

1   Q.   With regard to Mr. Martin's evidence (page 17, lines 19 to 23), provide  
2       support for the statement "Hydro anticipates that the Provincial  
3       Government will revise its requirements to mandate Hydro to use fuel  
4       containing sulphur of not more than 1% at Holyrood".  
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7   A.   In July and August of this year, the Provincial Department of Environment  
8       and Conservation consulted with Hydro as to its emissions from the Holyrood  
9       Thermal Generating Station and indicated that the Certificate of Approval  
10      would be amended prohibiting the return to higher sulphur fuels. At this time,  
11      it was also communicated that the Minister lacked the legislative authority to  
12      enter into a compliance agreement as to higher levels of sulphur fuel due to  
13      existing concerns as to short-term health effects.  
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15       On September 14, 2006 Hydro received an amended Certificate of Approval  
16       for the operation of the Holyrood Thermal Generating Station that prohibited  
17       the burning of fuel with a sulphur content in excess of 1% by weight. On  
18       September 18, 2006, Hydro applied to the Board for approval to recover  
19       expenses of purchasing 1% sulphur fuel.