

Findings and Decision - Renewal Application of Kelly Cove Salmon Ltd. for AQ#1353

1. Overview:

On December 7, 2020, the Nova Scotia Department of Fisheries and Aquaculture (NSDFA) received an application from Kelly Cove Salmon Ltd. to renew Aquaculture Licence and Lease #1353 (AQ#1353), as described below:

Table 1. Description of Aquaculture Licence and Lease #1353

Type: Marine	Size: 42.15 HA
Number: AQ#1353	Cultivation Method: Marine cage
Applicant: Kelly Cove Salmon Ltd.	Species: Atlantic salmon
Location: Grand Passage, St. Mary's Bay, Digby County	Proposed Term: 10 year Licence/20 year Lease

2. History

AQ#1353 was first issued to Kelly Cove Salmon Ltd. on June 8, 2011 for a ten-year term from June 8, 2011 to June 7, 2021.

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(d) of the Aquaculture Licence and Lease Regulations and was completed on June 11, 2021.

3.2 Public Comment Period

Notice of the application for the renewal of AQ#1353 for the 30-day public comment period was published on NSDFA's website (<http://novascotia.ca/fish/aquaculture/public-information/>) for the period of March 11, 2021 to April 9, 2021. Notice of the application was also published in the Royal Gazette Part I on March 11, March 18, March 25 and April 3, 2021.

3.3 Submissions

Two submissions were received by NSDFA during the 30-day public comment period. Both of these (2) submissions met criteria for consideration and are included with this document. One submission was received after the 30 day public comment period and therefore did not meet criteria.

4. Factors to be considered

AQ#1353 forms part of Kelly Cove Salmon Ltd.'s multi-site marine aquaculture operation in Nova Scotia. The site had consistent production over the last licence and lease tenure, and resultant employment reflective of the scale of the operation. The operator's future intentions with respect to AQ#1353 indicate continued production and employment. The operator also indicates continued plans to procure goods and services from local and Nova Scotian businesses where practical. Affiliated companies of Kelly Cove Salmon Ltd. also operate a feed mill (Northeast Nutrition, located in Truro) and a seafood distribution outlet (True North Seafood, located in Dartmouth). Should AQ#1353 not be operated as planned, the Department's site utilization review provisions will be implemented.

The operators of AQ#1353 will be required to adhere to all Environmental monitoring provisions of the Aquaculture Management Regulations, including the need to maintain sufficient oxigenic conditions in the benthic environment. Information on the Environmental Monitoring Program, including descriptions of associated terms, can be found at:

<https://novascotia.ca/fish/aquaculture/aquaculture-management/>

Concerns were raised regarding the sustainability of wild salmon. A review of the application and available information indicated that AQ#1353 is located in the range of the Nova Scotia Southern Upland population of Atlantic salmon. The site is in Salmon Fishing Area (SFA) 21.

The Salmon Atlas did not identify any salmon rivers near the Freeport site while the ASF noted three salmon rivers – Boudreau River (present), Meteghan River (extirpated/restored/present), and Salmon River (present). These rivers are however located across St. Mary's Bay on the mainland, and no salmon rivers drain into Westport Harbour or Grand Passage.

The Applicant's Development Plan included several restoration efforts initiated by the applicant. Cooke Aquaculture is a partner of the Fundy Salmon Recovery Project, which is developing the world's first Wild Salmon Marine Conservation Farm (Grand Manan Island, NB). In 2018 the Fundy Salmon Recovery released 600 wild salmon into the Upper Salmon River. KCS is currently partnered with the Medway River Salmon Association in Queens County to duplicate the restoration project in the Medway River.

Several mitigation measures were included in the Development Plan that can be employed to reduce the potential impacts of salmon aquaculture on wild salmon populations.

Furthermore, it is a legislated requirement that the operator of AQ#1353 conform to the aquaculture management regulations specific to containment management through the Farm Management Plans. In the event of an escape, the operator would be required to adhere to measures prescribed in the Farm Management Plan and in Regulation on escape reporting, auditing and mitigation. The Department is also in the process of implementing a salmonid traceability program, through which any escaped salmonids could be traced back to the operator of origin, to mitigate against such future events.

The Farm Operations section of the Farm Management Plan for AQ#1353 will require the operator to indicate how they will operate AQ#1353 in accordance with industry best practices with respect to items such as interactions with wildlife, noise, maintain the site in good order, the

removal of decommissioned farm supplies and equipment, and the retrieval of gear or debris that has broken loose. Any complaints received by the Province of Nova Scotia specific to a particular aquaculture site are reviewed by Nova Scotia Environment, with appropriate follow-up and prescribed actions taken if necessary. Additional information on Farm Management Plan requirements can be found at: <https://novascotia.ca/fish/documents/compliance-documents/Minimum-compliance-requirements-Marine-Finfish.pdf>

The Aquaculture Management regulations include regulatory compliance points with regards to aquatic animal health management. The operator is required to have comprehensive aquatic animal health procedures in place as part of the Farm Management Plan and is also required to adhere to the reporting and notification provisions regarding aquatic animal health management. The Farm Management Plan must include elements relating to finfish husbandry and welfare, veterinary care and disease surveillance practices, biosecurity measures, and emergency measures. Pesticide products must be used according to product labels and following all health and safety requirements and all Federal and Provincial regulations. Bath treatments on sites leased/licensed by the province of Nova Scotia must be conducted in completely enclosed containment.

AQ#1353 is one of two marine finfish aquaculture sites located in proximity to Long Island, Digby County. AQ#1353 is located approximately 550 metres from the shoreline at its nearest location. The nearest aquaculture site to AQ#1353 is located approximately 1.20 km to the northeast (AQ#1354). Two additional marine finfish aquaculture sites (AQ#0829 and AQ#0742) are also located within 5.00 km of AQ#1353, located in proximity to the community of Westport on Brier Island, Digby County. Due to the physical separation from other aquaculture sites, the shoreline, and other marine users, there is adequate separation between AQ#1353, the shoreline, and other aquaculture sites to allow for navigation.

5. Decision

Based on the considerations above, Aquaculture Licence #1353 shall be renewed for a period of 10 years (June 8, 2021 to June 7, 2031) and Aquaculture Lease #1353 shall be renewed for a period of 20 years (June 8, 2021 to June 7, 2041).

The Licence and Lease documents shall be prepared in accordance with the standard operating documents of NSDFA, and shall be made publicly available subject to the provisions of the *Freedom of Information and Protection of Privacy Act*.

6. Conditions

In addition, the following condition shall apply:

The operator shall adhere to the following site marking requirements:

- a) Mark all corners of the leased site with cautionary yellow buoys of a minimum of 60cm 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/lease number on 1 corner of the licensed/leased area.



Robert Ceschiutti
Aquaculture Administrator
Nova Scotia Department of Fisheries and Aquaculture

June 11, 2021

Date



April 9, 2021

Robert Ceschiutti, Aquaculture Administrator
Nova Scotia Department of Fisheries and Aquaculture
1575 Lake Road
Shelburne, NS B0T 1W0

To Whom It May Concern:

I am writing on behalf of the Atlantic Salmon Federation (ASF) concerning the renewal applications by Kelly Cove Salmon of their Aquaculture License and Lease #1353 and #1354, in St. Mary's Bay near Grand Passage and Freeport in Digby County. We have two major concerns about these proposed renewals with respect to their impact on wild Atlantic Salmon.

The area of water in which these sites are located has been shown by DFO tracking data to be used by wild Atlantic Salmon from the Inner Bay of Fundy (IBoF) as marine habitat. This population was federally listed as an Endangered species in 2001 (reaffirmed in 2010) with an action plan for recovery and critical habitat descriptions being released in 2019. Protection of marine habitat is a critical element of the IBoF Salmon recovery strategy under the Species at Risk Act (SARA).

Given the known and suspected impacts of aquaculture on wild Atlantic Salmon these sites pose a real threat to this endangered salmon population. These potential impacts cannot be mitigated with farm management plans since management strategies cannot prevent interaction between wild and aquaculture fish, short of employing closed containment. Kelly Cove Salmon and their parent company Cooke Aquaculture do not have closed containment capacity. As these site locations are considered federal jurisdiction under SARA, these applications must go through additional review to ensure that it does not pose a significant threat. As a representative on the IBoF Salmon Recovery Team we know that this has not been done. At this point more research is likely needed to demonstrate that there will not be a significant impact, which in accordance with statements from the Minister in September of 2019 should be paid for by the proponent. In light of this recent information and until such time as that research can be completed and the proponent can demonstrate that these sites will not pose a threat to IBoF salmon recovery these applications must be denied.

The two sites up for renewal are within 10km of the mouth of the Meteghan River, the site of a salmon restoration program. The Meteghan River is one of the only remaining salmon rivers south of Digby and one of a few rivers within the Southern Uplands region of NS that empty into the Bay of Fundy, making it distinct. In a DFO report (Department of Fisheries and Oceans Canadian Stock Assessment Secretariat Research Document 97/25) it was indicated that although there are some natural barriers, the Meteghan has promise as a salmon river because it has decent fish passage unlike many of the other rivers in the southern portions of the Southern Uplands. Salmon populations in Southern Uplands region were recommended by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) in 2010 to be formally listed as Endangered. A decision on this recommendation is expected soon. Regardless of the outcome of

that decision these salmon populations are clearly in trouble. Therefore, remnant populations, especially those where there are recovery efforts, must be protected. The NS DFA in a previous decision to deny a site at Shoal Bay for Snow Island Salmon cited as part of that denial the sites' proximity to wild Atlantic Salmon and the threat that this proximity posed to the wild population. Around the same time Snow Island Salmon voluntarily decided to withdraw their Beaver Harbour site application also citing proximity to wild Atlantic Salmon populations. The Shoal Bay and Beaver Harbour sites have a similar proximity as sites #1353 and #1354 have to the Meteghan River. Because of their proximity to important salmon population and the threat of an impact to these already endangered populations these applications should be denied.

Both the Inner Bay of Fundy and the Meteghan River populations have declined since these aquaculture operations were initially approved. While that is not definitive on its own, peer reviewed research has clearly demonstrated a negative impact from open net pen aquaculture on wild Atlantic Salmon populations and their recovery. Contrary literature, often cited by the industry and government officials, is sparse, does not scientifically refute the literature demonstrating an impact, and focuses on a few specific circumstances or instances where a negative impact could not be established. Absence of proof and discussions on the limitations on the scope of our understanding of impacts, is not scientific evidence that demonstrates that open net pen aquaculture is safe for wild Atlantic Salmon. Rather it is an acknowledgement that there is more to learn. The precautionary principle, under which all species are supposed to be managed, states that approvals should not proceed until the proponent can prove the project will not cause harm. As the proponent has not demonstrated proof that their projects have not impacted wild Atlantic Salmon and there is realistic evidence that the project has the potential to negatively impact endangered wild Atlantic Salmon, the application should be at least deferred until such time as the proponent can provide that proof. Based on what is known about impacts and due to the known marine threat of open net pen aquaculture to endangered salmon populations, these applications must be denied.

Sincerely,

[REDACTED]
Kris Hunter
Director of NS and PEI Regional Programs
Atlantic Salmon Federation

[REDACTED]
About ASF:

The Atlantic Salmon Federation (ASF) is an international conservation organization established in 1948. The Federation is dedicated to the conservation, protection and restoration of wild Atlantic salmon and the ecosystems on which their wellbeing and survival depend.

ASF's headquarters are in St. Andrews, New Brunswick, Canada, with regional offices in each of the Atlantic provinces, Quebec, and Maine.

ASF has a network of six regional councils (New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Quebec and Maine), which cover the freshwater range of wild Atlantic salmon in Canada and the United States. The regional council in NS is the Nova Scotia Salmon Association.

The attached records were submitted by third parties to the Department of Fisheries and Aquaculture as a part of a public submission process. The Department does not endorse, and is not responsible for, the content of the attached records, including, but not limited to, the accuracy, reliability, or currency of the information contained in the attached records.

April 9, 2021

Gwen Wilson

Sandy Cove, Digby County

Robert Ceschiutti, Aquaculture Administrator
Nova Scotia Department of Fisheries and Aquaculture
1575 Lake Road
Shelburne, NS B0T 1W0
Via email

Submission for Public Comment in reference to Kelly Cove Salmon Ltd's application for a renewal of the licence and lease for AQ#1353, Grand Passage and AQ#1354, Freeport, both located in St. Mary's Bay, off Long Island.

To whom it may concern,

As a member of the group, St. Mary's Bay Protectors (SMBP), this application is of interest as the proposal represents an expansion of the current operation by Kelly Cove Salmon (Cooke Aquaculture) in our area. I am also a permanent and full-time resident of the area.

In 2019 St. Mary's Bay Protectors was organized to oppose the addition of new open net pen fin fish Aquaculture sites in the St. Mary's Bay, as proposed by Cermaq. Following engagement with the local community, including representatives from the fishing community, by both Cermaq and the SMBP, it was clear that this industry was not wanted. At its Meeting in December, 2019 the Municipality of Digby Council passed a Resolution opposing any further expansion of open net fish farming in St. Mary's Bay, attended by approximately 200 constituents, including many local fishers.

In 2011 when the licence and lease were first granted, there was widespread objection from the local community. The farms displaced 21 boats from their traditional grounds, as they have continued to do, over the last ten years. When the two sites were in operation, despite the promise of 35 full time jobs, very few local residents were employed. At the time, prior to the establishment of these two farms, the lobster industry employed approximately 95% of working islanders.

The optimum use for this bay is lobster fishing, part of a \$900M industry employing over 4000 individuals. Furthermore the application makes no reference to any predicted contribution of the proposed operation to community or Provincial economic development. This value of this industry from this area far outweighs any possible economic benefits these two sites may offer. These two sites have lain fallow for the last several years, so have contributed next to nothing to the local or broader community.

St. Mary's Bay supports a number of activities. Although lobster fishing is the primary commercial use, local tourism also takes advantage of these waters.

There is commercial fishing in the Bay year round. Lobster is fished in the Bay during the season between November and May, both by local commercial and Indigenous fishers. There are a number of whale watching businesses in this area as well. The Bay is enjoyed by many area residents for recreation; swimming, sailing, sport fishing, and whale watching.

The site was first licensed to KCS in 2011. The renewal application indicates that the planned development of the site will not represent any change in methodology or the type and configuration of gear to be used. The details provided in the application document provide no information on the

number of fish which are planned, should the application be approved, for restocking. When the sites were established residents were told that there would be approximately 1million fish at each site. The planned development as stated above does not imply limits on the number of fish that would be in each cage or site.

The following concerns were noted by Transport Canada in 2011.

Increased suspended solids, turbidity and sedimentation from feces and food waste

- Nutrient loading (nitrogen, phosphorus)
- Degradation of water quality from hazardous materials
- Negative impacts to fish and fish habitat
- Disease transmission
- Invasive species, which could alter ecosystem dynamics
- Interference with traditional use of resources
- Disruptions of wildlife and wildlife habitat, including migratory birds and species at risk
- Impacts of odour and noise on humans

Source: Transport Canada. 2011. Environmental Assessment Screening Report for proposed sites in St. Mary's Bay

Despite the approval in 2011 for these two sites in 2011, and the assessment that they posed low to medium risk, continue to be of concern to residents in the area.

Finally, these two sites pose a significant risk to the endangered wild Atlantic Salmon which uses this habitat. The Atlantic Salmon Federation has noted decline in local wild salmon populations since these two sites were originally approved. Indeed, threat to wild salmon populations has contributed to the decision to eliminate open net pen marine based Aquaculture from Canada's west coast waters. That same rationale should suggest that approval of additional open net pen marine based farms in St. Mary's Bay at this time is counter-productive and should not be granted.

Sincerely,

Gwen Wilson
St. Mary's Bay Protectors
Resident of Sandy Cove

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