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STAGECOACH LAUNCHES UK'S FIRST BIO-BUSES

- Pure biodiesel from used cooking oil to power vehicles in Scottish trial
- Six-month carbon reduction project endorsed by Scottish Secretary
- Green incentive scheme exchanges recycled oil for discounted bus travel
- Cleaner fuel technology expected to cut CO2 emissions by up to 82%
- Joint project with Motherwell-based bioenergy specialist Argent Energy

Stagecoach today (26 October 2007) launched the UK's first *Bio-buses* as part of a ground-breaking environmental initiative that will allow customers to exchange used cooking oil for discounted bus travel.

Eight vehicles in Kilmarnock will run on 100% biodiesel manufactured from used cooking oil and other food industry by-products, resulting in an expected 82% cut in CO2 emissions.

Crucially, the bio-diesel is produced from tallow and used cooking oil, both of which are sustainable sources that do not involve the destruction of natural habits or compete with the human food chain.

All households on the Service 1 route, which runs from Stewarton to Darvel via Kilmarnock and carries around 15,500 passengers a week, will receive a free container to recycle their used cooking oil. It can then be taken to East Ayrshire Council's recycling plant at Western Road, entitling customers to a voucher for money off their bus travel.

The single-deck *Bio-buses*, running under the slogan "Do your part, be Bio smart!", have been fitted with bespoke dual fuel tanks as part of the project undertaken with Motherwell biodiesel business Argent Energy Ltd.

Argent Energy, which operates the UK's first large-scale biodiesel plant, will provide bulk fuel storage at Stagecoach's Kilmarnock depot for the duration of the six-month trial and will supply all the biodiesel.

The *Bio-bus* initiative, which will produce an annual saving of 960 tonnes in carbon emissions, was launched by Secretary of State for Scotland and Kilmarnock and Loudon MP, The Rt Hon Des Browne.

Mr Browne said: "I welcome this innovative collaboration between two of our leading companies. A recycling initiative that fuels public transport cuts carbon emissions twice over. It is particularly important that the project is using bio fuel from wholly recycled material and not from a source competing with food production. The Government is in the process of introducing a renewable transport fuel obligation designed to significantly reduce carbon emissions from transport. Stagecoach and Argent are to be congratulated for their efforts to support the development of clean and sustainable transport fuels by setting up this project."

Brian Souter, Stagecoach Group Chief Executive, said: "This innovative project is a great opportunity for our customers to play their part in saving the planet by recycling household products that would otherwise go to waste. I'm sure the idea of cheaper travel in exchange for the used contents of your chip pan will capture people's imagination.

"Bio-energy is an excellent renewable fuel, which has a number of environmental benefits, and we are delighted to carry out the first UK trial of this technology on a commercial bus service. We are looking forward to assessing these vehicles and the potential of this technology for our bus operations in the UK."

Jim Walker, Operations Director of Argent Energy, said: "We are delighted to work with Stagecoach on this ground-breaking trial. I am pleased that Stagecoach has recognised the importance of using biodiesel made from the by-products of other industries and from the left-overs from our everyday lives.

"Because we recycle these products as our raw materials, Argent Energy biodiesel is exceptionally environmentally friendly. So not only will Argent guarantee a quality product for these eight buses, their carbon footprint will be significantly reduced, benefiting the community as a whole."

Councillor Robert McDill, Spokesperson for Environment and Regeneration at East Ayrshire Council, said: "I think the general public will welcome the opportunity to recycle a valuable waste product, which can be reprocessed into an environmentally friendly fuel, helping to cut CO2 emissions."

The buses involved in the trial have MAN engines and Alexander Dennis bodies. The dual fuel tanks have the capacity for 184 litres of biodiesel and 40 litres of mineral diesel.

From first start up in the morning, the buses will run on mineral diesel until the normal engine operating temperature is achieved a process that takes no more than 10 minutes. The system then automatically switches over to biodiesel, which powers the vehicles all day.

The UK Government is encouraging the use of renewable fuels as part of its drive to cut carbon emissions.

Stagecoach currently uses a blend of 5% biodiesel in more than 4,300 vehicles, covering around 60% of its UK Bus fleet. Last year, Stagecoach conducted the first UK trials of a bioethanol-fuelled bus outside London to evaluate the technology that can use sugar beets to power vehicles. The pilot study covered Liverpool, Barnsley, Sheffield, Newcastle and Manchester. Ethanol-powered buses are already in operation in Sweden, Spain, Italy and Poland, delivering significant reductions in carbon dioxide and particulate matter.

Stagecoach has also tested fuel additive technology as part of its drive to cut fuel consumption and associated vehicle emissions.

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NOTES TO EDITORS

Stagecoach

- Stagecoach is one of UK's biggest bus and coach operators, connecting communities in more than 100 towns and cities.
- The company runs around 7,000 vehicles from Devon in south-west England to Inverness in the Highlands of Scotland, carrying around 2 million passengers every day.
- Stagecoach services cover many of the UK's major cities, including Manchester, Liverpool, Newcastle, Sheffield, Hull, Oxford and Cambridge, as well as key shire towns and rural areas.

Argent Energy (UK) Ltd

- Argent Energy is a pioneer in the biodiesel business and operates the UK's first large-scale biodiesel plant of its type.
- The plant, located near Motherwell in Scotland, started production of biodiesel in March 2005 and plans are in hand to expand operations in the UK and overseas. The company uses only tallow and used cooking oil as feedstocks.
- The Motherwell facility has a production capacity of 45,000 tonnes (more than 50 million litres) of biodiesel per annum and is currently producing a weekly average of approximately 875 tonnes (approximately 1 million litres).
- Planning permission has been granted for a second plant at Ellesmere Port in Cheshire, which is planned to have an annual production of 170 million litres - more than three times the capacity of the existing plant. The new plant is expected to be built in two stages. Phase 1 will provide 85 million litres of production capacity and the infrastructure to double that as the market develops.
- The company is also investigating the feasibility of establishing a plant in New Zealand.

Biodiesel

- Biodiesel is one of the main candidates to replace fossil fuels as the world's primary transport energy source.
- It is a renewable, cleaner-burning fuel that can be refined from an array of oil and fat-based materials, including tallow, used cooking oil and vegetable oil through a process known as transesterification.
- Biodiesel is a non-toxic, biodegradable fuel that can be used as a pure transportation fuel or can be blended with mineral diesel for use in normal mineral diesel engines. In comparison to mineral diesel, biodiesel can deliver benefits to both the environment and to vehicle engines where it acts as a lubricant.