

I. General Assessment

The project under consideration involves the implementation and ongoing operation of a nationwide telecom network in Honduras, which will provide Bandwidth Services on a commercial basis and at the same time serve the internal communications needs of ENEE. The long-haul portion of the network will employ fiber-optic technology deployed along ENEE's Rights of Way (ROW). The choice of technology for the "last-mile" portion of the network is not certain at this point, but is expected to be a mixture of metropolitan-area fiber and wireless (e.g., MMDS, LMDS) systems.

Overall, the project is expected to have favorable environmental consequences for ENEE, by supporting ENEE's ongoing efforts to improve the efficiency and flexibility of electricity generation, transmission and distribution. Additionally, as described elsewhere, the commercial network is expected to have a positive socioeconomic impact, by providing telecom services to competitive telecom companies, ISPs and CATV operators. It should be noted in particular that the competitive telecom companies include a number of so-called sub-operators under the Telefonía para Todos (TpT) initiative, the primary purpose of which is to bring basic telephone service to currently unserved and underserved communities in Honduras.

PFA's general assessment is that the project is not expected to have any adverse effects on the environment, at any stage of the project, for the foreseeable future. Further details regarding both the long-haul and metropolitan-area portions of the network are provided below.