



Nordic Environment Finance Corporation
Fabianinkatu 34
P.O. BOX 249
FI-00171 Helsinki
FINLAND

06 December 2010 No. 12-1/9322

Letter of Approval – Vanaküla Wind Power Joint Implementation Project

The Ministry of the Environment has received a proposal submitted by OÜ *Intercon Energy*, hereinafter to be referred to as “Supplier”, to erect a Wind Farm at Vanaküla village in Noarootsi municipality, hereinafter to be referred to as “the JI project”, with the request to issue a Letter of Approval for the JI project.

The Ministry of the Environment

- 1) taking into account the Agreement on a Testing Ground for Application of the Kyoto Mechanisms on Energy Projects in the Baltic Sea Region, hereinafter to be referred to as the Testing Ground Agreement, which entered into force in Estonia on 1st May 2004, particularly its Article 6 on criteria, approval and registration of projects;
- 2) the ordinance of 12th February 2004 no. 81-k of the Government of the Republic of Estonia on accession with the Testing Ground Agreement;
- 3) the ordinance of 18th May 2006 no. 294 of the Government of the Republic of Estonia on grant of authorisation to enter into international agreements transferring emission reduction units for the Minister of the Environment, approves the JI project and its implementation in the framework of the Testing Ground Agreement.

The Ministry of the Environment declares that:

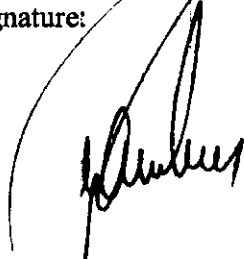
1. Estonia has ratified the Kyoto Protocol of the United Nations Framework Convention on Climate Change;
2. Estonia recognises the JI project to be a Joint Implementation (JI) project in accordance with article 6 of the Kyoto Protocol and its underlying decisions;
3. The Supplier has sufficiently demonstrated the potential of the JI project to contribute to the objectives of the Testing Ground;
4. The JI project can be qualified as a climate change mitigation project in the energy field;
5. Estonia authorises the Supplier and any future owners of the JI project to generate claims on ERUs, by operation of the JI project, in Accordance with article 6 of the

- Kyoto protocol;
6. Estonia accepts the transfer of verified Emission Reduction Units (ERUs, estimated 71 095 t CO₂eq) generated through the JI project to Nordic Environment Finance Corporation in its capacity as Fund Manager to the Baltic Sea Region Testing Ground Facility in accordance with the Kyoto Protocol and the relevant rules, decisions and guidelines thereunder. The transfer of ERUs is irrespective of any legal or other transfer of the JI project to third parties;
 7. Estonia has met all eligibility criteria for Track 1 Procedure under the Kyoto Protocol and agrees that, if both itself and the Nordic Environment Finance Corporation in its capacity as Fund Manager to the Baltic Sea Region Testing Ground Facility fulfil these requirements, Supplier may choose to apply the Track I Procedure to the JI project;
 8. Estonia accepts the verification options referred in Article 7 of Testing Ground Agreement;
 9. The Estonian Government has followed national procedures on preparation of JI projects under the Agreement on a Testing Ground for Application of the Kyoto Mechanisms on Energy Projects in the Baltic Sea Region;
 10. The transfer of verified generated surplus ERUs and to Nordic Environment Finance Corporation in its capacity as Fund Manager to the Baltic Sea Region Testing Ground Facility has to be approved by Estonia separately.

Signed

For the Host Country: Estonia
Full Name Country: The Republic of Estonia
Name: Jaanus Tamkivi
Position: Minister of the Environment
Date: 06 .12.2010

Signature:



Cc: Interon Energy OÜ
L. Koidula 22-6 10125
10125 Tallinn
ESTONIA