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Deloitte & Touche



The Secretary
Sterling Gas Limited
(formerly Statco Eight Limited)
c/o East Midlands Electricity plc
Corporate Office
PO Box 444
Wollaton
Nottingham
NG8 1EZ

Deloitte & Touche
St. John's House
East Street
Leicester LE1 6NG

Telephone: National 0116 256 2200
International + 44 116 256 2200
Fax (Gp. 3): 0116 255 2055



INVESTOR IN PEOPLE

16 February 1999

Dear Sir

This letter is formal notice of our resignation as auditors of Sterling Gas Limited (formerly Statco Eight Limited) with effect from 16 February 1999.

There are no circumstances connected with our resignation which we consider should be brought to the attention of the members or creditors of the company.

Yours faithfully

Deloitte & Touche



**Deloitte Touche
Tohmatsu**

Aberdeen, Belfast, Birmingham, Bracknell, Bristol, Cambridge, Cardiff, Crawley,
Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Milton Keynes,
Newcastle upon Tyne, Nottingham, St Albans and Southampton.

Principal place of business at which a list of partners' names is available:
Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR.

Authorised by the Institute of Chartered Accountants in England and Wales to carry on
investment business.