Date: 1 September 2003

Our Ref: P130 Dec

Your Ref:

National Grid Company plc NGT House Gallows Hill Warwick

CV34 6DA

National Grid

Chris Rowell
Modification Secretary
Elexon Limited
3rd Floor
1 Triton Square
LONDON
NW1 3DX

Dear Chris

Modification of the Balancing and Settlement Code ("BSC") : Modification Proposal P130

Reference is made to the direction to National Grid Company plc ("NGC") to modify the BSC issued by the Gas and Electricity Markets Authority ("the Authority") and dated 29 August 2003 ("the Direction") which is annexed to the hard copy of this modification instrument.

The Direction has been made by the Authority pursuant to Condition C3.5(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 C3.5(b) of the Transmission Licence, the BSC is hereby modified in accordance with the attached Direction.

Yours sincerely

Clare Talbot for and on behalf of National Grid Company plc



