

FEEDBACK ON DRAFT SECTOR GUIDANCE: ELECTRIC UTILITIES AND POWER GENERATORS

Indications: the first part of the comments is visible once you open this sheet, the comments on the metrics follow below.

Link of the draft sector guidance: https://tnfd.global/wp-content/uploads/2023/12/Draft_Sector-Guidance_Electricutilities-and-power-generators_Dec_2023.pdf?v=1701945338

Number of companies of the energy generation and transmission sector that submitted comments	2
Number of NGOs that submitted comments	1
Number of comments	44

GENERAL COMMENTS ON THE DISCUSSION DOCUMENT:

Topic	QUESTIONS	RESPONSE
1 ABOUT THE LEAP APPROACH	Does the form and structure of this guide support your understanding of how the LEAP approach applies in your sector?	If the LEAP is a voluntary methodology for applying the TNFD framework, what other methodologies would be recommended? The toolbox is too wide. It would be more effective to have several tools that can help with each step of the LEAP.
	Do you agree with the additional guidance offered in the Scoping guide? Are they enough? If you have comments on this, please post them.	More specific information could be obtained from other generation sources in addition to hydroelectric.
	Do you agree with the additional guidance offered by the guide for "L1"? Are they enough? If you have comments on this, please post them.	It is not clear how to define the range in L1 for transmission. Transportation and distribution (T&D) lines must be included. Provide more guidance on how to analyze the value chain by supplier levels, and provide a time horizon to incorporate the different supplier levels as the adoption of the framework in companies matures.
	Do you agree with the additional guidance offered by the guide for "L2"? Are they enough? If you have comments on this, please post them.	Table 2, page 9: Consider the impacts generated in energy transmission. Geothermal generation sources or bioenergy are not considered. Some of the dependencies are suggested to be changed from low to medium, for example if we are talking about concentrated solar energy (CSP), there is a medium use of resource. Dependency should be changed from high to very high in terms of hydropower for mass stabilization and erosion control due to the river erosion that is caused. It is necessary to provide more information on the impacts and dependencies by sector, offering examples to better clarify the exercise. For sectors closely connected to nature such as the electricity sector, more granular sector information would be more useful.
	Do you agree with the additional guidance offered by the guide for "L3"? Are they enough? If you have comments on this, please post them.	Consider that in energy transmission, as it is linear infrastructure, there is a crossing of the project by diversity of ecosystems and biomes. Considering all the biomes does not necessarily generate value to the report since it does not always go through strategic ecosystems or ecosystems of importance for biodiversity, or on which there is a high dependence for the business. The recommendation to cross biomes should be added to access roads, for example, to a certain hydroelectric plant.
	Should "L3" provide a list of biomes with which the sector normally interacts, as presented in the oil & gas guides (p. 10), the food and agriculture guide (p. 14) and the forestry and paper guide? (p. 8)?	It would be more relevant to classify the biomes by relevance or by ecosystem integrity. The problem is that the biomes must be homologated to the specific ecosystems of Colombia and in the country ecological characteristics are being added instead of disaggregated, losing information on strategic ecosystems in the process.
	Do you agree with the additional guidance offered by the guide for "L4"? Are they enough? If you have comments on this, please post them.	Yes. There is also RE Data Explorer for the identified tools that also has databases on areas where to locate the projects: https://www.re-explorer.org/
	Do you agree with the additional guidance offered by the guide for "E1"? Are they enough? If you have comments on this, please post them.	It is not enough to be able to provide an answer. The prioritization criteria for the evaluation to identify environmental assets and transmission business processes are not clear. It is necessary to make more visible the positive impacts (e.g. ecosystem services provided by the sector, which can be very relevant for interest groups).
	Do you agree with the additional guidance offered by the guide for "E2"? Are they enough? If you have comments on this, please post them.	For cumulative impacts, there is not always information available to calculate them, or the scale does not always coincide with environmental impact studies. GHG emissions must be explicit: CO2 (combustion), CH4 (combustion and diffusion), N2O (combustion) and SF6 as electrical insulator in high voltage equipment. It must be taken into account that for solar energy generation, cleaning uses water and the panels must be cleaned once or twice a week depending on the location. For hydropower there is also another threat: transfers from one river to another with a tunnel or diversion. There must also be a stage before flooding since the vegetation cover must be removed.
	Should "E2" show a table with positive impacts as presented in the metals and mining guide (p. 51)? As which?	Yes, a table of positive impacts should be included such as: investments, biotic and carbon offsets, biodiversity monitoring that allows the collection of scientific information, efficient management of water, waste, work with the value chain and suppliers, etc., as mechanisms to neutralize the impacts.
	Do you agree with the additional guidance offered by the guide for "A1"? Are they enough? If you have additional comments, please post them.	For impacts and dependencies, the energy transmission business needs to be included (Table 7). In Table 8, the transmission business is missing. All sources have reputational risk. Additionally, transition irrigation also applies to everyone.
	Do you agree with the additional guidance offered by the guide for "P1"? Are they enough? If you have comments on this, please post them.	Yes.
	Are the tools associated in the guide useful?	There are too many tools that must be reviewed and analyzed in each part, the information is not centralized and it is necessary to search in many sources of information.
	Which parts were most useful?	Guiding questions that included support tables and examples. Knowledge dialogue between representatives of different departments and business units. Adjustment of qualifications at the sector level to adapt to the reality of the company. The guide encourages the interdisciplinary collaborative process. Good structure and methodology, with clear steps.
How could it be made more useful in practice?	It would be useful if the guide was uploaded to the website interactively and not as a PDF, this would allow only the information relevant to the sector to appear. Just as it was in v0.3. Greater clarification of information by sector. Different scenarios between the average sector and the reality of the asset itself. Greater simplification in the localization stage, especially at the intersections of geographic layers.	
2 CONTENTS	What content was particularly insightful?	The mitigation hierarchy.
	Is there any material that you thought was unhelpful, confusing, or incorrect?	What is requested in L and E is very confusing, since it sounds repetitive and does not allow us to narrow down the scope of the report. It is necessary that the guides and tools be officially translated into Spanish. Need for greater granularity in sectors. Ex: Oil and gas sector.
	What additional content would be useful to include in the guide?	More examples of the energy transmission subsector. The indicators are not designed for the power transmission business. Include elements to identify and define the scope of the analysis in the value chain. A guide should be published for this point.
3 INTERSECTORAL USE	Are there any materials that would be especially useful for other sectors?	Accompany the dialogues and layers with Geographic Information Systems. More information on the harmonization of the different reporting standards.

COMMENTS ON THE PROPOSED METRICS IN THE DISCUSSION DOCUMENT (Annex 1):

Proposed guidance on the application of global core disclosure metrics						
Questions asked:		<ul style="list-style-type: none"> Do you agree with the proposed guidance? Is the metric useful for reporting and management? Is the metric useful for the business model, improving its corporate strategy, its value proposition, or can it guide the development of innovative projects? Is it within the company's capabilities to measure it? 				
Driver of nature change	Metric no.	Core global indicator	Core global metric	Proposed guidance for the sector	Source	Response
Land/freshwater/ocean-use change	C1.0	Total spatial footprint	Total spatial footprint (km2) (sum of): <ul style="list-style-type: none"> Total surface area controlled/managed by the organisation, where the organisation has control (km2); Total disturbed area (km2); and Total rehabilitated/restored area (km2). 	No further guidance.		<p>This indicator is relevant for the transmission sector.</p> <p>Include only the area where the organization has a presence.</p> <p>Disturbed area: consider the area that was intervened for the construction of the projects.</p> <p>Restored area: the areas where biotic compensations are made.</p>
	C1.1	Extent of land/freshwater/ocean use change	Extent of land/freshwater/ocean ecosystem conserved or restored (km2), split into: <ul style="list-style-type: none"> Voluntary; and Required by statutes or regulations. 	No further guidance.		<p>Limit the change in land use to a period or phase of the project, type of ecosystem.</p> <p>There are permanent impacts and other temporary ones that do not necessarily imply a change in land use. For transmission projects, there is a change in land use in substations and tower sites (permanent change), for laying, temporary changes may occur only in the construction phase or permanent changes depending on the project.</p>
Pollution/pollution removal	C2.0	Pollutants released to soil split by type	Pollutants released to soil (tonnes) by type, referring to sector-specific guidance on types of pollutants.	No further guidance.		<p>The electric energy transmission business has identified the risk of spills mainly due to dielectric oil, it is a risk that has a low probability of materializing, however at times where said event may occur, all the required information is available. Additionally, the events that have occurred so far are not categorized as having high or moderate impact.</p>
Pollution/pollution removal	C2.1	Wastewater discharged	Volume of water discharged (m3), split into: <ul style="list-style-type: none"> Total; Freshwater; and Other. Including: <ul style="list-style-type: none"> Concentrations of key pollutants in the wastewater discharged, by type of pollutant, referring to sector-specific guidance for types of pollutants; and Temperature of water discharged, where relevant. 	Nuclear; Thermal In reporting the core global disclosure metric, an organisation should include thermal discharges.	TNFD	<p>In general, it is considered useful. But it is necessary to consider transmission within the energy sector.</p> <p>For the transmission sub-sector, this indicator is not a material issue, taking into account that it is not a significant impact and that there is only residual water discharge in some substations.</p>
	C2.2	Waste generation and disposal	Weight of hazardous and non-hazardous waste generated by type (tonnes), referring to sector-specific guidance for types of waste. Weight of hazardous and non-hazardous waste (tonnes) disposed of, split into: <ul style="list-style-type: none"> Waste incinerated (with and without energy recovery); Waste sent to landfill; and Other disposal methods. Weight of hazardous and non-hazardous waste (tonnes) diverted from landfill, split into waste: <ul style="list-style-type: none"> Reused; Recycled; and Other recovery operations. 	No further guidance.		<p>The business of electrical energy transmission does not have a significant impact on the generation of waste, however, for the purposes of sustainability reports and environmental management of some companies, the information required throughout the life cycle of the asset is available.</p>
	C2.4	Non-GHG air pollutants	Non-GHG air pollutants (tonnes) by type: <ul style="list-style-type: none"> Particulate matter (PM2.5 and/or PM10); Nitrogen oxides (NO2, NO and NO3); Volatile organic compounds (VOC or NMVOC); Sulphur oxides (SO2, SO, SO3, SOx); Ammonia (NH3). 	Thermal From the list of pollutants under the core global disclosure metric, an organisation should look to report: <ul style="list-style-type: none"> Fine particulate matter (PM2.5); Sulphur dioxide (SOx); Nitrogen oxides (NOx); Nonmethane volatile organic compounds (NMVOC); and Ammonia (NH3). Additional pollutants to report under the core global disclosure metric include: <ul style="list-style-type: none"> Heavy metals (HM) as referred to in Annex I of EU Directive 2016/2284; Coal pile dust; Emissions from ash lagoons or ponds; Precipitator dust; and Reservoir drawdown dust. An organisation should also report: <ul style="list-style-type: none"> Emissions of these pollutants per MWh net generation. 	Directive (EU) 2016/2284 of the European Parliament and of the Council, GRI EN20	<p>In general, it is considered useful. However, for transmission only: PM10, NOx, SOx would apply.</p>
Resource use/replenishment	C3.0	Water withdrawal and consumption from areas of water scarcity	Water withdrawal and consumption (m3) from areas of water scarcity, including identification of water source.	Nuclear; Thermal In reporting the core global disclosure metric, an organisation should include: <ul style="list-style-type: none"> Water usage for processing, cooling and consumption in powerplants, including use of water in ash handling. 	GRI EN8, TNFD	<p>In general, it is considered useful. However, it would not apply to power transmission.</p>

Core disclosure indicators and metrics proposed for the sector

Questions asked:		<ul style="list-style-type: none"> Is the metric useful for reporting and management? Is the metric useful for the business model, improving its corporate strategy, its value proposition, or can it guide the development of innovative projects? Is it within the company's capabilities to measure it? 				
Metric category	Metric subcategory	Indicator	Proposed core sector disclosure indicator or metric	Source	Response	
Impact driver	Land/freshwater/ocean use change	Environmental flow	Hydropower Percentage of environmental/ ecological flow versus total flow	TNFD	Percentage of ambient flow: ok	
		Sediment	Hydropower Quantity of sediment retired.	TNFD	<p>The scope of the metric and what it is intended to measure must be specified. Example: what type of sediment is referred to and under what removal condition.</p> <p>For Colombia it would not be applicable because there is no regulation for the controlled discharge of sediments into reservoirs.</p>	
	Pollution/pollution removal	Coal combustion residuals	Thermal Amount of coal combustion residuals (CCR) generated. Percentage that is recycled.	SASB IF-EU150a.1	NR	
			Thermal Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment.	SASB IF-EU150a.2	NR	
		Nuclear waste storage	Nuclear Total amount of nuclear waste permanently and safely stored (e.g. deep underground storage).	TNFD	NR	
	Resource use/replenishment	Heat rate	Thermal Heat rate by plant (Btu/kWh).	TNFD	It is useful and within companies capabilities to measure it.	
Other	Species casualties	Wind Number of bird and bat casualties.	TNFD	<p>Proposal for energy transmission: Mortality in number of birds due to collision with the line.</p> <p>The indicator as proposed would not measure the real impact. It is proposed that the indicator can be modified to this proposal: Number of Species affected / Number of individuals per species affected.</p>		

OTHER GENERAL QUESTIONS ABOUT METRICS

<p>What other industry metrics should the taskforce consider? Should they be core or additional?</p>	<p>The following metrics are proposed for energy transmission: Mortality in number of birds due to collision with the line. SFG leaks. Dissolved oxygen indicator is missing both upstream and downstream. Include an indicator of species that are under conservation or protection and that are in some of the threat categories under the IUCN listing. And it would be recommended as a global metric.</p>
<p>What other metrics of positive impact and opportunities? Are they relevant in each sector?</p>	<p>Hectares protected/restored by ecosystem type.</p>
<p>ADDITIONAL CONTRIBUTIONS AND COMMENTS</p>	
<p>The metrics proposed for the sector do not apply to the transmission subsector. For E3, the sector is highly dependent on water stress. It can be caused by population increase or upstream deforestation. The global land use change metric would not be applicable for operating assets because it would not represent land use changes over time. It would be a stable and linear indicator.</p>	