Date: 5 July 2002

Our Ref: JRM/aw/3279/corres/824

Your Ref:

Legal Services

The National Grid Company plc
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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 P72

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 5 July 2002 ("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 Direction as indicated therein with effect on and from the date specified therein.

Yours sincerely

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