

SCOTTISH POWER PLC
Form 6-K
May 13, 2005

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

For the month of May 2005

SCOTTISH POWER PLC

(Translation of Registrant's Name Into English)

CORPORATE OFFICE, 1 ATLANTIC QUAY, GLASGOW, G2 8SP

(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F x Form 40-F "

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

ScottishPower's PPM subsidiary announces gas storage expansion in the US

ScottishPower's US competitive energy subsidiary, PPM Energy (PPM), today announced the expansion of a gas storage development project in west Texas and the acquisition of a New Mexico gas storage facility. The combined investment is expected to be approximately \$120 million and to achieve returns of at least 300 basis points above PPM's weighted average cost of capital.

Expansion of the proposed Waha facility in west Texas from 7.2 billion cubic feet (BCF) to 9.5 BCF is a result of favourable geologic testing of the salt cavern site and strong market demand. Waha is expected to be built in two phases and begin operations by December 2007.

PPM also acquired the 4.5 BCF Grama Ridge facility in southeastern New Mexico from ConocoPhillips of Houston, Texas. PPM plans to expand the Grama Ridge reservoir facility, which has operated since the early 1970s, to 6.0 BCF. Both Waha and Grama Ridge are connected to multiple pipelines in the area.

PPM has announced its intention to triple owned gas storage capacity from present levels to approximately 125 BCF by 2010.

Further information:

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