

NATIONAL GRID GROUP PLC  
Form 35-CERT  
July 01, 2002

THIS DOCUMENT IS A COPY OF THE RULE 24 CERTIFICATE OF NOTIFICATION FILED  
ON JUNE 28, 2002 PURSUANT TO A RULE 201 TEMPORARY HARDSHIP EXEMPTION

File No. 70-9849

**CERTIFICATE OF NOTIFICATION**

(RULE 24)

SECURITIES AND EXCHANGE COMMISSION

BY

NATIONAL GRID GROUP PLC

In accordance with the order of the Securities and Exchange Commission dated January 16, 2002, Holding Company Act Release No. 27490 (the "Order"), National Grid Group plc ("National Grid") hereby submits its report for the period October 1, 2001 to March 31, 2002 (the "Reporting Period")<sup>1</sup>. Following is a listing of the applicable reporting requirements contained in the Order (each, a "Reporting Requirement"), together with the response thereto. Unless otherwise defined herein, all capitalized terms in this Certificate of Notification shall have the meaning set forth in the Order.

In this report a conversion ratio of 1 GBP to 1.42 US Dollars and 1 Euro to 0.87 US Dollars has been used. The exchange rate conversion is provided solely for convenience and should not be taken to mean that the pound sterling or the Euro amounts have been, could have been, or could be converted to US Dollars at the rates indicated or at any other rates.

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<sup>1</sup> The reporting requirements contained in Appendix B of the Order replaced the reporting requirements imposed by *National Grid Group plc*, Holding Co. Act Release No. 27154 (March 15, 2000) and *National Grid Group plc*, Holding Co. Act Release No. 27455 (October 22, 2001).

**Reporting Requirement No. 1:** The principal amount, interest rate, term, number of shares, market price per share, sales price per share (if other than market price) and aggregate proceeds, as applicable, of any securities issued by National Grid during the reporting period, including securities issued to dividend reinvestment plans and employee benefit plans.

Response:

**National Grid Holdings One plc (formerly National Grid Group plc)**

Date	No. of National Grid Ordinary Shares Issued	Details of Issue	Market Price / and Sale Price per share (if different)	Proceeds GBP	Proceeds USD
12/20/01	11,129,533	Shares issued to the National Grid Savings related Share Option Scheme Trustee ( Quest ) (1)	434.25p per share. Closing mid market price 433p per share.	48,329,997	68,628,596
1/3/02	239	£1000 value Grid 4.25% exchangeable bond exercised.	Sale price - 417p per share. Closing mid-market price 438p per share.	1,000	1,420

(1) Qualifying employee share ownership trust

During the reporting period, the following debt securities were issued:

Date	Issuer	Interest Rate	Type of Security	Maturity Date	Proceeds GBP	Proceeds USD
1/31/02	National Grid Holdings One plc (formerly National Grid Group plc)	4.25%	Short term money market borrowings	2/1/02	11,000,000	15,620,000
1/31/02	NGG Finance plc	2.2063%	USD Draw down under Multi-Currency Revolving Credit Facility	2/28/02	753,521,127	1,070,000,000
1/31/02	NGG Finance plc	4.4178%	GBP Draw down under Multi-Currency Revolving Credit Facility	2/28/02	116,221,388	165,034,370

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Securities issued by National Grid Group plc are taken to include its direct subsidiary NGG Finance plc.

**National Grid Group plc (formerly New National Grid Group plc)**

Date	No. of National Grid Ordinary Shares Issued	Details of Issue	Market Price / and Sale Price per share (if different)	Proceeds GBP	Proceeds USD
2/1/02	278,600,000	Shares issued in respect of acquisition of Niagara Mohawk, Inc.	N/A	N/A	N/A
2/8/02	39,809	Shares issued on exercise of options under Executive share option scheme	Sale price - 375p / or 435p per share. Closing mid-market 461p per share.	153,850	218,467
2/12/02	239	£1000 value Grid 4.25% exchangeable bond exercised.	Sale price - 417p per share. Closing mid-market price 463p per share.	1,000	1,420
2/15/02	54,266	Shares issued on exercise of options under Employee Sharesave Scheme	Sale price - 312p/337p/416p/457p per share. Closing mid-market price 468p per share.	189,242	268,724
2/15/02	68,147	Shares issued on exercise of options under Executive share option scheme	Sale price - 90p/118p/205p/375/p or 435p per share. Closing mid-market 460p per share.	152,738	216,888
2/22/02	30,382	Shares issued on exercise of options under Executive share option scheme	Sale price - 205p/375p per share. Closing mid-market 451.75p per share.	89,995	127,793
3/1/02	25,732	Shares issued on exercise of options under Executive share option scheme	Sale price - 205p/375p per share. Closing mid-market 467p per share.	71,834	102,004
3/8/02	21,744	Shares issued on exercise of options under Executive share option scheme	Sale price - 312p/337p/416p/457p per share. Closing mid-market price 462p per share.	82,356	116,946
3/8/02	239	£1000 value Grid 4.25% exchangeable bond exercised.	Sale price - 417p per share. Closing mid-market price 462p per share.	1,000	1,420
3/12/02	7,170	£30,000 value Grid 4.25% exchangeable bond exercised.	Sale price - 417p per share. Closing mid-market price 453p per share.	30,000	42,600

**National Grid Group plc (formerly New National Grid Group plc) - continued**

Date	No. of National Grid Ordinary Shares Issued	Details of Issue	Market Price / and Sale Price per share (if different)	Proceeds GBP	Proceeds USD
3/18/02	3,731	Shares issued on exercise of options under Employee Sharesave Scheme	Sale price - 312p/337p/416p/457p per share. Closing mid-market price 447.5p per share.	12,524	17,784
3/28/02	44,704	Shares issued on exercise of options under Executive share option scheme	Sale price - 375p/455p per share. Closing mid-market price 463.25p per share.	177,575	252,157

Movements in short-term borrowings during the reporting period:

Date	Issuer	Interest Rate	Type of Security	Maturity Date	Proceeds GBP	Proceeds USD
Various	National Grid Group plc	1.8729% - 1.9549%	US Commercial Paper	Between 18 - 50 days	604,419,272	858,275,366

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**Reporting Requirement No. 2:** The amount of guarantees issued during the reporting period by National Grid, the name of the beneficiary of the guarantee and the terms and purpose of the guarantee.

Response:

In consideration of the 125 million credit established by the European Investment Bank under the finance contract with Energis Polska (the borrower), National Grid Group plc, as Guarantor, guarantees the payment of all principal monies, interest, commission, liquidated damages, charges, expenses and other monies which may from time to time become payable by Energis Polska under the finance contract.

The guarantee was issued in December 2001 for the purpose of securing project finance for Energis Polska, a joint venture between Energis plc and National Grid Group plc.

The amount of the guarantee has been fully provided for in the accounts of National Grid Group plc.

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**Reporting Requirement No. 3:** National Grid's aggregate investment, as defined under Rule 53, in EWGs and FUCOs as of the end of the reporting period in dollars and as a percentage of National Grid's consolidated retained earnings, and a description of EWG and FUCO investments during the reporting period.

Response:

- A. As of March 31, 2002, National Grid's consolidated retained earnings calculated in accordance with US GAAP were GBP 2,095,500,000 (USD 2,975,610,000) - excluding Other Comprehensive Income (OCI) of GBP 11,700,000 (USD 16,614,000). Retained earnings, including OCI were GBP 2,107,200,000 (USD 2,992,224,000).
- B. National Grid's aggregate investment, as defined in Rule 53, in EWGs and FUCOs as of March 31, 2002 was GBP 2,185,730,000 (USD 3,103,737,000). Such aggregate investment is calculated on the basis of cost accounting.
- C. National Grid's aggregate investment in EWGs and FUCOs as a percentage of its consolidated retained earnings was 104% as of March 31, 2002. Under the Order, the Commission has authorized National Grid to invest up to USD 5,406,000,000.
- D. During the reporting period, no major EWG or FUCO investments were made. As of the prior reporting period ended September 30, 2001, using a conversion ratio at that time of 1 GBP to

1.47 US Dollars, National Grid's aggregate investment, as defined in Rule 53, in EWGs and FUCOs was GBP 2,103,360,300 (USD 3,091,939,700).

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**Reporting Requirement No. 4:** The aggregate amount of securities and the aggregate amount of guarantees issued and outstanding by National Grid since the date of the Order.

Response: Please see Exhibit A-1 attached hereto.

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**Reporting Requirement No. 5:** A list of the securities issued by the Intermediate Holding Companies during the reporting period, including principal amount, interest rate, term, number of shares and aggregate proceeds, as applicable, with the acquiring company identified and a brief explanation of the procedure followed to determine the market rate of interest charged, as applicable.

Response:

**National Grid Holdings One plc (formerly National Grid Group plc)**

Issuing Company	Acquiring Company	Initial Principal	Interest Rate	Term of Loan	GBP Ba 03/
National Grid (US) Holdings Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 1,633,270,259	3 month US Libor + 1.75%	1 day	1,
National Grid (US) Holdings Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 2,224,948,074	0%	On demand	1,
National Grid (US) Holdings Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 437,361	3 month US Libor + 0.5%	On demand	
National Grid (US) Holdings Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 33,500,000	3 month US Libor + 0.5%	1 day	
National Grid (US) Holdings Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 2,889,000,000	0%	Intra day	2,

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National Grid (US) Holdings Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 15,000,000	3 month US Libor + 0.5%	On demand
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National Grid (Ireland) 1 Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 7,085,000	3 month US Libor + 0.5%	1 day
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National Grid  (Ireland) 2 Limited	National Grid Holdings One plc (formerly National Grid Group plc)	USD 20,165,000	3 month US  Libor + 0.5%	1 day
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National Grid Holdings One plc (formerly National Grid Group plc) - continued

Issuing Company	Acquiring Company	Initial Principal	Interest Rate	Term of Loan	GBP B 03
National Grid  (US) Holdings Limited	National Grid Group plc (formerly New National Grid Group plc)	USD  1,633,270,259	0%	On demand	1,
National Grid (US) Holdings Limited	National Grid Group plc (formerly New National Grid Group plc)	USD 325,014,270	3 month US Libor + 0.5%	On demand	
National Grid (US) Holdings Limited	National Grid Group plc (formerly New National Grid Group plc)	USD 37,551,214	3 month US Libor + 0.5%	On demand	
National Grid (US) Investments	National Grid Group (US) Holdings Limited	USD 33,500,000	3 month US Libor + 0.5%	On demand	
National Grid (US) Investments	National Grid Group (US) Holdings Limited	USD 209,000,000	3 month US Libor + 0.5%	On demand	

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National Grid (Ireland) 1 Limited	National Grid (US) Investments	USD 33,500,000	3 month US Libor + 0.5%	On demand	
National Grid (US) Holdings Limited	National Grid (US) Investments 4	USD 15,000,000	0%	Intra day	
National Grid (US) Holdings Limited	National Grid Holdings Ltd	USD 2,581,000,100	0%	Intra day	1,
National Grid General Partnership	National Grid (Ireland) 1 Limited	USD 8,710,000		Contributions to Capital no shares issued	
National Grid General Partnership	National Grid (Ireland) 1 Limited	USD 7,085,000		Contributions to Capital no shares issued	
National Grid General Partnership	National Grid (Ireland) 2 Limited	USD 24,790,000		Contributions to Capital no shares issued	
National Grid General Partnership	National Grid (Ireland) 2 Limited	USD 20,165,000		Contributions to Capital no shares issued	

(Page)

National Grid Holdings One plc (formerly National Grid Group plc) - continued

Issuing Company	Acquiring Company	Initial Principal	Interest Rate	Term of Loan	GBP
National Grid (US) Investments 4	NGG Finance plc	USD 2,721,781,454	3 month US Libor + 0.5%	Intra day	1
National Grid (US) Holdings Limited	National Grid Eight Ltd	USD 15,000,000	3 month US Libor + .5%	Intra day	
National Grid (US) Holdings Limited	National Grid (US) Investments 3	USD 2,581,000,100	0%	Intra day	1
National Grid (US)	National Grid (US) Holdings		3 month US		

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Investments 4	Limited	USD 1,320,000,000	Libor + 0.5%	On demand	
National Grid (US) Investments 4	National Grid (US) Holdings Limited	USD 2,680,000,000	3 month US Libor + 0.5%	On demand	1
National Grid (US) Investments 4	National Grid (US) Holdings Limited	USD 15,000,000	3 month US Libor + 0.5%	Intra day	
National Grid (US) Investments 4	National Grid (US) Holdings Limited	USD 4,010,667,778	3 month US Libor + 0.5%	1 day	2
National Grid (US) Investments 4	National Grid (US) Holdings Limited	USD 10,000	0%	On demand	
National Grid (US) Investments 4	National Grid (US) Holdings Limited	GBP 1,645,917,965	3 month Libor + 0.5%	On demand	1
National Grid (US) Investments 4	National Grid (US) Holdings Limited	GBP 1,191,871,630	0%	1 day	1
National Grid (US) Investments 4	National Grid (US) Holdings Limited	GBP 1,412,852,967	3 month Libor + 0.5%	On demand	1
National Grid (US) Investments 4	National Grid Holdings Inc.	USD 2,695,000,000	3 month US Libor + 0.5%	Intra day	1
National Grid (US) Investments	National Grid Nine Ltd	EUR 3,215,716,830	3 month Libor + .5%	Intra day	1
National Grid (US) Investments	National Grid Nine Ltd	EUR 2,623,552,983	3 month Libor + 0.5%	Intra day	1

The rates of Libor + 0.5% are directly comparable to National Grid Group plc's own cost of external financing of 0.425%. This rate has been adjusted slightly to reflect that the loans are to Intermediate Holdings, which is less than the parent National Grid Group plc. A loan issued by National Grid (US) Holdings Limited is a continuation of an old loan at the same margins that were agreed to after consultation with

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National Grid Group plc (formerly New National Grid Group plc)



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Issuing Company	Acquiring Company	Initial Principal	Interest Rate	Term of Loan	GBP
National Grid (US) Holdings Limited	National Grid Group plc (formerly New National Grid Group plc)	USD 1,040,000,000	3 month US Libor + 0.5%	On demand	0
National Grid (US) Holdings Limited	National Grid (US) Investments 4	GBP 1,629,926	0%	On demand	
National Grid (US) Investments 4	National Grid Eleven Ltd	USD 10,000,000	3 month US Libor + 0.5%	On demand	
National Grid (US) Investments 4	National Grid Holdings Limited	USD 25,054,758	3 month US Libor + 0.5%	On demand	
National Grid (US) Investments 4	National Grid (US) Holdings Limited	GBP 736,439,598	3 month GBP Libor + 0.5%	On demand	
National Grid (US) Investments 4	National Grid (US) Holdings Limited	GBP 7,528,982	0%	On demand	
National Grid (US) Investments 4	National Grid (US) Holdings Limited	USD 1,543,107,940	3 month US Libor + 0.5%	On demand	1
National Grid (US) Investments 4	National Grid (US) Holdings Limited	GBP 3,768,474,795	3 month GBP Libor + 0.5%	On demand	3
National Grid (US) Holdings Limited	National Grid Holdings Limited	GBP 279,800,000	0%	On demand	
National Grid (US) Holdings Limited	National Grid Holdings Limited	GBP 175,100,000	0%	On demand	
National Grid (US) Investments	National Grid Holdings One plc (formerly National Grid Group plc)	GBP 15,023,217	0%	On demand	
National Grid USA	National Grid Holdings Inc.	USD 113,952,147	1.8379%*	On demand	

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National Grid Holdings Inc.	National Grid US LLC	USD 142,222,147	1.84%*	On demand
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The rates of Libor + 0.5% are directly comparable to National Grid Group plc's own cost of external bank facilities of Libor + 0.425%. This rate has been adjusted slightly to reflect that the loans are to Intermediate Holding companies whose credit strength is less than the parent National Grid Group plc.

\* Interest rates are based on 30-day commercial paper rates and represent an average for the month of March in which the notes were initiated.

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**Reporting Requirement No. 6:** The amount and terms of any short-term debt issued by any Utility Subsidiary, and a list of the deposits and withdrawals by company from the system money pool during the reporting period.<sup>2</sup>

Response:

**Short-Term Debt Issued by Utility Subsidiaries During the Reporting Period**

**(excluding money pool borrowings reported below)**

Utility Subsidiary	Description/Terms of Debt	Amount Issued	Maximum Outstanding	Balance at 03/31/2002
Niagara Mohawk Power Corp.	Intercompany note payable to Niagara Mohawk Holdings, Inc. Terms: 1.8% / On demand	\$76,000,000	\$76,000,000	\$76,000,000

**Net Money Pool Balances as of the End of the Reporting Period by Participating Company \***

	Net Amount on Deposit	Net Amount of Borrowings
National Grid USA Subsidiary		
National Grid USA	\$461,250,000	
Massachusetts Electric Company		\$176,600,000
The Narragansett Electric Company		47,325,000
Granite State Electric Company	3,600,000	
Nantucket Electric Company		575,000
New England Power Company	99,300,000	
Niagara Mohawk Power Corporation		343,000,000
New England Hydro-Transmission Electric Co., Inc.	3,950,000	
New England Hydro-Transmission Corporation		250,000
New England Electric Transmission Corporation		4,925,000
EUA Energy Investment	8,375,000	
National Grid USA Service Company, Inc.	<u>                    </u>	<u>3,800,000</u>

Total	\$576,475,000	\$576,475,000
	=====	=====

\* A list of all deposits and withdrawals by company from the system money pool during the reporting period is available upon request.

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<sup>2</sup> This reporting requirement replaces the one required by *New England Electric System*, Holding Co. Act Release No. 26768 (October 29, 1997) *as supplemented by* Holding Co. Act Releases No. 26811 (June 2, 1998), No. 27381 (April 19, 2001) and No. 27414 (June 6, 2001).

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**Reporting Requirement No. 7:** The amount and terms of any nonexempt financings consummated by any Utility Subsidiary during the reporting period.

Response:

**Nonexempt Financings by Utility Subsidiaries Consummated During the Reporting Period**

Utility Subsidiary	Description/Terms of Financing	Amount Issued	Maximum Outstanding
Niagara Mohawk Power Corp.	Intercompany note payable to Niagara Mohawk Holdings, Inc. Terms: 1.8% / On demand	\$76,000,000	\$76,000,000

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**Reporting Requirement No. 8:** The amount and terms of any nonexempt financings consummated by any Nonutility Subsidiary during the reporting period.

Response: None

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**Reporting Requirement No. 9:** A retained earnings analysis of each company in the National Grid USA system, detailing Gross Earnings (as that term is defined in the Commission's Order dated March 15, 2000, National Grid Group plc, Holding Co. Act Release No. 27154) or income available for dividends, goodwill amortization, dividends paid out of each capital account, and the resulting capital account balances at the end of the reporting period.

Response: Please see Exhibit A-2 attached hereto.

National Grid USA and its subsidiaries adopted Statement of Financial Accounting Standards No. 142 "Accounting for Goodwill and Other Intangible Assets" (FAS 142), effective April 1, 2001. FAS 142 requires that goodwill no longer be amortized and that it must be reviewed for impairment within six months of adoption ("transitional goodwill impairment test"), and annually thereafter.

The transitional goodwill impairment test compares the goodwill carrying value to its fair value. If the carrying value exceeds its fair value, goodwill is reduced to fair value by a goodwill impairment adjustment that must be completed by the end of the year of initial adoption.

In accordance with FAS 142, National Grid USA utilized a discounted cash flow approach incorporating its most recent business plan forecasts in the performance of the transitional test for goodwill impairment. The results of this analysis determined that no adjustment to the goodwill carrying value was required.

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**Reporting Requirement No. 10:** A table showing, as of the end of the reporting period, the dollar and percentage components of the capital structures of National Grid, National Grid One, each Intermediate Holding Company, and each company in the National Grid USA system.

Response:

For National Grid, National Grid One, and each Intermediate Holding Company, please see Exhibit A-3 attached hereto.

For the National Grid USA system companies, please see Exhibit A-4 attached hereto.

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**Reporting Requirement No. 11:** If any National Grid USA subsidiary borrows from an associated company on the FUCO side of the National Grid system, National Grid will: (a) list a minimum of three other sources of funds and their rates and terms; and (b) provide a cost/benefit rationale, consistent with the procedure described in the Application for determining available market rates, explaining why funding from the FUCO associate was the best option.

Response:

There were no loans during the reporting period to National Grid USA subsidiaries from an associated company on the FUCO side.

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**Reporting Requirement No. 12:** Identification of: (a) all entities established directly or indirectly by National Grid during the reporting period under the authorization granted by the Order ("New Entities"); (b) the business purpose(s) of those entities; (c) the significant assets held by those entities; and (d) the owner(s) of those entities, including the percentage of interests in those entities held by the owners.

Response:

During the reporting period National Grid established no financing entities to facilitate financings by issuing to third parties income preferred securities or other authorized or exempt securities.

During the reporting period National Grid neither acquired nor established, directly or indirectly, any Intermediate Subsidiaries organized for the purpose of acquiring, financing and holding the securities of one or more existing or future Nonutility Subsidiaries.

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**Reporting Requirement No. 13:** Copies of National Grid's filings on Form 20-F and semiannual reports to shareholders.

Response: Filed under cover of Form SE as Exhibit A-5.

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SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned company has duly caused this certificate of notification (Commission's File No. 70-9849) to be signed on its behalf by the undersigned thereunto duly authorized.

**NATIONAL GRID GROUP PLC**

s/ John G. Cochrane

By: \_\_\_\_\_  
John G. Cochrane  
Authorized Representative

Date: June 28, 2002

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EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>	<u>Page</u>
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Exhibit A-1	Aggregate amount of National Grid securities Issued since March 15, 2000 and Outstanding as of the end of the Reporting Period	Filed herewith
Exhibit A-2	Retained Earnings analysis of National Grid USA	Filed herewith
Exhibit A-3	National Grid Group Capitalization Table	Filed herewith
Exhibit A-4	Capital Structure of National Grid USA Companies	Filed herewith
Exhibit A-5	Copies of National Grid's filings on Form 20-F and semiannual reports to shareholders	Filed under cover of Form SE

Exhibit A-1

Aggregate amount of National Grid securities  
Issued since March 15, 2000 and  
Outstanding as of the date of the new Order

National Grid Holdings One plc (formerly National Grid Group plc) as at January 31, 2002

Type of Security	GB
Ordinary shares, including options and warrants	11,371,46
Preferred stock	Non
Bank debt	880,742,51
Commercial paper	Non
Bond issues - straight	1,225,340,03
Bond issues - convertible	Non
Guarantees	76,583,75
Total	2,194,037,76

Securities issued by National Grid Group plc are taken to include its direct subsidiary NGG Finan

Aggregate amount of National Grid securities  
Issued since January 16, 2002 and  
Outstanding as of the end of the Reporting Period

National Grid Group plc (formerly New National Grid Group plc) as at March 31, 2002

Type of Security	GB
Ordinary shares, including options and warrants	808,26
Preferred stock	Non
Bank debt	
Commercial paper	604,419,27
Bond issues - straight	1,225,340,03
Bond issues - convertible	Non
Guarantees	76,583,75

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Total -----  
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1,907,151,32  
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Securities issued by National Grid Group plc are taken to include its direct subsidiary NGG Finan  
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Exhibit A-2

RETAINED EARNINGS ANALYSIS OF NATIONAL GRID USA  
FOR THE REPORTING PERIOD OCTOBER 1, 2001 THROUGH MARCH 31, 2002  
AND RESULTING CAPITAL BALANCES  
AT MARCH 31, 2002  
(\$MM)

	Massachusetts Electric Company	The Narragansett Electric Company	Gra E C
Retained Earnings (Deficit) - Beginning of Period	61.1	38.6	
Net Income (Loss)	31.7	23.0	
Gross Retained Earnings (Deficit)	92.8	61.6	
Dividends Paid on Preferred Stock	0.3	0.2	
Dividends Paid on Common Stock:			
Out of Retained Earnings	-	-	
Out of Capital Surplus	-	-	
Out of Capital	-	-	
Total Dividends Paid on Common Stock	-	-	
Premium on Redemption of Preferred Stock	0.3	-	
Repurchase of Common Stock	-	-	
Retained Earnings Adjustment	-	-	
Retained Earnings (Deficit) - End of Period	92.2	61.4	
Common Stock	60.0	56.6	
Premium on Common Stock	-	-	
Other Paid-In Capital	1,509.0	805.6	

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Unappropriated Retained Earnings (Deficit)	92.2	61.4
Treasury Stock, At Cost	-	-
Reacquired Capital Stock	-	-
Other Comprehensive Income	-	0.2
Translation Adjustment	-	-
Total Common Equity	1,661.2	923.8

(Page)

Exhibit A-2 (Continued)

RETAINED EARNINGS ANALYSIS OF NATIONAL GRID USA  
FOR THE REPORTING PERIOD OCTOBER 1, 2001 THROUGH MARCH 31, 2002  
AND RESULTING CAPITAL BALANCES  
AT MARCH 31, 2002  
(\$MM)

	New England Electric Transmission Corporation	NGUSA (Parent)	Niagara oldi H
Retained Earnings (Deficit) - Beginning of Period	0.1	186.5	
Net Income (Loss)	0.2	130.9	
Gross Retained Earnings (Deficit)	0.3	317.4	
Dividends Paid on Preferred Stock	-	-	
Dividends Paid on Common Stock			
Out of Retained Earnings	0.2	-	
Out of Capital Surplus	-	-	
Out of Capital	-	-	
Total Dividends Paid on Common Stock	0.2	-	
Premium on Redemption of Preferred Stock	-	-	
Repurchase of Common Stock	-	-	
Retained Earnings Adjustment	-	-	
Retained Earnings (Deficit) - End of Period	0.1	317.4	



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Common Stock	-	-
Premium on Common Stock	-	-
Other Paid-In Capital	0.7	7,099.0
Unappropriated Retained Earnings (Deficit)	0.1	317.4
Treasury Stock, At Cost	-	-
Reacquired Capital Stock	-	-
Other Comprehensive Income	-	-
Translation Adjustment	-	-
Total Common Equity	0.8	7,416.4

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Exhibit A-2 (Continued)

RETAINED EARNINGS ANALYSIS OF NATIONAL GRID USA  
FOR THE REPORTING PERIOD OCTOBER 1, 2001 THROUGH MARCH 31, 2002  
AND RESULTING CAPITAL BALANCES  
AT MARCH 31, 2002  
(\$MM)

	EUA Energy Investment	Metrowest Realty LLC	Wa Gr
Retained Earnings (Deficit) - Beginning of Period	0.7	1.4	
Net Income (Loss)	0.1	0.5	
Gross Retained Earnings (Deficit)	0.8	1.9	
Dividends Paid on Preferred Stock	-	-	
Dividends Paid on Common Stock			
Out of Retained Earnings	-	-	
Out of Capital Surplus	-	-	
Out of Capital	-	-	
Total Dividends Paid on Common Stock	-	-	
Premium on Redemption of Preferred Stock	-	-	
Repurchase of Common Stock	-	-	

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Retained Earnings Adjustment	-	-
Retained Earnings (Deficit) - End of Period	0.8	1.9
Common Stock	-	-
Premium on Common Stock	-	-
Other Paid-In Capital	15.6	2.1
Unappropriated Retained Earnings (Deficit)	0.8	1.9
Treasury Stock, At Cost	-	-
Reacquired Capital Stock	-	-
Other Comprehensive Income	-	-
Translation Adjustment	-	-
Total Common Equity	16.4	4.0

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Exhibit A-3

NATIONAL GRID GROUP  
CAPITALIZATION TABLE  
AT MARCH 31, 2002

	National Grid Group plc (consolidated)		National Grid Holdings One plc		Nat Hol (c \$MM
	\$MM	%	\$MM	%	\$MM
Common stockholders' funds	5,337.8	31.6	2,455.8	44.6	2
Preferred stockholders' funds	-	-	-	-	
Short - term debt	1,720.0	10.2	3,044.5	55.4	1
Long - term debt	9,707.0	57.3	-	-	2
Equity minority interests	27.1	0.2	-	-	
Preference stock issued by subsidiaries	111.8	0.7	-	-	
Total capitalization	16,903.7	100.0	5,500.3	100.0	6

	National Grid US (Partner) 2 Limited	National Grid General Partnership	Na Ho
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	\$MM	%	\$MM	%	\$M
Common stockholders' funds	46.0	100.0	3,812.7	100.0	4
Preferred stockholders' funds	-	-	-	-	
Short - term debt	-	-	-	-	3
Long - term debt	-	-	-	-	
Equity minority interests	-	-	-	-	
Preference stock issued by subsidiaries	-	-	-	-	
Total capitalization	46.0	100.0	3,812.7	100.0	8

Table excludes all current accounts (both payables and receivables) relating to trading, interest  
Numbers are presented on the basis of equity accounting for investments held in subsidiary undert

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Exhibit A-4

CAPITAL STRUCTURE OF NATIONAL GRID USA COMPANIES  
AT MARCH 31, 2002

National Grid USA Consolidated					
	(\$MM)	(%)			
Short-term debt	699.8	5.3			
Long-term debt	5,091.4	38.1			
Preferred stock	119.3	0.9			
Minority interest	28.1	0.2			
Common stock equity	7,413.5	55.5			
Total	13,352.1	100.0			
The Narragansett Electric Company					
	(\$MM)	(%)	(\$MM)	(%)	
Short-term debt	221.6	10.0	69.8	6.4	-
Long-term debt	322.8	14.5	94.6	8.6	1
Preferred stock	10.2	0.5	7.2	0.7	-
Minority interest	-	-	-	-	-
Common stock equity	1,661.2	75.0	923.8	84.3	5

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	New England Power Company		New England Hydro Transmission-Electric Co.		
	(\$MM)	(%)	(\$MM)	(%)	
Total	2,215.8	100.0	1,095.4	100.0	6
Short-term debt	-	-	6.5	7.0	4
Long-term debt	410.3	30.3	49.0	52.5	2
Preferred stock	1.4	0.1	-	-	-
Minority interest	-	-	-	-	-
Common stock equity	941.1	69.6	37.7	40.5	2
Total	1,352.8	100.0	93.2	100.0	5

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Exhibit A-4 (Continued)

CAPITAL STRUCTURE OF NATIONAL GRID USA COMPANIES  
AT MARCH 31, 2002

	NGUSA (Parent)		Niagara Mohawk Holdings, Inc.		Op
	(\$MM)	(%)	(\$MM)	(%)	
Short-term Debt	73.0	1.0	-	-	-
Long-term Debt	-	-	-	-	-
Preferred Stock	-	-	-	-	-
Minority Interest	-	-	-	-	-
Common Stock Equity	7,416.4	99.0	3,101.1	100.0	95.
Total	7,489.4	100.0	3,101.1	100.0	95.

New England Energy, Inc. 1

NEES Energy, Inc.

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	(\$MM)	(%)	(\$MM)	(%)
Short-term Debt	-	-	-	-
Long-term Debt	-	-	5.8	100.0
Preferred Stock	-	-	-	-
Minority Interest	-	-	-	-
Common Stock Equity	-	-	(6.5)	N/A
Total	-	-	(0.7)	100.0

National Grid USA Service  
Company, Inc.

National Grid Transmission  
Services Corporation

	(\$MM)	(%)	(\$MM)	(%)
Short-term Debt	576.4	98.5	-	-
Long-term Debt	-	-	0.4	100.0
Preferred Stock	-	-	-	-
Minority Interest	-	-	-	-
Common Stock Equity	8.8	1.5	(0.3)	N/A
Total	585.2	100.0	0.1	100.0

1 Inactive