

## Environment and Local Government

# Irving Oil LNG Project receives EIA approval (04/08/10)

NB 855

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FREDERICTON (CNB) - After an extensive review, the provincial government has decided to give approval to Irving Oil Limited to proceed with the development of a liquified natural gas (LNG) facility subject to 24 conditions. The announcement was made today by Premier Bernard Lord, Environment and Local Government Minister Brenda Fowlie and Energy Minister Bruce Fitch.



"This project will ensure Saint John's place as the energy hub in Eastern Canada," Lord said. "We are confident that if Irving Oil Limited goes ahead with this project, New Brunswick will have the first LNG marine terminal and multi-purpose pier in all of Canada."

Premier Bernard Lord - Video: ([Original](#)) (Translation)  
Audio : ([WMA](#)) - ([more audio/video](#))

Irving Oil Limited plans to construct and operate an LNG Marine Terminal and Multi-Purpose Pier at Mispic. The proposed project includes three LNG storage tanks, associated infrastructure, a re-gasification plant that will allow the LNG to return to a gaseous state and a marine terminal for the receiving and unloading of LNG from ships. It is a natural gas, primarily methane, which has been cooled to its liquid state at minus 162.2°C

"This project has undergone an extensive review by municipal, provincial and federal government agencies as well as the public," Fowlie said. "We believe the conditions placed on this approval provide the safeguards needed to ensure the facility will be constructed and operated in an environmentally sound manner."

Included in the 24 conditions is the requirement for several documents to be submitted and reviewed by various agencies such as an environmental protection plan, an oil pollution emergency plan, a site security plan, a marine simulation exercise and a marine terminal manual, in addition to provisions for an emergency evacuation plan.

Irving Oil Limited shall also provide for a dedicated Environmental Monitoring and Compliance Officer and expand the membership of the Community Environmental Liaison Committee and develop a tracking database that will be accessible to this liaison committee to track compliance with all permit and approval conditions.

"This is a great announcement for the energy sector in our province," Fitch said. "It is important for many reasons, not the least of which is the supply of natural gas that it secures for homes and business in our province. We believe the benefits that will result from an LNG terminal and multi-purpose pier will reap great benefits for our province for many years to come."

Documents related to this project, including the complete list of EIA conditions, the summary of public participation and the report of the independent panel, are available online at: <http://www.gnb.ca/0009/0377/0002/0008-e.asp> or by phoning 506-453-3700.

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**CONDITIONS OF DETERMINATION**  
**Irving Oil Limited Liquefied Natural Gas Marine Terminal**  
**and Multi-Purpose Pier Project**

Under subsection 16(2) of *Environmental Impact Assessment Regulation – Clean Environment Act*, the Lieutenant-Governor in Council, having considered the report and the recommendation of the Minister under subsection 16(1), gives his approval to the Irving Oil Limited Liquefied Natural Gas Marine Terminal and Multi-Purpose Pier Project as described in the document “Environmental Impact Statement Liquefied Natural Gas Marine Terminal and Multi-Purpose Pier” dated March 23, 2004, subject to the following conditions:

1. Irving Oil Limited shall obtain all approvals required under other applicable Federal and Provincial Acts or Regulations and be in compliance with all applicable codes throughout the Project.
2. Commencement of this Project must occur within three years of the date of this approval. Should commencement not be possible within this time period, the Project must be registered under the *Environmental Impact Assessment Regulation – Clean Environment Act* (New Brunswick Regulation #87-83) again, unless otherwise stated by the Minister of the Environment and Local Government.
3. Irving Oil Limited shall adhere and implement measures to require adherence by all contractors, sub-contractors and workers for this Project, to all obligations, commitments, monitoring and proposed mitigation measures as outlined in the document “Environmental Impact Statement Liquefied Natural Gas Marine Terminal and Multi-Purpose Pier” dated March 23, 2004 (including Appendix G accompanying the document) and any other documents or correspondence prepared and submitted by Irving Oil Limited, or its agents, as deemed applicable by the Minister to this Project. Further, Irving Oil Limited shall submit an Implementation Plan describing how Irving Oil Limited will implement such obligations, commitments, monitoring and proposed mitigation measures to the Director, Project Assessment Branch of the Department of the Environment and Local Government for review and approval in advance of construction.
4. In the event of a modification to the obligations, commitments, monitoring and proposed mitigation measures as identified in Condition #3 above, Irving Oil Limited shall:
  - i. request any modification in writing;
  - ii. justify each modification relative to site-specific conditions;
  - iii. explain how that modification provides an equal or greater level of environmental protection than the original measure; and
  - iv. submit to the Director of the Project Assessment Branch, Department of the Environment and Local Government any modification to the obligations, commitments, monitoring and proposed mitigation measures.

5. The portion of this approval respecting the Multi-Purpose Pier is limited to the use of the Multi-Purpose Pier for the purposes of off loading Liquefied Natural Gas or emulsified bitumen (one form of which is known as Orimulsion<sup>®</sup>) only. Any other proposed uses of the Multi-Purpose Pier shall be subject to registration under the *Environmental Impact Assessment Regulation – Clean Environment Act* (New Brunswick Regulation #87-83).
6. An environmental protection plan (EPP) for construction and operation shall be submitted to the Director of the Project Assessment Branch, Department of the Environment and Local Government for approval prior to the start of construction. A component of this EPP shall itemize the steps that Irving will take to reduce the potential for noise (including nighttime noise) impacts to the surrounding residents and when these steps are implemented. Further, Irving Oil Limited shall ensure work is executed in accordance with the approved EPP. The EPP may be submitted for approval in phases only after a request has been made to and approved by the Director of the Project Assessment Branch of the Department of the Environment and Local Government.
7. The simulation exercise referenced in Section 5.14.5.1.2 of the “Environmental Impact Statement Liquefied Natural Gas Marine Terminal and Multi-Purpose Pier” dated March 23, 2004, referenced in condition #3 above, shall be developed with input from the Atlantic Pilotage Authority, the Saint John Harbour Pilots Association, Saint John Port Authority, Transport Canada Marine Safety and the Canadian Coast Guard. Further, Irving Oil Limited must receive written approval from the Atlantic Pilotage Authority for the adequacy and completion of the simulation exercise prior to initiation of construction of the Multi-Purpose Pier.
8. The Marine Terminal Manual shall be developed in consultation with the Canadian Coast Guard, the Saint John Port Authority, the Atlantic Pilotage Authority, the Saint John Harbour Pilots Association and Transport Canada Marine Safety and submitted to Transport Canada Marine Safety for written approval in advance of any vessels carrying Liquefied Natural Gas or emulsified bitumen (one form of which is Orimulsion<sup>®</sup>) for delivery to the Multi-Purpose Pier entering the Bay of Fundy. A draft of this plan shall be submitted to the Canadian Coast Guard, the Saint John Port Authority, the Atlantic Pilotage Authority, the Saint John Harbour Pilots Association and Transport Canada Marine Safety six months in advance of the first shipment to the facility. Further, Irving Oil Limited shall require adherence to the approved Marine Terminal Manual as a condition to the acceptance of all vessels at the Multi-Purpose Pier.
9. A detailed oil pollution emergency plan shall be developed by the operator of the oil handling facility and shall be approved by the Executive Director, Regional Environmental Services, Department of the Environment and Local Government prior to any vessels carrying emulsified bitumen (one form of which is Orimulsion<sup>®</sup>) for delivery to the Multi-Purpose Pier entering the Bay of Fundy.

10. Irving Oil Limited shall fund an Environmental Monitoring and Compliance Officer position for the period of construction and commissioning of the facility, to work out of the Department of the Environment and Local Government Saint John Regional office. The duties of the Environmental Monitoring and Compliance Officer include, but are not limited to, monitoring compliance of commitments made, coordinating reviews of plans among different levels of government and ensuring the public is adequately informed. Specific Terms of Reference shall be developed by the Department of the Environment and Local Government.
11. Irving Oil Limited shall develop a tracking database that can be used to track and document compliance with all material permit and approval conditions and commitments made by Irving Oil Limited, as outlined in the document “Environmental Impact Statement Liquefied Natural Gas Marine Terminal and Multi-Purpose Pier” dated March 23, 2004 (including Appendix G accompanying the document) during the regulatory review process and project design phase. The guidelines for this database shall be developed in consultation with the Project Assessment Branch of the Department of the Environment and Local Government. Once this database is developed and prior to initiation of construction, Irving Oil Limited shall update the database on a monthly basis throughout construction and submit an electronic copy of the tracking database to the Department of the Environment and Local Government, the Environmental Monitoring and Compliance Officer (as required in Condition #10) and the Community Environmental Liaison Committee as referenced in Condition #12 of this document as a means of tracking and documenting compliance throughout construction.
12. Irving Oil Limited shall expand the membership of the Community Environmental Liaison Committee for the construction and operation of the Project to include additional interested stakeholders, including the Saint John Citizens Coalition for Clean Air. Membership, terms of reference, and mandate of the Committee shall be determined in consultation with the Department of the Environment and Local Government.
13. Monitoring and assessment of traffic during construction shall be undertaken in consultation with the Community Environmental Liaison Committee, The City of Saint John Police Department, Traffic Division and The City of Saint John Engineering Department. Remedial measures will be implemented, as required, by Irving Oil Limited.
14. An emergency evacuation plan shall be prepared by Irving Oil Limited and submitted to The City of Saint John Fire Chief and the Director, New Brunswick Emergency Measures Organization, Department of Public Safety for approval prior to the start of operation of the facility. A draft of this plan shall be submitted at least six months in advance of operation of the facility.

15. Irving Oil Limited shall ensure that an alternative site access road on the Canaport property is available for emergency access prior to operation of the facility.
16. Costs associated with first responders' initial and on-going training for emergency purposes associated with the Liquefied Natural Gas facility shall be borne by Irving Oil Limited. This training shall be to the satisfaction of The City of Saint John Fire Chief and shall be similar and current to the training programs for Liquefied Natural Gas facilities in the United States.
17. The Emergency Response Plan shall be submitted to The City of Saint John Fire Chief and the Director, New Brunswick Emergency Measures Organization, Department of Public Safety for approval prior to the start of operation of the facility. A draft of this plan shall be submitted six months in advance of operation of the facility.
18. Irving Oil Limited shall have a site-specific seismic and risk assessment conducted prior to completing the final tank design. Irving Oil Limited shall submit the site-specific seismic and risk assessment to the Director, Project Assessment Branch, Department of the Environment and Local Government for input and approval prior to completing the final tank design.
19. Irving Oil Limited shall maintain an ongoing registry of research findings of LNG behaviour in the marine and terrestrial environment and submit these to Environment Canada on an annual basis. Irving Oil Limited shall adapt facility emergency response, as appropriate.
20. Irving Oil Limited must comply with Transport Canada's new marine security requirements under the International Maritime Organization's (IMO) International Ship and Port Facility Security (ISPS) Code. The requirements under the ISPS Code are being implemented through Canada's Marine Transportation Security Regulations, as well as through amendments to the International Convention for the Safety of Life at Sea, 1974. In accordance with the Marine Transportation Security Regulations, Irving Oil Limited is required to prepare a Port Facility Security Assessment and develop and implement a Facility Site Security Plan prior to the operation of the marine terminal and these shall be submitted to the Director of Security and Emergency Planning - Transport Canada Moncton and the Director, Security & Emergencies Directorate, Department of Public Safety six months in advance of operation of the facility.
21. When equipment siting has been completed, and if the design of the Irving Oil Liquefied Natural Gas import terminal is materially different than the design outlined in the document "Environmental Impact Statement Liquefied Natural Gas Marine Terminal and Multi-Purpose Pier" dated March 23, 2004 (including Appendix G accompanying the document), the consequence analysis modelling conducted by Quest Consultants Inc. for the preliminary siting study for the Irving Oil Liquefied Natural Gas import terminal shall be rerun and the results submitted

to the Director, Project Assessment Branch, Department of the Environment and Local Government for approval prior to the start of operation.

22. Semi-annual operational reports shall be filed with the Chief Boiler Inspector, Inspection Services, Department of Public Safety to identify changes in facility design and operating conditions, abnormal operating experiences, activities (including vaporization quantities, boil off/flash gas, etc.) and plant modifications including future plans and progress thereof. Abnormalities shall include, but not be limited to: storage tank stratification or rollover; geysering; storage tank pressure excursions; cold spots on the storage tanks; storage tank vibration and/or vibrations in associated cryogenic piping; storage tank settlement; significant equipment or instrumentation malfunctions or failures; non-scheduled maintenance or repair (and reasons therefore); relative movement of storage tanks inner vessels; vapour or liquid releases; fires involving natural gas and/or from other sources; negative pressure (vacuum) within a storage tank; and higher than predicted boil-off rates. Adverse weather conditions and the effect on the facility shall also be reported. Reports should be submitted within 45 days after each period ending June 30 and December 31.
23. All of the above terms and conditions are an integral part of this approval and the approval, including all terms and conditions, apply to the Project notwithstanding the rights of any users, lessees, and or subsequent owners.
24. In the event of the sale, lease, or any other conveyance or change of control of the Project, or any portion thereof:
  - a. The proponent shall provide written notice of the conditions to the lessee, controller, or purchaser; and
  - b. The proponent shall provide written notice of such lease, change of control, or conveyance to the Minister.