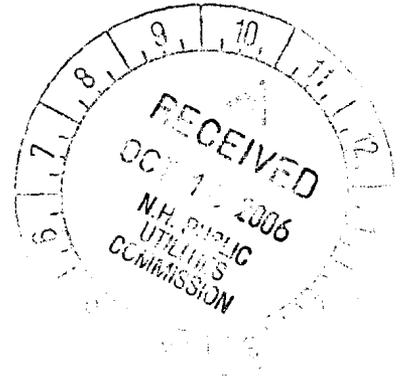


October 9, 2006

**VIA OVERNIGHT & ELECTRONIC MAIL**

Ms. Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429



**Re: DG 06-107; National Grid/Keyspan Merger Petition**

Dear Ms. Howland:

As requested by the Commission at the October 3, 2006 prehearing conference in the above-captioned proceeding, National Grid is submitting a summary of the regulatory approvals necessary to close the merger between National Grid and Keyspan, as well as an update regarding the status of each of the approvals.

National Grid's proposed merger with Keyspan requires the following regulatory approvals:

- Approval of the Federal Energy Regulatory Commission under Section 203 of the Federal Power Act is currently pending;
- Approval of the New York State Public Service Commission is currently pending;
- Approval of the New Hampshire Public Utilities Commission is currently pending;
- Approval of the Federal Trade Commission under the Hart-Scott Rodino Act of 1976 has been received;
- Approval of the Committee on Foreign Investment in the United States under the Exon-Florio provision of the Defense Production Act of 1950 has been received;
- Approval of the shareholders of both National Grid and Keyspan has been received;
- Approval of the New Jersey Board of Public Utilities for a change of control of Keyspan Communications Corporation is currently pending;
- Approval of the Federal Communications Commission (FCC) for a change of control of Keyspan Communications Corporation is currently pending; and
- Approval of the transfer of radio licenses from Keyspan Communications Corporation to National Grid is required. However, once approved by the FCC, the closing must take place within six months. Therefore, we anticipate applying for this approval within six months of the expected closing date.

Ms. Debra A. Howland  
October 9, 2006  
Page 2 of 2

Other items:

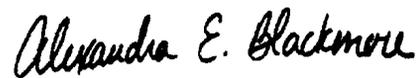
- Contract negotiations with the Long Island Power Authority (LIPA) necessary to transfer operation of LIPA's facilities on Long Island to National Grid are currently underway.

In addition, on September 2, 2006, National Grid filed supplemental tariffs with the New York State Public Service Commission to document our proposed rate plans for the New York companies.

We will provide the Commission with periodic updates regarding the status of the required regulatory approvals described above.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me at 508-389-3243.

Very truly yours,



Alexandra E. Blackmore

cc: Meredith A. Hatfield, Esq.  
Donald Pfundstein, Esq.  
Service List (via electronic mail)