



HM GOVERNMENT OF GIBRALTAR

PRESS OFFICE

No.6 Convent Place

Gibraltar

Tel:20070071; Fax: 20043057

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Security of Electricity Supply: The Short Term Solution

- **New North Mole Temporary Power Station Announced.**
- **Immediate Reduction in Noise & Emissions in South District and Waterport.**
- **Oesco and MOD Power Stations to be shut down in silent hours.**
- **Waterport to reduce activity by up to two thirds in silent hours.**
- **Plans for a Permanent New Power Station to be announced in Next Quarter.**
- **Consultation on-going with relevant unions.**

In order to ensure security of electricity supply, HM Government of Gibraltar has entered into a two year arrangement (with the option to extend to three) with Energy International Inc of the USA for the supply of temporary electrical power using rental turbine power, dual fire generating sets that will allow the servicing of existing generating plant to be undertaken whilst increasing the resilience of the installed generating capacity. The units will be fuelled with diesel.

The turbine units will be installed at the north western end of the North Mole, away from residential areas.

These units operate on proven technology and are extremely reliable. They also incorporate "SoLoNox Low Emission Technology" which is considerably more environmentally-friendly compared to the diesel engine technology that has been used in Gibraltar for power generation for the last eighty years. The new temporary units will each provide up to five mega watts of generating capacity and are designed to run twenty four hours a day. The twelve skid generators imported by the previous administration (eight rented and four bought outright) were capable only of one mega watt generating capacity each and were not designed to be run continually. These skid generators may soon become surplus to requirements.

The Government envisages that the new temporary power plant will be fully operational by mid December 2012. This is just before the winter peak demand. The new facility will enable Government to improve security of supply during peak demand periods when power cuts have previously occurred as a result of a lack of generating capacity.

The advent of the new temporary power station will also, importantly, permit for variations in the operating regimes of all three existing power stations in Gibraltar resulting in an

overall lowering of emissions. In particular NOx emissions are predicted to reduce by 40 % per mega watt generated by the new temporary power plant immediately.

The aim is also to reduce the operational running of the power stations in the South District and in the Waterport area whenever demand allows during the silent hours, without comprising the security of supply. This will immediately massively lower the emissions and reduce the noise levels in these areas during these periods.

The Government of Gibraltar is also continuing to identify alternative ways of further reducing the emissions arising from the production of electricity in Gibraltar. To this effect Government is already working with Energy International on the fitting of Catalytic Reduction technology (known as “Scrubbers”) to these turbines. The fitting of such scrubbers will further reduce emissions by another 97%. These will, however, have to be fitted at a later date due to design and availability issues that need to be resolved. The Government’s first priority, however, has been to secure the reliability of electrical supplies for the winter peak demand and to service the existing engines to improve their reliability and performance, which in turn further increase security of supply and reduces emissions.

The Government of Gibraltar continues to engage with main players in the energy industry exploring alternative technologies to determine a permanent solution to Gibraltar’s electrical needs. This solution must provide secure supply and massively reduce Gibraltar’s carbon footprint.

Chief Minister, Fabian Picardo, said: “As I have said previously, security of Gibraltar’s electricity supply is one of the most important issues for my Administration. We have been working tirelessly on this issue in the past eleven months in an Inter Ministerial Committee and with our electrical, technical, environmental and financial experts. We are now ready to announce this excellent temporary solution that is designed to ensure security of supply – something which the previous administration’s one mega watt skid generators demonstrably did not do. We have actually engineered a solution that gives this security whilst also reducing emissions hugely at first and even more so (almost to 1% of current emissions from the existing facilities) with “scrubbers” fitted.”

“The good news is that the noise nuisance and pollution from all existing power stations in the South District and Waterport will be eliminated or very significantly reduced during silent hours and also to a lesser extent during the day.”

“We are also working with the unions so that employees of these facilities are not victims of these changes or of the permanent solutions to be finalised shortly – but participants in it.”

“The next step is to finalise our determination on the long term solution by the decision on what permanent power solution is to be chosen. Again environmental, noise and cost issues will be relevant alongside security of supply in the final determinations we have to make in this respect. At the same time, we are at a very advanced stage in the introduction of renewable energy sources from different types of technologies. These are the right decisions for our community and I am delighted to have led the Committee in its deliberations to date and going forward to the stage when we announce the permanent solution for power generation for the future.”