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Q. Re: B-7, Upgrade Marine Terminal – Holyrood \$5,859,600 in 2012

Has there been any loss or damage to Hydro or a third party due to the loss of a fender from the Marine Terminal in 2008? If yes, please describe the loss or

damage.

A.

There has not been any loss or damage to Hydro or a third party due to the 2008 fender loss. The probability of a vessel being damaged by a fender disconnecting from the Marine Terminal is low, however if this were to occur, the severity of impact from a safety, environmental or economic level could potentially be extremely high. The condition of the remaining fenders is assessed yearly by a third party consultant to ensure all steps are taken to prevent another fender loss and the potential of damage to vessels during berthing and off-loading. In the event a fender is lost during berthing or unloading there is an immediate danger to the ships crew or other personnel in the immediate area and the vessel's hull could be punctured, resulting in a substantial hydrocarbon spill.