

Canada

Fisheries and Oceans Pêches et Océans Canada



# 2022-2023 WORK PLAN

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# MEMORANDUM OF UNDERSTANDING

# **BETWEEN**

# CANADA-NEWFOUNDLAND AND LABRADOR **OFFSHORE PETROLEUM BOARD**

AND

**FISHERIES AND OCEANS CANADA** 

**AUGUST 2022** 



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## **CONTEXT**

Section 46 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Act (1987) and Section 46 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act (1992) specifically direct the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) and federal and provincial agencies and departments to enter into Memoranda of Understanding (MOU) to ensure effective coordination and avoid duplication of work and activities.

The MOU between the C-NLOPB and Fisheries and Oceans Canada (DFO) (updated in July 2020) supports and promotes the effective coordination and planning of activities of mutual interest of the C-NLOPB and DFO with respect to each organization's regulatory oversight in the Canada-Newfoundland and Labrador Offshore Area (Canada-NL Offshore Area).

The C-NLOPB regulates petroleum-related activities in the Canada-NL Offshore Area. It is tasked with overseeing exploration and development in a manner that is consistent with its mandate, which includes offshore safety, environmental protection, resource management, and industrial benefits. Safety and environmental protection are paramount in all C-NLOPB decisions. The C-NLOPB is governed by the Atlantic Accords and the Atlantic Accord Implementation Acts which are pre-eminent legislation governing the Canada-NL Offshore Area. In discharging its duties, the C-NLOPB works closely with experts such as DFO to seek expert input. The C-NLOPB/DFO MOU sets out how the two entities will work together. The objectives of the MOU include:

- efficient and effective use of available resources to address marine environmental protection and conservation;
- identification of priorities, opportunities and/or approaches that may strengthen regulatory processes for offshore petroleum activities, including continued advancement of policy, regulatory standards, industry best practice, and science and technology; and
- the promotion of information sharing, dissemination, and knowledge transfer between themselves, and where permissible, with industry, academia, other organizations, and the public at large.

The MOU describes areas where both DFO and the C-NLOPB may cooperate. This includes, but is not limited to:

- information exchange and sharing;
- review and assessment of environmental issues related to offshore petroleum activities and projects;
- review and recommendation of regulations, guidelines, and environmental management best practices;
- development and implementation of integrated management plans for marine and coastal waters;





- recommendation of science research priorities and advice regarding the development of science research study proposals and terms of reference under the Environmental Studies Research Fund (ESRF), Program of Energy Research and Development (PERD), and/or any other science research mechanism; and
- design and review of programs to monitor environmental effects of offshore petroleum activities on marine and coastal ecosystems, species, and other ocean users, as well as the analysis, interpretation, and scientific review of monitoring results.

The MOU also defines areas of collaboration on matters concerning research relevant to the Canada-NL Offshore Area. This includes, but is not limited to:

- exchange of marine ecosystem information and the effects of offshore oil and gas activities on components of the marine and coastal ecosystems; and
- collaboration in establishing research priorities.

The 2022-2023 Work Plan will act as an overarching operational document that identifies areas where collaborative work is planned in the 2022-2023 fiscal year.

## 2022-2023 WORK PLAN

DFO and the C-NLOPB will work cooperatively towards objectives of mutual interest as described in Section 4.0 of the MOU. The 2022-2023 Work Plan identifies projects and activities related to fulfilling those objectives; however, this does not preclude DFO and the C-NLOPB from working on other priority projects or activities, which may be identified during the year.

## 1. Joint Priority Setting, Planning and Coordination

## Description:

The C-NLOPB and DFO have legislative and regulatory responsibilities related to petroleum activities in the Canada-NL Offshore Area. As such, it is desirable that the agencies develop a set of agreed-upon areas of collaborative work and develop strategies to ensure resources are available to carry out this work.

To achieve this outcome, the two parties have agreed to meet as required, at least annually, to discuss and plan for anticipated workloads and to identify priorities. These meetings will be led by the Implementation Committee Chair.

- Discussions of issues/areas requiring collaborative work and an estimate of associated work.
- Meetings of the Executive Committee will occur in the fall of 2022 and spring of 2023 to discuss priorities and progress of the annual Work Plan.



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- Meetings of the Implementation Committee will occur quarterly to discuss priority items, implementation of the annual Work Plan, and to develop the Annual Report.
- Implementation Committee members will identify the lead individuals from their agencies whom will coordinate the deliverables under the MOU

#### Deliverables:

- Development of a joint 2023-2024 Work Plan.
- Development of a joint 2022-2023 Activity Report.
- DFO and C-NLOPB will make the annual MOU Work Plan and Activity Reports publically available on their respective websites.

#### 2. Environmental Assessment

#### Description:

The Work Plan signatories share an interest in continuously improving the Environmental Assessment (EA) process such that impacts are understood and managed effectively and efficiently. The exchange of expertise and information in the conduct of an EA fulfills C-NLOPB and DFO obligations.

Strategic Environmental Assessments (SEA) are undertaken on an as-needed basis by the C-NLOPB and help to inform future licencing decisions regarding offshore oil and gas activities in a particular region of the Canada-NL Offshore Area. DFO will work collaboratively with the C-NLOPB during the SEA preparation process.

- Data exchange and collaborative review of anticipated EAs, EA Amendments, and EA Validation Reports:
  - BP Canada Energy Group ULC Ephesus Prospect ROV Survey 2019-2024 2022 EA Update;
  - Electromagnetic Geoservices Canada Inc. Controlled Source Electromagnetic Program 2022 – EA;
  - Multiklient Invest AS Newfoundland Offshore Seismic Program (2018-2023) 2022 EA Update;
  - Multiklient Invest AS 1-2 new project-specific EAs;
  - Amendment to the 2019 Terra Nova Environmental Assessment Validation Report; and
  - Additional projects, as required.
- Support the Impact Assessment Agency of Canada (IACC) on carrying out EAs which were initiated under the *Canadian Environmental Assessment Act 2012* (CEAA 2012):





- Equinor Canada Ltd. Bay du Nord Development Project;
- Equinor Canada Ltd. Flemish Pass Exploration Drilling Project 2018-2028 2022 EA Update;
- ExxonMobil Canada Limited Eastern Newfoundland Offshore Exploration Drilling Project 2018-2030 – 2022 EA Update;
- Suncor Energy Offshore Exploration Partnership Tilt Cove Exploration Drilling Project 2019-2028; and
- Additional projects, as required.
- Support the IAAC on oil and gas related Impact Assessments that may be initiated under the *Impact Assessment Act*.
- DFO will support the C-NLOPB by providing advice related to conditions contained in the EA Decision Statement for the following projects:
  - BP Canada Energy Group ULC Newfoundland Orphan Basin Exploration Drilling Program, 2017-2026;
  - Equinor Canada Ltd. Bay du Nord Development Project;
  - o Equinor Canada Ltd. Central Ridge Exploration Drilling Project 2020-2029;
  - ExxonMobil Canada Limited Eastern Newfoundland Offshore Exploration Drilling Project 2018-2030; and
  - Additional projects, as required.
- Support the IAAC in carrying out, the Regional Assessment (RA) of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador RA Follow-Up Program. Monitor and report on Ministerial Commitments made in response to RA Committee recommendations.
- Support the IAAC in carrying out the Regional Assessment of Offshore Wind Development.

## 3. Environmental Effects Monitoring

## Description:

This involves reviewing the results of ongoing Environmental Effects Monitoring (EEM) programs for White Rose, Terra Nova, Hibernia, and Hebron Development Projects and revisions to existing EEM plans.

## **Deliverables**:

• Ongoing review of Hibernia, Terra Nova, White Rose, and Hebron EEM programs and results, on an as-needed basis.





- DFO will support the C-NLOPB in the review of:
  - ExxonMobil Hebron Platform 2020 EEM Program;
  - Cenovus Energy Sea Rose 2020 EEM Program;
  - Cenovus Energy 2019 Proposed Revisions to the White Rose EEM Program to Monitor Potential Effects of Discharges from the West White Rose Platform;
  - HMDC Hibernia Platform and Hibernia South Extension 2020 EEM Program;
  - o Suncor Terra Nova 2020 EEM Program; and
  - Suncor Terra Nova 2021 Scallop Survey Results (addendum to the 2020 EEM Program).

#### 4. Regulatory Activities

#### Description:

There are several ongoing activities that require regular collaborative work by the C-NLOPB and DFO in 2022-2023 and subsequent years.

- DFO and the C-NLOPB will endeavour to undertake joint compliance verification activities each year where opportunities present themselves under their respective mandates.
- DFO and the C-NLOPB will continue to communicate and exchange information related to oil spill preparedness and response.
- DFO will provide advice to the C-NLOPB regarding appropriate qualifications for Wildlife Observers deployed during oil spill response activities.
- DFO and the C-NLOPB, in collaboration with the IAAC, will cooperate in ensuring that proponents comply with the conditions associated with federal EA Decision Statements.
- The C-NLOPB will notify DFO of authorizations issued by the C-NLOPB respecting activities in areas where the waters of NAFO Regulatory Areas (NRA) are superjacent.
- The C-NLOPB will continue to participate in the development of Recovery Strategies, Action Plans and Management Plans, as well as listings, for Species at Risk through participation in workshops, meetings, and responses to consultation requests.
- The C-NLOPB and DFO will continue to collaborate on the development of enhanced mitigation requirements for exploration and development programs within the distribution area of any Species at Risk.
- The C-NLOPB and the Species at Risk Program will continue to meet and share information to help interpret the *Species at Risk Act* (SARA) requirements and provide guidance as required.
  - The Species at Risk Program will continue to seek input from the C-NLOPB regarding the





potential listing of species on Schedule 1 of SARA.

- The Species at Risk Program will continue to notify the C-NLOPB of proposed or final postings of recovery documents on the SARA Public Registry.
- The Species at Risk Program will notify the C-NLOPB of the anticipated publication, in Canada Gazette, Part I, of the government's intentions regarding whether or not to list the aquatic species under SARA.
- For each drilling installation for an exploration or delineation well, operators are required to submit an environmental report to the C-NLOPB within 90 days of the rig release date. The C-NLOPB will provide these reports to the Fish and Fish Habitat Protection Program (FFHPP) to ensure mitigation measures to protect aquatic resources as identified in the proponent's environmental impact statement, or any other regulatory tool, have been implemented.
- For each geophysical, geological, geotechnical, or environmental program with a fieldwork component operators are required to submit a mitigation and monitoring report to the C-NLOPB within six months of fieldwork completion, unless otherwise conditioned. The C-NLOPB will provide these reports to the FFHPP team to review and verify operator conformity with measures relevant to DFO including the Statement of Canadian Practice with respect to the Mitigation of Seismic Sound in the Marine Environment.

## 5. Science

## Description:

There are several ongoing activities that will require regular collaborative work by the C-NLOPB and DFO in 2022-2023.

## Activities:

- DFO to provide advice and feedback on two proposed Multi-partner Research Initiative (MPRI) offshore Oil Spill Response projects:
  - MPRI Offshore Burn Experiment; and
  - MPRI Dispersant Field Trials.
- Further development on Ocean Navigator continues. Ongoing discussions as required to facilitate the use of the Ocean Navigator in the utilization of ocean prediction systems.
- Continued DFO Science support on the IAAC-led Follow-Up Program for the Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador.

## **Deliverables:**

• Continued collaboration and input into research objectives of various funding groups, such as ESRF and PERD, that will result in published findings in primary and technical scientific literature.





- DFO-Science will continue to liaise with the C-NLOPB on the ESRF project studying the potential effects of seismic surveys on groundfish.
- DFO-Science will continue to liaise with the C-NLOPB on the ESRF project studying the presence and prevalence of Atlantic salmon in offshore regions to inform regulatory decision making in Canada's areas of offshore oil and gas activity.

#### 6. Marine Planning and Conservation

#### Description:

The Minister of Fisheries and Oceans has the responsibility to lead and facilitate the development and implementation of integrated management plans for all marine waters and a national system of Marine Protected Areas (MPAs). The Minister may also establish marine environmental quality guidelines, objectives, and criteria. These activities may overlap with the role of the C-NLOPB as the lead regulator for offshore oil and gas industrial activities. Engagement between DFO and the C-NLOPB is important for both organizations to achieve objectives effectively and reduce conflicts.

- The C-NLOPB will participate in regional marine governance structures coordinated by DFO including the Regional Oversight Committee on Oceans Management (ROCOM) and the Canada-Newfoundland and Labrador Committee on Oceans Management (C-NLCOM). This will include involvement in working groups (e.g., Marine Spatial Planning (MSP), Data, and Engagement) and implementation of Work Plans developed under the direction of C-NLCOM.
- The C-NLOPB will provide input to MSP initiatives coordinated by DFO related to the Canada-NL Offshore Area. In support of this, the C-NLOPB will share (subject to relevant policies and legislation) data and information with DFO for incorporation and use in MSP visualization and decision-support tools. This includes holding regularly scheduled meetings for sharing updated C-NLOPB land tenure information with Marine Planning and Conservation (MPC) personnel.
- To inform and support land tenure decision-making or other long-term C-NLOPB planning processes, the DFO MPC program will facilitate sharing of available information on fisheries or other marine environmental matters held by DFO with the C-NLOPB.
- DFO and the C-NLOPB will take steps to optimize the sharing of operational information on issues or initiatives managed by the C-NLOPB that relate to DFO-led MPC initiatives. In particular:
  - DFO will engage the C-NLOPB in the Department's planning and implementation of marine conservation measures or areas, in particular those relevant to activities managed by the C-NLOPB. This will include a dedicated bilateral meeting or discussion prior to public announcement of any potential or planned conservation and/or marine planning area by DFO;





- The C-NLOPB will engage DFO in the Board's planning, announcement, and implementation of land tenure decisions, in particular those near marine conservation areas. This will include a bilateral meeting or discussion prior to public announcement of such areas by the C-NLOPB; and
- DFO MPC and C-NLOPB personnel will work towards establishing a schedule of regular or periodic meetings of appropriate personnel to promote sharing of operational information in support of the preceding two bullets.
- DFO and the C-NLOPB will collaborate to develop and implement protocols to operationalize new commitments in the MOU relating to exploratory drilling in Other Effective Area-Based Conservation Measure (OECM) areas such as marine refuges.
- The C-NLOPB will continue to work with DFO MPC to implement the recently developed standard guidance for protection of cold-water corals and sponges from potential impacts of exploratory drilling in the Canada-NL Offshore Area.
- C-NLOPB will participate in DFO's update of the Statement of Canadian Practice with respect to the Mitigation of Seismic Sound in the Marine Environment.
- DFO will co-ordinate annual request for anonymized, aggregate NAFO VMS data for distribution by the C-NLOPB to identified operators under the established Terms of Use.
- The C-NLOPB will provide semi-annual forecasts of planned exploration activities in the portions of the Canada-NL Offshore Area where the waters of the NRA are superjacent

## 7. Fisheries Management

## Description:

DFO will continue to liaise with the C-NLOPB to fulfil the requirements of the Information Exchange established within the Northwest Atlantic Fisheries Organization (NAFO) and consider opportunities to improve efficiencies, including the sharing of commercial Vessel Monitoring System (VMS) fishery data and Canadian fisheries closures.

- DFO will communicate to the C-NLOPB any decisions taken by NAFO relating to closure of an area to bottom trawling activity with the boundaries of the NRA for the protection of Vulnerable Marine Ecosystems (VME).
- DFO has the process and tools in place and can make Canadian fisheries closure decisions if monitoring results suggest fisheries species have been impacted or if requested by an Authority.
- Any closures will be communicated to the C-NLOPB.
- Fisheries Management will provide an update to C-NLOPB regarding the applicability/legality of





buffer zones proposed for exploratory projects that take place in international waters (within the NL Offshore Area but outside the 200 mile limit) during seismic programs.

#### 8. Policy and Economics

#### Description:

Policy and Economics in the Newfoundland and Labrador (NL) Region will provide support in the provision of NL Region Catch and Effort data to the C-NLOPB subject to privacy restrictions and policies on authorized access and use.

#### Activity:

• Policy and Economics will ensure NL Region Catch and Effort data requests from the C-NLOPB will be conducted in a timely fashion and presented in useful and available form. All requests will be subject to privacy restrictions and existing policies on authorized access and/or use of data.

#### **Deliverable:**

• DFO NL Region will continue to make up-to-date NL landings and landed value data publicly available on the Newfoundland and Labrador Regional Internet site.

#### 9. Reporting on Progress

#### Description:

The Implementation Committee Members will keep the MOU Executive Committee signatories advised of the status of projects. An Annual Activity Report on the previous year's progress under the MOU will be finalized by end of first quarter.

#### Activity:

• End of year meeting of the MOU Implementation Committee to develop the 2023-2024 Work Plan by March 31, 2023.

#### Deliverable:

• 2022-2023 Annual Activity and 2023-24 Work Plan Reports finalized by June 30, 2023, including Executive Committee approval.

#### **10.** Abbreviation Index:

#### **CEAA 2012:** Canadian Environmental Assessment Act 2012

C-NLCOM: Canada-Newfoundland and Labrador Committee on Oceans Management

C-NLOPB: Canada-Newfoundland and Labrador Offshore Petroleum Board





**DFO:** Fisheries and Oceans Canada **EA:** Environmental Assessment ECMP: ExxonMobil Canada Properties **EEM:** Environmental Effects Monitoring ESRF: Environmental Studies Research Fund FFHPP: Fish and Fish Habitat Protection Plan IAAC: Impact Assessment Agency of Canada **MOU:** Memorandum of Understanding MPA: Marine Protected Area MPC: Marine Planning and Conservation MPRI: Multi-partner Oil Spill Response Research Initiative **MSP:** Marine Spatial Planning **NAFO:** Northwest Atlantic Fisheries Organization NL: Newfoundland and Labrador NRA: NAFO Regulatory Area **OECM:** Other Effective Area-Based Conservation Measure PERD: Program of Energy Research and Development RA: Regional Assessment **ROCOM:** Regional Oversight Committee on Oceans Management SARA: Species at Risk Act **SEA:** Strategic Environmental Assessment VME: Vulnerable Marine Ecosystems VMS: Vessel Monitoring System





## 11. Approval:

The undersigned approve the proposed 2022-2023 Work Plan as per the MOU between the C-NLOPB and DFO.

## Fisheries and Oceans Canada:

Signed on the

Day of , 2022.

McGillivray, William Digitally signed by McGillivray, William Date: 2022.08.30 16:42:45 -02'30'

William McGillivray Regional Director General Fisheries and Oceans Canada Newfoundland and Labrador Region

## Canada-Newfoundland and Labrador Offshore Petroleum Board:

Signed on the

Day of

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Scott Tessier Chief Executive Officer Canada-Newfoundland and Labrador Offshore Petroleum Board