Bangor Hydro
ELECTRIC COMPANY

January 14, 2003

One Hundred and Twenty-First Legislature
Committee on Natural Resources
100 State House Station
Augusta, Maine 04333-0100

RE: BANGOR HYDRO ELECTRIC COMPANY – PROGRESS REPORT ON THE REDUCTION OF TRANSFORMERS CONTAINING 50 PPM OR GREATER PCB

Senator Martin, Representative Koffman, and Members of the Committee on Natural Resources:

38 MRSA Section 419-B, Goals for Dates of Removal of Transformers Containing Polychlorinated Biphenyls requires that public utilities submit a progress report on the removal of PCB containing (50 ppm PCB or greater) transformers by January 15, 2003. Please consider this letter as Bangor Hydro's progress report as required by 38 MRSA Section 419-B. Bangor Hydro last reported information regarding PCBs to the Committee on Natural Resources (Committee) by letter dated January 15, 2001.

The goals established by 38 MRSA Section 419-B are (1) the removal of PCB containing transformers within 100 feet of surface waters or schools by October 1, 2005, and (2) the removal of all remaining PCB containing transformers by October 1, 2011. Specifically, the progress report should address the utility's progress toward the removal of PCB containing transformers located within 100 feet of surface waters and schools, and a plan to address the removal of PCB containing transformers located in underground vaults.

Bangor Hydro's progress on the removal of PCB containing transformers is highlighted by the following:

- The continuance of a historical, aggressive removal and disposal program for PCB containing transformers from all areas.

- The completion of a Project Layout plan that focuses on steps that Bangor Hydro plans on taking to meet the 2005 and 2011 removal goals, and beginning the roll-out of field crew training to implement the plan.

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- Implementation of a transformer labeling program to easily identify transformers that have been determined to contain PCB's less than 50 ppm.

- Creation of a tracking mechanism within our Geographic Information System (GIS) in order to document the location of transformers identified to be a "high risk" for containing PCB's, such that they can be removed by their respective removal dates.

- Commencement of transformer nameplate PCB data collection near schools in our Bangor Division service territory and near surface waters in our Northern Division service territory.

- The completion of a survey of underground transformers.

Continuance of Historical Removal and Disposal Program

Since the late 1980's Bangor Hydro has been aggressively removing from service and disposing of transformers that may contain PCBs. A majority of this disposal program is done on a voluntary basis. Because of our aggressive approach to disposal, Bangor Hydro reported to the Committee on March 9, 1999, that we owned approximately 8,322 transformers manufactured before 1980. These transformers potentially contain PCBs 50 ppm or greater in concentration. Bangor Hydro's disposal program has continued and it is now estimated that we own approximately 6,361 distribution transformers that may contain PCBs 50 ppm or greater, a **1,961 unit reduction** since March 9, 1999.

As previously explained to the Committee, based on vast amounts of oil sampling data, only eleven percent of Bangor Hydro's 6,361 remaining transformers (suspected to contain PCBs), will actually contain PCBs greater than 50 ppm. Of the remaining 6,361 suspect transformers, then, we would expect approximately 700 to contain PCBs 50 ppm or greater in concentration.

Project Planning for Voluntary Removal Goals

The October 1, 2005 removal goal targets transformers containing PCBs 50 ppm or greater, that are within 100 feet of surface waters and schools (the "target" group of transformers). Bangor Hydro has determined through our GIS data that PCB data needs to be collected from 3934 "target" transformers located near surface waters and schools. As the data from the "target" transformers is collected it is determined if the transformer is considered non-PCB based on manufacturer nameplate information or testing records, or whether the transformer is considered to be a low or high risk for containing PCB's based on statistical data. Only a small subset of the 3,934 transformers will present a high risk for containing PCBs, as many will be certified by the manufacturer or testing to be non-PCB, or they will be determined to be a low risk based on statistical data. Bangor Hydro has completed nameplate data collection from approximately fifteen percent of the "target" transformers.

For all "target" group transformers not known to be non-PCB, Bangor Hydro will determine, using transformer nameplate data, historical sampling records, and other available utility sampling records, the risk of a particular transformer to contain PCBs in concentrations of 50 ppm or greater. Bangor Hydro has developed a mechanism in our GIS program to document any transformer's PCB status. This tracking system will allow Bangor Hydro to easily identify the location of transformers determined to be a high-risk for containing PCB's greater than 50 ppm.

Target group transformers will then be prioritized for removal through October 1, 2005, based on the PCB risks associated with the transformer. The intent is to remove target transformers with the high statistical risk of containing PCBs on a priority basis.

Plan for Removal of Underground Transformers

Bangor Hydro has completed a survey of nameplate data and records of sampling analysis for all transformers located in the Bangor underground. Based on this review Bangor Hydro has determined that all of the underground transformers are non-PCB or are not considered a high risk for containing PCB's greater than 50 ppm.

If you have any questions or require additional information, I can be reached at 207-973-2543.

Sincerely,

Fred W. Leigh
Environmental Services Supervisor

Enclosures

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