

Call for Bids NS17-1 Stakeholder Engagement Report

*Prepared by Stacy O'Rourke
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As the regulator of oil and gas activities in the Canada-Nova Scotia offshore area, part of the Canada-Nova Scotia Offshore Petroleum Board's (CNSOPB) role is to serve the public's interest by seeking opportunities to receive input and feedback from stakeholders so it can be taken into account in the Board's decision making processes.

Call for Bids NS17-1 is for three exploration licences, located east of Cape Breton Island in a geological region known as the Sydney Basin. Should bids be received, the Board of the CNSOPB will need to make a decision with respect to issuing exploration licence(s). Such a decision would be subject to approval of the federal Minister of Natural Resources and the provincial Minister of Energy.

To ensure CNSOPB has a clear understanding of the views of its stakeholders regarding the Call for Bids NS17-1, information and engagement sessions were held between May 16 and October 2 in areas around Cape Breton. Each session started with a presentation by the Board to foster dialogue on the following:

- CNSOPB Role and Mandate
- Offshore Oil & Gas Regulatory Processes
- Call for Bids NS17-1
- Industrial Benefits
- Spill Response
- Public Feedback

The topics discussed, and concerns raised by the public and communities during these sessions, are summarized below. This input will assist the Board in its decision making process, and is useful for informing any potential bidders that may respond to Call for Bids NS17-1.

Sydney Chamber of Commerce

On May 16, CNSOPB staff and its Board members met with members of the Sydney Chamber of Commerce and the Mayor of Cape Breton Regional Municipality.

Topics Discussed:

- CNSOPB's role
- Industrial benefits and the CNSOPB's role in overseeing this part of the legislation

Concerns Identified:

- Not enough economic benefits are going to local suppliers and workers

Kwilmu'ks Maw-klusuaqn Negotiation Office (KMKNO)

On May 16, CNSOPB staff and members of its Board met with the representatives of the KMKNO and a number of Chiefs from indigenous communities in Nova Scotia.

Topics Discussed:

- CNSOPB's role
- 2015 Strategic Environmental Assessment
- Safety of offshore oil and gas activities
- Protection of the environment
- Food-Social-Ceremonial Licenses
- Indigenous consultation process and expectations

Concerns Identified:

- Safety of offshore oil and gas activities
- Protection of the environment
- Potential concerns/impacts – food-social-ceremonial licences and surrounding areas
- Indigenous consultation

NOTE: In addition to the meeting, the KMKNO submitted comments regarding the Call for Bids NS17-1 which can be found in the written comments section on the Call for Bids website.

Cape Breton Municipal Councillors

On June 27, CNSOPB staff met with Municipal Councillors from Victoria County, Port Hawkesbury, Cape Breton Regional Municipality, and Inverness County.

Topics Discussed:

- CNSOPB's role
- Drilling rights
- Public consultation
- NS17-1 Call for Bids parcels
- Previous drilling that happened around Cape Breton
- Industrial benefits and the CNSOPB's role in overseeing this part of the legislation

Concerns Identified:

- Impacts of pack ice on drilling operations
- Understanding the breakdown of where the Sable Offshore Energy Project and Deep Panuke Project royalties went in the province
- Potential impacts to fisheries from seismic programs, and if there was a spill during exploratory drilling operations

Fisheries Associations

On September 26, CNSOPB staff and representatives from the Nova Scotia Department of Energy met with members from the Louisbourg Seafood Association, Area 19 Crab Association, N-ENS Snow Crab Association, Fisheries and Oceans Canada (Sydney office), Membertou, and some individual fisherman.

Topics Discussed:

- CNSOPB's role
- Exploration licences and what it means
- Location of parcels in the NS17-1 Call for Bids
- Aboriginal Consultation MOU
- Obtaining authorization to do seismic
- Seismic results once completed and if data is available publically
- Restrictions on when seismic is conducted for when the stocks are low or on the decline
- Approval of dispersants
- Is PPE mandatory for workers?
- What do proponents do with the cuttings?

Concerns Identified:

- Right Whale – potential impacts should be factored into the project specific EAs if an exploration licence is awarded
- Controls for potential damage from seismic
- Seismic and the potential impact on groundfish and crab
- Many species migrate through the Cabot Strait and it is a snow crab habitat – there should not be any activity permitted through this area
- MPAs, Maritime Link and the Call for Bids are concerns for the fisherman and how it might impact their livelihood
- There is ice annually in Parcel 1 – a potential proponent would need equipment to deal with this
- Fisherman and fishing associations do not feel respected
- Parcel 1 is sensitive for snow crab fishing
- Parcel 2/3 has redfish and other groundfish

Business Sector/Tourism Sector

On September 27, CNSOPB staff and representatives from the Nova Scotia Department of Energy met with representatives from the Strait Area Chamber of Commerce, Nova Scotia Business Inc., Cape Breton Partnership, Destination Cape Breton, and Nova Scotia Community College.

Topics Discussed:

- CNSOPB's role
- Seismic

- Qualifications for the fisheries liaison and marine mammal observer on board a seismic vessel
- Potential employment opportunities for Nova Scotians
- Selection of Call for Bids forecast areas
- Future exploration potential for Canada-Nova Scotia offshore
- Nova Scotia's regulatory approach vs. other jurisdictions
- Dispersants

Concerns Identified:

- Nova Scotians are not being given first consideration for employment and procurement opportunities
- Oil and gas should be kept in the province for processing so that the province benefits
- More economic benefits for Nova Scotia
- The decision to leave the Ice Max dropped riser on the ocean floor was not a good decision

Mi'gmaq Sagamaq Mawiomi (MTI)

On October 2, CNSOPB staff met with MTI.

Topics Discussed:

- CNSOPB's Role
- Overview of MTI
- Call for Bids Process
- Lifecycle of an Offshore Project

Concerns Identified:

- Environmental Impacts
- Indigenous Consultation process and expectations
- Participant funding

NOTE: In addition to the meeting, the MTI submitted comments regarding the Call for Bids NS17-1 which can be found in the written comments section on the Call for Bids website.

Respectfully submitted,



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