

Date: 17 March 2008
Our Ref: 080317 AS GD A5 direction
Your Ref:

Gareth Davies
Chairman and Managing Director
Satec Limited
The Street
Englefield
Reading
Berkshire RG7 5ES

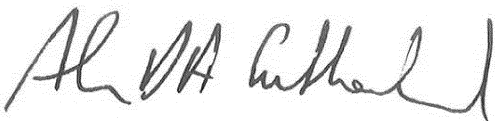
Dear Mr Davies

Reinstatement of obligations under standard licence condition A5 (Compliance with operational code)

On 2 August 2007 I wrote to you relieving you of your obligation to be a party to and comply with the Operational Code, until such time as the Commission directs otherwise. This was because, in the period before the market opened, you would not be required to participate in activities that are regulated by the Operational Code.

Given that we are now approaching the opening of the market, it is appropriate to reinstate these obligations. Accordingly, the Commission hereby directs that, from the date of this letter, standard licence condition A5 (Compliance with the operational code) will have full force in the water and sewerage services licences held by Satec Limited.

Yours sincerely



Alan Sutherland
Chief Executive

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