

Research Governance Manual

October 2018 update

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1. Introduction

The Offshore Energy Research Association of Nova Scotia (OERA) is a not-for-profit research organization leading offshore energy related environmental, renewables and geosciences research initiatives. The Association specializes in developing, executing and funding research competitions, research contracting and administration, and stakeholder engagement.

The OERA engages with and funds academic and private sector researchers that offer science-based innovative and effective solutions to address critical research gaps affecting Nova Scotia's marine renewables and petroleum sectors. The goal for all OERA funded project work is to deliver successful research outcomes that help to de-risk the sector and contribute to the responsible and sustainable development of Nova Scotia's offshore energy resources.

The OERA's research programs are primarily funded by the Province of Nova Scotia, with additional funding for specific initiatives supported by the Government of Canada.

OERA members are: Nova Scotia Department of Energy, Acadia University, St. Francis Xavier University, Cape Breton University, Dalhousie University, Saint Mary's University, and the Nova Scotia Community College (NSCC).

Update to the Research Governance manual

The OERA research governance structure has been designed to ensure the highest quality and most relevant research is funded that best supports the offshore energy sector. The purpose of this manual is to outline the research governance model, describing how research programs are developed, the processes that support these, and how projects are selected, funded and monitored. Every few years, governance practices are revisited and updated to keep pace with changes that have taken place both internal and external to the Association. This manual, dated **October 2018**, is an update to the original research governance practices and procedures.

1.1 Organization Mandate

The Association mandate is to foster research related to offshore petroleum and renewable energy resources and their interactions with the marine environment and the dissemination of that knowledge.

1.2 Research Objectives

The OERA research objectives are:

- To increase scientific knowledge with respect to the interaction between the marine environment and (petroleum and renewables) energy exploration, development and production offshore Nova Scotia.

- To disseminate research findings for use by regulators, the energy sector, academics and students, communities and the public.
- To increase scientific research capacity and expertise to support the growth and development of the offshore energy sector.

The OERA accomplishes its research objectives through a combination of research grants, contracts for services, and collaboration with others.

The Association is committed to working collaboratively with organizations that share similar goals to take advantage of opportunities to share resources and create synergies and prevent redundancies through collaboration. The Association's collaborative interests include working with local, national and international organizations, universities and research. Collaboration will also include efforts to encourage sharing of work and resources among Nova Scotia universities and other universities or research organizations outside the province have unique or additional resources, with other universities and research organizations as well.

1.3 Research Priority Areas

The OERA undertakes a refresh of its research priority areas approximately every two years for both its offshore petroleum and renewables interests. For each, the refresh is based on consensus-driven stakeholder engagement and consultation with government, academia and industry. The Board of Directors must approve any/all priority refreshes prior to taking effect.

Recognizing that priority research areas change with each refresh, please visit the OERA website (www.oera.ca/offshore-energy-research/) for the most up to date listing – as an alternative to be included herein. This helps to ensure users have access to the most recent research priorities.

2. Organization Structure

2.1 Board of Directors

The strategic direction of the Association is established and approved by the Board of Directors. Decisions on **research program funding** are based on formal *recommendations* presented to the Board at different times throughout the (fiscal) year. Each recommendation is carefully considered and takes into account informed opinions from key stakeholders, including Association staff, Committee chairs and subject matter experts. The Board reviews all recommendations and approves **research programs** that are in keeping with the Association's strategic direction. This informed decision-making process ensures OERA funding supports research that is current, relevant and aligned with the interests and objectives of its key stakeholders in each respective (offshore petroleum and renewables) sector.

The Board of Directors also has responsibilities for approving all **projects** proposed under the various OERA research program initiatives and are presented as *recommendations* to the Board at quarterly meetings as appropriate. The **projects** may be sourced from different research program initiatives

including the OPEN Call (two intakes per year), themed competitive RFP Calls, Industry-Academic Partnership Fund projects (IAPF), directed research projects, etc.

OERA staff prepare the recommendations which are based on the evaluations resulting from the peer reviewer process, as well as in-house expertise. The Board considers each recommendation and approves funding for projects that meet the specific objectives and fiscal commitments for the particular program **and** aligns with the strategic direction of the Association.

A current list of members of the Board of Directors can be found on the OERA website.

2.2 OERA Staff

Staff responsibilities are divided into four functional areas as follows:

- Financial Management
- Research Management
- Operations management
- Communications

2.2.1 Financial management

The OERA was established using direct grants from the Province dating back to 2007. Since that time, the Association has run its operations and research programs by drawing from either these initial (2007) grants – known as ‘**Legacy Funds**’ or from ‘**new project funding**’.

Legacy funds are prudently managed by OERA staff. Typically, ‘Legacy’ funding commitments are made only when other secured funding is in place from other sources as means to bolster or broaden a specific research initiative or Call. Other funding could be sourced from Federal programs, provincial funding, or other granting agencies. All Legacy commitments must be approved by the Board.

Legacy funds although continue to be drawn down, Association staff remain committed to testing and implementing new (financially focused) initiatives to diversify the Association’s funding model. The financial goal is to secure new funding sources that will reduce our dependency on both ‘Legacy’ as well as provincial sources as means to ensuring the long-term viability of the organization. Examples of some of these new financial initiatives include: the implementation of a nominal administration fee on all programs/projects (in 2016); launching the RITE (Research Investment in Tidal Energy) Fund Program; establishment of the Industry-Academic Project Fund (IAPF); and new partnerships with federal agencies, to name a few.

‘**New project funding**’ is sourced primarily from the Province and supplemented in more recent years with ‘one-time’ funding awards from the Government of Canada. Provincial funds are committed to the OERA at different times during the year, where, as a general rule, the Department of Energy and Mines (DEM) requires research to be undertaken to support a new initiative or policy. The research subject areas of interest that drive new provincially supported project funding vary widely, and trend in relation to shifting sector priority needs. For example, over the past few years, the range of interests have included financial feasibility studies, port and infrastructure development, environmental monitoring technologies, and energy storage, to name a few. Looking ahead, new project funding, although difficult

to predict the number of new project initiatives and dollar amounts, is expected to align with our list of current priorities for renewables and petroleum geoscience.

In contrast, **new project funding** from federal sources is the result of successful applications to select federal agencies and/or programs. Such funds are 'one-time' awards and must be used exclusively for the research proposed in the original (federal) application. To date, the Association has been successful in securing federal funding from ACOA, Natural Resources Canada, Genome Canada, the National Research Council, Mitacs, and NSERC. Staff will continue to explore new opportunities with these same agencies as well as seek out new avenues for financial leveraging.

All '**new project funding**' and '**federal program funding**' are used to support research projects only and do not support the Association's operations, excepting a nominal (%) administration fee negotiated at the application stage.

2.2.2 Research Management

Under the guidance of the Board and the Executive Director, the OERA Research Managers are responsible for the development, delivery and management of the Association's (Board approved) research programs. There is a Research manager for each of the petroleum and renewables research programs. Each Research Manager is responsible for the following:

- Develop, manage and execute research calls via RFP process;
- Oversee peer review process to select successful proposals;
- Negotiate and execute research contracts;
- Manage proponent relations and R&D administration of (assigned) active OERA projects;
- Maintain regular communications with the Department of Energy to advise and update on programs, research Calls, and projects;
- Support OERA Committees;
- Build, liaise with, and maintain third party/stakeholder relations locally, nationally and internationally;
- Provide guidance to refresh OERA research governance, strategies, policies and new initiatives;
- Prepare research related communications materials as required;
- Provide advice and support to develop new research programs

2.2.3 Operations Management

OERA staff adhere to a set of policies and procedures that guide daily operations and activities. The Operations Manager, under the supervision of the Executive Director, provides oversight to see that operations and business practices are compliant against such policies and procedures.

From time to time, select policies and procedures are updated to improve, streamline operations and/or to ensure they are reflective of current trends within the offshore energy sector. The Executive Director will assign staff as appropriate, to complete policy and/or procedural updates. All policy/ procedural updates are submitted to the Board for approval.

2.2.4 Communications

OERA staff are responsible for maintaining good communications with member institutions, government departments as well as other third parties engaged in Association business. Each staff member has specific communications responsibilities with different stakeholders within their functional area. Noting that all media related communications requests are handled by the Executive Director.

OERA staff work closely with the Board to maintain open and transparent communications and to keep members informed of the Association's operations, activities and impact.

Communications materials are developed as required, in accordance with the Association's Communications Strategy. Preparation of communications materials may be drafted by different staff as appropriate.

3. OERA Research Funding Programs

OERA research funding is awarded in one of four ways, specifically:

- Competitive Request for Proposals (RFPs)
- OPEN Call Program
- Industry-Academic Partnership Fund (IAPF)
- Directed research
- Student Research Travel Program

3.1 Competitive Request for Proposals (RFPs)

OERA-led RFPs are typically commissioned by the Department of Energy and Mines, where specific research is required to support a new legislative initiative or policy directive. Further, in most cases, the Department sets the total funding amount available for the competition and requests the Association to develop and execute the RFP.

Additional to Department commissioned RFPs, the OERA has the authority to lead and execute *specialized* RFPs where 'Legacy Funds' are to be used to finance the Call. *Legacy funded* RFPs typically are very targeted with an objective to support a specific priority or knowledge gap. Such RFPs although internally initiated, are undertaken with the full support and approval of the Board and endorsed by DEM.

All RFPs are developed and prepared by the assigned Research Manager in collaboration with the Department. The Association may also solicit outside stakeholder opinion(s) to complete the RFP scope. The Executive Director and a Department representative must review and sign off before the RFP is issued publicly. RFPs are released to a set distribution list, as well, are posted to the OERA website. Following its release, the RFP is open for a period of ~30 days. For smaller scope projects the open period may be less than 30 days.

For larger scope competitions (> \$75K in total funding), the Association will execute a *two-stage* RFP process, namely, a Letter of Intent (LOI) stage and a full proposal stage. For smaller scope RFPs

(<\$75,000), OERA will typically run a single stage process, ie. request a full proposal only and not require an LOI.

For further details on OERA's standard RFP process, please refer to Section 5 and Figure 1 (Flow Chart).

3.2 OPEN Call Program

The primary objective of OERA's OPEN Call Program is to sponsor high quality scientific research that will advance Nova Scotia's offshore energy sector and contribute to building research capacity in-province. The program focus is to capture modestly budgeted, shorter duration research projects that align with an OERA research priority area in either of marine geosciences or marine renewables (tidal energy). The Program has a fixed annual funding cap that supports two Open Call competitions per year; specifically, proposal intakes are accepted on or around the **15th of January** and **15th of July** each year.

In 2018, the Association introduced a change to the OPEN Call program, where now, there are two different funding streams, specifically: Stream 1 for ≤\$25K projects, where proponents have up to one year to complete their research; or Stream 2 for ≤\$50K projects, where proponents have up to two years to complete their research. Applications to Stream 2 will only be considered on an *exceptional basis* where proposals can clearly demonstrate the need and benefit to completing multiple objectives in a step-wise or staged approach over a longer project period (up to two years).

All submissions are peer reviewed, adhering to the same peer review process as described in Section 5.

Each OPEN Call intake is competitive, where typically, up to four (4) \$25K projects and one (1) \$50K project are awarded funding per intake. For any given intake the OERA has at its discretion to award funding only to those proposals that meet an acceptable quality threshold *and* meet all program criteria.

For more details on the OPEN Call program, please visit the OERA website.

3.3 Industry-Academic Partnership (IAPF) Fund

The OERA, as a research 'enabler', is uniquely positioned to facilitate and lead collaborative research initiatives for both the petroleum and renewables sectors. As an enabler, the Association favours project ideas that bring industry and academia together to collaborate. This type of collaborative approach not only helps to address knowledge gaps common to all, it can also attract financial leverage. The leverage available from a multi-stakeholder collaboration can significantly increase the scope, value and impact of the research to the sector.

The Industry Academic Partnership Fund (IAPF) was introduced in 2015 as a new strategic initiative to encourage Nova Scotia based collaborative research partnerships. The program objectives are to: increase research capacity and capability here in Nova Scotia and provide easier access to local HQP expertise for industry. The longer-term goal is to build a viable framework to complete research that contributes to advancing the offshore energy sector.

Using the IAPF framework, the OERA acts as the lead to solicit contributions from industry, government and research agencies to support 'priority driven' research projects. The projects have modest budgets

(~\$100,000 over two years), whereby the proposed work is undertaken by local scientists and academics.

IAPF program features may be summarized as follows:

- Minimum one (1) academic partner and one (1) industry partner;
- Modest budgets, where (OERA) grant awards are up to \$50,000 per year for a maximum of two years (Total \$100,000 maximum over 2 years)
- Research must address a (renewables or marine geoscience) sector priority – see OERA’s identified priority research areas, available on the OERA website;
- Researchers are expected to seek leveraging opportunities from other agencies (federal, provincial, or private). Eg. NRC-IRAP, Natural Sciences and Engineering Research Council of Canada-Collaborative Research Development (NSERC-CRD) grants, MITACS, Innovacorp, etc.
- Selection of proposals and funding awards follows the standard OERA RFP competitive process.

3.4 Directed Research

Although much of the Association’s research efforts are completed through the competitive RFP process, the option of *Directed Research* is available. Formerly known as ‘Sole Sourcing’, this option allows the Association to *direct* project funding to a specific priority area, project, or service without executing a formal RFP Call process. Prior to awarding a directed research contract, certain conditions must be met and are as follows:

- Pre-approval by the Board; and
- The proposed research is justified and endorsed by the DEM; and
- The proposed research aligns with one of the identified priority areas; and
- The proposed research or service to be performed is of an urgent nature where timelines cannot be accommodated with the typical RFP process; or
- The proposed research requires access to proprietary and/or unique data that is available from a single entity only; or,
- The work is of a service/support nature rather than fundamental research.

3.5 Student Research Travel Program

The objective of the OERA Student Research Travel Program is to cultivate collaborations between Nova Scotia student researchers and national and international research facilities or laboratories. The goal is to build research capacity of highly qualified personnel (HQP) in-province, that longer term will contribute to advancing the offshore energy sector in Nova Scotia.

The program is open to **full-time senior honours and graduate students** attending a Nova Scotia university or the Nova Scotia Community College (NSCC), whom are conducting research in marine renewables, marine geosciences or seismic & marine sound. Noting, funding for post-doctoral fellows may be considered on a case by case basis.

The program has been designed to support student travel to/from relevant field schools, relevant courses and other learning opportunities as approved by OERA management. Workshops, conferences and other types of meetings are not eligible under this program.

4. Committees and Peer Reviewers

The Association in its early years, used various (long serving) Committees (eg. Research Advisory Committees (RACs) or Area Sub-Committees (ASCs)) to support its research vetting and decision-making processes. In 2013, the Association evaluated alternative vetting structures to find ways to improve efficiencies and better optimize use of its volunteer-based expertise network. Since that time, the Association has been convening specialized *ad-hoc or customized* Committees to assist with its research processes and vetting practices. This new approach offers better use of (precious) reviewers' time yet allows the Association to maintain its independent arms-length research decision making practice.

4.1 Committee selection process

The OERA *recruits* its committee members and peer reviewers from a network of local, national, and international experts working in government (federal and provincial), academia, not-for-profits and industry. All committee and peer review activities are undertaken on a volunteer basis. Selection is based on various factors including: subject area, technical requirements, jurisdictional considerations, as well as the levels of government and its agencies involved in the Call or initiative.

The Association *customizes* its selection of Committee and peer reviewers to ensure research decision making is guided by knowledgeable individuals offering a fair and balanced mix of perspectives. Ultimately, the goal is to fund the best and most relevant research to develop the offshore petroleum and renewables industries.

All committee members and peer reviewers are bound by a Confidentiality Agreement and provided with a Terms of Reference in advance of any evaluations to guide their responsibilities. The names of the Committee members and peer reviewers are kept in confidence.

4.2 Committee Types

4.2.1 Petroleum/Geosciences

4.2.1.1 Research Management Committee (RMC)

An RMC is formed to support different petroleum related research initiatives on behalf of the Association. RMC expertise may be used to set research priorities; develop specialized research programs; determine specific projects under different programs; provide technical oversight; and/or help refine scopes of work for certain projects.

For priority setting and future program development, the RMC will make recommendations to the Board for their consideration and approval. For technical oversight and input on scope of work, the RMC will work with OERA staff who will administer and implement RMC recommendations.

4.2.1.2 Research Program Technical Committee (RPTC)

On larger scope petroleum related projects, a special technical committee may be formed and is referred to as the Research Program Technical Committee (RPTC). The RPTC provides oversight and

direction on technical related information for proposed work and active projects, as well, may be asked to advise on technical aspects for new research programs.

4.2.2 Marine Renewables

4.2.2.1 Project Management Committee (PMC) or Technical Advisory Group (TAG)

For all larger scope renewables related RFPs, OERA staff will create a Project Management Committee (also known as a Technical Advisory Group or TAG) to support the research review process. PMC/TAG members are tasked with vetting and evaluating Letters of Intent (LOIs) as well as shortlisted full proposals. Further, the PMC/TAG is tasked with developing the funding recommendations for presentation to the OERA Board for approval. All committee evaluations are confidential and archived on the OERA server so that appropriate records are available supporting any/all decision paths.

PMC/TAG members may also be asked to review progress and/or final reports associated with funded projects. Their opinions can be additional support to the Research Manager to help monitor project progress and/or offer guidance on technical matters or risks. Where appropriate, PMC/TAG opinions may be shared (anonymously) with the project proponent if helpful in supporting the objectives and/or to avert further risks.

In exceptional cases, the PMC/TAG member's name may be shared with a proponent who is interested in seeking specific (PMC/TAG) expertise, to possibly guide the direction of the research. Before any communications exchanges take place, the OERA Research Manager first will seek permission of the PMC/TAG member to release his/her name to the proponent, ie. lift the standard confidentiality agreement. The peer reviewer, of course, can decide to keep their name in confidence from the proponent. The Research Manager will respond accordingly to the wishes of all parties involved in the information exchange.

5. Proposal Evaluation Process

All proposals received under an RFP competition or through the OPEN and IAPF research programs are subjected to a peer reviewed proposal evaluation process. The following summarizes OERA's standard two-stage (ie. Letter of Intent and Full proposal) RFP evaluation process. Also, please see Figure 1 (Flow Chart) that illustrates this process:

- The RFP is announced and is issued to a set distribution list and posted on the OERA website.
- Applicants submit a Letter of Intent (LOI) before/on the deadline date set out in the RFP. Typically, applicants are given 2-3 weeks to prepare an LOI;
- OERA staff review all LOIs to check eligibility and compliance against the RFP requirements. Should a proposal not meet the minimum requirements and/or not be of acceptable quality, OERA staff has the discretion to remove the application from further consideration.
- All LOIs are evaluated, scored and rated by the designated Committee (eg. RMC or PMC/TAG – see Section 3.2) that has been assembled specifically for the competition. Adherence to this process allows decision making on funding awards to be made at arms-length to OERA management and staff.
- In cooperation with OERA staff, the set of LOI evaluations are considered to determine a short list of applicants to invite to the full proposal stage. Notice of invitation is sent out to

proponents by email. LOI applicants not invited to the full proposal stage are also notified by email at this time.

- Invited proponents are given ~30 days to prepare and submit a full proposal.
- Once all full proposals have been submitted, staff will again undertake a check for eligibility and compliance against the requirements and criteria prior to handing over the set of proposals to the review Committee. Should a proposal not meet the minimum requirements, the proposal will be removed from further consideration. Noted however, in circumstances where there is a minor issue or perhaps need for clarification, staff may request the proponent to modify that would allow the application to continue to move through the process.
- The Committee is given ~one (1) month to evaluate and score the set of full proposals. At any point during this evaluation stage, a Committee member may ask for clarification and/or additional information from an applicant prior finalizing the proposal score. The OERA Research Manager will act as liaison with the applicant to acquire such information, whom are given a maximum five (5) business days to respond.
- Once all proposals have been evaluated, the Committee will convene (in person for those local to the Halifax area, or dial-in for others) to discuss and rank the proposals and make recommendations for funding.
- The recommendation(s) are reviewed and considered by the Executive Director first, then submitted to the OERA Board for final approval of funding award. Board discussion of the recommendations and consequent decision-making (to approve, reject, or apply conditions) takes place at the BOD quarterly meeting that immediately follows the completion of the Call.
- Once funding decisions are finalized by the Board, the Research Manager will notify the successful applicant(s) by email regarding the award decision. Unsuccessful applicants will also be notified by email at this time.
- Immediately following the award e-notifications, the Research Manager will commence preparation of the draft Contribution Agreement for each successful project proponent.

OERA Competitive RFP Process

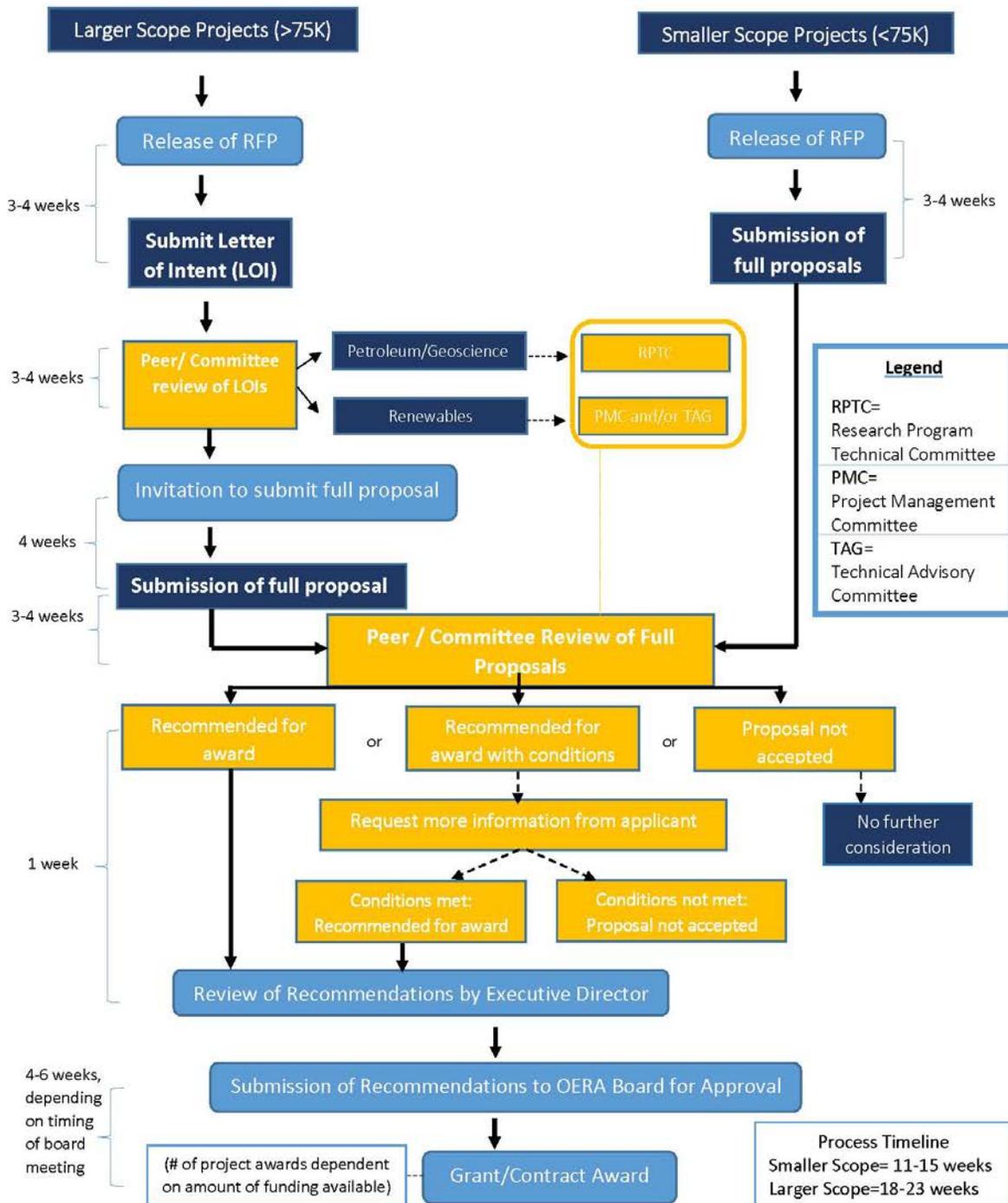


Figure 1: OERA Competitive RFP Process

5.1 Evaluation Criteria

A standard set of evaluation criteria are used by each committee peer reviewer to complete the proposal evaluation process. Core to the evaluation process is alignment with current research priorities for the sector, as well as good science, and a strong team to undertake the work. The standard list of criteria is as follows:

- Addresses OERA identified research priority - visit: www.oera.ca/news/requests-for-proposals-funding/how-to-apply/research-priorities/
- Scientific and technical quality
- Project team experience and expertise
- Sector benefit
- Innovation
- Highly Qualified Personnel (HQP) capacity development
- Reasonable (and fair value) budget
- Collaborative research, with preference for academic-industry partnering
- Co-funding and/or leverage potential
- Nova Scotia content

The above list may be modified to suit the needs and requirements for individual RFPs. For example, special criteria may be added, or possibly others removed, combined or edited to suit the RFP objectives. The Research Manager is responsible for ensuring the criteria are comprehensive enough that will enable the Committee peer reviewers to select the best research to meet the targeted outcomes.

Each assigned reviewer (Committee or individual peer reviewer) is given a scoring matrix to evaluate and score each proposal against the set of criteria. In keeping with best practices, the RFP will outline the criteria and weightings that will be used in the evaluation process, giving prospective applicants an understanding of the relative importance of each.

5.2 Proposal Budgets

OERA staff and reviewers assess the overall *quality and value* of the budget and favour the following characteristics:

- Significant allocation (of OERA funds) for HQP (student) stipends;
- Co-funding and/or leveraging has been secured (or in process of applying to other granting agencies);
- Nominal allocation (of OERA funds) only, for equipment, travel, computers/software,
- Academic overhead maximum 20% for student stipends and 30% on all other overhead eligible items;
- For the OPEN Call program, a minimum 50% of OERA funding is to support Nova Scotia research activities, where balance 50% can support out-of-province activities;

For more details on eligible and ineligible costs, please refer to the OERA site, or specific RFP as appropriate.

6. Grant/Contract Issuance

Once project funding awards have been approved by the OERA Board, successful applicants will be informed in writing by the Research Manager. Following, a draft Contribution Agreement will be prepared and subsequently shared with the proponent. For successful academic proponents, the draft Agreement will also be shared with the university or college's Department of Research Services (or equivalent) to ensure adherence to institutional requirements.

There is some (limited) provision for proponents/research administrators to suggest and negotiate the terms of the Agreement. However, the OERA has at its discretion to not accept any suggested modifications should they not be within OERA's legal remit and/or are counter to best practices.

7. Project Reporting and Payments

Once the contract is signed and the project is underway, the proponent is to adhere to the reporting (timeline) schedule as set out in their Contribution Agreement. Reporting requirements and timelines can vary depending on the length and type of project. For example, longer duration projects (up to three years) require a progress update approximately every six (6) months; whereas, shorter duration (OPEN Call) projects, only a final report is required.

For OPEN projects, the elimination of a mid-project progress report has been a recent change (2018) as means to help reduce the administrative burden on proponents, staff and peer reviewers. However, in such situations, proponents and the OERA Research manager are both responsible for maintaining communications throughout the project period to inform as appropriate, on project related issues and/or administrative tasks respectively.

Progress reports serve two key functions: firstly, to *check-in* with the project team to assess whether the objectives are on track to be met, that the work is progressing in a scientifically sound manner, and/or to advise of any challenges encountered. Secondly, the completion of a satisfactory report will trigger the release of a payment.

Progress reports are reviewed by the Research Manager as well as by one to two external peer reviewers. The report must be completed to the satisfaction of the Research Manager (taking into consideration peer review comments) and then must be signed off by the Executive Director before the next payment can be issued.

All (OERA funded) projects require the submission of a final report due at project end. Similar to progress reporting, the final report is reviewed both internally and externally, and must be completed to a satisfactory standard, with ED sign-off, before the final holdback payment is released. Once the holdback payment has been issued, the final report is posted on the OERA website for public access.

Guidelines for preparing progress and final reports are included in the proponent's Contribution Agreement and are shown in Schedules E and F herein.

8. Reporting of Results

The overarching goal of OERA Projects is to advance sector-wide and public knowledge to reduce risks and uncertainties related to (offshore energy) research. Recognizing this and the fact the majority of (OERA) research is government funded (provincial or federal) – the Association is obliged to post all project final reports on its website, allowing access to results for public use and benefit.

However, for select projects, final reports may contain confidential or proprietary information such as commercially sensitive material, new data sets, financial and/or personnel details. In such cases, the proponent is asked to draft two versions of the final report, ie., one that is fully comprehensive for OERA use, and a second version that excludes any confidential or sensitive materials. The latter is the version used for posting on the OERA site.

It is noted here, under no circumstances will research findings for any project be kept completely confidential. All efforts are made to disclose matters of public interest related to ocean energy research activities and findings so there is access and benefit to all interested stakeholders.

9. Confidentiality

The Ethics Policy has been approved by the OERA Board of Directors and contains the following item regarding Confidentiality.

The Association is committed to the principles of openness and transparency in its governance and although not bound by the FOIPOP Act, the Association acts in a manner consistent with the standards established under this legislation.

The Association's process for divulging information considers the integrity of the proposal review process and the personal, private or confidential commercial information contained in applications for funding. Therefore, all information contained in proposals, reviews and committee discussions is strictly confidential. (noting the distinction here from 'final reports', which are *non-confidential* and made available to the public as outlined in Section 8 above).

All information contained in proposals, reviews and committee discussions is strictly confidential.

-OERA Ethics Policy

Proposals and all information related to an application for funding are deemed to be the personal, private or confidential commercial information of the applicant.

Premature disclosure of decisions is inappropriate and potentially damaging to the decision-making process, and as such, the Association's directors, officers, employees, committee members, volunteers or contractors are prohibited from:

- I. providing information before, during and after the review regarding their deliberations or recommendations to anyone outside the review process, and
- II. discussing with applicants, any information relating to the review of a specific application or offer opinions on the chances of success or failure.

Committee members and external reviewers are all required to sign a confidentiality agreement with OERA indicating they will not disclose the contents of any proposals or reviewers' comments without permission of the proponent or OERA. Identities and comments of reviewers will remain confidential unless reviewers authorize release of this information. The confidentiality agreement is contained in Schedule B.

The results of funding decisions and the nature of the work funded should be a matter of Public Record. The results of research findings are covered in Section 14.

10. Conflict of Interest

The Association makes every effort to ensure its research decision-making processes are fair and objective, whereby, no individuals with a conflict of interest (as defined in the Ethics policy) may participate in the review of an application or decisions regarding the granting of research funds.

Conflict of Interest definitions are listed in the Association's Ethics Policy (Schedule E) and the Conflict of Interest Guidelines are presented in Schedule F.

SCHEDULE A

OERA Proposal Application Forms

1. RFP application form – please visit OERA website ‘Current Funding Opportunities’ for specific RFP application form(s) when available
2. OPEN Call application form – <http://www.oera.ca/news/requests-for-proposals-funding/open-call-program/>
3. Industry Academic Partnership Fund (IAPF) application form – please contact Russell Dmytriw (rdmytriw@oera.ca) to discuss your interest in funding a project through the IAPF
4. Student Research Travel Program application form – <http://www.oera.ca/news/requests-for-proposals-funding/how-to-apply/oera-student-research-travel-program/>

SCHEDULE B

Peer Reviewer Confidentiality Agreement

I understand that confidentiality in my role as a peer reviewer is crucial to maintaining the integrity of the Offshore Energy Research Association of Nova Scotia's (OERA) research review process. As a peer reviewer I will have access to documents containing personal and proprietary information.

I agree that I shall not violate the confidentiality interests of proponents and of OERA. The documentation I am provided with must be used only for the purpose for which it was originally issued to me; that is to assess the quality and merit of research project proposals submitted to OERA and any additional scope pertaining to the project as specified by OERA. Further, any discussions, decisions, summary findings etc. generated shall be considered confidential and not disclosed to other parties without the consent of OERA.

I understand that OERA documents in my possession must be stored in a secure manner to prevent unauthorized access. Information regarding these documents (and the documents themselves) must be transmitted using secure techniques and when no longer required they should be destroyed by deleting electronic files and by shredding paper files.

By signing this agreement, I consent to following the above and agree to take personal responsibility for my actions. If I have any questions about this agreement I understand that I am free to consult with OERA at any time.

Name (Please print)

Signature

Date

SCHEDULE C

Progress Report Form

This form is intended to provide OERA with sufficient technical and financial information to judge whether the project is on track to meet its objectives. Please flag any emerging or anticipated issues in the sections below.

Organization:

Project Lead Name:

Project Name and No.:

Reporting Period:

From:

To:

1. PROJECT ACTIVITIES

1.1 This section should include only the project activities undertaken since the last report (or since project start if this is Report 1).

NOTE: FOR ANY 'YES' RESPONSES, BRIEFLY EXPLAIN BELOW AND PLEASE COMPLETE THE PROJECT CHANGE FORM. Noting if a project change form has recently been completed pertaining to the issue, please reference or attach.

	YES	NO	N/A
a) Timelines: Have you experienced any time delays in the Project schedule during the reporting period (vs original contracted timelines)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Scope/Direction: Have there been any recent unforeseen challenges affecting the sector and/or other issues that would necessitate a modification in project scope/direction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Financial: Are expenditures tracking differently from the original budget? (ie. changes >20% for a particular cost item and/or movement of funds between line items)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Personnel: Have there been any changes in research team personnel (including students)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Location: Has there been a change in physical location where the research is being undertaken?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Other: Have any other issues arisen during the reporting period that could affect the project (eg. partners, co-funders, leverage contributions, funding applications to others, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PROJECT ACTIVITIES – Explanatory notes for any 'YES' responses in Section 1.1 (above).

2. MILESTONES

Please report on progress of the Work Package (WP) milestones (as per contractual Statement of Work) during the reporting period. If more space is needed, please use Explanation box (below).

Reminder: Any significant delays in project milestone timelines or work scope require the completion of a Project Change Form. Any questions on relative 'significance' of a delay or change, please contact the OERA Research Manager to discuss.

Table 2.1

List Project milestones achieved (and/or in progress) during the reporting period.				
Work Package (No. and descriptor)	Project Milestone (and indicator of achievement)	Target Completion Date	% complete at end of this reporting period	Completion Date (Actual/ Anticipated)

WORK PACKAGE MILESTONES: Explanatory notes on Work Package (WP) milestones for reporting period.

3. PROJECT COSTS FOR REPORTING PERIOD

Please complete the (Excel) Project Reporting Table for the reporting period. See attached table.

4. REPORT RELEASE

Signing authority - signature	Date
Print Name	Title

SCHEDULE D

Final Reporting Guidelines

- Please submit the Final Report in electronic form on the due date as shown in the Contribution Agreement.
- Reports are to be single column in portrait format. A standard typeface should be used (eg. Times New Roman, Calibri, Franklin Gothic, Arial, etc.), font 11 or 12; and single-spaced.

The Final Report shall include the following:

1. **Title Page**
2. **Executive Summary.** Describe the project context, approach and key findings, and their relevance to advancing the offshore energy industry.
3. **Table of Contents,** including List of Figures, Tables and Appendices.
4. **Project Objectives.** Briefly describe the Project objectives and how these relate to addressing a specific knowledge gap or issue impacting the sector.
5. **Methodology.** Briefly describe the methodology or approach used to undertake the Project.
6. **Key Findings and Outcomes.** Present the key findings and knowledge/technology outcomes resulting from the Project. Examples of knowledge and technology outcomes include: data sets; new algorithm; new methodology or practice; influence on industry codes, standards, or regulations; TRL advancement; impact to policy; new IP; etc. Details should be in a format that allows reviewers to readily compare and evaluate the findings against the original Work Package (WP) objectives. Please make note of any WP variances that occurred during the Project period, the rationale for the change(s), and their impact to the overall research.
7. **Conclusions and Impact.** Provide an overview of the Project, summarizing the relative success (or otherwise) of the Project, as well, describe the overall impact of the project toward resolving specific sector knowledge gaps or problems.
8. **Recommendations and Future Considerations.** Provide a list (in bullet form) of recommended future actions, next steps, and/or additional research that you consider important to continuing efforts to close the knowledge gap or problem. As part of this list, please highlight any shortcomings or limitations encountered during the Project and recommended changes that could improve on future research and initiatives.
9. **Financial** – Complete the attached (Excel) **Project Reporting Table (use 'Final' tab)**, providing financial accounting for the full project period.
10. **Highly Qualified Personnel (HQP) Summary.** Complete the attached (Excel) **Project Reporting Table (use 'Final' tab)**, providing details on HQP contributions for the full project period.
11. **Dissemination:** Please complete **Table 1** below, providing details on research contributions directly arising (or pending) from this Project. Include details on: Title of paper/presentation, date, publication name, etc.; and indicate if contribution is '*published*', '*accepted*', '*submitted*', or '*pending*' (including target date for submission).

TABLE1.

Refereed publications:
Abstracts:
Invited national and international presentations
Awards:
Other:

12. References. Please cite all information sources used to undertake and complete the research and/or develop the Final Report.

SCHEDULE E

Ethics Policy

1. Application

This policy applies to all directors, officers, committee members, employees or contractors of OERA (also referred to herein as “the Association”).

2. Guiding Principles

The OERA wishes to fulfill its mission with integrity and to the high ethical standard defined in this policy. The integrity of the organization’s decision-making could be compromised by a real, potential or perceived conflict of interest on the part of any of its directors, officers, committee members, employees or contractors. Trust and confidence in the board of directors and the organization can only be sustained if conflicts of interest are identified, disclosed and resolved in an appropriate manner. Conflicts of interest that arise between an individual and the OERA shall be resolved in accordance with this policy.

It is clearly understood that there is an inherent community of interest in research and that the members of the Association have an interest collectively as well as individually in the granting of research funds and project funds in meeting the aims of the Association.

3. Applicable Laws and Acts

The Association is required to comply with the requirements of the *Canada Corporations Act*, R.S.C. 1970, c. C 32 as from time to time amended (“the Act”) with respect to conflict of interest. The relevant excerpts of the Act are found in Appendix A. Section 35 of the Association by-laws states:

Each director and officer shall declare in writing to the corporation, their interest in any contract or transaction or proposed contract or transaction with the corporation. **In the case of a director, the required declaration shall be made at the time and in the manner required by the Act.** Except as permitted by the *Act*, the director shall not be entitled to vote in respect of any contract or transaction or proposed contract or transaction in which they are so interested and if they do so vote, their vote shall not be counted. **A conflict of interest shall not be assumed simply because a director is an employee of an organization for which the Research Advisory Committee is recommending be granted funds for research work.** (Emphasis added.)

The intent of this policy is to establish ethical standards that are consistent with the Act and the by-laws and statutes, as well as certain additional standards and guidelines with respect to ethical decisions made.

4. Definitions

A conflict of interest is:

- any situation in which an individual’s private or personal interests may be incompatible, or may be reasonably perceived to influence, the exercise of their duties and responsibilities as a director, officer, committee member or employee of the Association.

- any situation where the involvement of an individual in another organization may be incompatible with, or may be reasonably perceived to influence, the exercise of their duties and responsibilities as a director, officer, committee member or employee of the Association.

A conflict of interest can be:

- of a **monetary or economic** nature (gain or avoidance of loss), or
- **non-economic interests or benefits** that may serve political, corporate or institutional interests of an individual or another organization in which the individual has an interest

A conflict of interest can also be:

- **direct** – where an individual benefits directly (whether financially or otherwise), or
- **indirect** – where an individual derives an indirect benefit through family relationships

Finally, this policy includes a conflict of interest that is:

- **real** - an interest that is incompatible with their duties and responsibilities
- **potential** - an interest that could give rise to a real conflict depending upon how the situation unfolds (e.g. an organization issues an RFP for professional services; if a director is a partner in a firm that is considering responding, they have a potential conflict; if the firm does not respond, there is no conflict), or
- **perceived** - an interest that may be reasonably perceived to influence their duties and responsibilities.

A conflict of interest does not exist where:

- the interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the individual, or where a pecuniary interest is in common with a broad group of which the director is a member

Granting Process and Structure

1. Role of the Board of Directors

The board of directors, through workshops or conferences and consultation with appropriate experts, will:

- establish the strategic directions and priorities for research activities to be funded by the Association and
- communicate these plans and priorities to the research community and the Research Advisory Committee.

The board of directors will:

- receive recommendations in relation to the scientific merit and fit of the Research Proposals with these priorities from the Research Advisory Committee and
- approve such recommendations or reject them in whole or return the matter for further consideration and recommendation of the Research Advisory Committee.

2. Confidentiality

The Association is committed to the principles of openness and transparency in its governance and will adhere to the standards established under applicable privacy legislation.

The Association's process for divulging information will take into account the integrity of the grant review process and the personal, private or confidential commercial information contained in applications for funding. Therefore, all information contained in applications, reviews and committee discussions is strictly confidential. Applications and all related information supplied by an applicant are deemed to be the personal, private or confidential commercial information of the applicant.

Premature disclosure of decisions is inappropriate and potentially damaging to the decision-making process, and as such the Association's directors, officers, employees, committee members, volunteers or contractors are prohibited from:

1. providing information before, during and after the review regarding their deliberations or recommendations to anyone outside the review process, and
2. discussing with applicants any information relating to the review of a specific application or offer opinions on the chances of success or failure.

Once a research contract has been awarded by the Association, the terms of said research contract will be publicly available and will be posted on the Association's website.

With respect to other information, the Province's Freedom of Information and Protection of Privacy Act will be used as guidance when making decisions on whether to release the information.

SCHEDULE F

Conflict of Interest Guidelines

The Association must make every effort to ensure that its decisions are fair and objective. No individuals with a conflict of interest as defined in this policy may participate in the review of an application or decisions regarding the granting of research funds except as specifically outlined in this policy.

Therefore, individuals who have an application, either as an individual or as a member of another organization, before the RAC (or its Technical Advisory Committees or like sub-delegates), Board of Directors or other relevant committee shall limit their participation in meetings in manner set out in the Procedures section below.

In order to provide greater clarity in interpreting the general principles outlined in this policy, the following examples are given where an individual must declare a conflict of interest and also leave the room when an application for funding is being considered:

Note the circumstances listed below are not exhaustive and are intended to simply provide further guidance.

- Has been, or would be, directly involved in the project (e.g. as a current or past advisory board member, consultant, collaborator, or conference speakers whose expenses would be paid from the grant),
- Has collaborated academically or in research matters, published or been a co-applicant with the applicant, within the last five years,
- Serves as an officer, director, member, owner, trustee, expert, advisor, consultant (with or without compensation), or employee of an applicant or other organization that would be affected financially by his or her decision,
- Is employed by the same institution or organization as the applicant or was employed there within the past year, (*although not considered a conflict of interest, directors in these circumstances are expected to withdraw from any discussion/decision regarding an application from his/her organization),
- Is or has been under consideration for a position at the applicant's organization or institution within the last two years,
- Has served as an officer, director, member, owner, trustee, expert, advisor, consultant (with or without compensation), or employee with the applicant's organization within the past year,
- His/her organization has members or closely affiliated officials (e.g. board of trustee members) who serve as an officer, director, member, owner, trustee, expert, advisor, consultant (with or without compensation), or employee with the applicant's organization or institution,
- Has been a student, advisor or supervisor of the applicant or other key personnel identified in the application within the last ten years,
- Is a close personal friend or relative of the applicant,
- Has had long-standing scientific or personal differences with the applicant,
- Has immediate family or household members who are in a position to gain or lose financially from the outcome of the application (e.g. hold stock in the company of an industry partner or a competitor),

- Has a proposal planned for submission to the Association or currently under review by the Association within the same subject area as the proposed project,
- Is currently involved in a project closely associated with the proposed project,
- For some other reason feel that they cannot provide an objective review of the application,

Other circumstances (beyond those itemized in the guidelines above) may give rise to actual, potential or perceived conflicts of interest. If an individual has concerns about whether or not a situation presents a conflict of interest, he/she should consult the Chair of the RAC or the Board Chair, as the case may be, who will help to determine whether or not particular circumstances give rise to a conflict of interest.

In the event that the issue cannot be resolved by the RAC Chair or the Board Chair respectively, the question of whether or not particular circumstances present a conflict of interest will be referred to the board of directors for determination via majority resolution. In the event that an actual, potential or perceived conflict of interest is found to exist, the procedures for disclosure and withdrawal outlined in the Procedures section of this policy will apply.

Procedures

- a. At the start of any meeting, the Chair (committee chair or board chair, as the case may be) poll the directors, officers, employees and committee members on whether or not they have any conflicts of interest. The results of that poll will be recorded in the minutes of the meeting. If an individual finds that a conflict of interest becomes apparent only as the meeting progresses, the nature of the conflict should be declared as soon as practicable to the Chair.
- b. Contractors are to disclose conflicts to the Association's Treasurer and/or the Board Chair who will in turn bring the declaration to the attention of the board of directors.
- c. Except as set out in section e. when a director or a member of a Committee is asked to decide or advise on the granting of funds for a project or program of research proposed by an individual or group within an organization with which they are a member, they are required to withdraw from discussion and refrain from voting.
- d. An individual with a declared conflict of interest will be required to withdraw from the meeting for the discussion and vote of the application or matter giving rise to the conflict.
- e. In the event that, despite a real, potential or perceived conflict, it is felt to be essential that an individual with a declared conflict of interest must participate in a discussion (e.g. where the individual is the only available source of expertise needed to inform the decision-making process), that person may be permitted to participate in the discussion of the application or matter giving rise to the conflict. The individual in question should participate to the minimal extent required, and in any event shall not vote on the application or other matter being discussed. This option only applies where the individual does not plan to work on the project under consideration. Where such an exception is made, it must solely be on the grounds that the value to the quality and integrity of the application review process of the individual in question may be deemed to outweigh any residual suggestion of conflict arising from the declared conflict of interest.
- f. Notwithstanding any of the above, an individual may voluntarily choose to withdraw from the discussion of a proposal at any time if s/he wishes to do so. This may arise for a number of reasons as discussion of the proposal develops. The meeting secretary should record in the minutes the point at which an individual ceases to take part in the discussion and leaves the meeting.

- g. If there is any doubt about whether the decision to remain involved is defensible to a reasonable member of the public, then the individual should absent themselves or be asked by the Chair to leave the meeting.
- h. Following the conclusion of any review of applications by the RAC, the Committee Chair shall report to the board of directors the number of conflict of interest issues which were identified and a summary of how they were dealt with by the Committee.

Consequences

Where a breach of this conflict of interest occurs, decisions may be called into question and the actions of those involved subject to further scrutiny. Disciplinary action, requests for resignation and prohibition against future involvement with the Association are among the potential consequences for individuals who contravene this policy.

Appendix A – Canada Corporations Act – Conflict of Interest

1. Subject to this section, it is the duty of a **director** of a company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company to **declare his interest at a meeting of directors** of the company.
2. In the case of a proposed contract the declaration required by this section to be made by a director shall be made **at the meeting of directors at which the question of entering into the contract is first taken into consideration**, or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after they become so interested, and, in a case where the director becomes interested in a contract after it is made, the declaration shall be made **at the first meeting of directors held after the director becomes so interested**.
3. For the purposes of this section, a **general notice given to the directors** of a company by a director to the effect that he is a shareholder of or otherwise interested in any other company or is a member of a specified firm and is to be regarded as interested in any contract made with such other company or firm shall be **deemed to be a sufficient declaration of interest** in relation to any contract so made.
4. **No director shall vote in respect of any contract or proposed contract in which they are so interested as aforesaid and if they do so vote their vote shall not be counted**, but this prohibition does not apply
 - a. in the case of any contract by or on behalf of the company to give to the directors or any of them security for advances or by way of indemnity,
 - b. in the case of a private company, where there is no quorum of directors in office who are not so interested, or
 - c. in the case of any contract between the company and any other company where the interest of the director in the last-mentioned company consists solely in their being a director or officer of such last-mentioned company, and the holder of not more than the number of shares in such last-mentioned company requisite to qualify them as a director.
5. A director who has made a declaration of their interest in a contract or proposed contract in compliance with this section and has not voted in respect of such contract contrary to the prohibition contained in subsection (4), if such prohibition applies, is not accountable to the company or any of its shareholders or creditors by reason only of such director holding that office or of the fiduciary relationship thereby established for any profit realized by such contract.
6. For the purposes of this section “contract” includes “arrangement” and “meeting of directors” **includes a meeting of an executive committee** elected in accordance with section 96.
7. Nothing in this section imposes any liability upon a director in respect of the profit realized by any contract that has been confirmed by the vote of shareholders of the company at a special general meeting called for that purpose.

(Emphasis added.)