

October 6, 2009

**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: DE 09-031; National Grid Reliability Enhancement and Vegetation Management Plans for Fiscal Year 2010 (April 1, 2009-March 31, 2010) Update**

Dear Ms. Howland:

Pursuant to the merger settlement agreement approved by the Commission in Order No. 24,777 (July 12, 2007) in Docket No. DG 06-107, Granite State Electric Company d/b/a National Grid (“National Grid” or “Company”) submitted proposed reliability enhancement and vegetation management plans for the Company’s fiscal year 2010 (April 1, 2009-March 31, 2010) on February 17, 2009. This filing was docketed as DE 09-031.

The Company’s proposed plans included a proposed base O&M budget of \$1,360,000, with an additional \$100,000 for enhanced hazard tree mitigation. Similarly, the Company also proposed a budget of \$500,000 for capital investments associated with the reliability enhancement program.

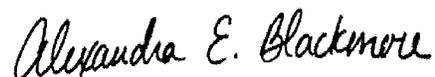
On August 13, 2009, the Company met with Commission Staff to discuss the Company’s proposed plans for fiscal year 2010. During this meeting, the Staff supported the Company’s proposal to spend an additional \$100,000 for enhanced hazard tree mitigation. The Company and Staff also agreed that the Company would increase its proposed capital budget associated with the reliability enhancement program from \$500,000 to \$620,000 to accommodate the installation of three additional reclosers during fiscal year 2010. Because there is a small amount of operation and maintenance (“O&M”) expense associated with an increase to the proposed capital budget, the Company’s total proposed base O&M budget for the plans will also increase from \$1,360,000 to \$1,372,000.

As a result of the modifications to the Company’s proposed plans for fiscal year 2010 as agreed to with Commission Staff, the Company is now submitting revised budget tables which show the Company’s new proposed capital and O&M budgets for fiscal year 2010 associated with the plans.

Ms. Debra A. Howland  
October 6, 2009  
Page 2 of 4

Thank you for your time and attention to this matter. If you have any questions, please feel free to contact me at 781-907-1849.

Very truly yours,

A handwritten signature in black ink that reads "Alexandra E. Blackmore". The signature is written in a cursive, flowing style.

Alexandra E. Blackmore

Enclosures

cc: Thomas Frantz  
Steve Mullen