



Impact Assessment
Agency of Canada

Agence d'évaluation
d'impact du Canada

Newfoundland and Labrador Satellite Office
301-10 Barter's Hill
St. John's NL A1C 6M1

Bureau satellite de Terre-Neuve-et-Labrador
301-10 Barter's Hill
St. John's T. -N. -L. A1C 6M1

February 12, 2019

Kristy Garnet
Environmental Advisor
Chevron Canada Limited
500 Fifth Avenue SW, Calgary, Alberta, T2P 0L7
Tel (403) 234-5390
Email: kristy.garnet@chevron.com

Dear Ms. Garnet,

**SUBJECT: Commencement of federal technical review of the
Environmental Impact Statement for the West Flemish Pass
Exploration Drilling Project**

On January 10, 2020, the Impact Assessment Agency of Canada (the Agency) received the Environmental Impact Statement (EIS) and EIS Summary for the West Flemish Pass Exploration Drilling Project (the Project) from Chevron Canada Limited (the proponent). The Agency reviewed the EIS and EIS summary in consideration of the requirements of the Guidelines for the Preparation of an Environmental Impact Assessment for the West Flemish Pass Exploration Drilling Project (EIS Guidelines), which was issued to you on December 20, 2019.

Based on this review, the Agency has concluded that the EIS conforms to the EIS Guidelines and hereby advises you that it is commencing the technical review of the EIS on February 17, 2020. The EIS Summary will be posted on the Canadian Impact Assessment Registry Internet Site to invite comments by the public and Indigenous peoples during the comment period, which will begin on February 17, 2020, and end on March 18, 2020.

Please note that proceeding to a technical review and public comment period does not imply that the information provided is adequate to support the completion of the environmental assessment. The Agency may issue Information Requirements (IRs) to you based on the results of the technical review



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conducted by federal experts, and on input received from the public and Indigenous groups during the comment period.

In accordance with subsections 27(6) and 23(2) of the *Canadian Environmental Assessment Act, 2012* (CEAA 2012), the period that is taken by a proponent to comply with the IRs, when there is not sufficient information available for the purposes of conducting the environmental assessment (EA), is not included in the calculation of the time limit within which the Minister's decision must be made.

Therefore, following the technical review of the EIS, if there are gaps in the information required as per the EIS Guidelines for the West Flemish Pass Exploration Drilling Project, the Agency may request further information be submitted by the proponent. Should additional information be required, the Agency will request the material from the proponent, which will stop the federal legal timeframe. For more information on the approach to managing federal environmental assessment timelines, please consult the Agency's "*Operational Policy Statement: Information Requests and Timelines, February 2016*" at http://publications.gc.ca/collections/collection_2016/acee-ceaa/En106-147-2016-eng.pdf.

In reviewing the EIS for conformity, the Agency and Federal Experts have identified some deficiencies that may require the Agency to issue IRs during the technical review. However, in the interest of facilitating an efficient and timely environmental assessment process, a summary of those potential deficiencies and reference section to the guidelines in brackets is provided below for your consideration:

1. Information should be provided on license holders and a description of any project components or activities with the potential to interact with commercial, recreational fisheries or other uses (Section 7.1.9.2).
2. More information may be needed on the important areas for each of the marine mammals that are potentially found in the Regional Assessment Area. If no important areas exist, this should be stated (Section 7.3.3).
3. Timing of potential effects should be incorporated in the residual effects assessment for fish and fish habitat, commercial fisheries and other ocean users (Sections 8.0 and 13.0).
4. The distances between the edge of the project area and special areas is not provided (section 7.1.9.2) and there is no description of effect of dispersants on Special Areas (Section 7.3.8.3).
5. The proponent did not complete project- specific synthetic based mud (SBM) modelling or provide justification as to why Nexen's SBM spill modelling is used (Section 3.1).



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6. The proponent does not indicate or reference the use of best available technologies or practices in the project design. If best available technologies are not included, the proponent needs to provide the rationale for the technology selected (Section 7.3.8.1).
7. Additional information is needed on the use, availability (including nearest location), timing (testing and mobilizing) and feasibility of a capping stack to stop a blowout and resultant spills (Section 7.6.1).
8. Regarding effects of potential accidents or malfunctions, additional rationale is needed for the volume chosen to represent a surface batch spill (marine diesel) on the sea surface (Section 15.2.1) as well as a rationale for the selected release duration with regard to a blowout scenario and drilling a relief well.
9. Supplementary information from Environment and Climate Change Canada's Hurricane Centre should be added including 'dynamic fetch waves' climatology information associated with extratropically-transitioning hurricanes (section 7.6.2).
10. The proponent does not provide any specifics on flare tip to be used, including type, manufacturer or model. Additionally, although the proponent has provided a list of emission factors for drilling and testing activities, there is no estimation or derivation methodology or a description of all assumptions used (Section 3.2.1).
11. The description of the well site survey is inconsistent and unclear. For example, sections of the EIS refer to both a 200 metre radius survey and a 500 metre distance from the drilling site. Clarification will also be required on how the survey will be completed e.g. from the drill rig or via a drone in advance of the drill rig coming on site and how the surveys for pre-drill corals are included (Section 3.1).
12. For Alternative Means (Section 2.2), the proponent is advised that compliance with Offshore Waste Treatment Guidelines is not equivalent to minimization and the operator should identify opportunities to outperform the OWTG targets if technically feasible.
13. The predicted percentage of increase in traffic and anchorage locations for supply vessels has not been provided (Section 3.1).
14. The acoustic and drill dispersion modelling provided does not contemplate the presence of two Mobile Offshore Drilling Units operating simultaneously (Section 7.3.1).



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15. The proponent states that 'it is anticipated that each well will take approximately 180 days to drill'. However, the Drill Cuttings Dispersion modelling assumes 62-65 days of drilling. Clarification should be provided and the discrepancy between the two periods should be explained. Additionally, no explanation has been provided as to why the two model scenarios, spring and summer, were used given that drilling may occur year round. The proponent must indicate why those two models represent worse case scenarios (Section 3.1).
16. Confirmation is required on whether Eastern Canada Response Corporation (ECRC), the proponent's primary spill response contractor, would have the ability to respond outside of the 200 nm Exclusive Economic Zone. The discussion of responses to accidental events, taking into account any potential situation in which ECRC or alternative contractor is not able to respond should be updated (Section 6.4).

Further context and details regarding these potential deficiencies will be provided in the issuance of an Information Requirement, should it be warranted.

Should Chevron Canada Limited have any questions regarding the technical review of the EIS, please contact Brent Keeping at 709-727-9065 or via email at iaac.westflemish-flamandeouest.aeic@canada.ca

Sincerely,

<Original signed by>

Jill Adams,
Head, NL Satellite Office

Cc:

Elizabeth Young, Canada - Newfoundland Labrador Offshore Petroleum Board

Carla Stevens, Major Projects Management Office

Jason Flanagan, Transport Canada

Kimberley Keats, Fisheries and Oceans Canada

Bret Pilgrim, Fisheries and Oceans Canada

Michael Hingston, Environment and Climate Change Canada

Sara Rumbolt, Health Canada

Maximilien Genest, Natural Resources Canada