

## HM GOVERNMENT OF GIBRALTAR PRESS OFFICE

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## **PRESS RELEASE**

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## UK's Health and Safety Executive Have Approved the LNG Power Station

It is not surprising that the Opposition have chosen to criticise the Government's plans to establish a dual-fired power station in Gibraltar, given that they seem to spend most of their time criticising practically everything that that Government does. However, the nature of the criticism of the new power station and the approach that they have adopted marks a new low even for them. Their attitude is grossly irresponsible and is simply based on scaremongering people by peddling misinformation and half-truths.

It is clear that having failed to make inroads against the Government by using reasoned arguments, the Opposition are now determined to take politics in Gibraltar to the gutter

The Government wishes to reassure the public that the tender for the new dual-fired power station was only awarded after it was established that Liquefied Natural Gas could be safely delivered and stored in Gibraltar.

Before the tender was awarded, a preliminary assessment study was conducted to determine that the supply and storage of Liquefied Natural Gas would be viable for the Port area. This was followed by vapour dispersion modelling and pool fire scenario testing to determine the safest options for the storage of Liquefied Natural Gas and its supply to the power station.

On 7th June 2013, the Environmental Agency contacted the Health and Safety Executive (HSE) in the UK on behalf of the Government and entered into a contract with the Health and Safety Laboratory (HSL) - a part of the HSE - to provide consulting services on all aspects of Liquefied Natural Gas. The HSL in the UK is responsible for providing advice to Planning Authorities on the acceptability of any proposed Liquefied Natural Gas plant, following detailed assessments specific to the particular project.

In January 2014, two representatives of the HSL came to Gibraltar to assess the two proposed sites for the storage of Liquefied Natural Gas. They considered both these sites with the information provided on design, storage capacity and safety features, and carried out a risk based assessment on the viability of the two proposed projects.

The HSL was provided with details of all nearby residential areas, the location of the hospital and schools. They have produced modelling and a series of hazard range assessment studies and concluded that a Liquefied Natural Gas storage plant meeting certain design criteria, capacity and safety features is feasible at the two proposed sites.

Only after expert advice indicated that both a dual-fired power station and a Liquefied Natural Gas storage facility were safe and practicable was the decision taken to proceed with the project.

After the tender for the dual-fired power station was awarded, a Prior Information Notice was issued to invite expressions of interest for the supply and storage of Liquefied Natural Gas, with the requirement to supply natural gas to the new power station. The Government have a provisional arrangement with three potential suppliers to assess and determine the possibility of Liquefied Natural Gas storage at various locations within the Port area.

Together with Bouygues and the prospective suppliers of Liquefied Natural Gas, the Government are assessing the safest and most economical location for the storage facility. This is part of an ongoing process of consultations and assessments.

The Government is currently engaging expert advice in the relevant fields regarding implementation and delivery of the new dual-fired power station. At this stage, the Government is working with its own Regulator and independent assessors to review all the safety considerations and assessments that have been conducted to date to ensure that they are in accordance with the relevant UK and EU legislation and that the facilities are designed and constructed in fulfilment of these assessments.

In response to the Opposition's deliberate resort to the politics of fear, the Government takes this opportunity to clarify that Liquefied Natural Gas is in liquid form, and is stored at minus 162 degrees Celsius in a double skinned tank. This storage facility cannot explode. The type of catastrophe that the Opposition describes belongs in a science-fiction movie.