

December 13, 2010

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Gentlemen:

Re: OHSI Recommendation #29 - Safety Under the New Regime

In the OHSI Report, Commissioner Wells stated:

- (a) It is recommended that a new, independent, and standalone Safety Regulator be established to regulate safety in the C-NL offshore. Such a Safety Regulator would have to be established, mandated, and funded by both Governments by way of legislative amendment, regulation, or memorandum of understanding, or other means.
- (b) It is further recommended that if, for any reason, it may not be feasible at this time to do as recommended in 29(a) above, both Governments consider the enactment of regulations, or a memorandum of understanding, or such other mechanism as may be suitable, to do as follows:
- (i) create a separate and autonomous Safety Division of C-NLOPB, with a separate budget, separate leadership, and an organizational structure designed to deal only with safety matters. A suggested design for such a Division is to be found in the Observations chapter of this Report.

(ii) establish, to support the full-time leadership and staff of the Safety Division, an Advisory Board composed of mature and experienced persons fully representative of the community and who are unconnected with the oil industry. The Advisory Board would not be expected to contribute expertise in aviation or other specialized fields. Its role would be to give mature and balanced advice and support to the leadership of the Safety Division, its officers and staff.

(iii) ensure that the Safety Division would have the mandate and ability to engage, either on staff or as consultants, expert advisors to assist it in its regulatory tasks.

(iv) ensure that the powers, duties, and responsibilities of the Chief Safety Officer be transferred to and incorporated in the new Safety Division.

The Board has, in the attached letter, conveyed this Recommendation to both Governments, and we await their decision with respect to Section 29 (a) of the Recommendation. However, The Board currently has full responsibility for implementation of the other 28 Recommendations, and we have developed a strategy to respond to each of them, as detailed in the individual letters addressing them.

With respect to Sections 29 (b) (i) through (iv) of this Recommendation, The Board is examining ways within the current legislative framework in which it can modify its current structure and practices to meet the intent of this recommendation. The Chief Safety Officer currently has full authority to exercise independent jurisdiction to protect safety.

Some examples of additional autonomy might include the separation of the "Operations" responsibilities from the Safety Division, the establishment of a separate budget allocation for the Division, and the establishment of an Expert Advisory Board. The latter has already begun with the engagement of Peter McKeage as our aviation advisor. Others will be added to this Advisory Board in the weeks and months ahead.

Sincerely,

Max Ruelokke, P. Eng. Chairman & CEO

Attch.



November 23, 2010

The Honourable Kathy Dunderdale Minister of Natural Resources Government of Newfoundland & Labrador Natural Resources Bldg., 50 Elizabeth Avenue P.O. Box 8700 St. John's, Newfoundland A1B 4J6

The Honourable Christian Paradis Minister of Natural Resources Canada Government of Canada 21 - 580 Booth Street Ottawa, Ontario K1A 0E4

Dear Ministers:

Recommendations 29(a) and 29(b) of the Offshore Helicopter Safety Inquiry Report are directed to governments. In the interest of expediting governments' attention to these matters, the Board is forwarding these recommendations now for consideration by governments.

Recommendation 29(c) of the Inquiry Report is that the Board "recommend" governments' acceptance of Recommendations 29(a) and 29(b). The Board is not at this time ready or prepared to make such a recommendation to governments.

However, in the interim, while governments are considering Recommendations 29(a) and 29(b), the Board will be considering changes to its practices, procedures and structures to address the intent and spirit of these matters as raised in the Inquiry Report, and in keeping with the Board's legislated mandate.

Sincerely,

Max Ruelokke, P. Eng Chairman & CEO