



Energy NL
Pre-Budget Submission
Government of Newfoundland and Labrador
February 2026

As the global economy faces significant changes and challenges, the Newfoundland and Labrador energy sector has the opportunity to be a leader not only in Canada, but across the world as a provider of lower carbon energy from a variety of sources. This opportunity, if properly managed, will provide significant economic opportunities to the people of the province and Energy NL members through the planning, construction, operation, maintenance and supply of major energy projects.

As the Government of Newfoundland and Labrador prepares Budget 2026, below are requests from Energy NL to help move the sector forward and place the Newfoundland and Labrador energy sector in a position for long-term success.

Bay du Nord

The Bay du Nord project remains an important opportunity for Energy NL members and the entire province of Newfoundland and Labrador. As the Government of Newfoundland and Labrador and Equinor work toward a revised benefits agreement for the project, Energy NL advocates for a strong local content approach as prescribed by the Atlantic Accord, with significant work components and decisions such as procurement, project management, and engineering and construction to occur in Newfoundland and Labrador. Such an agreement must also include processes to measure local content in the project and ensure accountability for the engagement of the local supply chain. Related to this, the provincial government should consult with the CNLOER prior to the conclusion of the benefits agreement to ensure the regulator has the appropriate tools to monitor and enforce the agreement.

Local Benefits

Energy NL believes local content must be key to any energy project development. Those adjacent to the resource should be the principal beneficiary and the principles of the Atlantic Accord should be considered for all energy projects. In fact, Energy NL believes that as a province we must be more strident in our approach to local content - in both ensuring local firms participate from the inception of projects and also in the monitoring and enforcement of such provisions. Local content expectations must be clear from the outset of any energy project, prior to any work (i.e. pre-FEED) occurring. Expectations must be known to prospective developers/operators when they look to engage in energy projects in Newfoundland and Labrador. This approach should include offshore oil, gas, and wind development, onshore wind and clean fuels projects, hydroelectric projects, CCS development, etc. Speaking particularly of hydroelectric development, should the proposed Churchill River projects outlined in the MOU with Newfoundland and Labrador Hydro and Hydro-Québec proceed, the order of preference outlined in the EA process for access to work on the major projects must be adhered to by all entities involved in all aspects of the projects.

Offshore Exploration Initiative

Based upon a pre-budget request of Energy NL, Budget 2025 allocated \$90 million for a revised Offshore Exploration Initiative. While the criteria for the initiative have yet to be finalized, Energy NL supports the continuation of this initiative and the allocated funding. This initiative will attract exploration to our offshore and lead to future offshore production facilities. Energy NL encourages the Government of Newfoundland and Labrador to expedite the development of these criteria and globally promote the Offshore Exploration Initiative so that our 2026 bid round attracts investment.

Onshore Wind

As the Government of Newfoundland and Labrador continues to work with companies planning to develop onshore wind to clean fuels projects, it encourages the province to ensure the development regime, including the Fiscal Framework, is internationally competitive and recognizes the diverse nature of the proposed projects, as well as the unique circumstances and support required to ensure their success.

Provincial Energy Plan

Energy NL is highly encouraged by the commitment of the Wakeham Government to the development of a 10-year energy plan. This is a pivotal time for such a plan and Energy NL welcomes the opportunity to partake in the development of this plan to help set the course for energy development in Newfoundland and Labrador.

Energy NL believes that to appropriately develop and implement such a plan, adequate resources must be provided to provincial efforts to create and execute policy. As the province develops its energy plan, Energy NL encourages it to work closely with the Canada-Newfoundland and Labrador Offshore Energy Regulator (CNLOER) as the regulatory body reviews the land tenure process for offshore energy. Energy NL looks forward to participating in the review process.

Conclusion

Energy NL was founded in 1977 to represent the supply and service sector of the energy industry. Today Energy NL represents over 500 member organizations worldwide which are involved in the energy industry of Newfoundland and Labrador. Energy NL members are a diverse representation of businesses involved in a range of activities related to both renewable and non-renewable energy development, construction, and operations. This includes, but is not limited to, areas such as direct offshore and onshore supply; health and safety equipment and training; engineering solutions and fabricators; law firms and human resource agencies.

Energy NL is appreciative of the opportunity to provide input into the development of Budget 2026 and make recommendations to help build a strong and vibrant energy sector. Energy NL is strongly encouraged by the public statements of both Premier Wakeham and Minister Parrott with respect to their plans to develop the Newfoundland and Labrador energy industry, including the offshore oil and gas industry. Our meetings with both Premier Wakeham and Minister Parrott have been engaging and productive and we look forward to working with the province in a collaborative manner as it moves forward with energy development.

Should you have any questions related to the Pre-Budget Submission of Energy NL, please do not hesitate to contact Ken Morrissey, Chief Strategy & Communication Officer, via kmorrissey@energynl.ca or 709-725-5172.