

Joint Review Panel
**Rabaska enthusiastically
welcomes report**

Lévis, July 5, 2007—In a historic moment for Rabaska, the joint review panel released a report earlier today in support of the proposed project in Lévis. The project team is especially excited that the panel has confirmed what Rabaska has asserted since 2004: The project is safe, it is justified, it will have minimal impact on the environment and considerable economic benefits, it is right for Lévis, and it is consistent with Quebec's energy policy.

"What a great day for Rabaska!" exclaimed president and CEO Glenn Kelly. "Our years of effort and meticulous work developing a complete project including an LNG terminal and gas pipeline have been recognized. We knew from the start that we had a good project, and experts from a number of fields have now acknowledged that. We believe this report will reassure those who doubted the quality of our work and our project."

Most of the 34 recommendations and 20 opinions issued by the panel are based on analyses and measures already proposed by Rabaska. "The panel has accepted our analysis," added Mr. Kelly, "and we are more than willing to follow their recommendations in order to improve the project. **No recommendation poses a problem for Rabaska. This report is definitively positive for Rabaska, and claiming otherwise would be dishonest.**"

"Chairman Qussaï Samak, commissioners Jean-Philippe Waaub and Jean Paré, and their team did a wonderful job," noted Mr. Kelly. "We again salute their thoroughness and professionalism in taking on the massive task of assessing our project. We are especially delighted that this opinion is shared by all, particularly those who took part in the public hearings."

The task was indeed an uncommon one—a first in Quebec. Participants in the assessment, including the commissioners, the Rabaska team, and citizens, had to review more than 25,000 pages, including the 699 briefs that were submitted, in addition to taking part in 124 hours of hearings over 19 days.

SALIENT HIGHLIGHTS FROM THE REPORT

- “From the methodological standpoint, the Panel is of the opinion that the project’s risk assessment conforms to current established practices in the field. [...] From the standpoint of security, the Panel is of the view that the assessment meets state-of-the-art standards and that **risks associated with the project seem acceptable.**”
- “The Panel found that there are other **facilities in the world of the same nature as those of the project, whose exclusion zones are of the same magnitude as those proposed in the project.**”
- “The Panel is of the opinion that the structural characteristics of **liquefied natural gas land facilities and LNG tankers**, as well as their inherent security measures, **make them little vulnerable as targets for terrorist groups** [...].”
- “In regard to the project’s integration into the area, the Panel notes that **it conforms to the City of Lévis’ land use planning and development plan which calls for industrial and harbour development.**”
- “[...] the Panel recognizes **the project’s importance in terms of investment and economic benefits at the regional level.**”
- “[...] the Panel stresses the emphasis placed by the government’s energy strategy on the role of natural gas in Quebec’s economic and industrial development, and recognizes that **the project’s gas supply would strengthen its energy security.**”
- “The Panel is of the opinion that **the additional supply of natural gas proposed by the project could result in a relative reduction in price on the Quebec market.**”
- “The Panel takes note that the project would contribute to an increase in Quebec’s carbon dioxide emissions. Nevertheless, it is of the view that there is no contradiction between this eventuality and the goals of Quebec’s 2006-2012 action plan for climate change, given that the increase could be compensated for by reductions of these emissions in other areas of activity. In this regard, **the Panel takes into account the substitution of fuels with higher carbon content by the extra supply of natural gas from this project.** In the Panel’s opinion, the emission charges set out in the 2006-2012 action plan could strengthen the possibility of such beneficial substitutions.”

- “[...] Where the requirements of the *Canadian Environmental Assessment Act* are concerned, **the Panel concludes that the project is not likely to cause significant adverse environmental effects.** Such a conclusion is conditional to the implementation of mitigation and compensation measures and follow-up put forth by the proponent, as well as those proposed by the Panel.”
- “The Panel found that **the process leading the proponent to retain the Ville-Guay sector for the LNG terminal follows a selection and assessment method in compliance with the technical requirements and profitability considerations of this type of project.**”
- “The Panel notes that **the addition of LNG tankers would not represent a major change to the present ship traffic profile on the St. Lawrence River.**”
- “The Panel is of the opinion that **the presence of the LNG terminal is not likely to have a significant impact on the movements of non motorized crafts.**”

Rabaska continues to remain sensitive—as it has been from the start—to the project’s impact on the Lévis landscape. It has reiterated its commitment to identifying the measures needed to ensure the best possible integration of its port and shoreline facilities in the area.

“Now that the favorable findings of the joint review panel and Termpol Review Committee reports are known, we hope that residents of Lévis and the surrounding area as well as political, economic, social, and environmental stakeholders will accept these findings, collectively endorse our project, and join forces in order to make Rabaska a shared project for all. We hope this general consensus will soon give rise to an official decree enabling us to move forward with the project,” concluded Mr. Kelly.

ABOUT RABASKA

Rabaska is an \$840 million project to build a terminal in Lévis for tankers transporting liquefied natural gas (LNG). The LNG will be regasified and used to serve the markets of Quebec and eastern Ontario.

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