

To: The Company Secretary
Star Energy Gas Storage Services Limited
Kempson House
Camomile Street
London EC3A 7AN

**NOTICE PURSUANT TO PARAGRAPH 6(b) OF STANDARD CONDITION 2 OF
A GAS TRANSPORTERS' LICENCE GRANTED UNDER SECTION 7 OF THE
GAS ACT 1986**

WHEREAS:

1. On 5 July 2005 the Gas and Electricity Markets Authority¹ (the "Authority") granted to Star Energy Gas Storage Services Limited ("Star") a gas transporters' licence pursuant to section 7 of the Gas Act 1986 (the "Licence").
2. Pursuant to paragraph 3 of Standard Condition 2 of the Licence, paragraphs 4 to 8 (inclusive) of that condition were suspended and had no effect until such time as the Authority, with the consent of the Licensee, issued to the Licensee a notice in writing ending the suspension.
3. Pursuant to paragraph 6(b) of Standard Condition 2 of the Licence, the Authority may, with the consent of the Licensee, provide that one or more of the standard licence conditions which are in effect by virtue of paragraph 1(a)(i) of Part I and paragraph 1, section B, of Part II of the Licence, shall cease to have effect on a date specified in the said notice.
4. By a letter dated 11 May 2007 from Star Energy Group plc to the Authority, Star consented:
 - a. to the issue of a notice by the Authority pursuant to paragraph 3 of Standard Condition 2 of the Licence ending the suspension of paragraphs 4 to 8 (inclusive) of that condition; and
 - b. to the issue of a further notice by the Authority pursuant to paragraph 6(b) of Standard Condition 2 of the Licence terminating the effect of the following conditions set out in paragraph 1, section B, of Part II of the Licence:
 - i. standard condition 4;
 - ii. standard condition 4A;
 - iii. standard condition 4B;
 - iv. standard condition 4C;
 - v. standard condition 4E;
 - vi. standard condition 5A;
 - vii. standard condition 7;
 - viii. standard condition 9;
 - ix. standard condition 16;
 - x. standard condition 20;
 - xi. standard condition 23;

¹ References in this notice to the Authority include Ofgem

- xii. standard condition 27; and
- xiii. standard condition 28 (together the "Conditions").

c. Star also agreed to accept two working days' notice of each of:

- i. the termination of the suspension of paragraphs 4 to 8 (inclusive) of Standard Condition 2 of the Licence; and
- ii. the termination of the effect of the Conditions.

5. By a notice dated 24 May 2007 the Authority ended the suspension of paragraphs 4 to 8 (inclusive) of Standard Condition 2 with effect from and including 30 May 2007.

NOW THE AUTHORITY GIVES NOTICE TO STAR as follows:

Pursuant to paragraph 6(b) of Standard Condition 2 of the Licence, the Conditions shall cease to have effect in the Licence from and including 4 June 2007.



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Mark Feather
Associate Director, Industry Codes & Licensing
Duly Authorised on behalf of the Authority

Dated: 30 May 2007