

ANNUAL REPORT

OF

GRANITE STATE ELECTRIC COMPANY

EXACT LEGAL NAME OF RESPONDENT

9 Lowell Road, Salem, New Hampshire 03079

ADDRESS OF PRINCIPAL BUSINESS OFFICE AT END OF YEAR

TO THE

N.H. PUBLIC UTILITIES COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2010

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent Granite State Electric Company	02 Year/Period of Report End of <u>2010/Q4</u>	
03 Previous Name and Date of Change <i>(if name changed during year)</i> <div style="text-align: center;">/ /</div>		
04 Address of Principal Office at End of Period <i>(Street, City, State, Zip Code)</i> 9 Lowell Road, Salem, New Hampshire 03079		
05 Name of Contact Person Martin Wheatcroft	06 Title of Contact Person Controller & VP Fin Svc	
07 Address of Contact Person <i>(Street, City, State, Zip Code)</i> One MetroTech Center, Brooklyn, NY 11201		
08 Telephone of Contact Person, <i>Including Area Code</i> (718) 403-2742	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report <i>(Mo, Da, Yr)</i> / /

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Alan P. Foster	03 Signature <div style="text-align: center;"> Alan P. Foster</div>	04 Date Signed <i>(Mo, Da, Yr)</i> 04/18/2011
02 Title Sr VP of US Financial Services		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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LIST OF SCHEDULES (Electric Utility)			
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".			
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	None
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	None
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	None
18	Electric Plant Held for Future Use	214	None
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	None
22	Materials and Supplies	227	
23	Allowances	228(ab)-229(ab)	None
24	Extraordinary Property Losses	230	None
25	Unrecovered Plant and Regulatory Study Costs	230	None
26	Transmission Service and Generation Interconnection Study Costs	231	None
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	
32	Capital Stock Expense	254	None
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	269	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	None
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Sales of Electricity by Rate Schedules	304	
44	Sales for Resale	310-311	None
45	Electric Operation and Maintenance Expenses	320-323	
46	Purchased Power	326-327	
47	Transmission of Electricity for Others	328-330	None
48	Transmission of Electricity by ISO/RTOs	331	None
49	Transmission of Electricity by Others	332	
50	Miscellaneous General Expenses-Electric	335	
51	Depreciation and Amortization of Electric Plant	336-337	
52	Regulatory Commission Expenses	350-351	
53	Research, Development and Demonstration Activities	352-353	
54	Distribution of Salaries and Wages	354-355	
55	Common Utility Plant and Expenses	356	None
56	Amounts included in ISO/RTO Settlement Statements	397	None
57	Purchase and Sale of Ancillary Services	398	None
58	Monthly Transmission System Peak Load	400	None
59	Monthly ISO/RTO Transmission System Peak Load	400a	None
60	Electric Energy Account	401	
61	Monthly Peaks and Output	401	
62	Steam Electric Generating Plant Statistics	402-403	None
63	Hydroelectric Generating Plant Statistics	406-407	None
64	Pumped Storage Generating Plant Statistics	408-409	None
65	Generating Plant Statistics Pages	410-411	None
66	Transmission Line Statistics Pages	422-423	None

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LIST OF SCHEDULES (Electric Utility) (continued)			
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".			
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During the Year	424-425	None
68	Substations	426-427	
69	Transactions with Associated (Affiliated) Companies	429	
70	Footnote Data	450	
	Stockholders' Reports Check appropriate box: <input type="checkbox"/> Two copies will be submitted <input checked="" type="checkbox"/> No annual report to stockholders is prepared		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Wheatcroft, Martin -- Vice President and Controller
One MetroTech Center
Brooklyn, NY 11201

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Incorporated in New Hampshire on September 9, 1912.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

New Hampshire: Electric service to customers

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) ☐ Yes...Enter the date when such independent accountant was initially engaged:
(2) ☒ No

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the repondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiearies for whom trust was maintained, and purpose of the trust.

National Grid USA held control over the Respondent through direct ownership of 100% of the voting stock.

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.

2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.

3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.

2. Direct control is that which is exercised without interposition of an intermediary.

3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.

4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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OFFICERS			
<p>1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.</p> <p>2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.</p>			
Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Appointments:		
2	-----		
3	President	King, Thomas B. - 06/04/08	
4	Regional President & Asst. Secretary	Sherry, William T. - 06/04/08	
5	Vice President	White, Edward - 04/12/2010	
6	Senior Vice President	Hogan, Patrick- 02/01/2010	
7	Senior Vice President and Chief Procurement Officer	Schlaff, Raymond C - 12/01/09	
8	Senior Vice President and Clerk	Owyang, Colin - 01/01/09	
9	Vice President	Turrini, Ross - 02/04/09	
10	Vice President	Teetz, Robert - 04/23/2010	
11	Vice President	Proudman, Neil - 09/14/2010	
12	Vice President and Controller	Wheatcroft, Martin - 08/29/08	
13	Treasurer	Cooper, Malcolm Charles - 06/04/08	
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15			
16	Changes During The Year		
17	-----		
18			
19	Appointed		
20	-----		
21	Vice President	White, Edward - 04/12/2010	
22	Senior Vice President	Hogan, Patrick- 02/01/2010	
23	Vice President	Teetz, Robert - 04/23/2010	
24	Vice President	Proudman, Neil - 09/14/2010	
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27	Resignations:		
28	-----		
29	Executive Vice President	Pettigrew, John - 03/18/10	
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Name of Respondent Granite State Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 3 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 4 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 5 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 6 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 7 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 8 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 9 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 10 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 11 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 12 Column: c

Salary paid by National Grid UK. This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 13 Column: c

Salary paid by National Grid UK. This salary is allocated among several National Grid companies and only a portion of

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
FOOTNOTE DATA			

this salary is allocated to the Company.

Schedule Page: 104 Line No.: 21 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 22 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 23 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Schedule Page: 104 Line No.: 24 Column: c

Salary paid by National Grid USA Service Company, Inc. (an associated company). This salary is allocated among several National Grid companies and only a portion of this salary is allocated to the Company.

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
DIRECTORS					
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.					
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.					
Line No.	Name (and Title) of Director (a)			Principal Business Address (b)	
1	Ryan, Linda Claire (Director)			Waltham, MA	
2	Owyang, Colin (Director)			Waltham, MA	
3	Smith, Elen (Director)			Waltham, MA	
4					
5					
6	Changes During the Year				
7	-----				
8					
9	Elected				
10	-----				
11	Smith, Elen (Director) - 03/01/10				
12					
13					
14	Resigned				
15	-----				
16	Pettigrew, John - (03/01/10)				
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
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<p align="center">INFORMATION ON FORMULA RATES</p> <p align="center">FERC Rate Schedule/Tariff Number FERC Proceeding</p>
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Does the respondent have formula rates?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	--

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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INFORMATION ON FORMULA RATES FERC Rate Schedule/Tariff Number FERC Proceeding	
Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website					
Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
1					
2					
3			not applicable		
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
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<p align="center">INFORMATION ON FORMULA RATES</p> <p align="center">Formula Rate Variances</p>
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- | |
|---|
| <p>1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.</p> <p>2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.</p> <p>3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.</p> <p>4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.</p> |
|---|

Line No.	Page No(s).	Schedule	Column	Line No
1				
2		not applicable		
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of <u>2010/Q4</u>
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <ol style="list-style-type: none"> Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. State the estimated annual effect and nature of any important wage scale changes during the year. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest. (Reserved.) If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio. 			
PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Items 1,2,3,4,5,6,7,9,10,11,12 and 14 are None.

Item 8:

New England union employees received wage increases ranging from 2.0% to 3.5%.
New England non-union employees received wage increases by 2.3%.

Item 13:

Appointments:

Ellen Smith was elected Director effective 03/01/10.

Patrick Hogan was elected Senior Vice President effective 02/01/10.

Edward White was elected Vice President effective 04/12/10.

Robert Teetz was elected Vice President effective 04/23/10.

Neil Proudman was elected Vice President effective 9/14/10.

Resignations:

John Pettigrew resigned as Executive Vice President effective 03/18/10.

John Pettigrew resigned as Director effective 03/01/10.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Granite State Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2010/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	149,833,746	142,254,266
3	Construction Work in Progress (107)	200-201	1,156,626	2,923,186
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		150,990,372	145,177,452
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	53,698,759	50,688,590
6	Net Utility Plant (Enter Total of line 4 less 5)		97,291,613	94,488,862
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		97,291,613	94,488,862
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		32,086	32,086
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		31,153	27,045
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		1,079,518	995,861
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		1,142,757	1,054,992
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		78,866	217,338
36	Special Deposits (132-134)		3,276,112	3,070,049
37	Working Fund (135)		0	0
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		8,660,919	8,536,282
41	Other Accounts Receivable (143)		1,058,591	555,774
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		575,626	597,427
43	Notes Receivable from Associated Companies (145)		5,500,000	0
44	Accounts Receivable from Assoc. Companies (146)		841,897	2,158,678
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	507,521	447,265
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	-13,806	-51,017
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		751,797	8,639,386
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		2,602	152
60	Rents Receivable (172)		64,355	264
61	Accrued Utility Revenues (173)		1,233,000	0
62	Miscellaneous Current and Accrued Assets (174)		28,288	16,098
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		21,414,516	22,992,842
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		34,637	37,256
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	1,868,171	3,316,288
73	Prelim. Survey and Investigation Charges (Electric) (183)		177,081	105,268
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		121,884	-54,039
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	8,556	7,618
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	7,747,982	8,125,509
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		9,958,311	11,537,900
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		129,807,197	130,074,596

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	6,040,000	6,040,000
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	40,053,584	40,053,584
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	33,543,272	32,569,604
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-7,310,579	-7,983,597
16	Total Proprietary Capital (lines 2 through 15)		72,326,277	70,679,591
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	15,000,000	15,000,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		15,000,000	15,000,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		500,000	0
29	Accumulated Provision for Pensions and Benefits (228.3)		0	0
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		111,410	95,095
35	Total Other Noncurrent Liabilities (lines 26 through 34)		611,410	95,095
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		6,617,384	6,616,943
39	Notes Payable to Associated Companies (233)		0	1,275,000
40	Accounts Payable to Associated Companies (234)		964,549	842,802
41	Customer Deposits (235)		326,425	348,347
42	Taxes Accrued (236)	262-263	517,917	6,185
43	Interest Accrued (237)		307,117	306,041
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

[illegible]

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.

2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.

3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.

4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.

5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)

6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility columnin a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.

7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	82,898,549	83,885,903		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	69,565,983	71,848,912		
5	Maintenance Expenses (402)	320-323	1,553,221	3,373,362		
6	Depreciation Expense (403)	336-337	4,539,499	4,288,958		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	230	173		
8	Amort. & Depl. of Utility Plant (404-405)	336-337				
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		254,503	262,591		
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	2,934,455	2,588,569		
15	Income Taxes - Federal (409.1)	262-263	1,305,655	-7,433,243		
16	- Other (409.1)	262-263	307,136	-170,943		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	846,860	10,379,597		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	560,677	2,756,233		
19	Investment Tax Credit Adj. - Net (411.4)	266	-42,487	-46,228		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		80,704,378	82,335,515		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		2,194,171	1,550,388		

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
STATEMENT OF INCOME FOR THE YEAR (Continued)							
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.</p>							
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY			
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	Line No.	
						1	
82,898,549	83,885,903					2	
						3	
69,565,983	71,848,912					4	
1,553,221	3,373,362					5	
4,539,499	4,288,958					6	
230	173					7	
						8	
						9	
						10	
						11	
254,503	262,591					12	
						13	
2,934,455	2,588,569					14	
1,305,655	-7,433,243					15	
307,136	-170,943					16	
846,860	10,379,597					17	
560,677	2,756,233					18	
-42,487	-46,228					19	
						20	
						21	
						22	
						23	
						24	
80,704,378	82,335,515					25	
2,194,171	1,550,388					26	

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		2,194,171	1,550,388			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)						
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)						
33	Revenues From Nonutility Operations (417)						
34	(Less) Expenses of Nonutility Operations (417.1)		163,000	370,500			
35	Nonoperating Rental Income (418)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119					
37	Interest and Dividend Income (419)		202,855	59,614			
38	Allowance for Other Funds Used During Construction (419.1)		47,172	125,145			
39	Miscellaneous Nonoperating Income (421)		11,071	-27,871			
40	Gain on Disposition of Property (421.1)						
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		98,098	-213,612			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)						
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		23,715	10,564			
46	Life Insurance (426.2)		-23,374	13,979			
47	Penalties (426.3)						
48	Exp. for Certain Civic, Political & Related Activities (426.4)		38,748	135,730			
49	Other Deductions (426.5)						
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		39,089	160,273			
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263					
53	Income Taxes-Federal (409.2)	262-263	42,600	-123,200			
54	Income Taxes-Other (409.2)	262-263	14,500	-29,700			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	-61,170				
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277					
57	Investment Tax Credit Adj.-Net (411.5)						
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		-4,070	-152,900			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		63,079	-220,985			
61	Interest Charges						
62	Interest on Long-Term Debt (427)		1,130,500	1,130,500			
63	Amort. of Debt Disc. and Expense (428)		2,619	2,619			
64	Amortization of Loss on Reacquired Debt (428.1)						
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)		521	84			
68	Other Interest Expense (431)		19,361	100,934			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		9,556	23,937			
70	Net Interest Charges (Total of lines 62 thru 69)		1,143,445	1,210,200			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		1,113,805	119,203			
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		1,113,805	119,203			

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		32,569,604	33,184,258
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Prior period adjustment		-140,137	(733,857)
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)		-140,137	(733,857)
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		1,113,805	119,203
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		33,543,272	32,569,604
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	1,113,805	119,203
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	4,539,729	4,289,131
5	Amortization of Debt Discount and Expenses	2,619	2,619
6			
7			
8	Deferred Income Taxes (Net)	286,183	7,623,364
9	Investment Tax Credit Adjustment (Net)	-42,487	-46,228
10	Net (Increase) Decrease in Receivables	-269,923	2,122,467
11	Net (Increase) Decrease in Inventory	-97,467	-98,372
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-159,586	-4,142,964
14	Net (Increase) Decrease in Other Regulatory Assets	1,448,117	-1,354,396
15	Net Increase (Decrease) in Other Regulatory Liabilities	-204,108	86,564
16	(Less) Allowance for Other Funds Used During Construction	47,172	-23,937
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	538,357	78,779
19	Net Increase (Decrease) in Pension Liabilities	-756,559	1,526,510
20	Net Increase (Decrease) in Hazardous Waste	371	7,478
21	Net Decrease (Increase) in Prepaid and other current assets	7,875,399	-6,828,195
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	14,227,278	3,409,897
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-6,420,150	-6,148,138
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-47,172	23,937
31	Other (provide details in footnote):	-407,118	-3,190,421
32	Plant Retirement Cost Net of Salvage	-806,546	-841,649
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-7,586,642	-10,204,145
35			
36	Acquisition of Other Noncurrent Assets (d)	-4,108	860
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
STATEMENT OF CASH FLOWS					
<p>(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>					
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)		
46	Loans Made or Purchased				
47	Collections on Loans				
48					
49	Net (Increase) Decrease in Receivables				
50	Net (Increase) Decrease in Inventory				
51	Net (Increase) Decrease in Allowances Held for Speculation				
52	Net Increase (Decrease) in Payables and Accrued Expenses				
53	Other (provide details in footnote):				
54					
55	Notes Receivable Assoc Co. Money Pool	-5,500,000	5,225,000		
56	Net Cash Provided by (Used in) Investing Activities				
57	Total of lines 34 thru 55)	-13,090,750	-4,978,285		
58					
59	Cash Flows from Financing Activities:				
60	Proceeds from Issuance of:				
61	Long-Term Debt (b)				
62	Preferred Stock				
63	Common Stock				
64	Other (provide details in footnote):				
65					
66	Net Increase in Short-Term Debt (c)				
67	Other (provide details in footnote):				
68	Nates Payable Assoc Co. Money Pool	-1,275,000	1,275,000		
69					
70	Cash Provided by Outside Sources (Total 61 thru 69)	-1,275,000	1,275,000		
71					
72	Payments for Retirement of:				
73	Long-term Debt (b)				
74	Preferred Stock				
75	Common Stock				
76	Other (provide details in footnote):				
77					
78	Net Decrease in Short-Term Debt (c)				
79					
80	Dividends on Preferred Stock				
81	Dividends on Common Stock				
82	Net Cash Provided by (Used in) Financing Activities				
83	(Total of lines 70 thru 81)	-1,275,000	1,275,000		
84					
85	Net Increase (Decrease) in Cash and Cash Equivalents				
86	(Total of lines 22,57 and 83)	-138,472	-293,388		
87					
88	Cash and Cash Equivalents at Beginning of Period	217,338	510,726		
89					
90	Cash and Cash Equivalents at End of period	78,866	217,338		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 18 Column: b

Other Operating Activities:

Change in Miscellaneous Deferred Debits:	\$	(938)
Change in Other Deferred Credits:		42,200
Change in Clearing Accounts:		(175,923)
Change in Accumulated Other Comprehensive Income		673,018
	\$	538,357

Schedule Page: 120 Line No.: 31 Column: b

Other Investment Activities:

Change in Cost of Removal	\$	(117,398)
Change in Special Funds:		(83,657)
Change in Special Deposits:		(206,063)
	\$	(407,118)

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of <u>2010/Q4</u>
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<p align="center">NOTES TO FINANCIAL STATEMENTS</p> <p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>
<p>PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.</p>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

Granite State Electric Company (the “Company”, “we”, “us”, and “our”) is an electric retail distribution company providing electric service to approximately 42,900 customers in 21 communities in New Hampshire. The properties of the Company consist principally of substations and distribution lines interconnected with transmission and other facilities of New England Power Company (“NEP”), a wholly owned subsidiary of National Grid USA (“NGUSA”).

The Company is a wholly owned subsidiary of NGUSA, a utility holding company with regulated subsidiaries engaged in the generation, transmission, distribution and sale of both natural gas and electricity in New England and New York State. NGUSA is a wholly owned subsidiary of National Grid plc, a public limited company incorporated under the laws of England and Wales.

B. Basis of Presentation

The Company is subject to the regulations of the New Hampshire Public Utilities Commission (“NHPUC”) in addition to the Federal Energy Regulatory Commission (“FERC”). The Company’s financial statements were prepared in accordance with the accounting requirements of FERC, as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America (“GAAP”).

The accounts of the Company are maintained in accordance with the Uniform System of Accounts prescribed by regulatory bodies having jurisdiction.

The preparation of financial statements in conformity with the accounting requirements of the FERC requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Accounting for the Effects of Rate Regulation

The FERC has jurisdiction over certain of the Company’s activities, including (i) regulating certain transactions among our affiliates; (ii) governing the issuance, acquisition and disposition of securities and assets; and (iii) approving certain utility mergers and acquisitions. The Company is also subject to certain regulations of the NHPUC in addition to FERC.

D. Revenue Recognition

Revenues are based on billing rates authorized by the NHPUC. The Company records revenues in amounts management believes to be recoverable pursuant to provisions of approved tariffs, settlement agreements and state legislation. The Company defers for future recovery from or refunds to electric customers the difference between revenue and expenses from, default service, transmission service, and contract termination charges (“CTC”). The Company also records the distribution component of revenue for electricity delivered but not yet billed.

E. Property, Plant and Equipment

Property, plant and equipment are stated as original cost. The cost of additions to property plant and equipment and replacements of retirement units of property are capitalized. Costs include direct material, labor, overhead and allowance for funds used during construction (“AFUDC”). Replacement of minor items of utility plant and the cost of current repairs and maintenance are charged to expense. Whenever utility plant is retired, its original cost, together with the cost of removal, less salvage, is charged to accumulated depreciation.

F. Goodwill

In accordance with current accounting guidance for goodwill and other intangible assets, the Company tests goodwill for

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Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

impairment on an annual basis and on an interim basis when certain events or circumstances exist. Goodwill impairment is determined by comparing the estimated fair value of a reporting unit with its respective book value. If the estimated fair value exceeds the book value, goodwill at the reporting unit level is not deemed to be impaired. If the estimated fair value is below book value, however, further analysis is required to determine the amount of the impairment. Additionally, if the forecasted returns utilized in the analysis are not achieved, an impairment of goodwill may result. For example, within our calculation of forecasted returns, we have made certain assumptions around the amount of pension and environmental costs to be recovered in future periods. Should we not benefit from improved rate relief in these areas, the result could be a reduction in fair value of the Company, which in turn could give rise to an impairment of goodwill.

The Company utilizes a discounted cash flow approach incorporating its most recent business plan forecasts together with a projected terminal year calculation in the performance of the annual goodwill impairment test. Critical assumptions used in the Company's analysis include a discount rate of 6% and a terminal year growth rate of 3% based upon expected long-term average growth rates. Our forecasts assume long-term recovery and rate of returns that are in line with historical levels within the utility industry. The resulting fair value of the annual analysis determined that no adjustment of the goodwill carrying value was required.

G. Cash and Cash Equivalents

The Company classifies short-term investments that are highly liquid and have maturities of three months or less at the date of purchase as cash equivalents. These short-term investments are carried at cost which approximately fair value.

H. Restricted Cash

In the years ended December 31, 2010 and 2009, \$3.3 million and \$3.0 million were required by the Independent System Operator of New England Inc. (the ISO) to be on deposit.

I. Income Taxes

Federal and state income taxes are recorded under the current accounting provisions for the accounting and reporting of income taxes. Income taxes have been computed utilizing the asset and liability approach that requires the recognition of deferred tax assets and liabilities for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. Deferred investment tax credits are amortized over the useful life of the underlying property. Additionally, the Company follows the current accounting guidance relating to uncertainty in income taxes which applies to all income tax positions reflected on the Company's balance sheets that have been included in previous tax returns or are expected to be included in future tax returns.

J. Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the equity of a company, not including those changes that result from shareholder transactions. While the primary component of comprehensive income (loss) is reported net income or loss, the other primary component of comprehensive income (loss) consists of is unrealized gains and losses associated with certain investments held as available for sale and changes in pension and other postretirement obligations.

K. Employee Benefits

On March 31, 2007, NGUSA adopted certain accounting guidance that requires employers to fully recognize all postretirement plans' funded status on the balance sheet as a net liability or asset and required an offsetting adjustment to "Accumulated other comprehensive income" in shareholders' equity upon implementation. Consistent with past practice and as required by the current accounting guidance, NGUSA values its pension and other postretirement assets using the year-end market value of those assets. Benefit obligations are also measured at year-end. (See Note 3 - Employee Benefits for additional details on the Company's pension and other postretirement plans.)

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Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

L. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following is a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities that a company has the ability to access as of the reporting date.

Level 2 — inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 — unobservable inputs, such as internally-developed forward curves and pricing models for the asset or liability due to little or no market activity for the asset or liability with low correlation to observable market inputs.

M. Inventory

Inventory is stated primarily at the lower of cost or market value under the average cost method. The company's write-down policy is to write-off obsolete inventory.

N. Recent Accounting Pronouncements

In December 2010, the FASB issued updated guidelines that addressed the diversity in practice about the interpretation of the pro forma revenue and earnings disclosure requirements for business combinations. This update specifies that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. The amendments in the updated guidelines are effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. Early adoption is permitted. The Company believes that adoption of these guidelines will not impact its financial condition, result of operations or cash flows.

In March 2010, the Patient Protection and Affordable Care Act and the Healthcare and Education Reconciliation Act of 2010 were passed in the United States Congress and signed into law. These laws eliminate the tax exempt status of drug subsidies provided to companies under Medicare Part D after December 31, 2012. In April 2010, the FASB issued the accounting guidance related to the Patient Protection and Affordable Care Act which requires the measurement of current and deferred tax liabilities and assets to be based on provisions of enacted tax law. As a result of this new legislation, the Company recorded a noncash charge in the prior fiscal year to reflect additional deferred income tax expense.

In March 2010, the FASB issued updated guidance that provides for scope exceptions applicable to financial instrument contracts with embedded credit derivative features. This FASB guidance is effective for financial statements issued for interim periods beginning after June 15, 2010. On an ongoing basis, the Company evaluates new and existing transactions and agreements to determine whether they are derivatives, or have provisions that meet the characteristics of embedded derivatives. Those transactions designated for any of the elective accounting treatments for derivatives must meet specific, restrictive criteria, both at the time of designation and on an ongoing basis. None of the financial instrument contracts or credit agreements the Company has entered were identified and designated as meeting the criteria for derivative or embedded derivative treatment. The adoption of this guidance did not have an impact on the Company's financial position, results of operations or cash flows.

In February 2010, the FASB issued an amendment to certain recognition and disclosure requirements for events that occur after the balance sheet date but before the financial statements are issued or are available to be issued. The amendment applies to both issued financial statements and financial statements revised as a result of either a correction of an error or retrospective application of GAAP. The new provisions require nonpublic entities to disclose both the date that the

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

financial statements were issued, or available to be issued, and the date the revised financial statements were issued or available to be issued. The amendment is effective for interim or annual periods ending after June 15, 2010. The adoption of this guidance did not have an impact on the Company's financial position, results of operations or cash flows.

In January 2010, the FASB issued an amendment to the accounting guidance for fair value measurements that will provide for additional disclosures about (a) the different classes of assets and liabilities measured at fair value, (b) the valuation techniques and inputs used, (c) the activity in Level 3 fair value measurements, and (d) the transfers between Levels 1, 2, and 3. This FASB guidance is effective for financial statement issued for interim and annual periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The provisions of this guidance have been adopted by the Company and have been applied to its financial statements for the period ending December 31, 2010.

In the preceding twelve months, the FASB and other authoritative bodies have issued numerous updates to GAAP. The Company has evaluated these guidelines and has deemed them as not applicable based on its nature of operations.

NOTE 2. RATES AND REGULATORY

The Company's accounting records are maintained in accordance with the Uniform System of Accounts prescribed by the FERC. The financial statements reflect the ratemaking policies and actions of the NHPUC in conformity with GAAP for rate-regulated enterprises.

The Company applies the current accounting guidance for rate-regulated enterprises. The guidance recognizes the ability of regulators, through the ratemaking process, to create future economic benefits and obligations affecting rate-regulated companies. Accordingly, the Company records these future economic benefits and obligations as regulatory assets and regulatory liabilities.

In the event the Company determines that its net regulatory assets are not probable of recovery, it would no longer apply the principles of the accounting guidance for rate-regulated enterprises and would be required to record an after-tax, non-cash charge against income for any remaining regulatory assets and liabilities. The resulting charge would be material to the Company's reported financial condition and results of operations. Management continues to believe that rates are based on the Company's incurred costs and investment levels and therefore should continue to apply the accounting guidance for rate-regulated enterprises.

Rate Matters:

On July 12, 2007, the NHPUC approved a settlement agreement between the Company, the Staff of the NHPUC and the New Hampshire Office of Consumer Advocate related to issues surrounding the merger of NGUSA and KeySpan Corporation ("KeySpan") (the 2007 Settlement). Among other things, the 2007 Settlement provided for a \$2.2 million reduction in the Company's distribution rates in two steps: the first \$1.1 million reduction became effective August 11, 2007 and the second \$1.1 million reduction became effective January 1, 2008. The 2007 Settlement also contained a distribution rate plan spanning 5 years effective January 1, 2008 (Rate Plan). During the Rate Plan, distribution rates are frozen except for rate adjustments in the event of certain uncontrollable exogenous events and annual rate adjustments related to specific Reliability Enhancement and Vegetation Management Plans ("REP/VMP"). The Rate Plan also includes an earnings sharing mechanism based on an imputed capital structure of 50% debt and 50% equity and a return on equity ("ROE") of 11%. Earnings above 11% are shared equally between customers and the Company. The Rate Plan also establishes a storm contingency fund and customer service commitments by the Company. On June 27, 2008 the NHPUC approved the Company's first annual REP/VMP rate adjustment of \$0.2 million effective July 1, 2008. On July 31, 2009, the NHPUC approved the Company's second annual REP/VMP rate adjustment of \$0.2 million effective August 1, 2009. On June 30, 2010, the NHPUC approved the Company's third REP/VMP rate adjustment effective July

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

1, 2010 of \$1.1 million.

On April 8, 2010, the Company filed a request with the NHPUC for a temporary increase in funding to its storm contingency fund of \$0.7 million annually over 3 years to replenish the Company's newly formed fund after the devastating ice storm of December 11-12, 2008. An initial rate adjustment was approved by the NHPUC to increase funding by \$0.4 million annually effective July 1, 2010. Approval of the remaining increase in annual funding to the Company's storm contingency fund of \$0.3 million is pending the outcome of an audit of the December 2008 ice storm costs by the NHPUC.

On April 15, 2011, the Company filed its Annual Storm Fund Report with the NHPUC. The report references a significant storm event in February 2010, with approximately \$1.7 million in restoration costs. In March 2011, the Company experienced another significant storm event for which the costs have not yet been finalized. The Company will be seeking to recover its costs through its Storm Fund.

The Company continues to be authorized to recover all costs associated with procuring electricity for its customers, all transmission costs, and costs charged by the Company's affiliate, NEP for stranded costs associated with NEP's former electric generation investments.

On December 8, 2010, NGUSA and Liberty Energy Utilities Co., a subsidiary of Algonquin Power & Utilities Corp., entered into a stock purchase agreement (which was subsequently amended and restated on January 21, 2011), pursuant to which National Grid will sell and Liberty Energy will purchase all of the common stock of Granite State Electric Company. The parties have filed for the necessary federal and state regulatory approval filings that will be required to consummate the transaction.

The components of regulatory assets (liabilities) are as follows:

			Year Ended December 31,	
(in thousands of dollars)			2010	2009
<i>Current regulatory assets:</i>				
Rate adjustment mechanisms			\$ 1,674	\$ 2,196
<i>Current regulatory (liabilities):</i>				
Rate adjustment mechanisms			14	426
Total current regulatory assets, net			1,688	2,622
<i>Non-current regulatory assets:</i>				
Regulatory tax asset			(1,729)	1,052
Storm cost recoveries			3,180	1,583
Other			417	681
Total non-current regulatory assets			1,868	3,316
<i>Non-current regulatory liabilities:</i>				
Regulatory tax liability			(701)	(732)
Post retirement benefits			(1,686)	(1,859)
Total non-current regulatory liabilities			(2,387)	(2,591)
Total non-current regulatory liabilities, net			(519)	725
Net regulatory liabilities			\$ 1,169	\$ 3,347

Cost of Removal and Asset Retirement Obligations:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

The Company adheres to the current accounting guidance relating to asset retirement obligations associated with tangible long-lived assets. Asset retirement obligations arising from legal obligations amounted to \$0.1 million at December 31, 2010 and 2009. Under the Company's current and prior rate plans, it has collected through rates an implied cost of removal for its plant assets. This cost of removal collected from customers differs from the accounting guidance definition of an asset retirement obligation in that these collections are for costs to remove an asset when it is no longer deemed usable (i.e. broken or obsolete) and not necessarily from a legal obligation. These collections have been recorded as an adjustment to accumulated depreciation. The Company estimates it has collected over time \$4.6 million and \$4.4 million for the cost of removal through December 31, 2010 and 2009, respectively.

NOTE 3. EMPLOYEE BENEFITS

Summary

The Company sponsors a non-contributory defined benefit pension plan and postretirement benefits other than pension benefits ("PBOPs") plan (the "Plans"). The plans cover substantially all of the Company.

The pension plan is a non-contributory, tax-qualified defined benefit plan which provides all employees with a minimum retirement benefit. Under the pension plan, a participant's retirement benefit is computed using formulas based on percentages of highest average compensation computed over five consecutive years. The compensation covered by the pension plan includes salary, bonus and incentive share awards. Non-union employees hired after July 15, 2002 participate under a non-contributory defined benefit cash balance design.

Supplemental nonqualified, non-contributory executive retirement programs provide additional defined pension benefits for certain executives.

PBOPs provide health care and life insurance coverage to eligible retired employees. Eligibility is based on certain age and length of service requirements and, in most cases, retirees must contribute to the cost of their coverage.

Pension Benefits:

The Company participates in the pension plans with certain other NGUSA subsidiaries. Pension plan assets are commingled and cannot be allocated to an individual company. Pension costs are allocated to the Company. At December 31, 2010 and 2009, the pension plans have a net underfunded obligation of \$377.7 million and \$405.3 million, respectively. The Company's net periodic pension cost for the years ended December 31, 2010 and 2009 was \$0.8 million and \$0.5 million, respectively.

Defined Contribution Plan:

The Company has a defined contribution pension plan (employee savings fund plan) that covers substantially all employees. Employer matching contributions of \$0.1 million were expensed for the years ended December 31, 2010 and 2009.

Postretirement Benefits Other than Pension Benefits:

The Company participates in the PBOP plans with certain other NGUSA subsidiaries. PBOP costs are allocated to the Company. At December 31, 2010 and 2009, the PBOP plans have a net underfunded obligation of \$429.1 million and \$410.2 million, respectively. The Company's net periodic postretirement benefit cost for the years ended December 31, 2010 and 2009 was \$0.6 million.

Special Termination Benefits (Voluntary Early Retirement Offer)

In connection with National Grid plc's acquisition of KeySpan, which was completed on August 24, 2007, National Grid plc and KeySpan offered certain non-union employees voluntary early retirement offer (VERO) packages in June 2007. Of the 560 employees enrolled in the VERO, none were employees of the Company. Employees enrolled in the VERO

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

program will retire by October 1, 2010. The Company's share of the cost of the VERO program was estimated to be \$0.6 million, which consists of VERO costs allocated from affiliates. The Company recorded \$0.1 million and \$0.2 million of the expenses for the years ended December 31, 2010 and 2009, respectively. The majority of these amounts were recorded in regulatory assets because the Company is able to recover certain prudently incurred costs related to the merger.

During the year ending December 31, 2008, an additional VERO package was offered to 30 union employees in connection with National Grid plc's acquisition of KeySpan to further the effort to achieve necessary reduction through voluntary means. Of the 30 eligible employees, 28 enrolled in the VERO and were all employees of one affiliate of the Company. Employees enrolled in the early retirement program retired between October 1, 2008 and December 1, 2009. The Company recorded \$0.02 million of allocated costs associated with this VERO package.

In connection with the renewal of the collective bargaining agreement with National Grid employees part of Local 101, National Grid plc offered 284 Local 101 union employees a VERO in an effort to reduce the workforce. Eligible employees must have been working in a targeted area as of October 15, 2010 and be retirement age eligible in accordance with the pension plan each employee participates in as of May 1st, 2011. For eligible employees who have elected to accept the VERO offer, National Grid has the right to retain that employee for up to one year before VERO payments are made. An employee who accepts the VERO offer but elects to terminate employment with National Grid plc prior to the one year period, without consent of National Grid plc, forfeits all rights to VERO payments. The Company will accrue for a liability when the employees accept the offer and an amount can be reasonably estimated.

NOTE 4. DEBT

Short-term:

The Company has regulatory approval from the NHPUC to issue up to \$10 million of short-term debt. The company had no short-term debt outstanding to third-parties at December 31, 2010 or 2009.

Long-term:

The Company had outstanding \$15.0 million of unsecured long-term notes at December 31, 2010 and 2009. The interest rates on these unsecured notes range from 7.30% to 7.94% and the maturity dates extend from November 2023 to June 2028. These unsecured notes have certain restrictive covenants and acceleration clauses. These covenants stipulate that note-holders may declare the debt to be due and payable if total debt becomes greater than 70% of total capitalization. At December 31, 2010 and 2009, the total long-term debt was approximately 17% and 18% of total capitalization, respectively.

NOTE 5. PROPERTY, PLANT AND EQUIPMENT

The following table reflects the movements in our property, plant and equipment for the years ended December 31, 2010 and 2009:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in thousands of dollars)	Plant and Machinery	Land and Buildings	Assets in Construction	Goodwill	Other Intangible	Total
Balance at December 31, 2008	\$ 112,432	\$ 5,437	\$ 1,304	\$ 20,421	\$ 25	\$ 139,619
Additions	-	-	6,730	-	-	6,730
Disposals	(1,146)	(25)	-	-	-	(1,171)
Reclassifications	5,111	-	(5,111)	-	-	-
Balance at December 31, 2009	116,397	5,412	2,923	20,421	25	145,178
Accumulated Depreciation at December 31, 2009	(48,804)	(816)	-	(1,069)	-	(50,689)
Net book value at December 31, 2009	\$ 67,593	\$ 4,596	\$ 2,923	\$ 19,352	\$ 25	\$ 94,489
Balance at December 31, 2009	\$ 116,397	\$ 5,412	\$ 2,923	\$ 20,421	\$ 25	\$ 145,178
Additions	-	-	6,445	-	-	6,445
Disposals	(719)	1	86	-	-	(632)
Reclassifications	8,215	82	(8,297)	-	-	-
Balance at December 31, 2010	123,893	5,495	1,157	20,421	25	150,991
Accumulated Depreciation at December 31, 2010	(51,775)	(855)	-	(1,069)	-	(53,699)
Net book value at December 31, 2010	\$ 72,118	\$ 4,640	\$ 1,157	\$ 19,352	\$ 25	\$ 97,292

AFUDC: The Company capitalizes AFUDC as part of construction costs. AFUDC represents an allowance for the cost of funds used to finance construction and, for the Company, includes a debt component and an equity component. AFUDC is capitalized in "Property, plant and equipment" with offsetting credits to "Other interest" for the debt component and "Other income (expense), net" for the equity component. This method is in accordance with an established FERC rate-making practice under which the Company is permitted to recover prudently incurred capital costs through their ultimate inclusion in rate base and in the provision for depreciation. AFUDC rates vary by company and regulatory jurisdiction. The composite AFUDC rate was 6.8% and 9.2% for the years ended December 31, 2010 and 2009, respectively.

Depreciation: Depreciation is provided annually on a straight-line basis. The provisions for depreciation, as a percentage of weighted average depreciable property, and the weighted average service life, in years, are presented in the table below:

		December 31, 2010		December 31, 2009	
Asset Category:		Provision	Service Life	Provision	Service Life
Electric		3.7%	27	3.7%	27

NOTE 6. INCOME TAXES

Following is a summary of the components of federal and state income tax expense (benefit):

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

	Year Ended December 31,	
(in thousands of dollars)	2010	2009
<i>Components of federal and state income taxes:</i>		
Current tax expense (benefit):		
Federal	\$ 1,348	\$ (7,556)
State	322	(201)
Total current tax expense (benefit)	1,670	(7,757)
Deferred tax expense (benefit):		
Federal	\$ (574)	\$ 6,862
State	799	761
Total deferred tax expense	225	7,623
Investment tax credits ⁽¹⁾	(43)	(46)
Total income tax expense (benefit)	\$ 1,852	\$ (180)

Total income taxes in the consolidated statements of operations:

Income taxes charged to operations	\$ 1,856	\$ (27)
Income taxes credited to "Other income (deductions)"	(4)	(153)
Total	\$ 1,852	\$ (180)

⁽¹⁾ Investment tax credits (ITC) are being deferred and amortized over the depreciable life of the property giving rise to the credits

Income tax expense for the years ended December 31, 2010 and 2009 varied from the amount computed by applying the statutory rate to income before income taxes. A reconciliation of expected federal income tax expense, using federal statutory rate of 35%, to the Company's actual income tax expenses is presented in the following table:

	Year Ended December 31,	
(in thousands of dollars)	2010	2009
Computed tax	\$ 1,038	\$ (21)
<i>Increase (reduction) including those attributable to flow-through of certain tax adjustments:</i>		
State income tax, net of federal benefit	506	406
Medicare charge attributable to Patient		
Protection & Affordable Care Act	399	(35)
Depreciation differences not normalized	69	69
Investment tax credit	(43)	(46)
Provision to return adjustments	(10)	(538)
Other items - net	(107)	(15)
Total	\$ 814	\$ (159)
Federal and state income taxes	\$ 1,852	\$ (180)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Significant components of the Company's net deferred tax assets and liabilities are presented in the following table:

(in thousands of dollars)	2010	2009
Pension, OPEB and other employee benefits	\$ 3,581	\$ 5,484
Unbilled revenue	1,055	1,225
Future federal benefit on state taxes	720	-
Other items	2,392	1,416
Total deferred tax assets ⁽²⁾	7,748	8,125
Property related differences	(18,725)	(19,667)
Regulatory assets - Other	(1,383)	(2,186)
Other items	(31)	(771)
Total deferred tax liabilities	(20,139)	(22,624)
Net accumulated deferred income tax (liability)	(12,391)	(14,499)
Deferred investment tax credit	(173)	(215)

⁽¹⁾The presentation of the deferred tax in 2009 has been adjusted to be comparable with the presentation for 2010.

⁽²⁾There were no valuation allowances for deferred tax assets at December 31, 2010 or 2009.

The Company is a member of the National Grid Holdings Inc. ("NGHI") and subsidiaries consolidated federal income tax return. The Company has joint and several liabilities for any potential assessments against the consolidated group. In December 2009, NGHI, the parent company of NGUSA, made an income tax accounting method change (in accordance with Internal Revenue Code Section 481(a)) to reduce routine repair and maintenance of network assets pursuant to Internal Revenue Code Section 162 and Treasury Regulation §1.162-4 in its consolidated federal income tax return for the tax year ended March 31, 2009 which resulted in a current tax benefit recognized during year ended March 31, 2010.

The Company adopted the provisions of the FASB guidance which clarifies the accounting for uncertain tax positions as modified by FERC Docket AI07-2-000. This guidance provides that the financial effects of a tax position shall initially be recognized when it is more likely than not, based on the technical merits, that the position will be sustained upon examination, assuming the position will be audited and the taxing authority has full knowledge of all relevant information. FERC docket AI07-2-000 issues supplementary guidance requiring entities to continue to recognize deferred income taxes for Commission accounting and reporting purposes based on the difference between positions taken in tax returns filed or expected to be filed and amounts reported in the financial statements.

With the application of this FASB guidance, as of December 31, 2010 and 2009, the Company's unrecognized tax benefits totaled \$0.5 million and \$0.2 million, respectively, of which a benefit of \$0.3 million and \$0.1 million, respectively, would affect the effective tax rate, if recognized.

The following table reconciles the changes to the Company's unrecognized tax benefits for the years ended December 31, 2010 and 2009:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Reconciliation of Unrecognized Tax Benefits (in thousands of dollars)	Year Ended December 31,	
	2010	2009
Beginning balance	\$ 1,351	\$ 351
Gross increases related to prior period	2,060	-
Gross increases related to current period	227	1,201
Settlements with tax authorities	-	(201)
Reductions due to lapse of statute of limitations	-	-
Ending balance	\$ 3,638	\$ 1,351
Less: unrecognized tax benefits on temporary differences	(3,125)	(1,201)
Ending balance	\$ 513	\$ 150

As of December 31, 2010 and December 31, 2009, the Company has accrued for total interest of \$0.2 million, respectively. During the years ended December 31, 2010 and December 31 2009, the Company released interest expense \$0.04 million and recorded interest expense \$0.04 million, respectively. The Company recognizes interest accrued related to uncertain tax positions in interest expense or interest income and related penalties in non-operating expenses. No penalties were recognized during the years ended December 31, 2010 and 2009.

Federal income tax returns have been examined and all issues have been agreed with the Internal Revenue Service ("IRS") and the NGHI consolidated filing group through March 31, 2004. During the year ended December 31, 2010, the NGHI consolidated group reached an agreement with the IRS that contained a settlement of the majority of the income tax issues related to the years ended March 31, 2005 and March 31, 2006, and March 31, 2007 as well as an acknowledgment that certain discrete items remained disputed.

The company is the process of appealing the aforementioned disputed issues with the IRS Office of Appeals relating to its tax returns for March 31, 2005 to March 31, 2007. The Company does not anticipate a change in its unrecognized tax positions in the next 12 months as a result of filing the appeals. However, Company's tax sharing agreement may result in a change to allocated tax as a result of current and future audits or appeals. The years end March 31, 2008, March 31, 2009 and March 31, 2010 remain subject to examination by the IRS.

The Company participates with certain other National Grid subsidiaries in filing a unitary New Hampshire business profits tax return. The New Hampshire unitary returns have been amended for all agreed IRS adjustments. There is currently no ongoing audit by the State of New Hampshire, although the tax returns for the years ended March 31, 2008 through March 31, 2010 are still open under the statute of limitations.

NOTE 7. FAIR VALUE MEASUREMENTS

Available for sale securities are primarily equity investments based on quoted market prices and municipal bonds based on quoted prices of similarly traded assets in open markets.

Long term debt is based on quoted market prices where available or calculated prices based on the remaining cash flows of the underlying bond discounted at the Company's incremental borrowing rate. The Company's Balance Sheet reflects the long term debt at carrying value. The fair value of this debt at December 31, 2010 is \$21.6 million.

The following table presents assets and liabilities measured and recorded at fair value on the Company's Balance Sheets on a recurring basis and their level within the fair value hierarchy at December 31, 2010:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in thousands of dollars)					
		Level 1	Level 2	Level 3	December 31, 2010
Available for sale securities					
Assets		\$ 452	\$ 594	\$ -	\$ 1,046
Total available for sale securities		\$ 452	\$ 594	\$ -	\$ 1,046

NOTE 8. GOODWILL

The balance of goodwill represents the excess of acquisition cost over the fair value of net assets acquired relating to the acquisition of the Company by National Grid. The acquisition was accounted for by the acquisition method of accounting, the application of which includes the recognition of goodwill.

Goodwill:

Changes in the carrying amount of the Company's goodwill, net of accumulated impairment losses were as follows:

		Year Ended December 31,	
(in thousands of dollars)		2010	2009
Balance at beginning of the year		\$ 19,352	\$ 19,352
Goodwill acquired during the year		-	-
Goodwill disposed of during the year		-	-
Adjustments		-	-
Impairment		-	-
Balance at end of the year		\$ 19,352	\$ 19,352

NOTE 9. ACCUMULATED OTHER COMPREHENSIVE INCOME(LOSS)

The following table details the components of accumulated other comprehensive income (loss) for the years ended December 31, 2010 and 2009:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in thousands of dollars)	Unrealized Gain (Loss) on Available-for- Sale Securities	Postretirement Liability	Total Accumulated Other Comprehensive Income/(Loss)
December 31, 2008 balance, net of tax	\$ (45)	\$ (5,391)	\$ (5,436)
Other comprehensive income (loss):			
Unrealized gain on securities	92	-	92
Reclassification adjustment for gains included in net income	7	-	7
Change in pension and postretirement benefits	-	(2,646)	(2,646)
December 31, 2009 balance, net of tax	\$ 54	\$ (8,037)	\$ (7,983)
Other comprehensive income (loss):			
Unrealized (loss) on securities	(8)	-	(8)
Reclassification adjustment for gains included in net income	29	-	29
Change in pension and postretirement benefits	-	652	652
December 31, 2010 balance, net of tax	\$ 75	\$ (7,385)	\$ (7,310)

NOTE 10. COMMITMENTS AND CONTINGENCIES

Plant Expenditures:

Generally construction expenditures are consistent from year to year. However, the Company has undertaken a Reliability Enhancement Program to improve performance and reliability.

Legal Proceedings:

The Company is subject to various legal proceedings arising out of the ordinary course of its business. The Company does not consider any of such proceedings to be material to its business or likely to result in a material adverse effect on its results of operations or financial condition.

Hazardous Waste:

The normal ongoing operations and historic activities of the Company are subject to various federal, state and local environmental laws and regulations. Like many other industrial companies, the Company generates hazardous waste. Under federal and state Superfund laws, potential liability for the historic contamination of property may be imposed on responsible parties jointly and severally, without fault, even if the activities were lawful when they occurred.

The Company has been named as a potentially responsible party for remediation of a number of sites at which hazardous waste is alleged to have been disposed. The Company believes that obligations imposed on it because of the environmental laws will not have a material impact on its results of operations or financial position.

NOTE 11. RELATED PARTY TRANSACTIONS

Money Pool

The Company participates with NGUSA and its affiliates in a system money pool. The money pool is administered by a NGUSA Service Company as the agent for the participants. Short-term borrowing needs are met first by available funds of the money pool participants. Borrowings from the money pool bear interest at the higher of (i) the monthly average rate for high-grade, 30-day commercial paper sold through dealers by major corporations as published in The Wall Street Journal, or (ii) the monthly average rate then available to money pool depositors from an eligible investment in readily marketable money market funds or the existing short-term investment accounts maintained by money pool depositors or the NGUSA Service Company during the period in question. In the event neither rate is one that is permissible for a

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Granite State Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

transaction because of constraints imposed by the state regulatory commission having jurisdiction over a utility participating in the transaction, the rate is adjusted to a permissible rate as determined under the requirements of the state regulatory commission. Companies that invest in the money pool share the interest earned on a basis proportionate to their average monthly investment in the money pool. Funds may be withdrawn from or repaid to the money pool at any time without prior notice. The average interest rate for the money pool was 0.26% and 0.39% for the years ended December 31, 2010 and 2009, respectively. The Company had accounts receivable from the money pool of \$5.5 million at December 31, 2010 and accounts payable to the money pool of \$1.3 million at December 31, 2009.

Advances to/ from Affiliates

Additionally, the Company engages in various transactions with NGUSA and its affiliates. Certain activities and costs, such as executive and administrative, financial (including accounting, auditing, risk management, tax and treasury/finance), human resources, information technology, legal and strategic planning are shared between the companies and allocated to each company appropriately. In addition, the Company has a tax sharing agreement with NGH, a NGUSA affiliate, in filing consolidated tax returns. The Company's share of the tax liability is allocated resulting in a payment to or refund from NGH. (See note 6 – Income taxes on filing consolidated tax returns). At December 31, 2010 and 2009, the Company had net accounts payable to affiliates of \$0.1 million and net accounts receivable from affiliates of \$1.3 million, for those services, respectively.

Service Company Charges

The affiliated service companies of National Grid have furnished services to the Company at the cost of such services. These costs, including operating costs and capital expenditures, were \$10.8 million and \$11.0 million for the years ended December 31, 2010 and 2009, respectively.

Parent Company Charges

For the year ended December 31, 2010, NGUSA received charges from National Grid Commercial Holdings Limited (an affiliated company in the UK) for certain corporate and administrative services provided by the corporate functions of National Grid plc to its US subsidiaries. These charges, which are recorded on the books of NGUSA, have not been reflected on these financial statements.

NOTE 12. RESTRICTIONS ON PAYMENTS ON DIVIDENDS

Pursuant to the provisions of the long-term note agreement, payment of dividends on common stock would not be permitted if, after giving effect to such payment of dividends, common equity becomes less than 30% of total capitalization. At December 31, 2010 and 2009, common equity was approximately 83% and 82% of total capitalization, respectively. Under these provisions, none of the Company's retained earnings at December 31, 2010 and 2009 were restricted as to common dividends.

NOTE 13. SUBSEQUENT EVENTS

In accordance with current authoritative accounting guidance the Company has evaluated for disclosure subsequent events that have occurred up through April 18, 2011, the date of issuance of these financial statements. As of April 18, 2011, there were no subsequent events which required recognition or disclosure except as discussed below.

On January 31, 2011, National Grid announced substantial changes to the organization, including new global, US and UK operating models, and changes to the leadership team. The recently announced structure seeks to create a leaner, more-efficient business backed by streamlined operations that will help meet, more efficiently, the needs of regulators, customers and shareholders. The implementation of the new US business structure targets annualized savings of \$200 million by March 2012 primarily through the reduction of approximately 1,200 positions. The Company continues to evaluate the impact of the restructuring initiative on its financial position, results of operations and operating cash flows.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On December 8, 2010, NGUSA and Liberty Energy Utilities Co., a subsidiary of Algonquin Power & Utilities Corp., entered into a stock purchase agreement, pursuant to which National Grid will sell and Liberty Energy will purchase all of the common stock of Granite State Electric Company. The parties are preparing the necessary federal and state regulatory approval filings that will be required to consummate the transaction.

NOTE 14. DIFFERENCE BETWEEN UNIFORM SYSTEM OF ACCOUNTS AND GAAP

In accordance with the FERC Form 1 instructions, these notes are included in the Company's published annual reports which may include reclassifications not made for FERC reporting purposes. For example, reclassifications for the current portions of regulatory assets and liabilities and deferred taxes are done for the published annual reports but not for FERC reporting. These financial statements are prepared in accordance with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases. This is a comprehensive basis of accounting consistent with GAAP, except for:

- the balance sheet classification of cost of removal collections from customers
- the presentation of the income tax provision including uncertainties in income taxes
- the balance sheet classification of non-utility property

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES	

[illegible]

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)		Electric (c)	
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	123,817,472		123,817,472	
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified	5,595,511		5,595,511	
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	129,412,983		129,412,983	
9	Leased to Others				
10	Held for Future Use				
11	Construction Work in Progress	1,156,626		1,156,626	
12	Acquisition Adjustments	20,420,763		20,420,763	
13	Total Utility Plant (8 thru 12)	150,990,372		150,990,372	
14	Accum Prov for Depr, Amort, & Depl	53,698,759		53,698,759	
15	Net Utility Plant (13 less 14)	97,291,613		97,291,613	
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	52,630,083		52,630,083	
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant				
22	Total In Service (18 thru 21)	52,630,083		52,630,083	
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj	1,068,676		1,068,676	
33	Total Accum Prov (equals 14) (22,26,30,31,32)	53,698,759		53,698,759	

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)					
<p>1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.</p> <p>2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.</p>					
Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year Additions (c)		
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)				
2	Fabrication				
3	Nuclear Materials				
4	Allowance for Funds Used during Construction				
5	(Other Overhead Construction Costs, provide details in footnote)				
6	SUBTOTAL (Total 2 thru 5)				
7	Nuclear Fuel Materials and Assemblies				
8	In Stock (120.2)				
9	In Reactor (120.3)				
10	SUBTOTAL (Total 8 & 9)				
11	Spent Nuclear Fuel (120.4)				
12	Nuclear Fuel Under Capital Leases (120.6)				
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)				
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)				
15	Estimated net Salvage Value of Nuclear Materials in line 9				
16	Estimated net Salvage Value of Nuclear Materials in line 11				
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing				
18	Nuclear Materials held for Sale (157)				
19	Uranium				
20	Plutonium				
21	Other (provide details in footnote):				
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)				

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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)					
Changes during Year				Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a footnote) (e)				
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	24,808	
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	24,808	
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights		
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			24,808		2
					3
					4
			24,808		5
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights				
49	(352) Structures and Improvements				
50	(353) Station Equipment				
51	(354) Towers and Fixtures				
52	(355) Poles and Fixtures				
53	(356) Overhead Conductors and Devices				
54	(357) Underground Conduit				
55	(358) Underground Conductors and Devices				
56	(359) Roads and Trails				
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)				
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	1,240,166	217,389		
61	(361) Structures and Improvements	369,983			
62	(362) Station Equipment	15,159,871	2,116,441		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	23,694,904	1,107,733		
65	(365) Overhead Conductors and Devices	31,299,478	2,700,240		
66	(366) Underground Conduit	4,429,832	33,612		
67	(367) Underground Conductors and Devices	8,924,621	205,457		
68	(368) Line Transformers	15,535,351	682,168		
69	(369) Services	6,649,995	391,280		
70	(370) Meters	3,871,879	388,665		
71	(371) Installations on Customer Premises				
72	(372) Leased Property on Customer Premises	1,063,665	42,804		
73	(373) Street Lighting and Signal Systems	3,806,657	211,150		
74	(374) Asset Retirement Costs for Distribution Plant				
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	116,046,402	8,096,939		
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT				
77	(380) Land and Land Rights				
78	(381) Structures and Improvements				
79	(382) Computer Hardware				
80	(383) Computer Software				
81	(384) Communication Equipment				
82	(385) Miscellaneous Regional Transmission and Market Operation Plant				
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper				
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)				
85	6. GENERAL PLANT				
86	(389) Land and Land Rights	1,618,694			
87	(390) Structures and Improvements	2,227,502			
88	(391) Office Furniture and Equipment	32,477			
89	(392) Transportation Equipment		82,354		
90	(393) Stores Equipment	61,654			
91	(394) Tools, Shop and Garage Equipment	211,613	8,059		
92	(395) Laboratory Equipment	118,907	110,133		
93	(396) Power Operated Equipment				
94	(397) Communication Equipment	1,476,251			
95	(398) Miscellaneous Equipment	4,195			
96	SUBTOTAL (Enter Total of lines 86 thru 95)	5,751,293	200,546		
97	(399) Other Tangible Property				
98	(399.1) Asset Retirement Costs for General Plant	11,000			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	5,762,293	200,546		
100	TOTAL (Accounts 101 and 106)	121,833,503	8,297,485		
101	(102) Electric Plant Purchased (See Instr. 8)				
102	(Less) (102) Electric Plant Sold (See Instr. 8)				
103	(103) Experimental Plant Unclassified				
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	121,833,503	8,297,485		

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)							
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.		
					47		
					48		
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					58		
					59		
			1,457,555		60		
			369,983		61		
20			17,276,292		62		
					63		
72,771			24,729,866		64		
412,328			33,587,390		65		
			4,463,444		66		
58,853			9,071,225		67		
18,079			16,199,440		68		
29,529			7,011,746		69		
79,465			4,181,079		70		
					71		
619			1,105,850		72		
14,263			4,003,544		73		
					74		
685,927			123,457,414		75		
					76		
					77		
					78		
					79		
					80		
					81		
					82		
					83		
					84		
					85		
			1,618,694		86		
			2,227,502		87		
3,697			28,780		88		
			82,354		89		
			61,654		90		
24,196			195,476		91		
4,990			224,050		92		
					93		
			1,476,251		94		
4,195					95		
37,078			5,914,761		96		
					97		
		5,000	16,000		98		
37,078		5,000	5,930,761		99		
723,005		5,000	129,412,983		100		
					101		
					102		
					103		
723,005		5,000	129,412,983		104		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

Schedule Page: 204 Line No.: 104 Column: b

Account	2009	2010
360 - Land and land rights	0.00	0.00
362 - Station equipment	125,567.54	1,954,438.92
364 - Poles, towers and fixtures	1,056,003.31	1,151,807.79
365 - Overhead conductors, devices	826,639.32	1,770,484.44
366 - Underground conduit	109,848.79	59,254.14
367 - Undergrnd conductors, devices	230,209.14	162,945.79
368 - Line transformers	168,362.37	108,746.02
369 - Services	114,251.17	156,822.32
370 - Meters	3,074.35	3,525.00
372 - Leased prop customer premise	132,214.56	762.92
373 - Street lighting,signal system	45,352.93	144,369.50
Total Distribution	2,811,523.48	5,513,156.84
390 - Structures and improvements	0.00	0.00
391 - Office furniture, equipment	0.00	0.00
392 - Transportation equipment	0.00	82,354.21
394 - Tools, shop, garage equipment	0.00	0.00
395 - Laboratory equipment	0.00	0.00
397 - Communication equipment	0.00	0.00
Total General	0.00	82,354.21
Total Completed Construction Not Classified	2,811,523.48	5,595,511.05

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
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ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1					
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3					
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46					
47	TOTAL				

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
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5				
6				
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21	Other Property:			
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46				
47	Total			0

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)					
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.					
Line No.	Description of Project (a)				Construction work in progress - Electric (Account 107) (b)
1	DOT-NHDOT-13933 Lowell Road				289,339
2	Regulator Repl- NE North NH				222,938
3	Seminary Hill Pole Replacement				192,414
4	GSE-Dist-Damage&Failure Blanke				132,578
5	GSE-Dist-New Bus-Resid Blanket				116,526
6	Mercury Vapor Replacement				105,047
7					
8	Minor Projects				97,784
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
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33					
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36					
37					
38					
39					
40					
41					
42					
43	TOTAL				1,156,626

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)
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1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	49,619,914	49,619,914		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	4,539,499	4,539,499		
4	(403.1) Depreciation Expense for Asset Retirement Costs	230	230		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	4,539,729	4,539,729		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	723,010	723,010		
13	Cost of Removal	806,550	806,550		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	1,529,560	1,529,560		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	52,630,083	52,630,083		
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission				
26	Distribution	51,256,400	51,256,400		
27	Regional Transmission and Market Operation				
28	General	1,373,683	1,373,683		
29	TOTAL (Enter Total of lines 20 thru 28)	52,630,083	52,630,083		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.

2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)

(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.

(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.

3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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28				
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30				
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32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Total Cost of Account 123.1 \$	0	TOTAL	

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues form investments, including such revenues form securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
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				10
				11
				12
				13
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				42

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)				
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)				
8	Transmission Plant (Estimated)				
9	Distribution Plant (Estimated)	447,265	507,521		
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)				
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	447,265	507,521		
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)	-51,017	-13,806		
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	396,248	493,715		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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Allowances (Accounts 158.1 and 158.2)

- Report below the particulars (details) called for concerning allowances.
- Report all acquisitions of allowances at cost.
- Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
- Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
- Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2011	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.

7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).

8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.

9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.

10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
								1
								2
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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Allowances (Accounts 158.1 and 158.2)

- Report below the particulars (details) called for concerning allowances.
- Report all acquisitions of allowances at cost.
- Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
- Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
- Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2011	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.

7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).

8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.

9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.

10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
								1
								2
								3
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)							
Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTAL						

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)							
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
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39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49	TOTAL						

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
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Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Generation Studies				
22					
23					
24					
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27					
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1						
2						
3						
4	Current & Def. State Income Tax Deficiency	122,816		409,410	77,519	45,297
5	(August 2001 - July 2011)					
6						
7	Environmental Response Fund	2,858		595	2,858	
8						
9	SFAS 109	1,052,238		282,283	2,780,821	-1,728,583
10						
11	Storm Costs	1,583,116	2,046,251	523,924	449,305	3,180,062
12						
13						
14	Asset Ret Obligreg asset	84,095	12,785	230	1,470	95,410
15						
16						
17	Deferred Merger Costs to Achieve CTA	471,165	59,323	407	254,503	275,985
18						
19						
20						
21						
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43						
44	TOTAL	3,316,288	2,118,359		3,566,476	1,868,171

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 4 Column: a

Docket number DE 10-192

Schedule Page: 232 Line No.: 11 Column: a

Docket number DG 06-107

Schedule Page: 232 Line No.: 17 Column: a

Docket number DG 06-107

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.

2. For any deferred debit being amortized, show period of amortization in column (a)

3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Construction Advance	1,299		143	284	1,015
2						
3						
4						
5	Cash Over/Shorts	6,319	20,059	131,142	18,837	7,541
6						
7						
8						
9						
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42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	7,618				8,556

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Pension, OPEB and other employee benefits	5,484,299	3,580,948
3	Unbilled Revenue	1,224,914	1,054,695
4	Other items	1,416,296	3,112,339
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	8,125,509	7,747,982
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	8,125,509	7,747,982

Notes

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock	60,400	100.00	
2				
3	Total Common Stock	60,400		
4				
5				
6	The Respondent has no securites registered			
7	on exchanges.			
8				
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
60,400	6,040,000					1
						2
60,400	6,040,000					3
						4
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)					
Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.					
(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.					
(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.					
(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.					
(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.					
Line No.	Item (a)				Amount (b)
1	Account 211 - Miscellaneous Paid-In Capital				
2					
3	Purchase Accounting -				
4	Acquisition By National Grid Group plc - Yr 2000				39,726,631
5					
6	Adjustment to Purchase Accounting - Yr 2001				322,000
7					
8	NEES and EUA Goodwill Reallocation - Yr 2006				4,952
9					
10	Account Balance Adjustment - Yr 2008				1
11					
12					
13					
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17					
18					
19					
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39					
40	TOTAL				40,053,584

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
CAPITAL STOCK EXPENSE (Account 214)					
<p>1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>					
Line No.	Class and Series of Stock (a)				Balance at End of Year (b)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22	TOTAL				

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.

2. In column (a), for new issues, give Commission authorization numbers and dates.

3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.

4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.

5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.

6. In column (b) show the principal amount of bonds or other long-term debt originally issued.

7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.

9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 224		
2	-----		
3	Other Long Term Debt-7.37%	5,000,000	60,143
4	Other Long Term Debt- 7.94%	5,000,000	18,430
5	Other Long Term Debt - 7.30%	5,000,000	
6			
7	The Company has an unsecured Long-term note currently out standing for \$5,000,000		
8	with a 7.37% interest rate maturing on November 1, 2023, with the principal due at		
9	maturity.		
10			
11	The Company has an unsecured Long-term note currently outstanding for \$5,000,000		
12	with a 7.94% interest rate maturing on July 1 2025, with the principal due at		
13	maturity.		
14			
15	The Company has an unsecured Long-term note currently outstanding for \$5,000,000		
16	with a 7.30% interest rate maturing on June 15, 2028, with the principal due at		
17	maturity.		
18			
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32			
33	TOTAL	15,000,000	78,573

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
11/04/93	11/01/23	11/01/93	11/01/23	5,000,000	368,500	3
7/13/95	7/01/25	07/01/95	07/01/25	5,000,000	397,000	4
05/15/98	06/15/28	5/15/1998	06/15/2028	5,000,000	365,000	5
						6
						7
						8
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				15,000,000	1,130,500	33

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	1,113,805
2		
3		
4	Taxable Income Not Reported on Books	
5	Federal Income Tax	731,864
6	Contributions in Aid of Construction	424,712
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	See footnote page for further details	6,171,585
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15	See footnote page for further details	127,607
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	See footnote page for further details	8,537,970
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	-223,611
28	Show Computation of Tax:	
29		
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 10 Column: a

RECONCILIATION OF REPORTED NET INCOME
WITH FEDERAL TAXABLE INCOME

	Financials
1. Net Income per Statement of Income, p. 117	1,113,805
2. Federal Income Taxes	731,864
3. Excess Capital Loss over Capital Gain	0
4. Taxable Income not Recorded on Books:	
Contributions in Aid of Construction	424,712
Total Line 4	<u>424,712</u>
5. Expenses Recorded on Books not Included on Return:	
Accrued State Income Taxes	1,533
AFUDC Debt	184,201
Deferred Compensation	62,464
Depreciation	1,388,345
Employee Compensation And Benefits	634,267
Investment Tax Credit	34,784
Lobbying Expenses	38,748
Meals and Entertainment	20,700
Opeb Liability	462,047
Pension Liability	1,533,122
Reg Asset - Other	1,218,263
Reserve - Environmental	14,865
State Taxes	557,856
Unamortized Debt Discount Or Premium	2,619
Vacation Accrual	2,581
Workers' Compensation	15,190
Total Line 5	<u>6,171,585</u>
6. Total of Items 1-5	<u>8,441,966</u>
7. Income Recorded on Books not included on Return:	
AFUDC Equity	47,173
Change in Cash Surrender Value	23,396
Dividend Received Deduction	6,531
Medicare Income	22,607
Tax Exempt Interest	27,900
Total Line 7	<u>127,607</u>
8. Deductions on Return not Charged Against Book Income:	
Accrued Interest	30,013
Bad Debts	21,801
Cost Of Removal	849,122
ESOP Dividends	52,568
Reg Asset - Environmental	9,541
Reg Asset - Opeb	301,599
Reg Asset - Storm Cost	1,596,947
Repairs Deduction	3,786,379
Unbilled Revenue	1,890,000
Total Line 8	<u>8,537,970</u>
9. Total of Items 7 & 8	<u>8,665,577</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

10. Federal Taxable Income (Item 6 minus Item 9) (223,611)

CALCULATION OF CURRENT FEDERAL INCOME TAX

Federal Taxable Income, Page 261 (223,611)

Total Tax @ 35% Before Credits (78,264)
Credits: 0

Net Tax After Credits (78,264)
Allocated NEES Benefits 0

Net Allocated Tax (78,264)

RECONCILIATION TO FEDERAL INCOME TAX REPORTED ON INCOME STATEMENT

Tax Reported on Page 114 1,305,655
Tax Reported on Page 117 42,600
Total 1,348,255

Current Year Net Allocated Tax 283,850
Parent Loss Allocation (47,242)
Service Co Tax
Prior Year Adjustment 1,111,647
Total 1,348,255

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are know, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal:					
2	Income		8,002,323	1,348,255	-6,801,300	
3	Unemployment Comp	56		2,248	2,136	
4	Insurance Contrib Act	6,121		260,651	249,706	
5						
6	State, New Hampshire:					
7	Income		43,512	321,636		
8	Unemployment Comp	8		2,574	4,129	
9	Other					
10	Property Tax		574,182	2,574,890	2,658,232	
11	State Miscellaneous					
12						
13						
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41	TOTAL	6,185	8,620,017	4,510,254	-3,887,097	

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
179,047	31,814	1,305,655			42,600	2
168		13,597				3
17,066		343,394				4
						5
						6
321,636	43,512	307,136			14,500	7
	1,547	2,574				8
						9
	657,524	2,574,890				10
						11
						12
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517,917	734,397	4,547,246			57,100	41

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	215,082			411.4	42,487	
6							
7							
8	TOTAL	215,082				42,487	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.		
			1		
			2		
			3		
			4		
172,595	5 years		5		
			6		
			7		
172,595			8		
			9		
			10		
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						
2						
3						
4						
5	Deferred Compensation	478,227	417,431	85,824	83,498	475,901
6						
7	Pension Cost	2,147,557	186,219	601,150	296,491	1,842,898
8						
9	Hazaradous Waste Reserves	110,038	131	7,016	7,388	110,410
10						
11	FAS 106	5,428,923	219	1,553,207	1,127,251	5,002,967
12						
13	FAS 112	107,086	926	39,365	40,000	107,721
14						
15	LT Int / FIN48 Permanent Issues	27,148	431	84,834	418,467	360,781
16						
17	Deffered Revenue		454	38,523	84,387	45,864
18						
19	Hazwaste Prov - Unwind Discount				2,095	2,095
20						
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46						
47	TOTAL	8,298,979		2,409,919	2,059,577	7,948,637

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.
2. For other (Specify),include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other (provide details in footnote):			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other (provide details in footnote):			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of 8, 15 and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES _ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
							17
							18
							19
							20
							21

NOTES (Continued)

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ACCUMULATED DEFFERED INCOME TAXES - OTHER PROPERTY (Account 282)			

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization

2. For other (Specify),include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	19,666,645	13,023,992	13,965,693
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	19,666,645	13,023,992	13,965,693
6	SFAS 109			
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	19,666,645	13,023,992	13,965,693
10	Classification of TOTAL			
11	Federal Income Tax	18,165,596	9,514,285	11,676,832
12	State Income Tax	1,501,049	3,509,707	2,288,861
13	Local Income Tax			

NOTES

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
						18,724,944	2
							3
							4
						18,724,944	5
							6
							7
							8
						18,724,944	9
							10
						16,003,049	11
						2,721,895	12
							13

NOTES (Continued)

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.				
2. For other (Specify),include deferrals relating to other income and deductions.				
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Regulatory Assets-other	2,186,411	7,552,217	8,355,301
4	Other items	770,824		739,709
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	2,957,235	7,552,217	9,095,010
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	2,957,235	7,552,217	9,095,010
20	Classification of TOTAL			
21	Federal Income Tax	1,689,235	6,676,827	7,232,281
22	State Income Tax	1,268,000	875,390	1,862,729
23	Local Income Tax			

NOTES

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
						1,383,327	3
						31,115	4
							5
							6
							7
							8
						1,414,442	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
						1,414,442	19
							20
						1,133,781	21
						280,661	22
							23

NOTES (Continued)

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.

2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.

3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	FAS 109	732,231	190	31,165		701,066
2	FAS 106 - Retirement Plan	1,859,079	926	172,943		1,686,136
3						
4						
5						
6						
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27						
28						
29						
30						
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32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	2,591,310		204,108		2,387,202

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	21,105,386	23,569,771
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	20,985,714	22,289,508
5	Large (or Ind.) (See Instr. 4)	2,123,265	2,544,344
6	(444) Public Street and Highway Lighting	60,926	66,094
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	44,275,291	48,469,717
11	(447) Sales for Resale		
12	TOTAL Sales of Electricity	44,275,291	48,469,717
13	(Less) (449.1) Provision for Rate Refunds	-791,141	-672,564
14	TOTAL Revenues Net of Prov. for Refunds	45,066,432	49,142,281
15	Other Operating Revenues		
16	(450) Forfeited Discounts	143,116	135,534
17	(451) Miscellaneous Service Revenues	2,889,449	3,035,919
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	400,900	312,132
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	34,398,652	31,260,037
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	37,832,117	34,743,622
27	TOTAL Electric Operating Revenues	82,898,549	83,885,903

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ELECTRIC OPERATING REVENUES (Account 400)					
<p>6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)</p> <p>7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.</p> <p>8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.</p> <p>9. Include unmetered sales. Provide details of such Sales in a footnote.</p>					
MEGAWATT HOURS SOLD				AVG.NO. CUSTOMERS PER MONTH	
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	Line No.	
				1	
293,338	284,095	35,294	35,181	2	
				3	
281,966	282,802	5,724	5,789	4	
28,278	32,237	187	193	5	
847	804	88	68	6	
				7	
				8	
				9	
604,429	599,938	41,293	41,231	10	
				11	
604,429	599,938	41,293	41,231	12	
				13	
604,429	599,938	41,293	41,231	14	
<p>Line 12, column (b) includes \$ 0 of unbilled revenues.</p> <p>Line 12, column (d) includes 0 MWH relating to unbilled revenues</p>					

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
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REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)
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1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
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28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 440					
2	-----					
3	Rate D-Domestic Serv	269,806	19,419,365	33,655	8,017	0.0720
4	Rate D Domestic Water Heating	851	61,227			0.0719
5	Rate D-Off Peak LD Pricing	5,797	458,124	432	13,419	0.0790
6	Rate M-Private Property Lighting	363				
7	Rate T-Ttl. Electric Living	16,376	1,166,670	1,204	13,601	0.0712
8	Rate Refunds, Net		383,761			
9	Total	293,193	21,489,147	35,291	8,308	0.0733
10						
11	Account 442					
12	-----					
13	Rate G-1 General Serv TOU	104,972	7,928,536	69	1,521,333	0.0755
14	Rate G-2 General Long Hour Serv	115,076	6,133,696	692	166,295	0.0533
15	Rate G-3 General Serv. ERP	85,466	8,695,265	5,122	16,686	0.1017
16	Rate M-Private Property Lighting	1,116	80,258			0.0719
17	Rate T-Ttl. Electric Living	3,433	247,652	31	110,742	0.0721
18	Rate V-Commercial Space Heating	327	23,572			0.0721
19	Rate Refunds, Net		406,271			
20	Total	310,390	23,515,250	5,914	52,484	0.0758
21						
22	Account 444					
23	-----					
24	Rate M-Outdoor Lighting Service	847	60,925	88	9,625	0.0719
25	Rate Refunds, Net		1,109			
26	Total	847	62,034	88	9,625	0.0732
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	604,429	45,066,431	41,293	14,638	0.0746
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	604,429	45,066,431	41,293	14,638	0.0746

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
				0	0	0
				0	0	0
				0	0	0

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
0	0	0	0	0	
0	0	0	0	0	

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)		Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES				
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision and Engineering				
5	(501) Fuel				
6	(502) Steam Expenses				
7	(503) Steam from Other Sources				
8	(Less) (504) Steam Transferred-Cr.				
9	(505) Electric Expenses				
10	(506) Miscellaneous Steam Power Expenses				
11	(507) Rents				
12	(509) Allowances				
13	TOTAL Operation (Enter Total of Lines 4 thru 12)				
14	Maintenance				
15	(510) Maintenance Supervision and Engineering				
16	(511) Maintenance of Structures				
17	(512) Maintenance of Boiler Plant				
18	(513) Maintenance of Electric Plant				
19	(514) Maintenance of Miscellaneous Steam Plant				
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)				
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)				
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering				
45	(536) Water for Power				
46	(537) Hydraulic Expenses				
47	(538) Electric Expenses				
48	(539) Miscellaneous Hydraulic Power Generation Expenses				
49	(540) Rents				
50	TOTAL Operation (Enter Total of Lines 44 thru 49)				
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering				
54	(542) Maintenance of Structures				
55	(543) Maintenance of Reservoirs, Dams, and Waterways				
56	(544) Maintenance of Electric Plant				
57	(545) Maintenance of Miscellaneous Hydraulic Plant				
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)				
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)				

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)		Amount for Previous Year (c)	
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering				
63	(547) Fuel				
64	(548) Generation Expenses				
65	(549) Miscellaneous Other Power Generation Expenses				
66	(550) Rents				
67	TOTAL Operation (Enter Total of lines 62 thru 66)				
68	Maintenance				
69	(551) Maintenance Supervision and Engineering				
70	(552) Maintenance of Structures				
71	(553) Maintenance of Generating and Electric Plant				
72	(554) Maintenance of Miscellaneous Other Power Generation Plant				
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)				
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)				
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	45,254,904		48,612,231	
77	(556) System Control and Load Dispatching				
78	(557) Other Expenses	249		405	
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	45,255,153		48,612,636	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	45,255,153		48,612,636	
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering			152	
84	(561) Load Dispatching				
85	(561.1) Load Dispatch-Reliability				
86	(561.2) Load Dispatch-Monitor and Operate Transmission System				
87	(561.3) Load Dispatch-Transmission Service and Scheduling				
88	(561.4) Scheduling, System Control and Dispatch Services	532,614		404,674	
89	(561.5) Reliability, Planning and Standards Development				
90	(561.6) Transmission Service Studies				
91	(561.7) Generation Interconnection Studies				
92	(561.8) Reliability, Planning and Standards Development Services				
93	(562) Station Expenses	19,808		44,073	
94	(563) Overhead Lines Expenses	877		3,537	
95	(564) Underground Lines Expenses	910			
96	(565) Transmission of Electricity by Others	12,743,082		11,748,502	
97	(566) Miscellaneous Transmission Expenses	8,011		31,140	
98	(567) Rents				
99	TOTAL Operation (Enter Total of lines 83 thru 98)	13,305,302		12,232,078	
100	Maintenance				
101	(568) Maintenance Supervision and Engineering	18		1,093	
102	(569) Maintenance of Structures				
103	(569.1) Maintenance of Computer Hardware				
104	(569.2) Maintenance of Computer Software				
105	(569.3) Maintenance of Communication Equipment				
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
107	(570) Maintenance of Station Equipment	21,459		24,774	
108	(571) Maintenance of Overhead Lines	-4,937		46,672	
109	(572) Maintenance of Underground Lines				
110	(573) Maintenance of Miscellaneous Transmission Plant				
111	TOTAL Maintenance (Total of lines 101 thru 110)	16,540		72,539	
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	13,321,842		12,304,617	

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
If the amount for previous year is not derived from previously reported figures, explain in footnote.			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision	-599	1,001
168	(908) Customer Assistance Expenses	63,058	55,599
169	(909) Informational and Instructional Expenses	28,557	41,936
170	(910) Miscellaneous Customer Service and Informational Expenses	105,712	103,407
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	196,728	201,943
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses	24	37
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses	6,193	8,436
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	6,217	8,473
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	1,385,724	1,255,970
182	(921) Office Supplies and Expenses	1,091,098	1,062,712
183	(Less) (922) Administrative Expenses Transferred-Credit	-12	-1
184	(923) Outside Services Employed	469,491	252,588
185	(924) Property Insurance	302,151	121,561
186	(925) Injuries and Damages	706,703	293,377
187	(926) Employee Pensions and Benefits	1,820,144	1,797,386
188	(927) Franchise Requirements		1,793
189	(928) Regulatory Commission Expenses	839,497	568,621
190	(929) (Less) Duplicate Charges-Cr.		2
191	(930.1) General Advertising Expenses	3,491	4,843
192	(930.2) Miscellaneous General Expenses	90,779	130,003
193	(931) Rents	208,515	312,771
194	TOTAL Operation (Enter Total of lines 181 thru 193)	6,917,605	5,801,624
195	Maintenance		
196	(935) Maintenance of General Plant	47,942	63,188
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	6,965,547	5,864,812
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	71,119,204	75,222,274

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	FPL & Power	RQ	1			
2	HESS OIL	RQ	1			
3	New England Power	OS	1			
4	Constellation Power Source, Inc.	RQ	1			
5	Dominion Nuclear	RQ	1			
6	Consolidated Edison	RQ	1			
7	Transcanada	RQ	1			
8	PSEG Energy Resources	RQ	1			
9	DTE Energy Trading Inc	RQ	1			
10	Renewable DSLRS	OS				
11	Renewable SO/TSE	OS				
12	Other	OS				
13						
14						
	Total					

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
74,584				4,478,606		4,478,606	1
57,888				3,942,099		3,942,099	2
					588,499	588,499	3
293,778				18,866,019		18,866,019	4
39,003				2,467,522		2,467,522	5
							6
3,129				201,318		201,318	7
134,837				9,590,178		9,590,178	8
52,122				4,142,003		4,142,003	9
					2,794	2,794	10
					1,259,289	1,259,289	11
					-283,423	-283,423	12
							13
							14
655,341				43,687,745	1,567,159	45,254,904	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

Schedule Page: 326	Line No.: 3	Column: b
An Affiliated Company		
Schedule Page: 326	Line No.: 3	Column: c
FERC Electric Tariff Original Volume 1		
Schedule Page: 326	Line No.: 10	Column: b
ISO New England		
Schedule Page: 326	Line No.: 11	Column: b
Renewable Energy Credits		
Schedule Page: 326	Line No.: 12	Column: b
Renewable Energy Credits		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')				
1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter. 2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c). 3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c) 4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.				

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi- cation (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')							
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>							
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.	
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)		
						1	
						2	
						3	
						4	
						5	
						6	
						7	
						8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
						16	
						17	
						18	
						19	
						20	
						21	
						22	
						23	
						24	
						25	
						26	
						27	
						28	
						29	
						30	
						31	
						32	
						33	
						34	
			0	0	0		

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')					
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>					
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS					
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.	
				1	
				2	
				3	
				4	
				5	
				6	
				7	
				8	
				9	
				10	
				11	
				12	
				13	
				14	
				15	
				16	
				17	
				18	
				19	
				20	
				21	
				22	
				23	
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				25	
				26	
				27	
				28	
				29	
				30	
				31	
				32	
				33	
				34	
0	0	0	0		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
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TRANSMISSION OF ELECTRICITY BY ISO/RTOs

- Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
- Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
- In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
- In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
- In column (d) report the revenue amounts as shown on bills or vouchers.
- Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")

- Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
- In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
- In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
- Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
- Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
- Enter "TOTAL" in column (a) as the last line.
- Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	ISO New England						10,269,075	10,269,075
2								
3	New England Power	OS					2,474,007	2,474,007
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL						12,743,082	12,743,082

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

Schedule Page: 332 Line No.: 3 Column: b

An Affiliated Company

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	13,786
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	2,304
6		
7	Harzadous Waste Accruals-Other	38,557
8	Corporate Matters Contracts	18,896
9	Meter Data Services	17,236
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
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38		
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41		
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43		
44		
45		
46	TOTAL	90,779

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of aquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.

For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant					
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant					
8	Distribution Plant	4,419,925	230			4,420,155
9	Regional Transmission and Market Operation					
10	General Plant	119,574				119,574
11	Common Plant-Electric					
12	TOTAL	4,539,499	230			4,539,729

B. Basis for Amortization Charges

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	DIST						
13	361	370	50.00	10.00	2.35	R4	28.70
14	362	17,276	35.00	10.00	3.21	RO.5	27.78
15	364	24,729	25.00	10.00	4.35	S2	13.12
16	65	33,576	35.00	10.00	3.21	RO.5	26.22
17	366	4,463	60.00	10.00	2.82	RO.5	53.12
18	367	9,071	45.00	10.00	2.57	S0	36.59
19	368	16,210	25.00	10.00	4.35	R1	15.23
20	369	7,011	25.00	10.00	4.35	R2	14.28
21	370	4,181	25.00	10.00	4.35	R3	14.12
22	372	1,105	15.00	10.00	7.02	R4	4.25
23	373	4,003	20.00	10.00	5.35	R2	9.08
24							
25	GEN						
26	390	2,227	65.00	-5.00	1.42	R2	44.80
27	391	28	25.00	-5.00	3.88	SQ	7.64
28	393	61	25.00	-5.00	3.88	SQ	8.42
29	394	195	25.00	-5.00	3.88	SQ	8.78
30	395	224	25.00	-5.00	3.88	SQ	16.29
31	397	1,476	25.00	-5.00	3.88	SQ	16.27
32							
33							
34							
35							
36							
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.

2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Assessment by the New Hampshire Public				
2	Utilities Commission	287,158		287,158	
3					
4	Labor and Expenses Associated with				
5	General Rate Studies		552,339	552,339	
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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32					
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34					
35					
36					
37					
38					
39					
40					
41					
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44					
45					
46	TOTAL	287,158	552,339	839,497	

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
Electric	928	287,158					2
							3
							4
Electric	928	552,339					5
							6
							7
							8
							9
							10
							11
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		839,497					46

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects.(Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

- Classifications:
- A. Electric R, D & D Performed Internally:

(1) Generation

a. hydroelectric

i. Recreation fish and wildlife
ii Other hydroelectric

b. Fossil-fuel steam
c. Internal combustion or gas turbine
d. Nuclear
e. Unconventional generation
f. Siting and heat rejection

(2) Transmission
- a. Overhead
b. Underground
(3) Distribution
(4) Regional Transmission and Market Operation
(5) Environment (other than equipment)
(6) Other (Classify and include items in excess of \$50,000.)
(7) Total Cost Incurred

Line No.	Classification (a)	Description (b)
1	6) Other	
2		R&D Operations
3		
4		R&D Distributed Generation
5		
6		R&D Broadband P/L Power Line Ca
7		
8		R&D Related Activities
9		
10		Relay Grade Costs and Projects Tracking
11		
12		
13		
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)			
(2) Research Support to Edison Electric Institute (3) Research Support to Nuclear Power Groups (4) Research Support to Others (Classify) (5) Total Cost Incurred 3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity. 4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e) 5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year. 6. If costs have not been segregated for R, D &D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est." 7. Report separately research and related testing facilities operated by the respondent.			

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
4,353	10,348	Various	14,701		2
					3
	106	930.2	106		4
					5
					6
					7
599	1,818	930.2	2,417		8
					9
	208	930.2	208		10
					11
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
DISTRIBUTION OF SALARIES AND WAGES					
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production				
4	Transmission	366			
5	Regional Market				
6	Distribution	678,683			
7	Customer Accounts	246,923			
8	Customer Service and Informational	66,889			
9	Sales	6,086			
10	Administrative and General	155,724			
11	TOTAL Operation (Enter Total of lines 3 thru 10)	1,154,671			
12	Maintenance				
13	Production				
14	Transmission	25			
15	Regional Market				
16	Distribution	739,915			
17	Administrative and General				
18	TOTAL Maintenance (Total of lines 13 thru 17)	739,940			
19	Total Operation and Maintenance				
20	Production (Enter Total of lines 3 and 13)				
21	Transmission (Enter Total of lines 4 and 14)	391			
22	Regional Market (Enter Total of Lines 5 and 15)				
23	Distribution (Enter Total of lines 6 and 16)	1,418,598			
24	Customer Accounts (Transcribe from line 7)	246,923			
25	Customer Service and Informational (Transcribe from line 8)	66,889			
26	Sales (Transcribe from line 9)	6,086			
27	Administrative and General (Enter Total of lines 10 and 17)	155,724			
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	1,894,611	109,060	2,003,671	
29	Gas				
30	Operation				
31	Production-Manufactured Gas				
32	Production-Nat. Gas (Including Expl. and Dev.)				
33	Other Gas Supply				
34	Storage, LNG Terminaling and Processing				
35	Transmission				
36	Distribution				
37	Customer Accounts				
38	Customer Service and Informational				
39	Sales				
40	Administrative and General				
41	TOTAL Operation (Enter Total of lines 31 thru 40)				
42	Maintenance				
43	Production-Manufactured Gas				
44	Production-Natural Gas (Including Exploration and Development)				
45	Other Gas Supply				
46	Storage, LNG Terminaling and Processing				
47	Transmission				

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
48	Distribution				
49	Administrative and General				
50	TOTAL Maint. (Enter Total of lines 43 thru 49)				
51	Total Operation and Maintenance				
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)				
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,				
54	Other Gas Supply (Enter Total of lines 33 and 45)				
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru 47)				
56	Transmission (Lines 35 and 47)				
57	Distribution (Lines 36 and 48)				
58	Customer Accounts (Line 37)				
59	Customer Service and Informational (Line 38)				
60	Sales (Line 39)				
61	Administrative and General (Lines 40 and 49)				
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)				
63	Other Utility Departments				
64	Operation and Maintenance				
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	1,894,611	109,060	2,003,671	
66	Utility Plant				
67	Construction (By Utility Departments)				
68	Electric Plant	1,041,167	59,933	1,101,100	
69	Gas Plant				
70	Other (provide details in footnote):				
71	TOTAL Construction (Total of lines 68 thru 70)	1,041,167	59,933	1,101,100	
72	Plant Removal (By Utility Departments)				
73	Electric Plant				
74	Gas Plant				
75	Other (provide details in footnote):				
76	TOTAL Plant Removal (Total of lines 73 thru 75)				
77	Other Accounts (Specify, provide details in footnote):	222,926	12,832	235,758	
78	Associated Companies Accounts Receivable	330,128	19,003	349,131	
79	Other Miscellaneous Receivables	35,290	2,031	37,321	
80	Other Miscellaneous Payables	-65,654	-3,779	-69,433	
81					
82					
83					
84					
85					
86					
87					
88					
89					
90					
91					
92					
93					
94					
95	TOTAL Other Accounts	522,690	30,087	552,777	
96	TOTAL SALARIES AND WAGES	3,458,468	199,080	3,657,548	

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COMMON UTILITY PLANT AND EXPENSES			
<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>			

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AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8					
9					
10					
11					
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40					
41					
42					
43					
44					
45					
46	TOTAL				

PURCHASES AND SALES OF ANCILLARY SERVICES	
Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.	
In columns for usage, report usage-related billing determinant and the unit of measure.	
(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.	
(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.	
(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.	
(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.	
(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.	
(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.	

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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on Column (b) by month the transmission system's peak load.

(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).

(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year									

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MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on Column (b) by month the transmission system's peak load.

(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).

(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).

(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM:										
Line No.	Month	Monthly Peak MW - Total	Day of Monthly Peak	Hour of Monthly Peak	Imports into ISO/RTO	Exports from ISO/RTO	Through and Out Service	Network Service Usage	Point-to-Point Service Usage	Total Usage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year									

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	59,890		144	12	18:00
30	February	48,256		139	1	19:00
31	March	49,745		130	1	19:00
32	April	45,560		124	7	16:00
33	May	41,679		178	26	16:00
34	June	49,362		173	28	14:00
35	July	60,128		196	6	16:00
36	August	57,162		186	4	16 :00
37	September	52,665		187	1	17:00
38	October	44,502		130	27	19:00
39	November	40,251		143	7	2:00
40	December	55,229		149	15	18:00
41	TOTAL	604,429				

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)		
6	Net Peak Demand on Plant - MW (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Continuous Plant Capability (Megawatts)		
9	When Not Limited by Condenser Water		
10	When Limited by Condenser Water		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipment Costs		
16	Asset Retirement Costs		
17	Total Cost		
18	Cost per KW of Installed Capacity (line 17/5) Including		
19	Production Expenses: Oper, Supv, & Engr		
20	Fuel		
21	Coolants and Water (Nuclear Plants Only)		
22	Steam Expenses		
23	Steam From Other Sources		
24	Steam Transferred (Cr)		
25	Electric Expenses		
26	Misc Steam (or Nuclear) Power Expenses		
27	Rents		
28	Allowances		
29	Maintenance Supervision and Engineering		
30	Maintenance of Structures		
31	Maintenance of Boiler (or reactor) Plant		
32	Maintenance of Electric Plant		
33	Maintenance of Misc Steam (or Nuclear) Plant		
34	Total Production Expenses		
35	Expenses per Net KWh		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)		
38	Quantity (Units) of Fuel Burned		
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)		
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year		
41	Average Cost of Fuel per Unit Burned		
42	Average Cost of Fuel Burned per Million BTU		
43	Average Cost of Fuel Burned per KWh Net Gen		
44	Average BTU per KWh Net Generation		

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
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Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)							
1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings) 2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number. 3. If net peak demand for 60 minutes is not available, give that which is available specifying period. 4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.							
Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: (b)	FERC Licensed Project No. 0 Plant Name: (c)				
1	Kind of Plant (Run-of-River or Storage)						
2	Plant Construction type (Conventional or Outdoor)						
3	Year Originally Constructed						
4	Year Last Unit was Installed						
5	Total installed cap (Gen name plate Rating in MW)	0.00	0.00				
6	Net Peak Demand on Plant-Megawatts (60 minutes)	0	0				
7	Plant Hours Connect to Load	0	0				
8	Net Plant Capability (in megawatts)						
9	(a) Under Most Favorable Oper Conditions	0	0				
10	(b) Under the Most Adverse Oper Conditions	0	0				
11	Average Number of Employees	0	0				
12	Net Generation, Exclusive of Plant Use - Kwh	0	0				
13	Cost of Plant						
14	Land and Land Rights	0	0				
15	Structures and Improvements	0	0				
16	Reservoirs, Dams, and Waterways	0	0				
17	Equipment Costs	0	0				
18	Roads, Railroads, and Bridges	0	0				
19	Asset Retirement Costs	0	0				
20	TOTAL cost (Total of 14 thru 19)	0	0				
21	Cost per KW of Installed Capacity (line 20 / 5)	0.0000	0.0000				
22	Production Expenses						
23	Operation Supervision and Engineering	0	0				
24	Water for Power	0	0				
25	Hydraulic Expenses	0	0				
26	Electric Expenses	0	0				
27	Misc Hydraulic Power Generation Expenses	0	0				
28	Rents	0	0				
29	Maintenance Supervision and Engineering	0	0				
30	Maintenance of Structures	0	0				
31	Maintenance of Reservoirs, Dams, and Waterways	0	0				
32	Maintenance of Electric Plant	0	0				
33	Maintenance of Misc Hydraulic Plant	0	0				
34	Total Production Expenses (total 23 thru 33)	0	0				
35	Expenses per net KWh	0.0000	0.0000				

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2010/Q4	
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)							
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."							
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.							
FERC Licensed Project No. 0 Plant Name: (d)		FERC Licensed Project No. 0 Plant Name: (e)		FERC Licensed Project No. 0 Plant Name: (f)		Line No.	
						1	
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						3	
						4	
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0		0		0		7	
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0		0		0		9	
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						13	
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0.0000		0.0000		0.0000		21	
						22	
0		0		0		23	
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0.0000		0.0000		0.0000		35	

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)					
<p>1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)</p> <p>2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.</p> <p>4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.</p> <p>5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."</p>					
Line No.	Item (a)	FERC Licensed Project No. Plant Name: (b)			
1	Type of Plant Construction (Conventional or Outdoor)				
2	Year Originally Constructed				
3	Year Last Unit was Installed				
4	Total installed cap (Gen name plate Rating in MW)				
5	Net Peak Demand on Plant-Megawatts (60 minutes)				
6	Plant Hours Connect to Load While Generating				
7	Net Plant Capability (in megawatts)				
8	Average Number of Employees				
9	Generation, Exclusive of Plant Use - Kwh				
10	Energy Used for Pumping				
11	Net Output for Load (line 9 - line 10) - Kwh				
12	Cost of Plant				
13	Land and Land Rights				
14	Structures and Improvements				
15	Reservoirs, Dams, and Waterways				
16	Water Wheels, Turbines, and Generators				
17	Accessory Electric Equipment				
18	Miscellaneous Powerplant Equipment				
19	Roads, Railroads, and Bridges				
20	Asset Retirement Costs				
21	Total cost (total 13 thru 20)				
22	Cost per KW of installed cap (line 21 / 4)				
23	Production Expenses				
24	Operation Supervision and Engineering				
25	Water for Power				
26	Pumped Storage Expenses				
27	Electric Expenses				
28	Misc Pumped Storage Power generation Expenses				
29	Rents				
30	Maintenance Supervision and Engineering				
31	Maintenance of Structures				
32	Maintenance of Reservoirs, Dams, and Waterways				
33	Maintenance of Electric Plant				
34	Maintenance of Misc Pumped Storage Plant				
35	Production Exp Before Pumping Exp (24 thru 34)				
36	Pumping Expenses				
37	Total Production Exp (total 35 and 36)				
38	Expenses per KWh (line 37 / 9)				

Name of Respondent Granite State Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2010/Q4</u>
PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)					
<p>6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.</p> <p>7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.</p>					
FERC Licensed Project No. Plant Name: (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.		
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
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Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
Granite State Electric Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	End of 2010/Q4
	(2) <input type="checkbox"/> A Resubmission	/ /	

GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TRANSMISSION LINE STATISTICS			
<p>1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.</p> <p>2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.</p> <p>3. Report data by individual lines for all voltages if so required by a State commission.</p> <p>4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.</p> <p>5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.</p> <p>6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.</p>			

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1								
2								
3								
4								
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36					TOTAL			

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
TRANSMISSION LINE STATISTICS (Continued)			
<p>7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)</p> <p>8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.</p> <p>9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.</p> <p>10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.</p>			

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
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44	TOTAL						

Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	SALEM DEPOT SUB #9	DISTRIBUTION UNATEND	22.90	13.20	
2	SUB#10 BARRON AVE	DISTRIBUTION UNATEND	22.90	13.20	
3	SUB # 6 HANOVER NH	DISTRIBUTION UNATEND			
4	SUB#1 HANOVER	DISTRIBUTION UNATEND			
5	SUB#18 OLDE TROLLEY	DISTRIBUTION UNATEND	22.90	13.20	
6	EQUIPMENT HELD IN RESERVE				
7					
8					
9	SUBSTATION WITH CAPACITIES OF LESS THAN 10MVA				
10					
11					
12	SUMMARY				
13					
14					
15					
16					
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
14			CAPACITOR BANK	2	6	1
12	2		CAPACITOR BANK			2
			CAPACITOR BANK			3
			CAPACITOR BANK	2	7	4
18	2		CAPACITOR BANK			5
6			CAPACITOR BANK			6
						7
						8
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50	4					12
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Name of Respondent Granite State Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2010/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Misc services and benefits	Massachusetts Electric	234005	3,215,165
3		Narragansett Electric Co.	234049	777,413
4		KeySpan Corporate	234431	955,546
5		National Grid USA	234099	9,829,155
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19				
20	Non-power Goods or Services Provided for Affiliate			
21	Misc services and benefits	Massachusetts Electric	146005	394,474
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 2 Column:

Misc services and benefits including InterCo labor, pensions, loans, insurance, damages, transportation, taxes; see attachment for details--NG PS

Schedule Page: 429 Line No.: 2 Column:

Orig Business Unit Descr	Expense Type Descr	Total
Massachusetts Electric Company	AFUDC - Debt	923
	Base OT Pay Monthly	5,123
	Base OT Pay Weekly	84,928
	Bonus & Misc Pay	30,410
	Capital Overheads	3,178
	Consultants	59,909
	Contractors Services	(521,006)
	Employee Expenses	3,639
	FAS 106	72,816
	FAS 112	(9,070)
	Group Life Insurance	3,663
	Health Care	47,466
	Incremental OT Pay Monthly	1,751
	Incremental OT Pay Weekly	52,165
	Materials From Inventory	58,323
	Materials Outside Vendor	54,634
	Materials Stores Handling	6,051
	Other	2,672,942
	Payroll Taxes	32,174
	Pension	48,572
	Police - Sheriffs-Summons	(1,680)
	Regular Pay Monthly	29,023
	Regular Pay Weekly	214,620
	Rental/Lease Non-Real Estate	1,196
	Software	15
	Supervision & Admin	104,000
	Thrift Plan	14,980
	Time Not Worked	63,239
	Transportation	78,206
	Workers Comp	2,975
Massachusetts Electric Company Total		3,215,165
Grand Total		3,215,165

During 2010, Massachusetts Electric Company provided services described in the amount of \$3,215,165 in maintenance, misc labor, taxes and parts for Granite State Electric Company in charted amounts.

Schedule Page: 429 Line No.: 3 Column:

Orig Business Unit	Expense Type Descr	Total
Narragansett Electric Company	AFUDC - Debt	(21)
	AFUDC - Equity	(92)
	Base OT Pay Monthly	3,584
	Base OT Pay Weekly	24
	Bonus & Misc Pay	745

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

	Capital Overheads	1,800
	Consultants	18,101
	Contractors Services	(27,618)
	Employee Expenses	1,565
	FAS 106	2,677
	FAS 112	(403)
	Group Life Insurance	1,648
	Health Care	1,966
	Incremental OT Pay Monthly	1,642
	Incremental OT Pay Weekly	30
	Materials Outside Vendor	577
	Other	759,570
	Payroll Taxes	762
	Pension	938
	Police - Sheriffs-Summons	910
	Regular Pay Monthly	3,317
	Supervision & Admin	2,785
	Thrift Plan	165
	Time Not Worked	1,526
	Transportation	882
	Workers Comp	333
Narragansett Electric Company Total		777,413
Grand Total		777,413

During 2010, Narragansett Electric Company provided services described in the amount of \$777,413 in maintenance, misc labor, taxes and parts for Granite State Electric Company in charted amounts.

Schedule Page: 429 Line No.: 4 Column:

Orig Business Unit	Cost Type Description	Total
KeySpan Corporate Services LLC	25 HUB DRIVE, MELVILLE	1,176
	401K MATCH BURDEN	6,753
	ACCOUNTING TRANSFERS	(12)
	ADVERTISING - BILL ENCLOSURES	3,709
	ADVERTISING - DIRECT MAIL	1,128
	ADVERTISING - NEWSPAPER	4
	ADVERTISING - OTHER	27,000
	ADVERTISING - TELEVISION & RADIO	6,178
	BENEFITS BURDEN	41,204
	CAC - MELVILLE BUILDING	24
	CASH RECEIPTS	(185)
	COMPUTER SOFTWARE PURCHASES	1,603
	CONTRACT LABOR	4,619
	CONTRACTOR SUPPLIED MATERIALS	25
	CONTRIBUTIONS	21,961
	COPIERS	49
	CORPORATE ASSESSMENTS AND FEES	1,805
	DEFAULT COST TYPE	679
	DISTRIBUTION OF TELEPHONE CHARGES	221
	DUES AND MEMBERSHIPS	899
	ELM ST, MANCHESTER BLDG	328
	EMPLOYEE BENEFITS-A/P	21

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
FOOTNOTE DATA			

	EMPLOYEE PAYROLL DEDUCTIONS	(134)
	EMPLOYEE RECRUITMENT	157
	ENTERTAINMENT - NON A/P	598
	ENVIRONMENTAL O&M SUPPORT-OTHER	2
	EQUIPMENT	753
	FAS 112 BURDEN	534
	FREIGHT EXPENSES	1
	GAINSHARING NON MANAGEMENT	193
	GREENPOINT	414
	HICKSVILLE	259
	INCENTIVE COMPENSATION BURDEN	75,345
	INCENTIVE PROGRAMS - OTHER	1
	JANITORIAL SERVICES	14
	LABOR - OT PREMIUM MGMT	(1)
	LABOR - OT PREMIUM NONMGMT	0
	LABOR - PREMIUM MGMT	5
	LABOR - PREMIUM NONMGMT	17
	LABOR - ST MGMT VARIABLE	(1)
	LANDSCAPING SERVICES	3
	LODGING - NON A/P	2,831
	MANAGEMENT EMPLOYEE OT MEALS - NON A/P	57
	MATL PURC FOR ELEC GEN	2
	MEALS - NON A/P	554
	MEALS&ENTERTAINMENT	104
	MEDICAL EXPENSES	6
	MESSENGER & COURIER SERVICES	7
	METROTECH	10,718
	MISCELLANEOUS REVENUES	(25)
	NON P CARD - DIRECT PURCHASES	32
	OFFICE SUPPLIES	1,896
	OT MGMT LABOR	428
	OT NONMGMT LABOR	378
	OTHER CHARGES	(6)
	OTHER EMPLOYEE BENEFITS	69
	OTHER EMPLOYEE EXPENSES-NON A/P	1,434
	OTHER EMPLOYEE RELATED CASH PAYMENTS	5,174
	OTHER MATERIALS PURCHASED	385
	OTHER NON-CONTRACTOR CHARGES	387
	OTHER POST EMPLOYMENT BENEFITS OPEBS BURDEN	50,153
	OUTSIDE CONSULTANTS	43,719
	OUTSIDE LEGAL & SPECIAL SERVICES	78,464
	OUTSIDE SERVICES - OTHER	52,345
	P CARD - AUTO & TRUCK	443
	P CARD - DEPT STORES	2
	P CARD - HARDWARE & HOME CENTERS	143
	P CARD - OFFICE SUPPLIES & PRINT	188
	P CARD - OTHER	2,294
	P CARD - PARKING & TOLLS	42
	P CARD - PLUMBING & HTG SUPPLIES	1
	P CARD - RETAIL STORES	39

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
FOOTNOTE DATA			
	PAID ABSENCE BURDEN		24,454
	PARKING - NON A/P		385
	PAYMENTS TO BANKS		(221)
	PAYMENTS TO GOVERNMENTS		174
	PAYROLL MISC		(1)
	PAYROLL TAXES BURDEN		30,237
	PENSION BURDEN		79,487
	PERMITS		1
	PETTY CASH		148
	POSTAGE		71
	PRINTING/MAILING-NON PROMOTIONAL		45
	PRINTING/MAILING-PROMOTIONAL		1,400
	PROFESSIONAL SERVICES - COLLECTION		102
	PROFESSIONAL SERVICES - INFO TECH CONSULTANTS		4,578
	PROPERTY DAMAGE - ELECTRIC		0
	PURCHASE OR SALE OF PROPERTY - A/P		1
	PURCHASED ELECTRICITY		34
	RENTAL / LEASE NON REAL ESTATE		294
	RENTAL CAR - NON A/P		316
	RENTAL/LEASE OF REAL ESTATE		11
	RESEARCH AND DEVELOPMENT- NO DEMONSTRATION		973
	SAFETY ACTIVITES		167
	SAFETY CLOTHING & EQUIPMENT		0
	SAFETY SERVICES		1
	SALES AND USE TAXES ACCRUED-A/P-USG		818
	SALVAGE		(5)
	Service Company Equity		(25)
	SPONSORSHIPS		2,206
	ST MGMT LABOR		300,549
	ST NONMGMT LABOR		14,977
	STOCK ISSUES		1,361
	STORES EXP BURDEN		224
	SUBSCRIPTIONS		1,917
	TELECOMMUNICATIONS - CELL PHONES		2,632
	TELECOMMUNICATIONS - PAGERS		43
	TELECOMMUNICATIONS - TELEPHONE		736
	TICKETS		8
	TRAINING-EXTERNAL COSTS		301
	TRANSPORTATION - FLEET MAINTENANCE		281
	TRANSPORTATION - LIQUID FUELS		141
	TRANSPORTATION AIR - NON A/P		4,610
	TRANSPORTATION CAB - NON A/P		1,147
	TRANSPORTATION LIMO - NON A/P		152
	TRANSPORTATION PERSONAL CAR - NON A/P		1,336
	TRANSPORTATION RAIL - NON A/P		209
	TRANSPORTATION-FLEET LEASING		562
	TRAVEL AND EXPENSES		38
	TRNS OBLIG BUR		201
	VACATION BURDEN		26,201

Name of Respondent		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company				
FOOTNOTE DATA				
KeySpan Corporate Services LLC Total				955,546

During 2010, KeySpan Corporate Services LLC. provided services described in the amount of \$955,546 in maintenance, misc labor, taxes and parts for Granite State Electric Company in charted amounts.

Schedule Page: 429 Line No.: 5 Column:

Bus Unit Descr	Expense Type Descr	Total
National Grid USA Service Co.	Advertising	26
	AFUDC - Debt	(49)
	Base OT Pay Monthly	80,478
	Base OT Pay Weekly	88,800
	Bonus & Misc Pay	811,377
	Claims	708
	Clothing and Shoes	10
	Consultants	490,329
	Contractors Services	1,433,370
	Donations	318
	Dues-Permits-Subscriptions	1,677
	Employee Expenses	109,658
	FAS 106	287,897
	FAS 112	(25,561)
	Fleet Leasing	81
	Freight	2,135
	Gasoline - Fuel	33,968
	Group Life Insurance	30,415
	Hardware	76,323
	Health Care	240,031
	Incremental OT Pay Monthly	29,500
	Incremental OT Pay Weekly	52,260
	Legal Settlements	1
	Materials From Inventory	904,825
	Materials Outside Vendor	632,809
	Materials Stores Handling	354
	Messenger-Courier-Limo Svcs	-
	Natural Gas & Odorant	311
	Other	479,333
	Other Benefits	548
	Payments to Governments	3
	Payroll Taxes	245,464
	Pension	361,161
	Police - Sheriffs-Summons	14
	Postage	40
	Printing-Mailing-Non Promo	68
	Printing-Mailing-Promotional	32
	Regular Pay Monthly	1,519,359
	Regular Pay Weekly	574,652
	Reimbursements	20
	Rental/Lease Non-Real Estate	461,179
	Rental-Lease Real Estate	49,092
	Research & Development	48

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2010/Q4
Granite State Electric Company			
FOOTNOTE DATA			

	Sales Tax	14,592
	Service Co Operating Costs	(26,617)
	Service Co. Equity	88,278
	Software	122,945
	Supervision & Admin	20,148
	Thrift Plan	177,514
	Time Not Worked	397,140
	Training	5,527
	Transportation	47,534
	Workers Comp	9,031
National Grid USA Service Co. Total		9,829,155

During 2010, National Grid USA Services Co. provided services described in the amount of \$9,829,155 in maintenance, misc labor, taxes and parts for Granite State Electric Company in charted amounts.

Schedule Page: 429 Line No.: 21 Column:

Misc services and benefits including InterCo labor, pensions, loans, insurance, damages, transportation, taxes; see attachment for details--NG PS

Schedule Page: 429 Line No.: 21 Column:

Bus Unit Descr	Expense Type Descr	Total
Massachusetts Electric Company	Base OT Pay Monthly	14,078
	Base OT Pay Weekly	8,976
	Bonus & Misc Pay	4,849
	Construction Reimbursement	(43,105)
	Consultants	695
	Contractors Services	92,615
	Employee Expenses	(3,408)
	FAS 106	24,698
	FAS 112	(1,255)
	Group Life Insurance	677
	Hardware	(14,907)
	Health Care	14,588
	Incremental OT Pay Monthly	2,495
	Incremental OT Pay Weekly	4,973
	Materials From Inventory	82
	Materials Outside Vendor	30,395
	Materials Stores Handling	16
	Other	44,545
	Other Benefits	7,961
	Payroll Taxes	8,635
	Pension	14,493
	Regular Pay Monthly	47,022
	Regular Pay Weekly	23,633
	Rental/Lease Non-Real Estate	8,730
	Sales Tax	(1,193)
	Software	4,367
	Supervision & Admin	33,786
	Thrift Plan	4,615
	Time Not Worked	22,586
	Transportation	33,674

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Granite State Electric Company			2010/Q4
FOOTNOTE DATA			

	Workers Comp	5,157
Massachusetts Electric Company Total		394,474
Grand Total		394,474

During 2010, Granite State Electric Company provided services described in the amount of \$394,474 in maintenance, misc labor, taxes and parts for Massachusetts Electric Company in charted amounts.

SchedulePage No.

Accrued and prepaid taxes	262-263
Accumulated Deferred Income Taxes	234
	272-277
Accumulated provisions for depreciation of	
common utility plant	356
utility plant	219
utility plant (summary)	200-201
Advances	
from associated companies	256-257
Allowances	228-229
Amortization	
miscellaneous	340
of nuclear fuel	202-203
Appropriations of Retained Earnings	118-119
Associated Companies	
advances from	256-257
corporations controlled by respondent	103
control over respondent	102
interest on debt to	256-257
Attestation	i
Balance sheet	
comparative	110-113
notes to	122-123
Bonds	256-257
Capital Stock	251
expense	254
premiums	252
reacquired	251
subscribed	252
Cash flows, statement of	120-121
Changes	
important during year	108-109
Construction	
work in progress - common utility plant	356
work in progress - electric	216
work in progress - other utility departments	200-201
Control	
corporations controlled by respondent	103
over respondent	102
Corporation	
controlled by	103
incorporated	101
CPA, background information on	101
CPA Certification, this report form	i-ii

<u>Schedule</u>	<u>Page No.</u>
Deferred	
credits, other	269
debits, miscellaneous	233
income taxes accumulated - accelerated	
amortization property	272-273
income taxes accumulated - other property	274-275
income taxes accumulated - other	276-277
income taxes accumulated - pollution control facilities	234
Definitions, this report form	iii
Depreciation and amortization	
of common utility plant	356
of electric plant	219
	336-337
Directors	105
Discount - premium on long-term debt	256-257
Distribution of salaries and wages	354-355
Dividend appropriations	118-119
Earnings, Retained	118-119
Electric energy account	401
Expenses	
electric operation and maintenance	320-323
electric operation and maintenance, summary	323
unamortized debt	256
Extraordinary property losses	230
Filing requirements, this report form	
General information	101
Instructions for filing the FERC Form 1	i-iv
Generating plant statistics	
hydroelectric (large)	406-407
pumped storage (large)	408-409
small plants	410-411
steam-electric (large)	402-403
Hydro-electric generating plant statistics	406-407
Identification	101
Important changes during year	108-109
Income	
statement of, by departments	114-117
statement of, for the year (see also revenues)	114-117
deductions, miscellaneous amortization	340
deductions, other income deduction	340
deductions, other interest charges	340
Incorporation information	101

SchedulePage No.

Interest	
charges, paid on long-term debt, advances, etc	256-257
Investments	
nonutility property	221
subsidiary companies	224-225
Investment tax credits, accumulated deferred	266-267
Law, excerpts applicable to this report form	iv
List of schedules, this report form	2-4
Long-term debt	256-257
Losses-Extraordinary property	230
Materials and supplies	227
Miscellaneous general expenses	335
Notes	
to balance sheet	122-123
to statement of changes in financial position	122-123
to statement of income	122-123
to statement of retained earnings	122-123
Nonutility property	221
Nuclear fuel materials	202-203
Nuclear generating plant, statistics	402-403
Officers and officers' salaries	104
Operating	
expenses-electric	320-323
expenses-electric (summary)	323
Other	
paid-in capital	253
donations received from stockholders	253
gains on resale or cancellation of reacquired	
capital stock	253
miscellaneous paid-in capital	253
reduction in par or stated value of capital stock	253
regulatory assets	232
regulatory liabilities	278
Peaks, monthly, and output	401
Plant, Common utility	
accumulated provision for depreciation	356
acquisition adjustments	356
allocated to utility departments	356
completed construction not classified	356
construction work in progress	356
expenses	356
held for future use	356
in service	356
leased to others	356
Plant data	336-337
	401-429

<u>Schedule</u>	<u>Page No.</u>
Plant - electric	
accumulated provision for depreciation	219
construction work in progress	216
held for future use	214
in service	204-207
leased to others	213
Plant - utility and accumulated provisions for depreciation	
amortization and depletion (summary)	201
Pollution control facilities, accumulated deferred	
income taxes	234
Power Exchanges	326-327
Premium and discount on long-term debt	256
Premium on capital stock	251
Prepaid taxes	262-263
Property - losses, extraordinary	230
Pumped storage generating plant statistics	408-409
Purchased power (including power exchanges)	326-327
Reacquired capital stock	250
Reacquired long-term debt	256-257
Receivers' certificates	256-257
Reconciliation of reported net income with taxable income	
from Federal income taxes	261
Regulatory commission expenses deferred	233
Regulatory commission expenses for year	350-351
Research, development and demonstration activities	352-353
Retained Earnings	
amortization reserve Federal	119
appropriated	118-119
statement of, for the year	118-119
unappropriated	118-119
Revenues - electric operating	300-301
Salaries and wages	
directors fees	105
distribution of	354-355
officers'	104
Sales of electricity by rate schedules	304
Sales - for resale	310-311
Salvage - nuclear fuel	202-203
Schedules, this report form	2-4
Securities	
exchange registration	250-251
Statement of Cash Flows	120-121
Statement of income for the year	114-117
Statement of retained earnings for the year	118-119
Steam-electric generating plant statistics	402-403
Substations	426
Supplies - materials and	227

<u>Schedule</u>	<u>Page No.</u>
Taxes	
accrued and prepaid	262-263
charged during year	262-263
on income, deferred and accumulated	234
	272-277
reconciliation of net income with taxable income for	261
Transformers, line - electric	429
Transmission	
lines added during year	424-425
lines statistics	422-423
of electricity for others	328-330
of electricity by others	332
Unamortized	
debt discount	256-257
debt expense	256-257
premium on debt	256-257
Unrecovered Plant and Regulatory Study Costs	230