

EDITORIAL

Dear colleagues

Welcome to your company! One of the truly exciting things about working for RWE Gas Midstream is the fact that this is a completely new company. That means we all, both as a team and individually, have the unique opportunity of creating a company with the kind of culture that we want to work in, that we want to be successful in. That is something that we are all responsible for. Every day. But we are not creating this new company out of a complete void – I believe that we already share a vision for this company: we aspire to turn RWE into one of the leaders in the European gas industry, with Gas Midstream mastering all the challenges of the gas value chain. We are here to create sustainable value for our external and internal stakeholders by utilizing physical and financial opportunities.

We all want our team to be recognized and respected for its high standards of professional excellence, flexibility, innovation and speed. These are all clearly things that are worth striving for. To what extent we are actually able to realise that vision is up to us. It is up to us to fill that vision with life. I, for my part, am looking forward to the coming weeks, months and years. I am looking forward to the time we spend working together. And I am looking forward to creating a vibrant and successful company that fulfils our vision.



Open for business

Several programmes planned to build a culture of open communication



The kick-off meeting gave people a chance to work together and to look at their business culture heritage

It was a successful day, filled with information and new faces. But the kick-off meeting not only offered content, it also defined a structure.

The entire meeting had a hands-on atmosphere, a definitive first step in the creation of company culture.

From the introduction of the board and their teams to Stefan Judisch elucidating strategy development, the tone was that of communication happening on eye level.

And there was plenty of space to allow people to take part – and they did. Professor Jim Dowd gave people the chance to openly discuss what they would like to bring with them to this new company (see article p.6). And that discussion was open, friendly and honest. A range of programmes

“The reality of how we work together is up to us.”
Stefan Judisch at the kick-off meeting

are being planned to be able to carry this atmosphere forward and to embed it in our company culture. One of those programmes is this paper. Published four times a year, it will tell you about what is hap-

pening in the company – and voice your opinions and ideas. So if you have criticisms, or if you feel there is a topic

“...a first step in the creation of company culture”
Sound bite from the kick-off meeting

where the Board gets together with the direct reports for an informal lunch. For the “Business Pizza lunches”, the Board will invite at least 8 employees each month, starting from July, to talk about current and future business projects, as well as questions of human relations. Once a quarter gas mid-

stream:talks will offer a presentation by a colleague who will talk in detail about the work they do, giving everyone

the chance to learn about the business. These are just some of the things that are in the works. In the end, however, it is up to us. We are all drummers in one big band. We can only create something new and exciting if we listen to, and learn from each other. We will create the opportunities to do that – all you have to do is use them.

i Andrea Thöne, phone: +49 (0)201 12 17 223

GAS MIDSTREAM NEWS

Strategy: Stefan Judisch on a work in progress

In order to develop the right business strategy, it is vital to assess both the current market situation and where the market is going. Stefan Judisch takes a look at some of the factors that will determine the activities of Gas Midstream. [p. 3](#)

LOCAL & GLOBAL

Feeding RWE's power plants with the best coal

Who makes sure that coal of the right quality will be at the power plant just in time? Only 18 months ago Emma Law of RWE Trading started to build up her logistics team in Swindon. [p. 4](#)

LOCAL & GLOBAL

RWE Group to invest more in renewable energies

Although RWE is well placed with power output of 2,000 megawatts based on renewable energies, the Group plans to spend €700 million on expanding capacity between 500 and 700 megawatts over the next five years. [p. 4](#)

TEAMWORK



If you ain't got culture, you ain't got nothing

Harvard Professor Jim Dowd explains how company cultures function and then gives Gas Midstream employees the chance to apply this to the companies they come from and to the future Gas Midstream. [p. 6](#)

COMMUNITY

Getting into the swing of things

Finally, it was time for Gas Midstream to beat its own drum. The kick-off meeting ended with a driving beat as the participants sat down to discover that music and business have a lot in common. [p. 8](#)

COMMUNITY

Impressive experiences near the South Pole

Ice as far as the eye can see and perceived temperatures of minus 60 degrees celsius – welcome to the Antarctic. Find out what life is like in this 'inhospitable' place. [p. 8](#)



Electricity and gas via the internet

Dortmund The acquisition of 'eprimo' takes RWE Energy into new marketing territory in Germany. eprimo has been marketing electricity on the internet since 1999.

“We expect competition for retail customers to get fiercer,” says Dr Andreas Radmacher, RWE Energy's executive board member responsible for sales. “The takeover of eprimo strongly reinforces our market position over the long term.” The German Federal Antitrust Office still has to approve the takeover.

eprimo supplies 140,000 retail and business customers across Germany with electricity. Expansion of the service to supply gas is planned for the end of the year. The online package complements the packages marketed by RWE's regional companies and focusses on areas where RWE has not been represented to date.

RWE launches new campaign in Germany

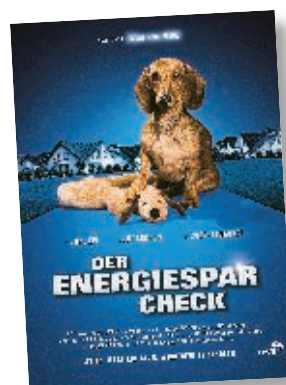
Dortmund March will see RWE launching its first national advertising campaign for electricity customers in Germany for eight years.

Under the claim: ‘An Idea from RWE’, the campaign shows how customers can save energy and thus cut costs at home. TV spots will be broadcasted right across Germany and ads will be placed in national newspapers and magazines.

The campaign uses domestic pets as characters, such as the sausage dog Mickey (pictured right). The aim is to use the animals to position RWE as an expert, responsible company when it comes to the environment and the community. Mickey

starts off by showing how you can save energy at home, by using a cuddly dog as a draught excluder.

Agency Scholz & Friends developed the campaign for the whole RWE Energy Group in Germany. The content has been designed in a way that each regional company can easily use it.



Jürgen Großmann to become new CEO

RWE Group: Harry Roels will retire in February 2008

Essen Dr Jürgen Großmann will succeed Harry Roels as Chief Executive Officer of RWE AG in February 2008. This was decided by the Supervisory Board of RWE AG at its meeting at the end of February. Harry Roels will retire when his contract expires on 31 January 2008.

Successful entrepreneur

During recent years, Großmann has established a reputation as a successful steel industrialist (Georgsmarienhütte Group). He has already established close ties to the RWE Group as customer and member of the Economic Advisory Council.



Dr Jürgen Großmann

Jürgen Großmann will join the Executive Board of RWE AG on 1 November 2007 and take over as Chairman and CEO on 1 February 2008.

Turn to page 2 to read our interview with Harry Roels.

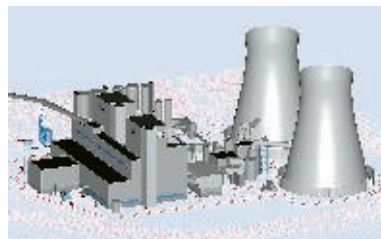
Power plant in Hamm will be a joint venture

Essen RWE Power has largely reached agreement with the municipal companies within the GEKKO Project group (joint venture power plant coal) on the construction of a jointly owned hard coal-fired power plant at Hamm in Germany (see team: December 2006)

A total of 25 municipal companies from North Rhine-Westphalia, Hesse, Lower Saxony and Rhineland-Palatinate intend to participate in the hard coal-fired twin-unit plant planned by RWE Power at the Westfalen site. The capital expenditure totals around €2 billion. RWE Power submitted the planning application for permit to the local authorities in mid February.

The plant is designed to have a capacity of 1,600 megawatts, with a capacity share of the municipal companies accounting for 350 megawatts.

"We are pleased that we are able to work with RWE on this power plant project," says Helmut Engelhardt of the Dortmund utility DEW 21, one of the 25 GEKKO partners. "By taking a stake in generation, we at DEW21 can put our electricity procurement on a broader basis, thereby improving our position in the market."



Simulation of RWE Power's planned two unit coal-fired power plant

Important gas discovery in Egypt

Hamburg RWE Dea has made an important natural gas discovery off the Egyptian coast in the Mediterranean Sea. Operator BP (60 per cent share) and Partner RWE Dea (40 per cent) have made a gas find at the Giza North-1 well in the North Alexandria concession. The estimated volume for this strike is more than 1 trillion cubic feet of gas. This is equivalent to more than one fifth of annual UK gas consumption. The size of the find will be confirmed by further drilling over the coming months.

Our strategy is bearing fruit

Interview: RWE CEO Harry Roels on organic growth, investment programmes and sales initiatives

RWE CEO Harry Roels talked to team: about strategy, investments, sales initiatives and the personnel changes at the top of the Group

team: During the presentation of the results for 2006 emphasis was on 'organic growth' and 'investments in core strengths'. Meanwhile, our major competitor is going on a spending spree in Europe. Are we missing out here?

Roels: Not at all. Our strategy of growing on the basis of our own strengths might not be as spectacular as the approach taken by some of our competitors. But it is bearing fruit as our outstanding result for 2006 proves. Our strategy has really gained momentum. The core of this strategy is strong investments. Maybe investments in new, innovative power plants don't sound as exciting as big company takeovers. However, in my view they are often significantly more valuable over the long term for the Group, our staff and our shareholders than overpriced major acquisitions. For instance, one of Germany's leading financial newspapers says: "... anyone in the energy industry trumpeting big visions today, is generally talking about a hasty push towards gargantuan structures. Anyone who is fixated on this goal and ignores the soft factors is pursuing a very simplistic strategy."

team: Are you ruling out takeovers?

Roels: We do not generally disapprove of acquisitions. We are searching for opportunities where we get value for money. But the market is overheated. We check very closely to make sure our stringent financial criteria are met and that we are truly able to realise synergies with our existing business. This means that we take a sober approach and move steadfastly, instead of jumping the gun.

team: And yet there's an enduring impression that nothing much is happening within RWE ...

Roels: That simply isn't the case, we're just launching the biggest investment programme in the history of our company! We want to invest up to €25 billion in power plants, grids, open-cast mines and exploiting gas and oil deposits. The money is being channelled into a large number of projects such as the coal-fired twin-unit



Harry Roels in conversation with team:

plant in Hamm or the CO₂-free coal-fired power plant in Germany. The latter would represent a quantum leap for us, particularly against the background of climate protection. Clean coal is key to the energy and climate protection policy of the future. And RWE has taken up a leading position here.

team: Are we also investing outside Germany?

Roels: Around 15 billion euros are being invested in Germany, and we want to invest the remaining budget abroad. For example, in a coal-fired power plant in the Netherlands and the construction of a CCGT power plant in the UK. RWE npower is in fact currently assessing the potential for a second CCGT power plant. And RWE Dea is investing massively in gas exploration and extraction, for example in Egypt and Norway.

team: But politics continue to remain a

critical factor, for example with the National Allocation Plan or in antitrust legislation. Then there's the debate about unbundling the grids in Germany. What does this mean for our investments?

Roels: We're continuously involved in intensive discussions with politicians both nationally and EU level in order to obtain realistic long-term conditions for our major projects. RWE wants to invest in an ambitious programme and is ready to roll. But we can only move forward if there are stable political and regulatory conditions.

team: In Germany, eprimo will be RWE's internet sales channel for electricity, and there are also plans to use it for gas. Is this going to weaken our core business and compromise our municipal utility partners?

Roels: Absolutely not. Rather, we're facing up to increasing competition. eprimo complements our regional

offers. We want to acquire customers especially in high-price regions by using competitive pricing based on the low sales costs. The core of our sales strategy is that RWE, besides offering a national product range, keeps its local presence and activities in the regions where our customers are located.

team: The new product campaign 'An Idea from RWE' has just started in Germany. Is that really a good fit with our new online sales channel?

Roels: Why not? eprimo targets different customers from those we focus on through our regional companies. The campaign highlights the additional benefits customers in the regions gain, such as through concrete counselling packages. For example offers that show our customers how to use energy carefully and efficiently. This is a key theme as far as we're concerned – and not just in Germany. npower has placed energy efficiency at the centre of customer communication in the UK and is running an innovative marketing campaign – combining the British sense of humour and support for Comic Relief with energy efficiency.

team: Mr. Roels, your contract will expire at the end of January 2008. Your successor has already been announced. This has caused quite a stir within the Group and among the general public ...

Roels: From 1 February 2008, there will be a change at the top of our Group when Dr Jürgen Großmann takes the helm. Together with the appointments of Dr Rolf Pohlig and Dr Ulrich Jobs, this sets the course for the personnel on the Group's Executive Board for the coming years. It is extremely important

to me that these changes are carried out as smoothly as possible. From November, Dr Großmann will be involved in the corporate strategy, RWE planning and all relevant processes as quickly as possible. This way we will create the best possible conditions for Dr Großmann to fulfil his new role successfully. I can assure you that I will be working with the same commitment as I have given in recent years until the end of January 2008. That's exactly why I now intend to focus entirely on the work to be done over the next twelve months.

"I will be working with the same commitment as I have given in recent years"

"We're launching the biggest investment programme in the history of RWE"

RWE Group exceeds earning targets

Group results: Operating result grows by 14 per cent ■ Financial debt completely eliminated

Essen Dr Klaus Sturany demonstrated real pride when he presented the Group's result for 2006 at the end of February. "These are the last financial statements for which I shall bear responsibility as CFO. They are also the best."

RWE succeeded in outperforming all the earnings indicators compared with 2005. Despite substantial burdens arising from German grid regulation, RWE was able to significantly increase the operating result thanks to the dynamic operating performance, particularly in the field of power generation.

The operating result, the key indicator for the earnings strength of the Group, rose by 14 per cent to €6.1 billion. This meant that the Group

again significantly exceeded the goal of an average five per cent organic growth in operating earnings.

Net income improved by

72 per cent, primarily due to one-off effects arising from the sale of Thames Water and changes in German tax law. Recurrent net income adjust-

ed by this effect and additional one-off effects was nine per cent above the previous year.

The Group was able to completely eliminate financial debt primarily by the sale of Thames Water and now has a positive net financial position amounting to 4.7 billion euros.

The workforce at the Group fell to 68,500, mainly due to the sale of Thames Water and the RWE Solutions Group. If the effects resulting from the sales are factored out, the number of employees in the Group increased by some 1,600 or nearly two per cent.

MASTHEAD

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GROUP KEY FIGURES FOR 2006				
	2006	2005	Change	Forecast 2007
Operating result (€ million)				
Group	6,106	5,371¹	+13.7%	approx. +10%²
RWE Power (including RWE Trading)	2,744	2,112	+29.9%	
RWE Energy	2,506	2,507	0.0%	
RWE npower	512	437	+17.2%	
Water Division	425	586 ¹	-27.5%	- ³
Net income⁴ (€ million)	2,466	2,257	+9.3%	approx. +10%
Workforce⁵ (as of 31.12.)	65,534	85,928	-20.2%	

¹Figure restated. Thames Water and the other water activities sold in 2006 are not included

²Based on pro-forma figures 2006 without American Water ³Discontinued operations

⁴Recurrent net income, i.e. net income adjusted for one-off effects ⁵Converted to full-time positions

THE HISTORY OF...

RWE Gas Midstream

Not so much a history as it is a recipe for the future, RWE Gas Midstream is the result of a lot of gas experience from a lot of companies. The story really starts at the beginning of this century as liberalization started to bring movement to the gas markets. WFG (Westfälische Ferngas) and the gas business of VEW (Vereinigte Elektrizitätswerke) became RWE Gas. Thyssen Gas was then integrated into RWE Gas. In 2004 RWE Gas and Transgas both became part of the gas business of RWE Energy AG. Now the Midstream part has been taken out of this business and combined with the gas supply contracts of RWE Power, the gas sales contracts of RWE Dea and the European Wholesale Origination and LNG business of RWE Trading. Add them all together and that's now RWE Gas Midstream. Next step will be to integrate the midstream business of Transgas a.s. in RWE Gas Midstream.

We have the critical mass, but where do we go from there?

Strategy in progress: a seller's market = LNG and global gas prices = the need to grow

Essen At the kick-off meeting on February 13, Stefan Judisch gave an overview of the RWE Gas Midstream strategy process. team:gas midstream gives a quick review of what was said.

It must be understood that for RWE Gas Midstream, strategy is still a work in progress. But it is a very important work in progress. If there is no strategy, then we would, in the words of Stefan Judisch "run around like headless chickens. And then we are going to be eaten by the market." Developing a strategy means looking at and understanding the market place, our environment and our competitors. It means challenging our assumptions and then coming to a conclusion on how we think the world is going to develop. Looking at the market place we discover that we work in an environment of supply and demand. This is a very important aspect of strategy. Will we be

working in a buyer's market with more supply than demand? A vital question when deciding what to do in the years to come. The fast answer is, we are and will continue to be in a seller's market: it is currently very difficult to get long-term gas supplies, both for pipeline and LNG. This is a fact that we need to deal with in the long term if we want to grow.

Studies conclude that oil prices will remain high, coal will remain highly competitive compared to gas and oil and new forms of energy will only move onto the market very slowly. These are some of the further factors

that will determine how we act in the market. Today we have a situation where liquefied natural gas LNG is gaining in importance. And that will change the gas world because it will lead to a globalised gas price. How will that affect transmission? What kind of infrastructure should we

invest in? In a conversation at the kick-off meeting one person said that it was important to invest in storage, somebody else said there is going to be plenty of storage capacity, we don't need more. If

"If we make the wrong strategy decisions now we will be faced with massive costs in future."

we make the wrong strategy decisions now we will be faced with massive costs in future. And finally, we need to grow. RWE is not recognised as a gas company despite the fact that we have 8 % of the European market. So the main aims of the company are to bundle the gas business, in order to reach necessary critical mass. That has been achieved that by forming RWE Gas Midstream.

We need to diversify, cutting out the middle man. And we need to play globally, rather than regionally. This is where we are right now, but the strategy process is continuing and you will find out more about it at the next meeting on the 11th of May.

"It is currently very difficult to get long-term gas supplies."



Stefan Judisch explaining strategy at the Kick-off meeting

THE BOARD

The Board introduces the Board

To find out what a person is like, ask someone who knows them well. We have not asked a spouse or a partner, but someone who really knows the board member well – another member of the board.

The trader

Bernhard Günther on Stefan Judisch: He's a real character. I met him when he was joining RWE Energy to establish a trading business. He already had a reputation for trading success and he lived up to that by getting RWE Trading off the ground. I'm very happy to be working in a team with him, it makes me confident that Gas Midstream is going to be a success.



Stefan Judisch

The controller

Wolfgang Peters on Bernhard Günther: Bernhard is a man who knows how to count other people's money. As our CFO he will now have the pleasure of counting the money that we make. He comes to us from a very important controlling function in the Holding and he was instrumental in the Aurora team which put in the ground work that was necessary to get this company up and running.



Dr Bernhard Günther

The entrepreneur

Frank-Detlef Drake on Wolfgang Peters: Wolfgang Peters is a true entrepreneur. When looking for examples of organic growth within RWE we were always told about the Netherlands. And when we looked to see who was behind this growth, it was Wolfgang Peters. And let me add this about his negotiation skills: I am very glad that he is in our team and not on theirs.



Dr Wolfgang Peters

The builder

Stefan Judisch on Frank-Detlef Drake: We worked together to set up Short Term Position Management, which has created lot of value for RWE and a lot of fun for those who work there. Then Detlef vanished into the gas world to lay the foundations of this company. We built on this basis and brought all the rest of the gas business of the RWE Group together.



Dr Frank-Detlef Drake

Company structure: departments and responsibilities

If you have ever wondered how it all fits together, here is the chance for a quick overview.

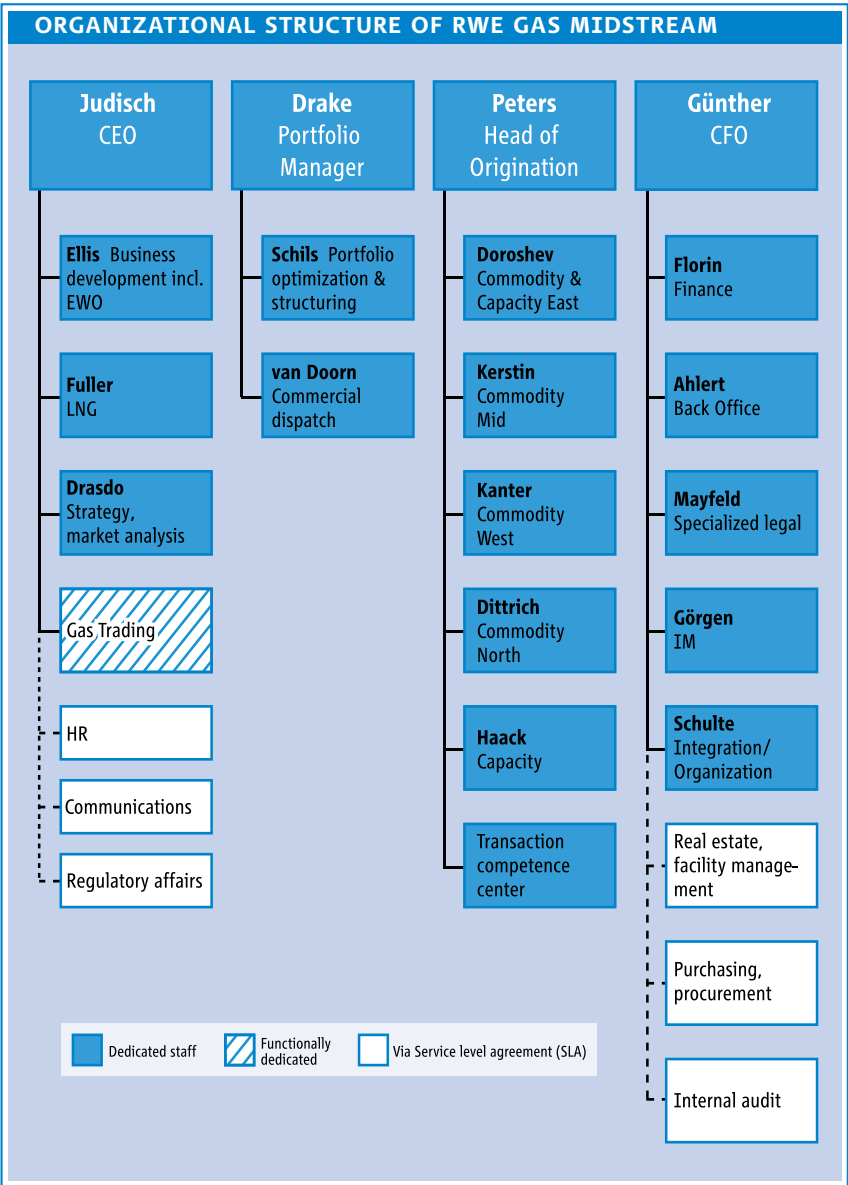
The kick-off meeting was a great chance to be able to put a face to a name. And it was a lot of information to take in a single day. So in case you have forgotten what the members of the board are actually responsible for, here is a quick and incomplete summary of their responsibilities and who they work with. Dr Frank-Detlef Drake is the portfolio manager on the board. He heads a team consisting of two major units. On the one hand there is the Portfolio Optimisation and Structuring team led by Rüdiger Schils.

The second major team is the Commercial Dispatching unit, which is led by Frank van Doorn. Dr Wolfgang Peters is the board member and the head of the Origination Team. The commodity teams have a regional substructure, dividing into Mid (mainly German contracts, headed by Ulf Kerstin), the East (Yuri Doroshev), the North (Matthias Dittrich) and the West (Friederike Kanter) while the capacity team under Carsten Haack works on the management of pipes and storages. The head of the transaction competence centre, which is responsible for monitoring and assessing cross region-

al opportunity costs for both supply and demand, is still not nominated. Dr Bernhard Günther, the CFO, provides the internal checks and balances put together by the teams in the finance department, which as of April 1, will be headed by Jan-Henrich Florin and by Dr Claudia Mayfeld (RWE Trading), who is responsible for all legal issues. Dr Günther's team also includes Dr Franz-Josef Schulte who looks after process organisation and organisational structuring, the Back Office headed by Martin Ahlert and the IT Management function, led by Götz Görden.

The CEO function

Last but not least, there is our CEO. In Stefan Judisch's team Dr Peter Drasdo heads the Strategy Team and David Fuller (p. 5) is in charge of the LNG Team. In addition, Stefan Judisch looks after business development and the EWO team headed by Jeremy Ellis, that was moved into Gas Midstream. And he will also continue to have the functional responsibility for Gas Trading at RWE Trading, ensuring that the two companies work together seamlessly. Amongst a couple of service functions delivered from sister companies Dieter Jurgens (RWE Trading) looks after HR and Dr Ralf Schäfer (RWE Trading) is in charge of Communications.



RWE npower to build a CCGT power plant – or two

Swindon RWE npower intends to start construction of a state-of-the-art combined cycle gas turbine (CCGT) power station this year, which is scheduled to come onstream in 2009.

Two suitable sites

Two sites are currently being assessed: the licence to build a 1,500 megawatt plant at Staythorpe near Newark in the midlands has already been granted. A 2,000 megawatt plant could be built on the site of a coal and oil-fired power plant that has already been demolished in Pembroke, on the Welsh coast. Development at this site is still subject to approval and it is very close to the LNG terminal in Milford Haven.

The investment costs are some €1.2 billion (£800 million). In view of the significant demand for replacement of power stations in the UK and the very sparse allocation of CO₂ certificates, RWE npower is investigating the option of building at both sites.

Industrial Customers: Offer for long-term partnership

Essen RWE will offer industrial customers in Germany a long-term participation in output from new coal-fired power plants. The offer is about of the customers' right to purchase electricity based on a 25 year-agreement. This will make the industrial partners independent of developments on the Leipzig Energy Exchange.

In commercial terms, the industrial partners will be treated as if they held shares in new power-plant units themselves. Within the partnership, RWE is taking care of operations and guaranteeing a secure base load supply. This is compensated with appropriate service fees. The industrial partners participate in financing the construction of the new capacity and purchase electricity at variable costs after the plant went on stream.

The tender process for up to 1,000 Megawatts output is scheduled for completion this June.

RWE to invest more in renewables

Generation: Although the Group is well placed with renewables, it will continue to increase its capacities

Wind, water, sun, biomass or geothermal heat are intended to supply more energy over the next few years. The EU is planning for up to 30 per cent of the energy used in Europe to come from renewable sources by 2020.

Although RWE is well placed with power output of some 2,000 megawatts based on renewable energies, the Group wants to spend €700 million on expanding capacity by between 500 and 700 megawatts over the next five years.

New run-of-river plant

At the beginning of February, RWE Power therefore decided to expand the Radag run-of-river power plant on the Upper Rhine. The plant is located on the border between Germany and Switzerland. The plan is to spend around €70 million on extending the plant by 24 megawatts to more than 100 megawatts capacity.

Thomas Leitl is responsible for the development of renewable energies at RWE Power. He highlights the fact that ecological considerations are making it increasingly difficult to exploit further potential from hydroelectric power: "Significant growth has effectively come to an end in Germany."

Projects such as the wave-power plant being investigated by npower renewables on the Isle of Lewis, Scotland or re-



The Radag run-of-river-power plant will be upgraded by a Kaplan turbine

search for generating electricity using natural heat of the earth (geothermal energy) are still in an early stage. Biomass is considered to provide significantly better opportunities. Plants like the biogas plant in Neurath near Cologne that is scheduled to come onstream in May could be constructed at lots of sites in the future.

Thomas sees the biggest potential for growth with wind energy. RWE operates wind farms in the UK, Spain,

Portugal and Germany, with a combined capacity of 610 Megawatts. And the trend is on the increase. However, there are virtually no more sites with attractive wind conditions in Germany and that's why there are great hopes for offshore wind farms.

Promising situation in UK

The situation is very different in the UK, the country with the greatest wind resources in Europe. npower renewables is

already operating 18 onshore and one offshore wind farm and the company recently announced plans to start the construction of new projects, including Knabs Ridge in Yorkshire and Little Cheyne Court in Kent. The North Hoyle Offshore Wind Farm is testimony to npower renewables' existing offshore experience that could also be used in Germany.

Over the next five years, capacities are to be extended further with investments of around €475 million.

SUBSIDIES

Climate protection, issues relating to security of supply and rising prices for oil, gas and coal are key drivers for expanding renewable energies. However, at present most renewable energies generally require financial subsidies due to the current level of wholesale prices for electricity.

Since the early 1990s renewable energies have been subsidised in Germany. The Renewable Energies Act (Erneuerbare-Energien-Gesetz) of 2000 lays down that 12.5 per cent of electricity should be generated from renewable energies by 2010. The target was increased to 20 per cent by the year 2020 in 2004.

In the UK the Renewables Obligation came into force on April 2002. This act obliges the utility companies to source an increasing annual percentage of their electricity requirement from renewable energies. This proportion will grow from the current level of 6.7 per cent to 15.4 per cent in ten years time.



Together with UK comedian Lenny Henry npower is looking for light bulb jokes

Saving energy with a bit of light relief

Campaigns: npower puts energy saving into the spotlight

Swindon npower has found a novel way to boost the profile of the importance of saving energy while also raising money for one of the UK's most high profile charities.

To raise the profile of energy saving tips and products, npower linked up with leading UK comedian Lenny Henry to find the UK's best energy saving lightbulb jokes. The jokes are a national institution in Britain, and the campaign attracted nationwide press coverage and

thousands of entries to npower's 'Lighten Up' website. The best jokes will be included in the npower Book of Light and a five city comedy tour led by Henry in March.

Further building on the success of the campaign, and bringing the energy saving message to a wider audience, npower has also become the official ener-

gy partner of the Comic Relief charity. This was set up by Henry and other British comedians in 1985 to raise money



to fight poverty and social injustice in the UK and Africa.

npower has pledged to donate £1 to the charity for every person who phones for a quote for their gas and electricity supply, rising to £5 for every caller who switches. The

initiative aims to raise npower's profile, attract new customers and continue to raise the profile of energy saving tips, products and ideas with its customers.

Staff also engaged

npower staff have been participating too, taking part in a range of fun activities including quizzes, football matches and numerous sponsored events all across the UK. It is hoped that over £500,000 will be raised for the charity.

Pipeline to promote competition

Natural gas: Planned pipeline would connect RWE's transmission grids in the Czech Republic and Germany

Dortmund RWE plans to build a gas pipeline between the Czech Republic and Belgium and as a result promote competition in the European gas markets. The pipeline would be 760 kilometres in length and would provide the first direct link between the Czech and German transmission grids operated by RWE Energy (see map).

The planned pipeline offers optimum conditions for buying additional volumes of gas from Russia for markets in Germany, the UK and the Benelux countries.

The line would also offer the option of sourcing additional volumes of gas through the planned Nabucco line between Turkey and Austria, and through the

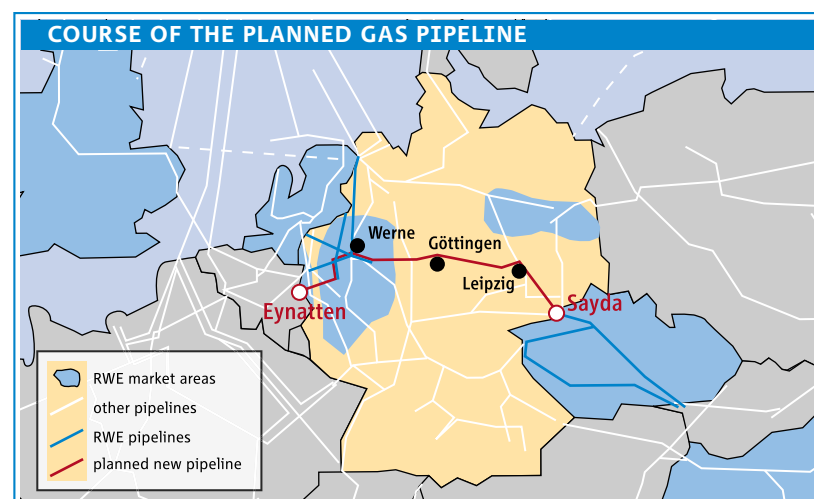
planned LNG terminal on the Croatian island of Krk from the Near and Middle East as well as from Egypt.

€1 billion investment

RWE intends to invest around €1 billion in the new pipeline. It is scheduled to come onstream in autumn 2011 and transport five billion cubic metres of

natural gas every year – and not just for RWE. Other market players can acquire capacities in the projected pipeline.

However, the planned line will only be built if it is at least partly exempt from German grid regulation, as is possible under the German Energy Economy Act and an EU directive.



Ignorance is no excuse

Essen In January and February the legal department presented a demanding one-day program on the three pillars of Compliance: Code of Conduct, anti-trust-laws and the new German General Equal Treatment Act (AGG). Compliance includes laws and voluntary internal RWE regulations.

"Compromising business behaviour has serious consequences both for the reputation of the

company and personnel involved, even including prosecution", says Karl-Peter-Horstmann, Compliance officer of RWE Trading.



Anja Schumann

Heiner Hugger from Clifford Chance explained topics like money laundering, bribery, market manipulation and fraud: "Ignorance is no excuse. Even if a certain behaviour is common on the markets, we are fully responsible for what we do. You have to listen to your gut feeling, and if you don't feel right ask Compliance."



Heiner Hugger

Trading is based on information exchange. The data transfer to competitors is a delicate subject within the competition and anti-trust laws." If you do not want to read it in the papers, than don't tell somebody else", explains Ulrich Rust from RWE AG. In case of doubt Dr Ralf Schäfer, head of Legal and Communications, offers help.

The new German General Equal Treatment Act (AGG), which came into force on 14 August 2006, aims to eliminate discrimination based on gender, race or ethnic origin, religion or belief, age, disability, or sexual orientation. RWE is responsible for protecting anyone who may have been the victim of discrimination. Any mention of these criteria for example in job postings is no longer permitted. Formulations like the request for a candidate between 30 and 40 years old or a native Italian speaker are prohibited.

Internet: Company/ RWE Culture/ RWE Gas Midstream Compliance Office/Compliance Day downloads

The new office: questions of functionality

Essen The new office, lets call it Huyssenallee Version 1.0, was up and running when the first staff arrived on February 1st. But like so many 1.0 versions, there are still some bugs to be worked out.

Stefan Padberg, who took over responsibility for the final preparations at the end of last year, used the kick-off meeting on February 13th to address some of the concerns that have been voiced so far. One of the most frequently named issues is the

question of the partitions between the desks: some colleagues want the original lower versions, while others believe that higher walls are more conducive to a working environment.

Frequent issues

During the tour of the offices, Stefan had a table set up with the highest available partition and asked people to get in touch with their bosses to tell them what kind of partition they prefer.

Other issues included the size of the new desk containers. Here as well Stefan used the kick-off meeting, displaying two other containers in order to determine if these are better suited to the needs of the colleagues.

Further problems include the noise of the air conditioning and the walkway that RWE Trading uses to commute through the Gas Midstream floor. In both cases talks are currently being held with the building management to find adequate solutions.

Soon, Huyssenallee 1.0 will be the highly functional Huyssenallee 1.1. It will be our home for the next few years and we are sure to see office versions 1.2 and 1.3 come and go until we move into the all new Altenessenerstraße some time in early 2009.



Back to the roots

New building: to be opened in 2009 ■ will have room for more staff than the RWE Tower ■ state-of-the-art functionality

Functional and designed for the needs of the RWE Midstream business, the new offices at Altenessenerstraße will also offer a lot of very useful extras.

In a sense, the new building will mean going back to the roots, because the new building will be located on the site of the Victoria Mathias coal mine. It was here that RWE itself was founded in 1898. But that will be pretty much the only "old" aspect of the new location.

Central Location

Seen from above, the building will look like an "H". What you will not see from above is that the building will have 500 working spaces. The trading floor will be located in the central part of the "H" and will accommodate a further 250 people. All-in-all the building will have space for 750 colleagues – more than currently work in the RWE Tower.

The large number of staff and the nature of our business make it essential that the building will be fitted with state-of-the-art solutions for climate control, noise control and logistics. Stefan Padberg, the project manager, emphasises that they are working together



Stefan Padberg showing some of the detailed plans involved in the creation of the new offices

very closely with the architect and that he is taking all of the company's concerns very seriously.

Conveniently located just two subway stops north of the main rail station, the new site will also provide sufficient parking space for all employees, making it easy to reach regard-

less of whether you are travelling by car or public transport.

Fit for lunch

The canteen service will be expanded to be able to handle the increased demand. It will also be supplemented by an on-site bistro, ideal for anyone who simply wants a quick lunch

in an informal atmosphere.

That quick lunch will come in handy for those who may want to do a bit more in their lunch break. We are planning on having a fitness studio on the premises exclusively for the colleagues here at Midstream and the

other RWE companies in Essen. Its location would make it perfect for a quick, refreshing workout during the lunch break. Further details will be coming soon.



The site of RWE's first power plant will soon be home to the new Midstream building

Bringing the elements together

Liquefied natural gas: David Fuller heads up the LNG business at RWE Gas Midstream

UK "Liquefied natural gas LNG has the advantage of global destination flexibility. It can be diverted across continents according to price signals," explains David Fuller, head of LNG at RWE Gas Midstream. Reporting to Stefan Judisch David was the first employee of the gas midstream company. "I am looking forward to continue working with Stefan and the new management team at RWE Gas Mid-



David Fuller

stream. I have been impressed by the number of nationalities and quality of people working within the company and this seems to be a key factor for success in our global business" says David. He most recently gained experience in the upstream oil and gas business in Asia. Prior to this he headed the development of the first modern LNG terminal built in the UK on the Isle of Grain. "I was intrigued by

RWE's offer to set up an LNG team. It has given me the chance to further develop my career in the gas business, since RWE is committed to growth in this



LNG vessels: A flexible method of transporting liquefied natural gas

sector", says David. His first project will take him back to Egypt, where RWE Dea has a great gas reserve potential. The Egypt-GATE Project will encompass liq-

uefaction, shipping, marketing and regasification. "We have to bring all the elements of this 'LNG Play' together so that we can enter the LNG business on a solid footing", says David. "We are also now conducting a number of detailed negotiations for the supply of LNG, for capacity in regasification terminals and looking for new opportunities in liquefaction with our sister company RWE Dea. We are seeking the ability to own and market our own LNG." The LNG market is a competitive environment and

therefore David says that "we have to convince LNG suppliers that RWE is the right buyer. The LNG business is a small but growing club and we are entering the stage at a time when the market is dominated by sellers", David sums up. The LNG team is currently being built but what type of people will make up the team? "The LNG team needs personalities with technical, commercial and project development experience in LNG, plus the special ingredient of being intelligent and hard working individuals!"

How weather changes the business

Energy markets: Meteorologists help to predict price developments

Essen Meteorologists are early birds: "At 6.15 a.m. the US weather service NOAA delivers the first model run for the day in Europe. When traders start their job at 8.00 a.m. the daily weather forecast – the analysis for the next 15 days – has to be ready on the desk for our colleagues in Essen as well as in the UK," explains Eric Stein, senior meteorologist at RWE Trading. "A 'nowcast' for the next 24 hours is relatively reliable, with an accuracy level of 95 per cent," says Eric, "but confidence is decreasing significantly with the increasing range of the forecast period."

The weather experts Eric Stein and Georg Isola help to predict the price developments on the spot and future markets. Weather can greatly affect both the demand and supply for electricity. Eric explains:

"When temperatures rise during the summer, like in July 2006, the demand increases due to the use of air conditioning."

Efficiency decreases

At the same time water temperatures increase and river levels sink because of dry and warm weather. So power plants cannot run at the level needed for the increased demand due to environmental factors. The efficiency of a combined cycle gas turbine power plant for instance decreases with increasing air temperature. "Especially if the temperature rises above 30 degrees celsius we assume losses up to 4 megawatts per every degree warmer", says Eric.

The lowered water level also endangers the supply of power plants with commodities since

barges are forced to reduce their payload or might be unable to use certain waterways. "On the other hand, every degree lower than average during the winter increases for instance the demand in France for power at 1,450 megawatts", Eric reports.

Models predict the markets

Weather models do not only predict the weather, but also the markets: "For example power markets often look at certain model runs, so we can estimate how the UK market will react due to this forecast", Eric explains. "Even if we rely on a different weather model, we can estimate how the power market might react. This provides our traders with an important source of information to take their trading decision."



Weather forecasts for RWE: Meteorologists Eric Stein (left) and Georg Isola

Learning about the company culture we come from...

What is company culture ■ Where does it come from

Essen Gas Midstream: open minded and caring with an ambitious can-do attitude. Or pushy, arrogant and hierarchical. It is all a question of company culture. Jim Dowd, a Senior Fellow and Managing Director of Executive Education at the Harvard Business School took the participants of the kick-off meeting through a quick exploration of what company culture is all about. Professor

Dowd defined culture as a shared understanding of norms and values which guide and influence the behaviour and thinking within a group. Having spent eleven years living in Switzerland, where he worked as Professor of Organizational Behaviour at IMD, Professor Dowd illustrated his concepts of culture with the assumptions Europeans make on American culture. Often con-

fronted with the assumption that Americans are pushy and arrogant, Professor Dowd joked that this only applied to people from New York and that he was from Boston.

This cleverly illustrated two points; firstly that any discussion on culture must deal in generalisations and secondly that every cultural entity contains subgroups, making it difficult to pinpoint a culture's defining characteristics.

To circumvent this problem people often end up concentrating on visible distinctions, which are however hard to interpret and prone to misinterpretation. In order to understand culture, it is necessary look at one's own culture. Here Professor Dowd's introductory remarks were followed by group work which gave the participants the chance to define and analyse the culture of the company they come from.

This practical exercise provided some interesting insights into what company culture at Gas Midstream could and should be all about.

"In order to understand culture, it is necessary look at one's own culture."



... and what it means for us as new RWE Gas Midstream

What kind of culture do we want ■ How can we make it happen

Essen The time was short, but at the end of his session, Professor Dowd left the participants with some important points to take home. As a last exercise, Jim Dowd asked the groups to write down three aspects of the company culture they come from that they would like to take forward with them. Some of the most frequently mentioned characteristics in this context were the ability to accept and to learn from mistakes, a friendly working environment and a strong team spirit, the desire for less bureaucracy while still maintaining highest standards, good management support and loyalty. And these characteristics were mentioned by people from all of the different backgrounds. The desire to take along certain aspects is important because, as

Jim Dowd clearly pointed out, "Nobody starts a brand new day tomorrow."

Part of RWE Gas Midstream will be a little bit of Energy, a little bit of Transgas, a little bit of Trading, some Group Centre, viavera, Power, Dea, and ... something new." And that something new will have to be developed.

"What does it mean accept mistakes and learn from them? We will have to work out together how that really works in the real world, in your new company." It is a long and continuous process, one that builds on discussions within the company and on the contribution of every single person here. "Culture happens in part through talking and it happens through doing." The chance to start doing and to build a team spirit followed immediately with the spontaneous creation of a team – or in actual fact an orchestra of drums (see page 8). It was a first small step which showed that these initial considerations should all be kept in mind as we get out and start doing the daily business of Gas Midstream.



Many ideas on company culture were written down and then collected so that the analysis can continue on May 11

OPINION

Letters to the editor

Smoke stack not cooling tower

In connection with the NAP, you printed a photo of two cooling towers in the recent issue of team. People without any knowledge of power plants would assume from the photo that CO₂ is being pumped out of the cooling tower. The correct chimneys should be shown to prevent people drawing the wrong conclusions. Only pure water vapour comes out of a cooling tower. Georg Köster, Lingen



Note by the Editor: The photo with the steam question mark coming out of the cooling tower is intended to be a symbolic image. Then there's the additional

fact that chimneys are no longer built with the advanced power plants being constructed today. The flue gases are scrubbed so that they can be emitted from the cooling tower without causing any problems. This means that the cooling tower also takes over the function of the chimney.

Voices from the demonstration in Berlin

Winfried Schmitt, Trier "I'm very satisfied: Great organisation and lots of people from all parts of Germany taking part. But I'm disappointed about the media response. Why is there no response when 25,000 people take to the streets and demonstrate for a secure energy supply?"

Ursula Müller, Faid

"The large number of demonstrators shows that we aren't talking about the interests of a

few individuals. Municipal utilities are marching alongside major energy suppliers. Colleagues even came from abroad. I find that extremely impressive."

Rainer Knodt, Trier

"I particularly liked the clear language used by the speakers. A transparent approach was taken, the defects were clearly identified and the consequences of political implementation were highlighted."

Martin Sander, Essen

"As far as I'm concerned, the event had a lot of positive aspects. The long journey provided lots of opportunities to talk to colleagues from different divisions within RWE. I also thought it was great that Executive Board members took part and also joined in the conversation. I'm very disappointed by the media response. We want to bring the issues into the public domain. What went wrong there?"

FACTS

On 8 February, around 25,000 employees from the energy industry answered the call from trade union ver.di and demonstrated in Berlin to keep their jobs and express their support for a consistent policy of climate protection. Grid regulation was a particular focus of criticism with demonstrators predicting it would lead to strangulation of the operators and result in massive job losses. They also demanded secure framework conditions for the construction of new power plants.

In your own words

Feedback: Sound bites from the kick-off meeting in Essen on 13 February, 2007

Essen One event can be seen from many different angles. Here are some of the candid comments your colleagues made to us about the Kick-Off Meeting.

Michael Römmich, Head of valuation:

"I was especially pleased that in the group work people came out and openly said what they thought. That is worth an awful lot. If we can keep that candid, forthright approach then the day will have been a complete success."

Kathrin Ceyrowsky, Capacity West team:

"I thought the drumming was absolutely super. It was something completely different that no one had expected and a metaphor showing that as a team we can create something. It was very motivational."

Helmut Corbeck, Portfolio Management:

"Although I like drumming, the drumming together at the end of the day was overdoing it and struck me as forced, which is why I held back at times. The day made me aware, not only of what the new company will give me, but also what I lost by leaving my old company."

Petr Brynda, Capacity Origination:

"It was a nice day. It's pretty clear that there are differences and that it will take some time until we can create a functioning unit."

Christopher Savage, Transaction Competence Center: "I hope that this new sense of openness and frankness will continue."

Klara Špinková, PA to Frank-Detlef Drake, Portfolio Management:

"This was very well organised. My impression is that people



Like many others, Klara Špinková (mid) used the day to listen closely to the different views that were expressed

liked it and they also liked the entertainment because it was easy going and fun."

Kristina Jašková, PA to Carsten Haack

"I really enjoyed it. Drumming in a team was a good idea. We were able to get to know our colleagues, see the office. I am satisfied."

Martina Stankova, Capacity:

"The entire day was quite tiring because of a lot of new information and new people, but I am glad that I could be here."

Volker Lauer, Capacity Origination West:

"It was super. Especially the end with the drumming. The group

work was good but a bit too long. I am happy that the work in Gas Midstream has started. It has been a good start, and I look forward to working closely with my new colleagues."

Nils Heber, Risk Controlling:

"A lot of information in a short space of time."

Philipp Hanus, Commodity North:

"Working in Prague for five years and also having Czech roots I know the Czech culture very well. Hence I would not expect my Czech colleagues to present negative or critical feedback in such an event."

Lorraine Irving, PA to Jeremy Ellis, Head of Business Development

"It was heartening to see all the cultures from the various companies so willing to participate and enjoy themselves. If the next event on 11th May is as good, then I'm sure everyone will gain from it."

Joerg Rohmann, Gas Strategy, Market Analysis:

"It was one of the best and innovative events that I have ever taken part in."

David Fuller, Head of LNG

"The spectrum of people in the room and the perspectives based upon each person's own experience was fascinating."

Thomas Illner, Finance:

"It was a very interesting day. I hope the day in May will be just as good."



Michael Römmich (on the left) in a candid conversation with colleagues

Web-based training for Code of Conduct

Essen What is the relevance of the RWE Code of Conduct for the everyday routine of a member of staff? What practical effect do the guidelines defined in the code have on the approach taken to customers, suppliers and colleagues? A web-based training (WBT) in German available on the Intranet provides answers to these questions.

Anyone interested can work through concrete practical examples in five sections covering themes like gifts and invitations, political honorary offices or dealing with colleagues. Brief tasks are used to test the knowledge acquired. Short video clips and interactive elements ensure that the training avoids being dry and dull.

The training session is voluntary and lasts about one hour.

➔ Intranet: Konzern/RWE Kultur/Verhaltenskodex

Support and assistance for disabled staff

HR: The Group's Committee for the Disabled is working closely together with the company

People with physical, mental or psychological disabilities have their own representatives within the Group.

The preamble to the Group's master agreement on integrating disabled people states that providing support for and integrating people who are severely disabled or who have a permanent impairment to their health constitutes a key element of entrepreneurial endeavour. The mission of the Group's Committee for the Disabled is to ensure that the company lives up to these words. This committee combines severe disablement representatives from all German RWE companies.

Severely disabled people are individuals who have a registered degree of disablement of at least 50 resulting from a

physical, mental or psychological impairment, or who have been classed as equivalent. These individuals are subject to special legal protection. At RWE in Germany, severely disabled people make up some 4.8 percent of the workforce.

Jobs for the disabled

"The severe disablement representatives ensure that all the relevant laws and agreements designed to support the disabled are applied within the company", is how Guido Hertel describes one of the key functions. Hertel is the 'Konzernvertrauensperson' and hence the Chairman of the Committee for the Disabled. "We also provide support and assistance for people who are submitting an application to have a severe disablement registered or who are applying for equal status. We also make sure that workplaces

are designed appropriately", emphasizes Guido. The number of severely disabled people in the Group has risen dramatically over recent years. "Illness and accidents are not the only factors playing a role here. The age of the workforce has also increased", according to Guido Hertel. But he warns that this

situation could affect anyone. The aim of the representatives of the severely disabled is to safeguard and create jobs for these employees. "We work together very closely with the companies," says Guido. "The joint master integration agreement is one example of this cooperation."



A special designed workplace for a severely disabled employee at RWE's Weisweiler Power Plant

New personnel boss for RWE Gas Midstream

Essen Dieter Jurgens (51), the new Head of Human Resources (HR Global) at RWE Trading, looks at the challenges facing him and his team in helping to build RWE Gas Midstream. At RWE Gas Midstream it is primarily about bringing people together to form a powerful team.



Dieter Jurgens

"This is not about being able to deliver in a year's time but about delivering over the short term to a very high standard of quality" he emphasises. He knows that by helping to meld the employees together he can help to create a platform for substantial growth. "That's the challenge that makes my new position exciting!"

Recruiting high flyers

Dieter Jurgens is convinced that the instruments he needs are there. "In recent years, RWE Trading has introduced a lot of processes, tools and systems such as the 360° feedback process, discoveries and the Ashridge development programme which are designed to strengthen capacities and increase the dialog between employees and managers. Now it is our mission to breathe life into them", says Dieter.

As the Head of Human Resources, Dieter also works on finding and attracting new potentials. "RWE Trading as well as RWE Gas Midstream are very dynamic companies with clear perspectives for growth. Young people in particular find this environment challenging and exciting."

➔ Interview with Dieter Jurgens: Intranet: team/team: gas mistream/ topics

Answers about pension funds

Essen Why is RWE transferring money to establish a pension fund? What do the letters CTA stand for? Who is affected? When it comes to pension obligations, the RWE Group is taking a new approach (see team: December issue).

A step like this means that employees and pensioners have a host of questions: Are the pensions secure? What has changed as far as I'm concerned? When this issue is published on the intranet, a list of frequently asked questions (FAQs) is answered for proactive employees (only in German).

Members of staff can also mail their questions and these will be incorporated in the list of FAQs. It's very important that all the pensioners affected are also going to receive detailed information later – by post directly to their private address.

➔ Intranet: Konzern/Personal/Pensionsfonds+CTA

Museum Tour for employees in March

Recklinghausen 'Information, fun and entertainment' – this could very well be the motto of the RWE museum tour focusing on electricity and water scheduled for 24 March in the Ruhr region. The offer is aimed at RWE staff and pensioners who want to learn more about the Group's business in past and present. The tour will start at 10 a.m. in Recklinghausen with a guided tour through RWE's museum 'Strom und Leben' (Electricity and Life). A bus will take participants to Mülheim an der Ruhr where a light lunch is provided. Guided tours through the museums 'Aquarius' (an exhibition on water supply) and 'Haus Ruhrnatur' (explaining the environment in the Ruhr valley) will follow. Please order your tour tickets (costs 10 euros) before 20th March.



i Museum Strom und Leben
Tel. 0049/2361/382216
E-Mail: museum@rwe.com
Intranet: Services/Privat/
Museumstour

RWE is again looking for Everyday Heroes

Essen While Germany is looking for another superstar, RWE continues to look for 'Everyday Heroes'.

The project was launched in 2006 and it's being continued this year. The principle is that Group companies like the regional energy companies and RWE Power are joining forces with local newspapers to identify local role models whose voluntary commitment ensures the survival of lots of social and cultural projects. Newspaper readers select three winners, who then receive prizes amounting to 1,000, 2,000 or 3,000 euros towards their projects.

"The 'Everyday Heroes' were so successful in 2006 that they will feature again this year," comments Sabine Brüning who coordinates the project across the Group at RWE AG. "In some regions, we had as many as 100 applications. I'm very pleased that the companies RWE Westfalen-Weser-Ems, RWE Rhein-Ruhr, RWE Power and RWW have already started planning for 2007."

i Sabine Brüning,
Phone 0049/201-12-15180

Icy experiences near the South Pole

Adventure: RWE Dea geophysicist Christian Bucker worked several months as researcher in the Antarctic

Ice as far as the eye can see and perceived temperatures of minus 60 degrees celsius – welcome to the Antarctic.

But what is it like to live in this inhospitable place? Christian Bucker grins: "Well, I wasn't cold."

The RWE Dea geophysicist spent several months working for an international research team in the Antarctic. A long way away from the fixed research stations, the experts drilled into the deep rock layers off the Antarctic mainland. Their aim was to find out how the climate had changed during the last 60 million years.



Christian Bucker

Apart from wearing special clothing, repairation is particularly important – it ensures survival on the ice-bound continent: "A survival training course lasting two days marked the start of the preparation process. We learnt to measure ice density, discovered how to identify dangerous cracks in the ice and found out how to build igloos. We even stayed overnight in an igloo," explains Christian.



It's not all work in the Antarctic: a picnic on ice

Safety was the top priority at all times. Never leave the camp on your own, always have your walkie talkie and safety equipment, sleeping bag, tent and survival rations with you. After all, the weather can completely change within the space of

minutes. On the other hand, the researchers exploited good weather: barbecues on ice, golf with orange balls, or a beach volleyball tournament. "However, we were generally too tired after working for more than twelve hours to try anything like that."

Exciting excursions on free days were the highlights of the research trip. "The most impressive trip was the 24-hour hike in the Transantarctic Mountain Range", according to Christian. "We used satellite pictures and GPS instead of a hiking map." It

was also possible to take a trip to Scott's base camp and visit penguin colonies: "The Emperor Penguins are so curious that they simply come up to you and peck at your shoes. Where else do you find wild animals that are so trusting?"

We are one orchestra

Gas Midstream can be music to the ears ■ playing the drums as a symbol for corporate culture

With one last session to go through before dinner, and the tribe was suddenly called back into the meeting by the sound of drums.

Now that is not the usual sound you would expect from a business meeting. And when, attracted by the rhythmic beats, people got back to their seats, they found a set of drums at each place. As with so many things in this last session, the drums instinctively showed the participants that they were no longer just an audience, but had now also become a vital part of the performance.

It really happened

The real question of that late afternoon was: what happens when you combine a room full of drums with a room full of gas (experts)? The answer is – it comes to a musical explosion.

Can it really work? At first there were some who doubted that it was possible. But there were enough people there who believed in the project, or who simply thought that it was worth a try and went out



The final drumming event showed that it is possible to be a team player and still have everyone hear you.



Stefan Judisch was one of the crowd, listening to those around him and trying to keep up with the different impulses.



Sometimes counting beats is more fun than counting money. Frank-Detlef Drake (on the right) gave it a try.

and did the best they could.

The result was a truly great, coherent sound and a lot of fun. And it wasn't just a simple beat. Gas Midstream managed complicated polyrhythms, syncopation and other complicated musical structures.

There are reasons why it was successful and they are worth remembering. First of all: there

were enough people there that simply knew what was to be done and went out and did it.

The reasons why

No discussions, no holding other people back with reasons why it should be done some other way, no fear of standing out.

The next thing is: we did not

discuss, but we did listen to each other. If people had not listened to each other, each one of us might have played an excellent solo, but we would not have played in sync with our neighbours.

We had also agreed to a basic set of rules that were clear to everyone. And we had respect for our neighbours and some-

times waited while the other group was drumming so that the sum of the whole was better than the parts. Those are very basic reasons why music works and it is also why organisations work. These are very strong metaphors that can be a guide to success as long as we remember them even when we do not hear the drums any more.



A true drum enthusiast, Kathrin Ceyrowsky of the Capacity West Team found the drumming to be very motivating.



Working together without really thinking about how to get started was part of the message.



Drum Café in action was something to hear with a wealth of rhythms that just begged people to join in.