

**nationalgrid**

**National Grid plc**

*(incorporated with limited liability in England and Wales on 11 July 2000 under registered number 4031152)*

**National Grid Electricity Transmission plc**

*(incorporated with limited liability in England and Wales on 1 April 1989 under registered number 2366977)*

**Euro 15,000,000,000**

**Euro Medium Term Note Programme**

This second supplement (the “**Supplement**”) to the prospectus dated 2 August 2018 (as supplemented by the first supplement to the prospectus dated 23 November 2018 (together the “**Prospectus**”), which comprises a base prospectus for each of National Grid plc (“**National Grid**”) and National Grid Electricity Transmission plc (together, the “**Issuers**”), constitutes a supplementary prospectus for the purposes of Section 87G of FSMA and supplementary listing particulars for the purposes of Section 81 of FSMA. This Supplement is prepared in connection with the Euro 15,000,000,000 Euro Medium Term Note Programme established by the Issuers. Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Issuers.

Each of the Issuers accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in, or incorporated by reference in, the Prospectus, the statements in this Supplement will prevail.

The Prospectus, this Supplement and the documents incorporated by reference in the Prospectus can be viewed on the website of the Regulatory News Service operated by the London Stock Exchange plc at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html). If documents which are incorporated by reference themselves incorporate any information or other documents therein, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive and the Listing Rules except where such information or other documents are stated within this Supplement as being specifically incorporated by reference in to this Supplement.

#### **Purpose of this Supplement**

The purpose of this Supplement is to update the Prospectus to reflect certain recent developments.

#### **Recent Developments**

On 18 December 2018, Ofgem published their sector specific consultation for the transmission and gas distribution sectors for the next price control which is due to take effect from 1 April 2021. The detailed consultation covers a wide range of topics including the cost of capital, incentives, outputs and other financial parameters. National Grid’s initial assessment is that the proposed financial package, in particular the cost of equity range (4-5 per cent. real, on a CPIH basis), does not appropriately reflect the level of risk borne by transmission networks. National Grid will provide a detailed response to the consultation in early 2019, and the consultation is expected to conclude in the second quarter of 2019.

**General Information**

Copies of all documents incorporated by reference in the Prospectus can be obtained from the registered office of National Grid and the specified office of the Issuing and Paying Agent for the time being in London, as set out in the Prospectus.

Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, in relation to either of the Issuers since the publication of the Prospectus.