

Environmental and Social Data Sheet

Overview

Project Name: *BORDEAUX LITHIUM ION BATTERY STORAGE*
Project Number: *2022-0337*
Country: *FRANCE*
Project Description: *105MW lithium ion battery storage asset located in Gironde, France*

EIA required: no

Project included in Carbon Footprint Exercise¹: yes

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

Environmental and Social Assessment

The project consists in developing, building, operating and maintaining a 105MW/95.7MWh lithium-ion battery storage asset located in Saucats (Gironde, France). The Project comprises i) 54*20ft containers, expandable to 84 containers in the future, each containing 18 battery racks and a power conversion system, ii) one 33kV/225kV substation, iii) four 33kV/680V substations and iv) associated lines for internal grid and national grid connection. It is built on c. 3ha of formerly agricultural land, adjacent to the 225kV/400kV substation "Saucats" operated by the national Transmission System Operator RTE and to which the project is connected. The site is in rural area, not densely populated. Construction period is Q3-2022 until Q3-2023. All permits are acquired. The project will provide capacity and system services to the national electricity grid. It will improve grid flexibility for integration of renewables and will contribute to the security of supply of the system and provide grid services.

Environmental Assessment

The 225kV components of the project fall under Annex II of the Directive 2014/52/EU, amending the EIA Directive 2011/92/EU (see also section 32 of the Annex to Article R.122-2 of the French Environmental Code). Besides, the project is located in the vicinity of the natural park of *Landes de Gascogne*, near the natural reserve « *Saucats et La Brède* », the following Natura 2000 area (ZSC) and six sites of ecological interest (ZNIEFF):

1. ZSC FR7200797 – « *Réseau hydrographique du Gat-Mort et du Saucats* » (3km)
2. ZNIEFF type I 720008233 – « *Lagunes du bassin versant du Gat-Mort* » (1.4km)

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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3. ZNIEFF de type I N°720030076 « *Habitats humides du Gat-Mort aval et moyen* » (4.2km)
4. ZNIEFF de type I N°720030024 « *Ancienne gravière du marquis* » (4.2km)
5. ZNIEFF de type I N°720014198 « *Lagune ronde de Saucats* » (4.5km)
6. ZNIEFF de type II N°720030023 « *Le Saucats* » (2.3km)
7. ZNIEFF de type II 720030050 – « *Têtes de bassin versant et réseau hydrographique du Gat-Mort* » (1.3km)

The screening document (“*analyse écologique*”) issued in 2021, notes that the *Pie Grièche écorcheur* (annex I Birds Directive) and the *Crapaud calamite* (annex IV Habitat Directive but commonly spread in the region) are in the project affected area. Nevertheless, it concludes the project does not have significant impact on the biodiversity with appropriate measures in place during construction. No wetland are on the project site. Consequently, and based on promoter’s environmental studies, the *DREAL* acting as competent national authority has determined that the Project was not subject to an environmental impact assessment (“*évaluation environnementale*”) in its decision issued in June 2021. However, since the decision has been issued, the installed power capacity of the Project has increased from 90 MW up to 105 MW. Based on legal advice and the fact that the increase of installed power capacity has no impact regarding environmental aspects since it only implies a limited modification of the design and layout of the batteries which are located on the same area, the promoter has not requested a new screening decision.

The project has the potential for some low to moderate environmental and social impacts. During construction, the environmental impacts are expected to relate to dust, noise, vibration, traffic disruption and vegetation clearance. Environmental impact during operation will concern electromagnetic fields (EMF), noise disturbance and landscape. For the battery component, the main potential impact on the environment comes from the disposal and/or recycling of the battery at the end of their life. The EU battery directive 2006/66/EC makes the battery integrator Nidec responsible for the safe removal and recycling of the batteries. Where relevant, appropriate measures will be implemented to avoid or minimise impacts. This includes measures to contain the effect of noise during operation based on a study carried out by the promoter, specific maintenance procedures to minimise potential leakage of SF6 and coordination with local authorities and property owners. Contamination from oil leakage of transformers is mitigated through the appropriate design of bunds.

Besides, the site has a high risk of drought and is reported to be particularly exposed to wildfire. In the building permit granted on 15/10/2021 the local fire department SDIS required the following mitigation measures to be implemented by the promoter:

- An operator should be available to go with the firemen on site to secure the asset;
- Creation of two 120m³ water tanks;
- Creation of a water retention basin of 240m³ and an infiltration basin of 910m³;
- Accessibility for firemen and fire protection devices to be incorporated to the project from conception phase;
- Maintenance of external and internal access roads.

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In relation to water impact, a specific study was conducted by the promoter as part of the declaration of the construction of the site (ICPE) dossier. Consequently, as required in the building permit, any work that may impact water and aquatic environment must be declared to the authorities.

The installation of the Project will rainproof approximately 20,000m² of land. This will increase significantly the quantity of runoff water. During Project operation, the impact on the close environment and on water pollution is negligible. In case of fire though, the extinction water may be contaminated. A valley gutter will be created to retain extinction water and avoid surface water pollution. The gutter will be connected to a retention pond that will allow the controlled evacuation of excess water. The latter is designed for the centennial rainfall.

Social Assessment

The project does not entail resettlement nor affect livelihood of local population.

Public Consultation and Stakeholder Engagement

A public consultation based on the “*dossier d’enquête publique*” was carried out part of the urban planning permitting process. The disclosure of the information to the public (“*dossier de concertation*”), though not technically complete, is sufficiently accurate to describe the environmental and social challenges.

EIB Carbon Footprint Exercise

Gross annual GHG emissions of the programme in a standard year of operation are estimated at 0.5 kt of CO₂ equivalent per year based on 6.76GWh yearly net consumption deriving from a round trip efficiency of 84%.

The operation will provide environmental benefits by avoiding 35GWh of electricity generation from a combine cycle gas turbine (CCGT). The total avoided CO₂ emissions are estimated at 12 kt of CO₂ equivalent per year using a CCGT emissions factor of 353 kgCO₂/MWh.

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.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty AFD7 fully owned by Amarenco Group is in scope and screened out of the PATH framework, because it is not considered high emitting and/or high vulnerability. The counterparty’s mother company owns and operates solely solar photovoltaic assets in addition to the present battery project.

Other Environmental and Social Aspects

n/a

Conclusions and Recommendations

The Bank reviewed the environmental and social capacity of the promoter including its organisation, process and procedures and deemed them to be good. Based on the

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information available, and with appropriate conditions (see below) and monitoring, the programme is expected to be acceptable in environmental and social terms for Bank financing:

Disbursement conditions

- The promoter shall provide, to the Bank's satisfaction, the plan for dismantling and recycling the facility at the end of its life, and any component thereof during project's operation.
- The promoter shall provide, to the Bank's satisfaction, an environmental management plan, an Environmental Social Health and Safety management team diagram, and an action plan to follow up its implementation, including, but not limited to, the mitigation measures during construction, the monitoring of protected species and critical habitats in the area of the project and the project's landscape integration.

Undertakings:

- The promoter undertakes to store and keep updated EIA screening decision concerning the project issued by the competent authority for nature and environment.
- The promoter shall ensure that the Environmental Social Health and Safety management team is adequately staffed with appropriately qualified and experienced staff to meet the E&S requirements of the project.
- The promoter shall ensure the appropriate implementation of the action plan agreed with the Bank

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