



Report Date: December 08, 2022

File: UA184988

Report Number: 199271

Deep Water Recovery Ltd.  
5084 Island Hwy S, Union Bay, BC V0R 3B0

Dear Deep Water Recovery Ltd.,

**Re: Warning Letter, Unauthorized Discharge, 5084 Island Hwy S, Union Bay, BC V0R 3B0, Effluent**

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On October 27, 2022, Ministry of Environment, Environmental Protection Division staff conducted an inspection of your facility, located at 5084 Island Hwy S, Union Bay, BC V0R 3B0. The inspection determined that Deep Water Recovery Ltd. is out of compliance with the *Environmental Management Act*, Part 2 Prohibitions and Authorizations, Section 6(2) waste disposal. This Warning Letter lists the compliance verification information below.

By discharging waste under Environmental Management Act without a valid authorization Deep Water Recovery Ltd. commits an offence under the *Environmental Management Act (EMA)*. Section 120(3) of *EMA* states as follows:

*120(3) A person who contravenes any of the following commits an offence and is liable on conviction to a fine not exceeding \$1 000 000 or imprisonment for not more than 6 months, or both: (a) section 6 (2), (3) or (4) [waste disposal];...*

It should also be noted that, as an alternative to prosecution of the offence referenced above, the Ministry may initiate action to impose an administrative penalty against Deep Water Recovery Ltd.. The Administrative Penalties Regulation (EMA) (B.C. Reg. 133/2014) (APR) was brought into force in 2014. The APR describes the prescribed provisions of the EMA as well as that of specified regulations under which administrative penalties can be assigned. Section 12(1) of the APR states as follows:

*12(1) A person who contravenes section 6 (2), (3) or (4), 7, 8, 9 (1) or (4), 11, 25 (2), 40 (1), (2), (3), (6) or (7), 48 (8), (10) or (15), 55 (1), 72 (1) or (2) or 76.2 of the Act is liable to an administrative penalty not exceeding \$75 000.*

I request that Deep Water Recovery Ltd. immediately implement the necessary changes or modifications to correct the non-compliance(s) listed above with the *Environmental Management Act*. Further, I request that Deep Water Recovery Ltd. notify this office in writing, by email or letter within 30 days of this letter, advising what corrective measures have been taken, and what else is being done, to prevent similar non-compliances in the future.

Please submit your response to the Ministry's Compliance Mailbox at: [EnvironmentalCompliance@gov.bc.ca](mailto:EnvironmentalCompliance@gov.bc.ca).

As a result of this Warning, this authorization will be prioritized for follow-up inspection. The corrective measures will be reviewed by an Officer as part of the next inspection.

Finally, if you fail to take the necessary actions to restore compliance, you may be subject to escalating enforcement action. This Warning Letter and the alleged violations and circumstances to which it refers, will form part of the compliance history of Deep Water Recovery Ltd. and will be taken into account in the event of future violations.

Deep Water Recovery Ltd. failed to comply with the *Environmental Management Act*, section 6(2) as outlined below.

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**Ministry of Environment  
and Climate Change  
Strategy**

Compliance and  
Environmental  
Enforcement Branch

Mailing Address:  
2080-A  
Labieux Rd  
Nanaimo BC V9E 6J9

Telephone: 250 751 3100  
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Website: [www.gov.bc.ca/env](http://www.gov.bc.ca/env)

**Inspection Details:**

On October 27, 2022 Ministry of Environment and Climate Change Strategy (Ministry) Environmental Protection Officer Kyle Lynch (Officer) conducted an onsite inspection of the Deep Water Recovery Ltd.(DWR) facility located at 5084 Island Highway South, Union Bay (Facility) which functions as a marine vessel dismantling and waste disposal operation. In attendance during the inspection was the registered owner and operator of DWR, Mark Jurisch (Owner).

This Inspection Report also includes an assessment of effluent sampling results from Officer Lynch's April 5, 2022 onsite inspection. These sampling results were not available at the time of an earlier Inspection Report (IR 184988), dated April 29, 2022 and were not part of that inspection.

DWR does not currently have any authorization under the Environmental Management Act (EMA) to discharge waste into the environment from the Facility. However, on July 11, 2022, DWR applied for a new permit under EMA to discharge water from three settling ponds/sumps at a barge dismantling facility. (Job #416364). On November 24, 2022, the Ministry emailed DWR and provided the Application Instruction Document (AID), Information Requirements Table (IRT), and First Nation Consultation Spatial Overlay Engine (SOE) report for DWRs permit application. The status of DWRs permit application is Applicant Work Window.

The following documents were reviewed as part of this inspection:

Effluent Sampling Results and Certificate of Analysis from October 27, 2022 (VA22C6153\_0\_COA - Oct DWC) Effluent Sampling Results and Certificate of Analysis from October 27, 2022 (VA22C6159\_0\_COA - Oct DWN); Effluent Sampling Results and Certificate of Analysis from April 5, 2022 (VA22A7081\_0\_COA - Apr DWC DWN DWS); 2022-11-24 Final Aid, IRT, SOE - Tracking # 416364 email from the Ministry to DWR.

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| Requirement Description: | <b>Environmental Management Act, Environmental Management Act</b><br><br>6 (2): Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business. |
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| <p>Details/Findings:</p> | <p>On October 27, 2022, Officer Lynch conducted sampling of effluent from two unlined basins at the Facility, DWR North (DWN) and DWR Central (DWC) (see attached Site Map). At the time of sampling there was a significant precipitation event occurring in excess of 20 mm. At the time of inspection, there was an active discharge of effluent overflowing from the DWN and DWC unlined basins and into the marine environment and tidal foreshore (see attached Photos 1, 2). However, there was insufficient effluent in the DWR South (DWS) (Photo 3) unlined basin at the time of inspection and sampling could not be conducted.</p> <p>In an earlier onsite inspection from April 5 2022, Officers Lynch and Enick conducted sampling of effluent in the three unlined basins at the Facility, DWN, DWC and DWS. These sampling results were not available at the time of an earlier Inspection Report (IR 184988), dated April 29, 2022 and are included here as part of this inspection. At the time of the April 5, 2022 sampling, the weather was clear with no precipitation.</p> <p>Table 1 attached to this Inspection Report includes a summary of the October 27 and April 5, 2022 sampling results. Results are compared against the BC Water Quality Guidelines Aquatic Life - Marine (BCWQG).</p> <p>On October 27, 2022, the effluent overflowing from the DWN unlined basin into the marine environment and tidal foreshore exceeded BCWQG for total Copper, Zinc and Cadmium (See Table 1). On October 27, 2022, the effluent overflowing from the DWC unlined basin into the marine environment and tidal foreshore exceeded BCWQG for total Copper, Lead, Zinc and Cadmium (See Table 1).</p> <p>On April 5, 2022, the effluent in the DWN unlined basin exceeded BCWQG for total Copper, Zinc and Cadmium (See Table 1). On April 5, 2022, the effluent in the DWC unlined basin exceeded BCWQG for total Copper, Lead and Zinc (See Table 1). On April 5, 2022, the effluent in the DWS unlined basin exceeded BCWQG for total Copper, Lead and Zinc (See Table 1).</p> <p>The management and discharge of waste into the environment from a marine vessel dismantling operation is considered "Commercial Waste Management or Waste Disposal Industry" is a prescribed industry under Schedule 1 of the Waste Discharge Regulation (WDR). WDR defines "commercial waste management or waste disposal industry" as "establishments primarily engaged in the commercial collection, handling, storage, treatment, destruction or disposal of waste soil, solids or liquids;"</p> <p>The overflow of effluent from the DWN and DWC unlined basin into the marine environment and tidal foreshore on October 27, 2022, are considered discharges into the environment. On October 27 and April 5, 2022, effluent infiltration to ground from all three unlined basins is also considered discharges to the environment.</p> <p>As DWR does not currently have any valid authorization under EMA to discharge waste effluent from its marine vessel dismantling operation into the environment, it is out of compliance with Section 6(2) of EMA on October 27 and April 5, 2022, for causing or allowing waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.</p> |
| <p>Compliance:</p>       | <p>Out</p>  |

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| Actions to be taken: | Cease discharge until getting an active authorization is in place for the operation. |
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**Compliance History:**

Other UA184988 2022-06-26 IR 193589 Warning Unauthorized 6(2): Environmental Management Act 6 (2); 13  
 Other UA184988 2022-01-27 IR 184988 Warning Unauthorized 6(2): Environmental Management Act 6 (2)

The Ministry of Environment Compliance and Enforcement Policy and Procedure (C&E Policy) prescribes common requirements and procedures for all Ministry staff to ensure consistent and risk-based assessment and response to non-compliance. Using the Non-Compliance Decision Matrix, the compliance determination for this inspection has been assessed as Level 2, Category C, Warning Unauthorized 6(2).

More information about Environmental Compliance, the Non-Compliance Decision Matrix, and reporting and data submission requirements can be found at the links below:  
 General compliance information:  
[www.gov.bc.ca/environmentalcompliance](http://www.gov.bc.ca/environmentalcompliance)  
 Non-Compliance Decision Matrix information:  
[www.gov.bc.ca/environment/how-compliance-is-assessed](http://www.gov.bc.ca/environment/how-compliance-is-assessed)  
 Reporting and data submission requirements (to be sent to EnvAuthorizationsReporting@gov.bc.ca):  
<https://www2.gov.bc.ca/gov/content/environment/waste-management/waste-discharge-authorization/comply>

Please be advised that this inspection report may be published on the provincial government website within 7 days.

Below are attachments related to this inspection.

If you have any questions about this warning, please contact the undersigned.

Yours truly,

Kyle Lynch  
 Environmental Protection Officer

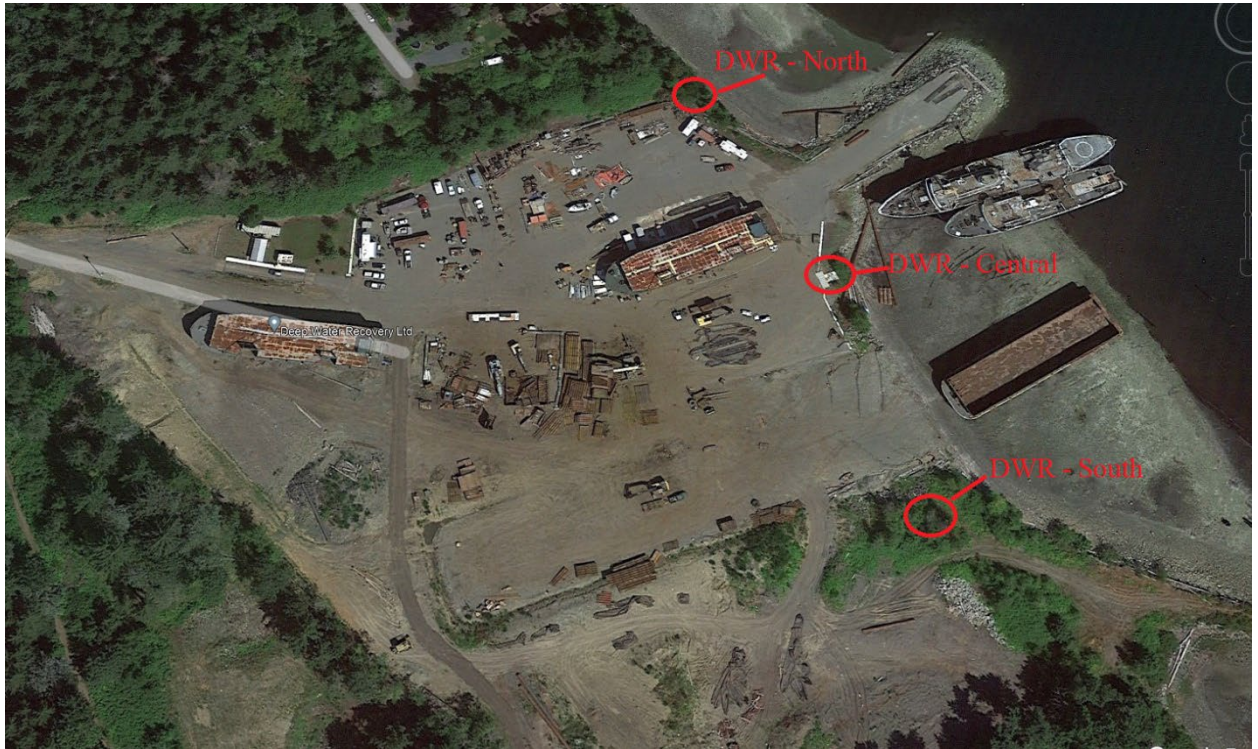
cc:

|                                    |              |
|------------------------------------|--------------|
| <b>Attachments:</b>                |              |
| 1) Table 1 DWR Sample Results.pdf  | Table 1      |
| 2) DWR Site Map.pdf                | Site Map     |
| 3) 2022-10-27 Photo Record DWR.pdf | PHOTO Record |

|                         |                                     |                       |                          |
|-------------------------|-------------------------------------|-----------------------|--------------------------|
| <b>Deliver via:</b>     |                                     |                       |                          |
| <b>Email:</b>           | <input checked="" type="checkbox"/> | <b>Fax:</b>           | <input type="checkbox"/> |
| <b>Registered Mail:</b> | <input type="checkbox"/>            | <b>Mail:</b>          | <input type="checkbox"/> |
|                         | <input type="checkbox"/>            | <b>Hand Delivery:</b> | <input type="checkbox"/> |

|                 | April 2022<br>DWN | October<br>2022 DWN | April 2022<br>DWC | October<br>2022 DWC | April 2022<br>DWS | BCWQG -<br>Marine -<br>Long term |
|-----------------|-------------------|---------------------|-------------------|---------------------|-------------------|----------------------------------|
| Copper (total)  | 23.6 µg/L         | 39.7 µg/L           | 55.5 µg/L         | 81.8 µg/L           | 24.3 µg/L         | 2 µg/L                           |
| Lead (total)    | 0.566 µg/L        | 1.31 µg/L           | 12.2 µg/L         | 26.8 µg/L           | 2.45 µg/L         | 2 µg/L                           |
| Zinc (total)    | 157 µg/L          | 125 µg/L            | 214 µg/L          | 382 µg/L            | 33.2 µg/L         | 10 µg/L                          |
| Cadmium (total) | 0.145 µg/L        | 0.127 µg/L          | 0.083 µg/L        | 0.153 µg/L          | 0.0283 µg/L       | 0.12 µg/L                        |

Document : Table 1 DWR Sample Results.pdf



Document : DWR Site Map.pdf

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|-------------------------|--|
| Authorization: UA184988 | Client Name:<br>Deep Water Recovery Ltd. |
| NRIS IR #: 199271       | 2022-10-27                               |

Photo 1:

Deepwater Recovery  
North –

Basin was discharging  
from the top of the  
system at the time of  
inspection.



Photo 2:

Deepwater Recovery Central – Basin was discharging from the top of the system at the time of inspection.



Photo 3:

Deepwater Recovery South – basin did not contain sufficient effluent at the time of inspection and was not sampled.

