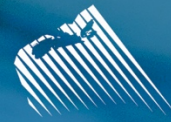


APRIL 2018

CNSOPB



CANADA-NOVA SCOTIA
OFFSHORE PETROLEUM BOARD

BP Canada Energy Group ULC (BP Canada)
Application for an Operations Authorization-Drilling
Stakeholder Engagement and Aboriginal Consultation Report

Prepared By:
Canada-Nova Scotia Offshore Petroleum Board

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BP Canada Scotian Basin Exploration Drilling Project Background

As part of the NS12-1 Call for Bids process for exploration licences that BP Canada acquired in 2012, the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) conducted a Strategic Environmental Assessment (SEA) to identify any potential environmental concerns ahead of any major decisions made. This included a 30-day public comment period to identify initial concerns related to the particular region where parcels were to be located. The SEA and public comments received can be found on the CNSOPB's website: <https://www.cnsopb.ns.ca/environmental-assessments/public-registry-environmental-assessments>

The NS12-1 Call for Bids was issued in April 2012 and included a 60-day public comment period. The comments received can be found on the CNSOPB Call for Bids website – <https://www.cnsopb.ns.ca/lands-management/call-bids>

BP Canada was issued Exploration Licences 2431, 2432, 2433, 2434 in November 2012.

In the summer of 2014, BP Canada received authorization from the CNSOPB to conduct a 3D Wide Azimuth seismic survey over this area. The authorization included an Environmental Assessment that included a 30-day public comment period. The public can access the Environmental Assessment as well as the comments received on the CNSOPB website: <https://www.cnsopb.ns.ca/environmental-assessments/public-registry-environmental-assessments>

In 2015, BP Canada filed a Project Description with the Canadian Environmental Assessment Agency (the Agency), with the intent to move forward with an application for exploration drilling. Drilling an exploration well is a Designated Project pursuant to the Canadian Environmental Assessment Act (CEAA) 2012 and requires a federal Environmental Assessment.

The Agency-led Environmental Assessment process began in August 2015 and included public commenting periods throughout.

On February 1, 2018, the Minister of Environment and Climate Change Canada released her Decision Statement (EA Decision Statement), indicating that the Designated Project is not likely to cause significant adverse environmental effects, and the project may proceed subject to compliance with legally-binding conditions and other statutory approvals. A copy of the EA Decision Statement can be found in Appendix F.

The Agency Environmental Assessment Report, including public comments received and the EA Decision Statement, can be found on the CNSOPB website: <https://www.cnsopb.ns.ca/environmental-assessments/public-registry-environmental-assessments>

The CNSOPB began reviewing information submitted by BP Canada in support of their proposed drilling program in April 2017. An application for authorization to drill one deep-water exploration well approximately 330 kilometres from Halifax, and in approximately 2,800 metres of water depth, was officially submitted on September 21, 2017.

Aboriginal consultation and stakeholder engagement meetings took place between February 9 and March 23, 2018.

On April 7, 2018, the CNSOPB issued an authorization to BP Canada allowing the drilling unit, the Seadrill West Aquarius, to enter Canada-Nova Scotia waters, and to carry on with preparatory work in advance of its planned drilling of an exploration well.

This initial authorization limited the scope of work to preparatory activities on board the Seadrill West Aquarius, including the mobilization of additional supplies and equipment to the drilling unit. It did not permit BP Canada to commence the drilling of the exploration well.

On April 21, 2018, the CNSOPB completed its review of all information and issues that needed to be addressed and accepted ahead of starting to drill, and authorized the commencement of drilling operations for BP Canada's Aspy D-11 exploration well.

The Scotian Basin Exploration Drilling Project is estimated to take approximately 105 days to complete.

What is Exploration Drilling?

Offshore exploration drilling is when oil and gas companies drill a well below the seafloor in search of oil or natural gas. Geologists working for oil and gas companies study seismic data that provides an image of the rock layers beneath the seafloor to see if there are specific areas that have the potential to contain oil or gas. If such areas are identified, a company may decide to drill one or more exploration wells to confirm if oil or gas is present and, if so, to determine the amount of oil or gas.

The CNSOPB Authorization Process

By legislation, oil and gas companies must have an authorization from the CNSOPB to carry out any activity in the Canada-Nova Scotia offshore area related to oil and gas exploration or production. An oil and gas company must make an application to the CNSOPB for such an authorization. It is a prosecutable offence for an oil and gas company to carry out such activity without such an authorization.

The CNSOPB began reviewing information for BP Canada's application for authorization to conduct a one well exploratory drilling program in April 2017, with the application officially submitted in September 2017.

This information included:

- An Environmental Protection Plan that sets out the procedures, practices, resources and monitoring necessary to manage the hazards identified in the Agency-led Environmental Assessment to ensure protection of the environment.
- A safety plan demonstrating that all necessary steps will be taken to ensure the safety of personnel and offshore installations, vessels and support craft.
- Emergency response, spill response and other contingency plans that will be implemented, should the need dictate.
- Bridging documents that demonstrate how BP Canada's systems will integrate with their major contractors.
- A Certificate of Fitness issued by a recognized classification society that certifies that the drilling unit is in compliance with regulations, is fit for use and can be operated safely without polluting the environment.
- A Canada-Nova Scotia Benefits Plan to provide manufacturers, consultants, contractors and service companies in the Province and other parts of Canada with a full and fair opportunity to participate on a competitive basis.
- Documentation demonstrating that the necessary financial resources are in place to undertake the activity and to respond to any incidents that may occur, including responding to and cleaning up a spill.
- Ready-For-Operations Audits of the operator and their key contractors (drilling, vessel and aviation services) are conducted. This includes on-the-ground inspections and audits of facilities, equipment and arrangements to verify readiness for operations and regulatory compliance to confirm:
 - Equipment is fit for purpose
 - Procedures are appropriate and
 - Personnel have the necessary training and competency

BP Canada Application for an Operations Authorization-Drilling – Aboriginal Consultation

During the Agency-led Environmental Assessment, Indigenous groups were identified for Aboriginal consultation.

These are listed below:

Nova Scotia
<p><u>Mi'kmaq</u> Acadia First Nation Annapolis Valley First Nation Bear River First Nation Eskasoni First Nation Glooscap First Nation Membertou First Nation Paqtnkek (Afton) First Nation Pictou Landing First Nation Potlotek (Chapel Island) First Nation Wagmatcook First Nation Waycobah First Nation Millbrook First Nation Sipekne'katik First Nation</p> <p>Of these communities, all are represented in consultation by the Kwilmu'kw Maw-klusuaqn Negotiation Office, except for Millbrook First Nation and Sipekne'katik First Nation, which represent their own interests.</p>
New Brunswick
<p><u>Wolastoqiyik (Maliseet)</u> Kingsclear First Nation Madawaska Maliseet First Nation Oromocto First Nation St. Mary's First Nation Tobique First Nation Woodstock First Nation</p> <p>All these communities are represented in consultation by the Maliseet Nation in New Brunswick except for Woodstock First Nation, which represents its own interests.</p> <p><u>Mi'gmaq</u> Buctouche First Nation Eel River Bar First Nation Fort Folly First Nation Esgenoopetitj First Nation Indian Island First Nation Pabineau First Nation</p> <p>These communities are represented in consultation by Mi'gmawe'l Tplu'taqnn Incorporated.</p>
Prince Edward Island
<p><u>Prince Edward Island</u> Abegweit First Nation Lennox Island First Nation</p> <p>These communities are represented in consultation by the Mi'kmaq Confederacy of Prince Edward Island.</p>

We notified these Indigenous groups on February 9, 2018 to:

- Request issues or concerns to be identified regarding the CNSOPB regulatory authorization process so that they could be considered in our decision-making.
- Offer to meet to discuss the regulatory authorization process and issues and concerns related to it.

A sample of the letter sent can be found in Appendix A.

Meetings took place with Indigenous groups between February 26 and March 23, 2018:

Mi'gmawe'l Tplu'taqnn Incorporated	February 26, 2018 / March 21, 2018
Kwilmu'kw Maw-klusuaqn Negotiation Office	March 9, 2018
Sipeken'katik First Nation	March 23, 2018

The main issues and concerns raised were:

- Potential impacts on fish and fish habitat
- Potential impacts of vertical seismic surveying on American Eel
- Potential impacts to the sea bed, sea corals and sponges
- Post abandonment monitoring of wells
- Compensation in the event of an accident, malfunction, or spill
- The CNSOPB compliance and monitoring program if an approval is granted
- Concerns around capping stacks
- Crown consultation

The Mi'gmaq also provided a report on the American Eel to the CNSOPB outlining their concerns.

A full list of the issues and concerns raised and how they were considered in our decision-making are included in a table that can be found in Appendix E.

BP Canada Application for an Operations Authorization-Drilling – Stakeholder Engagement

Once the Agency-led Environmental Assessment was completed, we reached out to key stakeholder groups in mid-February to set up engagement meetings.

We identified key stakeholders to be:

- Fishing Associations
- Environmental Groups
- Municipalities

The objective of the engagement meetings was to:

- Share and inform stakeholders about the authorization process
- Seek input from stakeholders to understand the concerns they would like the CNSOPB to consider in its decision-making process.

Invites for engagement sessions were sent out between February 13 and February 15, 2018 to the following groups. An example of the letter that was sent can be found in Appendix B.

Fishing Associations	
Nova Scotia Swordfish Fishermen's Association	Nova Scotia Department of Fisheries & Aquaculture
Canadian Red Crab Company Ltd. (Div. of K & H)	Scotia Fundy Inshore Fishermen's Association
Seafood Producers Association of NS	SHQ Swordfish Harpoon Quota Society
Clearwater Seafoods Limited Partnership	Shelburne County Fixed Gear Quota Group
NS Seafood Alliance	Southwest Nova Tuna Association
Groundfish Enterprise Allocation Council	Halifax West Commercial Fishermen's Assoc.
Cold Water Lobster Association	Eastern Shore Fishermen's Protective Assoc.
Prospect Area Full Time Fishermen's Assoc.	Eastern Fishermen's Federation
Maritimes Fishermen's Union	Guysborough County Inshore Fishermen's Association
Louisbourg Seafoods	Area 23 Snow Crab Fishermen's Association/LFA 30

Nova Scotia Municipalities (Invites sent through the Union of Nova Scotia Municipalities)	
Town of Amherst	Municipality of the County of Antigonish
Town of Annapolis Royal	Municipality of the District of Argyle
Town of Antigonish	Municipality of the District of Barrington
Town of Berwick	Cape Breton Regional Municipality
Town of Bridgewater	Municipality of the District of Chester
Town of Clark's Harbour	Municipality of the District of Clare
Town of Digby	Municipality of the County of Colchester
Town of Kentville	Municipality of the County of Cumberland
Town of Lockeport	Municipality of the District of Digby
Town of Lunenburg	Municipality of the District of Guysborough
Town of Mahone Bay	Halifax Regional Municipality
Town of Middleton	Municipality of the District of East Hants
Town of Oxford	Municipality of the County of Kings
Town of Pictou	Municipality of the District of Lunenburg
Town of Port Hawkesbury	Municipality of the County of Pictou
Town of Shelburne	Region of Queens Municipality
Town of Stellarton	Municipality of the County of Richmond
Town of Stewiacke	Municipality of the District of Shelburne
Town of Trenton	Municipality of District of St. Mary's
Town of Truro	Municipality of the County of Victoria
Town of Westville	Municipality of the District of Yarmouth
Town of Windsor	Town of Yarmouth
Town of Wolfville	Municipality of the County of Annapolis

Environmental Groups	
Clean Ocean Action Committee	World Wildlife Fund
Campaign to Protect Offshore Nova Scotia	Ecology Action Centre
South Shore Council of Canadians	Sierra Club

Meetings took place with stakeholder groups between March 5 and March 16, 2018. An example of the email sent to the stakeholder groups providing details in relation to the agenda and location of the meeting can be found in Appendix C.

On March 5, we met with the following fishing associations in Lunenburg:

- Canadian Red Crab Company Ltd.
- SHQ Swordfish Harpoon Quota Society
- Shelburne County Fixed Gear Quota Group
- South West Nova Tuna Association
- Maritimes Fisherman's Union
- NS Department of Fisheries and Aquaculture also attended

On March 6, we travelled to Antigonish and met with:

- DFO – Gulf Region
- Waycobah First Nation
- Louisbourg Seafoods

On March 7, we met with representatives from Nova Scotia municipalities:

- Municipality of the District of Lunenburg
- Municipality of the District of Guysborough
- Municipality of the County of Kings

South Shore municipalities asked if we would set up another engagement session. On March 16, we travelled to Bridgewater and met with additional representatives from Nova Scotia municipalities:

- Municipality of the District of Argyle
- Municipality of the District of Barrington
- Municipality of the District of Clare
- Municipality of the District of Shelburne
- Town of Lunenburg
- Town of Yarmouth
- Municipality of the District of Yarmouth

Letters were received from the Offshore Alliance on February 27, 2018 and March 2, 2018. These letters, along with our responses, can be found in Appendix D.

The main issues and concerns raised were:

- Potential impacts to fish and mitigation measures
- Capping stacks and the amount of time to get one to Nova Scotia in the event of a spill
- The CNSOPB compliance and monitoring program to hold BP Canada accountable
- Dispersants and the process to determine how/when they are used
- Impacts to fishing gear
- Compensation in the event of an accident, malfunction, or spill
- Concerns around vertical seismic surveying and potential impacts to fish and marine mammals
- Potential impacts to American Eel

A full list of the issues and concerns raised and how they were considered in our decision-making are included in a table that can be found in Appendix E.

BP Canada Application for an Operations Authorization-Drilling – The CNSOPB Fisheries Advisory Committee

The CNSOPB Fisheries Advisory Committee (FAC) has been engaged and receiving information about BP Canada’s proposed drilling project since 2013.

FAC has representatives from Indigenous communities and groups, fishing associations, Fisheries and Oceans Canada (DFO), the Nova Scotia Department of Agriculture and Fisheries, Natural Resources Canada, and the Nova Scotia Department of Energy. The current committee list is below:

Fisheries Advisory Committee	
Atlantic Policy Congress of First Nations Chiefs Secretariat	Groundfish Enterprise Allocation Council
Area 19 Snow Crab Fisherman's Association	Guysborough County Inshore Fishermen's Association
Area 22 Snow Crab Association	Mi'kmaq Rights Initiative of Nova Scotia
Canadian Red Crab Company Ltd.	Mi'gmawe'l Tplu'taqnn Incorporated (MTI)
Clearwater Seafoods Limited Partnership	Natural Resources Canada
CNSOPB	Netukulimkewe'l Commission
Cold Water Lobster Association	Nova Scotia Department of Energy
Crab Fishing Area 23/LFA 30	Nova Scotia Department of Fisheries & Aquaculture
Eastern Fishermen's Federation	Nova Scotia Swordfish Fishermen's Association
Eastern Shore Fisherman's Protective Assoc.	NS Fish Packers Association
First Fishermen Seafoods Membertou First Nation	Scotia Harvest Seafoods
Fisheries & Oceans Canada – Oceans & Coastal Management	Seafood Producers Association of Nova Scotia
Fisheries & Oceans Canada, Oceans Branch, Gulf Region, Habitat Protection & Sustainable Development	Unama'ki Institute of Natural Resources

FAC members provide advice and suggestions to the CNSOPB for consideration in work authorization applications, regulations and guidelines. FAC meetings take place two to three times annually.

At the March 21, 2018 FAC meeting, the CNSOPB shared the issues and concerns that were identified during the Aboriginal consultation and stakeholder engagement sessions.

We asked FAC members if there were any other issues or concerns that should be added to the list for the CNSOPB to consider in its decision-making. No new issues or concerns were identified. FAC members requested to be kept informed of the CNSOPB decision-making process and the status of BP Canada's drilling program.

The CNSOPB's Decision-Making Process

As part of the authorization process and review, the CNSOPB authorization team and technical experts considered the information provided, as well as the issues and concerns raised during the Aboriginal consultation and stakeholder engagement sessions. In our decision-making processes, actions that are being taken that address these issues and concerns fall into one of the following four categories:

- Authorization requirements
- Compliance and monitoring
- Increased public information sharing
- Providing a better understanding of the CNSOPB's roles and responsibilities

A full list of the issues and concerns raised and how they were considered in our decision-making are included in a table that can be found in Appendix E.

Building Trust and Confidence with Indigenous Groups and Stakeholders

We took the opportunity during our meetings to ask how we could continue to build trust and confidence in our role as the regulator of the Canada-Nova Scotia Offshore.

What we heard:

- Communication is key – the CNSOPB needs to keep us informed and help us understand what is happening offshore. This could be done through a newsletter or articles in local papers.
- The CNSOPB needs to speak in language that we can understand.
- We want CNSOPB to be more open and transparent.

- The FAC can be improved to ensure information is being conveyed to the right people. The CNSOPB can do a better job of reporting back to FAC members on how input provided has been factored into the CNSOPB's decision-making process.
- The CNSOPB should seek to engage with Indigenous groups and stakeholders in a number of ways. Suggestions included:
 - Involve Indigenous groups through regular meetings to share knowledge and gather feedback on offshore activities.
 - Attend the AGMs of fishing associations to provide updates on offshore activities and gather feedback in addition to FAC meetings.
 - Attend Nova Scotia Municipal Council meetings to share information and provide updates on offshore activities.
 - Engage with the marine biologist teams at the Oceans of Opportunity Centre of Science, Unama'ki Institute of Natural Resources and Mi'kmaw Conservation Group.

We would like to thank Indigenous groups and stakeholders for providing us with feedback and suggestions. We are committed to doing what is needed so that we can continue to earn your trust and confidence.

Summary

It's important to understand that we cannot share or delegate our decision-making.

Everything we do at the CNSOPB is guided by federal and provincial law through the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Acts and the associated regulations.

As the regulator of the Canada-Nova Scotia offshore, we want to ensure that we are making informed decisions because we know that our decisions may affect Indigenous groups, fisheries, communities, businesses, Nova Scotians and Canadians as a whole.

We recognize that to do this, we need to better understand the perspectives, concerns and opinions of Indigenous groups and stakeholders.

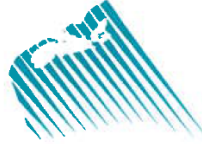
We know that to build trust and confidence, we need to clearly demonstrate how we are holding industry accountable to ensure safety and environmental protection. We recognize that to do this, we must continue to:

- Be more open and transparent in communicating information.
- Ensure that feedback and concerns are being heard through ongoing and meaningful dialogue.
- Demonstrate how feedback and concerns are being factored into our decision-making.

Next Steps

Ultimately, we want to establish strong relationships with Indigenous groups and stakeholders. The key to achieving this is through ongoing improvements to our consultation and engagement processes.

We are committed to evaluating these processes at the end of each project to determine if there is anything we can improve upon, and we will incorporate these key learnings into our plans moving forward. This will help to ensure that future consultation and engagement remains beneficial and valuable to everyone.



February 9, 2018

(Name)
(Organization)
(Address)
(Address)

Dear (Name):

Re: BP Canada Application for an Operations Authorization – Drilling for the Scotian Basin Exploration Drilling Project

As you are aware, the Canadian Environmental Assessment Agency (CEA Agency) has recently completed an environmental assessment of this project. On February 1, 2018, the federal Minister of Environment and Climate Change, the Honourable Catherine McKenna, announced that BP's proposed Scotian Basin Exploration Drilling Project is not likely to cause significant adverse environmental effects and that the project can proceed. The Decision Statement issued by the Minister, along with the conditions affixed, may be found at: <http://www.ceaa.gc.ca/050/documents/p80109/121522E.pdf>.

Now that this decision has been rendered, the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) assumes the role of Crown Consultation Coordinator for this proposed project going forward.

This letter is to provide notification that the CNSOPB is currently reviewing an application submitted by BP Canada (BP) for an Operations Authorization – Drilling, along with a well approval application for the drilling of a single exploratory well, in relation to BP's proposed Scotian Basin Exploration Drilling Project. BP plans to drill this exploratory well within its exploration licence areas as shown on the attached map. It is estimated that this well will take approximately 105 days to complete. The CNSOPB may be in a position to grant these approvals within the next few months.

In processing these applications, the CNSOPB will take into account the Environmental Assessment Report completed by the CEA Agency, the results of all consultation that was conducted by CEA Agency, and the Decision Statement (including its conditions) that was issued by the Minister.

Appendix A

When determining if the required approvals will be granted, the CNSOPB reviews a significant amount of information to make sure that all necessary steps are considered, including:

- Ensuring safe and environmentally sustainable operations;
- Minimizing the potential for incidents to occur; and
- Ensuring proper plans and procedures are in place to respond to any incident that could occur.

Should the necessary approvals be granted by the CNSOPB, BP will be required to carry out all activities in compliance with the Decision Statement (including its conditions) issued by the federal Minister of Environment and Climate Change, and in accordance with the *Canada-NS Offshore Petroleum Resources Accord Implementation Act / Canada-NS Offshore Petroleum Resources Accord Implementation (NS) Act* and their associated regulations. The CNSOPB may also affix certain conditions to its approvals of applications should they be so granted.

If you would like to discuss, either by telephone or in person, the authorization review and approval process applicable to the applications before us in more detail, please contact me at 902-496-0750 or at sorourke@cnsopb.ns.ca.

Sincerely,

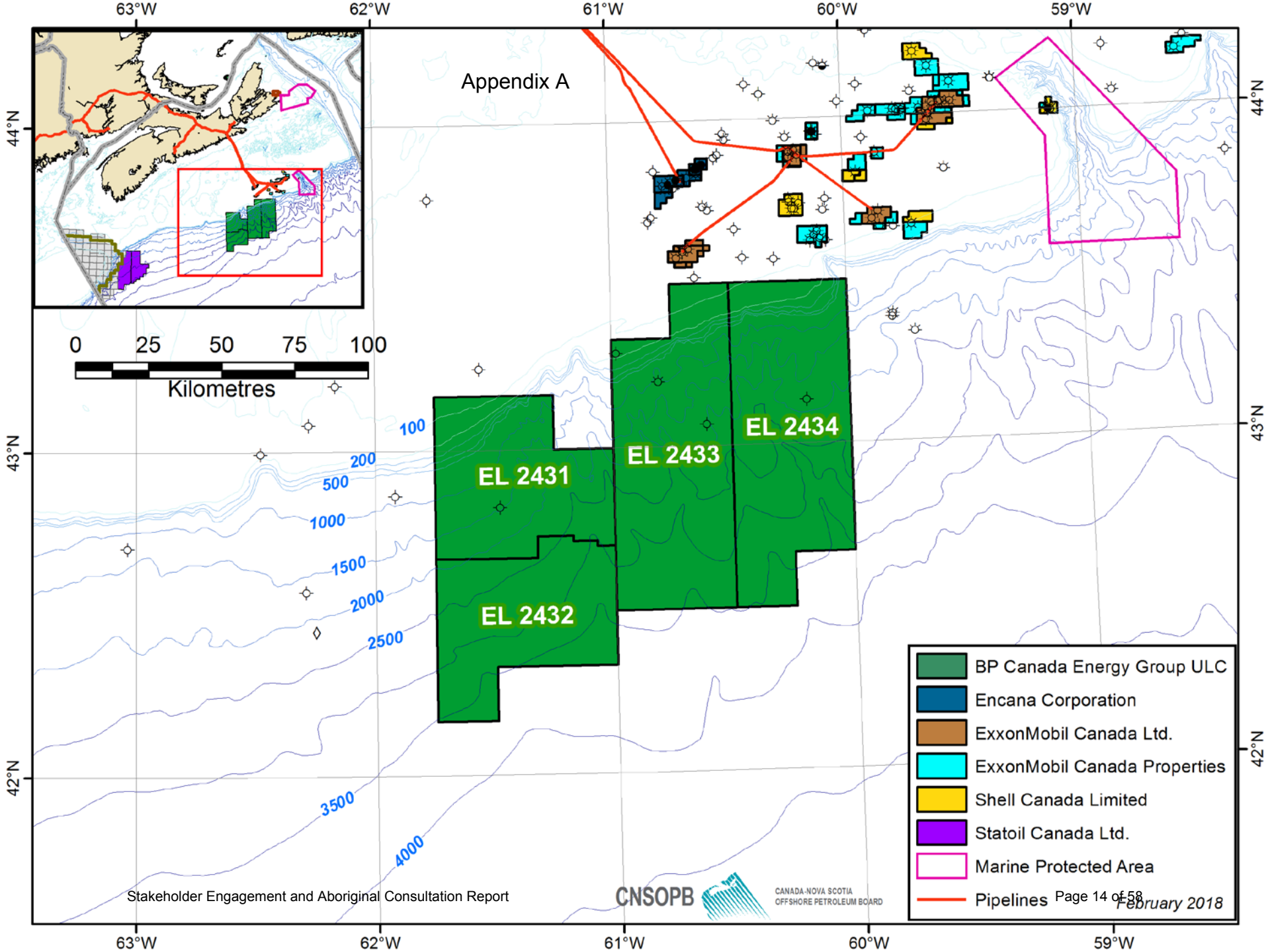


Stacy O'Rourke

Director, Communications

Enclosure

cc: (if applicable)



Appendix B

February 13, 2018

(Name)
(Organization)

By Email: (Email Address)

Dear (Name):

Re: BP Canada Application for an Operations Authorization – Drilling for the Scotian Basin Exploration Drilling Project

On February 1, 2018, the federal Minister of Environment and Climate Change, the Honourable Catherine McKenna, announced that BP Canada's (BP) proposed Scotian Basin Exploration Drilling Project is not likely to cause significant adverse environmental effects and that the project can proceed. The Decision Statement issued by the Minister, along with the conditions affixed, may be found at:

<http://www.ceaa.gc.ca/050/documents/p80109/121522E.pdf>.

Before any drilling can take place, BP must receive from the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) an Operations Authorization – Drilling, along with a well approval for the drilling of an exploratory well. At this time, BP proposes to drill a single exploratory well within its exploration licence areas as shown on the attached map. The CNSOPB may be in a position to grant the authorization and well approval within the next few months.

We would like to set up a meeting to discuss the CNSOPB's authorization review and approval process. This meeting will provide your organization with the opportunity to raise and discuss issues that are within the CNSOPB's remit, and that are outside of the scope of what has already been addressed through the Canadian Environmental Assessment Agency (CEA Agency) led environmental assessment process.

In the meantime, below is some initial information on the CNSOPB's authorization review and approval process.

When determining if an authorization will be granted, the CNSOPB reviews a significant amount of information. Key submission requirements include:

- An environmental assessment demonstrating that the proposed activity is not likely to cause significant adverse environmental effects. For this specific application, the CNSOPB is relying on the Environmental Assessment Report completed by the CEA Agency, along with the conditions affixed within the federal Minister's Decision Statement.

Appendix B

- Taking into account the results of the CEA Agency's environmental assessment, an environmental protection plan (EPP) that sets out the procedures, practices, resources and monitoring necessary to manage the identified hazards so as to protect the environment.
- A safety plan that sets out the procedures, practices, resources, sequence of key safety-related activities and monitoring measures necessary to ensure the safety of personnel and offshore installations, vessels, and support craft.
- A certificate of fitness issued by a recognized classification society that certifies that the drilling unit is in compliance with regulations, is fit for use and can be operated safely without polluting the environment.
- Emergency response, spill response and other contingency plans that will be enacted should the need dictate.
- Documentation demonstrating that the necessary financial resources are in place to undertake the activity and to respond to any incidents that may occur including responding to and cleaning up a spill.
- A Canada-Nova Scotia Benefits Plan.

Should an authorization be granted, BP will be required to carry out all activities in compliance with the Decision Statement issued by the federal Minister of Environment and Climate Change, and in accordance with the *Canada-NS Offshore Petroleum Resources Accord Implementation Act / Canada-NS Offshore Petroleum Resources Accord Implementation (NS) Act* and their associated regulations. The CNSOPB may also affix certain conditions to its approvals of applications should they be so granted.

We understand that the decisions we make affect our stakeholders – individuals, fisheries, communities, businesses, and Nova Scotians and other Canadians as a whole. We also recognize that for our stakeholders to have confidence and trust in our role as the regulator of oil and gas activities that may be conducted in the Canada-Nova Scotia offshore area, we need to be transparent in how we make decisions and how stakeholder feedback is incorporated into our decision-making process.

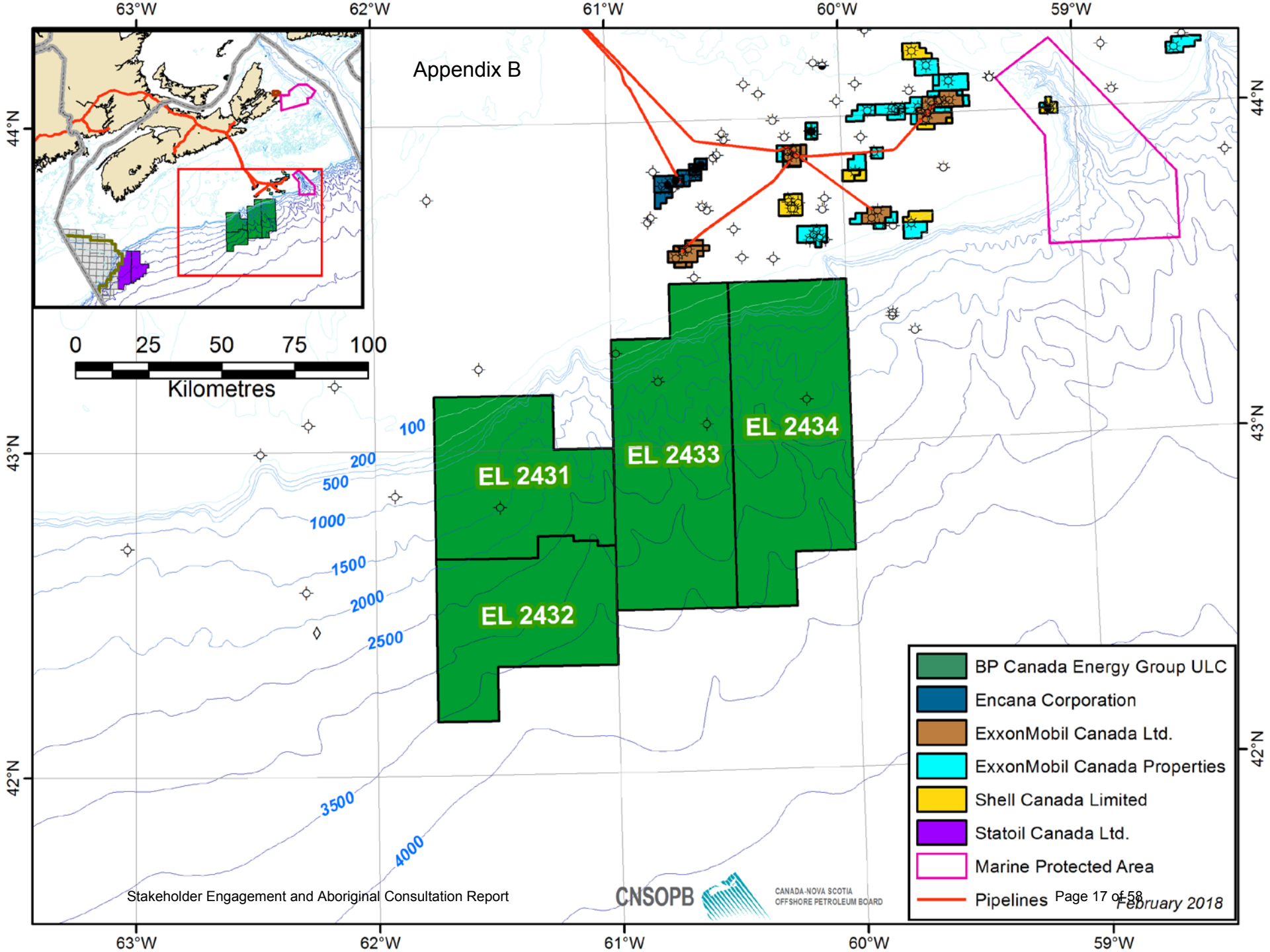
We plan to reach out to you within the next few days to seek a suitable time for a meeting and to gather some information that would be helpful in making such a meeting mutually productive.

Sincerely,



Stacy O'Rourke
Director, Communications

Enclosure



Appendix C

CNSOPB Email to (Stakeholder Group) dated February 23, 2018:

From: Stacy O'Rourke

Sent: 23-Feb-18 5:27 PM

To: (email address)

Subject: RE: CNSOPB Correspondence to (Stakeholder Group) re BP Application for an Operations Authorization-Drilling

Hi (name),

As follow up to our letter of February 13, the Canada-Nova Scotia Offshore Petroleum Board is coordinating engagement sessions regarding BP's Application for an Operations Authorization-Drilling and would like to invite you to participate on behalf of the (Stakeholder Group).

We will be hosting an engagement session in (location) on (date and time). We are still finalizing the venue so I will be in touch again early next week once it is confirmed.

I have attached a meeting agenda for your review prior to the session as well as a fact sheet on the authorization process. Please let us know if you plan to attend, or if you have any questions prior to the session.

Thanks,

Stacy O'Rourke

Director, Communications

Canada-Nova Scotia Offshore Petroleum Board

AGENDA

Scotian Basin Exploration Drilling Project Feedback Session

Time 90 minutes

Meeting hosted by Canada - Nova Scotia Offshore Petroleum Board (CNSOPB)

Attendees: Dena Murphy, Director, Operations, Health, Safety and Environment, CNSOPB
 Carl Makrides, Director, Resources and Chief Conservation Officer, CNSOPB
 Stacy O'Rourke, Director, Communications, CNSOPB
 Leo Artalejo, Facilitator, NATIONAL Public Relations

Suggested reading: CNSOPB Authorization Fact Sheet

20 minutes	Opening circle <ul style="list-style-type: none"> • Introductions - Please share your name, your role and organization and one thing you'd really like to get out of our time together today • Facilitator Role: To hold respectful and productive dialogue 	All
10 minutes	Where we are in the process <ul style="list-style-type: none"> • Overview of CNSOPB's authorization review and approval process 	CNSOPB
45 minutes	Sharing circle <ul style="list-style-type: none"> • Round table discussion where attendees have the opportunity to discuss and share feedback and concerns 	Attendees
15 minutes	Closing circle <ul style="list-style-type: none"> • Please share one key insight or learning that you are taking away from today's meeting • Next steps for gathering feedback from other stakeholder groups and reporting back 	All

Authorizations

The Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) is the regulator of oil and gas activities in the Canada-Nova Scotia offshore area. The safety of personnel and protection of the environment are paramount in every decision we make.

Why do oil and gas companies need authorization to work offshore?

By legislation, oil and gas companies must have an authorization from the CNSOPB to carry out any activity in the Canada-Nova Scotia offshore area related to oil and gas exploration or production. An oil and gas company must make application to the CNSOPB for such an authorization, and it is a prosecutable offence for an oil and gas company to carry out such activity without an authorization.

What information must be provided to the CNSOPB when applying for an authorization?

As part of an application for authorization, a significant amount of information must be submitted to the CNSOPB for its review and acceptance. Some of the key submission requirements are described below.



Health, Safety and Environment

An oil and gas company must demonstrate that they will be able to perform the activity in a safe and environmentally responsible manner. Key documentation that must be submitted in this regard includes:

- An environmental assessment demonstrating that the proposed activity is not likely to cause significant adverse environmental effects.
- An environmental protection plan demonstrating that all necessary steps will be taken to protect the environment.



Appendix C

- A safety plan demonstrating that all necessary steps will be taken to ensure the safety of personnel and offshore installations, vessels, and support craft.
- Emergency response, spill response and other contingency plans that will be enacted should the need dictate.

As an added safeguard, if the application is for an activity includes a drilling unit or a production installation, a Certificate of Fitness issued by a recognized independent Certifying Authority is required. This certificate must certify that the unit or installation is in compliance with regulations, is fit for use, and can be operated safely without polluting the environment.

Canada-Nova Scotia Benefits

A Canada-Nova Scotia Benefits Plan must be submitted demonstrating how Nova Scotian and other Canadian companies will be provided full and fair opportunity to provide goods and services on a competitive basis, how Nova Scotia companies will be given first consideration for the supply of such goods and services when they are competitive, and how Nova Scotians will be given first consideration with regards to training and employment.

Financial Requirements

The oil and gas company must also submit documentation demonstrating that they have the necessary financial resources to undertake the activity, and to respond to any incidents that may occur, including responding to and cleaning up a spill.

How does the CNSOPB review this information?

CNSOPB staff conducts its review of information submitted in accordance with detailed procedures set out in its internal management system. Pre-authorization and ready for operations audits and inspections are also part of the overall regulatory review process. The CNSOPB has a team of experts on staff in health and safety, environmental protection, geoscience, engineering, industrial benefits, and financial assurance. The CNSOPB must be satisfied with the information provided before it will issue an authorization.



Who is responsible for issuing an authorization?

An authorization cannot be granted without first consulting with, and receiving the written recommendation of, the Chief Safety Officer. This information is used by the Chief Executive Officer when making the decision to approve or reject the authorization application.

How does the CNSOPB monitor work being done by oil and gas companies that has been authorized by the CNSOPB?



Throughout the duration of an authorized activity, CNSOPB's team of experts monitor and evaluate operator compliance with regulatory requirements and the company's commitments filed in their application. The CNSOPB can force a company to stop work at any time if operations are determined to be unsafe.

Companies are required to submit reports (daily, monthly, quarterly, and annually) detailing the status of their offshore activities, along with other documentation to demonstrate ongoing compliance with regulatory requirements. Additionally, CNSOPB Occupational Health and Safety Officers, Operational Safety Officers, and Conservation Officers regularly visit offshore worksites to perform audits and inspections.

Companies that are found to be not in compliance may face compliance and enforcement action, including seeking of facilitated compliance, issuance of orders or directives, cancellation or suspension of authorizations, issuance of monetary penalties, or prosecution through the court system.



Appendix D

Offshore Alliance
C/O Ecology Action Center
2705 Fern Lane
Halifax, NS
B3K 4L3

February 27, 2018

Stacey O'Rourke
Director, Communications
Canada-Nova Scotia Offshore Petroleum Board
1791 Barrington Street
8th Flr. TD Centre
Halifax, NS
B3J 3K9

Dear Ms. O'Rourke,

Thank you for your emails and attachments dated February 13, 2018 and February 23, 2018. We appreciate the CNSOPB's efforts to communicate with Scotian Shelf stakeholders, impacted communities and concerned citizens' groups.

However, substantial discrepancies between the two mailings are of concern to us.

In your email dated February 13, 2018 you state;

"We plan to reach out to you within the next few days to seek a suitable time for a meeting and to gather some information that would be helpful in making such a meeting mutually productive."

We thought such a process could be the basis for a mutually beneficial exchange. To that end, we were prepared to strike a committee to meet with you and others from the CNSOPB to plan a series of meetings that would ensure our interactions met your goal of being "mutually productive."

Your second email and attachments dated February 23, 2018, surprisingly, contradicts your first email and unilaterally prescribes a process which will clearly not meet your goals of building confidence and trust in CNSOPB's role.

In the absence of the kind of mutually beneficial discussion described in your email of February 13, it is not at all clear to us what the purpose of your proposed "engagement session" is.

For those of us in the Offshore Alliance (some 16 Nova Scotia based groups) who have evidence to present concerning the advisability of granting approval to BP's plans to commence

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exploratory drilling along the Scotia Shelf, an “engagement session” falls far short of an evidentiary hearing. Can you confirm that there will be such a hearing opportunity?

As things stand, the lack of a mutually agreed-upon process, the inadequate timeframe for our groups and communities to respond to the meetings proposed in your email of February 23rd, and the very limited 45-minute session for an exchange of views in your proposed agenda will do nothing to achieve your expressed goals of building confidence and trust in CNSOPB’s role as the regulator of offshore oil and gas activities. It is also inadequate to the task of providing transparency in how the CNSOPB makes decisions or how it plans to incorporate stakeholder feedback.

Finally, it is not clear what benefit there is in your proposed process for our members,

We would be happy to work with you to develop an acceptable format for interactions.

Thank you in advance for your work on this file

Best Regards

Nova Scotia Based Members, Offshore Alliance Group,

(* are members in receipt of the CNSOPB letter of February 13, 2018)

1. *Committee to Protect Offshore Nova Scotia
2. *Clean Ocean Action Committee
3. *South Shore Council of Canadians
4. *Scotia Fundy Inshore Fishermen’s Association
5. Cold Water Lobster Association
6. Lobstermen’s Association area 33
7. Lobstermen’s Association area 34
8. Shelburne County Quota Group
10. Maritime Fishermen’s Union, Local 9
11. Maritime Fishermen’s Union, Local 6
12. Maritime Fishermen’s Union, Local 4
13. St. Margaret’s Bay Stewardship Association
14. *Sierra Club Canada Foundation
15. Bay of Fundy Inshore Fishermen’s Association
16. *The Ecology Action Center
17. *The Nova Scotia Seafood Alliance



March 1, 2018

Mr. John Davis
Offshore Alliance
C/O Ecology Action Center
2705 Fern Lane
Halifax, NS B3K 4L3

Dear Mr. Davis:

Thank you for your letter dated February 27, 2018, on behalf of the Offshore Alliance. As you have acknowledged in your response, the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) has set up engagement meetings scheduled the week of March 5th in order to hear from and better understand the concerns of key stakeholder groups including fishing associations, concerned citizens' groups and impacted communities.

Intent of Engagement Meetings

In my letter on February 13 to stakeholder groups, CNSOPB stated its intention to set up meetings to discuss the authorization review and approval process under the Accord Act legislation. This is to provide stakeholder groups with the opportunity to identify issues and concerns that are within the CNSOPB's remit with regard to BP Canada's (BP) application for an Operations-Authorization – Drilling, along with a well approval for the drilling of an exploratory well.

These meetings are not intended to address issues and concerns that have already been addressed through the Canadian Environmental Assessment Agency (CEA Agency) led environmental assessment process. They are intended to identify any other concerns amongst stakeholders that the CNSOPB should consider in its decision-making process. This includes identifying specific actions that may be required of either the proponent or the CNSOPB to ensure regulatory compliance.

To facilitate the process, CNSOPB committed to reach out to stakeholder groups to gather more information to make the meeting mutually productive. Follow up calls with stakeholders were conducted to gather information February 15-22.

In these follow up calls, CNSOPB communicated that engagement meetings would take place either the week of February 26 or the week of March 5 and that we wanted to better understand the best way to engage with stakeholder groups.

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What CNSOPB heard:

- Stakeholders preferred the week of March 5 to allow more time to prepare
- Stakeholders are concerned that their voices will not be heard
- Stakeholders have concerns/questions around the format and who will be involved in the conversation from CNSOPB
- Stakeholders want confirmation of when and where engagement meetings will be held

In response, CNSOPB sent out an agenda to stakeholders on February 23 for review prior to the meetings that outlined the proposed format, attendees from CNSOPB and date/time for the engagement meetings. The intent of sending the agenda a week prior to the meeting was to ensure it not only addressed the feedback identified above but also to provide an opportunity for stakeholders to review and influence the agenda before the meeting. Your feedback on what would make the engagement meetings more valuable to you and your members was welcome then and is welcome now.

CNSOPB's Role and Incorporating Stakeholder Feedback in the Decision Making Process

The safe and responsible development of Canada-Nova Scotia's offshore petroleum resources is set through legislation and regulations by the Government of Canada and the Government of Nova Scotia. CNSOPB's role is to implement the legislation and regulations to ensure regulatory compliance of any oil and gas activities in the Canada-Nova Scotia offshore area.

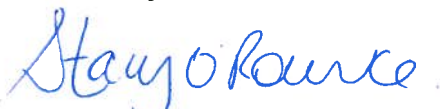
These engagement meetings allow stakeholders to participate in the process and identify concerns for CNSOPB to consider in its decision making process.

How Stakeholder Feedback Will Be Used in CNSOPB's Decision Making Process

CNSOPB will review stakeholder feedback and concerns and will determine if specific actions of either the proponent or the CNSOPB are required to ensure regulatory compliance before an authorization is granted. Once CNSOPB determines if it will grant the authorization, we will report back on how stakeholder concerns were incorporated into the decision making process.

I hope I have addressed the concerns in your letter. As referenced above, I welcome feedback from you or a representative from your organization on how our scheduled meeting on March 5 can be valuable to your members.

Sincerely,



Stacy O'Rourke
Director, Communications

Appendix D

Offshore Alliance
c/o Ecology Action Centre
2705 Fern Lane
Halifax, NS
B3K 4L3

March 2, 2018

Stuart Pinks, Chief Executive Officer
Stacey O'Rourke, Director, Communications
Canada-Nova Scotia Offshore Petroleum Board
1791 Barrington Street
8th Flr. TD Centre
Halifax, NS B3J 3K9

Dear Mr. Pinks and Ms. O'Rourke,

The members of the Offshore Alliance are in receipt of the CNSOPB's letter dated March 01, 2018. We find it interesting that you quote a section of the CNSOPB mandate but do not quote the relevant section from the environment page of your website which states:

Environment

"The Canada-Nova Scotia Offshore Petroleum Board is responsible for ensuring the protection of the environment during all phases of offshore petroleum activities...."

The key accountabilities of the CNSOPB for environmental protection are:

To advance protection of the environment;...."

There is no mention in this section that indicates that CNSOPB is relieved of this responsibility though the actions of any other regulatory authority. The facts, from our perspective, are that CEAA has failed in its capacity to "protect the environment" and that leaves the task to CNSOPB.

Our issue and the reason we suggested we would engage with CNSOPB to find ways to make a meeting "mutually productive" was to open discussion on the fact that we do not believe that CNSOPB has ever fulfilled its mandate, that the CEAA denied existing stakeholders any public hearings and their assessment of BP's EIS is flawed beyond repair and that something, anything, needs to be done to begin to rectify this completely untenable circumstance.

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Members of the fishing industry, impacted coastal communities and environmental NGO's have, for years been demanding that CNSOPB carry out its mandate to no avail.

We have requested that no lease sites be let that are contiguous to the Georges Bank moratorium area. We were ignored.

We have requested that lease sites not be made available on or contiguous to LFA 40, the only designated lobster spawning site on the Scotian Shelf. We were ignored.

We requested that CNSOPB demand that oil companies be required to actually be able to clean up an offshore oil spill before drilling on the Scotian Shelf. We were ignored

We pointed out that Canada's best scientists have stated clearly that more research is needed to assess the toxicity of dispersant laced oil on ground fish, lobster, crab and scallops and that more research is needed to evaluate the impact of plumes of dispersed oil in relation to areas of known fisheries productivity such as the fishing banks of Canada's East Coast. But CNSOPB knowing that scientists do not have enough information to know that dispersant use is safe, ignores this information and allows our fishing grounds to be used as the "Lab Rat" for the dispersant loving oil industry.

We requested that all seismic testing be much more highly regulated. We were ignored

Ms. O'Rourke, these, and many other issues, are the concerns that need to be explored in a process that is "mutually productive". Our original response to your request to meet regarding BPs licence to drill was to try and find ways to address these fundamental flaws in the process. Without addressing these process related issues, participation in what the CNSOPB terms "consultations" cannot occur.

At this point, we do not have any reason to believe that the CNSOPB has any real interest to engage in meaningful dialogue or in responding to any of our concerns. In fact, all past history confirms this reality. This meeting seems to be an effort of CNSOPB to tick off another box, pretend that consultation has taken place and then to carry out their appointed task of promoting hydrocarbon development on the Scotian Shelf. It is, in fact, for this reason that the "Offshore Alliance" was formed.

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The CNSOPB functions as an advocate for the oil and gas industry. We believe it is totally unsuited for any role related to environmental protection. We will not be attending your planned meeting of March 05 and we will continue our efforts to make changes to Bill C-69 to make certain that CNSOPB is never granted any additional regulatory oversight over the environmental assessment process.

Regards

Offshore Alliance

1. Committee to Protect Offshore Nova Scotia
2. Clean Ocean Action Committee
3. South Shore Council of Canadians
4. Scotia Fundy Inshore Fishermen's Association
5. Cold Water Lobster Association
6. Lobstermen's Association area 33
7. Lobstermen's Association area 34
8. Shelburne County Quota Group
10. Maritime Fishermen's Union, Local 9
11. Maritime Fishermen's Union, Local 6
12. Maritime Fishermen's Union, Local 4
13. St. Margaret's Bay Stewardship Association
14. Sierra Club Canada Foundation
15. Bay of Fundy Inshore Fishermen's Association
16. The Ecology Action Centre
17. The Nova Scotia Seafood Alliance

Cc: Mr. Keith MacLeod, Chair, CNSOPB

Email responding to Offshore Alliance Letter dated March 2, 2018:

From: Stacy O'Rourke

Sent: 2-Mar-18 5:39 PM

To: 'Mark Butler' [REDACTED]

Cc: [REDACTED]

Subject: RE: Response to letter of March 1, 2018

Dear Mr. Butler,

Thank you for your response on behalf of the Offshore Alliance. We find this unfortunate and are disappointed that you will not be participating in our decision-making process.

As indicated in your response, invited representatives from the Offshore Alliance will not be participating in our planned meeting on March 5 and as a result of this, the engagement meeting will be cancelled.

We would welcome an opportunity to discuss CNSOPB's mandate and specific roles and responsibilities as the regulator of oil and gas activities in the Canada-Nova Scotia offshore in the future.

Stacy O'Rourke
Director, Communications
Canada-Nova Scotia Offshore Petroleum Board
1791 Barrington Street
8th Floor TD Centre
Halifax, NS B3J 3K9

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Reception (902) 422-5588
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Twitter @CNSOPB

sorourke@cnsopb.ns.ca
<http://www.cnsopb.ns.ca>

From: Mark Butler [REDACTED]
Sent: 2-Mar-18 4:37 PM
To: Stuart Pinks [REDACTED] Stacy O'Rourke [REDACTED]
Cc: Keith MacLeod [REDACTED]
Subject: Response to letter of March 1, 2018

Dear Mr Pinks and Ms. O'Rourke

Please find attached a response from the Offshore Alliance to your letter of March 1, 2018.

Mark Butler

Appendix E

Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
Impacts to Fish and Fish Habitat	
<p><u>Impacts to fish:</u></p> <ul style="list-style-type: none"> • Explain how potential impacts to various species of fish (including ground fish) that may be present in the area of the drilling program have been considered, and how potential impacts will be mitigated. • Potential impacts to fish that will impact our livelihood • Concerns about how drilling may affect the migratory patterns of swordfish and whales. • Potential impacts to American Eel • Potential impacts to seabed, sea corals and sponges 	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring/Share Information</p> <p><i>Authorization Requirements</i> Potential impacts and mitigation measures for fish and fish habitat were assessed during the Environmental Assessment process, which was led by the Canadian Environmental Assessment Agency (the Agency). (http://www.ceaa.gc.ca/050/evaluations/document/121523?)</p> <p>Section 3 of the Environmental Assessment Decision Statement (EA Decision Statement) contains 13 legally-binding conditions for fish (along with marine mammals and sea turtles) and fish habitat. (http://www.ceaa.gc.ca/050/documents/p80109/121522E.pdf). In addition to the administrative and enforcement authorities of the Agency, the CNSOPB's authorization also requires compliance with these conditions.</p> <p>As part of the application for authorization, BP Canada was required to submit plans to the CNSOPB that demonstrate measures are in place to mitigate potential impacts to fish and marine mammals. The CNSOPB's review determined that the necessary plans are in place to ensure all reasonable precautions are being taken to minimize impacts to fish and fish habitat.</p> <p>The CNSOPB has also required BP Canada to submit a copy of the pre-spud and post-drilling video survey recordings of the seabed to the CNSOPB, which will be shared publically. The purpose of the pre-spud video survey is to confirm the results of BP Canada's geo-hazard baseline review, which includes looking for unexploded ordnances, shipwrecks, telecommunication cables and environmental features. The purpose of the post-drilling video survey is to document the condition of the seabed area after the well has been drilled and abandoned.</p> <p><i>Compliance Monitoring</i> In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p>The CNSOPB will also conduct monitoring of, and enforce compliance to, BP Canada's plans and procedures to ensure all reasonable precautions are being taken to minimize impacts to fish and fish habitat.</p> <p>Share Information Legally binding conditions affixed to the EA Decision Statement require BP Canada to publish on the internet a number of documents including the activities undertaken to comply with the conditions included in the EA Decision Statement, the results of follow up environmental monitoring programs, along with numerous other environmental protection plans, strategies, analyses and reports.</p> <p>BP Canada has confirmed that these will be posted on its website: www.bp.com/canada</p> <p>The CNSOPB will make available publically the pre-spud and post-drilling seabed video survey recordings.</p>
<p>We want to confirm that there are no plans for drilling in the lobster spawning box at Brown's Bank.</p>	<p>ACTION TAKEN: Share Information</p> <p>Share Information BP Canada's drilling program is not in the area of the lobster spawning box at Brown's Bank.</p>
<p>Concerns around the impacts to fishing quotas.</p>	<p>ACTION TAKEN: Share Information</p> <p>Share Information Other than a fishing exclusion zone that is 500 metres in radius around the drilling location, there are no limitations put on fishers. The granting of an authorization allowing the drilling of a well has no impact to fish quotas.</p>
<p>Pre-Drill Survey</p>	
<p>The pre-drill survey should also include submerged archaeology/heritage resources.</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring/Share Information</p> <p>Authorization Requirements In section 2.2 of BP Canada's Environmental Impact Statement, it is stated that the purpose of the pre-drill seabed survey is to confirm the results of the BP Canada's geohazard baseline review, which includes unexploded ordnances, shipwrecks, telecommunication cables and environmental features.</p>

Appendix E

Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p>BP Canada is required to provide Indigenous groups with the results of the pre-drill survey as outlined in section 5.4 of the EA Decision Statement.</p> <p>The CNSOPB has also required BP Canada to submit a copy of the pre-spud and post-drilling video survey recordings of the seabed to the CNSOPB, which will be shared publically. The purpose of the pre-spud video survey is to confirm the results of BP Canada's geo-hazard baseline review, which includes looking for unexploded ordnances, shipwrecks, telecommunication cables and environmental features. The purpose of the post-drilling video survey is to document the condition of the seabed area after the well has been drilled and abandoned.</p> <p>Compliance Monitoring In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p> <p>Share Information CNSOPB's Geoscience Research Centre (GRC) retains geological and geophysical information for the Nova Scotia offshore area that can be accessed by the public.</p> <p>The CNSOPB will make available publically the pre-spud and post-drilling seabed video survey recordings.</p>
Vertical Seismic Survey	
<p>Concerns around vertical seismic testing and potential impacts on fish and marine mammals.</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring/Share Information</p> <p>Authorization Requirements Potential impacts and mitigation measures around vertical seismic testing and potential effects on fish and marine mammals were assessed during the Environmental Assessment process, which was led by the Agency. (http://www.ceaa.gc.ca/050/evaluations/document/121523?)</p> <p>Section 3 of the EA Decision Statement contains 13 legally-binding conditions for fish (along with marine mammals and sea turtles) and fish habitat. (http://www.ceaa.gc.ca/050/documents/p80109/121522E.pdf). In addition to the administrative and enforcement authorities of the Agency, the CNSOPB's authorization also requires compliance with these conditions.</p>

Appendix E

Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p>As part of the application for authorization, BP was required to submit plans to the CNSOPB that demonstrate measures are in place to mitigate potential impacts to fish and marine mammals.</p> <p>CNSOPB's review determined that the necessary plans are in place to ensure all reasonable precautions are being taken to minimize impacts to fish and fish habitat when vertical seismic testing will be conducted.</p> <p><i>Compliance Monitoring</i></p> <p>In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p> <p>The CNSOPB will also conduct monitoring of, and enforce compliance to, BP Canada's plans and procedures to ensure all reasonable precautions are being taken to minimize impacts to fish and fish habitat when vertical seismic testing is conducted.</p> <p><i>Share Information</i></p> <p><u>Vertical Seismic Testing</u></p> <p>BP Canada will be performing a vertical seismic profiling survey upon completion of drilling to correlate conditions found in the well to data collected during pre-project acoustic seismic surveys.</p> <p>Vertical Seismic Profiling (VSP) is acquired after drilling has been completed and it takes less than a day to complete the survey.</p> <p>A VSP involves positioning an acoustic source (air gun) into the water beneath the rig while the VSP tool is lowered to the bottom of the well. Throughout the survey, the tool is gradually moved up the well and stops at regular and/or pre-determined elevations at which time which time the air gun emits an acoustic pulse that is detected by the tool at each position in the well.</p> <p>The reason a VSP is conducted is to correlate the well data that was acquired during the drilling of the well with the previously acquired seismic data collected by BP Canada in 2014.</p>

Appendix E

Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p><u>Posting of Information</u> Conditions affixed to the EA Decision Statement require BP Canada to publish on the internet a number of documents including the activities undertaken to comply with the conditions included in the EA Decision Statement, the results of follow up environmental monitoring programs, along with numerous other environmental protection plans, strategies, analyses and reports.</p> <p>BP Canada has confirmed these will be posted on its website: www.bp.com/canada</p>
<p>Follow Up and Monitoring</p>	
<p>Concerns around ongoing monitoring to ensure BP Canada is being held accountable.</p>	<p>ACTION TAKEN: Compliance Monitoring/Increase Understanding of CNSOPB's Roles and Responsibilities</p> <p><i>Compliance Monitoring/Increase Understanding of CNSOPB's Roles and Responsibilities</i> Throughout the duration of BP Canada's drilling program, the CNSOPB staff will be monitoring and evaluating operator compliance with regulatory requirements, including the operator's commitments as outlined in their application for authorization to conduct the drilling program.</p> <p>BP Canada is required to submit reports daily detailing the status of their offshore activities, along with other documentation demonstrating ongoing compliance with regulatory requirements. These reports will be reviewed in detail by our team.</p> <p>The CNSOPB in-house experts will also be meeting weekly with BP Canada to discuss the technical aspects of the drilling program, as well as on a monthly or bi-monthly basis to discuss the status of operations.</p> <p>Issue specific meetings will also be initiated by the CNSOPB team, when the need arises.</p> <p>The CNSOPB's Occupational Health and Safety Officers, Operational Safety Officers, and Conservation Officers will also be conducting regular visits offshore to perform audits and inspections of BP Canada's drilling activities for the duration of the project.</p> <p>If BP Canada does not comply with regulatory requirements, BP Canada would face compliance and enforcement action. This can include facilitated compliance, orders or directives being issued, cancellation or suspension of their authorization, monetary penalties, and/or even legal prosecution.</p>

Appendix E

Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
<p>We need assurances - can a camera be put on the sea floor? We want to see for ourselves that there is no impact.</p>	<p>ACTION TAKEN: Authorization Requirements/Share Information</p> <p>Authorization Requirements The CNSOPB has required BP Canada to submit a copy of the pre-spud and post-drilling video survey recordings of the seabed to the CNSOPB, which will be shared publically. The purpose of the pre-spud video survey is to confirm the results of BP Canada's geo-hazard baseline review, which includes looking for unexploded ordnances, shipwrecks, telecommunication cables and environmental features. The purpose of the post-drilling video survey is to document the condition of the seabed area after the well has been drilled and abandoned.</p> <p>Share Information The CNSOPB will make available publically the pre-spud and post-drilling seabed video survey recordings.</p>
<p>Concerns about impacts to fishing gear as the drilling unit makes it way to and from the drill site.</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring/Share Information</p> <p>Authorization Requirements Section 5.1 of the EA Decision Statement requires BP Canada to develop and implement a fisheries communication plan for Indigenous and commercial fishers a minimum of two weeks prior to commencement of the drilling of a well, which shall include procedures to communicate with these fishers in the event of an accident or malfunction, along with procedures to communicate the results of monitoring of the adverse environmental effects of spills. In addition to the administrative and enforcement authorities of the Agency, the CNSOPB's authorization also requires compliance with this condition.</p> <p>Compliance Monitoring In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p> <p>Share Information BP Canada has developed an operations bulletin that will be distributed to Indigenous and commercial fishers every two weeks for the duration of the drilling program to meet the conditions in section 5.1 of the EA Decision Statement.</p> <p>At the request of the CNSOPB, BP Canada has confirmed that it will make this operations bulletin public on its website so all stakeholders can stay informed. (www.bp.com/Canada).</p>

Appendix E

Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
<p>We would like to know what species are observed at the drill site location so that we can learn from it.</p> <p>We would like BP Canada to also monitor for Cod / Snow Crab at the drill site and report back.</p>	<p>ACTION TAKEN: Authorization Requirements/Share Information</p> <p>Authorization Requirements The CNSOPB has required BP Canada to submit a copy of the pre-spud and post-drilling video survey recordings of the seabed to the CNSOPB, which will be shared publically. The purpose of the pre-spud video survey is to confirm the results of BP Canada's geo-hazard baseline review, which includes looking for unexploded ordnances, shipwrecks, telecommunication cables and environmental features. The purpose of the post-drilling video survey is to document the condition of the seabed area after the well has been drilled and abandoned.</p> <p>Share Information The CNSOPB will make available publically the pre-spud and post-drilling seabed video survey recordings.</p>
<p>Consultation with Indigenous groups on follow up programs</p> <ul style="list-style-type: none"> - Marine mammals monitoring program - Migratory birds monitoring program 	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p>Authorization Requirements Consultation with Indigenous groups is a legally binding requirement for these follow-up programs, as outlined in Section 2.4, 3.9, 3.12 and 4.5 of the EA Decision Statement.</p> <p>Compliance Monitoring In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p>
<p>Communication</p>	
<p>Consultation with Indigenous groups on the Fisheries Communication Plan</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p>Authorization Requirements Consultation with Indigenous groups is a legally binding requirement for the Fisheries Communication Plan as outlined in Section 5.1 of the EA Decision Statement.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p><i>Compliance Monitoring</i> In granting the authorization to commence drilling operations, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p>
<p>We want updates on what is happening offshore once BP Canada begins drilling.</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring/Share Information</p> <p><i>Authorization Requirements</i> Section 5.1 of the EA Decision Statement requires BP Canada to develop and implement a fisheries communication plan for Indigenous and commercial fishers a minimum of two weeks prior to starting the drilling of a well, which shall include procedures to communicate with these fishers in the event of an accident or malfunction, along with procedures to communicate the results of monitoring of the adverse environmental effects of spills.</p> <p><i>Compliance Monitoring</i> In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with this condition contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with this condition. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p> <p><i>Share Information</i> BP Canada has developed an operations bulletin that will be distributed to Indigenous and commercial fishers every two weeks for the duration of the drilling program.</p> <p>At the request of the CNSOPB, BP Canada has confirmed that it will make this operations bulletin public on its website so all stakeholders can stay informed (www.bp.com/Canada).</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
Compensation	
<p>We want to understand the plan in place and compensation fund in case of an oil spill.</p>	<p>ACTION TAKEN: Share Information</p> <p><i>Share Information</i></p> <p><u>Spill Response Plan</u> As part of the authorization process, BP Canada was required to submit a spill response plan to the CNSOPB for review and acceptance. The spill response plan is made available publically on our website.</p> <p><u>Compensation</u> The CNSOPB has issued <i>Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity</i>. The guidelines can be found at: https://www.cnsopb.ns.ca/sites/default/files/pdfs/compensation_guidelines-final-november_7_2017_-_includes_isbn.pdf</p>
<p>Consultation with Indigenous groups on the compensation plan</p>	<p>ACTION TAKEN: Share Information</p> <p><i>Share Information</i></p> <p>The CNSOPB has issued <i>Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity</i>. The guidelines can be found at: https://www.cnsopb.ns.ca/sites/default/files/pdfs/compensation_guidelines-final-november_7_2017_-_includes_isbn.pdf</p> <p>The CNSOPB conducts reviews and updates its guidelines regularly and will provide an opportunity for comments at the time of the next revision.</p>
Federal Authority Approvals	
<p>Are any additional federal authority approvals, beside those issued by the CNSOPB, required and how will consultation with Indigenous groups be undertaken?</p>	<p>ACTION TAKEN: Share Information</p> <p><i>Share Information</i></p> <p>If another federal authority approval is required, such as an approval under Section 35(2)(b) of the Fisheries Act or a permit under the Species at Risk Act, the CNSOPB will coordinate consultation with the other federal authority as appropriate.</p> <p>The Department of Fisheries and Oceans Canada has confirmed that an approval under Section 35(2)(b) of the Fisheries Act or a permit under the Species at Risk Act is not required.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p>As contemplated in the BP Canada's EIS and assessed during the conduct of the Environmental Assessment, a permit was required from Environment and Climate Change Canada's Canadian Wildlife Services (ECCC—CWS) and ECCC—CWS issued a Scientific Permit to BP Canada to allow for the collection of dead migratory birds and capture, transfer, or release of live migratory birds that land on the drilling unit or support vessels.</p>
<p>Waste Management</p>	
<p>Waste Management Plan Details - all waste management details for the proposed project should be captured in a full spectrum waste management plan.</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p>Authorization Requirements All waste management details are included in supporting documentation submitted as part of BP Canada's application for authorization to conduct the drilling program. Our review process has ensured the adequacy of such details.</p> <p>Compliance Monitoring Throughout the duration of BP Canada's drilling program, the CNSOPB staff will be monitoring and evaluating operator compliance with regulatory requirements, including the operator's commitments as outlined in their application for authorization to conduct the drilling program.</p>
<p>Plugging and Abandonment</p>	
<p>Provide information on the post-abandonment of wells</p>	<p>ACTION TAKEN: Increase Understanding of CNSOPB's Roles and Responsibilities</p> <p>Increase Understanding of CNSOPB's Roles and Responsibilities The CNSOPB experts closely monitor all well operations including plugging and abandonment for both exploration wells and production wells. Our experts ensure that all downhole barriers (cement, mechanical plugs etc.) are verified to ensure the well is fully sealed to prevent any fluids from escaping.</p> <p>There are stringent regulations regarding the plugging and abandonment of offshore wells. Requirements appear in Section 56-59 of the Drilling & Production Regulations (additional information on how operators are expected to comply with these regulations appears in the CNSOPB's <i>Drilling & Production Guidelines</i>). Both the regulations and the guidelines can be found on our website.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
<p>Consultation with Indigenous groups on the well abandonment plan</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p>Authorization Requirements As outlined in section 5.2 of the EA Decision Statement, if BP Canada proposes that a wellhead be abandoned on the seafloor in a manner that may interfere with Indigenous and commercial fisheries, BP Canada is required to develop a wellhead abandonment strategy in consultation with Indigenous and commercial fisheries.</p> <p>Compliance Monitoring In granting the authorization to BP for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p>
<p>Spill Response</p>	
<p>Consultation with Indigenous groups on the spill response plan</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p>Authorization Requirements Section 6.8 of the EA Decision Statement has a legally binding requirement for BP Canada to consult with Indigenous groups during the development of the spill response plan.</p> <p>Compliance Monitoring In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p> <p>It is CNSOPB's understanding that the BP Canada met with Indigenous groups on the spill response plan in the Fall of 2017 and again in February 2018. We have also confirmed that there was Indigenous representation and participation in BP Canada's spill response exercise conducted in December 2017.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
<p>Consultation with Indigenous groups on the net environmental benefit analysis</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p><u>Background</u> A net environmental benefit analysis (NEBA), also referred to as a Spill Impact Mitigation Assessment (SIMA), was completed as a planning support exercise for the development of the Spill Response Plan in December 2017. The CNSOPB has accepted BP Canada's SIMA. In the unlikely event of an incident where the BP Canada contemplates the use of dispersants, BP Canada must prepare and submit an incident specific SIMA for review and approval by the CNSOPB at that time.</p> <p>Authorization Requirements Section 2.9 of the EA Decision Statement requires BP Canada to publish a copy of the SIMA. This can be found on BP Canada's website (www.bp.com/Canada), and Indigenous groups are to be notified of its availability within 48 hours of its publication.</p> <p>Compliance Monitoring In granting the authorization to BP Canada for the drilling program, the CNSOPB will ensure that BP Canada complies with the conditions contained within the EA Decision Statement. The CNSOPB, in conjunction with the Agency, will monitor and enforce BP Canada's compliance with these conditions. The CNSOPB and the Agency have entered into a Memorandum of Understanding (MOU) for the exchange of information to enable the effective and efficient monitoring and enforcement of said conditions. The MOU is available on the CNSOPB website.</p>
<p>Capping stacks and the amount of time to get one to Nova Scotia in the event of a blow-out</p>	<p>ACTION TAKEN: Authorization Requirements/Compliance Monitoring</p> <p><u>Background</u> A capping stack may be required in the unlikely event that crude oil or natural gas flows uncontrollably from an oil or gas reservoir that has been penetrated during a drilling program. An uncontrolled flow occurs when the oil well control techniques are not able to control the pressure of the surge from a well and, ultimately, the blow-out preventer fails to close and seal in the well. If other subsequent well containment activities fail to bring the situation under control, then a capping stack would need to be deployed to stop the uncontrolled flow of oil or natural gas.</p> <p>In the Environmental Impact Statement (EIS) submitted by BP Canada to the Agency as part of the Environmental Assessment process, it was identified that the primary capping stack would be mobilized by ship from Offshore Spill Response Limited's (OSRL) warehouse in Stavanger, Norway.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p>In the event of a blowout, BP Canada would initiate the mobilization of this capping stack (along with a second capping stack from Brazil) immediately. At the well site, as a first step, other direct well containment methods would be activated. This would include the deployment of a remote operating vehicle to the ocean floor to latch on and manually activate the blowout preventer (BOP) to seal the well and, if successful, would then negate the need for a capping stack. At the same time, necessary preparatory work on the seafloor, such as debris removal and preparation of the BOP (or the wellhead) for installation of the capping stack would be initiated. Depending upon the amount of debris and damage, preparatory work may still be ongoing when the capping stack arrives at the wellsite.</p> <p>The CNSOPB is aware of advancements that are continuing to be made in the development and commercialization of air freightable capping stacks. For example, the CNSOPB is aware that OSRL is in the final stages of fabricating an air freightable capping stack that is expected to be available from Stavanger, Norway within the time frame that BP Canada's exploratory well is to be drilled. Depending upon the circumstances of an actual blowout incident, the mobilization and deployment of an air freightable capping stack could potentially shorten the response time for capping the well in comparison to relying on a sea freightable capping stack.</p> <p>Authorization Requirements</p> <p>With respect to the sea freightable capping stack identified in the EIS, the CNSOPB in its reviews identified that the availability of a heavy lift vessel to transport and deploy the capping stack as being critical in minimizing the timeline. The CNSOPB has therefore required BP Canada to monitor on a daily basis (when drilling in target hydrocarbon zones) the proximity of heavy lift vessel(s) of opportunity that could transport, and then deploy, the capping stack from its storage location in Stavanger, Norway. BP Canada must confirm that, during the times they are drilling in target hydrocarbon zones, there is at least one vessel of opportunity that could be dockside and ready for loading by the time the capping stack could be mobilized, tested and moved to the dock from the warehouse location in which it is stored. By implementation of this requirement, the resultant optimized schedule indicates that a capping stack could arrive at the wellsite, should it be required, within 12 to 13 days.</p> <p>The CNSOPB has also required BP Canada to consider the potential option of an air freightable capping stack within its capping and containment plan. BP Canada is required to finalize technical and logistical requirements for the mobilization and deployment of an air freightable capping stack; such details are to be provided to the CNSOPB in advance of drilling into target hydrocarbon zones.</p>

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<p>Coupled with the stringent requirements now in place for blowout preventers, independent well examiners, real time monitoring and the CNSOPB's deep water drilling oversight plan – all new requirements since the Macondo incident in 2010 – the CNSOPB has concluded that the optimized schedule for sea freightable capping stack and inclusion of the alternative option for an air freightable capping stack demonstrates that reasonable precautions have been taken in terms of securing a capping stack should the need arise.</p> <p>Compliance Monitoring BP Canada will be required to confirm to the CNSOPB on a regular basis, during the drilling of hole sections that contain hydrocarbon bearing targets, that vessel(s) of opportunity can arrive at the dock in Stavanger, Norway and be ready for loading in the time that would be required for the primary sea freightable capping stack to be mobilized, inspected, tested and moved to the dock.</p>
<p>Process to determine how / when dispersants (a spill-treating agent) may be used.</p>	<p>ACTION TAKEN: Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities</p> <p>Share Information Spill-treating agents that may be used in Canadian waters were approved by regulation in 2016.</p> <p>A dispersant is a chemical that can be used to help remove spilled oil from the ocean surface by breaking it apart into small droplets. The droplets are then dispersed, or mixed, into the water by waves where the oil will naturally break down.</p> <p>Increase Understanding of CNSOPB's Roles and Responsibilities Even though dispersants are referenced as a tool in BP Canada's spill response plan, it does not mean they can use them. The use of a dispersant would require the explicit approval of the CNSOPB's Chief Conservation Officer (CCO).</p> <p>The following steps summarize the approval process for incident-specific use in Canada-Nova Scotia's offshore area:</p> <ol style="list-style-type: none"> 1. If an oil spill were to occur during the carrying out of an approved offshore activity, the operator immediately begins implementing its oil spill response plan, and immediately notifies the CNSOPB.

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Specific Issue and/or Concern Identified	CNSOPB ACTION: Authorization Requirements/Compliance Monitoring/Share Information/Increase Understanding of CNSOPB's Roles and Responsibilities
	<ol style="list-style-type: none"> 2. The operator determines if the use of a spill-treating agent will result in a net environmental benefit and requests approval for use from the CNSOPB CCO. The CNSOPB can only authorize the use of the two spill-treating agents that are legally approved in Canada. 3. The CNSOPB contacts ECCC and requests that they convene a group of experts (Science Table) to provide consolidated scientific and technical advice to the CNSOPB on the operator's incident-specific oil spill response strategies. This includes evaluating the use of the spill-treating agent against the net environmental benefit analysis. 4. Once the Science Table has completed their review, they will provide advice to the CNSOPB. The CCO will review the advice of the Science Table prior to determining if a spill-treating agent should be approved for use. 5. If the CCO approves usage, the operator must comply with all conditions and requirements set out in the approval. <p>The monitoring of dispersant use during a spill is required by the CNSOPB. This monitoring is conducted by highly-trained experts and is an essential step to help optimize the effectiveness of the spill response.</p>

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Decision Statement

Issued under Section 54 of the *Canadian Environmental Assessment Act, 2012*

to

BP Canada Energy Group ULC
c/o Anita Perry, Regional Manager, Atlantic Canada

10th Floor Founders Square – 1701 Hollis Street
Halifax, Nova Scotia
B3J 3M8

for the

Scotian Basin Exploration Drilling Project

Description of the Designated Project

BP Canada Energy Group ULC is proposing to conduct an exploration drilling program approximately 230 to 370 kilometres off the southeast coast of Nova Scotia, consisting of up to seven exploration wells within Exploration Licenses 2431, 2432, 2433, and 2434. Drilling would start in 2018 pending required approvals.

Conduct of the environmental assessment

The Canadian Environmental Assessment Agency (the Agency) conducted an environmental assessment of the Designated Project in accordance with the requirements of the *Canadian Environmental Assessment Act, 2012*. The Agency commenced the environmental assessment on September 16, 2015, and submitted its report to me in my capacity as Minister of Environment and Climate Change.

Decision on environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*

In accordance with paragraph 52(1)(a) of the *Canadian Environmental Assessment Act, 2012*, after considering the report of the Agency on the Designated Project and the implementation of mitigation measures that I consider appropriate, I have determined that the Designated Project is not likely to cause significant adverse environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*.

In accordance with subsection 53(1) of the *Canadian Environmental Assessment Act, 2012*, I have established the conditions below in relation to the environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*, with which the Proponent must comply.

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Decision on environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*

The carrying out of the Designated Project may require the following federal authorities to exercise a power or perform a duty or function conferred on them under an Act of Parliament other than the *Canadian Environmental Assessment Act, 2012*:

- The Canada-Nova Scotia Offshore Petroleum Board may issue an authorization under paragraph 142(1)(b) of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act*;
- The Minister of Fisheries and Oceans may issue an authorization under paragraph 35(2)(b) of the *Fisheries Act*;
- The Minister of Fisheries and Oceans may issue a permit under the *Species at Risk Act*.

In accordance with paragraph 52(1)(b) of the *Canadian Environmental Assessment Act, 2012*, after considering the report of the Agency on the Designated Project and the implementation of mitigation measures that I consider appropriate, I have determined that the Designated Project is not likely to cause significant adverse environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*.

In accordance with subsection 53(2) of the *Canadian Environmental Assessment Act, 2012*, I have established the conditions below in relation to the environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*, with which the Proponent must comply.

Consultation with Indigenous groups

In establishing the conditions below in relation to the environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*, I took into account the concerns and interests identified in the consultation process with Indigenous groups. I am satisfied that the consultation process undertaken is consistent with the honour of the Crown and, with the conditions I have established and the other relevant federal and provincial measures being developed, that the concerns and interests of Indigenous groups are appropriately accommodated for the purpose of issuing this Decision Statement.

1 Definitions

- 1.1 *Abandoned* means “abandoned” as defined in subsection 1(1) of the *Nova Scotia Offshore Petroleum Drilling and Production Regulations*.
- 1.2 *Agency* means the Canadian Environmental Assessment Agency.
- 1.3 *Aggregation of habitat-forming corals or sponges* means an aggregation of coral or sponges that are known or observed to support fish.
- 1.4 *Baseline* means the environmental conditions prior to initiating the drilling program.
- 1.5 *Board* means the Canada-Nova Scotia Offshore Petroleum Board as established by the joint operation of section 9 of the *Canada-Nova Scotia Offshore Petroleum Resources Accord*

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Implementation Act and section 9 of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation (Nova Scotia) Act*.

- 1.6 *Commercial fisher* means an individual fishing in the regional assessment area and who holds a commercial fishing licence issued under the *Fisheries Act*.
- 1.7 *Days* means calendar days.
- 1.8 *Designated Project* means the Scotian Basin Exploration Drilling Project described in section 2 of the environmental assessment report prepared by the Canadian Environmental Assessment Agency (Canadian Environmental Assessment Registry Reference Number 80109).
- 1.9 *Drilling program* means the drilling, testing, and abandonment of offshore exploratory wells.
- 1.10 *Environment and Climate Change Canada* means the Department of the Environment as established under subsection 2(1) of the *Department of the Environment Act*.
- 1.11 *Environmental assessment* means “environmental assessment” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.12 *Environmental effects* means “environmental effects” as described in section 5 of the *Canadian Environmental Assessment Act, 2012*.
- 1.13 *Fish* means “fish” as defined in subsection 2(1) of the *Fisheries Act*.
- 1.14 *Fish habitat* means “fish habitat” as defined in subsection 2(1) of the *Fisheries Act*.
- 1.15 *Fisheries and Oceans Canada* means the Department of Fisheries and Oceans as established under subsection 2(1) of the *Department of Fisheries and Oceans Act*.
- 1.16 *Flaring* means the controlled open-air burning of hydrocarbons, which may occur during the testing of oil and gas wells.
- 1.17 *Follow-up program* means “follow-up program” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.18 *Indigenous fisher* means Indigenous individual that is fishing for food, social or ceremonial purposes in the regional assessment area, or Indigenous *organization* holding a communal fishing licence under the *Aboriginal Communal Fishing Licences Regulations of the Fisheries Act*.
- 1.19 *Indigenous groups* means the following Aboriginal Peoples: the Mi'kmaw First Nations of Nova Scotia represented by the Kwilmu'kw Maw-klusuaqn (Mi'kmaq Rights Initiative) Negotiation Office, the Buctouche, Eel River Bar, Fort Folly, Esgenoopetitj, Indian Island and Pabineau First Nations represented by Mi'gmawe'l Tplu'taqnn Incorporated, the Millbrook and the Sipekne'katik First Nations in Nova Scotia, the Mi'kmaq First Nations of Prince Edward Island represented by the Mi'kmaq Confederacy of Prince Edward Island, the First Nations represented by the Maliseet Nation in New Brunswick and the Woodstock First Nation.

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- 1.20 *Listed species at risk* means a species that is listed on the List of Wildlife Species at Risk set out in Schedule 1 of the *Species at Risk Act*.
- 1.21 *Migratory bird* means “migratory bird” as defined in subsection 2(1) of the *Migratory Birds Convention Act, 1994*.
- 1.22 *Mitigation measures* means “mitigation measures” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.23 *Night time* means all that portion of the day extending from one-half hour after sunset until one-half hour before sunrise.
- 1.24 *Pre-drill survey* means a survey to characterize the seabed and to confirm that no potential surface seabed hazards or sensitivities are present at the drilling location, and that is conducted once the drilling unit is in position.
- 1.25 *Project area* means the project area identified in figure 1 of the environmental assessment report prepared by the Canadian Environmental Assessment Agency (Canadian Environmental Assessment Registry Reference Number 80109) and is comprised of Exploration Licences 2431, 2432, 2433 and 2434.
- 1.26 *Proponent* means BP Canada Energy Group ULC and its successors or assigns.
- 1.27 *Qualified individual* means someone who, through education, experience and knowledge relevant to a particular matter, may be relied on by the Proponent to provide advice within his or her area of expertise. Knowledge relevant to a particular matter may include community and Indigenous traditional knowledge.
- 1.28 *Record* means “record” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.29 *Regional assessment area* means the regional assessment area identified in figure 1 of the environmental assessment report prepared by the Canadian Environmental Assessment Agency (Canadian Environmental Assessment Registry Reference Number 80109).
- 1.30 *Relevant authorities* means federal and/or provincial authorities that are in possession of specialist or expert information or knowledge, or that have a responsibility for the administration of a law or regulation, with respect to the subject matter of a condition set out in this Decision Statement.
- 1.31 *Safety exclusion zone* means a safety zone as defined in subsection 71(1) of the *Nova Scotia Offshore Petroleum Drilling and Production Regulations*.
- 1.32 *Safety zone* means the area around the seismic sound source, required under Fisheries and Oceans Canada’s *Statement of Canadian Practice with Respect to the Mitigation of Seismic Sound in the Marine Environment*.
- 1.33 *Suspended* means in relation to a well, a well or part of a well, in which drilling operations have temporarily ceased.

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- 1.34 *Testing* means a formation flow test as defined in subsection 1(1) of the *Nova Scotia Offshore Petroleum Drilling and Production Regulations*.
- 1.35 *Vertical seismic survey* means a survey used to calibrate well data to seismic data, giving an accurate depth measure to geological features and is also referred to as vertical seismic profiling survey for the Designated Project.
- 1.36 *Well* means an exploratory well as defined in the *Regulations Designating Physical Activities* under the *Canadian Environmental Assessment Act, 2012*.

Conditions

These conditions are established for the sole purpose of the Decision Statement issued under the *Canadian Environmental Assessment Act, 2012*. They do not relieve the Proponent from any obligation to comply with other legislative or other legal requirements of the federal, provincial or local governments. Nothing in this Decision Statement shall be construed as reducing, increasing, or otherwise affecting what may be required of the Proponent to comply with all applicable legislative or legal requirements.

2 General conditions

- 2.1 The Proponent shall ensure that its actions in meeting the conditions set out in this Decision Statement are considered in a careful and precautionary manner, promote sustainable development, are informed by the best information and knowledge available at the time the Proponent takes action, including community and Indigenous traditional knowledge, are based on methods and models that are recognized by standard-setting bodies, are undertaken by qualified individuals, and have applied the best available economically and technically feasible technologies.
- 2.2 The Proponent shall, where consultation is a requirement of a condition set out in this Decision Statement:
- 2.2.1 provide a written notice of the opportunity for the party or parties being consulted to present their views and information on the subject of the consultation;
 - 2.2.2 provide sufficient information on the scope and the subject matter of the consultation and a reasonable period of time to permit the party or parties being consulted to prepare their views and information;
 - 2.2.3 undertake impartial consideration of all views and information presented by the party or parties being consulted on the subject matter of the consultation; and
 - 2.2.4 advise in a timely manner the party or parties being consulted on how the views and information received have been considered by the Proponent.
- 2.3 The Proponent shall, where consultation with Indigenous groups is a requirement of a condition set out in this Decision Statement, communicate with each Indigenous group with respect to the manner by which to satisfy the consultation requirements referred to in condition 2.2, including methods of notification, the type of information, the period of time to be provided when seeking

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input, the process to be used by the Proponent to undertake impartial consideration of all views and information presented on the subject of the consultation, the period of time to advise Indigenous groups on how their views and information were considered by the Proponent and the means by which Indigenous groups will be advised.

- 2.4 With respect to the follow-up program that is to be implemented in respect of the Designated Project, the Proponent shall, for each condition where follow-up is required, determine in consultation with Indigenous groups, the following information:
 - 2.4.1 the methodology, location, frequency, timing and duration of monitoring associated with the follow-up;
 - 2.4.2 the scope, content and frequency of reporting of the follow-up results;
 - 2.4.3 the levels of environmental change relative to baseline conditions that would require the Proponent to implement modified or additional mitigation measure(s), including instances where the Proponent may require Designated Project activities to be stopped; and
 - 2.4.4 the technically and economically feasible mitigation measures to be implemented by the Proponent if monitoring conducted as part of the follow-up shows that the levels of environmental change referred to in condition 2.4.3 are reached or exceeded.
- 2.5 The Proponent shall submit the information identified in condition 2.4 to the Board prior to the implementation of each follow-up requirement. The Proponent shall update that information in consultation with Indigenous groups during the implementation of each follow-up requirement, and shall provide the updated information to the Board and to Indigenous groups within 30 days of the information being updated.
- 2.6 The Proponent shall, where follow-up is a requirement of a condition set out in this Decision Statement:
 - 2.6.1 undertake monitoring and analysis according to the information determined pursuant to condition 2.4 to verify the accuracy of the environmental assessment as it pertains to the particular condition and/or to determine the effectiveness of any mitigation measure(s);
 - 2.6.2 determine whether modified or additional mitigation measures are required based on the monitoring and analysis undertaken pursuant to condition 2.6.1; and
 - 2.6.3 if modified or additional mitigation measures are required pursuant to condition 2.6.2, implement these mitigation measures in a timely manner and monitor them pursuant to condition 2.6.1.
- 2.7 For each condition where follow-up requirements include consultation with Indigenous groups, the Proponent shall discuss with each Indigenous group opportunities for their participation in the analysis of the follow-up results and the selection of any modified or additional mitigation measures, as set out pursuant to condition 2.6.

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- 2.8 The Proponent shall, within 90 days after each well is suspended and/or abandoned, submit to the Board and the Agency a report, including an executive summary of the report in both official languages. The Proponent shall document in the report:
- 2.8.1 the activities undertaken by the Proponent to comply with each of the conditions set out in this Decision Statement;
 - 2.8.2 how the Proponent complied with condition 2.1;
 - 2.8.3 for conditions set out in this Decision Statement for which consultation is a requirement, how the Proponent considered any views and information that the Proponent received during or as a result of the consultation;
 - 2.8.4 the follow-up information referred to in conditions 2.4 and 2.5;
 - 2.8.5 the results of the follow-up requirements identified in conditions 3.12, 3.13 and 4.5; and
 - 2.8.6 any modified or additional mitigation measures implemented or proposed to be implemented by the Proponent, as determined under condition 2.6.
- 2.9 The Proponent shall cause to be published on the Internet the reports and the executive summaries referred to in condition 2.8, the marine mammal observation requirements referred to in condition 3.9, the Fisheries Communications Plan referred to in condition 5.1, the wellhead abandonment strategy referred to in condition 5.2, the Spill Response Plan and the well control strategies and measures referred to in condition 6.2, the net environmental benefit analysis referred to in condition 6.7, the implementation schedule referred to in condition 7.1, and any update(s) or revision(s) to the above documents, upon submission of these documents to the parties referenced in the respective conditions. The Proponent shall notify Indigenous groups of the availability of these documents within 48 hours of their publication.
- 2.10 The Proponent shall notify the Agency and Indigenous groups in writing no later than 60 days after the day on which there is a transfer of ownership, care, control or management of the Designated Project in whole or in part.
- 2.11 The Proponent shall consult with Indigenous groups prior to initiating any material change(s) to the Designated Project that may result in adverse environmental effects, and shall notify the Board and the Agency in writing prior to initiating the change(s), to determine an appropriate course of action related to the material change(s).
- 2.12 In notifying the Board and the Agency pursuant to condition 2.11, the Proponent shall provide the Board and the Agency with a description of the potential adverse environmental effects of the change(s) to the Designated Project, the proposed mitigation measures and follow-up requirements to be implemented by the Proponent and the results of the consultation with Indigenous groups.

3 Fish (including marine mammals and sea turtles) and fish habitat

- 3.1 The Proponent shall treat all waste material discharged from offshore drilling into the marine environment in adherence with the *Offshore Waste Treatment Guidelines*, issued jointly by the National Energy Board, the Canada-Newfoundland and Labrador Offshore Petroleum Board and

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- the Canada-Nova Scotia Offshore Petroleum Board, and in accordance with the requirements of the *Fisheries Act*, the *Migratory Birds Convention Act, 1994* and any other applicable legislation.
- 3.2 The Proponent shall dispose of spent or excess synthetic-based drilling muds that cannot be re-used at an approved on-shore facility in Canada.
 - 3.3 The Proponent shall apply the *Offshore Chemical Selection Guidelines for Drilling & Production Activities on Frontier Lands*, issued jointly by the National Energy Board, the Canada-Newfoundland and Labrador Offshore Petroleum Board and the Canada-Nova Scotia Offshore Petroleum Board, to select lower toxicity chemicals that would be used and discharged into the marine environment, including drilling fluid constituents, and shall submit any necessary risk justification as per Step 10 of the Guidelines to the Board for acceptance prior to use.
 - 3.4 The Proponent shall treat all discharges from platform supply vessels into the marine environment in accordance with the *Fisheries Act* and the International Maritime Organization's *International Convention for the Prevention of Pollution from Ships*.
 - 3.5 The Proponent shall conduct a pre-drill survey with qualified individual(s) at each well site to confirm the presence or absence of any unexploded ordnance or other seabed hazards. If any such ordnance or seabed hazard is detected, the Proponent shall consult with the Board prior to commencing drilling to determine an appropriate course of action.
 - 3.6 The Proponent shall conduct a pre-drill survey with qualified individual(s) at each well site to confirm the presence or absence of any aggregations of habitat-forming corals or sponges or any other environmentally sensitive features. The Proponent shall complete the survey prior to commencing each well site drilling and shall report the results of the survey for each well site to the Board within 48 hours of the completion of each survey.
 - 3.7 If the survey(s) conducted in accordance with condition 3.6 confirms the presence of aggregations of habitat-forming corals or sponges, or if other environmentally sensitive features are identified by a qualified individual, the Proponent shall move the drilling unit to avoid affecting them, unless not technically feasible. If not technically feasible, the Proponent shall consult with the Board prior to commencing drilling to determine an appropriate course of action, including any additional mitigation measures, to the Board's satisfaction.
 - 3.8 The Proponent shall apply Fisheries and Oceans Canada's *Statement of Canadian Practice with Respect to the Mitigation of Seismic Sound in the Marine Environment* during the planning and the conduct of vertical seismic surveys. In doing so the Proponent shall establish a safety zone of a minimum radius of 650 metres from the seismic sound source.
 - 3.9 The Proponent shall develop, in consultation with Fisheries and Oceans Canada and the Board, a marine mammal monitoring plan that shall be submitted to the Board at least 30 days prior to the commencement of any vertical seismic survey. The Proponent shall implement the plan during the conduct of vertical seismic surveys. As part of the plan, the Proponent shall develop and implement marine mammal observation requirements, including the use of passive acoustic monitoring or equivalent technology and visual monitoring by marine mammal observers throughout vertical seismic surveys. The Proponent shall submit the results of the activities undertaken as part of the marine mammal observation requirements to the Board within 30 days of the end of the vertical seismic surveys.

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- 3.10 The Proponent shall implement measures to prevent or reduce the risks of collisions between platform supply vessels and marine mammals and sea turtles, including:
- 3.10.1 requiring platform supply vessels to use established shipping lanes, where they exist;
 - 3.10.2 implementing a maximum speed limit of 12 knots for platform supply vessels, reducing speed limit to ten knots when within the Project area, and to seven knots when marine mammals or sea turtles are observed or reported within 400 metres of a platform supply vessel, except if not feasible for safety reasons;
 - 3.10.3 prohibiting platform supply vessels from entering critical habitat for the North Atlantic Right Whale (*Eubalaena glacialis*) and Northern Bottlenose whale (*Hyperoodon ampullatus*) as defined in Fisheries and Oceans Canada's *Recovery Strategy for the North Atlantic Right Whale (Eubalaena glacialis) in Atlantic Canadian Waters* and Fisheries and Oceans Canada's *Recovery Strategy for the Northern Bottlenose Whale (Hyperoodon ampullatus), Scotian Shelf population, in Atlantic Canadian Waters*, except if not feasible for safety reasons; and
 - 3.10.4 prohibiting platform supply vessels from operating within a radius of two kilometres from Sable Island, except if not feasible for safety reasons.
- 3.11 The Proponent shall report any collisions of a platform supply vessel with marine mammals or sea turtles to the Board, to Fisheries and Oceans Canada's Canadian Coast Guard Regional Operations Centre, and any other relevant authorities as soon as reasonably practicable but no later than 24 hours following the collision, and notify Indigenous groups in writing.
- 3.12 The Proponent shall develop and implement follow-up requirements to verify the accuracy of the predictions made during the environmental assessment as it pertains to fish and fish habitat, including marine mammals and sea turtles, and to determine the effectiveness of mitigation measures identified under conditions 3.1 to 3.10. As part of these follow-up requirements, the Proponent shall:
- 3.12.1 measure the concentration of synthetic-based drilling fluids retained on discharged drilling cuttings as described in the *Offshore Waste Treatment Guidelines* to verify that the discharge meets the limits set out in the Guidelines and in accordance with the requirements of the *Fisheries Act* and report the results to the Board; and
 - 3.12.2 collect drill waste deposition information after drilling of the first well is complete to verify the drill waste deposition modeling predictions and report the information collected to the Board.
- 3.13 The Proponent shall develop and implement, in consultation with Fisheries and Oceans Canada and the Board, follow-up requirements to verify the accuracy of the environmental assessment as it pertains to underwater noise levels. As part of the development of these follow-up requirements, the Proponent shall determine how underwater noise levels will be monitored through field measurement by the Proponent during the drilling program and shall provide that information to the Board at least 30 days prior to the start of the drilling program. If drilling occurs between January 1 and April 30, the Proponent shall consult with Fisheries and Oceans Canada and the Board prior to drilling to determine if additional monitoring of underwater noise levels and adverse environmental effects caused by the drilling unit in Northern Bottlenose Whale (*Hyperoodon ampallatus*) critical habitat is required.

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4 Migratory birds

- 4.1 The Proponent shall conduct Designated Project activities in a manner that protects migratory birds and avoids harming, killing or disturbing migratory birds or destroying, disturbing or taking their nests or eggs. In this regard, the Proponent shall take into account Environment and Climate Change Canada's *Avoidance Guidelines*. The Proponent's actions when taking into account the *Avoidance Guidelines* shall be in compliance with the *Migratory Birds Convention Act, 1994* and with the *Species at Risk Act*.
- 4.2 The Proponent shall notify the Board at least 30 days in advance of planned flaring to determine whether the flaring would occur during a period of migratory bird vulnerability and how the Proponent plans to avoid adverse environmental effects on migratory birds.
- 4.3 The Proponent shall implement measures to avoid harming, killing or disturbing migratory birds, including:
 - 4.3.1 restricting flaring to the minimum required to characterize the wells' hydrocarbon potential and as necessary for the safety of the operation;
 - 4.3.2 minimizing flaring during night time and during periods of migratory bird vulnerability; and
 - 4.3.3 operating a water-curtain barrier around the flare during flaring.
- 4.4 The Proponent shall require supply helicopters to fly at altitudes greater than 300 metres above sea level, and at lateral distances greater than two kilometres from active migratory birds colonies and Sable Island, except for approach and landing maneuvers and if not feasible for safety reasons.
- 4.5 The Proponent shall develop, prior to the start of the drilling program and in consultation with Indigenous groups, Environment and Climate Change Canada and the Board, follow-up requirements to verify the accuracy of the environmental assessment as it pertains to migratory birds and to determine the effectiveness of the mitigation measures implemented by the Proponent to avoid harm to migratory birds, their eggs and nests, including the mitigation measures used to comply with conditions 4.1 to 4.4. As part of the follow-up, the Proponent shall monitor the drilling unit and platform supply vessels for the presence of stranded birds. The Proponent shall implement these follow-up requirements for the duration of the drilling program.

5 Indigenous and commercial fisheries

- 5.1 The Proponent shall develop and implement a Fisheries Communication Plan in consultation with Indigenous and commercial fishers. The Proponent shall include in the plan procedures to notify Indigenous and commercial fishers a minimum of two weeks prior to starting the drilling of each well, procedures to communicate with these fishers in the event of an accident or malfunction, and procedures to communicate the results of the monitoring referred to in condition 6.9. The Proponent shall develop the plan prior to drilling and implement it for the duration of the drilling program.

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- 5.2 The Proponent shall develop a well abandonment plan, including a wellhead abandonment strategy, and submit it to the Board for acceptance at least 30 days prior to abandonment of each well. If the Proponent proposes that a wellhead be abandoned on the seafloor in a manner that may interfere with Indigenous and commercial fisheries, the Proponent shall develop the wellhead abandonment strategy in consultation with Indigenous and commercial fishers.
- 5.3 The Proponent shall provide the details of its operation, including the safety exclusion zones during drilling and testing, and the location information of abandoned wellheads if left on the seafloor to the Marine Communications and Traffic Services for broadcasting and publishing in the *Notices to Shipping*, and to the Canadian Hydrographic Services for future nautical charts and planning.
- 5.4 The proponent shall provide Indigenous groups with the results of the pre-drill surveys referred to in condition 3.6 and the results of the activities undertaken as part of the marine mammal observation requirements referred to in condition 3.9 within 90 days after each well is suspended and/or abandoned.

6 Accidents and malfunctions

- 6.1 The Proponent shall take all reasonable measures to prevent accidents and malfunctions that may result in adverse environmental effects and shall implement emergency response procedures and contingency plans developed in relation to the Designated Project in the event of an accident or malfunctions.
- 6.2 The Proponent shall prepare and submit a Spill Response Plan and well control strategies and measures to the Board for acceptance at least 90 days prior to drilling.
- 6.3 The well control strategies and measures referred to in condition 6.2 shall include the drilling of a relief well in the event that well control cannot be re-established following a sub-sea well blowout.
- 6.4 The Spill Response Plan shall include:
 - 6.4.1 procedures to respond to a spill of any substance that may cause adverse environmental effects (e.g. spill containment and recovery); and
 - 6.4.2 measures for wildlife response, protection and rehabilitation (e.g. collection and cleaning of marine mammals, migratory birds, sea turtles and species at risk) and measures for shoreline protection and clean-up.
- 6.5 The Proponent shall conduct an exercise of the Spill Response Plan prior to the commencement of drilling and adjust the plan to the satisfaction of the Board to address any deficiencies identified during the exercise.
- 6.6 The Proponent shall review the Spill Response Plan during drilling of each well and update it as required on an ongoing basis and to the satisfaction of the Board.
- 6.7 The Proponent shall undertake a net environmental benefit analysis to consider use of dispersants against other spill response options to identify those techniques that will provide for the best

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opportunities to minimize environmental consequences, and provide it to the Board for review at least 90 days prior to drilling.

- 6.8 The Proponent shall consult with Indigenous groups during the development of the Spill Response Plan and well control strategies and measures, and provide the approved versions to Indigenous groups.
- 6.9 In the event of a spill or unplanned release of oil or any other substance that may cause adverse environmental effects, the Proponent shall notify the Board and any other relevant authorities as soon as possible and implement its Spill Response Plan, including:
- 6.9.1 monitoring the adverse environmental effects of the spill on components of the marine environment to be accepted by the Board until specific endpoints identified in consultation with expert government departments are achieved. As applicable, monitoring may include:
 - 6.9.1.1 sensory testing of seafood for taint, and chemical analysis for oil concentrations and any other contaminants, as applicable;
 - 6.9.1.2 measuring levels of contamination in recreational and commercial fish species with results integrated into a human health risk assessment to determine the fishing area closure status; and
 - 6.9.1.3 monitoring for marine mammals, sea turtles and birds for visible signs of contamination or oiling and reporting results to the Board.
- 6.10 In the event of a sub-sea well blowout, the Proponent shall, in addition to condition 6.9, begin the immediate mobilization of at least one capping stack and associated equipment to the project area to stop the spill.
- 6.11 In the event of accidents and malfunctions, the Proponent shall comply with the *Compensation Guidelines Respecting Damages Relating to Offshore Petroleum Activity* issued jointly by the Canada-Newfoundland and Labrador Offshore Petroleum Board and the Canada-Nova Scotia Offshore Petroleum Board.

7 Implementation schedule

- 7.1 The Proponent shall submit an implementation schedule for conditions contained in this Decision Statement to the Board and the Agency at least 15 days prior to the start of drilling. The implementation schedule shall indicate the commencement and completion dates for each activity relating to conditions set out in this Decision Statement with sufficient detail to allow the Board to plan compliance verification activities.
- 7.2 The Proponent shall notify the Board and the Agency of any changes to the implementation schedule required under condition 7.1 prior to implementation of the changes, if feasible, and shall not implement the changes unless accepted by the Board.

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8 Record keeping

- 8.1 The Proponent shall maintain all records relevant to the implementation of the conditions set out in this Decision Statement, including any records that the Board considers relevant. The Proponent shall provide the aforementioned records to the Board or the Agency upon demand within a timeframe specified by the Board or the Agency.
- 8.2 The Proponent shall retain all records referred to in condition 8.1 at a facility in Canada. The Proponent shall retain the records and make them available for a minimum of five years after completion of the Designated Project, unless otherwise specified by the Board. The Proponent shall notify the Board and the Agency at least 30 days prior to any change to the location of the facility where the records are retained, and shall provide the address of the new location to the Board and the Agency.

Issuance

This Decision Statement is issued in Ottawa, Ontario by:

< Original signed by >

January 31, 2018

Date _____

The Honourable Catherine McKenna
Minister of the Environment