

Date: 18 July 2003



Our Ref:

Your Ref:

National Grid Company plc
National Grid House
Kirby Corner Road
Coventry
CV4 8JY

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 P126**

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 18 July 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



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