

From: AL SNYDER <amsnyder@[REDACTED]>
Sent: Thursday, February 9, 2012 1:50 PM
To: Paul Wilson <plwilson@mhi.ca>
Subject: Thermal Generating Stations

1(a) - The installation of ESP's, scrubbers and NOx burners at the Holyrood plant are not required by current federal or provincial legislation. The plant currently operates on 0.7% sulphur fuel oil and emissions are well below the 25,000 tonnes per annum limit. Even with the projected increases in load and corresponding increases in plant usage, the limit would not be exceeded as long as 0.7% fuel is used.

The significant environmental issue which must be considered if the plant is to remain in production is greenhouse gases and their impact on climate change. CO2 is the primary gas of concern and Holyrood currently emits approximately 866,000 tonnes per year

1(b) - The proposed installation of ESP's, scrubbers and NOx burners at a cost of approximately \$600 million is not required from an environmental perspective and this expenditure will be detrimental to ratepayers. The expenditure will do nothing to resolve the greenhouse gas issue but has been justified by the Government of Newfoundland and Labrador in their document "Focusing our Energy: Newfoundland and Labrador Energy Plan". Nalcor has also stated that one of their goals is to provide environmental stewardship supporting the plan.

2. Nalcor's estimated cost for decommissioning are reasonable (\$27 million) compared to similar projects. For example units 1 to 4 were decommissioned at the Brandon thermal plant at a cost of \$12 million (2000\$) and Stantec's Report to Nova Scotia Power on estimated decommissioning costs for five thermal plants in Nova Scotia; Lingan, Point Aconi, Point Tupper, Trenton and Tuff's Cove ranged from \$12 to \$25 million (2010\$).