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As part of the Environmental License for the Project granted by SERNA, the Company committed to certain requirements during the construction and operation phases of the Project. Those requirements contemplate: establishment of a reforestation plan, maintaining a log of environmental incidents, proper management of waste materials, and submission of environmental compliance reports periodically to SERNA, among others. The Company has complied with the environmental laws and SERNA requirements as of the dates of the financial statements.

19.3 Cerro de Hula's wind park expansion

The Company entered into a Turnkey Engineering, Procurement and Construction Agreement ("EPC") with Gamesa Wind US LLC. ("Gamesa") and Iberdrola Ingeniería y Construcción Mexico S.A. de C.V. ("Iberdrola") to construct the Project Expansion. The EPC was signed on April 24 2013 for a total price of US\$51,594,145. As of December 31, 2014 Energía Eólica had already advanced an amount of US\$43,934,121 to Gamesa and Iberdrola, which is included under property, plant and equipment.

19.4 Wind park maintenance

The Company, Gamesa and Iberdrola entered into a Maintenance and Service Agreement on June 24, 2010 that was subsequently amended on April 24, 2012, to ensure that the Project will operate as technically designed after its construction. Under this agreement, Gamesa and Iberdrola guarantee that the Project will meet an average availability on the turbine equipment of no less than 97% beginning on the second anniversary of the Project's substantial completion, which occurred on April 24, 2014. Maintenance services began on April 24, 2012 and the total fee was US\$1,726,520.

The result of the plant availability below the guaranteed value was recognized in the 2013 statement of comprehensive income as "net revenue from availability, liquidated damages" (as a component of other revenue) for US\$302,738 (2014: US\$0). This resulted from Gamesa's commitment that the wind park would reach a measured average availability of no less than 95% during the first year and 97% during the second year of the warranty period (from April 24, 2012 to April 24, 2014) as defined in the Engineering, Procurement and Construction Agreement (EPC) signed between the Company and Gamesa and Iberdrola. When the guaranteed average availability was not met, Gamesa compensated Energía Eólica with liquidated damages based on the formula established in the EPC.

A Maintenance and Service Agreement was also signed by the Company, Gamesa, and Iberdrola on April 24, 2013 for the Project Expansion. This agreement will take effect upon substantial completion, which is being agreed in 2015 to retroactively take place on December 14, 2014.

19.5 Operating leases—Company as lessee

The Company has entered into several operating lease contracts as lessee for the rental of land on which a significant portion of the wind park is located. The lease terms extend up to 25 years, renewable upon maturity for an additional 20-year term. Most of the lease agreements have been established in Lempiras, although some are in US dollars, and the rental fee is paid on a quarterly basis. Rental fees are subject to an inflation adjustment, based on the Honduran inflation as published by Banco de Honduras, after the second year of commencement of the agreement.

The Company also has entered into other minor lease agreements for offices and equipment.

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