

Environmental Assessment Approval

Approval Date: *Original Dated December 18, 2007*

Alton Natural Gas Storage Project

Alton Natural Gas Storage LP, Proponent
Colchester County, Nova Scotia

Alton Natural Gas Storage (the “Undertaking”), proposed by Alton Natural Gas Storage LP (the “Proponent”), in Colchester County, Nova Scotia is approved pursuant to Section 13(1)(b) of the *Environmental Assessment Regulations*. This Approval is subject to the following conditions and obtaining all other necessary approvals, permits or authorizations required by municipal, provincial and federal acts, regulations, by-laws, guidelines, policies or standards before commencing work on the Undertaking. It is the responsibility of the Proponent to ensure that all such approvals, permits or authorizations are obtained before commencing work on the Undertaking.

This Environmental Assessment Approval is based upon the review of the conceptual design, environmental baseline information, impact predictions, and mitigation presented in the Registration Information.

Terms and Conditions for Environmental Assessment Approval

1.0 General Approval

- 1.1 The Environmental Assessment Approval for the project is limited to the project as described in the registration document. Any proposal by the Proponent for expansion, modification or relocation of any aspect of the project from that proposed in the registration document must be submitted to the Environmental Assessment Branch for review and may require an environmental assessment.
- 1.2 The Proponent must, within two years of the date of issuance of this approval, commence work on the undertaking unless granted a written extension by the Minister.
- 1.3 The Proponent must not transfer, sell, lease, assign or otherwise dispose of this approval without the written consent of the Minister. The sale of a controlling interest of a business or a transfer of an approval from a parent company to a subsidiary or an affiliate is deemed to be a transfer requiring consent.
- 1.4 The Proponent must implement all mitigation and commitments in the Registration Document, unless approved otherwise by Nova Scotia Environment & Labour (NSEL).

2.0 Fish & Fish Habitat

2.1 The proponent, as part of the application for Part V Approval under the Environment Act, must provide for review the following monitoring programs and plans developed in consultation with the Department of Fisheries & Oceans (DFO). Based on the results of the monitoring programs, the proponent must make necessary modifications to mitigation plans and/or operations to prevent continues unacceptable environmental effects to the satisfaction of NSEL and DFO.

a) An Effects Monitoring Plan including parameters such as frequency and duration. The plan must evaluate potential impacts of sedimentation, salinity and flow alterations on aquatic organisms and include an impact prediction.

b) A program to monitor discharge salinity levels into the estuary to ensure no negative impacts to fish species result. This program should be developed in consultation with Environment Canada (EC).

c) A plan to gather baseline information on water temperature and the presence of Atlantic salmon, Striped bass and Atlantic sturgeon eggs and larvae during one spawning season prior to the commencement of solution mining.

d) A long term monitoring program for Atlantic salmon, Striped bass and Atlantic sturgeon eggs and larvae. This plan must identify operational responses to unexpected impacts to populations.

e) An ongoing monitoring program of fish screens or passive water intakes to determine if impingement is occurring.

2.2 The proponent must maintain a minimum of 30 meter vegetated buffer between all watercourses and wetlands.

3.0 Archaeological & Heritage Resources

3.1 The proponent must develop a procedure so that any issues or concerns raised by potentially affected First Nation and Aboriginal communities, particularly related to environmental effects, can be directed to the Proponent and resolved in a timely manner. This procedure must include contact information, documentation and a resolution process.

3.2 The proponent must develop and implement an Archaeological Contingency Plan that includes:

a) Procedures for immediate work stoppage and conservation of resources, should archaeological resources be discovered.

b) Details of worker awareness training to be delivered to employees, which will address archaeological resources and relevant procedures.

c) Plans for shovel testing to determine the presence of archaeological resources in the high potential areas identified.

d) Plans to have professional archaeologist, approved by Nova Scotia Tourism, Culture & Heritage (NSTC&H), monitor any work that would impact the dykes in case any original dyke work is encountered.

3.3 The Proponent must cease work and contact the Director, Heritage Division, Nova Scotia Department of Tourism, Culture and Heritage, the Executive Director, Confederacy of Mainland Mi'kmaq and the Executive Director, Union of Nova Scotia Indians immediately upon discovery of an archaeological site or artifact unearthed during any phase of the proposed project.

4.0 Land Use & Public Involvement

4.1 The proponent, as part of the application for Part V Approval under the Environment Act, the Proponent must provide for review and approval, a detailed of the Environmental Management Plan (EMP) including the following. Based on the results of the monitoring programs, the proponent must make necessary modifications to mitigation plans and/or operations to prevent continued unacceptable environmental effects to the satisfaction of NSEL.

a) An Environmental Protection Plan (EPP), that includes procedures to address soil management issues including mitigative strategies for reducing the risk of sedimentation and erosion, for all aspects of all phases of the project.

b) A dust management plan.

c) A Waste Management Plan (WMP).

d) An Issues Resolution System including procedures to; deal with project related complaints/issues from landowners and/or the public, to ensure complaints are recorded, tracked and resolved in a timely manner.

4.2 The proponent must consult with Transport Canada to determine if an application under the Navigable Waters Protection Act is required and if so, obtain such approval before commencement of site preparation and construction activities.

4.3 The proponent must obtain from NSDNR, any required permits for project activities pursuant to the Beaches Act and the Crown Lands Act, prior to the commencement of site preparation and construction activities.

5.0 Flora & Fauna

5.1 In areas where pipeline route alterations are considered, supplemental rare plant surveys must be conducted along the new route to determine if rare plants or other

sensitive habitats are present. These surveys must be provided and conducted to the satisfaction of NSDNR.

- 5.2 The proponent must implement standard mitigative measures to minimize the environmental effects of the project on plant communities including the use of native plants and/or seed mixtures free of noxious weeds and known invasive species. The proponent must use industry standards to avoid the introduction of invasive species.
- 5.3 If the undisturbed retrorse sedge habitat becomes part of the new RoW, the proponent must cordon off the area to prevent the movement of project related equipment through the habitat.
- 5.4 Clearing and grubbing must be conducted outside of the breeding season for most bird species (May 1 - August 31).
- 5.5 The proponent must not conduct project activities within 200 m of the Osprey nest identified in the field surveys during the period from April 1 to July 30.
- 5.6 The proponent must conduct a field survey prior to the commencement of construction activities to determine the size and location of the Great Blue Heron colony. Information from the survey must be sent to the Canadian Wildlife Service (CWS). The proponent must not allow project activities within a 400 m buffer zone of the rookeries from April through mid-August, any activities deemed to have a high disturbance factor within one-kilometer of the rookeries through the same period, or any activities requiring the removal of trees within the 400m buffer zone at any time of the year.

6.0 Groundwater

- 6.1 The proponent, as part of the application for Part V approval under the Environment Act, must provide for review and approval:
 - a) A groundwater-monitoring program including location of monitoring wells and parameters. This program must be designed to evaluate potential impacts to both groundwater levels and groundwater quality. As a minimum, one monitoring well should be up gradient and four should be down gradient of the caverns. Wells should also be constructed down gradient from the pipeline, especially in areas where the pipeline will be closest to houses. Monitoring should include quarterly water levels and quality measurements; at a minimum one-year of baseline measurements should be collected. Based on the results of the monitoring programs, the proponent must make necessary modifications to mitigation plans and/or operations to prevent continues unacceptable environmental effects to the satisfaction of NSEL.
 - b) Details of a well survey plan of potentially at risk wells that meet NSEL standards, including water quality testing and yield determination tests.

7.0 Contingency Planning

7.1 The proponent, as part of the application for Part V approval under the Environment Act, must provide for review and approval:

- a) A Spill Management Plan including: measures for prevention; procedures for clean-up of any sized spill; accounting of who would be responsible for cleanup and what response and containment equipment would be available; measures for keeping birds away from a spill, and for dealing with accidents where birds are oiled and/or sensitive habitats are contaminated; reference to provincial emergency spill regulations; procedures for the storage and disposal of lubricants, petroleum products and waste oils; and reference to provincial regulations pertaining to this storage and disposal, and number and location of on site-personnel spill kits.
- b) An Emergency Response and Contingency Plan consistent in format and content with NSEL's Contingency Planning Guidelines, including:
 - i) safety features incorporated in project design,
 - ii) post accidental monitoring,
 - iii) system shut down procedures,
 - iv) notification procedures,
 - v) containment, decontamination and remediation standards to be met in clean-up,
 - vi) training and exercise drills including Workplace Hazardous Materials Information System (WHMIS) training,
 - vii) comprehensive inspection and maintenance procedures, regulatory compliance standards, reference to CSA Standard Z341 and the CAN/CSA Standard Z731-03 Emergency Preparedness and Response Standard, and
 - viii) procedures to address tourism operations on the Shubenacadie river, Cobequid and Minas Basins.
- c) Details of the Environmental, Health and Safety (EHS) system.
- d) Details for the assessment of other water uses or withdrawals, in or near the project area that could be affected by project related accidents.

7.2 All monitoring programs must be resubmitted over the lifetime of the project, at a schedule established by NSEL, and revised as determined by NSEL.

Original Signed By

Mark Parent
Minister of Environment and Labour