



European Investment Bank (EIB)

Luxembourg, 26/07/2021

## Environmental and Social Completion Sheet (ESCS)

### Overview

Project Name:	SEL ELECTRICITY AND DISTRICT HEATING NETWORKS
Project Number:	2013-0044
Country:	Italy
Project Description:	Investments for the upgrade/expansion of the electricity distribution network of the province of Bolzano and extension of the district heating network of the city of Bolzano.

### Summary of Environmental and Social Assessment at Completion

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

The Project was part of the ALPERIA Group's (formerly SEL) on-going investments to refurbish and expand the electricity distribution network of the province of Bolzano (ca. 81% of the final project scope, undertaken by the subsidiary Edyna) and to extend the district heating (DH) network of the city of Bolzano (ca. 19% of the final project scope, undertaken by Ecoplus). The Project covered the period between 2013 and 2019 (7 years in total, including a 2-year extension beyond the initially envisaged calendar).

The Project comprised electricity network investments at LV and MV level, including mainly new or refurbished overhead lines, cables and substations. In the DH sector, the Project comprised mainly of pipelines, customer connections and a new storage unit in an already operating heat plant (Bolzano South heat plant). The activities were undertaken using standard technologies and the Promoters are experienced, having a wide knowledge of the local context and operating the networks with experienced and skilled personnel.

The majority of the electricity network and DH investments were at low/medium voltage levels, refurbishments of existing infrastructure or located in urban or industrial areas, none of them falling under Annex I of Directive 2011/92/EU. By their technical characteristics, some of the individual schemes fell under Annex II of the EIA Directive, as transposed into Italian legislation, screened by the relevant competent authorities. None of the electricity schemes required a full EIA, per Promoter's information. The renovation of the existing heat plant in the district heating sector was screened-in by the competent environmental authority and underwent a full EIA process (together with other components, not part of the final Project scope). The EIA was submitted to the competent authority in April 2015 and the authorisation was obtained in October 2015. The NTS and the regional authority's authorization have been sent to the Bank, per the finance contract requirement, which stated that the Bank's funds could not be allocated to this component until such approval by the competent authority was obtained.

Three of the electricity sector components are located inside Natura 2000 sites (*Parco dello Stelvio, Parco del Monte Corno, Biotopo Monte Covolo-Alpe di Nemes*), consisting of the replacement of existing MV cables, which underwent the appropriate permitting procedure and obtained the competent authority's authorizations for the works. These permits have been sent to the Bank, per the finance contract requirement, which stated that the Bank's



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funds could not be allocated to these components until such approvals by the competent authority were obtained.

Furthermore, the Promoter contractually undertakes to provide to the Bank, if requested, any decisions that screened out Project components from undertaking a full Environmental Impact Assessment. The Bank has not deemed it necessary to request such confirmation.

The main impacts associated with the Promoter's construction works were temporary in nature and mitigated according to established practices in the sector. The main impacts of the renovation of the existing heat station are related to the emissions of the plant and noise during construction and operation.

The Promoter has confirmed sound practice with respect to environmental management and no environmental or social issues were reported during implementation or after completion. In addition to systems to meet regulatory requirements, the Promoter has a comprehensive environmental management system that is applied to new projects and to monitor ongoing operations. The Promoter's Group is certified ISO 9001/14001/45001/27001 and UNI CEI 11352.

The operation provided environmental benefits through the reduction of power losses (due to the restructuring of operating voltage levels) and through the substitution of more polluting and less efficient heating sources by DH. According to the Promoter, the electricity sector investments reduced losses equivalent to ca. 109 ton CO<sub>2eq</sub>/year. Per the Bank's Carbon Footprint methodology, the project as a whole resulted in emissions savings of 22 kton CO<sub>2eq</sub>/year.

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

The EIB is of the opinion, based on reports from the Promoter during construction and after completion, that the Project has been implemented in line with EIB's Environmental and Social Standards, applicable at the time of appraisal.