Part III.1

MEMORANDUM OF UNDERSTANDING (MOU)

Respecting the administration of the occupational health and safety regime under the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act and the Canada-Newfoundland and Labrador Atlantic Accord Implementation Act

AMONG:

Her Majesty in Right of Canada, represented by the Minister of Natural Resources ("NRCAN")

and

Her Majesty in Right of Newfoundland and Labrador, represented by the Minister of Natural Resources ("NR"), the Minister, Service NL ("SNL") and the Minister for Intergovernmental and Aboriginal Affairs

and

The Canada-Newfoundland and Labrador Offshore Petroleum Board ("the Board")

hereinafter collectively referred to as the "Parties"

WHEREAS the Parties share a desire that a safe working environment exists for offshore workers;

AND WHEREAS under the federal *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act* and the provincial *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act* ("the Accord Acts") the Board has responsibility for administering the provisions of the Accord Acts on behalf of the Government of Canada and Government of Newfoundland and Labrador;

AND WHEREAS on behalf of the Government of Canada, NRCAN has responsibilities related to the Accord Acts for the management of offshore petroleum resources and petroleum related work and activity conducted in offshore area, including matters respecting occupational health and safety;

AND WHEREAS on behalf of the Government of Newfoundland and Labrador, NR has responsibilities related to the Accord Acts, other than Part III.1, for the management of offshore petroleum resources and petroleum related work and activity conducted in the offshore area;

AND WHEREAS on behalf of the Government of Newfoundland and Labrador, SNL has responsibilities under Part III.1 of the Accord Acts for occupational health and safety matters as they relate to petroleum related work or activity conducted in the offshore area;

AND WHEREAS Part III.1 of the Accord Acts provides for the application of Newfoundland and Labrador social legislation in respect of workplaces situated within the offshore area in connection with the exploration or drilling for or the production, conservation or processing of petroleum within the

offshore area;

AND WHEREAS the Minister for Intergovernmental and Aboriginal Affairs of Newfoundland and Labrador has responsibilities pursuant to the *Intergovernmental Affairs Act*;

AND WHEREAS it is appropriate to describe more formally the process to be followed by the Parties in respect of matters of mutual concern and the understanding among them in relation to the effective administration of the occupational health and safety regime under the Accord Acts;

THEREFORE, the Parties agree as follows:

I. GENERAL

1.1 The purpose of this MOU is to establish an understanding between the Parties in relation to the administration of provisions under the Accord Acts respecting occupational health and safety matters in relation to petroleum related work and activities conducted in the offshore area.

1.2 Any terms not otherwise defined have their meaning as set out in the Accord Acts.

1.3 If the name of any Party changes after the signing of this agreement, the new entity is bound by this agreement.

2. ROLES AND ADVICE

2.1 The Board will provide NRCAN, SNL and NR with any reports related to occupational health and safety required to be published under the Accord Acts, reports of Serious Incidents, as defined in Annex 2, information respecting the immediate health and safety of persons as set in provision 2.6, and any other information upon request respecting occupational health and safety matters in relation to petroleum related work and activities conducted in the offshore area.

2.2 The Board must consider the regulatory practices provincially, federally and in other offshore regulatory regimes when formulating recommendations or establishing guidelines respecting occupational health and safety matters in the offshore area in an effort to promote greater consistency and certainty.

2.3 SNL will provide advice and information to the Board or the Chief Safety Officer, and will provide advice and information to NR, respecting occupational health and safety matters;

2.4 NR will provide information and advice to the Board or the Chief Safety Officer, and will provide information and advice to SNL, on matters that may impact occupational health and safety in relation to petroleum related work and activities conducted in the offshore area.

2.5 NRCAN will provide advice and information to the Board or the Chief Safety Officer, and will provide advice and information to SNL, respecting occupational health and safety matters in relation to petroleum related work and activities conducted in the offshore area.

2.6 It is understood by the Parties that any information which may have an immediate effect on the health and safety of persons in the offshore area must be provided to the other Parties without delay.

2.7 It is understood by the Parties that information referred to in provisions 2.3 - 2.5 is subject to any privilege or confidentiality that may attach to that information.

2.8 NRCAN and SNL will consult each other prior to making any recommendation to the Governor in Council or Lieutenant-Governor in Council with respect to regulations concerning occupational health and safety, and NRCAN, NR and SNL will also be responsible for consultation with equivalent counterparts who are responsible for the administration of occupational health and safety in the offshore area, and will consult with other departments and agencies with expertise on subject areas that may affect occupational health and safety. The Board will provide technical advice in such matters as appropriate.

3. NOTIFICATION AND COMMUNICATION

3.1 NRCAN and SNL will notify the Board and NR in writing when a special officer has been appointed and the scope of the matter for which the special officer has been appointed.

3.2 NRCAN and SNL will inform the operator when a special officer has been appointed.

3.3 The Board will advise NRCAN, SNL and NR in writing when a marine installation and structure becomes or ceases to be a workplace in the offshore area for the purposes of Part III.1 of the Accord Acts and also when an authorization has been suspended or is reinstated by the Board.

3.35 The Board will advise NRCAN and SNL in writing when an order is issued that a passenger craft cease to be used to transport workers in the offshore area for the purposes of Part III.1 of the Accord Act because it constitutes a danger that cannot otherwise be corrected, altered or protected against immediately.

3.4 The Board will make best efforts on a timely basis to notify SNL, NRCAN and NR of any Serious Incident affecting the occupational health and safety of persons in the offshore area.

3.5 The Parties shall advise each other of any proceedings or decisions that may affect the interpretation of Part III.1 of the Accord Acts and its respective application in the offshore area.

3.6 The Parties shall advise each other if an auditor has been appointed or an inquiry has been called.

3.7 Where practicable, NRCan and SNL agree to assist the Board, if requested, in matters related to the Board's administration and enforcement of Part III.1.

4. DESIGNATES FOR NOTIFICATION

The following is the title of the designate and contact information for the purposes of giving notice as required by this MOU:

Chair Canada – Newfoundland and Labrador Offshore Petroleum Board 709.778.1455

Chief Safety Officer

Canada – Newfoundland and Labrador Offshore Petroleum Board 709.778.4262

Assistant Deputy Minister

ADM Responsible for Energy Policy Newfoundland and Labrador Department of Natural Resources 709.729.1406

Assistant Deputy Minister

ADM Responsible for Occupational Health and Safety Service NL, Government of Newfoundland and Labrador

709.729.5544

Director General

Petroleum Resources Branch Natural Resources Canada 613-992-8609

A Party may change the designate or contact information by notifying the other Parties in writing.

5. REPORTING

5.1 The Board will consult with NRCAN, NR and SNL concerning the reports and statistics which are required under the Accord Acts or are necessary for the purposes of NRCAN, NR and SNL.

5.2 The Board will make best efforts on a timely basis to brief NRCAN, NR and SNL in relation to any Serious Incidents affecting the occupational health and safety of persons.

5.3 SNL, NRCAN and NR will provide the Board with lists and descriptions of the incidents which they wish to be reported to them, which lists and descriptions may be amended from time to time, and Annex 2 attached to this MOU provides the initial list and description.

6. APPOINTMENT OF OCCUPATIONAL HEALTH AND SAFETY OFFICERS

6.1 The requisite skills, qualifications and training requirements necessary for occupational health and safety officers to be designated under the Accord Acts are set out in Annex 3 attached to this MOU. It is understood by the Parties that the requirements may be amended from time to time.

6.2 The Board will ensure that the occupational health and safety officers are trained in accordance with the requirements and maintain eligibility for the necessary certifications in relation to such designation.

6.3 Upon the Board being satisfied that a Board employee or other recommended person meets the necessary skills, qualifications and training requirements, the Board will initiate the designation process of the employee or other recommended person as an occupational health and safety officer by

forwarding a request to SNL, and copying NRCAN, to designate the employee or other recommended person. It is understood that such request must be accompanied by the curriculum vitae and training qualifications of the candidate.

6.4 SNL will advise the Board of the date upon which it has designated an occupational health and safety officer and the date upon which notification was given to NRCAN.

6.5 NRCan will advise the Board of the date on which it has received notice of a designation pursuant to Section 6.4.

6.5 The Parties agree to make their best efforts to ensure the timely designation and appointment of occupational health and safety officers.

6.6 On completion of the designation process, the Board will provide the occupational health and safety officer an appropriate certificate of designation.

6.7 The Board will immediately advise NRCAN and SNL when an occupational health and safety officer ceases to remain in that capacity.

7. OTHER

7.1 The Parties may provide services to one another in support of occupational health and safety matters in addition to those identified in this MOU. Such services will be provided upon such terms as may be agreed by the Parties from time to time.

7.2 NRCAN, NR and SNL agree that best efforts will be made to ensure qualified individuals are appointed in a timely manner to the Advisory Council as established under the Accord Acts.

7.3 Issues arising out of this MOU that cannot be resolved at the staff level will be referred to the Deputy Minister, SNL, the Deputy Minister, NR, the Director General, NRCAN, and the Chair of the Board.

7.4 Officials of the Parties, or their delegates, will meet as frequently as necessary, but no less frequently than annually, to review the operation of the MOU and to consider any amendment which may be required.

7.5 This MOU replaces all previous agreements between the Parties on the administration of Part III, including the memorandum of understanding among the Parties dated July 5, 2001.

8. AMENDMENT AND ANNEXES

8.1 This MOU may be amended upon the mutual consent of the NRCAN, NR, SNL and the Board. Unless another date is agreed, an amendment will become effective upon the date of the last signature of a Party.

8.2 Any document describing a co-operative arrangement affecting this MOU which may, from time to time, be concluded between the Deputy Minister, SNL, the Deputy Minister, NR, the Director General, NRCAN, and the Chair of the Board, or any other document to which NRCAN, NR, SNL and the Board agree, may be annexed to this MOU, and, a list of such Annexes will itself be Annex 1.

8.3 Annex 2 to this MOU may be amended upon mutual consent of the Deputy Minister, SNL, the Deputy Minister, NR and the Director General, NRCAN.

8.4 Annex 3 to this MOU may be amended upon mutual consent of the Deputy Minister, SNL, the Director General, NRCAN, and the Chair of the Board.

9. EFFECTIVE DATE

9.1 This MOU is effective from and after the 25 day of <u>November</u>, 2014.

IN WITNESS WHEREOF our signatures are hereunto inscribed:

Chair

Jeu 25, 2014 DATE

DATE

Canada-Newfoundland and Labrador Offshore Petroleum Board (or his authorized designate)

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Minister for the Department of Natural Resources (or his authorized designate)

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Minister of Municipal and Intergovernmental Affairs (or his authorized designate)

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Annex 1

List of Annexes

Annex 2: Serious Incident Annex 3: Qualifications of Occupational Health and Safety Officers

Serious Incident

The incidents which the Board will promptly report to SNL, NRCAN and NR, pursuant to Section 5.3 of this MOU, are hereby defined to be ("Serious Incidents"):

- (a) the death of an employee;
- (b) a missing person;
- (c) a serious injury to an employee, as defined in Section 10(1) of the Newfoundland and Labrador Occupational Health and Safety Regulations, 2012;
- (d) an event which results in the triggering of emergency rescue, revival, or evacuation procedures;
- (e) fire or explosion that threatened the safety or health of an employee;
- (f) a free fall of an elevating device that renders the elevating device unsafe for use by an employee;
- (g) exposure to a hazardous substance;
- (h) loss or damage to support craft; or

(i) an incident that had or continues to have reasonable potential of causing serious injury to or the death of an employee.

Annex 3

Qualifications of Occupational Health and Safety Officers

EXPERIENCE

(a) Minimum five (5) years petroleum and/or safety and health related experience

(b) Professional Engineer, or a recognized safety designation

(c) an equivalent combination of (a) and (b).

DEMONSTRATED COMPETENCIES

- Completion of six-month probationary period

- Act as co-lead, or lead accompanied by an appointed OHS Officer, for at least two onsite compliance verifications (ie. audits or inspections).

- a competency assessment has been performed by the CSO and the CSO has recommended the individual to the Board as an OHS Officer for the purpose of the administration and enforcement of Part III.1.

CERTIFICATIONS & TRAINING

- Basic Survival Training,
- Hyrdogen Sulfide Safety (eg. H2S Alive)
- WHMIS- First Aid/ CPR
- Law Enforcement Investigation Training
- Regulatory Inspection Training
- Offshore Medical Fitness Certification

OTHER CONSIDERATIONS

Candidates must possess sufficient qualifications (experience, competencies, certifications and training) to carry out their functions efficiently and effectively.

Temporary appointments of OHS Officers may be required in specific circumstances (e.g. for incident inspections, inquiries and investigations, as a result of staff resignations, etc.). Such appointments may include external consultants.

Qualification requirements for a candidate for temporary appointment as an OHS Officer shall be determined on a case by case basis. The appointment process will be the same as for any OHS Officer, however the specific circumstances and recommended qualifications shall be clearly described.