

Environmental and Social Data Sheet

Overview

Project Name:	IBERDROLA POWER DISTRIBUTION NETWORKS
Project Number:	2012-0154
Country:	Spain
Project Description:	Investment programme to be carried out during 2012 and aiming at installing 1.8 million electric meters and at modernising Iberdrola's electricity distribution network in connecting new supply points and improving overall reliability safety of its distribution system.
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EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

Electricity distribution fall under Annex II of the EIA directive, thus implying a review by the competent authorities at the planning/consent stage with due regard to the necessity for an environmental and biodiversity assessment.

The project comprises 220 high voltage schemes, 42 of which have been reviewed by the competent authority, who took the view to proceed with the EIA process for 5 of them. The corresponding environmental studies are completed for 4 schemes and the environmental permit (DIA) has been granted. One EIA for a 132 kV connection has been reviewed by the Bank. It analyses environmental impact related to land use, forest clearance, effects on birds and electromagnetic impacts, it evaluates alternatives and presents mitigants to the satisfaction of the Bank. Remaining high voltage schemes involving installations within the boundaries of existing substations, reconductoring of existing lines and installation of power cables, as well as the planned few thousands of medium and low voltage schemes fell below the threshold for EIA screening and are expected to have minimal environmental impacts. The impacts of the project schemes typically relate to vegetation clearance, disturbance during construction, visual impact, and risk of birds' collision and electrocution.

The Finance Contract shall require as undertaking by the promoter not to allocate Bank's funds to project components requiring an EIA until the corresponding EIA and the integrated biodiversity assessment have been approved by the competent authorities.

The Finance Contract shall further require as undertaking by the promoter to store and keep updated any documents as may be relevant for the project supporting the compliance with the provisions of the EU Habitats and Birds Directives.

The promoter has a sound environmental management system reviewed by the Bank during several operations and its environmental capacity is considered good.

The promoter is therefore considered capable to implement the appropriate remedial measures to ensure that no significant impacts will arise from project's construction and operation. The project is acceptable to the Bank in environmental terms.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

Environmental and Social Assessment

Environmental Assessment

The promoter's procedures follow applicable Environmental Legislation (national, EU and International), including SEA and EIA legislation to the satisfaction of the Bank. The Spanish environmental legislation ensures that the competent authorities for nature conservation and Natura 2000 protection are systematically involved in the permitting process; so no particular reporting in this respect (Form A/B) will be required by the Bank.

Environmental considerations have been incorporated in the design of the project schemes from the earliest stages. Line, route and substation locations have been selected so to avoid as much as possible sensitive areas and to preserve the landscape. The Promoter has implemented a database of all relevant environmental legislation on European, national or regional level in its enterprise resource planning system and thus the environmental planning procedure is integrated in the planning process.

Appropriate mitigating measures will be implemented to minimize impacts during construction and operation. In densely populated areas particular attention will be paid to contain the effect of noise, vibrations and traffic disruption during the construction works. In proximity of sites of nature conservation importance, construction works and restoration of sites will be executed with great care and avoiding breeding periods of wildlife species. In forest areas special measures will be implemented to prevent risk of fire during construction works, including interruption of works during fire alert periods. Finally, flight diverters will be installed on ground wires so as to prevent bird collisions in sensitive areas for birdlife.

Public Consultation and Stakeholder Engagement, where required

The promoter has implemented a responsible approach in its dealings with the natural environment and follows EU and national/regional requirements including public consultation and engagement with key stakeholders. Overall the Promoter's procedures are acceptable.

Other Environmental and Social Aspects

The promoter continuously assesses its environmental performance by means of a set of indicators. Indicators target a continuous improvement from year to year. For electricity distribution the set of indicator include in addition to events and emissions, physical properties and also the degree of compliance with environmental objectives and response time of environmental claims.