

## **Request for Proposals**

### **Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment Update**

**Closing Date: Monday March 26, 2012**

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## 1.0 Introduction

**The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) invites proposals for the completion of an Update to the Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment (SEA).**

The Board's authority is derived from the legislation implementing the February 11, 1985 Atlantic Accord between the two governments. The *Canada-Newfoundland Atlantic Accord Implementation Act* and the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act* (“the *Accord Acts*”) provide for joint management of the offshore area.

The C-NLOPB is responsible, on behalf of the Government of Canada and the Government of Newfoundland and Labrador, for the regulation of petroleum exploration and production activities in the Newfoundland and Labrador Offshore Area (NL Offshore Area). Since 2002, the C-NLOPB has been undertaking SEAs of areas in which the issuance of exploration licences could be contemplated, excepting those areas that have already been subject to substantial levels of assessment.

Strategic environmental assessment is a broad-based approach to environmental assessment that examines the environmental effects which may be associated with a plan, program or policy proposal and that allows for the incorporation of environmental considerations at the earliest stages of program planning. SEA typically involves a broader-scale environmental assessment that considers the larger ecological setting, rather than a project-specific environmental assessment that focuses on site-specific issues with defined boundaries. Additional information regarding SEA may be found on the Canadian Environmental Assessment Agency web site at: <http://www.ceaa-acee.gc.ca>.

In the Board’s case the “strategic decision” informed by the results of a SEA is to offer Exploration Licences (ELs) for bid and issuance within the NL Offshore Area.

In this particular case, SEA will consider petroleum-related activities that may occur offshore if one or more exploration licences are issued. An exploration licence confers:

1. The right to explore for, and the exclusive right to drill and test for, petroleum;
2. The exclusive right to develop those portions of the offshore area in order to produce petroleum; and
3. The exclusive right, subject to compliance with the other provisions of the *Accord Acts*, to apply for a production licence.

Activities associated with the above may include drilling of wells (either exploration wells or delineation wells), in addition to seismic and other geophysical surveys. These activities require the specific approval of the C-NLOPB and each requires a project-specific assessment of its associated environmental effects. The SEA will provide an overview of the existing environment, discuss in broader terms the potential environmental effects associated with offshore oil and gas, identify knowledge and data gaps, identify sensitive areas, highlight issues of concern and make recommendations for mitigation and planning.

Information from the SEA will assist the C-NLOPB in determining whether future exploration rights should be offered in whole or in part for an area, and may also identify general mitigative measures that should be considered for application to exploration activities.

In order to assist in the conduct of the SEA Update for the Western NL Offshore Area, a working group was established in 2011. The Working Group is chaired by the C-NLOPB and consists of members representing federal and provincial government departments and agencies and One Ocean, a liaison organization for the fishing and petroleum sectors which provide a forum to enhance mutual knowledge and understanding between the two industries. The Working Group assisted in the preparation of a Scoping Document for the conduct of the SEA Update, and will assist the C-NLOPB in the development of the SEA Update Report.

## 2.0 Objective of the Work

To undertake a SEA Update of offshore<sup>1</sup> oil and gas exploration activities, in accordance with the Scoping Document (Appendix A), for the Strategic Environmental Assessment Update Western Newfoundland and Labrador Offshore Area, as outlined in red in **Figure 1**.

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<sup>1</sup> The terms 'offshore' or 'offshore area' refer to the jurisdictional area of the C-NLOPB, as defined in the *Accord Acts* to mean "those submarine areas lying seaward of the low water mark of the Province and extending, as any location as far as (a) any prescribed line, or (b) where no line is prescribed at that location, the outer edge of the continental margin or a distance of two hundred nautical miles from the baselines from which the breadth of the territorial sea of Canada is measured, whichever is greater."

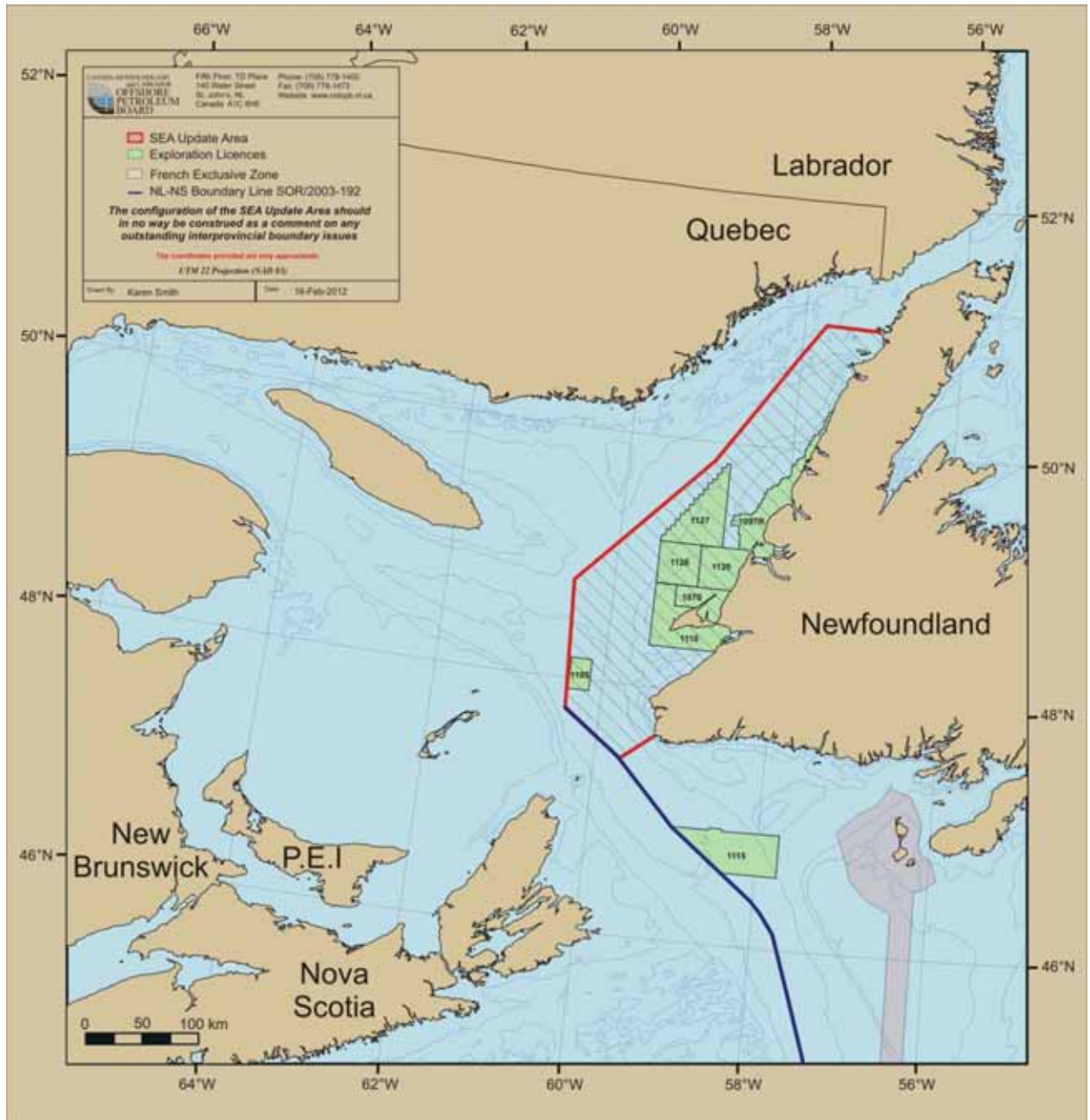


Figure 1 – Western Newfoundland and Labrador Offshore Area SEA Update Area

In December 2005, the C-NLOPB published an SEA for a portion of the Gulf of St. Lawrence offshore western Newfoundland and amended it in November 2007 to extend the geographic coverage to include additional lands southwest of the original 2005 SEA Area. The SEA Update Report will update the information in both the “*Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment*” (LGL

Limited December 2005) and the “*Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment Amendment*” (LGL Limited November 2007).

The chosen area of focus, the SEA Update Area, as identified in Figure 1, will include all marine waters under the jurisdiction of the C-NLOPB west of the low water mark out to the western boundary depicted in red on Figure 1.

### 3.0 Scope of Work

The Contractor will complete the following tasks:

1. Prepare a SEA Update Report (DRAFT 1), based on the Scoping Document (Appendix A).
2. Prepare for, coordinate, and manage public consultation sessions with community groups, fish processors, interested stakeholders and government agencies to solicit input and identify issues and concerns for use in the SEA Update. These consultation sessions will be held in locations in and around the Gulf of St. Lawrence region in consideration of the public comments received on the draft Scoping Document. This will include: one session in Cape Breton, one session on the Magdalen Islands; one session in Prince Edward Island; two sessions on the Quebec north shore; and up to four sessions in Newfoundland (e.g. Port aux Basques, Stephenville, Corner Brook, Rocky Harbour). Some consultation sessions may be held in both English and French. These sessions will be concurrent with the preparation of the SEA Update Report (DRAFT 1). The contractor will consult with the C-NLOPB and the Working Group regarding the planning and scheduling of these consultation sessions.
3. Incorporate information, issues and concerns gathered through the public consultation sessions described above into the SEA Update Report (DRAFT 1).
4. Prepare and submit a revised SEA Update Report (DRAFT 2), based on review comments from C-NLOPB and members of the Working Group. The SEA Update Report (DRAFT 2) will be made available for wider public and regulatory review. Prepare a Summary Report of Draft 2 to be translated into French and made available for public comment.
5. Following the close of the public/regulatory comment period, prepare a revised SEA Update Report (DRAFT 3) incorporating review comments.
6. Prepare a Final SEA Update Report, incorporating any final comments by C-NLOPB and the Working Group upon review of the SEA Update Report (DRAFT 3).
7. Prepare a Summary Report of the Final SEA Update Report, in both English and French.

#### 4.0 Reporting and Scheduling

All work will be reported to the C-NLOPB, the Contract Authority. The following schedule and reporting requirements **must** be followed.

1. Initial meeting with C-NLOPB staff and members of the Working Group within 3 working days following award of contract. The meeting shall be held at the C-NLOPB office in St. John's by conference call.
2. **DRAFT 1** to be submitted **no later than 16** weeks following award of contract.
3. **DRAFT 2** to be submitted **no later than 4** weeks following receipt of comments from the C-NLOPB on DRAFT 1 (DRAFT 2 will be made available for public comment period).
4. Meeting with C-NLOPB staff and Working Group members to review submitted comments on **DRAFT 2**. Meeting to be held within 3 days of receipt of comments from the C-NLOPB. (Note: Meeting may be held outside the province of Newfoundland and Labrador).
5. **DRAFT 3** to be submitted **no later than 3** weeks following the meeting referred to in item 4 for final review.
6. **DRAFT Summary Report** to be submitted **no later than 3** weeks following the meeting referred to in item 4 for final review.
7. **FINAL SEA Update Report** to be submitted **no later than 2 weeks** following receipt of comments from C-NLOPB on **DRAFT 3**.
8. **FINAL Summary Report** to be submitted **no later than 2 weeks** following receipt of comments from the CNLOPB on the Draft Summary Report.

It is expected that the contractor will work closely with the C-NLOPB in the development of the work task items.

#### 5.0 Deliverables

Note – for the following, the number of copies will depend on circulation of the SEA Update Report (DRAFT 2), Final SEA Update Report, and the feasibility of distributing electronic copies in place of hard copies. The following is an estimate for proposal purposes.

**With regard to colour pages, only those figures that are required to be in colour for review/interpretation purposes shall be printed/copied in colour. All other figures/photos shall be printed in black and white.**

With reference to **Section 3.0 Scope of Work**, the following copies of the SEA Update Report (DRAFT 1, 2 and 3), FINAL SEA Update Report, and SUMMARY SEA Update Report are required:

- DRAFT 1:**
- ◆ 20 colour, double-sided hard copies of SEA Update Report (DRAFT 1)
  - ◆ 1 electronic copy in MS Word format (any one file cannot exceed 3mB, and **all figures** must be embedded in the MS Word Document)
  - ◆ 20 electronic copies in PDF format
- DRAFT 2:**
- ◆ Table of concordance for SEA Update Report (DRAFT 1) comments (filed as a separate document)
  - ◆ 40 colour, double-sided hard copies of SEA Update Report (DRAFT 2)
  - ◆ 1 electronic copy in MS Word format (any one file cannot exceed 3 mB and **all figures** must be embedded in the MS Word Document)
  - ◆ 30 electronic copies in PDF format
  - ◆ 20 colour, double-sided hard copies of Draft 2 Summary Report in English
  - ◆ 10 colour, double-sided hard copies of Draft 2 Summary Report in French
  - ◆ 20 electronic copies in PDF format.
- DRAFT 3:**
- ◆ Table of concordance for SEA Update Report (DRAFT 2) comments (filed as a separate document)
  - ◆ 20 colour, double-sided hard copies of SEA Update Report (DRAFT 3)
  - ◆ 1 electronic copy in MS Word format (any one file cannot exceed 3 mB and **all figures** must be embedded in the MS Word Document)
  - ◆ 20 electronic copies in PDF format
- FINAL:**
- ◆ Table of concordance for SEA Update Report (DRAFT 3) comments (Filed as a separate document)
  - ◆ 40 double-sided hard copies of the FINAL SEA Update Report
  - ◆ 1 electronic copy in MS Word format (any one file cannot exceed 3 mB and **all figures** must be embedded in the MS Word Document)
  - ◆ 30 electronic copies in PDF format



- SUMMARY:**
- ◆ Table of concordance for Draft Summary Report comments (filed as a separate document)
  - ◆ 30 double-sided hard copies of the SUMMARY Report in English
  - ◆ **25** double-sided hard copies of the SUMMARY Report in French
  - ◆ 1 electronic copy in MS Word format (any one file cannot exceed 3 mB and **all figures** must be embedded in the MS Word Document)
  - ◆ **20** electronic copies in PDF format

## 6.0 Contents of a Proposal

Bidders must submit a proposal addressing all requirements in this Request for Proposals. Proposals must contain the following information:

- ◆ Discussion of the methodology employed to undertake the work. Any difficulties that could impact project schedule should be identified
- ◆ Individual project work tasks will be identified and all resources (e.g., person days, expenses, travel) estimated
- ◆ The project team structure will be described and specific individual responsibilities for each work task identified. Resumes, including experience with similar types of projects, should be included
- ◆ Project schedule showing start and completion dates as well as significant project milestones
- ◆ A project budget for each task, including a breakdown of fees and disbursements
  - All travel costs are to be included in project budget. The travel cost must include a contingency for travel delay (e.g. weather). If travel costs are excluded, the proposal will be rejected;
  - **Realistic** estimate of printing costs. Refer to final reports for Southern Newfoundland and the Labrador Shelf SEAs for an estimate of number of pages (including number of colour copies).

It is expected that the Proposal submitted will be based on the information requirements outlined in the Scoping Document (Appendix A).

The proposal should be concise and should address, but not necessarily be limited to, the rated criteria listed in **Section 7.0**. The rated criteria will be used to evaluate the relative merits of each proposal and will be based solely on content. The proposal therefore should address the rated criteria in sufficient detail to permit a complete evaluation. Items not addressed will be given a score of zero.

Bids should be submitted in the format requested. If the Bidder feels that the terms and conditions of this RFP will restrict it unnecessarily, it should state so in the bid. Any deviations from these conditions should be provided in detail with an explanation as to why they are being proposed. It is the responsibility of the Bidder to obtain clarification of the requirements contained herein, if necessary, prior to submitting its proposal.

## 7.0 Evaluation Methodology and Contract Selection Method

Proposals will be evaluated against the following rated criteria. In order to be considered valid, a proposal must achieve the minimum ratings identified.

The successful Bidder will be selected on the basis of **RATIO OF IMPORTANCE – PRICE TO PROPOSAL** that achieves the minimum pass mark established for each of the rated criteria sections identified herein.

### 7.1 Rated Requirements

In order to be considered valid, proposals must achieve a minimum rating of **75%** or better under each of the three (3) rated criteria sections. Those proposals failing to achieve the required ratings will be considered non-responsive and will not be considered for award of contract.

#### Section 1 Approach and Methodology

Available Points 60 Required Pass Mark 45

1. The Bidder should demonstrate a clear understanding of the project, its objectives and the purpose for conducting the work
2. The Bidder should provide a detailed account of recently completed projects of a similar scope and nature, including the methodology which was used to achieve objectives, and, if applicable, explain any methodology changes being brought to the proposed approach

#### Section 2 Project Management

Available Points 15 Required Pass Mark 11.25

1. The Bidder should demonstrate through its project management plan the following
  - ◆ the proposed methodology
  - ◆ a work breakdown structure, including a resource plan
  - ◆ organization of the project team
  - ◆ responsibility assignment of personnel
  - ◆ project management and control (time, cost, performance)

- ◆ milestones, deliverables and estimated completion dates for each required task
  - ◆ assumptions made in creating the plan.
2. The Bidder should outline how it intends to keep the C-NLOPB informed of project progress and apprise them of any evolving issues throughout the course of the project.
  3. The Bidder should clearly indicate the member of the project team who will provide the status reports or identify evolving issues and how they will be communicated.

### **Section 3 Proposed Personnel**

Available Points 25 Required Pass Mark 18.75

1. The Bidder should identify the proposed project manager, including his/her role, qualifications and experience
2. The Bidder should identify key personnel assigned to the project and include their resumes, detailing their roles and responsibilities in similar projects.
3. The Bidder should demonstrate the ability to substitute personnel (both in terms of assigned personnel and key speakers) with the same qualifications and experience or better in the event that person is unable to perform tasks (e.g., sickness, vacation) to maintain quality and project schedule. No substitutions shall take place without the prior written approval of the C-NLOPB

#### **7.2 Evaluation Criteria:**

- ◆ Proposal: 100 points maximum.
- ◆ Must achieve a minimum of 75% in **each** of the 3 sections.
- ◆ Ratio of Importance: Price 20% Proposal 80%.
- ◆ Highest score and lowest price receive full rated percentage and others pro-rated accordingly.

Winner is highest total points established from price and proposal rating.

**EXAMPLE (for illustrative purposes only)**

PASSING BIDS:

	<b>Bid 1 (points)</b>	<b>Bid 2 (points)</b>	<b>Bid 3 (points)</b>
Proposal Rating	90	82.5	72.5
Price	\$ 100k	\$ 98k	\$ 92k

CALCULATIONS:

Bid 1: Full rating for highest points in proposal = 80.0  
 Price Pro-rating (92/100) x 20% = 18.4  
 TOTAL = 98.4

Bid 2: Proposal pro-rating, (82.5/90) x 80% = 73.3  
 Price pro-rating, (92/98) x 20% = 18.7  
 TOTAL = 92.0

Bid 3: Proposal pro-rating (72.5/90) x 80% = 64.4  
 Full Rating for lowest bid = 20.0  
 TOTAL = 84.4

**WINNER = BID 1**

**8.0 Submission of Proposals**

Bidders must submit the following documents and copies as identified below. The Closing Date for the RFP is **4:00 pm** Newfoundland time on **Monday March 26, 2012**.

The Proposal must consist of the following:

- a) The Proposal should clearly state the name and address of the Bidder
- b) The Proposal Response Form (Appendix B) shall accompany the proposal as the cover page. **It shall not form part of the electronic copy.**
- c) **4 double-sided hard copies and 1 electronic copy** of the Technical Proposal, which meets the requirements set out in this RFP (the electronic copy file size **must not exceed 2.0 MB**)
- d) Resumes/Curriculum Vitae **must** be under separate cover, and submitted in a file separate from the technical proposals ( **file size must not exceed 2.0 MB**)

- e) **4 double-sided hard copies and 1 electronic copy (file size cannot exceed 2.0 MB)** of the Cost Proposal which meets the requirements set out in Section 6.0. The Cost Proposal **must** be bound separate from the Technical Proposal.
- f) All Proposals submitted in response to this RFP must be in a sealed envelope clearly marked as follows:

**Request for Proposals  
Western Newfoundland and Labrador Offshore Area  
Strategic Environmental Assessment Update**

- g) Sealed Proposals will be received by the C-NLOPB at the following address

Canada-Newfoundland and Labrador Offshore Petroleum Board  
Fifth Floor, TD Place  
140 Water Street  
St. John's, Newfoundland  
A1C 6H6  
ATTENTION: Elizabeth Young

- h) Proposals must be received at the above address prior to the time of closing of this RFP. Proposals received after the time of closing will not be considered and will be returned unopened to the Bidder.
- i) Proposals and supporting documents submitted in a timely fashion will not be returned.

## **9.0 Amendment of a Proposal**

A Proposal that is submitted to the C-NLOPB by the Bidder in accordance with this RFP, may be amended by a letter, provided the revision is received at the address above designated for the receipt of proposals prior to the closing time for the submission of Proposals.

## **10.0 Contract for Services**

### **10.1 Parties**

The successful Bidder will be required to enter into a contract with the C-NLOPB that will reflect the deliverables in accordance with the RFP and the submission of the Bidder. A copy of a standard (DRAFT) Contract for Services is annexed as Appendix "C" hereto and forms part of this RFP.

### **10.2 Estimated Contract Award Date**

It is estimated that a Contract for Services against this RFP will be awarded by April 20, 2012. The successful Bidder will be expected to begin work upon award.

### 10.3 Contract Completion Date

All deliverables and commitments under the Contract for Services must be completed on or before **March 13, 2013**.

### 10.4 Method of Payment

The Proposal should reflect the preferred method of payment for services rendered. The following options for the method of payment are available in the Contract and will be incorporated into Schedule "C" – of the Contract for Services:

- (a) One lump sum payment upon completion of the contract; or
- (b) Progress payments (subject to a 10% holdback) to be made not more frequently than once per month. Invoices for progress payment would normally be presented to the C-NLOPB upon completion of a **major** deliverable (i.e., Draft 1, Draft 2, Draft 3, FINAL and SUMMARY SEA Update Report).

**The maximum amount to be paid (including expenses) by the C-NLOPB for this contract shall not exceed \$200,000.00 plus HST.**

### 10.5 Pre-Contract Costs

No payment shall be made for costs incurred in the preparation or submission of proposals in response to this RFP.

### 11.0 Validity of Proposal

Any proposal received by the C-NLOPB must remain open for acceptance for a period of not less than thirty (30) days after the Closing Date of this RFP. After the Closing Date, no amendments will be accepted.

### 12.0 Requests for Information

The C-NLOPB reserves the right to request further detailed financial data to support the rates and other costs reflected in the project budget.

### 13.0 Pre-Submission Inquiries

All inquires regarding the submission of a proposal must be made in writing and submitted to:

Elizabeth Young  
Canada-Newfoundland and Labrador Offshore Petroleum Board  
5<sup>th</sup> Floor TD Place  
140 Water Street  
St. John's, NL  
A1C 6H6

Telephone: (709) 778-1400  
Facsimile: (709) 778-1432  
E-mail: :information@cnlopb.nl.ca

Inquiries should be received no later than 5 calendar days prior to the Closing Date of this RFP to allow sufficient response time. Otherwise, a response cannot be guaranteed.

## Appendix A

# Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment Update

## Scoping Document





**Strategic Environmental Assessment Update  
Western Newfoundland and Labrador Offshore Area**

**Scoping Document**

**Prepared by:  
Canada-Newfoundland and Labrador Offshore Petroleum Board  
Environmental Affairs Department  
St. John's, NL**

**For more information, contact:**  
C-NLOPB  
5<sup>th</sup> Floor, TD Place, 140 Water Street  
St. John's, NL A1C 6H6  
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**February 21, 2012**

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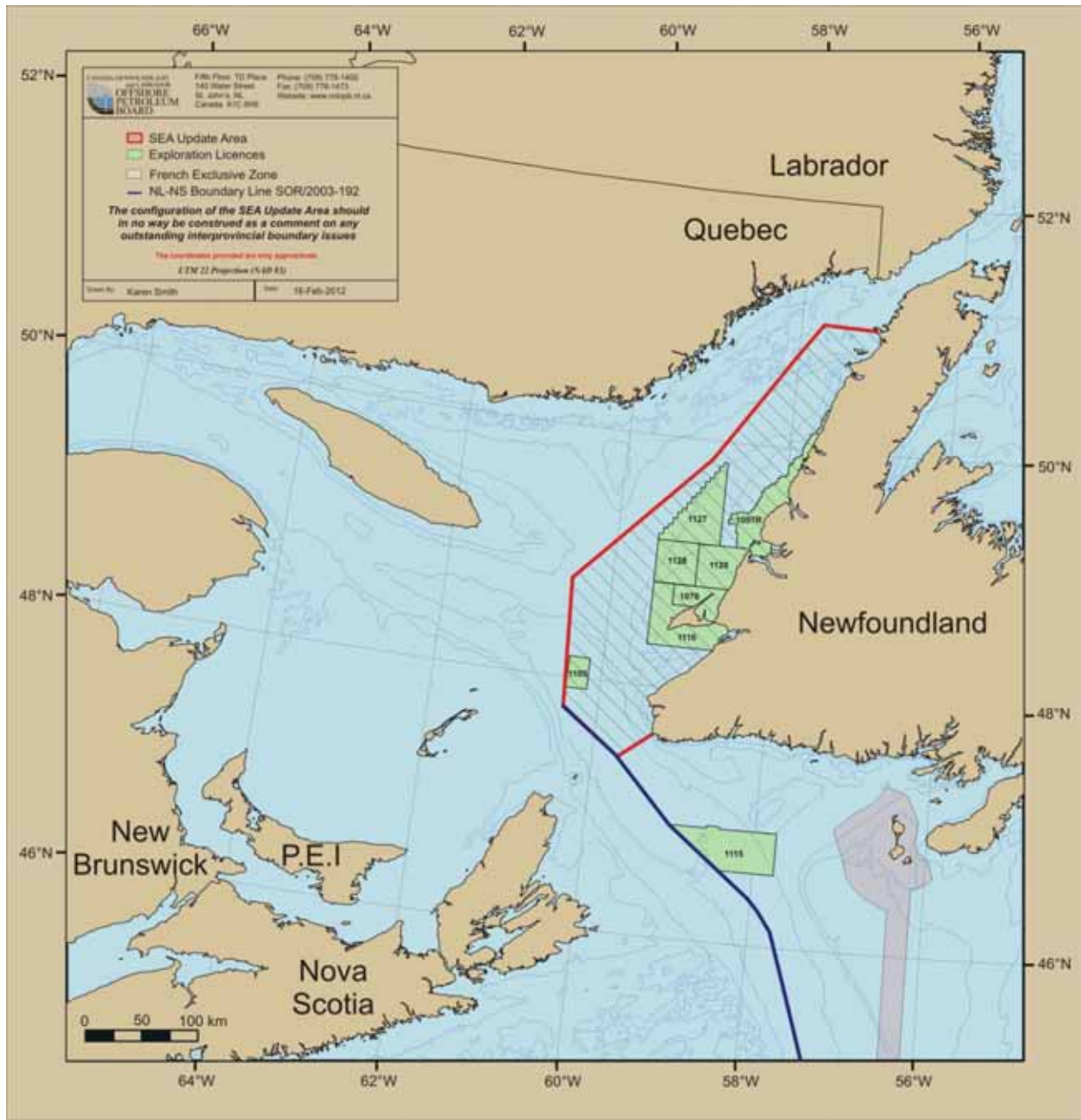
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## 1.0 Introduction

This document describes the scope of a Strategic Environmental Assessment (SEA) of petroleum exploration activities in a portion of the Gulf of St. Lawrence offshore western Newfoundland. It outlines the factors to be considered in the SEA Update, the scope of those factors and other guidelines for preparing the SEA Update Report.

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has the responsibility pursuant to the *Canada-Newfoundland Atlantic Accord Implementation Act* and the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act* (Accord Acts) to ensure that offshore oil and gas activities proceed in an environmentally responsible manner. The C-NLOPB decided in 2002 to conduct SEAs of portions of the Newfoundland and Labrador offshore area that may have the potential for offshore oil and gas exploration activity but that were not subject to recent SEA nor to recent and substantial site-specific assessments.

In December 2005, the C-NLOPB published an SEA for a portion of the Gulf of St. Lawrence offshore western Newfoundland and amended it in November 2007 to extend the geographic coverage to include additional lands southwest of the original 2005 SEA Area. This document describes a scope for the update of the “*Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment*” (LGL Limited December 2005) and the “*Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment Amendment*” (LGL Limited November 2007). This update to the 2005 and 2007 reports is in consideration of the elapsed time since the documents were published; SEAs are normally reviewed every five years to determine whether an update is required. In addition, the Minister of the Environment requested ([http://www.cnlopb.nl.ca/pdfs/corridorresinc/letter\\_from\\_minister\\_en.pdf](http://www.cnlopb.nl.ca/pdfs/corridorresinc/letter_from_minister_en.pdf)) that the Board update the 2007 SEA for the Western Newfoundland Offshore Area. The Board agreed to this request. Figure 1 depicts the proposed focus for the SEA Update (the SEA Update Area). The western limits of the SEA Update Area have been extended to the boundary of the ongoing Quebec SEA. The report may include consideration, if applicable, of potential effects on Valued Ecosystem Components (VECs) in adjacent areas. The boundaries may vary with each VEC and the factors considered.



**Figure 1 – Western Newfoundland and Labrador Offshore Area SEA Update Area**

This scoping document was drafted by C-NLOPB staff with the assistance of a Working Group. The Working Group consists of 17 members representing federal and provincial government agencies and non-governmental organizations. This document was also published for wider public comment prior to being finalized.

## 2.0 Background

Strategic environmental assessment is defined as “the systematic and comprehensive process of evaluating the environmental effects of a policy plan or program, and its alternatives” (Government of Canada Cabinet Directive, 2010). SEA incorporates a broad-based approach to environmental assessment (EA) that examines the environmental effects which may be associated with a plan, program or policy proposal and that allows for the incorporation of environmental considerations at the earliest stages of program planning. SEA typically involves a broader-scale environmental assessment that considers the larger ecological setting, rather than a project-specific environmental assessment that focuses on site-specific issues with defined boundaries. Additional information regarding SEA may be found on the Canadian Environmental Assessment Agency web site at <http://www.ceaa-acee.gc.ca>.

In this particular case, the strategic decision to be informed by the SEA is the potential future issuance by the C-NLOPB of one or more exploration licences pursuant to the Accord Acts, in the SEA Update Area, and consequent petroleum-related activities that may occur offshore. An exploration licence confers:

1. The right to explore for, and the exclusive right to drill and test for, petroleum;
2. The exclusive right to develop those portions of the offshore area in order to produce petroleum; and
3. The exclusive right, subject to compliance with the other provisions of the Accord Act, to apply for a production licence.

Activities associated with exploration licences may include conduct of seismic and other geophysical surveys, drilling of wells (either exploration or delineation) and well abandonment. If one or more exploratory drilling programs successfully identify petroleum deposits with commercial potential, production activities may follow. Production activities may involve drilling of wells (delineation, development/production, and injection wells), installation and operation of subsea equipment, installation and operation of production facilities, and production abandonment activities. However, the nature and scale of potential production activities usually is very difficult to predict in the early stages of exploration in an area, in any but the most general of terms.

Each of these activities requires the specific approval of the C-NLOPB, including a project-specific assessment of its associated environmental effects in accordance with the *Canadian Environmental Assessment Act* (CEA Act). The SEA will not replace this requirement for project-specific EA. The SEA will provide an overview of the existing environment, discuss in broader terms the potential environmental effects associated with offshore oil and gas activities in the SEA Update Area, identify knowledge and data gaps, highlight issues of concern and make recommendations for mitigation and planning. Information from the SEA will assist the

Board in determining whether exploration rights should be offered in whole or in part within the area and may identify general restrictive or mitigative measures that should be considered for application to exploration activities.

### **3.0 Objectives**

The SEA Update will:

- Provide an overview of the existing environment in the SEA Update Area;
- Generally describe typical offshore oil and gas exploration activities;
- Generally describe typical offshore oil and gas production activities;
- Describe and evaluate potential environmental effects associated with offshore<sup>2</sup> oil and gas exploration activities;
- Consider the potential cumulative effects of typical offshore oil and gas activities with other potential activities;
- Identify knowledge and data gaps;
- Highlight issues of that may be of concern;
- Identify areas of interest, or sensitive areas;
- Make recommendations for general mitigative measures that should be employed during petroleum related activities;
- Identify general restrictive or monitoring measures, as appropriate, that may be required for future petroleum activities; and
- Assist the Board in determining whether exploration rights should be issued in whole or in part in the SEA Update Area.

### **4.0 Past and Present Oil and Gas Activities**

Currently, there are nine (7) Exploration Licences (ELs) in the SEA Update Area as shown in Figure 1. Past exploration activity has consisted of the drilling of eight (8) offshore wells. All the locations except for one were drilled from onshore locations. The latest well (Shoal Point 3K-39) was spudded on February 18, 2011. A total of 14,906 line km of seismic data has been acquired up to and including 2010. In 2008, Geophysical Services Inc. (GSI) acquired 2555 line km of 2D non-exclusive seismic data over ELs 1097, 1098 and 1103. During 2010, 148 line km

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<sup>2</sup> The terms ‘offshore’ or ‘offshore area’ refer to the jurisdictional area of the C-NLOPB, as defined in the *Canada-Newfoundland Atlantic Accord Implementation Act* to mean “those submarine areas lying seaward of the low water mark of the Province and extending, at any location as far as (a) any prescribed line, or (b) where no line is prescribed at that location, the outer edge of the continental margin or a distance of two hundred nautical miles from the baselines from which the breadth of the territorial sea of Canada is measured, whichever is greater.”

of seismic data were acquired on EL 1105 in support of a well site survey.

On May 12, 2011, the C-NLOPB announced a Call for Bids NL11-01 (Area “B” – Western Offshore Region), which offered two parcels for bid. These parcels were also included in the SEA Update Area. The Call for Bids closed on November 15, 2011 with two successful bids, resulting in the issuance of EL 1127 and EL 1128 in January 2012. On November 23, 2011, former ELs 1097, 1098, 1103 and 1104 were consolidated into a new licence EL 1097R. The interest owner of EL 1097R subsequently surrendered 457 042 ha on December 7, 2011. EL 1102 was relinquished on January 15, 2012 as no well had been drilled in Period I to validate this licence for Period II.

## **5.0 Scope of SEA Update**

The SEA Update will examine the project-environment interactions, associated with petroleum exploration activities that may occur within the SEA Update Area, for a portion of the western Newfoundland and Labrador Offshore Area as shown in Figure 1. The report may include, if applicable, consideration of potential project interactions with VECs in adjacent areas. Exploration activities to be considered in the SEA Update include exploratory and delineation drilling and seismic survey activities (2D, 3D, vertical seismic profiling, geohazard surveys), and wellsite abandonment. The focus of the SEA Update will be on activity and interactions of those activities in the offshore area (see footnote 1 for a definition of offshore). However, in the coastal environment, project-environment interactions, and description of the coastal environment will be undertaken where information exists.

The extent of exploration activity will be estimated based on historical activity in the area and the potential for future exploration activity, to the degree that this can be foreseen. Generic types of production facilities that could be employed in the SEA Update Area also should be identified and their potential project-environment interactions briefly discussed. Predictions concerning likely numbers of production facilities in the SEA Update Area cannot presently be undertaken since no offshore discoveries have yet been made and the commercial resource potential of the area is currently unknown.

### **5.1 Spatial and Temporal Boundaries**

The spatial boundary for petroleum related activities to be considered in the SEA Update is shown in Figure 1. The boundaries for the SEA Update Area were chosen based on historical activity in the area as well as a consideration of administrative boundaries.

The SEA Update will include the offshore petroleum exploration and, to the extent possible, production activities, as described in the preceding section, which may occur in the SEA Update

Area within the next ten years. The SEA Update will be reviewed in at least five years to determine whether an update is required.

The area to be studied will not be confined to the SEA Update Area. For the purposes of the SEA Update, the area within which the environmental components that could potentially be affected by the potential exploration and production activities, including accidental events, will be considered.

## **5.2 Factors and Issues to be Considered**

A “valued ecosystem component” (VEC) approach to focus the SEA Update will be used. A definition of each VEC (including components or subsets thereof) identified and the rationale for its selection will be provided. VECs will be determined based on consultations with interested stakeholders, the public and regulatory agencies. As a minimum, VECs will include Marine Birds, Fish and Fish Habitat (including benthic habitat), Commercial Fisheries, Marine Mammals and Sea Turtles, Species at Risk, and sensitive areas (i.e. important or special areas). Within each of these general categories, species of importance to the SEA Update Area (e.g., species-specific commercial fishery, species of ecological importance, etc.) will be emphasized. Where applicable, information may be summarized from the 2005 SEA and 2007 Amendment and from existing environmental assessment reports. Where information is summarized, the reports should be properly referenced, including reference to the section of the report. Where new information is available, the new information should be provided.

The SEA Update Report will include the following:

- Historical overview of offshore petroleum exploration activity in the Western NL offshore area and a discussion of regional offshore oil and gas activities in the Newfoundland offshore area;
- Overview of typical offshore petroleum activities (well site surveys, vertical seismic profiling, 2D/3D seismic, exploration drilling (including onshore to offshore drilling), well abandonment) including methods to carry out these activities (including a brief description of various types of rigs and vessels and their associated discharges);
- Brief discussion of production alternatives that could be employed in the Western NL offshore area;
- Description of the physical and biological environments based on existing information and data. Data gaps will be highlighted;
- Description of other marine activities in the SEA Update Area (e.g., commercial and recreational fisheries, aquaculture, marine transportation, marine-based tourism);
- Project-environment interactions of the VECs will be identified and qualitatively assessed, with consideration of the unique physical oceanographic characteristics of the Gulf of St. Lawrence;



- Identification of general mitigative measures and monitoring measures that might be considered for offshore activities. Specific or ‘non-typical’ mitigations that may be required to address specific concerns will be highlighted;
- Identification of areas requiring enhanced, or ‘non-typical’ mitigation measures;
- General discussion of effects and mitigation of potential accidental events, as well as malfunctions associated with offshore oil and gas exploration activity;
- General discussion of potential cumulative effects associated with multiple activities in the SEA Update Area based on an estimate of potential exploration activity derived from historical offshore petroleum activities in the SEA Update Area; and
- For each factor identified below, discuss potential planning implications/considerations which may have to be considered in site-specific EAs (e.g., need for additional data, special mitigations).

Detailed ‘effects assessment analyses’, including determinations of significance pursuant to the *Canadian Environmental Assessment Act*, will be determined at the project-specific environmental assessment phase and will not be undertaken in the SEA Update.

The SEA Update will consider the following environmental factors and issues, as a minimum, with an emphasis upon factors unique to the SEA Update Area. Sufficient supporting information will be provided, or referenced and summarized if it already exists, in publicly available publications, and substantive uncertainties or information gaps identified.

### **5.2.1 Physical Environment**

A general description of physical environmental factors in the SEA Update Area will be presented, with emphasis upon the following:

- Unexploded ordinances (historical overview, location);
- Meteorology and climatology (extreme events, means and seasonal variations, climate change);
- Geology (including a discussion of the potential for seismicity/geohazard events and their impacts on slope stability);
- Oceanography (current regime, wind, waves, extreme events); and
- Sea ice and iceberg conditions (historical overview, seasonal variability and current trends).

Where applicable, a description of data sources, whether modelled or measured, in-situ or satellite should be provided.

### **5.2.2 Biological Environment**

An overview of the biological environment in the SEA Update Area will be presented, with emphasis upon identified VECs. This description will include but not be limited to fish and

shellfish, commercial fisheries; marine mammals, sea turtles, waterbirds (including seabirds, waterfowl, and shorebirds), species at risk, and sensitive areas. Data gaps will be identified. The following list provides more detailed information that will be captured within the SEA Update.

- Coastal environmental overview:
  - An overview of the coastal/shoreline environment in the SEA Update Area, with specific emphasis on special or unique habitats or places (e.g., parks, protected areas, fish spawning habitat; nursery and feeding habitat, important bird areas; shoreline sensitivity information).
- Plankton
- Benthic Invertebrates (including commercial shellfish species)
- Finfish and marine invertebrates:
  - the identification of important spawning, feeding, migratory and essential habitats, including coastal areas (where information exists);
  - Summaries of finfish and marine invertebrate habitat in the SEA Update Area particularly those supporting fisheries;
  - Historical, present and potential future commercial fisheries within the SEA Update Area, including and species under moratoria; and
  - Summaries of each species, including critical life stages.
- Water Birds
  - Overview of species present, including seabirds, waterfowl, and shorebirds, in the SEA Update Area and their distribution; discussion will include a description of critical life stages, lifestyles and life histories relevant to the SEA Update.
- Marine Mammals and Sea Turtles
  - General description of marine mammals and sea turtles that may be present in the SEA Update Area; and
  - Distribution of species, including life stages, life histories and important areas within the SEA Update Area.
- Species at Risk
  - Description of Species at Risk and their habitat as listed in Schedule 1 of the *Species at Risk Act* and those under consideration by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC), that have been identified, or are believed likely to be present, in the SEA Update Area.
  - A description of critical habitat (as defined under SARA), if applicable to the SEA Update Area.
- Sensitive Areas

For the purposes of the SEA Update, the term **sensitive area** is defined as:

  - An area that is afforded some level of protection under federal or provincial legislation (i.e., National Parks, ecological reserves, Oceans Act Marine Protected

- Areas (MPAs), National Marine Conservation Areas (NMCAs), National Historic Sites, fishery management areas);
- An area that may be under consideration for such legislative protection (i.e., potential or proposed coastal or marine protected areas); and
  - An area that is known to have particular ecological or cultural importance and is not captured under federal or provincial regulatory frameworks (e.g., corals; spawning, nursery, rearing, or migratory areas; areas of high productivity, rare or unique habitats; Important bird Areas (IBAs); Ecologically and Biologically Significant Areas (EBSAs); areas of traditional harvesting activities).

The description of an area as a **sensitive area** within the SEA Update, in itself, does not automatically imply that this area will require the application of non-typical mitigations or restriction on activities. The timing, spatial extent, and nature of proposed oil and gas activities, in addition to mitigations prescribed by legislation, will determine the level of restriction or mitigation that will be required.

### 5.2.3 Human Activities

The SEA Update Report will provide a description, where applicable, of the following:

- Commercial, Recreational and Aboriginal Fisheries:
  - Overview of historical, present and potential future commercial fisheries, including species under moratoria;
  - Description of commercial, recreational and aboriginal fisheries in the SEA Update Area. This description should include a summary of historical fisheries;
  - General description of fishery activity including species, location, vessel size, gear type, timing; and
  - Aquaculture activities, if present, should be described.
- General overview of marine recreational and tourism activities in the SEA Update Area;
- Description of traditional use of the coastal environment in the SEA Update Area (e.g., beaches);
- Identify the presence of submarine/underwater cables;
- Overview of marine commercial traffic activity within and through the SEA Update Area; and
- Potential for Canadian Naval exercises.

## 5.2.4 Project-Environment Interactions

For each of the identified VECs, a description of the interactions of petroleum exploration and production activities with the environment will be presented. Proposed activities include:

- Seismic data collection;
- Exploratory/delineation drilling (e.g., mobile offshore drilling unit (semi-submersible or jack-up rig; onshore to offshore drilling);
- Production activities (based on information provided as per Section 5.2 above);
- Vessel traffic (e.g., supply vessels, seismic vessels, helicopters, shuttle tankers (for production activities)); and
- Well abandonment operations.

Typical project-environment interactions associated with generic petroleum production activities will be briefly discussed for completeness. Potential project interactions include, but are not limited to the following:

- Noise/disturbance (e.g., seismic survey activities; noise from drilling installations) issues on marine mammals, sea turtles, water birds, commercial fish/shellfish, and sensitive life stages;
- Benthic habitat disturbance;
- Coastal interactions (e.g. fish/bird habitats, sensitive areas);
- Air quality issues (may include a discussion of typical greenhouse gas emissions associated with typical drilling and production operations);
- Operational discharges and impacts on water and sediment quality;
- Accidental events – including offshore and coastal interactions; sensitive areas; mitigations;
- Conflict with commercial, recreational, and aboriginal fisheries use of area and loss of access;
- Conflict with human use and marine commercial traffic of area;
- Attraction of seabirds to lights/flares on structures or vessels; and
- Consideration of potential conflict with project activities (including light and noise generated) with tourism operations and the aesthetic and cultural landscape.

Cumulative effects will be examined in consideration of the estimate of potential exploration activity in the SEA Update Area and mitigation measures identified. Planned and reasonably foreseeable exploration activities will be included in the cumulative effects and will also

consider other non-petroleum activities ongoing in the SEA Update Area (such as commercial fishing, hunting, marine traffic, tourism operations, fisheries research surveys). Mitigation measures currently in practice to reduce or eliminate potential effects will be described for those activities that may affect the environment and VECs. Specific or 'non-typical' mitigations that may be required to address specific concerns will be highlighted, in particular, specific mitigations proposed for any sensitive areas identified within the SEA Update Area. Monitoring and mitigation, specifically related to Species at Risk and consistent with recovery strategies/actions plans (endangered/threatened) and management plans (special concern) will be described. Effects, particularly related to population level, should also be discussed. Residual effects remaining after the application of routine mitigations also will be described.

Data gaps potentially affecting these descriptions will be identified and described.

The effects assessment will not determine likelihood of significance. Significance of effects will be determined during the project-specific environmental assessment process.

### **5.2.5 Environment-Project Interactions**

For exploration and production activities identified, the SEA Update will include a discussion of the effects of the environment on project activities. These environmental factors may include:

- The occurrence of sea ice and icebergs;
- Temperature, precipitation, currents, storm events; and
- Severe winds and waves (extreme events).

The discussion may include the following:

- Occurrence of extended periods of reduced visibility due to fog or snow;
- Extended period of freezing precipitation or freezing spray;
- Extreme water levels due to combined tide, storm surge, and (near shore) wave set-up and run-up;
- Local effects (e.g. down slope wind storm events);
- Future changes in climatic conditions (e.g. storm frequency and intensity, rising surface water temperatures, icebergs); and
- Implication of seismic events (i.e. earthquakes, submarine landslides).

## **5.3 Conclusions and Recommendations**

Based on the information presented in the physical and biological environment overview, the description of project-environment interactions and the application of mitigation measures, conclusions will be presented regarding recommended planning approaches for the C-NLOPB to consider in the issuance of exploration licences in the area. Data gaps with potential to affect the validity of these conclusions will be highlighted. Sensitive areas identified during the SEA Update process will also be highlighted.

#### **5.4 Consultations**

Throughout the development of the SEA Update, the C-NLOPB and its contractor(s), with assistance by the Working Group, will consult with the provincial and federal government departments, First Nations, communities, the fishing industry and local non-governmental organizations. Public consultation sessions will be held in communities in and around the Gulf of St. Lawrence region. These consultation sessions will be concurrent with the preparation of the SEA Update Report. Information on the SEA process will be provided and people will be encouraged to discuss issues and concerns that are relevant to the SEA Update Area and SEA Update objectives. A separate report providing the results of consultations will be included in the SEA Update Report. Issues and concerns within the scope of the report will be taken under consideration and incorporated into the draft SEA Update Report if appropriate. This report will be made available to the public on the C-NLOPB website for comment.

**Appendix B**

**Proposal Response Form**

**Canada-Newfoundland and Labrador Offshore Petroleum  
Board  
Proposal Response Form**

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**Request for Proposal  
Western Newfoundland and Labrador Offshore Area  
Strategic Environmental Assessment Update**

**1. Contact Information**

Company Name

Address

Contact

**2. Documents**

Total No. of all Documents submitted

Titles and No. of copies

**3. Proposed Cost**

\$

**4. Signature of Designated Representative**

\_\_\_\_\_

**Title**

\_\_\_\_\_



## **Appendix C**

### **Contract For Services (DRAFT)**



- (a) The Contractor shall provide personnel, materials and supervision necessary to perform the work as described in Schedule “A” (hereinafter called the “Work”).
- (b) No change in any of the terms and conditions of this Contract including the Work shall be permitted by the Contractor unless it is approved by the Board in writing.
- (c) The Contractor shall carry out the deliverables outlined in Schedule “A”.
- (d) The Contractor shall report to Elizabeth Young Environmental Affairs, the Contract Authority

### **3. TERM AND TIME OF PERFORMANCE**

This Contract shall become effective upon the date first above written and the Contractor shall prosecute the completion of the Work with due diligence and dispatch in accordance with Schedule “B”.

### **4. COMPENSATION**

- (a) The Contractor shall be reimbursed for performing the Work in Canadian funds in accordance with Schedule “C”.
- (b) The Board shall have no obligation to pay the Contractor for any goods or services which are not part of the Work.
- (c) The Board shall not be responsible for costs exceeding compensation outlined in Schedule “C” caused by weather delays, or any other costs, without prior written approval.

### **5. INVOICES**

- (a) The Contractor shall present, in accordance with the provisions of Schedule “C”, one original and two (2) copies of an invoice to:

Canada-Newfoundland and Labrador Offshore Petroleum Board  
Fifth Floor, TD Place  
140 Water Street  
St. John’s, Newfoundland  
A1C 6H6

Attention: Manager, Support Services

- (b) The Contractor's invoices shall be accompanied by such supporting documentation as may be requested by the Board.

## **6. INDEPENDENT CONTRACTOR**

- (a) In the execution of the Work, the Contractor shall operate as an independent contractor.
- (b) Nothing in this Contract shall be construed to constitute the Contractor the agent, representative or employee of the Board.
- (c) The Contractor hereby covenants and agrees to indemnify and save harmless the Board from all costs and expenses arising out of any claim or liability by reason that the Contractor is considered an agent, representative or employee of the Board.

## **7. TERMINATION**

- (a) It is agreed that the Board has the right, in the exercise of its absolute discretion, to terminate this Contract at any time, subject to Clause 16 by giving at least seven (7) days written notice to that effect to the Contractor.
- (b) The termination of this Contract will not affect the rights of the parties hereto which have accrued prior to the date of termination and shall not relieve any party from its obligations which may have arisen prior to the date of such termination, nor shall such termination affect such rights, remedies or obligations preserved under Clause 16.
- (c) Subject to all other terms and conditions of this Contract, if this Contract is terminated, the Contractor shall be entitled to full payment proportionate to the part of the Work done by him up to the effective date of the termination in accordance with Schedule C.
- (d) The Board shall not be held liable for damages or loss of profits on account of the termination.

## **8. CONFIDENTIAL INFORMATION**

- (a) The Contractor agrees to keep confidential all information or data which has been made available or is hereafter made available to the Contractor by the Board or which results from the Contractor's Work for the Board.

- (b) The Contractor agrees not to disclose any information referred to in paragraph (a) above to others without the prior written approval of the Board.
- (c) The Contractor agrees not to use the information presented hereunder for any other purposes than to perform the Work in accordance with this Contract.
- (d) The Contractor shall give the Board such other assurances and enter into such additional secrecy or other agreements as may be necessary or appropriate to give full effect to the intent and purpose of this Contract.

## **9. ASSIGNMENT**

- (a) The Contractor shall not assign this Contract nor shall the Contractor subcontract any of the Work, either in whole or in part, without the Board's prior written consent.
- (b) Notwithstanding that the Contractor may assign or subcontract any of the Work as provided above in sub clause 10(a), the Contractor shall remain solely liable and responsible to the Board for the performance of this Contract.

## **10. COMPLIANCE WITH LAW**

- (a) The Contractor shall observe and comply with, and shall ensure that its employees, subcontractors and agents observe and comply with, all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, provincial, municipal, and local governing bodies having jurisdiction over the Work.
- (b) The Contractor shall indemnify and save harmless the Board from and against any and all liabilities and penalties resulting from any non-compliance or violation by the Contractor, its employees, agents and subcontractors of such laws, ordinances, codes and regulations.

## **11. RELEASE OR PUBLICATION**

- (a) The Contractor shall not release or disclose to a third party any results or information relating to the Work to be performed by the Contractor hereunder without the prior written consent of the Board.
- (b) The Contractor shall not use the name of the Board in any advertising or promotional material or publicity release relating to the Work, or the results thereof without the prior written consent of the Board, which consent may be arbitrarily withheld.

## 12. LIABILITY AND INDEMNIFICATION

- (a) Subject to sub clause (c) hereof, the Contractor shall:
  - (i) be liable to the Board for all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which the Board may suffer, sustain, pay or incur; and, in addition,
  - (ii) indemnify the Board against all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by the Board;

as a result of or in connection with the performance, purported performance or non-performance of the provisions of this Contract including the Work hereunder by the Contractor, its employees, agents, affiliates, or subcontractors excluding any such actions, proceedings, claims, demands, losses, costs, damages and expenses to the extent that they are sustained, paid or incurred by reason of or are otherwise attributable to the negligence or willful acts or omissions of the Board or its agents, employees or subcontractors.

- (b) The Board shall not be liable for any indirect or consequential damages or losses suffered by the Contractor including loss of anticipated profits or business whether such damages are based in contract, tort or otherwise.
- (c) The Contractor shall not be liable for any indirect or consequential damages or losses suffered by the Board including loss of anticipated profits or business whether such damages are based on contract, tort or otherwise.

## 13. INSURANCE COVERAGE

- (a) The Contractor shall place and keep at its own expense the following insurance in force during the term of this Contract and such insurance shall not act as a limitation of the Contractor's obligations or liability hereunder:
  - (i) Unemployment Insurance and Workers' Compensation covering all the Contractor's employees engaged in the Work in accordance with the statutory requirements of the province having jurisdiction;
  - (ii) Automobile Liability Insurance covering all motor vehicles owned, non-owned, or licensed or hired by the Contractor and used in the performance of the Work as required by the *Provincial Transportation Act*; and
  - (iii) Aircraft Liability Insurance, where the Contractor owns an aircraft or uses an aircraft for the Work, covering owned, non-owned or hired aircraft with

an inclusive limit of not less than Five Million Dollars (\$5,000,000.00) for bodily injury to or death of, any one person, or property damage as a result of any one accident.

- (b) The Contractor shall use its best efforts to require its subcontractors to comply with all applicable Employment Insurance and Workers' Compensation legislation and to obtain and continuously carry during the period in which such subcontractors are engaged in the Work, insurance at least equivalent to that set out above.
- (c) The Contractor shall provide, at its own expense, any other insurance which it is required by law to provide.
- (d) Where required in writing by the Board, the Contractor shall present duplicate certificates which show that the above insurance is in effect, and which provide for thirty (30) days' prior written notice to the Board from the insurer of material changes, cancellation or renewal.

#### 14. NOTICES

Except as otherwise provided for in this Contract, all notices authorized or required to be given pursuant to this Contract shall be in writing, and either delivered by hand, mailed by registered or certified first class airmail, postage prepaid, or sent by telecommunication as follows:

BOARD: Canada-Newfoundland and Labrador Offshore Petroleum Board  
5<sup>th</sup> Floor, TD Place  
140 Water Street  
St. John's, Newfoundland  
A1C 6H6

Attention: Manager, Support Services

Telephone: (709) 778-1464

Fax: (709) 778-4267

CONTRACTOR:

Telephone:

Fax:

E-mail:

Any such notice shall be deemed to have been given and received, if delivered, on the day on which it was delivered, or, if mailed, on the day of receipt, or, if sent by telecommunication, on the first business day following the day it was dispatched. No party shall mail any notice hereunder during any period in which Canadian postal workers are on strike or if any such strike is imminent and may be anticipated to affect normal delivery thereof. A party may change its address for the receipt of notice at any time by giving notice thereof to the other party.

## **15. MISCELLANEOUS PROVISIONS**

- (a) This Contract shall be governed by, and the legal relations between the parties shall be construed and applied in accordance with, the laws of the Province of Newfoundland and Labrador.
- (b) The courts having exclusive jurisdiction with respect to all matters directly or indirectly relating to this Contract shall be the courts of the Province of Newfoundland and Labrador.
- (c) This Contract shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- (d) Time is of the essence herein.
- (e) No waiver by either party hereto of any breach of any of the covenants herein contained shall take effect or be binding upon that party unless the same be expressed in writing and any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.
- (f) Each party hereto shall from time to time and at all times do such further acts and execute and deliver all further deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Contract.
- (g) Clause headings and any other headings or captions hereto shall not be used in any way in construing or interpreting any provision hereof.

## **16. CONTINUING OBLIGATIONS**

The provisions of Clauses 4, 6, 7, 8, 9, 11, 12, and sub clauses 15(a), (b) and (c) shall survive the termination of this Contract.



**17. ENTIRETY OF AGREEMENT**

- (a) The preceding articles contain the entire agreement between the parties.
- (b) All previous proposals and communications relative to the Work, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated into this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first above written.

Canada-Newfoundland and Labrador  
Offshore Petroleum Board

\_\_\_\_\_  
\_\_\_\_\_

Contractor

\_\_\_\_\_  
\_\_\_\_\_

*draft for illustrative purposes*

## **SCHEDULES**

Schedule “A” – Scope of Work

Schedule “B” – Time of Performance

Schedule “C” – Compensation