



Noia Submission to the Impact Assessment Agency

Re: Draft Environmental Assessment Reports for BHP (Orphan Basin), Chevron (West Flemish Pass), and Equinor (Central Ridge – Flemish Pass)

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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 approximately 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.

Noia is pleased to have the opportunity to comment on the draft Environmental Assessment (EA) reports of the proposed exploration programs of BHP in the Orphan Basin (ELs 1157 & 1158), Chevron in the West Flemish Pass Basin (EL 1138), and Equinor in the Flemish Pass Basin (ELs 1159 & 1160) and commends the Impact Assessment Agency of Canada (IAA) for providing a process where comments on projects with similar content, analysis, and conclusions can be made as one.

Noia has previously provided comment on the project descriptions and the environmental impact statements of these three projects and has supported the progression of the projects through the assessment process. With the release of the draft environmental assessment reports and draft conditions for the projects, specifically noting the EA reports indicate that the projects are “not likely to cause significant adverse environmental effects, taking into account the implementation of mitigation measures,” Noia remains supportive. Further, as noted in recent submissions to the IAA by Noia, since the process began to review these projects a regional assessment of the offshore has been undertaken and implemented. The approach undertaken by the IAA for these three projects to be reviewed simultaneously supports the spirit of the regional assessment.

As part of the previous submissions made by Noia, information about the socioeconomic value of the offshore oil and gas industry and exploratory drilling was provided. While this submission will not provide those significant numbers again, Noia believes it is important to point out that a report provided by the regional assessment committee highlights specific benefits of exploration drilling, including \$221.7M spent on exploration drilling programs in Newfoundland and Labrador in 2017, generating 3,136 person-months of employment.

Further, the regional assessment outlined – as has been indicated in numerous environmental assessment processes – that through decades of experience and standard mitigation processes, exploratory drilling programs do not pose significant risk of adverse effects. Noia agrees with this comment as exploration activities have a history of over three decades in the offshore of Newfoundland and Labrador with stringent federal regulations and mitigation practices in place. Further, the role of the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) as life-cycle regulator has been effective due to extensive experience and knowledge accumulated over more than two decades of involvement with the offshore. It is important to note that environmental safety is a core function of the C-NLOPB, which is also a founding member of the International Offshore Petroleum Environmental

Regulators (IOPER), a collaborative group of national regulators whose focus is to drive improvements to environmental performance in the global offshore petroleum and exploration industry. During 2016-17, the focus of IOPER was on environment performance indicators, regulating oil spill preparedness and response, as well as public consultation and decision making.

The regional assessment committee also stated it is “considered unlikely” that offshore exploratory drilling in the region would “hinder” Canada’s ability to meet its emission targets and fulfill international obligations. This is an important point to consider when reviewing these projects. While providing substantive benefits to Newfoundland and Labrador and Canada, the projects are not an impediment to the country achieving international commitments regarding environmental protection. This is reflective of the Newfoundland and Labrador offshore in general which has a greenhouse gas emission rate 30% below the global average and that in 2017 provided just 0.23% of Canada’s total CO₂ upstream emissions.

The proponents of these projects have outlined mitigation measures which will be, or have been, implemented for the exploration programs. These include, but are not limited to, the use of remote operated vehicles and spill response plans. Specific mitigations will be implemented to protect marine life and habitat. Oil spill trajectory and fate modelling have been undertaken for the licence areas. Details on philosophies for environmental protection and worker safety, as well as potential use of techniques which may have less impact on the environment and reduce safety risks have also been provided.

Noia is encouraged that proponents have outlined a coordinated approach by offshore operators planning exploration programs in the Newfoundland and Labrador offshore to consult with Indigenous groups. Noia continues to support this approach as it will help inform Indigenous peoples of potential offshore programs and do so in the full context of offshore activities, and also increase their awareness of the potential projects to occur offshore.

Given the information provided by the proponents and the recent work of the regional assessment committee, Noia suggests that conditions placed upon the proponents of these programs mirror the conditions of the regional assessment. Such an approach will provide clarity and certainty to all stakeholders operating in the Newfoundland and Labrador offshore.

Conclusion

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.

Noia submits that the information outlined above should be considered when assessing the proposed exploration campaigns of the proponents. Given this information, along with the development of a regional assessment for offshore Newfoundland and Labrador and the impending processes to be implemented for offshore exploration as a result, Noia supports the proposed exploratory drilling programs of the three proponents.

Sincerely,

<Original signed by>

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Noia