

European Investment Bank (EIB)

Luxembourg, 9th June 2021

Environmental and Social Completion Sheet (ESCS)¹

Overview	
Project Name:	COMBINED HEAT AND POWER PLANT

Project Number:

KIEL 2013-0557

Country:

Germany

Project Description: Construction and operation of a cogeneration (heat and power) plant with around 200 MW capacity (power) and 200 MW capacity (heat) in the city of Kiel, capital of the German Federal State of Schleswig Holstein. The plant shall replace an old coal fired facility

Summary of Environmental and Social Assessment at Completion

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

The project concerns the construction of a natural gas-fired heat and power plant (CHP) in Kiel (Germany). The project provides heat to the existing district heating system in the city of Kiel as well as electricity to the local distribution system. It substitutes heat and electricity generation in an adjacent coal fired CHP plant (GKK - Gemeinschaftskraftwerk Kiel).

The project is composed of several mature technology components. Their combination, however, is guite unique and a response to the increased share of intermittent generation on the German system and resulting volatility of German electricity markets. The project design seeks to maximise the flexibility in generating heat and power, in particular allowing the operator to provide stabilising services to the grid.

The project falls under Annex I of the EIA Directive 2011/92/EU. It has therefore undergone a mandatory environmental impact assessment. At the time of appraisal, public consultation was finalised, and the competent authority had issued a first partial consent to the project. This first partial consent confirms the acceptability of the project as a whole, defines preliminary conditions, and allows for first works to be pursued.

At appraisal, the project was deemed acceptable for Bank financing under environmental aspect, subject to the following loan conditions:

Disbursements related to those parts of the project that depend on partial consent no. 2, shall not take place prior to partial consent no. 2 being granted.

Status at completion: The competent authority (Landesamt für Landwirtschaft, Umwelt und ländliche Räume, Schleswig-Holstein) issued the project's partial consent no.2 on 19/09/2016, ahead of the first disbursement in November 2016.

¹ The template is for ILs and FLs



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• The Promoter undertakes to provide partial environmental consents no. 3 and no. 4, as soon as they become available

<u>Status at completion:</u> The competent authority issued the project's partial consents no.3 on 06/10/2016, no. 4 on 12/09/2017, and no. 5 28/09/2018. The promoter provided electronic copies of the consents to the Bank. This is one more than expected at appraisal. An additional partial permit became necessary in the context of measures taken to reduce formaldehyde emissions.

• The promoter undertakes to take the GKK – Gemeinschaftskraftwerk Kiel out of operation no later than commercial operation of the project has commenced

<u>Status at completion:</u> Power plant "Gemeinschaftskraftwerk Kiel" ended commercial operation on 31 March 2019, 9 months ahead of the project's completion.

The project has been fully implemented, and went into operation in December 2019.

Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion based on reports from the promoter and a site visit by the EIB team during construction that the project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.