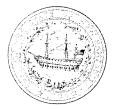
THE STATE OF NEW HAMPSHIRE

CHAIRMAN Thomas B. Getz

COMMISSIONERS Graham J. Morrison Clifton C. Below

EXECUTIVE DIRECTOR AND SECRETARY Debra A. Howland



PUBLIC UTILITIES COMMISSION 21 S. Fruit Street, Suite 10 Concord, N.H. 03301-2429

May 22, 2009

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH 1-800-735-2964

> Website: www.puc.nh.gov

Thomas P. O'Neill National Grid 201 Jones Road Waltham, MA 02451

Re:

DA 09-066, National Grid

Affiliate Contracts

Dear Mr. O'Neill:

On April 9, 2009, National Grid filed Service Agreements entered into on April 1, 2009 between EnergyNorth Natural Gas, Inc. (EnergyNorth) and National Grid USA Service Company, Inc. (NGSC) and between Granite State Electric Company (Granite) and NGSC. Also included in the filing was a signed agreement to extend the current National Grid Mutual Assistance Agreement through March 27, 2010, along with the underlying Mutual Assistance Agreement dated March 28, 2008. EnergyNorth, Granite and NGSC are associate companies within the National Grid USA holding company system. Under the terms of the service agreements, NGSC is to provide the following services to EnergyNorth and Granite: accounting, auditing, construction, corporate and corporate records, customer services, emergency maintenance and restoration of utility service, employee relations, consultation and services in management and administration, information systems, insurance, intellectual property, properties sales and valuations, power supply, public information and relations, purchasing and storage of materials, supplies and equipment, rates, regulation, taxes, treasury. Services will only be rendered by NGSC upon receipt of specific or general requests and may be modified or canceled at the discretion of EnergyNorth and Granite.

The Mutual Assistance Agreement provides that, to the extent possible, operating utility companies within the National Grid USA system will respond to requests from one another for specific or general assistance and services. Such requests may be modified or canceled by the requesting company and may be refused by the responding company.

This letter serves as an acknowledgement that National Grid, pursuant to the requirements of RSA 366:3, has filed contracts between a public utility and an affiliate for May 22, 2009 Page two

the provision of services in exchange for compensation that exceeds \$500. This acknowledgement does not constitute approval of any rate or revenue requirement change that may be claimed as a result of the service provided for in the filed documents. As any issue that may arise under the contract may be addressed in another docket or through the opening of a new docket, the Commission will not open an investigation at this time under RSA 366:5 and has closed this docket. As you may be aware, any modifications of the contract must also be filed with the Commission pursuant to RSA 366:3.

Sincerely,

Debra A. Howland Executive Director