

Environmental and Social Data Sheet

Overview

Project Name: GAS NETWORKS IRELAND
Project Number: 2016-0357
Country: Republic of Ireland and Scotland
Project Description: Construction of an onshore gas pipeline between Cluden and Brighthouse Bay, in Scotland, Great Britain, and gas network extension and refurbishment programmes on existing assets

EIA required: yes

Project included in Carbon Footprint Exercise¹: no

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

Environmental and Social Assessment

Environmental Assessment

The Project consists of the following main components:

- Construction of a DN900 gas pipeline 49.6 km-long from Cluden up to Brighthouse, aiming to complete the pipeline between Beattock and Brighthouse in Scotland which is part of the 'Scotland to Ireland – The Second Gas Interconnector' gas pipeline project. First phase of this onshore pipeline was constructed in 2002, and included a 29.6 km section of the pipeline between Beattock and the River Cluden.
- Upgrade and expansion of the gas networks in Promoter's concession areas in the Republic of Ireland (ROI) to meet peak demand; refurbishment and replacement programmes of the transmission (ROI and UK) and distribution networks (ROI) aimed at securing the safety and quality of the service. Also included are the enhancement of information systems and acquisition of equipment and other minor investments to maintain and improve the quality of service.

The Cluden to Brighthouse gas pipeline in Scotland is under Annex I of the EIA Directive 2011/92/EU and it was required to undergo an Environmental Impact Assessment. In 2001 a Pipeline Construction Authorisation was granted for the construction of a gas pipeline from Beattock to Brighthouse. Phase 1 of the project has been completed in 2002 and includes a 29.6 km section between Beattock and the River Cluden (north west of Dumfries), as well as the landfall pipeline at Brighthouse Bay. Whilst the Pipeline Construction Authorisation for Phase 2 of the pipeline remains in place, the Promoter identified the need for a re-route of a 7.2 km section to the west of Dumfries, between Cluden and Lochfoot, to address concerns raised by the Scottish Water regarding potential impacts on groundwater. The Scottish Government has directed that a new and separate Pipeline Construction Authorisation would be appropriate for the re-route. An Environmental Statement in support of the application has

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, 23.06.2017

been submitted and the correspondent Pipeline Construction Authorisation, which includes the environmental authorisation, has been granted by the competent authority in 21.06.2016. The planned route would not have any impact on designated sites within their remit. The project is acceptable for Bank financing from an environmental standpoint.

The remaining investments under the Project fall under Annex II of the Environmental Impact Assessment Directive 2011/92/EU (amended 2014/52/EU), leaving it to the competent authority to decide on the need for an EIA in line with the Directive. Based on the technical characteristics of the project schemes and criteria defined in the national legislation, certain projects have been screened out, e.g. refurbishment and replacement programmes on gas distribution networks. As part of the design and planning processes for projects, the Promoter undertakes Ecological Impact Assessment surveys, or similar surveys, to determine the potential impacts of works on the surrounding environment. A constituent part of these surveys is the undertaking of Appropriate Assessment screenings, as stipulated in the European Habitats Directive 92/43/EEC. The Directive stipulates the requirement for these assessments to be carried out for projects where the works are not directly connected with or necessary to the management of a Natura 2000 site but which have the potential to have implications on the site's conservation objectives. The associated report outlines appropriate measures to be taken as part of the works so as to minimise and/or remove the potential impacts on these sites as a result of the works. For the Gas to Listowel Feeder Main project (included in the programme to expand the gas distribution networks), an Ecological Impact Assessment, including Appropriate Assessment Screening, has been undertaken which has identified 2 SPAs and 3 SACs along or adjacent to the proposed pipeline route and the following Natura 2000 sites were brought forward for screening for Appropriate Assessment. It has been concluded that, with the appropriate mitigation measures in place, it is not necessary to undertake any further stage of the Appropriate Assessment process. It is expected that none of the planned components meet the requirements for an EIA; however the Bank will introduce an undertaking in its finance contract regarding use of Bank funds in the event that an EIA may be required.

For all Project components, the main environmental impacts occur during construction, are temporary in nature, and are mitigated according to established practices in the sector.

Other Environmental and Social Aspects

The operator has a well-established health, safety and environmental management system, and is ISO 14001 and OHSAS 18001 certified.

Conclusions and Recommendations

The operation will provide environmental benefits through both the substitution of more polluting fuels by natural gas. The main environmental impacts occur during construction, are temporary in nature, and are mitigated according to established practices in the sector.

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. In addition to systems to meet regulatory requirements, the Promoter has a comprehensive environmental management system which assesses on-going operations as well as any new projects.

The Promoter undertakes not to allocate the Bank's funds to project components that require an Environmental Impact Assessment (EIA) until the EIA and/or the necessary nature assessment has been finalized and approved by the competent authority to the satisfaction of the Bank.

With the conditions in place, the project is acceptable for Bank financing from an environmental standpoint.