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March 1, 2007

Deep Panuke Coordinated
Public Review Secretariat
1718 Argyle Street, Suite 630
Halifax NS B3J 3N6

Attention: Ms. Debi Noye
Secretary to the Secretariat

Dear Ms. Noye:

Re: Deep Panuke Offshore Gas Development ("Deep Panuke Project")
Canada-Nova Scotia Offshore Petroleum ("CNSOPB") Public Review
National Energy Board ("NEB") Hearing Order GH-2-2006
EnCana's Witness Panel and Opening Statement

Please be advised that EnCana will present one witness panel during the public hearing. Witnesses on this panel are as follows:

- David Kopperson
- Malcolm Weatherston
- Geoffrey Hurley
- Stephen Fudge
- Karl Tonn
- J. Robert MacQueen
- Terrance Skrypnek

The curriculum vitae for these witnesses are attached. Also attached is the Opening Statement of EnCana Corporation.

Should you have any questions in regard to the enclosed, please contact the undersigned at (902) 492-5424.

Yours truly,

Donna Morykot, P.Eng
Regulatory Lead
Deep Panuke Project

cc. Intervenors & Government Participants
Robert Grant, Q.C., Stewart McKelvey
Shawn H.T. Denstedt, Osler, Hoskin & Harcourt LLP

David L Kopperson
Calgary, Alberta

SUMMARY OF EXPERIENCE

30 years of experience in the oil and gas industry in a variety of technical and management positions, including; Project Management, Production Engineering, Facilities Integrity, Materials Selection and Corrosion Control, EH&S Programs, Surface Land Negotiations and Community Consultation. Currently Vice President, Atlantic Canada for EnCana Corporation.

WORK HISTORY

ENCANA CORPORATION
Vice President, Atlantic Canada **Apr. 2005 – Present**

- Responsible for all company exploration and development activities, offshore East Coast of Canada. With particular focus on the development of the Deep Panuke natural gas discovery.

ENCANA CORPORATION
Vice President, Business Service **Apr. 2002 – Apr. 2005**

- Responsible for a division providing corporate services to EnCana's Canadian Business Units. Functional areas of the division included; EH&S, Facilities Integrity (pipelines and pressure vessels), Procurement, Regulatory Compliance, Land Administration (surface & minerals), Seismic Acquisition & Data Management.

PANCANADIAN ENERGY
General Manager, Technical Services **Jul. 1998 – Apr. 2002**

- Responsible for a corporate department providing services to PanCanadian Energy's production operations business units. Functional areas included; EH&S, Facilities Integrity (Chief Inspector), Surface Land, Community Consultation, Project Management Office, Production Engineering.

PANCANADIAN ENERGY
Technical Roles **Dec. 1979 – Jul. 1998**

- Materials engineering, corrosion control, water treatment, pipelines and facilities design, inspection and maintenance, production chemicals selection and monitoring.

CAPROCO CORROSION PREVENTION LTD
Corrosion Technologist **Sept. 1977 – Dec. 1979**

- Cathodic protection system design, installation and monitoring for oil and gas pipelines.

EDUCATION AND TRAINING

B.Sc (Chemistry), University of Waterloo

Malcolm Weatherston
Head of St. Margaret's Bay, Nova Scotia

SUMMARY OF EXPERIENCE

Over 25 years experience in all aspects of Project Management and Control of Onshore/Offshore Oil and Gas Development Projects within Europe and North America, with proven capabilities in Project Planning, Engineering and Construction Management, Offshore Installation and Major Contractors Administration. Leadership and team building experience in areas of complex contractual and cultural environments.

WORK HISTORY

ENCANA CORPORATION, Nova Scotia, Canada
Project General Manager, Deep Panuke Development. Apr. 2002 - Present

- Lead the development team through a rigorous Challenge Process, designed to identify & exploit all possible cost saving & risk mitigation initiatives to improve overall Project economics.
- Rebuilt the Project management team to align with the revised execution strategy & integrated valuable EnCana East coast resources.
- Revised & implemented the overall contracting strategy that would allow internal funding to proceed for the mobilization of the Project Team & the refilling of the Development Plan, Environmental Assessment & the NEB application.
- Prepare, present & obtain budget approvals necessary to execute the work in accordance with the overall Project Master schedule.
- As part of the negotiating team, successfully completed the negotiation & signing of the first Offshore Strategic Energy Agreement (OSEA) with the government of the province of Nova Scotia.
- As the senior Project representative, lead discussions with external stake holders, regulators & other third party groups.

PANCANADIAN ENERGY, Nova Scotia, Canada
General Manager, Offshore Projects Jul. 2001 – Apr. 2002

- Responsible for development of contractual and commercial strategies designed to deliver successful offshore oil and gas development that delivers best possible shareholder value.
- Formulation of a project implementation organization to deliver the Deep Panuke Gas Development Project, offshore Nova Scotia, from concept to steady state operation.
- Development of PanCanadian core competencies, project management process and procedures as necessary to satisfy all regulatory requirements both regionally and internationally.
- As leader of the Deep Panuke and other East Coast Projects, represent PanCanadian's goals and objectives to all internal and external stakeholders.

PETRO-CANADA, Newfoundland, Canada
Project General Manager Jul. 2000 – Jul. 2001

- Responsible to the Vice-President of Offshore Development & Operations to deliver the Terra Nova Project, in accordance with the overall goals and objectives of the Alliance Agreement.
- Provide leadership and direction during the final phase of the project to ensure continued alignment of Owner & Alliance personnel necessary to achieve the timely completion of the project.

Business Systems Manager **Mar. 1998 – Jun. 2000**

- Responsible to the Project General Manager for the development and delivery of a project-wide, integrated systems for critical path network planning, progress measurement, cost and change control, risk assessment, financial and administrative services, for the Terra Nova project.

MARYSTOWN SHIPYARD LIMITED, Newfoundland, Canada

President & CEO **Mar. 1997 – Mar. 1998**

- Responsible for the development and implementation of initiatives designed to improve productivity and overall competitiveness of the company to ensure a profitable operation within two years.
- Develop and grow an international client base with a view to establishing long-term contracts in selected markets, with an annual target revenue of approximately $100 million.
- Prepare the company for divestiture into the private sector to assume a viable role in the Offshore Oil and Gas Fabrication industry, while maintaining a capability to build and repair marine vessels.

General Manager & CEO **Jan. 1996 – Mar. 1997**

- Reporting to the Board of Directors. Responsible for the implementation and execution of yard restructuring initiatives and diversification of the company into the offshore oil and gas industry.

Project Manager **Jan. 1994 – Jan. 1996**

Directly responsible to the President and CEO for the overall management of all offshore and general industrial contracts on behalf of Marystown Shipyard Limited and Vinland Industries Limited.

LASMO NOVA SCOTIA LIMITED (COHASSET PROJECT), Nova Scotia, Canada

Manager of Engineering and Construction **Jul. 1992 – Dec. 1993**

- Directly responsible to the Vice-President of Operations to ensure the timely installation, mechanical completion and pre-commissioning of all offshore installations comprising the total field development, inclusive of CALM Buoy single point mooring system and floating storage and offloading tanker.

Engineering Manager **Jul. 1990 – Jul. 1992**

- Directly responsible to the Project Manager for the development and implementation of an overall project recovery schedule for the design, procurement, fabrication and installation, mechanical completion and pre-commissioning of the jackets and topside facilities.

NORSK HYDRO PRODUKSJON A/S, TECHNOLOGY AND PROJECTS. OSEBERG 2. PROJECT, Oslo, Norway

Major Contractors Co-ordinator **Nov. 1987 – Aug. 1989**

Senior Project Engineer, Swyndrecht, Holland **Aug. 1989 – Jun. 1990**

- Development of numerous engineering and construction study contracts and their subsequent administration through to completion. The compilation and development of the Process and Utility Modules Invitation to Tender documents, specifically related to the Scope of Work, Contract schedules and compensation, pertaining to engineering, fabrication, construction and commissioning activities. Tender evaluation and negotiations, through to contract award. Transferred to site as the Senior Project Engineer for the fabrication of the 7300 Tne. Process Module in Swyndrecht, Holland.

HOLLANDSE CONSTRUCTIE GROEP B.V., Scheidam, Holland
Oseberg A. Project: M01 and M03 Compression Modules
Engineering Manager **Sept. 1985 – Oct. 1987**

- Control and direction of approximately 300 engineering and drawing office personnel engaged in the design completion, clash check resolution, shop drawing/isometric production, feasibility studies, weighing, load-out and seafastening, mechanical completion and compilation of final "As Built" dossier for Compression Modules M01 and M03.

HOLLANDSE CONSTRUCTIE GROEP B.V., Scheidam, Holland
Engineering Manager **Jul. 1984 – Sept. 1985**
Amaland W.G.1. Project for N.A.M.

- Management, scheduling and control of 30-man on-site engineering task force, dedicated to the completion of all design engineering elements required to obtain all necessary client and certifying authorities approvals. Co-ordination of the production of all discipline of all technical specifications, data sheets, etc., for all contract purchased material and equipment in accordance with the contract master plan.

STATOIL (STATPIPE DEVELOPMENT PROJECT) STORD VERFT A/S, Stord, Norway
Senior Site Engineer **Oct. 1983 – Jul. 1984**

- Resolution of all site generated engineering and / or field queries. Co-ordination of engineering drawings and documents. Liaison with central engineering / project management, regarding design changes, etc. Review of contractor provided engineering fabrication drawings and procedures, including weight control installation procedures, progress reports, etc. Supervision of discipline engineers with regard to the above activities.

FOSTER WHEELER PETROLEUM DIVISION, STATFJORD 'C' PROJECT, Scheidam, Holland
(Seconded to Mobile Explorations)
Construction Engineer **Dec. 1981 – Sept. 1983**

- Engineering and construction co-ordination on behalf of Mobile Oil concerned with module fabrication of the main HVAC supply and extract pre-assemblies, main power generation module, workshop and chemical injection modules for Statfjord 'C' Project and the fabrication of gas treatment and transfer skids for Statfjord A. Platform.

Construction Engineer **Nov. 1982 – Feb. 1983**

- Temporary assignment to organize and carryout acceleration program to complete the fabrication and load-out of two gas compression modules and reinjection units at Haverton Hill fabrication yard, Teeside, UK.

AKER OFFSHORE CONTRACTING LIMITED, Lewis Offshore, Stornoway, Scotland
Project Engineer **Sept. 1980 – Dec. 1981**

- Responsible for all disciplines during the fabrication of two drilling modules, twin traversing module support frame structure and two flare booms for Marathon Oil UK Limited at the L.O.L. fabrication yard at Arnish Point, Stornoway.

Piping / Structural Supervisor **Oct. 1978 – Sept.1980**
Assigned to the B.P. Buchan Project as piping / structural supervisor on the Drillmaster conversion. Initially involved on shore side fabrication of major subassemblies and flare booms. Followed by supervision of mechanical trades in the capability of construction superintendent during offshore fabrication and erection, through offshore commissioning and start-up.

DOW CHEMICAL OF CANADA, Alberta, Canada
Contracts Administrator **Dec. 1976 – Sept. 1978**

- World scale chlorine / caustic plant expansions on the Fort Saskatchewan, Alberta plant.

VAN NESS DESIGN, Edmonton, Alberta
Contracted to Dow Chemical Company
Piping / Mechanical Designer **Apr. 1974 – Dec. 1976**

- Initial design, project planning, job scoping and assembly of detailed engineering packages for bid purposes. Technical and commercial bid evaluation.

CANADIAN JOHNS-MANVILLE, Alberta, Canada
Maintenance Technician **Oct. 1972 – Apr. 1974**

- Installation and testing of specialized production equipment. Drafting, design and manufacture of general and specialized equipment.

NATIONAL COAL BOARD, Northumberland, UK
Student Apprentice, Mechanic **Sept. 1966 – Oct.1972**

- Installation, examination, testing and inspection of all surface and underground mechanical equipment; specializing in heavy mechanized coal face installation work during the last two years.

EDUCATION AND TRAINING

- Ameme 1st Class Honours, (Mechanical) UK
- Advanced City & Guilds of London Institute (Full, Tech, Cert)

Geoffrey V. Hurley, M.Sc.
Dartmouth, Nova Scotia

ACCOMPLISHMENTS

- Accepted Canadian Construction Assoc. Environmental Achievement Award for 2000 on behalf of Sable Offshore Energy Inc.
- Canadian Association of Petroleum Producers Outstanding Contribution Award for 2001

WORK EXPERIENCE

HURLEY ENVIRONMENT LTD., Dartmouth, NS 2001- Present
President
Offers environmental-related consulting services to offshore oil and gas and fisheries sectors and government

EXXONMOBIL CANADA LTD., Halifax, NS 1997 – 2001
Senior Environmental Advisor
Provided advice on corporate environmental matters related to the Sable Offshore Energy Project; co-ordinated project environmental assessments; represented industry on multi-stakeholder committees; developed environmental management systems and documentation; and conducted environmental audits

HURLEY FISHERIES CONSULTING LIMITED, Dartmouth, NS 1981 to 1997
President
Carried out over 200 national and international fisheries and environmental-related consulting assignments for governments, the fisheries, aquaculture, oil and gas, and marine transportation industries.

THE LAKE GROUP LIMITED, St. John's, Newfoundland 1979 – 1981
Director of Planning (non-financial)
Provided strategic advice on corporate policy and planning (non-financial), liased with government and industry on quota management, fisheries policy, seafood quality assurance and other technical matters.

DEPARTMENT OF FISHERIES AND OCEANS, Scotia-Fundy and Newfoundland Regions 1977 – 1979
Research Biologist
Conducted fish stock assessments; and carried out field and laboratory-based scientific research related to national and international fisheries

CIDA/CANADIAN EMBASSY, GUATEMALA, C.A. 1975 - 1976
Technical Advisor (Fisheries and Aquaculture)
Provided technical advice to an aboriginal agricultural co-operative on the feasibility of aquaculture development; and coordinated post-earthquake re-construction efforts.

PROJECTS

ENVIRONMENTAL ASSESSMENT

- EnCana Corporation. – Full-time Regulatory/Environment Advisor for Deep Panuke Offshore Development (2001-2; 2006-7)
- ExxonMobil Canada East – Preparation of the Environmental Management Plan for the Sable Compression Project.
- ExxonMobil Canada East – Preparation of the Environmental Assessment for a proposed development of a satellite field.
- Canadian Environmental Assessment Agency – Co-author of a report which reviewed the environmental effects of offshore exploratory drilling.
- Fisheries and Oceans Canada – Industry liaison for Gully seismic R&D program analysis and reporting; development of protocols for industry seismic activities near the Gully; assembly of 'grey' technical literature on seismic

- Sable Offshore Energy Inc. – Co-ordinated project environmental assessments as full-time environmental advisor; represented industry on multi-stakeholder committees; developed environmental management systems and documentation; and conducted environmental audits
- Jacques Whitford Environment Limited - Initial evaluation of fisheries impacts of Voisey Bay Project in Labrador.
- Strait Crossing Inc. - Member of the Marine Effects and Monitoring Advisory Committee for New Brunswick and Prince Edward Island Confederation bridge
- Department of Naval Defence/Jacques Whitford Environment Ltd. - Identified impacts on commercial fisheries of military training exercises near Halifax, Nova Scotia
- Halifax Harbour Clean-up Corp./Jacques Whitford Environment Ltd. - Coordinated marine environmental studies for the proposed Halifax Harbour sewage treatment facilities
- Public Works Canada - Surveyed marine habitat and assessed bridge/ice/fisheries interactions for the proposed NB/PEI fixed link
- ChevronTexaco Canada Resources Ltd. - Directed field surveys for sea scallops and prepared a literature review for lobsters on Georges Bank
- Mobil Oil Canada Ltd. - Hardy and Associates Ltd. - Prepared the "Marine Fish and Fisheries" section of the Venture EIS
- Mobil Oil Canada Ltd. - Evaluated the impacts of marine seismic operations near Sable Island, Nova Scotia.

FISHERIES MANAGEMENT

- Caribbean Fisheries Resource Assessment and Management Program (CFRAMP) – Co-Program Director (Interim)
- Canada/Nova Scotia Department of Fisheries - Developed a plan for managing Scotia Recreational Fisheries in Nova Scotia
- Labrador Inuit Association - Examined the delineation of Labrador cod stocks
- Commonwealth Secretariat - Provided elements of a Monitoring, Control and Surveillance (MCS) system for the Republic of Brunei
- South African Fisheries Association - Analyzed conservation harvesting strategies for commercial fleets
- Fisheries and Oceans Canada - Managed the Scotia-Fundy Fisheries Observer Program (1990-1991)
- Bras d'Or Lakes Recreational Fisheries Ltd. - Determined feasibility of enhancing the Bras d'Or Lakes recreational fishery
- Fisheries and Oceans Canada - Developed an ageing technique for larval sea scallops and squid using shell growth lines
- Nova Scotia Department of Fisheries - Developed a plan for recreational fisheries in Nova Scotia
- Fisheries and Oceans Canada - Prepared a training manual on "Fisheries Management in Atlantic Canada"

RESOURCE ANALYSIS

- Fisheries and Oceans Canada - Independent advisor for Invertebrates Review and Assessment Process (Scotia-Fundy Region)
- Fisheries and Oceans Canada - Studied reproduction and feeding of Silver Hake
- St. Mary's River Association Ltd. - Assembled baseline data for a river specific management study on the St. Mary's River
- O'Donnel-Usen Ltd. - Examined the delineation of Gulf of St. Lawrence redfish stocks
- National Sea Products Ltd. - Provided independent advice on government

stock assessments and fisheries management policies
- Eastern Fishermens Federation - Evaluated long-term constant catch scenario for Scotian Shelf Cod
- Offshore Fishing Vessel Owners Association - Prepared a submission to the Minister's Panel on the status of the Northern Cod stock

FISHERIES DEVELOPMENT AND TECHNOLOGY
- Fisheries and Oceans Canada - Assessed aspects of fishing gear and harvesting technology in Atlantic groundfish fisheries
- Maine Fishermens Association - Evaluated effects of a proposed mesh size increase for New England groundfish fisheries
- Fisheries and Oceans Canada - Developed a shell hardness gauge for snow crab
- Fisheries and Oceans Canada - Reviewed information on dogfish/fishing gear interactions and shark repellent research
- Fisheries and Oceans Canada - Reviewed information on scallop gear efficiency and selectivity
- Fisheries and Oceans Canada - Evaluated long term tags for Atlantic crab species

- **AQUACULTURE**
- Nova Scotia Department of Fisheries - Prepared a manual outlining the methods and design of a small-scale shellfish hatchery
- Aquaculture Association of Nova Scotia - Reviewed the methods and criteria for the bottom culture of blue mussels
- CIDA/Canadian Embassy in Guatemala, C.A. - Advised an Aboriginal agricultural cooperative on aquaculture development
- Fisheries and Oceans Canada - Investigated the acid tolerance of brook trout strains

SEAFOOD QUALITY
- Carnation Inc. - Provided ongoing quality inspection services of seafood products and fish processing plants in Eastern Canada
- Fisheries and Oceans Canada - Participated in the Minister's independent panel on canned tuna

EDUCATION AND TRAINING

M.Sc., University of Toronto, Toronto, Ontario (1973-1975)
B.Sc. (Hon.), University of Guelph, Guelph, Ontario (1969-1973)

COMMITTEES

- Environmental Studies Research Fund- Board Member & Technical Advisor
- Petroleum Research Advisory Committee – Technical Advisor
- Nova Scotia Petroleum Fisheries Advisory Group - Industry Rep.
- Sable Environmental Effects Monitoring Advisory Committee- Co-ordinator
- The Canadian Association of Petroleum Producers (Environment Committee) – Member
- Marine Effects Monitoring Committee (NB/PEI bridge) - Technical Expert
- American Fisheries Society - Environmental Committee Member

Note: The affiliations above are or were held by Mr. Hurley at various stages in his career.

Stephen M. Fudge., Principal, M.Sc.
Vice President, Energy and Principal Scientist, Jacques Whitford
Halifax, Nova Scotia

SUMMARY OF EXPERIENCE

Stephen M. Fudge, M.Sc. is Vice President, Energy and a Principal with Jacques Whitford. He has over 25 years of experience as an Environmental Consultant. He has managed, co-ordinated or acted as Senior Advisor for many major environmental projects in Canada and Internationally. He is a specialist in environmental assessment and management and has in depth experience in marine related energy development projects. Mr. Fudge has given evidence in front of provincial and federal hearing panels, and has also given expert testimony on behalf of clients to the National Energy Board on several environmental panels. Mr. Fudge has a thorough understanding of both Provincial and Federal project development requirements from pre-Regulatory Application submission through post-release and post-sanction.

WORK HISTORY

Jacques Whitford, Dartmouth, Nova Scotia 1985-Present
Vice President, Energy & Principal Scientist

LeDrew, Fudge and Associates Ltd., St. John's, NF 1985-1989
President

Hardy Associates (1978) Ltd., St. John's, NF
Environmental Manager

Hardy Associates (1978) Ltd., Calgary, AB
Terrestrial Ecologist

Environmental Management Associates Ltd., Calgary, AB
Environmental Scientist

LAND MARK PROJECTS

Blue Atlantic Gas Transmission Project
El Paso Corporation. Nova Scotia to New York Gas Pipeline, 1999-2004
Project Director
The Blue Atlantic Project involved the management of all the regulatory, environmental, public consultation and offshore geophysical and environmental surveys, route and site selection. The project consisted of a gas collection system on the Scotian Shelf, a sour gas plant at Shelburne, NS and a large diameter transmission pipeline from NS to New York. This project was the largest offshore pipeline project ever planned in Canada.

Deep Panuke Offshore Gas Development, Development Plan Application.
EnCana Corporation. Halifax, Nova Scotia, 1999-2002/2006
Project Manager/Sr. Advisor
The Deep Panuke Project consisted of the management and preparation

of the Deep Panuke Project Development Plan Application, route and site selection, field data collection, environmental assessment, and public consultation for the proposed offshore sour gas development. In addition, the revised project was reassessed and filed again in 2006.

Environmental Assessment Report and NEB Hearings for the Point Tupper Lateral and the Halifax Laterals.
Maritimes & Northeast Pipelines, Halifax, Nova Scotia, 1997-2000
Project Manager
These pipeline projects involved route selection, field data collection, public consultation and preparation of a Comprehensive Study Report. Mr. Fudge provided expert testimony in front of the NEB panels.

RELEVANT PROJECT EXPERIENCE

Chevron Canada Resources. Environmental Screening and Benthic Habitat Mapping for Exploration Drilling on the Mahone Block. Managed the Benthic Mapping and Environmental Screenings report for the Mahone Block for Chevron Canada Resources. (2001)

Shell Canada. Environmental Assessment of the Onondaga Block Exploration Drilling Program. Project managed this offshore Scotian Shelf exploration project. (2001)

Marathon Canada. Environmental Assessment and Benthic Habitat Inventory for Annapolis Block Exploration Drilling. Managed the Benthic Data Collection Project and the Environmental Screening Report for the Annapolis Block. (2001)

Sable Offshore Energy Inc. Management of Offshore Environmental Effects Monitoring Program. Project managed and advised on Canada's largest Offshore Oil and Gas Environmental Effects Monitoring Project. (1998 – 2005)

Statia Terminals, Environmental Review and Permitting for an oil storage and transhipment terminal at Pt. Tupper, Nova Scotia. Project manager for the permitting of this marine oil terminal. (1992 – 93)

Sydney Tarponds Cleanup Agency. Environmental Assessment of the Proposed Cleanup of the Sydney Tarponds. Senior advisor to the project team assessing the cleanups of Canada's most contaminated site under the CEAA. (2004 – 05)

Sable Offshore Energy Inc. Environmental Effects Monitoring for Gas Plant and Fractionation Plant. Project manager for the monitoring of two gas processing facilities in Nova Scotia. (1999 – 01)

Metropolitan Authority. Environmental Assessment Report, Human Health and Ecological Risk Assessment for the proposed Burnside Waste to Energy Facility. Managed and was panel co-chair for this major environmental assessment, risk assessment and air quality modelling project. (1993 – 94)

Halifax Harbour Cleanup Inc. Joint federal/provincial impact assessment for a regional wastewater treatment facility. Involved the management of 24 background reports and an assessment report prepared by nine subconsultants over a two year period. (1991 – 93)

LASMO Nova Scotia Limited. Initial Environmental Evaluation for the Cohasset- Panuke Development Project and design of the EEM Program for the project. (1989-90). Project managed the environmental assessment of Canada's first offshore oil production facility.

Department of National Defence. Biophysical Impact Assessment and monitoring for the Goose Bay Military Flying EIS. Goose Bay, Labrador. Managed the biophysical data collection and impact assessment for this major military flying project. (1986 – 88)

Mobil Oil Canada Limited. Environmental Assessment and Protection Plan for the Gravity Based Construction Site, Bull Arm. Managed and directed the data collection and EPP for the Mobil GBS construction site on Trinity Bay, NF. (1989 – 90)

Mobil Oil Canada Limited. Environmental Impact Assessment for the Hibernia Offshore Development Project, Newfoundland. Project manager of Canada's first GBS offshore production project located on the Grand Banks. (1984 – 85)

PUBLIC CONSULTATION/ MEDIATION

El Paso Corporation. Blue Atlantic Transmission Project. Participated in Public Consultation Meetings in support of National Energy Board Application (2000 – 2001)

Maritime and Northeast Pipelines. Coordinated Public Consultation meetings for several pipeline projects in Atlantic Canada. (1998 – 2000)
Waste Facility Siting and Management Interaction 94 Institute. Participated in a national roundtable which produced the document entitled "Seeking Agreements in Waste Management Facility Siting: Ways to Build Consensus". (1994)

Halifax Harbour Cleanup Project. Technical Advisor to HRM's Stakeholder Advisory Committee regarding the design and siting of sewage treatment facilities for Halifax Harbour. (1998 – 99)
Halifax Harbour Cleanup Inc. Co-chaired public hearings for the federal/provincial impact assessment review on behalf of the proponent. (1992)

Strait Crossing Inc. Chaired the multi-stakeholder Marine Environmental Effects Monitoring Advisory Committee. This committee designed and oversaw the marine monitoring for the Fixed Link Project. (1993 – 97)
Hibernia Development Corporation. Led the multi-stakeholder environmental committee and process project. Committee provided direction for future environmental monitoring for the project. (1996)
Environment Canada. Facilitated multi-stakeholder workshops throughout Atlantic Canada to develop Canada's Green Plan. (1993)

EDUCATION AND TRAINING

University of Calgary, 1982
Masters of Science,
Project: Biogeography and Soil Science

Mount Allison University, 1976
Bachelor of Arts – Biology and Geology

Karl Frederick Tonn, P.Eng
Dartmouth, Nova Scotia

SUMMARY OF EXPERIENCE

Thirty years experience in project management and design of projects for offshore oil production facilities, hydroelectric plants, thermal plants, pulp and paper mills, and industrial & commercial facilities. More than 18 years experience in offshore projects; with the last fifteen years involvement in Canadian offshore projects.

Skill sets related to offshore projects include: senior leadership and project management skills for management of engineering organizations for FEED, detailed design, fabrication and commissioning/startup phases of projects. Also experienced in operations engineering management, project engineering, and detailed mechanical design.

Offshore projects include oil and gas production on jackets, FPSO; and GBS structures.

WORK HISTORY

ENCANA CORPORATION (contract position)

MANAGER OF ENGINEERING – Deep Panuke Project. Aug. 2002 – Present
Responsible for all engineering for detailed design of a 3 platform sour gas development with appprox.13,000 tonnes of topsides and 178 km pipeline to shore. (team size peak of approx 110 persons in engineering). Project application was suspended in Feb. 2003 during detailed design phase due to concerns on reserves estimates. Current work scope has focused on rework of concepts, cost, and feasibility to fit a potentially smaller reservoir. Scope also now includes subsea tiebacks.

SENIOR PROJECT ENGINEER – Deep Panuke Project. Mar - Aug 2002
Responsible for design coordination and schedule for 9000 tonne Production Platform. Promoted to Manager of Engineering in August/02.

AMEC (AGRA MONENCO) WORK HISTORY

ENGINEERING TEAM LEADER - Terra Nova FPSO Project 1998 – 2002
Responsible for the management and leadership of the engineering team for the topsides, turret & vessel systems after substantial completion of detailed design. Responsible for completion of detailed engineering; fabrication, hookup and commissioning support up to 1st oil. (Team size peaked at 130 persons)

SENIOR PROJECT ENGINEER, TOPSIDES - Terra Nova Project 1997 – 1998
Part of the detailed design team, responsible for topsides equipment & materials and interface with process, mechanical, electrical, and instrumentation disciplines. Assigned to Brown & Root London, UK office.

TOPSIDES ENGINEERING MANAGER - Hibernia Project 1995 – 1997
Responsible for the management of the engineering support team supporting topsides fabrication & commissioning phases of the project. Continued as Engineering Manager for the Operations support contract.

SENIOR PROJECT ENGINEER, TOPSIDES - Hibernia Project 1994 - l995
Responsible for coordination between engineering and the fabrication yard for the Wellhead module, flare, and lifeboat stations. Also responsible for other project engineers assigned to other modules.

SENIOR PROJECT ENGINEER - HIBERNIA MANAGEMENT TEAM 1993 – 1994
Assigned to client's team as a Senior Project Engineer to resolve specialized problems, and to interface with the design consultant. Also acted as deputy Engineering Manager.

SECTION HEAD, PROCESS, MECH, & DRILLING - Hibernia Project 1990 – 1993
Responsible for detailed design, and preparation of construction deliverables for the above disciplines for the Hibernia Topsides. Peak staff of approximately 75 in the group.

VICE PRESIDENT & GENERAL MANAGER, MONENCO MARITIMES, HALIFAX, NS 1989 - 1990
Responsible for all operations in the Maritimes for a general consulting company providing mechanical, electrical, and civil/structural services. Also acted as project manager and senior mechanical engineer for various pulp & paper, industrial & commercial projects.

MANAGER OF ENGINEERING, MONENCO MARITIMES LIMITED 1988 - 1989
Responsible for quality assurance for all engineering within the company.
Also performed continuing responsibility as senior mechanical design engineer and project manager for various industrial and commercial projects.

MANAGER, MECHANICAL DEPARTMENT, MONENCO MARITIMES LIMITED 1987 - 1988
Responsible for all mechanical engineering and design for the company.
Also acted as project manager and senior design engineer for various projects.
Typical projects included; retrofits at pulp & paper mills, commercial buildings and oil refineries.

LEAD MECHANICAL ENGINEER, BROWN & ROOT, HOUSTON 1984 - 1987
Seconded to Brown & Root Inc. to work on the Exxon Santa Ynez
Development Project. Responsible for specification and procurement for all mechanical equipment for two offshore production platforms each producing 40 KBOPD and 100 MMCFD of gas. Responsible for budget, schedule, and technical aspects of the project. Also worked on conceptual design.

MANAGER MECHANICAL DEPARTMENT, AGRA SHAWMONT LIMITED, ST. JOHN'S, NL 1981 - 1984
Responsible for engineering design and project management of various projects including hydro electric stations, boiler retrofits, & HVAC for large commercial buildings.

MECHANICAL DESIGN ENGINEER, BROWN & ROOT, HOUSTON 1980 - 1981
Seconded to SBR Offshore Limited and assigned to Brown & Root Inc. to work on offshore projects. Responsibilities included design and selection of mechanical equipment and systems for offshore platforms. Systems/equipment included: gas turbine drive sea water injection pumps, crude oil pumping systems, waste heat recovery systems and stress analysis on compressor piping.

MECHANICAL DESIGN ENGINEER, AGRA SHAWMONT LTD 1978 - 1980
Responsible for the process, mechanical and piping design of mechanical systems required for the Hinds Lake 75 MW hydroelectric station.

MECHANICAL DESIGN ENGINEER, MONTREAL ENGINEERING COMPANY, CALGARY, ALBERTA 1977 - 1978
Mechanical engineering work in the design group for a 375 MW coal fired thermal power station owned by Calgary Power Limited.

DESIGN ENGINEER, TEMPLETON ENGINEERING COMPANY, WINNIPEG, MANITOBA 1975 - 1977
Responsible for design of various sewage lift stations and a pumphouse and water supply system for a rural community. Also worked on mechanical design for a DC transmission line for Newfoundland Hydro.

EDUCATION AND TRAINING

- **Bachelor of Science, Mechanical Engineering, University of Manitoba, 1975**.

- Member, Association of Professional Engineers, Geologists & Geoscientists of Newfoundland
- Member, Association of Professional Engineers of Nova Scotia

J. Robert MacQueen
Dartmouth, Nova Scotia

SUMMARY OF EXPERIENCE

- A business professional with more than sixteen years experience in the offshore oil and gas exploration and production industry.
- Experience in budgeting, strategic planning, economic and financial modelling, risk analysis, accounting, contracting, commercial negotiations, treasury management, regulatory, stakeholder and government relations.

WORK HISTORY

ENCANA CORPORATION
Commercial Manager, Deep Panuke Development 2006 - Present

- Leadership of Deep Panuke Offshore Gas Development commercial activities including finance and administration, contracts and procurement, development of commercial agreements, business planning, economic analysis, communications and external stakeholder relations.
- Development of materials for Deep Panuke regulatory applications including Industrial Benefits Plans, Socio-Economic Assessment, contracting strategy and project economics.

Team Lead Business Services 2002 to 2006

- Leadership of East Coast Business Unit group responsible for support functions including administration, legal, procurement, information technology and information systems, public affairs & stakeholder relations.
- Determining viability of alternative development plans for Deep Panuke project.
- Responsibility for support operations for offshore activities including logistics and marine supply base, offshore I.T. and communications and radio operators.
- Negotiations with governments regarding royalty, fiscal and industrial benefits.

PANCANADIAN ENERGY CORPORATION
Manager Business and Strategic Services 2001 to 2002

- Leadership of East Coast Operations group responsible for business planning, finance, administration, procurement, information systems, public affairs & stakeholder relations.
- Development of business model for Deep Panuke development and exploration projects.

Senior Business Analyst, Planning and New Ventures 2000 to 2001

- Identification and recommendation of new venture opportunities, including development of complex financial and economic models required for investment in oil and gas exploration, production, acquisitions, and other energy related projects.
- Negotiation of commercial arrangements including joint operating agreements, royalty arrangements, farm out agreements and transportation agreements.

PANCANADIAN PETROLEUM LIMITED
Senior Financial Analyst, Capital Development & Planning 1996 to 1999

- Development of long range strategic plans and capital and operating budgets for offshore oil and gas operations with expenditures exceeding $100 million annually.

- Responsibility for Crown royalty issues, including royalty returns, audits, negotiations with provinces and representation on industry groups regarding fiscal and royalty issues.

LASMO NOVA SCOTIA LIMITED
Management Accountant 1993 to 1996

- Cash and treasury management, administration of electronic banking systems, cash forecasting, foreign exchange and debt management for Cohasset-Panuke oil project.
- Economic analysis, financial reporting, production accounting, cost accounting, budgeting, regulatory reporting and management control processes.

Canada Nova Scotia Benefits Co-ordinator 1990 to 1993

- Co-ordination of consultation, monitoring and reporting of industrial and employment benefits for the first commercial offshore oil development in Canada, the Cohasset-Panuke project.
- Development of procedures, systems, and policies, as well as liaison with contractors/suppliers to ensure compliance with statutory requirements.

EDUCATION AND TRAINING

Saint Mary's University, Halifax, N.S. 1988 to 1990
Master of Business Administration, Finance Major

- Dr. Harold G. Beazley Gold Medal, Highest Grade Point Average, 1990
- Frank Sobey Memorial Scholarship for Excellence in Business Studies, Inaugural Recipient, 1990, St. Mary's Graduate Fellowship, Mahon's Stationery Scholarship 1989

Mount Allison University, Sackville, N.B. 1981 to 1985
Bachelor of Commerce, Marketing Major

- Entrance Scholarship, Dean's List, 1981-82, Undergraduate Scholarship 1982-83

Terrance E. Skrypnek
Calgary Alberta

SUMMARY OF EXPERIENCE

- Expertise in Reservoir Characterisation, 3-D Earth Modeling, Reservoir Simulation, Pressure Transient Analysis, Reservoir Management and Depletion Planning, Risk and Uncertainty Management, Reserves Estimation and Management, Acquistion and Divestiture Analysis and Exploration Support
- Approximately 25 years of reservoir engineering experience with the first 20 years were focused on both oil and gas reservoirs in Central and Southern Alberta with some exposure to properties in the US. Worked many waterfloods and shallow /deep gas systems in these areas.
- For the past 4 years worked on offshore projects in the Gulf of Mexico and Atlantic Canada.

WORK HISTORY

ENCANA CORPORATION 03/01/2006 11/30/2006
Group Lead, Panuke Subsurface

Subsurface lead for the Deep Panuke Project. In 2006 the key areas of focus were to:
-Create new earth and simulation models.
-Ensure that all key subsurface parameters are clearly understood, ranges of uncertainty quantified and impact on reservoir performance determined.
-Generate new resource estimates and production forecasts.
-Prepare and Submit Development Plan Application (DPA) to the CNSOPB

ENCANA CORPORATION 05/02/2005 02/28/2006
Reservoir Engineering Advisor

In 2005 the key areas of focus were to:
-Become familiar with pool. Re-evaluate well test results.
-Generate new resource estimates and production forecasts.
-Commence new reservoir characterisation.
-Prepare and Significant Discovery Area Application (SDA) to the CNSOPB.

ENCANA CORPORATION 04/01/2004 04/01/2005
Advisor, Reservoir Engineering

Sub-surface lead for the Tahiti project. Key activities include:
-Represent EnCana's subsurface interests in the partnership.
-Completes Reservoir Surveillance Plan IPT using Chevron's simulation model.
-Annual probabilitic resource and reserves assessments.
-Detailed technical analysis and reservoir characterisation.
-Build earth/simulation models using GOCAD & Eclipse.
-Subsurface representative for Tahiti in data room for disposition.

ENCANA CORPORATION 04/01/2003 03/31/2004
Advisor, Reservoir Engineering

Sub-surface lead for the Tahiti project. Key activities include:
-Represent EnCana's subsurface interests in the partnership.
-Develop the Reservoir Surveillance Plan IPT using Chevron's simulation model.
-Annual probabilitic resource and reserves assessments.
-Detailed technical analysis and reservoir characterisation. Build earth/simulation models using GOCAD & Eclipse.

-Develop risk model to manage risks and uncertainty

EnCana 04/01/2002 03/31/2003
Advisor Reservoir Engineering

Reservoir engineering support and reservoir analysis for Tahiti appraisal team.
-Appraisal well drilling program.
-Data acquisition planning for reservoir characterisation and depletion planning to be used for full-scale development. Probabilistic reserves assessment.
-Detailed technical analysis and reservoir characterisation.
-Identify key risk factors, their uncertainty & impact on reservoir performance.
-Develop strategies to mitigate risks and reduce uncertainty.

PANCANADIAN PETROLEUM 11/01/2000 03/31/2002
Advisor, Reservoir Management

Member of Great Plains BU management team.
Strategic planning and budgeting.
Supervised and mentored 8 to 10 RE staff
Established effective reservoir management practices. Identified and executed many opportunities to increase production/ reserves and optimise operations for the Montana Power oil and gas assets. Booked reserves for new assets
Progressed reservoir characterisation studies for Montana oil pool and tight gas sand assets in Colorado.
Exploration support and asset evaluations

PANCANADIAN PETROLEUM 08/01/2000 10/31/2000
Advisor, Exploitation

Led technical evaluation for the successful Montana Power acquisition (~700 MM$ Can). Evaluated assets in Southern Alberta, Montana, Colorado, Wyoming and Oklahoma. Joint responsibility with geology advisor for presenting technical and economics evaluation to PCP and CP senior management.

PANCANADIAN PETROLEUM 02/01/2000 07/31/2000
Advisor, Exploitation

Detailed reservoir evaluation of PCP's conventional shallow gas assets in Southern Alberta. Study purpose was to develop detailed technical understanding and propose future strategy for depletion of ~ 1 TCF reserves. Reviewed and analyzed development, production and operations histories, developed reservoir models (NUGIP) and for each area for future depletion planning and reserves estimates. Study was well received and shallow gas strategy was changed.

PANCANADIAN PETROLEUM 06/01/1997 01/31/2000
Chief Reservoir Engineer

Managed reservoir engineering centre of excellence and shared services. The key roles of the department were to provide fit for purpose RE technical solutions, advance RE expertise, lead the development and deployment of specialized RE expertise, lead competence and career development processes for RE and manage corporate reserves booking processes.
The group consisted of 15 to 20 reservoir specialists and reserves analysts.

PANCANADIAN PETROLEUM 03/01/1992 05/31/1997
Coordinator Res Eng

Drumheller District: Reservoir engineering coordinator and member of management team.
Supervised / mentored 10 to 15 reservoir staff.
Key responsibility for strategic planning, budgeting and project planning on management team. Managed oil and gas development projects.
Reservoir management of District oil and gas assets (Shallow and deep gas, Mannville and Nisku waterfloods. Production in 1996 was ~ 200 MMscfd & 20000 BLPD.
Exploration support and property evaluations.

PANCANADIAN PETROLEUM 05/01/1990 02/28/1992
District Reservoir Engineer

Responsible for PCP assets in the North half of the irrigation block and in the US. Supervised and mentored 5 to 10 reservoir staff. Reservoir management (waterflood monitoring and optimisation, gas system optimisation). Identified optimisation & dev. opportunities for both oil and gas assets. Implemented numerous oil and gas development projects. Economic evaluations of expl. and dev. projects. Budgeting and project planning. Provided RE and evaluation support for the disposition of US assets.

PANCANADIAN PETROLEUM 01/01/1988 04/30/1990
Senior Reservoir Engineer

RE for a number of areas in South Alta and PCP US assets (Cal., Texas, Wyoming, North Dak., Kansas, Miss., Louisiana and GOM). Reservoir management of existing pools (waterflood surveillance and optimization, gas system optimisation, identification of new development opportunities). Planned and implemented small development and optimisation projects. Supervised 2 to 3 staff.
Provide RE support to US staff; estimate and manage reserves booking.
Completed study of major oil asset in Miss.

PANCANADIAN PETROLEUM 01/01/1986 12/31/1987
Reservoir Engineer

Reservoir management (waterflood monitoring and optimisation, gas system optimisation) of gas and oil assets in Hussar, Wintering Hills, Parflesh and Bashaw (Prolific Nisku oil pools, very high H2S content). Identified optimisation and development opportunities for both oil and gas assets.
Economic evaluations of exploration and development projects. Budgeting and project planning.
Successfully progressed gas conservation scheme for area despite significant opposition from partners.

PANCANADIAN PETROLEUM 05/01/1984 12/31/1985
Reservoir Engineer

Reservoir analysis, depletion planning and reserves estimates for PCP gas fields in the Hussar and Westerose areas. Completed development study with identified drilling, recompletion and optimisation opportunities.
Economic evaluations of exploration and development projects.

PANCANADIAN PETROLEUM Canada 09/01/1981 01/31/1984
Project Engineer

Facilities engineering and project management in Central and Southern Alberta.

MAJOR PROJECTS

- Chief Reservoir Engineer
- Detailed Reservoir Evaluation of PCP's Shallow Gas Assets in Southern Alberta
- Subsurface Lead Montana Power Acquisition
- Reservoir Engineering Manager for the "New" Great Plains Business Unit that was created for the Montana Power Assets
- Subsurface Lead for Tahiti Oil Pool Development in Gulf of Mexico
- Subsurface Lead for Tahiti Oil Pool Divestiture
- Subsurface Lead for Deep Panuke Gas Pool Development

These roles have allowed me to focus more technically and to develop expertise in reservoir characterisation, 3-D earth modeling, reservoir simulation, pressure transient analysis and risk management This includes developing the appropriate software skills required for each area of expertise.

EDUCATION AND TRAINING

Bachelor of Science in Engineering, University of Alberta

Opening Statement of EnCana Corporation

Deep Panuke Natural Gas Project

March 5, 2007

Introduction – The Panel

Good Morning. My name is Dave Kopperson and I am the Vice President Atlantic Canada for EnCana Corporation. It is my pleasure to introduce EnCana's proposal to develop the Deep Panuke natural gas project in Nova Scotia's offshore.

Deep Panuke is a good project for EnCana and we believe, for the people and Province of Nova Scotia and for Canada. We are pleased to be appearing before you today. Since calling a time-out on Deep Panuke development in February 2003, EnCana has invested considerable energies in re-thinking and re-designing the project. We believe the project that we are presenting at this regulatory hearing for your review and consideration is the optimal approach for developing natural gas at Deep Panuke.

To begin, I would like to introduce my fellow panelists.

To my left is Robert MacQueen, the Commercial Manager for the Deep Panuke Project. Mr. MacQueen is a business professional with more than sixteen years experience in the offshore oil and gas exploration and production industry. During this hearing, he will be addressing matters related to commercial arrangements for Deep Panuke, such as industrial benefits, contracting and procurement and project economics.

To the left of Mr. MacQueen is Terry Skrypnek, the Group Lead for the Deep Panuke Subsurface Team. Mr. Skrypnek brings over twenty years reservoir engineering experience to his current role. His most recent role was the EnCana Group Lead for the Tahiti Subsurface Team, a deep water offshore project in the Gulf of Mexico. Mr. Skrypnek will provide information on the subsurface aspects of the Deep Panuke Project.

On my right is Karl Tonn, a professional engineer and the Engineering Manager on the Deep Panuke Project. Mr.Tonn has more than 30 years of engineering experience with about 20 of those years spent on offshore projects. He has been involved with the Deep Panuke Project since 2002 and will provide information on the engineering and technical features of the development.

Next to Mr. Tonn is Malcolm Weatherston, the General Manager for Deep Panuke. Mr. Weatherston has led the Deep Panuke project management team since 2001. He has more than 25 years experience in all aspects of project management of both onshore and offshore oil and gas development projects in Europe and North America. For this

hearing, he will speak to overall project planning and execution and environmental, health and safety matters related to Deep Panuke.

To Mr. Weatherston's right is Steve Fudge, the Senior Environmental Advisor for Deep Panuke. Mr. Fudge is Vice President, Energy and a Principal with Jacques Whitford environmental consultants, the firm that has been contracted to provide environmental support for the Deep Panuke Project. Mr. Fudge has more than 25 years of experience as an environmental consultant and is a specialist in environmental assessment and marine-related energy development projects.

And next to Mr. Fudge is Geoff Hurley, the Regulatory and Environmental Advisor for the Deep Panuke Project. Mr. Hurley brings more than 25 years of technical expertise and operational experience with government, the fishery and oil and gas industries to the Deep Panuke Project. Mr. Hurley will provide information on environmental protection, environmental monitoring and public consultation aspects of the application before you.

And lastly, myself, as Vice President of Atlantic Canada I am responsible for all EnCana activities on the East Coast, with particular focus on Deep Panuke.

The panel will be supported by a team of experts and advisors, both internal to EnCana and external consultants. The resumes for the panel members have been filed with you.

Introduction – EnCana Corporation

EnCana is pleased to bring the Deep Panuke Project before this panel, for your review and consideration. Before describing the Project to you, I would like to take a few minutes to describe EnCana Corporation and our investment in Nova Scotia to date.

EnCana is a North American industry leader in unconventional natural gas and integrated oil sands development. Headquartered in Calgary, Alberta, EnCana employs more than 6,600 people in locations across North America. EnCana has an enterprise value of approximately US $45 billion and the company's shares are publicly traded on the Toronto and New York stock exchanges.

EnCana's activities are guided by a Corporate Constitution that sets out the foundation of our values and guides our actions.

We are committed to safe guarding the environment and to the safety of our workers, contractors and those who live and work around our operations.

Consistent with our Corporate Constitution, we have adopted a set of project principles for the Deep Panuke Project that describes how we conduct our business. These principles are found in Table 3.1 of the Project Summary document.

At EnCana, we are focused on executing with excellence and delivering on our commitments. Our goal is to be a good neighbor and a positive contributor to local communities where we operate.

Our Nova Scotia office, located in Halifax, is “home” to the Deep Panuke Project Team. The decision-making authority for Deep Panuke resides with the project management team in Halifax.

Introduction – EnCana Corporation’s History as an Operator Offshore East Coast of Canada

EnCana is an experienced offshore operator and explorer in Nova Scotia, playing a significant role in the province for more than a decade.

The company entered Nova Scotia’s offshore in 1996 when predecessor company PanCanadian Petroleum bought controlling interest in Cohasset-Panuke, Canada’s first offshore oil development. Engineers, technical staff and team leaders from that period are working today on the Deep Panuke Project, bringing with them valuable operating experience and knowledge of the offshore environment.

In the decade since EnCana’s purchase of Cohasset-Panuke, EnCana’s operations, exploration and development activities in Nova Scotia’s offshore have created jobs, generated business opportunities for local companies, and contributed to the betterment of communities across the province.

To illustrate this investment, EnCana has been involved in almost 50% of the exploration and development wells drilled in Nova Scotia’s offshore since 1996.

This level of activity represents in excess of 5.7 million direct person hours of work for Nova Scotians on EnCana activities.

Deep Panuke – History

This the second regulatory review for the Deep Panuke natural gas project.

Original applications were filed for Deep Panuke with the Canada-Nova Scotia Offshore Petroleum Board and the National Energy Board in March 2002. In December 2002, the Comprehensive Study Report for Deep Panuke was approved under the *Canadian Environmental Assessment Act* by the federal Minister of the Environment.

In February 2003, EnCana called a “time-out” on the development of Deep Panuke.

Since that date, EnCana has:

- Firmed up its estimate for the Deep Panuke reservoir, assisted by analysis of three wells drilled between 2003 and 2006 – Margaree F-70 and MarCoh D-41 and Dominion J-14;
- Refined the development concept for Deep Panuke to bring it in alignment with improved understanding of the reservoir; and,
- Reached a mutually acceptable framework agreement with the Province of Nova Scotia for Deep Panuke development. In this agreement, or OSEA, EnCana has made significant commitments to the Province for employment of Nova Scotians and investment in research and development, education and training and opportunities for disadvantaged groups.

Deep Panuke – Project Description

I would now like to take a few moments to describe for you the Deep Panuke Project as presented in the applications that were filed for your consideration on November 9, 2006.

We believe that Deep Panuke is a good addition to Nova Scotia's offshore. We believe that the project will make a valuable contribution to the development of the province's offshore oil and gas industry.

Deep Panuke will bring positive economic benefits to the Province and to Canada. Deep Panuke will provide jobs, business and training opportunities for Nova Scotians and other Canadians, and contribute to the economic health of the province.

Deep Panuke will produce natural gas from a carbonate reservoir located about 3500 metres below the sea floor in the area of the decommissioned Cohasset-Panuke oil project. Deep Panuke was discovered in 1998 by EnCana during exploratory drilling at Cohasset-Panuke. Additional drilling since that date has confirmed the presence of a significant natural gas deposit.

Deep Panuke involves the production and processing of natural gas offshore and the transport of that gas via subsea pipeline to Goldboro, NS where it will be transported to markets in Canada and the northeast United States on the Maritimes & Northeast System. First gas is anticipated from Deep Panuke in 2010.

Two export pipeline options are presented in the Development Plan Application. One option is for a stand-alone pipeline to landfall near Goldboro, NS. The second option involves a subsea tie-in with the existing export pipeline for the Sable Offshore Energy Project.

Natural gas at Deep Panuke is slightly sour, with raw gas containing approximately 0.2% H_2S. Therefore, gas sweetening equipment is required on the production platform, with the recovered acid gas being injected into a deep formation disposal well.

Natural gas from Deep Panuke will be produced from four existing wells, currently suspended, and one new production well feeding a central production facility.

Peak sales gas throughput from Deep Panuke is expected to be 300 million cubic feet per day. The mean sales gas recovery for Deep Panuke is expected to be 632 billion cubic feet of gas over 13 years of production.

Deep Panuke – Key Requests

Critical to the success of Deep Panuke are two key requests:

- Consideration and approval of the two pipeline transportation options for Deep Panuke natural gas; and,
- Abandonment in place of the export pipeline, in-field flowlines and umbilicals as part of the decommissioning program for the project

For pipeline transportation, EnCana is assessing an export pipeline from Deep Panuke to Goldboro, NS (the M&NP option) as well as a subsea tie-in with the export pipeline for the Sable Offshore Energy Project (the SOEP subsea option).

We have assessed both options and neither would result in significant adverse environmental effects.

EnCana respectfully requests that it be allowed to determine which pipeline option is most suitable for Deep Panuke on technical and commercial terms. As EnCana has not yet determined a preferred option, it is EnCana's view that your approval of Deep Panuke must allow for both pipeline options, leaving the final decision on the option selected to EnCana.

With respect to the abandonment in place key request, the proposed decommissioning program for Deep Panuke is consistent with established industry practices around the world and represents the best option based on safety, environmental, technical and cost considerations.

Risk assessments consistently demonstrate that pipeline removal options, compared to in-situ decommissioning, represent a greater risk to personnel because of the inherent hazards associated with this activity.

The environmental assessment for Deep Panuke has determined that leaving the in-field flowlines, umbilicals and export pipeline in place will likely have no significant environmental effects. Removing this infrastructure would add significant unknown costs with no benefit to the environment.

Deep Panuke - Benefits, Effects and Mitigation

Public consultation has been an integral part of Deep Panuke project development.

To engage input from stakeholders, EnCana has undertaken a detailed public consultation program. The goal of the program was to identify concerns and opportunities related to Deep Panuke, to build on opportunities identified and to address concerns in a meaningful manner.

EnCana launched the public consultation process in mid-2006. We are encouraged by the support received from the Nova Scotia business community, by the constructive discussion with Aboriginal groups and by the positive discussions with fishers and fishery organizations.

EnCana believes that most concerns related to Deep Panuke have been addressed through public consultation.

As part of that process, EnCana has consulted with the Seafood Producers Association of Nova Scotia (SPANS) and other participants in the offshore fishing industry. On many issues, EnCana's position aligns with that of SPANS. In particular, EnCana is prepared to meet the Canada-Nova Scotia Offshore Petroleum Board's (CNSOPB's) Compensation Guidelines.

In addition, EnCana is committed to compensate licensed fishery participants for any damage to fishing vessels or gear or any loss, including consequential damages, caused by interactions with its pipeline during normal fishing operations.

EnCana is also committed to indemnify any licensed fishery participants from third party claims arising out of loss or damage caused by interactions between fishing gear and the pipeline during normal fishing operations.

Damage or loss to commercial fisheries due to interactions with the export pipeline (either the M&NP or SOEP subsea option) is highly unlikely since harvesting with mobile fishing gear is anticipated to be infrequent based on historical fishing patterns along the pipeline route. As well the pipeline will be buried in shallower areas where most fishing with mobile gear occurs, and the pipeline will be designed to withstand impacts from conventional mobile fishing gear.

EnCana's position does not align with that of SPANS in relation to SPANS request for a bi-lateral agreement and its demand for continuous fisheries observers on the production platform at Deep Panuke.

EnCana does not wish to enter into a bi-lateral agreement with SPANS whose members represent only some offshore fishery groups. EnCana wants to ensure a fair approach with all fisheries groups on the Scotia Shelf. In EnCana's view, this could best be achieved through making its compensation commitments as a condition of approval,

incorporating the claims and arbitration process of the CNSOPB's Compensation Guidelines.

EnCana considers SPANS insistence on full-time observer coverage during routine production operations as unnecessary since:

- There is a low risk of interactions with fishing vessels in the platform's safety zone;
- Environmental protection is fundamental to EnCana's operations and forms an integral part of our EHS management system; and,
- Predictions made in the Environmental Assessment will be verified through an Environmental Effects Monitoring program developed in consultation with relevant regulators.

EnCana has also committed to ongoing communications with key stakeholders such as fisheries interests to inform them of the results of such monitoring and to solicit any suggestions for continuous improvement. EnCana considers an activity-specific approach to observer coverage of its activities is a reasonable, practical and proactive solution.

Conclusion

Panel members, I would like to conclude my remarks this morning with an overview of the benefits from Deep Panuke.

EnCana is committed to its statutory obligations in Section 45 of the Accord Act describing full and fair opportunity and first consideration for Nova Scotians, and recognition of the right of the Province to be the principal beneficiary of the offshore.

Building on our commitments outlined in the Benefits Plan for Deep Panuke, EnCana entered into a framework agreement with the Province of Nova Scotia in June 2006. The agreement, or OSEA, complements and reinforces our investment in Nova Scotia at Deep Panuke.

The OSEA describes additional commitments by EnCana to provide specific industrial and employment opportunities for Nova Scotians, with guaranteed commitments for person hours of work in Nova Scotia as well as person hours of work for individuals defined as Nova Scotians.

The OSEA commitments by EnCana include:

- 1.35 million person hours of work to take place in Nova Scotia during the development phase, of which at least 850,000 will be Nova Scotian person hours;
- Engineering, Procurement and Management activities for Deep Panuke to take place in Nova Scotia;

- Construction of at least one supply vessel in Nova Scotia;
- Design, procurement and fabrication activities with respect to the accommodations unit for the production platform in Nova Scotia;
- Design, procurement and fabrication activities for a flare unit for the production platform in Nova Scotia;
- The commitment of financial and human resources to facilitate the development of an onshore drilling rig manufacturing capability in Nova Scotia; and,
- The establishment of a fund, representing 0.5 % of the gross revenue from the Deep Panuke Project, for research and development, education and training and programs for disadvantaged groups in Nova Scotia.

Furthermore, EnCana estimates that over the life of Deep Panuke, between 6.5 and 7.3 million person hours of work will be completed by Nova Scotians, with another 600,000-900,000 person hours by Canadians. Total Canadian employment is forecast to be approximately 75 % of total project employment.

To close, we ask that you approve Deep Panuke as filed with you. We would be happy to answer your questions.