

National Energy
Board



Office national
de l'énergie

NEB File: OF-EP-Gen-PA-T175 01
CEAR#: 10-01-53884
26 January 2011

Distribution List (Attachment 1)
TGS/PGS Northeastern Canada 2D Seismic Project Description (Attachment 2)

Federal Coordination Notice

TGS/PGS Geophysical Company ASA (TGS) and Petroleum Geo-Services (PGS) TGS/PGS Northeastern Canada 2D Seismic Survey

On 16 April 2010, TGS NOPEC filed a project description with the National Energy Board (the Board or NEB), for the purpose of conducting a two dimensional (2D) offshore seismic program in the Baffin Bay and Davis Strait area. The project was originally scheduled to commence in July 2010, however the project was delayed till 2011. On 8 January 2011, TGS/PGS submitted a revised project description that includes the original project area in addition to an area that extends further south. The program covers an area within Baffin Bay and Davis Strait that is seaward of Canada's 12 nautical mile Territorial Sea Limit, away from land fast ice and is bounded to the east by the Canada/Greenland International Boundary. The survey is proposed to commence in June of 2011 and continue for approximately 5 years during the open water season (June through to November).

Under section 5 of the *Canadian Environmental Assessment Act* (CEA Act), an environmental assessment is required in relation to this project because the proposed project would require an authorization under section 5 of the *Canada Oil and Gas Operations Act*.

The Northeastern Canada 2D seismic program is expected to acquire approximately 17,530 km of data. The program will include the use of a seismic array, support vessel and associated re-supply activities. The seismic source vessel for the program would use a conventional 2D seismic spread including a dedicated survey vessel using a single towed streamer, source array and associated survey equipment.

The project description is attached for your review (Attachment 2). A summary of the project are also provided on the Canadian Environmental Assessment Registry (CEA Registry) located at http://www.acee-ceaa.gc.ca/050/index_e.cfm. The CEA Registry number is 10-01-53884.

This letter is intended to address the federal coordination requirements under the CEA Act, in particular to identify the Responsible Authorities (RAs) and Federal Authorities (FAs). The project will require a NEB Geophysical Operation Authorization pursuant to paragraph 5(1) (b) of the *Canada Oil and Gas Operations Act* (COGOA). In addition to a NEB Geophysical Operations Authorization, TGS/PGS may require a Transport Canada SIC 10 Certificate for survey ship, a Coasting Trade Licence from the Canadian Transportation Agency, a Port State Control audit, and an Arctic Pollution Prevention Certificate. No other federal approvals or authorizations have been identified to date.

The NEB, as an RA under section 5 of the CEA Act for the project, has initiated an environmental

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TGS/PGS Northeastern Canada 2D Seismic Survey

assessment in accordance with the *Regulations Respecting the Coordination by Federal Authorities of Environmental Assessment Procedures and Requirements* (Federal Coordination Regulations) to meet its obligations under the CEA Act.

Pursuant to section 5 of the Federal Coordination Regulations, the NEB requests that you review the attached information and indicate to the NEB whether your department/agency:

- (a) is likely to require an environmental assessment of the project under Section 5 of the CEA Act (i.e. be an RA);
- (b) is in possession of specialist or expert information or knowledge that is necessary to conduct the environmental assessment of the project; and
- (c) requires additional information to make a determination referred to in (a) or (b).

With regard to (a) and (b), the NEB asks that your response be provided to the NEB by **10 February 2011**. With regard to (c), the NEB asks that your response be provided to the NEB within **10 days** of receipt of this letter. Responses may be sent by facsimile to (403) 292-5503. A response form is provided for your convenience.

The Board further asks that you provide TGS/PGS with a copy of any response in respect of the above requests.

Should you require any further project information to make your determination under the CEA Act Federal Coordination Regulations, please contact RPS Energy on behalf of TGS/PGS directly.

If no response is received from you by the aforementioned date, the NEB will assume that your department or agency has no responsibility to undertake an environmental assessment and is not in possession of specialist or expert information or knowledge.

If you have any questions regarding the above, please contact Christy Wickenheiser, Environmental Specialist at Tel: (403) 299-3869, Fax: (403) 292-5503, or email: christy.wickenheiser@neb-one.gc.ca.

Yours truly,

Christy Wickenheiser
Environmental Specialist

clw/Attachments 1-2

c.c.

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TGS/PGS Northeastern Canada 2D Seismic Survey

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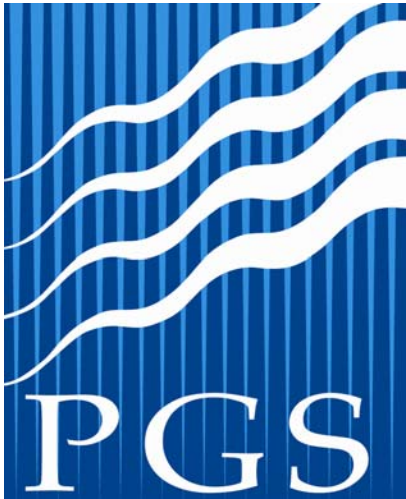
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DISTRIBUTION LIST

(Please contact Christy Wickenheiser at 403-299-3869 if any information in this list is incorrect)

Federal Agencies - Response Requested by 10 February 2011	
<p>Rosanne D'Orazio Indian and Northern Affairs Canada Manager of Environment Building 918, PO Box 100 Iqaluit, NU X0A 0H0 Tel: 867-975-4554 Fax: 867-975-4585 Email: rosanne.dorazio@inac-ainc.gc.ca</p>	<p>Allison Denning Regional Environmental Assessment Coordinator Health Canada 1505 Barrington Street Halifax, Nova Scotia B3J 3Y6 Tel: 902-426-5575 Fax: 902-426-6676 Email: allison_denning@hc-sc.gc.ca</p>
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<p>Kyle Penney National Defence P.O. Box 99000 Stn. Forces Halifax, NS B3K 5X5 Tel: 902-721-8622 Email: penney.k2@forces.gc.ca</p>	<p>Luc Fortin Senior Environmental Officer Canadian Transportation Agency Jules Léger Eddy Street Gatineau, Quebec K1A 0N9 Tel: 819-953-2238 Email: luc.fortin@cta-otc.gc.ca</p>



PROJECT DESCRIPTION FOR
2D MARINE SEISMIC SURVEY
OFFSHORE NORTHEAST COAST OF CANADA

Authors: Darlene Davis, Kent Simpson, Tom Neugabaur

Date: January 8, 2011

1. Purpose of the Project Description

The purpose of this document is to provide a Project Description to the National Energy Board as part of the environmental assessment to obtain a Geophysical Work authorization to acquire seismic exploration data within Baffin Bay, Davis Strait in 2011.

The Canadian Environmental Assessment Agency's Operational Policy Statement (OPS-EPO/5-2000) describes the purpose of the Project Description as twofold:

- 1) To determine the need for an environmental assessment. In other words, the Project Description assists a federal authority to determine whether it has a decision-making responsibility (e.g. to issue a permit) that triggers the need for an assessment of the project.

The National Energy Board (NEB) is a federal authority which must issue an authorization for the TGS-NOPEC Geophysical Company ASA Canada 2011 proposed survey, because this type of project is included on the CEAA Inclusion List Regulations (SOR/94-637), but not on the Comprehensive Study List Regulations (SOR/94-638), the Board is required to ensure that a screening is conducted.

- 2) To promote efficient coordination of the environmental assessment, in other words, to identify the federal authorities that will be involved in the environmental assessment, either in a decision making role or as an expert department.

In addition to determining whether it will likely require an environmental assessment of the project under the CEAA, the federal authority receiving the Project Description (in this case, the NEB) also distributes the Description to other federal authorities which may also have a responsibility or interest, and therefore need to be notified under the regulations.

2. Project Description

The following project description follows the format and content recommended in the Agency's Operational Policy Statement "Preparing Project Descriptions under the Canadian Environmental Assessment Act: (OPS-EPO/5-2000). Table 1 (Sample Outline of a Detailed Project Description), where relevant for the type of project proposed.

1. General Information	
Nature of the project	2D Marine Seismic Exploration Survey. TGS-NOPEC Geophysical Company ASA (TGS) & Petroleum Geo-Services (PGS) proposes to conduct a 2D marine seismic exploration survey project offshore, Baffin Bay, Davis Strait within the regulatory jurisdiction of the NEB.
Project Name	TGS/PGS 2011 NorthEastern Canada
Proposed location	The proposed survey program covers a specific area within Baffin Bay, Davis Strait. The survey area is illustrated in Figure 1 – Full Survey area map. All lines within the entire survey are outside the Canada 12 mile nautical limit. All lines extend from beyond the Land Fast Ice area to the Canada/Greenland International Boundary, or Greenland's 200 nautical mile Exclusive Economic zone (EEZ), as applicable. There are no lines within the land fast ice area.
Distribution List	Chief Conservation & Safety Officer Environmental Specialist, Exploration & Production National Energy Board 444-7 th Avenue SW, Calgary, Alberta, T2P 0X8 Phone: (403) 292-4800 Fax: (403) 292-5876
Information on Consultations	Consultations will commence On Jan. 10 th , 2011 in Nunavut with the following groups: Dept Economic Development & Transportation

	<p>Department of Environment Environmental Protection Division Fisheries & Sealings Division Department of Fisheries and Oceans (DFO) Indian Northern Affairs Canada (INAC) Canadian Northern Economic Development Agency Nunavut Research Institution Qikiqtani Inuit Association (QIA) Baffin Fisheries Coalition (Rescheduled Fisheries and Oceans (DFO) Habitat Mgmt</p> <p>During these meetings and presentations, information will be exchanged about the survey and area fisheries, and issues and mitigations identified for the assessment.</p> <p>Meetings are currently being set-up for a following up visit with the following HTO groups; Clyde River – NAMAUTAQ Iqaluit HTA – AMARUQ Kimmirut HTA – MAYUKALIK Pangnirtung HTA Pond Inlet HTA – MITTAMATALIK Qikiqtarjuaq HTA – NATTIVAK</p>
Other applicable EA regimes	<p>Nunavut Planning Commission, application to determine conformity with the North Baffin Regional Land Use Plan will be submitted to NPC. Brian Aglukark has been contacted and sent a copy of this Project Description.</p>
Proponent/co-proponents	<p>TGS-NOPEC Geophysical Company AS 2500 CityWest Blvd. Suite 2000 Houston, Texas 77042-3018</p> <p>PGS Multi Klient Invest AS (Association of PGS) (An Association of PGS) 15150 Memorial Drive Houston, Texas, USA 77079</p>
Contacts	TGS-NOPEC Geophysical Company ASA – Oslo

	<p>Baarsrudveien 2, N-3478 Naersnes Norway Contact: Knut Agersborg Phone: 011-47-6676-9927 Cell: 011-47-9547-8142 Email: knut.agerborg@tgsnopec.com</p> <p><u>Operator and Work Authorization Applicant</u></p> <p>Multi Klient Invest AS (An Association of PGS) 15150 Memorial Drive Houston, Texas, USA 77079 Contact: Gary Morrow Tel: (281) 509-8000 Fax: 713-860-2260 Email: Gary.Morrow@pgs.com]</p> <p><u>Lead Canadian Consultancy</u> RPS Energy 1545 Birmingham Street, 2nd Floor Halifax, Nova Scotia, B3J 2J6 Contact: Darlene Davis Tel: (902) 492-0281 Cell: (902) 790-1212 Email: davisd@rpsgroup.com</p>
Federal involvement (ownership of the land to be used)	Canadian offshore, not within 12 nautical miles of any coastline
Authorizations required	NEB Geophysical Operation Authorization

2. Project Information	
Main project components	A conventional 2D seismic spread including a dedicated survey vessel using a single towed streamer (PGS Geo Streamer), source array, and associated survey equipment and personnel.
Project size	The survey will be limited to the work area (Approx 17, 530 linear km) defined by Figure 1,
Project activities	2D Marine Seismic Exploration Survey
Schedule	<p>June 2011 through November 15 2011 as a function of location, weather conditions, and vessel availability.</p> <p>The work is expected to commence in 2011 and continue on a seasonal basis, requiring approximately 5 years to complete (the entire program). It is anticipated that this work will commence approximately June 2011, depending on the factors described above. Based on work completed offshore neighboring Greenland in recent years, it is expected that operations may be possible into November. The EA will also assess the shoulder months to this work season in the event that favorable conditions exist.</p>
On site land use	The vessel will call ports in Canada and /or Greenland (Nuuk)for crew changes and supply operations.
Resource /material requirements	The resource/material requirements for the project will consist of those normal in vessel operations with a crew of approximately 35 professionals operations on a 24-hour basis.
Toxic/hazardous materials to be uses	Toxic and hazardous materials onboard the survey vessel will be those associated with normal vessel operations (i.e. paints, batteries, fuels, solvents, etc). All materials will be properly stored, handled, and managed, with Material Safety Data sheets (MSDS) retained onboard and at all pertinent workstations for crew to have easy access to the hazard information for all the chemicals and other potentially harmful substances with which they work. All crew will have appropriate WHMIS training courses.
Wastes produced	The wastes generated during the survey will consist of those normal in vessel operations.

	<p>These include; atmospheric emissions, ballast water, bilge water, deck drainage, grey and black water, and solid waste.</p>
Waste disposal procedures	<p>The survey vessel will comply with all applicable regulations concerning management of waste and discharges of materials into the marine environment.</p> <p>The survey will be conducted with a dedicated seismic research vessel. The vessel will have equipment, systems, and protocols in place for prevention of pollution by oil, sewage, and garbage in accordance with international standards and certification authorities. The vessel will be subject to pre-survey audits by the regulators and the operator in the port of mobilization (St. John's NF) prior to survey commencement.</p> <p>A project safety plan will be developed and presented for the project based on the model used for previous work authorization applications to the boards. The survey vessel will comply with all applicable regulations concerning the marine environment.</p>

3. Project Site Information	
Project Location	Baffin Bay, Davis Strait, (see Figure 1,
Environmental features	<p>The environmental features relative to the proposed survey area fall under the physical and biological setting, and these will be discussed in the Environmental Assessment. These include the following;</p> <p><u>Physical Setting</u></p> <ul style="list-style-type: none"> • Geomorphology • Ocean Current and Temperature • Weather and Sea State • Ice <p><u>Biological Setting</u></p> <ul style="list-style-type: none"> • Marine Fish and Invertebrates • Fish Eggs and Larvae • Marine Mammals • Marine Birds • Plankton • Benthic Communities • Species at Risk
Human use (project and adjacent area)	<p>The human uses of the survey area may include:</p> <ul style="list-style-type: none"> • Fisheries • Shipping • Military • Exploration • Recreational • Research

Figure 1.- Full Survey Area

