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Public

Environmental and Social Data Sheet

Overview

Project Name:	French Demand Response Project (EDP)
Project Number:	2019-0261
Country:	FRANCE
Project Description:	The operation concerns the Bank's financing of an asset holding company for the deployment of distributed demand response solutions (consisting of communication boxes and electric switches) in residential and small commercial and industrial buildings.

EIA required: no

Project included in Carbon Footprint Exercise[1]: no

(details for projects included are provided in section: “EIB Carbon Footprint Exercise”)

Environmental and Social Assessment

The project entails the rollout of the promoter’s communication equipment (box) and remotely controlled electric switches installed in the electrical panel (switch) which enable demand response in residential, commercial and industrial buildings through (i) real time measurement of electricity consumption per appliance connected to the system, (ii) storage of data, and (iii) two way communication with the promoter’s aggregation centre. The promoter will use the communication boxes to send dispatch orders, turning on and off the appliances connected to the system (electric heaters for example). The aggregation of the portfolio of customers with control boxes and the connected appliances will create a flexible demand response capacity which can be offered in the national electricity markets. The energy that is not consumed due to the controlled load shedding will be placed in the wholesale energy market and the associated capacity will be sold on the capacity market. As a result electricity consumption can be reduced, in particular during periods of peak demand when power production is sourced from more costly and carbon intensive energy generation.

Environmental Assessment

The project is listed under neither Annex I nor Annex II of Directive 2014/52/EU amending the EIA Directive 2011/92/EU and does not require an EIA. The project does not entail any significant negative environmental impacts.

[1] Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

Whilst the project may facilitate energy savings or fuel switching to less carbon intensive sources of generation, the direct impacts of the project on CO2 emissions and air pollution is conservatively assumed to be neutral.

Social Assessment, where applicable

The main quantifiable impacts of the project relate to electromagnetic radiation from the use of the aforementioned equipment in the consumers' premises. The promoter's equipment is CE certified and the associated electromagnetic radiation is compliant with the applicable EU regulation.

The installation of the equipment in the consumers' premises is made on a voluntary basis. Consumers can deactivate the load shedding at any time.

Conclusions and Recommendations

Whilst the project may facilitate energy savings or fuel switching to less carbon intensive sources of generation, the level of GHG emissions from the electricity sector in France are already very low. The direct impacts of the project on CO2 emissions and air pollution is conservatively assumed to be neutral.

The project is acceptable for Bank financing from an environmental and social perspective.

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