

MEMORANDUM FOR THE ASSISTANT DEPUTY MINISTER, OCEANS

**ENVIRONMENTAL ASSESSMENT OF PROPOSED QUARRY AND  
SHIPPING TERMINAL, WHITES COVE, DIGBY COUNTY, NOVA SCOTIA  
PRE-MEETING FOR MEETING WITH ASSOCIATE DEPUTY MINISTER**

(For Information)

**SUMMARY**

- The Department of Fisheries and Oceans (DFO) has determined that the marine shipping terminal portion of a project proposed by Global Quarry Products / Nova Stone Exporters (proponent) will require approval under the *Navigable Waters Protection Act* Subsection (Ss.) 5(1) and a Comprehensive Study (CS) level Environmental Assessment (EA) pursuant to the *Canadian Environmental Assessment Act (CEAA)*. DFO will be lead Responsible Authority (RA) for the CS.
- DFO is reviewing a blasting plan and conducting discussions and field work with respect to the quarry to determine if it requires approval under the *Fisheries Act* Ss. 35(2) or S. 32 and consequently a *CEAA* review.
- The Province is responsible for the entire project (terminal and quarry) in its Environmental Impact Assessment (EIA) process and has made representation to DFO for joint EA review, which implies same scope of project for both levels of government. The proposed project has been very controversial and the Province is therefore anxious to have federal involvement with assessment of both the terminal and quarry.
- DFO officials are of the opinion that the proposed project may cause significant adverse environmental effects and is of significant public concern. At this time, DFO is considering the option of referring the project to the Minister of Environment for a Panel Review.

**Background**

- On March 24, 2003, DFO received the proponent's project description for the proposal, consisting of a 155 ha. quarry and deepwater marine shipping terminal.
- Previously, on February 17, 2003, DFO had advised the proponent that the marine terminal would require an approval under Ss. 5(1) of the *Navigable Waters Protection Act*. This regulatory requirement is a trigger for a *CEAA* assessment.
- The type of EA required on the terminal is a CS, pursuant to the *CEAA* – *Comprehensive Study List* Ss. 28(c) - marine terminal designed to handle vessels larger than 25,000 DWT. DFO will be lead RA for the CS.
- DFO is reviewing the proponent's blasting plan for a 3.9 ha. test quarry, and conducting on-going discussions and field work of the overall 155 ha. quarry site to determine if approvals are required under the *Fisheries Act* Ss. 35(2) or S. 32, either of which would trigger a *CEAA* review.
- On March 31, 2003, DFO met with the Canadian Environmental Assessment Agency (Agency), Nova Scotia Department of Environment and Labour (NSDEL) and other Federal Authorities. It was agreed that a joint federal-provincial EA process will occur and an agreement will be signed between all parties involved in the EA. NSDEL is drafting the agreement.
- This proposal has generated extensive public and media attention related to its potential environmental and social impacts. Concerns include impacts on lobster, herring and endangered Bay of Fundy stock of Atlantic salmon, fisheries, marine mammals including the endangered right whale, release of ballast water and introduction of exotic species, loss of tourism and disruption of the local community.

**Analysis / DFO Comment**

- The Province is responsible for the entire project (terminal and quarry) in its EIA process and has made representation to DFO for joint EA review which implies same scope of project for both levels of government. The proposed project has been very controversial and the Province is therefore anxious to have federal involvement with assessment of both the terminal and quarry.
- DFO has determined that the marine terminal will require a *CEAA* assessment, however, it has yet to be determined if there is a trigger for assessment of the quarry. It is likely, due to public opposition of the proposal that there will be a court challenge if the scope of project for the *CEAA* assessment does not include both the quarry and terminal.

- The option exists under *CEAA* Ss. 21(b) for DFO as RA to refer the proposed project to the Minister of Environment for a Panel Review at any stage of the CS process. In this event, the Minister of Environment, after consulting with the RA, makes the decision on scope of project for the review pursuant to *CEAA* Ss. 15(1)(b).

**Recommendation / Next Steps**

- DFO officials are of the opinion that the project as proposed may cause significant adverse environmental effects and is of significant public concern.
- DFO is currently considering the option of referring the project to the Minister of Environment for a Panel Review.
- Discussion will be taking place with the Agency and the Province, prior to completing a decision on the level of assessment.

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Richard Wex

| Bruce Hood/Richard Nadeau/cjr

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