Section 2: Customer Operations/Environmental Responsibility

Q. Volume 1, Section 2, pages 2-23 to 2-26. Please explain and state the criteria that Newfoundland Power uses to evaluate whether it is delivering service to customers in an environmentally responsible manner.

A. Newfoundland Power is committed to providing electrical service to its customers in an environmentally responsible manner. A range of criteria are used to evaluate the environmental impacts of the Company's operations.

First, the Company complies with environmental legislative requirements. For example, the Government of Canada requires that all oil-filled equipment with polychlorinated biphenyl ("PCB") content greater than or equal to 50 parts per million be removed from operation by 2025.[1] The Company is executing a multi-year plan and is on track to meet this requirement. The Company also submits Environmental Assessments to the Provincial Government for certain of its capital projects, which ensures all stakeholders are aware of the project and have opportunity to provide input, and that appropriate environmental safeguards are in place.

Second, Newfoundland Power manages its operations according to industry best practice. The Company's Environmental Management System conforms to the internationally recognized ISO 14001:2015 standard and is verified by a third-party auditor every two years. Alignment with best practice includes managing construction and maintenance activities to avoid harm to the province's environment and support biodiversity. Newfoundland Power puts Environmental Protection Plans in place to ensure the Company manages its capital projects in an environmentally responsible manner. These plans may include scheduling construction to accommodate migratory bird season, or conducting environmental surveys to identify and protect vulnerable species.[2] Other practices include stakeholder consultation and employee training.[3]

Further, the Company measures and monitors a number of environmental indicators to ensure it is delivering electricity in an environmentally responsible manner. These environmental indicators include greenhouse gas ("GHG") emissions, waste management results and spills.

- GHG emissions – The Company has set an approach to emission reductions, including a target to reduce controlled GHG emissions by 55% by 2035, as compared to 2019 levels. For more information on Newfoundland Power's approach to GHG reduction see the response to Request for Information PUB-NP-044.

[1] See *Government of Canada PCB Regulation (SOR/2008-273).*

[2] For example, right-of-way clearing begins early in the year to limit disturbances to breeding birds.

[3] Close to half of Newfoundland Power's employees received environmental training in 2023, as well as 75 contractors.

- Waste management – In 2022, the Company worked with the Multi-Materials Stewardship Board to complete a waste audit of its facilities in St. John's. Newfoundland Power's Green Team used the audit results to identify a number of opportunities to reduce the Company's waste and improve waste diversion. The amount of hazardous waste manifested for disposal and recycled is also monitored.

- Spills – Certain of Newfoundland Power's assets contain substances that could be harmful if released into the environment.[4] The Company's asset maintenance standards and operating procedures are designed to prevent the release of these substances, and employees are trained in best practices to perform immediate corrective action in the event of a release. The number of spills due to Company operations has declined since 2014, with 2022 being the lowest year for spills on record.

For additional details on the environmental standards that inform Newfoundland Power's operations and service to its customers, see the response to Request for Information PUB-NP-042.

[4] The largest category of oil-filled equipment is transformers. The Company has approximately 66,000 oil-filled distribution transformers in its service territory, as well as a number of padmount transformers. Other oil-filled equipment includes breakers, reclosers, voltage regulators, metering tanks and vehicles.