

CNSOPB Response and Action Plan – CESD Report, Chapter 1, Atlantic Offshore Oil and Gas Activities (Status as of July 31, 2015)

Recommendation (from CESD Report)	Joint CNSOPB / C-NLOPB Response	CNSOPB Actions Taken
<p>Paragraph 1.27</p> <p>To maximize opportunities for protecting the environment and to ensure that potential project proponents have the environmental information to make appropriate decisions, the boards should ensure that the results of up-to-date strategic environmental assessments are available prior to issuing a call for bids.</p>	<p>Agreed – in principle. The boards have in place processes that maximize opportunities for protecting the environment and disseminating environmental information while also ensuring the fairness and efficiency of the rights issuance regime.</p> <p>The boards' practice regarding strategic environmental assessments (SEAs) is to ensure that the results of up-to-date SEAs are known either ahead of the issuance of a call for bids, or sufficiently in advance of the closing of a call for bids and ahead of irrevocable decisions that would be taken by bidders and by the boards.</p> <p>With respect to the Nova Scotia Board, this practice is based on joint policy direction by the federal and Nova Scotia governments. The Newfoundland-Labrador Board has no such restriction.</p> <p>Consistent with the recommendation, the boards plan to maintain current SEAs in areas where there is the most potential for petroleum exploration and where future calls for bids are most likely.</p> <p>If there is not an SEA (or updated SEA) available at the time of a call for bids, the call document would state that, ensuring full transparency of the process. In addition, the call would be made without prejudice to the environmental assessment process. The issuance of an exploration licence by the Board is also subject to fundamental decision approval by the federal and respective provincial governments.</p>	<p>Practice, as described, continues.</p>
<p>Paragraph 1.32</p> <p>The boards should work with their federal partners, including Environment Canada and Fisheries and Oceans Canada, to identify and address the key information gaps in strategic and project environmental assessments.</p>	<p>Agreed. The Boards will continue to identify priority areas of research in cooperation with federal departments and agencies and other stakeholders. This would be for targeted research by government departments and agencies, through initiatives such as the Environmental Studies Research Funds and the Program of Energy Research and Development, and through a wider body of domestic and international work in specific areas. This will be done on an ongoing basis.</p>	<p>Practice, as described, continues.</p> <p>The CNSOPB has updated its MOU with Environment Canada, and with Fisheries and Oceans Canada, to include the review and making of recommendations for the setting of research priorities by research bodies.</p>

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<p>Paragraph 1.45</p> <p>The boards should work with the operators to improve the transparency, accessibility, and utility of the environmental effects monitoring programs and the results obtained. This should include facilitating continual improvement and collaborative research involving industry, government and academia, with the aim of improving understanding of the effects of oil and gas activities on the offshore environment.</p>	<p>Agreed. The Newfoundland-Labrador Board currently publishes the results from environmental effects monitoring programs on its website. It will continue to work with operators and government agencies and external reviewers to ensure that the programs remain transparent and relevant. Subject to the cited constraints of the Accord Acts, the Nova Scotia Board will seek the cooperation of relevant parties to implement this recommendation.</p>	<p>The Board continues to publish on its website environmental effects monitoring (EEM) programs, and the results obtained, for relevant projects that have been assessed under the <i>Canadian Environmental Assessment Act 2012</i> (CEAA).</p> <p>As the Sable Offshore Energy Project commenced production prior to CEAA 2012, EEM information was considered privileged under the <i>Accord Acts</i>. The Board was able to have this privilege waived by ExxonMobil so that its EEM programs and results are now also published on the Board’s website.</p> <p>The Board now requires release agreements, as and when necessary, with operators of new projects so that EEM programs and their results for EAs that do not fall under CEAA 2012 can be published.</p> <p>Also see actions taken under Paragraph 1.45 above.</p>
<p>Paragraph 1.54</p> <p>Each board should establish a systematic process to prepare an annual risk-based audit plan and use it to implement audits of operators’ management systems in keeping with board policies.</p>	<p>Agreed. The boards will incorporate a risk classification matrix into their current auditing and inspection policies and procedures to further strengthen the systematic manner in which annual risk-based audit plans are developed. This will be done commensurate with the scale of offshore operations within the respective jurisdictions.</p>	<p>A risk classification matrix has been developed and has undergone external validation. The Board’s auditing and inspection policy and procedure has been amended to incorporate reference to this matrix.</p>
<p>Paragraph 1.72</p>		

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<p>The boards should seek the advice of Transport Canada, the Canadian Coast Guard, and international partners to design an approach for third-party verification of the capacity of organizations that would respond to spills from offshore oil and gas facilities.</p>	<p>The boards agree with this recommendation with the following understanding: According to legislation, the boards' role is to assess the adequacy of operators' spill response plans and commitments to ensure their sufficiency and robustness. The operators hold the duty to verify the capacity of any organizations that support those plans.</p> <p>In keeping with the legislated regulatory regime, the Boards commit to tasking operators with defining an approach - to the satisfaction of the Boards - that ensures third party verification of the capacity of organizations that they would rely on for responding to spills from offshore oil and gas facilities. In providing guidance to operators in undertaking this task, and in evaluating acceptability of proposed approaches, the boards will consult with Transport Canada and the Canadian Coast Guard.</p>	<p>Board staff has consulted with Transport Canada and the Canadian Coast Guard.</p> <p>Board staff is currently evaluating an assessment tool that is in the final stages of being developed by IPIECA. IPIECA is the global oil and gas industry association for environmental and social issues formed in 1974 following the launch of the United Nations Environment Programme. This assessment tool could form the basis for third-party verification that addresses all relevant components of an effective spill response organization.</p> <p>In the interim, the Board is requiring industry to provide a combination of third party verification certificates issued under currently existing assessment schemes, along with demonstration of adequate capacity of equipment and materials that would be available to respond to a spill using verification tools and methodologies acceptable to the Board.</p>
<p>Paragraph 1.84</p> <p>The boards should work with appropriate federal departments and agencies, and other organizations as necessary, to ensure that individual and collective response plans for a</p>	<p>Agreed. The Boards are current in the involvement with the operators who, as first responders, are legally required to respond to any spill event.</p> <p>The Boards will continue to work with appropriate federal departments and agencies to ensure that the individual and collective response plans for responding to a major oil</p>	<p>The Board has participated in a number of exercises to test emergency response plans. These exercises have been completed with provincial, federal and international government agencies, as well as with</p>

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<p>major oil spill are adequately resourced and coordinated, well defined, and regularly tested, individually and collectively. The plans should be supported by up-to-date and effective memoranda of understanding between all involved parties.</p>	<p>spill remain up-to-date. These plans will be supported by updated memoranda of understanding as appropriate.</p>	<p>operators. The Board also conducts internal tabletop exercises on a regular basis.</p> <p>The Board has updated its emergency response plan taking into account findings of the audit, and lessons learned from the various emergency response exercises that have been held.</p> <p>MOUs have been developed and / or updated as necessary with federal agencies that may have a role in the event of offshore oil and gas emergencies, including the Canadian Coast Guard, Transport Canada (Marine Safety), and Environment Canada.</p>
<p>Paragraph 1.85</p> <p>Natural Resources Canada, the Canadian Coast Guard, Transport Canada, and Environment Canada should work with the boards and others, as necessary, to establish and clarify the roles and responsibilities of federal government departments and agencies in the event of a major oil spill, as well as the resources that would be available. This should include a coordinated response plan.</p>		<p>Recommendation was made to Natural Resources Canada, the Canadian Coast Guard, Transport Canada, and Environment Canada</p> <p>The CNSOPB has developed and/or updated various MOUs to clearly define roles and responsibilities in the event of a major oil spill including with the Canadian Coast Guard, Transport Canada (Marine Safety), and Environment Canada.</p>
<p>Paragraph 1.91</p> <p>The boards should develop and maintain systematic practices for identifying and applying lessons learned from their own and other</p>	<p>Agreed. The boards currently have processes in place by which lessons learned from their own and other jurisdictions are applied. This was shown in the Macondo Deepwater Horizon event and by the Review of Offshore Oil-spill Prevention and Remediation Requirements and Practices in Newfoundland and Labrador, with</p>	<p>The Board has developed and implemented an internal procedure for systematically tracking major event lessons learned and the application of those lessons to activities in</p>

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<p>jurisdictions. They should integrate what they have learned with the boards' procedures for continuous improvement and with lessons learned processes in federal departments and agencies.</p>	<p>departmental managers at both boards assessing the numerous reports and modifying board practices, where necessary. Internationally, many of these lessons learned are available to us through our charter member status in the International Regulators' Forum and the International Offshore Petroleum Environmental Regulators' Forum in which the Boards will continue their memberships. Additionally, the boards will continue to liaise with federal departments, agencies and non-governmental organizations. The boards' internal practices and procedures will be strengthened by applying a systematic process to maintain their high standard.</p>	<p>the Nova Scotia offshore area.</p>
<p>Paragraph 1.102</p> <p>Given the new environmental assessment legislation, the boards should document or update their policies and procedures, and update their memoranda of understanding with their federal partners, including Environment Canada and Fisheries and Oceans Canada, to ensure that the boards will have the capacity for effective environmental review of projects not designated under the Canadian Environmental Assessment Act 2012.</p>	<p>Agreed. The Boards are undertaking a review of their processes for environmental assessment of projects not designated under the <i>Canadian Environmental Assessment Act, 2012</i> (CEAA 2012) and will update their policies and procedures by the end of the first quarter of 2013 at the latest. In the interim, since the adoption of the CEAA 2012, the boards have been reviewing the potential environmental effects of proposed activities in a manner consistent with the previously existing <i>Canadian Environmental Assessment Act</i> (S.C. 1992, c. 37), and publishing the associated documents on their websites. The Boards have already commenced the process of updating existing memoranda of understanding with Environment Canada and with Fisheries and Oceans Canada.</p>	<p>The Board has updated its environmental assessment policies and procedures in line with the new legislation.</p> <p>The Board has received the written commitment of both Environment Canada and Fisheries and Oceans Canada confirming their continued support for environmental reviews of projects not designated under the Canadian Environmental Assessment Act 2012. This commitment has been reflected in updated MOUs.</p>
<p>Paragraph 1.104</p>		

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<p>Working with the boards and its other partners, Natural Resources Canada should assess the capacity of the boards to exercise their responsibilities, including how they rely on other federal parties, and should explore opportunities for sharing expertise among those responsible for offshore oil and gas activities.</p>	<p>The boards are willing to be part of an on-going discussion with relevant federal departments and agencies to ensure that the requirements for effective spill prevention and response and the sharing of expertise and coordination needed for affecting this are addressed on a continuous basis.</p>	<p>Recommendation was made to Natural Resources Canada.</p> <p>The Board has entered into a MOU with the National Energy Board and the Canada-Newfoundland and Labrador Offshore Petroleum Board that, among other things, addresses the sharing of resources.</p>