

Public

Environmental and Social Data Sheet

Overview

Project Name:	SOLARIA CASTILIAN PV PLANTS
Project Number:	2020-0100
Country:	Spain
Project Description:	Construction and operation of 7 solar photovoltaic plants with an installed capacity of 261 MWp located in the Spanish regions of Castilla y Leon, Castilla-La Mancha and Extremadura.
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	yes

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

Environmental and Social Assessment

Environmental Assessment

The Project is a multi-scheme investment project, or programme, and consists of the construction and operation of 7 solar photovoltaic (PV) plants with a total capacity of c. 253 MWp located in the Spanish regions of Castilla y Leon, Castilla-La-Mancha and Extremadura. The PV plants included in the Project are identified in the table below.

Plant Name	Capacity (MWp)	Region
Solaria-Añover I	50	Castilla La Mancha
Sirius Solar	50	Castilla y Leon
Algiedi Solar	25	Castilla y Leon
FV Calera y Chozas I	16	Castilla La Mancha
Ursa Maior	50	Castilla y Leon
Draco Solar	50	Castilla y Leon
El Baldio Solar 2	20	Extremadura

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.

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All solar PV plants and grid connection facilities fall under Annex II of the Environmental Impact Assessment (EIA) Directive 2014/52/EU amending the EIA Directive 2011/92/EC. For the schemes that were potentially subject to a simplified EIA process under the local legislation, the Promoter selected voluntarily to undergo the ordinary EIA process (to avoid potential delays, considering that applying for the simplified process could eventually result in the screening in of the scheme, leading to a restart of the procedure). Therefore, based on national and regional environmental regulations, all the schemes have been screened in by the competent authorities, requiring an EIA process, including public consultation.

The Environmental Impact Studies (EIS) are available for all schemes. General quality of the EIS, in terms of the impact assessment methodology, desk studies and field work conducted, is considered to be acceptable. Where relevant, the EIS of the PV plant included a cumulative impacts assessment taking into account the neighbouring (existing and planned) infrastructures, including other PV plants. The EIS of the solar PV schemes include all the interconnection facilities to the existing grid, except for Sirius and Draco, which will interconnect to the grid using shared infrastructure, subject to a separate authorization process.

The environmental permits (Declaracion de Impacto Ambiental) have been granted for six plants so far: Solaria-Anover I (in September 2020), Sirius Solar (in November 2020), Algiedi Solar (in November 2020), Ursa Maior (in April 2021), Calera y Chozas (in April 2021) and El Baldio 2 (in May 2021). The promoter expects that Draco will obtain its environmental permit by end Q2 2021.

According to the promoter documentation, none of the PV plants and associated grid connection facilities are located within Natura 2000 sites, except the transmission line of El Baldio 2, which is crossing a river included in the Natura 2000 network. The Spanish EIA process incorporates the Habitats assessment, whereby competent authorities can only issue the environmental permit once the appropriate assessment has been satisfactorily performed. The EISs concluded that that the impacts of the plants and associated facilities on the neighbouring Natura 2000 sites are not likely. This is subject to further confirmation by the competent authority, as part of the EIA process in Spain (for the project that has not received its environmental permit yet).

The schemes are mostly located on agricultural land, and are expected to generate minor impacts during both construction and operation phases. The schemes entail limited negative impacts mainly on landscape, soil and fauna, with the presence in some cases of species like the Red Kite (*Milvus Milvus* – Near Threaten as per the IUCN Red List), the Little Bustard (*Tetrax Tetrax* – Vulnerable), the Spanish Imperial Eagle (*Aquila adalberti* – Vulnerable) or the Montagu's Harrier (*Circus Pyragus* – Least Concern). During the construction phase, main impacts are associated with the presence of machinery, vehicles, construction workers, and the erection of the PV plants infrastructures. The impacts relate to increase of dust and noise due to construction related activities, as well as increased traffic in the surrounding areas, soil erosion due to the loss of vegetal cover, and loss or fragmentation of habitats. During the operation phase, given the presence of the PV plants, connection infrastructures and other similar facilities in the surrounding area, the main impacts are related to loss and fragmentation of habitats, barrier effect and visual impacts.

Specific mitigation measures foreseen in the EISs during construction and operation phases, vary per scheme, but overall can be summarised as follows:

- Implementation of general prevention and mitigation measures during construction, in particular for dust and noise emissions, protection of soil and groundwater, and conservation of protected trees and vegetation;

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- Use of specific fences to guarantee fauna permeability, mitigating barrier effects;
- Habitat conditioning (e.g. nesting aids) of certain bird and bat species;
- Implementation of fauna monitoring programmes, including pre-works surveys to signal and protect potential areas of interest of certain species;
- Reuse of soil layers for restoration activities;
- Implementation of restoration and revegetation plans;
- Landscape integration plans;

The available EISs of each project were reviewed by the EIB. However, the final version approved or endorsed by the competent authority was missing for Draco, for which the final EIS approved or endorsed by the competent authority will be reviewed by the EIB as a condition for disbursement (in line with the investment programme lending approach of the EIB's procedures and standards), together with the respective permit. The environmental capacity of the promoter is deemed to be adequate; it has the experience and the capacity to appropriately manage this investment programme.

A detailed description of each scheme is included below:

Solaria-Anover I

The 50 MWp Anover 1 plant is located in the municipality of Villaseca de la Sagra (Toledo Castilla-La Mancha). The scheme includes a 30/132kV substation and a short overhead transmission line (50-60m) that will connect to an existing line passing through the site. The permit (Declaracion de Impacto Ambiental) was issued in September 2020.

The plant will occupy ca. 144 ha north of the Rio Tajo, and is adjacent to the Aceca gas-fired combined cycles (2 x 400 MW). The closest Natura 2000 sites are Carrizales y sotos del Jarama y Tajo (SPA ES0000438) at 180m south and Vegas, cuestras y páramos del sureste de Madrid (SCI ES3110006) at 260m south. The EIS includes an assessment of the impact on Natura 2000 sites, concluding that no negative impacts are expected. The competent authority confirmed the absence of significant impact, and included additional measures, like an increase of the restoration around the PV plant, a specific avifauna study and enhanced monitoring programs, and the acquisition of land with high environmental value or potential for restoration to be transferred to the environmental administration.

Sirius Solar

The 50 MWp Sirius solar plant is located in the municipality of Zamora (Castilla y León), while its transmission line will be located in the municipalities of Zamora, Roales del Pan and Valcabado (Castilla y León). The scheme includes a 30 kV line of 7.4 km (3.4 km overhead and 4km underground) to connect to the 220 kV Valcabado substation, from which a 100m 220kV underground cable will connect to the existing adjacent Zamora substation that belongs to the Transmission System Operator. The Valcabado substation and line will be a common infrastructure shared among various promoters. It is not located near any protected areas and was screened out of the EIA process based on thresholds applicable under the national and regional legislation. The permit was issued in November 2020, covering the solar PV plant and the 30 kV line until the Valcabado substation.

The plant will occupy an area of ca. 124 ha. The closest Natura 2000 sites are Riberas del Río Duero y afluentes (SCI ES4170083) - 3.5km south of the site, and Cañones del Duero (SCI ES4190102 and SPA ES0000206) - 3.5 km south-west of the site. The plant is also located at around 0.7km from an important regional area for black stork (*Ciconia nigra* – Least Concern as per the IUCN Red List). The environmental permit includes the reference to an appropriate assessment that was made by the service in charge, and the confirmation that no negative impacts are expected on Natura 2000 sites.

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Algiedi Solar

The 25 MWp Algiedi Solar PV plant and its transmission line are located in the municipalities of Magaz de Pisuerga and Palencia (Palencia, Castilla y León). The scheme includes a 30/45 kV substation from which a ca. 2.2km underground line will connect to an existing 45kV line of the distribution company. The permit was issued in November 2020, covering the solar PV plant and its interconnection facilities.

The plant will occupy an area of ca. 66ha. The closest Natura 2000 sites are Riberas del Río Pisuerga y afluentes (SCI ES4140082) at 4.5km south of the site, and Montes Torozos y Páramos de Torquemada-Astudillo (SCI ES4140129), at 4.7 km North of the site. The project is adjacent to another 25 MWp solar PV plant currently under development (Capricornius). The EIS included a cumulative study and the permit confirmed that impacts are not significant, or acceptable. The environmental permit includes the reference to an appropriate assessment that was made by the service in charge, as well as the confirmation that no negative impacts are expected on Natura 2000 sites.

FV3 Calera y Chozas I

The 16.2 MWp Calera y Chozas plant is located in the municipality of Pepino (Toledo, Castilla-La Mancha), and initially divided in two separate PV fields (Isla 1 and Isla 2), connected to each other through a 30kV transmission line of 3.7km (1.6 km overhead and 2.1km underground). The scheme includes a 30/45kV substation in Isla 2, from where a 45kV underground line of 1.8 km will evacuate the energy to the existing distribution network (Substation Talavera). The permit was issued in April 2021, covering the solar PV plant and its interconnection facilities. The closest Natura 2000 sites are Sierra de San Vicente y valles del Tiétar y Alberche (SCI ES4250001) at 5kms North, Barrancas de Talavera (SCI ES4250003) at 7kms South and Valle del Tiétar y embalses de Rosarito y Navalcán (SPA ES0000089) at 10 km North / West. The EIS indicates that no negative impact are expected on the Natura 2000 sites, and the permit was issued on that basis. The competent authority also required an increase of the restoration area around the PV plant. While the original project was foreseen for a capacity of 22 MWp, the final design was reduced to 16.2 MWp, as the change of land use was not accepted for all the area originally foreseen (ca. 50ha). Consequently, the project is finally consisting of the Isla 2 field only (22 ha), with an optimized layout to maximize the installed capacity.

Ursa Maior

The 50 MWp Ursa Maior solar plant and its transmission line are located in the municipalities of Villadangos del Páramo y Chozas de Abajo (Castilla y Leon). The scheme includes a 30kV underground line of 3km to the 30/132 kV plant substation, where the electricity will be evacuated by connecting to an adjacent existing 132 kV line (point of injection into the grid). The plant will occupy ca. 103ha. The closest Natura 2000 site is Páramo Leonés (SPA: ES0000365), 5km south of the plant. The EIS indicates that no negative impact are expected on the Natura 2000 sites, considering that its conservation objective is related to raptors, while the plant has no relevant height and the transmission line will be underground. The permit was issued in April 2020, covering the solar PV plant and its interconnection facilities. The environmental permit includes the reference to an appropriate assessment that was made by the service in charge, and the confirmation that no negative impacts are expected on Natura 2000 sites.

El Baldio Solar 2

The 20 MWp El Baldio 2 solar plant is located in the municipalities of Majadas de Tiétar and Casatejada (Cáceres, Extremadura), less than 1km from the Majadas thermal solar plant (50 MWp), which is in operation since 2011. The scheme includes a 30/45 kV substation and a 45 kV line of 6.7 km (0.4 km overhead and 6.3 km underground) to connect to the existing 45/220 kV Castajada substation (distribution network). The plant will occupy an area of ca. 26

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ha. The closest Natura 2000 sites are at ca. 0.6km north of the plant, being Tierra Río Tietar (SCI ES4320031) and Río y Pinares del Tietar (SPA ES0000427), which are overlapping. The transmission line is crossing the Maijón river, an affluent of the Tietar river. That section of the Maijón river is included in the Natura 2000 sites mentioned above. The project is located within the Important Birds Area Bajo Tietar y Rampa de la Vera (IBA ES305). The EIS includes an assessment of the impact on Natura 2000 sites, concluding that the project is compatible with the nature conservation objectives. The EIS includes as well a cumulative study taking into account the neighbouring thermal solar plant. The environmental permit was issued in May 2021, covering the solar PV plant and its interconnection facilities. It includes the reference to an appropriate assessment that was made by the service in charge, as well as the confirmation that no negative impacts are expected on Natura 2000 sites, provided that additional measures are implemented (e.g. increase of the restoration area, enhanced monitoring programs, etc), which have been integrated as conditions of the permit..

Draco

The 50 MWp Draco solar plant is located in the municipality of Toro (Castilla y León). The scheme includes a 30/66kV substation, from where a 66kV underground line of 5.2 km will evacuate the energy and connect to the 30/66/132/400 kV Toro substation, from which a 110m 400kV overhead line will connect to the existing Valdecarretas substation that belongs to the Transmission System Operator. The Toro substation and line will be a common infrastructure shared among various promoters. It is not located within any protected areas and was screened out of the EIA process. The plant will occupy ca. 124ha. The closest Natura 2000 sites are Riberas de Castronuño (SCI/SPA S4180017) at 4.2km East and Riberas del Río Duero y afluentes (SCI ES4170083) at 1.2km North East. The Important Birds Area Castronuño – Zamora (ES59) is located 770m North of the plant.

The EIA process is ongoing for the solar PV plant and its interconnection facilities to the Toro substation, including the 45kV line.

EIB Carbon Footprint Exercise

In accordance with the Bank's current Carbon Footprint methodology it is calculated that based on the avoidance of electricity generation from a combination of existing and new power plants in Spain (combined margin for intermittent generation), the total relative effect of the project is a net reduction in CO₂ equivalent emissions by ca. 153 kt CO₂e/yr.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Social Assessment, where applicable

The implementation of the project will not lead to involuntary physical or economic displacement or resettlement. The current use of the lands is mostly for agriculture, and such activity will continue to be carried out in the area (outside the plant perimeter) with the normal safeguards and will not be affected by the project.

The promoter has engaged with the landowners and, for the vast majority of the plots of land, has reached voluntary agreements for the project infrastructures, in the form of leases and / or surface rights or rights of way. For the pieces of land where a voluntary agreement cannot be reached, the promoter intends to require expropriation, in line with Spanish legislation. In Spain, all projects required for the implementation of different activities within the electric sector, including generation, promoted by public or private companies, are considered of

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public utility, and are subject to urgent forced expropriation to be carried out by the authority in the interest of the promoters.

The promoter has a Human Rights Policy and a Suppliers' Code of Conduct in place, rejecting the use of any form of forced or compulsory labour. The promoter confirmed that each PV module supply contract contains a specific obligation for the relevant supplier to comply with this Code of Conduct. The project will have to comply with the EIB E&S Standards, which foresees to avoid the use of forced labour, and envisages additional due diligence further down the supply chain in case of concerns.

Public Consultation and Stakeholder Engagement

Public consultation are carried out under the EIA process, as required by the EU, and as transposed into national and regional law. The promoter has not developed further stakeholder engagement activities. The Promoter has a direct channel of contact on sustainability matters (greenmatters@solariaenergia.com), through which all communications, questions, complaints or claims can be made. In addition, the Promoter has a whistleblower channel (canalcompliance@solariaenergia.com) to which both employees and third parties can address any kind of complaint or claim. The promoter has reported no complaint so far.

Conclusions and Recommendations

As a condition for disbursement against Draco (being subject to an Environmental Impact Assessment), the promoter shall provide (PV plant and associated facilities as described above):

- Electronic copy of the final EIS (including appropriate assessment, if required, and information on the public consultation process), approved or endorsed by the competent authority and satisfactory to the Bank.
- Electronic copy of the environmental consent (Declaracion de Impacto Ambiental)
- The evidence of no negative impact on Natura 2000 sites (form A or equivalent declaration by the competent authority, e.g. an explicit statement of no negative impact from the competent authority in the environmental permit)

The promoter undertakes not to allocate EIB's funds to components until the EIA process and/or the necessary supporting documentation (e.g. appropriate assessment), have been finalised and approved or endorsed by the relevant competent authorities and satisfactory to the EIB.

As a project undertaking, the promoter will have to demonstrate that the measures foreseen in the EISs and the permits, including measures to avoid, reduce and mitigate the impact, as well as monitoring indicators, were put in place during the construction and operational phases.

The promoter undertakes to have the project complying with the EIB E&S Standards.