

Final Response

November 19, 2019

Dear Applicant:

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act, 2015 - FLR-108-2019

On October 21, 2019, the Department of Fisheries and Land Resources (FLR) received your request for access to the following records:

“DOC/2019/04172 Information Note - Atlantic Fisheries Fund Amendment Request Icewater Seafoods Inc - August 19 2019.”

Please be advised that a decision has been made by the Deputy Minister for FLR to provide access to the requested information. Redactions have been made under Section 34 – Disclosure harmful to intergovernmental relations or negotiations of the **Access to Information Protection of Privacy Act, 2015**. You will find a copy of responsive material attached.

Please be advised that you may appeal this decision and ask the Information and Privacy Commissioner to review the decision to provide partial access to the requested information, as set out in section 42 of the *Act* (a copy of this section of the Act has been enclosed for your reference). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your appeal should identify your concerns with the request and why you are submitting the appeal.

The appeal may be addressed to the Information and Privacy Commissioner as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P.O. Box 13004, Stn. A
St. John's, NL. A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the *Act* (a copy of this section of the Act has been enclosed for your reference).

Please be advised that this letter will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Office of Public Engagement's website within one business day following the applicable period of time. Please note that requests for

personal information will not be posted online.

If you have any further questions, please contact me by telephone at 709-637-2354 or by email at Lisaneville@gov.nl.ca .

Sincerely,


Lisa Neville
ATIPP Coordinator

Right of access

8. (1) A person who makes a request under section 11 has a right of access to a record in the custody or under the control of a public body, including a record containing personal information about the applicant.

(2) The right of access to a record does not extend to information excepted from disclosure under this Act, but if it is reasonable to sever that information from the record, an applicant has a right of access to the remainder of the record.

(3) The right of access to a record may be subject to the payment, under section 25 , of the costs of reproduction, shipping and locating a record.

Access or correction complaint

42. (1) A person who makes a request under this Act for access to a record or for correction of personal information may file a complaint with the commissioner respecting a decision, act or failure to act of the head of the public body that relates to the request.

(2) A complaint under subsection (1) shall be filed in writing not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16 (2).

(3) A third party informed under section 19 of a decision of the head of a public body to grant access to a record or part of a record in response to a request may file a complaint with the commissioner respecting that decision.

(4) A complaint under subsection (3) shall be filed in writing not later than 15 business days after the third party is informed of the decision of the head of the public body.

(5) The commissioner may allow a longer time period for the filing of a complaint under this section.

(6) A person or third party who has appealed directly to the Trial Division under subsection 52 (1) or 53 (1) shall not file a complaint with the commissioner.

(7) The commissioner shall refuse to investigate a complaint where an appeal has been commenced in the Trial Division.

(8) A complaint shall not be filed under this section with respect to

(a) a request that is disregarded under section 21 ;

(b) a decision respecting an extension of time under section 23 ;

(c) a variation of a procedure under section 24 ; or

(d) an estimate of costs or a decision not to waive a cost under section 26 .

(9) The commissioner shall provide a copy of the complaint to the head of the public body concerned.

Direct appeal to Trial Division by an applicant

52. (1) Where an applicant has made a request to a public body for access to a record or correction of personal information and has not filed a complaint with the commissioner under section 42 , the applicant may appeal the decision, act or failure to act of the head of the public body that relates to the request directly to the Trial Division.

(2) An appeal shall be commenced under subsection (1) not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16 (2).

(3) Where an applicant has filed a complaint with the commissioner under section 42 and the commissioner has refused to investigate the complaint, the applicant may commence an appeal in the Trial Division of the decision, act or failure to act of the head of the public body that relates to the request for access to a record or for correction of personal information.

(4) An appeal shall be commenced under subsection (3) not later than 15 business days after the applicant is notified of the commissioner's refusal under subsection 45 (2).

Information Note
Department of Fisheries and Land Resources

Title: Atlantic Fisheries Fund (AFF) Amendment Request from Icewater Seafoods Inc. (Icewater)

Issue:

- Icewater has requested an amendment to their AFF project to acquire additional funding to cover cost overruns, as well as additional equipment, as a part of Phase II of their overall project plan. The request includes an additional [REDACTED] from AFF.

34(1)(a)(i)

Background and Current Status:

- Icewater is the key groundfish processor in the province. In 2017, Icewater began an initiative to modernize their processing plant in Arnold's Cove by introducing and integrating leading-edge technology into their facility. The project plan has a phased approach over three years and a cost of over \$ [REDACTED] 34(1)(a)(i)
- Icewater submitted a proposal to AFF and was approved for \$3,229,650 to purchase and install state of the art ice making equipment and a refrigeration unit. This project is part of Phase I of the multi-year plan between Icewater, ACOA and AFF that will modernize and upgrade Icewater's cod processing facility.
- The phased approach to the project was undertaken in order to complete the modernization of the plant without disrupting production for an extended period. All upgrades are planned to occur during the break in harvesting activity during cod spawning season.
- The three planned phases of the project include:
 - I. Ice making, refrigeration, filleting and skinning equipment
 - II. Thawing and chiller equipment, tunnel freezer and heading machine
 - III. Water jet pin bone removal and portioning, IQF grader
- In January 2018, ACOA also supported Phase I and part of Phase II through the purchase and installation of the filleting, skinning and heading equipment with a contribution of \$2,831,497.
- Items remaining in Phase II and III of the original project include: acquisition of the Marel Water Jet Flexi-cut machine, pre-trimming line, IQF freezer and IQF Grader. After further evaluation, Icewater decided that the IQF Grader and the IQF freezer are not required. Furthermore, the company has made modest modifications to their existing flowline for pre-trimming and have decided that it is suitable to the company's needs. This eliminates the need for a new Marel pre-trimming line, leaving only the Flexi-cut machine to be purchased and installed. The acquisition of this piece of equipment is estimated to be \$1,661,684 (\$1,511,684 + 10% contingency).

Analysis:

- The original project proposed by Icewater was a three-phase project with a total cost of over [REDACTED] which included funding from ACOA and AFF. The scope of the project has been reduced and is now two-phases with a total budget under \$10 million. Changes to the project activities and budget were made based on actual cost overruns [REDACTED] and needs assessment (i.e., no longer needing equipment identified in the original plan). The

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budget for the remaining components of the project is [REDACTED] and Icewater is requesting [REDACTED] from AFF. See Annex 1: Project Recommended for Amendment.

34(1)(a)(i)

- While reducing the overall investment by one-third, Mr. Wareham states that these revisions to the capital program should not diminish the impact of the project on the operations at the Icewater processing facility in Arnolds Cove. The benefits anticipated from the introduction of the Water Jet Flexi-cut machine will remain.
 - Quality: An enhancement of finished product quality due to less handling and the introduction of a standard/consistent pin bone cut; and,
 - Productivity: With more precise cuts, up to a [REDACTED] increase in yield can be expected over the 11 million lbs. of throughput. This will divert a potential [REDACTED] of finished product from lower value block or mince products to Grade A portions. This will generate more than [REDACTED] in incremental revenue annually.

34(1)(a)(i)

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Action Being Taken: 34(1)(a)(i)

- It is recommended that the project presented for amendment be supported by FLR. This project aligns with the priorities of the province to support the fishing industry transition to groundfish by increasing productivity, quality and sustainability in the fish and seafood sector.
- This project amendment includes an increase in AFF contribution and, therefore, must be approved by FLR Minister. A letter of recommendation related to this decision note (COR/2019/02724) must be signed and returned to DFO Minister for final approval.
- FLR staff will continue to provide technical reviews and recommendations for amendments submitted including consultation with other provincial departments to ensure all applicants considered for funding are in good standing with the province.

Prepared/Approved by: L. Peddle/S. Barry/L. Companion
Ministerial Approval:

August 20, 2019



Annex 1: Project Recommended for Amendment

Project #	Applicant	AFF Funding (\$)	Total Costs (\$)	AFF Pillar	Location	Project Description
NFLD - 62	Icewater Seafoods Inc.	\$3,229,650 original + [REDACTED] incremental; Revised total : [REDACTED]	\$4,454,000 original + [REDACTED] incremental Revised total: [REDACTED]	Infrastructure	Arnold's Cove	<p>Purchase and installation of a state-of-the-art ice management system, consisting of three ice-making machines and a refrigeration system over two-years. This project was one phase of a multi-year technology modernization plan to refit the facility with the most modern processing machinery that would optimize both product yield and quality.</p> <p>Icewater Seafoods has requested that the conditionally repayable contribution agreement be amended to reflect an estimated [REDACTED] in costs overruns and include the purchase and installation of a Marel Flexicut system (a waterjet pin bone removal and portioning system) that was initially planned for a later phase of the project at an additional cost of \$1,661,684. The incremental request to AFF is \$ [REDACTED]</p>

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