



National Grid

U.S. Headquarters:

25 Research Drive
Westborough, MA 01582
(508) 389-2000
www.nationalgridus.com

USFAQ

What is National Grid USA?

National Grid USA is the holding company for National Grid Transco's U.S. businesses, and one of the ten largest utilities (by number of customers) in the country. National Grid's core business is energy delivery, specifically the transmission and distribution of electricity and natural gas. It has the largest combined electricity transmission and distribution network in the New England/New York region. The company also provides telecommunications infrastructure and services.

What is National Grid Transco?

National Grid Transco is the parent company of National Grid USA. It is an international energy delivery business with principal activities in the regulated electricity and natural gas industries. The company is headquartered in London and is one of the ten largest investor-owned utilities in the world. The company owns and operates the high-voltage electricity transmission network in England and Wales, and Britain's natural gas transportation system.

What are the National Grid companies in the U.S.?

National Grid companies in the U.S. include:

- ◆ Niagara Mohawk
- ◆ Massachusetts Electric
- ◆ Narragansett Electric
- ◆ Granite State Electric
- ◆ Nantucket Electric
- ◆ National Grid USA Service Company
- ◆ New England Power Company
- ◆ GridAmerica
- ◆ Gridcom

(Note: for more information about these companies, please see "US Facts.")

How large is National Grid in the U.S.?

National Grid has more than 3.2 million electricity customers in nearly 900 cities, towns and villages across New England and New York. The company owns and maintains approximately 72,000 miles of electrical distribution lines and more than 9,000 miles of high-voltage electrical transmission lines.

In addition, Niagara Mohawk maintains about 8,000 miles of natural gas pipeline serving approximately 550,000 customers. The company currently has approximately 10,000 employees in the U.S.

When did National Grid enter the U.S. market?

National Grid acquired the former New England Electric System in early 2000, followed soon thereafter by the acquisition of Eastern Utilities Associates. In early 2002, National Grid acquired Niagara Mohawk, thus doubling the size of its U.S. business. These companies, through their predecessors, have been serving various portions of New York and New England since the mid-1800s. Their roots can be traced to the beginning of the U.S. energy utility industry.

What are the company's annual revenues?

The company recorded \$6.7 billion in revenues in fiscal year 2003.

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National Grid

Is the company publicly traded?

National Grid Transco is a publicly traded company, listed on the London Stock Exchange under the ticker symbol NGT. In the U.S., National Grid American Depositary Receipts (ADRs) are sold on the New York Stock Exchange under the ticker symbol NGG.

What is the regulatory structure under which the company operates in the U.S.?

The distribution companies under National Grid generally operate under long-term regulatory agreements with the various regulatory bodies in the states served. These agreements provide benefits to customers through price certainty and service performance targets.

Does the company own or operate electric generation?

No. During the past several years, as part of utility industry restructuring, the various companies that now make up National Grid have exited the generation business entirely. National Grid's role is to deliver the energy that other companies produce.

Under the various regulatory agreements, customers can choose their own energy supplier. Or they can buy their energy through National Grid; the company buys power on the open market for these customers.