

## Environmental and Social Data Sheet

### Overview

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|----------------------|---|
| Project Name:        | ENDESA NETWORK MODERNISATION II   |
| Project Number:      | 2016-0375   |
| Country:             | Spain   |
| Project Description: | The investment programme comprises schemes for the reinforcement and modernization of the promoter's distribution networks. The programme encompasses a large number of high, medium and low voltage electricity distribution schemes as well as smart meters and automation components. The programme is undertaken over the 2017–2019 period and will be implemented across six autonomous Spanish regions. |

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 investment programme is a typical electricity distribution expansion and modernisation programme. It comprises the construction or replacement of power lines with voltage levels up to 110 kV, the development or modernisation of electricity distribution facilities, including substations and transformers, as well as the installation of automation, communication and smart meters. The regions where the schemes will be implemented are: Aragon, the Balearic Islands, Catalonia, the Canary Islands, Andalucia and Extramadura.

#### Environmental Assessment

The programme comprises a large number of electricity distribution schemes up to 110 kV with the majority of schemes being reinforcements of medium and low voltage equipment and connection of new users with limited environmental impact. Some project schemes fall under Annex II of Directive 2014/52/EU amending the EIA Directive 2011/92/EU, leaving it to the competent authority to determine whether or not an Environmental Impact Assessment (EIA) is required; the biodiversity assessment under the EU Habitats and Birds Directives, where required, is part of the EIA process. Some schemes have already been screened in and the relevant EIAs processes are completed or pending.

Overall, the environmental impacts of the project are expected to be minor and related mainly to noise, vibration, dust, and traffic disruption during the construction, and electromagnetic fields (EMF) and nuisance during operation. Appropriate mitigation measures will be implemented to minimise impacts during construction and operation. Particular attention will

<sup>1</sup> Only projects that meet the scope, 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.

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be paid to contain the effect of noise, vibrations and traffic disruption during the construction works. Typical mitigation measures include special construction procedures to minimize damages, construction of facilities to contain oil leaking from transformers, special waste collection procedures and other.

For the smart meters, 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 in line with the environmental legislation. The process for the disposal of smart meters addresses data privacy issues.

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

The promoter is experienced and the environmental management system of the promoter is ISO 14001 certified. The promoter uses key performance indicators to evaluate the environmental performance of the company, identify potential risks or relevant deviations and ensure the successful implementation of the environmental plans and objectives.

### **EIB Carbon Footprint Exercise**

This project's absolute emissions amount to 116,200 t of CO<sub>2</sub> per year. The estimated emission savings due to the project are expected to reach 17,700 t of CO<sub>2</sub> per 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.

A considerable part of the investment programme concerns the connection of renewable energy sources (7.5% of the total project cost), public transportation (0.3% of the total project cost) and climate change adaptation investments (replacement of existing overhead lines with underground cables, 1% of the total project cost).

## **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. The Bank also reviewed EIAs for some of the schemes of the investment programme and found them to be satisfactory. Based on the information available, the investment programme is expected to have minor negative residual impacts and thus is acceptable for Bank financing from an environmental and social perspective.

The promoter undertakes to send to the EIB copies of all EIA screening decisions concerning the programme components issued by the competent authority for nature and environment as soon as they are available.

The promoter undertakes not to allocate the Bank's funds to the programme components that require an EIA until the EIA and/or the biodiversity assessment have been finalised, satisfactorily 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 undertakes to store and keep updated any documents as may be relevant for the programme supporting the compliance with the provisions under the EU Habitats and



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Birds Directives (Form A/B, or equivalent declaration by the competent authority) and shall upon request promptly deliver such documents to the Bank.