

Mercer, Jennifer

From: Information
Sent: Tuesday, January 10, 2012 4:03 PM
To: Okeefe, Shannon
Subject: FW: Is there a Contingency Fund for a Potential Disaster in the Gulf of St. Lawrence from the 'Old Harry' Oil Drilling Plan? and other Comments on the draft Scoping Document for the Western Newfoundland and Labrador Offshore Area Strategic Environmental

From: Tony Reddin [mailto:]

Sent: Tue 1/10/2012 3:01 PM

To: Information

Cc: Greg Wilson; Premier Robert Ghiz; Young, Elizabeth; Assistant to Bernard Richard Jessica Albert; el1105publicreview; Wayne Easter MP; Megan Leslie MP; Minister Peter Kent

Subject: Is there a Contingency Fund for a Potential Disaster in the Gulf of St. Lawrence from the 'Old Harry' Oil Drilling Plan? and other Comments on the draft Scoping Document for the Western Newfoundland and Labrador Offshore Area Strategic Environmental

To the Canada-Newfoundland and Labrador Offshore Petroleum Board :

Re: Comments on the draft 'Scoping Document for the Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment Update' [which is being prepared for the upcoming Public Commissioner's Hearings, dates still to be determined]
on the 'Old Harry' prospect, located in the Gulf of St. Lawrence's deep Laurentian channel.

On behalf of the Environmental Coalition of Prince Edward Island, I wish to make these comments:

There is valuable information in the draft Scoping Document, the preliminary Environmental Assessment and other items on your website, but I can find nothing in any of those to address the most important consideration, which is the risk of an unexpected blow-out.

The BP oil spill catastrophe on April 20, 2010 in the Gulf of Mexico shows the extreme risk of deep water oil development. Ecological destruction continues there, as is reported in <http://www.nola.com/news/gulf-oil-spill/> including a story Dec.14, 2011 on "BP well blowout showed oil industry is not set up for safety, scientist panel finds".

Any similar oil spill in the Gulf of St. Lawrence would ruin fish stocks, beaches and coastal communities in PEI and the rest of the Gulf region.

My major points for consideration are as follows:

1. Is there a Contingency Fund for a Potential Disaster in the Gulf of St. Lawrence from the 'Old Harry' Oil Drilling Plan? I was not able to find any mention of this in any of the documents I read. The effects of a major oil spill could cost billions of dollars to marine life, beaches, resource industries and coastal communities in PEI and the rest of the Gulf region. Do the companies involved have adequate insurance policies to cover that?

2. The Terms of Reference for the 'Independent Review of Environmental Assessment' states: under '4. Limitation':

"The Independent Reviewer's mandate shall not include an examination of questions of energy policy, jurisdiction, ... or generally matters which go beyond those described in the Scoping Document or as are required pursuant to the CEA Act."

To exclude questions of energy policy is to avoid the critical issue of whether it is sensible for our governments to choose development of fossil fuel extraction over development of renewable solar energy options. Government policy can determine to which option capital and resources will more readily be directed.

To exclude questions of jurisdiction also ignores a critical difficulty with this process, that is, that ultimately the C-NLOPB holds the power to make decisions that have an great potential to affect other provinces.

Current government policy gives full control of offshore drilling activities to Petroleum Boards that are not managed by elected representatives, and that have the conflicting mandates of promoting oil and gas development, and protecting the marine environment.

Both energy policy and jurisdiction should be included in the Terms of Reference.

3. The Environmental Assessment of the Old Harry Prospect Exploration Drilling Program Report Prepared for Corridor Resources Inc. states:

"The environmental assessment indicates that no significant residual adverse environmental effects, including cumulative environmental effects, will occur as a result of the Project. "

That Assessment does not appear to cover the situation of a major blow-out, with potential catastrophic results.

We join aboriginal, fishing, and environmental organizations in the Gulf region in stating that the ecology of the Gulf of St. Lawrence must over-ride fossil fuel exploration. For all the Atlantic Provinces and Quebec, the Gulf is an important long-term sustainable food source, and protecting it is a wise investment in Canada's social, economic and ecological future.

We must have strong federal laws that are enforced to protect fish habitat and marine resources, including the establishment of more Marine Protected Areas in sensitive zones of the Gulf of St. Lawrence.

We demand an immediate moratorium on offshore exploration and drilling for the entire Gulf of St. Lawrence, so that the provinces and the federal government can work together to protect these critical marine environments, as well as the communities that rely on this important area.

And we must all take part in the immediate transition of our economy away from fossil fuels. That transition will eventually happen as fossil fuels are depleted. It will be much less painful now, while we have the resources needed to build the necessary renewable energy systems and infrastructure. We can avoid more catastrophes.

Thank you,

Tony Reddin, ECOPEI Energy Project Coordinator,

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The Environmental Coalition of Prince Edward Island (ECO-P.E.I.) is a community-based action group formed in 1988. ECO-P.E.I.'s goal is to work in partnership with others and the land itself in order to understand and improve the Island environment. Our work centers on education, advocacy and action. On-going projects include The Macphail Woods Ecological Forestry Project and the ECO-P.E.I. Energy Project.[www.ecopei.ca](http://project.www.ecopei.ca/)
<<http://project.www.ecopei.ca/>>

FYI, I include below an update of information that I submitted previously:

1. The devastating consequences of marine spills on the environment and on communities
2. How drilling for oil can hurt marine habitats
3. Documentary 'Blow-out' + short videos of oil spill simulations

Photo: Why we must oppose exploration and drilling in the Saint-Lawrence

1. The devastating consequences of marine spills on the environment and on communities

<http://www.davidsuzuki.org/issues/oceans/science/marine-planning-and-conservation/the-devastating-consequences-of-marine-spills-on-the-environment-and-on-communit/>

Photo: The devastating consequences of marine spills on the environment and on communitiesA spill in the Gulf of Saint-Lawrence area would have a catastrophic effect on the Magdalen Island population (Credit: kris krüg <<http://www.flickr.com/photos/kk/4705707115/>> via Flickr).

It is quickly becoming clear that offshore hydrocarbon development is costly, polluting and dangerous, even before considering an oil spill. No matter how you look at it, the impacts are far-reaching and long-lasting.

Since the Gulf of Saint-Lawrence is a small, semi-closed inland sea with complex sea currents (approximately 6.5 times smaller than the Gulf of Mexico), the impacts of an oil spill could have serious consequences. According to the first Strategic Environmental Assessment report <<http://sea.gouv.qc.ca/documents/sea-hydrocarbons.pdf>> (PDF) by the Quebec government, "it is generally accepted that oil spills can cause immediate and catastrophic damage to coastal communities, both in terms of losses in biomass and biodiversity, despite the resilience of several species [...]".

Five provinces border the Gulf of St. Lawrence, and communities rely on it for socio-economic activities. Overall, a spill in this area would have a catastrophic effect on the Magdalen Island population. In the Magdalen Islands alone (located near "Old Harry"), fishing activities directly and indirectly impact 75 per cent of the local population and generate annual revenues of nearly \$78 million. The tourism industry that is essential to all maritime

economies would also be greatly affected by an oil spill

<<http://www.davidsuzuki.org/issues/oceans/science/marine-planning-and-conservation/how-tankers-and-drills-threaten-canadian-waters/>> .

Beyond the socio-economic aspects, the Gulf of Saint-Lawrence is a unique and fragile ecosystem essential to the reproduction, growth and migration of hundreds of marine species. Several of these species are endangered, such as the codfish, the blue whale and the leatherback turtle. Considering that even under the best circumstances, only 15 per cent of oil spills can be cleaned, it's clear that the risks associated with oil development far outweigh the benefits. Even the smallest quantities of oil and sludge can harm marine life across an extensive area, and a shoreline can remain polluted for decades after a major oil spill (the effects of the Exxon Valdez spill from 20 years ago are still being felt today).

It is worth noting that risks associated with offshore incidents are consistently under-assessed by drilling companies, as demonstrated by the numerous incidents in various offshore drilling regions.

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2. How drilling for oil can hurt marine habitats

<http://www.davidsuzuki.org/issues/oceans/science/marine-planning-and-conservation/how-tankers-and-drills-threaten-canadian-waters/>

Damage to the marine environment is inevitable with oil and gas exploration:

* Companies conduct seismic surveys before drilling. Bursts of high-pressure air or sound waves are directed at the seabed, creating loud undersea noises that can disrupt the migratory paths and feeding patterns of whales, seals and other marine mammals. These sound waves can also harm fish that have swim bladders, destroy fish eggs and larvae, and temporarily cause fish and other sea creatures to leave the area.

* Oil drilling and production platforms release pollution into the surrounding waters almost daily. A single production platform can discharge over 90,000 metric tonnes of toxic waste into the ocean in its lifetime. Since 1997, the Newfoundland and Labrador Offshore Petroleum Board has recorded 337 oil spills from three rigs

<<http://www.oilweek.com/news.asp?ID=18631%23ixzz0r31SbA95>> operating there [<http://www.shippingreporter.com/offshore/how-tankers-and-drills-threaten-canadian-waters-marine-planning>], which have dumped an estimated 430,000 litres (or 2,700 barrels) of synthetic drilling fluids and other hydrocarbons into the ocean.)

* Only about 15 per cent of spilled oil can be recovered, and that's under the best conditions. When the wind blows above 20 to 25 knots, oil spill clean-up is completely ineffective. Based on the average wind speed for a place like the Queen Charlotte Basin on the West Coast [and the Gulf of St. Lawrence] , clean-up would be virtually impossible during winter.

* Even small amounts of oil and other drilling fluids can harm sea life over a large area. After a major oil spill, the shorelines can remain polluted for decades. Even now, more than 20 years after the Exxon Valdez lost its toxic cargo in Alaska, raw crude oil is still being found on what now appear to be pristine recovered beaches.

* B.C.'s coast [and the Gulf of St. Lawrence] is unique because the proposed oil and gas extraction is nearshore, not offshore. An oil spill would be devastating, as the wind and current patterns would ensure that contaminants hit the coast and areas of high economic and ecological importance.

Canada's East Coast is already dealing with the negative effects of offshore oil drilling. Lack of transparency and under-reporting from industry are already putting this region at risk.

<http://www.davidsuzuki.org/issues/oceans/science/marine-planning-and-conservation/why-we-must-oppose-exploration-and-drilling-in-the-saint-lawrence/>

The Gulf of St. Lawrence and the St. Lawrence River are vital to Canada's coastal communities. The economic and socio-cultural activities within the regions surrounding the St. Lawrence, such as fishing and tourism, represent nearly two-thirds of Canada's GDP related to all maritime activities, according to an analysis from the DFO <<http://www.dfo-mpo.gc.ca/index-eng.htm>> . [<http://www.dfo-mpo.gc.ca/Library/340113.pdf>]

Since hydrocarbon prospecting and extraction are known threats to biodiversity, as well as tourism and commercial fishing, the government of Quebec in 1998 put a moratorium in place to protect both ecosystems and local socio-economic activities. The moratorium is a provisional suspension of all operating licenses requests and projects, and precludes any oil and gas drilling in the Gulf of Saint-Lawrence and in the Saint-Lawrence estuary.

In fall 2010, following its first examination of the scope and nature of potential environmental and socio-economic impacts stemming from projects, programs, or policies – called the Strategic Environmental Assessment <<http://www.sea.gouv.qc.ca/index.asp>> (SEA) – the Quebec government announced a complete ban on hydrocarbon prospecting and extraction in the Saint-Lawrence estuary <<http://www.davidsuzuki.org/blogs/panther-lounge/2010/11/so-whats-all-this-talk-about-oil-and-gas-in-the-st-lawrence/index.php>> . Since there are virtually no natural boundaries between the estuary and the gulf, it is essential to involve all the relevant provinces in taking action to protect this area from the impacts of oil development.

According to the current legislative processes in place, the boundaries of the five gulf provinces (Quebec, Newfoundland and Labrador, Prince Edward Island, New Brunswick and Nova Scotia) are established by artificial legal borders in order to allow offshore hydrocarbon development. This means that these different jurisdictions issue hydrocarbon prospecting and operating licenses independently from one another.

This somewhat paradoxical situation is even more worrisome in light of the absence of any moratorium over Newfoundland's waters, and further still in light of the license granted by the Canada-Newfoundland and Labrador Offshore Petroleum Board <<http://www.cnlopb.nl.ca/index.shtml>> to Corridor Resources Inc. <<http://www.corridor.ca/index.html>> to develop the Newfoundland portion of the Old Harry deposit. This was further pushed forward on October 4, 2010 when the C-NLOPB issued a prospecting license to Corridor and thus opened the door to hydrocarbon development in the entire gulf.

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3. Documentary + short videos of oil spill simulations:

http://www.cbc.ca/video/#/Shows/Doc_Zone/1242299559/ID=1721217131

An oil spill in the Gulf of St. Lawrence could threaten five provinces

VIDEO SIMULATION OF OIL SPILL IN EACH SEASON:

Summer	< http://www.youtube.com/watch?v=7P4PBglqNo8 >	Fall
	< http://www.youtube.com/watch?v=DUU0U2kw-CY >	Winter
	< http://www.youtube.com/watch?v=qTf5jFerU-Y >	Spring
	< http://www.youtube.com/watch?v=Q9ChyN2B0FM >	