

## Findings and Decision - Renewal Application of Kelly Cove Salmon Ltd. for AQ#1039

### 1. Overview:

On April 27, 2016, the Nova Scotia Department of Fisheries and Aquaculture (NSDFA) received an application from Kelly Cove Salmon Ltd. (KCS) to renew Aquaculture Licence and Lease #1039 (AQ#1039), as described below:

Table 1. Description of Aquaculture Licence and Lease #1039

<b>Type:</b> Marine Finfish	<b>Size:</b> 8.75 HA
<b>Number:</b> AQ#1039	<b>Cultivation Method:</b> Suspended Cage Cultivation
<b>Applicant:</b> Kelly Cove Salmon Ltd.	<b>Species:</b> Atlantic salmon, Atlantic halibut, Atlantic cod, Rainbow trout, Haddock
<b>Location:</b> Rattling Beach, Annapolis Basin, Digby County	<b>Proposed Term:</b> 10 year Licence/20 year Lease

### 2. History

AQ#1039 was issued to Rattling Beach Farm Ltd. on April 27, 1996 for a ten year term (April 27, 1996 to April 27, 2006). AQ#1039 was amended on July 3, 1999 to allow for the cultivation of Atlantic halibut for a period of five years. AQ#1039 was subleased from Rattling Beach Farms Ltd. to Di-Anna Aqua Incorporated on April 1, 1998 for a four year term (April 1, 1998 to April 1, 2002). AQ#1039 was assigned from Rattling Beach Farms Ltd. to Di-Anna Aqua Incorporated on March 9, 2001. AQ#1039 was amended on October 8, 2003 to permanently allow for the cultivation of Atlantic halibut, Atlantic cod, and Haddock. AQ#1039 was assigned from Di-Anna Aqua Incorporated to Kelly Cove Salmon Ltd. on June 10, 2004. AQ#1039 was renewed on April 25, 2006 for a five year term (April 27, 2006 to April 27, 2011). AQ#1039 was renewed on February 8, 2012 for a five year term (April 27, 2011 to April 26, 2016).

### 3. Procedure

#### 3.1 Performance Review

A performance review of the information submitted by the operator in support of their renewal application was completed. This review recommended that the site be renewed based on the technical and biological assessment. This performance review is required pursuant to Subsection 72(c) of the Aquaculture Licence and Lease Regulations, and was completed on May 2, 2015.

#### 3.2 Public Comment Period

Notice of the application for the renewal of AQ#1039 for the 30-day public comment period was published on NSDFA's website (<http://novascotia.ca/fish/aquaculture/public-information/>) for the period of May 5, 2016 to June 3, 2016. Notice of the application was also published in the Royal Gazette Part I on May 4, 2016, May 11, 2016, May 18, 2016, and May 25, 2016

One submission was received by NSDFA during the 30-day public comment period. This submission pertained to the site operating outside of its authorized boundaries. These concerns are addressed below.

#### **4. Factors to be considered**

Review of the file indicates the site has had consistent production and records indicate continuous employment. The renewal plan indicates continued production is planned for this site and therefore resulting employment. Should the operator not operate the site as indicated, the Department's site utilization review procedures will be triggered. The renewal plan indicates contribution to the economy through supporting supplies and services.

The performance review noted the presence of other fishery activities in the area of the site. There were no ecological concerns identified in the past performance of this site with respect to negative impacts on other fisheries. Environmental Monitoring Program (EMP) results over the past five years demonstrated that oxidic conditions were maintained. KCS is required to adhere to all Environmental monitoring provisions of the Aquaculture Management regulations, including the need to maintain sufficient oxidic conditions.

AQ#1039 is one of three marine finfish aquaculture sites issued to Kelly Cove Salmon Ltd. in the Annapolis Basin, along with AQ#1040 and AQ#1041. Aquaculture site #1039 is located approximately 2.0 km from the nearest marine aquaculture site (AQ#1343, issued to Innovative Fishery Products Ltd. for shellfish aquaculture). AQ#1040 and AQ#1041, both issued to Kelly Cove Salmon Ltd., are each within 3.0 km of AQ#1039. There is no indication that the surrounding waters have exceeded their carrying capacity.

AQ#1039 is approximately 30 metres from the shoreline at its nearest point along the western boundary of the site. AQ#1039 is approximately 400 metres south of the Digby-Saint John ferry terminal. There are instances of complaints on file pertaining to noise from the operation of the site. Section 14(f) of the *Aquaculture Management Regulations* requires the operator to address issues of noise in their Farm Management Plan, which must be submitted to NSDFA on or before October 26, 2016.

KCS will be required to complete, for NSDFA approval, a Farm Management Plan (to be completed on or before October 26, 2016) as required by the Aquaculture Management Regulations. The Farm Operations section of the Farm Management Plan form AQ#1040 will require the operator to indicate how they will operate AQ#1040 in accordance with industry best practices with respect to items such as interactions with wildlife, noise, maintaining the site in good order, the removal of decommissioned farm supplies and equipment, and the retrieval of gear or debris that has broken loose.

Section 55 of the *Licence and Lease Regulations* requires an aquaculture licence holder to mark each of their sites in a manner determined by the Minister and keep each site marked during the term of their licence. Also, it is a requirement for the equipment and aquacultural produce to remain within the geographic boundaries of that site. Issues surrounding site boundaries were identified during the renewal process, and the operator will be required to adhere to prescribed

measures for ensuring the site is within the approved boundaries. Specifically, the operator is required to submit either a boundary amendment application to NSDFA or a site realignment application to Nova Scotia Environment on or before October 26, 2016.

Kelly Cove Salmon Ltd. is required to adhere to all elements of the *Aquaculture Management* regulations. Said regulations outline criteria for containment management. KCS will be required to implement a Farm Management Plan, to be approved by the Department, which will further define their measures to minimize potential impacts on wild salmon. There is no information on file regarding ecological concerns involving species listed through the *Species at Risk Act (SARA)*, including wild Atlantic salmon.

#### 5. Decision

Based on the considerations above, Aquaculture Licence #1039 shall be renewed for a period of 10 years (April 27, 2016 to April 27, 2026) and Aquaculture Lease #1039 shall be renewed for a period of 20 years (April 27, 2016 to April 27, 2036). The Licence and Lease documents shall be prepared in accordance with the standard operating documents of NSDFA, and shall be made publically available subject to the provisions of the *Freedom of Information and Protection of Privacy Act*.


Also, should the operator fail to avail themselves of the prescribed measures for ensuring site boundary compliance, the site boundaries as prescribed in the Licence and Lease document shall be enforced.

In addition, the following condition shall apply.

#### 6. Condition(s)

Kelly Cove Salmon Ltd. shall adhere to the following site marking requirements:

- (a) mark all corners of the leased site with cautionary yellow buoys of a minimum of 60 cm in diameter;
- (b) mark all corners of the leased bottom with a cement block or similar device of a weight sufficient to ensure the cement block or device remains in place at all times; and
- (c) display the licence or lease number at 1 corner of the licensed or leased area.

  
\_\_\_\_\_  
Brennan Goreham  
Aquaculture Administrator  
Nova Scotia Department of Fisheries and Aquaculture

7/11/16  
Date