

Adam Richardson
Modification Secretary
Elexon Limited
5th Floor
350 Euston Road
London
NW1 3AW

Ben Smith
Commercial Analyst

Ben.smith@uk.ngrid.com
Direct tel +44 (0)1926 655836
Direct fax +44 (0)1926 656605

www.nationalgrid.com

Date: 20th September 2011

Dear Adam

**Modification of the Balancing and Settlement Code (“BSC”) :
Modification Proposal P268**

Reference is made to the direction to National Grid Electricity Transmission plc (“NGET's”) to modify the BSC issued by the Gas and Electricity Markets Authority (“the Authority”) and dated 19th September 2011 (“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 NGET's licence to transmit electricity granted under Section 6 (1) of the Electricity Act 1989 (“the Transmission Licence”).

The Implementation Date for Alternative Modification P268 is 23rd February 2012.

In accordance with Condition C3.5(c) of NGET's Transmission Licence, the BSC is hereby modified in accordance with the attached Direction.

Yours sincerely

Ben Smith

for and on behalf of
**National Grid Electricity
Transmission plc**