



File OF-Fac-Gas-E112-2018-01 01  
25 April 2018

Mr. Ken Paul  
Atlantic Policy Congress of Chiefs - Fisheries Office  
153 Willowdale Drive  
Dartmouth, NS B2V 0A5  
Email [ken.paul@apcfnc.ca](mailto:ken.paul@apcfnc.ca)

Dear Mr. Paul:

**Encana Corporation (Encana)**  
**Project Description for the Deep Panuke Offshore Gas Development Application for National Energy Board Leave to Abandon (Deep Panuke Abandonment)**

The National Energy Board (Board or NEB) is a federal regulator that regulates pipelines across Canada, specifically pipelines that cross provincial boundaries and the border into the United States, and between offshore and onshore. The Board is contacting you regarding a gas export pipeline and associated facilities abandonment for which it has received a project description (filed on 19 March 2018). This export pipeline is regulated by the Board and partially by the Canada Nova Scotia Offshore Petroleum Board. The Board anticipates receiving a full application for this project before 30 June 2018.

The Deep Panuke Offshore Gas Development (Deep Panuke) consists of an offshore production platform that produces and processes natural gas from the Deep Panuke gas field. The Deep Panuke gas field is located about 250 km southeast of Halifax, Nova Scotia, approximately 47 km west of Sable Island in approximately 44 m water depth. The gas is transported to shore via a 175 km long, nominal 560 mm (22 inch) diameter sales gas quality export pipeline to an interconnection with the Maritimes & Northeast Pipeline facilities in Goldboro, Nova Scotia. Its production is reaching the stage of declining production, and Encana has begun planning decommissioning and abandonment activities. Encana plans to apply to abandon the gas export pipeline and its associated onshore facilities pursuant paragraph 74(1)(d) of the *National Energy Board Act*, and Section 50 of the *National Energy Board Onshore Pipeline Regulations*.

The Board will schedule a public hearing on the proposed Deep Panuke Abandonment. One purpose of the hearing process will be to test the information filed with the Board (referred to as evidence in the hearing), to determine whether the abandonment is in the public interest.

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The hearing process is designed to allow parties with an interest in the Deep Panuke Abandonment to fully participate in the Board's process and express their views about the Deep Panuke Abandonment. These views may include information in favour of or against the Deep Panuke Abandonment as proposed, and on the impacts the Deep Panuke Abandonment may have on Aboriginal communities, the current use of lands and resources for traditional purposes, and any potential or established Treaty or Aboriginal rights. The Board will make funding available for eligible hearing participants through the NEB's Participant Funding Program. Details regarding the hearing process, including participation in the hearing process, will be available after the full application is received.

The information about the Deep Panuke Abandonment is publicly available on the Board's website at <http://www.neb-one.gc.ca/> at the [Encana Corporation](#) page under the [Project Description for Leave to Abandon Deep Panuke Offshore Gas Development](#) link. The Project Description includes information from Encana regarding the impacts the Deep Panuke Abandonment is expected to have on Aboriginal interests.

The Board will make a decision of whether to approve the Deep Panuke Abandonment by weighing both the positive and negative impacts of the Deep Panuke Abandonment. Should the Board approve the Deep Panuke Abandonment, it may impose conditions to ensure any negative impacts will be mitigated or minimized. The Board is the final decision maker with respect granting leave to abandon the facilities pursuant to paragraph 74(1)(d) of the *NEB Act*.

If you have any questions about the process or how to participate in the hearing, staff at the Board would be pleased to provide such information over the phone or at a meeting in your community. Carla Osborne, a Board Aboriginal Engagement Specialist, will contact you in the coming weeks to see if you are interested in such information. Alternatively, you may contact Carla directly at 403-389-2523, through the Board's toll free number at 1-800-899-1265 or by e-mail at [carla.osborne@neb-one.gc.ca](mailto:carla.osborne@neb-one.gc.ca).

If you have specific questions about the NEB's Participant Funding Program, please visit <http://www.neb-one.gc.ca/pfp>, or contact the Participant Funding Coordinator at [PFP.PAFP@neb-one.gc.ca](mailto:PFP.PAFP@neb-one.gc.ca) or 1-800-899-1265 (toll-free).

Yours truly,

*Original signed by*

Sheri Young  
Secretary of the Board

Attachment

c.c. Ms. Donna Morykot, Regulatory Advisor  
Encana Corporation  
Email: [DP.Engagement@encana.com](mailto:DP.Engagement@encana.com)

**Encana Corporation (Encana)**  
**Deep Panuke Offshore Gas Development Application for National Energy**  
**Board Leave to Abandon Project Summary (Deep Panuke Abandonment)**

Encana Corporation (Encana) submitted a Project Description to the National Energy Board (NEB) on 19 March 2018. A Project Description is not an application; it provides preliminary information about an application the company expects to file at a later date. In its Project Description, Encana says that its Deep Panuke project is reaching the stage of declining production and it has begun planning decommissioning and abandonment activities. The Deep Panuke gas field is located offshore about 250 km southeast of Halifax, Nova Scotia, approximately 47 km west of Sable Island in approximately 44 m water depth. An offshore production platform produces and processes natural gas. The gas is transported to shore via a 175 km long, nominal 560 mm (22 inch) diameter sales gas quality export pipeline to an interconnection with the Maritimes & Northeast Pipeline (M&NP) facilities in Goldboro, Nova Scotia. Please visit Encana's Deep Panuke website for additional details.

Encana says that it will apply to the NEB for permission to abandon the NEB-regulated export pipeline, which runs 175 km from its offshore platform to an interconnection with the M&NP facilities in Goldboro, Nova Scotia. About three kilometres of the export pipeline is onshore, while the rest of the pipeline is offshore. Encana proposes to pig and flush the pipeline, fill it with seawater, leave the offshore end open, and abandon the pipe in place. The abandoned offshore portion of the pipeline will be marked as abandoned on navigation charts. The company indicated that it also plans to apply to abandon the NEB-regulated onshore facilities consisting of a beach valve station, gas export pipeline terminus site, and access roads.

The export pipeline is regulated by the NEB and partially by the Canada Nova Scotia Offshore Petroleum Board.

Encana has not set a date for the cessation of production operations or for the formal commencement of decommissioning activities. Encana says it intends to file its abandonment application before 30 June 2018, and it is anticipated that decommissioning activities will be conducted in the 2019-2021 timeframe.

If you would like to discuss details or require additional information about the Abandonment, the Board encourages you to contact the applicant, Encana, directly at:

Ms. Donna Morykot  
Regulatory Advisor  
Encana Corporation  
Telephone: 902-492-5424  
Email: [DP.Engagement@encana.com](mailto:DP.Engagement@encana.com)

Project Area Map

