



September 15, 2023

VIA E-MAIL

Greg Pretty
President, FFAW-Unifor
PO Box 10, Station C
368 Hamilton Avenue, 2nd Floor
St. John's, NL A1C 5H5

Dear Mr. Pretty,

On behalf of the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB), I extend our deepest condolences to the families and friends of those lost, all of your members and everyone involved in this week's tragedy off Fleur de Lys.

Thank you for your July 21 letter regarding the FFAW's concerns about exploratory drilling on Exploration Licence (EL) 1167 this summer, and more broadly regarding the potential effects of petroleum-related activities on important fishery areas. The views and concerns of the FFAW are always taken seriously by the C-NLOPB and I value our constructive discussions on these matters, including most recently when we met on September 1.

As we have discussed, it is recognized by the C-NLOPB and beyond that the fisheries and offshore petroleum sectors are both critically important to our provincial and national economies. The scheduled land tenure process is administered by the C-NLOPB on behalf of the Governments of Newfoundland and Labrador and Canada. It is a fundamental part of our mandate, all elements of which we deliver in the public interest, which is comprised of many considerations. In delivering our regulatory oversight and to help inform our determination of the public interest, C-NLOPB staff regularly discuss fisheries issues and concerns with fishing industry stakeholders, those we regulate, our Board, Fisheries and Oceans Canada, other government agencies, and other regulators in Canada and around the world.

C-NLOPB approvals and authorizations are based on science and evidence, underpinned with thorough risk assessments and mitigation measures, and informed by government and other subject matter experts through stakeholder engagement. As a condition of drilling authorizations, operators must fulfil obligations and conditions associated with environmental assessment (EA) approvals. In the case of drilling on EL 1167, EA approval was granted by the Impact Assessment Agency of Canada. Those obligations and conditions include an effective fisheries consultation plan.

As I have indicated in our subsequent discussions, we were surprised by the FFAW's concerns and disappointed in the manner in which they were expressed in July, in light of what we consider to be an effective, transparent and positive working relationship between our organizations. In addition, we understand there was extensive engagement between ExxonMobil Canada and the FFAW throughout the planning of the EL 1167 drilling campaign over a ten-month period leading up to mobilization of *Hercules* mobile offshore drilling unit.

Regardless, it is an important part of our regulatory oversight to review our practices and those of others in order to assist in identifying areas for improvement when issues arise. In this case, the precise coordinates of the drilling activity and the delineation of the corresponding safety zone appear to have become clear to the FFAW late in the consultative process.

The fishing and petroleum industries have successfully co-existed in the Canada-Newfoundland and Labrador Offshore Area for decades. I feel we have a model of effective cooperation that is among the best in the world, which must continue through proactive communications and full transparency. A number of established venues and processes are available for this purpose, including One Ocean, which has served for many years as an effective forum for bringing the two industries together to identify and address matters of collective interest.

As we discussed on September 1, a new working group under One Ocean could serve as a useful forum to discuss the interaction of fisheries activities and scheduled land tenure more proactively and in greater detail than is presently the case. Our staff would be pleased to engage in such a working group to provide regular updates on scheduled land tenure activities and related topics, such as the licencing cycle, roles and responsibilities of the C-NLOPB and other agencies, and plans for Calls for Nominations and Calls for Bids. In turn, fishing industry stakeholders could share information on their plans and their perspectives on land tenure activities. The scope of such discussions could also include best practices for effective cooperation on the water. I anticipate a productive discussion on this initiative at our One Ocean meeting next month.

As I mentioned on September 1, the next phase of our scheduled land tenure process will be Calls for Nominations of parcels in the Eastern Newfoundland and the Jeanne d'Arc Regions. I expect these to be issued next week. The Board is not bound to proceed with a Call for Bids for any lands that may be nominated by the petroleum industry, and fisheries considerations will be given full consideration in any such decision. As mentioned when we met, the C-NLOPB will remain in close contact with the FFAW to ensure that we both have full and current information throughout the scheduled land tenure process.

When we met, you also raised matters regarding marine conservation, compensation and Board appointments that are beyond the remit of the C-NLOPB and would be best discussed with the federal and provincial governments, whom I have taken the liberty of copying on this letter. I have also copied Lazaro Cosma of ExxonMobil Canada, with whom we will review the recent drilling campaign, as we do with operators at the conclusion of all such offshore activities.

I look forward to continued direct engagement between the C-NLOPB and FFAW-Unifor, as well as with you and other stakeholders at the One Ocean table. As always, I am available at your convenience at

Yours truly,

DocuSigned by:


Scott Hessler

Chief Executive Officer

c. The Honourable Dr. Andrew Furey, MHA
The Honourable Elvis Loveless, MHA
The Honourable Andrew Parsons, K.C., MHA
Wayne Follett, Chair, One Ocean

The Honourable Diane Lebouthillier, P.C., M.P.
The Honourable Jonathan Wilkinson, P.C., M.P.
Lazaro Cosma, President, ExxonMobil Canada