

Date: 6 June 2001

Our Ref: JRM/aw/3279/corres/487

Your Ref:

Dorcas Batstone
Modification Secretary
Elexon Limited
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1 Triton Square
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NW1 3DX



Legal Services

The National Grid Company plc
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Dear Dorcas

**Modification of the Balancing and Settlement Code ("BSC") :
Modification Proposal P16**

Reference is made to the direction to The National Grid Company plc ("NGC") to modify the BSC issued by the Gas and Electricity Markets Authority ("the Authority") and dated 4 June 2001 ("the Direction") which is annexed to this modification instrument.

The Direction has been made by the Authority pursuant to Condition 7A.5(a) of NGC's licence to transmit electricity granted under Section 6 (1) of the Electricity Act 1989 ("the Transmission Licence").

In accordance with Condition 7A.5(b) of the Transmission Licence, the BSC is hereby modified in accordance with the Direction as indicated therein with effect on and from 1 June 2001

Yours sincerely

J R Munsey
for an on behalf of
The National Grid Company plc



INVESTOR IN PEOPLE

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