

Environmental and Social Data Sheet

Overview

Project Name: **ELENIA DISTRIBUTION NETWORK INVESTMENT PROGRAMME**

Project Number: 2015-0336

Country: Finland

Project Description: The project concerns a replacement programme focused on improving security and quality of power supply for electricity distribution networks. It mainly includes replacement of ageing medium and low voltage overhead lines with underground cables, investments to weather-proof and increase storm resilience of the network. It also provides for installation of a new generation of smart meters and for expansion of the network due to urbanisation.

EIA required: No

Project included in Carbon Footprint Exercise¹: No

Environmental and Social Assessment

Environmental Assessment

The project is a typical power distribution modernisation programme, comprising the development of multiple distribution facilities, mainly 20 kV but up to 110 kV, including cables, substations and transformers, as well as metering equipment.

The programme includes some schemes that fall under Annex II of the EIA Directive (2011/92/EU). In those cases, the competent national authority is required to determine whether an EIA is needed or not.

The impacts that can be typically expected for such schemes relate to visual impact, vegetation clearance, impact on flying vertebrates, electromagnetic fields, noise nuisance, and disturbances during construction.

Medium voltage (MV) and low voltage (LV) schemes are normally expected to have minimal or no environmental impact. The Promoter has so far never implemented a scheme that was screened in by the authorities requiring the preparation an EIA study and does not envisage it for the schemes included in this investment programme.

The programme is to a large extent driven by climate change, i.e. an apparent increased level of storms that cause a significant damage to the Promoter's overhead line network. The Promoter adapts by putting the network underground.

If a power line route is planned to be located in a nature conservation area, or when it can affect species or the environment preserved by the Nature Conservation Act, the Promoter will apply for a special permission as outlined by the Act with a detailed description of the mitigation measures.

Other Environmental and Social Aspects

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.

Luxembourg, 13.12.2016

The Promoter has a risk management policy and operating methods for risk management, including risk identification, assessment, reporting and measures to manage risks.

The Promoter maintains an integrated environmental, health and safety management system, which has been certified under ISO 14001 and OHSAS 18001 for the last 8 years. For each scheme a staff member is assigned as responsible for environmental issues. In case of special needs, external consultants are drawn in to assist, e.g. if an oil leak occurs from a damaged pole-mounted transformer.

Conclusions and Recommendations

The Bank has reviewed the environmental and social capacity of the Promoter including its organisation, processes and procedures, and deemed them to be good. Based on the information available, the Project is expected to have minor negative residual impacts. Thus it is acceptable for Bank financing from an environmental and social perspective.

Particular undertakings:

The Promoter undertakes not to allocate the Bank's funds to distribution programme components that require an Environmental Impact Assessment (EIA) until the EIA and/or the biodiversity assessment have been finalised, satisfactory to the Bank, and approved by the competent authority. When the EIA is made available to the public, an electronic copy of the full EIA study shall be sent to the Bank.

The Promoter undertakes to take into account and implement conditions expressed in any screening-out decision or EIA consent granted by the competent authority for nature and environment.

The Promoter shall store and keep updated any documents as may be relevant for the programme supporting the compliance with the provisions of the EU Habitat and Birds Directives (Form A/B, or equivalent declaration by the competent authority), and shall upon request promptly deliver such documents to the Bank.