

## Environmental and Social Data Sheet

### Overview

Project Name: *ELECTRICITY NETWORK MODERNISATION & DEVELOPMENT*  
Project Number: *2019-0070*  
Country: *Spain*  
Project Description: The operation consists of financing the expansion, renovation and digitalisation of the promoter's electricity distribution network throughout 2019 and 2020. The investments will be located in several Spanish regions.

EIA required: no

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 electricity distribution expansion and modernisation programme. It comprises multiple schemes involving the construction or the modernisation of electricity distribution facilities, including power lines with voltage levels up to 132 kV, substations and transformers, as well as automation, and communication equipment.

#### Environmental Assessment

The Project concerns electricity distribution schemes, including power lines with voltage levels up to 132 kV, some of which will usually fall under Annex II of the Directive 2014/52/EU, amending the EIA Directive 2011/92/EU, which requires the competent national authority to determine the need for an Environmental Impact Assessment. Given their characteristics, location and potential impacts, and considering the criteria established under the national EIA legislation, none of the project schemes are expected to require a full EIA. Project schemes are also screened with respect to the need for an appropriate assessment under the EU Habitats and Birds Directives.

The project has the potential for some low to moderate environmental and social impacts. 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 collision and electrocution of flying vertebrates. For the advanced metering component, the main potential impact on the

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<sup>1</sup> Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

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environment is from the disposal of the old meters being substituted by this project. When relevant, appropriate measures will be implemented to avoid or minimise impacts. This includes measures to contain the effect of noise during operation, specific maintenance procedures to minimise potential leakage of SF<sub>6</sub> and coordination with local authorities and property owners. 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.

The environmental and social due diligence has followed the investment programme lending approach according to the EIB's procedures and standards. The due diligence focused on the promoter's capacity and capability to implement the programme in line with the EIB environmental and social standards and requirements. The Bank also reviewed two EIAs carried out by the promoter and found them to be satisfactory. The environmental capacity of the promoter is deemed to be good; it has the experience and the capacity to appropriately manage the investment programme.

### **EIB Carbon Footprint Exercise**

Gross annual GHG emissions of the programme in a standard year of operation are estimated at 61 kt of CO<sub>2</sub> equivalent per year (on the basis of network losses).

The operation will provide environmental benefits through the reduction of network losses. It is estimated that network losses would increase by 273 GWh without the project. The total avoided CO<sub>2</sub> emissions are estimated at 18 kt of CO<sub>2</sub> equivalent per year using a grid emissions factor of 291 kgCO<sub>2</sub>/MWh.

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 promoter is certified to ISO 9001, 14001 and OHSAS 18001 standards. The promoter has developed an environmental management plan and has established an action plan to follow up its implementation.

## **Conclusions and Recommendations**

The Bank reviewed the environmental and social capacity of the promoter including its organisation, process 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 and/or the

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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.

- The promoter undertakes to ensure that all programme schemes will undergo a biodiversity screening in accordance with the EU Habitats and Birds Directive. 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 provision under the EU Habitats and Birds Directives (Form A/B, or equivalent declaration by the competent authority) and shall, upon request, promptly deliver such documents to the Bank.