

THE STATE OF NEW HAMPSHIRE



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February 23, 2011

Thomas P. O'Neill
National Grid
40 Sylvan Road
Waltham, MA 02451

Re: DA 11-003, National Grid
Affiliate Contracts

Dear Mr. O'Neill:

On January 10, 2011 National Grid filed service request renewal forms for the period January 1, 2011 through December 31, 2011 for three affiliate agreements: a Utility Money Pool Agreement for the period January 1, 2011 through December 31, 2011, the KeySpan Utility Services LLC (KUS) Service Agreement dated January 1, 2008 (originally filed in DA 08-050), and an Accession to National Grid Utility Service LLC Service Agreement (Accession) which adds Granite State Electric Company (Granite) as a party to that agreement.

New service request forms enable EnergyNorth Natural Gas Inc., Granite, New England Power Company, New England Electric Transmission Corporation and New England Hydro-Transmission Corporation to request services from affiliated service companies National Grid Corporate Services LLC (NGCS) and National Grid Engineering & Survey, Inc. (NGE&S) under the terms of agreements currently in effect and on file with the Commission (filed in DA 10-006). The new service request forms will be effective January 1, 2011 through December 31, 2011 and replace the service request forms that expired December 31, 2010. Although there has been no change in the NGE&S service request form, the NGCS service request form has added the following services: fuel management, marketing and sales, meter operations, research and development and gas and electric transmission and distribution planning.

The Utility Money Pool Agreement, to which EnergyNorth is a party, renews the existing agreement that expired on December 31, 2010 and is for the period January 1, 2011 through December 31, 2011.

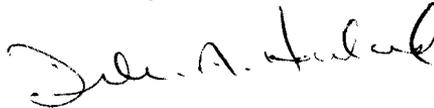
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New service request forms related to the KUS Agreement and Accession allows EnergyNorth and Granite to request the following services: fuel management, marketing and sales, meter operations, research and development, gas and electric transmission and distribution planning, and executive and administrative services. The forms are for the period January 1, 2011 through December 31, 2011.

This letter serves as an acknowledgement that National Grid, pursuant to the requirements of RSA 366:3, has filed modifications to contracts between a public utility and an affiliate for 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. The Commission will accept the modifications as filed and will close this docket. Any further modifications of the contract must be filed with the Commission pursuant to RSA 366:3.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra A. Howland". The signature is fluid and cursive, with a large initial "D" and "H".

Debra A. Howland
Executive Director