



Fisheries and Oceans
Canada

Pêches et Océans
Canada



2021-2022 ANNUAL ACTIVITY REPORT

MEMORANDUM OF UNDERSTANDING

CANADA-NEWFOUNDLAND AND LABRADOR OFFSHORE PETROLEUM BOARD

AND

FISHERIES AND OCEANS CANADA

AUGUST 2022



CONTEXT

The *Memorandum of Understanding (MOU) Between the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) and Fisheries and Oceans Canada (DFO) Newfoundland and Labrador Region* supports and promotes the effective coordination and planning of activities of mutual interest of the C-NLOPB and DFO with respect to each agency's regulatory oversight in the Canada-Newfoundland and Labrador Offshore Area.

The Executive Committee is the principal body responsible for advancing the objectives of the MOU. The Committee consists of the Chief Executive Officer of the Board and the Regional Director-General of DFO Newfoundland and Labrador Region. The Executive Committee will oversee advancement of the MOU on behalf of both parties and approve each year the Annual Activity Report and the Annual Work Plan developed by the Implementation Committee. The Implementation Committee consists of staff representing the C-NLOPB and DFO.

This 2021-2022 Annual Activity Report describes the areas of collaboration during fiscal year 2021-2022. It summarizes the progress on activities and deliverables identified in the 2021-2022 Work Plan. The 2021-2022 Work Plan identified nine work streams containing activities and deliverables that both parties agreed to work together on. The majority of these activities are ongoing in nature in that they are conducted each year and have become a part of each organization's standard operating procedure. Other activities, such as Environmental Effects Monitoring, are multi-year in nature and can be ongoing for several years. Additional information has been added to the status updates where key milestones or deliverables have been met/completed, or activities were deferred.

HIGHLIGHTS

Highlights from 2021-2022 include:

- A summary document for DFO's upcoming *Regional Guidance on Measures to Protect Corals and Sponges during Exploratory Drilling in the Canada-Newfoundland and Labrador Offshore Area* was developed and finalized with C-NLOPB input and distributed to offshore petroleum operators.
- DFO and the C-NLOPB contributed to the *Ministerial Response Progress Report* for the Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador.
- The C-NLOPB's Labrador Shelf Offshore Area Strategic Environmental Assessment (SEA) Update was completed with DFO input and posted on the C-NLOPB's website.
- The annual MOU Activity Report and Work Plan were posted on the C-NLOPB's website for the first time, meeting an objective from the 2020-21 Work Plan.

Table 1: Status of the 2021-2022 Work Plan Initiatives

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
1. Joint Priority Setting, Planning and Coordination	C-NLOPB DFO – Fish and Fish Habitat Protection Plan (FFHPP)	<ul style="list-style-type: none"> • Discussions of issues/areas requiring collaborative work and an estimate of associated work. 	<ul style="list-style-type: none"> • Operational
		<ul style="list-style-type: none"> • Meetings of the Executive Committee will occur in the fall of 2021 and spring of 2022 to discuss priorities and progress of the annual Work Plan. 	<ul style="list-style-type: none"> • Complete
		<ul style="list-style-type: none"> • Meetings of the Implementation Committee will occur quarterly to discuss priority items, implementation of the annual Work Plan, and to develop the Annual Report. 	<ul style="list-style-type: none"> • Operational
		<ul style="list-style-type: none"> • Implementation Committee members will identify the lead individuals from their agencies whom will coordinate Work Plan projects. 	<ul style="list-style-type: none"> • Operational
		<ul style="list-style-type: none"> • Development of a joint 2021-2022 Work Plan. 	<ul style="list-style-type: none"> • Complete
		<ul style="list-style-type: none"> • Development of a joint 2020-2021 Activity Report 	<ul style="list-style-type: none"> • Complete
		<ul style="list-style-type: none"> • DFO and C-NLOPB will make the annual MOU Work Plan and Activity Reports publically available beginning in 2021-2022. 	<ul style="list-style-type: none"> • Complete
2. Environmental Assessment (EA)	C-NLOPB DFO – FFHPP	<ul style="list-style-type: none"> • Data exchange and collaborative review of anticipated EAs, EA Updates, EA Amendments, and EA Validation Reports including : <ul style="list-style-type: none"> ○ CNOOC Petroleum North America ULC Flemish Pass Exploration Drilling Project 2018-2028 <ul style="list-style-type: none"> • 2021 EA Update ○ Equinor Canada Ltd. Flemish Pass Exploration Drilling Project 2018-2028 <ul style="list-style-type: none"> • 2021 EA Update ○ Multiklient Invest Newfoundland Offshore Seismic Program 2018-2021 <ul style="list-style-type: none"> • 2021 EA Update • EA Amendment to test modified activation procedure of airguns • EA Amendment for alteration of mitigation protocol ○ Suncor Energy Amendment to the 2019 Terra Nova Environmental Assessment Validation Report 	<ul style="list-style-type: none"> • Complete
		<ul style="list-style-type: none"> • Labrador Shelf Offshore Area Strategic Environmental Assessment (SEA) Update 	<ul style="list-style-type: none"> • Complete

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
		<ul style="list-style-type: none"> • Collaborative review of EAs which were initiated under the <i>Canadian Environmental Assessment Act 2012 (CEAA 2012)</i>: <ul style="list-style-type: none"> ○ Equinor Canada Bay du Nord Development Project ○ ExxonMobil Canada Southeastern Newfoundland Offshore Exploration Drilling Project (2020-2029) ○ Suncor Energy Tilt Cove Exploration Drilling Project (2021-2030) 	<ul style="list-style-type: none"> • Active
		<ul style="list-style-type: none"> • Collaborative review of Impact Assessments that may be initiated under <i>the Impact Assessment Act</i> 	<ul style="list-style-type: none"> • Active Note: No Impact Assessments have been initiated under the new <i>Act</i>.
		<ul style="list-style-type: none"> • Provision of information and collaborative review of regulatory documents to monitor compliance with EA Decision Statement conditions: <ul style="list-style-type: none"> ○ BP Canada Newfoundland Orphan Basin Exploration Drilling Program (2017-2026) ○ ExxonMobil Canada Eastern Newfoundland Offshore Exploration Drilling Project (2018-2030) ○ BHP Canada Exploration Drilling Project (2018-2028) ○ CNOOC International Flemish Pass Exploration Drilling Project (2018-2028) ○ Equinor Canada Flemish Pass Exploration Drilling Project (2018-2028) ○ Additional Projects as required 	<ul style="list-style-type: none"> • Active
		<ul style="list-style-type: none"> • Collaborative review of and involvement in the Regional Assessment (RA) of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador RA Follow-Up Program <ul style="list-style-type: none"> ○ Including the development of guidance to minimize impacts on corals and sponges by offshore exploration drilling, as well as provision of updates on Ministerial Commitments for inclusion in the 2021 Ministerial Response Progress Report. 	<ul style="list-style-type: none"> • Active
3. Environmental Effects Monitoring (EEM)	C-NLOPB DFO - FFHPP	<ul style="list-style-type: none"> • Review of proponent response to DFO comments on EEM Program Reports: <ul style="list-style-type: none"> ○ ExxonMobil Canada Properties – Hebron Platform 2018 EEM Program ○ Hibernia Management and Development Company (HMDC) – Hibernia Platform and Hibernia Southern Extension 2018 EEM Program ○ Cenovus Energy – White Rose 2018 EEM Program 	<ul style="list-style-type: none"> • Complete

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
		<ul style="list-style-type: none"> • Review of EEM programs: <ul style="list-style-type: none"> ○ Cenovus Energy White Rose 2020 EEM Program ○ ExxonMobil Canada Properties (ECMP) Hebron 2019 EEM Program ○ ECMP Hebron 2020 EEM Program ○ HMDC Hibernia and Hibernia South Extension 2020 EEM Programs ○ Suncor Energy Terra Nova 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. 	<ul style="list-style-type: none"> • Active • Active Note: Comments on proposed revisions were provided to Cenovus in 2020. Based on their revised project schedule, Cenovus did not submit a revised document in 2021 so there is no update for this activity report. This item will remain as an ongoing activity until the plan is finalized.
4. Regulatory Activities	C-NLOPB DFO – FFHPP	<ul style="list-style-type: none"> • DFO and the C-NLOPB will endeavour to undertake joint compliance verification activities each year where opportunities present themselves under their respective mandates. 	<ul style="list-style-type: none"> • Operational
		<ul style="list-style-type: none"> • DFO and the C-NLOPB will continue to communicate and exchange information related to oil spill preparedness and response. <ul style="list-style-type: none"> ○ The Monitoring, Standards, and Reporting Unit (Environmental Incident Coordinator (EIC)) continued to implement a new communication and advisory process relative to NEEC reports of spill events related to offshore oil exploration and/or production facilities. The plan includes the Environmental Incident Team contacting C-NLOPB upon receipt of a NEEC report to ascertain nature of the spill (accidental or planned) and whether DFO assistance / information will be required relative to response from C-NLOPB or operator. • As of March 31, 2022 this process has been engaged for 10 NEEC reported events. 	<ul style="list-style-type: none"> • Active
		<ul style="list-style-type: none"> • DFO will provide advice to the C-NLOPB regarding appropriate qualifications for Wildlife Observers deployed during oil spill response activities. <ul style="list-style-type: none"> ○ Primarily via Wildlife Response Plans (WRPs). 	<ul style="list-style-type: none"> • Active
		<ul style="list-style-type: none"> • DFO and the C-NLOPB, in collaboration with the Impact Assessment Agency of Canada (IAAC), will cooperate in ensuring that proponents comply with the conditions associated with federal environmental assessment Decision Statements. 	<ul style="list-style-type: none"> • Operational

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
		<ul style="list-style-type: none"> • 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 programs within the distribution of Species at Risk. • The C-NLOPB and the Species at Risk Program will continue to meet and share information to help interpret the <i>Species at Risk Act (SARA)</i> requirements and provide guidance as required. <ul style="list-style-type: none"> ○ 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 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 FFHPP to review and verify operator conformity with the Statement of Canadian Practice (SOCP) with respect to the Mitigation of Seismic Sound in the Marine Environment 	<ul style="list-style-type: none"> • Operational • Active Note: No consultation or listing decisions made in 2021-2022 • Active The C-NLOPB received reports from Equinor and ExxonMobil during the reporting period. The ExxonMobil report has been accepted and the Equinor report is still being finalized. • Active Reports and raw observer data received for MKI's summer 2021 3D seismic surveys in Orphan, Cambriol and Jeanne d'Arc survey areas.
5. Science	C-NLOPB DFO - Science	<ul style="list-style-type: none"> • Continued collaboration and input into research objectives of various funding groups, such as the Environmental Studies Research Fund (ESRF) and the Program of Energy Research and Development (PERD), that will result in published findings in primary and technical scientific literature: <ul style="list-style-type: none"> ○ 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. 	<ul style="list-style-type: none"> • Active

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
		<ul style="list-style-type: none"> • Provide advice and feedback on two proposed Multi-partner Oil Spill Response Research Initiative (MPRI) offshore 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. 	<ul style="list-style-type: none"> • Active • Operational • Operational
6. Marine Planning and Conservation (MPC)	C-NLOPB DFO – MPC	<ul style="list-style-type: none"> • 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-Newfoundland & Labrador 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 MPC personnel. • To inform and support land tenure decision-making or other long-term C-NLOPB planning processes, the DFO Marine Planning & Conservation 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: <ul style="list-style-type: none"> ○ 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. ○ 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. 	<ul style="list-style-type: none"> • Operational • Active • Active • Operational

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
		<ul style="list-style-type: none"> 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 participate in and provide input to the working group led by the DFO MPC program to develop standard measures and guidance for protection of cold-water corals and sponges from potential impacts of exploratory drilling in the Canada-Newfoundland and Labrador Offshore Area. C-NLOPB to participate in the National Canadian Science Advisory Secretariat (CSAS) process on review of the SOCP with respect to the Mitigation of Seismic Sound in the Marine Environment. 	<ul style="list-style-type: none"> Active Active Active
7. Fisheries Management	C-NLOPB DFO – Fisheries Management	<ul style="list-style-type: none"> The C-NLOPB will provide semi-annual forecasts of planned exploration activities in the portions of the Canada-Newfoundland and Labrador Offshore Area where the waters of the Northwest Atlantic Fisheries Organization (NAFO) Regulatory Area (NRA) are superjacent. 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. DFO will co-ordinate an annual request for anonymized, aggregate NAFO Vessel Monitoring System (VMS) data for distribution by the C-NLOPB to identified operators under the established Terms of Use. 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 to 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 at the next face to face meeting regarding buffer zones during seismic programs. 	<ul style="list-style-type: none"> Operational Operational Operational Operational Operational Operational Note: There were no closures for 2021. Deferred
8. Policy and Economics	C-NLOPB DFO – Policy and Economics	<ul style="list-style-type: none"> DFO NL Region will continue to make up-to-date Newfoundland and Labrador landings and landed value data publicly available on the Newfoundland and Labrador Regional Internet site. 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. The release of all data is subject to privacy restrictions and existing policies on authorized access and/or use of data. 	<ul style="list-style-type: none"> Operational Operational Operational

Initiative	Lead	Activities / Deliverables	Status as of March 31, 2022
9. Reporting on Progress	C-NLOPB	<ul style="list-style-type: none"> End of year meeting of the MOU Implementation Committee to develop the 2022-2023 Work Plan by March 31, 2022. 	<ul style="list-style-type: none"> Complete
	DFO - FFHPP	<ul style="list-style-type: none"> 2021-2022 Annual Activity and 2022-2023 Work Plan Reports finalized by June 30 2022, including Executive Committee approval. 	<ul style="list-style-type: none"> Complete

Status Explanation:

- **Complete** – Work was conducted and completed and will not be continued in next fiscal year.
- **Active** – Work was conducted but not completed and will continue in the following year.
- **Operational** – Part of continuing responsibilities or activities of C-NLOPB and DFO.
- **Deferred** – Work was not conducted but will resume in the next fiscal year.
- **Cancelled** – Work was not conducted and will not continue in the next fiscal year.

10. Abbreviation Index:

CEAA 2012: <i>Canadian Environmental Assessment Act 2012</i>	MPC: Marine Planning and Conservation
CIOPS: Coastal Ice Ocean Prediction System	MPRI: Multi-partner Oil Spill Response Research Initiative
C-NLCOM: Canada-Newfoundland and Labrador Committee on Oceans Management	MSP: Marine Spatial Planning
C-NLOPB: Canada-Newfoundland and Labrador Offshore Petroleum Board	NAFO: Northwest Atlantic Fisheries Organization
CSAS: Canadian Science Advisory Secretariat	NRA: NAFO Regulatory Area
DFO: Fisheries and Oceans Canada	NEEC: National Environmental Emergency Centre
EA: Environmental Assessments	OECM: Other Effective Area-Based Conservation Measure
EEM: Environmental Effects Monitoring	PERD: Program of Energy Research and Development
ESRF: Environmental Studies Research Fund	ROCOM: Regional Oversight Committee on Oceans Management
HMDC: Hibernia Management and Development Company	SARA: <i>Species at Risk Act</i>
IAAC: Impact Assessment Agency of Canada	SEA: Strategic Environmental Assessment
FFHPP: Fish and Fish Habitat Protection Plan	SIMA: Spill Impact Mitigation Assessment
MOU: Memorandum of Understanding	SOCP: Statement of Canadian Practice
M&O: Monitoring and Occurrences	VMS: Vessel Monitoring System
	WRP: Wildlife Emergency Response Plan



Fisheries and Oceans
Canada

Pêches et Océans
Canada



11. Approval: The undersigned approve the Annual Activities Report 2021-2022 as per the “Memorandum of Understanding between the Canada-Newfoundland and Labrador Offshore Petroleum Board and Fisheries and Oceans Canada”.

Fisheries and Oceans Canada:

Signed on the _____ Day of _____, 2022.

**McGillivray,
William**

Digitally signed by McGillivray,
William
Date: 2022.08.30 16:41:26
-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 _____, 2022. 2022-Sep-07 | 10:08:03 AM NDT

DocuSigned by:

CFD41ADA354F4FA...

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