



CANADA-NEWFOUNDLAND & LABRADOR

CNLOPB

OFFSHORE PETROLEUM BOARD

Fostering Innovation in Offshore Regulatory Oversight

Digital Offshore '25

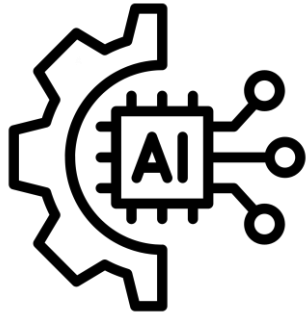
Scott Tessier

The Place of Regulators in Innovation

- Regulators know value of innovation, but it can be uncomfortable...
 - Regulators are inherently cautious and conservative
 - What about certainty and stability?
- Performance-Based *Regulations* only enable innovation if we have Performance-Based *Regulating*
- Regulators must adapt to the industry we regulate and the evolving public interest



AI and the Energy Sector



- AI is a potentially transformative tool for industry and regulators in areas such as:
 - Hazard and risk assessment
 - Condition monitoring and maintenance
 - Decision-making
- Introduces new types of risk, human oversight is still necessary – “automation paradox”



C-NLOPB's Regulatory Innovation Agenda

- Digitalization and new regulatory tools
- Modernizing our IT infrastructure
- New incident reporting and data management systems
- Assessing AI potential (and risks)
- Learning with international regulatory counterparts
- Collaborating with academia and the private sector



A New Focus on Collaboration

- Pace of innovation demands collaboration
- Need “safe spaces” to opening discuss risks and opportunities for innovation
- Regulatory Sandboxes:
 - Innovation and Digitalization
 - Regulatory Instruments
- Continuous improvement enhanced through DEIB

