Luxembourg, 28 February 2018

Environmental and Social Data Sheet

Overview

Project Name:	*WINDPARK BRUCKNEUDORF-HOEFLEIN WEST*
Project Number:	*2017-0780*
Country:	*Austria*
Project Description:	*Construction and operation of 5 wind turbines in Lower Austria and Burgenland, respectively, totalling 17MW.*
EIA required:	yes

Project included in Carbon Footprint Exercise[1]: yes
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The project relates to five wind turbines in the Austrian federal states of Lower Austria and Burgenland. Two turbines are part of wind farms Bruckneudorf. Three wind turbines are part of wind farm Höflein West. It is common in Austria, that wind farms are co-developed by different local entities. These do the permitting together, jointly implement shared infrastructure such as roads and grid connection, but own, implement and operate their turbines separately. This is also the case in the present project.

Both wind farms (Bruckneudorf, Höflein West) are located on agricultural land, close to other wind farms and in the vicinity of Natura 2000 sites. The projects are inside preferential development zones of the applicable spatial development plans, which are based on Strategic Environmental Assessments (SEA).

Wind farms fall under Annex II of the EIA Directive 2011/92/EU. It is therefore up to the Member State's competent authority to judge whether an individual wind farm requires an EIA or not, based on criteria defined in Annex III of the EIA Directive. In both cases, the promoter made use of a legal option to request for an EIA process without prior screening decision.

<u>Wind farm Bruckneudorf</u>

One wind turbine of Bruckneudorf windfarm was already appraised as part of operation ENERGIEPARK BRUCK ONSHORE WIND (2015-0689) and approved for Bank support in 2016. Details about the wind farm's authorisation process and compliance with EU Directives are available in the corresponding ESDS, as published by the EIB. Subsequently it was taken out of the scope of such previous operation upon request of the client due to that turbine's less mature development stage and uncertainty about its further implementation schedule. This turbine now reappears in the present operation, together with a second one of the same wind farm.

[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.

Luxembourg, 28 February 2018

The already appraised permit for the Bruckneudorf wind farm underwent the following modifications since the Bank's appraisal under the previous operation. The wind farm now comprises five wind turbines out of which two are allocated to this operation here:

- In February 2015, the promoter applied for a modification concerning an extension of the wind farm by two additional wind turbines, following an extension of the relevant preferential development zone for wind power. The two additional turbines were to use the same grid connection infrastructure as the original wind farm with minor modifications. They are located next to two major motorways. The closest Natura 2000 sites are Sites of Community Interest (SCI) and Special Protection Areas (SPA) "Nördliches Leithagebirge" at 1.0 km distance. Three more SCIs and one SPA are in a distance of 1.6 to 5.0 km to the two turbines. This permit amendment was authorised through a new EIA process including public consultation and Appropriate Assessment in line with EU Directives. No significant risks were identified during the authorisation process. The permit was issued in November 2015 by the competent authority. It contains a range of compulsory mitigation measures, including the installation of 1.0 ha of pasture land with high biodiversity value in the project region to mitigate the use of land and residual risks on bats.

- In December 2016, the promoter applied for an amendment of the permitted turbine model for three out of the wind farm's five wind turbines. The new turbine model has the same installed capacity of 3.05 MW per unit as the initial turbine model, but a greater rotor, a lower hub height and a lower total height. The new turbines' dimensions also require minor modifications to turbine micro siting. Based on the promoter's documentation and following consultation of independent experts, the competent authority permitted this non-significant modification of the permit in June 2017. This decision is conditional to mitigation measures relating to the three modified turbines, including on icing risks.

- Further non-significant permit modifications are envisaged by the promoter. One modification relates to the increase of turbine unit capacity from 3.05 to 3.45 MW for three permitted wind turbines without any change of physical turbine dimension. The corresponding amendment process is ongoing at the time of appraisal. Another modification relates to the change of the turbine model for the remaining two wind turbines of the wind farm. This amendment process is still under preparation and has not started yet.

<u>Wind farm Höflein West</u>

The wind farm comprises five wind turbines with a unit capacity of 3.17 MW per turbine, project-related road works, and 30 kV grid connection infrastructure. Out of these five turbines, three belong to this operation here.

In March 2014, the promoter applied for consent.

The promoter's Environmental Impact Study (EIS) is comprehensive, addresses all relevant risks, and considers cumulated impacts with neighbouring wind farms. A detailed biodiversity assessment of the project site incl. bird and bat survey over all relevant seasons of a year is part of the EIS. The following species with particular conservation needs were identified in the project area: gopher ("Ziesel", Spermophilus citellus, "endangered" status in IUCN Red List of Endangered Species and listed in Annex IV of the EU Habitats Directive - community interest species requiring strict protection); bee-eater ("Bienenfresser", Merops apiaster, "vulnerable" status in IUCN Red List); and 13 bat species with several of them being present on the Red List and in Annex IV of the EU Habitats Directive. Targeted protection measures (gopher, bats) and habitat improvement measures (bee-eater) are proposed to avoid negative impacts of the project on these local populations of threatened species.

The closest Natura2000 sites are the Sites of Community Interest (SCI) and Special Protection Areas (SPA) “Donau-Auen östlich von Wien” and “Nationalpark Donau-Auen” which are located at 2-3 km distance from the wind farm. Ramsar site “Donau-March-Thaya-Auen” is similarly close and to a large extent covered by Natura2000 sites. Further Natura 2000 sites are within 6-10 km to the two schemes. An Appropriate Assessment study as part of the EIS concludes that no negative impacts from the project on these sites are expected. There is sufficient distance to protected habitats and bird surveys confirmed that protected birds from SPAs do not frequent the project area.

The EIS concludes that the project has no significant negative impacts after mitigation.

The EIS was subject to consultation by external independent experts, relevant authorities and the public. Feedback from consultations was evaluated by experts and reflected in permit conditions. No impacts are expected on the integrity of Natura2000 sites. The competent authority concluded the acceptability of the project under environmental aspects after the EIA process and granted consent in May 2015.

The permit obliges the promoter to apply all mitigation measures as included in the EIS and imposes additional requirements. The latter address, amongst others, various aspects of safety during construction and operation, ice throw risks during operation, necessary measures to protect and monitor bats, gopher, and bee-eater. The promoter is further requested to permanently install 1.5 ha of habitat close to SPAs in the project region particularly for birds of prey.

At the time of appraisal, there is a process for non-significant permit modification ongoing for Höflein West wind farm. It is about the change of the permitted turbine model. The new turbine has a greater rotor diameter, a greater unit capacity (3.45 MW), and requires an amended micro-siting of some turbine locations. The total height of the turbines remains unchanged due to the use of slightly shorter towers.

EIB Carbon Footprint Exercise

The direct CO2 equivalent emissions of the 5 wind turbines under this investment programme are negligible.

In accordance with the Bank’s current Carbon Footprint methodology it is calculated that based on the avoidance of electricity generation from a combination of existing and new power plants in Austria (75% operating margin and 25% build margin), the total relative effect of the project is a net reduction in CO2 equivalent emissions by 24 kt CO2e/yr.

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.

Luxembourg, 28 February 2018

Other Environmental Aspects

The promoter and its contractors are deemed to have a good environmental and social capacity.

There are no legal appeals pending against any of the project relevant wind farms.

Conclusions and Recommendations

It is proposed that final environmental permits, as amended and in-line with the final project design, must be provided to the Bank prior to any disbursement to the relating wind turbines.

Based on the information available and subject to the proposed loan condition, the project is acceptable for Bank financing.

PJ/ECSO 04.12.17