

Environmental and Social Data Sheet

Overview

Project Name: *WINDLANDKRAFT WIND POWER*
 Project Number: *2012-0060*
 Country: *Austria*
 Project Description: *Construction and operation of four onshore wind parks for a total capacity of 105 MW located in the Austrian Federal State of Lower Austria (municipalities of Leopoldsdorf, Untersiebenbrunn and Engelhartstetten)*

EIA required: yes

Project included in Carbon Footprint Exercise¹: yes

(Details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

This operation comprises four wind farms that are concentrated at two sites in Lower Austria: Leopoldsdorf (LD), Untersiebenbrunn (USB), Untersiebenbrunn Extension (USBCX), and Engelhartstetten (ES).

Generally, wind farms generate electricity with significantly lower environmental impacts than conventional power plants based on fossil or nuclear fuels.

The four wind farms under this operation are located on land that is in intense agricultural use, characterised by relatively low levels of biodiversity on the ground. The project region is however characterised by a sensitive avifauna. All turbines are either located close to or inside Special Protection Areas. The latter is true for five turbines of the USBX scheme and one turbine of the ES scheme. That is why the four wind farms' authorisation processes require Appropriate Assessments (AA) in line with the EU Habitats Directive. For the LD and USB wind farms, such AA has already been satisfactorily completed, based on comprehensive ornithological studies. The AA confirms that these two wind farms have no significant impact on any protected bird or bat species. AAs for the two other two schemes which are the only ones with turbines inside an SPA are not available yet. Underlying impact studies for the ES scheme and preliminary views from a regional bird expert on the USBX scheme are however indicating low residual impacts. **It is proposed that the promoter shall provide the Bank with a confirmation from the competent nature conservation authority, or an equivalent assessment satisfactory to the Bank, that the schemes ES and USBX do not have a significant negative impact on any site of nature conservation importance, prior to any disbursement related to these schemes.**

Wind farms fall under Annex II of the EIA Directive 2011/92/EU. Therefore, they can be subject to an EIA on a case by case basis decision of the competent authority (the government at federal state level) or by defined criteria. Here, all proposed wind farms are subject to a mandatory EIA.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

The final environmental impact studies related to the LD and USB wind farms conclude that they have no significant negative environmental impact if all mitigation measures are implemented. The main residual impacts include the visual appearance of the turbines, noise emissions and shadow flickering during operation, and residual risks to birds, particularly the Great Bustard. Visual impacts are mitigated by positioning the wind turbines close to other existing wind farms. Noise and shadow flickering risks are mitigated by appropriate turbine siting, technical turbine requirements, and defined conditions under which individual turbines must be operated in a low-noise mode and/or be temporarily switched off. Potential negative impacts on birds are reduced through appropriate turbine siting and implementation of a new foraging area. The competent authorities confirmed this conclusion and granted the environmental permit for the LD and USB wind farms in July 2013. After publication of the permit, appeals were raised by an individual and the by the neighbouring municipality of Obersiebenbrunn. The final decision about the permit now lies with the Austrian Umweltsenat. **It is proposed that any disbursement related to the schemes LD and USB is conditional to a ruling by the Umweltsenat in favour of the LD and USB schemes.**

For the other two wind farms (ES and USBX), consents are not issued yet but expected by the promoter in 2014 and 2015, respectively. **Any disbursement related to the USBX and ES schemes is therefore proposed to be conditional submission of Environmental Impact Studies including non-technical summary, and a final and legally valid consent, both satisfactory to the Bank.**

In summary, this operation is considered acceptable under environmental and social aspects, with the above conditions.

Environmental and Social Assessment

Environmental Assessment

An overview of the four wind farms under this operation, their location, and the status of their environmental authorisation process at the time of appraisal is given in the table below:

Scheme	Number of turbines	Number of turbines inside an area of nature conservation interest	Re-zoning finalised	EIA and AA finalised	Permit issued
Leopoldsdorf (LD)	7	0	yes	yes	yes
Untersiebenbrunn (USB)	9	0	yes	yes	yes
Untersiebenbrunn Extension (USBX)	5	5	no	no	no
Engelhartstetten (ES)	13	1	yes, including extensive regional bird study	no	no

The wind farms LD, USB and ES have already completed a re-zoning process by which the relevant plans for spatial development were modified to allow for the installation of wind farms. This process was based on a preliminary environmental assessment and including consultation of neighbouring municipalities and the public. Minimum distances between

turbines and residential areas must be at least 1200 m as defined by the Act for Spatial Planning of Lower Austria. Re-zoning decisions are made on municipal level and endorsed by the Lower Austrian government. The USBX wind farm still has to undergo the rezoning process.

The four wind farms' project-specific environmental authorisation processes are described below. They are all based on an EIA, because the Austrian UVP Act requests so for wind farms above 20 MW installed capacity and for those above 10 MW installed capacity if located in a sensitive area:

Wind farms Leopoldsdorf (LD) and Untersiebenbrunn (USB):

The wind farms LD and USB are located in the municipalities of Leopoldsdorf and Untersiebenbrunn, Lower Austria. They consist of 16 wind turbines of 3.0 MW each, yielding a total capacity of 48 MW. Three turbines have a hub height of 99m, 13 have a hub height of 135m. The wind farms are located outside areas of nature conservation interest but just 50m away from the SPA AT1213V00 "Sandboden und Praterterrasse".

The promoter applied for this permit in October 2012. Its application documents for environmental authorisation included a detailed environmental impact study (EIS, in its final version dated September 2012) including an Appropriate Assessment in line with the EU Habitats Directives. The EIS assesses potential impacts on human beings, species and habitats with a focus on birds and bats, soil and agriculture, water, forests, hunting, landscape, air and climate, and cultural habitat.

During the approval process, one action group and two individuals raised an objection and requested an enhanced distance between turbines and residential areas of at least 2000 m in order to avoid presumed impacts on human health. These appeals were evaluated by the competent authority and by experts but did not lead to a change in the project layout.

The competent authority issued its permit in July 2013. The permit obliges the promoter to fully implement of all mitigation and compensating measures assumed in EIS and AA. The promoter is obliged to convert 32 ha of agricultural land in the project's vicinity into a new foraging area of uncultivated land. The appropriateness of this area will be continuously monitored by specialists. No further bird monitoring is required. Deforestation of ca. 550 m² of forest must be compensated by afforestation of ca. 1500 m² in the same geographical area.

In August 2013, the permit was appealed by an individual and the municipality of Obersiebenbrunn. The individual argues that the LD and USB wind farms have harmful sound and infrasound emissions. This general claim is in contradiction to the comprehensive impact assessments pursued. The municipality claims that it was not properly consulted in the rezoning process for two turbines of the USB wind farm. There is no information available to the Bank that supports this view. The official clarification takes place through the Austrian Umweltssenat. The process is expected to last until November 2013. A subsequent decision of the Umweltssenat is binding and could only be challenged by third parties at the Austrian constitutional court.

Wind farm Untersiebenbrunn Extension (USBX):

The wind farm USBX is located adjacent to USB wind farm, only few hundred meters away. It consists of 5 turbines of 3.0 MW each. The turbines' hub height is expected to be 135 m. All turbines of this wind farm are projected inside the boundary area of SPA AT1213V00 "Sandboden und Praterterrasse". The promoter and its advisors assume that, based on past bird research, the proposed turbine location is outside real habitats of protected species (as these are not necessarily identical with legal boarderlines of SPAs).

At the time of appraisal, the project was still in an early development stage prior to re-zoning and environmental authorisation. RE-zoning is currently not possible and can only take place

once the government of Lower Austria has published its spatial planning conditions for further wind farm development in this federal state. This is expected early 2014.

It is noted that the appeal of the municipality of Obersiebenbrunn in the consenting process of the FD and USB wind farms also argued against the USBX wind farm. Also the municipality of Untersiebenbrunn wants to pursue a public poll regarding the project prior to any re-zoning decision related to USBX.

Wind farm Engelhartstetten (ES):

The wind farm ES is located in the municipalities of Engelhartstetten and Loimersdorf, Lower Austria. It consists of 13 wind turbines of 3.2 MW each, featuring a total capacity of 42 MW. The turbines are expected to have a hub height of 143m. A single turbine is located inside the SPA AT1213V00 "Sandboden und Praterterrasse". The other turbines are located close to the aforementioned SPA but outside any area of nature conservation interest. The project is 2.4 - 4.6 km away from the combined SPA/SCI areas „Donau Auen östlich von Wien“ (AT1204V00, AT1204000) and „March-Thaya-Auen“ (AT1202V00 and AT1202000).

The project area is particularly sensitive regarding avifauna, featuring several bird species listed in Annex I of the Birds Directive 2009/147/EC that require special conservation measures. In order to identify suitable wind farm development sites whilst maintaining protection and preservation objectives for birds, a unique regional ornithological assessment process was started in December 2011. The process was pursued by eight neighbouring municipalities, several bird experts, an NGO, and three wind farm developers including the promoter. It was moderated by the competent authority. The final report dated May 2013 identifies few zones for wind farm development that are considered acceptable under ornithological aspects. The ES wind farm is located in one of these zones.

The promoter applied for a permit in September 2013. Draft EIS and AA reports indicate no significant negative impacts on the environment.

EIB Carbon Footprint Exercise

The direct CO₂ equivalent emissions of the 4 wind farms under this investment programme are negligible.

In accordance with the Bank's Carbon Footprint methodology it is calculated that the total relative effect of the four wind farms is a net reduction in CO₂ equivalent emissions by 143 kt CO_{2e}/yr. This calculation assumes that 75% of generated electricity substitute power generation in existing fossil fuel based power plants whilst 25% substitute power generation in new gas-fired combined cycle power plants.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Public Consultation and Stakeholder Engagement, where required

In Austria, an EIA based authorisation process for wind farms comprises the following public consultations:

- A first public consultation takes place for each scheme during re-zoning. This process is managed by the municipality where the project is predominantly located and based on a consultation of directly affected and neighbouring municipalities, the public, and the competent authority on federal state level.
- An additional public consultation is part of the EIA based environmental approval process. Project descriptions and EIS incl. AA are published for six weeks. During

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this period every eligible party can launch an appeal. Appeals are publicly discussed with experts during a subsequent hearing. Results of this process feed into the reasoned opinion of the competent authority.

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