

## Re Contract

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Shanks Group PLC  
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### Shanks Group plc

#### Shanks joint venture 3SE reaches financial close on £750m BDR PFI Contract

Shanks Group plc, one of Europe's leading waste management businesses, is pleased to announce that its majority owned joint venture with SSE, 3SE (Barnsley, Doncaster & Rotherham) Limited ('3SE'), has signed a 25 year contract worth in excess of £750 million with Barnsley, Doncaster and Rotherham ('BDR') Councils for the treatment of black bag waste.

Subject to planning permission being granted, Shanks will build a Mechanical Biological Treatment ('MBT') and Anaerobic Digestion ('AD') facility at Bolton Road, Manvers by 2015. This plant will process municipal solid and organic waste into recycled products, solid recovered fuel ('SRF') and biogas for energy generation, and digestate for compost and fertilizer. Shanks will operate the facility over the 25-year period of the contract until 2040.

The Bolton Road facility will be one of the first where Shanks has delivered an MBT and an AD plant on the same site and will treat up to 265,000 tonnes per year of leftover household waste and a small amount of commercial waste from the three councils.

Under the agreement, SSE will use around half of the SRF produced at a new multi-fuel plant at Ferrybridge to generate electricity. When the facility at Bolton Road is operational it will lead to a saving equivalent to 114,000 tonnes of CO<sub>2</sub> every year.

Peter Dilnot, Chief Executive of Shanks Group plc, said:

**"We are delighted that our joint venture, 3SE, has reached financial close on the BDR PFI contract. This contract combines Shanks' established expertise in advanced and sustainable waste processing with SSE's leadership in sustainable energy generation. Working together with the three councils we will maximise recycling and green energy production from waste."**

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