

Annex F

Edison Mission Energy:  
*Environmental Health &  
Safety Policy*



Edison Mission Energy  
UK Environment, Health & Safety Policy



### Introduction

The UK Environment, Health & Safety (EH&S) Policy is an over-arching policy, covering all EH&S aspects of Edison Mission Energy's (EME's) activities in the UK. Other UK and local policies must be consistent with this Policy.

Inherent in EME's UK EH&S Policy is the belief that accidents are preventable, with the control of identified environmental, health and safety risks achieved through professional management supported by active employee participation.

EME believes that the investment of resources for the prevention of accidents is better than responding to consequences, and that effective EH&S performance is not a matter of choice – but a precondition for continued operation of the business.

Indeed, the control of EH&S is an integral part of business management at all levels. EME believes in openness and transparency in our EH&S relationships internally and externally, and this Policy is communicated accordingly.



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## Organisation for EH&S Management

EME is a worldwide company founded on the generation and commercial sale of electricity. Across a diverse portfolio of assets, employing a range of technologies, EME's involvement can be as owner (full or part) and/or operator. In order to manage its worldwide assets and activities, EME's organisational structure is based around three regions: Americas, Europe (including Central Asia, Middle East and Africa) and Asia-Pacific. The company headquarters are in Irvine, California, USA.

As one aspect of business management for the European Region, overall responsibility for EH&S performance across EME's UK operations and activities resides with the regional management provided through EME Limited. This organisation is headed by the Division President. The regional aspects of asset ownership and asset operation are managed by the Vice-President for Asset Management and the Vice-President of European Operations respectively. The Division President is responsible to the Chief Executive Officer of Edison Mission Energy for regional management of the European Region.

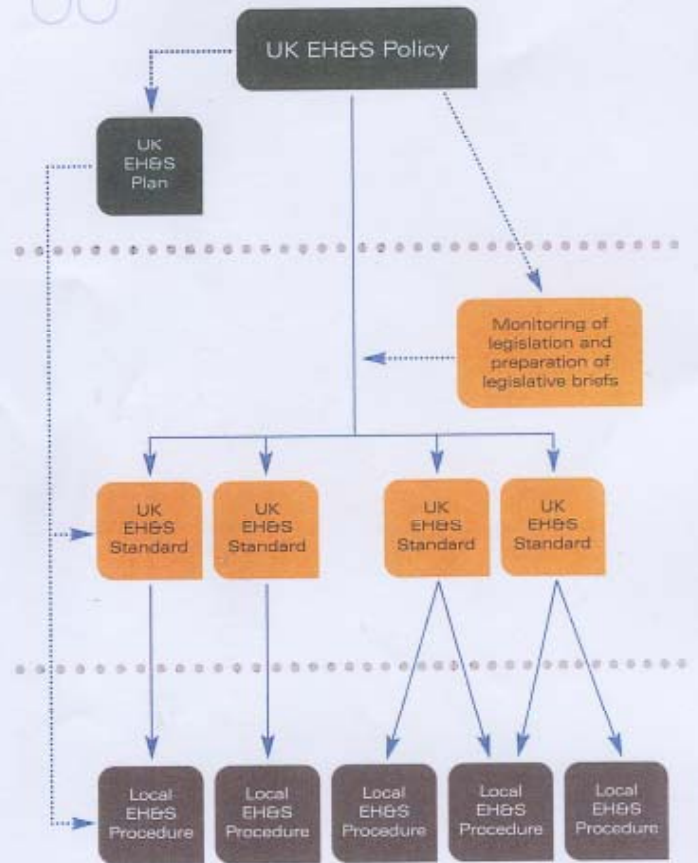
Managerial accountability for EH&S performance is discharged through an unbroken chain of management responsibility from the Division President to a designated Board Director for each business asset, through to an identified Senior Manager for each operational location. This Senior Manager is responsible for the organisation and implementation of provision at a local level to achieve the requirements of UK legislation and the EME UK EH&S Policy and Standards.

Responsibility for EH&S standards at EME offices resides with a designated Senior Manager for those offices.

Advice and practical guidance is provided to the Division President and the designated Board Directors by the Director EH&S for the European Region. The Director EH&S will be the "competent person" for the UK within the meaning of the Management of Health & Safety at Work Regulations 1999. In order to maintain independence from other business and operational issues, the Director EH&S has direct access to the Division President on matters relating to EH&S policy and standards.

The Director EH&S has specific responsibility for the preparation and issuing of UK EH&S Standards, as defined under EME-UK-01. The UK EH&S Standards give effect to the principles and intent of this Policy. Each year the Director EH&S will agree with the Division President a plan for further development of UK-wide programmes.

## UK EH&S Management System Framework



### Key:

■ Prepared by Director EH&S  
Approved by Division President

■ Prepared by L&S group,  
Approved by Director EH&S and Vice-President European Operations

■ Prepared by local personnel  
Approved by Senior Manager

## UK Environment, Health & Safety Policy

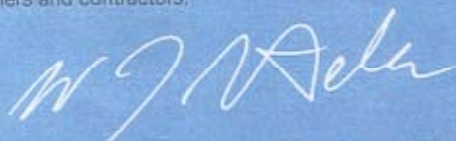
It is the objective of Edison Mission Energy to be a responsible neighbour within the communities in which we operate our UK business activities. This requires that we conduct our operations safely; with due regard for the health of our employees and members of the public; and provide appropriate levels of protection for the environment.

Our objective is delivered through the adoption of a proactive approach to the management of EH&S issues, with the management systems for operational Sites developed from a foundation set of UK-wide EH&S Standards. The UK Standards address, in particular:

- Management commitment to high standards of EH&S performance.
- Compliance with prevailing UK and EU legislation.
- Identification, assessment and control of risks with potential safety, health and/or environmental consequences.
- Continual improvement through the setting of annual EH&S objectives and plans.
- Involvement of our employees and contractors in EH&S improvement.
- Training to enable our employees and contractors to conduct their activities on Site in a safe and environmentally responsible manner.
- EH&S performance monitoring and review.

We believe that certain principles should be inherent in the achievement of our objective:

- The utilisation of resources in an efficient manner.
- The development of opportunities for the prevention or minimisation of waste.
- A prompt and effective response to incidents and complaints.
- The sensitive management of land occupied by our assets, with due consideration for the conservation of surrounding ecosystems.
- The development of a positive and constructive relationship with regulators and local communities.
- The promotion of EH&S awareness amongst our suppliers and contractors.



**William J Heller**  
Division President  
November 2001

## Methods of EH&S Assurance

The Division President and the EME Board Directors with responsibility for EH&S matters, have three primary mechanisms for obtaining assurance that the required EH&S Standards are being applied appropriately across their area(s) of responsibility:

- 1 Annual Letter of Assurance** By the end of January of each year, the Senior Manager for each operational Site will send to the Division President, the relevant Board Director, and the Director EH&S a Letter of Assurance regarding the status of adoption and implementation of the UK EH&S Standards in force at that point in time. This will enable the monitoring of progress on the implementation of the requirements of the UK EH&S management system framework.
- 2 EH&S Performance Reports** Using data supplied by each location under UK EH&S Standard EME-UK-08 ("EH&S Performance Reporting"), the Director EH&S will provide the Division President and designated Board Directors with a monthly summary of EH&S performance for EME's UK operations and activities. This will enable regular checks on the effectiveness of EH&S management provision at each location and on an UK-wide basis.
- 3 Routine Audits** Consistent with the approach set out in UK EH&S Standard EME-UK-09 ("Audit and Management Review Programmes"), EIX (Edison International) Audit Department will undertake a scheduled programme of independent audits of operational Sites, to assess compliance with the prevailing UK EH&S Standards and with current UK legislation. Feedback from the EIX audit and follow-up visits will be provided to the Division President, the relevant Board Director, and the Director EH&S, to provide an evaluation of the detailed implementation of the local EH&S programmes.



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