

Luxembourg, 21/12/2023

## Environmental and Social Data Sheet

### Overview

Project Name: ENEA ELECTRICITY DISTRIBUTION II  
 Project Number: 2023-0233  
 Country: Poland  
 Project Description: The programme comprises investment schemes in the electricity distribution network in Western Poland over the period 2023-2025.

EIA required: no

Project included in Carbon Footprint Exercise<sup>1</sup>: yes

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

### Environmental and Social Assessment

The operation comprises a multi-year investment programme for the renovation, reinforcement and modernisations of the Promoter's electricity distribution network in Western Poland. The Programme encompasses a large number of mostly medium voltage (MV) and low voltage (LV) electricity distribution schemes, including approx. 7,774.4 km of new or refurbished overhead lines and underground cables, 633 MVA of added transformation capacity, connection of 140,000 new customers and 4.3 GW of RE capacity, as well as the installation of 2,400,000 smart meters. The programme does not contain HV overhead lines.

#### Environmental Assessment

The MV and LV schemes are expected to fall under Annex II point 3(b) of the EIA Directive, leaving it to the competent authority to determine whether a full Environmental Impact Assessment (EIA) is required. The proposed schemes do not meet the minimum threshold for EIA screening set out in national legislation (set at 110kV), as per provision of Article 4(3) of Directive 2014/52/EU amending the EIA Directive 2011/92/EU. Therefore, none of the programme schemes requires an EIA. Environmental analyses, as appropriate, may be carried out for some schemes in the context of the permitting process. All programme schemes will be screened with respect to the need for appropriate assessment under the EU Habitats and Birds Directives. Given that at appraisal there was only limited information on the individual programme schemes and that slight changes in scope are inherent in operations of this type, the environmental and social due diligence has followed the programme lending approach according to the EIB's procedures and standards. Under such approach, the due diligence focuses on the promoters' capacity and capability to implement the programme in line with EIB environmental and social standards and requirements.

<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 project has the potential for some low to moderate environmental and social impacts. These include noise, pollution, dust, and traffic disruption during the construction, and electromagnetic fields, and nuisance during operation. The promoter has the capacity and is committed to implement the necessary mitigating measures at both design and construction stages. These typically include special construction procedures to minimize damages and disturbance, construction of facilities to contain oil leaking from transformers, soil restoration, traffic management measures, appropriate waste collection procedures and other.

Based on the above elements and considering the performance on environmental and social matters in past operations, the promoter is deemed to have the experience and the capacity to manage the investment programme in line with EIB environmental and social standards and requirements.

The programme has been assessed for its Paris alignment and it is considered to be aligned both against low carbon and resilience goals in line with the policies set out in the Climate Bank Roadmap and with the EIB's Energy Lending Policy. It is also eligible for Bank's Climate Action objective (Climate Adaptation).

### **EIB Carbon Footprint Exercise**

The source of CO<sub>2</sub> equivalent (CO<sub>2</sub>e) emissions for the programme is network losses associated with new or refurbished network equipment. At programme completion, the corresponding absolute emissions are estimated to be 63.6 kt of CO<sub>2</sub>e/year. These absolute emissions are offset by the reduction in network losses enabled by the programme in comparison to the do-nothing alternative. Therefore, at completion, the programme is expected to enable a saving of circa -2.7 kt of CO<sub>2</sub>e. 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, ENEA Group, is in scope and screened into the PATH framework, because it is considered high emitting and high vulnerability.
- The counterparty is deemed to meet the requirements of the PATH framework with its existing alignment plans.

### **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**

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 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, the environmental capacity of the promoter is deemed to be good; it has the experience and the capacity to appropriately manage the investment programme.

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## Conclusions and Recommendations

Considering the above and considering the performance on environmental and social matters in past operations, the promoter's capacity to implement this operation in compliance with the EIB's Environmental and Social Standards is deemed acceptable. Based on the information available and with appropriate conditions and monitoring, the programme is acceptable for EIB financing in environmental and social term.

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,
- 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 and shall, upon request, promptly deliver such documents to the Bank,
- not to allocate the Bank's funds to programme schemes that require an Environmental Impact Assessment (EIA),
- not to invest in incompatible activities, in line with the PATH framework.