

CHFP004

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COMPANIES FORM No. 155(6)a
Declaration in relation to
assistance for the acquisition
of shares.

155(6)a

Please do not
write in this
margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block
lettering

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

2730697

Note
Please read the
notes on page 3
before completing
this form.

* insert full name of
company

Ø insert name(s) and
address(es) of all
the directors

Name of company

* POWERGEN COGENERATION LIMITED

XXWe^Ø

ROBERT JOHN KENNETT OF THE OLD FARMHOUSE, ROBERT HALL ROAD,
ARNESBY, LEICESTER LE8 5UX
DAVID JOHN JACKSON OF THE FIRS, BAMPTON ROAD, CLANFIELD,
OXFORDSHIRE OX18 2RG

† delete as
appropriate

~~XXWe^Ø~~ [all the directors] † of the above company do solemnly and sincerely declare that:
The business of the company is:

§ delete whichever
is inappropriate

~~XX~~ (a) that a recognised bank or licensed institution ~~XX~~ within the meaning of the Banking Act 1979 ~~XXXX~~
~~XX~~ that of a person authorised under section 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom ~~XX~~ §

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in
the [company] ~~XXXXXXXXXXXXXXXXXXXX~~
~~XX~~ ~~XXXXXX~~ †

The assistance is for the purpose of [that acquisition] ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXXXXXXXXXX~~ ~~XX~~ ~~XXXXXX~~ †

The number and class of the shares acquired or to be acquired is:
2 ORDINARY SHARES OF £1 EACH

Presentor's name address and
reference (if any):
WRAGGE & CO
55 COLMORE ROW
BIRMINGHAM
DX 13036
BIRMINGHAM

For official Use
General Section

Post room



The assistance is to be given to: (Note 2) PowerGen CHP Limited (Company No. 2684288
and PowerGen UK plc (Company No. 2366970) whose registered offices are at 53 New
Broad Street, London EC2M 1JJ and Yorkshire Electricity Group plc (Company No.
2260026) whose registered office is at Wetherby Road, Scarcroft, Leeds, LS14 3HS

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*Please complete
legibly, preferably
in black type, or
bold block
lettering*

The assistance will take the form of:

The substitution of the existing Schedule 2 of the Tolling Agreement dated 22/10/98 between the Company ("YCL") and Yorkshire Electricity Group Plc ("YEG") with a new Schedule 2.

As a result of this amendment with effect from 1 January 1999 the operation and maintenance recovery fee payable to YCL by YEG is reduced and there will no longer be any costs or savings sharing arrangement at the end of each six year Contract Period (or upon termination if sooner).

The person who [has acquired] ~~will acquire~~[†] the shares is:
POWERGEN CHP LIMITED

† delete as
appropriate

The principal terms on which the assistance will be given are:

Under the Sale and Purchase Agreement dated 31/12/1998 between YEG, Yorkshire Electric Power Limited ("YEP") PowerGen CHP Limited ("PGCHP") and PowerGen UK plc upon the substitution of Schedule 2 for the new Schedule 2 (as detailed above) by 30 June 1999 there will be no obligation on PGCHP to pay certain further sums to YEP.

The amount of cash to be transferred to the person assisted is £ NONE

The value of any asset to be transferred to the person assisted is £ NIL

The date on which the assistance is to be given is within 8 weeks of the date hereof

Please do not
write in this
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Please complete
legibly, preferably
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bold block
lettering

* delete either (a)
or (b) as
appropriate

~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

- (a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date] * (note 3)
- (b) ~~1/~~ ~~It is intended to commence the winding up of the company within 12 months of that date and we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.~~

And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at S3, NEW BRAND
STAFFORD WINDUP ACZ

Declarants to sign below

Day Month Year
on 25 6 1999

before me R.E. JOHNSON (SOLICITOR).

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ
DX: 33050
Cardiff

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB
DX: 235
Edinburgh

PricewaterhouseCoopers
Temple Court
35 Bull Street
Birmingham B4 6JT
Telephone +44 (0) 121 265 5000
Facsimile +44 (0) 121 265 5050
Direct fax +44 (0) 121 265 5100

Private and Confidential

The Directors
PowerGen CoGeneration Limited
53 New Broad Street
London
EC2M 1 JJ

25 June 1999

Dear Sirs

Auditors' report to the directors of PowerGen CoGeneration Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of PowerGen CoGeneration Limited ('the Company') dated 25 June 1999 in connection with the proposal that the Company should give financial assistance for the purchase of 2 of the ordinary £1 shares of the Company.

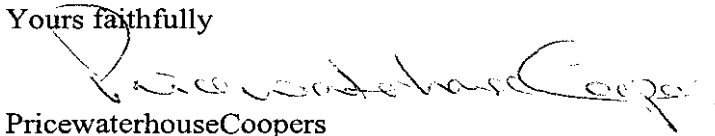
Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully


PricewaterhouseCoopers
Chartered Accountants and Registered Auditors