

Findings and Decision- Renewal Application of Kelly Cove Salmon Ltd. for AQ#1041

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 #1041 (AQ#1041), as described below:

Table 1. Description of Aquaculture Licence and Lease #1041

Type: Marine Finfish	Size: 11.99 HA
Number: AQ#1041	Cultivation Method: Suspended Cage Cultivation
Applicant: Kelly Cove Salmon Ltd.	Species: Atlantic salmon
Location: Annapolis Basin, Annapolis County	Proposed Term: 10 year Licence/20 year Lease

2. History

The original aquaculture licence and lease for this site was issued as an Experimental Aquaculture Licence and Lease (No. 8303) to Whitewater Farms Limited on April 27, 1995. No. 8300 was surrendered on May 28, 1996, and AQ#1041 was issued for a ten year term on this date (May 28, 1996 to May 28, 2006). AQ#1041 was assigned to Di-Anna Aqua Incorporated on February 2, 1998. AQ#1041 was amended on July 30, 1999 to allow for the cultivation of Atlantic halibut for a period of five years. AQ#1041 was assigned to Kelly Cove Salmon Ltd. on May 24, 2004. AQ#1041 was renewed on August 23, 2006 for a five year term (May 29, 2006 to May 28, 2011). AQ#1041 was renewed on February 8, 2012 for a five year term (May 28, 2011 to May 27, 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, 2016.

3.2 Public Comment Period

Notice of the application for the renewal of AQ#1041 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

Zero submissions specific to AQ#1041 were received by NSDFA during the 30-day public comment period.

4. Factors to be considered

AQ#1041 has not had production for a number of years. The operator intends to evaluate the growing conditions and technological challenges at the site over the next several years to determine the appropriate methods of successfully culturing Atlantic salmon at the site. Full implementation of these plans will lead to production and employment. Should the operator not operate the site as indicated, the Department's site utilization review procedures will be triggered.

The performance review noted the presence of fishery activities in the area of the site. Despite concerns raised, there were no ecological concerns identified in the past performance of this site with respect to negative impacts on other fisheries. KCS is required to adhere to all Environmental monitoring provisions of the Aquaculture Management regulations, including the need to maintain sufficient oxigenic conditions.

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 will require the operator to indicate how they will operate AQ#1041 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.

AQ#1041 is one of three marine finfish aquaculture sites issued to Kelly Cove Salmon Ltd. in the Annapolis Basin, along with AQ#1039 and AQ#1040. AQ#1041 is located approximately 2.75 km from AQ#1039, and approximately 2.2 km from AQ#1040. There are also 3 shellfish aquaculture sites within 5.0 km of AQ#1039. There is no indication that the surrounding waters have exceeded their carrying capacity. The nearest land to AQ#1041 is a small island which is approximately 1.5 km away in a southern direction. The western boundary of AQ#1041 is located approximately 2.7 km from the shoreline, and the northern boundary is located approximately 2.3 km from the shoreline.

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.

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 #1041 shall be renewed for a period of 10 years (May 28, 2016 to May 28, 2026) and Aquaculture Lease #1041 shall be renewed for a period of 20 years (May 28, 2016 to May 28, 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.



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7/11/16
Date