



8 April 2008
YM6/5521/2007

Espoo Convention's Point of Contact for Notification in Austria

Notification in accordance with Article 3 of the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention) for supplementing the Loviisa nuclear power plant with a third plant unit

As Party of Origin Finland is hereby sending notification, in accordance with Articles 3 and 7 of the Espoo Convention, of the project by Fortum Power and Heat Oy to supplement the Loviisa nuclear power plant with a third plant unit at Hästholmen in the city of Loviisa on the southern coast of Finland. Austria has contacted the Finnish Ministry of the Environment during the EIA procedure of the activity and has asked for a notification, this being the reason for late notification. Finland notified its neighbouring countries and the Baltic Sea subregion about the EIA in June 2007.

Fortum Power and Heat Oy already has two operating units in the same location. The company is planning to construct a new nuclear power plant unit with approximate electric power of 1000 MW to 1800 MW and thermal power of 2800 MW to 4600 MW. The nuclear power plant unit may be a boiling or pressurised water reactor plant. The option under examination is the Hästholmen site and the cooling water options associated with it. The waste management will also be part of the environmental impact assessment procedure (EIA). In addition, a no-action alternative will be studied in the EIA.

The project can be found as item 2 (nuclear power stations) on the list of activities in Appendix I to the Espoo Convention that are likely to cause a significant adverse transboundary impact.

The Convention states that the concerned Parties shall ensure that the public in the areas likely to be affected are informed of the proposed activity and provided with possibilities for making comments on or objections to the proposed activity, and that these comments or objections are transmitted to the competent authority of the Party of Origin. The Finnish Ministry of the Environment is the Point of Contact of the Espoo Convention in Finland. The Ministry is prepared to make the necessary arrangements to ensure that your public is provided with similar opportunities as the Finnish public has to comment on the EIA documents. Please contact Ms Seija Rantakallio, if you require further information or assistance on this matter.

Two other energy companies, Teollisuuden Voima Oy and Fennovoima Oy, have also ongoing EIA procedures of a similar activity, in a bid to build the 6th power plant unit in Finland. Finland has already notified you of these activities.

The decision-making process for the construction of a nuclear facility

The Nuclear Energy Act (990/1987) and the Nuclear Energy Decree (161/1988) define the licensing procedure and the conditions for the use of nuclear energy, including waste management and the responsibilities and powers of the authorities. The detailed Finnish licensing requirements for nuclear installations are outlined in the Radiation and Nuclear Safety Authority (STUK) regulatory guides.

The operator submits an application to the Government to obtain a decision-in-principle on a new nuclear facility. The Government requests a preliminary safety appraisal from the Radiation and Nuclear Safety Authority (STUK) and a statement from the municipality intended as the site of the planned nuclear facility. The municipality has a

right of decisive veto against a new facility. In addition, the Government requests statements from other authorities and related bodies, and organises a public hearing in the municipality where the facility is planned to be located for the residents of the municipality and of neighbouring municipalities. The Ministry of Employment and the Economy is responsible for preparing the decision.

The Government shall make a decision-in-principle on whether the construction of the facility is, or is not, in line with the overall good of society. A favourable decision-in-principle is forwarded to Parliament for ratification. Parliament may either ratify or reject the decision-in-principle as such.

If the decision-in-principle is favourable, and Parliament ratifies it, the operator applies in due time for a construction licence from the Government. The Government requests all relevant statements and decides whether to issue a licence for the construction of the nuclear facility.

Towards the end of the construction phase, the operator applies for an operating licence for the facility. After it has received the necessary official statements, the Government decides whether to issue an operating licence for the facility.

EIA procedure in Finland

The Finnish EIA procedure consists of two phases: the EIA programme (scoping document) phase and the EIA documentation phase. The assessment procedure began when the developer, Fortum Power and Heat Oy, submitted the EIA programme to the competent authority on EIA, the Ministry of Employment and the Economy (earlier Ministry of Trade and Industry). The EIA programme contains information on what are the potential environmental impacts of the project and on the alternatives to the project that are proposed to be studied and assessed. Authorities, the public and NGOs were entitled to comment on the EIA programme from July to September 2007. The competent authority has taken into account the comments received, domestically and from abroad, and has issued its own opinion on the EIA programme. In its statement, the competent authority has indicated which investigations the developer must concentrate on and how the proposal for the EIA programme should be amended. The Ministry of Employment and the Economy has given its own statement to the developer on the adequacy of the EIA programme in October 2007.

It is the duty of the developer to assess the environmental impacts of the project and its alternatives. The developer has drawn up the assessment documentation report on the basis of the investigations carried out. Authorities, the public and NGOs are entitled to comment on the EIA documentation from 15 April to 16 June 2008. The competent authority collects all the opinions and comments submitted on the EIA documentation and, after taking these into account, issues its own opinion on the EIA documentation. The EIA procedure is concluded when the authority forwards its own statement to the developer on the adequacy of the EIA. According to the Finnish legislation the statement must be given within two months after public hearing, i.e. by 18 August 2008. This statement will be sent to the Point of Contact of your country.

The EIA must be carried out before any decisions on licensing can be made. The developer attaches the EIA documentation to the decision-in-principle application as well as to the construction licence. The construction licence is considered to be the final decision according to Article 6 of the Convention as it can be challenged.

Answer to the notification and comments on the documentation

The EIA programme and the documentation are available in Finnish, Swedish and English. The document intended for notifying the Parties of the Espoo Convention with information on the proposed activity, including available information on its possible transboundary impact as well as the summary of the EIA documentation, is available also in German. These documents are especially intended for the public. All these documents can be obtained from the Internet pages of the Ministry of Employment and the Economy www.tem.fi (In English>energy>nuclear energy> EIA procedures new nuclear power projects>EIA of the Loviisa 3).

Referring to Articles 3.3, 4 and 5 of the Espoo Convention, Finland kindly asks your country to respond by **24 June 2008** at the latest, and to

- acknowledge the receipt of the notification,
- indicate whether your country intends to participate in the EIA procedure,
- provide comments concerning the assessment of the environmental impacts of the project affecting your country
- submit any comments you might receive from the public in your country, and
- indicate if you consider a need for additional consultations between 25 June and 11 July 2008.

Kindly send the answer to this letter to:

Ministry of the Environment
Ms Seija Rantakallio
PO Box 35
FIN-00023 Government
Finland

Permanent Secretary


Sirkka Hautajärvi

Counsellor,
Environmental impact assessment
Point of Contact of the Espoo Convention


Seija Rantakallio

Enclosures:

1. Fortum Power and Heat Oy: Environmental Impact Assessment Programme, Supplementing the Loviisa nuclear power plant with a third plant unit
2. Fortum Power and Heat Oy: Environmental Impact Assessment Programme Summary. - In German.
3. Competent authority's statement on the EIA programme
4. Fortum Power and Heat Oy: Environmental Impact Assessment Report, Supplementing the Loviisa nuclear power plant with a third plant unit
5. Fortum Power and Heat Oy: Environmental Impact Assessment Report Summary. - In German.

For more information about the project and the EIA:

Developer

Fortum Power and Heat Oy
Telephone: +358 10 4511
Contact person: Mr Peter Tuominen, Mr Reko Rantamäki
E-mail: firstname.lastname@fortum.com

EIA competent authority

Ministry of Employment and the Economy
Telephone: +358 10 606 000
Contact person: Ms Jaana Avolahti
E-mail: jaana.avolahti@tem.fi

EIA consultant

Pöyry Energy Oy
Telephone: +358 103 311
Contact persons: Ms Päivi Koski
E-mail: paivi.koski@poyry.com

Espoo Convention's Point of Contact in Finland

Ministry of the Environment
Telephone: +358 20 490 100
Contact person: Ms Seija Rantakallio
E-mail: seija.rantakallio@ymparisto.fi