

**ELECTRICITY SUPPLY PENSION SCHEME
NOTICE OF ANNUAL GENERAL MEETING OF SCHEME MEMBERS**

Notice is hereby given that the twenty-fifth Annual General Meeting of the Members of the Scheme will be held in the Conference Room at Freshfields' offices at 165 Fleet Street London EC4Y 1HS on Wednesday 10 October 2007 commencing at 1.30 pm.

Access to the Conference Room is on the corner of Bouverie Street and Tudor Street, not from Fleet Street itself.

AGENDA

1. Introduction and welcome.
2. Confirm the Minutes of the twenty-fourth Annual General Meeting held 11 October 2006.
3. Consider matters arising out of the Minutes.
4. Receive the Report of the Chair of the Scheme Trustee, Electricity Pensions Trustee Limited (EPTL) in respect of the year ended 31 March 2007.
5. Receive a presentation on the Statement of Accounts by the Head of Finance of Electricity Pensions Services Limited (EPSL).
6. Receive a presentation on investment issues by EPTL's investment adviser.
7. Receive a presentation on changes in the roles of the Scheme Trustee and Group Trustees within the Scheme.
8. Consider matters arising out of the presentations.
9. Receive the Statement of Accounts and Auditors' report thereon, for the year ended 31 March 2007 and the Report by the Scheme Trustee for that year.
10. Consider the resolution proposed by Mr David Laws and seconded by Mr Geoff Blackman attached to this Agenda (see also the Notes below).
11. Consider the resolution proposed by Mr Jack Andrews and seconded by Dr Neville Wrench attached to this Agenda (see also the Notes below).
12. Consider any other competent business.

Dated this seventh day of September 2007.

A Allen

Secretary of the Scheme

Secretary's Note Members' resolutions voted on and carried at the Scheme AGM do not have any power conferred upon them, and cannot instruct EPTL, Group Trustees, Employers, or others involved in the running of the Scheme.

If the above resolution is carried at the Scheme AGM, Electricity Pensions Limited (EPL) will be informed. EPL may or may not decide to take any action in response to the resolution.

Resolution to be proposed by Mr David Laws and seconded by Mr Geoff Blackman

This AGM of the Members of the ESPS is perturbed at the continuing disparity in pension benefits between Company Groups, and within Company Groups as a result of block transfers and Group mergers. The most notable case is that of the spouse's benefit where the worst is 50% and the best is 66%. The ESPS has unified rules to govern the Scheme; it is within the power of the Employers to amend the rules to improve the benefits.

We hereby press the Principal Employers to consider improving benefits when Group funding returns to surplus.

Resolution to be proposed By Mr Jack Andrews and seconded by Dr Neville Wrench

Clause 26 of the ESPS relates to Scheme-wide AGMs. It provides that "An Annual General Meeting of Members shall be held between 1 October and 31 December in every year..... for the purpose of receiving the Statement of Accounts and the Auditors' Report thereon and the report of the Scheme Trustee on the working of the Fund for the period covered by the statement of accounts and the conduct of the general business of the Scheme....."

In recent years, less than 0.5% of Members have attended this meeting because almost all the core business has now been transferred to Group level. Many Groups already hold informal annual meetings.

We believe that the original intention of this Clause, which dates from 1983, was to ensure that, in good times and bad, Members would have a regular annual opportunity to meet and question their Scheme Officers and Auditors, to receive their Annual Report and be able to discuss any matters of concern to them and to provide an additional channel of communication. Group Trustees, who hold up to £5 billion of assets, have important responsibilities for the payment of benefits to members, and the security of members' funds. Recent scheme failures outside the ESPS, and the "Maxwell/Daily Mirror" issue, appear to make annual meetings, with the opportunity for discussion, essential.

At least one Group has recently decided to abandon the calling of informal AGMs and we feel that all Members should have the chance to express their views about this before others do the same.

Accordingly, we formally propose and call upon the Electricity Employers to extend Clause 26 to include each of the Groups, so as to ensure that the original purpose of the Rule is fulfilled and that each Group is required to hold an Annual General Members' meeting on the same terms as Clause 26 presently requires for the Scheme AGM.

Proxy Forms

Please use the proxy forms to vote in support of our resolutions.

The best advice is to appoint the chairman of the meeting to vote as per your proxy instruction.

The forms must go back to: The Secretary
Electricity Supply Pension Scheme
52 – 54 Southwark Street
London SE1 1UN

by 1.30 pm on 8 October 2007. NOT the Association



**FORM OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING
OF THE MEMBERS OF THE SCHEME ON 10 OCTOBER 2007**

**THIS FORM OF PROXY RELATES TO THE RESOLUTION PROPOSED BY MR DAVID
LAWS AND SECONDED BY MR GEOFF BLACKMAN (ITEM 10 ON THE AGENDA)**

To: The Secretary
Electricity Supply Pension Scheme
52 – 54 Southwark Street
London SE1 1UN

PLEASE COMPLETE IN BLOCK CAPITALS

I,
(insert full name in block capitals)

a Member of theGroup of the Scheme
(insert name of the ESPS Group of which you are a member)

hereby APPOINT *(please tick one box only)*

the Chair of the meeting

OR

..... *(insert full name in block capitals)*

**who is a Member of the Group of the Scheme
and who will be attending the meeting**

as my PROXY to vote for me on my behalf on the resolution which is item 10 on the Agenda of
the meeting in the event of a poll being demanded and taken at the meeting.

I wish my vote to be cast *(please tick one box only)*

for the resolution

against the resolution

as my proxy thinks fit

I acknowledge that my vote by proxy will be cast on the basis that I will not have heard the
discussion about the resolution at the AGM.

In the event of a proxy vote being granted to a nominated member who is not present at the
AGM, the proxy vote by default will be cast by the Chair of the meeting.

Signed.....

Dated.....



**FORM OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING
OF THE MEMBERS OF THE SCHEME ON 10 OCTOBER 2007**

**THIS FORM OF PROXY RELATES TO THE RESOLUTION PROPOSED BY MR JACK
ANDREWS AND SECONDED BY DR NEVILLE WRENCH (ITEM 11 ON THE AGENDA)**

To: The Secretary
Electricity Supply Pension Scheme
52 – 54 Southwark Street
London SE1 1UN

PLEASE COMPLETE IN BLOCK CAPITALS

I,
(insert full name in block capitals)

a Member of theGroup of the Scheme
(insert name of the ESPS Group of which you are a member)

hereby APPOINT *(please tick one box only)*

the Chair of the meeting

OR

..... *(insert full name in block capitals)*

**who is a Member of the Group of the Scheme
and who will be attending the meeting**

as my PROXY to vote for me on my behalf on the resolution which is item 11 on the Agenda of
the meeting in the event of a poll being demanded and taken at the meeting.

I wish my vote to be cast *(please tick one box only)*

for the resolution

against the resolution

as my proxy thinks fit

I acknowledge that my vote by proxy will be cast on the basis that I will not have heard the
discussion about the resolution at the AGM.

In the event of a proxy vote being granted to a nominated member who is not present at the
AGM, the proxy vote by default will be cast by the Chair of the meeting.

Signed.....

Dated.....