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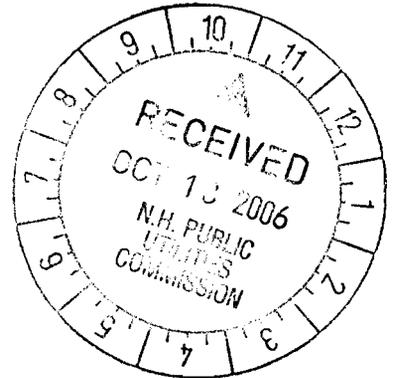
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October 17, 2006

Debra Howland
Executive Secretary and Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301



Re: DG 06-107 National Grid/KeySpan Corporation Merger Petition
Report Following October 3, 2006 Technical Session

Dear Ms. Howland:

At the Prehearing Conference on October 3, 2006, the Commission deferred ruling on the petition of the Utility Workers Union of America, AFL-CIO (Union) to intervene and requested me to obtain further information regarding the interest of the Union in the docket and its plans for participation. The Union submitted the enclosed letter in response to my request.

In addition, the participants at the technical session following the Prehearing Conference discussed the procedural schedule proposed by Staff and set forth in the Order of Notice dated September 12, 2006. No objections to the schedule were made and there was agreement that at the outset of the proceeding the procedural schedule appears to be appropriate.

Please let me know if you have any questions.

Sincerely yours,

A handwritten signature in cursive script that reads "Edward N. Damon".

Edward N. Damon
Staff Attorney

cc: Service List

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October 4, 2006

Advance via e-mail

Edward Damon, Esq.
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

**Re: Request for Leave to Intervene of Utility Workers Union of America,
AFL-CIO in Joint Petition of National Grid and KeySpan for Merger
NH PUC Docket No. DG06-107**

Dear Mr. Damon:

In response to your request, this letter addresses further the basis for the intervention of the Utility Workers Union of America, AFL-CIO ("UWUA") in the New Hampshire PUC proceeding regarding the proposed acquisition of KeySpan Corporation by National Grid.

UWUA has 288 members living in New Hampshire, of whom 66 are retired. Some of the 222 New Hampshire members who are not retired are employed by National Grid and KeySpan companies in Massachusetts.¹ The persons represented by UWUA have substantial interests in the referenced proceeding, and UWUA is the appropriate entity to represent those interests.

Specifically, as New Hampshire residents and ratepayers, UWUA members have an interest in safe, reliable utility service at a reasonable cost. This interest is likely to be affected by the proceeding in that the proposed merger, if not properly conditioned, could result in a decline in service quality. Moreover, some of UWUA's New Hampshire-based members currently work for National Grid or KeySpan companies, and the Applicants have stated that they plan to make staffing changes, the nature and extent of which are not yet known. UWUA members currently working in Massachusetts may be temporarily dispatched or permanently transferred to operating entities in New Hampshire. UWUA members working for companies

¹ The motion to intervene erroneously stated all of the 222 non-retired members were employed by National Grid or KeySpan; in fact, some New Hampshire UWUA members are employed with companies other than National Grid and KeySpan. This correction does not lessen the interest of New Hampshire-based UWUA members in this proceeding.

Edward Damon, Esq.
October 4, 2006
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other than National Grid or KeySpan may be temporarily dispatched to work with the New Hampshire operations or hired by a New Hampshire affiliate. As such, the outcome of this proceeding may affect the living and working conditions of UWUA members -- both as ratepayers and as potential employees of the New Hampshire operations of the merged company.

N.H. Rev. Stat. Ann. § LV 541-A:32(I) states that a petition to intervene shall be granted if, *inter alia*, the petition demonstrates that “the petitioner's rights, duties, privileges, immunities or other substantial interests may be affected by the proceeding.” Viewed against this standard, and for the reasons stated both here and in UWUA’s pending motion, UWUA asserts that there is ample basis for granting it leave to intervene, with full rights as a party to this proceeding.

Thank you for the opportunity to explain further the bases for UWUA’s intervention request. Please let us know if we can provide additional information or otherwise be of assistance.

Sincerely,



Scott H. Strauss
Rebecca J. Baldwin

Attorneys for
Utility Workers Union of America,
AFL-CIO

cc: Anne Ross, Esq.