



European Investment Bank (EIB)

Luxembourg, 20/04/2022

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	<i>OULUN ENERGIA CHP PLANT</i>
Project Number:	<i>2017-0803</i>
Country:	<i>FINLAND</i>
Project Description:	<i>The Project is a Combined Heat and Power (CHP) multi-fuel plant of capacity 70 MWe (electric) and 175 MWth (heat and steam) and is replacing an existing less efficient plant with higher emissions.</i>

Summary of Environmental and Social Assessment at Completion

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

The project has been implemented in line with the EIA study (EIA decision issued in 2017), environmental permit and subsequent conditions on dust and increased traffic during the construction of the plant, and waste generation (ash), increased traffic, noise, airborne pollutants and discharge of water during its operation. The project is located in the brown field site in an industrial area within city limits and meets the atmospheric emission limits for NO_x, SO_x, particulates and other pollutants defined by the Directive 2010/75/EU on Industrial Emissions.

The plant meets the requirements of the Commission's Implementing Decision (EU) 2017/1442 establishing best available techniques (BAT) conclusions, under Directive 2010/75/EU of the European Parliament and of the Council, for large combustion plants. The emissions levels in line with BAT are also conditions in the environmental permit and emissions during the first year of operation as reported within these limits. The original design and permit included also a bio-refinery that however has not been implemented.

The project is a multi-fuel power plant running on biomass, peat and Solid Recovered Fuels (SRF). The promoter's base assumption was to use biomass to at least 70% of the fuel input with peat providing 15% of the fuel and SRF another 15%. In the first year of operation, the use of peat was slightly higher (19%) and SRF slightly lower (11%) but the promoter has pledged to phase out all its use of peat by 2024. The amount of SRF is restricted by the environmental permit that also limits the various waste origins according to the BREF document. The specific emissions for the electricity generated in the first year of operation are about 70 g CO₂eq/kWh, i.e. below the eligibility margin of 550 g/kWh at approval.

The annual biomass consumption in the plant is about 500,000 tons. The feedstock is to a large extent sourced as forest residue. A new saw-mill is planned in the vicinity of the plant and will provide another source of feedstock in the near future. All forest residue is sourced from within 100 km of the plant. Over 95% of Finnish forests are certified under Programme for the Endorsement of Forest Certification (PEFC) schemes. In addition, in accordance with the EU Timber Regulation, the promoter has implemented a Due Diligence System to guarantee that wood and products made from wood have a legal provenience.

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The Bank's finance contract includes undertakings on sustainable biomass sourcing that will remain in place during operation, and all information to date indicates the promoter's compliance with these.

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Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion based on reports from the promoter during construction that the project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal and is operating in line with undertakings required by the EIB finance contract.

Commented [KZ1]: Were there any changes in GHG emissions when compared to what was reported to the appraisal / carbon footprint exercise...?