Friends of the Earth United States

August 31, 2026

**Re: Public Comments on Proposed DFC Financing for the Public Power Corporation (PPC) Ptolemaida V Conversion Project (Greece)**

Dear Environmental and Social Review Team:

Friends of the Earth U.S. appreciates the opportunity to submit comments regarding the U.S. International Development Finance Corporation's ("DFC") consideration of financing for the Public Power Corporation ("PPC") project involving the conversion of the Ptolemaida V lignite-fired power plant to a natural gas-fired facility in Greece.[1]

Our comments focus fundamentally on procedural deficiencies in DFC's environmental review process. Specifically, DFC has initiated a public comment process without first disclosing the Environmental and Social Impact Assessment ("ESIA") that is the subject of that review. By requesting public comments while acknowledging that the ESIA will be made available only at a later stage, DFC has deprived interested stakeholders of the information necessary to meaningfully participate in the environmental review process. Therefore, this public comment period does not fulfill requirements of compliance with DFC's Environmental and Social Policies and Procedures.

## I. DFC's Current Comment Process Is Inconsistent with Its Environmental and Social Policy and Procedures

DFC's Initial Project Summary classifies the Ptolemaida V project as Category A. DFC's Environmental and Social Policy and Procedures ("ESPP") establish clear disclosure requirements for projects classified as Category A. Section 5(b)(iii) of the ESPP provides that DFC will publicly disclose the Environmental and Social Impact Assessment and/or Baseline Audit for Category A projects for at least sixty (60) days prior to approval in order to provide the public an opportunity to review and comment on the project's anticipated environmental and social impacts. The ESPP further provides at Section 5(b)(v) that "[n]o Category A Project may be approved without this public disclosure, opportunity for public comment, and management response (if needed)."[2]

[1] While DFC's Initial Project Summary refers to the project as "Ptolemais V," linked project documents refer to it as "Ptolemaida V."
[2] U.S. International Development Finance Corporation, *Environmental and Social Policy and Procedures* (Apr. 2024), § 5(b)(iii) (requiring DFC to post Category A project ESIAs and/or Baseline Audits and Stakeholder Engagement Plans for a public comment period of at least 60 days).

The purpose of these disclosure requirements is straightforward: public participation cannot be meaningful unless stakeholders have access to the project's environmental analysis before submitting comments.

Here, however, DFC has opened a public comment period, providing an Initial Project Summary that references an ESIA for the project while expressly acknowledging that the ESIA has not yet been completed or disclosed.[3] Stakeholders are therefore invited to comment without access to the principal environmental document upon which DFC's environmental review—and ultimately its financing decision—will rely.

This approach is inconsistent with both the purpose and the plain language of DFC's own procedures. While DFC may ultimately intend to publish the ESIA, requesting comments before the document is available prevents affected communities, civil society organizations, and other interested stakeholders from providing informed input regarding the project's anticipated impacts, mitigation measures, alternatives analysis, and compliance with DFC's environmental and social standards.

DFC’s ESPP Section 5(b)(iii) requirement that, in lieu of an ESIA, a Baseline Audit will be publicly disclosed has also not been met. While DFC has posted a document entitled PPC HSES Management System Audit Report, this document does not meet DFC’s definition of a Baseline Audit. DFC’s ESPP Glossary defines Baseline Audits as:

> “An assessment of environmental and social impacts of pre-existing or ongoing activities that is required for all Category A Projects that involve the acquisition of or support to pre-existing facilities. For new construction or expansion to an existing site, an ESIA will also be required.”

However, the PPC HSES Management System Audit Report Purpose and Scope states:

> “The Audit focused on PPC’s ***corporate systems and management capacity*** to identify, assess, manage, and monitor potential HSES risks and impacts associated with its operations and planned investments. The scope of ERM’s review focused on PPC’s corporate HSES policies, governance systems, management programs, implementation procedures, and organizational capacity regarding the projects being considered for DFC support.” [Emphasis added]

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1. [3] U.S. International Development Finance Corporation, *Public Power Corporation (PPC) – Ptolemaida V Conversion Project*, Project Disclosure Notice (2026), stating that the Environmental and Social Impact Assessment will be disclosed at a later stage.

Having the corporate systems and management ***"capacity***" to identify, assess, manage and monitor potential HSES risks and impacts broadly is not the same as ***actually performing these required analyses and activities on the specific project DFC is being asked to finance***. Hence, the audit fails to meet DFC's definition of a Baseline Audit as ***"[a]n assessment of environmental and social impacts of pre-existing or ongoing activities".*** Although the Audit's Section 5 claims various levels of compliance with IFC Performance Standards at a *corporate level,* it provides no evidence that compliance has been achieved on this specific project, as is required by DFC's ESPP. Similarly, while the Audit's Section 6 asserts the Environmental and Social Action Plan—Action supposed level of compliance at a *corporate level*, no evidence has been provided that an Action Plan has been provided at the *project level* that DFC is considering support. Indeed, DFC's ESPP Glossary states, "[t]he ESAP provides an implementation schedule for measures that must be carried out as part of the **Project** and reflects sequencing, periodicity, adequate budget, and responsible parties. Required on all Category A **Projects**." Hence, simply affixing the word "Audit" on a document does not make it a Baseline Audit as defined by DFC's ESPP.

DFC also has not clearly demonstrated compliance with the ESPP's requirement to publicly disclose a Stakeholder Engagement Plan. Section 5(b)(iii) of the ESPP requires a Stakeholder Engagement Plan to be publicly disclosed on DFC's website for the same 60-day public comment period as the ESIA and/or Baseline Audit. The document currently linked on DFC's project website as the PPC Stakeholder Engagement Framework is labeled as a draft and includes a Section 508 accessibility acknowledgment, but it is not clear from the project disclosure that this document constitutes the final Stakeholder Engagement Plan required under the ESPP. DFC should clarify whether the document currently posted is intended to satisfy the ESPP's Stakeholder Engagement Plan requirement and, if so, ensure that the complete and final plan is clearly identified and made available as part of the required public disclosure.

## II. The Current Process Does Not Provide a Meaningful Opportunity for Public Participation

Meaningful public participation requires more than simply providing an opportunity to submit comments. It requires that stakeholders have access to sufficient information to understand the proposed project and evaluate its anticipated environmental and social consequences.

Without access to the ESIA, the public cannot evaluate, among other issues:

- The environmental and social impacts associated with converting Ptolemaida V from lignite to natural gas;

- The alternatives considered by DFC and the project sponsor, including non-fossil fuel alternatives such as energy storage;
- The projected greenhouse gas emissions associated with the converted facility over its operating lifetime;
- The project's cumulative climate impacts;
- Proposed mitigation and monitoring measures;
- Impacts on affected communities and workers; and
- The assumptions underlying DFC's environmental review.

These are precisely the issues that an ESIA is intended to evaluate. By not providing the ESIA while simultaneously requesting comments, DFC has effectively deprived the public of the opportunity for informed participation contemplated by its own Environmental and Social Policy and Procedures.

## III. The Lack of an ESIA Prevents Meaningful Review of Significant Outstanding Issues

The absence of a publicly disclosed ESIA is particularly concerning because the lack of publicly available information raises significant questions regarding the proposed project.

WWF Greece has consistently expressed doubt about the economic viability of Ptolemaida V, including the risk of the project becoming a stranded asset; questioned whether another large gas-fired power plant is necessary; expressed concerns about whether the project may further increase Greece's dependence on imported fossil gas (including LNG) rather than supporting investments that enhance long-term energy security and facilitate Greece's transition to renewable energy; identified energy storage as a more appropriate long-term use of the project site; and called for a robust public participation process including public disclosure of relevant ESIA and other environmental and social documents. For more information please see, *inter alia*:

Replacement options for Ptolemaida 5 - The Green Tank[4]

Ptolemaida 5 and Meliti 2[5]

## IV. Necessary Action

[4] Available at: https://thegreentank.gr/en/2021/04/20/ptolemaida-5-replacement-options/
[5] Available at: https://www.contentarchive.wwf.gr/images/pdfs/Lignite_Study_WWFGreece.pdf

DFC’s current public comment process for Ptolemaida V does not satisfy with the agency’s minimum requirements under the ESPP for Category A projects. ESPP’s Friends of the Earth U.S. respectfully calls on DFC to:

1. Clarify that the current public comment period in not intended to satisfy the agency’s minimum public disclosure and participation requirements under the ESPP for Category A projects;
2. Publish the complete Environmental and Social Impact Assessment, including all technical appendices, alternatives analyses, greenhouse gas assessments, stakeholder engagement documentation, and any other supporting environmental and social materials required under the ESPP;
3. Reopen a new public comment period of no fewer than sixty (60) days following publication of the complete ESIA and supporting documentation; and
4. Refrain from approving, committing, or otherwise advancing financing for the proposed project, including discussing at the board level, until the disclosure and public participation requirements established by DFC's Environmental and Social Policy and Procedures have been fully satisfied.

## Conclusion

The issue presented by this comment is fundamentally procedural. Friends of the Earth U.S. is not asking DFC to prejudge the merits of the proposed project before completing its environmental review. Rather, we call on DFC to comply with its own published ESPP by disclosing the Environmental and Social Impact Assessment and other required environmental and social documents, providing the public with the required opportunity to comment, and completing the required public participation process before advancing to the next stage of project approval. We request a meeting to discuss these comments and concerns further. Thank you for your consideration of these comments.

Sincerely,

**Friends of the Earth U.S.**