

STEAM TURBINE WILL BOOST SEMBCORP ELECTRICITY GENERATING CAPABILITY



Sembcorp UK has been given approval to invest £20 million in a new Steam Turbine Generator at the Wilton Power Station.

The project - essential to the restructuring and performance of Sembcorp's assets as it adapts to new economic circumstances - has won the backing of the parent company, Sembcorp Industries.

Following the completion of preparatory works in the power station, the unit will be delivered to the plant at the end of 2010. It will be installed by Siemens plc and is expected to be fully operational by mid 2011.

The new Steam Turbine Generator will greatly enhance the performance and efficiency of the Wilton Power Station and is a major step forward at a difficult time as Sembcorp seeks to overcome the unforeseen loss of a number of high steam demand chemical customers at the Wilton International site.

It will enable Sembcorp to generate 52 MW of additional electricity using steam from the station's two main coal boilers.

Paul Gavens, Executive Vice President and Managing Director of Sembcorp UK, said: “This is very good news and a major vote of confidence in us by our parent company in Singapore. The new steam turbine generator will play a big part in the reconfiguration of our assets as we seek to strengthen our future. “

He added: “With reduced on-site steam demand anticipated in the next few years it is essential that we maximise our external electricity sales as well as maintain the capability to divert steam to customers quickly if needed. This asset allows us to do both.”

Preparatory work aimed at making room for the turbine in the Wilton Power Station includes the removal of redundant equipment and civil foundation work plus the installation of new pipework and cabling, all of which will be managed by Sembcorp.

Steve Wildman, Siemens’ Director and General Manager Energy Sector, Oil and Gas (London) said: “We’re delighted to supply Sembcorp UK with a state of the art Siemens steam turbine generator, SST400, significantly improving the performance and efficiency of Wilton Power Station as it evolves to meet the new demands of supplying energy to the National Grid and the changing needs of its customers. The awarding of the contract recognises our ongoing relationship with Sembcorp and we look forward to working with them in delivering this prestigious project.”

The picture shows Jane Atkinson, the vice president of the Sembcorp UK Asset Management business, leading His Royal Highness The Duke of York on a tour of the turbine hall at Wilton Power Station during a visit to the Wilton International site in 2008.

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Sembcorp UK

Sembcorp UK (www.sembcorp.co.uk) currently employs around 450 people and its parent company, Sembcorp Industries has invested more than £250 million in its assets (including the business purchase price) since coming to the Tees Valley in 2003. The investments have included the UK’s first large scale wood burning biomass power station, two gas turbines and major upgrades to improve the efficiency and environmental performance of the coal fired boilers at Wilton Power Station.

The construction of the £64 million Sembcorp Biomass Power Station, which began commercial operation two years ago, was a major step forward in the production of renewable energy for

Sembcorp, allowing it to export more than 30 MW of power. Sembcorp UK is a major carbon trading business and Wilton Power Station remains one of the largest and most efficient combined heat and power plants in the UK.

About Siemens in the UK

Siemens was established in the UK 166 years ago and now employs 18,402 people in the UK. Last year's revenues were £3.7 billion. As a leading global engineering and technology services company, Siemens provides innovative solutions to help tackle the world's major challenges across the key sectors of energy, industry and healthcare. Siemens has offices and factories throughout the UK, with its headquarters in Frimley, Surrey. The company's global headquarters is in Munich, Germany. For more information, visit www.siemens.co.uk