

Initial Project Summary

Project Location: Cocorná, Departament of Antioquía, Colombia

Name of Applicant: PCHs Los Molinos S.A.S E.S.P

Name of Project: Los Molinos

Project Description: Los Molinos Project consists of the development, construction and operation of two hydroelectric plants to be located in the Municipality of Cocorna, Department of Antioquia (PCH El Molino and PCH San Matias). Each plant will have an installed capacity of 19.9 MW. The Project consists of two stages in a cascade. The first stage, PCH El Molino, diverts water from the San Matias River into an intake structure with de-sander and fore bay for the subsequent headrace tunnel 2.6 km in length arriving at the El Molino powerhouse. PCH San Matias receives water directly from the discharge channel of El Molino via a 2.2 km headrace tunnel to the San Matias powerhouse. The Project will divert flow from 6.2 km of the San Matias River.

The proposed project involves the construction of transmission line (2.2-3.3 km of a 110 kV transmission line), access roads (7.6 km), substation, construction offices, operation and maintenance buildings, warehouses and parking lots. Total project footprint is expected to be approximately 43 hectares.

Because there is significant overlap in the area of influence, baseline characterization and environmental impact of the two hydroelectric plants, the Environmental and Social Impact Assessment for El Molino is being disclosed along with supplemental information specific to the San Matias plant where the San Matias plant has unique characteristics.

Environmental and Social Categorization and Rationale: The Project has been reviewed against OPIC's policy related to dam projects and determined to be categorically eligible for further consideration. The Project is screened as Category A because potential impacts are diverse and irreversible. The major environmental and social concerns associated with the Project are related to diversion of river flow and subsequent flow reduction in 6.2 km of the San Matias River; impacts to flora and fauna; community health and safety impacts; and occupational health and safety.

Environmental and Social Standards: International Finance Corporation's (IFC) Performance Standards (January 2012) 1 (Assessment and Management of Environmental and Social Risks and Impacts), 2 (Labor and Working Conditions), 3 (Resource Efficiency and Pollution Prevention), 4 (Community Health, Safety and Security), 5 (Land Acquisition and Involuntary Resettlement), 6 (Biodiversity Conservation and Sustainable Resource Management) and 8 (Cultural Heritage). Applicable provisions of the IFC General Environmental, Health and Safety (EH&S) Guidelines, EH&S Guidelines for Transmission and Distribution also apply to the Project.

Location of Local Access to Project Information: The Spanish language summary of the Environment and Social Impact Assessment is available for review at the following location:

- 1) CONARE: Autopista Medellin-Bogota. Carrera 59 44-48, Kilometro 54; El Santuario, Antioquia.