



March 21, 2024

Dear Ministers Wilkinson and Parsons:

I am writing to express Energy NL's disappointment with the approach currently being taken with the ongoing Regional Assessment of Offshore Wind Development in Newfoundland and Labrador. Specifically, it is our opinion that the approach to this Regional Assessment is not in keeping with the *"Agreement to Conduct a Regional Assessment of Offshore Wind Development in Newfoundland and Labrador"* which was released by you both on March 23, 2023, and the purpose, goals, and objectives outlined therein, and agreed to by both the Government of Canada and the Government of Newfoundland and Labrador.

Outcomes from this process to date appear to be derived with a lack of adherence to evidence-based research, a lack of consideration for the proven extensive expertise and experience developed in Newfoundland and Labrador's existing offshore energy industry, and a lack of consideration for the intention of both levels of government to create an offshore wind energy to provide clean energy and sustainable jobs. The current approach and actions appear to be outside of the Terms of Reference established by both governments.

Energy NL commends both the Government of Newfoundland and Labrador and the Government of Canada for establishing the groundwork to advance renewable energy offshore Newfoundland and Labrador, with the decision to undertake this Regional Assessment. Energy NL agrees with the approach to expand the mandate of the regulator, the Canada-Newfoundland and Labrador Offshore Petroleum Board, to include management of offshore renewable energy activities. With these steps, governments can create an appropriate regulatory environment which can ensure development in a sustainable and environmentally and socially conscious manner, steps which Energy NL fully supports. Please accept the following comments and perspective in the spirit of supporting what Energy NL believes was the intent of both governments to establish a renewable offshore energy industry to supply clean energy to the world and ensure Newfoundland and Labrador is provided every opportunity to avail of the best uses of its natural resources for the benefit of its people.

Since the joint announcement in April 2022 of governments' intentions to expand the mandate of Canada's offshore energy regime, and with that, the initiation of a regional assessment for wind energy in Newfoundland and Labrador's offshore, Energy NL has taken every opportunity to remain informed about the process. This has included participation in both targeted and public presentations and webinars delivered by ministers, the Impact Assessment Agency of Canada (IAA) officials, and, since its establishment, those offered and delivered by the

Committee established to conduct the regional assessment. Energy NL officials have also kept abreast of all developments and all documents and materials posted on the public registry which is maintained by the IAA. Energy NL's understanding of the purpose of the regional assessment, informed throughout the engagement opportunities offered initially by the IAA and then the Committee, and based on the Agreement signed by both governments on March 23, 2023, is the regional assessment is largely to inform future decision-making by governments, including future planning and licensing processes of governments and the regulator, and is designed to provide information on the impacts of potential future offshore wind activities. As stated in the Terms of Reference, the goal is:

"To provide information, knowledge and analysis regarding future offshore wind development activities in the Study Area and their potential effects, in order to inform and improve future planning, licencing, and impact assessment processes for these activities in a way that helps protect the environment and health, social and economic conditions while also creating opportunities for sustainable economic development."

A number of developments and decisions in recent months associated with the regional assessment process are a cause for concern. The following outlines specifics of Energy NL's views on these issues.

Creation of a "Focus Area"

The November 2023 decision to severely restrict the area to be studied by creating a Focus Area, despite the fact that the Agreement between both governments and the regional assessment Terms of Reference specifically states that:

*"The Study Area comprises portions of the Offshore Area where future offshore wind development activities may be technically and economically feasible, based on current and foreseeable technologies. It does not include or exclude specific locations or features based on potential environmental, health, social or economic effects, **in order to allow the Regional Assessment to provide a complete and fulsome analysis of these issues across the region, to inform decision-making.**"*

With this wording, governments' intentions were perfectly clear, that they were seeking information on potential impacts of offshore wind activity within this entire Study Area, to inform future decision making. The study area had been selected and widely consulted on prior to the commencement of the Regional Assessment. At that time, Energy NL and some other stakeholders advocated for an even larger Study Area, so as to include the Jeanne d' Arc Basin, where offshore oil facilities currently operate and may, at some point, wish to incorporate wind turbines to displace gas turbines, as they work towards producing cleaner energy and reaching net-zero.

The objectives developed by both levels of government when they initiated the regional assessment, as outlined in the March 23, 2023 Agreement, are just as relevant in all areas of

the original study area as they are to the Committee’s Focus Area. Unfortunately, the assessment of just the Focus Area will mean that this exercise will provide no information on the potential impacts of offshore wind development, positive or negative, in the greater areas surrounding the island and adjacent to the southeast coast of Labrador, as originally envisioned by governments. Compared to governments’ stated intentions for this assessment, the current review can expect to only be of limited value.

Contrary to the summary contained in the November 7, 2023 document “*Committee Decision Regarding the Focus Area for the Regional Assessment of Offshore Wind Development in Newfoundland and Labrador*,” Energy NL’s review of the submissions made between August 17 and October 17, 2023, as posted on the public registry, does not find evidence of broad-based support for the decision to create the Focus Area. Of the 41 submissions reviewed, one stated full agreement with the Focus Area; nine advocated for a smaller Focus Area; 12 advocated for an area larger than the Focus Area; 14 provided no specific comment regarding the size of the Study or Focus Areas, but included more general comments concerning offshore wind; three provided information of a more technical nature without indicating support for or against the size of the Study or Focus Areas; and two requested that their submissions be confidential. Similarly, the November 7th feedback summary provided as background to the decision does not provide significant supporting evidence for this decision.

As indicated in the September 22, 2023, submission of Energy NL, the approach to limiting the assessment to areas without iceberg presence and less than 300m water depth does not appear to be supported by evidence-based research and does not fully take into consideration Newfoundland and Labrador’s expertise, capability, and successful history with ice management. The fact that the current deepest offshore wind project – the Hywind-Tampen project in Norway – is around 300m is not sufficient evidence to assume that specific depth is the limit of current or near-future floating wind technologies. The supporting documents provided on August 17th (which were initially used to justify the establishment of these criteria) provide little to no relevancy regarding offshore wind development in Newfoundland and Labrador.

Potential Areas Beyond the Scope of the Regional Assessment

During the February 29th briefing on “Preliminary Offshore Wind Licencing Area Recommendations” participants were informed that a current focus of the Regional Assessment is “to identify areas that may or may not be suitable for development,” and “to make recommendations as to preliminary offshore wind licencing areas.” During the various briefing sessions which Energy NL officials have participated and documents received regarding the regional assessment process, it has never been indicated that these elements would be a focus of the regional assessment. These elements are premature without appropriate research and information regarding the impacts of offshore wind activities. Furthermore, these appear to be beyond the scope of work and mandate for the assessment, as outlined in the Agreement and Terms of Reference.

The Governments of Canada and Newfoundland and Labrador are in the process of amending the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act* which will establish the Canada-Newfoundland and Labrador Offshore Energy Regulator as the regulator for offshore renewable energy in the Newfoundland and Labrador offshore areas. Recommendations regarding licencing areas should be the responsibility of this regulator.

The current approach, as also described in the February 29th briefing, to create various buffer zones for offshore wind activity anywhere potential “constraints” exists, does not appear to be substantiated with evidence-based research regarding the potential impact of offshore wind activities. Neither does this approach adequately consider mitigation or co-existing planning to accommodate multiple offshore activities in various areas. If areas of potential conflict or constraint are automatically removed from the remainder of the assessment, how can the objective of determining potential effects of offshore wind activities be accomplished?

Given the concerns Energy NL and its members have with the current approach, specifically the restricted review area suggested by the Focus Area, and the limited information this will provide governments, the public, and the energy sector, we request that the Committee be directed to complete its work within the scope agreed by both levels of government and provided to the Committee, in the spirit and intent of providing “*...information, knowledge and analysis regarding future offshore wind development activities in the Study Area and their potential effects...*” and in a manner “*...that helps protect the environment and health, social and economic conditions while also creating opportunities for sustainable economic development...*”

The regional assessment has the opportunity to provide valuable information and commence an industry in the right way, one that considers all stakeholders and expertise, as well as knowledge from Indigenous communities and individuals and decades of experience operating energy projects offshore Newfoundland and Labrador in a harsh weather environment. The approach to establishing this regional assessment must respect the intention of both governments and the potential of the sector and move forward in a manner which achieves these common goals.

Thank you,



Charlene Johnson
CEO

CC Premier Dr. Andrew Furey
Minister O'Regan