

Final Terms dated 27 July 2010

NATIONAL GRID GAS PLC

Issue of £50,000,000 2.484 per cent. Index-Linked Instalment Instruments due 2041
(the "Instruments")
under the Euro 10,000,000,000 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 24 February 2010 and the supplementary Prospectus dated 9 June 2010 which together constitute (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 described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. 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 as so supplemented. The Prospectus and the supplementary Prospectus are 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 are available for viewing on the website of Regulatory News Services operated by the London Stock Exchange at www.londonstockexchange.com/en-gb/pricesnews/marketnews.

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| 1. | Issuer: | National Grid Gas plc |
| 2. | (i) Series Number: | 76 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Sterling ("£"). |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | £50,000,000. |
| | (ii) Tranche: | £50,000,000. |
| 5. | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount. |
| 6. | Specified Denominations: | £50,000. |
| | Calculation Amount: | £50,000 . |
| 7. | (i) Issue Date: | 29 July 2010. |
| | (ii) Interest Commencement Date | Issue Date |

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| 8. Maturity Date: | 29 July 2041 |
| 9. Interest Basis: | Index-Linked Interest
(further particulars specified below). |
| 10. Redemption/Payment Basis: | Index-Linked Instalment Instruments adjusted in
accordance with Condition 4.2 |
| 11. Change of Interest or
Redemption/Payment Basis: | Not Applicable. |
| 12. Put/Call Options: | Not Applicable. |
| 13. Status of the Instruments: | Senior. |
| 14. Method of distribution: | Non-syndicated. |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. Fixed Rate Instrument Provisions | Not Applicable. |
| 16. Floating Rate Instrument Provisions | Not Applicable. |
| 17. Zero Coupon Instrument Provisions | Not Applicable. |
| 18. Index-Linked Interest Instrument | Applicable. |
| (i) Index/Formula: | The Index as defined in Condition 4.1. |
| (ii) Interest Rate: | Each Instrument shall bear interest on its outstanding
nominal amount from the Interest Commencement Date
at 2.484 per cent. per annum, payable semi-annually in
arrear 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
Coupon where calculation by
reference to Index and/or
Formula is impossible or
impracticable: | Conditions 4.3 to 4.5 apply. |
| (v) Specified Interest Payment Dates: | 29 January and 29 July in each year up to and including
the Maturity Date. |
| (vi) First Interest Payment Date: | 29 January 2011. |

(vii) 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.
(viii) Business Day Convention:	Following Business Day Convention.
(ix) Minimum Indexation Factor:	Not Applicable.
(x) Business Centre(s) (Condition 3.2.4(i)):	London.
(xi) Maximum Indexation Factor:	Not Applicable.
(xii) Limited Indexation Month(s) or Period for calculation of Limited Indexation Factor:	Not Applicable.
(xiii) Base Index Figure (Condition 4.1):	223.52258 applicable to 29 July 2010 (interpolated between April 2010 and May 2010).
(xiv) Day Count Fraction (Condition 3.2.4(i))	Actual/Actual-ICMA.
(xv) "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.
(xvi) Reference Gilt:	The Reference Gilt is the UKTI 1.25 per cent. Index- Linked Treasury Stock 2027

19. **Dual Currency Instrument Provisions** Not Applicable.

PROVISIONS RELATING TO REDEMPTION

20. **Residual Holding Call Option** Not Applicable.

21. **Call Option** Not Applicable.

22. **Put Option** Not Applicable.

23. **Final Redemption Amount of each
Instrument**

In cases where the Final Redemption
Amount is Index-Linked

(i) Index/Formula: The Index as defined in Condition 4.1.

(ii) Party responsible for calculating
the Final Redemption Amount (if

not the Calculation Agent):

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| (iii) | Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable: | The Final Redemption Amount per Instrument shall be its outstanding nominal amount in accordance with Appendix 1 adjusted in accordance with Condition 4.2 |
| (iv) | Determination Date(s): | Each Interest Payment Date |
| (v) | Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: | Conditions 4.3 to 4.5 shall apply. |
| (vi) | Payment Date | As set out in Appendix 1 |
| (vii) | Minimum Final Redemption Amount | Not Applicable. |
| (viii) | Maximum Final Redemption Amount | Not Applicable. |

24. Early Redemption Amount

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| (i) | Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons (Condition 5.2) or on Event of Default (Condition 9) or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | The Early Redemption Amount per Instrument shall be its outstanding nominal amount in accordance with Appendix 1 together with interest accrued but unpaid up to and including the date of redemption (in each case adjusted in accordance with Condition 4.2). |
| (ii) | Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5.2) | Yes. |
| (iii) | Unmatured Coupons to become void upon early redemption (Condition 6.5) | Yes. |

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

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| 25. Form of Instruments: | Bearer Instruments: |
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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.

- New Global Note intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable
26. Financial Centre(s) or other special provisions relating to Payment Dates (Condition 6.6): London.
27. Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature): Yes. Talons will mature on 29 January 2023 and 29 July 2035.
28. Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Instruments and interest due on late payment: Not Applicable.
29. Details relating to Instalment Instruments: As set out in Appendix 1
30. Redenomination, renominalisation and reconventioning provisions: Not Applicable.
31. Other final terms: Not Applicable.

DISTRIBUTION

32. If syndicated, names of Managers: Not Applicable.
33. If non-syndicated, name of Dealer: Royal Bank of Canada Europe Limited
34. U.S Selling Restrictions: Reg. S Compliance Category 2; TEFRA D.
35. Additional selling restrictions: Not Applicable.

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Regulated Market of the London Stock Exchange of the Instruments described herein pursuant to the Euro Medium Term Note Programme of National Grid Gas plc and National Grid Gas Finance (No 1) plc.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: *M. C. Long*.....
Duly authorised

PART B - OTHER INFORMATION

1. LISTING

- (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 the London Stock Exchange plc's Regulated Market with effect from the Issue Date
- (iii) Estimate of total expenses related to admission to trading: £2,700

2. RATINGS

The Notes are expected to be rated;

S&P: A-

Moody's: A3

Fitch: A

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. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Information on the UK Retail Price Index can be found on Bloomberg page UKRPI.

7. PERFORMANCE OF RATES OF EXCHANGE

Not Applicable.

8. OPERATIONAL INFORMATION

ISIN Code: XS0529594037

Common Code: 052959403

SEDOL	B4W13B0
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the 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 E14 5AL
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable.

9. **GENERAL**

The aggregate principal amount of Instruments issued has been translated into Euro at the rate of EUR 1 = GBP 0.8416, producing a sum of (for Instruments not denominated in Euro):	EUR 59,410,646.39
Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 11.1:	Not Applicable.

Appendix 1

Appendix — Instalment Amounts Per Calculation Amount

Instalment Date	Scheduled Principal Payment	Outstanding Nominal Amount
	(£)	(£)
		50,000.00
29-Jan-11	540.17	49,459.83
29-Jul-11	546.88	48,912.95
29-Jan-12	553.67	48,359.27
29-Jul-12	560.55	47,798.72
29-Jan-13	567.51	47,231.21
29-Jul-13	574.56	46,656.65
29-Jan-14	581.70	46,074.95
29-Jul-14	588.92	45,486.03
29-Jan-15	596.23	44,889.80
29-Jul-15	603.64	44,286.16
29-Jan-16	611.14	43,675.02
29-Jul-16	618.73	43,056.29
29-Jan-17	626.41	42,429.88
29-Jul-17	634.19	41,795.68
29-Jan-18	642.07	41,153.61
29-Jul-18	650.04	40,503.57
29-Jan-19	658.12	39,845.45
29-Jul-19	666.29	39,179.16
29-Jan-20	674.57	38,504.59
29-Jul-20	682.95	37,821.65
29-Jan-21	691.43	37,130.22
29-Jul-21	700.01	36,430.20
29-Jan-22	708.71	35,721.50
29-Jul-22	717.51	35,003.98

29-Jan-23	726.42	34,277.56
29-Jul-23	735.44	33,542.12
29-Jan-24	744.58	32,797.54
29-Jul-24	753.83	32,043.71
29-Jan-25	763.19	31,280.52
29-Jul-25	772.67	30,507.85
29-Jan-26	782.26	29,725.59
29-Jul-26	791.98	28,933.61
29-Jan-27	801.82	28,131.79
29-Jul-27	811.78	27,320.02
29-Jan-28	821.86	26,498.16
29-Jul-28	832.07	25,666.09
29-Jan-29	842.40	24,823.69
29-Jul-29	852.86	23,970.83
29-Jan-30	863.45	23,107.38
29-Jul-30	874.18	22,233.20
29-Jan-31	885.04	21,348.16
29-Jul-31	896.03	20,452.13
29-Jan-32	907.16	19,544.98
29-Jul-32	918.42	18,626.55
29-Jan-33	929.83	17,696.72
29-Jul-33	941.38	16,755.34
29-Jan-34	953.07	15,802.27
29-Jul-34	964.91	14,837.37
29-Jan-35	976.89	13,860.47
29-Jul-35	989.03	12,871.45
29-Jan-36	1,001.31	11,870.14
29-Jul-36	1,013.75	10,856.39
29-Jan-37	1,026.34	9,830.06
29-Jul-37	1,039.08	8,790.98
29-Jan-38	1,051.99	7,738.99

29-Jul-38	1,065.05	6,673.93
29-Jan-39	1,078.28	5,595.65
29-Jul-39	1,091.67	4,503.98
29-Jan-40	1,105.23	3,398.74
29-Jul-40	1,118.96	2,279.78
29-Jan-41	1,132.86	1,146.93
29-Jul-41	1,146.93	0.00