Progress Power – Meet the Team
3rd July 2017
Introducing Drax Group plc

- Longstanding British energy company
- 2,000+ employees in UK
- We have offices in:
  - North Yorkshire (Drax Power)
  - Ipswich (Haven Power)
  - Northampton (Opus Energy)
  - Oxford (Opus Energy)
  - Cardiff (Opus Energy)
  - Liverpool (Billington Bioenergy)
- We specialise in:
  - Generating electricity in power stations
  - Supplying electricity and gas to British businesses
  - Creating sustainably sourced wood pellets for use in renewable power and heat
Drax’s power stations in the UK

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
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<tbody>
<tr>
<td>Drax Power Station</td>
<td>Operational</td>
</tr>
<tr>
<td>Progress Power</td>
<td>Approved 2015</td>
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<tr>
<td>Hirwaun Power</td>
<td>Approved 2015</td>
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<tr>
<td>Millbrook Power</td>
<td>In planning</td>
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<tr>
<td>Abergelli Power</td>
<td>In planning</td>
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In 2016, Drax generated 7% of the country’s electricity and 16% of its renewable electricity.
Rationale for the project

Why a gas-fired power station?

• Rapid response
• Helps balance intermittent wind and solar
• Supports the grid at times of peak stress
• Lower carbon solution to coal

Why this location?

• Eye Airfield identified as appropriate area for energy projects
• Close to the national gas and electricity transmission networks
• National Grid encourages new power generation in the region
Progress Power: story so far

2013
• Dialogue and engagement with community and stakeholders begins (May)
• Statutory consultation period (October – November)

2014
• Application submitted to Planning Inspectorate (May)

2015
• Development Consent Order granted by Secretary of State (July)
• Project fails to secure contract in 2015 T-4 Capacity Market auction (December)

2016
• Progress Power acquired by Drax Group (December)
• Project fails to secure contract in 2016 T-4 Capacity Market auction (December)

2017
• Preliminary site works (April – July)
Preliminary site work: findings
How could it look? Illustrative image of an OCGT

Note: Image is an artist’s impression of a Drax rapid-response gas power station; it does not represent the final Progress Power design.
Construction timetable - indicative

- **Substation Access Road**: 3 months
- **Substation & HV\(^1\) Connection**: 24 months
- **AGI\(^2\) & Gas Connection**: 6 months
- **Site Enabling Works**: 4 months
- **Power Plant Construction**: 21 months

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1. HV = High Voltage electrical connection
2. AGI = Above Ground Installation for gas
Regional investment and community benefit

Employment
• 150 jobs during construction phase

Commercial
• Opportunities for local businesses during construction phase
  • Four Suffolk businesses already used for early site works

Community benefits
• Construction phase: £200,000 Section 106 agreement
• Operational phase: Community benefit fund
  • £300,000 fund over 15 year period
  • Run by panel of local community representatives
  • Mid Suffolk District Council supporting as secretariat
Next steps

• Design review sessions – **Q3/Q4 2017**

• T-4 2018 Capacity Market auction – **February 2018**

• Establish Construction Liaison Group

• Establish Community Fund Panel