

Environmental and Social Data Sheet

Overview

Project Name:	BYDGOSZCZ HEATING NETWORK UPGRADE
Project Number:	2019-0285
Country:	Poland
Project Description:	Financing of the upgrade of the heating generation and distribution system in the City of Bydgoszcz and neighbouring municipalities
EIA required:	Investment programme, some schemes may require EIA
Project included in Carbon Footprint Exercise ¹ :	yes

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

This 5 year (2018-2022) investment programme concerns district heating systems in several municipalities and includes:

- installation of gas engines cogenerating electricity and heat in 5 locations, all engines will cogenerate electricity at high efficiency as defined by the energy efficiency directive 2012/27/EU (the efficiency 90%, primary energy savings 25%);
- extension of existing networks including building new connections and substations;
- modernisation of existing networks, including replacements of existing pipes with pre-insulated ones and replacement of group substations with local heat exchangers.

Installation of gas engines will be brown field investments within the existing plants. The proposed units will make use of advanced, yet well-proven technology with environmental emissions compliant with the Industrial Emissions Directive 2010/75/EU and with the Directive on the limitation of emissions from medium combustion plants 2015/2193/EU.

Environmental Assessment

The investments in heat generation and distribution systems included in the programme fall within the Annex II of the EIA Directive 2011/92/EC amended by Directive 2014/52/EU thus requiring a review by the competent authorities at the planning/consent stage with due regard to the necessity for environmental and biodiversity impact and appropriate assessments.

¹ 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 CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

Luxembourg, 25.09.2019

Several investment schemes including gas engines and grid modernisation and expansion have already received certificates issued by the competent authority about the lack of need to perform an appropriate assessment on compliance with the EU Habitats and Birds Directive.

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 (this concerns mostly investments in the district heating network) and to airborne emissions during operation of heat generation units, i.e., gas engines (NO_xes). Appropriate mitigation measures are envisaged to minimise investments' impacts during construction and operation.

Other Environmental and Social Aspects

The Promoter's laboratory measuring emissions from heat generation units is ISO 17025 certified. The Promoter is experienced and has the capacity to satisfactorily manage environmental and social aspects of the project.

Public Consultation and Stakeholder Engagement

In case the EIA and public consultations are requested by competent authorities for any of the programme schemes, the Promoter will be required to forward the outcome of the public consultation process to the Bank.

EIB Carbon Footprint Exercise

This project's absolute emissions amount to 24 900 t of CO₂ per year. The estimated emission savings due to the project are expected to reach 22 600 t of CO₂ 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, the Project 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 programme components that require an Environmental Impact Assessment (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 project supporting the compliance with the provisions under the EU Habitats and Birds Directives and shall upon request promptly deliver such documents to the Bank.