

November 26, 2013

**Standing Committee on Agriculture, Environment, Energy and Forestry
First Report of the Fourth Session, Sixty-fourth General Assembly
Committee Activities**

Madam Speaker and Members of the Legislative Assembly:

Introduction

The Standing Committee on Agriculture, Environment, Energy and Forestry is pleased to present its report to the Members of the Legislative Assembly concerning its activities during the Third Session of the Sixty-fourth General Assembly.

Mandate

The Standing Committee on Agriculture, Environment, Energy and Forestry is charged with matters concerning agriculture, environment, energy and forestry. In addition, it may, by majority opinion, meet to examine and inquire into such matters and things as the committee deems appropriate.

Membership

Permanent members of your committee are:

Paula Biggar, Chair (District 23, Tyne Valley-Linkletter)
James Aylward (District 6, Stratford-Kinlock)
Kathleen Casey (District 14, Charlottetown-Lewis Point)
Bush Dumville (District 15, West Royalty-Springvale)
Pat Murphy (District 26, Alberton-Roseville)
Hon. Steven Myers (District 2, Georgetown-St. Peters)
Hal Perry (District 27, Tignish-Palmer Road)
Buck Watts (District 8, Tracadie-Hillsborough Park)

Sonny Gallant (District 24, Evangeline-Miscouche) also served as a substitute member.

Changes in Membership

On October 8, 2013 Hon. Steven Myers (District 2, Georgetown-St. Peters) joined the committee.

Committee Activities

On June 6, 2013, your committee met to receive presentations from Marie Burge and Andrew Lush of Don't Frack PEI on hydraulic fracturing for gas extraction; from Irene Novaczek and Ann Wheatley of Save Our Seas and Shores (SOSS) – PEI Chapter on exploration and drilling for oil in the Gulf of St. Lawrence; and from Matthew McCarville on alternative energy. As a result of the discussions with Don't Frack PEI and SOSS your committee wrote to PetroWorth Resources and Corridor Resources Inc., two companies who hold or have held exploration licenses on PEI and in the Old Harry region of the Gulf of St. Lawrence, to request updates on their future plans and views on the potential impacts of on- and off-shore oil and gas exploration/extraction. No response was received from either company.

On September 25, 2013, your committee met to receive presentations from Tony Reddin and Georgina Vardy of the Environmental Coalition of PEI on energy policy; and from Joe Dorgan and Garth Jenkins of North Atlantic Organics Ltd. on the use of seaweed as an agricultural supplement.

Your committee was invited to the October 16, 2013 meeting of the Standing Committee on Fisheries, Transportation and Rural Development to receive a briefing by Sylvain Archambault of the St. Lawrence Coalition on exploration and drilling for oil in the Gulf of St. Lawrence, and several committee members did attend.

On November 14, 2013, your committee met to consider its report to the Assembly.

Recommendations

1. Your committee recommends that Government declare a moratorium on high volume hydraulic fracturing on Prince Edward Island.

Your committee is very concerned that hydraulic fracturing, or “fracking,” for shale gas extraction has not been shown to be safe and is in fact a significant threat to health and the environment. Information provided to your committee indicated that the fluid pumped into the ground in the fracturing process contains numerous different combinations of chemicals, some of which may be toxic and/or carcinogenic. The likelihood of leaks from extraction wells and the permeability of PEI’s sandstone mean that these fluids can spread easily, including into the aquifers Islanders rely on for drinking water. Interaction of contaminated groundwater with surface water would threaten aquatic habitats and fisheries. Hydraulic fracturing also uses volumes of fresh water on par with the weekly usage of a city like Charlottetown just to pump one well. Heavy truck traffic is required to bring water to a well site and to remove the chemical-water waste mixture after the well is pumped, which raises the potential for spills, not to mention the question of waste disposal. It has been reported to your committee that discussions on fracking in Island communities have revealed a great deal of fear and concern over this method of resource extraction. Indeed, fracking-related leaks, spills and accidents would be catastrophic for our province, and your committee believes it would be best to prohibit this form of underground gas extraction. Your committee also notes that Newfoundland and Labrador recently declared such a moratorium.

2. A) Your committee recommends that Government declare a moratorium on offshore oil and gas exploration and drilling in Prince Edward Island’s territorial waters.

B) Your committee recommends that Government collaborate with the governments of Canada, New Brunswick, Newfoundland and Labrador, Nova Scotia and Quebec to establish a comprehensive management plan for the Gulf of St. Lawrence that puts a priority on protection of the marine ecosystem.

An oil spill or blowout in the Gulf of St. Lawrence would be devastating for the Gulf’s 6,000 marine species, fisheries, coastal communities, and the tourism and seafood industries. Despite advanced technology and learning, there is still no way to guarantee that such a catastrophe

can be prevented; the recent blowout in the Gulf of Mexico demonstrates that even an experienced global petroleum concern such as BP cannot negate the possibility of disaster.

At present your committee is not aware of any proposals to explore for oil in PEI's immediate offshore area, though exploration did take place off East Point in the 1970s. A moratorium would demonstrate commitment to protect our part of the Gulf, and your committee notes that Quebec already has a moratorium in place in part of its Gulf waters. However, true protection from the effects of oil spills in the Gulf can only be gained through a joint effort of the five provinces who share it and the federal government. An environmental assessment is currently underway at the Old Harry prospect off the west coast of Newfoundland, and exploration and drilling may occur in the next few years. Old Harry is in the Laurentian trench, a deepwater area where migratory fish and whales come in out of the Gulf; a spill or blowout there would affect many species. The Gulf current patterns carry water (and any contaminants it may hold) from that area southward around the Magdalene Islands and PEI. Spills would not dissipate quickly as it takes roughly eleven months for water to flush out of the Gulf and into the Atlantic.

The environmental assessment of the Old Harry prospect is being carried out by the Canada-Newfoundland and Labrador Offshore Petroleum Board, which has been criticized for its conflicting mandate of promoting oil exploration while also ensuring environmental protection. Even if it had a more straightforward mandate, the board is a one-province entity and should not be tasked with making decisions for a body of water shared by five provinces. For this reason your committee encourages Government to work with the governments of Canada, New Brunswick, Newfoundland and Labrador, Nova Scotia and Quebec to establish a plan for the entire Gulf that minimizes threats to its sustainability and the people, animals and industries that currently depend on it.

3. Your committee recommends that the Energy Strategy and 10 Point Plan for Wind Energy documents be updated to guide action over the next five years and beyond.

These strategy documents were released in 2008 and several of the actions they called for included a 2013 deadline. The worldwide economic downturn certainly affected the capacity to follow through on plans in energy and other sectors, and it would be worthwhile to examine which actions have been completed, which need further work, and which new directions are worth pursuing.

4. Your committee recommends that updated energy policies place an even greater emphasis on promotion of alternative, renewable energy sources instead of fossil fuels.

It is well known that fossil fuels are major factors in air pollution and climate change. A significant reduction in the use of fossil fuels would benefit our air, water, soil and human health by removing a source of pollution. The burden on our economy would diminish as air pollution takes less of a toll on human health and we become less reliant on imported fuel. In place of fossil fuels, a commitment to renewable energy could position the Island as an energy leader among North American jurisdictions. That commitment must include all aspects of energy management, from generation to distribution to storage. But in doing so the Island

would create new economic and employment opportunity, retain our young people, strengthen our communities, attract more visitors and newcomers, and boost our image around the world.

5. Your committee recommends that energy policies put a high priority on conservation and efficiency.

Eliminating wasted energy is just as important as generating it in a renewable manner. Public education efforts to promote energy efficient choices at home and at work must continue. Your committee suggests that an expansion of the programs offered by the Office of Energy Efficiency should be considered.

6. Your committee recommends that Government assist however it can in the development of storage technology for wind-generated energy, and in the promotion of that technology's usage.

PEI is now taking advantage of its capacity to generate energy by harnessing the wind. But the wind does not always blow, and sometimes it blows more than our energy needs require. Methods for storing excess energy for later use as electricity or heat are emerging. Your committee encourages Government to support municipal programs that promote the use of ceramic and hot water heaters for this purpose and to investigate the feasibility of a provincial program. Other means of energy storage, such as in large cement slabs beneath public buildings or refurbished electric vehicle batteries, have been suggested to your committee and are worth investigating for their efficacy and possible use on Prince Edward Island.

7. Your committee recommends that standards of energy efficiency for new construction be established and implemented under the *Provincial Building Code Act*.

Until we are able to wean ourselves off of fossil fuels, we can expect the cost of heating and electrifying public and private structures to continue to rise. Establishing a minimum level of efficiency that is in line with current knowledge and technology will allow the buildings we construct today to better retain the energy put into them in the future.

8. Your committee recommends that Government assist in the development of Island-owned businesses which find innovative uses for naturally occurring resources.

Your committee thoroughly enjoyed hearing of the success that North Atlantic Organics Ltd. has achieved in developing a multi-purpose agricultural supplement out of the mixed seaweed that is commonly found on Island beaches. Island business people will provide the drive and innovation to bring creative natural products to market. Your committee encourages Government representatives to stay in close contact with these businesses so that timely assistance is available when needed, whether it is in applying for program funding, eliminating unnecessary bureaucratic delays, or providing relevant expertise and advice.

Conclusion

Your committee extends its thanks to the various individuals and organizations that shared their views in the past several months. It is reassuring to see Islanders putting so much time and

energy into issues of environmental protection, renewable resources and conservation. We all have the responsibility of stewardship on behalf of our children and grandchildren.

Respectfully submitted,

Paula Biggar, MLA

Chair

Standing Committee on Agriculture, Environment, Energy and Forestry



June 10, 2013

Hon. Robert Henderson
Minister of Tourism and Culture
PO Box 2000
Charlottetown PE C1A 7N8

Dear Minister Henderson;

In its First Report of the Third Session of the Sixty-fourth General Assembly (November, 2012) the Standing Committee on Agriculture, Environment, Energy and Forestry made fifteen recommendations pertinent to the policies and programs of various Departments within the Provincial Government.

On behalf of the current committee, I am writing to inquire whether your Department has a response to any of the recommendations or can provide an update on work done in relation to them. The report of the committee is attached; the recommendations that are perhaps most relevant to the Department of Tourism and Culture are #1 and #7:

"1. Your committee recommends that the Department of Tourism and Culture engage the public as much as possible in the process of long-term strategic planning for PEI's provincial parks.

...

7. Building on the success demonstrated at the Macphail Woods Ecological Forestry Project, your committee encourages the tourism and forestry sectors to partner so that PEI can become a champion of ecological forestry on a province-wide basis, and in doing so attract more visitors for eco-tourism purposes."

Any information you can share with the committee would be greatly appreciated. I thank you for considering this request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc David MacKenzie, Deputy Minister, Department of Tourism and Culture
Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



Prince Edward Island

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June 10, 2013

Hon. Janice Sherry
Minister of Environment, Labour and Justice
PO Box 2000
Charlottetown PE C1A 7N8

Dear Minister Sherry;

In its First Report of the Third Session of the Sixty-fourth General Assembly (November, 2012) the Standing Committee on Agriculture, Environment, Energy and Forestry made fifteen recommendations pertinent to the policies and programs of various Departments within the Provincial Government.

On behalf of the current committee, I am writing to inquire whether your Department has a response to any of the recommendations or can provide an update on work done in relation to them. The report of the committee is attached; the recommendations that are perhaps most relevant to the Department of Environment, Labour and Justice are #9, #10, #12, #13 and #15.

Any information you can share with the committee would be greatly appreciated. I thank you for considering this request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc Shauna Sullivan Curley, QC, Deputy Minister, Department of Environment, Labour and Justice
Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 10, 2013

Hon. Ron MacKinley
Minister of Fisheries, Aquaculture and Rural Development
PO Box 1180
548 Main Street
Montague PE C0A 1R0

Dear Minister MacKinley;

In its First Report of the Third Session of the Sixty-fourth General Assembly (November, 2012) the Standing Committee on Agriculture, Environment, Energy and Forestry made fifteen recommendations pertinent to the policies and programs of various Departments within the Provincial Government.

On behalf of the current committee, I am writing to inquire whether your Department has a response to any of the recommendations or can provide an update on work done in relation to them. The report of the committee is attached; the recommendations that are perhaps most relevant to the Department of Fisheries, Aquaculture and Rural Development are #9, #10, #11, and #13.

Any information you can share with the committee would be greatly appreciated. I thank you for considering this request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc Richard Gallant, Deputy Minister, Department of Fisheries, Aquaculture and Rural Development
Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 10, 2013

Hon. George Webster
Minister of Agriculture and Forestry
PO Box 2000
Charlottetown PE C1A 7N8

Dear Minister Webster;

In its First Report of the Third Session of the Sixty-fourth General Assembly (November, 2012) the Standing Committee on Agriculture, Environment, Energy and Forestry made fifteen recommendations pertinent to the policies and programs of various Departments within the Provincial Government.

On behalf of the current committee, I am writing to inquire whether your Department has a response to any of the recommendations or can provide an update on work done in relation to them. The report of the committee is attached; the recommendations that are perhaps most relevant to the Department of Agriculture and Forestry are #3, #5, #6, #7, #8, #11, #13, and #15.

Any information you can share with the committee would be greatly appreciated. I thank you for considering this request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc John MacQuarrie, Deputy Minister, Department of Agriculture and Forestry
Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 10, 2013

Hon. Wes Sheridan
Minister of Finance, Energy and Municipal Affairs
PO Box 2000
Charlottetown PE C1A 7N8

Dear Minister Sheridan;

In its First Report of the Third Session of the Sixty-fourth General Assembly (November, 2012) the Standing Committee on Agriculture, Environment, Energy and Forestry made fifteen recommendations pertinent to the policies and programs of various Departments within the Provincial Government.

On behalf of the current committee, I am writing to inquire whether your Department has a response to any of the recommendations or can provide an update on work done in relation to them. The report of the committee is attached; the recommendation that is perhaps most relevant to the Department of Finance, Energy and Municipal Affairs is #14:

"14. Your committee supports the efforts of Maritime Electric Company Ltd. to have a third cable installed under the Northumberland Strait in order to continue to meet PEI's peak electricity load, and encourages the provincial and federal governments to work together to ensure this urgent need is met."

Any information you can share with the committee would be greatly appreciated. I thank you for considering this request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc David Arsenault, Deputy Minister, Department of Finance, Energy and Municipal Affairs
Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



June 10, 2013

Hon. Janice Sherry, Minister of Environment, Labour and Justice
Hon. George Webster, Minister of Agriculture and Forestry
PO Box 2000
Charlottetown PE C1A 7N8

Dear Ministers Sherry and Webster,

On behalf of the Standing Committee on Agriculture, Environment, Energy and Forestry, I am writing to you in regard to watercourse and wetland buffer zones and education efforts toward understanding their function and purpose.

On March 5, 2013, the committee received a presentation from the PEI Woodlot Owners Association on watercourse buffer zones that included several recommended changes to how these zones are regulated. Following that meeting, the committee received correspondence from the PEI Watershed Alliance and the Environmental Coalition of PEI presenting different views on watercourse buffer zones, and follow-up correspondence from the PEI Woodlot Owners Association.

In its April 25, 2013 report to the Legislative Assembly, the committee put forward three recommendations regarding watershed buffer zones; that report is attached. Furthermore, the committee believes it would be worthwhile for your Departments to bring the PEI Woodlot Owners Association, the PEI Watershed Alliance and the Environmental Coalition of PEI together in an education session on watercourse buffer zones and their regulations. Such a session could also provide an opportunity to discuss the groups' respective views on these subjects, and to clarify any areas of uncertainty. Given that the regulation of watercourse buffer zones, and the agricultural/forestry activities that may impact upon them, fall within your mandates, the committee believes your Departments would be best suited to jointly convene and lead such a session.

I thank you for your consideration of the committee's suggestion.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

Cc John MacQuarrie, Deputy Minister, Department of Agriculture and Forestry
Shauna Sullivan Curley, QC, Deputy Minister, Department of Environment, Labour and Justice
Robert Sharkie, Environmental Coalition of PEI
Mark Bishop, Chairperson, PEI Watershed Alliance
Bruce Craig, Director and President, PEI Woodlot Owners Association
Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 10, 2013

Bruce Craig, President
PEI Woodlot Owners Association
81 Prince St
Charlottetown PE C1A 4R3

Dear Mr. Craig,

Thank you for your recent letter to the Standing Committee on Agriculture, Environment, Energy and Forestry which followed-up on your Association's presentation to the committee on watercourse buffer zones.

The committee understands that several PEI organizations have different views on watercourse buffer zones and their regulations. The committee made three recommendations on this subject in its most recent report to the Legislative Assembly; that report is attached.

The committee has also suggested that the Departments of Agriculture and Forestry; and Environment, Labour and Justice convene a meeting with your organization, the PEI Watershed Alliance, and the Environmental Coalition of PEI. Such a meeting would enable the Departments to share information on watercourse buffer zone regulations, discuss the views of the groups in attendance and, hopefully, establish greater understanding and common ground in this important area. The letter to the Departments is attached.

Again, on behalf of the committee I thank you for your correspondence, and should you wish to submit further views on this or other topics relevant to the committee's mandate, I encourage you to get in touch with the Committee Clerk at (902) 620-3766 or rmreddin@assembly.pe.ca.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

Cc Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 10, 2013

Mark Bishop, Chairperson
PEI Watershed Alliance
PO Box 377
Kensington PE COB 1M0

Dear Mr. Bishop,

Thank you for your March 11, 2013 letter to the Standing Committee on Agriculture, Environment, Energy and Forestry regarding watercourse buffer zones.

The committee understands that several PEI organizations have different views on watercourse buffer zones and their regulations. The committee made three recommendations on this subject in its most recent report to the Legislative Assembly; that report is attached.

The committee has also suggested that the Departments of Agriculture and Forestry; and Environment, Labour and Justice convene a meeting with your organization, the Environmental Coalition of PEI, and the PEI Woodlot Owners Association. Such a meeting would enable the Departments to share information on watercourse buffer zone regulations, discuss the views of the groups in attendance and, hopefully, establish greater understanding and common ground in this important area. The letter to the Departments is attached.

Again, on behalf of the committee I thank you for your correspondence, and should you wish to submit further views on this or other topics relevant to the committee's mandate, I encourage you to get in touch with the Committee Clerk at (902) 620-3766 or rmreddin@assembly.pe.ca.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

Cc Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 10, 2013

Robert Sharkie
Environmental Coalition of PEI
81 Prince St
Charlottetown PE C1A 4R3

Dear Mr. Sharkie,

Thank you for your March 14, 2013 letter to the Standing Committee on Agriculture, Environment, Energy and Forestry regarding watercourse buffer zones.

The committee understands that several PEI organizations have different views on watercourse buffer zones and their regulations. The committee made three recommendations on this subject in its most recent report to the Legislative Assembly; that report is attached.

The committee has also suggested that the Departments of Agriculture and Forestry; and Environment, Labour and Justice convene a meeting with your organization, the PEI Watershed Alliance, and the PEI Woodlot Owners Association. Such a meeting would enable the Departments to share information on watercourse buffer zone regulations, discuss the views of the groups in attendance and, hopefully, establish greater understanding and common ground in this important area. The letter to the Departments is attached.

Again, on behalf of the committee I thank you for your correspondence, and should you wish to submit further views on this or other topics relevant to the committee's mandate, I encourage you to get in touch with the Committee Clerk at (902) 620-3766 or rmreddin@assembly.pe.ca.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

Cc Members of the Standing Committee on Agriculture, Environment, Energy and Forestry



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June 26, 2013

Alan Graham, Chairman
Neal Mednick, Director
PetroWorth Resources
170 University Avenue
Suite 901
Toronto ON M5H 3B3

Dear Mr. Graham and Mr. Mednick,

On behalf of the Standing Committee on Agriculture, Environment, Energy and Forestry of the Legislative Assembly of Prince Edward Island, I am writing to inquire about PetroWorth Resources' current plans for oil and natural gas exploration on Prince Edward Island.

The committee recently received a presentation on hydraulic fracturing from a concerned citizens group, and understands that until recently your company held one or more exploration permits covering 440,000 acres of land in PEI. As such, the committee would be interested in receiving an update on any future exploration plans your company may have for Prince Edward Island, and your views regarding the potential impacts of on-shore oil and natural gas exploration.

An update in writing would be suitable. However, if you would like to appear before the committee in person, feel free to get in touch with Ryan Reddin, Committee Clerk, at rmreddin@assembly.pe.ca or (902) 620-3766 to discuss arrangements.

Thank you for considering the committee's request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc Members, Standing Committee on Agriculture, Environment, Energy and Forestry



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June 26, 2013

J. Douglas Foster, Chairman
Phillip Knoll, President
Corridor Resources Inc.
#301, 5475 Spring Garden Road
Halifax NS B3J 3T2

Dear Mr. Foster and Mr. Knoll,

On behalf of the Standing Committee on Agriculture, Environment, Energy and Forestry of the Legislative Assembly of Prince Edward Island, I am writing to inquire about Corridor Resources' current plans for oil and natural gas exploration on Prince Edward Island and in the Gulf of St. Lawrence.

The committee recently received presentations on hydraulic fracturing and off-shore drilling from concerned citizens groups. The committee understands that Corridor Resources holds an exploration license for the Old Harry Prospect in the Gulf of St. Lawrence, and until recently held one or more permits for on-shore oil and natural gas exploration on PEI. As such, the committee would be interested in receiving an update on current work, future exploratory plans, and, in your view, the potential impacts of on- and off-shore drilling.

An update in writing would be suitable. However, if you would like to appear before the committee in person, feel free to get in touch with Ryan Reddin, Committee Clerk, at rmreddin@assembly.pe.ca or (902) 620-3766 to discuss arrangements.

Thank you for considering the committee's request.

Sincerely,

Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry

cc Members, Standing Committee on Agriculture, Environment, Energy and Forestry



Environment,
Labour and Justice

Environnement,
Travail et Justice



Minister and Attorney General
PO Box 2000, Charlottetown
Prince Edward Island
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Ministre et procureure générale
C.P. 2000, Charlottetown
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July 11, 2013

Ms. Paula Biggar, MLA
Chair, Standing Committee on Agriculture, Environment, Energy and Forestry
Prince Edward Island Legislative Assembly
P.O. Box 2000
Charlottetown, PE C1A 7N8

Dear Ms. Biggar:

RE: Watercourse and Wetland Buffer Zone Education Efforts

Thank you for your letter of June 10, 2013, outlining your suggested education ideas for the PEI Woodlot Owners Association, PEI Watershed Alliance, and Environmental Coalition of PEI with regard to Watercourse and Wetland buffer zones. In the summer and fall of 2012, staff from my Department met with the PEI Woodlot Owners Association, several wood harvesters and the Watershed Alliance who had concerns with the current environmental management practices of wood harvesting in and around forested buffer zones, especially wooded swamps.

As a result of these meetings, the Department of Environment, Labour and Justice, in association with the Department of Agriculture and Forestry, is developing a pilot program for wood harvesting in buffer zones. The pilot program will permit woodlot owners who have a certified forest management plan (including forest management of the buffer zones), to manage the forest in the buffer zones without a permit. As part of this program, we will also train/license wood harvesters to work in and around buffer zones without permit. The details of the pilot program are currently being finalized with an implementation date of the fall of 2013.

My Department looks forward to working with all organizations to further enhance environmental management practices in a sustainable manner. If you have any further questions regarding this particular issue, please contact Greg Wilson at 368-5024 or gbwilson@gov.pe.ca.

Sincerely,


Janice Sherry
Minister and Attorney General



Environment,
Labour and Justice

Environnement,
Travail et Justice



Minister and Attorney General
Box 2000, Charlottetown
Prince Edward Island
Canada C1A 7N8

Ministre et procureure générale
C.P. 2000, Charlottetown
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July 30, 2013

Ms. Paula Biggar
Chair, Standing Committee on Agriculture,
Environment, Energy and Forestry
Legislative Assembly
PO Box 2000
Charlottetown, PE C1A 7N8

Dear Ms. Biggar:

Paula

Thank you for your letter of June 10, 2013 in which you inquired about activities of the Department of Environment, Labour and Justice relating to recommendations #9, #10, #12, #13 and #15 from the Standing Committee on Agriculture, Environment, Energy and Forestry's First Report of the Third Session of the Sixty-fourth General Assembly.

Attached is a short document outlining the Department's activities related to each of the five questions for circulation to the Committee. If you have additional questions, however, please do not hesitate to contact me, or Bruce Raymond, Manager of the Watershed and Subdivision Planning section of the Environment division at 368-5054 or bgraymond@gov.pe.ca.

Sincerely,

Janice A. Sherry
Janice Sherry
Minister and Attorney General

enc.

cc Shauna Sullivan Curley, Deputy Minister and Deputy Attorney General
Members of the Standing Committee on Agriculture,
Environment, Energy and Forestry

Responses to recommendations of the Standing Committee on Agriculture, Environment, Energy and Forestry

The Recommendation:

9. Your committee would like to see greater research on the potential impacts of climate change and land use practices on PEI's aquaculture habitats and species, and encourages government to support this research as much as possible.

Response:

Effects from land use practices that can impact the aquaculture habitats and species include nitrate loading (leading to sea lettuce growth and anoxic events in many estuaries) as well as the related issues of silt and pesticide in run-off. Although bacterial contamination of estuaries does not affect species or habitats it can result in shellfish growing area closures.

ELJ staff have already been working, over the last several years, to determine the level of reduction in nutrient loading needed to address anoxic events in Island estuaries. ELJ now has nitrate reduction targets for all major estuaries in the province. Efforts will continue into the future to renew these targets to reflect current conditions and to implement these reductions as part of watershed nutrient planning initiatives.

While there have been improvements in recent years (due to existing buffer zone legislation, the implementation of the ALUS program, programs in the Department of Agriculture and Forestry and preventative measures by Transportation and Infrastructure Renewal), siltation is an ongoing issue in PEI. The province, along with Fisheries and Oceans Canada (DFO), has engaged researchers at UPEI to determine the effectiveness of various ALUS measures at reducing siltation and to design a monitoring program to monitor siltation.

Buffer zone legislation and the elimination of some pesticides have, in recent years, reduced the numbers of pesticide related fish-kills although they do continue to be an issue in some areas of the province. The recent *Report of the Action Committee for Sustainable Land Management* (November 2012) made several recommendations to further address the ongoing issue, and that report is currently being implemented. Annual monitoring is conducted by ELJ in streams and has shown few detections of pesticides. Estuaries have also been sampled following fish kills and show that pesticides are not found in estuaries indicating that they are diluted below detection levels and represent little threat to aquaculture. This monitoring will continue in the future.

Wastewater collection and treatment systems are regulated by Environment, Labour and Justice and Environment Canada. Effluents from municipal wastewater facilities can impact shellfish growing areas. Regulations are in place requiring facilities to monitor their systems and report non-compliance issues. Over the last decade, there have been significant efforts made to improve effluent quality leaving wastewater treatment plants, update collection systems, and put in place new standards for design of lift stations. Systems that are not meeting effluent standards are monitored closely and encouraged or required to upgrade. ELJ has worked with Environment Canada (EC), DFO, CFIA and municipalities to develop several Conditional Management Plans.

These plans are required in some productive shellfish growing areas where wastewater treatment plants or lift stations discharge. These plans allow the shellfishing industry to continue fishing in areas that are close to discharge areas. Recently, lift stations and combined sewer (storm and wastewater collection systems) /systems have created issues with closures. ELJ is working with these communities to have these systems upgraded so impact is limited. ELJ has also worked with FARD, EC and the Canadian Food Inspection Agency (CFIA) to implement strategic re-opening sampling following emergency closures related to heavy rainfall events. This has ensured that closures last only as long as necessary for food safety, thereby reducing overall impact on the aquaculture and shellfish industries.

Climate change impacts on aquaculture habitats and species are likely due to warming water temperatures and more intense rainfall events. Higher temperatures could result in increased pressure from invasive species and increased incidence of disease. Neither of these issues is under the mandate of ELJ, and it is not known if research on these potential impacts is being conducted by other agencies. ELJ is willing to assistance other agencies that are interested in studying these impacts and provide whatever relevant data we have available.

Higher water temperatures could also lead to increased frequency and duration of anoxic events. Anoxic events may be best addressed by reducing the nutrients which cause them in the first place.

More intense rainfall events could contribute to emergency shellfish closures. This is a human health issue which does not impact aquaculture species or habitats. ELJ will continue to work with FARD, EC and CFIA to implement strategic re-opening sampling following emergency closures related to intense rainfall events. This will ensure that closures last only as long as necessary for food safety, thereby, reducing overall impact on the aquaculture and shellfish industries.

The Recommendation

#10. Your committee recommends that the Department of Environment, Labour and Justice consider an annual agreement with the PEI Aquaculture Alliance to support its environmental stewardship efforts in PEI's bays and estuaries.

Response:

ELJ has not entered into any agreement with the PEI Aquaculture Alliance regarding environmental stewardship initiatives of the Alliance. ELJ is already engaged in a number of monitoring programs and initiatives related to water quality that would likely support the stewardship efforts of the Aquaculture Alliance. In this period of fiscal restraint, ELJ has no capacity to engage in additional efforts. We note that FARD may have a stronger mandate to work with the Alliance.

The Recommendation:

12. Your committee encourages government to review environmental regulations on a regular basis to ensure they are achieving the intended outcome of protecting the natural resources, such as water, that we cannot do without.

Response:

Environmental regulations are reviewed on a regular basis. The protection of the Province's groundwater and surface water resources includes prevention of contamination of the resource, mitigation of contamination when it occurs, and preservation of the quantity of the resource. A series of regulatory tools under the *Environmental Protection Act*, among other measures, is used to achieve these ends and include such instruments as the Drinking Water and Wastewater Facility Operating Regulations, the Sewage Disposal Regulations and the Water Well Regulations.

Under the Provisions of the *Environmental Protection Act* and the **Drinking Water and Wastewater Facility Operating Regulations**, the Department regulates the establishment of drinking water and wastewater systems and specifies the standards for operation of these systems. One of the recent focuses of this work has included the registration and operator training for small, privately owned drinking water and wastewater systems. In addition, requirements under the regulations for well field protection planning for municipal well fields continue to be developed and used by communities, including the proposed new well field for the City of Charlottetown, located in the community of Miltonvale Park. The Department is also collaborating with researchers from the Universities of Calgary and Guelph on a project aimed in part in refining the approach to delineation of well field protection zones and the migration of contaminants in groundwater. Pending the results of this work, further regulatory enhancements to well field protection requirements may be made.

Specifically affecting wastewater treatment facilities, the Department is in the process of reacting to new provisions under the federal *Fisheries Act Wastewater Systems Effluent Regulations* (WSER). Under WSER, new federal requirements for the discharge of sewage effluent to water bodies have been established, with the intent that the regulations would be administered by provincial authorities, and the Department is in the process of negotiating an agreement with Environment Canada which will involve amendments to current regulations to ensure compliance with federal requirements.

The development and use of high capacity wells is regulated under the *Environmental Protection Act Water Well Regulations* and major changes have been made to the criteria by which groundwater extraction permits are approved. Formerly, maximum groundwater extraction limits were determined as a percentage of the annual recharge to the affected groundwater flow system. These provisions provided good protection for the quantity of groundwater resources; however, were not always sufficient to ensure that there was an adequate groundwater contribution to local streams, thus affecting overall stream flow during dryer periods of the year. Under the Province's new policy, based on recommendations from the Canadian Rivers Institute and other international sources, groundwater extraction limits are now determined on the basis of the impact on stream

flow during the most critical times of the year, rather than on annual impacts on groundwater resources as a whole. This new policy has already been applied to water supply development proposals from the City of Charlottetown (new well field in Coles Creek) and the Town of Stratford (Clearview well field).

The Department also collaborated on a joint project with the Provinces of Nova Scotia and New Brunswick directed at examining the current regulatory regime for construction of groundwater sourced geothermal heating systems. To date, a consultant's report has been completed, and recommendations will be reviewed with a view to making appropriate amendments to the Water Well Regulations to address those issues unique to the sector that are not currently addressed by the existing regulations.

The installation and maintenance of on-site sewage disposal systems (septic systems) is regulated under the *Environmental Protection Act Sewage Disposal System Regulations*, to ensure that domestic wastewater in areas not serviced by central sewage collection and treatment are afforded effective wastewater treatment that does not contribute to the degradation of groundwater quality. Significant revisions are being made to the regulations that will stream-line the approval process, improve the standards for construction and the knowledge base and capacity of contractors installing these systems. In particular, all new septic contractors will be required to hold a site assessor's license, ensuring that they have the proper training and tools to match septic system design to local soils conditions. In addition to these measures, recent amendments to the regulations now prohibit land spreading of septage collected by septic haulers, and septage must now be disposed of at designated facilities where it can be treated to produce high quality bio-solids that can be used as a safe and effective soil amendment.

The Recommendation:

#13 Your committee wishes to restate recommendation #6 from the Standing Committee on Agriculture, Environment, Energy and Forestry's first report of the First Session of the Sixty Fourth General Assembly: Your committee encourages government, the shellfish industry, watershed groups and landowners to continue to work to solve the problem of over abundance of sea lettuce in Island waterways, both in terms of prevention and remediation. Additionally, your committee strongly recommends that a strategy be put in place to address the sea lettuce issue in support of the shellfish industry, and that immediate action be taken.

Response:

Prolific sea lettuce growth is caused by nutrient levels entering our Island estuaries. If more nutrients (in particular nitrate) than are needed for normal growth enter an estuary, increased growth of sea lettuce will occur. Reducing the nitrates that cause the prolific growth is recognized around the world as the only effective way to deal with the issue. ELJ staff have been working over the last several years to determine the level of reduction in nutrient loading needed for Island estuaries and now have reduction targets for all major estuaries in the province.

ELJ has determined that the best way to implement nitrate reduction targets is through a process of community-led watershed nutrient planning. To date, two watersheds (Wheatley River and Southwest River) have participated in a watershed nutrient planning process. ELJ is willing to work with any other community watershed group interested in this process. Input from all community stakeholders, including the shellfish and aquaculture industries, is required for this process to work effectively. Participation from these groups is welcomed.

Harvesting of sea lettuce is not considered to be either an effective preventative or remediation measure by ELJ. A pilot harvesting program conducted in 2011 demonstrated that the practice is ineffective at reducing sea lettuce or anoxic events and is also prohibitively expensive.

The Recommendation:

15 Your committee encourages the Department of Environment, Labour and Justice and the Department of Agriculture and Forestry to continue to work with stakeholders to devise flexible solutions around wetlands, buffer zones and permitted forestry practices.

Response:

The Department of Environment, Labour and Justice (ELJ) continues to provide core funding to community-based watershed groups through the Watershed Management Fund. In 2013, \$800,000 has been awarded to 21 groups across PEI. These watershed groups work with local landowners on a personal level to improve practices around these environmentally sensitive areas. Government has seen tremendous success from these groups, and they often provide results that government alone could not hope to accomplish.

ELJ and A&F have piloted two nitrate reduction projects with two watershed groups, with the intention of the watershed groups creating a locally owned and managed plan to reduce nitrate losses in their watersheds. Two other groups have recently received funding through the federal EcoAction funding program to also reduce nitrates in their watersheds. These projects are ongoing.

In conjunction with the PEI Watershed Alliance, ELJ has been working on creating a PEI Watershed Strategy. One of the main outcomes of the strategy will be to forge new relationships and strengthen existing ones with many of the stakeholders involved in environmental protection and enhancement. Many work plans specific to wetland, buffer zone and forestry issues are expected to result from the strategy and the new/improved relationships.

ELJ, in partnership with the Department of Agriculture and Forestry, continues to improve the Alternative Land Use Services (ALUS) program. The program was just renewed to run through 2018. The program provides monetary resources to landowners in return for beneficial environmental practices that benefits everyone and the environment.

Some of the activities that can be funded include:

- buffer zone tree planting
- expanded buffer zones
- sensitive land retirement
- retiring high sloped land
- maintaining livestock fences adjacent to watercourses and wetlands

The two Departments continue to partner on this program.

In the summer and fall of 2012, the Department heard from the PEI Woodlot Owners Association and several wood harvesters who had major concerns with the current environmental restrictions on wood harvesting in and around forested buffer zones, especially wooded swamps. In response to these concerns, ELJ staff met face to face with the concerned groups to hear their issues. From the meetings, it was decided that two major initiatives would be undertaken:

- Environment, Labour and Justice would put forward changes to the definition in the regulations of a “wooded swamp” to remove the reference to the 30 centimeters thick moss layer. This reference is not needed to provide protection to the wetlands and only causes confusion.
- ELJ in conjunction with the Department of Agriculture and Forestry is currently exploring the creation of a pilot program for buffer zone harvesting. In the pilot program, woodlot owners would have a certified forestry consultant prepare a forest management plan, which includes the buffer zone. The plan would then be reviewed by Forestry staff and ELJ and if approved, the harvesting in the buffer could occur without a permit. The outline of the pilot is currently being worked on with the major details to be finalized in the fall of 2013.