



NOVA SCOTIA

Energy
Office of the Minister

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August 10, 2009

Warden Leland Anthony
Municipality of the District of Yarmouth
P.O. Box 21
Hebron, NS B0W 1X0

Re: Oceans First Task Force

Dear Mr. Anthony,

Thank you for your letter of July 16, 2009 regarding the Oceans First Task Force work on economic opportunities from offshore oil and gas. As Minister of Energy, the Premier has requested I respond on his behalf.

The Department of Energy has reviewed the implications of a number of factors that have an impact on the project. Specifically, it was noted that a release of the province's evaluation of economic impacts from the Sable Project is now slated for fall 2009. BEPCO is also in the process of securing the services of a rig to do drilling in 2010. In addition, the Offshore Energy and Environment Association and DFO are doing a number of studies that will help evaluate the current science and technology related to offshore oil and gas and potential impacts from oil and gas. The DFO science will be available in the fall, but the evaluation of impacts based upon that science and technology and industry best practice will not be available until late winter or early spring 2010.

In addition, the Department of Energy has been under fiscal pressure in 2008 and 2009. Under these circumstances, the department believes it would be better to put its resources into other initiatives at this time. This decision has been conveyed to the Southwest Shore Development Authority with the suggestion that if BEPCO does proceed with drilling in 2010, a revised project to

assess the implications for your region be discussed. With respect to Georges Bank, if there is a public review, it would likely include provisions for stakeholder intervener funding and the SWSDA may be eligible under that provision.

In conclusion, I hope the work completed to date proves useful and that there will be future opportunities to apply that knowledge.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Estabrooks". The signature is written in a cursive, flowing style.

Bill Estabrooks, M.B.
Minister