

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

1 Purpose

This document provides scoping information for the Environmental Assessment (EA) of the proposed controlled source electromagnetic (CSEM) survey in the eastern portion of the Canada-Newfoundland and Labrador Offshore Area and all other related activities (the Project). Electromagnetic Geoservices Canada Inc. (EMGS) is proposing to undertake a CSEM survey between May and October in 2022 over two areas in the Canada – Newfoundland and Labrador Offshore Area (C-NL Offshore Area), the Orphan Basin and South Bank. The purpose of the Project is to collect data to inform potential future exploration drilling programs within the two target areas.

Included in this document is a description of the scope of the project that will be assessed, the factors to be considered in the assessment, and the scope of those factors.

2 Regulatory Considerations

The Project will require authorizations pursuant to Section 138 (1) (b) of the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act* and Section 134(1) (b) of the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act (Accord Acts)*.

The C-NLOPB formally delegates the responsibility for preparation of an acceptable environmental assessment report and any supporting documents to EMGS, the project proponent.

3 Scope of the Project

The project to be assessed consists of the following components:

- 3.1 EMGS is proposing to conduct a CSEM survey between May and October in 2022 over two areas in the C-NL Offshore Area; the Orphan Basin and South Bank, the Project Area. Prior to the start of the survey, an array of receivers would be deployed in a grid pattern on the seafloor. An electromagnetic source would be towed behind the survey vessel approximately 30 m above the seabed along predetermined tow lines. EMGS anticipates that towlines will range in length from approximately 100-150 km and survey line spacing will be approximately 1.5 to 2 km, at a minimum. The duration of the survey is estimated to be 90 days.
- 3.2 Operation of an exploration vessel and support vessel associated with the above activities.

4 Factors to be Considered

The EA shall include a consideration of the following factors:

- 4.1 The purpose of the project;

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

- 4.2 The environmental effects of the Project, including those due to malfunctions or accidents that may occur in connection with the Project and any change to the Project that may be caused by the environment. Environmental effect is defined as: any change that the project may cause in the environment, including any effect of any such change on health and socio-economic conditions, on physical and cultural heritage, on the current use of lands and resources for traditional purposes by Indigenous persons, or on any structure, site or thing that is of historical, archaeological, paleontological or architectural significance; and any change to the project that may be caused by the environment, whether any such change occurs within or outside Canada;
- 4.3 Cumulative environmental effects of the Project that are likely to result from the project in combination with other projects or activities that have been or will be carried out;
- 4.4 Emissions and climate change will need to be considered during the impact assessment of this proposed activity. In doing so, emissions will need to be calculated, including any offsets, and the proponent expected to speak to how the proposed project meets regulatory requirements arising from commitments by governments related to greenhouse gas emissions. In the effects assessment, the impact of the project on the dynamic issue of climate change will need to be adequately discussed, as will the effects of climate change on the proposed project.
- 4.5 The significance of the environmental effects described in 4.2, 4.3 and 4.4;
- 4.6 Measures, including contingency and compensation measures as appropriate, that are technically and economically feasible and that would mitigate any significant adverse environmental effects of the project;
- 4.7 The significance of adverse environmental effects following the employment of mitigative measures, including the feasibility of additional or augmented mitigative measures; and
- 4.8 Report on engagements undertaken by EMGS with interested other ocean users who may be affected by program activities and/or the general public respecting any of the matters described above. The One Ocean documents *Fact Sheet for Non-One Ocean Petroleum Members* ([2015 Non One Ocean PIM Fact Sheet](#)) and *One Ocean Protocol for Consultation Meetings: Recommendations for the Fish and Petroleum Industries in Newfoundland and Labrador* ([One Ocean Protocol for Consultation Meetings: Recommendations for the Fishing and Petroleum Industries in Newfoundland and Labrador](#)) can assist in planning these engagements.

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

5 Scope of the Factors to be Considered

EMGS will prepare and submit to the C-NLOPB an EA for the above-described physical activity, and as described in *Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank* (EMGS December 10, 2021). The EA will address the factors listed above; the issues identified in Section 5.2 (following), and document any issues and concerns that may be identified by the proponent through regulatory, stakeholder, and public engagement.

Program activities are proposed for the eastern and southeastern portion of the C-NL Offshore Area which has been studied in recent EAs, the *Eastern Newfoundland & Labrador Offshore Area Strategic Environmental Assessment Update* (August 2014) (Eastern SEA Update), and the *Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador* (Regional Assessment; February 2020). For the purposes of this assessment, the information provided in the Eastern SEA Update, and the Regional Assessment Geographic Information System (GIS) Decision Support Tool (updated May 2021) should support the EA to avoid unnecessary duplication of information. Appropriate references should be included in the EA.

It is recommended that the “valued component” (VC) approach be used to focus its analysis. A definition of each VC (including components or subsets thereof) identified for the purposes of EA, and the rationale for its selection, shall be provided.

The scope of the factors, to be considered in the EA, will include the components identified in Section 5.2 - Summary of Potential Issues, setting out the specific matters to be considered in assessing the environmental effects of the project and in developing environmental plans for the project, and the “Spatial Boundaries” identified below (Section 5.1). Considerations relating to definition of “significance” of environmental effects are provided in the following sections.

Discussion of the biological and physical environments should consider the data available from recent EAs and the Eastern SEA Update for the Project and Study Areas. Where data gaps exist, the EA should clearly identify the lack of data available.

5.1 Boundaries

The EA shall consider the potential effects of the proposed CSEM survey program within spatial and temporal boundaries that encompass the periods and areas during and within which the project may potentially interact with, and have an effect on, one or more VCs. These boundaries may vary with each VC and the factors considered, and should reflect a consideration of:

- the proposed schedule/timing of the CSEM survey program;
- the natural variation of a VC or subset thereof;
- the timing of sensitive life cycle phases in relation to the scheduling of CSEM survey activities;

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

- interrelationships/interactions between and within VCs;
- the time required for recovery from an effect and/or return to a pre-effect condition, including the estimated proportion, level, or amount of recovery; and
- the area within which a VC functions and within which a project effect may be felt.

The proponent shall clearly define, and provide the rationale for the spatial and temporal boundaries that are used in its EA. The EA report shall clearly describe the spatial boundaries (e. g. Study Area, Project Area) and shall include figures, maps and the corner-point coordinates. Boundaries should be flexible and adaptive to enable adjustment or alteration based on field data. The Study Area will be described based on consideration of potential areas of effects as determined by the scientific literature, and project-environment interactions. A suggested categorization of spatial boundaries follows.

5.1.1 Spatial Boundaries

Project Area

The area in which CSEM survey activities are to occur, including the area of the buffer zone normally defined for vessel turning activities.

Study Area

The area which could potentially be affected by project activities beyond the “Project Area.”

Regional Area

The area extending beyond the “Study Area” boundary. The “Regional Area” boundary will also vary with the component being considered (e.g., boundaries suggested by bathymetric and/or oceanographic considerations).

5.1.2 Temporal Boundaries

The temporal scope should describe the timing of project activities. Scheduling of project activities should consider the timing of sensitive life cycle phases of the VCs in relation to physical activities and the timing (and location) of active commercial fishing activities and other marine users..

5.2 Summary of Potential Issues

The EA shall contain descriptions and definitions of EA methodologies employed in the assessment of effects. Where information is summarized from existing EA reports, the sections referenced should be clearly indicated. Effects of relevant Project activities on those VCs most likely to be in the defined Study Area shall be assessed. Discussion of cumulative effects within the Project area and with other relevant marine projects shall be included. Issues to be considered in the EA shall include, but not be limited to, the

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

following:

Physical Environment

5.2.1 The Eastern SEA Update (August 2014) and Regional Assessment GIS Decision Support Tool provides information on the eastern Newfoundland offshore physical environment. They provide descriptions of the meteorological and oceanographic characteristics, including extreme conditions. Only new information for the Study Area that has become available since the publication of the above noted documents, and that is relevant to the consideration of environmental effects, should be provided in the EA.

Biological Environment

5.2.2 The Eastern SEA Update (August 2014) and Regional Assessment GIS Decision Support Tool provides information on the eastern Newfoundland offshore biological environment. They provide descriptions of: marine birds; fish and fish habitat; marine mammals and sea turtles; species at risk; sensitive areas; and human activities, including marine fisheries. Only relevant new information for the Study Area that has become available since the publication of the above noted document should be provided in the EA, in particular species at risk, sensitive areas, and marine fisheries. The project EA will acknowledge data gaps identified in the Eastern SEA update (August 2014) relative to marine fish/fish habitat, species at risk, sensitive areas, and commercial fisheries, as well as how the project EA will describe the relevance of such gaps to the project.

5.2.3 Marine and/or Migratory Birds

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- Spatial and temporal species distributions (observations from prior programs should be included);
- Species habitat, feeding, breeding, and migratory characteristics of relevance to the Study Area;
- Disturbance from survey activities, including both direct effects (physiological), or indirect effects (foraging behaviour, prey species, adult attendance at the nest);
- Physical displacement as a result of vessel presence (e.g. disruption of foraging activities);
- Attraction of, and increase in, predator species as a result of waste disposal practices (i.e., sanitary and food waste);
- Nocturnal disturbance from light (e.g. increased opportunities for predators, attraction of birds to vessel lighting and subsequent collision, disruption of incubation);
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- Means by which bird strandings and mortalities associated with project operations may be systematically monitored, documented and assessed;
- Procedures for handling birds that may become stranded on survey

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

vessels;

- Effects of hydrocarbon spills from accidental events, including operational discharges (e.g. deck drainage, gray water, black water);
- Means by which potentially significant adverse effects upon birds may be mitigated through design and/or operational procedures; and
- Environmental effects due to the Project, including cumulative effects.

5.2.4 Marine Fish and Shellfish

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- Distribution and abundance of marine fish and invertebrate species utilizing the Study Area with consideration of critical life stages (e.g., spawning areas, overwintering, juvenile distribution, migration);
- Description, to the extent possible, of location, type, diversity and areal extent of marine fish habitat in the Study Area. In particular, those indirectly or directly supporting traditional, Indigenous, historical, present or potential fishing activity, and including any essential (e.g. spawning, feeding, overwintering) habitats;
- The means by which potentially significant adverse effects upon fish (including critical life stages) and commercial fisheries may be mitigated through design, scheduling, and/or operational procedures; and
- Environmental effects due to the Project, including cumulative effects.

5.2.5 Marine Mammals

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- Spatial and temporal distribution;
- Description of marine mammal life stages/life histories relevant to the Study Area;
- Disturbance to/displacement of marine mammals due to noise and the possibility of ship strikes;
- Means by which potentially significant adverse effects upon marine mammals (including critical life stages) may be mitigated through design, scheduling, and/or operational procedures; and
- Environmental effects due to the Project, including cumulative effects.

5.2.6 Sea Turtles

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- Spatial and temporal distribution;
- Description of sea turtle life stages/life histories relevant to the Study Area;
- Disturbance to/displacement of sea turtles due to noise and the possibility of ship strikes;

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

- Means by which potentially significant adverse effects upon sea turtles (including critical life stages) may be mitigated through design, scheduling, and/or operational procedures; and
- Environmental effects due to the Project, including cumulative effects.

5.2.7 Species at Risk (SAR)

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- A description of SAR as listed in Schedule 1 of the *Species at Risk Act (SARA)*, and those under consideration by COSEWIC in the Study Area, including fish, marine mammal, sea turtles, and seabird species. It is advised that the SARA Registry and COSEWIC website be referred to for the most recent information;
- A description of critical habitat (as defined under *SARA*), if applicable, to the Study Area;
- Monitoring and mitigation, consistent with recovery strategies/action plans (endangered/threatened) and management plans (special concern);
- A summary statement stating whether project effects are expected to contravene the prohibitions of *SARA* (Sections 32(1), 33, 58(1));
- Means by which adverse effects upon SAR and their critical habitat may be mitigated through design, scheduling, and/or operational procedures; and
- Assessment of effects (adverse and significant) on SAR and critical habitat, including cumulative effects.

5.2.8 “Sensitive” Areas

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- A description, to the extent possible, of any “Sensitive” Areas in the Study Area deemed important or essential habitat to support any of the marine resources identified;
- Environmental effects due to the project, including cumulative effects, on those “Sensitive” Areas identified; and
- Means by which adverse effects upon “Sensitive” Areas may be mitigated through design, scheduling and/or operational procedures, particularly specific mitigation measures for the placement of receiver anchors within the Northeast Newfoundland Slope Closure to protect cold-water corals and sponges.

Marine Use

5.2.9 Noise/Acoustic Environment

The EA shall provide information on the following:

- Disturbance/displacement of VCs and SAR associated with CSEM survey activities;
- Means by which potentially significant effects may be mitigated through design, scheduling and/or operational procedures; and

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

- Effects of CSEM activities (direct and indirect) including cumulative effects, on the VCs and SAR identified within the EA. Critical life stages should be included.

5.2.10 Presence of CSEM Survey and Support Vessel

The EA shall provide information on the following:

- Description of project-related traffic, including routings, volumes, scheduling and vessel types;
- Effects upon access to fishing grounds;
- Effects upon general marine traffic/navigation, including fisheries research surveys, and mitigations to avoid research surveys;
- Means by which potentially significant effects may be mitigated through design, scheduling and/or operational procedures; and environmental effects assessment, including cumulative effects.

5.2.11 Fisheries and Other Ocean Users

The EA shall provide only new or updated information, where applicable, to address any changes to the following:

- A description of fishery activities (including traditional, existing and potential commercial, recreational and Indigenous/subsistence and foreign fisheries) in the Study Area;
- Consideration of underutilized species and species under moratoria that may be found in the Study Area as determined by analyses of past DFO research surveys and Industry Groundfish Enterprise Allocation Council survey data, with emphasis on those species being considered for future potential fishers, and species under moratoria;
- Traditional historical fishing activity, including abundance data for certain species in this area, prior to the severe decline of many fish species (e.g., a general overview of survey results and fishing patterns in the survey areas for the last 20 years);
- An analysis of the effects of Project operations and accidental events upon the foregoing.
- The analysis should include consideration of recent scientific literature on effects of CSEM activity, including identified data gaps;
- Fisheries liaison/interaction policies and procedures;
- Program(s) for compensation of affected parties, including fisheries interests, for accidental damage resulting from project activities;
- Means by which adverse effects upon commercial fisheries may be mitigated through design and/or operational procedures; and
- Environmental effects due to the Project, including cumulative effects.

5.2.12 Accidental Events

- Environmental effects of any accidental events arising from accidental releases from the CSEM and support vessels. Cumulative effects in consideration of other

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

oil pollution events (e.g., illegal bilge disposal) should be included.

- Mitigations to reduce or prevent such events from occurring.
- Contingency plans to be implemented in the event of an accidental release.

Environmental Management

5.2.13 The EA shall outline EMGS’s environmental management system and its components, including, but not limited to:

- Pollution prevention policies and procedures;
- Fisheries liaison/interaction policies and procedures;
- Program(s) for compensation of affected parties, including fishery interests, for accidental damage resulting from project activities; and
- Emergency response plan(s).

Biological and Follow-up Monitoring

5.2.14 Discuss the need for and requirements of a follow-up program to verify the accuracy of the EA, to verify the effectiveness of any mitigation measures identified in the EA, or both. The discussion should also include any requirement for compensation monitoring (compensation is considered mitigation).

Discuss how the proposed mitigations in the EA Report will be undertaken and clearly describe the monitoring and reporting aspects on the implementation and effectiveness of the mitigation measures contained in the EA Report.

Details regarding the monitoring and observation procedures to be implemented regarding marine mammals, sea turtles and seabirds (observation protocols should be consistent with the C-NLOPB “*Geophysical, Geological, Environmental and Geotechnical Program Guidelines*” (June 2019).

A report on mitigation and monitoring identified in the EA, and undertaken during the program, should be submitted to the C-NLOPB by January 31, 2023 in a format that is suitable for public release (e.g. searchable PDF). The report should include a description of the mitigation and monitoring measures identified in the EA and including those implemented during the program and assessment of effectiveness of these measures.

5.3 Significance of Adverse Environmental Effects

The Proponent shall clearly describe the criteria by which it proposes to define the “significance” of any residual adverse environmental effects that are predicted by the EA. This definition should be consistent with the Impact Assessment Agency’s March 2015 Technical Guidance, “*Determining Whether a Designated Project is Likely to Cause Significant Adverse Environmental Effects under the Canadian Environmental Assessment Act, 2012*”, and be relevant to consideration of each VC (including components or subsets thereof) that is identified. SARA species shall be assessed

Electromagnetic Geoservices Canada Inc. – Controlled Source Electromagnetic Survey in the Orphan Basin and South Bank (2022) Draft Scoping Document

independent of non-SARA species. The effects assessment methodology should clearly describe how data gaps are considered in the determination of significance of effects.

5.4 Cumulative Effects

The assessment of cumulative environmental effects should be consistent with the principles described in Impact Assessment Agency’s March 2015 Technical Guidance, *Assessing Cumulative Environmental Effects under the Canadian Environmental Assessment Act, 2012*. It should include a consideration of environmental effects that are likely to result from the proposed project in combination with other projects or activities that have been or will be carried out. These include, but are not limited to: proposed oil and gas activities under EA review (listed on the C-NLOPB Public registry at www.cnlopb.ca); other CSEM activities; fishing activities, including Indigenous fisheries; other oil and gas activities; and marine transportation. The C-NLOPB website lists all current and active offshore petroleum activity within the Canada-NL offshore area.

6 Projected Timelines for the Environmental Assessment Process

The following are estimated timelines for completing the EA process. The timelines are offered based on experience with recent environmental assessments of similar project activities.

ACTIVITY	TARGET	RESPONSIBILITY
EA review upon receipt from Proponent	6 weeks	C-NLOPB & Expert Departments and Agencies
Compile comments on EA	1 week	C-NLOPB
Review of EA Addendum/Response Document (<i>if necessary</i>)	2 weeks	C-NLOPB & Expert Departments and Agencies
Determination of Significance of Project Effects	3 weeks	C-NLOPB
Total	12 weeks	