

NATIONAL GRID PLC
Form 6-K
February 12, 2008

**SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549**

**FORM 6-K
REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date: 12 February 2008

NATIONAL GRID plc

(Registrant's Name)

1-3 Strand

London

WC2N 5EH

(Registrant's Address)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NATIONAL GRID plc

By: /s/ David C Forward
David C Forward
Assistant Secretary

Date: 12 February 2008

National Grid plc hereby furnishes to the U.S. Securities and Exchange Commission (Commission), financial statement information reported on Form 6-K for Niagara Mohawk Power Corporation (Niagara Mohawk), its indirect wholly owned US subsidiary. This Form 6-K is being furnished to the Commission solely to comply with the requirements of Section 4.03 of a Senior Notes Indenture dated June 30, 1998 (Indenture) relating to Niagara Mohawk's outstanding 7/4% Series of Senior Notes (Senior Notes), which are described in Part II, Item 8. Financial Statements and Supplementary Data Note E Long-term debt in Niagara Mohawk's annual report on Form 10-K for the fiscal year ended March 31, 2007. Form 6-K will cease immediately upon the repayment of the Senior Notes on October 1, 2008.

NIAGARA MOHAWK POWER CORPORATION AND SUBSIDIARY COMPANIES
Condensed Consolidated Statements of Operations
(In thousands of dollars)
(UNAUDITED)

	Three Months Ended		Nine Months Ended	
	December 31,		December 31,	
	2007	2006	2007	2006
Operating revenues:				
Electric	\$ 832,510	\$ 797,838	\$2,497,329	\$2,419,052
Gas	203,744	205,631	489,493	479,466
Total operating revenues	1,036,254	1,003,469	2,986,822	2,898,518
Operating expenses:				
Purchased electricity	342,044	327,173	1,024,046	1,014,943
Purchased gas	131,627	132,665	299,367	290,883
Other operation and maintenance	194,415	238,355	604,792	581,651
Depreciation and amortization	54,650	52,775	162,774	157,455
Amortization of stranded costs and rate plan deferrals	120,733	98,729	362,198	296,188
Other taxes	43,288	41,826	153,071	155,881
Income taxes	37,067	19,726	83,803	89,461
Total operating expenses	923,824	911,249	2,690,051	2,586,462
Operating income	112,430	92,220	296,771	312,056
Other deductions, net	(2,003)	(929)	(4,222)	(4,751)
Operating and other income	110,427	91,291	292,549	307,305
Interest:				
Interest on long-term debt	20,798	24,731	64,046	76,780
Interest on debt to associated companies	19,384	22,183	58,324	65,201
Other interest	6,569	7,100	28,491	16,854
Total interest expense	46,751	54,014	150,861	158,835
Net income	63,676	37,277	141,688	148,470
Dividends on preferred stock	407	407	1,219	1,219
Income available to common shareholder	\$ 63,269	\$ 36,870	\$ 140,469	\$ 147,251

Condensed Consolidated Statements of Comprehensive Income
(In thousands of dollars)

(UNAUDITED)

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2007	2006	2007	2006
Net income	\$ 63,676	\$ 37,277	\$ 141,688	\$ 148,470
Other comprehensive income (loss), net of taxes:				
Unrealized gains (losses) on securities	(1,009)	187	(521)	408
Hedging activity	(5,103)	(4,253)	(23,645)	(27,636)
Amortization of unrealized postretirement benefit costs	13		83	
Reclassification adjustment for (gains) losses included in net income	12,773	12,204	18,695	13,772
Total other comprehensive income (loss)	6,674	8,138	(5,388)	(13,456)
Comprehensive income	\$ 70,350	\$ 45,415	\$ 136,300	\$ 135,014

Per share data is not relevant because Niagara Mohawk's common stock is wholly-owned by Niagara Mohawk Holdings, Inc.

The accompanying notes are an integral part of these financial statements

NIAGARA MOHAWK POWER CORPORATION AND SUBSIDIARY COMPANIES
Condensed Consolidated Statements of Retained Earnings
(In thousands of dollars)
(UNAUDITED)

	Three Months Ended		Nine Months Ended	
	December 31,		December 31,	
	2007	2006	2007	2006
Retained earnings at beginning of period	\$1,045,495	\$899,118	\$ 976,688	\$788,737
Adoption of new accounting standard FIN 48			(8,393)	
Adjusted balance at beginning of period	1,045,495	899,118	968,295	788,737
Net income	63,676	37,277	141,688	148,470
Dividends on preferred stock	(407)	(407)	(1,219)	(1,219)
Retained earnings at end of period	\$1,108,764	\$935,988	\$1,108,764	\$935,988

The accompanying notes are an integral part of these financial statements

NIAGARA MOHAWK POWER CORPORATION AND SUBSIDIARY COMPANIES
Condensed Consolidated Balance Sheets
(In thousands of dollars)
(UNAUDITED)

	December 31, 2007	March 31, 2007
ASSETS		
Utility plant, at original cost:		
Electric plant	\$ 6,033,173	\$ 5,854,677
Gas plant	1,658,380	1,617,848
Common plant	292,764	288,837
 Total utility plant	 7,984,317	 7,761,362
Less: Accumulated depreciation and amortization	2,420,702	2,318,967
 Net utility plant	 5,563,615	 5,442,395
 Goodwill	 1,291,911	 1,242,461
Other property and investments	48,901	47,506
 Current assets:		
Cash and cash equivalents	23,169	15,746
Restricted cash	56,845	37,648
Accounts receivable (less reserves of \$132,140 and \$126,619, respectively, and including receivables from associated companies of \$7,571 and \$10,232, respectively)	575,425	670,548
Materials and supplies, at average cost:		
Gas storage	85,210	4,277
Other	27,581	27,926
Derivative instruments	1,359	7,945
Prepaid taxes	45,152	75,573
Current deferred income taxes	107,485	107,774
Regulatory asset swap contracts	95,562	221,540
Other	11,081	14,595
 Total current assets	 1,028,869	 1,183,572
 Regulatory and other non-current assets:		
Regulatory assets:		
Merger rate plan stranded costs	1,990,887	2,220,179
Swap contracts regulatory asset		46,500
Regulatory tax asset	110,849	100,765
Deferred environmental remediation costs	427,708	397,407
Pension and postretirement benefit plans	993,038	1,028,129
Loss on reacquired debt	46,316	51,975
Other	269,831	379,257

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Total regulatory assets	3,838,629	4,224,212
Other non-current assets	24,394	26,609
Total regulatory and other non-current assets	3,863,023	4,250,821
Total assets	\$11,796,319	\$12,166,755

The accompanying notes are an integral part of these financial statements.

5

NIAGARA MOHAWK POWER CORPORATION AND SUBSIDIARY COMPANIES
Condensed Consolidated Balance Sheets
(In thousands of dollars)
(UNAUDITED)

December	March
31,	31,
2007	2007

CAPITALIZATION AND LIABILITIES

Capitalization:

Common stockholders' equity:

Common stock (\$1 par value)

Authorized - 250,000,000 shares

The accompanying notes are an integral part of these financial statements.

NIAGARA MOHAWK POWER CORPORATION AND SUBSIDIARY COMPANIES
Condensed Consolidated Statements of Cash Flows
(In thousands of dollars)
(UNAUDITED)

	Nine Months Ended December	
	31,	
	2007	2006
Operating activities:		
Net income	\$ 141,688	\$ 148,470
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	162,774	157,455
Amortization of stranded costs and rate plan deferrals	362,198	296,188
Provision for deferred income taxes	(75,935)	74,001
Changes in operating assets and liabilities:		
Net accounts receivable	95,123	104,213
Materials and supplies	(80,588)	(69,688)
Regulatory assets	(103,660)	(153,159)
Prepaid taxes	30,421	(70,347)
Accounts payable and accrued expenses	2,059	41,270
Accrued interest and taxes	(44,848)	(104,434)
Other, net	(7,060)	43,605
Net cash provided by operating activities	482,172	467,574
Investing activities:		
Construction additions	(267,935)	(263,956)
Change in restricted cash	(19,197)	(46,506)
Other investments	(1,381)	(10,500)
Other, net	534	26,906
Net cash used in investing activities	(287,979)	(294,056)
Financing activities:		
Dividends paid on preferred stock	(1,219)	(1,219)
Redemption of preferred stock	(12,451)	
Reductions in long-term debt	(200,000)	(275,923)
Net change in short-term debt to affiliates	26,900	110,400
Net cash used in financing activities	(186,770)	(166,742)
Net increase in cash and cash equivalents	7,423	6,776
Cash and cash equivalents, beginning of period	15,746	10,847
Cash and cash equivalents, end of period	\$ 23,169	\$ 17,623

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Supplemental disclosures of cash flow information:

Interest paid	\$ 182,681	\$ 193,334
Income taxes paid	\$ 99,757	\$ 168,966

The accompanying notes are an integral part of these financial statements.

7

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation:

Niagara Mohawk Power Corporation and subsidiary companies (Niagara Mohawk), in the opinion of management, have included all adjustments (which include normal recurring adjustments) necessary for a fair statement of the results of operations for the interim periods presented. The March 31, 2007 Condensed Consolidated Balance Sheet data included in this quarterly report on Form 6-K was derived from audited financial statements included in Niagara Mohawk's Annual Report on Form 10-K for the year ended March 31, 2007. The December 31, 2007 Condensed Consolidated Balance Sheet included in this Form 6-K is unaudited, as it does not contain all of the footnote disclosures contained in Niagara Mohawk's Annual Report on Form 10-K. These financial statements and the notes thereto should be read in conjunction with the audited financial statements included in Niagara Mohawk's Annual Report on Form 10-K for the year ended March 31, 2007.

Due to weather patterns in Niagara Mohawk's service territory, electric sales tend to be substantially higher in summer and winter months and gas sales tend to peak in the winter. Notwithstanding other factors, Niagara Mohawk's quarterly net income will generally fluctuate accordingly. Niagara Mohawk's earnings for the three-month and nine-month periods ended December 31, 2007 may not be indicative of earnings for all or any part of the balance of the fiscal year.

Niagara Mohawk is a wholly owned subsidiary of Niagara Mohawk Holdings, Inc. (Holdings) and, indirectly, of National Grid plc.

On August 24, 2007, National Grid plc acquired KeySpan Corporation (KeySpan). See Niagara Mohawk's Annual Report on Form 10-K for the year ended March 31, 2007 for further discussion of the acquisition.

Reclassifications:

Certain amounts from prior years have been reclassified in the accompanying consolidated financial statements to conform to the current year presentation.

New Accounting Standards:

In July 2006, the Financial Accounting Standards Board (FASB) issued Interpretation No. 48 (FIN 48), Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109. FIN 48 clarifies the accounting and reporting for uncertainties in income tax law. FIN 48 prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure for uncertain tax positions taken or expected to be taken in income tax returns. The cumulative effect of applying the provision of this interpretation is required to be reported separately as an adjustment to the opening balance of retained earnings in the year of adoption. FIN 48 is effective for fiscal years beginning after December 15, 2006. Niagara Mohawk adopted FIN 48 on April 1, 2007. See Note G Income Taxes.

In September 2006, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements, which provides enhanced guidance for using fair value measurements in financial reporting. While the standard does not expand the use of fair value in any new circumstance, it has applicability to several current accounting standards that require or permit entities to measure assets and liabilities at fair value. This standard defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles in the United States of America (GAAP) and expands disclosures about fair value measurements. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Niagara Mohawk is currently evaluating SFAS No. 157 and at this time cannot determine the full impact that the potential requirements may have on its financial statements.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities—Including an Amendment of SFAS No. 115. This statement permits companies to choose to measure many financial assets and liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. Niagara Mohawk is evaluating the impact that the adoption of SFAS No. 159 will have on its financial statements.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment of Accounting Research Bulletin No. 51, Consolidated Financial Statements. The objective of SFAS No. 160 is to improve the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 shall be effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The adoption of SFAS No. 160 is not expected to have any impact on Niagara Mohawk's financial statements.

NOTE B RATE AND REGULATORY ISSUES

General:

Niagara Mohawk's financial statements conform to GAAP, including the accounting principles for rate-regulated entities with respect to its regulated operations. Niagara Mohawk applies the provisions of SFAS No. 71, Accounting for the Effects of Certain Types of Regulation. In accordance with SFAS No. 71, Niagara Mohawk records regulatory assets (expenses deferred for future recovery from customers) and regulatory liabilities (revenues collected for future payment of expenses or for return to customers) on the balance sheet. Niagara Mohawk's regulatory assets were approximately \$3.9 billion as of December 31, 2007 and \$4.4 billion as of March 31, 2007. These regulatory assets are probable of recovery under Niagara Mohawk's Merger Rate Plan (MRP) and Gas Multi-Year Rate and Restructuring Agreement. Niagara Mohawk is earning a return on most of its regulatory assets under its MRP. Niagara Mohawk believes that the prices it will charge for electric service in the future, including the Competitive Transition Charges (CTCs), will be sufficient to recover and earn a return on the MRP's stranded regulatory assets over their planned amortization periods, assuming no unforeseen reduction in load or bypass of the CTCs. Niagara Mohawk's ongoing electric business continues to be rate-regulated on a cost-of-service basis under the MRP and, accordingly, Niagara Mohawk continues to apply SFAS No. 71 to it. In addition, Niagara Mohawk's Independent Power Producer (IPP) contracts, and the Purchase Power Agreements entered into when Niagara Mohawk exited the power generation business, continue to be the obligations of the regulated business.

Niagara Mohawk has eight indexed swap contracts recorded as a liability and corresponding regulatory asset in the amount of \$96 million and \$268 million at December 31, 2007 and March 31, 2007, respectively. These swap contracts expire in June 2008 and are reported as a current liability and current regulatory asset on Niagara Mohawk's balance sheet at December 31, 2007.

In the event Niagara Mohawk determines, as a result of lower than expected revenues and (or) higher than expected costs, that its net regulatory assets are not probable of recovery, it can no longer apply the principles of SFAS No. 71 and would be required to record an after-tax, non-cash charge against income for any remaining regulatory assets and liabilities. If Niagara Mohawk could no longer apply SFAS No. 71, the resulting charge would be material to Niagara Mohawk's reported financial condition and results of operations.

Niagara Mohawk noted no such changes in the regulatory environment that would cause a change in the financial condition and results of operations.

Deferral Audit:

As reported in Niagara Mohawk's Form 10-K, Niagara Mohawk and the other parties to the deferral audit associated with Niagara Mohawk's second CTC reset filing executed and filed with the New York State Public Service Commission (PSC) on March 23, 2007, a Stipulation of the Parties (Stipulation) setting forth the resolution of the issues associated with the deferral audit. PSC approved this stipulation on July 19, 2007 without change.

Certain deferral account balances as of June 30, 2005 remain subject to audit by the Department of Public Service Staff (Staff). The Stipulation also clarifies going forward procedures for recording, reporting and auditing of certain other deferrals authorized for recovery from or refund to customers.

Third CTC reset and Deferral Account filings:

The biannual deferral account filing included in the third CTC reset was made on August 1, 2007 for deferral balances as

of June 30, 2007 and projected deferrals through December 31, 2009. Any differences in the final deferral from balances authorized to be reflected in rates and the approved recovery level would be reflected in the next CTC reset filing and resulting rates to customers that take effect after 2009.

Niagara Mohawk agreed, in its comments filed in this proceeding on October 31, 2007, to adjust rates submitted in its August 1 filing to reflect a proposal by the parties in the proceeding which will accelerate the KeySpan Follow-on Merger Credit allocable to Niagara Mohawk's electric customers. This proposal will credit electric customers over the next two years the net present value of the KeySpan Follow-on Merger Credit that otherwise would have been credited over the four years remaining on the term of the MRP. However, the amount of savings credited to electric and gas customers is subject to future adjustment upon a final PSC decision on Niagara Mohawk's Follow-on Merger Credit Compliance Filing and Request for Approval regarding the KeySpan synergy savings allocable to Niagara Mohawk and its customers submitted in this proceeding. A PSC order establishing the amount of deferral account recovery that will be reflected in the rates during 2008-2009 was approved on December 17, 2007 at \$124 million per calendar year. This represents a reduction in rates charged to customers of \$76 million per year from the \$200 million per year currently being collected under rates approved in the second CTC reset proceeding.

Service Quality Penalties:

In connection with its MRP, Niagara Mohawk is subject to maintaining certain service quality standards. Service quality measures focus on eleven categories including safety targets related to gas operations, electric reliability measures related to outages, residential and business customer satisfaction, meter reads, customer call response times, and administration of the Low-Income Customer Assistance Program. If a prescribed standard is not satisfied, Niagara Mohawk may incur a penalty, with the penalty amount applied as a credit or refund to customers.

The MRP includes provisions related to frequency and duration of outages that causes the annual \$4.4 million penalty associated with these standards to be doubled under certain circumstances when penalties have been incurred in the current year and two of the last four years. In calendar year 2006, Niagara Mohawk incurred a \$4.4 million penalty related to outage frequency, which it recorded in fiscal year 2007. Similar penalties were incurred in the two prior years. Based on this performance and consistent with the terms of the MRP, the PSC on November 7, 2007 doubled the penalty associated with outage frequency to \$8.8 million per year. In September 2007, the Commission also modified the MRP, in the context of the KeySpan merger proceeding, to add an additional incremental \$4.4 million penalty exposure for each consecutive year Niagara Mohawk misses the target for a doubled penalty.

Niagara Mohawk has recorded service quality penalty expenses of \$14.5 million for the nine months ended December 31, 2007.

Asset Condition and Capital Investment Plan:

On October 22, 2007, Niagara Mohawk filed with the PSC reports on its asset condition and capital investment plan for its electric transmission and distribution system. Niagara Mohawk's plan involves significant investment in capital improvements over the projections initially included in its MRP. In the order approving the KeySpan merger, the PSC found that the rate impacts associated with certain incremental investments during the remaining period of the MRP would be limited to 50% of the total rate impact as ultimately determined by the PSC.

On December 22, 2007, Niagara Mohawk filed with the PSC a Petition for Special Ratemaking seeking authorization to defer for later rate recovery 50% of the revenue requirement impact during calendar year 2008 of specified capital programs and operating expenses that are directly associated with these programs. The amount of the requested deferral is projected to be approximately \$4.6 million in calendar year 2008. Niagara Mohawk plans to file annually requesting deferral recovery of 50% or more of the annual revenue requirement associated with certain capital investments and associated operating expenses through the end of 2011.

Financial Protections:

Niagara Mohawk made a filing on November 19, 2007 proposing certain financial protections for Niagara Mohawk as required by the PSC in the order approving the KeySpan Merger and made an additional filing with the PSC regarding these protections. The protections currently provide, among other things, for restrictions on the payment of common

dividends if certain credit ratings are not maintained by Niagara Mohawk or National Grid plc; credits to Niagara Mohawk's deferral account of any incremental increase in interest expense due to a decline in Niagara Mohawk's bond rating; a prohibition with respect to certain types of cross-default provisions; and the implementation of a class of preferred stock having one share, subordinate to any existing preferred stock, that would have voting rights which limit Niagara Mohawk's right to commence any voluntary bankruptcy, liquidation, receivership or similar proceeding without the consent of such share of stock. The PSC is expected to act on these financial protections by the end of the first quarter of 2008.

Filing Requirements and Records Retention Audit:

On October 30, 2007, the Federal Energy Regulatory Commission (FERC) issued an order directing its staff to audit Niagara Mohawk's practices with respect to its compliance with FERC's tariff and contract filing requirements and records retention requirements. The order comes out of a series of filings Niagara Mohawk made in 2007 for contracts that previously were viewed to be not FERC jurisdictional but were later determined to be FERC jurisdictional. The audit is anticipated to continue through the third calendar quarter of 2008. Although FERC may order refunds or civil penalties as sanctions in appropriate cases, the majority of audits of which Niagara Mohawk is aware have resulted in the imposition of compliance plans.

NOTE C COMMITMENTS AND CONTINGENCIES

Environmental Contingencies:

The normal ongoing operations and historic activities of Niagara Mohawk are subject to various federal, state and local environmental laws and regulations. Like many other industrial companies, Niagara Mohawk's transmission and distribution businesses use or generate some hazardous and potentially hazardous wastes and by-products. Under federal and state Superfund laws, potential liability for the historic contamination of property may be imposed on responsible parties jointly and severally, without fault, even if the activities were lawful when they occurred.

The U.S. Environmental Protection Agency (EPA), New York Department of Environmental Conservation (DEC), as well as private entities have alleged that Niagara Mohawk is a potentially responsible party under state or federal law for the remediation of an aggregate of approximately 85 sites, including 47 which are Company-owned. Niagara Mohawk's most significant liabilities relate to former manufactured gas plant (MGP) facilities formerly owned or operated by Niagara Mohawk's previous owners. Niagara Mohawk is currently investigating and remediating, as necessary, those MGP sites and certain other properties under agreements with the EPA and DEC.

Niagara Mohawk believes that obligations imposed on Niagara Mohawk because of the environmental laws will not have a material result on operations or its financial condition. Niagara Mohawk's MRP provides for the continued application of deferral accounting for variations in spending from amounts provided in rates related to these environmental obligations. As a result, Niagara Mohawk has recorded a regulatory asset representing the investigation, remediation and monitoring obligations it expects to recover from ratepayers.

Niagara Mohawk is pursuing claims against other potentially responsible parties to recover investigation and remediation costs it believes are the obligations of those parties. Niagara Mohawk cannot predict the success of such claims. As of December 31, 2007 and March 31, 2007, Niagara Mohawk had accrued liabilities related to its environmental obligations of \$428 million and \$397 million, respectively. The increase in this obligation is due to higher costs associated with site remediation than previously estimated. The high end of the range of potential liabilities at December 31, 2007, was estimated at \$564 million.

NOTE D SEGMENT INFORMATION

Segmental information is presented in accordance with management responsibilities and the economic characteristics of Niagara Mohawk's business activities. Niagara Mohawk is primarily engaged in the business of the purchase, transmission and distribution of electricity and the purchase, distribution, sale and transportation of natural gas in New York State. Niagara Mohawk's reportable segments are electric-transmission, electric-distribution including stranded cost recoveries associated with the divestiture of Niagara Mohawk's generating assets under deregulation, and gas-distribution. Certain information regarding Niagara Mohawk's segments is set forth in the following tables. Corporate assets consist

primarily of other property and investments, cash, restricted cash, current deferred income taxes and unamortized debt expense. General corporate expenses, property common to the various segments, and depreciation of such common properties have been fully allocated to the segments based on labor or plant, using a percentage derived from total labor or plant amounts charged directly to certain operating expense accounts or certain plant accounts.

<i>(In thousands of dollars)</i>	Electric-Distribution Stranded Cost		Total	Gas- Distribution	Electric - Transmission	Total Segments
	Distribution	Recoveries				
Three Months Ended:						
December 31, 2007						
Operating revenue	\$ 697,145	\$ 70,056	\$ 767,201	\$ 203,744	\$ 65,309	\$ 1,036,254
Operating income before income taxes	70,381	34,612	104,993	25,136	19,368	149,497
Depreciation and amortization	35,301	55	35,356	10,231	9,063	54,650
Amortization of stranded costs and rate plan deferrals	34,650	82,266	116,916		3,817	120,733
December 31, 2006						
Operating revenue	\$ 689,977	\$ 47,662	\$ 737,639	\$ 205,631	\$ 60,199	\$ 1,003,469
Operating income before income taxes	45,409	28,908	74,317	19,722	17,907	111,946
Depreciation and amortization	34,117	28	34,145	9,866	8,764	52,775
Amortization of stranded costs and rate plan deferrals	33,999	63,984	97,983		746	98,729
Nine Months Ended:						
December 31, 2007						
Operating revenue	\$ 2,082,949	\$ 213,554	\$ 2,296,503	\$ 489,493	\$ 200,826	\$ 2,986,822
Operating income before income taxes	186,849	87,766	274,615	41,764	64,195	380,574
Depreciation and amortization	105,142	163	105,305	30,421	27,048	162,774
Amortization of stranded costs and rate plan deferrals	103,950	246,798	350,748		11,450	362,198
December 31, 2006						
Operating revenue	\$ 2,049,504	\$ 180,489	\$ 2,229,993	\$ 479,466	\$ 189,059	\$ 2,898,518
Operating income before income taxes	186,319	106,090	292,409	41,918	67,190	401,517
Depreciation and amortization	101,616	111	101,727	29,471	26,257	157,455
Amortization of stranded costs and rate plan deferrals	101,998	191,952	293,950		2,238	296,188

<i>(In thousands of dollars)</i>	Electric-Distribution Stranded Cost			Gas- Distribution	Electric - Transmission	Corporate	Total Segments
	Distribution	Recoveries	Total				
December 31, 2007							
Goodwill	\$ 742,078	\$	\$ 742,078	\$ 227,874	\$ 321,959	\$	\$ 1,291,911
Total assets	5,965,904	1,933,877	7,899,781	2,151,376	1,704,731	40,431	11,796,319