

NOVA SCOTIA UTILITY AND REVIEW BOARD

**IN THE MATTER OF THE PIPELINE ACT AND THE GAS PLANT FACILITY
REGULATIONS**

- and -

IN THE MATTER OF AN APPLICATION by **BEAR HEAD LNG CORPORATION** (“Bear Head LNG”) for a **PERMIT TO CONSTRUCT** a **LIQUEFIED NATURAL GAS** (“LNG”) **PLANT** at Bear Head near Point Tupper, Richmond County, Nova Scotia

WHEREAS Bear Head LNG applied to the Nova Scotia Utility and Review Board (“Board”) by application dated July 15, 2005 for a Permit to Construct;

AND WHEREAS the application seeks approval to construct a LNG plant at Bear Head near Point Tupper, Richmond County, Nova Scotia as described in the application;

AND WHEREAS Bear Head LNG, prior to requesting a final Permit to Construct, has requested the Board issue a Permit to Construct which would allow the pouring of concrete for the LNG storage tank foundations only, as identified on the documents and drawings listed in “Schedule A” attached hereto, hereinafter referred to as the “proposed works”;

AND WHEREAS filing of information by Bear Head LNG, in connection with the proposed works, was completed on November 10, 2005;

AND WHEREAS in Directions on Procedure issued by the Board, members of the public were invited to submit comments on the proposed LNG plant by November 1, 2005;

AND WHEREAS comments were filed by the Municipality of the County of Richmond and by a resident of Steep Creek, Guysborough County with the Board;

AND WHEREAS the Certifying Authority for the Board pursuant to **s. 22** of the **Gas Plant Facility Regulations (Nova Scotia)**, Lloyd’s Register North America Incorporated (“LRNA”), has reviewed the design, material specifications, construction procedures and contractor qualifications for the proposed works and has found them to be in compliance with applicable acts, regulations, codes and standards;

AND WHEREAS the Board has the authority to issue a Permit to Construct pursuant to the **Pipeline Act** and the **Gas Plant Facility Regulations**;

NOW THEREFORE, the Board grants to Bear Head LNG a Permit to Construct the proposed works, subject to the following terms and conditions:

1. Bear Head LNG shall ensure that the proposed works are carried out and completed in accordance with:
 - (a) all federal, provincial and municipal laws, and in particular the **Pipeline Act**, the **Gas Plant Facility Regulations** and the **Code of Practice**, as amended from time to time;
 - (b) all applicable codes and standards, as amended from time to time;
 - (c) this Permit, as may be amended; and
 - (d) the documents and drawings provided in the application and identified in the "List of Drawings" ("Schedule A") attached hereto.
2. Bear Head LNG shall provide reasonable notice to LRNA of its intended schedule of activities for the proposed works and shall permit a representative from LRNA to be onsite to observe the construction.
3. LRNA will verify, in advance of the installation of the proposed works, that the specific materials to be used comply with all applicable codes and standards and are suitable for their intended purpose, and that all materials have been certified in accordance with the applicable codes.
4. In advance of commencing the installation of the proposed works, LRNA will verify that the concrete design mix initial test results are acceptable.
5. A representative from LRNA shall be onsite as required to monitor construction of the proposed works including reinforcement placement, installation of construction joints, concrete mixing, pouring, curing and testing.
6. Bear Head LNG shall provide a copy of required permits and approvals, including but not limited to those from federal, provincial and municipal Departments, Boards and Agencies, to the Board and LRNA prior to commencing construction.
7. This Permit to Construct is for the proposed works as requested by Bear Head LNG only and does not in any way imply, or commit the Board to, approval of any other construction associated with the LNG plant.

8. The Board requires Bear Head LNG to provide proof, satisfactory to the Board, of liability insurance in a minimum amount of \$20 million (Cdn.) relating to the construction of the proposed works.

9. This Permit to Construct may not be transferred or assigned without the written approval of the Board, which shall not be unreasonably withheld.

10. (a) This Permit to Construct may be suspended or terminated by the Board where the Board believes, on reasonable and probable grounds, that Bear Head LNG or its contractor(s) has contravened or will contravene any of its terms or conditions.

(b) The Board shall give Bear Head LNG prior notice of its intent to suspend or terminate and a reasonable time period to remedy any breach or default.

Dated at Halifax, Nova Scotia, this 21st day of November, 2005.

Clerk of the Board

List of Drawings

<u>Document No.</u>	<u>Rev.</u>	<u>Title</u>
Reference No. 147672	1	Foundation Design Calculations
Dwg. 302	4	Foundation Slab
Dwg. 303	0	Construction Joint Locations & Details
C16900	0	Foundation Heating System
Dwg. 03890	3	Foundation Heat System Heater Conduit Plan
Dwg. 03891	3	Foundation Heat System Sensor (RTD) Conduit Plan
Dwg. 03892	3	Foundation Heat System Inclinator Embedments
Doc. 0034-001	0	Concrete Batch Mix Design