Final Terms dated 22 August 2013

NATIONAL GRID ELECTRICITY TRANSMISSION PLC

Issue of GBP 40,000,000 1.208 per cent. RPI-Linked Instruments due 2038
under the Euro 15,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 10 September 2012 which constitutes (i) a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") and (ii) listing particulars for the purposes of Listing Rule 2.2.11 of the Listing Rules of the Financial Services Authority (the "**Listing Rules**"). This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. However, a summary of the Instruments (which comprises the summary of the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing at and copies may be obtained from, the registered address of the Issuer at 1-3 Strand, London WC2N 5EH and the office of the Issuing and Paying Agent at One Canada Square, London E14 5AL and has been published on the website of Regulatory News Services operated by the London Stock Exchange at *www.londonstockexchange.com/en-gb/pricesnews/marketnews*.

1.	Issuer:	National Grid Electricity Transmission plc
2.	(i) Series Number:	68
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Sterling ("**GBP**")
4.	Aggregate Nominal Amount:	GBP 40,000,000
	(i) Series:	GBP 40,000,000
	(ii) Tranche:	GBP 40,000,000
5.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6.	(i) Specified Denominations:	GBP 100,000 and integral multiples of GBP 1,000 in excess thereof up to and including GBP 199,000. No Instruments in definitive form will be issued with a denomination above GBP 199,000.
	(ii) Calculation Amount:	GBP 1,000
7.	(i) Issue Date:	27 August 2013

(ii)	Interest Commencement Date	Issue Date
8.	Maturity Date:	27 August 2038
9.	Interest Basis:	Index Linked Interest (further particulars specified below)
10.	Redemption/Payment Basis:	Index Linked Redemption
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13. (i)	Status of the Instruments:	Senior
(ii)	Date [Board] approval for issuance of Instruments obtained:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	**Fixed Rate Instrument Provisions**	Not Applicable
15.	**Floating Rate Instrument Provisions**	Not Applicable
16.	**Zero Coupon Instrument Provisions**	Not Applicable
17.	**Index-Linked Interest Instrument**	Applicable
(i)	Index/Formula:	As specified in Condition 4.1
(ii)	Interest Rate:	Each Instrument shall bear interest on its outstanding nominal amount from the Interest Commencement Date at 1.208 per cent. per annum, payable in arrear semi-annually on each Interest Payment Date and adjusted in accordance with Condition 4.2.
(iii)	Party responsible for calculating the Rate(s) of Interest, Interest Amount and Redemption Amount(s) (if not the Calculation Agent):	Not Applicable
(iv)	Provisions for determining	Not Applicable

	Coupon calculated by reference to Index and/or Formula:	
(v)	Interest Determination Date(s):	27 February and 27 August in each year up to and including the Maturity Date
(vi)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	Condition(s) 4.3 to 4.5 apply
(vii)	Interest Payment Dates:	27 February and 27 August in each year up to and including the Maturity Date
(viii)	First Interest Payment Date:	27 February 2014
(ix)	Interest Period(s):	The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date, and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.
(x)	Business Day Convention:	Following Business Day Convention
(xi)	Minimum Indexation Factor:	Not Applicable
(xii)	Business Centre(s) (Condition 3.2.5):	London
(xiii)	Maximum Indexation Factor:	Not Applicable
(xiv)	Limited Indexation Month(s) or Period for calculation of Limited Indexation Factor:	Not Applicable
(xv)	Base Index Figure:	249.74839, applicable to 27 August 2013 (interpolated between May 2013 and June 2013)
(xvi)	Day Count Fraction (Condition 3.2.5):	Actual/Actual ICMA
(xvii)	"Index" or "Index Figure" (Condition 4.1):	Sub-paragraph (iii) of the definition of "Index" or "Index Figure" as set out in Condition 4.1 shall apply
(xviii)	Reference Gilt:	The Reference Gilt is 1.125 per cent. Index-Linked Treasury Stock 2037

PROVISIONS RELATING TO REDEMPTION

18.	**Residual Holding Call Option**	Not Applicable
19.	**Call Option**	Not Applicable
20.	**Put Option**	Not Applicable
21.	**NGET Restructuring Put Option:**	Applicable
22.	**Final Redemption Amount of each Instrument:**	
	(i) Index/Formula:	The Index as defined in Condition 4.1
	(ii) Calculation Agent responsible for calculating the Final Redemption Amount:	The Bank of New York Mellon
	(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula:	The Final Redemption Amount per Instrument shall be its outstanding nominal amount adjusted in accordance with Condition 4.2
	(iv) Determination Date(s):	Not Applicable
	(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	Condition(s) 4.3 to 4.5 shall apply
	(vi) Payment Date:	The Maturity Date
	(vii) Minimum Final Redemption Amount:	Not Applicable
	(viii) Maximum Final Redemption Amount:	Not Applicable
23.	**Early Redemption Amount**	
	(i) Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons (Condition 5.2) or on Event of Default	The Early Redemption Amount per Instrument shall be its nominal amount together with interest accrued but unpaid up to and including the date of redemption (in each case adjusted in accordance with Condition 4.2).

(Condition 9) or other early redemption:

(ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5.2) — Yes

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

24. **Form of Instruments:** — **Bearer Instruments:**
temporary Global Instrument exchangeable for a permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the permanent Global Instrument

25. New Global Note — No

26. Financial Centre(s) or other special provisions relating to Payment Dates (Condition 6.7): — London

27. U.S Selling Restrictions: — Reg. S Compliance Category 2; TEFRA D

Signed on behalf of the Issuer:

By: .....
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND TRADING

(i)	Listing:	London
(ii)	Admission to trading:	Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on London Stock Exchange's regulated market with effect from 27 August 2013.
(iii)	Estimate of total expenses related to admission to trading:	GBP 1,750

2. RATINGS

Ratings:	The Instruments to be issued have been rated: Standard & Poor's: A- (stable) Moody's: A3 (stable) Fitch: A (stable)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

So far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable.

5. YIELD

Not Applicable.

6. *Index-Linked Instruments only* – PERFORMANCE OF INDEX AND OTHER INFORMATION CONCERNING THE UNDERLYING

(i) Name of underlying index:	U.K. Retail Price Index (RPI) (all items) published by the Office of National Statistics
(ii) Information about the Index, its volatility and past and future performance can be obtained from:	Information on RPI can be found at www.statistics.gov.uk.

The Issuer does not intend to provide post-issuance information.

7. OPERATIONAL INFORMATION

ISIN Code:	XS0965111676
Common Code:	096511167
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of initial Paying Agent(s):	The Bank of New York Mellon, One Canada Square, London E14 5AL
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

ANNEX TO THE FINAL TERMS — SUMMARY OF THE ISSUE

Section A - Introduction and warnings		
A.1	This summary must be read as an introduction to this Prospectus. Any decision to invest in the Instruments should be based on a consideration of the Prospectus as a whole, including any documents incorporated by reference.	
A.2	Not Applicable	
Section B - Issuers		
B.1	**The legal and commercial name of the Issuers**	National Grid Electricity Transmission plc
B.2	**The domicile and legal form of the Issuers, the legislation under which the Issuers operate and their respective countries of incorporation**	NGET was incorporated in England and Wales on 1 April 1989 as a public company limited by shares under the Companies Act 1985. NGET is domiciled in United Kingdom.
B.4b	**A description of any known trends affecting the Issuers and the industries in which they operate**	Since 2006, there have been significant developments in the U.K. energy landscape focused on maintaining security of supply and reducing carbon emissions. Environmental targets, legislation, age-related power station retirements and the decline of the U.K.'s North Sea gas reserves are expected to result in a significant change in the generation mix between now and 2020. The Electricity Networks Strategy Group has identified the electricity transmission reinforcements needed to support the Government's 2020 energy policy targets. National Grid has begun committing capital investment to a number of these projects under incentive arrangements provided by the Office of the Gas and Electricity Markets ("**Ofgem**"). National Grid believes that this investment in transmission networks is essential to facilitate the timely connection of new generation and to meet current energy policy commitments. National Grid's capital expenditure has been steadily increasing in recent years in response to the changing energy environment and the need to replace end of life assets in its core regulated businesses. Capital expenditure reached a record £3.6 billion in 2010/11, of which £2.5 billion was focused on the United Kingdom. Ofgem is introducing a new regulatory price control framework, known as

		"**RIIO**" – revenue = incentives + innovation + outputs, to replace the existing framework which has been in use for over 20 years. It is estimated that NGET will need to invest over £21 billion during the RIIO period to facilitate the move to a low carbon economy. This will include the electricity networks developing smarter grids, meeting environmental challenges and securing energy supplies. The regulatory framework within which NGET operates as NETSO is also under review in parallel to the ongoing price control reviews for all National Grid's U.K. gas and electricity businesses. This will be the first review of the system operator activity under the new RIIO regulatory framework model, where a new system operator incentive framework will be established for an eight year duration.
B.5	**Description of the Issuers' Group and the Issuers' position within the Group**	NGET is a wholly owned indirect subsidiary of National Grid and is part of National Grid Group. NGET has three wholly-owned subsidiaries, NG Leasing Limited, NGC Employee Shares Trustee Limited (dormant) and Elexon Limited (solely as nominee shareholder).
B.9	**Profit forecast or estimate**	Not Applicable
B.10	**Qualifications in the Auditors' report**	Not Applicable
B.12	**Selected financial information**	The selected financial information regarding NGET, as the case may be, set out below has been extracted without material adjustment from the audited consolidated financial statements of NGET for the years ended 31 March 2012, 2011 and 2010. ***NGET***

	31 March 2012 £m	31 March 2011 £m	31 March 2010 £m
Summary Income Statement			
Revenue.....	2,813	2,550	2,484
Operating profit	865	820	791
Profit before tax.....	646	644	648
Profit after tax.....	545	505	465
Summary statement of net assets			
Non-current assets....	8,874	7,824	6,946
Current assets.....	544	256	604
Total assets	9,418	8,080	7,550
Current liabilities	(1,499)	(1,015)	(959)
Non-current	(6,679)	(6,041)	(5,926)

		Liabilities			
		Total liabilities	(8,178)	(7,056)	(6,885)
		Net assets	1,240	1,024	665
		Summary Cash Flow Statement			
		Cash generated from operations	1,135	1,065	986
		Tax (paid)/received....	(136)	(112)	(90)
		Net cash inflow from operating activities	999	953	896
		Net cash flows used in investing activities	(1,375)	(839)	(641)
		Net cash flows used in financing activities	380	(435)	(325)
		Net (decrease)/increase in cash and cash equivalents.....	4	(321)	(70)
		There has been no significant change in the financial or trading position of NGET or the NGET Group since 31 March 2012 and no material adverse change in the prospects of NGET since 31 March 2012.			
B.13	**Recent material events particular to the Issuers' solvency**	Not Applicable			
B.14	**Extent to which the Issuers' are dependant on other entities within their Group**	NGET is a wholly owned subsidiary of National Grid and is part of the National Grid Group.			
B.15	**Principal activities of the Issuers**	NGET derives the vast majority of its turnover and profits from charges for services provided by its Transmission Business to, inter alia, generators, interconnector owners and users, distributors, suppliers and directly-connected customers.			
B.16	**Extent to which the Issuers are directly or**	NGET is wholly owned and controlled by National Grid.			

	indirectly owned or controlled	
B.17	**Credit ratings assigned to the Issuers or their debt securities**	NGET's senior unsecured debt obligations are rated A- by Standard & Poor's, A by Fitch and A3 by Moody's and its short term debt obligations are rated A2 by Standard & Poor's, F2 by Fitch and P2 by Moody's. Standard & Poor's, Fitch and Moody's are established in the European Union and are registered under the CRA Regulation. The Instruments are rated A-(stable) by Standard & Poor's, A(stable) by Fitch and A3(stable) by Moody's.
Section C - Securities		
C.1	**Type and class of Instruments**	Instruments will be issued on a non-syndicated basis. The Instruments have Series Number 68 and Tranche Number 1. The Instruments are in bearer form and will be represented on issue by a temporary Global Instrument exchangeable for a permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the permanent Global Instrument. Instruments constitute unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu*, without any preference on priority among themselves. ISIN Code: XS0965111676 Common Code 096511167
C.2	**Currencies**	Subject to compliance with all relevant laws, regulations and directives, Instruments under the Programme may be issued in Euro, Japanese yen, Sterling, U.S. dollars, Canadian dollars, Australian dollars, New Zealand dollars, Swedish krona, Danish krone, Hong Kong dollars or Swiss francs or in other currencies if the Issuer and the relevant Dealer(s) so agree. The Instruments are denominated in Sterling.
C.5	**A description of any restrictions on the free transferability of the Instruments**	United States, United Kingdom, Public Offer Selling Restriction under the Prospectus Directive (in respect of instruments having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the relevant Instruments), Japan, Australia, Switzerland, Canada, Hong Kong, Singapore, Guernsey and Isle of Man. Category 2 selling restrictions will apply to the Instruments for the purposes of Regulation S under the Securities Act. The Instruments will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**").
C.8	**Description of the rights attaching to the**	***Issue Price:*** The Issue Price of the Instruments is 100 per cent. ***Specified Denomination:*** The Instruments have a Specified Denomination of GBP 100,000 and integral

	Instruments	multiples of GBP 1,000 thereafter. ***Negative pledge:*** Instruments will not have the benefit of a negative pledge. ***Cross acceleration:*** The Instruments may become immediately due and repayable at their Redemption Amount together with accrued interest (if any) to the date of payment if (i) any other present or future Relevant Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of any actual event of default or (ii) any amount in respect of such Relevant Indebtedness is not paid when due or, as the case may be, within any applicable grace period, provided that the aggregate amount of the Relevant Indebtedness in respect of which one or more of the events mentioned in this paragraph have occurred equals or exceeds £50,000,000, for the period up to 31 March 2017, and thereafter, £100,000,000. ***Withholding tax:*** All payments of principal and interest in respect of the Instruments and Coupons will be made free and clear of withholding taxes of the United Kingdom unless compelled by law. In that event, the Issuer will, subject to customary exceptions (including the standard EU exceptions), pay such additional amounts as will result in the payment to the Instrumentholders or Couponholders of the amounts which would otherwise have been received in respect of the Instruments and Coupons had no withholding or deduction been made. ***Governing law:*** English law.
C.9	**Interest, maturity and redemption provisions, yield and representative of the Instrumentholders**	***Fixed Rate Instruments:*** The Instruments are not Fixed Rate Instruments. ***Floating Rate Instruments:*** The Instruments are not Floating Rate of Instruments. ***Zero Coupon Instruments:*** The Instruments are not Zero Coupon Instruments and do not bear interest. ***Index Linked Instruments***: The Instruments are Index Linked Instruments. The Instruments will bear interest from the Interest Commencement Date at a rate of 1.208 per cent. per annum payable semi-annually in arrear on 27 February and 27 August and adjusted in accordance with Condition 4.2. ***Maturities:*** The Maturity Date of the Instruments is 27 August 2038. ***Optional Redemption:*** The Instruments may not be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Instrumentholders. ***Early Redemption:***

		Except as provided in "Optional Redemption" and "Redemption" above, Instruments will be redeemable at the option of the Issuer prior to maturity only for reasons related to taxation and in the case of Index Linked Instruments only, for reasons related to the relevant index. ***Redemption at the Option of the Instrumentholders following a Restructuring Event:*** NGET Restructuring Put Option is Applicable. ***Trustee:*** The Law Debenture Trust Corporation p.l.c.
C.10	**Derivative component in interest payments**	Other than Index Linked Instruments which are described below, Instruments issued under the Programme do not contain any derivative components.
C.11	**Listing and Admission to Trading**	Instruments issued under the Programme may be admitted to the Official List and admitted to trading on the Market or the PSM, or may be unlisted. Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on London Stock Exchange's regulated market with effect from 27 August 2013.
C.15	**Description of how the value of investment is affected by the value of the underlying Instrument**	Payments of interest and principal in respect of Index Linked Instruments will be calculated by reference to an Index Ratio, derived from RPI. The interest amount due on each interest payment date of an Index Linked Instrument will be adjusted to take into account the change in inflation. Change in inflation is the difference between the base value of RPI that has been specified in the Final Terms and the value of the relevant index calculated at a specified time prior to the relevant interest payment date. If the change in inflation is negative i.e. base value is more than the value calculated at a specified time prior to the relevant interest payment date; then effective rate of interest will decrease. Subject to certain conditions specified in Condition 4, Index Linked Instruments are repaid on their specified maturity date at their adjusted nominal amount. Nominal Amount is adjusted to take into account the change in the value of RPI. If the value of RPI calculated at a specified time prior to the maturity date is lower than the base value of RPI, then the investors will receive less than the nominal amount of their Instruments, unless the Final Terms specify a minimum redemption amount which is higher than the nominal amount of the Instruments.
C.16	**Maturity date of Derivative Instruments**	The Maturity Date of the Instruments is 27 August 2038
C.17	**Description of the settlement procedure of the Derivative**	Index Linked Instruments will be represented initially upon issue by a temporary Global Instrument and settled through Euroclear and Clearstream, Luxembourg.

	Instruments	
C.18	**Return on Derivative Instruments**	Payments of interest and principal in respect of the Instruments issued under the Programme shall be determined by multiplying the applicable interest amount or principal amount (as the case may be) by the relevant Index Ratio applicable to the date on which such payment falls to be made, subject to certain rounding conventions.
C.19	**Exercise price/ final reference price of the underlying**	Not Applicable.
C.20	**Description of underlying and where the information on underlying can be found**	RPI Linked Instruments are linked to the U.K. Retail Prices Index (the "**RPI**"), which is the most familiar general purpose domestic measure of inflation in the UK. The RPI has been used as a measure of inflation since 1947 and measures the average change from month to month in the prices of goods and services purchased by most households in the UK. The spending pattern on which the RPI is based is revised each year, mainly using information from official expenditure and food surveys. Further information on the RPI (including past and current levels) can be found at www.statistics.gov.uk.
C.21	**Market where Instruments will be traded and for which prospectus has been published**	Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on London Stock Exchange's regulated market with effect from 27 August 2013.

Section D – Risks

D.2	**Key information on key risks that are specific to each Issuer:** a) Some aspects of NGET's activities are potentially hazardous and could damage the environment. NGET is subject to regulation related to climate change and if more onerous requirements are imposed or NGET's ability to recover these costs under regulatory framework changes, this could have a material adverse impact on NGET. b) NGET may suffer a major network failure or interruption, or may not be able to carry out critical non-network operations. c) Changes in law or regulation and decisions by governmental bodies or regulators could also materially adversely affect NGET. d) Changes in foreign currency rates or interest rates could materially impact earnings or NGET's financial condition. NGET's operating costs may increase without the corresponding increase in RPI and thus, without corresponding increase in revenue. e) Maintenance and growth of NGET's business requires access to capital markets at commercially acceptable interest rates. Financial markets can be subject to periods of volatility and shortages of liquidity which may be exacerbated by the eurozone crisis. If NGET were unable to access the capital markets or other sources of finance at

	competitive rates for a prolonged period, NGET's cost of financing may increase. f) NGET is exposed to the risk that its customers and counterparties may not perform their respective obligations. NGET has significant concentrations of receivables with a small number of large electricity utilities. g) NGET is exposed to the risk that it may not attract and retain employees with the skills and experience required to deliver its strategy and it also faces the risk that employees and others acting on its behalf may not be engaged to act in NGET's best interests.
D.3	**Key information on the key risks that are specific to the Instruments:** Material risks relating to the structure of a particular issuance of Instruments may (depending on the terms of the particular issue) include that the market price of the Instruments may be volatile, the Instruments may not pay interest or the payment of interest may depend on the market value of other securities, payment of principal or interest may occur at a different time or in a different currency than expected and payment of principal may be in an amount less than the nominal amount of the Instruments or even zero. There is no assurance that a liquid secondary market for certain Instruments will develop or continue. Certain Instruments may be subject to early redemption at the Issuer's discretion. The Issuer may issue Instruments with interest calculations in one or more currencies which may differ from the currency in which the principal of the Instruments is denominated. The Issuer may issue structured Instruments, investment in which may entail significant risk not associated with similar investments in a conventional debt instrument.
D.6	**Key information on factors which are material for the purpose of assessing the risks associated with Index-linked Instruments:** Potential investors in Index-linked Instruments should be aware that (a) the market price of such Instruments may be volatile; (b) they may receive no interest; (c) they may risk losing part of, or their entire investment, for example, if exchange rates or any other relevant index moves sufficiently in an unanticipated direction; (d) payment of principal or interest may occur at a different time or in a different currency than expected; (e) the amount of principal payable at redemption may be less than the nominal amount of such Instruments or even zero (for example, if the value of the relevant index falls below the value of the relevant Index applicable at the Issue Date, then the amount of principal payable at the time of redemption may be less than the nominal amount of the Instrument); (f) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices; (g) if a Relevant Factor is applied to Instruments in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and (h) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Section E – Offer

E.2b	**Reason for the offer and use of proceeds**	Not Applicable
E.3	**Terms and**	Not Applicable

	Conditions of the Offer	
E.4	**Interests of natural and legal persons involved in the issue of the Instruments**	Not Applicable
E.7	**Estimated expenses charged to the investor by the Issuer or the Authorised Offeror**	Not Applicable