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Impact Assessment Agency of Canada 22nd Floor, Place Bell 160 Elgin Street Ottawa ON K1A 0H3

Re: Comment on Draft Agreements and Terms of Reference for the Regional Assessment of Offshore Wind Development in Newfoundland and Labrador and Nova Scotia

Atlantic Canada Offshore Developments (ACOD) is pleased to provide the following comment letter in association with the Impact Assessment Agency of Canada's (IAAC) Draft release of the Terms of Reference (TOR) and associated Provincial/Federal Agreements (Agreements) to support the *Regional Assessment of Offshore Wind Development in Newfoundland and Labrador and Nova Scotia* (hereafter referred to as the RA).

ACOD is a collaboration of three legal entities, Shell Canada Energy (Shell), Copenhagen Infrastructure Partners (CIP) and Beothuk Energy, formed to investigate the potential to construct a commercial-scale offshore wind project in Atlantic Canada. ACOD's collaborating entities have substantial experience with delivering technically complex offshore energy projects in jurisdictions around the world including Canada. CIP boasts one of the leading offshore wind pipelines in the industry with projects on five continents – North America, Europe, Asia, Australia, and South America. Shell, who joined the collaboration in 2021, brings a wealth of experience in the Canadian energy sector including offshore Atlantic Canada.

ACOD believes that offshore wind energy is of strategic importance for Atlantic Canada and fully supports IAAC's decision to undertake the RA to progress this future development opportunity and support achieving climate ambitions made at both the Federal and Provincial levels.

General Comments

ACOD supports the aim of the RA to consider the potential impacts of offshore development at a regional level and is encouraged by the overall objective to improve the effectiveness and efficiency of future impact assessments. In developing offshore wind projects, regulatory clarity and certainty is of critical importance to support project delivery and ensure commercial success. ACOD is encouraged to see a clearly established timeline associated with the RA (i.e., 18 months following

initiation) that provides clarity around expected deliverables. That said, it is understood that the RA will be one component of a broader emerging regulatory framework to support the future permitting and delivery of offshore wind projects. As such, it will be imperative that the established RA timeline is realized and is coordinated with other regulatory initiatives (i.e., Accord Act amendments, Offshore Renewable Energy Regulations, land tenure process) to establish a robust comprehensive legislative framework providing regulatory certainty and allowing the timely progression of offshore development to deliver on climate ambition timelines.

ACOD recognizes the importance of acknowledging and recognizing Aboriginal and Treaty Rights as well as acquiring feedback and input from all interested and potentially impacted parties to ensure future projects are well informed and achieve a balanced outcome. As such, ACOD is highly supportive of the key mandate for the RA outlined in the TOR to seek meaningful participation from Indigenous people and the broader public. Additionally, the establishment of advisory groups to allow further opportunity for input from relevant external parties both individual and organizational is highly encouraging. As part of the RA process, it will be crucial to afford opportunity for the participation and input from the offshore wind industry as a key stakeholder to ensure an effective outcome. ACOD looks forward to participating and providing input through these and other public involvement opportunities to support the development of the RA.

Specific Comments

Agreements - Definitions

Under the Definitions in the associated Draft Agreements, Offshore Wind Development Activities is defined as *the physical activities associated with the construction, including expansion, operation and decommissioning of an offshore wind generation facility and the associated offshore components and activities that support it, are specific to that facility.... These physical activities include the transmission of electricity to shore.*

ACOD appreciates the comprehensive consideration of offshore development as set out in the definition above, but suggests that this definition be expanded to also include "connection to the existing electrical grid". In order to support the transmission of the additional power from offshore wind, the existing electrical grid is anticipated to require upgrades and/or expansions to onshore infrastructure (i.e., substations). These upgrades may require modifications to existing land areas, but may also require the acquisition and modification of additional lands in nearshore areas. As such, consideration of impacts to nearshore/coastal areas should be included to allow comprehensive consideration of potential impacts to sensitive habitats inclusive of wetlands, dunes, marshes, estuaries etc. and species associated with these habitats.

Appendix A - TOR - Committee Activities and Requirements – Information and Analysis

Under Section A1.6(t) of the Draft TOR the anticipated environmental, health, social and economic components for assessment are outlined. Though the scope does consider key components of consideration for offshore development, ACOD suggests that the scope be expanded to consider the

additional environmental components of air quality and GHG emissions, water quality and the benthic environment.

Specifically, in regards to air quality and GHG emissions, developing offshore wind will likely improve the long-term air quality and reduce the GHG intensity of provincial grids. Offshore wind has a low GHG intensity compared to other power generation technologies and will be a needed for Atlantic Canada to decarbonise and meet climate ambitions. We recognise sustainability considerations are inferred in Section A1.6(x) of the TOR, but suggest inclusion of air quality and GHG emissions as distinct environmental components to allow for a more direct consideration of negative and positive impacts associated with these aspects of offshore wind development.

Additionally, as noted in the previous comment, these suggested components as well as those outlined in Section A1.6(t) should be considered not only for the offshore area but also nearshore and coastal areas that may be impacted by offshore development. This broader consideration ensures that the full spectrum of impacts from activities and the project lifecycle are considered and further supports the ultimate objective of identifying efficiencies for future impact assessments.

Closure

ACOD appreciates the opportunity to provide comment into the RA process and looks forward to supporting the progression of this key component of the developing regulatory framework to develop Atlantic Canada's offshore wind resources.

Yours Sincerely,

Lester Fontijn Project Director Atlantic Canada Offshore Developments