

Reg. #1834

SEP 05 2018

Mr. Knut Skeidsvoll
Grieg NL Nurseries Ltd.
Grieg NL Seafarms Ltd.
PO Box 457
Marystow, NL A0E 2M0

Dear Mr. Skeidsvoll:

RE: Release of the Placentia Bay Atlantic Salmon Aquaculture Project

I am pleased to inform you that under the authority of Section 67(3) (a) of the *Environmental Protection Act SNL 2002, cE-14.2*, the Lieutenant-Governor in Council has released the Placentia Bay Atlantic Salmon Aquaculture Project from further environmental assessment, subject to the following terms and conditions:

- a) Grieg NL Nurseries Ltd. and Grieg NL Seafarms Ltd. (hereafter referred to as Grieg NL) shall adhere to all mitigation, monitoring, and commitments stated in the Environmental Impact Statement (EIS) submitted on May 22, 2018.
- b) Grieg NL shall prepare Environmental Effects Monitoring Plans (EEMPs), in consultation with the applicable Government divisions, and submit them to the Minister of Municipal Affairs and Environment, and receive the Minister's approval for the EEMPs, prior to the start of hatchery operations. The EEMPs will be developed to monitor effects as a result of the Project and to ensure that effects are documented and mitigated. The EEMPs will cover the following components:
 - i. Performance of sea cages;
 - ii. Genetic and ecological interactions of escaped farmed salmon on wild salmon;
 - iii. Genetic and ecological interactions of escaped farmed lumpfish on lumpfish;
 - iv. Performance of European-strain triploid fish;
 - v. Fish, marine mammals, and seabird;
 - vi. Benthic habitat health;
 - vii. Groundwater quantity and quality at the hatchery; and
 - viii. Climate and Weather.

- c) Grieg NL shall prepare an annual report of the results of the EEMPs obtained at all monitoring sites and make the report available publicly.
- d) Grieg NL shall prepare an Environmental Protection Plan (EPP) for all applicable hatchery construction and operations activities and submit the EPP to the Minister of Municipal Affairs and Environment, and receive the Minister's approval for the EPP, prior to the start of hatchery construction. This EPP shall describe the environmental protection and mitigation measures that will be applied throughout the life of this component of the Project to avoid or minimize potential negative effects on the environment associated with the Project.
- e) Grieg NL shall prepare an Environmental Protection Plan (EPP) for all applicable sea cage construction and operations activities and submit the EPP to the Minister of Municipal Affairs and Environment, and receive the Minister's approval for the EPP, prior to the start of sea cage construction. This EPP will describe the environmental protection and mitigation measures that will be applied throughout the life of this component of the Project to avoid or minimize potential negative effects on the environment associated with the Project.
- f) Should the use of pesticides be required, and prior to administration of any pesticide, Grieg NL shall confirm that the pesticide is currently approved for use in Canada, for the specific use intended, by the Pesticide Management Regulatory Agency. Grieg NL shall ensure that pesticides are applied by a licenced Pesticide Applicator with the applicable category of license, and following the label direction.
- g) Grieg NL shall publically release all reports of disease and escapes within 24 hours, and publically release all use of chemotherapeuticants (antibiotics, vaccinations, anesthetics) and pesticides annually.
- h) Grieg NL must demonstrate that waste from the hatchery can be managed in a manner that meets the approval of the Department of Municipal Affairs and Environment, prior to the commencement of hatchery operations.
- i) Grieg NL shall identify a back-up water supply and provide anticipated water use numbers, a well-head protection and water-quality monitoring plan (ambient and real-time), and a contingency plan for the hatchery water supply in the event of catastrophic failure either with the well or the pump, to the Department of Municipal Affairs and Environment for approval prior to the commencement of hatchery operations.

- j) Grieg NL shall enter into a Memorandum of Agreement with the Department of Municipal Affairs and Environment for the installation of a real time water quality/quantity monitoring network to monitor impacts on flow and water quality in and around the proposed hatchery site. The Memorandum of Agreement should be signed and the network installed prior to the start of site operation activities. All costs will be borne by Grieg NL.
- k) The Project is subject to the approval of Transport Canada under the *Navigation Protection Act*. Transport Canada advises that measures to mitigate any direct effects of the project on navigation will be included as terms and conditions associated with the work approved or permitted pursuant to the *Navigation Protection Act*.
- l) Grieg NL shall have an emergency recapture licence in place, prior to the commencement of operations of the sea cage sites, in the event an escape incident arises, so that there are no delays in initiating recapture efforts. Standard conditions could be specified ahead of time in the licence with input from Fisheries and Oceans Canada to ensure any adverse effects on wild salmon are minimized. Approval to proceed with recapture efforts requires authorization by Fisheries and Oceans Canada.
- m) Grieg NL shall be required to mark all imported and grown in province Atlantic Salmon smolt for ease of identification in recapture, using a methodology approved by the Ministers of Municipal Affairs and Environment and Fisheries and Land Resources.
- n) Grieg NL shall be required to conduct testing for triploidy when smolt are in the hatchery, at a sample size and frequency to be determined in consultation with Fisheries and Oceans Canada and the Department of Fisheries and Land Resources.
- o) Prior to operation of the sea cages, an onsite environmental monitor, funded by Grieg NL, shall be established to monitor the entire project, and provide reports to the Department of Municipal Affairs and Environment. The monitor must be hired for the first 10 years of the Project operations to confirm outcomes at peak production.
- p) Grieg NL shall conduct inspections of the portion of sea cages that extend below the water's surface every 30 days during the months of June, July, August, and September, and every 90 days during the remainder of the year.

During the scientific and technical assessment of this project, the reviewing federal and provincial government agencies provided regulatory and mitigative advice, some of which is highlighted below. More comprehensive advice from the government agencies is attached.

The Department of Fisheries and Land Resources requires that you explore opportunities to establish a wild Atlantic salmon broodstock for the wild salmon of Placentia Bay with them and Fisheries and Oceans Canada.

Transport Canada informs that vessels should be compliant with all *Canada Shipping Act*, 2001 requirements for inspection, which include certification of the vessel and adequate training and appropriate certificate of competency for the operators. Transport Canada advises that all vessels should have procedures in place to safeguard against marine pollution, such as: awareness training of all employees; means of retention of waste oil on board and discharge to shore based reception facilities; and, the capacity to respond to and clean-up accidental spills caused by vessels involved in any particular project.

Health Canada advises that it would like to review the standard operating procedures for the sea cage sites, referenced in Appendix K of the EIS, prior to the commencement of sea cage operations, to ensure that no unacceptable health risks may occur as a result of the use and/or disposal of chemicals and disinfectants during operations. Health Canada provides guidance on human health and noise mitigations in the attached pamphlets.

Environment and Climate Change Canada advises you to be prepared to conduct systematic checks for stranded birds, whereby designated crew members record search effort, even when no birds are found. In the event of a bird becoming entangled in sea cage netting, established bird release procedures and all *Migratory Birds Convention Act* permits should be in place. A brochure informing of measures to be taken should storm-petrels or other species become stranded on vessels, is attached. Environment and Climate Change Canada advises you to determine the potential applicability of the *Canadian Environmental Protection Act* with regard to the chemicals it plans to use in their aquaculture operations.

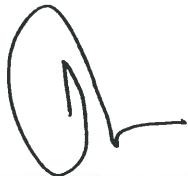
Fisheries and Oceans Canada advises you to be aware of the potential effects of a large number of escaped farmed salmon on resident fish and fish habitat. In the event of an escape, Fisheries and Oceans Canada recommends that you have dedicated staff, or an arrangement with local fishers, who can readily focus their efforts on recapturing escapes, and that recapture nets be constantly tended during peak salmon migration periods. Fisheries and Oceans Canada provides information in an attached brochure regarding salmon sampling protocol to be followed for salmon recaptures, and further recommends that daily water quality data collected by Grieg

NL at the sea cage sites be shared with industry regulators.

Although the undertaking, as proposed, is released from further environmental assessment, it is still subject to other legislative requirements. Please note that you must comply with all relevant legislation and obtain all necessary permits, licences, and approvals. You are required to inform this Department of any proposed significant changes to the undertaking.

I would like to take this opportunity to thank you for your cooperation in the environmental assessment process. If you have any questions concerning these matters, please contact Dr. Susan Squires, Director of Environmental Assessment Division at (709) 729-0673 or email susansquires@gov.nl.ca, or Ms. Joanne Sweeney, Chair of the Project Environmental Assessment Committee, at (709) 729-2822 or email joannesweeney@gov.nl.ca.

Sincerely,



ANDREW PARSONS, QC
Minister of Municipal Affairs and Environment

cc: Mark Browne, MHA
Placentia West-Bellevue

Attachments