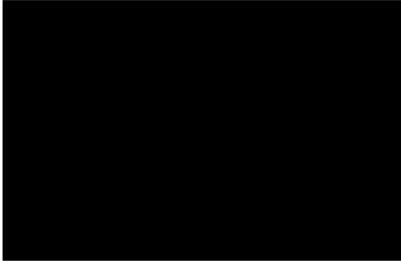




Government of Newfoundland and Labrador
Department of Natural Resources

January 30, 2020



Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-12-2020)

On January 9, 2020 the Department of Natural Resources received your request for access to the following records/information:

Please provide a copy of ALL Key Messages or Q&A (question and answer) documents prepared by, for or in collaboration with the communications division of the Department of Natural Resources for the month of October 2019. Please note that if there are more than 15 of these records or in excess of 50 pages of total documentation then a list of the titles of the KMs and Q&A will suffice for now.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The responsive records are attached.

Additional responsive records were previously released in ATIPP Response NR-227-2019, therefore in accordance with Section 22 (1)(a) of *ATIPPA, 2015*:

22. (1)(a) The head of a public body may refuse to disclose a record or part of a record that is published and is available to the public whether without cost or for purchase.

Please note the request NR-227-2019, is available on the ATIPP website:
<https://atipp-search.gov.nl.ca/public/atipp/requestdownload?id=11130>

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.

Sincerely,

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

Rod Hynes
ATIPP Coordinator

**Key Messages
Natural Resources
October 1, 2019**

ISSUE: Proposed Plastic to Liquid Fuel Facility in Lewisporte

Recent media coverage highlighted “a state of the art plastic to liquid fuel production and biomass storage facility is about to be constructed on the shores of Lewisporte Harbour.” Further media were critical of the proposed project and proponent, doubting its environmental integrity. As well, NDP leader Alison Coffin has called for a full review and greater transparency related to the project. Coverage regarding this project and its potential environmental impact is topical given the recent climate strike, where an estimated 4,000 people marched to Confederation Building in support of action on climate change.

ANTICIPATED QUESTIONS:

- Is government aware of this project?
- What would be required from government to get this project up and running?

KEY MESSAGES:

The proponents of a proposed plastic to liquid fuel production and biomass storage facility have presented their initial concept to us. We understand they wish to build this facility in Lewisporte.

To date, we have not received a full proposal on the project. There are significant issues to be addressed, including the completion of an environmental assessment and negotiation of a power purchase agreement that provides value to ratepayers of the province.

Other issues to be addressed regarding the project include road work, request for a tax holiday, a fuel offtake agreement, and economic impact analysis.

As a government, we are open for business and encourage projects that help to diversify and sustain the economy of Newfoundland and Labrador, as well as support The Way Forward goal of building a renewable future.

SECONDARY MESSAGES

On Renewable Energy:

As stated in The Way Forward, our government is committed to working with industry and stakeholders to develop a renewable energy strategy that is focused on creating employment opportunities and further positioning the province as an energy hub focusing on our vast renewable energy resources including wind, tidal and hydro.

The Department of Natural Resources is contributing to the development of a Clean Power Roadmap for Atlantic Canada. This roadmap will outline a collective vision for how we can work together to produce and use more clean power in the region.

We are also working to find reliable, cost-effective, renewable energy solutions for the 20 isolated diesel communities to lessen the reliance on diesel. We are currently analyzing Expressions of Interest for those renewable energy solutions.

As well, the province will have an electricity system that will be greater than 98 per cent carbon free with the Muskrat Falls Project.

Prepared by: Diana Quinton, Director of Communications

Approved by: Ted Lomond, Deputy Minister

**Key Messages
Natural Resources
October 2, 2019**

ISSUE: Electricity Rate Changes

On September 25, 2019, the Newfoundland and Labrador Board of Commissioners of Public Utilities approved electricity rate changes for customers. New electricity rates went into effect on October 1, 2019. The rate changes saw a 6.4 per cent increase for island customers, and electricity decreases for Labrador Interconnected customers.

ANTICIPATED QUESTIONS:

Q. What is government doing about rising electricity rates in the province?

Q. Why are electricity rates on the island increasing; and decreasing in Labrador?

KEY MESSAGES:

The rate increase, effective October 1, 2019, was approved by the Public Utilities Board, who is responsible for approving electricity rates in Newfoundland and Labrador. This is an independent, quasi-judicial process where the expertise of the regulator is brought to bear on all issues related to establishing electricity rates.

The consumer advocate represents the interests of domestic and general service customers and appears before the Public Utilities Board on rate applications filed by the utility.

We recognize that any rate increase is very difficult for consumers.

It is important to note that this rate increase is unrelated to Muskrat Falls. While there are many factors that contribute to the cost of generating and delivering electricity for customers, the majority of the proposed rate increase on the island is related to fuel costs.

SECONDARY MESSAGES

- NL Hydro relies heavily on oil to generate electricity for customers at the Holyrood plant and the forecast price of oil has increased significantly since rates last changed in 2018, from \$86 CDN/barrel in 2018 to \$106 CDN/barrel for 2019.
- Electricity rates have decreased in Labrador because those customers receive their power from Churchill Falls at a lower cost. Also, there has been increased customer usage and growth on the interconnected system in Upper Lake Melville and Labrador West.

Managing Muskrat:

- We are working hard to overcome the challenges created by Muskrat Falls.
- We didn't agree with the project to begin with but we are certainly cleaning it up.
- Government has a team of people working on ways to lower costs, raise revenues, export excess power and fix the financing.
- We are also working with the federal government to find ways to manage the mortgage and they have agreed to help find solutions.
- We will do everything possible to protect you from the cost impact of Muskrat Falls.

Natural Resources
October 2, 2019

ISSUE: FFAW and Oil Exploration

FFAW held a news conference calling for an immediate halt to new oil and gas developments on crab fishing grounds. FFAW President said 'time and time again, oil and gas is put ahead of the fishery.' Since this news conference, a meeting was held between the FFAW and the Department of Natural Resources to provide a briefing on the process of potential new exploration offshore.

KEY MESSAGES:

Minister Coady, department officials, and the CNLOPB have met with the FFAW and discussed how the fishing and oil and gas industries can work together for two viable, sustainable industries.

The department is encouraging open dialogue and the sharing of best practices with C-NLOPB, One Ocean and the FFAW regarding our offshore oil and gas and fishing industries.

Industries must be balanced and successfully co-exist as we attract new investment to our province that creates new jobs and revenue for health, education and social programs.

Our offshore oil industry is subject to a rigorous environmental assessment process, one that includes extensive communication and engagement throughout the process and allows for the incorporation of environmental considerations at the earliest stages of program planning.

Decisions must be based on good science with clear conservation objectives that contribute to biodiversity and promote healthy and sustainable marine ecosystems and fish stocks, and must consider the economic activities that depend on our ocean resources.

SECONDARY MESSAGES:

- The CNLOPB is responsible for the land tenure process.
- The most recent Calls for Bid parcels are included in the 2014 Eastern Newfoundland Strategic Environmental Assessment (SEA). The SEA examines the environmental effects and involves a broader-scale environmental assessment that considers the larger ecological setting and consultation with a wide array of stakeholders.
- Presently, it is conducting a call for bids for exploration licences in two areas (South Eastern Newfoundland and Jeanne d'Arc Regions) to gauge the interest from exploration companies. This call for bids was publically announced on April 3, 2019 – well in advance of the bid closing.
- Interested parties have until November 6, 2019 to submit sealed bids for the parcels offered in these Calls for Bids.
- The C-NLOPB supports the protection of environmentally significant and sensitive areas, and will continue to work closely with Fisheries and Oceans Canada and other federal and provincial departments in this regard.

Key Messages
Natural Resources
October 8, 2019

ISSUE: Update on the New Oil and Gas Corporation

The Order in Council is set to be posted online related to the proclamation of the new Oil and Gas Corporation on October 18. Questions will likely arise around progress made to date on establishment of the corporation and why it is taking so long to develop a name.

ANTICIPATED QUESTIONS:

Q. Given the Order in Council has now been posted online, stating that the new oil and gas corporation will come into force on January 1, 2020, what is it taking so long to get the name and organization fully established?

KEY MESSAGES:

The new oil and gas corporation will be proclaimed on January 1, 2020. We are getting closer to a name for the corporation, which will be announced at a later date.

The new corporation will report directly to the Minister of Natural Resources and work with industry stakeholders, and the department, to support the implementation of Advance 2030, which is an ambitious plan to grow the province's oil and gas industry.

The new corporation will continue to focus on developing our oil and gas resources and attracting exploration investment to the province. It will also focus on local supply and service industry opportunities, which will help create jobs and business opportunities for the people of the province.

SECONDARY MESSAGES:

- Expenses relating to implementation have been covered by existing departmental budgets. There may be some one-time incremental costs associated with implementation of a shared services model, but those costs will be offset longer term through cost savings.
- The CEO of the new corporation will report to a board of directors who will ultimately report to the Minister of Natural Resources. The interim board has been appointed, and the CEO will be announced at a later date. We fully expect the individuals who are here today, will remain here in the future.

- Creation of the new oil and gas corporation has been methodical and has considered the policy, legal, human resource and financial implications.

BACKGROUND INFORMATION:

- The corporation will report directly to the Natural Resources Minister and will be aligned with government policy, Treasury Board policies and guidelines.
- The change enables Nalcor Energy to focus on its core business.
- Implementation of a shared services model will also improve efficiency and realize cost savings, in line with The Way Forward commitment to create a more efficient public sector.
- This will not result in any job losses. There are approximately 30 people working at Nalcor Oil and Gas and Bull Arm Fabrication today and we anticipate those people will work with the new corporation. The new corporation will be subject to Treasury Board policy and guidelines and will generally align its compensation and benefits programs with Government.
- Planning for a separate crown corporation takes time. Policy direction on an expanded mandate was required. Various departments had to plan for a shared services model. The financial and legal considerations as it relates to crown corporations, existing contracts and employees were considered to help ensure a smooth transition.

Prepared by: Lisa Lawlor, Media Relations Manager

Approved by: Diana Quinton, Director of Communications

Debbie Sheppard, Project Manager

Ted Lomond, DM