

December 16, 2019



Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-249-2019)

On November 28, 2019, the Department of Natural Resources received your request for access to the following records/information:

Any briefing notes or materials prepared specifically for the November 26 meeting between Minister Coady and the Bull Arm and Area Action Committee

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.

We are providing access to the most information possible but have made redactions in accordance with Sections 35(1)(d)(f)(g) of ATIPPA, 2015 as follows:

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.

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,



Rod Hynes
ATIPP Coordinator

**Meeting Note
Department of Natural Resources
Bull Arm and Area Action Committee
November 26, 2019
10:30 – 11:30 am
Minister's Boardroom, NRB**

Attendees:**GNL:**

Minister Siobhan Coady
Minister Bernard Davis

Nalcor – Oil and Gas

Jim Keating, Vice President

Bull Arm and Area Action Committee:

Basil Daley, Mayor, Town of Arnold's Cove
Joan Rideout, Mayor, Town of Chapel Arm
Edgar Crann, Mayor, Town of Chance Cove
Fraser Russell, Mayor, Town of Clarenville
Joseph Twyne, Clarenville Area Chamber of Commerce
Chad Giles, Mayor, Town of Come by Chance
Gary Keating, Mayor, Town of Long Harbour-Mount Arlington Heights
Henry Brenton, Mayor, Town of Norman's Cove-Long Cove
Gerald Snook, Mayor, Town of Sunnyside
Joe Brewer, Mayor, Town of Southern Harbour
Hilda Whalen, Mayor, Town of Whitbourne
Andy Henneberry, Town of Arnold's Cove and Area Chamber of Commerce

Purpose of Meeting:

- The Bull Arm and Area Action Committee (BAAAC) has requested a meeting with Minister Coady and Minister Davis. No agenda has been provided for the meeting. However, BAAAC has indicated the purpose of the meeting is to receive an update on future plans for the Bull Arm Fabrication site (Bull Arm).

Background:

- BAAAC is comprised of representatives from municipalities, local service districts and chambers of commerce in the vicinity of the Bull Arm. The mandate of the committee is to liaise between the provincial government (NR, TCII and Nalcor) and the communities (residents, business and municipal councils) about Bull Arm.
- The socio-economic context of the BAF area typically includes the communities, services and infrastructure within a 50 km radius of the Bull Arm site. This area generally encompasses the Isthmus of Avalon and as far west as Clarenville. The five communities which are closest to BAF are:
 - Sunnyside: estimated population of 396 people and covers an area of 10 km². The town stretches for about 5 miles along the shore of Trinity Bay also known as Bull Arm.
 - Southern Harbour: estimated population of 369 people and covers an area of 5.41 km²
 - Arnolds Cove: has an estimated population of 949 people and covers an area of 4.79 km².
 - Come By Chance: estimated population of 228 people and covers an area of 39.7 km².
 - Chance Cove: estimated population of 256 people and covers an area of 18.2 km².
- BAF is a 1.5 hour drive along the Trans-Canada Highway to St. John's. BAF is also located near several industrial facilities including the NARL Oil Refinery (Come by Chance), the

Whiffen Head Transshipment Facility (Arnolds Cove) and the Long Harbour Nickel Processing Plant.

- Minister Coady last met with representatives from the Bull Arm surrounding area communities on February 7, 2019 to discuss options for Bull Arm.

Agenda Item #1 – Bull Arm Fabrication Site

- BAF 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 BAF is located, which is currently leased to Nalcor-BAF until March 30, 2022.
- The site was leased 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 decision on the RFP process is pending in an effort to maximize site utilization and local employment and business opportunities for communities in the area.

Analysis:

- BAF represents the most significant industrial lands in the Isthmus Area that are relevant to the offshore petroleum industry and has provided employment and economic spin-off benefits through the purchase of goods and services from this area. BAF has also provided broader benefits to the province through new infrastructure, technical knowledge and expertise, technology transfer and an experienced labour force. Therefore, the future use of the Bull Arm site will be important to the people living and working in nearby communities.
- Given the potential interests of communities within the Bull Arm area on the future use of the site, it is prudent to engage in discussions to:
 - Provide an opportunity through which communities can voice their interests and concerns;
 - Provide accurate and relevant information to communities to facilitate discussion and planning; and
 - Solicit feedback on any environmental, socio-economic and other community based issues, as appropriate.
- Nalcor-BAF received four relevant submissions through the EOI/RFP process and two proponents; Canadian Supply Base Company (CSBC) and DFB Driver (DFB) were selected to enter into negotiations. In its analysis, Nalcor-BAF considered multiple factors including the proposed labour models. Two opportunities have been under consideration:
 - **CBSC:** [REDACTED]

o **DFB:** [REDACTED]

S.35.1.d

S.35.1.f

S.35.1.g

- In 2019, Nalcor-BAF signed a short term lease with DF Barnes for West Aquarius warm stacking at site. In October 2019, Nalcor-BAF signed a further short term lease with DF Barnes for upgrade work for the Transocean Barents which will last until spring 2020 and employ up to 30 people.
- DF Barnes has negotiated a labour agreement with the Atlantic Canada Regional Council of Carpenters, Millwrights and Allied Workers (ACRC) Local 585 for work at Bull Arm. While the agreement is solely with the ACRC and is non-trade jurisdictional, certain other unions from Trades NL are able to supply workers under the agreement. S.35.1.d
- On Friday, November 8, 2019, [REDACTED] a protest at both the Bull Arm Site and the Confederation Building with a call to action to support unionized work at Bull Arm. Trades NL has also communicated their position to media and to Government that they do not agree with the labour model DF Barnes is utilizing for their work at the site.
- Minister Coady, Jim Keating and NR officials met with Trades NL on November 14, 2019 and DF Barnes on November 15, 2019, to discuss the situation. Labour disputes among unions are not the jurisdiction of the Department of Natural Resources; however the Minister encouraged the two parties to work on a resolution to the dispute.
- A meeting between DF Barnes and Trades NL took place on November 15, 2019 and the situation was resolved, with a solution that was acceptable to both parties.

Potential Speaking Points:

- Our goal for Bull Arm is to maximize site utilization for the ultimate benefit of Province by supporting growth of the province's oil and industrial sectors; ensuring availability to host large scale projects and ensuring we have viable and competitive fabrication centre.
- A decision regarding the final outcome of the Bull Arm RFP is pending as discussions continue with two proponents in an effort to maximize site utilization. Any decision by Nalcor regarding the outcome will carefully consider impacts on local benefits and labour issues.
- The Bull Arm site has been leased at different times to different contractors for various scopes of work. This has provided employment at the site which is good for the economy and the province overall.
- The current lease agreement with DF Barnes is temporary for a period of six-months. The drill rig maintenance project at Bull Arm is employing union members from the province and there will be up to 30 people employed on this job.
- Given the proximity and interests of your communities to the Bull Arm site it is important to continue a dialogue with you regarding the short term and long term use of the site.

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

November 22, 2019