



NPS FAQ'S

BELCO



Dear Valued Customers and Neighbours,

We understand that living and working near our operations can sometimes present challenges, and we want to address your concerns directly and transparently.

As Bermuda's primary electricity provider, we recognise our responsibility not only to deliver reliable power to the island but also to be good neighbours to the community around us. We've compiled these frequently asked questions to provide you with clear information about the environmental impacts you may have experienced, the comprehensive steps we've taken to address them and our ongoing commitment to minimising our footprint while maintaining the essential electricity services Bermuda depends on.

Your concerns matter to us, and we hope this information helps explain our mitigation efforts and demonstrates our dedication to working together toward solutions that benefit our entire community.

Sincerely



Wayne M. Caines
President

About Our Operations

Q: Why did BELCO build the North Power Station?

A: The North Power Station was commissioned in April 2020 as a direct response to the challenge of replacing BELCO's ageing engines. Much of our infrastructure was outdated, including some engines that were 40 years old.

Q: How has the North Power Station improved operations?

A: The North Power Station has new, modern engines that are cleaner and much more efficient, which allowed BELCO to decommission eight costly and unreliable diesel engines in 2020. The North Power Station addition has also allowed BELCO to remove one tall metal exhaust stack and five smaller stacks as a part of the Asset Retirement Project (ARP). All in all, this has resulted in reduced emissions coming from our power plant.

Q: Who monitors BELCO's environmental impact?

A: Our Occupational Health, Safety and Environment (OHSE) team constantly monitors the effects of our operations, both in the adjacent neighbourhood and across Bermuda. OHSE works closely with

The Department of Environment and Natural Resources (DENR) to ensure that BELCO emissions are within required legal limits.

Q: How does BELCO prioritise environmental safety?

A: Environment and safety are top priorities at BELCO, which is why our OHSE team takes every measure to address damages quickly and safely. OHSE conducts reviews and works to prevent future incidents. We are confident that operations and emissions will be greatly improved for the operating life of the plant. Additionally, with our registration to the ISO 14001 standard, BELCO develops annual management programmes designed to improve our management of our processes that have the potential to impact the environment.

Q: What is BELCO's commitment to the community?

A: Our dedicated team works around the clock, every day of the year, to ensure that Bermuda has a reliable energy source. We live and work in the area around the plant. Our team strives for excellence and service to our community. We're committed to a clean and safe environment for all, including our neighbours.

Compensation & Complaint Statistics

Q: How many complaints has BELCO received and resolved since the commissioning of the North Power Station?

A: BELCO has received a total of 400 complaints from 2020 to 2025 (year-to-date) related to air, water, noise, fallout, odour and

other environmental concerns. These complaints can be from repeated customers experiencing ongoing issues. We have provided compensation and remediation services for 966 cases during this same period, including roof painting, vehicle polishing and other mitigation efforts.

Q: What is the breakdown of complaints and compensation by year?

A: Here is our annual breakdown:

	COMPLAINTS	COMPENSATION CASES
2020	79	210
2021	14	164
2022	77	203
2023	94	141
2024	78	156
2025 (YTD)	66	98
TOTAL	400	966

Q: Why are there more compensation cases than complaints?

A: BELCO proactively provides compensation and remediation services even when formal complaints are not filed. This includes preventive property maintenance like roof painting and vehicle cleaning in affected areas, as well as addressing impacts identified through our

own monitoring and assessments. So, while complaints and compensation may sometimes be synonymous (i.e. fallout complaint leads to a vehicle polishing), other times they are not (i.e. proactive roof painting in affected areas). Additionally, some customers may file multiple complaints over time for ongoing issues, and we address each incident with appropriate compensation measures.

Air Quality & Soot Emissions

Q: Why is there black soot falling on my property from BELCO?

A: We identified that our North Power Station exhaust stack on occasion was emitting soot and particulate matter due to improper combustion during engine startups. The unburnt fuel was forming black flakes that were accumulating in the exhaust stack and on occasion being emitted into the atmosphere.

BELCO has implemented a remediation plan since 2020.

Phase 1

Q4 2020 – Q2 2021

Shim Installation – To reduce soot fallout, shims were installed on all 4 North Power Station engines. This phase resulted in great improvements.

Phase 2

Q1 2021 – Q1 2022

Piston Crown Installation – To further reduce soot fallout, the piston crowns were changed on all 4 North Power Station engines. This phase resulted in a slight but further improvement to the size and frequency of the fallouts.

Phase 3

Q1 – Q2 2023

Engine Startup Procedures and Governor Setting Changes – Work was completed on the installation of a new programme to reduce the amount of fuel injected during startup, which resulted in the reduction of soot buildup in the exhaust over time.

Phase 4

Q2 – Q4 2023

Install Dryer Skid – To further improve the combustion process, work to install a dryer skid was completed, which removed moisture from the combustion process and further reduced soot fallout from the North Power Station exhaust stack.

Phase 5

Q1 2024 – Present

Engine Startup Procedures – Work continues on evaluating and implementing additional changes to the startup process to reduce the soot buildup that leads to fallout incidents.



Q: Are BELCO's air emissions within legal limits?

A: BELCO has continually demonstrated compliance to the Clean Air Act and Regulations, recorded at the two existing ambient air quality measuring sites in Pembroke. Testing the emissions from the exhaust stacks revealed that nitrogen dioxide, sulphur dioxide and particulate matter emissions are below our contractual obligations. BELCO meets the highest international standard for its environmental management system, maintaining the ISO 14001 certification. Additionally, BELCO complies with the Clean Air Act 1991 and the Regulations 1993. Each quarter, BELCO reports data from all quality monitoring programmes to the Bermuda Government, Environmental Authority.

Q: What mitigation efforts are available if my property has been impacted by BELCO operations?

A: Mitigation efforts considered include:

- **roof painting**
- **property cleaning**
- **vehicle cleaning**
- **tank cleaning**

Once we have received your concern, one of our OHSE team members will contact you. Depending on the type of concern, our team will work with you to arrange a property visit, where we will conduct an impact assessment. After this impact assessment has been completed, mitigation remedies will be provided as appropriate.

Odour Complaints

Q: Why do I smell odours when I am in the vicinity of BELCO?

A: To address odours, we worked on remedial actions in a phased approach.

Phase 1

(Q2 – Q4 2021)

Carbon Filter Installation – Activated carbon filters were installed on the vents of our fuel and sludge tanks. This phase resulted in a significant reduction in odour complaints.

Phase 2

(Q2 – Q4 2023)

Temperature Control System – Our team installed a more responsive temperature control system on our sludge tank which prevents excessive temperatures and associated odour generation.

Phase 3

(Q2 – Q4 2023)

Separator Vent Adjustments – Tank vents were installed for our fuel separators, with alternative routing and reconfiguration of the pipework completed.

Phase 4

(Q2 – Q4 2023)

Oil and Water Process Changes – Our team made operational adjustments to minimise activities that can create odours associated with processing oil and water in our sludge tank. New charcoal filters were installed and relocated.

The issue of odour has now been resolved with the exception of temporary occurrences.

Q: What about exhaust odours?

A: Some of our neighbours, upon occasion, experience odours due to the downdrafting affect. This experience should be improved even further as the engine remediation plan continues to progress. However, we continue to monitor the wind patterns and make adjustments to our operations as necessary to reduce these occasional experiences. Should our neighbours experience any odours, we encourage them to notify us as soon as possible by filling out the form on our website or emailing ohse@belco.bm.

Water Quality

Q: Is the water quality in my area affected by BELCO's operations?

A: The Department of Environment & Natural Resources engages the local environmental organisation, BIOS, to carry out comprehensive water testing in Pembroke locations close to BELCO. Pollutants expected to be associated with soot from BELCO and other combustion processes are not present in the water samples above primary drinking water standards, including those from the USA and the World Health Organisation.

Community Engagement

Q: How does BELCO engage with the community about operational impacts?

A: In an effort to improve our relationship with you and your community representatives, we have maintained regular dialogue via community meetings, BCAC meetings, Government and Opposition meetings, door-to-door visits, attended MP clinics and sent direct mailers. In addition, our OHSE team walks the neighbourhood on a regular basis. We are committed to continuing this journey of relationship improvement with you by maintaining open and honest communication.

Q: How will BELCO continue to work with the community?

A: We're committed to ongoing conversations with our community and welcome your input as we continue working to balance reliable electricity service with being better neighbours. We appreciate your understanding as we work to balance providing reliable electricity to the entire island while being the best neighbours we can be.

Future Plans and Commitment

Q: Why do impacts still occur despite all these improvements?

A: The reality is that generating electricity from heavy fuel oil, combined with Bermuda's unique wind patterns and geography, can occasionally affect nearby residential areas despite all our mitigation efforts. We understand that Bermuda's unique geography means residential areas have grown around our facility over the decades. This creates challenges that we take seriously. Independent testing confirms we meet international air and water quality standards, but we know that meeting standards and being a good neighbour aren't always the same thing.

Q: What is BELCO's long-term plan for reducing environmental impact?

A: We're actively working toward cleaner energy solutions through Bermuda's Integrated Resource Plan process. We're actively exploring cleaner fuel options and supporting the transition to natural gas as a longer-term solution

that could significantly reduce environmental impacts while keeping energy costs reasonable for everyone. This remains under consideration for the island as a part of the Integrated Resource Plan process.

Q: What ongoing improvements can the community expect?

A: Moving forward, we're committed to continuing our operational improvements. We'll keep engaging with you and we'll continue to provide swift remediation for any property impacts. Most importantly, we'll keep exploring and implementing additional ways to minimise our environmental footprint while maintaining the reliable power Bermuda depends on. We continue to explore ways to operate more efficiently while keeping your electricity reliable and affordable.

How to File a Complaint

Q: How do I share my concerns with BELCO?

A: We want to hear from you. We are acutely aware of the impact that our operations have on some of our neighbours. We are committed to working together to minimise and mitigate the affects our operations have on neighbouring properties. If you have any environment or safety concerns in regards to our operations and equipment, we encourage you to reach out using the form on our website or by emailing ohse@belco.bm. If you are our neighbour and have an environment or safety concern pertaining to our operations, please share them with us. We are committed to working with you to improve our operations and reduce any impacts you may be experiencing.

Q: What happens after I submit a concern?

A: Once we have received your concern, one of our OHSE team members will contact you. Depending on the type of concern, our team will work with you to arrange a property visit, where we will conduct an impact assessment. After this impact assessment has been completed, mitigation remedies will be provided as appropriate. We appreciate your patience as we work to optimise our operations and further minimise our impact.

BELCO



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