MEMORANDUM TO MINISTER
NOTE DE SERVICE AU MINISTRE

Subject / Objet
Joint Panel Review of the Whites Point Quarry and Marine Terminal Project

ISSUE

Your approval of the agreement between you and the Minister of the Environment and Labour, Nova Scotia, to establish a joint review panel for the environmental assessment of the Whites Point Quarry and Marine Terminal project. Further, your approval of the appointment of the joint review panel members.

RECOMMENDATION

I recommend that you:

1. Approve and sign the attached agreement; and
2. Sign the three attached letters in respect of panel appointments.

CONSIDERATIONS

On June 26, 2003, the Honourable Robert Thibault, Minister of Fisheries and Oceans, referred the Whites Point Quarry and Marine Terminal project to your predecessor for environmental assessment by way of a review panel.

On August 11, 2003, your predecessor and his counterpart for the Province of Nova Scotia released for public comment a draft agreement for the establishment of a joint review panel for the Whites Point Quarry and Marine Terminal project.

Approximately one hundred comments were received during the comment period that closed on October 22, 2003. The majority of comments concern:

- Insufficient allotment of time and opportunities for public participation in the proposed panel review process;
- Appointment of members to the joint review panel too late in the proposed process; and

- Inconvenient timing and location of public hearings.

Other comments received related to the potential effects of the project on the environment. These will be considered in developing the Guidelines for the preparation of the Environmental Impact Statement.

Nova Scotia Environment and Labour only agreed in late January 2003 to early appointment of members to the joint review panel and the inclusion of scoping meetings during the comment period on the Guidelines for the preparation of the Environmental Impact Statement. Neither the Agency nor Nova Scotia Environment and Labour favour changes to the proposed timelines and recommend that the panel decide the best location and time for public hearings.

On February 27, 2004, Bilcon of Nova Scotia Corporation informed the Agency that it entered into discussions with Nova Stone Exporters Inc. Concerning the project and that these discussions may result in a change in ownership. Bilcon and Nova Stone owned Global Quarry Products at the time and the later was the initial proponent of the project. Bilcon asked that the execution of the agreement be postponed until discussions are resolved. The Agency and the Nova Scotia Department of Environment and Labour agreed to the request.

On August 17, 2004, Bilcon informed the Agency that the previous partnership with Nova Stone has been dissolved and the lease for the entire parcel of land on which the project is being proposed is now held by Bilcon. Therefore Bilcon is now the sole proponent of the project.

PANEL MEMBERS

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NEXT STEPS

If you and your counterpart for Nova Scotia sign the agreement, the Agency and Nova Scotia Environment and Labour will issue a joint news release announcing the agreement, the start of the joint review process and the appointment of the Panel members.

Very shortly after, the Agency will issue a news release announcing the federal Participant Funding Program while the Agency and Nova Scotia Environment and Labour will issue a joint news release announcing the release of the draft Guidelines for the preparation of the Environmental Impact Statement and the related comment period.
Bob Connelly

I concur

Stéphane Dion, P.C., M.P.

Attachment

c.c.: Samy Watson
BACKGROUND

The Project

Bilcon of Nova Scotia Corporation is proposing to construct and operate a basalt quarry, processing facility and marine terminal located on Digby Neck in Digby County, Nova Scotia.

Quarrying is expected to take place on 120 hectares of land with production expected to be 2 million tonnes of aggregate per year. Approximately 4 hectares of new quarry would be opened each year. The land based quarry operations are expected to be year round with aggregate stockpiled for ship loading once per week. Drilling and blasting of basalt rock, loading, hauling, crushing, screening, washing, and stockpiling would be done on-site.

Land based permanent structures would include rock crushers, screens, closed circuit wash facilities, conveyers, load out tunnel, support structures and environmental control structures. Associated construction processes would include the erection of on land aggregate processing equipment, conveyers and wash water pumping systems.

Marine facilities would include a conveyor, ship loader, berthing dolphins and mooring buoys. Construction processes for the marine terminal infrastructure would include the anchoring of pile support structures to the basalt rock extending offshore and the construction of concrete caps as dolphins. Approximately 40,000 tonnes of aggregate would be produced for loading each week.

The project requires an authorization under the Fisheries Act and the Navigable Waters Protection Act. Prior to issuing these authorizations, Fisheries and Oceans Canada and Transport Canada are required to undertake an environmental assessment pursuant to the Canadian Environmental Assessment Act.

The project is also subject to an environmental assessment under the Nova Scotia Environment Act. The Nova Scotia Department of Environment and Labour had expressed concerns regarding the length of time that could be required to conduct a joint review of the project. To that end, the agreement specifies timelines associated with key steps in the joint review process that are acceptable to the Province.