

 Early Warning System

EIB-20220163

SALTO DE CHIRA PUMPED-STORAGE HYDRO PROJECT



Quick Facts

Countries	Spain
Specific Location	Gran Canaria
Financial Institutions	European Investment Bank (EIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-10-24
Borrower	RED ELECTRICA DE ESPANA SAU
Sectors	Energy, Hydropower
Investment Type(s)	Loan
Investment Amount (USD)	\$ 324.71 million
Project Cost (USD)	\$ 718.69 million



Project Description

According to the Bank's website, the loan will finance the construction of a 200MW pumped-storage hydroelectric power station and associated desalination plant in the Gran Canaria.

The aim is to improve power quality, reliability and supply security as well as increase generation from renewable sources in Gran Canaria isolated grid. The project is connected to two existing reservoirs avoiding creation of new reservoir and optimising the usage of the existing ones. It will also provide water for irrigation and firefighting system of the island.

During the peak hours, the project can provide 200MW to the grid during 16 hours i.e. 3.2GWh per cycle. It will contribute to mitigate the risk of electricity shortage, reduce fossil fuel import and smoothen electricity peak prices.



Early Warning System Project Analysis

The project falls under Annex I of the environmental impact assessment (EIA) Directive (2011/92/EU, as amended by 2014/52/EU). The EIA process included public consultation initiated in 2016. In 2020, following the latest amendments, the project has undergone an EIA, according to the national laws, including Appropriate Assessment. The process was completed in 2021 with the issuance of the environmental permit. The promoter will implement preventive and corrective measures to restore the Arguineguín Canyon affected by the construction of the reservoirs and improve the water bodies in this area.

The project is covering 20ha of which more than 4ha of the Biosphere Reserve of Gran Canarias. The project covers the following four Natura 2000 areas: ZEC Macizo de Tauro II, ZEC El Nublo II y ZEC Franja Marina de Mogán and ZEPA Macizo de Tauro, with several other sites in the area of the project, as well as natural parks and natural monuments. The impact of salty water or the storage of soil due to excavation works have been addressed in the EIA.

Where and if applicable, the EIA requirements, Birds Directive 2009/147/EC, Habitats Directive 92/43/EEC and the Water Framework Directive (WFD) 2000/60/EC will be verified during appraisal.



Investment Description

- European Investment Bank (EIB)



Private Actors Description

Red Eléctrica de España is a partly state-owned and public limited Spanish corporation which operates the national electricity grid in Spain, where it operates the national power transmission system. It also holds assets in Peru, Chile and Brazil.



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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Red Eléctrica de España	Client	-



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm>

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When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: <http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces>

Bank Documents

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Media

- EIB approves a €300 million loan to Red Eléctrica for the construction of Salto de Chira hydroelectr