

Disagreement over new C-NLOPB Head

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After a nearly two year battle, the Canada-Newfoundland Offshore Petroleum Board (CNLOPB), the joint federal-provincial body that has authority over essentially all aspects of the offshore oil industry in the province, is about to have a new chair. Max Ruelokke, a former government and oil industry employee, will soon be appointed to the position. However, the process to reach this point has been long and contentious and has illustrated some of the continuous tensions that exist in regulating Newfoundland's offshore industry.

The CNLOPB contains seven members. Because the board is a joint federal-provincial body, each level of government chooses three members, with the chair mutually agreed upon by both. Since May 2004, the position of chair has been vacant as a result of Hal Stanley's retirement. Since that time, provincial Board member Fred Way has been acting chair while a permanent replacement was sought.

The Atlantic Accord Implementation Act states that the appointment of a new chair must be agreed upon by both the federal and provincial governments. If this does not take place within three months, a three-person panel is selected to make the decision. While the panel is in place, the governments can still mutually agree upon a candidate, as long as the panel has not come to a definitive conclusion. However, once the panel reaches a decision, it is "final and binding on both governments" [Canada 1987: section 12(6)]

The process of filling the CNLOPB chair began several months prior to Stanley's leaving and took nearly two years to resolve. By February 2005, after the federal and provincial natural resource ministers could not agree on an appointment, the search was expanded and the position was advertised throughout the country in April (NRCAN 2005: par 6). Applications were received and sorted by a human resources firm in St. John's, and a list of the most qualified candidates were forwarded to the government. Five of these applicants were selected for interviews. However, the interviews never took place because the two governments determined that they would not agree on one of the candidates. This disagreement prompted the establishment of a three-person panel to make the decision, and in December 2005 the panel submitted its recommendation of Max Ruelokke.

Despite the establishment of the three-person panel, Newfoundland Premier Danny Williams has continued to push for St. John's mayor Andy Wells to fill the position. Williams has stated his desire for a new chair who will be a strong advocate for more offshore benefits remaining in the province (CBC 2005c: par 2). This is a recurrent theme in Danny Williams' offshore oil dealings (see article no. 1 on this page for another example). Although the legislation stipulates that the federal government could have agreed to appoint Wells, even as the panel was still consulting, the federal liberals had no interest in this (CBC 2005a: par 4).

While it now seems certain that Ruelokke will be appointed to the position (CBC 2006), Williams continues to stand behind Andy Wells, now stating that he would like the position to be split in two so that both men can be appointed. While they will move forward with the appointment, the federal government is not ruling out Williams' suggestion (CBC 2006: par 4).

References

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