

## Environmental and Social Data Sheet

### Overview

Project Name: *ENERGA ELECTRICITY DISTRIBUTION (2021-0011)*  
 Project Number: *2021-0011*  
 Country: *Poland*  
 Project Description: The programme concerns investment schemes in the electricity distribution network in northern and central Poland over the period 2021-2023. The programme includes the construction of new distribution assets, modernization of the existing network, and installation of smart meters and other smart grid components.

EIA required: no

Project included in Carbon Footprint Exercise<sup>1</sup>: No

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

### Environmental and Social Assessment

The programme encompasses a large number of high voltage (HV) up to 110 kV, medium voltage (MV) and low voltage (LV) electricity distribution schemes, including approx. 15,000 km of new overhead lines and underground cables in northern and central Poland. The programme includes also investments in HV/MV and MV/LV substations as well as the installation of new smart meters.

#### Environmental Assessment

Some programme schemes fall under Annex II of the of the Directive 2014/52/EU amending the EIA Directive 2011/92/EU leaving it to the competent authority to determine whether or not an Environmental Impact Assessment (EIA) is required. According to the national legislation, a screening decision by the competent authorities is required for projects with operating voltage equal or above 110 kV. At this stage, the promoter estimates that none of the programme schemes will require a full EIA. The HV lines that will connect the new HV/MV substations to the existing transmission system will be developed by the promoter and are included in the screening process of the relevant substation. The biodiversity assessment under the EU Habitats and Birds Directives, where required, is part of the EIA process. A limited number of schemes may be screened in for an Appropriate Assessment.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

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The programme has the potential for some low to moderate environmental and social impacts. These include noise, vibration, dust, and traffic disruption during the construction, and electromagnetic fields (EMF) and nuisance during operation. Appropriate mitigation measures will be implemented to minimise impacts during construction and operation. Particular attention will be paid to contain the effect of noise, vibrations and traffic disruption during the construction works. Typical mitigation measures include special construction procedures to minimize damages, construction of facilities to contain oil leaking from transformers, special waste collection procedures and other.

For the smart meters, the main impacts of the component are the electromagnetic radiation resulting from the communication means used for collecting the information from the smart meters and the disposal of the existing meters that will be replaced. The communication system is based on the PLC<sup>2</sup> technology in the communication part from the meter to the data concentrator. Communication using GSM technology is used from the data concentrator to the measurement base. The project is in line with the national and EU standards. The promoter reports that exposures to radiation from smart meters comply with the limits set out in the guidelines published by national and international organisations (amongst others the International Commission on Non-Ionizing Radiation Protection, ICNIRP). Regarding the disposal process of the meters, it will be done in line with the national legislation, with subcontractors that have the appropriate certifications in order to reduce the environmental impact of the waste.

Whilst the smart meters may facilitate energy savings, in itself the programme is not expected to have significant impact on CO<sub>2</sub> emissions. As a conservative approach, the savings in end-user consumption have not been considered in the Carbon Footprint calculation.

The promoter is an experienced distribution network operator in Poland, with an in-house team responsible for the environmental and social aspects of projects. The environmental management capacity of the promoter is reflected by the ISO-14001 and ISO-50001 standard certifications obtained. The environmental and social due diligence has followed the investment programme lending approach according to the EIB's procedures and standards, i.e. the due diligence focussed on the promoter's capacity and capability to implement the programme in line with EIB environmental and social standards and requirements. Based on this assessment and considering the performance on environmental and social matters in past operations, including the preparation of EIAs satisfactory to the EIB, the environmental capacity of the promoter is deemed to be good; it has the experience and the capacity to appropriately manage the investment programme.

## **Public Consultation and Stakeholder Engagement**

Public consultations, when necessary, are organised by the competent authority, as part of the permitting process.

## **Other Environmental and Social Aspects**

ENERGA SA (borrower), belongs to the PKN ORLEN Group. PKN ORLEN has an overall ambition to achieve emission neutrality by 2050. By 2030, the company will reduce CO<sub>2</sub> emissions from its current refining and petrochemical assets by 20% and emissions from

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<sup>2</sup> Power Line Communication, communication technology that uses existing electrical wiring to transmit data

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power generation by 33% in CO<sub>2</sub>/MWh. The promoter is engaged in an ambitious programme of activities to increase the energy efficiency of its plants, to invest in renewable energy and low emission fuels (notably hydrogen and biofuels).

## Conclusions and Recommendations

The Bank reviewed the environmental and social capacity of the promoter including its organisation, processes and procedures, and considers them to be good. Based on the information available and with appropriate conditions and monitoring, the programme is expected to be acceptable in environmental and social terms for the Bank's financing:

- The promoter undertakes to ensure that all programme schemes will undergo a biodiversity screening in accordance with the EU Habitats and Birds Directives. Should a component have a potential impact on a site of nature conservation, the undertaking is extended to inform the relevant authority and implement the procedures under Articles 6(3) and (4) of the Habitats Directive.
- The promoter undertakes to store and keep updated any documents that may be relevant for the programme and which support the compliance with the provisions under the EU Habitats and Birds Directives (Form A/B, or equivalent declaration by the competent authority) and shall, upon request, promptly deliver such documents to the Bank.
- The promoter undertakes to send to the Bank copies of all EIA screening decisions concerning the distribution programme components issued by the competent authority for nature and environment as soon as they are available.
- The promoter undertakes to take into account and implement conditions expressed in any screening-out decision or EIA consent granted by the competent authority for nature and environment.
- The promoter undertakes not to allocate the Bank's funds to programme schemes that require an Environmental Impact Assessment (EIA)/Appropriate Assessments (AAs) until the EIA and/or the biodiversity assessment have been finalised to the Bank's satisfaction and approved by the competent authority.. For schemes requiring an EIA and/or an Appropriate Assessment (AA), an electronic copy of the relevant documentation, including EIA/AA reports, consultation documents, EIA approvals, must be sent to the Bank as soon as each scheme is approved by the competent authority.