



January 13, 2005

One Hundred and Twenty-Second 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 Cowger, Representative Koffman, and Members of the Committee on Natural Resources:

38 MRSA Section 419-B, <u>Goals for Dates of Removal of Transformers Containing</u> <u>Polychlorinated Biphenyls</u> requires that public utilities submit a progress report on the removal of PCB containing (50 ppm PCB or greater) transformers by January 15, 2005. 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 14, 2003.

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.
- Roll-out of field crew training to all divisions to implement the identification process of the PCB containing transformers within 100 feet of surface waters or schools ("target" transformers).

- Continuation of a transformer labeling program to easily identify transformers that have been determined to contain PCB's less than 50 ppm.
- Commencement of target transformer nameplate PCB data collection in all of our divisions service territories--targeted for completion by April 30, 2005.
- Evaluation for PCB risk and tracking in our Geographic Information System (GIS) of all nameplate data collected for the target transformers to date.
- The removal of all target transformers identified to date as high risk for containing PCBs > 50 ppm. The removal of all remaining target transformers identified as high risk is targeted for completion by October 1, 2005.

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 5,646 distribution transformers that may contain PCBs 50 ppm or greater, a 2,676 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 5,646 remaining transformers (suspected to contain PCBs), will actually contain PCBs greater than 50 ppm. Of the remaining 5,646 suspect transformers, then, we would expect approximately 621 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 twenty-three percent of the target transformers.

For all target 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 allows Bangor Hydro to easily identify the location of transformers determined to be a high-risk for containing PCB's greater than 50 ppm. All target transformer information collected so far has been evaluated and the transformer's PCB status is being tracked in GIS.

Target 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. To date, we have removed all 36 target transformers identified as high risk. As part of a system upgrade, we will also be replacing another 41 target transformers by January 31, 2005. Data collected so far from a subset of these 41 transformers leads us to believe that a very high percentage contain > 50 ppm PCBs.

Bangor Hydro intends to have a very aggressive identification program for target transformers over the next several months and is committed to meeting the October 1, 2005, deadline for removal of all high risk transformers within 100 feet of schools or waterbodies.

If you have any questions or require additional information, I can be reached at 207-973-2542.

Sincerely,

Mora E. Spear

Mona E. Spear Environmental Compliance Specialist

Enclosures

CC: Luann Williams, Bangor Hydro Rob Bennett, Bangor Hydro Ray Robinson, Bangor Hydro Rick Manning, Bangor Hydro Bob Platt, Bangor Hydro Gerry Chasse, Bangor Hydro Aaron MacIntyre, Emera Mary Smith, CMP