

Chris Rowell
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Date 11th July 2007

Dear Chris,

**Modification of the Balancing and Settlement Code (“BSC”) :
Modification Proposal P207**

Reference is made to the direction to National Grid Electricity Transmission plc (“NGET”) to modify the BSC issued by the Gas and Electricity Markets Authority (“the Authority”) and dated 10th July (“the Direction”).

The Direction has been made by the Authority pursuant to Condition C3.5(a) of NGET's licence to transmit electricity granted under Section 6 (1) of the Electricity Act 1989 (“the Transmission Licence”).

The Implementation Date for Proposed Modification P207 is 10th September 2007.

In accordance with Condition C3.5(c) of NGET's Transmission Licence, the BSC is hereby modified in accordance with the Direction.

Yours sincerely

Duncan Burt

for and on behalf of
**National Grid Electricity
Transmission plc**