

**Policy Directive:**  
**Fees for Environmental Assessment of Major Undertakings**

Division: Environment  
Assessment

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**Subject:**

Fees for Environmental Assessment of Major Undertakings

**Objective:**

To establish a procedure and set of fees to be charged to proponents of major undertakings/projects to offset Government's cost of service for the conduct of environmental assessments.

**Background:**

The 1997/98 Budget stipulates that the Department of Environment and Labour must recover costs incurred for the administration of the environmental assessment process for major projects. This policy statement gives effect to the Budget decision.

**Legislation:**

An Act to Amend the Environmental Assessment Act S.N. 1997 c37 became law on December 19, 1997. It enables the Minister of Environment and Labour to set fees to offset the costs incurred by the Crown for the environmental assessment of undertakings with projected capital costs greater than \$15 million. Fees may be set retroactively to April 1, 1997.

**Policy:**

This policy institutes the procedure and set of fees given below. The effective date for all fees with one exception is December 19, 1997. That exception is the recovery of provincial costs associated with federal-provincial panel reviews, which has an effective date of April 1, 1997. Fees apply to private and public sector proponents. Non-profit organizations are exempt.

1. The policy applies to undertakings with an estimated capital cost greater than \$15 million as determined by the Director of Environmental Assessment. This determination will be based on an estimate of the capital cost of the undertaking provided by the proponent prior to the start of an environmental assessment. The proponent will use current standard estimating practices and construction costs. If, after consultation with the proponent, the Director is not satisfied that the proponent's estimate is reasonable, the Director may obtain an estimate from

an independent estimator. The cost of such estimate will be charged to the proponent if the final assessment supports the position of the Director.

In case of dispute on whether this policy applies, the Minister is the final authority.

2. Fixed fees shall be charged as follows:

- Environmental Preview Report (EPR) - \$5,000 in two installments: \$2,000 prior to the issuance of EPR guidelines by the Minister and \$3,000 on submission of the EPR;
- Environmental Impact Statement (EIS) - \$15,000 in two installments: \$5,000 prior to the issuance of EIS guidelines by the Minister and \$10,000 on submission of the EIS;
- Substantial revision to EIS - \$3,000 on submission;
- Component Study - \$3,000 on submission;
- Environmental Protection Plan - \$3,000 on submission.

*Notes:* HST applies for private sector proponents and must be added to the amounts shown. All undertakings are subject to a \$200 registration fee under a separate policy directive.

3. Incremental fees shall be charged as follows:

- above normal costs for an environmental assessment including:
  - site visits and other travel by members of an Environmental Assessment Committee,
  - consultant advice where required expertise is not available within Government,
  - hiring of staff dedicated to the environmental assessment of a specific project, and
  - environmental surveillance over and above monthly inspections;
- costs of an Environmental Assessment Board established under the Newfoundland Environmental Assessment Act;
- Province's share of costs associated with a joint federal-provincial panel review.

*Notes:* Fees for a given undertaking will be in line with a budget to be prepared by the Director in consultation with the proponent and normally issued to the proponent in advance of applicable expenditures being made. Applicable fees predating this policy directive may be included in the budget. In case of dispute, the Minister is the final authority.

4. For undertakings, other than federal-provincial panel reviews, that were registered and for which EPR/EIS guidelines were issued prior to December 19, 1997, the first installment of EPR/EIS fees is waived, i.e. EPR - \$2,000 and EIS -

\$5,000. The second installment and other fees apply for any work done after December 19, 1997.

5. Payment of fees shall be by cheque or money order made payable to the Newfoundland Exchequer. Fees or proof of payment (e.g. cashier's receipt from Department of Finance) shall be submitted to the Environmental Assessment Division. All payments or receipts will be routed through the Administration Division and credited to the appropriate revenue account. Invoices for incremental fees will be issued to proponents by the Administration Division on instructions from the Environmental Assessment Division and are payable within 30 days.

6. In case of non-payment of fees, the environmental assessment of an undertaking will not proceed nor will environmental assessment documents be considered to be accepted.