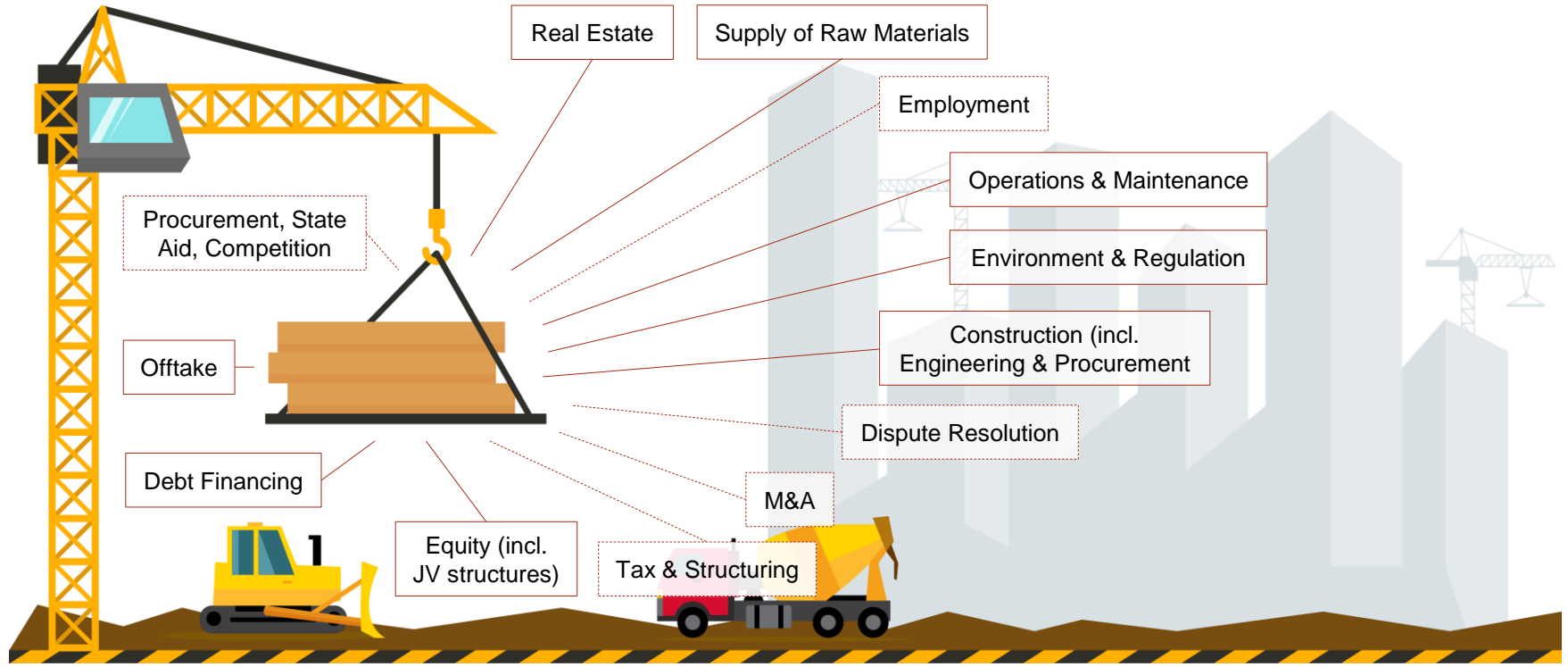


Renewable Energy in Finland – Lessons Learned and Good Practice in Projects

Energy Regulation Day, Vaasa / 21 March 2018

Attorney at Law, Klaus Metsä-Simola

Project Development & Construction




Environment & Natural Resources

Our Environment and Natural Resources team focuses on environmental law and planning matters and legal aspects relevant to mining and other exploitation of natural resources.

Environmental issues affecting investments and operations are increasingly complex and involve various interested parties, such as owners, operators, authorities and environmental organisations. Our legal expertise and thorough understanding of our clients' businesses allow us to provide advice that is suited to the specific demands of each client.

We have experience with complicated environmental liability situations, permit application and appeals processes, as well as critical planning and zoning procedures. Our clients typically include industrial, energy and mining companies, as well as parties to M&A and capital markets transactions.

We also regularly represent our clients before regulatory authorities, municipalities and courts in supervisory and permitting matters, including changes to production and processes, and relating to the use of natural resources.



One client is “exceptionally pleased with the services they have provided,” praising the team's “in-depth knowledge of Finnish legislation” and ability to “keep an ear to the ground for the local variations.”

Chambers Europe, 2018 Edition


Projects & Construction

Our Projects & Construction practice group advises project sponsors, operators, lenders, construction companies and contractors on all aspects of projects and project financing, e.g. in the energy and infrastructure sectors, as well as on industrial outsourcing. The team of experienced lawyers with relevant expertise from project finance, construction, real estate, environment, procurement, state aid, tax and structuring, M&A and dispute resolution operates with a multi-disciplinary approach ensuring an integrated and seamless service to clients.

The Hannes Snellman team has extensive experience in structuring and establishing partnership models (including various forms of public-private partnerships and alliance models) and joint ventures, conducting due diligence reviews, drafting and negotiating the full spectrum of bankable project documents and financing and security agreements, and coordinating projects.


We also advise contractors, employers, engineers and consultants etc. on standalone construction and engineering projects, including turnkey EPC contracts in respect of e.g. power plants and industrial facilities, O&M contracts, as well as the procurement of large equipment, machinery and industrial systems for the industry. We know our way around standardised forms of contract, such as the internationally used FIDIC suite of contracts as well as the Finnish YSE 1998 and KSE 2013 terms, and we are also experienced in advising on project specific bespoke solutions.

One important goal is to help clients prevent resource intensive and lengthy litigation following the completion of a project. To reach this goal, our Dispute Resolution team supports the project team in agreement drafting and assists clients during the execution of a project in claims management and strategic decision-making.

A large yellow Liebherr tower crane is shown from a low angle, looking up towards the sky. The crane's lattice structure is prominent, and its jib extends across the upper right portion of the image. A small operator's cab is visible on the vertical section of the crane. The background is a solid, clear blue sky.

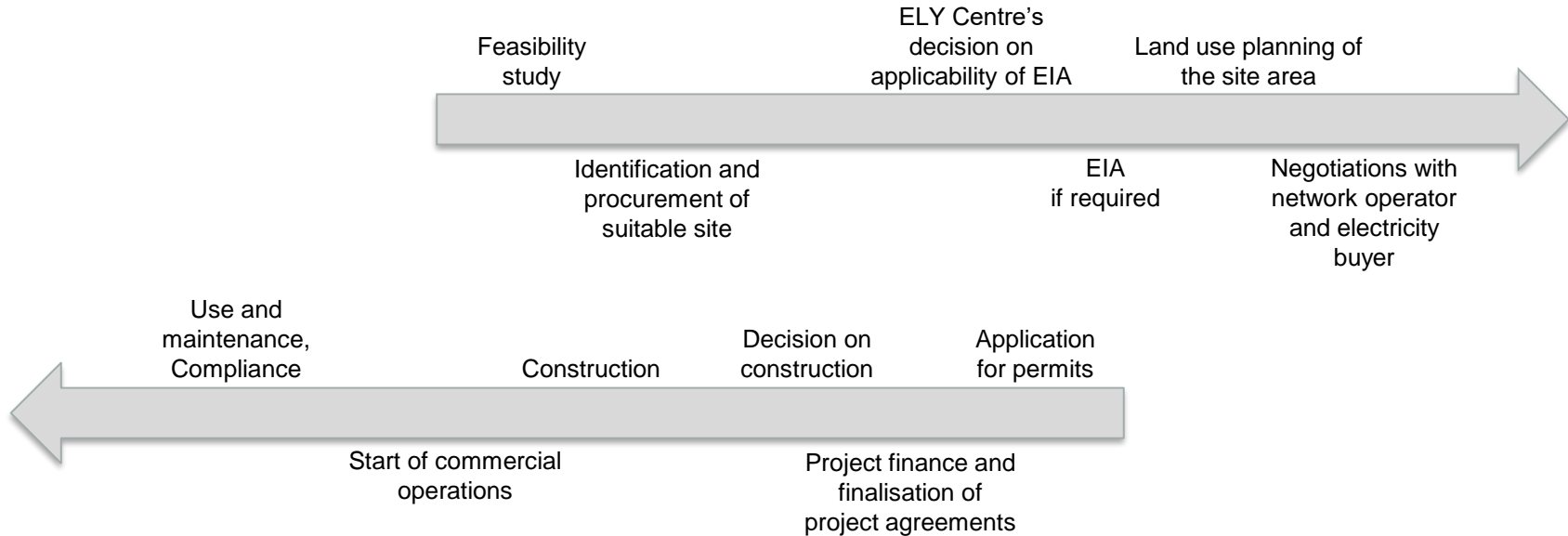
“very proactive approach” and “good project management.”

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Renewable Project Development in Finland

Project Planning and Implementation



The total time for project implementation varies, due to possible need of land use planning and possibility of parallel administrative/permit processes with the authorities.

Project Development



- > Regulatory related risk
 - Administrative system risks
 - Political risks
 - Time risks

Renewable Energy Projects / Access to Site

- > Freehold
- > Leasehold
 - Number of landowners
 - Registration
 - Requirements by the banks / Project financing
- > Roads, cables
 - Special legislation
 - Expropriation / Compulsory purchase
 - Reasonable compensation vs. long process



Permitting

1 | 2

- > State / Municipality level
 - Jurisdiction
- > EIA (*Environmental Impact Assessment*) / Land use planning
 - State / Municipality
 - Special types of master planning
 - Political decision-making plays a central role in land use planning
 - Simultaneous proceedings

Permitting

2 | 2

- > No integrated permit authority
 - Land use and construction legislation
 - Environmental protection legislation
 - Nature conservation legislation
 - Water legislation
- > Energy related permits
- > Subsidy schemes
- > Small municipalities / Inadequate knowledge on administrative proceedings
- > “Right to obtain a permit”?
- > Fixed term permits

Compliance



- > Monitoring obligations
 - Non-compliance
- > Revision of permit regulations without any changes in operations
- > Revision of permit due to significant changes in operations

Good Practice in Renewable Projects

- > Compliance and local acceptance
- > Active communication with stakeholders
 - Land owners, neighbours, municipality, authorities
- > After all permits have been granted, you are entitled to construct and operate the project in accordance with the permits
- > Do not be afraid of opposition to the project
 - Normally, the opposition will diminish after the operations have started
- > Have sufficient resources available
 - Role of advisors

Our Key Contacts



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