



PRESS RELEASE

No. 395/2015

Date: 10th June 2015

Liquified Natural Gas for Power Generation & Bunkering

- Feetham takes £100,000 Donation to Oppose Government's Plans, but refuses to say from whom
- Government's information suggests that Feetham's funders are unsuccessful bidders in the Power Station tender
- Independent experts confirm that – subject to final designs being submitted – Government's plans are acceptable to UK standards

Her Majesty's Government of Gibraltar notes the statements made by the Leader of the Opposition, Danny Feetham, and by GSD Chairman Trevor Hammond, in relation to the report by Lloyds Register in respect of the use of LNG as a fuel in Gibraltar.

The Government respects Lloyds Register's expertise and notes that its report explicitly sets out how to mitigate the risks involved in the operation of LNG to tolerable levels.

In this respect, the conclusions of Lloyds are in keeping with those of the Government's own experts, namely that with proper planning and mitigation the use of LNG as a power generation and bunkering fuel in Gibraltar is entirely feasible and acceptable to UK standards of risk: to the level of a one in a million year event.

But the information provided to Lloyds appears to be totally different to the plans which are being assessed by the Government. For that reason, the Lloyds report is into a fictional terminal, with assumptions made that are totally different to those which the Government is working to. Therein lies the problem with the public putting any reliance on the report.

The Government will be making its own reports into the operation of LNG facilities public when these are finalised and based on actual plans and designs for the facilities in question.

The Government is confident that the reports of its experts will demonstrate that the operation of LNG facilities in Gibraltar, both for bunkering and fuel generation purposes are



within the generally accepted levels of risk which we tolerate on a daily basis, namely the one in a million year criteria.

What the whole community will, however, find unacceptable is that the GSD should not now disclose the name of the person, persons or entities who have funded the preparation of this report for the GSD.

The cost of £100,000 for the preparation of the report has been confirmed by the GSD Chairman himself.

For a party that constantly accuses the Government of lacking in transparency, it is absolutely hypocritical in the extreme for them not to now disclose the source of funding behind the preparation of this report.

Indeed, the Government understands that Mr Feetham has himself disclosed to some that the cost of the preparation of the report has been met by one of the tenderers who failed in their bid to be commissioned to build the new power station.

The public are entitled to know whether Mr Feetham and the GSD have simply sold themselves corruptly to the commercial interests of others and if they are simply allowing their position as parliamentarians to be exploited by one of those who did not succeed in its own bid to secure the power station contract.

Mr Feetham cannot have any credibility with the electorate now if he does not disclose who funded the £100,000 cost of the report based on which he is now spreading fear, talking of “fireballs” and opposing the Government’s plans for a safe, reliable and environmentally suitable new power station for our community.

It is also particularly relevant to note that Mr Hammond, who is an air traffic controller, believes that a risk not reduced to zero is somehow unacceptable. In fact, in his own work, Mr Hammond deals with risks every day. If we had to reduce the risk of aircraft operations to zero, we would not fly aircraft in Gibraltar airport, or any airport in the world for that matter! In fact, Mr Hammond would himself be redundant! Indeed, the consequences to our community of an aircraft landing or take-off operation going wrong would affect even more people than the highly unlikely escape of gas on which Lloyds Register reports.

The Chief Minister, the Hon Fabian Picardo QC MP, said: “I have done my homework without anyone having to pay me £100,000 for doing it! Mr Feetham now needs to come clean with the public. He has to allow his mystery funders to come out into the open and explain why they have funded him to the tune of £100,000. Who are they? What is their interest and what is the source of their money? Who is the mystery “Chairman” who led the discussion on these issues? Who are the local operating specialist and other personnel who provided information? Otherwise we can all be forgiven for thinking that all we are dealing with here is a cynical marriage of convenience between an unscrupulous politician who is ready to spread fear in exchange for a cash funding of a report to the tune of £100,000 from a disgruntled, unsuccessful bidder in a properly run tender process. The public will agree that this stinks of Mr Feetham taking money from commercial interests to do their dirty work for them and it corrupts the political process. It’s Mr Feetham’s sour grapes in losing



the election finding their partner in the sour grapes of those funding him. Mr Feetham isn't making a safety case, he is making a political case where he is counting the money from his mystery backer and the votes he expects from those he is seeking to terrify into voting for him. The public will see through him."