



European Investment Bank (EIB)

Luxembourg, 9 December 2022

Environmental and Social Completion Sheet (ESCS)¹

Overview

Project Name: HYDRO AND WIND POWER IN STYRIA
 Project Number: 2015-0825
 Country: Austria

Project Description: *The project comprises investment schemes in the production of electricity from renewable energy and distribution of electricity and gas in Styria, Austria. The electricity generation schemes together with their grid connection facilities include a 16.4 MW run-of-river hydropower plant (HPP) Murkraftwerk in the city of Graz and a 39 MW wind farm Handalm located in the nearby mountainous area of Deutschlandsberg at an altitude of 1,800m. The electricity distribution part covers an investment programme of extensions and refurbishments of the low, medium and high voltage electricity distribution grid in Styria, in order to maintain a high level of security of supply and enable the integration of distributed renewable energy generators. Investments in the gas distribution network consist primarily of works in the medium and low pressure grid networks, both refurbishing and expanding of pipeline networks in order to account for the increase of energy demand and new connections.*

Summary of Environmental and Social Assessment at Completion

EIB notes the following Environmental and Social performance and key outcomes at Project Completion:

Wind farm 'Handalm'

The appraisal concluded that the project was acceptable for Bank financing under environmental aspects, subject to the following three conditions:

- *“Official clarification or interpretation issued by the competent authority related to the mandatory application of the birds radar systems during the wind farm operation, must be provided to the Bank prior to the start of the commercial operation.”*

This condition has been met. The Federal Administrative Court (*‘Bundesverwaltungsgericht’*) decided on 22 December 2021 that a bird radar was not needed (case number: W113 2230957-1/36E). The decision is final and binding.

- *“In addition, the promoter will submit to the Bank regular annual reports of the monitoring of birds and bats during the first three years of operation (as requested for the evaluation of the shutdown algorithms) and the official acceptance approval (operation permit) as soon as available.”*

These two conditions have been met. The birds and bats monitoring report concluded (i) that the collision rates for both birds and bats were below the national average and (ii) that the automatic curtailment system for bats was effective in minimising fatalities.

As set out in the ESDS, the environmental permit included extensive requirements concerning biodiversity protection, landscape conservation, health and safety, the aeronautical procedure,

¹ The template is for ILs and FLs



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and the forestry. The promoter reported full implementation of the 154 requirements (as part of the 'Kollaudierung'), which in turn had been confirmed through the final permit ('Abnahmebescheid') issued by the competent authority on 14 February 2020.

Based on the monitoring reports and final permit, the overall environment and social performance of the wind farm is deemed to be adequate.

Hydro power plant 'Murkraftwerk'

In February 2017, a number of protests against the hydro power plant, and in particular the canal, took place. As a result of the protests, a Special Commission – which included representatives of the community- was established to assess the issues raised. Together with the Special Commission, the promoter agreed to additional environmental measures and actions which included:

- an ecological monitoring plan;
- construction monitoring reports on forestry, wild fauna, water, agriculture, biodiversity and waste;
- monitoring plans during operation on groundwater monitoring, habitat monitoring, fish-otter and forestry monitoring and a forest improvement project.

At project completion, the promoter had established an ecological monitoring plan. The ecological building supervision monitored, documented and evaluated compliance with the ecological requirements and protective & rehabilitation measures during implementation and operation.

The monitoring reports confirmed the implementation of the measures and no unmitigated adverse effects of the projects on groundwater, fish-otter, forestry, wild fauna, water, agriculture, biodiversity or waste during implementation and operation.

The Promoter reported some sporadic activism by individuals during 2019, which seized with additional security cameras being installed. Since, 2017 no other significant environmental or social issues had been reported by the promoter during the implementation of the project.

Based on the monitoring reports, the overall environment and social performance of the hydro power plant is deemed to be satisfactory.

Gas and electricity networks

None of the planned components of the project were considered to require an Environmental Impact Assessment and none of them are located in Natura 2000 or any other nature protection zones. Overall, the environmental impacts were found to be modest and mainly related to noise, vibration, dust, and traffic disruption during the construction and electromagnetic fields and noise disturbance during operation.

The Promoter had not reported any significant environmental or social issues during the implementation of the project. Based on the monitoring reports and project completion report, the overall environment and social performance of the gas and electricity networks is deemed to be adequate.



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Summary opinion of Environmental and Social aspects at completion:

In summary, based on reports from the promoter, the EIB is of the opinion that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.