



POWERGEN



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PowerGen, after flotation, will be one of the largest privately owned electricity generating companies in the world.

PowerGen's main business will remain the generation of electricity. We aim to be a reliable, efficient and competitively priced supplier and to be innovative and responsive to customer requirements. We aim to become the UK's lowest cost producer of electricity.

PowerGen will seek to extend its business in areas associated with electricity generation and in other forms of energy and related services.

PowerGen will pursue these aims with the object of satisfying our customers, creating value for our shareholders and providing secure and rewarding jobs for our employees.

We intend to act with integrity at all times, to maintain and develop high standards of safety and environmental care, and to be a responsible member of the communities in which we operate.

ROBERT MALPAS, CHAIRMAN

August 1989

POWERGEN - THE EMERGING COMPETITION

PowerGen is a business for the future, born out of a giant of the past.

Under the United Kingdom Government's privatisation plans, the Central Electricity Generating Board is being split into a number of separate companies in order to create a competitive market in electricity.

PowerGen will be one of two principal companies entrusted with generating electricity, while a third company will control the main transmission of power.

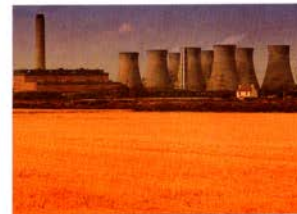
As well as supplying electricity to the distribution companies - the successors to the area electricity boards - we will be competing to provide energy packages tailored to individual industrial and commercial customers throughout the country.

We aim to be active not just in the generation of electricity but in other energy-related areas.

We will invest in technologies which will bring long term benefit to the business. In particular, we will be working with our customers, suppliers and others to extend the range of fuel options and to develop more efficient and cleaner ways of producing electricity.

These activities will be supported by a programme of commercially-focused research which will include investigating the advances in renewable power resources. As far as nuclear power is concerned, for us it is an option for the future.

Our guiding principle is to be efficient in everything we do.





Left
Part of the vast turbine hall at
Cottam power station.

Far Left
Cottam power station set in the
Nottinghamshire countryside.



Above
A view of Kingsnorth power
station on the river Medway
Kent.
A ship can be seen unloading coal
at the deep water jetty.

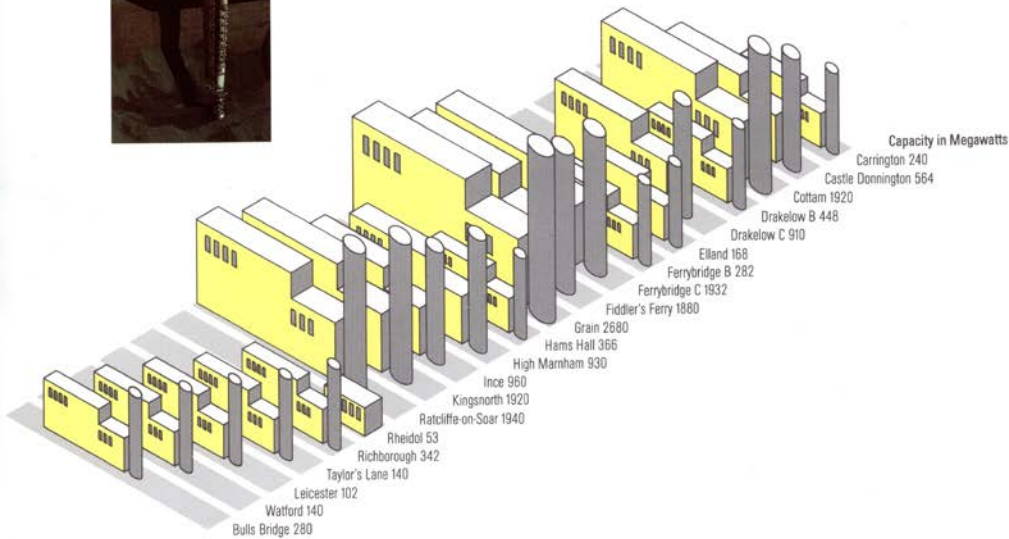
Right
One of two giant Concilliums used
at Kingsnorth to unload coal from
ships.

POWERGEN - POWER FOR PEOPLE

PowerGen has 21 power stations – coal, oil, gas and hydro electric – and it has other sites suitable for future operational development. In the majority of cases stations have been built close to a source of fuel, such as the coal fields in Yorkshire and the Midlands and fuel terminals on the coast.

Our stations are capable of producing nearly 19,000 megawatts of electricity – enough to meet the demands of more than a third of the homes, offices and factories in England and Wales. In 1988/89 PowerGen stations produced 75 billion kilowatt-hours of electricity.

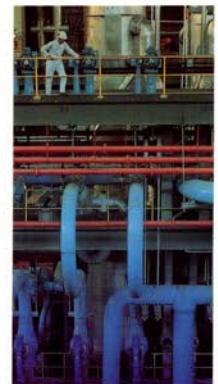
Our power stations are commercially focussed and are supported by research, engineering, workshop and training facilities.



POWERGEN ORGANISATION & DIRECTORS

The management team at PowerGen is a powerful combination of talents and experience. It includes people whose expertise has been gained over many years in the electricity generating industry, together with those who bring new skills from private industry, especially in the commercial and financial areas.

The management structure is designed to eliminate unnecessary intermediate layers; short lines of communication and individual responsibility enable staff to be responsive and flexible – vital in a company where the customer comes first.





From left to right

David Dance

Executive Director, Generation
His previous posts included responsibility for generation from a number of the CEBG's major power stations. He is now responsible for generation from all PowerGen's stations.

Robert Malpas

CBE, F. Eng., Chairman
Previously a Managing Director of BP and before that an Executive Director of ICI, Robert Malpas was appointed the first Chairman of PowerGen.

Ed Wallis

Chief Executive
Ed Wallis gained wide experience in coal, oil and nuclear power generation and held a number of senior posts in the CEBG before being appointed Chief Executive of PowerGen.

Roger Jump

Executive Director, Engineering
He has wide experience of power station management and construction. He has responsibility for the construction, engineering and technology of all PowerGen plants.

Dr. Ail Roberts

Executive Director, Commercial
He held a number of senior positions in engineering and financial divisions of the CEBG before becoming responsible for the commercial activities of PowerGen.

John Rennocks

Executive Director, Finance
He was previously Finance Director of Smith and Nephew plc. His new responsibility covers all aspects of PowerGen's finance.

Not included in photograph

Sir Graham Day

Non-Executive Director
Sir Graham Day is Chairman and Chief Executive of The Rover Group plc and non-executive Chairman of Cadbury Schweppes plc.

Paul Myners

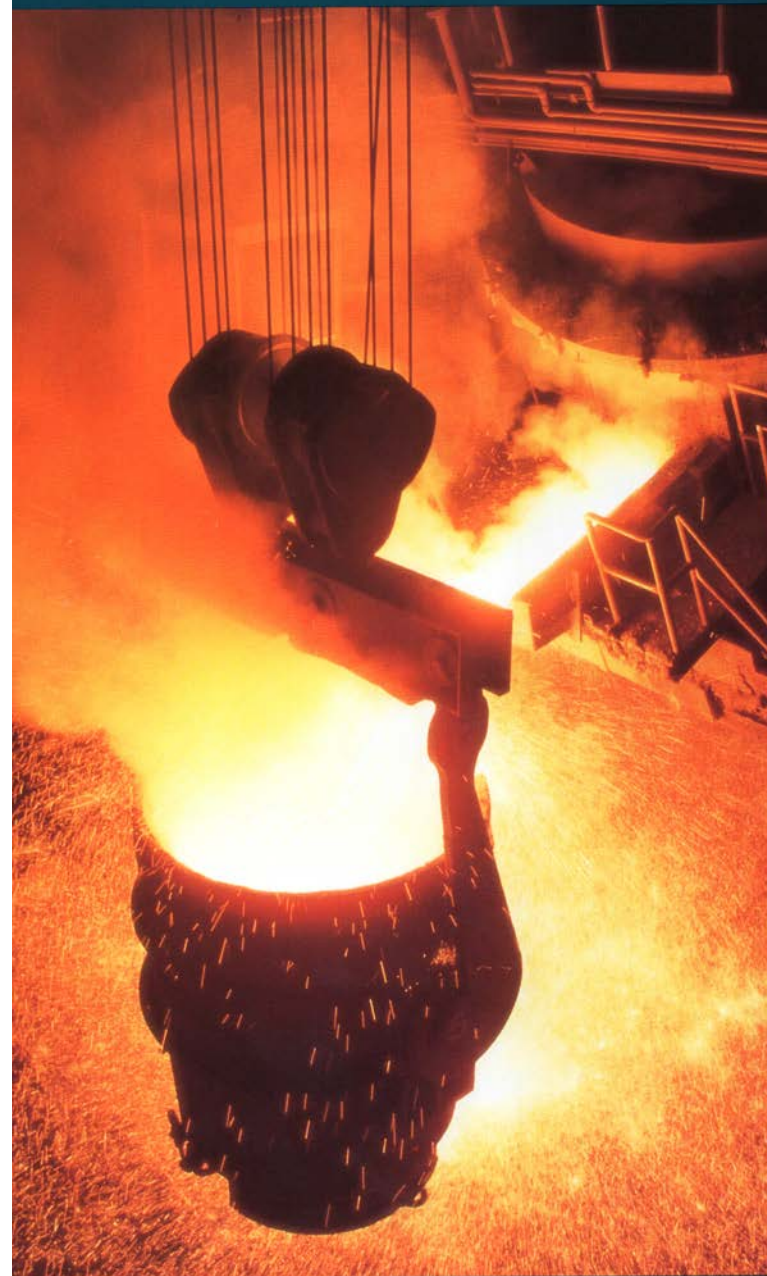
Non-Executive Director
Paul Myners is Chairman and Chief Executive of Gardmore Investment Management Ltd., and is a Director of British & Commonwealth Holdings plc.

Colin Southgate

Non-Executive Director
Colin Southgate is Chairman and Chief Executive of Thorn EMI plc.

While PowerGen remains a division of the CEBG, these positions are held as officers designate of the successor company.

Left
Inside Ratcliffe-on-Soar power station



Left
Industry benefiting from PowerGen.

Far Right
Part of the main control room at Cottam power station.



COMPETING FOR THE CUSTOMER

Our objective is to become a competitively priced producer of electricity, and to be reliable, responsive and innovative in meeting our customers' total energy requirements.

Our success in competing for customers will depend on our being sensitive to their needs – the better we serve them the more prosperous we and they become.

We will strive to be efficient in everything we do and to work with our customers to improve the way in which they use our product in their business.

To meet our customers' needs we will capitalise on our experience in the application of energy-efficient technologies, reduce waste as far as possible and concentrate resources on those things which add value.



FOR OUR SHAREHOLDERS

The owners of our company will be our shareholders, who may include banks and insurance companies as well as members of the public and employees.

We will seek to create value for them in order to encourage investment and expand the business.

We will seek to strengthen our market position within the energy sector – our aim is to expand existing electricity generating activities and to develop into related areas.

We will do everything possible to ensure that each of our activities holds a strong position in its market, that each is a low cost producer and is capable of making a substantial contribution to the whole – in everything we do we aim to be a leader.





Above
Steam rising from giant cooling
towers.

Top Left
Coal, an important fuel in
PowerGen's future.



POWERGEN'S PEOPLE

PowerGen's success depends on its people.

By satisfying customers' needs and creating value for shareholders, PowerGen's employees will bring prosperity to the company and thus to themselves in terms of job security and competitive remuneration.

PowerGen's 9,500 inherited staff provide a wealth of skills as well as an extensive range of experience in the world of electrical power generation. The new competitive market place will allow them to develop and play their part to the full.

We look to securing the commitment of all employees not just as individuals but as part of a highly-motivated PowerGen team in order to attain the highest standards of quality and value in a commercial environment.

We aim to provide effective training and development programmes aimed at making the best of staff achievement and performance. We will encourage individual responsibility, initiative and flexibility and we will reward high performance.

In this way we shall be amongst the very best companies in terms of our treatment of staff and the quality of service we provide to our customers.

At PowerGen we believe competition –
and our response to it – will serve the
interests of our customers, shareholders
and employees.

PowerGen – the emerging competition



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UNTIL VESTING DAY, POWERGEN WILL REMAIN A DIVISION OF THE CENTRAL ELECTRICITY GENERATING BOARD