



April 29, 2020

Noia Submission on the Ministerial Regulatory Proposal to Designate Offshore Exploratory Drilling East of Newfoundland and Labrador for Exclusion under the *Impact Assessment Act*.

Introduction

Noia would like to once again thank the Regional Assessment Committee (the Committee) for the work they have undertaken to complete the Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador. Extensive consultation and diligent work were completed by the Committee and its support staff and that must be commended. Noia would also like to thank the Government of Canada, specifically the Minister of Natural Resources and the Minister of Environment and Climate Change, for their commitment to achieving a regional assessment. Further, Noia thanks the Government of Newfoundland and Labrador, particularly the Premier and Minister of Natural Resources for playing an active role to commence this process and bring it to fruition for the benefit of the offshore oil and gas industry.

Noia

The Newfoundland and Labrador Oil and Gas Industries Association (Noia) was founded in 1977 to represent the supply and service sector of the offshore oil and gas industry. Today, Noia represents over 500 member organizations worldwide which are involved in, or benefit from, the oil and gas industry of Newfoundland and Labrador. Noia members are a diverse representation of businesses that range from offshore supply boats and helicopters to health and safety equipment and training, engineering solutions and fabricators to law firms and personnel agencies.

Canada-Newfoundland and Labrador Offshore Petroleum Board

Noia is pleased the principle of joint management of the offshore, as legislated in the Atlantic Accord Act, is supported by the regulation discussion document and that the Canada-Newfoundland and Labrador Petroleum Board (C-NLOPB) has been provided the authority of life-cycle regulator for offshore exploratory projects. Noia has requested this as part of the consultation process for this legislation and subsequent regulation and feels this will allow for timely review processes to occur as the C-NLOPB has decades of experience in the Newfoundland and Labrador offshore. Noia does encourage both levels of government to ensure the C-NLOPB is appropriately resourced to manage this responsibility while also ensuring it can carry out its responsibilities of regulation and protection of worker safety and the environment.

Timelines

Critical to the functioning of this process will be ensuring that timelines for project approvals are consistent and globally competitive. A regional assessment as outlined may provide for this, though Noia would like to indicate it is not clear how long the process to apply a project for a regional assessment will take. The discussion document leaves the impression it will be 90 days as a proponent is requested to provide information 90 days prior to the start of a project. Noia feels the ministerial regulation should

clearly set out the expected timeline for the process. Clear and consistent timelines will be imperative to the success of the process and also to ensuring the Canadian offshore is competitive with international jurisdictions.

Noia would also recommend that before the regulation is final, and as part of determining timelines for the process to submit an exploration program under the regional assessment, other processes (concurrent and otherwise) which proponents may be subject to, such as through the C-NLOPB or other federal regulations, must also be considered. Elimination of duplication of activities within these processes must occur. The Committee has undertaken extensive consultation to develop the regional assessment and associated processes which must be considered in determining the final process.

Final Regulation

There remains some uncertainty within the discussion document about details of the final regulation and much of this uncertainty will not be made clear until the final regulation is in place. For example, and further to above, there is not clarity on how long the application of a proponent to participate in the regional assessment process will take. As well, there is uncertainty as to the final conditions which will form the regulation as the conditions listed in the discussion document are subject to change upon the final regulation coming into effect. Noia would prefer certainty on these matters at this time. With that said, Noia supports the general thrust of the proposed process and conditions as outlined in the discussion document.

Conclusion

Once again, Noia would like to thank the Committee and both levels of government for their efforts in bringing this process to the point of a ministerial regulation proposal. This has been a significant undertaking and diligent work has been required to reach this stage and provide an exemption under the Impact Assessment Act for exploratory drilling. The final draft of the regional assessment stated a key objective of the process was that it:

Will help to improve the effectiveness and efficiency of the assessment process for future exploratory drilling and associated activities in this region, while also ensuring the highest standards of environmental protection continue to be applied and maintained.

Noia believes that this likely has been achieved through the Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador.

Noia supports the Canada-Newfoundland and Labrador Offshore Petroleum Board as the life-cycle regulator and authority designated to manage the regional assessment process. This action respects the principle of joint management of the offshore as outlined in the Atlantic Accord and which has helped initiate a strong and dynamic offshore oil and gas industry for Canada. Noia would like to state again that it believes the C-NLOPB must be provided appropriate resources to undertake this role and manage the offshore in the best interest of safety, the environment, and competitive regulatory processes.

Noia again states its belief that for the offshore oil and gas industry to continue to be successful it must be globally competitive, and this must include regulatory processes. Environmental reviews can be

undertaken in a fashion that protects the environment but allows economic activity to occur in timely manner. Much has changed in the industry, and the world, since the release of the discussion paper and the global oil and gas industry is facing tremendous challenges resulting from the COVID-19 pandemic and the collapse of oil prices. Ensuring a competitive regulatory regime, which the regional assessment has a significant role in, will help the offshore recover and prosper for the benefit of all Canadians. Immediate assistance is required to attract international investment and commence offshore exploration which is the catalyst for the entire industry.

Noia supports an ocean economy where all ocean industries work together for the socioeconomic benefit of the nation and where activity is undertaken in an environmentally conscious manner. The various industries involved in the ocean economy can co-exist and they can do so in a manner that takes into consideration protection of all ocean resources. This has occurred for decades offshore Newfoundland and Labrador and will certainly continue in the best interest of all Canadians.

Noia also is cognizant of the responsibility of all participants in the ocean economy to practice environmental stewardship, conservation, and protection. There is an onus upon everyone engaged in the offshore oil and gas industry to protect people, marine life and habitat, marine birds and mammals and all wildlife.

The potential of our ocean economy is both staggering and inspiring and we must strive to provide opportunities and support environmental stewardship that is based upon scientific evidence. The Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador is a positive step forward in accomplishing this objective.

Sincerely,



Karen Winsor
Chair



Charlene Johnson
CEO