

1 **Q. At paragraph 7 of the Application it states that the Minister of**
2 **Environment and Conservation has informed Hydro that there is reason**
3 **to believe, based on the data and modeling, that Hydro is not in**
4 **compliance with the Air Pollution Control Regulations, 2004. Please:**
5 **a) provide a copy of that correspondence if the assertion was made in**
6 **writing;**
7 **b) indicate when this assertion was made by the Minister;**
8 **c) indicate in what specific areas it has been asserted that there is**
9 **reason to believe that Hydro is non-compliant and to what extent.**

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12 **A.** The Director of the Pollution Prevention Division of the Department of
13 Environment and Conservation confirmed and explained the Department's
14 position in this matter in a letter dated February 9, 2006, a copy of which is
15 attached.



GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

**Department of
Environment and Conservation**
Pollution Prevention Division

File No. 716.008

February 9, 2006

Mr. Frank Ricketts
Newfoundland and Labrador Hydro
P.O. Box 12400
St. John's, NL
A1B 4K6

Dear Mr. Ricketts,

RE: Non-Compliance with the Ambient Air Standards

Pursuant to Section 3 of the *Air Pollution Control Regulations, 2004*, the Department has deemed the emissions of sulphur dioxide and nitrogen oxides from the Newfoundland and Labrador Hydro (Hydro) thermal generating station in Holyrood to be non-compliant with the ambient air quality standards. These exceedances occur in areas outside the generating station's property line. As such, the Department requires Hydro to perform mitigative actions necessary to reduce the emissions levels to the regulatory standards.

Per Departmental policy, compliance with the ambient standards is determined based on the results of a plume dispersion model conducted in accordance to Departmental standards. The most recent results, completed by SENES Consultants Limited and dated October 2005, indicates both sulphur dioxide and nitrogen oxides exceedances of the ambient air standards at numerous off-property locations within a 4 km radius of the station.

The thermal generating station will be deemed non-compliant until such time as acceptable modeling based on current stack testing data, or approved compliance monitoring in areas of exceedances, demonstrates compliance. Please review the attached guidance document for further information.

The Department is willing to continue discussing options for reducing emissions and compliance agreements to allow time for Hydro to implement mitigative measures. Should you have any further questions or comments, please contact me at 729-2556.

Sincerely,

A handwritten signature in black ink, appearing to read "Derrick Maddocks".

Derrick Maddocks
Director