

ENERGY MINISTER CALLS IN

The Minister of Energy for the Canadian province of Alberta has paid a visit to Wilton International.

The Honourable Mel Knight was on Teesside to see Sembcorp's integrated utilities concept in action.

Alberta is home to the second biggest oil reserves in the world, much of it contained within sand ('oil sands')

Oil extracted from sand is then refined into crude oil and exported, mainly to the United States.

However, the province is looking to get greater value from its vast oil reserves by developing a downstream chemical industry – similar to the model on Teesside – which makes use of the by products of oil refining.

The entire Teesside chemical industry was developed on this model and the Minister and his party were interested to hear that the proposed £2 billion SONHOE refinery development, if it goes ahead as planned, would create the next generation of downstream production - making use of the hydrogen, naphtha and kerosene created as by products of heavy crude oil refining.

After talks with Paul Gavens, Nick Booth and Redcar MP Vera Baird, the group was taken on a site tour by Sembcorp Business Development Manager Patrick Pogue – including a brief stop at the new biomass, package boiler and gas turbine investments. Later the Minister met Dr Stan Higgins, Chief Executive of the North East Process Industries Cluster (NEPIC).

The Minister said: "You have an extremely impressive model here on Teesside and we can learn a lot from this type of development in planning our own model for the future."

A central tranche of Sembcorp's growth strategy is to expand its centralised utilities, power and industrial parks concepts into other parts of the world.

Sembcorp has a solid base in China and the Far East, a more limited presence in the Middle East (Fujairah in the United Arab Emirates) and operations in the UK, but has no current facilities in the USA or Canada.

The picture shows Mr Knight (left) with Vera Baird and Paul Gavens in the Jurong Room at Sembcorp UK headquarters.

