

Luxembourg, 16/05/2017

Environmental and Social Data Sheet

Overview

Project Name: ITALY-FRANCE INTERCONNECTOR

Project Number: 2014-0370 Country:

Italy

Project Description: The Project consists of the Italian part of the HVDC link

Piedmont-Savoy interconnecting France (Grand-Ile, Savoy) and Italy (Piossasco, Piedmont) across the Alps. The Piedmont-Savoy interconnector comprises two independent HVDC bipoles having rated capacity of 600 MW each and terminal voltages of ± 320 kV. Each bipole consists of two converters and two 190 km-long underground cables. The cables will be installed underground and, wherever possible, integrated with existing roads and motorway infrastructures. Crossing of the Alps will be through the second Frejus motorway tunnel currently being implemented between

Bardonecchia and Modane.

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

The Project comprises the construction of one converter station in Piossasco and the installation of four 95-km long land cables from the converter station to the State border in Bardonecchia.

Environmental Assessment

Given its technical characteristics, the Project neither falls under Annex I nor under Annex II of the EIA Directive and it is below the minimum thresholds for EIA screening set out in the Italian law. Appropriate Assessments screenings, archaeological and landscape assessments and public consultations have been however carried out in the context of the permitting process.

The Project was granted construction permit in April 2011. The validity of the permit expired in March 2016 and was successively extended up to March 2020. A further construction permit was granted in August 2016 to a 26-km long variant of the cable route running from Bussoleno to Salbertrand.

The French part of Piedmont-Savoy, which is not proposed for Bank's financing, underwent EIA and was granted Public Utility Declaration in June 2012 (cable link) and in August 2012 (converter stations).

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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For circa half of the route the cables will be integrated with the motorway A32 Torino-Bardonecchia (45 km including 6.5 km in the Frejus Tunnel). In the remaining part of the route the cables will be laid for circa 25 km under State road 24 of Monginevro and municipal roads and across agricultural terrains for further 25 km. Along motorway A32 the cable will be installed either under the carriageway and service roads or on viaducts.

The Project has been designed to comply with EMFs and noise exposure limits. Based on promoter's assessment at ground level the static magnetic field generated by the buried cables is 150 μ T, which is well below the occupational and general public exposure limits (2 T and 40 mT respectively) recommended by the International Commission on Non-Ionizing Radiation Protection.

Appropriate mitigating measures have been planned and will be implemented to minimise the impacts of the Project on the environment. These include proper management of soil and aggregates resulting from excavations, crossing of the main water streams via under-river HDD or existing bridges, minimising felling and trimming of vegetation and, as necessary, realising compensatory plantations.

Based on the appropriate assessment screening reports prepared by the promoter the Project will not adversely affect the integrity of any European site on view of the site's conservation objectives. While generally agreeing with this conclusion, the competent regional authority requested that in proximity of the Natura 2000 site "Laghi di Avigliana" cable installation works are not carried out during the breeding period of protected bird species.

All excavation works will be done under archaeological supervision. In case of archaeological findings, excavations will be done by hand and further investigations shall be carried out.

Finally, as per applicable national legislation, the necessary precautions will be adopted for containing noise, dust, pollution and traffic disruption during construction works.

EIB Carbon Footprint Exercise

The sources of CO2 equivalent (CO2 e) emissions for the Project are the ohmic losses in the Project equipment and, to a much larger extent, the indirect emissions resulting from changes in the merit order, notably the increase of coal generation outside Italy displacing less polluting but more expensive Italian gas generation. Over the economic life of the Project the corresponding average absolute and relative emissions are estimated at 189.2 kt CO2 e per vear.

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.

Other Environmental and Social Aspects

The 26-km long route variant between Bussoleno and Salbertrand, where the cables will leave the A32 route and will be installed along state and municipal roads, underwent extensive public consultation². Information about the route variant was published on the website of Terna³ and six public information meetings took place from 27 May to 11 June 2015 in the involved municipalities (Salbertrand, Exilles, Chiomonte, Gravere, Susa and Bussoleno).

Based on the information available, the rest of the Project, which was authorised in 2011, was advertised in national newspapers, on 15 December 2009 and Project information was made available at the same date in all involved municipalities with a period of 30 days for submitting observations. It seems however that better communications measures could have been

² In line with the requirements for transparency and public participation of trans-European energy infrastructures set out in Article 9 of EU regulation 347/2013.

https://www.terna.it/it-it/sistemaelettrico/dialogoconicittadini/varianteitalia-francia.aspx



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implemented during the consultation period. The promoter still has to secure the rights of way from private land owners for part of the cable route. The permit entitles the promoter to enforce such right of way, as a last resort, by law if and where required. Land owners have in any case the right for compensation.

Conclusions and Recommendations

Based on the results of the Bank's assessments, no significant long-term impacts are expected to result from Project's construction and operation. Based on the information available, and with appropriate conditionality (see below), the Project is expected to be acceptable to the Bank in environmental and social terms:

• In line with the requirements of Article 9.7 of the EU Regulation 347/2013, the promoter undertakes to establish and regularly update a website with relevant information about the Project which shall meet the requirements specified in Annex VI.6 (points a), b) and d)) of the Regulation. The website shall be established prior to the disbursement of the first tranche under the Finance Contract.