

## Environmental and Social Data Sheet

### Overview

Project Name:	Puespoek Wind Power
Project Number:	2010-0481
Country:	Austria
Project Description:	Construction of wind parks for a total capacity of 162 MW at two locations in the region of Burgenland (Mönchhof and Halbtürn)
EIA:	Required

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

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

The wind farms under this operation are in compliance with municipal zoning plans and the overarching wind power development plan of Burgenland's regional government. Both plan types were subject to Strategic Environmental Assessments (SEA) during their development.

Wind farms further fall under Annex II of the EIA Directive 84/337/EC (as amended by Directives 97/11/EC and 2003/35/EC). Therefore they can be subject to an EIA on a case by case basis decision or defined criteria set by the competent authority (the provincial government). The proposed wind farms under this operation have been screened-in and have followed an Environmental Impact Assessment (EIA) procedure according to the Austrian Federal EIA Act (UVP-Gesetz). Based upon the positive outcomes of the site-specific EIAs, including public consultation, all wind farms have obtained their (environmental) permits in October and November 2010. The permits comprise very comprehensive sets of obligatory mitigation and compensation measures in order to ensure a safe, as well as socially and environmentally sound construction and operation of the wind farms. All related documentation has been analysed by Bank services and considered satisfactory.

Three of the planned wind farms are located in the vicinity of a Special Protection Area (SPA) for birds in Hungary (Mosoni-Sik). Ornithological studies were carried out by independent experts who subsequently proposed adequate compensation measures inside this SPA. The Competent Authority has made the full implementation of these measures conditional to the permit. Further, two of the proposed wind farms may have a negative impact on the protected Imperial Eagle in another (but more distant) area of nature conservation interest. Again, adequate compensation measures have been developed on the basis of detailed ornithological studies and made conditional to the permit. Lastly, both wind farms still have to prove in practice that noise levels do not exceed legal levels during operation. Corresponding noise measurements and mitigation measures (if applicable) are required after full implementation. It is proposed that the promoter undertakes to provide the Bank with a proof of the implementation of all these measures, satisfactory to the Competent Authority.

Residual impacts relate to temporary noise and traffic disturbances during construction period, temporary shadow flickering (within legal limits) and the permanent visual appearance of the turbines. Only few concerns were raised during the appraisal procedure and adequately considered by the Competent Authorities.

In summary, this operation is considered acceptable for Bank financing under environmental and social aspects.

## Environmental and Social Assessment

### Environmental Impact and Mitigation

The proposed wind farms underwent environmental authorisation in two separate procedures:

**The adjacent 2 wind farms at the Moenchhof site** ("North project", 23 turbines in total) were authorised in one batch. The site is located on agricultural land, ca. 2.5 km away from the closest villages and ca. 1.2 km away from the closed farms. A nature conservation site ("Parndorfer Platte – Heideboden") is located in 2 km distance. Apart from the areas temporarily required for construction and the areas permanently covered, the land will continue to be used for agriculture. An Environmental Impact Study was finalized in June 2010. It assessed the wind farms' potential social and environmental impacts whilst taking into consideration cumulative impacts with numerous existing and planned wind turbines in their vicinity. The environmental permit was issued in October 2010, after public consultation and in-depth analysis of the EIS by both experts of the Competent Authorities and external experts. Based upon the expert analyses provided, the Competent Authority concluded that the project would not have any significant residual environmental or social impact provided that all conditions were fully implemented. The permit conditions comprise a very comprehensive set of mitigation measures for both, construction and operation period (inter alia related to protecting people from any danger or disturbance, protection of cultural heritage and the natural environment, air traffic security). In particular, noise measurements have to be carried out after wind farm implementation at two locations in order to verify whether actual noise levels are acceptable. If under certain conditions (e.g. in case of windy summer nights when windows are open) legal sound limits are exceeded, appropriate mitigating measures have to be implemented (temporary shut down of turbines). It is proposed that the promoter undertakes to provide the Bank with the corresponding noise measurement reports and a subsequent mitigation plan, as endorsed by the Competent authority (if applicable). Another condition of the permit is that for each installed turbine a compensatory bird habitat of 0.8 ha is implemented in and around the nature conservation site "Parndorfer Platte – Heideboden" for the entire duration of the project. This condition is part of a greater Plan ("Aktionsplan Parndorfer Platte") which became an essential permit condition for an adjacent wind farm development which is located closer to an Imperial Eagles' habitat. The plan also comprises 25 years of impact monitoring. It is proposed that the promoter will provide the Bank with a proof of the Plan's implementation to the satisfaction of the Competent Authority, as far as the compensation measures for his own turbines are concerned.

**The 3 wind farms at the Halbturn site** (South project, 31 turbines in total) underwent a joint environmental authorisation procedure together with neighbouring farms that are developed at the same site by other companies. In total, the site development comprises 93 new turbines. The EIS was finalised in June 2010 and the environmental permit was issued in November 2010. The Competent Authorities concluded in the permit that under the assumption of a full implementation of all conditions, the project will not have any significant negative impact on the environment. The conditions comprise similarly comprehensive mitigation measures as well as certain compensation measures. An important aspect during authorisation was that the site is located adjacent to the Hungarian Natura 2000 site "Monson-Sik" (HUFH10004). Hungarian authorities were consequently concerned that the wind farms could have a significantly negative impact on birds (especially on the great bustard and falcons) in their protected habitat. In order to identify and mitigate such risks, ornithological expert studies were carried out. As an outcome, the experts recommended to put 10.5 km of existing 20 kV overhead lines inside the Hungarian habitat underground as a compensation measure. These existing overhead lines currently impose some risks to the protected birds. Alternatively, the enhancement of the great bustard's habitat with additional 52.5 ha of new grassland was proposed. Further, an enhancement of falcons' habitats with additional 7,5 ha of new grassland was proposed. This set of compensation measures was eventually mutually agreed and it became a conditional element of the permit. These measures will be implemented by the Hungarian authorities. Due to their importance in view of the project's environmental acceptability, it is proposed that the promoter will undertake to

provide the Bank with a proof of the implementation of measures to protect the great bustard and falcons to the satisfaction of the Competent Authority, as far as the compensation measures for his own turbines are concerned.

Another area of concern during the authorisation period was noise emissions. Concerns were particularly raised by inhabitants of adjacent Hungarian villages. As a consequence, noise measurements have to be carried out by the promoter after wind farm implementation at three locations in order to verify whether actual noise levels are acceptable. If under certain conditions legal sound limits are exceeded, appropriate mitigating measures have to be implemented. It is therefore proposed that the promoter undertakes to provide the Bank with the corresponding noise measurement reports and a subsequent mitigation plan, as endorsed by the Competent authority (if applicable).

The final beneficiary has provided the Bank with satisfactory evidence that the relevant Competent Authorities have performed an appropriate assessment of potential environmental and social impacts, that the residual impacts are acceptable, and that the wind farms do not have a significantly negative impact on the Natura 2000 sites.

### **Public Consultation and Stakeholder Engagement**

All wind farms under this operation were subject to broad inter-service and public consultation. Amongst others, all project descriptions and EIS were published for about 6 weeks. Only few appeals have been submitted during the authorisation procedures. Concerns of the Hungarian authorities in relation to the Halbtorn schemes (birds, noise) were considered by the Competent Authority and acknowledged through corresponding permit conditions.

### **Other Environmental and Social Aspects**

The wind farm operation and maintenance will be carried out by a reputable turbine manufacturer for at least 15 years. This manufacturer has a high environmental capacity.