

Environmental and Social Completion Sheet (ESCS)

Overview

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| Project Name: | WWU 2013-16 GAS DISTRIBUTION |
| Project Number: | 2013-0152 |
| Country: | United Kingdom |
| Project Description: | Part financing Wales & West Utilities' 2013-16 capex programme to modernise and expand the gas distribution network in Wales and the southwest of England. |

Summary of Environmental and Social Assessment at Completion

EIB notes the following key Environmental and Social outcomes at Project Completion.

At completion, the Promoter reported that no significant environmental issue was encountered during the Project implementation phase.

None of the planned components of the Project required a full EIA at the time of appraisal; however the following condition had been included in the finance contract in the event that a full EIA might be required:

“The Promoter undertakes not to allocate the Bank’s funds to Project components that require an Environmental Impact Assessment (EIA) until the EIA and/or the necessary nature assessment has been finalized and approved by the competent authority.”

The Project components all fall under Annex II of Directive 2011/92/EU and were subject to screening by the Competent Authority based on Annex III of the Directive.

In the UK, the primary environmental legislation applicable to the Promoter is Regulation 14 consent of the Public Gas Transporter Pipeline Works (Environmental Impact Assessment) Regulations, amended 2007. Part 1 makes a full EIA mandatory if the pipeline is >800 mm diameter and >40 km length while Part 2 requires a screening determination if the pressure is >7 bar or the construction is within a sensitive area.

The screening obliges the Promoter to produce a supporting statement or volunteer an Environmental Statement. The screening and assessment for nature conservation issues is fully integrated in the EIA procedures.

The operation provided environmental benefits, based on the Promoter’s information of actual shrinkage/leakage reduction through the pipeline replacement work that took place across the Project from 2013 to 2016. The corresponding annual savings in CO2 emissions were calculated and are below the thresholds as per the EIB carbon footprint methodology.



European Investment Bank (EIB)

Luxembourg, 24/10/2017

Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion, based on reports from the Promoter and a site visit by the EIB team at the appraisal stage, that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.