

SSE gives update on Keadby Two Power Station delay

SSE has given an update on when its latest power station should be operational.

Keadby Two, a £350 million combined cycle gas turbine plant in North Lincolnshire, will recommence commissioning this week, with the performance validation period anticipated to complete on February 11. The update was given in the company's third quarter trading statement, having revealed a delay in the [market update ahead of its half-year results](#), published in September.

SSE had secured a 15-year capacity agreement for Keadby Two in the UK Capacity Auction process held in March 2020, which had been scheduled to begin on October 1. A delay in completing the commissioning meant it missed the start-date. Details why it has been put back have not been given, with major projects often encountering snags.

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Delivered through the Covid pandemic, two more plants are proposed to follow, with [Keadby Three having just obtained its development consent order](#) – and set to include carbon capture and storage – while a fourth plant in the SSE-owned cluster will run on hydrogen.

Keadby Two is anticipated to bring [a £1 billion economic benefit over its lifetime](#), with the addition – delivered with Siemens – supporting 220 jobs in the area.

With a capacity of 893MW, it is described as “the cleanest and most efficient gas-fired power station in Europe”.

It is designed to provide flexible electricity generation

capacity, helping balance renewable input and demand peaks, with the turbine able to reach full power in 30 minutes.

SSE is updating its current expectations for full-year 2022/23 adjusted earnings per share to more than 150p from the previous guidance of at least 120p. It said it “reflects the strength and stability of its balanced mix of regulated and market-facing businesses with continuing good availability and supportive market conditions leading to flexible generation plant and gas storage optimisation significantly offsetting lower than planned renewables output and hedge buy-back costs”.

It said it remains on course to deliver record investment in excess of £2.5 billion this year.

The company has recently announced a new [hydrogen pathfinder project](#) to add production to storage ambition in East Yorkshire, having partnered with Equinor. The energy giants [recently acquired Triton Power in a joint venture](#), with huge interests at Saltend, and are progressing the hydrogen plans at Keadby.

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