

1 **B-18 Construct Contaminated Water Treatment Pilot Plant, Holyrood, \$276,100**

2 Q. To date, how has NLH avoided the imposition of penalties for the violation of
3 environmental legislation?

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6 A. Hydro has discharged these waste streams with the permission of the
7 provincial regulator. Both parties were operating under the assumption that
8 the only characteristic of concern was pH excursions, which although beyond
9 regulated limits, were not of great concern to the regulator. However, recent
10 testing has revealed that, unknown to both parties, these waste streams also
11 contain high levels of ammonia, which is toxic to fish and other marine
12 organisms.

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14 Hydro has also demonstrated an effort in continuous improvement of all its
15 environmental aspects which has aided in the regulator being tolerant while
16 Hydro improves its performance.