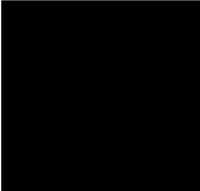


June 21, 2019



Dear 

**Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-102-2019)**

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On May 4, 2019, the Department of Natural Resources received your request for access to the following records/information:

**April 2019 Decision/Direction Note titled Future of the Bull Arm Fabrication Site.**

The Department of Natural Resources is providing access to the most information possible but have made redactions in accordance with Sections 29(1)(a), 35(1)(d), 35(1)(f) and 35(1)(g), as follows:

29. (1)(a) The head of a public body may refuse to disclose to an applicant information that would reveal advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister;

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

35. (1)(f) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose positions, plans, procedures, criteria or instructions developed for the purpose of contractual or other negotiations by or on behalf of the government of the province or a public body, or considerations which relate to those negotiations;

35. (1)(g) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the government of the province or a public body.

Pages 3, 5 and 6 of the BN have been redacted in full under the aforementioned sections. Please note that while this Note was prepared in April 2019, the decision at the heart of the Note has not been finalized and therefore it would be premature to disclose the recommendations or decision making process at this time. Once a decision is ultimately made it would be possible to release much more information, however it could be harmful to the third party businesses outlined in the Note as well as to the Government of Newfoundland and Labrador and therefore the citizens of the province to release any additional information at this time.

As set out in section 42 of the Act you may ask the Information and Privacy Commissioner to review the department's decision to provide access to the requested information. A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your request should identify your concerns with the department's response and why you are requesting a review.

The request for review may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner  
2 Canada Drive  
P.O. Box 13004, Stn. A  
St. John's, NL. A1B 3V8  
Telephone: (709) 729-6309  
Toll-Free: 1-877-729-6309  
Facsimile: (709) 729-6500

Pursuant to section 52 of the Act, you may also appeal directly to the Supreme Court Trial Division within 15 business days after receiving the department's decision.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

For further details about how an access to information request is processed, please refer to the Access to Information Policy and Procedures Manual at <http://www.atipp.gov.nl.ca/info/index.html>.

If you have any questions, please feel free to contact me at 709-729-0463 or [rhynes@gov.nl.ca](mailto:rhynes@gov.nl.ca).

Sincerely,

A handwritten signature in cursive script that reads "Rod Hynes".

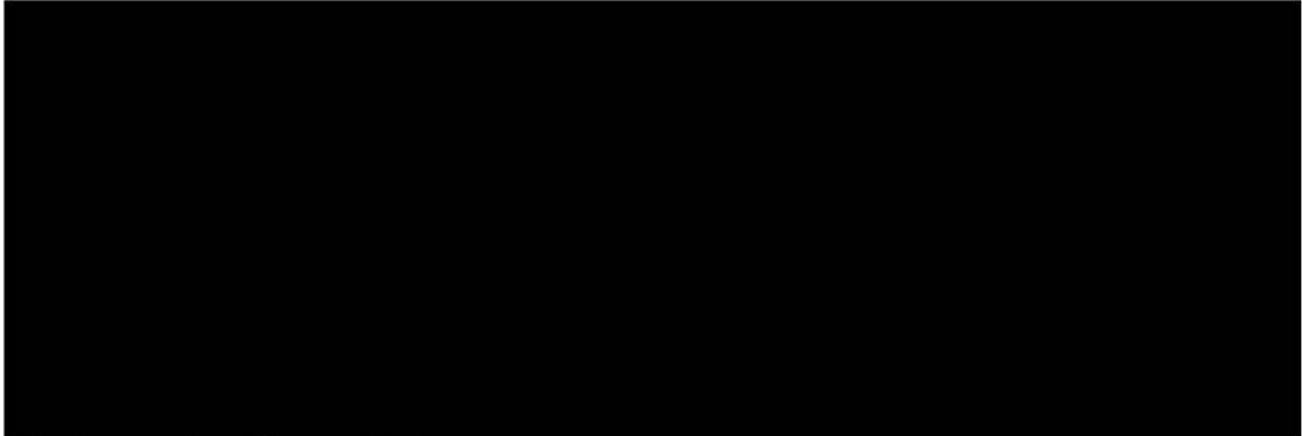
Rod Hynes  
ATIPP Coordinator

**Decision/Direction Note**  
**Department of Natural Resources**

**Title:** Future of the Bull Arm Fabrication Site

**Decision/Direction Required:**

- NR input is requested to conclude the Nalcor-BAF RFP process regarding the future use of the Bull Arm Site.



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**Background and Current Status:**

- Bull Arm is Atlantic Canada's largest fabrication site and has hosted large component/module construction/fabrication for all four of Newfoundland and Labrador's offshore developments (Hibernia, Terra Nova, White Rose and Hebron).
- Site development began in 1990 to support the construction of the Hibernia Project. In 1992, the Province entered into a lease agreement with Hibernia Management & Development Company Ltd. (HMDC) for crown lands and water lots within Bull Arm for use in the construction of the gravity-base structure for the Hibernia oil field. In 1998, the lease was assigned from HMDC to Bull Arm Site Corporation (BASC), a provincial crown corporation. In 2009, Nalcor Energy-Bull Arm Fabrication Inc. (Nalcor-BAF) assumed the lease of the Bull Arm site from BASC.
- The Province owns the land on which Bull Arm is located, which is currently leased to Nalcor-BAF until March 30, 2022.
- Nalcor-BAF subleased the site to ExxonMobil Canada Properties (Exxon) from 2011 through to completion of the Hebron development. In early 2017, Nalcor-BAF issued an Expression of Interest (EOI) to lease the Bull Arm site for future use, followed by a Request For Proposals (RFP) issued late 2017. A final decision has not yet been made with respect to the RFP.

**Analysis:**

- Nalcor-BAF received four submissions that were in-line with the conceptual ideas proposed through the EOI/RFP process from: G. J. Cahill & Company Limited and Pennecon Energy (joint submission); DFB Driver (DFB), Pennecon Heavy Civil Limited, and Canadian Supply Base Company (CSBC).
- The RFP submissions were evaluated and two proponents; Canadian Supply Base Company (CSBC) and DFB Driver (DFB) were selected to enter into negotiations. Negotiations began February 20, 2018. Two opportunities are under consideration:

- **CBSC:** Development of a 'Life of Field Service Centre' (LFSC) with CSBC as supply base operator to support offshore exploration, development and supply and service opportunities.
- **DFB:** Full site lease to execute a diverse suite of fabrication/manufacturing work including export opportunities.

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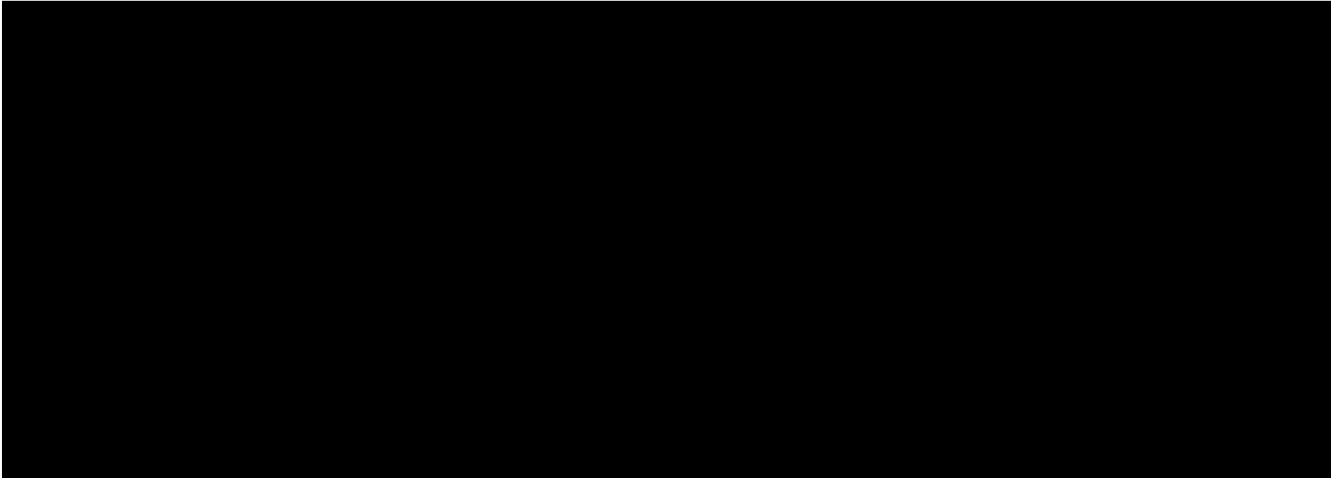
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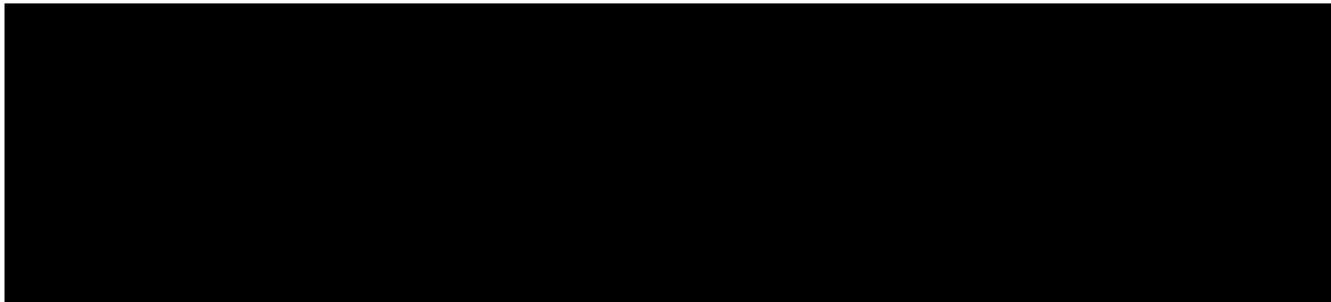


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**Prepared/Approved by:** A. Philpott/N. Abundo/D. Trask  
**Ministerial Approval:**

April 12, 2019