



## PRESS RELEASE

### **Sale of Fife Power Plant to Scottish & Southern Energy plc, brings total turbine sales to over 800 Mw**

With the recent success in valuation, marketing, and sale of the 124 Mw GE Frame 6FA combined Cycle Gas Turbine (CCGT) Plant at Fife Power (Cardenden, Scotland) to **Scottish & Southern Energy plc**, on behalf of **Ernst & Young, Combustion, Energy and Steam Specialists Ltd. (CESS)**, have now amassed an impressive total of over **980 Mw** of gas/steam turbine sales in the past 8 years.



As **Mike Craigie**, CESS's Managing Director explains:

***“When we were first approached by the administrators (Tom Burton & Colin Dempster) with a view to marketing this plant, we stressed that the most likely scenario was to find a buyer of the plant here in UK to take it over as a ‘going concern’. Although the level of interest in the plant from countries such as India, Pakistan, Chile and Bangladesh was quite high, the discounted cost of decommissioning, dismantling, packing and shipping was always going to be the limiting factor on the plant’s real (as-is, where-is) value, so SSE always had a good idea what price level was likely to be successful.”***



*CESS accompany Indian delegation during inspection of 124 Mw Frame 6FA CCGT plant at Cardenden in Fife (Scotland)*

The combined cycle gas turbine plant was previously owned by a group of shareholders, including the US-based energy company El Paso, but had been in administration since January 2003. SSE purchased it from the Administrators Tom Burton and Colin Dempster of Ernst & Young.

The plant was constructed in two phases. The first a single open cycle

gas turbine (OCGT), began commercial operation in November 1998. The second phase, conversion of the plant to CCGT, was complete and began commercial operation in January 2001.

SSE have indicated that they now intend to spend up to £3 million more to further upgrade the plant and reinforce its operational performance.

This acquisition takes the capacity of SSE's power stations to almost 5,700 MW and SSE now has the fifth largest portfolio of power stations (by installed capacity) in the UK, owning around 7.5% of the total.

**Ian Marchant**, Chief Executive of SSE, said: *"The acquisition of a smaller station such as Fife Power will provide further diversity of plant mix within our generation portfolio, particularly in the mid-merit sector."*

*"The introduction of the new electricity trading rules (BETTA) in April 2005 will remove inter-connector constraints and the value of Fife Power to SSE's generation portfolio can be further optimised. We expect Fife Power to run flexibly in order to both maximise its value and to support SSE's management of risk in the electricity market."*

**For further information Contact:**

**Mike Craigie – Managing Director**  
**Combustion, Energy & Steam Specialists Ltd**  
**Energy House, 77-79 John Street**  
**Stromness, Orkney Islands, KW16 3AD**  
**Tel: 01856 851177**  
**Mobile: 07802 916577**  
**Fax: 01856 851199**  
**e-mail: [mike@cess.co.uk](mailto:mike@cess.co.uk)**  
**Website: [www.cess.co.uk](http://www.cess.co.uk)**