

COOLKEERAGH ESB CONSTRUCTION IS UNDERWAY

Work on Coolkeeragh ESB's £150 million power plant has been underway since the end of 2002 with the awarding of the overall construction contract to General Electric of the US, with their European construction partner VA TECH of Austria.

Most recently Farrans (Construction) Limited were awarded the civil engineering sub-contract package for the new plant. The contract value is approx. £10m and includes the design and construction of all foundations, superstructures and siteworks.

The Coolkeeragh ESB 400 MW Combined Cycle Gas Turbine (CCGT) power plant, which will be fully operational by early 2005, will have significant economic and environmental benefits, not just for the Northwest, but for all of Northern Ireland.

Up to 600 jobs will be created during the peak construction phase, and when the new plant is operational, it will provide 40 high calibre positions, with ongoing plant maintenance and facilities management providing additional employment opportunities. It is expected that further jobs will be created in servicing the plant and its employees.

The new plant – the first in the competitive market – will use the most up-to-date large-scale gas turbine technology from General Electric, the world's leading manufacturer of gas turbines. Michael Aherne, director of Coolkeeragh ESB explained: "As a result, the new plant will be almost twice as efficient as the



existing power station and all of Northern Ireland, and not just the Northwest, will benefit from cleaner and lower electricity costs".

Richard Sterling director of Coolkeeragh ESB speaking about the construction of the new plant said: "I am delighted to say it secures continuity of power generation in the Northwest and the local economy is set to benefit significantly from the power plant project. The inward capital investment will create notable opportunities and advantages for local firms and suppliers."

He added: "Its progress to date is undoubtedly due to the shared vision and persistence of everyone involved - the developers, public representatives, local agencies and the wider community, as well of course as the employees."

COOLKEERAGH



– a new brand –

Coolkeeragh ESB Limited is a unique partnership between Coolkeeragh Power Limited (CPL) and ESB International.

Coolkeeragh Power and ESBI have been working together since 1998 on developing the power plant project. The Coolkeeragh ESB team is dedicated to ensuring that the

power plant is built on time to produce lower cost and cleaner electricity.

Part of the relationship is the development of a company logo, which will be rolled out in all communications including letterheads, banners, advertising and signs.

“Supplier Database” Ensures £17m Contracts for Local Firms

A specially compiled database, detailing the range of skills and materials available locally to the main Coolkeeragh ESB contractors, has ensured that locally based subcontractors and suppliers have so far secured contracts to the value of £17 million in connection with work at the site. The database of local firms and people was devised by Invest NI’s Northwest office in co-operation with Coolkeeragh.

“To facilitate local subcontractors and suppliers being given the opportunity to supply products and services to the main contractor (VA Tech), a unique supplier model, a live database detailing local services and skills, is being managed by North West Marketing” said Joe McMonagle, Director of Operations at Coolkeeragh Power.

In building the live database, a comprehensive audit of the skills and capabilities of local subcontractors and suppliers was conducted over the past year and all the information was collated in the supplier’s database. The database is now online and updated continually.

“North West Marketing together with ourselves played a key role in compiling the database. North West Marketing are responsible for the delivery of ongoing training programmes for companies to allow them to make best use of the ‘Supplier Model’, which will improve communication between all parties concerned,” said Gerard Finnegan, from Invest NI’s Northwest region.

All companies listed on the supplier model have to meet the criteria for health and safety, quality, finance and insurance.

The live database, with password protection and security for sensitive information, is one of the innovative features of The ‘Supplier Model’. The database keeps the main contractor informed on what skills are available locally, and keeps local companies up to date on VA Tech’s requirements.

Among the local companies, which benefited from the scheme is Brickkiln, who with KDC of Manchester won the £1.5 million site development contract to clear and prepare the site for the main contractor. The contract was completed on time, with 100% safety record, and within budget. Over 65 people from the locality were employed at the peak of the contract. The core construction site and the contractor’s laydown area were prepared for the main contractor to start construction.

Farran’s, which is responsible for the civil engineering contract on site and is currently working on the piling and foundation construction, has also procured a number of its services locally including: manpower; plant hire; concrete supplies; and cleaning of site services. As work progresses on site, the involvement of local skills and expertise is expected to increase.

COOLKEERAGH ESB TAKES MEASURES FOR CONSTRUCTION PHASE

With construction at Coolkeeragh ESB well underway, a full range of measures for activity on and around the site has been put in place to ensure that local impact of the works will be kept to a minimum.

Coolkeeragh ESB’s Project Team consulted with the Environment Services Committee of Derry City Council, outlining in detail the two-year construction programme.

The “shaping” of the building profiles and the extensive landscaping will ensure that the new facility fits

comfortably into the surrounding built environment.

Experienced local and international contractors and suppliers are carrying out the work at Coolkeeragh ESB. All the works on the site are being undertaken in accordance with the permits and licenses issued by the relevant local authorities.

Coolkeeragh ESB continues to be available for consultation with local communities regarding the new development.

ESBIE Biggest New Entrant to Electricity Market

ESBIE, a subsidiary of ESB, is already selling electricity to customers in Northern Ireland. It has captured almost 40% of the recently deregulated Northern Ireland electricity market, making the company the biggest new entrant into the marketplace.

Since deregulation in 1999, certain categories of bulk electricity users in Northern Ireland are eligible for the competitive electricity supply market. ESBIE's position within the market will be further strengthened with the opening of the Coolkeeragh ESB plant in January 2005 when full operational activity gets underway at the plant.

ESB Independent Energy's vision is to be the first-choice utility services company in the competitive market, and their strategy is to provide a customer focused service by delivering competitive advantage and tailoring their service to provide the correct package for the contrasting needs and requirements of their customers. Customers are set to benefit from the Coolkeeragh ESB CCGT plant, which will produce low cost, clean electricity and has lower emissions per unit of electricity produced than conventional generation. It will also obviate the need for extra transmission build by using existing infrastructure in its development.

GAS PIPELINE UPDATE

BGE (Northern Ireland) Gas Pipeline Update

BGE (Northern Ireland), the company which won the licence to construct the NorthWest gas pipeline, has held a number of public information days for landowners, public representatives and members of the general public. Phase 1 of the pipeline will connect the Scotland – Northern Ireland Pipeline with the Coolkeeragh Power Station. This phase of the pipeline will begin at Carrickfergus and finish at Coolkeeragh. Construction is expected to commence early 2004.

As a Combined Cycle Gas Turbine (CCGT) power station, Coolkeeragh is central to the development of the North West gas pipeline because it provides the anchor load necessary to make the extension of the gas pipeline financially viable. The pipeline extension will be approximately 112kms in length and will connect the plant with the existing gas network just outside Belfast.

Since it was awarded the gas transmission licence, BGE (Northern Ireland) has been actively progressing the pipeline project, having lodged a planning application together with the supporting Environmental Statement for the proposed pipeline route. BGE has also issued an agreed wayleave package to landowners along the gas pipeline route. BGE is hosting open days as part of a wide-ranging consultation process with the relevant local authorities, landowners, community representatives and general public.

The CCGT at Coolkeeragh and the extension of the gas pipeline represents a total combined electricity and gas investment of over £250 million in Northern Ireland's infrastructure. Together they will help attract inward investment, promote economic growth and increase competitiveness, while delivering social and environmental improvements throughout Northern Ireland.

ESBI a world leader in combined cycle power generation

ESBI is a world leader in the development and operation of combined cycle power plants. Currently, ESBI has 5,000MW of generation world-wide. In addition to building the power plant at Coolkeeragh, ESBI has developed and is operating similar plants throughout the world in Dublin, England, Malaysia, Pakistan and is building an 800MW combined cycle power plant in northern Spain.

Coolkeeragh ESB sponsorships in the Northwest



Coolkeeragh ESB sponsored Dancing at Lughnasa at An Grianan Theatre, Letterkenny. Pictured are the five sisters (from left to right - Eleanor Methven, Morna Regan, Janet Moran, Kate O'Toole and Kathleen Bradley)



ESB sponsor Institute which is playing in the premier league in Northern Ireland this year for the first time.



John Craven, ex Newsround presenter, launching Animating the Wall initiative at Bishop Street in the city.



Coolkeeragh ESB, sponsors of the Derry City v St. Patrick's Athletic Eircom League game at the Brandywell, took the opportunity to meeting with Derry City before the game.

Sponsorships Underscore Commitment to North West

As work at the power plant commences, the Coolkeeragh ESB partnership has continued in its support of local sporting, cultural, environmental and business initiatives through its wide-ranging programme of sponsorships.

Coolkeeragh ESB is delighted to lend its support to the local community and be involved in so many worthwhile projects. It is important for us to become recognised as a local company, committed to meeting local needs.

The project currently underway at the plant has received huge support from the people of the North West and by supporting some of the local interest groups

Coolkeeragh ESB are giving something back to the community.

Over the past year, Coolkeeragh ESB has been involved in sponsoring a number of sporting groups such as the Institute Football Club, Derry City Football Club, Culmore Football and Youth club. In addition, Coolkeeragh ESB has supported the sponsorship of An Grianan production of "Dancing at Lughnasa", contributed to the Bright Ideas Club as part of the Strathfoyle Development Trust for Children and backed the wall sculpture project initiative at Bishop Street in the city. The maintenance of the Maydown Roundabout, located near the main entrance to the power plant, also highlights the commitment of Coolkeeragh ESB to supporting local initiatives.

COOLKEERAGH



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