

Date: 3 April 2012

Our Ref: 120403 Grant letter

Your Ref:

Jeremy Hobbis
Director and General Manager
Severn Trent Select Limited
2308 Coventry Road
Birmingham
B26 3JZ

Dear Jeremy

Severn Trent Select Limited's Application for Water Services and Sewerage Services Licences

Following your completion of the Training Process (including self-certifying your readiness to participate in the market) in accordance with Market Code Subsidiary Document 0001 (Market Training and Assurance Strategy for the Water Market in Scotland), 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 today.

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 Scotlish Water.

Yours sincerely

Alan DA Sutherland Chief Executive Officer

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cc. Scottish Water

Water Industry Commission for Scotland First Floor Moray House Forthside Way Stirling FK8 107