nationalgrid

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Date 8th September 2006

Dear Chris

Modification of the Balancing and Settlement Code ("BSC"): Modification Proposals P 201 & 202

On 7th September 2006 National Grid Electricity Transmission plc ("NGET") received notice from the Gas and Electricity Markets Authority that it had decided not to direct NGET to make Modification Proposal P201 & 202 to the Balancing and Settlement Code.

Accordingly, NGC hereby gives notice of such notification to the Modification Secretary pursuant to Paragraph 1.1.4 of Section F of the Balancing and Settlement Code.

Yours sincerely

Ben Graff

for and on behalf of National Grid Electricity Transmission plc