

Date:

7 May 2008

Our Ref:

080507 Ondeo grant letter

Your Ref:

James McKenzie Ondeo Industrial Solutions 530 / 534 Durham Road Low Fell Gateshead NE9 6HU

Dear Mr McKenzie

Ondeo Industrial Solutions Ltd application for water services and sewerage services licences

The Commission is pleased to confirm that a decision has been made to grant you a water services licence and a sewerage services licence as of 7 May 2008.

Please find attached copies of your licences. Please pay particular attention to the standard conditions of each of your licences. It is imperative that you comply with the terms and conditions of your licences as any failure to do so will be subject to the enforcement mechanisms set out in Schedule 2 of the Water Services etc. (Scotland) Act 2005.

In accordance with section 7(6) of the Water Services etc. (Scotland) Act 2005 we are copying this letter and the licences to Scottish Water.

Yours sincerely

Alan Sutherland

Chief Executive Officer

CC.

Scottish Water

AL DA WHLL)

Water Industry Commission for Scotland Ochil House Springkerse Business Park Stirling FK7 7XE

Chairman Sir Ian Byatt