

Environmental and Social Data Sheet

Overview

Project Name:	A2A DISTRICT HEATING II
Project Number:	2016-0408
Country:	Italy
Project Description:	The investment programme concerns the optimization, upgrade, and extension of the district heating networks in the Promoter's service area. The major part of the project relates to network extension and new connections to meet demand from new customers as well as to refurbishment of the existing networks. The remaining investments address further development and optimization of existing district heating generation capacity and network operation by installing new boilers, heat storage and network pumping capacity, replacing and relocating existing generation capacity and introducing a centralized remote control system.

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

Environmental Assessment

Some project components fall under Annex II of the Environmental Impact Assessment Directive (2011/92/EC). Therefore, the decision whether an EIA is required is left with the competent authority on the basis of the criteria defined in Annex III of the EIA Directive. Based on the characteristics, location and limited potential impacts of the works included in the programme, and considering the criteria established under the national EIA legislation, none of the programme schemes are expected to require an EIA. Some works are subject to construction permits to be provided by the local authorities.

The thermal capacity of new gas-fired boilers will be below the Industrial Emissions Directive 2010/75 capacity limits (applicable for capacity >50 MWt). Nevertheless, the heat boilers must comply with relevant national environmental legislation which comprises, amongst others, pollutant emissions limits.

The district heating network extension and upgrading works will apply standard technologies (e.g. ordinary trench excavation), undertaken by an experienced promoter. All the development and optimization works of the district heating generation capacity and network operation (installation of new boilers, heat storage and network pumping capacity, replacement and relocation of existing generation capacity and introduction of a centralized remote control system) will take place on the existing generation sites of the Promoter.

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.

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The impacts that can be expected relate to noise nuisance and disturbance during construction that are temporary by nature and can be effectively mitigated according to established industrial practices. The visual impact of newly constructed infrastructure is limited by the fact that it will appear on the existing sites.

None of the works will be implemented inside or in the vicinity of Natura 2000 or other protected sites.

The development and optimization of the district heating system will allow the Promoter to increase the off take of heat generated by already existing waste to energy (WTE) and high efficiency cogeneration plants (CHP). This will lead to the optimisation of the heat supply mix and to the reduction in the consumption of fossil fuels.

EIB Carbon Footprint Exercise

The estimated annual absolute emissions of the programme in a standard year of operation are 165.3 kt CO₂eq. The estimated emissions savings are 33.7 kt CO₂eq/year. The absolute emissions include the emissions related to incremental fuel burnt to serve the new district heating connections as well as the emissions related to the newly installed individual gas-boilers replacing the old oil-boilers. The baseline comprises of emissions related to fuel burnt serving the same demand without the district heating extension and individual boiler replacements. 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'.

Social Assessment

The works will take place in Italian cities with significant archaeological and urban heritage. The Promoter has processes in place to ensure that the reinstatement of excavated areas is carried out rigorously, that the surface disturbance is minimised and in any case reinstated. In case of archaeological discoveries the relevant authorities are involved and due care is taken when areas of potential interest are discovered.

Other Environmental and Social Aspects

The Promoter has demonstrated sound practice with respect to environmental, health and safety management. In addition to procedures to meet regulatory requirements, the Promoter has a comprehensive environmental management system which is applied to new projects and monitors ongoing operations.

The promoter is certified to meet the requirements of standards of ISO 9001; ISO 14001 and OSHAS 18001.

Conclusions and Recommendations

Some components of the investment programme fall under Annex II of the EIA Directive (2011/92/EU). However, given the characteristics, location and potential impacts of the works on the district heating systems, and considering the criteria established under the national EIA legislation, none of those programme schemes are expected to require an EIA.

The impacts that can be expected from district heating works are of temporary nature and will be mitigated according to established industrial practices.

The promoter nonetheless undertakes not to allocate the Bank's funds to programme components requiring an EIA and/or appropriate assessment until it has been completed to



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the satisfaction of the Bank, including approval by the competent authority. An electronic copy of the Non-Technical Summary (NTS) must be submitted to the Bank once the EIA is made available to the public. A copy of the consent from the competent authority should be provided to the Bank.

The promoter follows sound practices with regard to the management of environmental issues.

The project is expected to have minor residual environmental impacts and thus is acceptable in environmental terms for Bank financing.

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