



October 12, 2018

(via email)

Mr. Terry Hubbard, Vice President
Canadian Environmental Assessment Agency
150 Elgin Street, 22nd floor
Ottawa, ON K1A 0H3

Dear Mr. Hubbard:

Re: Draft Agreement to Conduct a Regional Assessment of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador

Thank you for the opportunity to provide feedback on CEAA's September 2018 Draft Agreement to Conduct a Regional Assessment (RA) of Offshore Oil and Gas Exploratory Drilling East of Newfoundland and Labrador (NL). ExxonMobil Canada (EMC) has been an active participant in the feedback process related to the review of Canada's environmental assessment processes since October 2016. As these are important discussions for all Canadians, we intend to remain fully engaged in this review and offer our ongoing assistance.

Our position remains that offshore exploration drilling and geophysical programs within NL do not belong on the revised Designated Project List. To date, more than 300 wells have been drilled offshore NL under the jurisdiction of the Canadian-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) and all of these wells had an environmental assessment. We are supportive of having the ability to use an RA approach to meet the requirements under the proposed *Impact Assessment Act* (IAA) and appreciate your leadership in coordinating the RA. A well-executed RA can create efficiencies, transparency and clarity for all stakeholders as it creates opportunities to leverage resources and establish best practices.

Purpose and Scope

EMC recommends including a clearly defined purpose and scope as part of the Draft Agreement. EMC believes the purpose of the RA is to be a tool used for exclusion or substitution for assessment under the IAA within the Newfoundland Offshore Region.

The RA scope should include:

- Clearly defined roles and responsibilities for the lifecycle regulator, governments and agency;
- Indigenous Knowledge studies that are relevant to offshore NL activities;
- Sound, accepted environmental assessment and risk management practices;
- Exploration and delineation drilling to avoid duplication of consultation and assessment for subsequent wells within an exploration license; and,
- Consideration for minimizing requirements for future assessments during development and production phases.

Governance Model

For the proposed governance model, EMC supports the establishment of a Task Team and Technical Advisory Group as presented. The members of the Technical Advisory Group should include representation from the C-NLOPB and industry as subject matter experts familiar with the NL offshore environment. As our goal is an efficient and effective process, we question what unique and additive role the Committee would provide. The Task Team and Technical Advisory Group appear sufficient to draft the final report to the ministers, identify and address knowledge gaps and, as appropriate, make recommendations.

Other Recommendations

The costs of conducting the RA should fall to CEAA and Natural Resources Canada. Industry should not be responsible for covering the costs incurred by the C-NLOPB as this is a government led initiative. We encourage the use of data from the numerous environmental assessments already completed by industry.

Lastly, opportunities to “stop the clock”, should be eliminated or at least limited to very specific and restricted circumstances that should be clearly outlined in the Draft Agreement.

Closing

We appreciate the opportunity to provide our comments on the Draft Agreement. I continue to believe that there is a viable approach to environmental assessment for the offshore that will provide stringent environmental protection while allowing Canada's resource sector to remain globally competitive. To ensure efficient and effective implementation of the RA, EMC proposes updates be made in the Draft Agreement to the purpose, scope, timelines and clear governance roles and responsibilities.

Thank you for your consideration of this written submission. If you would like to discuss these comments further, please do not hesitate to contact me or Gillian Savage-Knight at (709) 273-1894. We offer our continued support as you progress this important work.

Sincerely,

<Original signed by>

Carman H. Mullins

cc: The Honourable Catherine McKenna, M.P., Minister of Environment and Climate Change
The Honourable Amarjeet Sohi, M.P., Minister of Natural Resources
The Honourable Seamus O'Regan, M.P., Minister of Veterans Affairs and Associate Minister of National Defence (St. John's South-Mount Pearl, NL)
The Honourable Siobhan Coady, MHA, Minister of Natural Resources, NL
Mr. Scott Tessier, Chair and CEO, Canada-Newfoundland and Labrador Offshore Petroleum Board