

SUMMARY REPORT

PROPONENT:

Gromor International Corporation (name change to Sunterra Horticulture (CANADA) Inc.)

PROPOSAL NAME:

Beaver Point Peat Moss Development

CLASS OF DEVELOPMENT:

Two

TYPE OF DEVELOPMENT:

Mining

CLIENT FILE NO.:

4254.00

OVERVIEW:

A Proposal from Gromor International Corporation, dated May 1, 1997, was received by the Department on May 12, 1997. The Proposal is for a commercial peat moss mining and processing development to be located at the Beaver Point Bog on Highway 234, 50 km north of Riverton, Manitoba, on leased Crown land located north of the upper boundary of the R.M. of Bifrost.

The Proposal was advertised in the Gimli/Arborg Interlake Spectator on Monday, June 16, 1997. Copies of the Proposal were placed in Public Registries at: the Resource Centre of Manitoba Environment in Winnipeg; the Centennial Public Library in Winnipeg; the Manitoba Eco-Network, the Selkirk Community Library and the Rural Municipality of Bifrost Office. The closing date for the receipt of public comments was specified as July 7, 1997.

Copies of the Proposal were also sent to the applicable members of the interdepartmental Technical Advisory Committee for their review and comment by no later than July 7, 1997.

COMMENTS FROM THE PUBLIC:

Two submissions of comments were received from the public. One from Ms. Alice Chambers, and a second from Mr. C. Hugh Arklie.

Concerns raised by Ms. Chambers were:

- Gromor have not submitted anything that would suffice as an environmental assessment of their proposal.
- The responses to Section 5 of the Proposal Form (Description of Previous Studies) states that the proposed bog area was reviewed as part of an extensive study for a National Park and was deemed to be favourable for peat development "with minimal impacts to the environment". Since no such reference could be found in the National Park study, from what page of that study is this statement drawn?
- The responses to Section 8 of the Proposal Form (Environmental Impacts of the Development) ignores the significant environmental effects of transportation and road construction. Reference is

made to the possible use of clay for road construction. Where would the clay come from? The increased traffic on the gravel road will result in the need for increased gravel maintenance and increased gravel ending up in ditches.

- The responses to Section 8 of the Proposal Form does not mention the loss of wetland functions. The loss of 236 hectares of habitat is not "minimal".
- No terrestrial surveys or surveys of wildlife and aquatic life were submitted other than coring work for the Business Plan. The proposal presented a review of available information, but no new information was generated. The proponent should be required to submit much more information regarding the area to be disturbed, i.e. comprehensive wildlife surveys for birds, mammals, reptiles, plants, fish and other aquatic species.
- Is the tree cover really "poor" by Manitoba standards? Very small diameter black spruce is harvested commercially, so it may be that merchantable timber could be harvested, as opposed to being burnt which releases greenhouse gases.
- The National Park study, which is referred to several times, was not specific to any one site in the area, it covered the whole of the Hecla Grindstone and adjacent areas. Just because no one has surveyed the area in question and submitted the data does not mean that there are no significant heritage or natural resources present.
- Under part D. Plant Process (in the Project Description), there is no mention of the source of water and its treatment for use, nor the handling of sewage and its treatment and disposal. There is also no indication of the need for electricity or telephone lines.
- Under part F. Initial Options Being Considered to Mitigate Impacts (in the Project Description), baseline water assessment needs to be more than just chemical/physical. Species assessment is also required, especially for sensitive species. Change in species composition due to siltation, mineralization alterations of pH, etc. due to the project can only be assessed through prior knowledge.
- Are Mill Creek and the other unnamed creek fish bearing or spawning waters?
- There needs to be a much more thorough assessment of the effects on the hydrology, not just of the area directly affected but also of surrounding areas.
- There is no reclamation plan - only a discussion of alternatives.
- Will there be a bond to ensure that a rehabilitation plan can be financed?
- The no net loss principle should be applied. Any reclamation plan should ensure that over time a similar bog would be generated.
- The proponent should be required to do a cost - benefits study using full cost assessment.

Disposition:

Her comments were forwarded to the proponent for response. The proponent failed to respond to all the concerns to her satisfaction. The Draft Licence has been developed to address most of her outstanding concerns.

Concerns raised by Mr. Arklie were:

- The proposal submission is not to be mistaken for a thorough environmental assessment. Manitoba Environment should not accept such minimalist performance to satisfy The Environment Act.
- What is a natural bog good for? What role does it play in a healthy environment? What dollar value can be placed on leaving the bog alone? What assets are lost when it is mined?
- What mammals, birds, waterfowl, amphibians and reptiles live there, and what effect will this mine have on them?
- Will this mine have any effect on fish? Are there any nearby spawning grounds which will be affected?
- How old is the bog?
- What percentage of the existing bog will remain after it is mined? How long will it take the bog to fully recover? Does the regeneration period justify 20 years of profit for Gromor and 20 years of wages for its employees?
- How long will Gromor supervise the regeneration of the bog after closure?

- Gromor's submission is merely a regurgitation of a review of existing literature, none of which is site specific, and should therefore be rejected.

Disposition:

His comments were forwarded to the proponent for response. Mr. Arklie provided no response to the additional information provided by the proponent.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE:

Rural Development commented that the proposed development is located north of the boundary of the R.M. of Bifrost and therefore is not subject to land use plans or by-laws.

Natural Resources commented that:

- If there is any percolation of water from the peat bog to gravel shoals in Washow Bay, alteration of the existing drainage patterns could have an adverse impact on fish reproduction in the area. The proponent has not addressed this question.
- There may be an opportunity to enhance the current fisheries habitat and improve fish passage up Mill Creek. The proponent should contact regional Fisheries staff regarding these matters.
- Although the proponent intends to monitor water quality, the proposal is vague on what steps will be taken if water quality is negatively impacted.
- Development of the area including drainage may result in a loss or change in wildlife habitat. Retention of a buffer of sufficient width along PR 234 in the area of the two low sites on the reclaimed bog may provide some additional habitat.
- The exterior slope of the reclaimed bog should be constructed so as not to impede wildlife movement. The proponent should contact DNR regional Wildlife staff in this regard.
- A Crown Land Work Permit will be required for site development, and a Water Rights Licence will be required for the proposed drainage operations.
- As part of the decommissioning plan, once operations have been completed the access road from PR 234 should be removed and the plant site should be reclaimed to as natural a state as possible.

Disposition:

Their comments were forwarded to the proponent for response. The proponent failed to respond to all the concerns to their satisfaction. The Draft Licence has been developed to address the outstanding concerns.

Historical Resources commented that they have no concerns.

Energy and Mines commented that they have identified no concerns.

Water Quality Management commented that:

- The sampling sites for the water quality monitoring program are not clearly stated.
- Page 13 of Appendix II infers an expected change in water quality, but what may change or what will determine it is not discussed.
- Construction of crossings over existing watercourses will need to conform to Manitoba Stream Crossing Guidelines.
- Disposal of sewage from the processing plant will need to comply with the Private Sewage Disposal System regulation.

Disposition:

Their comments were forwarded to the proponent for response. The proponent's response raised additional concerns, particularly with respect to the impact of low pH levels expected in the enhanced drainage waters and the effect the enhanced drainage will have on existing aluminum and iron levels in the receiving waters which already exceed surface water quality objectives. The Draft Licence has been developed to address the outstanding concerns.

Terrestrial Quality Management commented that:

- There is no mention of effects on other local ecosystems resulting from draining and subsequent drawdown of the water table.
- A generalized vegetation map of the area would be useful.
- The proposal provides two plant species lists, but provides no indication of the methodology used, or where the observations were made, or the qualifications of the individual who put the lists together. It is necessary to have the area thoroughly checked by a professional botanist to determine the plant species diversity on the bog itself, in local plant communities that may be affected by the water since such information is necessary before a decision can be made concerning the relative ecosystem and biodiversity value of the bogs that would be destroyed by this operation.

Disposition:

Their comments were forwarded to the proponent for response. The proponent responded with a site specific vegetation survey report, however, it included no June sampling component to identify early growing species. As well, further information on the effects on the adjacent ecosystem was not provided. Out of concern for the effects on adjacent ecosystems, Terrestrial Quality Management offered to assist the proponent in developing a credible scientific study to document the effects of the drawdown drainage of the bog on adjacent plant communities. The Draft Licence has been developed to address the outstanding concerns.

Eastern-Interlake Region of Environmental Operations commented that:

- The disposal of sewage at the processing plant and during the construction phase has not been addressed.
- The need for Petroleum Products Storage was mentioned but no details were provided in terms of: the type of tank proposed; the volume of storage required; and a description of the refueling station and waste oil storage area.
- Additional documentation is required with respect to plant survey.
- Aluminum should be included in the water quality monitoring program.
- The Fire Suppression Plan should be a contingency plan addressing staff training, protection of petroleum storage and processing plant areas, back-up support by local fire department, etc.

Disposition:

Their comments were forwarded to the proponent for response. The proponent responded to all the concerns to their satisfaction.

Canadian Environmental Assessment Agency commented that application of the Environmental Assessment Act in regards to this proposal will not be required. However, the Department of Fisheries and Oceans-Habitat Management (DFO-HM) indicated that:

- Settling ponds and filters should be constructed at the outlets of the peat moss harvesting sites in order to keep suspended solids concentrations in Mill Creek within the guidelines recommended for freshwater aquatic life by the Canadian Council of Resource and Environment Ministers (CCREM).
- The proposed water quality monitoring program should include copper, zinc and aluminum to establish if they fall within CCREM guidelines, with copies of the data forwarded to DFO-HM.
- Consideration should be given to monitoring the quality of groundwater discharging from the development site. As drainage patterns are altered during the development of the peat mine, there is potential for groundwater to percolate to the Washow Bay area, possibly impacting negatively on important fish spawning sites known to exist within the narrows area.

Disposition:

Their comments were forwarded to the proponent for response. The proponent responded to all the concerns to their satisfaction.

PUBLIC HEARING:

No requests or recommendations were made for a public hearing on this Proposal.

RECOMMENDATION:

A draft Environment Act Licence is enclosed for the Director's consideration. It is recommended that the Licence, if approved, be assigned to the Eastern-Interlake Region for surveillance and monitoring, ongoing compliance evaluation and enforcement responsibilities.

PREPARED BY:

C. Moche, P. Eng.
Municipal and Industrial Approvals
October 3, 1997