

Environmental and Social Data Sheet

Overview

Project Name: Redexis Gas transmission and distribution
Project Number: 2012-0132
Country: Spain
Project Description: Reinforcement and extension of the promoter's natural gas transmission and distribution network in several Spanish regions during the period 2015-2018.

EIA required: yes

Project included in Carbon Footprint Exercise¹: yes

(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

From a technical standpoint, this is a typical gas distribution and transmission project in the EU applying proven technologies and undertaken by an experienced promoter. The schemes related to distribution networks (low pressure polyethylene pipelines and standalone Liquefied Natural Gas (LNG) regasification stations) are expected to have limited environmental impact, and will typically be related to noise nuisance and disturbance during construction. They will not require an EIA. The seven (7) transmission pipelines will require EIAs, two of which have already been approved.

The project results in a direct reduction of greenhouse gases through the switch from more polluting fuels and more than a third of the investments will be carried out in EU cohesion regions.

Based on the environmental information provided by the promoter and the fact that the promoter has demonstrated it has the necessary experience and capacity to appropriately manage the environmental aspects of the programme, the programme is acceptable for EIB financing.

The following has been included in the contract:

Disbursement conditions

Prior to first disbursement the promoter must provide:

- For the distribution schemes and each of the transmission pipelines where the EIA has been approved, the signed declaration by the competent authority on risk of significant effect on sites of nature conservation importance (Form A/B);
- The Non-Technical Summary for the El Puerto de Santa Maria - Chiclana primary transmission pipeline.

Undertakings

- The promoter undertakes to supply, for the transmission pipelines where the EIA has not yet been approved, the signed declaration by the competent authority on risk of significant effect on sites of nature conservation importance (Form A/B), as they become available;

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.

- The promoter undertakes not to allocate the EIB's funds to programme components that require a full EIA until the EIA and/or the necessary social, biodiversity assessments as well as stakeholder engagement plans have been finalised and approved or endorsed by the relevant competent authorities. Once the EIA is made available to the public, an electronic copy of all Environmental & Social documents must be placed on the website of the promoter and maintained until completion of reporting as required by the EIB, or made accessible to interested parties via a web-link on the EIB website;
- The promoter shall store and keep up to date all documents relevant for the programme supporting the compliance with the provisions of EU environmental legislation, including Habitats and Birds Directives, permits and environmental and social approvals and, where required, social studies, and shall promptly upon request deliver such documents to the EIB;

Environmental and Social Assessment

Environmental Assessment

The schemes related to distribution networks (polyethylene pipelines and small standalone LNG regasification stations) are expected to have limited environmental impact, given that significant trenching is not needed. Impacts related to the pipelines laying will typically be related to noise nuisance and disturbance during construction. They will therefore be temporary in nature and mitigated according to established practices in the sector: in densely populated areas, particular attention will be paid to limit the effect of noise, vibrations and traffic disruption during the construction works. The overall environmental impact related to the LNG regasification stations will essentially be limited to the physical disruption during implementation and the residual visual impact of the storage tanks. Main mitigating measures include public notification of construction works, close coordination with the municipalities, preliminary archaeological soundings, careful selection of storage sites and screen planting. None of the distribution schemes will require an EIA: the LNG standalone stations' characteristics (storage volumes below 200 t) are such that they do not fall in Annex I or Annex II of the EIA Directive as transposed into Spanish law (2013/21). Choice of localities to be connected follows an assessment methodology based on distance to existing pipelines and demand, among other criteria.

Under the Spanish law (Real decreto ley 2013/21) transposing EIA Directive 2011/92, formal EIAs are required for all high pressure pipelines with a diameter exceeding 800 mm and a length greater than 40 km, or 10 km if they are close to a protected area. Given their characteristics, the transmission schemes fall either under Annex I of the EIA Directive or have been screened in by the competent authority, and will therefore require a full EIA. Some of the pipelines are planned to be carried out close or in a site of nature conservation importance. The list of projects and their status is given in the table below:

Primary transmission pipelines (>60bar)	Region	COD * year	Length (km)	EIA
SON REUS-INCA-ALCUDIA	Balearic Islands	2015	45.6	Approved
CAS TRESORER - MANACOR - FELANITX	Balearic Islands	2016	58.6	Approved
EL PUERTO DE SANTA MARIA-CHICLANA	Andalusia	2017	42.6	work in progress
VILLACARRILLO - VILLANUEVA DEL ARZOBISPO	Andalusia	2018	11.5	work in progress
VILLANUEVA DEL ARZOBISPO - CASTELLAR	Andalusia	2018	17.2	work in progress
ESPERA - LAS CABEZAS - LEBRIJA	Andalusia	2018	41.0	work in progress
VILLANUEVA DEL ARZOBISPO - PUENTE GENAVE	Andalusia	2018	32.6	work in progress

*COD: Commercial Operation Date

The EIAs for the two pipelines in the Balearic Islands have already been approved and non-technical summaries (NTS) are available. Both pipelines pass in close vicinity of Natura 2000 areas, but the presence of pre-coastal heights and high urbanisation on the island leave limited alternatives to avoid touching the Natura 2000 areas borders. The conclusions of the

appropriate assessments are that the pipeline will have no significant impact on the protected areas.

The El Puerto de Santa Maria – Chiclana EIA studies have been performed. The pipeline will cross a Natura2000 and RAMSAR zone called “Bahia de Cadiz”. The wetlands are home to a variety of endangered and critically endangered species and an important location for migratory birds. The pipeline will follow existing infrastructures and horizontal directional drilling will be used to minimise the impacts on the environment. The EIA including the corresponding appropriate assessment has been submitted to the competent authority for review.

The Villanueva del Arzobispo – Castellar pipeline was designed as a secondary transmission pipeline and as such subject to regional approval. However, as the promoter has decided to upgrade this pipeline to a higher pressure, an approval at national level will be needed.

For the other pipelines, the pipelines are subject to competitive tendering, for which the results are not yet known, and the EIAs will be performed subject to award.

Public Consultation and Stakeholder Engagement, where required

Public consultation is conducted as part of the EIA process. For example in both projects in the Balearic Islands, they have involved the communities, the regional agencies and local and national NGOs.

EIB Carbon Footprint Exercise

The project by itself will not emit significant amounts of CO₂, as it covers new distribution pipelines and LNG storage and regasification stations. However, it replaces more polluting fuels (such as LPG and fuel oil) and electricity. The relative emissions reduction due to the project amount to 141 kt CO_{2e}/y.

Other Environmental and Social Aspects

The promoter has provided evidence of sound practice with respect to environmental management and confirmed that all new projects are assessed for environmental impact including the impact on sensitive areas which include nature conservation sites.

The promoter is certified ISO 14001:2004 and OHSAS 18001:2007 and has adhered in June 2014 the Spanish Network of the United Nations Global Compact undertaking through its activities, to defend human rights, protect the environment, support social development, respect labour regulations and fight corruption.