

## Environmental and Social Data Sheet

### Overview

Project Name: *GNF ELECTRICITY INFRASTRUCTURE DEVELOPMENT*  
 Project Number: *2016-0321*  
 Country: *Spain*  
 Project Description: *Investments to support the development of new wind farms in Canary Islands and to modernise electricity distribution infrastructure throughout Spain during the 2016-2019 period.*

EIA required: yes

Project included in Carbon Footprint Exercise<sup>1</sup>: yes

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

### Environmental and Social Assessment

The project is an investment programme to support the development of new wind farms in the Canary Islands and to modernise electricity distribution infrastructure throughout Spain. The wind farm schemes comprise the implementation of 11 wind farms in Gran Canaria and Fuerteventura with a total combined power of 49.5 MW, awarded in the call launched by the Spanish Ministry of Industry, Energy and Tourism<sup>2</sup>. The electricity distribution schemes comprise the construction or replacement of underground cables and overhead lines, with voltage levels up to 132 kV and 20 kV respectively, the development or modernisation of electricity distribution facilities, including substations, transformers as well as automation, communication or advanced metering equipment.

#### Environmental Assessment

The programme concerns wind farms and electricity distribution schemes, some of which fall under Annex II of the EIA Directive (2011/92/EU) which requires the competent authority to determine the need for an Environmental Impact Assessment.

#### Wind farms in the Canary Islands

One of the schemes included in the present operation (Piletas wind farm) was screened in, requiring full EIA, which was performed according to the relevant directives and applicable national and regional law. However, the Canary Islands regional government, through the 'Consejería de Industria, Comercio y Conocimiento', competent authority, decided to exempt certain projects from the EIA procedure, based on exceptional reasons of public interest. All

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

<sup>2</sup> as established in the 'Orden IET/1953/2015' from the 1<sup>st</sup> August, 2014

wind farm schemes, except the aforementioned were exempted from the EIA process<sup>3</sup>. All wind farm schemes were granted the project the environmental consent, subject to the fulfilment of certain conditions.

As required in the Article 2.4 of the EIA Directive, the EU Commission was informed by the regional government, and considered the decision compliant with the relevant EU Directives. Following its review of the exemption the Bank concurs with the EU Decision.

Nevertheless and for the sake of clarity, it should be noted that for all projects, Environmental Impact Assessment Reports (EIARs) were submitted by the promoters to the competent authority, which assessed the content of the reports. Based on the assessment, certain project specific conditions were defined as a condition for the consent to start construction. The documents have been reviewed by the Bank and found adequate for the purposes of assessing the environmental risks and establishing mitigants, including also management and monitoring plans for construction and operation.

During construction environmental impacts are expected to be minor and localized, for instance related to dust emission, erosion and possible spillage from the different tasks. Environmental impacts during operation will mainly concern noise disturbance and impact on flying vertebrates. When relevant appropriate mitigations measures will be implemented in accordance with the conditions set by the competent authority in the environmental consent. These may include the following measures: cultural heritage protection plan; restoration plan to minimise the excavations; measures to minimise the facilities which could be shared among them; development of a bird census and survey; measures to avoid collisions of birds and bats; and implementation of a birds and bats monitoring programme during operation.

#### Electricity distribution schemes

The electricity distribution schemes are at various stages of the screening and EIA processes. Eight distribution schemes have already been identified as being subject to an EIA. An environmental impact study has been prepared for one of them (15 kV overhead line CSP707 in the area of Maderuelo, Segovia) and the environmental consent is pending. Further EIAs may also be needed for electricity distribution schemes that have not yet been screened. The status of the EIA processes for the electricity distribution schemes will be closely monitored.

With regards to the EIA that is being carried out the scheme concerns the substitution of a 15 kV overhead line of 6 km in the area of Maderuelo. One of the objectives of this investment is to comply with the technical requirements set out in the national legislation for bird protection<sup>4</sup> to the national legislation for bird protection. The line will involve the European sites of *Hoces del Río Riaza*<sup>5</sup>. An appropriate assessment is being carried as part of the EIA process. Based on the assessment included in the environmental impact study, the power line is not expected to have adverse impacts on the protected areas that could not be adequately mitigated. During construction the main impacts are related to soil erosion, vegetation clearance and possible oil leakages from construction machinery. During operation the main impacts of the line relate to visual impact on the landscape and impacts on flying vertebrates (risk of collision or electrocution). Specific mitigations measure will be implemented to minimise impacts on avifauna, these include bird diverters, specific design of chains and cross-arms as well as insulator covers. The environmental impact study including the corresponding appropriate assessment will be submitted to the competent authority for review.

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<sup>3</sup> annex I of the decree Decreto 383/215, 28<sup>th</sup> December 2015

<sup>4</sup> Royal Decree 1432/2008

<sup>5</sup> Special Area of Conservation #ES4160104 and Special Protected Area #ES4160008

With regards to the other distribution schemes, no major environmental or social impacts were identified that could not be adequately mitigated. During construction, the environmental impacts are expected to relate to dust, noise, vibration, traffic disruption and vegetation clearance. Environmental impact during operation will concern electromagnetic fields (EMF), noise disturbance and impact on flying vertebrates. For the advanced metering component, the main potential impact on the environment is from the disposal of the old meters being substituted by this project. When relevant, appropriate mitigation measures will be implemented to minimise impacts. This includes measures to contain the effect of noise during operation, protection of vegetation, specific maintenance procedures to minimise potential leakage of SF<sub>6</sub> and coordination with local authorities and property owners. When necessary, construction works will be executed avoiding breeding seasons of wildlife species. In densely populated areas, particular attention will be paid to contain the effect of noise, vibration and traffic disruption during construction works. Regarding the schemes relating to works in substations, contamination from oil leakage of transformers is mitigated through the appropriate design of bunds.

### **EIB Carbon Footprint Exercise**

The wind programme is expected to produce an average of ca. 124 GWh/year, and will not generate any absolute CO<sub>2</sub> emissions. Overall, the project will result in relative emissions of minus 86 kt CO<sub>2-e</sub>/year (i.e. savings of 86 kt CO<sub>2-e</sub>/year). 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.

### **Public Consultation and Stakeholder Engagement**

Public consultation is conducted as part of the EIA process. Wind farm schemes were subject to public information, in the official journals of the Canarian region (BOC). The promoter has indicated during the appraisal that the public consultation for the electricity distribution scheme related to the 15 kV overhead line CSP707 in the area of Maderuelo was ongoing.

### **Other Environmental and Social Aspects**

The operator for electricity distribution is certified to meet ISO 14001 and OHSAS 18001. The electricity distribution operator has developed an environmental and social management plan and has established an action plan to follow up its implementation. The environmental and social performance is assessed by means of a set of indicators targeting a continuous improvement over time.

## Conclusions and Recommendations

The Bank 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 and subject to the below conditions and undertakings, the programme is expected to have minor negative residual impacts and thus to be acceptable for Bank financing from an environmental and social perspective.

Particular conditions and undertakings:

- Prior to any disbursement related to the expansion of electricity networks the promoter shall provide the signed declaration by the competent authority on risk of significant effect on sites of nature conservation importance for the 15 kV line CSP707 in the area of Maderuelo. In case the scheme CSP707 in the area of Maderuelo has been withdrawn from the programme scope, the promoter will have to provide the documents supporting the compliance with the provisions under the EU EIA, Habitats and Birds Directives for another jointly agreed programme scheme, to the satisfaction of the Bank.
- The promoter undertakes not to allocate the Bank's funds to any programme components that require an Environmental Impact Assessment (EIA) until the EIA with the integrated biodiversity assessment have been finalised, approved by the competent authority and sent for review to the satisfaction of the Bank along with the environmental consent. 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 shall store and keep updated any documents as may be relevant for the programme supporting the compliance with the provisions under the EU EIA, Habitats and Birds Directives and shall upon request promptly deliver such documents to the Bank.