



ENVIRONMENTAL POLICY 2006 / 2007

Working towards environmental excellence whilst supporting the principles of sustainability

Our Policy Statement:

Horizon Power recognises the value of the environment to the community and future generations. We will work towards sustainable development by the responsible production, distribution and use of energy.

Our environmental objectives:

To do this, Horizon Power will adopt sustainable practices that:

- assess the environmental, social and financial implications in the production, distribution and use of energy;
- instil a sense of environmental responsibility amongst our people, ensuring they have the necessary environmental awareness, skill, motivation, resources and support;
- protect the natural and cultural environment in all our operations in a socially responsible manner;
- embrace the principles of waste minimisation and pollution prevention;
- systematically manage our activities to achieve and promote continual improvement in our environmental performance, by setting objectives and targets, assessing our achievements and continuously improving our Environmental Management System;
- meet all legal obligations and industry agreements and require the same standards of compliance from our contractors and suppliers;
- establish, monitor and review environmental targets and publicly report environmental performance;
- adopt cost-effective measures to abate greenhouse emissions; and
- communicate with and involve all interested people on environmental issues in an open, transparent and timely manner.

Our environmental responsibilities:

Environmental leadership and adherence to this policy is the responsibility of all employees of the business and its contractors. The development and implementation of environmental policy is the responsibility of Executive Management.

What does this mean for Horizon Power people, our customers and our stakeholders?

Objective 1

Assess the environmental, social and financial implications in the production, distribution and use of energy

Horizon Power will:

- through its Board, embrace the philosophy of sustainable development by supporting strategies with a sustainable business outlook and adopt the practice of monitoring and reporting social, economic and environmental performance.

Objective 2

Instil a sense of environmental responsibility amongst our people, ensuring they have the environmental awareness, skill, motivation, resources and support.

Horizon Power people will:

- promote an environmental ethos across the business and a personal sense of environmental responsibility;
- Consider how their actions may impact the environment;
- Put programs, processes and plans in place to manage and prevent adverse environmental impact from their operations;
- Understand environmental legal and other obligations that must be met and take them into account in planning and management processes;
- Undertake job specific environmental training;
- Establish processes to communicate environmental issues and concerns;
- Prepare processes for response to environmental incidents and emergencies;
- Manage monitoring and reporting requirements; and
- Continually improve environmental performance.

Objective 3

Protect the natural and cultural environment in all our operations in a socially responsible manner

Horizon Power will:

- Develop procedures and systems to communicate the need to protect items of natural and cultural significance;
- Assess the effectiveness of the implementation of these procedures and systems in protecting the environment; and
- Address community expectations in protecting the environment.

Objective 4

Embrace the principles of waste minimisation and pollution prevention

Horizon Power will:

- Continue implementing programs to reduce, reuse and recycle solid and liquid waste and encourage cleaner production initiatives;
- Encourage the adoption of a sustainable procurement policy; and
- Continue to compile and report emission sources (National Pollutant Inventory and Greenhouse Gas Inventory) that allow for measurement of environmental protection goals and encourage cleaner production.

Objective 5

Systematically manage our activities to achieve and promote continual improvement in our environmental performance, by setting objectives and targets, assessing our achievements and continuously improving our Environmental Management System

An effective EMS will demonstrate environmental due diligence (a stepwise procedure to ensure that all reasonable precautions were taken to prevent or minimise environmental harm). An EMS requires Horizon Power people and contractors to:

- Develop and promote environmental policies, procedures and systems adequate to manage the environmental effects of the business;
- Establish clear and achievable environmental objectives and targets;
- Ensure that environmental responsibilities are clearly identified for all employees relevant to their activities;
- Ensure that all employees are aware of environmental legislative requirements relevant to their activities;
- Train employees to identify the potential for environmental harm and develop processes and procedures to reduce the likelihood of such harm occurring;
- Develop environmental management plans through environmental risk assessment to ensure continual improvement of environmental performance;
- Develop and implement emergency response plans consistent with the potential for environmental impact;
- Consult openly with the community;
- Report environmental performance on a regular basis to senior management;
- Monitor the impact of the business on the environment to ensure that reliable information is available and encourage continual improvement;
- Introduce reporting procedures to communicate promptly to senior management and Board non-conformances with environmental policy or legislation;
- Audit the environmental management systems to determine deficiencies against performance criteria. Incorporate the audit outcomes in the succeeding environmental management plan; and
- Undertake reviews of environmental management systems at regular intervals to ensure that they reflect contemporary business activities and best practice.

Objective 6

Meet all legal obligations and industry agreements and require the same standards of compliance from our contractors and suppliers

Horizon Power will:

- Establish a reputation for environmental excellence by working with stakeholders to practicably meet its environmental legal obligations, industry agreements and conforming with the more “voluntary” codes of practice (eg Electricity Supply Association of Australia’s Code of Environmental Practice).

Objective 7

Establish, monitor and review environmental targets and publicly report environmental performance

Horizon Power will:

- Continue conducting annual internal and external audits to monitor corporate environmental performance and due diligence; and
- Establish a framework for and work towards the reporting of social, financial and environmental factors in business activities.

Objective 8

Adopt cost-effective measures to abate greenhouse emissions as part of business decisions

Horizon Power will:

- Continue with the program to replace ageing electricity generating plant with high efficiency, low carbon intensity generation technologies;
- Seek membership of the Commonwealth Government’s Greenhouse Challenge Plus Program;
- Continue with network efficiency upgrades and enhancements to reduce line losses; and
- Maintain data gathering and reporting to the National Greenhouse Gas Inventory and the Western Australian Greenhouse Gas Inventory.

Objective 9

Communicate with and involve all interested people on environmental issues in an open and timely manner and ensure transparency in our environmental decision making

Horizon Power will:

- Proactively seek opportunities for public consultation on environmental issues related to the business by ensuring that the views of the community are listened to and addressed; and
- Present information sessions/forums to Horizon Power people, stakeholders and customers on business related environmental issues.