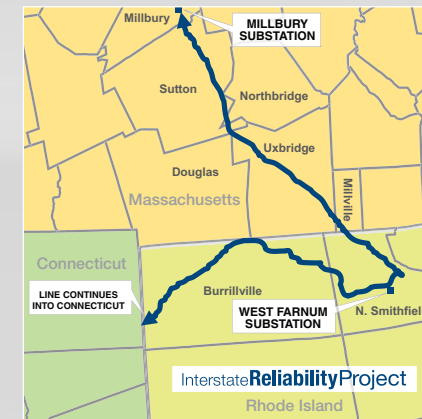


Proposed Interstate Reliability Project

Strengthening the Region's Electric Grid

For additional information please visit:
www.interstatereliability.com



National Grid Plans Transmission Upgrades for Burrillville and North Smithfield Rhode Island

Transmission system upgrades proposed for Burrillville and North Smithfield involve adding a line of new poles and wires for a second 345-kilovolt transmission line. This work will take place in an existing electric utility right-of-way.

The need for upgrades was identified in a transmission study of southern New England conducted by ISO New England Inc., and follow-on studies conducted by National Grid and Northeast Utilities and the ISO. ISO New England is an independent, non-profit organization that plans and operates New England's bulk electric system, administers the region's wholesale electricity markets and oversees regional system planning. National Grid and Northeast Utilities are companies that own and operate portions of the region's electric transmission system. These upgrades are part of **The Interstate Reliability Project.**

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New England Demand for Power Soars to Record Levels in 2006

Although utility companies, businesses and homeowners have made significant efforts to conserve electricity for many years, electricity usage continues to rise across New England – particularly on the hottest days when demand for electricity is the highest. Here's a recent example: During the afternoon of August 2, 2006, as temperatures across the region soared to 100 degrees, New England set an all time record for electricity use of 28,127 megawatts. This record peak demand is almost double the peak experienced in 1980 of 14,539 megawatts!

How the Transmission System Works

Transmission lines are the bulk delivery wires of the electric system. They are the pathways to deliver large amounts of power from generating plants to geographic areas that need it. Electricity is converted to lower voltages at substations. Distribution lines – the ones that you see on local streets – deliver electricity directly to homes and businesses.

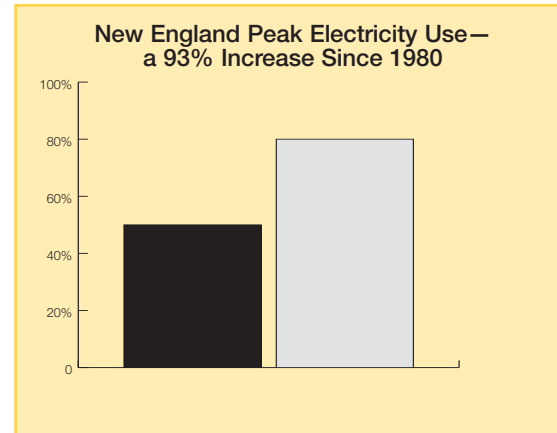
Planning for Future Electric Needs

Transmission studies and projects are taking place throughout New England* and many improvements to maintain reliable electric service are underway. Much of New England's transmission system was constructed in the 1960s and early 1970s. Demands on this system have more than doubled since it was built, yet the system must still deliver power to customers when and where it's needed.

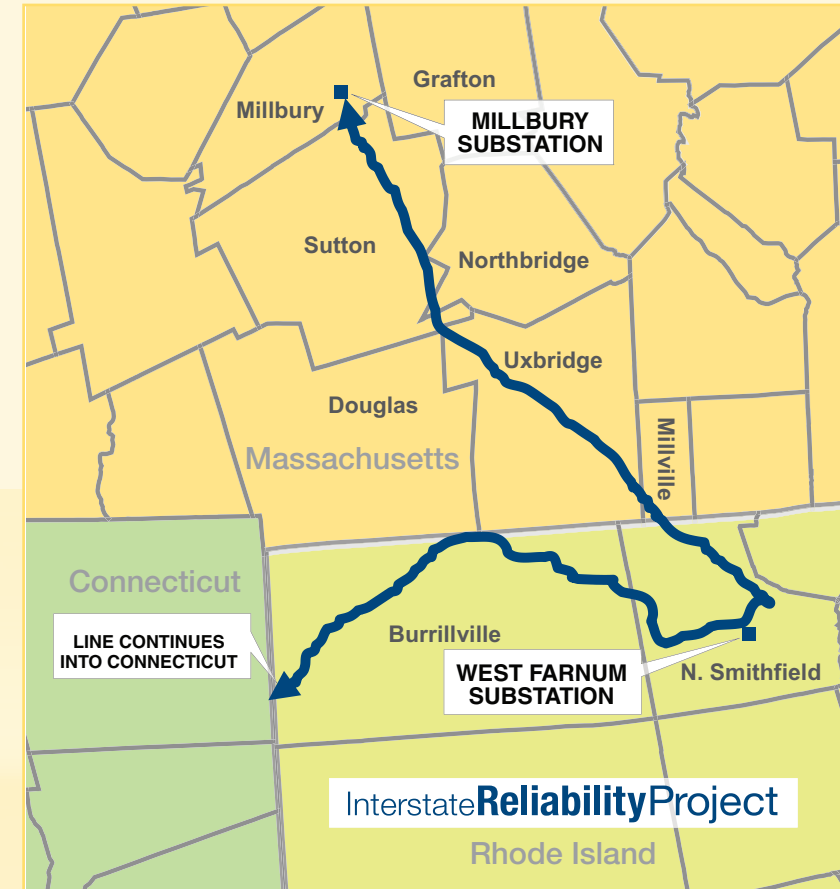
Everyone Benefits From Transmission Reliability

The Interstate Reliability Project provides direct benefit to Rhode Island electricity customers by creating a second path for delivering large amounts of power into Rhode Island from other New England states. Here are some additional ways that everyone benefits from transmission reliability:

- Reliable power makes New England more attractive to business.
- A strong transmission system increases competition in wholesale electricity markets and the level of competition influences the prices that customers pay for electricity.
- A strong transmission system increases the options for locating power plants and can enable broader access to hydropower and other renewable energy sources.
- Strong transmission connections allow more power to be moved among states as they each need it.



The Interstate Reliability Project



National Grid proposes to add a 345-kilovolt transmission line to strengthen the interstate transfer of electricity between Massachusetts, Rhode Island and Connecticut, and to enhance the reliable performance of the high-voltage transmission network that serves the region.

The location of the new line is shown on the map at the left. The proposed line will begin in Millbury, Massachusetts and travel in the vicinity of Route 146 into North Smithfield, Rhode Island. It will then travel west to Burrillville, Rhode Island and into Connecticut where it will connect to a Northeast Utilities line. We propose to locate the new transmission line in an existing electric utility right-of-way, which is currently occupied by one or more transmission lines.

Schedule

In 2007, National Grid will finalize plans, develop detailed engineering designs, and reach out to neighbors and get their input on the project. We will also prepare siting plans and applications, which we expect to file in early 2008. Construction is slated for 2010-2013.



Public Input

Your comments and suggestions are important to us and will help determine the final details of the planned project. If you would like additional information or have any questions, please contact:

Ron Gillooly
Community Relations Manager
Interstate Reliability Project
(508) 922-6835
ronald.gillooly@us.ngrid.com

* Information on ISO New England's Regional System Plans can be found at www.iso-ne.com/trans/rsp/index.html. Additional information about regional studies related to this project can be found at www.interstatereliability.com.