

Progress Power – Meet the Team

3rd July 2017

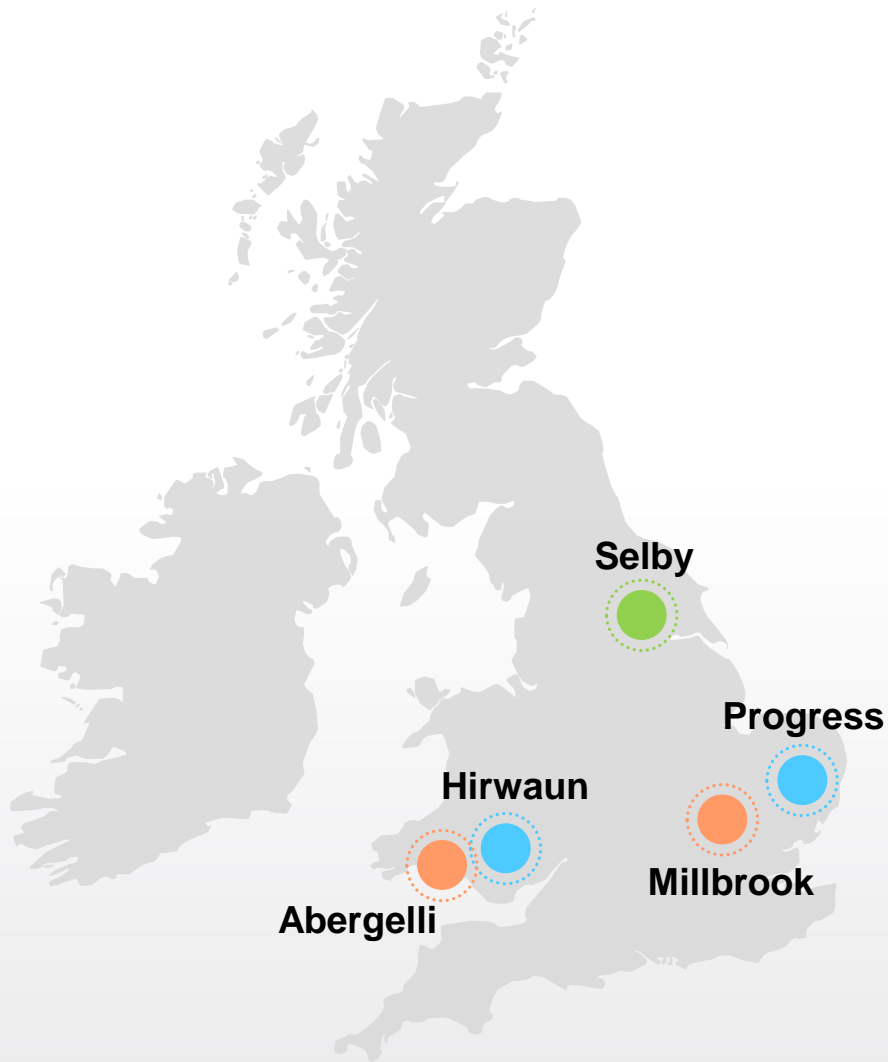


Introducing Drax Group plc

- 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



Name	Status
Drax Power Station	Operational
Progress Power	Approved 2015
Hirwaun Power	Approved 2015
Millbrook Power	In planning
Abergelli Power	In planning

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)

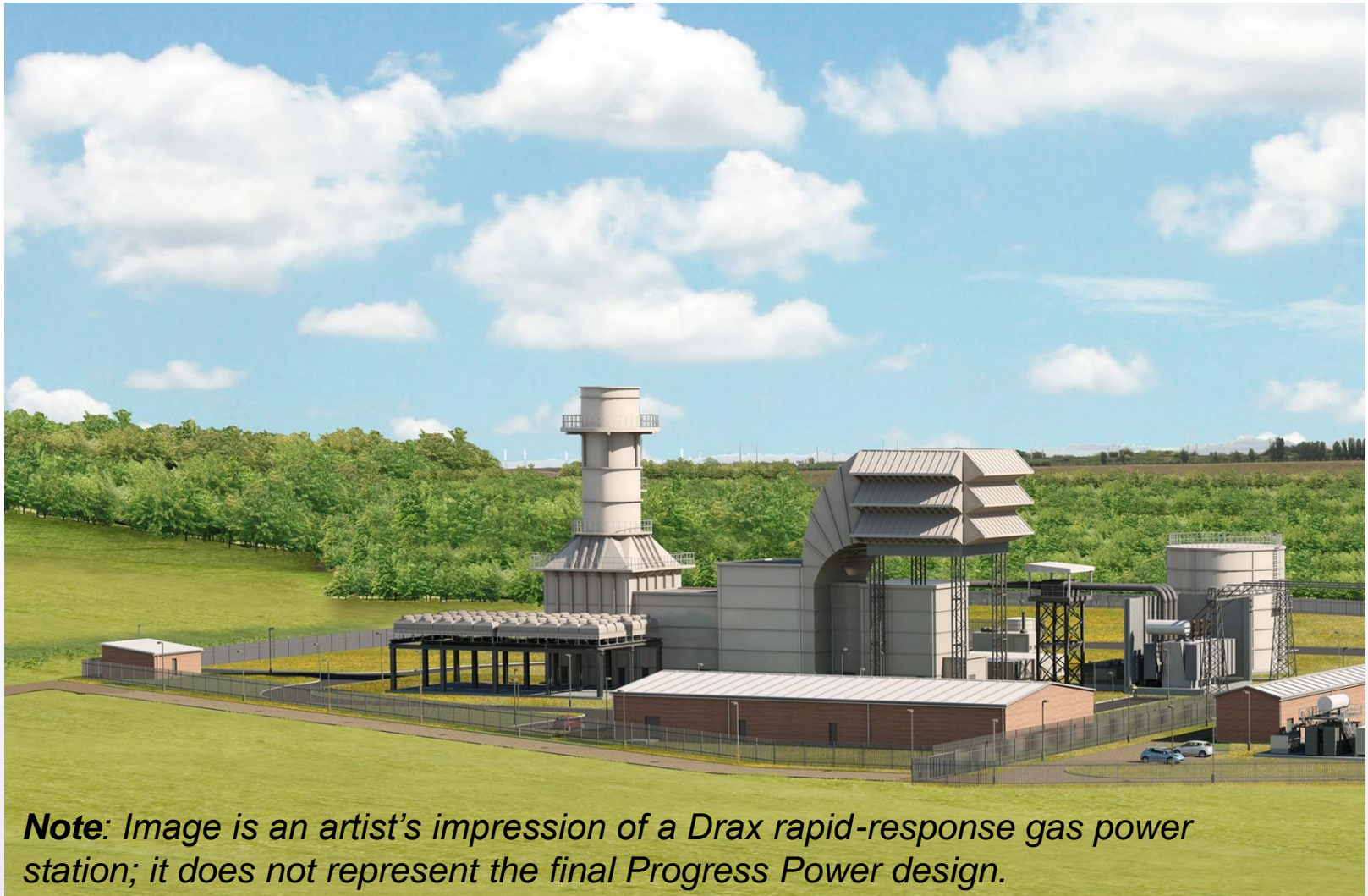
2017

- Preliminary site works (April – July)

Preliminary site work: findings

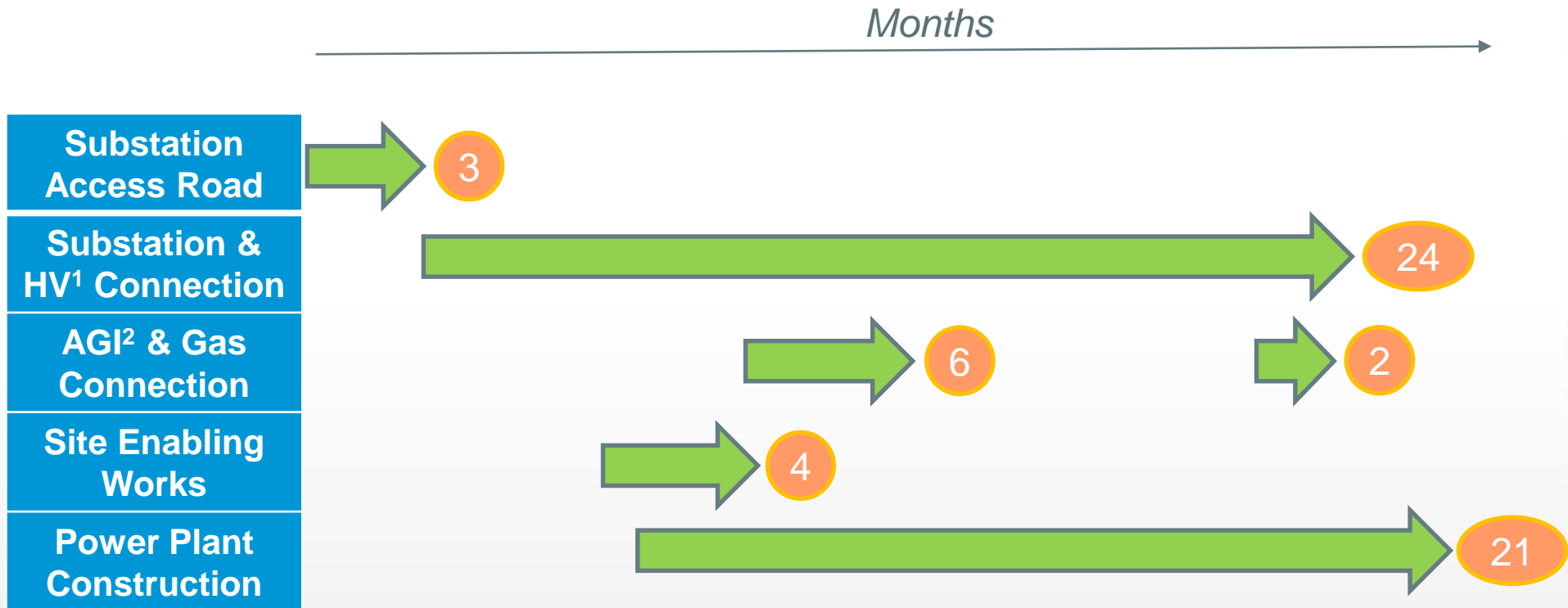


How could it look? Illustrative image of an OCGT



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



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