

INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Honduras
Name of Borrower:	Geotérmica Platanares, S.A. de C.V., a company organized under the laws of Honduras.
Project Description:	Geotérmica Platanares, S.A. de C.V. will develop, construct, and operate a 35 MW geothermal power plant that will provide continuous baseload power to the grid in Western Honduras. The Project will increase reliable electricity generation capacity in Honduras by approximately 2% at a cost that is 24.5% less than the average cost of residential electricity in Honduras. In addition, the Project will be situated in an area of Honduras with little existing generation capacity and significant problems with blackouts.
Proposed OPIC Loan:	Not to exceed \$135,000,000 for a term of up to 15 years.
Total Project Costs:	Up to \$180,000,000.
U.S. Sponsor:	Ormat Technologies, Inc.
Foreign Sponsor:	Electricidad de Cortes, S. de R.L. de C.V.
Policy Review	
U.S. Economic Impact:	Clearance is in process.
Developmental Effects:	Clearance is in process.
Environment:	<p>Clearance is in process.</p> <p>Screening: This Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. Geothermal projects not located in sensitive ecological areas and that demonstrate minimal potential for significant adverse impacts on wildlife and community are typically screened as Category B under OPIC's environmental and social guidelines because impacts are site specific and readily mitigated. The major concerns related to the Project are degradation of air quality related to dust and hydrogen sulfide (H₂S); increased water withdrawals from local surface waterbodies; impacts associated with the discharge of wastewater from drilling and power production operations; and potential impacts to community (e.g., impacts during construction such as dust, noise and traffic; influx of workers; noise pollution during operation, etc.); and land legacy issues.</p>

Applicable Standards: OPIC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following Performance Standards:

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention;
- PS 4: Community Health, Safety and Security;
- PS 5: Land Acquisition and Involuntary Resettlement;
- PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources;
- PS 7: Indigenous Peoples; and
- PS 8: Cultural Heritage

Due diligence for the Project is on-going. Based on available information, it cannot be confirmed that there will be no resettlement or economic displacement from the construction of the transmission line nor that the Project will not impact Indigenous Peoples. These aspects will be further diligence during an environmental and social appraisal visit which will occur prior to presenting the Project to OPIC's Board of Directors.

Consistent with the requirements of PS 3 (Pollution Prevention and Abatement) the Project is required to meet applicable provisions of the IFC General Environmental Health and Safety Guideline and IFC's Environmental, Health, and Safety Guidelines for Geothermal Power Generation.

Environmental & Social Risks: The project involves development of a geothermal plant on 50 km² of land and construction of a 22 km 69 kV transmission line. The project site is located in a Tropical Seasonal Evergreen Forest where the prevailing vegetation is pine forest and shrubs. The nearest communities are located 0.8 km from the project site.

The Project has received its environmental permits which include conditions to which the Project is required to adhere and will serve as the basis of the Project's environmental and social management system (ESMS). The Project will be required to develop a project-specific ESMS and demonstrate adequate organizational capacity to effectively implement the ESMS.

Most occupational health and safety (OHS) issues associated with the construction and operation of a geothermal power facility are common to those of large industrial facilities and include exposure to physical hazards from the use of heavy equipment and cranes; trip and fall hazards; exposure to dust; falling objects; work in confined spaces; exposure to hazardous materials; and exposure to electrical hazards. OHS risks unique to this Project include exposure to potentially high levels of heat, noise and geothermal gases (particularly H₂S) and hazards inherent in well drilling. In contrast to oil and gas wells, which are often over-pressured and where pressures are controlled by weighted drilling fluids, geothermal wells most often are under-pressured. For this reason, well blow-outs and pipeline failures are rare. However, such failures can occur and failures could result in the release of toxic drilling additives, fluids and H₂S gas, as well as steam containing heavy metals, acids, mineral deposits and other pollutants. The Borrower will be required to demonstrate that there are adequate emergency response plans in place to respond to these potential emergencies.

PS 3 risks include noise during operation of the plant, waste disposal and air emissions. Potential impacts to community health and safety include fire hazards, H₂S and steam exposure and water withdrawals. Potential impacts to flora and fauna during construction include disturbance and tree cutting. The Project will be required to develop an Environmental and Social Management Plan for the construction and operation phases of the Project to ensure compliance with IFC General EHS Guidelines and Performance Standards.

Inspections by the Honduran Institute of Anthropology and History uncovered specific areas of the project site that contain archeological remnants which need to be conserved and protected. The environmental permit requires that in case of any finding of cultural value, works must cease immediately in the area and the Honduran Institute of Anthropology and History notified. The Project will be required to develop a Chance Finds Procedure.

Due diligence for the Project is on-going. Based on available information, it cannot be confirmed that there will be no resettlement or economic displacement from the construction of the transmission line nor that the Project will not impact Indigenous Peoples. These aspects will be further diligence during an environmental and social appraisal visit which will

	occur prior to presenting the Project to OPIC's Board of Directors. OPIC's environmental and social assessment, public project summary and conditions that will be included in the finance agreement will be updated and based on findings from additional environmental and social due diligence.
Workers Rights:	Clearance is in process.
Human Rights:	Clearance is in process.