

Minister of
Fisheries and Oceans



Ministre des
Pêches et des Océans

Ottawa, Canada K1A 0E6

JUN 26 2003

The Honourable David Anderson, P.C., M.P.
Minister of the Environment
Room 133, East Block
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Colleague:

On March 24, 2003, the Maritimes regional office of Fisheries and Oceans Canada (DFO) received a project description from Global Quarry Products for a project proposal at Whites Point, Digby County, Nova Scotia. The proposal consists of a 155 ha. basalt quarry and associated deepwater marine terminal.

The proposed project is located on Digby Neck a narrow peninsula situated at the outer Bay of Fundy. This area is a rich, diverse marine ecosystem with important fisheries resources and several endangered species including the North Atlantic right whale and Bay of Fundy stock of Atlantic salmon. Tourism and fishing are among the most important economic activities in the area.

On the basis of an analysis of the information received from the proponent, DFO has concluded that various components of the proposed project will likely require authorizations under subsection 35(2) of the *Fisheries Act* to harmfully alter, disrupt or destroy fish habitat, and section 32 to destroy fish by means other than fishing. Our analysis has also determined that the marine terminal portion of the project will interfere substantially with navigation, thereby requiring formal approval under subsection 5(1) of the *Navigable Waters Protection Act*.

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Under subsection 5(1)(d) of the *Canadian Environmental Assessment Act (CEAA)*, regulatory decisions made by DFO respecting various components of the proposal are subject to the federal environmental assessment process set out in the *CEAA*. My department is the sole responsible authority for the environmental assessment of this project. On the basis of technical information we have received, we have determined that the marine terminal component of the proposal meets the criteria for a comprehensive study as defined in the *Comprehensive Study List Regulations* of the *CEAA*, 28(c) – marine terminal designed to handle vessels larger than 25,000 Dead Weight Tones.

In light of the information provided by the proponent, DFO believes that the Whites Point Quarry and Marine Terminal, as proposed, are likely to cause environmental effects over a large area of both the marine and terrestrial environments. The project is also subject to an environmental assessment by the province of Nova Scotia. The province has expressed interest to DFO in participating in a joint assessment of the project.

For the above reasons, and in the interest of harmonizing the federal provincial environmental assessment processes, I am of the opinion that an assessment by a review panel is the most appropriate level of assessment. I am therefore referring the proposed Whites Point Quarry and Marine Terminal project to you for a referral to a review panel in accordance with paragraph 21(b) of the *CEAA*.

Yours truly,

A handwritten signature in black ink, appearing to read 'R. Thibault', followed by a horizontal line extending to the right.

Robert G. Thibault