You don't concoct a project of this size, complexity and scope, without having vision, courage, and determination. Now, those that know me, know that I have some private bugs in my head. One of my biggest ones is that this end of the country has one of the greatest opportunities in Canada to be a model and a leader in the clean energy and related technology development. It's been identified as such by Energy Canada. We recently had Dr. John Nyboer here from the University of British -- of -- I'm sorry, from Simon Fraser University in British Columbia, who is an associate of Mark Jaccard, who is one of the leading world experts on energy development and sustainability. I think that this project has the potential to become a universal, world wide model on how to do this right. And I know that Kevin and his crowd have the capability to do it. I'm very encouraged by the cogeneration plant. The very fact that they'll be able to mitigate hundreds, if not thousands, of kilowatt hours of very poorly constructed, aging dinosaurs in the Nova Scotia Power Corporation's bevy of power generation

facilities, to me, is a tremendous advantage. About two or three months ago, I was talking to Kevin at a function, and I said, "What would happen if a bunch of large industrial users like you decided to get into better energy generation facilities? What kind of pressure would that put on our Power Corporation to get their act together?" So, I think that this project, aside from the fact that it's going to bring a lot of jobs to this area, gives us the chance to put our footprint down as a model community for future development, and I hope that it does proceed, and I encourage the Board to make a positive recommendation. Thank you.

THE CHAIR

Thank you. Okay. We have a question for -- or comment from the Panel.

DR. CRANSTON

Ray Cranston, Environment Board. As many of you may know, we've received a lot of papers and presentations and letters. And among those letters, there was well over 1,000 letters that -- and I quote, "They support the use of the existing Antigonish Guysborough Highway through Erinville as an option to the route proposed by

Keltic." And I was -- just to -- there's a lot of people have said this, and I think it's -- we should recognize it on the record, that this has been said. I'm not sure what we're going to say about that, because we haven't heard very much. And if there's any -- anyone can maybe help us shed a little light on whether this needs to be addressed or -- because the transportation is an issue, but it's -- it seems what we've heard is in hand. So, if anybody has any comments today, or in the next week or so, we can receive information.

THE CHAIR

Yeah. Also, I'll just add, if anyone can shed light on exactly what route -- there's no detail in these letters. It just mentions, as Ray said, the route through Erinville. But we're not certain what route is referred to there. If anyone can clarify that for us, that would be good.

MR. DUNCAN

And I suspect there will be people here who can provide much more detail on the location of the route and the -- and what's behind the move for that initiative. But just as a preliminary, that route, as you are aware, is

not part of the project that's currently proposed. The project, as proposed, is going to use the existing road infrastructure. We've evaluated that, and that is, as you heard from Transportation and Public Works, that road -- that existing road infrastructure would be able to support the planned construction operations of the facilities. And as a bit of history, there was an original highway alignment that was part of the project, and it was -- I'm not sure if requested is the right word, but it was clearly indicated that that would not be an appropriate route or component of the project, with respect to road infrastructure in the Province. So, it was subsequently removed from the project. That -- and again, they can probably get more information of where that alignment that's referenced in the letters is, but it closely mirrors the highway corridor that was originally proposed, probably with a few variations. I did see a map at one point, but I -- beyond that, I'm not certain myself, so ---

MS. BLACKADAR

And I believe the speaker on Monday was going to provide a map. Hopefully, that will help clear this up.

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THE CHAIR

Yes, we did request that. To my knowledge, we haven't received it yet. At this time, anything further from the audience? Thanks.

MR. NEGUS

Colin Negus again. If you guys are building a project down there, you'll need a straight highway, all the way through to Beech Hill, like they already intended. Because nobody's going to live down there. They're going to live in Antigonish, and it's going to be dangerous. And it gets pretty slippery down through there on them old twisty, windy, bumpy roads. It should actually be a straight highway, like a Trans Canada, with two lanes. And without the politics and the community set aside, just pick Crown land there, right down through the middle, and head for Goldboro.

THE CHAIR

Okay. Thank you. Anything further? Questions or comments? Yes, please?

WARDEN HINES

Lloyd Hines, Warden of Guysborough Municipality. Mr. Chairman, I just want to thank, again, you and the Panel, and Jim and Mark, for undertaking this process.

In particular, I want to thank you for opening the hearings in Guysborough, in the jurisdiction where the project is proposed, and the communities where the impact will be most felt. I want to thank proponents for their courage and vision, in coming forward with this project, to help Eastern Nova Scotia, all of Nova Scotia. There's great financial risk associated with this, and I think that shows courage and belief in the Province. I want to thank the building trades who have been supportive, and all the other groups that have been supportive. And I also want to thank Chantal and the Ecology Action Centre for their perseverance, and coming forward, and doing your job, and showing your perspective on the process, because certainly in the belief that we don't want to hurt this environment. I think everybody is with you on that. So, thank you for that process. And I hope that you will have swift and positive deliberations, Mr. Chairman. Thank you.

THE CHAIR

Okay. Thank you. Anything further from the audience?
Yes?

MS. SIMPSON

Can I use this microphone or ---

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THE CHAIR

Either one, certainly.

MS. SIMPSON

Okay. I've come several times, and really, without a lot of background on that. Oh, my name?

THE CHAIR

Yes, please.

MS. SIMPSON

Ann Simpson. Not a lot of background on this particular project, but I must say, I've learned a lot in the past few days. However, there is one thing that keeps coming up again and again, and that is, a lot of the questions that I have, can't be answered at this stage. So, if there is an EIA done, at this point in time, it does strike me that it's early to do it. I know that this is how it is done. It just seems that there should be two parts to this process. And possibly, an assessment should be done later on. So, an early assessment, and then one that follows that.

THE CHAIR

Okay. Thank you. Last call? Anything further from the audience? Please?

MS. LEE

Nancy Lee. I just wanted to -- I mean, I'm new to these hearings. This is my first day here. And hearing from Environment Canada, there were just a number of areas that sounded like a lot more information was needed, or a lot more investigation, research process. And in the earlier presentation that the proponent gave, there was one area, the cemetery, I believe, that talked about mitigation. I was just wondering if you could tell us the other areas that you've identified, that require mitigation. And I think I'm -- I share the last speaker's question or concern about it sounds like the designs are not completely finished. And what is the process, in terms of finishing off the designs, you know, addressing some of the concerns like were raised in Environment Canada. They sounded like quite lengthy process of analysis and inventories and, you know, what is that time process, and is that going to fit in the time frame that is allotted for this assessment process? So, I guess, my -- back to my question, which is, what are the areas of mitigation that you've identified?

THE CHAIR

Okay. I'll ask Keltic to answer that.

MR. DUNCAN

I'll attempt to respond. You're stealing a little bit of my thunder for my concluding presentation, though, but -- the mitigation that is recommended is found in the EIA for a number of things. You'll find some reference to mitigation in Section 2 of the document, where we talk about the project description. And as I mentioned, some of the mitigation that we would implement, or recommend, has been built into the design of the facility already, such as the waste water treatment plant. Obviously, there would be concern with the process water that would have contamination in it, or sanitary sewage from the site. And as a result, a waste water treatment plant would be constructed to treat that water, before it's discharged. So, you'll find mitigation there. You'll also find a specific section in the EIA that references or deals directly with mitigation. And the example you cited, the archaeology, it's -- again, mitigation would be required there, because of the elevated potential, and that mitigation would be applied. Now, sometimes mitigation is such that, you know, detailed plans are to be developed in consultation with the community,

with stakeholders, with the government agencies. That doesn't mean that there is no mitigation. It just means we need the details -- develop those details in conjunction with a number of parties. And that's pretty typical with these type of EIAs is that it's still -- even though the details aren't there, there's still a commitment that you have to go and develop these things, and develop the details around them. Environment Canada referenced a number of work components are still required, and we agree. And then a lot of those work requirements, we identified in the EIA as well, work still to be done. But as mentioned, as part of this process is that we evaluate on a preliminary level the potential effects, and we identify where we feel -- and generally, what we do is take a conservative approach and say, "Well, here's generally what we would look at and evaluate", knowing full well that there's still design details to come and, which will further refine that assessment. But, we're pretty comfortable indicating that what we see for emissions and work that's been done, if you take air quality, for example, emissions from the plant, using a conceptual design, will meet regulatory limits

and emission standards, as set by these agencies. So, we're confident that that can occur. What was referenced here was more for more additional monitoring and, I guess, modelling. And that helps design, as mentioned, some of the monitoring requirements. Modelling would identify specific receptor locations. You'd look at the type of issues that were identified, meteorological conditions. You know, where would we expect, you know, the receptor to receive the highest interaction with emissions? So -- based on modelling. So, what we would do is set up a monitoring location in that vicinity or at that area, and make sure that the emission standards or limits that we set are not being exceeded. So, you're right, there's a lot of work still to be done. But that -- that's a typical thing in these types of projects. The previous speaker also mentioned there should be a phase approach, or there should be a two step approach. And I guess our perception, the way we look at it, is that we -- it's much more than two steps. There's a number of steps still required. And we alluded to those reviews and approvals still required. My experience is that you submit the information to these agencies for review,

and it's a pretty substantive review. There's a lot of detailed examination of those results, and that technical level of detail, still. So, there is -- again, as we tried to, you know, emphasize during these hearings, there's a -- the EIA is not, you know, the end of it. This is, essentially, the start of it. So, there is a lot more work to be done. The proponent's committed to doing that work. We've met with these agencies, so we have a pretty good understanding of what their requirements will be, going forward.

THE CHAIR

Okay. Thank you.

MS. GAGNON

Chantal Gagnon, Ecology Action Centre. Actually, that gets me to thinking about something. Through the Environmental Assessment process, Provincially and Federally, all this information is sort of public. So, everything in the Environmental Assessment is public, and we sort of can see what are your missions, that kind of stuff. And I know there's pollution prevention lists, and what those emissions down the road, that will also be public. So, I'm wondering, once the designs are final, the modelling's done, and I guess a

bigger, clearer picture of how it will all run, and how the impacts will be, how will that information, like, be accessible to the public? Or how much of it can be accessible to the public, from both the public structures that are in place now, through Canadian Environment and Provincial jurisdiction and regulations. But how will Keltic itself, maybe, focus on ensuring or wanting to put out that information, really, easily accessible for the local residents of the area, for the County, for the other people to see, and have an idea of those impacts down the road, in the future of Keltic's life?

THE CHAIR

Maybe if I could just comment first, from the perspective of the Provincial Environmental Assessment process.

MS. GAGNON

Yeah.

THE CHAIR

We don't have any further role. Once our report is submitted to the Minister, it's based on the information that we have at hand at the moment now, and whatever Keltic can provide in answer to questions, at

this point. Currently, we have -- I'm not sure we've got a number, but it's between 5 and 7,000 pages of information. Anything that is generated in subsequent steps, in permitting processes or in the Federal assessment process is the jurisdiction of those agencies. So, whatever process they require would determine, you know, at what point, and to what degree that information is available to the public. So, that's outside of the scope of our authority. But I'll ask Keltic if they could follow up.

MR. DUNCAN

Yeah, again, you're probably stealing some of my conclusion thunder here, so -- I think we've -- you know, I think you get a sense that, you know, Keltic has done a fair amount of consultation in the community already. And I think that's pretty evident from some of the participation we've seen, and comments from the local residents. There's still a commitment to continue this community consultation, with Keltic as a member of the Community Liaison Committee. It's a local committee that's -- that is made up of representation from various community members. They participate in that. That is, really, a sounding board

for the project in terms of conveyance of information and getting information from the community, as well. And we see CLCs like that being implemented on a number of other projects. For example, on the Tar Ponds project, a similar CLC was established, for that exact reason. So, there is that mechanism. There is also, again, a commitment for ongoing consultation in the community, and there would be established -- again, stealing some of my thunder, but there would be an established project information office in the community as well, which would be staffed by someone from Keltic, or a Keltic organization, to liaise with the community, and provide information. Some of the details about how all this consultation unfolds is yet to, you know, obviously, to be determined with -- through those mechanisms. But, a couple of examples I can give you. If you're referencing monitoring plants, you know, I've worked, as I said, on Sydney Tar Ponds project. There -- that project, again, there was a commitment to take the monitoring plans to the community. And when they identified the types of parameters that would be monitored, the monitoring locations, the plan is to go to the community, and let them know where those would

be, and the types of levels that would be monitored -- measured. That was similar to a process on Maritimes Northeast Pipeline, which I worked on, as well, is that we developed an Environmental Protection Plan long after the EIA processes were finalized. That Environmental Protection Plan had a -- all kinds of details about wetland monitoring and mitigation measures, and water courses, and protection of fish habitat. Well, we took that out in a number of open houses, and let people know the kind of measures that are being implemented in the -- to protect these resources. So, that's -- those are two kind of previous projects or current project, in one case, where those types of consultations do under -- they do undertake them, with respect to monitoring. So, I'm pretty confident that the local community and -- will see lots of Keltic, and it will get lots of information with respect to these measures and monitoring mechanisms.

THE CHAIR

Okay. Thank you. Yes?

MS. GRAHAM

Jennifer Graham, Ecology Action Centre. I think my

questions are a bit of follow up to the last two, which is, indeed, about follow up. It's great to hear that many of the people sitting at this table have a commitment to following up beyond the requirement of the EIA process, and the regulatory requirements. Perhaps my first question is, is that committee liaison body going to be the body for -- where, for example, issues of compensation for lost lobster fishing ground can be brought to? One of the concerns I have is that a couple of times in the last two days, the suggestion's been brought up that ahead of the game compensation for potential lost lobster fishing would be a great idea. However, another thing that's come up in the last few days has been we don't yet know the dimensions and location of the Marginal Wharf, therefore we don't actually know what impact this will have on traditional lobster fishing areas. The last few questioners have kind of been asking about what are the mechanisms to fill in some of the gaps between the go ahead and the what we don't yet know. So, the first question is, what -- you know, is that community body going to be the body to go to, as things become clearer, in terms of habitat loss and fishermen

displacement? Or is there going to be something set up ahead of time in writing, like we'll commit to replacing this for this? So, that's a question about mechanisms. And then kind of as a separate, more longer term question, one of the concerns that environmental groups sometimes have about the Environmental Assessment process is that it often culminates in the various regulatory agencies, or those with oversight, giving letters of advice, that is, letters saying, "We support this project if the following requirements are done." Often, because there's so many regulatory agencies involved, it doesn't always come out clearly, who is then responsible for compliance or enforcement. Many of the agencies that -- whose job it is follow up on these things, are understaffed. Enforcement is usually the link where they don't have the people to do. So, a -- getting through the Environmental Assessment process is one part of this. The long term follow up is another. And the resources to ensure that compliance and enforcement happen are definitely a weakness that -- in this process. And I wondered if Keltic were willing to make a public commitment to putting some of their plans

to follow the advice of Environment Canada, and other agencies, in practice over the longer term, or if this is something that they will rely exclusively on, kind of regulatory agencies and municipalities to nudge them along with. Those two -- clear as two distinct questions?

THE CHAIR

Okay, yes, I think so.

MS. GRAHAM

One was shorter term bodies for dealing with things like compensation for lost lobster fishing. Second one was, does Keltic have a commitment to being proactive in meeting the suggestions that will be put forth in the letters of advice from the various government agencies involved.

THE CHAIR

Okay. I'm going to ask Keltic to answer those, but I thought probably first it would be appropriate if I make a comment on the long term requirements for follow up, monitoring, enforcement, and so on. From the point of view of the Assessment Board, our role is to make recommendations to the Minister of Environment and Labour. Then it's the Minister's decision whether he

actually accepts those recommendations, or not. Recommendations that are accepted, would then become a condition of the project's approval under the Environmental Assessment process. It's then the role of the individual regulatory agencies, whether they be Provincial or Federal, to ensure that those requirements are followed up. And they generally have the required authority to do that, under their own permitting processes. So, if they want to issue a permit, they would attach those appropriate conditions. As far as resources and, you know, the efforts and ability to follow up, and ensure compliance, that rests with each individual agency, so I'm not able to comment on that. So, I'll pass your question directly to Keltic and I'll ask them to respond to that.

MR. DUNCAN

Yeah, I'd be hesitant to comment on the capabilities of the federal and provincial enforcement people as well only, I guess, through my own experience on other large projects that I've referenced. I don't think it's unclear to them what their responsibilities are with respect to enforcement. It may seem, you know, from the outside that there is a lot of people involved, a

lot of agencies, but they very clearly know their jurisdictions, administrative and jurisdictional requirements with respect to enforcement. So my experience is that, you know, we work hand-in-hand with these people so the enforcement to me is not a concern. So in terms of being proactive on it, again those type of issues we need to understand fully the details that will be developed as far as, say, an environmental management plan. Something like an environmental management plan would include a number of reporting responsibilities, implementation responsibilities associated with environmental protection. Again, typically there's somebody on site during construction operations who has responsibility for environmental oversight from the proponent. So there is a responsibility, corporate responsibility, and I don't think -- that's not unusual. I mean, we're seeing that more and more with any sort of development. You get, you know, company hired environmental inspectors and oversight people working directly with enforcement people. So that's pretty standard practice so I'm not too worried about that. I guess the other question was with regards to the mechanism or the body with regards

to compensation and I mentioned the CLC but I don't think the CLC would be an appropriate format. I mean, we've talked -- we've heard from Mr. Negus here as well, and indicated we need to sit down and talk with him about compensation. I don't think we should do it in the CLC and I don't think he'd want us to do it in a larger committee, either. Those are discussions we need to have with individuals such as Mr. Negus as well, and probably DFO indicated they'd want to participate in those discussions. So that's -- there would be an appropriate format for something like that type of compensation you're talking about with regards to fisheries resources. Also, with regards to fish habitat that's something different, and again there's another mechanism of that through the Fisheries Act through provisions of habitat compensation which we've also described as well. We would deal directly with DFO but also local community groups that are interested in implementing fish habitat mitigation or compensation measures in their region or in their location, community. So there -- an appropriate mechanism needs to be determined for each of these types of things, so I'm not -- again, we've committed, you know, to sitting

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down with Mr. Negus and working out an appropriate, you know, compensation plan that, you know, everybody thinks is fair, and I think there's that commitment to do that.

THE CHAIR

Okay. Thank you. Anything further from the audience?

Okay. Then at this point I'm going to ask Keltic to provide their final summation.

KELTIC PETROCHEMICAL INC. - FINAL SUMMATION

MR. DUNCAN

Even Kevin doesn't want to hear me speak - he's left the room. Thank you, Mr. Chair. As mentioned, through some of this discussion we've already touched on some of the issues I'll cover, but it's worthwhile going through them again just as a conclusion to the hearings. I don't think I need to remind anybody why we're here, and the two main components, if anybody hasn't heard them already, are the LNG component and the petrochemical complex, the two components of this project. As mentioned a number of times, obviously, everybody knows we're in the Nova Scotia environmental assessment process. What we'd like to just say, you know, is the proponent fully supports this process.

You know, we're confident in the findings of the Environmental Impact Assessment that was provided to the Board, and the science that the conclusions were based on. We're also confident that the EIA meets the requirements of the Terms of Reference that was provided by the Province of Nova Scotia of which the Board is using as part of their review, as well. As well, you know, it's important to just comment on these hearings themselves as part of the Board process, or the environmental assessment process. These hearings do allow public input and comment on the project and on the Environmental Impact Assessment itself. The idea is to allow everybody the opportunity to speak and present their views whether they're positive or negative, make sure their issues are heard and put on the record. And, as you can see, it's done in a very open and transparent process. So it's important to know that this process is designed specifically to ensure people's input is heard and included in the evaluation. We've heard a number of commitments, I guess, from the project and from the proponent, and there are a number of them in the Environmental Assessment itself. I just want to hit on a couple

here, of course, some important ones. First of all, health and safety and protection of the environment are the number one priority to the proponents and certainly this is the case during construction and the operation of these facilities. These are critical issues for them. There is a commitment to use the best available technologies for these processes. This is a brand new facility, we're talking world class type of facility that is brand new, and there's technology that's available in the market. There's a commitment to use that technology, and through that use it will minimize the environmental effects of the project. As we have talked about, there is a commitment to ongoing consultation and communication with the community. As I said, there are -- a number of mechanisms are in place, those mechanisms and means of communication will continue through the construction operation of the project. As I mentioned, there is a commitment to establish a project information office in the area prior to construction. This is another means or another mechanism of making sure the community is engaged and has an understanding of what our needs are, as well as what the community feels is important, and

we want to make sure that there is someone there or someone who can speak to those issues. As well, there's a full commitment to implement all the recommendations in the EIA as well as any conditions of permits or approvals that are issued. Again, these are binding documents, binding commitments, so that the proponent has full commitment to implement those. To touch on a couple of things, in terms of alignment of the project with respect to policies established by other agencies, we've heard, you know, presentations from a couple of the municipalities, Guysborough as well as St. Mary's, representatives of those communities, and they've outlined to us and to the Board some of their serious concerns for the region, specifically issues related to out-migration and unemployment. And these municipalities have had a vision to try to address this issue, and they've put policies in place to make sure that those things can be reversed, those things can be stopped, and they're building on successes of other developments that they've accomplished in the area, such as Sable. And when Sable was developed, this is exactly the type of benefit and long term strategy that they had

envisioned. So when Sable was built, people said "Well, we don't see all the benefits, you know, where are all the benefits?" This is the benefit, that is what the municipality in this region envisioned when that project was built. And I think those municipalities and also the Guysborough Regional Development Authority, they're participants in that vision and that strategy for this region, and I think they should be commended for their efforts. Certainly they've had a long term vision, they've identified what the problems are for the region, and have a plan in place to try to reverse that. And I think they've done a good job of community planning, as well, for environmental issues. There's been some suggestion that they haven't done these in a very environmentally sound way or that development is occurring in a sporadic unplanned basis, and I just don't see that, that's just not true. Guysborough County has a lot of coastline and this project is -- we're talking about a kilometre of coastline that's been committed to industrial development out of the 500 kms of coastline that exists in Guysborough. This park was set aside specifically for that purpose, for industrial planning.

There is a planning process in the municipality with public input. So I think it's been pretty strategic and I think again they should be commended for their efforts in that regard. Also I want to talk a little bit about the consistency of the project with respect to the Nova Scotia energy strategy, and there's a lot of recommendations, a lot of vision there with respect to the development of natural gas resources as well as infrastructure as well as petrochemical complexes. Just to summarize it, first of all they want -- the energy strategy strives to create a world class energy sector in Nova Scotia. The private sector is an essential partner in the management and growth of Nova Scotia's energy industry, and I think that's -- we've already seen that through, as I said, the Sable and the Deep Panuke projects. The energy needs of the Nova Scotia marketplace are best served by a diversity of reliable energy sources, and this is what we're talking about. We talked about the reliance on fossil fuels but we've also talked about the use of Sable gas, but it still needs further diversity, and we're talking about LNG as an alternative source to the offshore gas and reliance on those fuels. So there needs to be some

diversity. As well, the energy strategy sets the stage for petrochemical industrial development by ensuring natural gas or natural gas liquid supplies are made available on a commercially competitive basis. So there's provisions and there's direction in those strategies to encourage these types of developments that we're talking about here today. I may sound like a broken record here but I think it's worth reiterating what an EIA is. An EIA is a planning tool, and there's been some concern about this is -- you know, there should be other steps, and as I tried to articulate that there is a lot of other steps. There's a lot of things that need to be done, and I can say, you know, that any EIA that I've been involved with, and there's been quite a few over the years, we've never had final design details during that production of the EIA. They need to be obtained and they need to follow up -- you need to do follow up work based on those details, but from a conceptual basis or a preliminary design basis, you have enough information to assess the effects of the project on the environment, and that's what's been done here. Just to go through the EIA conclusions before we get into some specific issues, again, and

you've seen this slide before and you've heard me say it, the EIA concludes that all potential negative effects from the project can be successfully managed. There are means outlined in the EIA. There are monitoring programmes. There are response plans to be developed, but there are measures that can be implemented that will minimize these environmental effects from the project. As mentioned a number of times, land use of the site is for heavy industrial use, and specifically oil and gas and petrochemical developments. So there is already some thought about why this site is being developed for this facility or why this site was chosen, and as stated before the project can be constructed and operated in a safe manner. It's been demonstrated by this and locations around the world where these facilities exist in the history of these facilities. And again, additional regulatory approvals and permits are required for the project, and there's a number of steps to be undertaken to obtain those. And, as we all are well aware, there are significant positive effects from the creation of employment and economic benefits from the project. So what I'd like to do is just kind of go through, we've

been here six days, kind of what have we heard over those days, what are the kind of common themes and kind of talk about those a little bit. I think it's -- we'd be remiss to say if we haven't -- to say that there hasn't been overwhelming community support for the project and the associated economic benefits from the project, and we've heard that kind of support at every day of these hearings and every session of these hearings. So there is a tremendous amount of local support. There are regulatory -- the regulatory expectations that we've heard, and we've had presentations from Nova Scotia Transportation & Public Works, Department of Environment as well as Environment Canada, are in alignment with what our recommendations are, and the EIA as well. For example, DEL or Department of Environment & Labour has indicated the effects can be managed, and we agree they can be managed, and they do agree that the design details can be submitted as part of the approvals process for the industrial approval. So there is a mechanism in that they've identified that. Transportation & Public Works has also identified that the road infrastructure as proposed for the project can support the project

requirements. So those road infrastructures that are proposed can support what is being planned here. So there may be some upgrades required and there may be some changes with respect to structural changes with respect to bridges or culverts, but generally that road infrastructure can support the project. And, as Environment Canada pointed out, mechanisms such as responsible care, as we identified in the EIA, are tools whereby we can implement those and ensure that the reporting mechanisms through those types of processes are identified, and those types of materials are properly quantified and reported. The other theme that I think has come out pretty strongly as well is that the community feels pretty informed about this project. There has been a lot of public consultation, a lot of engagement, a lot of information provided to the local community. So I think it's pretty fair to say there's a pretty heightened awareness of what's going on in this location. I'd be surprised if anybody in Guysborough hasn't talked to Kevin or somebody associated with Kevin over the last few years. Some of the specific issues that we talked about, what have we heard, again why Goldboro. And you've seen this slide

from me before, and I think those issues of why we're looking at Goldboro still stand. This is why the site was selected -- the site selection, and it plays back into the vision, long term vision and strategy of the regional municipalities and the development authority to envision these types of projects in that area. What else have we heard? We've heard a lot of concern about LNG safety, and that's to be expected. Any new industry that comes to an area, and we experienced this with the pipeline and with Sable, it's not -- you know, it's not an old industry, it's not something that we're used to seeing, and that was the case when Sable came on board people weren't aware of it in this region. Even though it had been implemented and developed in other places around Canada and the world, it's just not something that we're used to seeing and experiencing here. Same with LNG. So there is a need for people to be informed and to assure them of those safety features associated with this industry. Again, these types of terminals and these shipping vessels do occur and do operate around the world, and they have an extremely long safety record associated with them. Associated with that, I guess, is the other issue that we've heard

a lot about is shipping and transportation, what about these big ships coming in the harbour, how are they going to operate and how are they going to avoid rocks and things like that. I think, as we heard from Gordon MacDonald, the Regional Development Authority, an independent study was conducted that looked at marine terminals and determined which locations where these could be safely built. Stormont Bay was identified as one of those locations, that the study concluded that a marine terminal could operate safely there. As part of the EIA we looked at ship movement, and we modelled these ship movements based on some -- at this point, some assumptions, because again we don't have the final design details, but we made some assumptions on the types of ships, sizes and traffic, and we modelled those or we asked the Nova Scotia Community College, the nautical institute, to model those for us. And again, the results of those indicate that these ships can operate safely in that area. As mentioned, Keltic has initiated the TERMPOL process with Transport Canada, and through this process will provide further details to regulatory agencies such as Environment Canada regarding shipping routes and local marine

traffic considerations, as well as response planning under the Environmental Emergencies regs. So there is still a lot of work and review and working with regulatory agencies to ensure that those proper procedures are in place. There has been consultation with local fishers, and we've had Mr. Negus attend these hearings, you know, pretty frequently, so there has been discussion with him, and we'll continue to have discussion and consultation with him. Inshore fisheries, again this is -- as it relates to traffic there needs to be a plan in place, communication plan, to address how potential shipping may impact or needs to be addressed to ensure that inshore fishers know what the ship traffic is, what those routes are. Fisheries, we also heard a lot about the fisheries. EIA has concluded that there could be an effect or there is an effect on fish habitat and fish resources in that area. The development will impact those things. There will be a -- we've identified that there is likely going to be a loss of habitat in both the marine and freshwater environment through the construction of the marine terminal as well as the construction of the (18:40)* and these can be

identified or compensated or else mitigated through habitat compensation plans, and again we've had some discussion about what those plans can include, and the details of those plans that will be submitted to the federal reviewers, specifically DFO who administers that habitat compensation. We've also identified that there's going to be a loss of utilized fisheries resources to be addressed through compensation of affected parties, and I think, you know, just to put it in context again, and I'm not sure it's lost on anybody, there will be a loss of a fisheries resource when that terminal's built. But the context is we currently have one commercial species being fished in that location, that's lobster. We have one licensed lobster fisherman in that area, Mr. Negus. So we're not talking about a large area to be impacted, we're talking about Mr. Negus and his livelihood. That needs to be discussed with him and compensation worked out, and we've recognized that. We've also heard that the project can co-exist with aquaculture. We had the aquaculture industry here. They feel that they can work with the proponent. They had some concerns with respect to their industry and ensuring that their

product is sufficiently protected against accidental events. We agree totally, so we have plans and we continue to communicate and share information. They also have a lot of information about the local environment, as do we. So there's some information exchange required there, as well. Mineral resources, as we all heard mineral exploration historically occurred on these properties, but the ownership of this mineral resource is vested in the Crown, specifically Natural Resources, Nova Scotia Natural Resources -- Department of Natural Resources owns these mineral resources. As well, they have processes that they can address the issues that were associated with mineral rights, some of the issues that we heard from some of the other intervenors as well. There is a mechanism in place to address these concerns. There is a department that administers and there is a department that owns these resources. The environmental assessment process and these regulations don't address those issues and are not meant to address those issues. There are specific pieces of legislation that address those issues with respect to mineral resources, and we feel that those can be accomplished through those pieces of

legislation. The municipality itself has indicated they're the landowner, they indicated they're not interested in developing mineral resources on those properties. I think that's pretty clear. The owner has to be -- they're the ones that own the property. If they have no interest in developing the resources, so be it. We're -- also an issue of past mine tailings issues have come up on the property. These locations of these tailings has been identified in the EIA. We've mapped those out. We'll identify probably more, I suspect. Once we get on the site and have it cleared we'll identify more old mine workings, and we've gone through a process of mapping those. We need to identify those and we need to address them. We've identified there needs to be a tailings management plan that addresses issues associated with mercury and pyritic slates or issues associated with acid mine drainage, as well as safety issues associated with mine workings. We have identified that and it needs to be done. So I think there's a commitment to address that. We've had a lot of talk about heritage, and specifically at these hearings we've had people from the community of Lincolnville raise the issue about the

Red Head Cemetery, and I think we've pretty clearly articulated what the concerns are there, the steps that have been taken to evaluate any remaining archaeological resources or human remains, and have clearly articulated the plan to address those, any potential resources that are encountered during construction. So I think again we've pretty clearly gone through that issue and identified what the plans are. Also raised as well and as a general theme, too, but also raised by the folks from Lincolnville, is the concern about hazardous waste and its impact on the local landfill, the Guysborough landfill. Again, we stated pretty categorically that that landfill does not accept hazardous waste. No hazardous waste from the project will be going to that Guysborough landfill, pretty clear it's not going to happen. We've also indicated that there needs to be a waste management plan developed and that would include all waste streams, solid, liquid, air. We need to identify what our waste streams are from the project and manage those in appropriate fashion with respect to the legislation that's in place to address that. Also generally what happens is you have contracts with waste management

providers or contractors, and these would be large waste management contractors who handle this waste from these types of facilities. They have properly certified vehicles and equipment to handle these wastes, and they take these wastes -- there's a process of transporting them and a means of managing them and tracking them and taking them to the appropriate facilities for disposal. So again, I think that's pretty standard for these types of facilities. There is going to be waste management contractors employed to handle that type of waste. We talked a bit about tourism. Again, we probably have -- obviously we've heard difference of opinions from members of the audience and from intervenors about what tourism means and what the potential impacts of the project could have on tourism. In consultation and correspondence from the Department of Heritage and Tourism, they're not opposed to the project, they don't perceive this as having a negative effect on tourism. We've also heard from the Antigonish Eastern Shore Tourist Association which supports the project, and they have indicated that they think tourism will increase in this region due to the project. And we've heard from that fellow

-- Mr. Curry I think his name was, indicated that tourism isn't just someone coming out and watching, you know, the waves and looking at birds, these are business travellers who are going around looking and staying at B&Bs and eating at restaurants, you know. They've taken a broader approach to what a tourist is, it's someone else who's travelling not just for the natural environment but for other reasons as well. We've also heard a lot about transportation and additional demands on those roadways that were proposing to be used. Transportation & Public Works, as we heard, has confirmed that these networks can handle these volumes. There's very low usage of those roads now. Those roads have very low accident incidents occurring, but we identified that there may be upgrades required, and this is related to things such as bearing capacity of culverts and bridges. We also may have to look at scheduling issues because there are spring weight restrictions on sections of that road that won't be able to handle some of the larger trucks. Those sections of road either have to be upgraded or we're not going to be able to transport materials during that time of year. So there are

either scheduling or upgrades required to address those issues. Again, Transportation & Public Works has looked at our proposed realignment of Route 316 around the site, and they're not opposed to that realignment either. They had a couple of good suggestions, I think, in terms of tweaking that alignment. The alignment, as we showed, followed existing roadways and corridors, tried to minimize going across property lines or through areas that didn't have right-of-ways already on them, but, you know, there may be better ways to route that road, and we certainly will have those discussions with Transportation & Public Works to make sure that realignment is done properly. As well we talked about the requirement for a traffic impact study and consultation to identify those specific upgrade requirements. As I mentioned, we're talking with Transportation & Public Works. That traffic impact study would be required, you know, to evaluate the requirements. The proponent does these things typically without any regulatory agency beating on them to make them do it. They would do something like that strictly from a transportation safety perspective. This is the type of thing they would do to evaluate the

structural bearing capacity of some of those things. That's a standard practice within these types of industries. We talked about the Mi'kmaq Ecological Knowledge Study that was conducted and we had representation here from the Confederacy of Mainland Mi'kmaq. They had concerns about the study that was done as part of the project. Again, we confirmed that this Mi'kmaq ecological knowledge study was completed by a qualified aboriginal consulting firm, Membertou Geomatics. They do these Mi'kmaq Ecological Knowledge studies for a number of projects around Nova Scotia, so they have the capability and they do have the experience in conducting these. As a firm, years ago, we used to do them ourselves until the First Nations said why are you doing studies on our behalf. They've set up companies since then and are providing that type of support and service to the consulting industry as well as other proponents. So these firms do these types of studies and they've evaluated this project. They have determined that there are no significant effects from the project on traditional aboriginal resources, and I'm pretty confident that the findings of that study are valid. We heard also about training

and the work requirements. Keltic has worked and will continue to work with Nova Scotia Community College and the unions to identify skills needed and required training for workers. We heard representation here from the unions as well as the Nova Scotia Community College. Nova Scotia Community College indicated that most of the project training requirements can be met through their existing regional facilities in Port Hawkesbury and in Pictou. The proponent has also made a commitment to continue to communicate with the municipalities as well as the development authorities to identify what kind of labour requirements are going to be needed, and what kind of skill sets are going to be required. So there is a commitment to continue with that communication and working with the Community College as well as the unions. What are the next steps? And again, a lot of people have a lot of interest in what are we doing after this. Is this the end of the road? Are we -- and as I keep, I guess, trying to emphasize, there are next steps to be done. There are additional regulatory processes, as we continue to point out, both federal provincial. They could be -- we're undergoing a federal environmental

assessment process right now, and we'll be submitting a Comprehensive Study Report to the federal agencies for review. There are a number of provincial permits required. There is -- as indicated by Environment Canada and ourselves in the EIA, there's a number of federal pieces of legislation that would bind -- that would be binding for this project. So there are requirements to meet those standards and those regulations. Ongoing consultation with communities and stakeholders. Again, there's a continued commitment to meet with stakeholders that are affected by the project as well as those communities that are -- he didn't want to listen to me either, but Mr. Negus left. Again, there's a consultation effort required there, and continued consultation with those communities that will be most affected. That would be Guysborough and Goldboro. So -- and towns such as Sherbrooke and those Municipalities, as well as Antigonish. So there are going to be ongoing consultations and there has been a commitment to do that. The next thing is detailed design, and we've heard lots about this, and we agree we need more detailed design. But as indicated, this is a standard practice. This is the process that we're

undertaking. We evaluate things on a preliminary design. We're currently in a process called pre-FEED. FEED is a front end engineering design process. There'll be a final FEED, if you will. Right now, we're in a pre-FEED stage, which is again building on conceptual design by giving more detailed answers and more detailed numbers, confirming the information that we have. So there is process for completing that detailed design. It's going to take some -- take a little while. It's going to take, you know, probably a few years to complete that, and we need to go through a step-wise progression to do so. And again, as we've heard, there's going to be additional analysis conducted or required once we have those details. And we talked a little bit earlier about the modelling that will still be required. We talked -- as Environment Canada pointed out, there still needs to be some additional work done on things like VOCs and speciation of those VOC. VOCs are a group of chemical -- or pollutants. We need to break them all out into their various constituents and not lump them altogether, and we need to look at them on an individual basis, and we need to identify where those potentially affected areas

will be, through modelling, and then we need to design an appropriate monitoring program. Until we have those details, we can't do that, so -- but there's a commitment to do that. And these are done -- again, on other projects and other EIAs, there has been commitment to do those, and these have been implemented on other types of developments elsewhere. Monitoring -- community monitoring is fairly standard, and it will target specific issues associated with the emissions from these types of facilities. As well as management plans. The panel kindly gave us a long list of all the plans that are identified in the EIA, and we're going to go through those and make sure that they're all there and that they're correct. But there are a number of management plans still to be developed, and those include environmental management plans, environmental protection plans, spill response plans, communication plans, compensation plans. We're talking about -- we've talked about these over these last few days as well. So these plans need to be developed and they need to be sent to those appropriate reviewers and the people that are responsible for reviewing and commenting on those plans. So that work will be

undertaken as well. And again, just to conclude -- and I just want to re-emphasize the conclusions out of the EIA, once again, that all potential negative effects identified in the EIA can be successfully managed through mitigation measures or through compensation measures. The project meets the objectives of the planned industrial uses of the location. Again, Goldboro has set aside this location specifically for the development of oil and gas and petrochemical industries. That is the vision of that community, so it's not being -- that is what's drawn this project to that community. It was the vision of that community and those people associated there to bring proponents such as Keltic to that location. The project can be constructed and operated in a safe manner. Again, we've talked a little bit about example projects. We've talked about the Joffre plant, a petrochemical facility in Alberta. That is again a state-of-the-art facility. They have monitoring in place. It's going to look very -- this facility will look very similar to that in terms of the types of processes and controls that will be applied. As well as the marine -- LNG marine terminals that operate around the world. Again,

the re-gasification terminals that do exist have a long safety record. And it's not a short record. They've been around for a long number of years. And as you can probably tell, this is a highly regulated industry. Both petrochemical and LNG. We've talked a lot about the legislation. We've talked a lot about permits and standards. Oil and gas, just as a comment, is one of the most highly regulated industries in the world. And we saw that during Sable. We saw the implementation of review and mitigation during that process, and we saw benefits for our own processes here in the Maritimes. You look at the construction industry, and the construction industry that came here for oil and gas improved the construction industry locally with respect to safety and things of that nature because of the high standards that oil and gas industries apply and are applied to them. So these are very highly regulated industries. And not only regulated, but they have standards, internal standards and industry standards that do apply and they do implement. Additional regulatory approvals and permits, again, reiterating there is additional permits and approvals required and additional work to obtain those approvals. And once

again, there will be significant positive economic effects from the employment and spinoffs from this project. There is -- as we mentioned, it's a large industry -- or a complex that's going to need a lot of support services. Not only direct employment, but there is a support requirement there to service that facility, so there will be significant economic benefits from the development of the project. Again, I just want to thank the Board for their time this week in helping us through hearing some of the testimony and answering some of the questions, and certainly we're all anxious to await your decision and recommendations to the Minister and we'll look forward to that as well. Thank you.

THE CHAIR - CLOSING COMMENTS

Okay. Thank you very much. I just have a few closing comments before we conclude here, very brief. A couple of procedural things. I did want to note that prior to the hearings, the Panel Members made four separate visits to the area. We did certainly try to familiarize ourselves with the area and we tried to choose locations for the hearings that we thought were representative and were practical. One of the visits

was a site visit to the location, accompanied by the proponent, which is provided for in the regulations. That was simply to have a direct look at the location, where the project could be built. Following the hearings -- I want to make people aware that there is a 14-day period following the hearings within which any participant can submit final written arguments to the panel. So that's anyone who has spoken before the panel can submit their final arguments in writing within 14 days of today. And if you do so, those should be submitted to our Administrator, Jim Gordon. I also mentioned there will be a full transcript of all of the hearing sessions available. We expect that will be available next week. It will be on the Department of Environment and Labour website. It will also be in the Environment offices in Halifax and here in Antigonish for review. Any errors in the transcript should be reported again to Mr. Gordon within 14 days of its release. And I would note that all of the documents that have been submitted to us from the proponent, from the different intervenors, from government departments and from the public are all part of the public record, including the written questions

that we had submitted to the proponent prior to the hearings, and the answers that came back to us. Those are part of the record. And all of those documents again are available at the Nova Scotia Environment Offices in Halifax and in Antigonish. The Board's report is to be submitted within a 110-day period of the initial referral to the Board. The Minister does have the authority to extend that period. And the Board's report will be available to the public following the Minister's decision in accordance with the regulations. So in closing, I just wanted to say that we're well aware that all of the participants in these hearings have placed their trust in us as a panel to come up with a fair and balanced and well-reasoned decisions and recommendations. That places quite a heavy responsibility on us, and we certainly take that very seriously. And I just wanted to thank all of the participants throughout the week for their participation in the hearings. Everyone has done so in a very professional and polite and reasonable manner, and that's certainly made my job as Chair very easy. So thank you to all of the participants. And these hearings are adjourned.

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--- Hearing concludes at 3:32 p.m.

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Gwen Smith-Dockrill, CCR
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Lorrie Boylen, CCR

Sunday, November 26, 2006 at Halifax, Nova Scotia