

Adam Richardson  
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Date: 24 November 2010

Dear Adam

**Modification of the Balancing and Settlement Code (“BSC”) :  
Modification Proposal P263**

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 24 November 2010 (“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 Proposed Modification P263 is 31 December 2010.

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

Malcolm Arthur

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