



JAN 14 2003

MEMORANDUM FOR THE MINISTER

**PROPOSED ROCK QUARRY AND SHIPPING  
TERMINAL, WHITES COVE, DIGBY COUNTY, NOVA SCOTIA**

(Information Only)

**SUMMARY**

- There has been considerable media and public interest in a provincially approved 3.9-hectare stone quarry site, and associated deep-water marine shipping terminal proposal at Whites Cove, Digby County, Nova Scotia.
- Nova Stone Exporters (proponent) has indicated that it will submit a revised plan for the marine terminal component of the proposal to the Department of Fisheries and Oceans (DFO) within weeks. DFO will ensure that the proposal meets the requirements of the *Fisheries Act* and the *Navigable Waters Protection Act (NWPA)*.
- Should the *Canadian Environmental Assessment Act (CEAA)* apply, DFO and other Responsible Authorities (RAs) will determine the type of environmental assessment (EA) required, and consider harmonizing the assessment with the province.

**Background**

- On February 6, 2002, the proponent applied to DFO Navigable Waters Protection Program (DFO-NPP) to construct piers for a deep-water marine shipping terminal. DFO-NPP forwarded the proposal to DFO Habitat Management for review under the habitat protection provisions of the *Fisheries Act*. The proponent was advised that the plan required further information.
- On April 9, 2002, the proponent informed DFO that it would be submitting a revised proposal, which has not yet been received.
- DFO subsequently advised the proponent of its responsibilities pursuant to the *Fisheries Act* and *NWPA*, and the authorizations and approvals that may be required, which would result in an EA of the proposal pursuant to *CEAA*.



- On April 30, 2002, the proponent received provincial approval to operate a 3.9-hectare quarry at the site. DFO reviewed the proponent's blasting plan for the quarry, and requested additional information to evaluate potential impacts on marine resources. DFO received the revised plan on November 20, 2002, and following its review, asked the proponent for further information. This information has yet to be provided.
- On December 3, 2002, DFO staff met with representatives of the Canadian Environmental Assessment Agency (Agency), Environment Canada (EC) and the Nova Scotia Department of Environment and Labour (NSDEL). Provincial officials expressed interest in conducting a harmonized EA of the proposal and informed DFO that the proponent is finalising plans for the proposed deep-water marine shipping terminal.
- On January 6, 2003, DFO staff, the proponent and representatives from the Agency, EC and the NSDEL had preliminary discussions about an EA, and the possibility of co-ordinating the federal and provincial reviews.

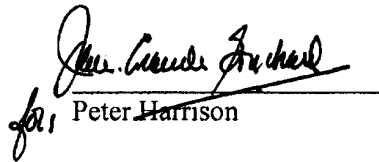
#### **Analysis / DFO Comment**

- Considerable media and public attention has been focused on this project and the potential impacts on marine mammals such as the endangered Right whale.
- A revised proposal for the deep-water marine shipping terminal is anticipated for submission to the province and DFO shortly. When a proposal is received, DFO will determine if it requires formal approval under Section 5(1) of the *NWPA* or authorization under Section 35(2) or 32 of the *Fisheries Act*, both of which trigger a *CEAA* assessment. Our review of the revised blasting plan for the quarry is continuing pursuant to Section 32 of the *Fisheries Act*.
- The anticipated scale of the terminal project would likely require a Comprehensive Study Review (CSR) pursuant to the *CEAA* - Comprehensive Study List Section 28(c). However, given the level of public concern, potential for numerous federal *CEAA* triggers and environmental issues as well as the size, extent and duration of the overall project, a Panel Review may be warranted. In either EA scenario a public consultation component would be appropriate. DFO would likely be Lead RA for the assessment.

#### **Recommendation / Next Steps**

- DFO recognizes the high level of public concern over the potential environmental effects of this project and will carefully consider this in its review.

- When the proponent submits a revised blasting plan for the quarry, DFO will finalize its review and provide comments to the province, and proponent with respect to the plan's effectiveness at mitigating impacts to fish, marine mammals and their habitats.
- Upon receipt and review of the revised plans for the deep-water marine shipping terminal, DFO will determine if the *CEAA* applies, and if so, along with other RAs whether a CSR or Panel Review is warranted.
- In addition, DFO will consider a harmonized EA, followed by discussion with the province to discuss the EA process, roles and responsibilities, timelines and information requirements.

  
for Peter Harrison

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