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1.0 ENVIRONMENTAL ASSESSMENT OF THE PROJECT

1.1 Background

A Joint Review Panel (the Panel) has been established by the Minister of the Environment, Canada (under the authority of the *Canadian Environmental Assessment Act*), and by the Minister of Environment and Labour, Nova Scotia (under the authority of the *Nova Scotia Environment Act*), to consider the possible environmental effects associated with the Whites Point Quarry and Marine Terminal Project (the Project), proposed by Bilcon of Nova Scotia Corporation (the Proponent/Bilcon).

The Proponent is proposing to construct and operate a basalt quarry, processing facility and marine terminal on Digby Neck, Digby County, Nova Scotia, where quarrying and associated activities are scheduled to take place on 150 hectares of land. Production is expected to reach 2 million tonnes of aggregate per year, or approximately 40,000 tonnes per week. The quarry is expected to expand its operational footprint by four hectares each year of operation. Land-based operations are expected to occur year-round, with aggregate stockpiled for ship loading once each week. Drilling and blasting of basalt rock, loading, hauling, crushing, screening, washing and stockpiling will be done on-site.

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

Marine facilities will 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 seafloor, along with the construction of concrete caps as dolphins. Ship visits for the purposes of loading aggregate will occur weekly - (See Reference 37 - EIS Guidelines, Chapter 1 Background).

1.2 The Joint Panel Review Mandate

The Panel has been charged with the responsibility to identify, evaluate and report on the potential impacts (adverse and beneficial effects) of the Project on the physical, biological and human environments. The mandate of the Panel is defined in the Agreement signed by Federal and Provincial levels of government (See Appendix 24). The Agreement explicitly states, “The Panel shall conduct its review in a manner that discharges the requirements set out in the Canadian Environmental Assessment Act, Part IV of the Nova Scotia Environment Act and the Terms of Reference attached hereto as an Appendix.”

The Agreement and Terms of Reference (TOR) found in Appendix 24 of this document outlines the factors the Panel must consider in conducting its environmental assessment. The Panel has considered these factors in developing the EIS Guidelines. It is the responsibility of the Proponent to prepare an EIS that identifies and evaluates the effects of the Project for submission to the Panel.

All materials related to the Project received by the Panel and federal and provincial departments will be made publicly accessible through a Public Registry available on-line and in designated sites in the community.

At the conclusion of the public hearings on the Project, the Panel will prepare a report that will include its finding and recommendations, and will submit the report to the Ministers- (See Reference 37 - EIS Guidelines Chapter 1, The Joint Panel Review Mandate).

1.3 Cost Recovery

Bilcon of Nova Scotia Corporation was advised at a meeting with the Canadian Environmental Assessment Agency (CEAA) and the Nova Scotia Department of Environment and Labour (NSDEL) in October, 2004 that a cost recovery agreement with respect to the Joint Panel Review was being prepared and would be forwarded to Bilcon for signature in November, 2004.

In February, 2005, a Memorandum of Understanding Concerning Cost Sharing Related to the Environmental Assessment of the Whites Point Quarry and Marine Terminal (See Appendix 27) was signed by Bruce Young, Director, Project Assessment for CEAA and by William G. R. Lahey for NSDEL. This document sets out the costs borne out by each party to the Memorandum, cost sharing and a dispute resolution mechanism.

In October, 2005, a Service Level Agreement Respecting the Joint Panel Review of the Whites Point Quarry and Marine Terminal Project (See Appendix 37) signed by Bruce Young and William G.R. Lahey was received by the Proponent. This agreement was signed by the Proponent on November 7th, 2005. This agreement sets out the Background (Cost Recovery Authority and Secretariat Operations), Financial Considerations (Budget Estimate, Invoicing and Payment Due), Audit, Dispute Resolution and Amendment and Termination of the Agreement.

1.4 Participant Funding

On November 9th, 2004, the Canadian Environmental Assessment Agency announced funding in the amount of \$100,000 (See Appendix 10) to assist the public to take part in the Panel Review process. The announcement advised that in Phase I up to \$25,000 was

being provided to the public for the review of the Environmental Impact Statement (EIS) Guidelines. In Phase II that amount rose to \$75,000 to prepare for and participate in the public hearings. Applications for Phase I funding were to be received by the CEAA no later than December 10th, 2004.

A funding review committee, independent of the Joint Review Panel, assessed the applications and on December 30th, 2004, announced that seven groups had been awarded funding in the amount of \$25,583 to assist with participation in the review of the draft EIS Guidelines. (See Appendix 10)

The groups are as follows:

- The Community Liaison Committee for Whites Point Quarry
- Enviro-Clare
- The Sierra Club of Canada
- The Clean Annapolis River Project
- The Ecology Action Centre
- The Partnership for Sustainable Development of Digby Neck and Islands Society
- The Digby Neck Community Development Association

On April 30th, 2005, the CEAA announced that \$81,300 was available to participate in the review of the EIS and the panel hearings to follow. Applications for this funding were to be received by the CEAA by May 11th, 2005. A funding review committee, independent of the panel, again reviewed the applications and on July 26th, 2005, the CEAA announced that funding had been awarded to the following groups (See appendix 10):

- The Canadian Parks and Wilderness Society - Nova Scotia Chapter
- The Sierra Club of Canada - Atlantic Canada Chapter
- The Ecology Action Centre
- The Confederacy of Mainland Mi'kmaq (CMM)
- The Partnership for Sustainable Development of Digby Neck and Islands Society
- The Digby Neck Community Development Association
- The Clean Annapolis River Project
- Tony Kelly (Residents group)