



Overseas Private Investment Corporation

Wind Energy Development

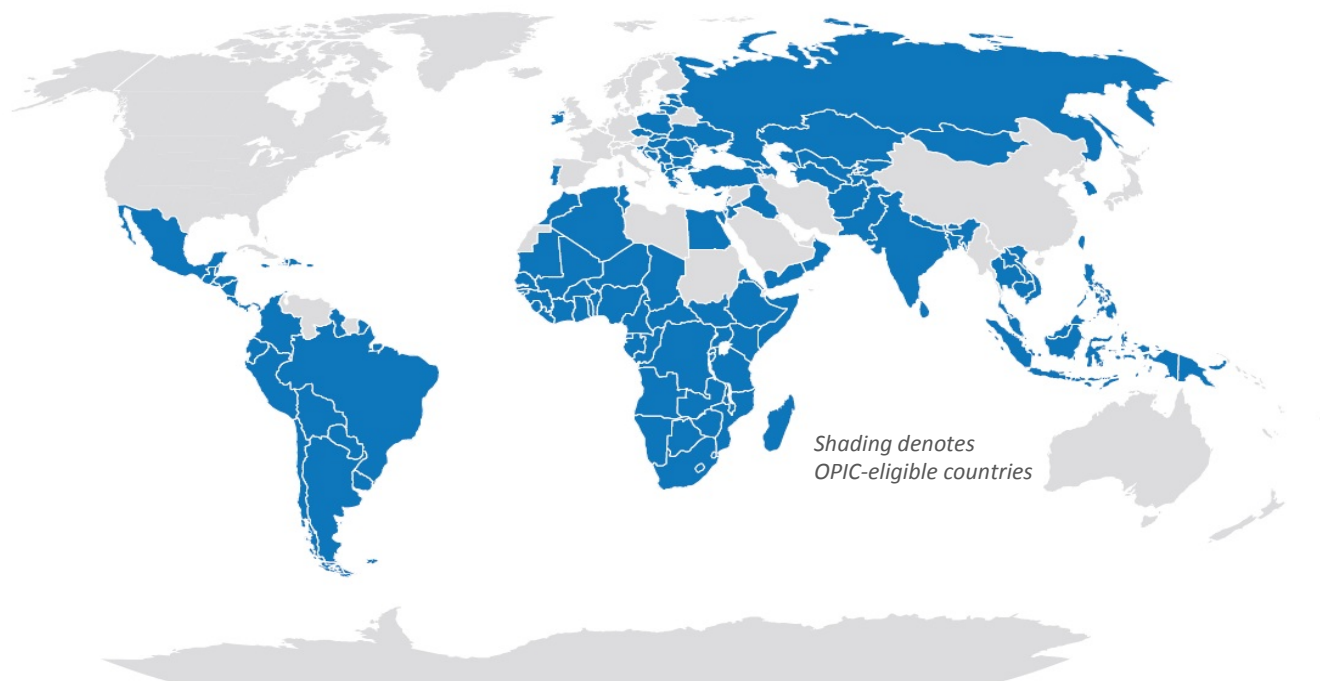
Challenges and Experiences

IAIA Washington, DC

September 24, 2014

Our Organization

As the U.S. Government's development finance institution, OPIC mobilizes U. S. private capital to help solve critical development challenges and in doing so, advances U.S. foreign policy.



OPIC currently manages a \$16.4B portfolio of projects in 103 countries and operates on a self-sustaining basis at no net cost to the American taxpayer.

Unique Aspects of OPIC's E&S Policy

- Constraining new carbon additions to the portfolio.

Reduce Direct Greenhouse Gas Emissions associated with projects in OPIC's active portfolio by 30 percent over a ten-year period (June 30, 2008 – September 30, 2018) and by 50 percent over a fifteen-year period (June 30, 2008 – September 30, 2023).

Annual transactional cap for all new projects within a given year with significant, direct greenhouse gas emissions.

- Categorical prohibitions cannot be mitigated or compensated.



OPIC Wind Projects



Wind Energy Guidelines—Sensitive Issues

- Presence of critical or sensitive habitat
- Presence of bird or bat migration routes or areas of congregation
- Land acquisition and land use
- Community issues
- Infrastructure interference
- Associated infrastructure
- Cumulative Effects

Wind Energy Guidelines—Category A vs B

Initially impact based

- Potential for significant habitat alteration
- Potential for significant wildlife mortality, injury or disturbance
- Potential for significant socio-cultural impacts related to land acquisition, land use, indigenous peoples and cultural heritage
- Potential for large community impacts related to noise, visual or lighting
- Potential for significant impacts from ancillary facilities
- Potential for significant cumulative impacts

Moving toward size threshold

Wind Energy Guidelines- information needed

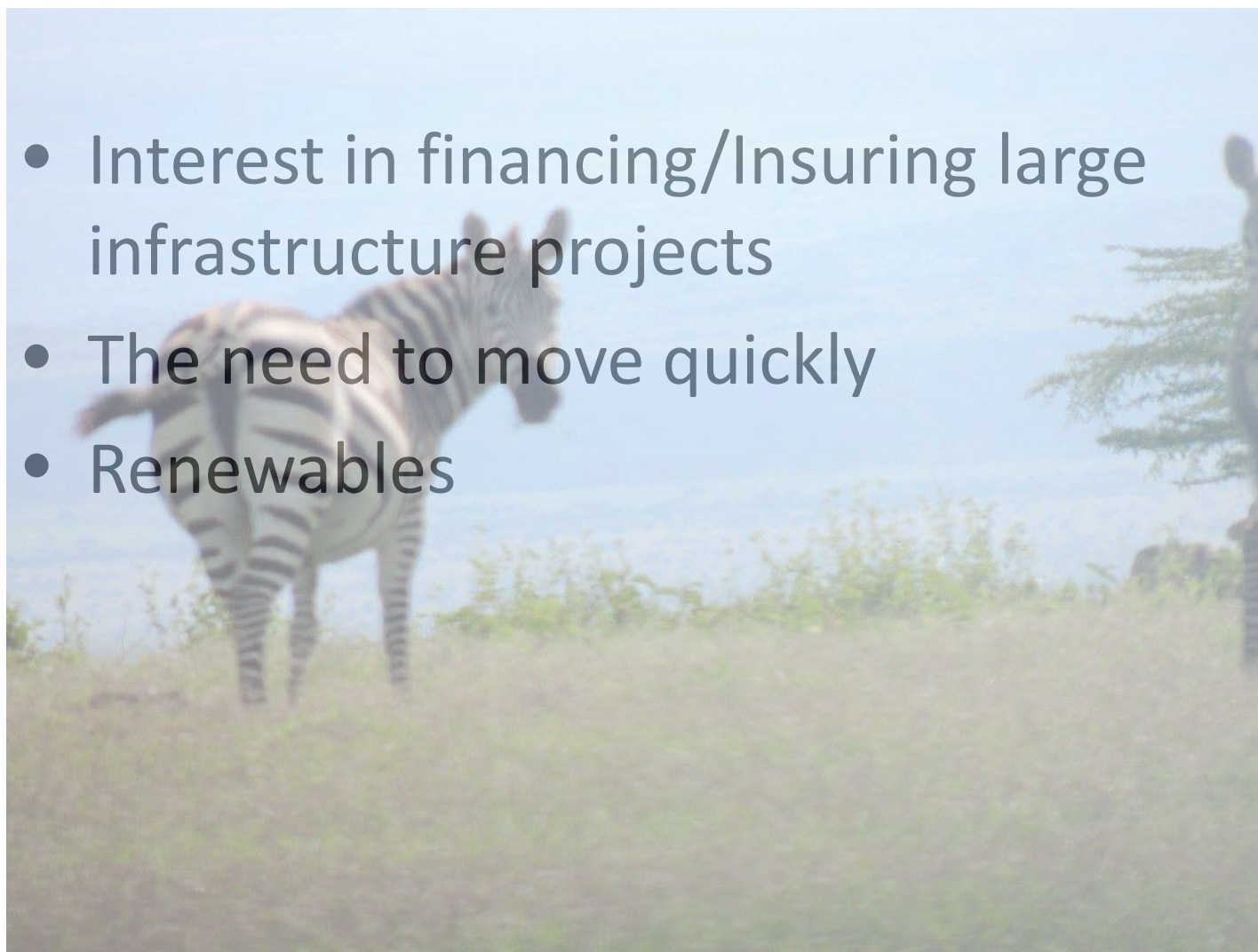
- Technical
- Site
- Impacts
- Ancillary facilities




<http://www.opic.gov/doing-business-us/OPIC-policies/renewable-guidelines>

Implications from Power Africa

- Interest in financing/Insuring large infrastructure projects
- The need to move quickly
- Renewables



Challenges- Environmental Analysis

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- **Completeness of Environmental and Social Impact Assessments**
 - **Lack of Infrastructure**
 - **Associated Facilities with significant impacts**
 - **May not be under the direct control of the Project being financed**
 - **Cumulative Impacts**

Challenges- Social Impacts

- Resettlement
- Indigenous Peoples
- Managing Expectations
 - Power for locals
 - Employment Expectations
- Stakeholder Fatigue



Issues—Birds and Bats

- Bird and bat Studies included in the initial environmental assessment
 - Always require baseline study?
 - If so, how many years; how many migratory seasons
- Post construction monitoring
 - Sample around all turbines
 - How frequently? Quarterly?
 - Who is qualified to conduct monitoring? Always third party?
 - How many years?
 - Special reporting for a “major kill?”
- What is a significant impacts
 - Is there really much that can be done after the wind farm is constructed

Issues-Other

- Distance from turbines
 - How close should the nearest residence be
 - What is a safe distance in terms of blade/ice throw
- Cumulative Impacts