September 25, 2013

Dear [Redacted]

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act, file # NR-015-2013

On July 25, 2013, the Department of Natural Resources received your request for access to the following records/information:

Any and all written communications between the provincial Minister of Natural Resources and the Canada-Newfoundland and Labrador Offshore Petroleum Board for the period Jan. 1, 2013 to June 30, 2013.

I am pleased to inform you that your request for access to these records has been granted. Please note that access to some information contained within the records has been refused in accordance with the following exception to disclosure, as specified in the Access to Information and Protection of Privacy Act (the Act):

- 23. (1) The head of a public body may refuse to disclose information to an applicant if the disclosure could reasonably be expected to
  (b) reveal information received in confidence from a government, council or organization listed in paragraph (a) or their agencies.
- 30. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

In addition, some information has been refused in accordance with Section 115(2) of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and
**Labrador Act (Accord Act).** This section of the Accord Act mandates that information that is required to be provided by operators to the Canada-Newfoundland and Labrador Offshore Petroleum Board under Part II (Petroleum Resources) or Part III (Petroleum Operations) of that Act, or any of the regulations under the Act, "...is privileged and shall not knowingly be disclosed without the written consent of the person who provided it...".

As required by subsection 7(2) of the *Access to Information and Protection of Privacy Act* we have severed information that is excepted from disclosure and have provided you with as much information as possible. In accordance with your request for a copy of the records, the appropriate copies have been enclosed.

I note that, in the course of preparing this response there have been several points of contact between you and the department’s ATIPP Coordinator. These contacts resulted in changes to the scope and timeline of the request and were as follows:

- Notification on August 1 by the department of a 30-day extension of the request timeline due to the need to consult with a third party or other public body.

- A query by the department on August 27 on whether or not you wanted to receive attachments related to the correspondence requested. Our coordinator explained that a number of attachments were among the responsive records but that they referenced multiple third party business operations and would require additional time for consultation. You opted to exclude the attachments from your request for the time being.

- Notification by the department on September 4 that, on further examination, one of the pieces of correspondence amongst the responsive records also included information that would require consultation with a third party business before a decision could be made on whether or not the content could be released. The subject of the correspondence was Fundamental Decision 2013.05 on which public information is available. Given that, you agreed to receive the letter with the content redacted at the present time. Should you wish to receive the content at a later date, the department will need to perform consultation with the relevant external third party prior to its release. The letter, dated June 18, 2013 is found on pages 25-26 of the response package.

Section 43 of the *Act* provides that you may ask the Information and Privacy Commissioner to review this partial refusal of access or you may appeal the refusal to the Supreme Court Trial Division. A request to the Information and Privacy Commissioner shall be made in writing within 60 days of the date of this letter or within a longer period that may be allowed by the Commissioner.
The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
34 Pippy Place
P. O. Box 13004, Stn. A
St. John’s, NL, A1B 3V8

Telephone: (709) 729-6309
Facsimile: (709) 729-6500

In the event that you choose to appeal to the Supreme Court, you must do so within 30 days of the date of this letter. Section 60 of the Act sets out the process to be followed when filing such an appeal.

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

If you have any further questions, please feel free to contact the department’s ATIPP Coordinator at (709) 729-3214.

Sincerely,

[Signature]

CHARLES W. BOWN
Deputy Minister

Copy to Tanya Noseworthy
January 24, 2013

The Honourable Tom Marshall, Q.C.
Minister of Natural Resources
Government of Newfoundland and Labrador
P.O. Box 8700
St. John’s, NL
A1B 4J6

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
21 – 580 Booth Street
Ottawa, ON
K1A 0E4

Dear Ministers,

**RE: Canada-Newfoundland and Labrador Offshore Petroleum Board 2013-14 Budget and Business Plan**

I enclose herein for your consideration and approval, a budget request for the Canada-Newfoundland and Labrador Offshore Petroleum Board, together with the Board’s Business Plan for fiscal year 2013-14.

**2013-14 Industry Activity Highlights**

The Budget submission for 2013-14 has been prepared in the context of a significant increase in offshore activity and associated demands for regulatory approvals and oversight. As indicated in the enclosed Business Plan, the highlights of this elevated level of industry activity include:

- Oil production from the Newfoundland and Labrador Offshore Area is forecasted to be...
The number of Regulatory Query (RQ) applications is expected to reach approximately 150.

A projected total of over 2,500 individuals will be working on production facilities, drilling units, and vessels in the offshore area; a 100% increase from the average number of steady state ‘persons on board’.

3 facilities will be in production and 4 drilling rigs will be operating in the jurisdiction. There will be an associated increase in helicopter transport flights and supply vessel traffic.

The Board will be addressing the issue of a possible return to helicopter night flights.

The update of the Western NL Strategic Environmental Assessment will be completed and a new SEA will be initiated for Eastern Newfoundland, including an update of the 2003 Orphan Basin SEA.

A project-specific Environmental Assessment for the Old Harry prospect on Exploration Licence 1105 will be conducted.

The Occupational Health and Safety Amendment to the Accord Acts will be proclaimed.

A new process for environmental review of offshore projects will be required due to removal of most offshore activities from the auspices of the Canadian Environmental Assessment Act.

The Auditor General of Canada’s Commissioner of the Environment and Sustainable Development will issue a report into its performance audit of Managing the Environmental Impacts of Atlantic Offshore Oil and Gas Activities. The Board will be acting on all of the recommendations of the Auditor.

Activity in the Newfoundland and Labrador offshore for 2013-14 is expected to be approximately 30% higher than in 2012-13. This significant increase in activity in the offshore and therefore in the obligations of the Board necessitate that we keep pace so that industry growth does not suffer.
The Honourable Joe Oliver  
The Honourable Tom Marshall  
January 24, 2013

2013-14 Budget Request

Governments approved an operating budget for the Board of $15,271,600 in Budget 2012-13. The Board has determined its budget requirement for 2013-14 to be $16,787,000 as per the table below. This represents an increase of $1,515,400 over the approved 2012-13 budget.

<table>
<thead>
<tr>
<th></th>
<th>2013-14</th>
<th>2012-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>12,497,796</td>
<td>11,190,318</td>
<td>1,307,478</td>
</tr>
<tr>
<td>Premises</td>
<td>1,148,040</td>
<td>1,123,008</td>
<td>25,032</td>
</tr>
<tr>
<td>Furniture and Equipment</td>
<td>51,400</td>
<td>51,400</td>
<td>0</td>
</tr>
<tr>
<td>Computer Hardware</td>
<td>269,000</td>
<td>228,900</td>
<td>42,100</td>
</tr>
<tr>
<td>Computer Software</td>
<td>838,170</td>
<td>900,868</td>
<td>-62,698</td>
</tr>
<tr>
<td>Consultants</td>
<td>1,167,000</td>
<td>1,038,825</td>
<td>128,175</td>
</tr>
<tr>
<td>Travel</td>
<td>282,100</td>
<td>211,000</td>
<td>71,100</td>
</tr>
<tr>
<td>General</td>
<td>670,800</td>
<td>565,800</td>
<td>5,000</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>16,622,306</td>
<td>15,308,118</td>
<td>1,314,187</td>
</tr>
<tr>
<td>Less Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and Other</td>
<td>36,306</td>
<td>36,519</td>
<td>213</td>
</tr>
<tr>
<td>Operating Budget</td>
<td>$16,787,000</td>
<td>$15,271,600</td>
<td>$1,515,400</td>
</tr>
</tbody>
</table>

The significant increases in this budget request from the prior fiscal year are shown below:

<table>
<thead>
<tr>
<th>Changes from 2012-13</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>338,144</td>
</tr>
<tr>
<td>Staff step progression</td>
<td>114,233</td>
</tr>
<tr>
<td>New positions, reclassifications, and retiring allowances</td>
<td>440,980</td>
</tr>
<tr>
<td>Increase in employee benefits and employer payroll related costs</td>
<td>165,268</td>
</tr>
<tr>
<td>Increase in certifications, training and conferences</td>
<td>248,863</td>
</tr>
<tr>
<td>Consultants</td>
<td>128,175</td>
</tr>
<tr>
<td>Travel</td>
<td>71,100</td>
</tr>
<tr>
<td>Various Accounts &lt; $50,000</td>
<td>8,647</td>
</tr>
<tr>
<td></td>
<td>$1,515,400</td>
</tr>
</tbody>
</table>

The whole of the projected 2012-13 budget is 75% cost recoverable from industry. Therefore, the net cost to each Government will be 12.5% of the projected budget. Based on a total projected budget of $16,787,000 as summarized below, the gross budget
requirement will be $8,393,500 from each Government, with a net cost to each Government of $2,098,375, as detailed below.

<table>
<thead>
<tr>
<th>2013-14 Budget Share</th>
<th>Federal</th>
<th>Provincial</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Operating Budget</td>
<td>$8,393,500</td>
<td>$8,393,500</td>
<td>$16,787,000</td>
</tr>
<tr>
<td>Less: Cost Recovery (76%)</td>
<td>(6,295,125)</td>
<td>(6,295,125)</td>
<td>(12,590,250)</td>
</tr>
<tr>
<td>Total Net Budget</td>
<td>$2,098,375</td>
<td>$2,098,375</td>
<td>$4,196,750</td>
</tr>
</tbody>
</table>

**Budget Highlights**

The 2013-14 Budget request proposes the following funding increases relative to the 2012-13 approved Budget.

**Personnel (+$1,307,478; +4.5 FTE):** An increase of $1,307,478 is required to fund additional employee costs and new positions.

- In consideration of the results of its annual salary survey, the Board awarded staff with a 4.0% salary adjustment effective December 31, 2012 (+$338,144). This change is reflective of the environment in which the Board competes to attract and retain qualified staff, without whom its ability to carry out its regulatory functions would seriously suffer. With the level of industry activity forecasted for 2013-14, the high demand for talent in both the local and global oil and gas industry, and official sanctioning of the Hebron project, the Board felt that a 4% salary increase was warranted to mitigate the risk of eroding its competitive position at a particularly vulnerable time.

- Board employees are classified on a formal classification system and advance on a 7-step pay scale on their anniversary dates. An increase of $114,233 is required to fund those advancements.

- The need for 4.5 new FTE positions (+$395,905) has been identified by Board departments with 2 positions for Resource Management, 1 for Exploration, 1 for Public Relations, and 0.5 in Operations.

- An additional $45,075 has been identified for funding position reclassifications as well as retiring allowances pursuant to the Board’s Retiring Allowance Policy.

- All of the above changes in the Personnel salary budget have resultant impacts on the associated costs of employee benefits, statutory deductions and payroll related costs (+$165,258) which the Board is obligated to cover.

- A critical component of the Board’s employee recruitment and retention strategy is to invest heavily in training courses and conference opportunities for lesser experienced employees to quickly improve their technical knowledge and capabilities. Additional funding for training and conferences (+$248,863) has been identified, recognizing that both the Board’s Executive positions, together with any newly appointed Board members, will likely require extensive utilization of these opportunities to quickly become immersed in the industry and regulatory
craft. It is vital that the Board have the ability to maintain parity in technology and subject matter expertise with a rapidly advancing industry and provide adequate training and development opportunities to critical positions.

**Consultants (+$128,175):** The Board hires consultants with specialized expertise to perform work where the necessary skills are not found in-house and it is not feasible to effect a permanent hire. The Board has identified 35 areas where outside expertise is required to perform services where the Board lacks the necessary skill sets for short-term projects (e.g., IT consulting, helicopter safety, socio-economic impact statements, legal advice, oil rig mooring, SEA update, etc.).

**Travel (+$71,100):** The nature of the Board’s work with native, provincial, national and international governments, as well as the global oil and gas industry, demands that staff travel for meetings with officials. In 2013-14, the Board estimates a higher requirement for travel will be required due to: increased drilling activity on the west coast of NL; regulation and guideline development upon proclamation of the OHS Amendment to the Accord Acts; development of Memoranda of Understanding; support to and interactions with international regulators and governments; and travel for Executive briefings and familiarization with the anticipated appointment of new Board leadership in the fiscal year.

**Various (+$8,647):** The net change in budget requirements estimated for Premises, Computer Hardware and Software, and Interest Revenue require an additional $8,647 from fiscal year 2013.

**Benefits Into Retirement**

The Board’s transition from generally accepted accounting principles to Public Sector Accounting rules resulted in a restatement of the accrued employee future benefit obligations and an additional $1,762,800 was required to be recognized as a liability on the Statement of Financial Position. There are no assets set aside to offset this increased liability. Governments were advised of this increase in the liability, and your officials requested the Board to develop a funding proposal that, over a period of years, would eliminate the unfunded future liability identified above.

A new valuation of the liability is conducted by the Board’s actuary every three years with the next valuation to be completed in 2016. Depending on a number of demographic, economic, and actuarial factors, the amount of the liability could change significantly over that time. To prevent the advance accumulation of significant cash balances which may not necessarily match the amount of the liability, the Board will to retain annual year-end budget surpluses (if any exist) as a cash reserve until such time as the liability is funded. This will allow the Board to only retain the amount of cash necessary and available after the outstanding liability is re-evaluated each year. Alternatively, we are available to engage in assessment of other options should you wish
to do so. Until such time, the Board will request the amount of cash required each year to fund current benefit costs in its annual budget submission to Governments. No special funds have been included in the FY 2013-14 Budget request to deal with the increased accrued employee future benefit obligation.

Requirement for Properly Funded Regulator

On January 11, 2011, the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling cited that a contributing cause of the disaster was a regulator that had become “an agency systematically lacking the resources, technical training, or experience in petroleum engineering that is absolutely critical to ensuring that offshore drilling is being conducted in a safe and responsible manner”. The National Commission’s Report noted that “Precisely when the need for regulatory oversight intensified, the government’s capacity for oversight diminished.” The report goes on to criticize that the regulator suffered from a loss of essential expertise and had an ‘abysmal’ lack of requisite training.

We fully agree that a regulator must not be outmatched in technical expertise and operational knowledge by the companies it regulates. In the context of an impending year of significantly greater offshore activity, the Board is concerned that pressure to exert funding cuts will erode its ability to keep pace with the level of activity and complexity of operations in the NL Offshore area. The Board is confident that it has a strong employee training and development program in place to maintain the relevant technical expertise in safety, reservoir engineering, and environmental protection to properly assess Operators’ plans and decisions and assess what constitutes good oil field practice. The Board works hard to keep pace with the changing technology and risks of offshore activities.

A further risk of funding cuts is the reduced ability to meet operator timelines for consideration of Operator regulatory applications (Development Plan amendments, approvals to drill wells, regulatory queries, etc). Delays in obtaining regulatory approvals have consequent higher costs to the industry, and elevate the risk of the inability to complete operations within limited weather and infrastructure availability windows. This can have an associated elevation in safety or environmental risk as Operators attempt to make up for these constraints.

The C-NLOPB’s managers, executive and Board has worked diligently in developing this budget proposal based on what is required for the upcoming fiscal year recognizing both the importance for fiscal restraint and the importance of the sector in to the Newfoundland and Labrador and Canadian economies. We are concerned that, without suitable funding, impacts beyond our control will be felt, including:

- delays in reviews of industry applications and plans which results in:
  - inability to meet Operator timelines
  - delayed resource development
The Honourable Joe Oliver  
The Honourable Tom Marshall  
January 24, 2013

- delayed oil production  
  - inability to provide efficient access to geological information or data  
  - delays in updating reserve or resource estimates  
  - delays in assessing and incorporating new technologies and safety enhancements into regulations and operations oversight (e.g., light well intervention, hydraulic fracturing)  
  - reduced parity with industry in understanding of new technology which increases dependency on industry to provide the research, expertise, and solutions to complex and new challenges.

The Board is dedicated to protecting its reputation as a world-class oil and gas industry regulator and respectfully submits that governments, the offshore workforce, and the public at large are beneficiaries of a strong, knowledgeable, properly-funded regulator with the necessary staff, expertise, and resources to fulfill all aspects of its mandate and achieve the objectives detailed in the 2013-14 Business Plan and obligations under the Accord Acts.

I trust you will find this satisfactory. However, should you or your officials require any further information or explanation associated with this submission, we are available at your convenience.

Yours Sincerely,

Max Ruelokke, P. Eng.  
Chief Executive Officer

Enc.

cc.  Serge Dupont, DM Natural Resources Canada  
     Charles Bown, DM Natural Resources NL
March 6, 2013

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street, 21st Floor – Room C7-1
Ottawa, Ontario K1A 0E4

The Honourable Thomas Marshall, Q.C.
Minister of Natural Resources and Minister Responsible for
The Forestry and Agrifoods Agency, and Attorney General
Government of Newfoundland and Labrador
P.O. Box 8700
St. John’s, NL A1B 4J6

Dear Ministers:

I am pleased to provide my first report as Chair and CEO of the Canada-Newfoundland and Labrador Offshore Petroleum Board on activity in the Newfoundland and Labrador Offshore Area, covering the period of October to December, 2012.

As always, we at the Board would welcome any comments or suggestions for improvements to the format or contents of the report.

Should you or your officials require any further information, please do not hesitate to contact me at [redacted].

Yours very truly,

Scott Tessier
Chair and CEO

Enclosure

MINISTERS OFFICE
Dept. of Natural Resources
MAR 11 2013
March 19, 2013

The Honourable Tom Marshall, QC, MHA
Minister of Natural Resources and Minister Responsible for the
Forestry and Agrifoods Agency, and Attorney General
Government of Newfoundland and Labrador
Natural Resources Building
50 Elizabeth Avenue
P.O. Box 8700
St. John’s, NL A1B 4J6

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street, 21st Floor, Room C 7-1
Ottawa, ON K1A 0E4

Dear Ministers:

Re: Resignation of Board Member – Reg Bowers

Pursuant to the Canada-Newfoundland and Labrador Offshore Petroleum Board’s By-Law No. 1, I write to formally advise that on March 14, 2013, Reg Bowers resigned from the Board, effective that date.

I trust that consideration will be given to filling the current federal Board vacancies in as timely a manner as possible.

Sincerely,

Scott Tessier
Chair and CEO
March 28, 2013

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street, 21st Floor – Room C7-1
Ottawa, Ontario K1A 0E4

The Honourable Thomas Marshall, Q.C.
Minister of Natural Resources and Minister Responsible for
The Forestry and Agrifoods Agency, and Attorney General
Government of Newfoundland and Labrador
50 Elizabeth Avenue
P.O. Box 8700
St. John's, NL A1B 4J6

Dear Ministers:

Re: 2013 Calls for Bids – Closing Dates

Pursuant to subsection 58(1) of the Canada-Newfoundland Atlantic Accord Implementation Act
and subsection 57(1) of the Canada-Newfoundland and Labrador Atlantic Accord
Implementation Newfoundland and Labrador Act, the Board and the Ministers had approved the
issuance of three Calls for Bids in relation to lands located within the Newfoundland and

Given the necessity for strategic environmental assessments in these regions, the Board has
decided to amend the closing dates, a change in the terms and conditions of these three 2013
Calls for Bids. Each amendment is a separate fundamental decision in accordance with
subsection 58(4) of the Canada-Newfoundland Atlantic Accord Implementation Act and
subsection 57(4) of the Canada-Newfoundland and Labrador Atlantic Accord Implementation
Newfoundland and Labrador Act.

Sincerely,

Scott Tessier
Chair and CEO
Enclosure
Schedule “A”

Fundamental Decision 2013.01

The Board approves, subject to Ministerial Approval, the following amendment to paragraph 3.2(b) of Call for Bids NL13-01 (Area “C” - Flemish Pass) by replacing the text with the following:

3.2(b) The closing date for this call for bids shall be 120 days after the completion of the Eastern Newfoundland Strategic Environmental Assessment (2013) (the “Closing Date”).

Notification of the Closing Date and time shall be published on the Board’s website (www.cnlopb.nl.ca) under the heading “What’s New!”.

Fundamental Decision 2013.02

The Board approves, subject to Ministerial Approval, the following amendment to paragraph 3.2(b) of Call for Bids NL13-02 (Area “C” - Carson Basin) by replacing the text with the following:

3.2(b) The closing date for this call for bids shall be 120 days after the completion of the Eastern Newfoundland Strategic Environmental Assessment (2013) (the “Closing Date”).

Notification of the Closing Date and time shall be published on the Board’s website (www.cnlopb.nl.ca) under the heading “What’s New!”.

Fundamental Decision 2013.03

The Board approves, subject to Ministerial Approval, the following amendment to paragraph 3.2(b) of Call for Bids NL13-03 (Area “B” – Western Newfoundland and Labrador Offshore Region) by replacing the text with the following:

3.2(b) The closing date for this call for bids shall be 120 days after the completion of the Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment Update (the “Closing Date”).

Notification of the Closing Date and time shall be published on the Board’s website (www.cnlopb.nl.ca) under the heading “What’s New!”.

Chair and CEO
On Behalf of the Board
April 2, 2013

The Honourable Tom Marshall, Q.C., MHA
Minister of Natural Resources, Attorney General and
Minister Responsible for Forestry and Agrifoods Agencies
Government of Newfoundland and Labrador
Natural Resources Building
50 Elizabeth Avenue
P.O. Box 8700
St. John's, Newfoundland and Labrador
A1B 4J6

The Honourable Nick McGrath, MHA
Minister of Service Newfoundland and Labrador
Government of Newfoundland and Labrador
Confederation Building
P.O. Box 8700
St. John's, Newfoundland and Labrador
A1B 4J6

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street
21st Floor, Room C 7-1
Ottawa, ON
K1A 0E4

Dear Ministers:

Please find attached for your information the report concerning the administration of certain provisions of the *Newfoundland Occupational Health and Safety Act* in the Newfoundland and Labrador Offshore Area for the 4th quarter of 2012.

Should you or your staff have any questions, please feel free to contact me at [redacted].

Sincerely,

[Signature]

Scott Tessier
Chair and CEO

Attachment

Fifth Floor, TD Place, 140 Water Street, St. John’s, NL, Canada A1C 6H6
Telephone (709) 778-1400  Fax (709) 778-1473
April 11, 2013

Mr. Scott Tessier
Chair & Chief Executive Officer
Canada-Newfoundland and Labrador Offshore Petroleum Board
5th Floor, TD Place, 140 Water Street
St. John’s, NL
A1C 6H6

Dear Mr. Tessier:

RE: 2013-14 Budget

I refer to the 2013-14 Budget and Business Plan submitted by Mr. Max Ruelokke by way of letter dated January 24, 2013 and the letter sent to the C-NLOPB by Minister Oliver on March 25, 2013 regarding the 2013-14 Budget.

In conjunction with my federal colleague, the Honourable Joe Oliver, we have completed our review of the C-NLOPB’s 2013-14 Budget and Business Plan. The C-NLOPB had requested a significant increase of $1.5 Million from the 2012/13 Budget, however, any increase could not be considered given our current fiscal challenges. We have, however, agreed to a status quo Budget, with provincial and federal contributions totaling $15.3 Million.

Sincerely,

Thomas W. Marshall, Q.C.
Minister of Natural Resources

c. Honourable Joe Oliver
   Minister, Natural Resources Canada
APR 16 2013

Mr. Scott Tessier  
Chair & Chief Executive Officer  
Canada-Newfoundland and Labrador Offshore Petroleum Board  
5th Floor, TD Place, 140 Water Street  
St. John's, NL  
A1C 6H6

Dear Mr. Tessier:

RE: 2013 Call for Bids – Closing Dates

With reference to your letter dated March 28, 2013, please be advised that I approve Fundamental Decision Nos. 2013.01 – 2013.03 respecting the closing dates of Call for Bids NL13-01, NL13-02 and NL13-03 to be 120 days after completion of the Strategic Environmental Assessments for the Flemish Pass, Carson Basin and Western Newfoundland and Labrador offshore areas.

This approval is made pursuant to the Canada-Newfoundland Atlantic Accord Implementation Act and the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act.

Sincerely,

[Signature]

Thomas W. Marshall, Q.C.  
Minister of Natural Resources

c.: Honourable Joe Oliver  
Minister, Natural Resources Canada
April 26, 2013

The Honourable Tom Marshall, QC, MHA
Minister of Natural Resources, Attorney General and Minister Responsible for the
Forestry and Agrifoods Agency
Government of Newfoundland and Labrador
Natural Resources Bldg., 50 Elizabeth Avenue
P.O. Box 8700
St. John’s, Newfoundland and Labrador
A1B 4J6

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
21 – 580 Booth Street
Ottawa, Ontario
K1A 0E4

Dear Ministers:

I am writing to advise that the Board has, as a Fundamental Decision, approved the:

• White Rose Development Plan Amendment – South White Rose Extension Tie-
back (January 15, 2013); and

• Concept Safety Assessment of South White Rose Extension Project.

Enclosed is the Board’s Decision Report and the Development Plan Staff Analysis which
was used by the Board in its consideration of the White Rose Development Plan
amendment.

Ministers’ approval of the Fundamental Decision is hereby requested.

Sincerely,

Scott Tessier,
Chair & CEO
May 27, 2013

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

Dear Mr. Tessier:

RE: Fundamental Decision No. 2013.04
South White Rose Extension Tie-Back

With reference to your letter dated April 26, 2013, please be advised that I approve Fundamental Decision No. 2013.04 subject to Condition Nos. 2013.04.01 and 2013.04.02. This approval is made pursuant to the Canada-Newfoundland Atlantic Accord Implementation Act and the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act.

Sincerely,

Thomas W. Marshall, Q.C.
Minister of Natural Resources

c. Honourable, Joe Oliver
Minister, Natural Resources Canada
June 3, 2013

The Honourable Tom Marshall, Q.C., M.H.A.
Minister of Natural Resources, Attorney General, and
Minister Responsible for the Forestry and Agrifoods Agency
Government of Newfoundland and Labrador
P.O. Box 8700
St. John’s, NL
A1B 4J6

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
21st Floor, Room C7-1
580 Booth Street
Ottawa, ON
K1A 0E4

Dear Ministers,

I enclose herewith for your consideration the Canada-Newfoundland and Labrador Offshore Petroleum Board’s Report on the 2012-13 Business Plan. In accordance with the Cost Recovery Policy, the Board is required to submit a Business Plan which supports its budget and which includes objectives for the coming year. The attached Report details the Board’s progress towards meeting the objectives that were identified in the 2012-13 Business Plan.

I would like to draw your attention to some highlights of this year’s Report:

- The Newfoundland and Labrador offshore workforce had a reportable injury frequency rate of 4.60 per million hours worked in 2012-13 (there were 24 reportable injuries or illnesses with 5,215,799 hours worked), a decrease from the 2011-12 rate of 5.34 per million hours worked.
- There were seven hydrocarbon spills reported in 2012-13. Four were one litre or less in volume. No spills of crude oil over one litre were reported. The largest spill reported consisted of 27.7 litres of synthetic based mud (SBM).
- Oil production from the Newfoundland and Labrador Offshore Area was 72,181,119 barrels (11,475,881 m³).
- Operators spent $2.89 billion related to work in the Newfoundland and Labrador Offshore Area with 7,261 persons working in direct support of the industry.
2012-13 saw a marked increase in the regulatory workload for the Board with 284 regulatory review, licensing, auditing and approval activities, as compared to 121 in 2011-12.

The Call for Bids process yielded $116,875,875 of work commitment bids, bringing the total outstanding exploratory work commitment to over $1 billion.

As indicated to you previously, activity in the Newfoundland and Labrador offshore for 2013-14 is expected to be approximately 30% higher than in 2012-13. This significant increase in activity translates to increased demands on the Board for regulatory decisions and continued diligence in oversight of Operator activities. It is vital that the Board keeps pace so that the anticipated surge in industry activity, and subsequent demand for skilled resources, does not outstrip the Board’s ability to effectively carry out its mandate.

I trust you will find this satisfactory. However, should you or your officials require any further information or explanation associated with this Report, we are available at your convenience.

Yours Sincerely,

[Signature]

Scott Tessier
Chair & CEO

Enc.
June 4, 2013

The Honourable Nick McGrath, MHA
Minister of Service Newfoundland and Labrador
Government of Newfoundland and Labrador
Confederation Building
P.O. Box 8700
St. John’s, Newfoundland and Labrador
A1B 4J6

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street
21st Floor, Room C 7-1
Ottawa, ON
K1A 0E4

The Honourable Tom Marshall, Q.C., MHA
Minister of Natural Resources, Attorney General and
Minister Responsible for Forestry and Agrifoods Agencies
Government of Newfoundland and Labrador
Natural Resources Building
50 Elizabeth Avenue
P.O. Box 8700
St. John’s, Newfoundland and Labrador
A1B 4J6

Dear Ministers:

Please find attached for your information the report concerning the administration of certain provisions of the Newfoundland Occupational Health and Safety Act in the Newfoundland and Labrador Offshore Area for the first quarter of 2013.

Should you or your staff have any questions, please feel free to contact me at... S. 30(1)

Sincerely,

Scott Tessier
Chair and CEO

Attachment

Fifth Floor, TD Place, 140 Water Street, St. John’s, NL, Canada A1C 6H6
Telephone (709) 778-1400  Fax (709) 778-1473
Mr. Scott Tessier  
Chairman & CEO  
Canada-Newfoundland and Labrador Offshore Petroleum Board  
5th Floor, TD Place, 140 Water Street  
St. John’s, NL  
A1C 6H6  

Dear Mr. Tessier,


The 2012-13 reporting period was a busy period for our offshore petroleum industry and we are encouraged by the increase in regulatory review, licensing, auditing, and approvals activities during this period. This increase in activity should bode well for increased productivity from our offshore in the years to come.

As safety and environmental protection remain key priorities for our government, I am particularly pleased with the progress that has been made in the implementation of the Offshore Helicopter Safety Inquiry recommendations, and look forward to continued efforts in this important endeavor. As well, I look forward to the completion of the Western Newfoundland and Labrador (NL) offshore area Strategic Environmental Assessment (SEA) and the continuation of work on the Eastern NL SEA.

Thank you again for your report.

Sincerely,

Thomas W. Marshall, Q.C.  
Minister of Natural Resources

c. Honourable Joe Oliver  
Minister, Natural Resources Canada
June 18, 2013

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street, 21st Floor – Room C7-1
Ottawa, ON K1A 0E4

The Honourable Thomas Marshall, Q.C., MHA
Minister of Natural Resources and Minister Responsible for
The Forestry and Agrifoods Agency, and Attorney General
Government of Newfoundland and Labrador
50 Elizabeth Avenue
P.O. Box 8700
St. John’s, NL A1B 4J6

Dear Ministers:

Re: Proposed Decision – Ballicatters M-96Z

Pursuant to subsection 71(1) and 70(1) of the respective Accord Acts, the Board has made a proposed decision to declare a Significant Discovery Area (Ballicatters M-96Z). The proposed area extends over 10 sections of EL 1113, 12 sections of EL 1092, one section of SDL 1008 and one section of crown reserve lands south and adjacent to EL 1113, as more particularly described in the map annexed hereto.

In that regard, the Board will be sending out the annexed Notice of Proposed Decision to affected parties today in accordance with the legislation and guidance. The Applicant and affected party have 30 days to make a decision to refer the matter to a hearing before the Oil and Gas Committee. As such, the proposed decision is highly confidential at this time.

This letter is for the purpose of notice only. This decision is not a fundamental decision of the Board under the Accord Acts.

We shall provide further information on this decision once the 30-day process has been completed.

Yours very truly,

Scott Tessier
Chair & CEO

Enclosure
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
NOTICE
OF
PROPOSED DECISION

Pursuant to ss. 124(2) of the Canada-Newfoundland Atlantic Accord Implementation S.C. 1987, c. 3 ("C-NAAIA") and ss. 119(2) of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act R.S.N., 1990, c. C-2 ("C-NLAAINLA"), the Board hereby gives notice of the following decision:

1. Description of Proposed Decision

That a Significant Discovery Declaration (Ballicatters M-96Z) be made pursuant to ss. 71(1) of the C-NAAIA and ss. 70(1) of the C-NLAAINLA with respect to the significant discovery area comprised by the following lands:

<table>
<thead>
<tr>
<th>N.E. Grid Coordinates</th>
<th>Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>46°50'N, 48°30'W</td>
<td>6-9,17-19, 27-29, 38, 39</td>
</tr>
<tr>
<td>46°50'N, 48°15'W</td>
<td>74-76, 84-87, 95-99</td>
</tr>
</tbody>
</table>

2. Persons Directly Affected

Pursuant to ss. 124(2) of the C-NAAIA and ss. 120(2) of the C-NLAAINLA, the Board considers the following to be the Representative of such persons directly affected:

Suncor Energy Inc.
(Representative of EL 1092)

Suncor Energy Inc.
(Representative of EL 1113)

Husky Oil Operations Limited
(Representative of SDL 1008)

Chevron Canada Limited
(Representative of SDL 1041)
3. Request for a Hearing

(a) Pursuant to ss.124(3) of the C-NAAIA and ss. 120(3) of the C-NLAAINLA, any person directly affected (as listed in paragraph 2 above) by the proposed decision may make a written request to the Board NO LATER THAN July 19, 2013, for a hearing by the Oil and Gas Committee ("Hearing").

Any request by a Representative (as listed in paragraph 2 above) for a Hearing shall be considered to be a request by each of the persons directly affected on whose behalf the Representative is acting.

(b) Nothing prevents a person directly affected from separately requesting a Hearing, regardless of whether or not their Representative has done so.

(c) Pursuant to ss. 124(4) of the C-NAAIA and ss. 120(4) of the C-NLAAINLA, only those persons directly affected who have requested a Hearing (or on whose behalf a Hearing has been requested by its Representative), may make representations at the Hearing.

4. Effective Date of the Proposed Decision

This proposed decision shall take effect pursuant to ss. 124(9) of the C-NAAIA and ss. 120(9) of the C-NLAAINLA

[Signature]
Chair
Canada- Newfoundland and Labrador Offshore Petroleum Board
June 18, 2013

The Honourable Joe Oliver, P.C., M.P.
Minister of Natural Resources
Government of Canada
580 Booth Street, 21st Floor – Room C7-1
Ottawa, ON K1A 0E4

The Honourable Thomas Marshall, Q.C., MHA
Minister of Natural Resources and Minister Responsible for
The Forestry and Agrifoods Agency, and Attorney General
Government of Newfoundland and Labrador
P.O. Box 8700
St. John’s, NL A1B 4J6

Dear Ministers:

Re: Fundamental Decision 2013.05
Amendment to Exploration Licence 1105
Yours very truly,

Scott Tessier
Chair and CEO

Enclosures
Schedule I

Fundamental Decision 2013.05

In accordance with section 68 of the Canada-Newfoundland Atlantic Accord Implementation Act and section 67 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act, Exploration Licence 1105 (as amended November 23, 2011) shall be amended as follows:

1. Clause 5(3) is deleted and replaced with the following:

   Period I is a period of eight (8) years commencing on the effective date of this Licence. Period I may be extended by 364 days if a Drilling Deposit, as described herein, is posted before the end of the eighth year.

2. Clause 7(1) is deleted and replaced with the following:

   The interest owner may at its option extend Period I from eight years to eight years, 364 days (i.e. to January 13, 2017) by posting a Drilling Deposit with the Board before the end of the eighth year of Period I. This Drilling Deposit shall be in the amount of one million dollars and shall be in a form acceptable to the Board. If a Drilling Deposit is posted, it will be refunded in full if the Licence is validated for Period II by the drilling of a well on that licence. No interest will be paid on the Drilling Deposit.

Scott Tessier  
Chair & CEO  

[Signature]  

June 16, 2013  
Date
Hi Andrea,

I have reviewed the Minister's email files and the only correspondence responsive to the ATIPPA request I found was the following email from Mr. Kelly to the Minister.

Lary

Lary Wells
Executive Assistant to:
Honourable Thomas W. Marshall, Q.C.
Minister of Natural Resources &
Attorney General
email: larrywells@gov.nl.ca
Tel: 729-4746
Fax: 729-0059
-----Original Message-----
From: Marshall Q.C., Hon. Thomas
Sent: Monday, September 16, 2013 2:36 PM
To: Wells, Larry
Subject: FW: For your information: C-NLOPB responses to emails about hydraulic fracturing

-----Original Message-----
From: Kelly, Sean [mailto:SKelly@cnlopb.nl.ca]
Sent: Monday, February 11, 2013 4:58 PM
To: Marshall Q.C., Hon. Thomas; Maclean, Heather
Subject: For your information: C-NLOPB responses to emails about hydraulic fracturing

Due to the increasing number of email messages received on this matter, the C-NLOPB will no longer reply to each individual email as it is received. E-mails from citizens about this issue will be sent to our Information Resources Centre and will be responded to after two days. The standard reply will be as follows:

Thank you for e-mail. The C-NLOPB will not be responding to individual e-mails concerning hydraulic fracturing.

The C-NLOPB is reviewing the regulatory implications of this practice and your concerns will be considered in our review. As well, a project which involves hydraulic fracturing must be registered for review with the Department of Environment and Conservation (NLDEC) in accordance with the Environmental Protection Act, 2002.

Sean Kelly MA, APR, FCPR3
Manager of Public Relations
C-NLOPB
709-778-1418 (o)
709-689-0713 (c)
skelly@cnlopb.nl.ca

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