

Environmental and Social Data Sheet

Overview

Project Name:	<i>TERNA TRANSMISSION SYSTEM REHABILITATION PLAN</i>
Project Number:	<i>2017-0995</i>
Country:	<i>Italy</i>
Project Description:	The project consists of a multi-component investment programme in the electricity transmission network in Italy planned for implementation in the period 2019-2023 to ensure reliability of supply, reduce environmental risk, and increase safety. The programme includes a large number of schemes for the refurbishment of high voltage circuits (overhead lines and underground cables) and substations.
EIA required:	maybe

Project included in Carbon Footprint Exercise¹: yes
(details for projects included are provided in section: “EIB Carbon Footprint Exercise”)

Environmental and Social Assessment

The programme concerns mainly the refurbishment of 150 kV and 132 kV overhead lines (replacement of conductors and reinforcement or replacement of supports) for approximately 7,000 km of network. The programme includes also the replacement of 150 kV and 132 kV oil insulated underground cables (approx. 300 km), replacement of overhead lines with underground cables (approx. 50 km) as well as refurbishment of substations.

Environmental Assessment

Some programme schemes fall under Annex II of the 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. According to national legislation, regarding changes or extensions of existing assets, an EIA screening is required when (a) the involved overhead line is of voltage 100 kV or higher and length 10 km or higher (b) the involved underground cable is of voltage 100 kV or higher and length 40 km or higher (c) or it is deemed by the competent authority that the project is likely to have significant environmental impact. An EIA is mandatory for changes or extensions with a total length higher than 10 km for overhead lines or higher than 40 km for underground cables. Furthermore, projects are screened with respect to the need for an appropriate assessment under the EU Habitats and Birds Directives.

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 20,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

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Overall, the environmental impacts of the project are expected to be related mainly to dust, traffic disruption, noise and vibration, 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 be paid to contain the effect of noise, vibrations and traffic disruption during the construction works. Mitigation measures include the restoration of the sites condition following works. Some schemes crossing or near to sites of nature conservation are expected to be screened in for an appropriate assessment.

The environmental and social due diligence has followed the programme lending approach according to the EIB's procedures and standards, i.e. the due diligence focussed on the promoter's capacity and capability to implement the programme in line with EIB environmental and social standards and requirements. The Bank also reviewed two EIAs for schemes that the promoter implemented in the past and found them to be satisfactory. Overall, the environmental capacity of the promoter is deemed to be good; it has the experience and the capacity to appropriately manage the programme.

EIB Carbon Footprint Exercise

The source of CO₂ equivalent (CO₂e) emissions for the programme is the ohmic losses of the new network equipment being installed to replace old equipment. At programme completion, the corresponding absolute emissions are estimated at 317.3 kt CO₂e 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.

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 with appropriate conditions (see below) and monitoring, the programme is expected to be acceptable in environmental and social terms for Bank financing:

- The promoter undertakes to store and keep updated all EIA screening decisions concerning the programme schemes issued by the competent authority for nature and environment.
- The promoter undertakes not to allocate the Bank's funds to programme schemes that require an Environmental Impact Assessment (EIA) until the EIA Study and/or the biodiversity assessment have been finalised and approved by the competent authority. An electronic copy of the EIAs must be placed on the website of the promoter from the moment the EIAs are made available to the public and maintained until completion of reporting.
- In cases where an EIA Study is not required, the promoter undertakes to ensure that all programme schemes located inside or in the proximity of a designated Nature2000 site will undergo a biodiversity screening in accordance with the EU Habitats and Birds Directives. Should a component have a potential impact on a site of nature conservation, the undertaking is extended to inform the relevant authority and implement the procedures under Articles 6(3) and (4) of the Habitats Directive.
- The promoter undertakes to store and keep updated any documents that may be relevant for the programme and which support the compliance with the provisions under the EU Habitats and Birds Directives (Form A/B, or equivalent declaration by the

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competent authority) and shall, upon request, promptly deliver such documents to the Bank.