



Suite 200 Bureau 200
1801 Hollis Street 1801 rue Hollis
Halifax NS B3J 3N4 Halifax, NE B3J 3N4

March 23, 2018

Sent by E-mail

Hanna Janzen
Safety, Security, Health and Environment Manager
ExxonMobil Canada Ltd.
Suite 1000, 100 New Gower Street
St. John's, NL A1C 6K3
hanna.janzen@exxonmobil.com

RE: Information Requirements for Inclusion of Exploration Drilling on Exploration Licence 1134 in the Environmental Assessment of the Eastern Newfoundland Offshore Exploration Drilling Project (CEAR 80132)

Dear Ms. Janzen,

Thank you for the information in your letter dated March 1, 2018, in which you describe ExxonMobil Canada Ltd.'s (ExxonMobil) acquisition of Exploration Licence (EL) 1134 from Husky Oil Operations Limited. Your letter requests that EL 1134 be included within ExxonMobil's ongoing federal environmental assessment for the Eastern Newfoundland Offshore Exploration Drilling Project (the Project).

Your letter indicates that EL 1134 is within the project area described in the Environmental Impact Statement (EIS) for the Project, and that the baseline environmental conditions and environmental effects of exploration drilling and associated incidental activities in EL 1134 are already understood. The letter suggests that the overall level of activity (i.e. project components and number of wells) would remain unchanged with the inclusion of EL 1134. It further states that ExxonMobil will undertake additional oil spill trajectory and drill cuttings dispersion modelling to support the analysis of environmental effects within EL 1134.

The Agency will amend the Environmental Impact Statement (EIS) Guidelines for the Eastern Newfoundland Offshore Exploration Drilling Project to include exploration drilling within EL 1134, as well as associated incidental activities, in the description of the Designated Project (Part 1, Section 3.1). As such, all information requirements set out in the EIS Guidelines now apply to exploration drilling and associated incidental activities within ELs 1135, 1137 and 1134. In addition, information requirements resulting from the technical review of the EIS for the Eastern Newfoundland Offshore Exploration Drilling Project now apply to the amended Designated Project.

To ensure that the Agency has the necessary information to conduct the environmental assessment of the Project, an Addendum to the EIS is required. The Addendum should include information required by the EIS Guidelines, as it pertains to the addition of EL 1134 to the Project. In the event that ExxonMobil believes the required information is already included in the existing EIS, the Addendum should make reference to the relevant EIS Section(s) and provide a rationale as to why the analysis and conclusions of the EIS remain unchanged with the addition of EL 1134. The Addendum should also include the results of commitments outlined in your March 1, 2018 letter, including additional drill cuttings dispersion modelling and oil spill trajectory modelling. Include discussion of the following:

Chapter of the EIS	Information Required in Addendum
1. Introduction	Provide the background / context for inclusion of additional activities on EL 1134 in the EA and subsequent requirement for the Addendum.
2. Project Description	Provide updated information, including mapping, of the additional EL. Describe the Project, including components, activities, and schedule. Specify any potential differences from the description of the project in the EIS.
3. Regulatory, Indigenous and Stakeholder Engagement	Provide a summary of how Indigenous groups and interested parties (e.g. commercial fish harvesters) have been notified of this change to the Project, and of any views expressed in relation to the addition of EL 1134.
5. Existing Physical Environment 6. Existing Biological Environment 7. Existing Human Environment	Provide baseline information for EL 1134, as applicable, ensuring discussion of species at risk, special areas and any other environmental features, habitats and valued component species that may be unique to EL 1134. Where baseline information was presented in the EIS specific to each EL (including but not limited to Table 6.10, Section 6.1.6, Section 7.1.4, Section 7.1.6), provide similar baseline information specific to EL 1134.
<u>Environmental Effects</u>	For all VCs, update the effects assessment to

<p>8. Marine Fish and Fish Habitat 9. Marine and Migratory Birds 10. Marine Mammals and Sea Turtles 11. Special Areas 12. Indigenous Communities and Activities 13. Commercial Fisheries and Other Ocean Users 14. Cumulative Effects</p>	<p>account for the addition of activities on EL 1134. Update information on potential effects, mitigation measures, residual effects, significance conclusions, follow-up and monitoring, as applicable. Where there are no changes to the residual effects predicted in the EIS, provide a rationale as to why the analysis remains unchanged, and indicate where in the EIS the required information can be found.</p> <p>Include a fulsome discussion of the results of drill cuttings dispersion modelling within EL 1134, and an updated effects analysis, as required.</p>
<p>15. Accidental Events</p>	<p>Update the effects assessment for potential accidents and malfunctions, including the results of oil spill trajectory modelling for a worst-case scenario within EL 1134. Ensure a robust rationale for selection of the worst-case scenario is provided.</p>
<p>17. Environmental Assessment and Summary and Conclusions</p>	<p>Update as appropriate based on the above.</p>

The federal timeline within which the Minister of Environment and Climate Change’s decision must be made was paused following the Agency’s information requirements sent to you on March 13, 2018. Once you have responded to information requirements, including this letter, the Agency will take between 15 and 30 days to evaluate if the information provided is complete. If, at that time, the Agency determines the responses to be complete, it will commence a technical review of the additional information and the timeline for the environmental assessment will resume the following day. For further information, please consult the Agency document on Information Requests and Timelines: <https://www.canada.ca/en/environmental-assessment-agency/news/media-room/media-room-2016/information-requests-timelines.html>. Should you be in a position to respond to information requirements dated March 13, 2018 (including any additional information requirements from review of the EIS that may follow) prior to responding to the information requirements in this letter, the Agency would commence a conformity and, if applicable, technical review of that information to ensure that the environmental assessment process remains efficient. However, the timeline for the environmental assessment would remain paused until responses to all information requirements (including this letter) have been submitted and are determined to be complete.

This letter will be posted on the Canadian Environmental Assessment Registry Internet site, as will the Addendum once submitted and accepted by the Agency.

We would be happy to discuss this information requirement to provide clarification or additional information, as required.

Sincerely,

<Original signed by>

Shauna O'Brien
Project Manager – Atlantic Region
Canadian Environmental Assessment Agency

Cc: Janna Kenny – ExxonMobil Canada Ltd.
Elizabeth Young, Canada - Newfoundland Labrador Offshore Petroleum Board
Dave Burley, Canada - Newfoundland Labrador Offshore Petroleum Board
Kimberley Keats, Fisheries and Oceans Canada
Glenn Troke, Environment and Climate Change Canada
Allison Denning, Health Canada
Jason Flanagan, Transport Canada
Deborah Campbell, Natural Resources Canada
Carla Stevens, Major Projects Management Office