## Mercer, Jennifer

From: Burley, Dave

Sent:Sunday, March 27, 2011 10:50 PMTo:Young, Elizabeth; Hicks, DarrenSubject:Fw: Comment on Old Harry proposal

For the Corridor EA file. DB dburley@cnlopb.nl.ca via Blackberry

From: Irene Novaczek

To: Burley, Dave; Ruelokke, Max

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Sent: Sun Mar 27 22:24:07 2011

Subject: Comment on Old Harry proposal

27 March 2011

Max Ruelokke, Chairman & CEO Canada-Nfld. & Labr. Offshore Petroleum Board St-Johns, NL E-mail: mruelokke@cnlopb.nl.ca

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cc: pertinent government policymakers

We are writing to express our deep concerns over Corridor Resources' proposal to drill a deep water (460m) exploration well - Old Harry - in the Laurentian Trench, north of the Magdalene Islands, as early as 2012. The proposed drilling site is part of a very productive, diverse and important marine environment that is already under great stress from marine shipping, decades of overfishing, land based pollution and now, climate change. An estimated 300,000 marine birds already die in oil slicks every year off the south shore of Newfoundland alone. Beluga whales and seals that spend most of their time in the St. Lawrence estuary and Gulf already carry unacceptably high levels of toxic pollutants in their tissues. Research performed over many decades has shown that such contaminant loads have pernicious chronic negative impacts on health, behaviour, lifespan and reproductive success in a wide range of birds, fish and marine mammals.

As you know, the northern cod fishery in the Gulf has already collapsed, as have a number of other groundfish and pelagic fisheries, particularly in the Northumberland Strait in the Southern Gulf. There is a shockingly long list of species at risk that inhabit the project area, and it is well known that such lists are conservative, it being very difficult to get an endangered species on the list. It is unconscionable that in the entire Gulf of St Lawrence there is no migratory route or spawning area, no fishing ground or endangered species habitat, and no National Park shore that is off limits to the petroleum industry. That is an indictment of Canada's resource management and regulatory systems.

Corridor maintains that there are "no known special or unique areas within the project area", but it is surrounded by sensitive/vulnerable areas as defined by DFO. Boundaries of these sensitive areas are somewhat arbitrary and descriptions of degrees of sensitivity are very crude and general, displaying the lack of rigor in the scientific information on which these demarcations are based. Even Corridor admits that the "sensitive areas" demarcated do not in fact include all sensitive habitats such as wintering grounds for cod. This alone should be sufficient to stop any drilling project.

It is foolish to consider adding petroleum development to the cumulative load of stresses evident in the Gulf of St Lawrence. In fact, what we need is action to rehabilitate and conserve this Canadian treasure, which was characterized by Professor Loutfi of McGill back in 1973 as the most productive marine ecosystem in Canada, and by Fisheries and Oceans Canada in 2002 as being more sensitive and vulnerable to oil industry impacts than the George's Bank – which was and still is under moratorium for oil and gas development.

If the project goes ahead and if oil is found, there will be day to day runoff of oil and chemicals from an unknown number of drill rigs over several decades. Brackish produced water will be released at the surface together with heavy metals, radioactive isotopes and petroleum residues – all dangerous or deadly to fish eggs and larvae that occupy surface layers of the Gulf in most if not all seasons of the year. So called "water based" drill muds and waste rock will be released into the immediate environment of the rigs, again with residual toxins that constitute a low grade insult to the environment that has not been proven to have no effect over time, especially when in tandem with other sources of pollutants. Indeed, the bentonite clays (often bearing mercury & cadmium), formalin, glutaraldehyde and trace hydrocarbons that are part of WB muds and associated cuttings have been shown to have negative impacts on lobster & scallop larvae, juvenile fish, and scallop growth & reproduction. The claim that "cleaned" SBM cuttings have no measurable environmental effect is based on 4 industry "studies" that are not in fact actual research studies performed in the Gulf at all. These "studies" are simple literature reviews performed by Husky oil, CAPP, and an industry consultant, and we do not find them at all convincing as indicators of what might happen in the Gulf of St Lawrence environment.

The polluted drill muds and cuttings to be dumped will also be capable of smothering bottom life in an area that is an established migratory route for commercial fish stocks as well as a known spawning ground and an overwintering refuge for various commercial and non-commercial species.

Drilling always involves some accidental releases of oil and as we know from the BP blowout in the Gulf of Mexico, you don't need a major storm or giant iceberg to cause a disastrous blow-out - it only takes human error. To our knowledge there have been at least 3 serious gas blowouts on the Scotian Shelf already and these are not trivial events. Even low concentrations of gas can kill plankton and fish or alter fish behaviour in ways that make survival uncertain. In the relatively high water temperatures at the surface of the Gulf in summer, oil and gas will be particularly toxic. A major spill in the Gulf would send oil and/or gas into the atmosphere and onto the shores of Nfld and the Magdalene Islands, and potentially also to other parts of Quebec, NB, PEI and NS. Because of the limited flushing in the Southern Gulf the heavier elements would be retained and go to shore with serious impacts on fisheries, aquaculture, tourism, beaches and wetlands, wildlife, summer cottages, and coastal quality of life. Even without a blowout, the known record of the offshore industry is that spills are common (in so far as one can determine given the extremely secretive pattern of information gathering and distribution that characterizes the CNLOPB). Even the perception of taint in seafood is often enough to damage markets for tourism, fisheries and aquaculture products.

Risk is made up of three elements: the likelihood of a spill or blowout; the potential extent of the damage; and the potential for the impacts to be absorbed or cleaned up. The industry may argue that the chances of a major spill or blowout are slim but this is clearly outweighed by the serious impact that would follow any such incident, the clear absence of any technology capable of cleaning up the marine ecosystem, and the absence of adequate funding for compensation to affected parties. The only acceptable risk in the Gulf of St Lawrence is zero risk.

The regulatory body, the Canada - Newfoundland and Labrador Offshore Petroleum Board, is clearly dominated by oil industry interests and in conflict of interest. We have absolutely no faith in the ability of the CNLOPB to make any decision in the interests of the long term public good and the protection of sensitive ecosystems of Atlantic Canada. The plan to order only a screening level of environmental assessment, with no requirement for public consultation, is outrageous for a project that impinges on the well-being of not just Nfld but all the Atlantic provinces and Quebec. Given that, pursuant to recent changes in law, the Minister may scope such an EA as narrowly as he likes, the EA process no longer provides any shred of credible protection to the sensitive ecosystems, coastal livelihoods and hopes for a sustainable economy in Eastern Canada. We find it offensive to hear the CNLOPB and their industry colleagues touting the "stringent oil and gas regulatory requirements" in place in Canada, given the systematic dismantling of federal regulation over the industry in recent years. Canada's assessment, regulatory, monitoring, and enforcement processes are inadequate. It is also offensive that the CNLOPB has encouraged Corridor to cut and paste from the inadequate and dated so-called SEA performed by LGL in 2005 and amended in 2007, so as to be able to rush through the EA process. It is no exaggeration for us to say that every petroleum development EA we have read in the past decade has been a cut and paste job signifying little, despite that fact that new scientific findings that are important to environmental assessments are published daily.

It is not the job of the general public to have to prove beyond a reasonable doubt that a project is unsafe. The onus is on industry to prove to us that their activities are safe, and that any risks are socially, culturally, economically and environmentally acceptable. Before any additional industrial activity is allowed to proceed in such an important and sensitive environment as the Gulf of St Lawrence, the Canadian people need time to consider scientific evidence that is generated independent from the industry; and to discuss whether or not any oil drilling should be allowed in the Gulf at this point or at any time in the future; whether we in fact require additional sources of oil and gas at this time; what the benefits and risks may be, including cumulative impacts such as climate change; and interactions with existing atmospheric depositions, petroleum releases from shipping, and land based sources of pollution. We also require a strategic, inclusive public debate on how oil and gas development measures up to existing and emerging alternatives such as energy conservation, improvements in energy efficiency, offshore wind installations, wave or tidal power, and renewable fuels.

Please stop this project, declare a moratorium on all petroleum exploration inside the Gulf, and initiate a strategic environmental assessment under the auspices of the CEAA (in the proper international sense of SEA, not the sham that has gone on in Canada to date) with a full panel review and a comprehensive public consultation process that among other things, complies with your duty to consult Aboriginal peoples when contemplating such important and precedent setting developments. (Note: There is no mention in either the Corridor or the CNLOPB documents of the fact that the Atlantic Policy Congress of First Nation Chiefs along with a wide range of civil society organisations, industry associations, municipalities and churches called for a moratorium on oil and gas development in the Gulf in 2002 during the Public Review Commission dealing with exploration on Parcel 1.)

We need a moratorium in place so that we have the time to take a hard look at our knowledge base for the Gulf ecosystem, which we know is woefully inadequate; to examine evidence from ongoing studies on the outer shelf – which are not adequate to answer questions about impacts inside the Gulf, but are better than nothing; and to compare these findings with evidence from more advanced regulatory jurisdictions in Europe; to consider new information coming out of studies in the Gulf of Mexico. We need to take time to debate and decide what types of development are in the best interests of the Canadian people, the economy and the environment.

The call for a moratorium was made in 2002. Today, in light of the ongoing deterioration in the marine ecosystem and with clear evidence that climate change is already having serious economic impacts on Atlantic coastal communities, the need for sober reflection and improved decision-making around energy developments is even more urgent.

Sincerely yours,

Dr Irene Novaczek, Institute of Island Studies, University of Prince Edward Island, PEI and

Sarah Roach Lewis, Women for Environmental Sustainability, Souris, PEI