

**Draft Environmental and Social Action Plan (ESAP)**  
**For EDP Renewables wind farm projects, Romania**

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
<b>Pestera and Cernavoda Wind Farms</b>						
	Implementation of the Environmental Management and Monitoring Plan, ("EMMP") prepared by WSP Environment and EDP Romania a <b>dated April 2010</b> , which can be changed from time to time on a none objection basis of the Lenders.	The EMMP, includes the management and monitoring plan for the Pestera and Cernavoda wind farms based on the findings of the environmental and social assessment for the project. This has been communicated third parties and is the basis of the Lenders agreeing to finance the project.	Lenders requirements	Internal/external	2010 onwards	
	The Company will appoint an independent ornithological expert to provide independent expert advice on ornithological aspects of the Project and develop criteria/thresholds for ordering shutdown. The IOE will be appointed by the Company on a 3 year basis. The expert will be employed full time (and have adequate experience), the IOE scope will be agreed to cover the key sensitive periods such as migration. The IOE will be appointed by the Company on a non objection basis by the Lenders.	The need for an IOE has been recognized in the supplementary EIA, and included in the provisions of the EMMP. The IOE will report to on ornithological issues as required.	Lenders requirements	external	2010-onwards	<p>The IOE will include a existing member of a recognized ornithological society.</p> <p>The need for an IOE will be reviewed after 3 years and need for new contacts agreed with Lenders.</p>

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
	The Company will shut down wind turbines on the basis of written Notice to Close issued by the IOE, although due to the requirement to provide immediate shut down in the field the first point of command will be via telecommunication links. Information on these instance will be provided to the Lenders within 3 days.	In order to reduce the risk of bird collisions, the wind farm will be shut down in the case of risk of bird collision. The IOE will provided written notice and keep a register of all such actions which will be immediately reported to the Lenders as well as local authorities. Summary of information will be published annually	Lenders	external	Operational stage	
	Within 2 years of the operation of both farms, undertake a bird collision assessment, in line with recognized international best practice and based on a model as advised by the IOE, and discuss with key stakeholders, inclusive of SOR and regulators. Revise the Shutdown System/Protocol based on the findings of the collision risk assessment. Provide report to the Lenders and publish a summary of the study on the internet	The collision risk assessment will enable a review of operational and monitoring data and to verify the assessment made in the initial studies. Based on the results of the study, the company will amend an action plan and operational conditions, as far as these are possible.	Lenders requirements	External consultants	Within 2 years of commissioning the report	

**Corporate Project Management, Environmental, Health and Safety management**

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
I.1	Development and implementation of a corporate Stakeholder Engagement Plan (SEP) in line with EBRD and IFC PR 10 and PS 8 at corporate level and developed for each sub project as these are subject to EIA process.	<p>Prove EDP Romania's commitment to social aspects. Avoid opposition to EDP Romania projects.</p> <p>The corporate SEP will outline the Company's public communications policy and commitments, including the grievance mechanism, indication of contact persons and indication on projects information availability (on internet and in hard copy format also).</p>	Best practice. Compliance with EBRD and IFC PRs and PSs.	Management time	2010	<p>The SEP to be amended/updated every three years or earlier, as needed.</p> <p>The Sub project SEPs, will tailor specific project needs and identify local stakeholders in accordance to best practice. The sub project SEP will include specific information on how meaningful public consultation and disclosure will take place in line with EU, EDP Romania Group and EBRD and IFC requirements.</p>
I.2	Maintain a corporate Environmental, Manager for EDP Romania	<p>Maintain corporate EHS performance, compliance and reporting, risk management and mitigation, accident prevention, good practice.</p> <p>The EHS manager will inter alia review and sign off on each EIA for any new project and will be responsible for the implementation of any monitoring programmes as well as other environmental and social requirements according to development consents, permits etc.</p>	Compliance with EBRD and IFC PR1. Compliance with EDP Corporate standards.	Management time and/or additional staff wages	2010	

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
I.3	Develop and implement an Environmental, Health and Safety Management System (e.g., Implement EDP Corporate EHS Management System standards) prior to commencement of operations.  EHS Management system certification by 2012 (voluntary).	Design an efficient environmental and social management system organised as a dynamic, continuous process. Identify, avoid, minimise and mitigate potential EHS risks and impacts. The EHS Management System needs to include activities undertaken by contractors and other third parties (maintenance staff) as well as any on-site staff. This will need to include OHS training programme for all staff and contractors, as well as a quality system for undertaking EIA by third parties.	Compliance with EBRD and IFC PR1/PS1. Compliance with EDP Corporate standards.	Management time or Consultant fees	2010	EHS Management System will consist of a clear structure of responsibilities and formalized operational procedures.  Certification is voluntary,
I.4	Require contractors to comply with all national environmental and health and safety laws, EBRD and IFC PRs and PSs as well as with any provisions of the EIAs, EMMP, construction consents and other relevant permits.	Develop and include in contracts EHS and labour provisions and compliance conditions which will provide contractors with clear guidelines on EHS and labor performance. Develop and implement contractor control system to monitor and enforce contractors and sub-contractors' compliance with EHS and labor conditions.	Compliance with EBRD and IFC PRs and PSs.	Management time	2010	External company's can do the H&S inspection process.
I.5	Adopt pre-acquisition EHS due diligence procedures and for new (including Greenfield) projects.	Improved EHS risk management and mitigation, avoidance of unknown liabilities and regulatory compliance costs.  The procedure needs to include a short list of approved consultants, standard terms of reference for external consultants and checklists for due diligence and EIA.	Best practice/Compliance with EBRD and IFC requirements	Management time or consultant fees	2010 or prior to next acquisition, whichever applies first	

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
I.6	Make publicly available general environmental information on project	To include results of any monitoring or studies completed according permits or regulatory requirements.	Best practice	Management time	2010	
<b>New projects<sup>1</sup></b>						
II.1	Commission external Environmental and Social Due Diligence Assessments according to implemented EHS due diligence procedures.	Accurate asset valuation, improved EHS risk management and mitigation, avoidance of unknown liabilities and regulatory compliance costs. A short list of approved external consultants is needed.	Best practice/Compliance with EBRD and IFC PRs and PSs	Consultant fees	2010 or prior to next acquisition, whichever applies first	
II.2	Undertake initial ornithological and baseline environmental screening of projects during initial wind survey assessments	When wind data is being gathered initiate preliminary ornithological assessments to assess ornithological risks and possible impact of the project on existing and planned Natura 2000 areas. These may also serve as basis for damage compensations evaluation, if any occur.	Best practice/Compliance with EBRD and IFC PRs and PSs EU law	Consultant fees	as part of the wind surveys for each new project	The assessments performed within this stage will count as baseline studies for the EIA. Assessments to be completed according to national or international recognised wind associations guidelines.
	Avoid environmentally sensitive areas, such as designated Natura 2000 areas under the EU Birds Directive.  Assess projects that could have a potential impact on N2000 areas in line with EU guidance	By avoiding sensitive areas, the developer reduces project risk and safeguards the Company's reputation as a leading wind power developer.	Best practice	internal	2010 onwards	
II.3	Complete detailed stakeholder mapping for each project.	Identify potential supporters of, and opposition to, each project.	Best Practice/Compliance with EBRD and IFC PRs and PRs	Management time	As soon as possible, prior to each new project	

<sup>1</sup> All project to be submitted for planning by EDP after June 2010

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
II.4	Develop EIAs for new wind farms according with relevant national, EU and international guidelines.	Take into consideration other international best practice wind farm standards and guidelines, such as those of IFC and Birdlife International.	Regulatory requirement/best practice/compliance with EBRD and IFC PRs and PSs EU environmental law	Consultant fees	as per national regulatory requirements	
II.5	Assess cumulative impacts with other wind farms or developments in the area in the projects area of influence as defined in IFC and EBRD PS and PR.	Assess the cumulative environmental and social impacts of the new project in relation with other wind farms and projects in the area (existing or confirmed new developments).	Best practice/Compliance with EBRD and IFC PRs and PSs EU environmental law	Consultant fees (included within EIA costs)	Part of the EIA completed for each new project.	We will need to define the scope of assessment.
II.6	Prepare and disclose Non Technical Summaries (NTS) of the EIAs for each sub-project for which an environmental permit application (EIA in line with Romanian Environmental Law) is being made after the date of signing the agreement between EBRD and IFC and EDP.  All projects from 2010 onwards	For each project a NTS of the environmental and social impacts and considered mitigation measures is to be prepared. The NTS will also refer to associated facilities (e.g. transmission lines, access roads) as well as to the land acquisition process. The NTS will include a summary of mitigation actions and planned monitoring and reporting.	Regulatory requirement/best practice/compliance with EBRD AND IFC PRs and PSs	Consultant fees (included within EIA costs)	Ongoing, for each new project.	Disclose the NTS on the company website, if necessary, and in publicly accessible location (s) near the project site. The Company will make local news paper announcement as necessary in accordance to a SEP developed for each project  The disclosure has to be meaningful.
II.7	Include EHS management requirements in contracts, including for EPC contractors	For each new project the company will include specific obligations of contracts to comply with all national environmental, health and safety and labour requirements, as well as any specific requirements resulting from permits or EDP Romania's corporate policies.	Best Practice/Compliance with EBRD and IFC PRs and PSs	Management time	For each new project	The EHS manager will monitor the implementation of these provisions

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
II.8	Prepare and implement internal and external Emergency Plans, and Occupational Health and Safety Plans for construction.	<p>Identification of hazards, prevention of accidents and injuries.</p> <ul style="list-style-type: none"> <li>• Health &amp; Safety Policy</li> <li>• Organizational framework, operating procedures, training program and documentation;</li> <li>• OHS objectives;</li> <li>• Hazard and accident prevention and control measures;</li> <li>• Performance monitoring and measurements;</li> <li>• Identification of the necessary measures to prevent potential negative consequences on humans and the environment;</li> </ul>	National regulatory requirements/compliance with EBRD and IFC PR/PS 4.	Management time, consultant fees	Before the start of construction, and then continuously (starting with 2010)	
<b>Public communication and reporting</b>						

No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
III.1	<p>Provide annual reports on the Environmental, Social, Health and Safety (ESHS) to the EBRD and IFC and other shareholders.</p> <p>A general summary of environmental and social issues to be provided on the web site.</p>	<p>Aspects to be considered for the content of the annual report:</p> <ul style="list-style-type: none"> <li>• information on the status of the portfolio;</li> <li>• information on the overall environmental performance;</li> <li>• summary of any areas of non-compliance with Environmental regulations, or exceedances of the relevant permit levels;</li> <li>• information on any fines or other penalties or pending prosecutions related to ESHS matters;</li> <li>• summary of the environmental performance of each wind farm (during both construction and operation), this should include a summary of the environmental key performance indicators;</li> <li>• an annual ornithological report including a summary of field observations and required actions;</li> <li>• information on ESAP implementation;</li> <li>• summary of any material regulatory changes related to the environmental or social aspects;</li> <li>• information on any changes to Natura 2000 areas or Important Bird Areas affecting EDP Romania wind farms (developed, under construction or at planning stage);</li> <li>• information on any new projects and status of EIA and public consultation;</li> </ul>	Best practice/compliance with EBRD and IFC PRs and PSs		Yearly, published in first quarter of following years	Expand existing shareholder reporting system.



No	Action	Benefits / Reasons and Implementation	Legislative requirement/Best practice	Investment Needs/Resources	Timetable / Milestones	Comment
III.2	Set up and operate grievance forums: information offices, hot lines, etc. to enable meaningful public consultation and information process	Early identification of problems and public grievances, allowing for timely implementation of solutions.	Best practice and compliance with EBRD and IFC PR10 requirements.	Operational costs of information office	2010.	Management reports on grievance procedures application.