

## Enhancing Environmental Protection through Regulatory Collaboration

### 2024 Offshore Environmental Forum

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It's a pleasure to attend today and to have an opportunity to tell you a bit about what's happening with the regulator, and particularly some of the changes happening at the Board.

I'd like to begin by introducing our Board members who have been able to join us today, in person or virtually (Roger Grimes, Kim Dunphy, Wes Foote, Brian Maynard, Sharon Murphy, Ted O'Keefe, Karen Veitch).

As many of you are probably aware, federal Bill C-49 has now received Royal Assent. It will expand the mandate of the offshore boards in Nova Scotia and Newfoundland and Labrador to include renewable energy projects, once mirror provincial legislation is in place.

Our provincial version awaits Second Reading in the House of Assembly.

In the meantime, we have been working internally and with our regulatory counterparts in Canada and internationally to learn more about the new responsibilities we will undertake. Clearly there are a lot of transferable elements that we can carry from our petroleum experience and expertise.

As we work towards the energy transition – with people increasingly thinking in terms of energy addition or supplementation these days -- environmental protection remains a key, and a critical factor in the social licence to operate...and to regulate.

These days, the complexity and magnitude of the challenges of environmental protection require a lot of collaboration.

If necessity is the mother of invention, complexity must be the father of collaboration.

Some of you will notice and be surprised my use of the word "collaboration".

For a long time, "collaboration" was considered to be a "four letter word" at the C-NLOPB – including by me -- because it gets conflated by some with regulatory "capture".

But collective actions by regulators, industry, governments, Indigenous communities and stakeholders will produce better, more "sticky" outcomes than any of those entities or subsets them working in isolation.

One thing working in our favour here is that environmental protection, the energy transition, energy security and economic prosperity are all shared objectives that are in the public interest and shareholder interests.

We can debate the relative weighting and pace of and instruments for the energy transition, but people generally understand it to be important -- if not existential -- to get on with it.

At the same time, the realities of markets, supply chains and shareholder and stakeholder concerns are materializing and dictating the pace of change.

We can really only solve the climate crisis and improve on environmental protection in two ways -- scaling back our quality of life or innovating.

No one wants to go backwards in terms of our quality of life, so we'd better unlock the potential of innovation by becoming more collaborative in reducing emissions and protecting our environment – through new technologies, digitalization, remote operations and artificial intelligence in:

- risk assessment and mitigation;
- monitoring and reporting;
- managing data and information; and
- processing applications, approvals and authorizations

Collaborating in these areas won't dilute regulatory requirements nor weaken our approach to compliance and enforcement.

But it will make us more efficient and proficient in our regulatory oversight and hopefully help us to enable innovation that will contribute to solutions to critical societal challenges.

The coming into force of our new, more performance-based, less prescriptive regulatory regime on October 28 is just the starting line of a local innovation race – so try us!

We want to be more collaborative in developing a next generation regulatory toolkit to ensure the Board's guidance is truly helpful, while respecting regulatory requirements.

We will begin revisiting our approach to guidance in 2025 as we learn from our experience with the draft suite of new framework guidance. You'll hear more from our team later today on this.

There may be opportunities to make better use of other instruments besides guidance, such as standards, codes of practice or interpretation notes.

We also want to be more collaborative with fisheries stakeholders – One Ocean remains a very important entity for us and we are also exploring other means of engagement as we prepare for the expansion of our mandate to include the regulation of offshore renewable energy.

We are reflecting now on the lack of bids despite record amounts of parcels on offer in recent Calls for Bids in considering our plan for interests for 2025 – a year which will see no new drilling, and possibly no seismic activity.

In the meantime and in closing my remarks this morning, I look forward to working with everyone in this room as we launch a new, more innovative and more collaborative Canada-Newfoundland and Labrador Offshore Energy Regulator.

I'd like to thank you and our staff for so much fine work and support during what has been a transformative period for our organization and the offshore sector.

I'm excited by what lies ahead, and I look forward to speaking with you over the course of the day and to hearing from all of our presenters.

Thank you.