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14th August 2006

The Norwegian Ministry of Finance
Akersgata 40
0180 Oslo
Norway

Dear Sir

**RESPONSE TO A DISCUSSION PAPER FROM THE MINISTRY OF FINANCE,
REGARDING A PROPOSAL TO LIMIT THE DEDUCTIBILITY OF FINANCE COSTS
UNDER THE PETROLEUM TAX ACT**

We are writing with reference to the discussion paper by the Ministry of Finance proposing to limit the deductibility of finance costs under the Petroleum Tax Act.

Enclosed is a copy of a letter sponsored by a significant group of companies that have either recently started activities on the Norwegian Continental Shelf or are considering starting such activities (the "Newcomers"), which opposes the changes proposed by the Ministry of Finance.

The purpose of this letter is to confirm that Centrica share the same concerns and conclusions described in the letter from the Newcomers.

We would welcome the opportunity to discuss these concerns with the Ministry.

Yours faithfully



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