



# MEDIA BACKGROUND

2008 Sustainable Electricity Annual Report

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## Overview

The Inaugural Sustainable Electricity Annual Report outlines the overall sustainable development performance of Canadian Electricity Association (CEA) members in 2008. CEA members generate, transmit and distribute electrical energy to industrial, commercial, residential, and institutional customers across Canada on a daily basis. A national industry association, CEA includes all facets of the electricity industry from vertically integrated electric utilities and power marketers, to manufacturers and suppliers of materials, technology, and services.

Launched February 19, 2009, Sustainable Electricity is an industry-wide sustainability initiative developed and implemented by the electric utility members of CEA. The program, implemented under the strategic guidance of the CEA Board of Directors, addresses the three components of sustainability – environment, society, and the economy – enabling the electricity industry to take a holistic approach to managing its impacts to secure a collective energy future. CEA and its member utilities consider sustainable development to be so important that participation in this program is a condition of CEA membership. Through Sustainable Electricity, CEA members have made a commitment to continuously improve their overall sustainable development performance and to report progress in a transparent and timely manner. The Sustainable Electricity program is guided by a Public Advisory Panel, chaired by the Honourable Mike Harcourt, 30<sup>th</sup> premier of British Columbia.

Sustainable Electricity is comprised of the following four main elements:

- CEA utilities must commit to the Policy for Sustainable Development – Corporate Responsibility
- CEA utilities must report annually on environmental, social, and economic performance
- The program will be guided by an external Public Advisory Panel
- Each utility must undergo independent external verification

Through the Sustainable Electricity program, CEA member companies will pursue practices and innovative business strategies to meet the needs of members, Aboriginal peoples, stakeholders, and the communities in which they operate, while ensuring that they enhance the legacy they leave for future generations.

## 2008 Sustainability Issue in Focus

The refurbishment of existing and the building of new infrastructure is of paramount importance to CEA members; thus, the 2008 Sustainable Electricity report provides an overview of this critical issue. Existing electricity infrastructure in Canada is aging and demand for electricity continues to grow due to





population and economic growth. At the same time, the electricity industry is facing a wide range of other challenges, including managing the effects of climate change and the need for protection of biodiversity. These are challenges that Canada's electricity industry must address in a sustainable manner if Canada is to maintain its current standard of living and continue to enjoy reliable, cost-effective electricity in the decades ahead. The current economic downturn, while potentially causing a reduction in power consumption in some provinces in the short-term, is not expected to substantially affect long-term requirements. The International Energy Agency estimates that in order to meet electricity demand in 2030, Canada will require total investment in electricity generation, transmission, and distribution of roughly \$CAN 238 billion (2007 dollars). This amounts to nearly \$12 billion per year over the next 20 years – roughly equivalent to the amount of annual investment that occurred during the investment boom of the 1970s and 1980s. Electricity is a fundamental driver of the Canadian economy. It constitutes almost one-quarter of all the energy used by Canadians; in most applications, there is no viable substitute. Reliable, cost-effective electricity supply is vital for the economic growth and future prosperity of Canada.

## 2008 Sustainable Development Performance

The overall 2008 sustainable development performance of CEA member utilities was largely positive in many areas, including reduction of air emissions, protection of biodiversity, early engagement of stakeholders and Aboriginal people, and advances in energy efficiency and conservation. However, there remain many challenges, from addressing climate change and greenhouse gas emissions to enhancing system reliability by building necessary infrastructure to replace aging assets.

### 2008 Key Performance Highlights:

- CEA member companies had zero environmental non-compliance fines.
- Sixty five percent of CEA member companies reported they have a plan in place to adapt to the impacts of climate change.
- Between 2007 and 2008, absolute gross emissions of sulphur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and carbon dioxide (CO<sub>2</sub>) declined by 13 percent, 7 percent and 8 percent, respectively.
- The total number of priority spills fell to an all-time low of 67 in 2008, down 37 percent from the 107 spills reported in 2007.
- Eighty eight percent of reporting CEA members had an ISO 14001: 2004 consistent Environmental Management System in place at corporate and facility levels.
- CEA member utilities achieved an annual internal energy efficiency savings of 129 GWh and 690 GWh in demand side management.





- The Average All Injury Rate across CEA member utilities was 2.88 injuries per 200,000 hours worked (a 4.3 percent improvement over 2007), and the Accident Severity Rate was 21.10 days lost per 200,000 hours worked (a 30 percent increase over 2007).
- CEA member utilities donated over \$21 million to registered charities.
- CEA members invested \$6.4 billion to refurbish existing and to build new infrastructure, including \$3.1 billion for generation, \$1.5 billion for transmission, and \$1.8 billion for distribution equipment.
- Sixty nine percent of CEA member companies had procedures requiring early consultation or engagement of Aboriginal peoples during project planning.

#### 2008 Key Challenges

- There was a marked increase in all injury severity rates. CEA members take this seriously and will put in place measures to address this in the future.
- Air emissions remain a challenge; however, CEA members are committed to improving overall air emissions performance. The 15<sup>th</sup> Conference of Parties meeting in Copenhagen is expected to provide further direction on international initiatives for mitigating and adapting to climate change.

CEA members are committed to continuously improving their sustainable development performance. To learn more about the Sustainable Electricity program and CEA member performance, please visit us at [www.SustainableElectricity.ca](http://www.SustainableElectricity.ca)

