

Continuing the dialogue

InterGen and Spalding Energy have continued to hold discussions on the expansion proposal with local groups and individuals, as well as featuring regularly in the media.

One of the groups visited was the Spalding Town Forum, where Station Manager Paul Hanson gave a presentation on the proposal explaining that up to 20 new jobs would be created in addition to the 40 at the existing plant. Economies of scale meant that a doubling of numbers would not be necessary.

Mr Hanson also clarified the composition of the yellow plume that is occasionally seen from the stacks. Members were advised that the yellow plume only becomes visible when the equipment is being operated during plant start-up. The plume is made up of oxides of nitrogen (the same as a home central-heating boiler flue gas) which, in these concentrations, are harmless. It is anticipated there will be no visible yellow plume from the expansion due to technological advances. All emissions from the power station are monitored on a continuous basis and reported to the Environment Agency and thus far no limits have been exceeded.

A further presentation by Project Manager Neil Anderson was made to Pinchbeck Parish Council, with liaison set to continue later in the year. Meanwhile, local and regional media have been kept updated on the project, with Mr Hanson giving an interview from the existing station to BBC Look North reporter Jake Zuckerman last November. The Spalding Guardian and Lincs Free Press have also featured the expansion on a regular basis.

Mr Hanson said: "We are delighted that the media has taken an interest in this proposal, allowing us to discuss it with the widest audience possible. Overall, we believe that the good economic news is reassuring in the current recession, and that people recognise the importance of new electricity generation."

As the proposed expansion progresses, project update events and public exhibitions will continue to be hosted. Another series of exhibitions is planned, so keep an eye out for announcements in the media. For those who wish to learn more about Spalding Energy's operations, a plant tour programme launched last year will be continued during the spring and summer months of this year. These hour-long tours will be free of charge and open to any interested individuals or groups. Further information can be obtained from Community Liaison Officer Michelle Bedford, by emailing spaldingenergy@intergen.com or ringing 01775 717500.



Residents are welcomed to exhibitions

Members of the Spalding Energy Expansion project team were delighted to welcome local residents to the public exhibitions at the end of last year.

Held in the newly refurbished Broad Street Business Centre, approximately 150 visitors called in on 20, 21 and 22 November to find out more about the £500 million investment proposed for the West Marsh Road site.

Visitors had the opportunity to talk to various specialists about aspects of the proposal and view computer-generated images showing how the completed expansion might look.

Station Manager Paul Hanson said: "It was good to meet so many residents on a face-to-face basis, and we were extremely pleased with the responses to the questionnaire.

"For the most part, the people we spoke with and heard from were aware of the looming shortfall in the UK's energy supplies and were supportive of our expansion plans."

A number of themes emerged from discussions with visitors and an analysis of the questionnaire responses.



■ Visitor Martin Deacon (left) talks to Project Manager Neil Anderson (centre) and Station Manager Paul Hanson

These include:

- Specific benefits for the local economy
- Additional support for initiatives within the community
- Visual impact of the expansion
- Environmental impact of the expansion
- Future of the British Sugar Sports and Social Club

InterGen is taking each of these themes raised by local residents and considering them as part of the Spalding Energy Expansion process.

Discussions with Sports and Social Club

If the expansion proposals move forward, the land occupied by the British Sugar Sports and Social Club will be needed. InterGen purchased the land where the Club is located during the development of its existing gas-fired power station, Spalding Energy, in the late 1990s.

The Club has since leased the West Marsh Road land from the company. Representatives from InterGen and the Club have formed a working party to discuss options, recognising that any proposals will need to be commercially viable and sustainable in the long term.

Next steps

Environmental statement

A team of specialist consultants is currently undertaking a comprehensive environmental study of the proposed expansion. This study will be reported in an Environmental Statement (ES), that will accompany the planning application for the expansion.

Expansion application

The application for the proposed Spalding Energy Expansion is expected to be submitted to the Government's Department of Energy and Climate Change (DECC) at the end of March 2009. DECC will consult with South Holland District Council, Lincolnshire County Council, members of the public and a range of other organisations before reaching a decision. Its consultation process is likely to last a number of months.

Once the application is submitted, the ES and a much briefer Non-Technical Summary will be available to study at South Holland District Council's planning department. An electronic version of the Non-Technical Summary will be posted on the website www.spaldingenergy.co.uk.

Overhead line options

The electricity transmission company National Grid has indicated that a new overhead line and additional pylons will be needed if the expansion proceeds. This will connect to the existing national transmission line north east of the site.

The route options are the responsibility of National Grid who will hold public consultations at the appropriate time, where residents will be able to express their views. A separate application will then be submitted by National Grid to DECC, who will make a decision after consulting a range of organisations in a process that is similar to the application for the expansion.



■ Proposed site layout for the expansion

Other permits

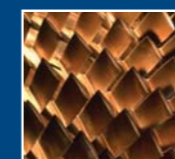
InterGen will also apply for permission for a new underground gas pipeline from South Holland District Council and an environmental licence from the Environment Agency, which will assess the proposals' environmental impact. Again, these will be subject to comprehensive environmental studies and a consultation process.



■ Computer-generated images of the expansion with the existing plant in the foreground, from the A16 bridge over the Welland (above) and from the A16 (below)



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Spalding Energy benefits support the local economy

Spalding Energy has made significant contributions to the local economy during its four years of operation.

Local businesses provide the plant with numerous services, including routine contract work and certain repairs and maintenance.

This spending has been worth approximately £7 million since operations started more than four years ago, equivalent to around £1.75 million a year.

Almost one third of the plant's regular contractors are from Spalding, while the remainder are from the Lincolnshire or Peterborough areas.

Supplies and associated maintenance contracts will continue for the expected 35-year lifespan of the existing plant.

As is the case with the existing plant, the proposed Spalding Energy Expansion will bring economic benefits to Spalding and the wider area.

Based on similar developments elsewhere, it is estimated that the

economic benefits arising from Spalding Energy expansion operations will be approximately 75% of those associated with the existing plant (due to economies of scale).

Combined over the 35-year lifetime of the expanded facility, these could reach a total of £107 million.

In addition to operational benefits, economic benefits will accrue from the expected 30-month construction period of the expansion. This proposed £500 million investment will generate:

- Up to 600 construction jobs. An estimated one third of the peak construction workforce are likely to be local, based on a 35-mile travel-to-work radius.
- Local contract opportunities during the construction phase.
- Spending with local businesses including hotels, restaurants and shops.

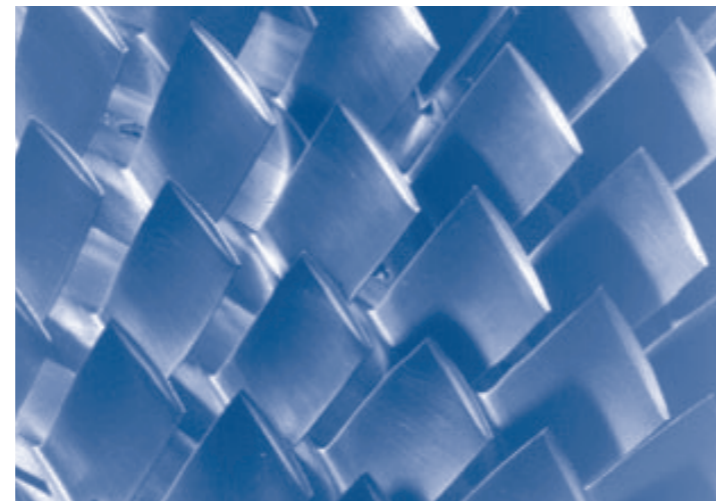
UK ENERGY SCENE

Energy gap

The UK faces an energy supply gap from 2015, meaning that an estimated 20GW of new electricity generation will need to be built to ensure that the lights stay on.

Along with new renewable generation, the UK needs to ensure that conventional fossil-fuelled plants are built so that the electricity system can continue to be operated in a flexible way, and respond effectively to changes in demand. Currently, gas is the cleanest way to generate from fossil fuels with 50% fewer carbon dioxide emissions than coal.

The expansion's proximity to existing transmission lines means that electricity can quickly and cost-effectively be delivered to the transmission system.



Climate change

InterGen recognises that the UK faces a huge challenge in the next decade to ensure that climate change targets are met.

The UK Government, along with other EU member states, has pledged that by 2020, 20% of our electricity will come from renewable sources (wind, solar, tidal, wave, biofuels etc). InterGen and Spalding Energy fully support the Government's targets.



Carbon Capture

Carbon Capture and Storage (CCS) aims to allow carbon dioxide emissions to be separated, liquified and permanently stored. It is anticipated that CCS will reduce the amount of carbon dioxide emitted into the atmosphere by approximately 90%. CCS is still in the early stages of research and development for power plants such as the Spalding Energy Expansion. In December the EU voted unanimously in favour of the CCS Directive that requires new fossil-fuelled plants to be built ready for CCS.

The UK aims to host one CCS demonstration project, which is likely to be coal-fuelled and several electricity companies are bidding to take part. InterGen continues to monitor the progression of CCS and will ensure that the proposed expansion complies with the requirement that new plants be built ready for CCS.

Spalding Energy takes safety to the next level with new Safety@Heart programme

Spalding Energy has had an impeccable safety record since starting commercial operations in 2004. We believe firmly, however, that we can't rest on our laurels when it comes to health and safety.

So, on 16 February, all of InterGen's European sites – including Spalding – entered a new "human factor" phase of its already established and robust health and safety programme.

Called Safety@Heart, the new programme relies on each and every person to make a small – but real – difference to how they behave by doing each and every task safely.

Ian Jennings, InterGen's European Health, Safety and Environment Manager



Safety@Heart

has been co-ordinating the revitalisation. During the February kick-off, he commented: "Individuals in 'world class' organisations do things safely because safety is in their hearts as a value and they want to be safe rather have to be safe."

"With this idea in mind, Safety@Heart was created and we believe the programme will make InterGen an industry leader in Health and Safety Management."

The programme's title was developed by the Spalding team and adopted by InterGen for Europe. With Safety@Heart, Spalding Energy now has values that strengthen its safety culture, with everyone having the same vision and the same sense of direct responsibility for their own safety and their colleagues' safety.

Spalding Energy and the community Apprenticeship awards

In our last newsletter, we introduced you to Tom Keyworth (right), Spalding Energy's Electrical, Control and Instrumentation Apprentice.

Tom is a key member of the Spalding Energy team and has done a great job of taking advantage of the opportunities and training provided to him during his apprenticeship. Tom has done such a great job, in fact, that he was part of the team that



was recently recognised as Team of the Year 2008 by EON. This industry award honours apprentices and their colleagues for exemplary teamwork, which is all the more gratifying when you consider that teamwork is one of InterGen's core values.

The award further emphasises the success of Spalding Energy's Apprenticeship programme, which offers young people from the area a rare opportunity for technical training and experience in the power industry.

Recruitment for the programme will begin again in spring 2009 when Spalding Energy looks forward to adding another apprentice to the team.

Power behind the pedals

Three staff members from the existing Spalding Power Station are gearing up for a coast-to-coast bike ride in August to aid the Garth and Priory Schools, two Special Educational Needs Schools in the area.

Jez Keyworth, Tom Keyworth and Chris Murphy are currently in training for the 220-mile ride from St Bees Head, Cumbria, to Robin Hood's Bay in Yorkshire.

The team aims to raise more than £10,000 from corporate and individual sponsorships to help provide much-needed equipment for the two schools.

The route will take the trio – who call themselves the Base Loaders – across rough off-road terrain as well as roads, largely following the well-known long-distance coast-to-coast footpath. Jez Keyworth said: "It will be gruelling but we are already training hard and are determined to do all we can to raise funds for the schools."

Staff members from Spalding Energy have volunteered to assist the trio along the way with refreshments and encouragement. They will also be supported by Terry Wright Cycles of Market Deeping, which has agreed to provide spares, tools and additional equipment.

If you would like to make a donation or help in any way, further details can be found on their website at www.baseloaders.co.uk.



■ From the left: Tom, Jez and Chris