



European Investment Bank (EIB)

Luxembourg, 18/12/2019

## Environmental and Social Completion Sheet (ESCS)

### Overview

Project Name: TAURON ENERGY INFRASTRUCTURE  
Project Number: 2012-0511  
Country: Poland  
Project Description:

The project was part of an investment programme comprising the following components: 1) Electricity distribution, consisting of multiple schemes involving around 11,000 new connections, construction of new 110/20kV substations, associated equipment and overhead lines with some minor upgrading of existing equipment, and the roll out of smart metering pilot programme; 2) the modernisation and refurbishment of 7 existing small hydro power stations ranging in size from 0.3 to 13MW; 3) the construction of a new gas fired CCGT CHP plant of 135MW electrical capacity and 90MW thermal capacity to feed the local district heating system. The project was geographically dispersed throughout Southern Poland.

### Summary of Environmental and Social Assessment at Completion

**EIB notes the following key Environmental and Social outcomes at Project Completion.**

Regarding component (3), the construction of a new gas fired CCGT CHP plant of 135MW electrical capacity and 90MW thermal capacity, this component was cancelled by the Promoter after finance contract signature, as other sources of heat and electricity became available under more attractive economic conditions.

The electricity distribution and hydropower project schemes fell under Annex II of directive 2011/92/EU thus implying a screening by the competent authorities with regard to the necessity for the preparation of an EIA Report.

At the time of appraisal, two of the hydropower plants had already been screened-in and the EIA Reports had already been completed at that time. Given the nature of the works impacts were expected to be low, relating mainly to management of surface water contamination, noise, dust and traffic during construction. These impacts were properly mitigated during construction.

At the time of signing the finance contract, the Promoter undertook not to allocate the Bank's funds to any other project components screened-in by the Competent Authority until the EIA Report had been finalised and approved. The promoter confirmed that none of the other schemes financed by the Bank were screened-in for an EIA Report.



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Prior to disbursement of the loan amount associated with the Hydropower plants, the Bank required the Promoter to furnish a declaration by the competent authority, to indicate compliance with the provisions of the EU Habitats and Birds Directives. In fact, the upper pond associated with Otmuchow hydropower plant is integral to the existence of the Natura 2000 site ecosystem, and modernisation work relating to the weir served to ensure the continued viability of the ecosystem, therefore the interventions were considered directly connected with the management of the site. A declaration of the Competent Authority in this sense was duly provided.

No significant environment or social issues were noted for the project schemes financed by the Bank. This has been confirmed by the promoter.

**Summary opinion of Environmental and Social aspects at completion:**

Based on the information provided by the promoter, EIB is of the opinion that the project schemes financed by the Bank remain acceptable from an environmental perspective.