NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

GRANITE STATE ELECTRIC COMPANY

d/b/a

NATIONAL GRID

ENERGY EFFICIENCY

2010 YEAR-END REPORT

Revised

June 24, 2011

N.H.P.U.C. Docket No. DE 09-170

nationalgrid

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NATIONAL GRID

SUMMARY OF 2010 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 2010.

Table 1 shows the 2010 year-end performance for the C&I and residential programs compared to annual goals and spending targets. Overall, the Company achieved 77% and 108% of its goals for annual demand savings and annual energy savings respectively. The Company achieved 179% of its planned participation while spending 107% of its planned budget in 2010.

Table 2 documents the value created by the 2010 energy efficiency programs. This table shows that efforts in 2010 created over $8.8 million of value through achieved energy, demand and other resource savings. The Company achieved 72,485 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 2010. The overall benefit/cost ratio for energy efficiency efforts in 2010 was 3.62.

Table 4 documents the Company's earned 2010 year-end incentive of $108,611. As specified by the Commission, the incentive for 2010 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 2010 year-end energy efficiency fund balances. These tables reflect revenues collected in support of energy efficiency efforts, 2010 spending levels, and the 2010 incentive. Table 5 summarizes the 2010 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 2010 Planned and Year-End Results
2010 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	68	226	332%	296	1,101	372%	6	21	350%	$128	$277	217%
Large Business Energy Solutions	660	619	94%	3,871	3,375	87%	27	43	159%	$447	$427	95%
Small Business Energy Solutions (1)	116	53	46%	499	247	49%	31	21	68%	$214	$155	72%
SUBTOTAL	**843**	**898**	**106%**	**4,667**	**4,722**	**101%**	**64**	**85**	**133%**	**$790**	**$859**	**109%**
Residential Programs												
ENERGY STAR® Homes (3)	421	40	10%	57	126	220%	69	107	155%	$176	$189	108%
Home Energy Solutions	6	6	94%	94	94	100%	66	39	59%	$54	$49	90%
ENERGY STAR® Appliances	19	19	98%	95	107	113%	626	973	155%	$56	$58	103%
Home Energy Assistance	7	9	134%	65	90	139%	45	50	111%	$191	$214	112%
ENERGY STAR® Lighting	26	43	169%	419	708	169%	8,933	16,296	182%	$52	$38	74%
SUBTOTAL	**479**	**117**	**24%**	**730**	**1,126**	**154%**	**9,739**	**17,465**	**179%**	**$530**	**$548**	**104%**
TOTAL	**1,322**	**1,015**	**77%**	**5,396**	**5,847**	**108%**	**9,803**	**17,550**	**179%**	**$1,319**	**$1,408**	**107%**

NOTE:
(1) The spending reported for Small Business Energy Solutions is net of actual customer copays in 2010 of $50,312.
(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.
(3) The ENERGY STAR Homes planned Annual kW was overstated due to incorrect domestic hot water demand savings being entered.

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Table 2 - Summary of Year-End Value, kW, and MWh Savings by Program
2010 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	$1,249	$93	$0	$37	$113	$485	$262	$252	$127	-$120	226	226	178	3,336	1,101	16,040
Large Business Energy Solutions	$3,167	$218	$0	$88	$270	$1,438	$582	$745	$279	-$452	619	619	421	7,804	3,375	42,832
Small Business Energy Solutions	$263	$18	$0	$7	$23	$110	$32	$57	$15	N/A	53	53	33	654	247	2,983
SUBTOTAL	**$4,679**	**$329**	**$0**	**$132**	**$406**	**$2,033**	**$877**	**$1,054**	**$421**	**($572)**	**898**	**898**	**632**	**11,794**	**4,722**	**61,855**
Residential Programs																
ENERGY STAR Homes	$2,299	$42	$0	$10	$30	$50	$61	$25	$30	$2,050	40	40	28	958	126	2,482
Home Energy Solutions	118	4	0	1	3	33	40	17	20	0	6	6	22	103	94	1,632
ENERGY STAR Appliances	577	7	0	3	8	27	34	16	17	466	19	19	19	247	107	1,393 s
Home Energy Assistance	906	4	0	1	4	26	33	15	16	806	9	9	15	133	90	1,334
ENERGY STAR Lighting	267	9	0	3	8	76	90	37	43	N/A	43	43	163	231	708	3,788
SUBTOTAL	**$4,168**	**$65**	**$0**	**$18**	**$55**	**$213**	**$258**	**$110**	**$126**	**$3,322**	**117**	**117**	**247**	**1,673**	**1,126**	**10,630**
TOTAL	**$8,847**	**$394**	**$0**	**$150**	**$461**	**$2,246**	**$1,135**	**$1,164**	**$548**	**$2,750**	**1,015**	**1,015**	**879**	**13,467**	**5,847**	**72,485**

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Table 3 - Summary of Achieved Cost-Effectiveness
2010 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	3.43	$1,249	$277	$8	$55	$23	N/A	$364
Large Business Energy Solutions (1)	3.03	$3,167	$427	$2	$570	$44	N/A	$1,044
Small Business Energy Solutions (2)	1.22	$263	$155	$7	$50	$4	N/A	$216
SUBTOTAL (including Company Incentive)	**2.77**	**$4,679**	**$859**	**$18**	**$676**	**$71**	**$64**	**$1,688**
SUBTOTAL (excluding Company Incentive)	**2.88**	**$4,679**	**$859**	**$18**	**$676**	**$71**	***N/A***	**$1,624**
Residential Programs								
ENERGY STAR Homes	12.06	$2,299	$189	$2	N/A	N/A	N/A	$191
Home Energy Solutions	1.93	$118	$49	$10	$2	N/A	N/A	$61
ENERGY STAR Appliances	3.68	$577	$58	$0	$99	N/A	N/A	$157
Home Energy Assistance	4.23	$906	$214	$0	N/A	N/A	N/A	$214
ENERGY STAR Lighting	2.99	$267	$38	$5	$45	$2	N/A	$89
SUBTOTAL (including Company Incentive)	**5.50**	**$4,168**	**$548**	**$17**	**$146**	**$2**	**$44**	**$757**
SUBTOTAL (excluding Company Incentive)	**5.85**	**$4,168**	**$548**	**$17**	**$146**	**$2**	**N/A**	**$713**
GRAND TOTAL (including Company Incentive)	**3.62**	**$8,847**	**$1,408**	**$34**	**$821**	**$73**	**$109**	**$2,445**

NOTES:

(1) The spending reported for Small Business Energy Solutions is net of actual customer copays in 2010 of $50,312.

(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

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Year-End 2010 Incentive Calculation

Commercial/Industrial Incentive

1. Target Benefit/Cost Ratio	3.02
2. Actual Benefit/Cost Ratio	2.77
3. Threshold Benefit/Cost Ratio	1.00
4. Target lifetime MWh	60,905
5. Actual lifetime MWh	61,855
6. Threshold MWh	39,588
7. Budget	$829,063
8. CE Percentage	4.0%
9. Lifetime kWh Percentage	4.0%
10. Target C/I Incentive	**$66,325**
11. Actual C/I Incentive	**$64,117**
12. Cap	**$66,325**

Residential Incentive

13. Target Benefit/Cost Ratio	3.56
14. Actual Benefit/Cost Ratio	5.50
15. Threshold Benefit/Cost Ratio	1.00
16. Target lifetime MWh	7,066
17. Actual lifetime MWh	10,630
18. Threshold MWh	4,593
19. Budget	$556,172
20. CE Percentage	4.0%
21. Lifetime kWh Percentage	4.0%
22. Target Residential Incentive	**$44,494**
23. Actual Residential Incentive	**$44,494**
24. Cap	**$44,494**
25. TOTAL INCENTIVE EARNED	**$108,611**

Table 4 (continued)

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Notes to Year-End 2010 Incentive Calculation

Line No. Notes:

1. See Table 4, page 3 of 4, line 10.
2. See Table 4, page 3 of 4, line 10.
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 2010 Core New Hampshire En Efficiency Programs filing, NHPUC Docket No. DE 09-170, revised filing date: 02/19/10.
5. Source: Program tracking systems
6. 65% of line 4.
7. Budget for commercial & industrial programs from 2010 Core New Hampshire Energy Efficiency Programs filing, NHPUC Docket No. DE 09-170, revised filing date: 02/19/10.
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. 8% of Line 7.
13. See Table 4, page 3 of 4, line 20.
14. See Table 4, page 3 of 4, line 20.
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 2010 Core New Hampshire Energy Efficiency Programs filing, NHPUC Docket No. DE 09-170, revised filing date: 02/19/10.
17. Source: Program tracking systems.
18. 65% of line 16.
19. See Table 4, page 3 of 4, line 19.
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. 8% of Line 19.
25. Line 11 + Line 23

Table 4 (continued)

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Planned Versus Actual Benefit-Cost Ratio by Sector

National Grid - 2010

	Planned	Actual
Commercial & Industrial:		
1. Benefits (Value) From Eligible Programs	$5,202,715	$4,679,037
2. Implementation Expenses	$789,583	$859,318
3. Customer Contribution	$825,621	$747,049
4. Evaluation Expense	$39,480	$17,607
5. Total Costs Excluding Shareholder Incentive	$1,654,684	$1,623,974
6. SI	$66,325	$64,117
7. Benefit/Cost Ratio - C&I Sector	3.14	2.88
8. Budget with SI	$1,721,009	$1,688,091
9. Implementation Plus Evaluation Expense - C&I Sector	$829,063	$876,925
10. Benerfit/Cost Ratio including SI in cost	3.02	2.77
Residential:		
11 Benefits (Value) From Eligible Programs	$2,698,748	$4,168,040
12 Implementation Expenses	$529,688	$548,339
13. Customer Contribution	$157,791	$147,795
14. Evaluation Expense	$26,484	$16,606
15. Total Costs Excluding Shareholder Incentive	$713,963	$712,740
16. SI	$44,494.00	$44,494
17. Benefit/Cost Ratio - Residential Sector	3.78	5.85
18. Budget with SI	$758,457	$757,234
19. Implementation Plus Evaluation Expense - Residential Sector	$556,172	$564,945

Table 4 (continued)
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Planned Versus Actual Benefit-Cost Ratio by Sector
National Grid - 2010

Line No. Notes:
1. Planned Commercial & Industrial benefits (value) from eligible programs from 2010 Core New Hampshire Energy Efficiency Programs, NHPUC Docket No. DE 09-170, revised filing date: 02/19/10.
   Actual benefits (value) from eligible programs: Program tracking systems.
2. Planned implementation expenses for C&I programs from eligible programs from 2010 Core New Hampshire Energy Efficiency Programs, NHPUC Docket No. DE 09-170, revised filing date: 02/19/10.
   Actual implementation expenses: Company accounting system net of customer co-pays.
3. Planned C&I customer contribution from 2010 Core New Hampshire Energy Efficiency Programs, revised filing date: 02/19/10,
   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.
3. Planned C&I customer contribution from 2010 Core New Hampshire Energy Efficiency Programs, revised filing date: 02/19/10,
   Actual evaluation expenses: Company accounting system.
5. Sum of lines 2-4.
6. Shareholder incentive.
7. 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.
8. Sum of lines 2, 3, 4 and 6. The dollars in the planned column are the C&I sector funds on which the Company may calculate its earned shareholder incentive.
9. Sum of lines 2 and 4.
10. Line 1 divided by line 8.
11. Planned Residential benefits (value) from 2010 Core New Hampshire Energy Efficiency Programs, revised filing date: 02/19/10.
    Actual benefits (value) from eligible programs: Program tracking systems.
12. Planned implementation expenses for residential programs from 2010 Core New Hampshire Energy Efficiency Programs, revised filing date: 02/19/10. Actual implementation expenses: Company accounting system.
13. Planned Residential customer contribution from 2010 Core New Hampshire Energy Efficiency Programs, revised filing date: 02/19/10.
    Actual customer contribution: Program vendors plus estimated customer costs associated with spillover.
14. Planned residential evaluation expenses from 2010 Core New Hampshire Energy Efficiency Programs, revised filing date: 02/19/10.
    Actual evaluation expense: Company accounting system.
15. Sum of lines 12-14.
16. Shareholder incentive.
17. Line 11 divided by line 15. 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.
18. Sum of lines 12-14 and 16.
19. Sum of lines 12 and 14.
19. Line 11 divided by line 18.

PREPARED BY: R. Bowcock

Date: 24-Jun-11

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TABLE 5

NATIONAL GRID

ENERGY EFFICIENCY ADJUSTMENT AND BALANCE

12 Months Actual 2010

Total Energy Efficiency Revenue/Expense for Jan-Dec 2010

		Actual JAN	Actual FEB	Actual MAR	Actual APRIL	Actual MAY	Actual JUNE	6 MONTH TOTAL
	Residential Revenue	$48,118	$37,224	$116,063	$32,975	$125,499	$122,449	$482,328
	C&I. Revenue	$86,242	$77,985	$86,037	$81,998	$81,586	$93,382	$507,230
1.	TOTAL REVENUE (A)	$134,360	$115,209	$202,100	$114,972	$207,085	$215,831	$989,558
	Residential Expense	$13,960	$23,870	$71,990	$88,345	$8,414	$140,883	$347,462
	C&I. Expense	$91,363	$122,744	$91,696	$102,049	$47,441	$50,870	$506,162
2.	TOTAL EXPENSE (B)	$105,323	$146,613	$163,686	$190,394	$55,854	$191,754	$853,625
3.	Cash Flow Over/(Under)	$29,038	($31,404)	$38,414	($75,422)	$151,230	$24,077	$135,933
4.	Start of Period Balance (C)	($43,929)	($14,971)	($46,458)	($8,118)	($83,664)	$67,544	($43,929)
5.	End of Period Balance Before Interest	($14,891)	($46,375)	($8,044)	($83,540)	$67,566	$91,622	$92,004
6.	Residential Interest	($2,241)	($2,183)	($2,111)	($2,132)	($2,054)	($1,926)	($12,646)
	C&I Interest	$2,161	$2,100	$2,037	$2,008	$2,032	$2,142	$12,479
	TOTAL INTEREST (D)	($80)	($83)	($74)	($124)	($22)	$216	($167)
7.	End of Period Balance After Interest	($14,971)	($46,458)	($8,118)	($83,664)	$67,544	$91,837	$91,837

		Actual JULY	Actual AUG	Actual SEPT	Actual OCT	Actual NOV	Actual DEC	ANNUAL TOTAL
	Residential Revenue	$44,653	$42,275	$36,459	$30,772	$102,524	$37,224	$776,235
	C&I. Revenue	$94,008	$88,235	$96,087	$88,788	$83,597	$82,414	$1,040,360
8.	TOTAL REVENUE (A)	$138,661	$130,511	$132,546	$119,560	$186,122	$119,638	$1,816,595
	Residential Expense	$119,719	$98,712	($38,188)	$9,043	$33,463	($112)	$570,099
	C&I. Expense	$32,876	$40,341	$29,656	$35,632	$96,323	$193,033	$934,024
9.	TOTAL EXPENSE (B)	$152,595	$139,054	($8,532)	$44,674	$129,786	$192,921	$1,504,123
10.	Cash Flow Over/(Under)	($13,934)	($8,543)	$141,078	$74,886	$56,335	($73,283)	$312,472
11.	Start of Period Balance (C)	$91,837	$78,133	$69,791	$211,249	$286,808	$343,996	($43,929)
12.	End of Period Balance Before Interest	$77,903	$69,591	$210,868	$286,134	$343,143	$270,713	$268,543
13.	Residential Interest	($2,058)	($2,241)	($2,223)	($2,098)	($1,981)	($1,842)	($25,090)
	C&I Interest	$2,288	$2,442	$2,603	$2,772	$2,834	$2,675	$28,092
	TOTAL INTEREST (D)	$230	$200	$380	$674	$853	$832	$3,002
14.	2010 Residential Incentive (E)						$44,494	$44,494
	2010 Commercial & Industrial Incentive (E)						$64,117	$64,117
	2010 Total Incentives (E)						$108,611	$108,611
15	End of Period Balance After Interest	$78,133	$69,791	$211,249	$286,808	$343,996	$162,934	**$162,934**
16	End Balance as % of Revenue							8.97%

(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: 24-Jun-11

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TABLE 6

NATIONAL GRID
ENERGY EFFICIENCY REVENUE/EXPENSE BALANCE
RESIDENTIAL FUND
12 Months Actual 2010

Energy Efficiency Residential Revenue/Expense for Jan-Dec 2010

		Actual JAN	Actual FEB	Actual MAR	Actual APRIL	Actual MAY	Actual JUNE	6 MONTH TOTAL
1.	Residential Revenue (A)	$48,118	$37,224	$116,063	$32,975	$125,499	$122,449	$482,328
2.	Residential C&LM Expense (B)	$13,960	$23,870	$71,990	$88,345	$8,414	$140,883	$347,462
3.	Cash Flow Over/(Under)	$34,158	$13,354	$44,073	($55,371)	$117,085	($18,435)	$134,865
4.	Start of Period Balance (C)	($844,494)	($812,577)	($801,405)	($759,442)	($816,945)	($701,914)	
5.	End of Period Balance Before Interest	($810,336)	($799,222)	($757,332)	($814,813)	($699,860)	($720,349)	
6.	Estimated Interest	($2,241)	($2,183)	($2,111)	($2,132)	($2,054)	($1,926)	($12,646)
7.	End of Period Balance After Interest	($812,577)	($801,405)	($759,442)	($816,945)	($701,914)	($722,275)	

		Actual JULY	Actual AUG	Actual SEPT	Actual OCT	Actual NOV	Actual DEC	ANNUAL TOTAL
8.	Residential Revenue (A)	$44,653	$42,275	$36,459	$30,772	$102,524	$37,224	$776,235
9.	Residential C&LM Expense (B)	$119,719	$98,712	($38,188)	$9,043	$33,463	($112)	$570,099
10.	Cash Flow Over/(Under)	($75,066)	($56,437)	$74,647	$21,730	$69,061	$37,336	$206,136
11.	Start of Period Balance (C)	($722,275)	($799,399)	($858,077)	($785,653)	($766,022)	($698,942)	($844,494)
12.	End of Period Balance Before Interest	($797,341)	($855,836)	($783,430)	($763,924)	($696,961)	($661,606)	($638,358)
13.	Estimated Interest	($2,058)	($2,241)	($2,223)	($2,098)	($1,981)	($1,842)	($25,090)
14.	2010 Residential Incentive (D)						$44,494	$44,494
15	End of Period Balance After Interest	($799,399)	($858,077)	($785,653)	($766,022)	($698,942)	($707,942)	($707,942)
16	End Balance as % of Revenue							-91.20%

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: 24-Jun-11

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TABLE 7

NATIONAL GRID
ENERGY EFFICIENCY REVENUE/EXPENSE BALANCE
COMMERCIAL & INDUSTRIAL FUND
12 Months Actual 2010

Energy Efficiency C&I Revenue/Expense for Jan-Dec 2010

		Actual JAN	Actual FEB	Actual MAR	Actual APRIL	Actual MAY	Actual JUNE	6 MONTH TOTAL
1.	C&I Revenue (A)	$86,242	$77,985	$86,037	$81,998	$81,586	$93,382	$507,230
2.	C&I C&LM Expense (B)	$91,363	$122,744	$91,696	$102,049	$47,441	$50,870	$506,162
3.	Cash Flow Over/(Under)	($5,121)	($44,759)	($5,659)	($20,051)	$34,145	$42,512	$1,068
4.	Start of Period Balance (C)	$800,565	$797,605	$754,946	$751,325	$733,281	$769,458	$800,565
5.	End of Period Balance Before Interest	$795,444	$752,847	$749,288	$731,273	$767,426	$811,971	
6.	Estimated Interest	$2,161	$2,100	$2,037	$2,008	$2,032	$2,142	$12,479
7.	End of Period Balance After Interest	$797,605	$754,946	$751,325	$733,281	$769,458	$814,112	

		Actual JULY	Actual AUG	Actual SEPT	Actual OCT	Actual NOV	Actual DEC	ANNUAL TOTAL
8.	C&I Revenue (A)	$94,008	$88,235	$96,087	$88,788	$83,597	$82,414	$1,040,360
9.	C&I C&LM Expense (B)	$32,876	$40,341	$29,656	$35,632	$96,323	$193,033	$934,024
10.	Cash Flow Over/(Under)	$61,132	$47,894	$66,431	$53,156	($12,726)	($110,619)	$106,336
11.	Start of Period Balance (C)	$814,112	$877,532	$927,868	$996,902	$1,052,830	$1,042,938	$800,565
12.	End of Period Balance Before Interest	$875,244	$925,426	$994,299	$1,050,058	$1,040,104	$932,318	$906,901
13.	Estimated Interest	$2,288	$2,442	$2,603	$2,772	$2,834	$2,675	$28,092
14.	2010 Commercial & Industrial Incentive (D)						$64,117	$64,117
15	End of Period Balance After Interest	$877,532	$927,868	$996,902	$1,052,830	$1,042,938	$870,876	$870,876
16	End Balance as % of Revenue							83.71%

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: 24-Jun-11

TABLE 8

NATIONAL GRID
ENERGY EFFICIENCY VARIANCE ANALYSIS
RESIDENTIAL FUND
12 Months Actual 2010

Energy Efficiency Residential Revenue/Expense for Jan-Dec 2010

		JAN	FEB	MARCH	APRIL	MAY	JUNE
1.	Residential C&LM Revenue (A)	$48,118	$37,224	$116,063	$32,975	$125,499	$122,449
2.	Estimated Residential C&LM Revenue (B)	$48,271	$39,383	$37,461	$34,630	$29,781	$31,883
3.	Difference (1)-(2)	($153)	($2,159)	$78,603	($1,655)	$95,717	$90,566
4.	Residential C&LM Expense (A)	$13,960	$23,870	$71,990	$88,345	$8,414	$140,883
5.	Estimated Residential C&LM Expense (C)	$0	$0	$0	$0	$0	$0
6.	Difference Residential C&LM Expense (4) - (5)	$13,960	$23,870	$71,990	$88,345	$8,414	$140,883

		JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
7.	Residential C&LM Revenue (A)	$44,653	$42,275	$36,459	$30,772	$102,524	$37,224	$776,235
8.	Estimated Residential C&LM Revenue (B)	$39,746	$39,347	$35,762	$29,336	$31,655	$36,292	$433,546
9.	Difference (7)-(8)	$4,907	$2,928	$696	$1,437	$70,870	$932	$342,690
10.	Residential C&LM Expense (A)	$119,719	$98,712	($38,188)	$9,043	$33,463	($112)	$570,099
11.	Estimated Residential C&LM Expense (C)	$0	$0	$0	$0	$0	$63,715	$63,715
12.	Difference Residential C&LM Expense (10) - (11)	$119,719	$98,712	($38,188)	$9,043	$33,463	($63,827)	$506,384

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 2010

Energy Efficiency C&I Revenue/Expense for Jan-Dec 2010

		JAN	FEB	MARCH	APRIL	MAY	JUNE	
1.	C&I C&LM Revenue (A)	$86,242	$77,985	$86,037	$81,998	$81,586	$93,382	
2.	Estimated C&I C&LM Revenue (B)	$89,748	$82,819	$77,953	$89,397	$80,121	$89,398	
3.	Difference (1)-(2)	($3,506)	($4,834)	$8,084	($7,400)	$1,465	$3,984	
4.	C&I C&LM Expense (A)	$91,363	$122,744	$91,696	$102,049	$47,441	$50,870	
5.	Estimated C&I C&LM Expense (C)	$0	$0	$0	$0	$0	$0	
6.	Difference C&I C&LM Expense (4) - (5)	$91,363	$122,744	$91,696	$102,049	$47,441	$50,870	
		JULY	**AUG**	**SEPT**	**OCT**	**NOV**	**DEC**	**TOTAL**
7.	C&I CLM Revenue (A)	$94,008	$88,235	$96,087	$88,788	$83,597	$82,414	$1,040,360
8.	Estimated C&I C&LM Revenue (B)	$97,396	$90,544	$85,771	$88,725	$66,061	$80,269	$1,018,202
9.	Difference (7)-(8)	($3,387)	($2,308)	$10,315	$62	$17,537	$2,145	$22,158
10.	C&I C&LM Expense (A)	$32,876	$40,341	$29,656	$35,632	$96,323	$193,033	$934,024
11.	Estimated C&I C&LM Expense (C)	$0	$0	$0	$0	$0	$85,110	$85,110
12.	Difference C&I C&LM Expense (10) - (11)	$32,876	$40,341	$29,656	$35,632	$96,323	$107,923	$848,914

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.