

October 26, 2022

Dear Members:

I am reaching out to you to request your engagement in a lobby effort concerning the maximization of work completed in the province for the Bay Du Nord project. The Bay du Nord project is located 500 km NE of St. John's at water depths of 650 – 1170 metres and recoverable oil has been projected to be over 1 billion barrels. The developer, Equinor, has determined that a floating production storage and offloading vessel (FPSO) will be used to extract the oil. The Bay Du Nord FPSO has the potential to create a significant amount of work for the people in the province however, there are key components of the work that must be completed in the province for that to happen. This lobby effort requires a focused approach that weighs heavily on 4 key components:

1. **Construction of Process and Utilities Modules:** The modules will provide fabrication, assembly, and outfitting opportunities for the province's highly skilled, safe, and inclusive work force. An FPSO can require numerous relatively large modules for the purposes of power generation, fluid separation, utilities, water treatment, gas compression, etc. Building the modules in the province will also assist in ensuring that the hull of the vessel is towed to Newfoundland and Labrador, which leads to the second key component.
2. **Mating of Constructed Modules:** The assembly and integration of the modules constructed in the province and elsewhere must occur in Newfoundland and Labrador. Ensuring the FPSO is mated in the province provides additional technical work to load, assemble and integrate all the modular components to create and connect the FPSO topsides to the hull.
3. **Commissioning and Startup:** Commissioning is a critical component of this project. It occurs when mechanical completion is achieved and the formal handover from construction is issued. Many of the individuals associated with the construction and integration of the project move into a commissioning role due to their advanced knowledge and experience after mechanical and electrical completion is achieved.
4. **FPSO Tow-out:** The fourth and final key component is symbolic and a source of pride for Newfoundlanders and Labradorians. The tow-out from the shores of our province to the oil producing field symbolizes the achievement of the highly technical work that was completed right here at home.

UA Local 740

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The industry stakeholders (developers and governments) have set a precedent that is worthy of note. There is a consistency that is found in each of the past projects including three GBS type structures and two FPSO vessels. Hibernia, Terra Nova, White Rose, Hebron, and currently West White Rose were all partially constructed, mated, and commissioned in the province and towed out from the province's shores. This precedent serves as a baseline for oil and gas projects constructed in the province and it must be protected, building from the baseline, and increasing our work opportunities with every passing project. A recent study by statistics Canada indicates that for each person directly employed in oil and gas production in Newfoundland and Labrador an additional nine indirect and induced jobs are created per direct job. Those are jobs that the people of this province need!

In closing, please contact Premier Andrew Furey, Honourable Andrew Parsons Minister of Industry, Energy and Technology and your MHA to tell them how critically important this work is to you, your family, your communities, and the province in general. Currently the province has nearly twice the national average for unemployment and inflation is squeezing every last penny out of our wallets. In addition, there is a recession looming at our doorstep. Your elected officials have a 12-billion-dollar project staring them right in the face. This project would provide huge economic benefits for the people of the province at a time when we need it most.

Be professional, respectful and deliver a strong message. Build Bay Du Nord Right Here!

Premier Andrew Furey: 709-729-3570, premier@gov.nl.ca

Hon. Andrew Parsons: 709-729-2920, AndrewParsons@gov.nl.ca

List of MHAs and their contact details: <https://www.assembly.nl.ca/Members/members.aspx>

In solidarity,



ROBERT FIANDER

Business Manager

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