

Corporate Policy

Iberdrola policy is that wind projects shall be sited, designed, constructed, and operated in an environmentally sustainable manner to avoid or minimize adverse environmental impacts. Wind projects that comply with this principle will minimize potential impacts to birds, bats, and other wildlife and their habitats. However, it is recognized that wind turbines and associated overhead transmission and collector lines may cause injuries and deaths to birds and bats in spite of best efforts, including birds and bats protected by Federal and state laws and regulations. This ABPP is intended to support Iberdrola's compliance with key wildlife laws, by instituting clear and consistent procedures to minimize impacts to birds and bats and their habitats and to address impacts where they are identified.

To fulfill this commitment, Iberdrola will do the following:

- Implement and comply with its own comprehensive ABPP.
- Ensure its actions comply with all applicable state and Federal laws, regulations, permits, and ABPP procedures.
- Follow procedures described in this ABPP during the development of all new wind projects in order to understand avian and bat risk at each site and to incorporate features to avoid or minimize impacts to these species.
- For development or operational projects acquired from third parties in merger or acquisition transactions, ensure through the due diligence and acquisition process that preproject or operational practices employed by third parties prior to Iberdrola ownership are consistent with the ABPP, or if not consistent, document inconsistencies, develop a strategy for implementing ABPP practices, and implement ABPP practices as soon as practical.
- Document bird and bat mortalities and injuries at projects and/or structures in order to implement adaptive management actions as necessary.
- Provide information, training, and resources to improve staff knowledge and awareness of the requirements of the ABPP in order to support the ABPP's successful implementation at both the company level and as applied at specific projects.
- Participate with public and private organizations in programs and scientific research to identify causes and effective controls of detrimental effects of bird and bat interactions with wind projects.
- Continue to enhance the ABPP by applying lessons learned, research results, new technologies, and latest regulations and guidelines.

Through the proactive and innovative resolution of bird and bat interactions with our wind projects, this ABPP will support Iberdrola's regulatory compliance and leadership position in the wind industry, reduce risk to birds and bats and their habitats, enhance stakeholder acceptance of our wind projects, and support the responsible growth of the wind industry.

Signature: *Terry Hudgens*

Terry Hudgens, President and CEO, IBERDROLA RENEWABLES

Date: October 10, 2008