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Dear Michael,

Open Letter in relation to the Review of policy on licence revocation

Thank you for your letter dated 24th November 2006, on Ofgem's proposals to revise the current policy on licence revocation. ScottishPower are pleased to respond to Ofgem on this subject.

From the information set out in the letter, ScottishPower fully supports Ofgem's proposal to review those licences where it appears that the licence is not being used and to revoke such surplus licensees as are determined. ScottishPower concur that in these instances it is appropriate to write to licensees, before making a final decision on the matter, to seek confirmation on the matter.

In addition, we are in agreement that it is acceptable to revoke a relevant licence where a licensee has become insolvent, after advising the relevant insolvency practitioner of the intended action.

We further agree that it is appropriate for Ofgem to maintain its powers in accordance with Schedule 2 of the relevant licence and its discretionary power to not revoke a licence where there are outstanding issues in relation to a licensee's compliance with its licence, or other, obligations.

Should you wish to discuss any of the information contained within our response, please do not hesitate to contact us, using the above details.

Yours sincerely,

Ailie Stewart
Regulation and Commercial
ScottishPower Energy Retail