NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

GRANITE STATE ELECTRIC COMPANY

d/b/a

NATIONAL GRID

ENERGY EFFICIENCY

2009 YEAR-END REPORT

June 18, 2010

N.H.P.U.C. Docket No. DE 08-120

nationalgrid

TABLE OF CONTENTS

NATIONAL GRID

SUMMARY OF 2009 PROGRAM ACTIVITY

This report presents the results of Granite State Electric Company's d/b/a National Grid ("National Grid" or "Company") residential and commercial and industrial (C&I) energy efficiency programs for calendar year 2009.

Table 1 shows the 2009 year-end performance for the C&I and residential programs compared to annual goals and spending targets. Overall, the Company achieved 99% and 133% of its goals for annual demand savings and annual energy savings respectively. The Company achieved 111% of its planned participation while spending 95% of its planned budget in 2009.

Table 2 documents the value created by the 2009 energy efficiency programs. This table shows that efforts in 2009 created over $8.0 million of value through achieved energy, demand and other resource savings. The Company achieved over 66,940 megawatt hours of lifetime energy savings.

Table 3 provides the actual Total Resource Cost (TRC) benefit/cost ratio for each program, by sector (C&I and Residential), and for the entire portfolio of energy efficiency programs implemented in 2009. The overall benefit/cost ratio for energy efficiency efforts in 2009 was 3.06.

Table 4 documents the Company's earned 2009 year-end incentive of $194,887. As specified by the Commission, the incentive for 2009 has been documented using assumptions that are consistent with assumptions used to develop program-year goals. The incentive is calculated in accordance with the mechanism described by the New Hampshire Energy Efficiency Working Group and approved by the Commission in Order No. 23,574 (2000). Table 4 is presented on four pages. Page one summarizes the incentive calculation by component (C&I and Residential). Page two provides explanatory notes for the information provided on page one. Page three provides additional supporting information used in the incentive calculation. Page four provides explanatory notes for the information provided on page three. As specified by the Commission, results for all programs have been included in the incentive calculation.

Tables 5 through 9 provide the 2009 year-end energy efficiency fund balances. These tables reflect revenues collected in support of energy efficiency efforts, 2009 spending levels, and the 2009 incentive. Table 5 summarizes the 2009 year-end energy efficiency fund balances for both the residential and C&I sectors. Residential and C&I fund balances are shown in Tables 6 and 7, respectively. Tables 8 and 9 provide the residential and C&I fund variance analyses, respectively.

NATIONAL GRID
Table 1 - Summary of 2009 Planned and Year-End Results
2009 Program Year

	Annual kW			Annual MWh			Participation (2)			Implementation Expense ($ 000's)		
Commercial and Industrial	Filed Target	Year-End	% Achieved	Filed Target	Year-End	% Achieved	Filed Target	Year-End	% Achieved	Filed Target	Year-End	% Achieved
New Construction	338	202	60%	1,232	1,049	85%	24	17	71%	$382	$350	92%
Large Business Energy Solutions	268	344	128%	1,281	2,338	183%	13	23	177%	$323	$378	117%
Small Business Energy Solutions (1)	168	194	116%	730	816	112%	59	43	73%	$303	$331	109%
SUBTOTAL	**775**	**741**	**96%**	**3,243**	**4,203**	**130%**	**96**	**83**	**86%**	**$1,008**	**$1,060**	**105%**
Residential Programs												
ENERGY STAR® Homes	10	27	284%	42	208	495%	101	48	48%	$263	$165	63%
Home Energy Solutions	8	18	236%	81	200	247%	98	99	101%	$81	$84	104%
ENERGY STAR® Appliances	20	17	84%	74	83	112%	710	707	100%	$84	$69	82%
Home Energy Assistance	9	11	120%	90	109	121%	55	56	102%	$252	$232	92%
ENERGY STAR® Lighting	33	36	109%	540	591	109%	11,710	13,154	112%	$78	$62	80%
SUBTOTAL	**80**	**109**	**137%**	**828**	**1,192**	**144%**	**12,674**	**14,064**	**111%**	**$759**	**$613**	**81%**
TOTAL	**855**	**850**	**99%**	**4,071**	**5,395**	**133%**	**12,770**	**14,147**	**111%**	**$1,767**	**$1,673**	**95%**

NOTE:
(1) The spending reported for Small Business Energy Solutions is net of actual customer copays in 2009 of $105,722.
(2) Participation for C&I programs refers to total number of applications.
Participation in the ENERGY STAR® Lighting Program refers to total number of rebates.

NATIONAL GRID
Table 2 - Summary of Year-End Value, kW, and MWh Savings by Program
2009 Program Year

	Value (000's)										Load Reduction in kW				MWh Saved	
		Capacity				Energy				Non-Electric						
		Generation				Winter		Summer		Resource	Maximum				Maximum	
Commercial and Industrial	Total	Summer	Winter	Trans	MDC	Peak	Off Peak	Peak	Off Peak	Benefits	Annual	Summer	Winter	Lifetime	Annual	Lifetime
New Construction	$1,651	$313	$0	$34	$106	$621	$168	$327	$81	N/A	202	202	168	3,191	1,049	16,453
Large Business Energy Solutions	$2,679	$423	$0	$48	$148	$854	$514	$444	$249	N/A	344	344	281	4,241	2,338	28,963
Small Business Energy Solutions	$1,016	$213	$0	$25	$76	$379	$86	$196	$42	N/A	194	194	112	2,152	816	9,142
SUBTOTAL	**$5,346**	**$948**	**$0**	**$107**	**$330**	**$1,855**	**$768**	**$967**	**$372**	**$0**	**741**	**741**	**561**	**9,584**	**4,203**	**54,557**
Residential Programs																
ENERGY STAR Homes	$1,003	$58	$0	$6	$19	$86	$93	$44	$45	$653	27	27	32	622	208	4,315
Home Energy Solutions	197	14	0	2	5	38	42	19	20	56	18	18	51	149	200	1,693
ENERGY STAR Appliances	500	23	0	3	8	23	26	13	13	391	18	17	13	236	83	1,128 s
Home Energy Assistance	739	16	0	2	5	33	37	19	18	608	11	11	18	165	109	1,648
ENERGY STAR Lighting	292	19	0	3	8	81	93	44	44	N/A	36	36	139	220	591	3,600
SUBTOTAL	**$2,731**	**$130**	**$0**	**$15**	**$46**	**$261**	**$291**	**$140**	**$141**	**$1,707**	**110**	**109**	**254**	**1,393**	**1,192**	**12,385**
TOTAL	**$8,077**	**$1,079**	**$0**	**$122**	**$375**	**$2,116**	**$1,059**	**$1,107**	**$513**	**$1,707**	**850**	**850**	**815**	**10,977**	**5,395**	**66,943**

NATIONAL GRID
Table 3 - Summary of Achieved Cost-Effectiveness
2009 Program Year

Commercial and Industrial	TRC Benefit/Cost (3)	Total Value TRC Benefits ($000)	Implementation Expenses ($000)	Evaluation Costs ($000)	Customer Costs ($000)	Customer Costs from Spillover ($000)	Company Incentive ($000)	Total TRC Costs ($000)
New Construction	3.68	$1,651.213	$350.496	$8.596	$76.529	$13.106	N/A	$448.727
Large Business Energy Solutions (1)	3.28	$2,679.228	$378.316	$7.573	$379.778	$51.520	N/A	$817.186
Small Business Energy Solutions (2)	2.28	$1,015.826	$330.876	$2.342	$105.722	$5.662	N/A	$444.602
SUBTOTAL (including Company Incentive)	**2.95**	**$5,346**	**$1,060**	**$19**	**$562**	**$70**	**$99**	**$1,810**
SUBTOTAL (excluding Company Incentive)	**3.13**	**$5,346**	**$1,060**	**$19**	**$562**	**$70**	***N/A***	**$1,711**
Residential Programs								
ENERGY STAR Homes	6.03	$1,003.047	$165.248	$0.984	N/A	N/A	N/A	$166.232
Home Energy Solutions	1.96	$196.767	$84.480	$15.500	$0.500	N/A	N/A	$100.480
ENERGY STAR Appliances	3.13	$500.227	$69.427	$0.000	$90.300	N/A	N/A	$159.727
Home Energy Assistance	3.18	$738.696	$231.760	$0.182	N/A	N/A	N/A	$231.942
ENERGY STAR Lighting	3.72	$292.064	$62.294	$0.000	$15.289	$0.924	N/A	$78.507
SUBTOTAL (including Company Incentive)	**3.28**	**$2,731**	**$613**	**$17**	**$106**	**$1**	**$96**	**$832**
SUBTOTAL (excluding Company Incentive)	**3.71**	**$2,731**	**$613**	**$17**	**$106**	**$1**	**N/A**	**$737**
GRAND TOTAL (including Company Incentive)	**3.06**	**$8,077**	**$1,673**	**$35**	**$668**	**$71**	**$195**	**$2,642**

NOTES:

(1) The customer costs for Small Business Energy Solutions is net of actual customer copays in 2009 of $105,722.

(2) TRC Benefit/Cost = (Total Value)/(Total Costs), where

Total Costs = (Implementation Expenses + Evaluation Costs + Customer Costs + Customer Costs from Spillover + Company Incentive).

Table 4

Page 1 of 4

National Grid

Year-End 2009 Incentive Calculation

Commercial/Industrial Incentive	
1. Target Benefit/Cost Ratio	2.66
2. Actual Benefit/Cost Ratio	2.95
3. Threshold Benefit/Cost Ratio	1.00
4. Target lifetime MWh	44,582
5. Actual lifetime MWh	54,557
6. Threshold MWh	28,978
7. Budget	$1,063,876
8. CE Percentage	4.0%
9. Lifetime kWh Percentage	4.0%
10. Target C/I Incentive	**$85,110**
11. Actual C/I Incentive	**$99,315**
12. Cap	**$127,665**
Residential Incentive	
13. Target Benefit/Cost Ratio	2.00
14. Actual Benefit/Cost Ratio	3.28
15. Threshold Benefit/Cost Ratio	1.00
16. Target lifetime MWh	7,198
17. Actual lifetime MWh	12,385
18. Threshold MWh	4,678
19. Budget	$796,434
20. CE Percentage	4.0%
21. Lifetime kWh Percentage	4.0%
22. Target Residential Incentive	**$63,715**
23. Actual Residential Incentive	**$95,572**
24. Cap	**$95,572**
25. TOTAL INCENTIVE EARNED	**$194,887**

Table 4 (continued)

Page 2 of 4
National Grid
Notes to Year-End 2009 Incentive Calculation

Line No. Notes:

1. See Table 4, page 3 of 4, line 6.
2. See Table 4, page 3 of 4, line 6.
3. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150 (July 6, 1999), page 21.
4. Target lifetime energy savings for commercial & industrial programs from 2009 Core New Hampshir Efficiency Programs filing, NHPUC Docket No. DE 08-120, filing date: 10/07/2008.
5. Source: Program tracking systems
6. 65% of line 4.
7. Budget for commercial & industrial programs from 2009 Core New Hampshire Energy Efficiency Programs filing, NHPUC Docket No. DE 08-120, filing date: 10/07/2008.
8. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150, page 21.
9. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150, page 21.
10. 8% of line 7.
11. There are two elements of this calculation. Line 11 is the sum of Element 1 and Element 2, described below. This sum cannot exceed Line 12.
    Element 1 - Incentive related to cost-effectiveness:
    a. Line 2 must be greater than or equal to Line 3.
    b. (Line 2/Line 1) x .04 x Line 7
    Element 2 - Incentive related to Lifetime kWh:
    a. Line 5 must be greater than or equal to Line 6.
    b. (Line 5/Line 4) x .04 x Line 7
12. 12% of Line 7.
13. See Table 4, page 3 of 4, line 13.
14. See Table 4, page 3 of 4, line 13.
15. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150, page 21.
16. Target lifetime savings for eligible residential programs from 2009 Core New Hampshire Energy Efficiency Programs filing, NHPUC Docket No. DE 08-120, filing date: 10/07/2008.
17. Source: Program tracking systems.
18. 65% of line 16.
19. See Table 4, page 3 of 4, line 14.
20. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150, page 21.
21. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150, page 21.
22. 8% of line 19.
23. There are two elements of this calculation. Line 23 is the sum of Element 1 and Element 2, described below. This sum cannot exceed Line 24.
    Element 1 - Incentive related to cost-effectiveness:
    a. Line 14 must be greater than or equal to Line 15.
    b. (Line 14/Line 13) x .04 x Line 19
    Element 2 - Incentive related to Lifetime kWh:
    a. Line 17 must be greater than or equal to Line 18.
    b. (Line 17/Line 16) x .04 x Line 19
24. 12% of Line 19.
25. Line 11 + Line 23

Table 4 (continued)

Page 3 of 4

Planned Versus Actual Benefit-Cost Ratio by Sector

National Grid - 2009

	Planned	**Actual**
Commercial & Industrial:		
1. Benefits (Value) From Eligible Programs	$4,799,012	$5,346,266
2. Implementation Expenses	$1,008,396	$1,059,688
3. Customer Contribution	$654,350	$632,317
4. Evaluation Expense	$55,480	$18,510
5. Total Costs Excluding Shareholder Incentive	$1,718,226	$1,710,515
SI	$85,110	$99,314.71
6. Benefit/Cost Ratio - C&I Sector	2.79	3.13
Budget with SI	$1,803,337	$1,809,830
7. Implementation Plus Evaluation Expense - C&I Sector	$1,063,876	$1,078,198
Benerfit/Cost Ratio including SI in cost	2.66	2.95
Residential:		
8. Benefits (Value) From Eligible Programs	$1,881,250	$2,730,802
9. Implementation Expenses	$758,509	$613,209
10. Customer Contribution	$78,420	$107,013
11. Evaluation Expense	$37,925	$16,666
12. Total Costs Excluding Shareholder Incentive	$874,854	$736,888
SI	$63,715	$95,572
13. Benefit/Cost Ratio - Residential Sector	2.15	3.71
Budget with SI	$938,569	$832,460
14. Implementation Plus Evaluation Expense - Residential Sector	$796,434	$629,874
Benerfit/Cost Ratio including SI in cost	2.00	3.28

Table 4 (continued)

Planned Versus Actual Benefit-Cost Ratio by Sector

National Grid - 2009

Line No. Notes:

1. Planned Commercial & Industrial benefits (value) from eligible programs from 2009 Core New Hampshire Energy Efficiency Programs, NHPUC Docket No. DE 08-120, filing date: 10/07/08, Attachment D, page 4 of 5.
   Actual benefits (value) from eligible programs: Program tracking systems.
2. Planned implementation expenses for C&I programs from eligible programs from 2009 Core New Hampshire Energy Efficiency Programs, NHPUC Docket No. DE 08-120, filing date: 10/07/08, Attachment D, page 4 of 5.
   Actual implementation expenses: Company accounting system net of customer co-pays.
3. Planned C&I customer contribution from 2009 Core New Hampshire Energy Efficiency Programs, filing date: 10/07/08, Attachment D, page 4 of 5. Actual customer contribution: Program tracking systems plus estimated customer costs related to spillover plus customer co-pays that were netted out of reported implementation expenses.
4. Planned C&I evaluation expenses from 2009 Core New Hampshire Energy Efficiency Programs, filing date: 10/07/08, Attachment D, page 4 of 5. Actual evaluation expenses: Company accounting system.
5. Sum of lines 2-4.
6. Line 1 divided by line 5. The shareholder incentive mechanism described by the New Hampshire Energy Efficiency Working Group and approved by the Commission in Order No. 23,574 (reaffirmed in Order No. 23,982 (2002)) includes a circular calculation. A portion of the earned shareholder incentive is related to the benefit/cost ratio. However, the shareholder incentive is supposed to be included as an energy efficiency cost in determining the benefit/cost ratio. For the purpose of calculating the shareholder incentive, the Company has recalculated the planned benefit/cost ratio excluding the shareholder incentive and is comparing the actual benefit/cost ratio excluding the shareholder incentive to the planned benefit/cost ratio excluding shareholder incentives.
7. Sum of lines 2 and 4. The dollars in the planned column are the C&I sector funds on which the Company may calculate its earned shareholder incentive.
8. Planned Residential benefits (value) from 2009 Core New Hampshire Energy Efficiency Programs, filing date: 10/07/08, Attachment D, page 4 of 5.
   Actual benefits (value) from eligible programs: Program tracking systems.
9. Planned implementation expenses for residential programs from 2009 Core New Hampshire Energy Efficiency Programs, filing date: 10/07/08. Attachment D, page 4 of 5. Actual implementation expenses: Company accounting system.
10. Planned Residential customer contribution from 2009 Core New Hampshire Energy Efficiency Programs, revised filing date: 10/07/08, Attachment D, page 4 of 5. Actual customer contribution: Program vendors plus estimated customer costs associated with spillover.
11. Planned residential evaluation expenses from 2009 Core New Hampshire Energy Efficiency Programs, revised filing date: 10/07/08, Attachment D, page 4 of 5. Actual evaluation expense: Company accounting system.
12. Sum of lines 9-11.
13. Line 8 divided by line 12. The shareholder incentive mechanism described by the New Hampshire Energy Efficiency Working Group and approved by the Commission in Order No. 23,574 (reaffirmed in Order No. 23,982 (2002) includes a circular calculation. A portion of the earned shareholder incentive is related to the benefit/cost ratio. However, the shareholder incentive is supposed to be included as an energy efficiency cost in determining the benefit/cost ratio. For the purpose of calculating the shareholder incentive, the Company has recalculated the planned benefit/cost ratio excluding the shareholder incentive and is comparing the actual benefit/cost ratio excluding the shareholder incentive to the planned benefit/cost ratio excluding shareholder incentives.
14. Sum of lines 9 and 11. The dollars in the planned column are the Residential sector funds on which the Company may calculate its earned shareholder incentive.

PREPARED BY: R. Bowcock
Date: 17-Jun-10
3:19 PM

TABLE 5

NATIONAL GRID
ENERGY EFFICIENCY ADJUSTMENT AND BALANCE

12 Months Actual 2009

Total Energy Efficiency Revenue/Expense for Jan-Dec 2009

		Actual JAN	Actual FEB	Actual MAR	Actual APRIL	Actual MAY	Actual JUNE	6 MONTH TOTAL
	Residential Revenue	$58,681	$50,242	$43,982	$41,922	$35,745	$36,210	$266,782
	C&I. Revenue	$101,503	$90,996	$83,032	$98,753	$91,067	$98,805	$564,156
1.	TOTAL REVENUE (A)	$160,184	$141,238	$127,014	$140,675	$126,812	$135,015	$830,938
	Residential Expense	$24,407	$14,015	$115,261	$11,836	$53,106	$24,503	$243,128
	C&I. Expense	$20,842	$69,871	$201,521	($9,416)	$111,252	$238,426	$632,496
2.	TOTAL EXPENSE (B)	$45,249	$83,886	$316,782	$2,420	$164,358	$262,929	$875,624
3.	Cash Flow Over/(Under)	$114,935	$57,352	($189,768)	$138,255	($37,546)	($127,914)	($44,686)
4.	Start of Period Balance (C)	$378,291	$494,406	$553,174	$364,647	$504,078	$467,846	$378,291
5.	End of Period Balance Before Interest	$493,226	$551,757	$363,406	$502,903	$466,532	$339,932	$333,605
6.	Residential Interest	($1,973)	($1,883)	($1,935)	($1,996)	($1,984)	($1,997)	($11,769)
	C&I Interest	$3,153	$3,299	$3,176	$3,171	$3,299	$3,091	$19,190
	TOTAL INTEREST (D)	$1,180	$1,417	$1,241	$1,175	$1,314	$1,094	$7,421
7.	End of Period Balance After Interest	$494,406	$553,174	$364,647	$504,078	$467,846	$341,026	$341,026

		Actual JULY	Actual AUG	Actual SEPT	Actual OCT	Actual NOV	Actual DEC	ANNUAL TOTAL
	Residential Revenue	$40,919	$44,822	$43,953	$37,507	$38,122	$46,183	$518,288
	C&I. Revenue	$104,973	$108,142	$106,160	$103,478	$103,294	$98,118	$1,188,321
8.	TOTAL REVENUE (A)	$145,892	$152,964	$150,112	$140,985	$141,417	$144,301	$1,706,609
	Residential Expense	$24,519	$29,871	$56,571	$80,062	$64,235	$133,333	$631,719
	C&I. Expense	$135,972	$69,654	$173,729	$55,018	$76,894	($67,409)	$1,076,354
9.	TOTAL EXPENSE (B)	$160,491	$99,525	$230,300	$135,080	$141,129	$65,924	$1,708,073
10.	Cash Flow Over/(Under)	($14,599)	$53,439	($80,188)	$5,905	$288	$78,377	($1,464)
11.	Start of Period Balance (C)	$341,026	$327,331	$381,729	$302,467	$309,198	$310,324	$378,291
12.	End of Period Balance Before Interest	$326,427	$380,770	$301,541	$308,371	$309,486	$388,701	$376,827
13.	Residential Interest	($1,965)	($1,928)	($1,930)	($2,010)	($2,108)	($2,267)	($23,976)
	C&I Interest	$2,869	$2,887	$2,855	$2,837	$2,946	$3,214	$36,796
	TOTAL INTEREST (D)	$904	$959	$925	$827	$838	$947	$12,821
14.	2009 Residential Incentive (E)						$95,572	$95,572
	2009 Commercial & Industrial Incentive (E)						$99,315	$99,315
	2009 Total Incentives (E)						$194,887	$194,887
15	End of Period Balance After Interest	$327,331	$381,729	$302,467	$309,198	$310,324	$194,760	**$194,760**
16	End Balance as % of Revenue							11.41%

(A) See Tables 2 & 3
(B) See Tables 2 & 3
(C) "End of Period Balance Before Interest" from prior month.
(D) See Tables 2 & 3
(E) This is the amount credited to the Company's General Ledger during this year.

Interest Rates:	JAN =	3.25%	FEB =	3.25%	MAR =	3.25%	APR =	3.25%
	MAY =	3.25%	JUN =	3.25%	JUL =	3.25%	AUG =	3.25%
	SEP =	3.25%	OCT =	3.25%	NOV =	3.25%	DEC =	3.25%

PREPARED BY: R. Bowcock
Date: 17-Jun-10
3:19 PM

TABLE 6

NATIONAL GRID
ENERGY EFFICIENCY REVENUE/EXPENSE BALANCE
RESIDENTIAL FUND
12 Months Actual 2009

Energy Efficiency Residential Revenue/Expense for Jan-Dec 2009

		Actual JAN	Actual FEB	Actual MAR	Actual APRIL	Actual MAY	Actual JUNE	6 MONTH TOTAL
1.	Residential Revenue (A)	$58,681	$50,242	$43,982	$41,922	$35,745	$36,210	$266,782
2.	Residential Energy Efficiency Expense (B)	$24,407	$14,015	$115,261	$11,836	$53,106	$24,503	$243,128
3.	Cash Flow Over/(Under)	$34,274	$36,227	($71,279)	$30,086	($17,361)	$11,707	$23,654
4.	Start of Period Balance (C)	($745,545)	($713,244)	($678,900)	($752,114)	($724,024)	($743,369)	
5.	End of Period Balance Before Interest	($711,271)	($677,017)	($750,179)	($722,028)	($741,385)	($731,663)	
6.	Estimated Interest	($1,973)	($1,883)	($1,935)	($1,996)	($1,984)	($1,997)	($11,769)
7.	End of Period Balance After Interest	($713,244)	($678,900)	($752,114)	($724,024)	($743,369)	($733,660)	

		Actual JULY	Actual AUG	Actual SEPT	Actual OCT	Actual NOV	Actual DEC	ANNUAL TOTAL
8.	Residential Revenue (A)	$40,919	$44,822	$43,953	$37,507	$38,122	$46,183	$518,288
9.	Residential Energy Efficiency Expense (B)	$24,519	$29,871	$56,571	$80,062	$64,235	$133,333	$631,719
10.	Cash Flow Over/(Under)	$16,400	$14,951	($12,618)	($42,555)	($26,113)	($87,150)	($113,431)
11.	Start of Period Balance (C)	($733,660)	($719,224)	($706,201)	($720,749)	($765,314)	($793,535)	($745,545)
12.	End of Period Balance Before Interest	($717,260)	($704,273)	($718,819)	($763,304)	($791,426)	($880,685)	($858,976)
13.	Estimated Interest	($1,965)	($1,928)	($1,930)	($2,010)	($2,108)	($2,267)	($23,976)
14.	2009 Residential Incentive (D)						$95,572	$95,572
15	End of Period Balance After Interest	($719,224)	($706,201)	($720,749)	($765,314)	($793,535)	($978,524)	($978,524)
16	End Balance as % of Revenue							-188.80%

FOOTNOTES:
(A) Revenue Report
(B) Source: PeopleSoft query
(C) "End of Period Balance Before Interest" from prior month.
Estimated DSM incentive is included in Dec expense estimate.
(D) This is the amount credited to the Company's General Ledger during this year.

Interest Rates:								
	JAN =	3.25%	FEB =	3.25%	MAR =	3.25%	APR =	3.25%
	MAY =	3.25%	JUN =	3.25%	JUL =	3.25%	AUG =	3.25%
	SEP =	3.25%	OCT =	3.25%	NOV =	3.25%	DEC =	3.25%

Note: The Residential Factor is applied to the D-0, D-10, & T-0 rates.

PREPARED BY: R. Bowcock
Date: 17-Jun-10
3:19 PM

TABLE 7

NATIONAL GRID
ENERGY EFFICIENCY REVENUE/EXPENSE BALANCE
COMMERCIAL & INDUSTRIAL FUND
12 Months Actual 2009

Energy Efficiency C&I Revenue/Expense for Jan-Dec 2009

		Actual JAN	Actual FEB	Actual MAR	Actual APRIL	Actual MAY	Actual JUNE	6 MONTH TOTAL
1.	C&I Revenue (A)	$101,503	$90,996	$83,032	$98,753	$91,067	$98,805	$564,156
2.	C&I Energy Efficiency Expense (B)	$20,842	$69,871	$201,521	($9,416)	$111,252	$238,426	$632,496
3.	Cash Flow Over/(Under)	$80,661	$21,125	($118,489)	$108,169	($20,185)	($139,621)	($68,340)
4.	Start of Period Balance (C)	$1,123,836	$1,207,650	$1,232,074	$1,116,762	$1,228,102	$1,211,216	$1,123,836
5.	End of Period Balance Before Interest	$1,204,497	$1,228,775	$1,113,585	$1,224,931	$1,207,917	$1,071,595	
6.	Estimated Interest	$3,153	$3,299	$3,176	$3,171	$3,299	$3,091	$19,190
7.	End of Period Balance After Interest	$1,207,650	$1,232,074	$1,116,762	$1,228,102	$1,211,216	$1,074,686	

		Actual JULY	Actual AUG	Actual SEPT	Actual OCT	Actual NOV	Actual DEC	ANNUAL TOTAL
8.	C&I Revenue (A)	$104,973	$108,142	$106,160	$103,478	$103,294	$98,118	$1,188,321
9.	C&I Energy Efficiency Expense (B)	$135,972	$69,654	$173,729	$55,018	$76,894	($67,409)	$1,076,354
10.	Cash Flow Over/(Under)	($30,999)	$38,488	($67,569)	$48,460	$26,400	$165,527	$111,967
11.	Start of Period Balance (C)	$1,074,686	$1,046,556	$1,087,930	$1,023,215	$1,074,512	$1,103,858	$1,123,836
12.	End of Period Balance Before Interest	$1,043,687	$1,085,043	$1,020,360	$1,071,675	$1,100,912	$1,269,385	$1,235,803
13.	Estimated Interest	$2,869	$2,887	$2,855	$2,837	$2,946	$3,214	$36,796
14.	2009 Commercial & Industrial Incentive (D)						$99,315	$99,315
15	End of Period Balance After Interest	$1,046,556	$1,087,930	$1,023,215	$1,074,512	$1,103,858	$1,173,284	$1,173,284
16	End Balance as % of Revenue							98.73%

FOOTNOTES:
(A) Revenue Report
(B) Source: PeopleSoft query
(C) "End of Period Balance Before Interest" from prior month.
Estimated DSM incentive is included in Dec expense estimate.
(D) This is the amount credited to the Company's General Ledger during this year.

Interest Rates:								
	JAN =	3.25%	FEB =	3.25%	MAR =	3.25%	APR =	3.25%
	MAY =	3.25%	JUN =	3.25%	JUL =	3.25%	AUG =	3.25%
	SEP =	3.25%	OCT =	3.25%	NOV =	3.25%	DEC =	3.25%

Note: The C&I Factor is applied to the G-1, G-2, G-3, M,& V rates.

PREPARED BY: R. Bowcock
Date: 17-Jun-10

TABLE 8

NATIONAL GRID
ENERGY EFFICIENCY VARIANCE ANALYSIS
RESIDENTIAL FUND
12 Months Actual 2009

Energy Efficiency Residential Revenue/Expense for Jan-Dec 2009

		JAN	FEB	MARCH	APRIL	MAY	JUNE	
1.	Residential Energy Efficiency Revenue (A)	$58,681	$50,242	$43,982	$41,922	$35,745	$36,210	
2.	Estimated Residential Energy Efficiency Revenue (B)	$59,618	$43,061	$50,996	$42,245	$36,849	$40,343	
3.	Difference (1)-(2)	($937)	$7,181	($7,014)	($322)	($1,103)	($4,133)	
4.	Residential Energy Efficiency Expense (A)	$24,407	$14,015	$115,261	$11,836	$53,106	$24,503	
5.	Estimated Residential Energy Efficiency Expense (C)	$0	$0	$0	$0	$0	$0	
6.	Difference Residential Energy Efficiency Expense (4) - (5)	$24,407	$14,015	$115,261	$11,836	$53,106	$24,503	
		JULY	**AUG**	**SEPT**	**OCT**	**NOV**	**DEC**	**TOTAL**
7.	Residential Energy Efficiency Revenue (A)	$40,919	$44,822	$43,953	$37,507	$38,122	$46,183	$518,288
8.	Estimated Residential Energy Efficiency Revenue (B)	$48,683	$49,316	$45,479	$39,622	$41,553	$54,040	$551,805
9.	Difference (7)-(8)	($7,764)	($4,493)	($1,527)	($2,116)	($3,431)	($7,857)	($33,517)
10.	Residential Energy Efficiency Expense (A)	$24,519	$29,871	$56,571	$80,062	$64,235	$133,333	$631,719
11.	Estimated Residential Energy Efficiency Expense (C)	$0	$0	$0	$0	$0	$63,715	$63,715
12.	Difference Residential Energy Efficiency Expense (10) - (11	$24,519	$29,871	$56,571	$80,062	$64,235	$69,618	$568,004

FOOTNOTES:

(A) See Table 2
(B) Calculation based on estimated monthly Residential kWh from Company's Winter 2004 forecast multiplied by a factor of $0.00180
(C) Source: Retail Support & Services Dept. No estimates for 1st Q.
Incentives are included in Dec exp est.
Note: The Residential Factor is applied to the D-0, D-10, & T-0 rates.

PREPARED BY: R. Bowcock

TABLE 9
NATIONAL GRID
COMMERCIAL & INDUSTRIAL FUND
12 Months Actual 2009

Energy Efficiency C&I Revenue/Expense for Jan-Dec 2009

		JAN	FEB	MARCH	APRIL	MAY	JUNE	
1.	C&I Energy Efficiency Revenue (A)	$101,503	$90,996	$83,032	$98,753	$91,067	$98,805	
2.	Estimated C&I Energy Efficiency Revenue (B)	$100,967	$104,737	$104,269	$97,537	$98,952	$104,226	
3.	Difference (1)-(2)	$536	($13,741)	($21,237)	$1,216	($7,885)	($5,421)	
4.	C&I Energy Efficiency Expense (A)	$20,842	$69,871	$201,521	($9,416)	$111,252	$238,426	
5.	Estimated C&I Energy Efficiency Expense (C)	$0	$0	$0	$0	$0	$0	
6.	Difference C&I Energy Efficiency Expense (4) - (5)	$20,842	$69,871	$201,521	($9,416)	$111,252	$238,426	
		JULY	**AUG**	**SEPT**	**OCT**	**NOV**	**DEC**	**TOTAL**
7.	C&I Energy Efficiency Revenue (A)	$104,973	$108,142	$106,160	$103,478	$103,294	$98,118	$1,188,321
8.	Estimated C&I Energy Efficiency Revenue (B)	$117,837	$114,584	$114,806	$102,776	$98,493	$109,041	$1,268,226
9.	Difference (7)-(8)	($12,864)	($6,443)	($8,647)	$701	$4,802	($10,922)	($79,905)
10.	C&I Energy Efficiency Expense (A)	$135,972	$69,654	$173,729	$55,018	$76,894	($67,409)	$1,076,354
11.	Estimated C&I Energy Efficiency Expense (C)	$0	$0	$0	$0	$0	$85,110	$85,110
12.	Difference C&I Energy Efficiency Expense (10) - (11)	$135,972	$69,654	$173,729	$55,018	$76,894	($152,519)	$991,244

FOOTNOTES:

(A) See Table 3
(B) Calculation based on estimated monthly Residential kWh from Company's Winter 2004 forecast multiplied by a factor of $0.00180.
(C) Source: Retail Support & Services. No estimates for 1st Q.

Note: The C&I Factor is applied to the G-1, G-2, G-3, M,& V rates.