PUC 1-3

Request:

Please provide the prospectus distributed in anticipation of the most recent sale of any equity or debt by the Company and PPL Corporation.

Response:

See Attachment PUC 1-3-1 and Attachment PUC 1-3-2 for the most recently filed prospectus and prospectus supplement for PPL Corporation. The Company issued $500 million of senior unsecured notes in 2024 under the existing indenture dated March 22, 2010. The offering memorandum is attached as Attachment PUC 1-3-3.

The Company does not issue equity in the public markets.

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As filed with the Securities and Exchange Commission on February 16, 2024
Registration Nos. 333- , 333- -01, 333- -02, 333- -03, 333- -04

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

PPL Corporation	**Pennsylvania**	**23-2758192**
PPL Capital Funding, Inc.	**Delaware**	**23-2926644**
PPL Electric Utilities Corporation	**Pennsylvania**	**23-0959590**
(Exact name of registrant as specified in its charter)	**(State or other jurisdiction of incorporation or organization)**	**(I.R.S. Employer Identification No.)**

Two North Ninth Street
Allentown, Pennsylvania 18101-1179
(610) 774-5151
(Address, including zip code, and telephone number, including area code, of each registrant's principal executive offices)

Louisville Gas and Electric Company	**Kentucky**	**61-0264150**
(Exact name of registrant as specified in its charter)	**(State or other jurisdiction of incorporation or organization)**	**(I.R.S. Employer Identification No.)**

220 West Main Street
Louisville, Kentucky 40202-1377
(502) 627-2000
(Address, including zip code, and telephone number, including area code, of each registrant's principal executive offices)

Kentucky Utilities Company	**Kentucky and Virginia**	**61-0247570**
(Exact name of registrant as specified in its charter)	**(State or other jurisdiction of incorporation or organization)**	**(I.R.S. Employer Identification No.)**

One Quality Street
Lexington, Kentucky 40507-1462
(502) 627-2000
(Address, including zip code, and telephone number, including area code, of each registrant's principal executive offices)

Joseph P. Bergstein
Executive Vice President and Chief Financial Officer
PPL Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101-1179
(610) 774-5151
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies To:

Catherine C. Hood
Bracewell LLP
31W. 52nd Street, Suite 1900
New York, New York 10019
(212) 508-6118

Michael Kaplan
Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
(212) 450-4000

Peter O'Brien
Hunton Andrews Kurth LLP
200 Park Avenue, 52nd Floor
New York, New York 10166
(212) 309-1024

Approximate date of commencement of proposed sale to the public: From time to time after the registration statement becomes effective, as determined by market and other conditions.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, please check the following box. ☒

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

PPL Corporation:	Large accelerated filer	☒	Accelerated filer	☐
	Non-accelerated filer	☐	Smaller reporting company	☐
			Emerging growth company	☐
PPL Capital Funding, Inc.:	Large accelerated filer	☐	Accelerated filer	☐
	Non-accelerated filer	☒	Smaller reporting company	☐
			Emerging growth company	☐
PPL Electric Utilities Corporation:	Large accelerated filer	☐	Accelerated filer	☐
	Non-accelerated filer	☒	Smaller reporting company	☐
			Emerging growth company	☐
Louisville Gas and Electric Company:	Large accelerated filer	☐	Accelerated filer	☐
	Non-accelerated filer	☒	Smaller reporting company	☐
			Emerging growth company	☐
Kentucky Utilities Company:	Large accelerated filer	☐	Accelerated filer	☐
	Non-accelerated filer	☒	Smaller reporting company	☐
			Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

PPL Corporation:	☐
PPL Capital Funding, Inc.:	☐
PPL Electric Utilities Corporation:	☐
Louisville Gas and Electric Company:	☐
Kentucky Utilities Company:	☐

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PROSPECTUS

PPL Corporation
PPL Capital Funding, Inc.
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101-1179
(610) 774-5151

Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202
(502) 627-2000

Kentucky Utilities Company
One Quality Street
Lexington, Kentucky 40507
(502) 627-2000

PPL Corporation

Common Stock, Preferred Stock,
Stock Purchase Contracts, Stock Purchase Units and Depositary Shares

PPL Capital Funding, Inc.

Debt Securities and Subordinated Debt Securities
Guaranteed by PPL Corporation as described in a supplement to this prospectus

PPL Electric Utilities Corporation

Debt Securities

Louisville Gas and Electric Company

Debt Securities

Kentucky Utilities Company

Debt Securities

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the supplements carefully before you invest.

We may offer the securities directly or through underwriters or agents. The applicable prospectus supplement will describe the terms of any particular plan of distribution.

Investing in the securities involves certain risks. See "Risk Factors" on page 2.

PPL Corporation's common stock is listed on the New York Stock Exchange and trades under the symbol "PPL."

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission, nor has the Securities and Exchange Commission or any state securities commission determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 16, 2024.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that PPL Corporation, PPL Capital Funding, Inc. ("PPL Capital Funding"), PPL Electric Utilities Corporation ("PPL Electric"), Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") have each filed with the Securities and Exchange Commission, or SEC, using the "shelf" registration process. Under this shelf process, we may, from time to time, sell combinations of the securities described in this prospectus in one or more offerings. Each time we sell securities, we will provide a prospectus supplement that will contain a description of the securities we will offer and specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under "Where You Can Find More Information."

We may use this prospectus to offer from time to time:

- shares of PPL Corporation Common Stock, par value $.01 per share ("PPL Common Stock");
- shares of PPL Corporation Preferred Stock, par value $.01 per share ("PPL Preferred Stock");
- contracts or other rights to purchase shares of PPL Common Stock or PPL Preferred Stock ("PPL Stock Purchase Contracts");
- stock purchase units, each representing (1) a PPL Stock Purchase Contract and (2) PPL Preferred Stock or debt securities or preferred trust securities of third parties (such as debt securities or subordinated debt securities of PPL Capital Funding, preferred trust securities of a subsidiary trust or United States Treasury securities) that are pledged to secure the stock purchase unit holders' obligations to purchase PPL Common Stock or PPL Preferred Stock under the PPL Stock Purchase Contracts;
- PPL Corporation's Depositary Shares, issued under a deposit agreement and representing a fractional interest in PPL Preferred Stock;
- PPL Capital Funding's unsecured and unsubordinated debt securities ("PPL Capital Funding Debt Securities");
- PPL Capital Funding's unsecured and subordinated debt securities ("PPL Capital Funding Subordinated Debt Securities");
- PPL Electric's First Mortgage Bonds issued under PPL Electric's 2001 indenture, as amended and supplemented, which will be secured by the lien of the 2001 indenture on PPL Electric's electricity distribution and certain transmission properties, subject to certain exceptions to be described in a prospectus supplement;
- LG&E's First Mortgage Bonds issued under LG&E's 2010 indenture, as amended and supplemented, which will be secured by the lien of the 2010 indenture on LG&E's Kentucky electricity generation, transmission and distribution properties and natural gas distribution properties, subject to certain exceptions to be described in a prospectus supplement; and
- KU's First Mortgage Bonds issued under KU's 2010 indenture, as amended and supplemented, which will be secured by the lien of the 2010 indenture on KU's Kentucky electricity generation, transmission and distribution properties, subject to certain exceptions to be described in a prospectus supplement.

We sometimes refer to the securities listed above collectively as the "Securities."

PPL Corporation will fully and unconditionally guarantee the payment of principal, premium and interest on the PPL Capital Funding Debt Securities and PPL Capital Funding Subordinated Debt Securities as will be described in supplements to this prospectus. We sometimes refer to PPL Corporation's guarantees of PPL Capital Funding Debt Securities as "PPL Guarantees" and PPL Corporation's guarantees of PPL Capital Funding Subordinated Debt Securities as the "PPL Subordinated Guarantees."

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Information contained herein relating to each registrant is filed separately by such registrant on its own behalf. No registrant makes any representation as to information relating to any other registrant or Securities or guarantees issued by any other registrant, except that information relating to PPL Capital Funding's Securities is also attributed to PPL Corporation.

As used in this prospectus, the terms "we," "our" and "us" generally refer to:

- PPL Corporation with respect to Securities, PPL Guarantees or PPL Subordinated Guarantees issued by PPL Corporation or PPL Capital Funding;
- PPL Electric, with respect to Securities issued by PPL Electric;
- LG&E, with respect to Securities issued by LG&E; and
- KU, with respect to Securities issued by KU.

For more detailed information about the Securities, the PPL Guarantees and the PPL Subordinated Guarantees, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

RISK FACTORS

Investing in the Securities involves certain risks. You are urged to read and consider the risk factors relating to an investment in the Securities described in the Annual Reports on Form 10-K of PPL Corporation, PPL Electric, LG&E and KU, as applicable, for the year ended December 31, 2023, and incorporated by reference in this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus. The risks and uncertainties we have described are not the only ones affecting PPL Corporation, PPL Electric, LG&E and KU. The prospectus supplement applicable to each type or series of Securities we offer and our other filings incorporated by reference herein and therein may contain a discussion of additional risks applicable to an investment in us and the particular type of Securities we are offering under that prospectus supplement.

FORWARD-LOOKING INFORMATION

Certain statements included or incorporated by reference in this prospectus, including statements concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact are "forward-looking statements" within the meaning of the federal securities laws. Although we believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, and actual results may differ materially from the results discussed in forward-looking statements. In addition to the specific factors discussed in the "Risk Factors" section in this prospectus and our reports that are incorporated by reference, the following are among the important factors that could cause actual results to differ materially and adversely from the forward-looking statements:

- strategic acquisitions, dispositions, or similar transactions, and our ability to consummate these business transactions or realize expected benefits from them;
- pandemic health events or other catastrophic events such as fires, earthquakes, explosions, floods, droughts, tornadoes, hurricanes and other extreme weather-related events (including events potentially caused or exacerbated by climate change) and their impact on economic conditions, financial markets and supply chains;

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- capital market conditions, including the availability of capital, credit or insurance, changes in interest rates and certain economic indices, and decisions regarding capital structure;
- volatility in or the impact of other changes in financial markets, commodity prices and economic conditions, including inflation;
- weather and other conditions affecting generation, transmission and distribution operations, operating costs and customer energy use;
- the outcome of rate cases or other cost recovery, revenue or regulatory proceedings;
- the direct or indirect effects on PPL or its subsidiaries or business systems of cyber-based intrusion or the threat of cyberattacks;
- significant changes in the demand for electricity;
- expansion of alternative and distributed sources of electricity generation and storage;
- the effectiveness of our risk management programs, including commodity and interest rate hedging;
- defaults by counterparties or suppliers for energy, capacity, coal, natural gas or key commodities, goods or services;
- a material decline in the market value of PPL's equity;
- significant decreases in the fair value of debt and equity securities and their impact on the value of assets in defined benefit plans, and the related cash funding requirements if the fair value of those assets decline;
- interest rates and their effect on pension and retiree medical liabilities, asset retirement obligation liabilities, interest payable on certain debt securities, and the general economy;
- the potential impact of any unrecorded commitments and liabilities of PPL and its subsidiaries;
- new accounting requirements or new interpretations or applications of existing requirements;
- adverse changes in the corporate credit ratings or securities analyst rankings of PPL and its securities;
- any requirement to record impairment charges pursuant to Generally Accepted Accounting Principles with respect to any of our significant investments;
- laws or regulations to reduce emissions of greenhouse gases or the physical effects of climate change;
- continuing ability to access fuel supply for LG&E and KU, as well as the ability to recover fuel costs and environmental expenditures in a timely manner at LG&E and KU and natural gas supply costs at LG&E and Rhode Island Energy ("RIE");
- war, armed conflicts, terrorist attacks, or similar disruptive events, including the ongoing conflicts in Ukraine, the Red Sea and Gaza;
- changes in political, regulatory or economic conditions in states or regions where PPL or its subsidiaries conduct business;
- the ability to obtain necessary governmental permits and approvals;
- changes in state or federal tax laws or regulations;

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- changes in state, federal or foreign legislation or regulatory developments;
- the impact of any state, federal or foreign investigations applicable to PPL and its subsidiaries and the energy industry;
- our ability to attract and retain qualified employees;
- the effect of changing expectations and demands of our customers, regulators, investors and stakeholders, including views on environmental, social and governance concerns;
- the effect of any business or industry restructuring;
- development of new projects, markets and technologies;
- performance of new ventures;
- collective labor bargaining negotiations and labor costs; and
- the outcome of litigation involving PPL and its subsidiaries.

Any forward-looking statements should be considered in light of these important factors and in conjunction with other documents we file with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for us to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made and, we undertake no obligation to update the information contained in the statement to reflect subsequent developments or information.

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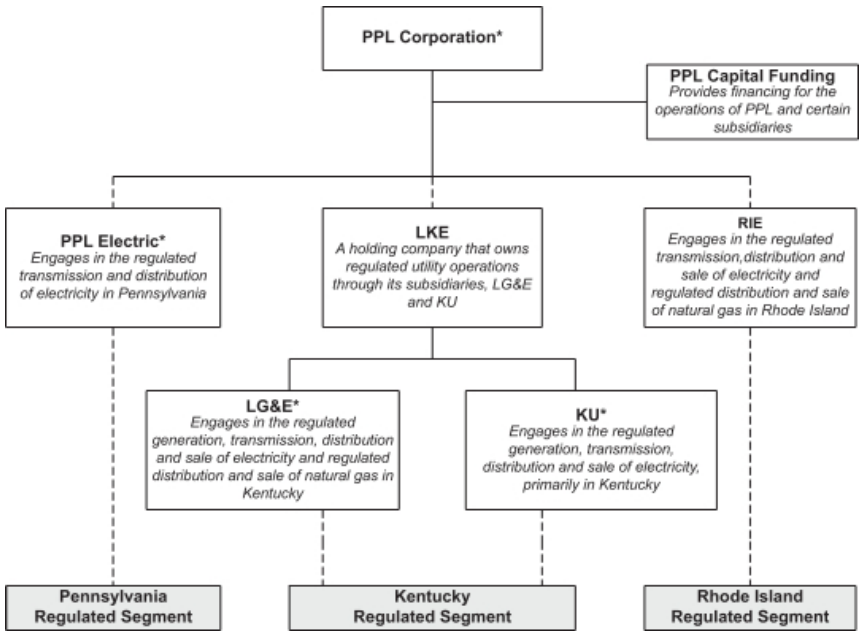
PPL CORPORATION

PPL Corporation, headquartered in Allentown, Pennsylvania, is a utility holding company, incorporated in 1994. PPL Corporation, through its regulated utility subsidiaries, delivers electricity to customers in Pennsylvania, Kentucky, Virginia, and Rhode Island; delivers natural gas to customers in Kentucky and Rhode Island; and generates electricity from power plants in Kentucky.

PPL Corporation's principal subsidiaries are shown below (* denotes a registrant hereunder):



PPL Corporation conducts its operations through the following segments:

Kentucky Regulated

The Kentucky Regulated segment consists primarily of the regulated electricity generation, transmission and distribution operations conducted by LG&E and KU, as well as LG&E's regulated distribution and sale of natural gas. As of December 31, 2023, LG&E provided electric service to approximately 436,000 customers and provided natural gas service to approximately 335,000 customers in Kentucky, and KU delivered electricity to approximately 573,000 customers in Kentucky and Virginia. See "Louisville Gas and Electric Company" and "Kentucky Utilities Company," respectively, for more information.

Pennsylvania Regulated

The Pennsylvania Regulated segment includes the regulated electricity transmission and distribution operations of PPL Electric. As of December 31, 2023, PPL Electric delivered electricity to approximately 1.5 million customers in eastern and central Pennsylvania. See "PPL Electric Utilities Corporation" below for more information.

Rhode Island Regulated

The Rhode Island Regulated segment consists primarily of the regulated electricity transmission and distribution operations and regulated distribution and sale of natural gas conducted by RIE. As of December 31, 2023, RIE delivered electric service to approximately 500,000 customers and natural gas service to approximately 270,000 customers in Rhode Island.

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PPL Corporation's subsidiaries, including PPL Electric, LG&E, KU and RIE, are separate legal entities and are not liable for the debts of PPL Corporation, and PPL Corporation is not liable for the debts of its subsidiaries (other than under the PPL Guarantees of PPL Capital Funding Debt Securities and PPL Subordinated Guarantees of PPL Capital Funding Subordinated Debt Securities). None of PPL Electric, LG&E, KU or RIE will guarantee or provide other credit or funding support for the Securities to be offered by PPL Corporation pursuant to this prospectus.

PPL CAPITAL FUNDING, INC.

PPL Capital Funding is a Delaware corporation and wholly owned subsidiary of PPL Corporation. PPL Capital Funding's primary business is to provide PPL Corporation with financing for its operations. PPL Corporation will fully and unconditionally guarantee the payment of principal, premium and interest on the PPL Capital Funding Debt Securities pursuant to the PPL Guarantees and the PPL Capital Funding Subordinated Debt Securities pursuant to the PPL Subordinated Guarantees, as will be described in supplements to this prospectus.

PPL ELECTRIC UTILITIES CORPORATION

PPL Electric, headquartered in Allentown, Pennsylvania, is a wholly owned subsidiary of PPL Corporation, incorporated in Pennsylvania in 1920 and a regulated public utility that is an electricity transmission and distribution service provider in eastern and central Pennsylvania. As of December 31, 2023, PPL Electric delivered electricity to approximately 1.5 million customers in a 10,000 square mile territory in 29 counties of eastern and central Pennsylvania. PPL Electric also provides electricity to retail customers in this area as a provider of last resort under the Pennsylvania Electricity Generation Customer Choice and Competition Act.

PPL Electric is subject to regulation as a public utility by the Pennsylvania Public Utility Commission, and certain of its transmission activities are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") under the Federal Power Act.

Neither PPL Corporation nor any of its subsidiaries or affiliates will guarantee or provide other credit or funding support for the Securities to be offered by PPL Electric pursuant to this prospectus.

LOUISVILLE GAS AND ELECTRIC COMPANY

LG&E, headquartered in Louisville, Kentucky, is a wholly owned subsidiary of LG&E and KU Energy LLC ("LKE") and a regulated utility engaged in the generation, transmission, distribution and sale of electricity and distribution and sale of natural gas in Kentucky.

As of December 31, 2023, LG&E provided electric service to approximately 436,000 customers in Louisville and adjacent areas in Kentucky, covering approximately 700 square miles in nine counties and provided natural gas service to approximately 335,000 customers in its electric service area and eight additional counties in Kentucky.

LG&E is subject to regulation as a public utility by the Kentucky Public Service Commission ("KPSC"), and certain of its transmission activities are subject to the jurisdiction of the FERC under the Federal Power Act. LG&E was incorporated in 1913.

Neither PPL Corporation nor any of its subsidiaries or affiliates will guarantee or provide other credit or funding support for the Securities to be offered by LG&E pursuant to this prospectus.

KENTUCKY UTILITIES COMPANY

KU, headquartered in Lexington, Kentucky, is a wholly owned subsidiary of LKE and a regulated utility engaged in the generation, transmission, distribution and sale of electricity in Kentucky and Virginia.

As of December 31, 2023, KU provided electric service to approximately 545,000 customers in 77 counties in central, southeastern and western Kentucky, approximately 28,000 customers in five counties in southwestern Virginia, covering approximately 4,800 non-contiguous square miles. As of December 31, 2023, KU also sold wholesale electricity to two municipalities in Kentucky under load following contracts. In Virginia, KU operates under the Old Dominion Power name.

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KU is subject to regulation as a public utility by the KPSC and the Virginia State Corporation Commission, and certain of its transmission and wholesale power activities are subject to the jurisdiction of the FERC under the Federal Power Act. KU was incorporated in Kentucky in 1912 and in Virginia in 1991.

Neither PPL Corporation nor any of its subsidiaries or affiliates will guarantee or provide other credit or funding support for the Securities to be offered by KU pursuant to this prospectus.

The offices of PPL Corporation, PPL Capital Funding and PPL Electric are located at Two North Ninth Street, Allentown, Pennsylvania 18101-1179 (Telephone number (610) 774-5151).

The offices of LG&E are located at 220 West Main Street, Louisville, Kentucky 40202 (Telephone number (502) 627-2000).

The offices of KU are located at One Quality Street, Lexington, Kentucky 40507 (Telephone number (502) 627-2000).

The information above concerning PPL Corporation, PPL Capital Funding, PPL Electric, LG&E and KU and, if applicable, their respective subsidiaries is only a summary and does not purport to be comprehensive. For additional information about these companies, including certain assumptions, risks and uncertainties involved in the forward-looking statements contained or incorporated by reference in this prospectus, you should refer to the information described in "Where You Can Find More Information."

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USE OF PROCEEDS

Except as otherwise described in a prospectus supplement, the net proceeds from the sale of the PPL Capital Funding Debt Securities and the PPL Capital Funding Subordinated Debt Securities will be loaned to PPL Corporation and/or its subsidiaries, and PPL Corporation and/or its subsidiaries are expected to use the proceeds of such loans, and the proceeds of the other Securities issued by PPL Corporation, for general corporate purposes, including repayment of debt. Except as otherwise described in a prospectus supplement, each of PPL Electric, LG&E and KU is expected to use the proceeds of the Securities it issues for general corporate purposes, including repayment of debt and for capital expenditures.

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WHERE YOU CAN FIND MORE INFORMATION

Available Information

PPL Corporation, PPL Electric, LG&E and KU each file reports and other information with the SEC. The SEC maintains an Internet site that contains information PPL Corporation, PPL Electric, LG&E and KU have filed electronically with the SEC, which you can access over the Internet at http://www.sec.gov.

PPL Corporation's Internet Web site is www.pplweb.com. Under the "Investors" heading of that website, PPL Corporation provides access to all SEC filings of PPL Corporation, PPL Electric, LG&E and KU free of charge, as soon as reasonably practicable after filing with the SEC. The information at PPL Corporation's Internet Web site is not incorporated in this prospectus by reference, and you should not consider it a part of this prospectus.

In addition, reports, proxy statements and other information concerning PPL Corporation, PPL Electric, LG&E and KU, as applicable, can be inspected at Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

Incorporation by Reference

Each of PPL Corporation, PPL Electric, LG&E and KU will "incorporate by reference" information into this prospectus by disclosing important information to you by referring you to another document that it files separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede that information. This prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about the registrants.

PPL Corporation

SEC Filings (File No. 1-11459)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023
PPL Corporation's 2023 Notice of Annual Meeting and Proxy Statement (portions thereof incorporated by reference into PPL Corporation's Annual Report on Form 10-K for the year ended December 31, 2022)	Filed on April 4, 2023
Current Reports on Form 8-K	Filed on January 5, 2024

PPL Electric

SEC Filings (File No. 1-905)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023
Current Reports on Form 8-K	Filed on January 5, 2024

LG&E

SEC Filings (File No. 1-2893)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023

KU

SEC Filings (File No. 1-3464)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023

Additional documents that PPL Corporation, PPL Electric, LG&E and KU file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, between the date of this prospectus and the termination of the offering of the Securities are also incorporated herein by reference. In addition, any additional documents that PPL Corporation, PPL Electric, LG&E or KU file with the SEC pursuant to these sections of the Exchange Act after the date of the filing of the registration statement containing this prospectus, and prior to the effectiveness of the registration statement, are also

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incorporated herein by reference. Unless specifically stated to the contrary, none of the information that PPL Corporation, PPL Electric, LG&E or KU files or discloses under Items 2.02 or 7.01 of any Current Report on Form 8-K that have been furnished or may from time to time be furnished with the SEC is or will be incorporated by reference into, or otherwise included in, this prospectus.

Each of PPL Corporation, PPL Electric, LG&E and KU will provide without charge to each person, including any beneficial owner, to whom a copy of this prospectus has been delivered, a copy of any and all of its filings with the SEC. You may request a copy of these filings by writing or telephoning the appropriate registrant at:

Two North Ninth Street
Allentown, Pennsylvania 18101-1179
Attention: Treasurer
Telephone: 1-800-345-3085

No separate financial statements of PPL Capital Funding are included herein or incorporated herein by reference. PPL Corporation and PPL Capital Funding do not consider those financial statements to be material to holders of the PPL Capital Funding Debt Securities or PPL Capital Funding Subordinated Debt Securities because (1) PPL Capital Funding is a wholly owned subsidiary that was formed for the primary purpose of providing financing for PPL Corporation and its subsidiaries, (2) PPL Capital Funding does not currently engage in any independent operations and (3) PPL Capital Funding is a finance subsidiary and does not currently plan to engage, in the future, in more than minimal independent operations. See “PPL Capital Funding.” Accordingly, PPL Corporation and PPL Capital Funding do not expect PPL Capital Funding to file such reports.

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EXPERTS

The consolidated financial statements of PPL Corporation and PPL Electric Utilities Corporation and the financial statements of Louisville Gas and Electric Company and Kentucky Utilities Company incorporated by reference in this Prospectus by reference to their Annual Reports on Form 10-K for the year ended December 31, 2023, and the effectiveness of PPL Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports. Such financial statements are incorporated by reference in reliance upon the reports of such firm, given their authority as experts in accounting and auditing.

VALIDITY OF THE SECURITIES AND THE PPL GUARANTEES

Davis Polk & Wardwell LLP, New York, New York, and W. Eric Marr, Esq., Senior Counsel of PPL Services Corporation will pass upon the validity of the Securities, the PPL Guarantees and the PPL Subordinated Guarantees for PPL Corporation and PPL Capital Funding. Bracewell LLP, New York, New York and Mr. Marr will pass upon the validity of any PPL Electric Securities for PPL Electric. Bracewell LLP and John P. Fendig, Esq., Senior Counsel of PPL Services Corporation will pass upon the validity of any LG&E and KU Securities for those issuers. Hunton Andrews Kurth LLP, New York, New York will pass upon the validity of the Securities, the PPL Guarantees and the PPL Subordinated Guarantees for any underwriters or agents. Bracewell LLP, Davis Polk & Wardwell LLP and Hunton Andrews Kurth LLP will rely on the opinion of Mr. Marr as to matters involving the law of the Commonwealth of Pennsylvania and on the opinion of Mr. Fendig as to matters involving the laws of the Commonwealths of Kentucky and Virginia.

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PART II.

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

The following is a statement of the estimated expenses (other than underwriting compensation) to be incurred by PPL Corporation and subsidiaries in connection with a distribution of the securities registered under this registration statement.

Securities and Exchange Commission registration fee	$ *
Printing expenses	**
Trustee fees and expenses	**
Legal fees and expenses	**
Accounting fees and expenses	**
Blue Sky fees and expenses	**
Rating Agency fees	**
Miscellaneous	**
Total	$ **

* To be deferred pursuant to Rule 456(b) and calculated in connection with the offering of securities under this registration statement pursuant to Rule 457(r).

** Estimated expenses not presently known.

Item 15. Indemnification of Directors and Officers.

PPL Corporation

Chapter 17, Subchapter D of the Pennsylvania Business Corporation Law of 1988, as amended (the "PBCL"), contains provisions permitting indemnification of officers and directors of a business corporation incorporated in Pennsylvania. Sections 1741 and 1742 of the PBCL provide that a business corporation may indemnify directors and officers against liabilities and expenses he or she may incur in connection with any threatened, pending or completed civil, criminal, administrative or investigative proceeding initiated by a third party or any threatened, pending or completed action by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the corporation or was serving at the request of the corporation as a representative of another enterprise, provided that the particular person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. In general, the power to indemnify under these sections does not exist in the case of actions against a director or officer by or in the right of the corporation if the person otherwise entitled to indemnification shall have been adjudged to be liable to the corporation, unless it is judicially determined that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses the court deems proper. Section 1743 of the PBCL provides that the corporation is required to indemnify directors and officers against expenses they may incur in defending these actions if they are successful on the merits or otherwise in the defense of such actions.

Section 1746 of the PBCL provides that indemnification under the other sections of Subchapter D is not exclusive of other rights that a person seeking indemnification may have under any by-law, agreement, vote of shareholders or disinterested directors or otherwise, whether or not the corporation would have the power to indemnify the person under any other provision of law. However, Section 1746 prohibits indemnification in circumstances where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

Section 1747 of the PBCL permits a corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a representative of another enterprise, against any liability asserted against such person and incurred by him or her in that capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify the person against such liability under Subchapter D.

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PPL Corporation's Bylaws provide that it is obligated to indemnify directors and officers and other persons designated by the board of directors against reasonable expense and any liability paid or incurred by such person in connection with any actual or threatened claim, action, suit or proceeding, civil, criminal, administrative, investigative or other, whether brought by or in the right of the corporation or otherwise, in which he or she may be involved, as a party or otherwise, by reason of such person being or having been a director or officer of the corporation or by reason of the fact that such person is or was serving at the request of the corporation as a director, officer, employee, fiduciary or other representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity (such claim, action, suit or proceeding hereinafter being referred to as "action"). Such indemnification shall include the right to have expenses incurred by such person in connection with an action paid in advance by the corporation prior to final disposition of such action, subject to such conditions as may be prescribed by law. Furthermore, PPL Corporation, as well as its directors and officers, may be entitled to indemnification by any underwriters named in a prospectus supplement against certain civil liabilities under the Securities Act of 1933 under agreements entered into between PPL Corporation and such underwriters.

PPL Corporation presently has insurance policies which, among other things, include liability insurance coverage for officers and directors and officers and directors of PPL Corporation's subsidiaries, including PPL Capital Funding, Inc., under which such officers and directors are covered against any "loss" by reason of payment of damages, judgments, settlements and costs, as well as charges and expenses incurred in the defense of actions, suits or proceedings. "Loss" is specifically defined to exclude fines and penalties, as well as matters deemed uninsurable under the law pursuant to which the insurance policy shall be construed. The policies also contain other specific exclusions, including illegally obtained personal profit or advantage, and dishonesty.

PPL Capital Funding, Inc.

Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") allows a corporation to provide in its certificate of incorporation that a director or officer of the corporation will not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer, except where the director or officer breached the duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit or for an officer in any action by or in the right of the corporation. The Certificate of Incorporation of PPL Capital Funding, Inc. provides for this limitation of liability for directors.

Section 145 of the DGCL, or Section 145, provides, among other things, that a Delaware corporation may indemnify any person who was, is or is threatened to be made, party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person is or was an officer, director, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. A Delaware corporation may indemnify any persons who were or are a party to any threatened, pending or completed action or suit by or in the right of the corporation by reason of the fact that such person is or was a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests, provided further that no indemnification is permitted without judicial approval if the officer, director, employee or agent is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses (including attorneys' fees) which such officer or director has actually and reasonably incurred.

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Section 145 further authorizes a corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would otherwise have the power to indemnify such person under Section 145.

The By-Laws of PPL Capital Funding, Inc. provide that PPL Capital Funding, Inc. shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (an "Indemnitee") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the written request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Indemnitee. Notwithstanding the preceding sentence, except with respect to certain proceedings for unpaid claims, PPL Capital Funding shall be required to indemnify an Indemnitee in connection with a proceeding (or part thereof) commenced by such Indemnitee only if the commencement of such proceeding (or part thereof) by the Indemnitee was authorized by the board of directors. The By-Laws also provide that PPL Capital Funding, Inc. shall pay the expenses (including attorneys' fees) incurred by an Indemnitee in defending any proceeding in advance of its final disposition; provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Indemnitee to repay all amounts advanced if it should be ultimately determined that the Indemnitee is not entitled to be indemnified under the By-Laws or otherwise.

The indemnification rights set forth above shall not be exclusive of any other right which an indemnified person may have or hereafter acquire under any statute, provision of the certificate of incorporation, the by-laws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 174 of the DGCL provides, among other things, that a director, who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption, may be held jointly and severally liable for such actions. A director who was either absent when the unlawful actions were approved or dissented at the time may avoid liability by causing his or her dissent to such actions to be entered in the books containing the minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts. Furthermore, PPL Capital Funding, Inc., as well as its directors and officers, may be entitled to indemnification by any underwriters named in a prospectus supplement against certain civil liabilities under the Securities Act of 1933 under agreements entered into between PPL Capital Funding, Inc. and such underwriters.

PPL Capital Funding, Inc. presently has insurance policies which, among other things, include liability insurance coverage for officers and directors of PPL Capital Funding, Inc., under which such officers and directors are covered against any "loss" by reason of payment of damages, judgments, settlements and costs, as well as charges and expenses incurred in the defense of actions, suits or proceedings. "Loss" is specifically defined to exclude fines and penalties, as well as matters deemed uninsurable under the law pursuant to which the insurance policy shall be construed. The policies also contain other specific exclusions, including illegally obtained personal profit or advantage, and dishonesty.

PPL Electric Utilities Corporation

Chapter 17, Subchapter D of the PBCL, contains provisions permitting indemnification of officers and directors of a business corporation incorporated in Pennsylvania. Sections 1741 and 1742 of the PBCL provide that a business corporation may indemnify directors and officers against liabilities and expenses he or she may incur in connection with any threatened, pending or completed civil, criminal, administrative or investigative proceeding initiated by a third party or any threatened, pending or completed action by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the corporation or was serving at the request of the corporation as a representative of another enterprise, provided that the particular person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. In

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general, the power to indemnify under these sections does not exist in the case of actions against a director or officer by or in the right of the corporation if the person otherwise entitled to indemnification shall have been adjudged to be liable to the corporation, unless it is judicially determined that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses the court deems proper. Section 1743 of the PBCL provides that the corporation is required to indemnify directors and officers against expenses they may incur in defending these actions if they are successful on the merits or otherwise in the defense of such actions.

Section 1746 of the PBCL provides that indemnification under the other sections of Subchapter D is not exclusive of other rights that a person seeking indemnification may have under any by-law, agreement, vote of shareholders or disinterested directors or otherwise, whether or not the corporation would have the power to indemnify the person under any other provision of law. However, Section 1746 prohibits indemnification in circumstances where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

Section 1747 of the PBCL permits a corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a representative of another enterprise, against any liability asserted against such person and incurred by him or her in that capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify the person against such liability under Subchapter D.

PPL Electric Utilities Corporation's Bylaws provide that it is obligated to indemnify directors and officers and other persons designated by the board of directors against reasonable expense and any liability paid or incurred by such person in connection with any actual or threatened claim, action, suit or proceeding, civil, criminal, administrative, investigative or other, whether brought by or in the right of the corporation or otherwise, in which he or she may be involved, as a party or otherwise, by reason of such person being or having been a director or officer of the corporation or by reason of the fact that such person is or was serving at the request of the corporation as a director, officer, employee, fiduciary or other representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity (such claim, action, suit or proceeding hereinafter being referred to as "action"). Such indemnification shall include the right to have expenses incurred by such person in connection with an action paid in advance by the corporation prior to final disposition of such action, subject to such conditions as may be prescribed by law. In addition, PPL Electric Utilities Corporation, as well as its directors and officers, may be entitled to indemnification by any underwriters named in a prospectus supplement against certain civil liabilities under the Securities Act of 1933 under agreements entered into between PPL Electric Utilities Corporation and such underwriters.

PPL Electric Utilities Corporation presently has insurance policies which, among other things, include liability insurance coverage for officers and directors of PPL Electric Utilities Corporation, under which such officers and directors are covered against any "loss" by reason of payment of damages, judgments, settlements and costs, as well as charges and expenses incurred in the defense of actions, suits or proceedings. "Loss" is specifically defined to exclude fines and penalties, as well as matters deemed uninsurable under the law pursuant to which the insurance policy shall be construed. The policies also contain other specific exclusions, including illegally obtained personal profit or advantage, and dishonesty.

Louisville Gas and Electric Company

Louisville Gas and Electric Company is a corporation incorporated under the Kentucky Business Corporation Act, or the KBCA. LG&E's Amended and Restated Articles of Incorporation and By-laws provide, in general, for mandatory indemnification of directors and officers by the registrant to the fullest extent permitted by law.

Sections 271B.8-500 to 271B.8-580 of the KBCA provide that a corporation may indemnify an individual made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, because he is or was a director of a corporation or an individual who, while a director, officer, employee or agent of a corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against liability incurred in the proceeding if he conducted himself in good faith and he honestly believed (a) in the case of conduct in his official capacity with the corporation that his conduct was in its best interests and (b) in all other cases, that his

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conduct was at least not opposed to its best interests. In the case of any criminal proceeding, he must have had no reasonable cause to believe his conduct was unlawful. A corporation may not indemnify such individual (i) in connection with a proceeding by or in the right of the corporation in which such individual was adjudged liable to the corporation or (ii) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him. Indemnification permitted in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

Section 271B.8-520 of the KBCA provides that, unless limited by its articles of incorporation, a corporation shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he was a party because he is or was a director of the corporation against reasonable expenses incurred by him in connection with the proceeding.

Under Section 271B.2-020(2)(d) of the KBCA, a corporation's articles of organization may eliminate or limit the personal liability of a director to the corporation or its shareholders for monetary damages for breach of his duties as a director, provided that such provision shall not eliminate or limit the liability of a director (1) for any transaction in which the director's personal financial interest is in conflict with the financial interests of the corporation or its shareholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law, (3) for any vote for or assent to an unlawful distribution to shareholders as prohibited under Section 271B.8-330 or (4) for any transaction from which the director derived an improper personal benefit.

In addition, LG&E, as well as its directors and officers, may be entitled to indemnification by any underwriters named in a prospectus supplement against certain civil liabilities under the Securities Act of 1933 under agreements entered into between LG&E and such underwriters.

LG&E presently has insurance policies which, among other things, include liability insurance coverage for officers and directors of LG&E, under which such officers and directors are covered against any "loss" by reason of payment of damages, judgments, settlements and costs, as well as charges and expenses incurred in the defense of actions, suits or proceedings. "Loss" is specifically defined to exclude fines and penalties, as well as matters deemed uninsurable under the law pursuant to which the insurance policy shall be construed. The policies also contain other specific exclusions, including illegally obtained personal profit or advantage, and dishonesty.

Kentucky Utilities Company

Kentucky Utilities Company is a corporation incorporated under the Kentucky Business Corporation Act, or the KBCA, and the Virginia Stock Corporation Act, or VSCA. KU's Amended and Restated Articles of Incorporation and By-laws provide, in general, for mandatory indemnification of directors and officers by the registrant to the fullest extent permitted by law.

Sections 271B.8-500 to 271B.8-580 of the KBCA provide that a corporation may indemnify an individual made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, because he is or was a director of a corporation or an individual who, while a director, officer, employee or agent of a corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against liability incurred in the proceeding if he conducted himself in good faith and he honestly believed (a) in the case of conduct in his official capacity with the corporation that his conduct was in its best interests and (b) in all other cases, that his conduct was at least not opposed to its best interests. In the case of any criminal proceeding, he must have had no reasonable cause to believe his conduct was unlawful. A corporation may not indemnify such individual (i) in connection with a proceeding by or in the right of the corporation in which such individual was adjudged liable to the corporation or (ii) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him. Indemnification permitted in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

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Section 271B.8-520 of the KBCA provides that, unless limited by its articles of incorporation, a corporation shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he was a party because he is or was a director of the corporation against reasonable expenses incurred by him in connection with the proceeding.

Under Section 271B.2-020(2)(d) of the KBCA, a corporation's articles of organization may eliminate or limit the personal liability of a director to the corporation or its shareholders for monetary damages for breach of his duties as a director, provided that such provision shall not eliminate or limit the liability of a director (1) for any transaction in which the director's personal financial interest is in conflict with the financial interests of the corporation or its shareholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law, (3) for any vote for or assent to an unlawful distribution to shareholders as prohibited under Section 271B.8-330 or (4) for any transaction from which the director derived an improper personal benefit.

The Virginia Stock Corporation Act Section 13.1-697 empowers a corporation to indemnify an individual made a party to a proceeding because he is or was a director against liability incurred in the proceeding if: the director (1) conducted himself in good faith; and (2) believed (i) in the case of conduct in his official capacity with the corporation, that his conduct was in its best interests; and (ii) in all other cases, that his conduct was at least not opposed to its best interests; and (3) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful; or (4) he engaged in conduct for which broader indemnification has been made permissible or obligatory as authorized by subsection C of Section 13.1-704. A corporation may not indemnify a director (1) in connection with a proceeding by or in the right of the corporation except for reasonable expenses incurred in connection with the proceeding if it is determined that the director has met the relevant standard in the preceding sentence; or (2) in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him. Unless limited by its articles of incorporation, a corporation must indemnify a director who entirely prevails in the defense of any proceeding to which he was a party because he is or was a director of the corporation against reasonable expenses incurred by him in connection with the proceeding. Under the VSCA Section 13.1-699, a corporation may pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of the final disposition of the proceeding if the director furnishes the corporation an undertaking, executed personally or on his behalf, to repay the advance if the director is not entitled to mandatory indemnification under Section 13.1-698 of the VSCA and it is ultimately determined that he did not meet the relevant standard of conduct. Unless a corporation's articles of incorporation provide otherwise, the corporation may indemnify and advance expenses to an officer of the corporation to the same extent as to a director. A corporation may also purchase and maintain on behalf of a director or officer insurance against liabilities incurred in such capacities, whether or not the corporation would have the power to indemnify him against the same liability under the VSCA.

In addition, KU, as well as its directors and officers, may be entitled to indemnification by any underwriters named in a prospectus supplement against certain civil liabilities under the Securities Act of 1933 under agreements entered into between KU and such underwriters.

KU presently has insurance policies which, among other things, include liability insurance coverage for officers and directors of KU, under which such officers and directors are covered against any "loss" by reason of payment of damages, judgments, settlements and costs, as well as charges and expenses incurred in the defense of actions, suits or proceedings. "Loss" is specifically defined to exclude fines and penalties, as well as matters deemed uninsurable under the law pursuant to which the insurance policy shall be construed. The policies also contain other specific exclusions, including illegally obtained personal profit or advantage, and dishonesty.

Item 16. Exhibits.

Reference is made to the Exhibit Index filed herewith at page II-9, such Exhibit Index being incorporated in this Item 16 by reference. Instruments with respect to long-term debt of the undersigned registrants and their consolidated subsidiaries other than those instruments listed in the Exhibit Index are omitted pursuant to Item 601(b)(4)(iii) of Regulation S-K, as the total amount authorized under each such omitted instrument does not exceed 10 percent of the total assets of the undersigned registrants and their subsidiaries on a consolidated basis. The undersigned registrants hereby agrees to furnish a copy of any such instrument to the Securities and Exchange Commission upon request.

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Item 17. Undertakings.

(a) The undersigned registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Filing Fee Tables" or "Calculation of Registration Fee" table, as applicable, in the effective Registration Statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the registration statement;

provided, however, that (i), (ii) and (iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrants pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrants pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering

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thereof. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrants under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrants undertake that in a primary offering of securities of the undersigned registrants pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrants will be sellers to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrants relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrants or used or referred to by the undersigned registrants;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrants or their securities provided by or on behalf of the undersigned registrants; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrants to the purchaser.

(b) The undersigned registrants hereby undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrants' annual reports pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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PPL CORPORATION
PPL CAPITAL FUNDING, INC.
PPL ELECTRIC UTILITIES CORPORATION
LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY
REGISTRATION STATEMENT ON FORM S-3

EXHIBIT INDEX

Exhibit No.	Description	Method of Filing
1.1	Form of Underwriting Agreement with respect to Securities	A form of underwriting agreement with respect to any securities will be filed as an Exhibit to a report on Form 8-K, as contemplated by Item 601(b)(1) of Regulation S-K under the Securities Act.
3.1	*Amended and Restated Articles of Incorporation of PPL Corporation	Exhibit 3(i) to PPL Corporation Form 8-K (File No. 1-11459) dated May 26, 2016.
3.2	*Amended and Restated Articles of Incorporation of PPL Electric Utilities Corporation	Exhibit 3(a) to PPL Electric Utilities Corporation Quarterly Report on Form 10-Q (File No. 1-905) for the quarter ended September 30, 2013.
3.3.1	*Certificate of Incorporation of PPL Capital Funding, Inc.	Exhibit 3.3 to PPL Corporation and PPL Capital Funding, Inc. Registration Statement on Form S-3 (File Nos. 333-38003 and 333-38003-01) dated October 16, 1997.
3.3.2	*Amended Certificate of Incorporation of PPL Capital Funding, Inc.	Exhibit 3.5 to PPL Corporation, PPL Capital Funding, Inc. and PPL Capital Funding Trust I Registration Statement on Form S-3 (File Nos. 333-54504, 333-54504-1 and 333-54504-2) dated January 29, 2001.
3.4.1	*Amended and Restated Articles of Incorporation of Louisville Gas and Electric Company	Exhibit 3(a) to Louisville Gas and Electric Company Registration Statement filed on Form S-4 (File No. 333-173676) dated April 22, 2011.
3.4.2	*Articles of Amendment to Articles of Incorporation of Louisville Gas and Electric Company	Exhibit 3(b) to Louisville Gas and Electric Company Registration Statement filed on Form S-4 (File No. 333-173676) dated April 22, 2011.
3.5.1	*Amended and Restated Articles of Incorporation of Kentucky Utilities Company	Exhibit 3(a) to Kentucky Utilities Company Registration Statement filed on Form S-4 (File No. 333-173675) dated April 22, 2011.
3.5.2	*Articles of Amendment to Articles of Incorporation of Kentucky Utilities Company	Exhibit 3(b) to Kentucky Utilities Company Registration Statement filed on Form S-4 (File No. 333-173675) dated April 22, 2011.
3.6	*Bylaws of PPL Corporation	Exhibit 3(ii) to PPL Corporation Form 8-K (File No. 1-11459) dated December 19, 2022.
3.7	*Bylaws of PPL Electric Utilities Corporation	Exhibit 3(a) to PPL Electric Utilities Corporation Quarterly Report on Form 10-Q (File No. 1-905) for the quarter ended September 30, 2015.
3.8	*By-Laws of PPL Capital Funding, Inc.	Exhibit 3.4 to PPL Corporation and PPL Capital Funding, Inc. Registration Statement Nos. 333-38003 and 333-38003-01.
3.9	*Bylaws of Louisville Gas and Electric Company	Exhibit 3(c) to Louisville Gas and Electric Company Registration Statement filed on Form S-4 (File No. 333-173676) dated April 22, 2011.
3.10	*Bylaws of Kentucky Utilities Company	Exhibit 3(c) to Kentucky Utilities Company Registration Statement filed on Form S-4 (File No. 333-173675) dated April 22, 2011.

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Exhibit No.	Description	Method of Filing
4.1	~~*Form of PPL Corporation Common Stock Certificate~~	Exhibit 4.1 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-158200) dated March 25, 2009.
4.2	[Reserved]	
4.3	[Reserved]	
4.4.1	~~*Indenture dated as of November 1, 1997, among PPL Corporation, PPL Capital Funding, Inc. and The Bank of New York Mellon (as successor trustee to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as Trustee~~	Exhibit 4.1 to PPL Corporation Form 8-K (File No. 1-11459) dated November 17, 1997.
4.4.2	~~*Supplemental Indenture No. 8, dated as of June 14, 2012, to said Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated June 14, 2012.
4.4.3	~~*Supplemental Indenture No. 9, dated as of October 15, 2012, to said Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated October 15, 2012.
4.4.4	~~*Supplemental Indenture No. 10, dated as of May 24, 2013, to said Indenture~~	Exhibit 4.2 to PPL Corporation Form 8-K (File No. 1-11459) dated May 24, 2013.
4.4.5	~~*Supplemental Indenture No. 11, dated as of May 24, 2013, to said Indenture~~	Exhibit 4.3 to PPL Corporation Form 8-K (File No. 1-11459) dated May 24, 2013.
4.4.6	~~*Supplemental Indenture No. 12, dated as of May 24, 2013, to said Indenture~~	Exhibit 4.4 to PPL Corporation Form 8-K (File No. 1-11459) dated May 24, 2013.
4.4.7	~~*Supplemental Indenture No. 13, dated as of March 10, 2014, to said Indenture~~	Exhibit 4.2 to PPL Corporation Form 8-K (File No. 1-11459) dated March 10, 2014.
4.4.8	~~*Supplemental Indenture No. 14, dated as of March 10, 2014, to said Indenture~~	Exhibit 4.3 to PPL Corporation Form 8-K (File No. 1-11459) dated March 10, 2014.
4.4.9	~~*Supplemental Indenture No. 15, dated as of May 17, 2016, to said Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated May 17, 2016.
4.4.10	~~*Supplemental Indenture No. 16, dated as of September 8, 2017, to said Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated September 6, 2017.
4.4.11	~~*Supplemental Indenture No. 17, dated as of April 1, 2020, to said Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated April 3, 2020.
4.5	~~*Form of Supplemental Indenture establishing series of PPL Capital Funding, Inc. debt securities~~	Exhibit 4.5 to PPL Corporation and PPL Capital Funding, Inc. Registration Statement filed on Form S-3 (File Nos. 333-158200 and 333-158200-03) dated March 25, 2009.
4.6	~~*Form of Officer's Certificate establishing the form and terms of PPL Capital Funding, Inc. debt securities.~~	Exhibit 4.6 to PPL Corporation and PPL Capital Funding, Inc. Registration Statement filed on Form S-3 (File Nos. 333-158200 and 333-158200-03) dated March 25, 2009.
4.7	~~*Form of PPL Corporation Purchase Contract Agreement~~	Exhibit 4.7 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-158200) dated March 25, 2009.
4.8	~~*Form of PPL Corporation Pledge Agreement~~	Exhibit 4.8 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-158200) dated March 25, 2009.
4.9	~~*Form of PPL Corporation Remarketing Agreement~~	Exhibit 4.9 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-158200) dated March 25, 2009.
4.10.1	~~*Indenture, dated as of August 1, 2001, between PPL Electric Utilities Corporation and The Bank of New York Mellon (as successor trustee to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as Trustee~~	Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated August 21, 2001.

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Exhibit No.	Description	Method of Filing
4.10.2	~~*Supplemental Indenture No. 6, dated as of December 1, 2005, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated December 22, 2005.
4.10.3	~~*Supplemental Indenture No. 7, dated as of August 1, 2007, to said Indenture~~	Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated August 14, 2007.
4.10.4	~~*Supplemental Indenture No. 9, dated as of October 1, 2008, to said Indenture~~	Exhibit 4(c) to PPL Electric Utilities Corporation Form 8-Ks (File No. 1-905) dated October 31, 2008.
4.10.5	~~*Supplemental Indenture No. 10, dated as of May 1, 2009, to said Indenture~~	Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated May 22, 2009.
4.10.6	~~*Supplemental Indenture No. 11, dated as of July 1, 2011, to said Indenture~~	Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated July 13, 2011.
4.10.7	~~*Supplemental Indenture No. 12, dated as of July 1, 2011, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated July 18, 2011.
4.10.8	~~*Supplemental Indenture No. 13, dated as of August 1, 2011, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated August 24, 2011.
4.10.9	~~*Supplemental Indenture No. 14, dated as of August 1, 2012, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated August 24, 2012.
4.10.10	~~*Supplemental Indenture No. 15, dated as of July 1, 2013, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated July 11, 2013.
4.10.11	~~*Supplemental Indenture No. 16, dated as of June 1, 2014, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated June 5, 2014.
4.10.12	~~*Supplemental Indenture No. 17, dated as of October 1, 2015, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated October 1, 2015.
4.10.13	~~*Supplemental Indenture No. 18, dated as of March 1, 2016, to said Indenture~~	Exhibit 4(c) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated March 10, 2016.
4.10.14	~~*Supplemental Indenture No. 19, dated as of May 1, 2017, to said Indenture~~	Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K (File No. 1-905) dated May 11, 2017.
4.10.15	~~*Supplemental Indenture No. 20, dated as of June 1, 2018, to said Indenture~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated June 14, 2018.
4.10.16	~~*Supplemental Indenture No. 21, dated as of September 1, 2019, to said Indenture~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated September 6, 2019.
4.10.17	~~*Supplemental Indenture No. 22, dated as of September 15, 2020, to said Indenture~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated October 1, 2020.
4.10.18	~~*Supplemental Indenture No. 23, dated as of June 15, 2021, to said Indenture~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated June 24, 2021.
4.10.19	~~*Supplemental Indenture No. 24, dated as of March 1, 2023, to said Indenture~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated March 2, 2023.
4.10.20	~~*Supplemental Indenture No. 25, dated as of January 1, 2024, to said Indenture~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated January 5, 2024.
4.11	~~*Form of Supplemental Indenture to said Indenture establishing series of PPL Electric Utilities Corporation debt securities~~	Exhibit 4.14 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-180410) dated March 29, 2012.
4.12	~~*Form of Officer's Certificate establishing the form and terms of PPL Electric Utilities Corporation debt securities~~	Exhibit 4.15 to PPL Electric Utilities Corporation Registration Statement filed on Form S-3 (File No. 333-158200-02) dated March 25, 2009.
4.13.1	~~*Subordinated Indenture, dated as of March 1, 2007, between PPL Capital Funding, Inc., PPL Corporation and The Bank of New York Mellon, as Trustee~~	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated March 20, 2007.
4.13.2	~~*Supplemental Indenture No. 1, dated as of March 1, 2007, to said Subordinated Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated March 20, 2007.
4.13.3	~~*Supplemental Indenture No. 4, dated as of March 15, 2013, to said Subordinated Indenture~~	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated March 15, 2013

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Exhibit No.	Description	Method of Filing
4.14	*Form of Supplemental Indenture to said Subordinated Indenture establishing series of PPL Capital Funding Inc. subordinated debt securities	Exhibit 4.17 to PPL Corporation and PPL Capital Funding, Inc. Registration Statement filed on Form S-3 (File Nos. 333-158200 and 333-158200-03) dated March 25, 2009.
4.15	*Form of Officers' Certificate establishing the form and terms of PPL Capital Funding, Inc. subordinated debt securities	Exhibit 4.18 to PPL Corporation and PPL Capital Funding, Inc. Registration Statement filed on Form S-3 (File Nos. 333-158200 and 333-158200-03) dated March 25, 2009.
4.16.1	*Indenture, dated as of October 1, 2010, between Louisville Gas and Electric Company and The Bank of New York Mellon, as Trustee	Exhibit 4(r)-1 to PPL Corporation Annual Report on Form 10-K (File No. 1-11459) for the year ended December 31, 2010.
4.16.2	*Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture	Exhibit 4(r)-2 to PPL Corporation Form 10-K (File No. 1-11459) for the year ended December 31, 2010.
4.16.3	*Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture	Exhibit 4(r)-3 to PPL Corporation Form 10-K (File No. 1-11459) for the year ended December 31, 2010.
4.16.4	*Supplemental Indenture No. 3, dated as of November 1, 2013, to said Indenture	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated November 14, 2013.
4.16.5	*Supplemental Indenture No. 4, dated as of September 1, 2015, to said Indenture	Exhibit 4(a) to Louisville Gas and Electric Company Form 8-K (File No. 1-2893) dated September 28, 2015.
4.16.6	*Supplemental Indenture No. 5, dated as of September 1, 2016, to said Indenture	Exhibit 4(b) to Louisville Gas and Electric Company Form 8-K (File No. 1-2893) dated September 15, 2016.
4.16.7	*Supplemental Indenture No. 6, dated as of May 15, 2017, to said Indenture	Exhibit 4(b) to Louisville Gas and Electric Company Form 8-K (File No. 1-2893) dated June 1, 2017).
4.16.8	*Supplemental Indenture No. 7, dated as of March 1, 2019, to said Indenture	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated April 1, 2019.
4.16.9	*Supplemental Indenture No. 8, dated as of March 1, 2023, to said Indenture	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated March 20, 2023.
4.16.10	*Supplemental Indenture No. 9, dated as of November 1, 2023, to said Indenture	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated December 6, 2023.
4.17	*Form of Supplemental Indenture establishing series of Louisville Gas and Electric Company debt securities	Exhibit 4.26 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-180410) dated March 29, 2012.
4.18	*Form of Officer's Certificate establishing the form and terms of Louisville Gas and Electric Company debt securities	Exhibit 4.27 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-180410) dated March 29, 2012.
4.19.1	*Indenture, dated as of October 1, 2010, between Kentucky Utilities Company and The Bank of New York Mellon, as Trustee	Exhibit 4(q)-1 to PPL Corporation Annual Report on Form 10-K (File No. 1-11459) for the year ended December 31, 2010.
4.19.2	*Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture	Exhibit 4(q)-2 to PPL Corporation Form 10-K (File No. 1-11459) for the year ended December 31, 2010.
4.19.3	*Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture	Exhibit 4(q)-3 to PPL Corporation Form 10-K (File No. 1-11459) for the year ended December 31, 2010.
4.19.4	*Supplemental Indenture No. 3, dated as of November 1, 2013, to said Indenture	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated November 14, 2013.
4.19.5	*Supplemental Indenture No. 4, dated as of September 1, 2015, to said Indenture	Exhibit 4(b) to Kentucky Utilities Company Form 8-K (File No. 1-3464) dated September 28, 2015.
4.19.6	*Supplemental Indenture No. 5, dated as of August 1, 2016, to said Indenture	Exhibit 4(b) to Kentucky Utilities Company Form 8-K (File No. 1-3464) dated August 26, 2016.

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Exhibit No.	Description	Method of Filing
4.19.7	*Supplemental Indenture No. 6, dated as of August 1, 2018, to said Indenture	Exhibit 4(a) to PPL Corporation 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2018.
4.19.8	*Supplemental Indenture No. 7, dated as of March 1, 2019, to said Indenture	Exhibit 4(b) to PPL Corporation Form 8-K (File No. 1-11459) dated April 1, 2019.
4.19.9	*Supplemental Indenture No. 8, dated as of May 15, 2020, to said Indenture	Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated June 3, 2020.
4.19.10	*Supplemental Indenture No. 9, dated as of March 1, 2023, to said Indenture	Exhibit 4(c) to PPL Corporation Form 8-K (File No. 1-11459) dated March 20, 2023.
4.19.11	*Supplemental Indenture No. 10, dated as of November 1, 2023, to said Indenture	Exhibit 4(e) to PPL Corporation Form 8-K (File No. 1-11459) dated December 6, 2023.
4.20	*Form of Supplemental Indenture establishing series of Kentucky Utilities Company debt securities	Exhibit 4.29 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-180410) dated March 29, 2012.
4.21	*Form of Officer's Certificate establishing the form and terms of Kentucky Utilities Company debt securities	Exhibit 4.30 to PPL Corporation Registration Statement filed on Form S-3 (File No. 333-180410) dated March 29, 2012.
4.22	*Amendment No. 1 to PPL Employee Stock Ownership Plan, dated October 2, 2017	Exhibit 4(c) to PPL Corporation Quarterly Report on Form 10-Q (File No. 1-11459) for the quarter ended September 30, 2017.
5.1	Opinion of W. Eric Marr, Esq.	Filed herewith.
5.2	Opinion of John P. Fendig, Esq.	Filed herewith.
5.3	Opinion of Bracewell LLP	Filed herewith.
5.4	Opinion of Davis Polk & Wardwell LLP	Filed herewith.
23.1	Consent of W. Eric Marr, Esq.	Filed herewith as part of Exhibit 5.1.
23.2	Consent of John P. Fendig, Esq.	Filed herewith as part as Exhibit 5.2
23.3	Consent of Bracewell LLP	Filed herewith as part of Exhibit 5.3.
23.4	Consent of Davis Polk & Wardwell LLP	Filed herewith as part of Exhibit 5.4.
23.5	Consent of Deloitte & Touche LLP—PPL Corporation	Filed herewith.
23.6	Consent of Deloitte & Touche LLP—PPL Electric Utilities Corporation	Filed herewith.
23.7	Consent of Deloitte & Touche LLP—Louisville Gas and Electric Company	Filed herewith.
23.8	Consent of Deloitte & Touche LLP—Kentucky Utilities Company	Filed herewith.
24.1	Power of Attorney of Directors of PPL Corporation	Filed herewith.
25.1	Statement of Eligibility of The Bank of New York Mellon, as Trustee under the PPL Capital Funding, Inc. Indenture, dated as of November 1, 1997	Filed herewith.
25.2	Statement of Eligibility of The Bank of New York Mellon, as Trustee and Purchase Contract Agent under the form of PPL Corporation Purchase Contract Agreement	Filed herewith.
25.3	Statement of Eligibility of The Bank of New York Mellon, as Trustee under the PPL Electric Utilities Corporation Indenture, dated as of August 1, 2001	Filed herewith.

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Exhibit No.	Description	Method of Filing
25.4	Statement of Eligibility of The Bank of New York Mellon, as Trustee under the PPL Capital Funding, Inc. Subordinated Indenture, dated as of March 1, 2007	Filed herewith.
25.5	Statement of Eligibility of The Bank of New York Mellon, as Trustee under the Louisville Gas and Electric Company Indenture, dated as of October 1, 2010	Filed herewith.
25.6	Statement of Eligibility of The Bank of New York Mellon, as Trustee under the Kentucky Utilities Company Indenture, dated as of October 1, 2010	Filed herewith.
107	Filing Fee Table	Filed herewith.

* Previously filed as indicated and incorporated herein by reference.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, PPL Corporation certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Allentown, and Commonwealth of Pennsylvania, on the 16th day of February, 2024.

PPL Corporation
(Registrant)

By: /s/ Vincent Sorgi
Name: Vincent Sorgi
Title: President, Chief Executive Officer and Director

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on the 16th day of February, 2024.

~~Signature~~	~~Title~~
/s/ Vincent Sorgi Vincent Sorgi, President, Chief Executive Officer and Director	Principal Executive Officer and Director
/s/ Joseph P. Bergstein Jr. Joseph P. Bergstein Jr., Executive Vice President and Chief Financial Officer	Principal Financial Officer
/s/ Marlene C. Beers Marlene C. Beers, Vice President and Controller	Principal Accounting Officer
ARTHUR P. BEATTIE, VENKATA RAJAMANNAR MADADHUSHI, HEATHER B. REDMAN, CRAIG A. ROGERSON, LINDA G. SULLIVAN, NATICA von ALTHANN, KEITH H. WILLIAMSON, PHOEBE A. WOOD, ARMANDO ZAGALO DE LIMA	Directors

By /s/ W. Eric Marr
W. Eric Marr, As Attorney-in-Fact

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, PPL Capital Funding, Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Allentown, and Commonwealth of Pennsylvania, on the 16th day of February, 2024.

PPL Capital Funding, Inc.
(Registrant)

By: /s/ Joseph P. Bergstein, Jr.
Name: Joseph P. Bergstein, Jr.
Title: President

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on the 16th day of February, 2024.

~~Signature~~	~~Title~~
/s/ Joseph P. Bergstein, Jr. Joseph P. Bergstein, Jr., President	Principal Executive and Financial Officer and Director
/s/ Marlene C. Beers Marlene C. Beers, Vice President and Controller	Principal Accounting Officer
/s/ Tadd J. Henninger Tadd J. Henninger, Senior Vice President and Treasurer	Director
/s/ Andrew W. Elmore Andrew W. Elmore, Vice President-Tax	Director

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, PPL Electric Utilities Corporation certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Allentown, and Commonwealth of Pennsylvania, on the 16th day of February, 2024.

PPL Electric Utilities Corporation
(Registrant)

By: /s/ Christine M. Martin
Name: Christine M. Martin
Title: President

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on the 16th day of February, 2024.

~~Signature~~	~~Title~~
/s/ Christine M. Martin Christine M. Martin, President	Principal Executive Officer
/s/ Marlene C. Beers Marlene C. Beers, Vice President and Controller	Principal Financial and Accounting Officer
/s/ Vincent Sorgi Vincent Sorgi	Director
/s/ Joseph P. Bergstein, Jr. Joseph P. Bergstein, Jr.	Director
/s/ Angela K. Gosman Angela K. Gosman	Director
/s/ Wendy E. Stark Wendy E. Stark	Director
/s/ Francis X. Sullivan Francis X. Sullivan	Director

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Louisville Gas and Electric Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Louisville, and Commonwealth of Kentucky, on the 16th day of February, 2024.

Louisville Gas and Electric Company
(Registrant)

By: /s/ John R. Crockett III
Name: John R. Crockett III,
Title: President

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on the 16th day of February, 2024.

~~Signature~~	~~Title~~
/s/ John R. Crockett III, John R. Crockett III, President	Principal Executive Officer and Director
/s/ Christopher M. Garrett Christopher M. Garrett, Vice President-Finance and Accounting	Principal Financial and Accounting Officer
/s/ Vincent Sorgi Vincent Sorgi	Director
/s/ Joseph P. Bergstein, Jr. Joseph P. Bergstein, Jr.	Director
/s/ Angela K. Gosman Angela K. Gosman	Director
/s/ Wendy E. Stark Wendy E. Stark	Director
/s/ Francis X. Sullivan Francis X. Sullivan	Director

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Kentucky Utilities Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Louisville, and Commonwealth of Kentucky, on the 16th day of February, 2024.

Kentucky Utilities Company
(Registrant)

By: /s/ John R. Crockett III
Name: John R. Crockett III
Title: President

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on the 16th day of February, 2024.

~~Signature~~	~~Title~~
/s/ John R. Crockett III, John R. Crockett III, President	Principal Executive Officer and Director
/s/ Christopher M. Garrett Christopher M. Garrett, Vice President-Finance and Accounting	Principal Financial and Accounting Officer
/s/ Vincent Sorgi Vincent Sorgi	Director
/s/ Joseph P. Bergstein, Jr. Joseph P. Bergstein, Jr.	Director
/s/ Angela K. Gosman Angela K. Gosman	Director
/s/ Wendy E. Stark Wendy E. Stark	Director
/s/ Francis X. Sullivan Francis X. Sullivan	Director

Exhibit 5.1

W. Eric Marr
Senior Counsel
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101-1179
WMarr@pplweb.com
February 16, 2024

February 16, 2024

PPL Corporation
PPL Capital Funding, Inc.
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101

Ladies and Gentlemen:

I am Senior Counsel of PPL Services Corporation, a wholly owned subsidiary of PPL Corporation, a Pennsylvania corporation ("PPL"). I have acted as counsel to PPL, PPL Capital Funding, Inc., a Delaware corporation ("PPL Capital"), and PPL Electric Utilities Corporation, a Pennsylvania corporation ("PPL Electric" and, together with PPL and PPL Capital, the "Registrants") in connection with the proposed issuance and sale from time to time of a presently indeterminate aggregate amount of securities ("Securities"), including:

(i) shares of PPL's Common Stock, par value $.01 per share ("PPL Common Stock");

(ii) contracts to purchase shares of PPL Common Stock ("Stock Purchase Contracts"), and/or stock purchase units, each representing either (A) a Stock Purchase Contract, or (B) a Stock Purchase Contract and PPL Preferred Stock or debt securities or preferred trust securities of third parties that are pledged to secure the stock purchase unit holders' obligations to purchase PPL Common Stock under the Stock Purchase Contracts ("Stock Purchase Units");

(iii) shares of PPL's Preferred Stock, par value $.01 per share ("PPL Preferred Stock"), and/or PPL's depositary shares ("PPL Depositary Shares"), to be issued under a deposit agreement ("PPL Deposit Agreement") and representing a fractional interest in PPL Preferred Stock;

(iv) PPL Capital's unsecured and unsubordinated debt securities ("PPL Capital Debt Securities"), together with PPL's guarantees (the "Guarantees") as to payment of principal thereof and interest and premium, if any, thereon, such PPL Capital Debt Securities and the Guarantees to be issued under the Indenture dated as of November 1, 1997 of PPL Capital and PPL to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as may be further amended or supplemented by one or more supplements relating to such PPL Capital Debt Securities (the "PPL Capital Indenture");

(v) PPL Capital's unsecured and subordinated debt securities ("PPL Capital Subordinated Debt Securities"), together with PPL's guarantees (the "Subordinated Guarantees") as to payment of principal thereof and interest and premium, if any, thereon, such PPL Capital Subordinated Debt Securities and the Subordinated Guarantees to be issued under the Subordinated Indenture dated as of March 1, 2007 of PPL Capital and PPL to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as may be further amended or supplemented by one of more supplements relating to the PPL Capital Subordinated Debt Securities (the "PPL Capital Subordinated Indenture");

(vi) PPL Electric's senior secured debt securities ("PPL Electric Secured Debt Securities"), to be issued under PPL Electric's Indenture dated as of August 1, 2001 to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as to be further amended and supplemented by one or more supplemental indentures relating to such PPL Electric Secured Debt Securities (the "PPL Electric Indenture"); and

(vii) certain other securities of the Registrants;

all as contemplated by the Registration Statement on Form S-3 (the "Registration Statement") proposed to be filed by the Registrants with the Securities and Exchange Commission ("Commission") on or about the date hereof for the registration of the Securities under the Securities Act of 1933, as amended (the "Act"), and for the qualification under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") of the PPL Capital Indenture, the PPL Electric Indenture and the PPL Capital Subordinated Indenture and, to the extent necessary, the purchase contract agreement to be entered into in connection with the issuance of Stock Purchase Contracts or Stock Purchase Units (the "Purchase Contract Agreement").

For purposes of this opinion letter, I have assumed that, at the time of offer, issuance and sale of any Securities (i) the Registration Statement, as it may be amended, shall have become effective under the Act and such effectiveness shall not have been terminated or withdrawn; (ii) one or more supplements to the prospectus which describe such Securities and specify certain pricing and issuance terms of such Securities shall have been filed with the Commission; (iii) at the time of the issuance and delivery of PPL Common Stock, PPL has sufficient authorized but unissued shares of Common Stock under the terms of its charter and that such authorized but unissued shares of Common Stock have not been reserved for issuance for other purposes; (iv) the Board of Directors of the Registrant or Registrants issuing such Securities, or a duly authorized committee thereof, and/or the proper officers of such Registrant or Registrants acting pursuant to properly delegated authority, shall have taken such action as may be necessary to authorize the issuance and sale of such Securities and, if applicable, to establish the relative rights and preferences of such Securities, or other terms of such Securities, in each case as set forth in or contemplated by the Registration Statement and any prospectus supplement relating to such Securities; (v) there shall not have occurred any change in law or any authorization affecting the legality or enforceability of such Securities; and (vi) each Registrant issuing such Securities shall remain duly incorporated and validly existing under the laws of the jurisdiction of incorporation or other organization in which it is incorporated or otherwise organized on the date hereof. I have also assumed that none of the terms of any Security to be established subsequent to the date hereof, nor the issuance and delivery of such Security, nor the compliance by the Registrant issuing such Security with the terms thereof will violate any applicable law or will result in a violation of any provision of any instrument or agreement then binding upon such Registrant, or any restriction imposed by any court or governmental body having jurisdiction over such Registrant.

I have examined such records, certificates and other documents and have reviewed such questions of law as I have considered necessary or appropriate for purposes of the opinions expressed below.

On the basis of the foregoing assumptions and such examination and review, and subject to the limitations and qualifications stated herein, I advise you that I am of the opinion that:

A. PPL

1. PPL is validly existing as a corporation in good standing under the laws of the Commonwealth of Pennsylvania.

2. The PPL Common Stock and the PPL Preferred Stock will be validly issued, fully paid and non-assessable when:

   a. in the case of the PPL Preferred Stock, a statement with respect to the shares establishing the Preferred Stock shall have been filed with the Department of State of the Commonwealth of Pennsylvania in the form and manner required by law; and

   b. in the case of the PPL Common Stock and the PPL Preferred Stock, such Securities shall have been issued, sold and delivered for the consideration contemplated by, and otherwise in conformity with, the acts, proceedings and documents referred to above.

B. PPL Electric

1. PPL Electric is validly existing as a corporation in good standing under the laws of the Commonwealth of Pennsylvania.

The foregoing opinions as to the legal and binding nature of the Registrants' obligations are subject to laws relating to or affecting generally the enforcement of creditors' and mortgagees' rights, including without limitation, bankruptcy, insolvency or reorganization laws and general principles of equity and by requirements of reasonableness, good faith and fair dealing.

The foregoing opinions do not pass upon compliance with "blue sky" laws or similar laws relating to the sale or distribution of the Securities by any underwriters or agents.

You have informed me that you intend to issue Securities from time to time on a delayed or continuous basis, and this opinion is limited to the laws referred to above as in effect on the date hereof. I understand that prior to issuing any Securities pursuant to the Registration Statement (i) you will advise me in writing of the terms thereof and (ii) you will afford me an opportunity to (x) review the operative documents pursuant to which such Securities are to be issued or sold (including the applicable offering documents) and (y) file such supplement or amendment to this opinion (if any) as I may reasonably consider necessary or appropriate.

I hereby authorize and consent to the use of this opinion as Exhibit 5.1 to the Registration Statement, and authorize and consent to the references to me under the caption "Validity of the Securities and the PPL Guarantees" in the Registration Statement and in the prospectus constituting a part thereof. In giving the foregoing consent, I do not hereby admit that I come within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

The opinions expressed herein are limited to the laws of the Commonwealth of Pennsylvania.

Very truly yours,

/s/ W. Eric Marr
W. Eric Marr

Exhibit 5.2

PPL companies

February 16, 2024

Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202-1377

Kentucky Utilities Company
One Quality Street
Lexington, Kentucky 40507-1462

PPL Services Corporation
Office of General Counsel
220 W. Main Street
Louisville, KY 40202
USA

John P. Fendig
Senior Counsel
T 502-627-2608
F 502-627-3367
jpfendig@ pplweb.com

Ladies and Gentlemen:

I am Senior Counsel for PPL Services Corporation, a wholly owned subsidiary of PPL Corporation, a Pennsylvania corporation. I have acted as counsel to Louisville Gas and Electric Company, a Kentucky corporation ("LG&E") and Kentucky Utilities Company, a Kentucky and Virginia corporation ("KU" and, together with LG&E, the "Registrants") in connection with the proposed issuance and sale from time to time of a presently indeterminate aggregate amount of securities ("Securities"), including

(i) LG&E's secured debt securities, to be issued under LG&E's Indenture dated as of October 1, 2010 to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as to be further amended and supplemented by one or more supplemental indentures relating to such debt securities (the "LG&E Indenture"); and

(ii) KU's secured debt securities, to be issued under KU's Indenture dated as of October 1, 2010 to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as to be further amended and supplemented by one or more supplemental indentures relating to such debt securities (the "KU Indenture");

all as contemplated by the Registration Statement on Form S-3 (the "Registration Statement") proposed to be filed by the Registrants with the Securities and Exchange Commission ("Commission") on or about the date hereof for the registration of the Securities under the Securities Act of 1933, as amended (the "Act"), and for the qualification under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") of the LG&E Indenture and the KU Indenture.

I have examined such corporate records, certificates and other documents and have reviewed such questions of law as I have considered necessary or appropriate for purposes of the opinions expressed below.

On the basis of such examination and review, and subject to the limitations and qualifications stated herein, I advise you that I am of the opinion that:

1. LG&E is duly organized and validly existing as a corporation in good standing under the laws of the Commonwealth of Kentucky; and

2. KU is duly organized and validly existing as a corporation in good standing under the laws of the Commonwealth of Kentucky and the Commonwealth of Virginia.

You have informed me that you intend to issue Securities from time to time on a delayed or continuous basis, and this opinion is limited to the laws referred to below as in effect on the date hereof. I understand that prior to issuing any Securities pursuant to the Registration Statement (i) you will advise me in writing of the terms thereof and (ii) you will afford me an opportunity to (x) review the operative documents pursuant to which such Securities are to be issued or sold (including the applicable offering documents) and (y) file such supplement or amendment to this opinion (if any) as I may reasonably consider necessary or appropriate.

I hereby authorize and consent to the use of this opinion as Exhibit 5.2 to the Registration Statement, and authorize and consent to the references to me under the caption "Validity of the Securities and the PPL Guarantees" in the Registration Statement and in the prospectus constituting a part thereof. In giving the foregoing consent, I do not hereby admit that I come within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

The opinions expressed herein are limited to the laws of the Commonwealth of Kentucky and the Commonwealth of Virginia.

Very truly yours,

/s/ John P. Fendig
John P. Fendig

Exhibit 5.3

BRACEWELL

February 16, 2024

PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101-1179

Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202-1377

Kentucky Utilities Company
One Quality Street
Lexington, Kentucky 40507-1462

Ladies and Gentlemen:

We are acting as special counsel for each of PPL Electric Utilities Corporation, a Pennsylvania corporation ("PPL Electric"), Louisville Gas and Electric Company, a Kentucky corporation ("LG&E"), and Kentucky Utilities Company, a Kentucky and Virginia corporation ("KU" and, together with PPL Electric and LG&E, the "Registrants"), in connection with the proposed issuance and sale by such Registrants from time to time of a presently indeterminate principal amount of securities ("Securities"), including

(i) PPL Electric's secured debt securities ("PPL Electric Debt Securities"), to be issued under PPL Electric's Indenture dated as of August 1, 2001 to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as to be further amended and supplemented by one or more supplemental indentures relating to such PPL Electric Debt Securities (the "PPL Electric Indenture");

(ii) LG&E's secured debt securities ("LG&E Debt Securities"), to be issued under LG&E's Indenture dated as of October 1, 2010 to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as to be further amended and supplemented by one or more supplemental indentures relating to such LG&E Debt Securities (the "LG&E Indenture"); and

(iii) KU's secured debt securities ("KU Debt Securities"), to be issued under KU's Indenture dated as of October 1, 2010 to The Bank of New York Mellon, as trustee, as heretofore amended and supplemented and as to be further amended and supplemented by one or more supplemental indentures relating to such KU Debt Securities (the "KU Indenture");

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bracewell.com

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all as contemplated by the Registration Statement on Form S-3 (the "Registration Statement") proposed to be filed by the Registrants and certain other registrants with the Securities and Exchange Commission (the "Commission") on or about the date hereof for the registration of the Securities under the Securities Act of 1933, as amended (the "Act"), and for the qualification under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") of the PPL Electric Indenture, the LG&E Indenture and the KU Indenture.

We have reviewed the Registration Statement and such other agreements, documents, records, certificates and other materials, and have reviewed and are familiar with such corporate proceedings and satisfied ourselves as to such other matters, as we have considered relevant or necessary as a basis for this opinion. In such review, we have assumed the accuracy and completeness of all agreements, documents, records, certificates and other materials submitted to us, the conformity with the originals of all such materials submitted to us as copies (whether or not certified and including facsimiles), the authenticity of the originals of such materials and all materials submitted to us as originals, the genuineness of all signatures and the legal capacity of all natural persons.

For purposes of this opinion letter, we have assumed that, at the time of issuance and sale of any Securities (i) the Registration Statement, as it may be amended, shall have become effective under the Act and such effectiveness shall not have been terminated or withdrawn; (ii) one or more supplements to the prospectus which describe such Securities and specify certain pricing and issuance terms of such Securities shall have been filed with the Commission pursuant to Rule 424(b) under the Act; (iii) the indenture pursuant to which such Securities are to be issued shall have been qualified under the Trust Indenture Act and shall constitute the valid and legally binding obligation of the trustee thereunder; (iv) the Registrant issuing such Securities (a) is duly organized, validly existing and in good standing under the law of its jurisdiction of organization, and (b) has the power to execute and deliver, and perform its obligations under, such Securities and the indenture pursuant to which such Securities are issued; (v) the board of directors of the Registrant or Registrants issuing such Securities, or a duly authorized committee thereof, and/or the proper officers of such Registrant or Registrants acting pursuant to properly delegated authority (any of the foregoing, a "Board"), shall have taken such action as may be necessary to authorize the indentures, the issuance and sale of such Securities and, if applicable, to establish the relative rights and preferences of such Securities, or other terms of such Securities, in each case as set forth in or contemplated by the Registration Statement and any prospectus supplement relating to such Securities, and shall not have rescinded any such action; (vi) there shall not have occurred any change in law or any authorization affecting the legality or enforceability of such Securities; and (vii) each Registrant issuing such Securities shall remain duly organized and validly existing under the laws of the jurisdiction or jurisdictions of incorporation or other organization in which it is incorporated or otherwise organized on the date hereof. We have also assumed that neither the establishment of any terms of any Security to be

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established subsequent to the date hereof, nor the issuance and delivery of such Security, nor the compliance by the Registrant issuing such Security with the terms thereof will (a) violate any law (other than the Applicable Law (as defined below)) or (b) require any authorization, consent, order, approval or license (or the like) of, or any exemption (or the like) from, or any registration or filing with, or any report or notice to, any executive, legislative, judicial, administrative or regulatory body (a "Governmental Approval") except for any Utility Commission Approvals (as defined below) as shall have been obtained and be in full force and effect and sufficient to authorize such Securities, or (c) violate or conflict with, result in a breach of, or constitute a default under, (i) the articles of incorporation or by-laws of the issuer of such Securities or any other agreement or instrument to which such issuer or any of its affiliates is a party or by which such issuer or any of its affiliates or any of their respective properties may be bound, (ii) any Governmental Approval (including any Utility Commission Approval) that may be applicable to such issuer or any of its affiliates or any of their respective properties or (iii) any order, decision, judgment or decree that may be applicable to such issuer or any of its affiliates or any of their respective properties.

We note that prior to the issuance of PPL Electric Debt Securities, LG&E Debt Securities and KU Debt Securities, approvals of the Pennsylvania Public Utility Commission (in the case of PPL Electric), the Kentucky Public Service Commission (in the case of LG&E and KU) and the Virginia State Corporation Commission (in the case of KU), and/or the Federal Energy Regulatory Commission (in the case of PPL Electric, LG&E and KU) may be required to authorize such issuance (any of the foregoing commissions, the "Utility Commissions," and any of the foregoing such approvals, "Utility Commission Approvals").

On the basis of the assumptions and subject to the qualifications and limitations set forth herein, we are of the opinion that

1. With respect to any PPL Electric Debt Securities, when (a) the PPL Electric Board has taken all necessary corporate action to approve the issuance and establish the terms of a series of PPL Electric Debt Securities, the terms of the offering and related matters, (b) the applicable Utility Commissions have duly authorized the issuance by PPL Electric of such Securities and (c) such Securities have been duly established, executed and authenticated in accordance with the PPL Electric Indenture and issued and sold by PPL Electric in the manner contemplated by the Registration Statement and in accordance with the authorizations of the PPL Electric Board and such Utility Commissions, such PPL Electric Debt Securities will constitute the valid and legally binding obligations of PPL Electric.

2. With respect to any LG&E Debt Securities, when (a) the LG&E Board has taken all necessary corporate action to approve the issuance and establish the terms of a series of LG&E Debt Securities, the terms of the offering and related matters, (b) the applicable Utility Commissions have duly authorized the issuance by LG&E of such Securities and (c) such Securities have been duly established, executed and authenticated in accordance with the LG&E Indenture and issued and sold by LG&E in the manner contemplated by the Registration Statement and in accordance with the authorizations of the LG&E Board and such Utility Commissions, such LG&E Debt Securities will constitute the valid and legally binding obligations of LG&E.

BRACEWELL

3. With respect to any KU Debt Securities, when (a) the KU Board has taken all necessary corporate action to approve the issuance and establish the terms of a series of KU Debt Securities, the terms of the offering and related matters, (b) the applicable Utility Commissions have duly authorized the issuance by KU of such Securities and (c) such Securities have been duly established, executed and authenticated in accordance with the KU Indenture and issued and sold by KU in the manner contemplated by the Registration Statement and in accordance with the authorizations of the KU Board and such Utility Commissions, such KU Debt Securities will constitute the valid and legally binding obligations of KU.

Our opinions are subject to and limited by the effect of (a) applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, preference and transfer, receivership, conservatorship, arrangement, moratorium and other similar laws affecting or relating to creditors' and mortgagees' rights generally, (b) general equitable principles (whether considered in a proceeding in equity or at law) and (c) requirements of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any proceeding therefor may be brought. Further, we express no opinion with respect to (a) provisions in such Securities or related agreements with respect to waiver, delay, extension or omission of notice or enforcement of rights or remedies, waivers of defenses or waivers of benefits of stay, extension, moratorium, redemption, statutes of limitations or other benefits provided by operation of law, (b) the validity or binding effect of any provisions therein that require or relate to the payment of interest, fees or charges at a rate or in an amount that is in excess of legal limits or that a court would determine in the circumstances under applicable law to be commercially unreasonable or a penalty or a forfeiture, or whether a court would award a judgment in a currency other than United States dollars, or (c) with respect to the lien of the PPL Electric Indenture, LG&E Indenture or KU Indenture. Further, we note that the enforceability of any exculpation, indemnification or contribution provisions contained therein may be limited by applicable law or public policy.

We express no opinion herein as to any matters of compliance with "blue sky" laws or similar laws relating to the sale or distribution of the Securities by any underwriters or agents.

This opinion is limited to the laws of the State of New York as in effect on the date hereof (such laws, the "Applicable Law").

You have informed us that you intend to issue Securities from time to time on a delayed or continuous basis, and this opinion is limited to the laws referred to above as in effect on the date hereof. We understand that prior to issuing any Securities pursuant to the Registration Statement (i) you will advise us in writing of the terms thereof and (ii) you will afford us an opportunity to (x) review the operative documents pursuant to which such Securities are to be issued or sold (including the applicable offering documents) and (y) file such supplement or amendment to this opinion (if any) as we may reasonably consider necessary or appropriate.

BRACEWELL

We hereby consent to the filing of this opinion letter as Exhibit 5.3 to the Registration Statement, and consent to the reference to our firm under the caption "Validity of the Securities and the PPL Guarantees" in the Registration Statement and in the prospectus constituting a part thereof. In giving this consent, we do not hereby admit that we come within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Bracewell LLP

Exhibit 5.4

Davis Polk

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
davispolk.com

February 16, 2024

PPL Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101-1179

Ladies and Gentlemen:

PPL Corporation, a Pennsylvania corporation (the "**Company**"), and PPL Capital Funding, a Delaware corporation ("**PPL Capital**"), are filing with the Securities and Exchange Commission a Registration Statement on Form S-3 (the "**Registration Statement**") for the purpose of registering under the Securities Act of 1933, as amended (the "**Securities Act**"), (a) shares of common stock, par value $.01 per share (the "**Common Stock**") of the Company; (b) shares of preferred stock, par value $.01 per share (the "**Preferred Stock**") of the Company; (c) PPL Capital's senior debt securities (the "**PPL Capital Senior Debt Securities**"), which may be issued pursuant to the Indenture dated as of November 1, 1997 among PPL Capital, the Company and The Bank of New York Mellon, as trustee (the "**Senior Debt Trustee**"), as heretofore amended and supplemented and as may be further amended or supplemented by one or more supplements thereto (the "**Senior Debt Indenture**"); (d) PPL Capital's subordinated debt securities (the "**PPL Capital Subordinated Debt Securities**" and, together with the PPL Capital Senior Debt Securities, the "**Debt Securities**"), which may be issued pursuant to the Subordinated Indenture dated as of March 1, 2007 among PPL Capital, the Company and The Bank of New York Mellon, as trustee (the "**Subordinated Debt Trustee**" and, together with the Senior Debt Trustee, the "**Trustees**"), as heretofore amended and supplemented and as may be amended or supplemented by one or more supplements thereto (the "**Subordinated Debt Indenture**," and together with the Senior Debt Indenture, the "**Indentures**"); (e) purchase contracts (the "**Purchase Contracts**") to purchase shares of PPL Common Stock or PPL Preferred Stock which may be issued under one or more purchase contract agreements (each, a "**Purchase Contract Agreement**") to be entered into between the Company and the purchase contract agent to be named therein (the "**Purchase Contract Agent**"); (f) stock purchase units (the "**Units**") to be issued under one or more unit agreements to be entered into among the Company, a bank or trust company, as unit agent (the "**Unit Agent**"), and the holders from time to time of the Units (each such unit agreement, a "**Unit Agreement**"); (g) the Company's guarantees (the "**Guarantees**") of the Debt Securities, to be issued under the Indentures; and (h) depositary shares representing fractional interests in shares or multiple shares of the Preferred Stock (the "**Depositary Shares**"), which may be issued under one or more preferred stock depositary agreements (each, a "**Depositary Agreement**") to be entered into between the Company and a preferred stock depositary to be named therein (the "**Depositary**").

We, as your counsel, have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

In rendering the opinions expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all documents filed as exhibits to the Registration Statement that have not been executed will conform to the forms thereof, (iv) all signatures on all documents that we reviewed are genuine, (v) all natural persons executing documents had and have the legal capacity to do so, (vi) all statements in certificates of public officials and officers of the Company and PPL Capital that we reviewed were and are accurate and (vii) all representations made by the Company and PPL Capital as to matters of fact in the documents that we reviewed were and are accurate.

Davis Polk

Based upon the foregoing, and subject to the additional assumptions and qualifications set forth below, we advise you that, in our opinion:

1. When any supplemental indentures to be entered into in connection with the issuance of any Debt Securities have been duly authorized, executed and delivered by the Trustees, the Company and PPL Capital; the specific terms of a particular series of Debt Securities and the related Guarantees have been duly authorized and established in accordance with the Indentures; and such Debt Securities and the related Guarantees have been duly authorized, executed, authenticated, issued and delivered in accordance with the Indenture and the applicable underwriting or other agreement against payment therefor, such Debt Securities will constitute valid and binding obligations of PPL Capital and each of the related Guarantees will constitute valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, provided that we express no opinion as to (x) the enforceability of any waiver of rights under any usury or stay law, (y) (i) the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above or (ii) any provision of the Indentures that purports to avoid the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law by limiting the amount of the Company's obligation or (z) the validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Debt Securities to the extent determined to constitute unearned interest.

2. When the Purchase Contract Agreement to be entered into in connection with the issuance of any Purchase Contracts has been duly authorized, executed and delivered by the Purchase Contract Agent and the Company; the specific terms of the Purchase Contracts have been duly authorized and established in accordance with the Purchase Contract Agreement; and such Purchase Contracts have been duly authorized, executed, issued and delivered in accordance with the Purchase Contract Agreement and the applicable underwriting or other agreement against payment therefor, such Purchase Contracts will constitute valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability.

3. When the Unit Agreement to be entered into in connection with the issuance of any Units has been duly authorized, executed and delivered by the Unit Agent and the Company; the specific terms of the Units have been duly authorized and established in accordance with the Unit Agreement; and such Units have been duly authorized, executed, issued and delivered in accordance with the Unit Agreement and the applicable underwriting or other agreement against payment therefor, such Units will constitute valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability.

4. When the Depositary Agreement to be entered into in connection with the issuance of any Depositary Shares has been duly authorized, executed and delivered by the Depositary and the Company; the specific terms of the Depositary Shares have been duly authorized and established in accordance with the Depositary Agreement; and such Depositary Shares have been duly authorized, executed, issued and delivered in accordance with the Depositary Agreement and the applicable underwriting or other agreement against payment therefor, such Depositary Shares will constitute legal and valid interests in the corresponding shares of Preferred Stock, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability.

Davis Polk

In connection with the opinions expressed above, we have assumed that, at or prior to the time of the delivery of any such security, (i) the Board of Directors of the Company and the Board of Directors of PPL Capital shall have duly established the terms of such security and duly authorized the issuance and sale of such security and such authorization shall not have been modified or rescinded; (ii) each of the Company and PPL Capital is, and shall remain, validly existing as a corporation in good standing under the laws of its respective jurisdiction of incorporation; (iii) the Registration Statement shall have become effective and such effectiveness shall not have been terminated or rescinded; and (iv) the Indentures, the Debt Securities, the Purchase Contract Agreement, the Unit Agreement, the Guarantees and the Depositary Agreement are each valid, binding and enforceable agreements of each party thereto (other than as expressly covered above in respect of the Company and PPL Capital); and (v) there shall not have occurred any change in law affecting the validity or enforceability of such security. We have also assumed that (i) the terms of any security whose terms are established subsequent to the date hereof and the issuance, execution, delivery and performance by the Company or PPL Capital of any such security (a) with respect to the Company only, are within its corporate powers, (b) with respect to the Company only, do not contravene, or constitute a default under, the certificate of incorporation or bylaws or other constitutive documents of the Company, (c) require no action by or in respect of, or filing with, any governmental body, agency or official and (d) do not contravene, or constitute a default under, any provision of applicable law or public policy or regulation or any judgment, injunction, order or decree or any agreement or other instrument binding upon the Company or PPL Capital and (ii) any Purchase Contract Agreement and Unit Agreement will be governed by the laws of the State of New York.

We are members of the Bar of the State of New York and the foregoing opinion is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware. Insofar as the foregoing opinion involves matters governed by the laws of the Commonwealth of Pennsylvania, we have relied, without independent inquiry or investigation, on the opinion of W. Eric Marr delivered to you today.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement referred to above and further consent to the reference to our name under the caption “Legal Matters” in the prospectus, which is a part of the Registration Statement. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP

Exhibit 23.5

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our reports dated February 16, 2024 relating to the financial statements of PPL Corporation and the effectiveness of PPL Corporation's internal control over financial reporting, appearing in the Annual Report on Form 10-K of PPL Corporation for the year ended December 31, 2023. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 16, 2024

Exhibit 23.6

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 16, 2024 relating to the financial statements of PPL Electric Utilities Corporation, appearing in the Annual Report on Form 10-K of PPL Electric Utilities Corporation for the year ended December 31, 2023. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 16, 2024

Exhibit 23.7

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 16, 2024 relating to the financial statements of Louisville Gas and Electric Company, appearing in the Annual Report on Form 10-K of Louisville Gas and Electric Company for the year ended December 31, 2023. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

Louisville, Kentucky
February 16, 2024

Exhibit 23.8

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 16, 2024 relating to the financial statements of Kentucky Utilities Company, appearing in the Annual Report on Form 10-K of Kentucky Utilities Company for the year ended December 31, 2023. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

Louisville, Kentucky
February 16, 2024

Exhibit 24.1

PPL CORPORATION

POWER OF ATTORNEY

WITH RESPECT TO:

OMNIBUS SHELF REGISTRATION STATEMENT

The undersigned directors of PPL Corporation, a Pennsylvania corporation, do hereby appoint each of Vincent Sorgi, Wendy E. Stark, Jeffrey R. Jankowski and W. Eric Marr, and each of them, their true and lawful attorney, with power to act without the other and with full power of substitution and resubstitution:

- to execute for the undersigned directors and in their names to file with the Securities and Exchange Commission, Washington, D.C., under provisions of the Securities Act of 1933, as amended, a registration statement or registration statements for the registration under provisions of the Securities Act of 1933, as amended, and any other rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, of various securities of PPL Corporation or its subsidiaries (without designation as to the amount of such securities), which securities may include guarantees by PPL Corporation of the securities of such subsidiaries, and any and all amendments thereto, whether said amendments add to, delete from or otherwise alter any such registration statement or registration statements, or add or withdraw any exhibits or schedules to be filed therewith and any and all instruments in connection therewith.

The undersigned hereby grant to each said attorney full power and authority to do and perform in the name of and on behalf of the undersigned, and in any and all capacities, any act and thing whatsoever required or necessary to be done in and about the premises, as fully and to all intents and purposes as the undersigned might do, hereby ratifying and approving the acts of each of the said attorneys.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 16th day of February, 2024.

/s/ Arthur P. Beattie
Arthur P. Beattie

/s/ Linda G. Sullivan
Linda G. Sullivan

/s/ Venkata Rajamannar Madabhushi
Venkata Rajamannar Madabhushi

/s/ Natica von Althann
Natica von Althann

/s/ Heather B. Redman
Heather B. Redman

/s/ Keith H. Williamson
Keith H. Williamson

/s/ Craig A. Rogerson
Craig A. Rogerson

/s/ Phoebe A. Wood
Phoebe A. Wood

/s/ Vincent Sorgi
Vincent Sorgi

/s/ Armando Zagalo de Lima
Armando Zagalo de Lima

Exhibit 25.1

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
240 Greenwich Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

PPL Capital Funding, Inc.
(Exact name of obligor as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**23-2926644** **(I.R.S. employer identification no.)**
Two North Ninth Street **Allentown, Pennsylvania** **(Address of principal executive offices)**	**18101-1179** **(Zip code)**

PPL Corporation
(Exact name of registrant as specified in its charter)

Pennsylvania **(State or other jurisdiction of incorporation or organization)**	**23-2758192** **(I.R.S. employer identification no.)**
Two North Ninth Street **Allentown, Pennsylvania** **(Address of principal executive offices)**	**18101-1179** **(Zip code)**

Senior Debt Securities
and Guarantees of Senior Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, NW Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act").

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-261533).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-229519).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the12th day of February, 2024.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 240 Greenwich Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2023, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,078,000
Interest-bearing balances	119,816,000
Securities:	
Held-to-maturity securities	49,578,000
Available-for-sale debt securities	76,492,000
Equity securities with readily determinable fair values not held for trading	0
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	0
Securities purchased under agreements to resell	13,524,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases held for investment	32,622,000
LESS: Allowance for loan and lease losses	285,000
Loans and leases held for investment, net of allowance	32,337,000
Trading assets	5,476,000
Premises and fixed assets (including capitalized leases)	2,754,000
Other real estate owned	2,000
Investments in unconsolidated subsidiaries and associated companies	1,560,000
Direct and indirect investments in real estate ventures	0
Intangible assets	6,934,000
Other assets	19,978,000
Total assets	332,529,000

LIABILITIES	
Deposits:	
In domestic offices	188,830,000
Noninterest-bearing	58,891,000
Interest-bearing	129,939,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	98,296,000
Noninterest-bearing	3,925,000
Interest-bearing	94,371,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	0
Securities sold under agreements to repurchase	3,820,000
Trading liabilities	3,653,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,700,000
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	8,604,000
Total liabilities	304,903,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	12,224,000
Retained earnings	17,672,000
Accumulated other comprehensive income	-3,405,000
Other equity capital components	0
Total bank equity capital	27,626,000
Noncontrolling (minority) interests in consolidated subsidiaries	0
Total equity capital	27,626,000
Total liabilities and equity capital	332,529,000

I, Dermot McDonogh, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Dermot McDonogh
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Robin A. Vince
Jeffrey A. Goldstein
Joseph J. Echevarria

Directors

Exhibit 25.2

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON
(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
240 Greenwich Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

PPL Corporation
(Exact name of obligor as specified in its charter)

Pennsylvania **(State or other jurisdiction of incorporation or organization)**	**23-2758192** **(I.R.S. employer identification no.)**
Two North Ninth Street **Allentown, Pennsylvania** **(Address of principal executive offices)**	**18101-1179** **(Zip code)**

Stock Purchase Contracts
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, NW Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act").

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-261533).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-229519).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the12th day of February, 2024.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 240 Greenwich Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2023, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,078,000
Interest-bearing balances	119,816,000
Securities:	
Held-to-maturity securities	49,578,000
Available-for-sale debt securities	76,492,000
Equity securities with readily determinable fair values not held for trading	0
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	0
Securities purchased under agreements to resell	13,524,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases held for investment	32,622,000
LESS: Allowance for loan and lease losses	285,000
Loans and leases held for investment, net of allowance	32,337,000
Trading assets	5,476,000
Premises and fixed assets (including capitalized leases)	2,754,000
Other real estate owned	2,000
Investments in unconsolidated subsidiaries and associated companies	1,560,000
Direct and indirect investments in real estate ventures	0
Intangible assets	6,934,000
Other assets	19,978,000
Total assets	332,529,000

LIABILITIES	
Deposits:	
In domestic offices	188,830,000
Noninterest-bearing	58,891,000
Interest-bearing	129,939,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	98,296,000
Noninterest-bearing	3,925,000
Interest-bearing	94,371,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	0
Securities sold under agreements to repurchase	3,820,000
Trading liabilities	3,653,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,700,000
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	8,604,000
Total liabilities	304,903,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	12,224,000
Retained earnings	17,672,000
Accumulated other comprehensive income	-3,405,000
Other equity capital components	0
Total bank equity capital	27,626,000
Noncontrolling (minority) interests in consolidated subsidiaries	0
Total equity capital	27,626,000
Total liabilities and equity capital	332,529,000

I, Dermot McDonogh, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Dermot McDonogh
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Robin A. Vince
Jeffrey A. Goldstein
Joseph J. Echevarria

Directors

Exhibit 25.3

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON
(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
240 Greenwich Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

PPL Electric Utilities Corporation
(Exact name of obligor as specified in its charter)

Pennsylvania **(State or other jurisdiction of incorporation or organization)**	**23-0959590** **(I.R.S. employer identification no.)**
Two North Ninth Street **Allentown, Pennsylvania** **(Address of principal executive offices)**	**18101-1179** **(Zip code)**

Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, NW Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act").

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-261533).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-229519).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the12th day of February, 2024.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 240 Greenwich Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2023, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,078,000
Interest-bearing balances	119,816,000
Securities:	
Held-to-maturity securities	49,578,000
Available-for-sale debt securities	76,492,000
Equity securities with readily determinable fair values not held for trading	0
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	0
Securities purchased under agreements to resell	13,524,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases held for investment	32,622,000
LESS: Allowance for loan and lease losses	285,000
Loans and leases held for investment, net of allowance	32,337,000
Trading assets	5,476,000
Premises and fixed assets (including capitalized leases)	2,754,000
Other real estate owned	2,000
Investments in unconsolidated subsidiaries and associated companies	1,560,000
Direct and indirect investments in real estate ventures	0
Intangible assets	6,934,000
Other assets	19,978,000
Total assets	332,529,000

LIABILITIES	
Deposits:	
In domestic offices	188,830,000
Noninterest-bearing	58,891,000
Interest-bearing	129,939,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	98,296,000
Noninterest-bearing	3,925,000
Interest-bearing	94,371,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	0
Securities sold under agreements to repurchase	3,820,000
Trading liabilities	3,653,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,700,000
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	8,604,000
Total liabilities	304,903,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	12,224,000
Retained earnings	17,672,000
Accumulated other comprehensive income	-3,405,000
Other equity capital components	0
Total bank equity capital	27,626,000
Noncontrolling (minority) interests in consolidated subsidiaries	0
Total equity capital	27,626,000
Total liabilities and equity capital	332,529,000

I, Dermot McDonogh, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Dermot McDonogh
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Robin A. Vince
Jeffrey A. Goldstein
Joseph J. Echevarria

Directors

Exhibit 25.4

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
240 Greenwich Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

PPL Capital Funding, Inc.
(Exact name of obligor as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**23-2926644** **(I.R.S. employer identification no.)**
Two North Ninth Street **Allentown, Pennsylvania** **(Address of principal executive offices)**	**18101-1179** **(Zip code)**

PPL Corporation
(Exact name of registrant as specified in its charter)

Pennsylvania **(State or other jurisdiction of incorporation or organization)**	**23-2758192** **(I.R.S. employer identification no.)**
Two North Ninth Street **Allentown, Pennsylvania** **(Address of principal executive offices)**	**18101-1179** **(Zip code)**

Subordinated Debt Securities
and Guarantees of Subordinated Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, NW Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act").

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-261533).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-229519).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the12th day of February, 2024.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 240 Greenwich Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2023, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,078,000
Interest-bearing balances	119,816,000
Securities:	
Held-to-maturity securities	49,578,000
Available-for-sale debt securities	76,492,000
Equity securities with readily determinable fair values not held for trading	0
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	0
Securities purchased under agreements to resell	13,524,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases held for investment	32,622,000
LESS: Allowance for loan and lease losses	285,000
Loans and leases held for investment, net of allowance	32,337,000
Trading assets	5,476,000
Premises and fixed assets (including capitalized leases)	2,754,000
Other real estate owned	2,000
Investments in unconsolidated subsidiaries and associated companies	1,560,000
Direct and indirect investments in real estate ventures	0
Intangible assets	6,934,000
Other assets	19,978,000
Total assets	332,529,000

LIABILITIES	
Deposits:	
In domestic offices	188,830,000
Noninterest-bearing	58,891,000
Interest-bearing	129,939,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	98,296,000
Noninterest-bearing	3,925,000
Interest-bearing	94,371,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	0
Securities sold under agreements to repurchase	3,820,000
Trading liabilities	3,653,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,700,000
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	8,604,000
Total liabilities	304,903,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	12,224,000
Retained earnings	17,672,000
Accumulated other comprehensive income	-3,405,000
Other equity capital components	0
Total bank equity capital	27,626,000
Noncontrolling (minority) interests in consolidated subsidiaries	0
Total equity capital	27,626,000
Total liabilities and equity capital	332,529,000

I, Dermot McDonogh, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Dermot McDonogh
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Robin A. Vince
Jeffrey A. Goldstein
Joseph J. Echevarria

Directors

Exhibit 25.5

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON
(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
240 Greenwich Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

Louisville Gas and Electric Company
(Exact name of obligor as specified in its charter)

Kentucky **(State or other jurisdiction of incorporation or organization)**	**61-0264150** **(I.R.S. employer identification no.)**
220 West Main Street **Louisville, Kentucky** **(Address of principal executive offices)**	**40202-1377** **(Zip code)**

Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, NW Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act").

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-261533).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-229519).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the12th day of February, 2024.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 240 Greenwich Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2023, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,078,000
Interest-bearing balances	119,816,000
Securities:	
Held-to-maturity securities	49,578,000
Available-for-sale debt securities	76,492,000
Equity securities with readily determinable fair values not held for trading	0
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	0
Securities purchased under agreements to resell	13,524,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases held for investment	32,622,000
LESS: Allowance for loan and lease losses	285,000
Loans and leases held for investment, net of allowance	32,337,000
Trading assets	5,476,000
Premises and fixed assets (including capitalized leases)	2,754,000
Other real estate owned	2,000
Investments in unconsolidated subsidiaries and associated companies	1,560,000
Direct and indirect investments in real estate ventures	0
Intangible assets	6,934,000
Other assets	19,978,000
Total assets	332,529,000

LIABILITIES	
Deposits:	
In domestic offices	188,830,000
Noninterest-bearing	58,891,000
Interest-bearing	129,939,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	98,296,000
Noninterest-bearing	3,925,000
Interest-bearing	94,371,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	0
Securities sold under agreements to repurchase	3,820,000
Trading liabilities	3,653,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,700,000
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	8,604,000
Total liabilities	304,903,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	12,224,000
Retained earnings	17,672,000
Accumulated other comprehensive income	-3,405,000
Other equity capital components	0
Total bank equity capital	27,626,000
Noncontrolling (minority) interests in consolidated subsidiaries	0
Total equity capital	27,626,000
Total liabilities and equity capital	332,529,000

I, Dermot McDonogh, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Dermot McDonogh
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Robin A. Vince
Jeffrey A. Goldstein
Joseph J. Echevarria

Directors

Exhibit 25.6

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON
(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
240 Greenwich Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

Kentucky Utilities Company
(Exact name of obligor as specified in its charter)

Kentucky and Virginia **(State or other jurisdiction of incorporation or organization)**	**61-0247570** **(I.R.S. employer identification no.)**
One Quality Street Lexington, Kentucky **(Address of principal executive offices)**	**40507-1462** **(Zip code)**

Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, NW Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act").

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-261533).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-229519).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the12th day of February, 2024.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 240 Greenwich Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2023, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,078,000
Interest-bearing balances	119,816,000
Securities:	
Held-to-maturity securities	49,578,000
Available-for-sale debt securities	76,492,000
Equity securities with readily determinable fair values not held for trading	0
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	0
Securities purchased under agreements to resell	13,524,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases held for investment	32,622,000
LESS: Allowance for loan and lease losses	285,000
Loans and leases held for investment, net of allowance	32,337,000
Trading assets	5,476,000
Premises and fixed assets (including capitalized leases)	2,754,000
Other real estate owned	2,000
Investments in unconsolidated subsidiaries and associated companies	1,560,000
Direct and indirect investments in real estate ventures	0
Intangible assets	6,934,000
Other assets	19,978,000
Total assets	332,529,000

LIABILITIES	
Deposits:	
In domestic offices	188,830,000
Noninterest-bearing	58,891,000
Interest-bearing	129,939,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	98,296,000
Noninterest-bearing	3,925,000
Interest-bearing	94,371,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	0
Securities sold under agreements to repurchase	3,820,000
Trading liabilities	3,653,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,700,000
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	8,604,000
Total liabilities	304,903,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	12,224,000
Retained earnings	17,672,000
Accumulated other comprehensive income	-3,405,000
Other equity capital components	0
Total bank equity capital	27,626,000
Noncontrolling (minority) interests in consolidated subsidiaries	0
Total equity capital	27,626,000
Total liabilities and equity capital	332,529,000

I, Dermot McDonogh, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Dermot McDonogh
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Robin A. Vince
Jeffrey A. Goldstein
Joseph J. Echevarria

Directors

Exhibit 107

Calculation of Filing Fee Tables

Form S-3
(Form Type)

PPL Corporation,
PPL Capital Funding, Inc
PPL Electric Utilities Corporation
Louisville Gas and Electric Company
Kentucky Utilities Company
(Exact Name of Registrants as Specified in its Charter)

Table 1: Newly Registered and Carry Forward Securities

	Security Type	Security Class Title	Fee Calculation or Carry Forward Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee	Carry Forward Form Type	Carry Forward File Number	Carry Forward Initial Effective Date	Filing Fee Previously Paid In Connection with Unsold Securities to be Carried Forward
Newly Registered Securities												
	Equity	Common Stock of PPL Corporation, par value $.01 per share	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Equity	Preferred Stock of PPL Corporation, par value $.01 per share	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Other	PPL Corporation Stock Purchase Contracts	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Other	PPL Corporation Stock Purchase Units	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Equity	PPL Corporation Depositary Shares	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Debt	PPL Capital Funding, Inc. Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
Fees to be Paid	Other	PPL Corporation Guarantees of PPL Capital Funding, Inc. Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(3)	(3)				
	Debt	PPL Capital Funding, Inc. Subordinated Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Other	PPL Corporation Subordinated Guarantees of PPL Capital Funding, Inc. Subordinated Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(3)	(3)				
	Debt	PPL Electric Utilities Corporation Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Debt	Louisville Gas and Electric Company Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
	Debt	Kentucky Utilities Company Debt Securities	Rule 456(b) and Rule 457(r) (2)	(1)	(1)	(1)	(2)	(2)				
Fees Previously Paid	N/A	N/A	N/A	N/A	N/A	N/A		N/A				
Carry Forward Securities												
Carry Forward Securities	N/A	N/A	N/A	N/A		N/A			N/A	N/A	N/A	N/A
				Total Offering Amounts		N/A		N/A				
				Total Fees Previously Paid				N/A				
				Total Fee Offsets				N/A				

Net Fee Due	N/A

(1) Omitted pursuant to Form S-3 Instructions to the Calculation of Filing Fee Tables and Related Disclosure 2(A)(iii)(c). An indeterminate and unspecified amount of securities of each identified class are being registered as may from time to time be issued at indeterminate prices.

(2) In reliance on and in accordance with Rules 456(b) and 457(r) under the Securities Act, the registrants are deferring payment of all of the registration fee. Registration fees will be paid subsequently on a "pay-as-you-go" basis based on the aggregate offering price of the securities to be offered in one or more offerings to be made hereunder.

(3) PPL Corporation will fully and unconditionally guarantee the payment of principal, premium and interest on the PPL Capital Funding Inc.'s unsecured and unsubordinated debt securities ("PPL Capital Funding Debt Securities") and PPL Capital Funding Inc.'s unsecured and subordinated debt securities ("PPL Capital Funding Subordinated Debt Securities"). No separate consideration will be received for the PPL Corporation guarantees of the PPL Capital Funding Debt Securities or the PPL Capital Funding Subordinated Debt Securities. Pursuant to Rule 457(n) under the Securities Act, no registration fee is required with respect to the guarantees.

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Filed pursuant to Rule 424(b)(5)
Registration No. 333-277140

PROSPECTUS SUPPLEMENT
(To Prospectus dated February 16, 2024)

$2,000,000,000

PPL Corporation

Common Stock

We may offer and, if applicable, sell shares of our common stock having an aggregate offering price of up to $2,000,000,000 under an equity distribution agreement, dated February 14, 2025 (the "Equity Distribution Agreement"), including pursuant to forward sale agreements entered into pursuant to the Equity Distribution Agreement.

We have entered into the Equity Distribution Agreement with Barclays Capital Inc., BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC, MUFG Securities Americas Inc., RBC Capital Markets, LLC, Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC as our agents (each, a "Sales Agent," and, collectively, the "Sales Agents"), Barclays Bank PLC, Bank of America, N.A., Goldman Sachs & Co. LLC, JPMorgan Chase Bank, National Association, Mizuho Markets Americas LLC, Morgan Stanley & Co. LLC, Royal Bank of Canada, The Bank of Nova Scotia and Wells Fargo Bank, National Association (each, in its capacity as purchaser under any forward sale agreement (as described below), a "Forward Purchaser" and collectively, the "Forward Purchasers") and Barclays Capital Inc., BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC (each, as agent for its affiliated Forward Purchaser in connection with the offering and sale of any shares of our common stock hereunder in connection with a forward sale agreement (as described below), a "Forward Seller" and collectively, the "Forward Sellers"). This prospectus supplement, together with the accompanying prospectus, relates to shares of our common stock that may be offered and sold under the Equity Distribution Agreement.

The shares of our common stock will be offered at market prices prevailing at the time of sale. We will pay each Sales Agent a commission equal to up to 2.0% of the sales price of all shares of our common stock sold through it as our Sales Agent under the Equity Distribution Agreement.

The Equity Distribution Agreement provides that, in addition to the issuance and sale of shares of our common stock by us through or to the Sales Agents, we may also enter into one or more forward sale agreements under the applicable master forward confirmation and the related supplemental confirmation between us and each of the Forward Purchasers. In connection with any forward sale agreement, the relevant Forward Purchaser will borrow from third parties and, through its affiliated Forward Seller, sell a number of shares of our common stock equal to the number of shares of our common stock underlying the particular forward sale agreement.

In connection with any forward sale agreement, the relevant Forward Seller will receive, in the form of a reduced initial forward sale price under the related forward sale agreement, commissions at a mutually agreed rate that will not exceed, but may be lower than, 2.0% of the gross sales prices of all borrowed shares of our common stock sold during the applicable forward hedge selling period by it as a Forward Seller. In connection with the sale of the common stock on our behalf, each Sales Agent, Forward Purchaser or Forward Seller may be deemed to be an "underwriter" within the meaning of the Securities Act, and the compensation paid to each Sales Agent, Forward Purchaser or Forward Seller may be deemed to be underwriting commissions or discounts. We have also agreed to indemnify each Sales Agent, Forward Purchaser and Forward Seller with respect to certain liabilities, including liabilities under the Securities Act of 1933, as amended (the "Securities Act") or the Securities Exchange Act of 1934, as amended (the "Exchange Act") or contribute to payments that such Sales Agent, Forward Purchaser or Forward Seller may be required to make in respect of those liabilities.

Our common stock is listed on the New York Stock Exchange under the symbol "PPL." The last reported sale price of our common stock on February 13, 2025 was $34.41 per share.

Investing in our common stock involves certain risks. See "Risk Factors" beginning on page S-4 of this prospectus supplement, page 2 of the accompanying prospectus, and in Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2024.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Barclays	**BofA Securities**	**Goldman Sachs & Co. LLC**	**J.P. Morgan**	**Mizuho**
Morgan Stanley	**MUFG**	**RBC Capital Markets**	**Scotiabank**	**Wells Fargo Securities**

The date of this prospectus supplement is February 14, 2025.

Table of Contents

We have authorized only the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, and any free writing prospectus to be delivered to you. Neither we nor the Sales Agents, the Forward Sellers nor the Forward Purchasers (nor their affiliates) have authorized anyone to provide you with different or additional information and you should not assume we have verified any such information and we take no responsibility for it. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date after the date of this prospectus supplement.

TABLE OF CONTENTS

As used in this prospectus supplement, the terms “we,” “our,” “us,” “the Company” and “PPL” refer to PPL Corporation.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which is part of a registration statement that we filed with the Securities and Exchange Commission ("SEC") using a "shelf" registration process. Under this shelf process, we are offering to sell our common stock, using this prospectus supplement and the accompanying prospectus. This prospectus supplement describes the specific terms of this offering. The accompanying prospectus and the information incorporated by reference therein describe our business and give more general information, some of which may not apply to this offering. Generally, when we refer only to the "prospectus," we are referring to both parts combined. You should read this prospectus supplement together with the accompanying prospectus before making a decision to invest in our common stock. If the information in this prospectus supplement or the information incorporated by reference in this prospectus supplement is inconsistent with the accompanying prospectus, the information in this prospectus supplement or the information incorporated by reference in this prospectus supplement will apply and supersede that information in the accompanying prospectus.

Certain affiliates of PPL Corporation, specifically PPL Capital Funding Inc., PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company, have also registered their securities on the "shelf" registration statement referred to above. Such securities are not being offered by this prospectus supplement.

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WHERE YOU CAN FIND MORE INFORMATION

Available Information

PPL Corporation files reports and other information with the SEC. The SEC maintains an Internet site that contains information PPL Corporation has filed electronically with the SEC, which you can access over the Internet at http://www.sec.gov.

PPL Corporation maintains an Internet Web site at www.pplweb.com. On the "Investors" page of that Web site, PPL Corporation provides access to its SEC filings free of charge, as soon as reasonably practicable after filing with the SEC. The information on PPL Corporation's Web site is not incorporated in this prospectus supplement by reference, and you should not consider it a part of this prospectus supplement.

We have filed with the SEC a registration statement on Form S-3 with respect to the securities offered hereby. This prospectus supplement does not contain all the information set forth in the registration statement, parts of which are omitted in accordance with the rules and regulations of the SEC. For further information with respect to us and the securities offered hereby, reference is made to the registration statement.

PPL Corporation Common Stock is listed on the New York Stock Exchange ("NYSE") (symbol: PPL).

Incorporation by Reference

PPL Corporation will "incorporate by reference" information into this prospectus supplement by disclosing important information to you by referring you to other documents that it files separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement, and later information that we file with the SEC will automatically update and supersede that information. This prospectus supplement incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about PPL Corporation.

SEC Filings	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2024
Current Reports on Form 8-K	Filed on January 6, 2025 and January 15, 2025
PPL Corporation's 2024 Notice of Annual Meeting and Proxy Statement (portions thereof incorporated by reference into PPL Corporation's Annual Report on Form 10-K for the year ended December 31, 2023)	Filed on April 3, 2024

Additional documents that PPL Corporation files with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), between the date of this prospectus supplement and the termination of this offering of common stock are also incorporated herein by reference. Unless specifically stated to the contrary, none of the information that we disclose under Items 2.02 or 7.01 of any Current Report on Form 8-K that we have furnished or may from time to time furnish to the SEC is or will be incorporated by reference into, or otherwise included in, this prospectus supplement.

PPL Corporation will provide without charge to each person, including any beneficial owner, to whom a copy of this prospectus supplement has been delivered, a copy of any and all of its filings with the SEC. You may request a copy of these filings by writing or telephoning PPL Corporation at:

645 Hamilton Street
Allentown, Pennsylvania 18101
Attention: Treasurer
Telephone: (610) 774-5151

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CERTAIN TERMS USED IN THIS PROSPECTUS SUPPLEMENT

Unless otherwise specified or the context otherwise requires, references in this prospectus supplement to:

- "LG&E" refers to Louisville Gas & Electric Company;
- "KU" refers to Kentucky Utilities Company; and
- "PPL Electric" refers to PPL Electric Utilities Corporation.

FORWARD LOOKING INFORMATION

Statements contained in or incorporated by reference into this prospectus supplement concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact are "forward-looking statements" within the meaning of the federal securities laws. Although we believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, and actual results may differ materially from the results discussed in forward-looking statements. In addition to the specific factors discussed in "Risk Factors" set forth below and in the accompanying prospectus, in "Item 1A. Risk Factors" and in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2024, the following are among the important factors that could cause actual results to differ materially and adversely from the forward-looking statements:

- weather and other conditions affecting generation, transmission and distribution operations, operating costs and customer energy use;
- strategic acquisitions, dispositions, or similar transactions and our ability to consummate these business transactions or realize expected benefits from them;
- pandemic health events or other catastrophic events such as wildfires, earthquakes, explosions, floods, droughts, tornadoes, hurricanes and other extreme weather-related events (including events potentially caused or exacerbated by climate change) and their impact on economic conditions, financial markets and supply chains;
- capital market conditions, including the availability of capital, credit or insurance, changes in interest rates and certain economic indices, and decisions regarding capital structure;
- volatility in or the impact of other changes in financial markets, commodity prices and economic conditions, including inflation;
- the outcome of rate cases or other cost recovery, revenue or regulatory proceedings;
- the direct or indirect effects on PPL or its subsidiaries or business systems of cyber-based intrusion or the threat of cyberattacks;
- development, adoption and use of artificial intelligence by us, our customers and our third-party vendors;
- significant changes in the demand for electricity;
- expansion of alternative and distributed sources of electricity generation and storage;
- the effectiveness of our risk management programs, including commodity and interest rate hedging;
- defaults by counterparties or suppliers for energy, capacity, coal, natural gas or key commodities, goods or services;

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- a material decline in the market value of PPL's equity;
- significant decreases in the fair value of debt and equity securities and their impact on the value of assets in defined benefit plans, and the related cash funding requirements if the fair value of those assets decline;
- interest rates and their effect on pension and retiree medical liabilities, asset retirement obligation liabilities, interest payable on certain debt securities, and the general economy;
- the potential impact of any unrecorded commitments and liabilities of PPL and its subsidiaries;
- new accounting requirements or new interpretations or applications of existing requirements;
- adverse changes in the corporate credit ratings or securities analyst rankings of PPL and its securities;
- any requirement to record impairment charges pursuant to Generally Accepted Accounting Principles with respect to any of our significant investments;
- laws or regulations to reduce emissions of greenhouse gases or the physical effects of climate change;
- the availability of electricity and natural gas, and any consequences of a perceived or actual inability to serve demand reliably;
- continuing ability to access fuel supply for LG&E and KU, as well as the ability to recover fuel costs and environmental expenditures in a timely manner at LG&E and KU and natural gas supply costs at LG&E and Rhode Island Energy;
- war, armed conflicts, terrorist attacks, or similar disruptive events, including the ongoing conflicts in Ukraine and the Middle East;
- changes in political, regulatory or economic conditions in states or regions where PPL or its subsidiaries conduct business;
- the ability to obtain necessary governmental permits and approvals;
- changes in state or federal tax laws or regulations;
- establishment of new tariffs on imported goods;
- changes in state, federal or foreign legislation or regulatory developments;
- the impact of any state, federal or foreign investigations applicable to PPL and its subsidiaries or the energy industry;
- our ability to attract and retain qualified employees;
- the effect of changing expectations and demands of our customers, regulators, investors and stakeholders, including differing views on environmental, social and governance concerns;
- the effect of any business or industry restructuring;
- development of new projects, markets and technologies;
- the ability to control costs and avoid cost and schedule overruns during the development, construction and operation of generation facilities or other projects;
- performance of new ventures;
- collective labor bargaining negotiations and labor costs;
- risks related to wildfires, including costs of potential regulatory penalties and other liabilities, the cost and availability of insurance and damages in excess of insurance liability coverage; and
- the outcome of litigation involving PPL and its subsidiaries.

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Any such forward-looking statements should be considered in light of such important factors and in conjunction with other documents of PPL on file with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for PPL to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made and, except as required by applicable law, PPL undertakes no obligation to update the information contained in such statement to reflect subsequent developments or information.

Investors should note that PPL announces material financial information in SEC filings, press releases and public conference calls. In accordance with SEC guidelines, PPL also uses the Investors section of its website, www.pplweb.com, to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. The information on PPL's website is not part of this document.

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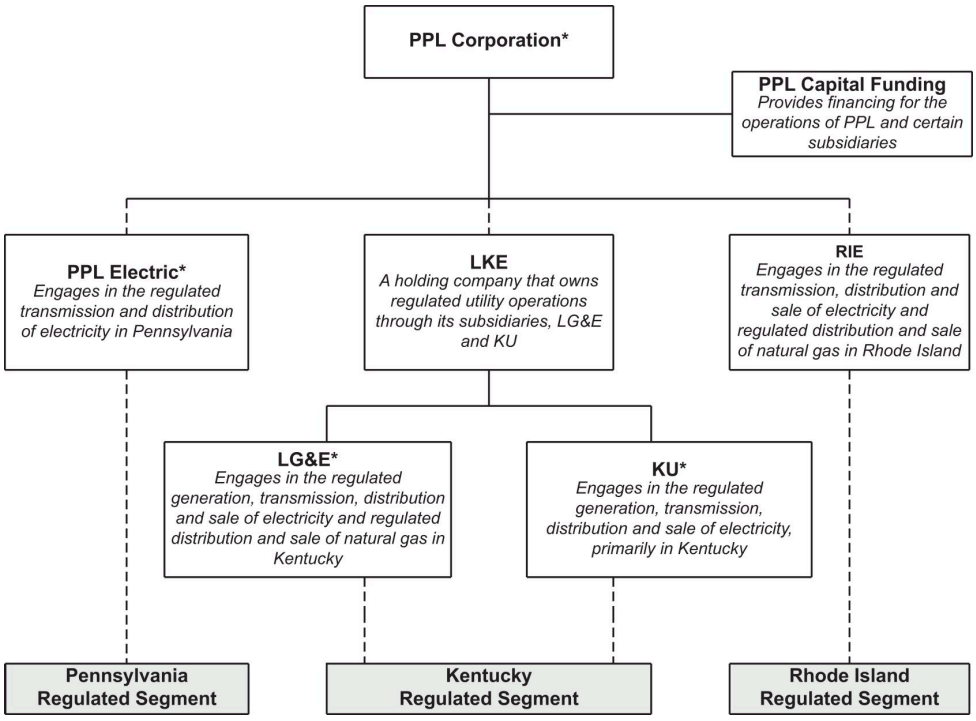
SUMMARY

The following summary contains information about the offering of the common stock. It does not contain all of the information that may be important to you in making a decision to purchase the common stock. For a more complete understanding of PPL Corporation and the offering of the common stock, we urge you to carefully read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein, including the "Risk Factors" sections and our financial statements and the notes to those financial statements.

PPL Corporation

PPL Corporation, headquartered in Allentown, Pennsylvania, is a utility holding company, incorporated in 1994. PPL Corporation, through its regulated utility subsidiaries, delivers electricity to customers in Pennsylvania, Kentucky, Virginia, and Rhode Island; delivers natural gas to customers in Kentucky and Rhode Island; and generates electricity from power plants in Kentucky.

PPL Corporation's principal subsidiaries are shown below (* denotes a registrant under the registration statement of which this prospectus supplement is a part):



Kentucky Regulated

The Kentucky Regulated segment consists primarily of the regulated electricity generation, transmission and distribution operations conducted by LG&E and KU, as well as LG&E's regulated distribution and sale of natural gas. As of December 31, 2024, LG&E provided electric service to approximately 440,000 customers and provided natural gas service to approximately 336,000 customers in Kentucky. As of December 31, 2024, KU

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provided electric service to approximately 577,000 customers in Kentucky and Virginia. See Item 1, “Business” in PPL Corporation’s 2024 Annual Report for more information.

Pennsylvania Regulated

PPL Corporation’s Pennsylvania Regulated segment includes the regulated electricity distribution and transmission operations of PPL Electric. As of December 31, 2024, PPL Electric delivered electricity to approximately 1.5 million customers in eastern and central Pennsylvania. See Item 1, “Business” in PPL Corporation’s 2024 Annual Report for more information.

Rhode Island Regulated

The Rhode Island Regulated segment consists primarily of the regulated electricity transmission and distribution operations and regulated distribution and sale of natural gas conducted by RIE. As of December 31, 2024, RIE provided electric service to approximately 515,000 customers and natural gas service to approximately 280,000 customers. See Item 1, “Business” in PPL Corporation’s 2024 Annual Report for more information.

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THE OFFERING

Issuer	PPL Corporation, a Pennsylvania corporation
Common stock offered by us	Shares of our common stock, having aggregate sales proceeds of up to $2,000,000,000.
Use of proceeds	We intend to use the net proceeds, if any, (x) from this offering, after deducting the Sales Agents' commissions and our offering expenses and (y) payable upon settlement of any forward sale agreement, in each case, for general corporate purposes. See "Use of Proceeds."
Dividend policy	We have paid quarterly cash dividends on our common stock every year since 1946. The annual dividends declared per share in 2023 and in 2024 were $0.945 and $1.013, respectively. Future dividends, declared at the discretion of our board of directors, will be dependent upon future earnings, cash flows and other factors.
Listing	Our common stock is listed on the New York Stock Exchange under the symbol "PPL."
Risk factors	An investment in our common stock involves various risks, and prospective investors should carefully consider the matters discussed under the caption entitled "Risk Factors" beginning on page S-4 of this prospectus supplement, beginning on page 2 of the accompanying prospectus and in Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2024.
Conflicts of Interest	The Forward Purchasers (or their respective affiliates) will receive the net proceeds of any sale of borrowed shares of our common stock sold pursuant to this prospectus supplement in connection with any forward sale agreement. Because certain Sales Agents, Forward Sellers and Forward Purchasers or their respective affiliates are expected to receive part of the net proceeds from the sale of shares of our common stock in connection with any forward sale agreement , such Sales Agents, Forward Sellers and Forward Purchasers would be deemed to have a conflict of interest under Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5121 to the extent such Sales Agents, Forward Sellers and Forward Purchasers or their affiliates receive at least 5% of the net proceeds of the offering. Any Sales Agent, Forward Sellers and Forward Purchasers deemed to have a conflict of interest would be required to conduct the distribution of our common stock in accordance with FINRA Rule 5121. If the offering is conducted in accordance with FINRA Rule 5121, such Sales Agent, Forward Sellers and Forward Purchasers would not be permitted to confirm a sale to an account over which it exercises discretionary authority without first receiving specific written approval from the account holder. The appointment of a "qualified independent underwriter" (as defined in FINRA Rule 5121) is not necessary for this offering because the shares of common stock being offered have a "bona fide public market" (as defined in FINRA Rule 5121). See "Plan of Distribution (Conflicts of Interest) – Conflicts of Interest" in this prospectus supplement.

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RISK FACTORS

Investing in our common stock involves a high degree of risk. In addition to the other information contained in this prospectus supplement, the accompanying prospectus and the information incorporated by reference herein and therein, you should consider carefully the following factors relating to us and our common stock before making an investment in our common stock offered hereby. In addition to the risk factors set forth below, please read the information included or incorporated by reference under "Risk Factors" in the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2024. If any of the following risks or those incorporated by reference actually occur, our business, results of operations, financial condition, cash flows or prospects could be materially adversely affected, which in turn could adversely affect the trading price of our common stock. As a result, you may lose all or part of your original investment. You should carefully review the information about these securities set forth in this prospectus supplement and the accompanying prospectus. As used in this section, "we," "our," "us," "PPL" and the "Company" refer to PPL Corporation and not to any of its subsidiaries.

Risk Factors Relating to Our Common Stock

The price of our common stock may fluctuate significantly.

The price of our common stock on the NYSE constantly changes. We expect that the market price of our common stock will continue to fluctuate.

Our stock price may fluctuate as a result of a variety of factors, many of which are beyond our control. These factors include:

- periodic variations in our operating results or the quality of our assets;
- operating results that vary from the expectations of securities analysts and investors;
- changes in expectations as to our future financial performance;
- announcements of innovations, new products, strategic developments, significant contracts, acquisitions, divestitures and other material events by us or our peers;
- the operating and securities price performance of other companies that investors believe are comparable to us;
- future sales of our equity or equity-related securities; and
- changes in U.S. and global financial markets and economies and general market conditions, such as interest rates, stock, commodity or real estate valuations or volatility.

In addition, in recent years, the stock market in general has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies, including for reasons unrelated to their operating performance. These broad market fluctuations may adversely affect our stock price regardless of our operating results.

The issuance of shares under the Equity Distribution Agreement and any forward sale agreement may be dilutive and there may be future dilution of our common stock.

The issuance of common stock in this offering, as well as any shares issued by us in connection with a physical or net share settlement in respect of a forward sale agreement, the receipt of the expected net proceeds and the use of those proceeds, may have a dilutive effect on our earnings per share. The actual amount of dilution cannot be determined at this time and will be based on numerous factors. We are not restricted from issuing additional securities in the future, including common stock, securities that are convertible into or exchangeable for, or that represent the right to receive shares of common stock or any substantially similar securities. The

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market price of our common stock could decline as a result of issuances or sales of a large number of shares of our common stock in the market after this offering or the perception that such issuances or sales could occur. Additionally, future issuances or sales of a large number of shares of our common stock may be at prices below the offering price of the shares of common stock offered by this prospectus supplement and may adversely impact the market price of our common stock.

Provisions contained in a forward sale agreement could result in substantial dilution to our earnings per share and return on equity or result in substantial cash payment obligations.

If we enter into one or more forward sale agreements, the relevant Forward Purchaser will have the right to accelerate its forward sale agreement (with respect to all or any portion of the transaction under such forward sale agreement that the Forward Purchaser determines is affected by an event described below) and require us to physically settle on a date specified by such Forward Purchaser if:

- in such Forward Purchaser's good faith, commercially reasonable judgment, it or its affiliate (x) is unable to hedge its exposure under such forward sale agreement because an insufficient number of shares of our common stock have been made available for borrowing by securities lenders or (y) would incur a stock loan cost in excess of a specified threshold to hedge its exposure under such forward sale agreement;
- we declare any dividend, issue or distribution on shares of our common stock (a) payable in cash in excess of specified amounts (unless it is an extraordinary dividend), (b) payable in securities of another company that we acquire or own (directly or indirectly) as a result of a spin-off or similar transaction, or (c) of any other type of securities (other than shares of our common stock), rights, warrants or other assets, for payment at less than the prevailing market price as reasonably determined by such Forward Purchaser;
- certain ownership thresholds applicable to such Forward Purchaser and its affiliates are exceeded;
- an event is announced that if consummated would result in a specified extraordinary event (including certain mergers or tender offers, as well as certain events involving our nationalization, or insolvency, or a delisting of shares of our common stock) or the occurrence of a change in law under such forward sale agreement; or
- certain other events of default or termination events occur, including, among others, any material misrepresentation made in connection with such forward sale agreement (each as more fully described in each forward sale agreement).

A Forward Purchaser's decision to exercise its right to accelerate any forward sale agreement and to require us to physically settle any such forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of the applicable forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and return on equity.

We expect that settlement of any forward sale agreement will generally occur no later than the date specified in the particular forward sale agreement, which will be no earlier than one (1) month or later than twenty-four (24) months following the trade date of that forward sale agreement. However, any forward sale agreement may be settled earlier than that specified date in whole or in part at our option. Subject to certain conditions, we have the right to elect physical, cash or net share settlement under any forward sale agreement. Although we intend to settle each forward sale agreement entirely by delivery of shares of our common stock, we may, subject to certain conditions, elect to cash settle or net share settle all or a portion of our obligations under such forward sale agreement if we conclude that it is in our interest to do so. For example, we may conclude that it is in our interest to cash settle or net share settle a particular forward sale agreement if we have no then-current use for all or a portion of the net proceeds that we would receive upon physical settlement. Delivery of shares of

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our common stock upon physical settlement (or, if we elect net share settlement of a particular forward sale agreement, upon such settlement to the extent we are obligated to deliver shares of our common stock) will result in dilution to our earnings per share and return on equity. If we elect cash settlement or net share settlement with respect to all or a portion of the number of shares of our common stock underlying a particular forward sale agreement, we expect the applicable Forward Purchaser (or an affiliate thereof) to purchase a number of shares of our common stock in secondary market transactions over an unwind period to:

- return shares of our common stock to securities lenders in order to unwind such Forward Purchaser's hedge (after taking into consideration any shares of our common stock to be delivered by us to such Forward Purchaser, in the case of net share settlement); and
- if applicable, in the case of net share settlement, deliver shares of our common stock to us to the extent required in settlement of such forward sale agreement.

The purchase of shares of our common stock in connection with a Forward Purchaser or its affiliate unwinding such Forward Purchaser's hedge positions could cause the price of our common stock to increase over such time (or prevent a decrease over such time), thereby increasing the amount of cash we would owe to such Forward Purchaser (or decreasing the amount of cash that such Forward Purchaser would owe us) upon a cash settlement of the relevant forward sale agreement or increasing the number of shares of our common stock we would deliver to such Forward Purchaser (or decreasing the number of shares of our common stock that such Forward Purchaser would deliver to us) upon net share settlement of the relevant forward sale agreement.

If the volume-weighted average price at which a particular Forward Purchaser (or its affiliate) is able to purchase (or is deemed able to purchase) shares of our common stock during the applicable unwind period under that particular forward sale agreement is above the relevant forward sale price, in the case of cash settlement, we would pay the relevant Forward Purchaser in respect of such forward sale agreement an amount in cash equal to the difference or, in the case of net share settlement, we would deliver to such Forward Purchaser a number of shares of our common stock having a value equal to the difference. Thus, we could be responsible for a potentially substantial cash payment in the case of cash settlement. If the volume-weighted average price at which a particular Forward Purchaser (or its affiliate) is able to purchase (or is deemed able to purchase) shares of our common stock during the applicable unwind period under that particular forward sale agreement is below the relevant forward sale price, in the case of cash settlement, we would be paid the difference in cash by the relevant Forward Purchaser in respect of such forward sale agreement or, in the case of net share settlement, we would receive from such Forward Purchaser a number of shares of our common stock having a value equal to the difference. See "Plan of Distribution (Conflicts of Interest)" for information on the forward sale agreements.

The forward sale price that we expect to receive upon physical settlement of a particular forward sale agreement will be subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on our common stock during the term of the applicable forward sale agreement. If the overnight bank funding rate is less than the spread for a particular forward sale agreement on any day, the interest factor will result in a daily reduction of the applicable forward sale price.

In case of our bankruptcy or insolvency, any forward sale agreement that is in effect will automatically terminate, and we would not receive the expected proceeds from any forward sales of shares of our common stock.

If we or a regulatory authority with jurisdiction over us institutes, or we consent to, a proceeding seeking a judgment in bankruptcy or insolvency or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or we or a regulatory authority with jurisdiction over us presents a petition for our winding-up or liquidation, or we consent to such a petition, any forward sale agreement that is then in effect will automatically terminate. If any such forward sale agreement so terminates under these circumstances, we would not be obligated to deliver to the relevant Forward Purchaser any shares of our common stock not previously

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delivered, and the relevant Forward Purchaser would be discharged from its obligation to pay the applicable forward sale price per share in respect of any shares of our common stock not previously settled under the applicable forward sale agreement. Therefore, to the extent that there are any shares of our common stock with respect to which any forward sale agreement has not been settled at the time of the commencement of any such bankruptcy, insolvency, winding up or liquidation proceedings, we would not receive the relevant forward sale price per share in respect of those shares of our common stock.

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USE OF PROCEEDS

We intend to use the net proceeds, if any, (x) from this offering, after deducting the Sales Agents' commissions and our offering expenses and (y) payable upon settlement of any forward sale agreement, in each case, for general corporate purposes.

We will not initially receive any proceeds from any sales of our common stock by a Forward Seller in connection with any forward sale agreement. We intend to physically settle each forward sale agreement entirely by delivery of shares of our common stock, in which case we will expect to receive aggregate net cash proceeds at settlement equal to the product of the forward sale price per share under that particular forward sale agreement and the number of shares of our common stock underlying the particular forward sale agreement. The forward sale price that we expect to receive upon physical settlement of a particular forward sale agreement initially will be equal to the gross sales prices of all borrowed shares of our common stock sold by the relevant Forward Seller during the applicable forward hedge selling period less a forward hedge selling commission of up to 2.0% of the gross sales prices of all borrowed shares of our common stock sold during the applicable forward hedge selling period by it as Forward Seller. The forward sale price will be subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on our common stock during the term of the particular forward sale agreement. If the overnight bank funding rate is less than the spread for a particular forward sale agreement on any day, the interest factor will result in a daily reduction of the applicable forward sale price. If we elect to net share settle any particular forward sale agreement, we will not receive any proceeds upon settlement of such forward sale agreement. If we elect to cash settle any particular forward sale agreement, we may receive substantially less (or no) cash proceeds at settlement of such forward sale agreement, and we may owe cash to the forward purchaser under such forward sale agreement.

If we enter into a forward sale agreement with any Forward Purchaser, we expect that the affiliated Forward Seller will attempt to sell borrowed shares of our common stock to hedge such Forward Purchaser's exposure under such forward sale agreement. All of the net proceeds from the sale of any such borrowed shares of our common stock will be paid to the applicable Forward Purchaser. Such entity will be either a Sales Agent or an affiliate of a Sales Agent. As a result, a Sales Agent or one of its affiliates will receive the net proceeds from any sale of borrowed shares of our common stock made in connection with any forward sale agreement. See "Plan of Distribution (Conflicts of Interest)."

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MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES FOR NON-U.S. HOLDERS OF OUR COMMON STOCK

The following are the material U.S. federal income and estate tax consequences of your ownership and disposition of our common stock acquired in this offering if you are a "non-U.S. holder" (as defined below) that holds our common stock as a "capital asset" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to the exceptions set forth below, you are a non-U.S. holder if for U.S. federal income tax purposes you are a beneficial owner of our common stock and you are:

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

You are not a non-U.S. holder, however, if you are a nonresident alien individual who is present in the United States for 183 days or more in the taxable year in which you sell any of our common stock or if you are a former citizen or former resident of the United States for U.S. federal income tax purposes, in which event you should consult your tax adviser regarding the U.S. federal income tax consequences of the ownership and disposition of our common stock.

If you are a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and your activities.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations as of the date hereof, changes to any of which subsequent to the date hereof may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not address all U.S. federal income tax consequences relevant to you in light of your particular circumstances, including alternative minimum tax and Medicare contribution tax consequences, and does not address any aspect of state, local, or non-U.S. taxation, or any taxes other than income and estate taxes. You should consult your tax adviser regarding the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Dividends

In general, distributions paid on our common stock will constitute dividends for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent that these distributions exceed our current or accumulated earnings and profits, the excess will constitute a return of capital that is applied against, and will first reduce, your basis in our common stock, but not below zero, and any excess will be treated as gain from the sale of such stock, as described below under "Gain on Disposition of Our Common Stock."

Distributions taxable to you as dividends will be subject to withholding of U.S. federal income tax (currently at a rate of 30%) unless you provide to the applicable withholding agent an appropriate Internal Revenue Service ("IRS") Form W-8 documenting your entitlement to an exemption from, or a reduced rate of, withholding tax.

If you receive dividend payments on our common stock that are "effectively connected" with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on the dividends in the same manner as a U.S. person. However, you will not be subject to U.S. federal withholding on these dividends, as long as you provide an IRS Form W-8ECI to the applicable withholding agent. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

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Gain on Disposition of Our Common Stock

You generally will not be subject to U.S. federal income or withholding tax on gain realized on a sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), or
- we are or have been a "United States real property holding corporation" (a "USRPHC") as defined in the Code, at any time within the five-year period preceding the disposition or your holding period, whichever is shorter.

Generally, a corporation is a USRPHC if the fair market value of its "United States real property interests" (as defined in the Code) equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. It is possible that we may be or become a USRPHC for U.S. federal income tax purposes.

In the event that we are or become a USRPHC, as long as our common stock continues to be "regularly traded on an established securities market" within the meaning of the U.S. Treasury regulations, you will be subject to tax on any gain recognized on a disposition of our common stock as if it were effectively connected with the conduct of a trade or business in the United States (as described in the next paragraph) only if you actually or constructively owned, at any time during the shorter of the five-year period ending on the date of the disposition and your holding period for the stock, more than 5% of our common stock. If we are or were to become a USRPHC and our common stock were not considered to be regularly traded on an established securities market in the year of the disposition, then, regardless of the percentage of stock owned, you would be subject to U.S. federal income tax on any resulting gain (as described above), and in addition a 15% withholding tax would apply to the gross proceeds from the disposition.

If you recognize gain on a sale or other disposition of our common stock that is effectively connected with your conduct of a trade or business in the United States (and if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on the gain in the same manner as a U.S. person. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

Information Reporting and Backup Withholding

Information returns are required to be filed with the IRS in connection with payments of dividends on our common stock. Unless you comply with certification procedures to establish that you are not a United States person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of our common stock. You may be subject to backup withholding on payments on our common stock or on the proceeds from a sale or other disposition of our common stock unless you comply with certification procedures to establish that you are not a United States person or otherwise establish an exemption. The certification procedures required to claim a reduction or exemption from withholding tax on dividends described above will avoid backup withholding as well. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

U.S. Federal Estate Tax

If you are an individual non-U.S. person or an entity the property of which is potentially includible in an individual non-U.S. person's gross estate for U.S. federal estate tax purposes (for example, a trust funded by a

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non-U.S. individual and with respect to which the individual has retained certain interests or powers), absent an applicable treaty exemption, our common stock will be treated as U.S.-situs property and potentially subject to U.S. federal estate tax.

Foreign Account Tax Compliance

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as "FATCA"), a 30% U.S. federal withholding tax may apply to any dividends paid on our common stock to (i) a "foreign financial institution" (as specifically defined in the Code) which does not provide sufficient documentation, typically on Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) its compliance (or deemed compliance) with FATCA (which may alternatively be in the form of compliance with an intergovernmental agreement with the United States) in a manner which avoids withholding, or (ii) a "non-financial foreign entity" (as specifically defined in the Code) which does not provide sufficient documentation, typically on Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) adequate information regarding certain substantial U.S. beneficial owners of such entity (if any). Under proposed U.S. Treasury regulations, which state that taxpayers may rely on the proposed regulations until final regulations are issued, FATCA withholding will not apply to the gross proceeds from any sale or disposition of our common stock. If a dividend payment is both subject to withholding under FATCA and subject to the 30% withholding tax discussed above, the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax. You should consult your tax adviser regarding these requirements and whether they may be relevant to your ownership and disposition of our common stock.

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CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of shares of our common stock by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts ("IRAs" each, an "IRA") and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of the Code or ERISA (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" of any such employee benefit plan, plan, account or arrangement (each, a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an "ERISA Plan") and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in shares of our common stock of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

The acquisition of the shares of our common stock by an ERISA Plan with respect to which PPL, the Sales Agents or their respective affiliates (collectively, the "Transaction Parties") is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the shares are acquired and held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "PTCEs," that may apply to the acquisition and holding of shares of our common stock. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that neither the party in interest or disqualified person nor any of its affiliates (directly or indirectly) has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any ERISA Plan involved in the transaction and provided further that the ERISA Plan pays no more than adequate consideration in connection with the transaction. Each of the above-noted exemptions contain conditions and limitations on its application. Fiduciaries of ERISA Plans considering acquiring shares of our

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common stock in reliance on these or any other exemption should carefully review the exemption to assure that it is applicable. There can be no assurance that any such exemptions will be available, or that all of the conditions of any such exemptions will be satisfied, with respect to transactions involving shares of our common stock.

Representation

By acceptance of shares of our common stock, each purchaser and subsequent transferee of shares of our common stock will be deemed to have represented, warranted and acknowledged that either (i) it is not, and is not acting on behalf of or with the assets of, a Plan or (ii)(A) its purchase, holding and subsequent disposition of shares of our common stock will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or violation under any applicable Similar Laws, and (B) none of the Transaction Parties is undertaking to provide investment recommendations or investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of shares of our common stock (unless a statutory or administrative exemption applies (all of the applicable conditions of which are satisfied) or the transaction is not otherwise prohibited).

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing shares of our common stock on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of shares of our common stock. Neither this discussion nor anything in this prospectus supplement is or is intended to be investment advice directed at any potential purchaser that is a Plan or at such purchasers generally, and such purchasers should consult and rely on their counsel and advisers as to whether an investment in shares of our common stock is suitable and consistent with ERISA, the Code and any Similar Laws, as applicable.

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PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

We have entered into an Equity Distribution Agreement, dated February 14, 2025, with the Sales Agents, Forward Purchasers and Forward Sellers, under which we may issue and sell shares of our common stock having an aggregate offering price of up to $2,000,000,000 from time to time through or to the Sales Agents, as our sales agents and/or principals, or pursuant to forward sale agreements under the applicable master forward confirmation we entered into with the Forward Purchasers. In no event will the aggregate shares of our common stock offered, and if applicable, sold under the Equity Distribution Agreement, including pursuant to the forward sale agreements, have an aggregate offering price in excess of $2,000,000,000.

The sales, if any, of shares of our common stock under the Equity Distribution Agreement will be made by any method permitted by law including, without limitation, an "at the market offering" as defined in Rule 415 under the Securities Act, sales made by means of ordinary brokers' transactions, or sales made to or through a market maker at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. In addition, our common stock may be offered and sold by such other methods, including privately negotiated transactions (including block sales), as we and the Sales Agents may agree.

The Equity Distribution Agreement provides that, in addition to the issuance and sale of shares of our common stock by us through the Sales Agents, as our sales agents and/or principals, we may also enter into one or more forward sale agreements under the applicable master forward confirmation and the related supplemental confirmation between us and each of the Forward Purchasers. In connection with any forward sale agreement, the relevant Forward Purchaser will borrow from third parties and, through its affiliated Forward Seller, sell a number of shares of our common stock equal to the number of shares of our common stock underlying such forward sale agreement.

Sales of our common stock as contemplated by this prospectus supplement will be settled through the facilities of The Depository Trust Company or by such other means as we, the Sales Agents, or the Forward Sellers may agree upon. In connection with any sale of shares of our common stock hereunder, each Sales Agent, Forward Purchaser or Forward Seller may be deemed to be an "underwriter" within the meaning of the Securities Act, and the compensation paid to each Sales Agent, Forward Purchaser or Forward Seller may be deemed to be underwriting commissions or discounts. We have also agreed to indemnify each Sales Agent, Forward Purchaser and Forward Seller with respect to certain liabilities, including liabilities under the Securities Act or the Exchange Act, or contribute to payments that such Sales Agent, Forward Purchaser or Forward Seller may be required to make in respect of those liabilities.

We will report at least quarterly the number of shares of our common stock sold through or to the Sales Agents, as sales agents and/or principals, in at-the-market offerings and the net proceeds received by us in connection with such sales of our common stock.

We have agreed to pay certain fees, costs and expenses of external counsel to the Sales Agents, Forward Purchasers and Forward Sellers in connection with the Equity Distribution Agreement and the offering hereby, including in connection with initial documentation of the offering contemplated by this prospectus supplement and certain fees and expenses in connection with continuing due diligence. These reimbursed fees and expenses are deemed to be underwriting compensation to the Sales Agents under Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5110.

We have represented to the Sales Agents, Forward Purchasers and Forward Sellers, that our common stock is an "actively traded security" exempted from the requirements of Rule 101 of Regulation M under the Exchange Act by Rule 101(c)(1) thereunder. If the Sales Agents, Forward Purchasers, Forward Sellers, or we have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied, that party will promptly notify the others and sales of common stock under the Equity Distribution Agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of the Sales Agents, Forward Purchasers, Forward Sellers and us.

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The offering of our common stock pursuant to the Equity Distribution Agreement will terminate upon the earlier of (1) the sale of all of our common stock subject to the Equity Distribution Agreement and (2) termination of the Equity Distribution Agreement by either us or, with respect to any Sales Agent, Forward Purchaser or Forward Seller, such Sales Agent, Forward Purchaser or Forward Seller at any time in the respective party's sole discretion, provided, however, that the Equity Distribution Agreement and the obligations thereunder will remain in full force and effect with respect to the Sales Agents, Forward Purchasers and Forward Sellers that have not so terminated their obligations.

The Equity Distribution Agreement provides that we may also in the future enter into one or more terms agreements with one or more of the Sales Agents from time to time, on terms mutually satisfactory to us and such Sales Agent, to the extent we determine to sell shares of our common stock under the Equity Distribution Agreement directly to such Sales Agent as principal.

The expenses in connection with the initiation of the at-the-market offering incurred by the Company, excluding sale commissions, are estimated at $1 million and are payable by us.

Sales Through Sales Agents

From time to time during the term of the Equity Distribution Agreement, and subject to the terms and conditions set forth therein, we may deliver instructions to any of the Sales Agents. Upon receipt of such instructions from us, and subject to the terms and conditions of the Equity Distribution Agreement, each Sales Agent has agreed to use its commercially reasonable efforts consistent with its normal trading and sales practices to sell the amount of shares of our common stock specified in our instructions. We or the relevant Sales Agent may suspend the offering of shares of our common stock at any time upon proper notice to the other, upon which the selling period will immediately terminate. Settlement for sales of shares of our common stock will occur on the first trading day following the date on which the sales were made unless another date shall be agreed to in writing by us and the relevant Sales Agent. The obligation of any Sales Agent under the Equity Distribution Agreement to sell shares of our common stock pursuant to our instructions is subject to a number of conditions, which such Sales Agent reserves the right to waive in its sole discretion.

We will pay each Sales Agent a commission equal to up to 2.0% of the sales price of all shares of our common stock sold through it as our agent under the Equity Distribution Agreement.

Sales Through the Forward Sellers

From time to time during the term of the Equity Distribution Agreement, and subject to the terms and conditions set forth therein and in the related master forward confirmation, we may deliver a forward placement notice relating to a forward sale to any of the Forward Purchasers and the applicable Forward Seller. Subject to the terms and conditions of the Equity Distribution Agreement and the applicable forward sale agreement, the Forward Purchaser or its affiliate will use commercially reasonable efforts consistent with its normal trading and sales practices to borrow, and the affiliated Forward Seller will use commercially reasonable efforts consistent with its normal trading and sales practices to sell, the borrowed shares of our common stock on such terms to hedge such Forward Purchaser's exposure under that particular forward sale agreement. We or the relevant Forward Seller may immediately suspend or terminate the offer and sale of shares of our common stock in respect of a forward sale agreement at any time upon proper notice to the other.

In connection with each forward sale agreement, the relevant Forward Seller will receive, in the form of a reduced initial forward sale price under the related forward sale agreement with the related Forward Purchaser, commissions at a mutually agreed percentage of the gross sales price of all borrowed shares of our common stock sold during the applicable forward hedge selling period by it as Forward Seller. We refer to this commission rate as the forward selling commission. The forward selling commission will not exceed, but may be lower than, 2.0%. The forward hedge selling period will be the period of consecutive trading days determined by us in our sole discretion and as specified in the relevant forward placement notice.

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The forward sale price per share under each forward sale agreement will initially equal the product of (1) an amount equal to one minus the applicable forward selling commission and (2) the volume-weighted average price per share at which the borrowed shares of our common stock were sold pursuant to the Equity Distribution Agreement by the relevant Forward Seller. Thereafter, the forward sale price will be subject to adjustment as described below.

The forward sale agreements, the terms of which may not be less than one (1) month or more than twenty-four (24) months, will provide that the forward sale price, as well as the sales prices used to calculate the initial forward sale price, will be subject to increase or decrease based on the overnight bank funding rate, less a spread, and subject to decrease by amounts related to expected dividends on shares of our common stock during the term of the particular forward sale agreement. If the overnight bank funding rate is less than the spread for a particular forward sale agreement on any day, the interest factor will result in a daily reduction of the forward sale price.

Except under limited circumstances described below, we have the right to elect physical, cash or net share settlement under any forward sale agreement. Although we intend to settle each forward sale agreement entirely by delivering shares of our common stock in connection with full physical settlement, we may, subject to certain conditions, elect cash settlement or net share settlement for all or a portion of our obligations under a particular forward sale agreement if we conclude that it is in our interest to do so. For example, we may conclude that it is in our interest to cash settle or net share settle a particular forward sale agreement if we have no then-current use for all or a portion of the net proceeds that we would receive upon physical settlement. In addition, subject to certain conditions, we may elect to accelerate the settlement of all or a portion of the number of shares of our common stock underlying a particular forward sale agreement.

If we elect to physically settle any forward sale agreement, we will receive an amount of cash from the relevant Forward Purchaser equal to the product of the forward sale price per share under that particular forward sale agreement and the number of shares of our common stock underlying the particular forward sale agreement. If we elect cash settlement or net share settlement with respect to all or a portion of the number of shares of our common stock underlying a forward sale agreement, we expect the applicable Forward Purchaser (or an affiliate thereof) to purchase a number of shares of our common stock in secondary market transactions over an unwind period to:

- return shares of our common stock to securities lenders in order to unwind such Forward Purchaser's hedge (after taking into consideration any shares of our common stock to be delivered by us to such Forward Purchaser, in the case of net share settlement); and
- if applicable, in the case of net share settlement, deliver shares of our common stock to us to the extent required in settlement of such forward sale agreement.

If the volume-weighted average price at which a particular Forward Purchaser (or its affiliate) is able to purchase (or is deemed able to purchase) shares of our common stock during the applicable unwind period under that particular forward sale agreement is above the relevant forward sale price, in the case of cash settlement, we would pay the relevant Forward Purchaser in respect of such forward sale agreement an amount in cash equal to the difference or, in the case of net share settlement, we would deliver to such Forward Purchaser a number of shares of our common stock having a value equal to the difference. Thus, we could be responsible for a potentially substantial cash payment in the case of cash settlement. If the volume-weighted average price at which a particular Forward Purchaser (or its affiliate) is able to purchase (or is deemed able to purchase) shares of our common stock during the applicable unwind period under that particular forward sale agreement is below the relevant forward sale price, in the case of cash settlement, we would be paid the difference in cash by the relevant Forward Purchaser in respect of such forward sale agreement or, in the case of net share settlement, we would receive from such Forward Purchaser a number of shares of our common stock having a value equal to the difference.

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In addition, the purchase of shares of our common stock in connection with the relevant Forward Purchaser or its affiliate unwinding such Forward Purchaser's hedge positions could cause the price of our common stock to increase over such time (or prevent a decrease over such time), thereby increasing the amount of cash we would owe to such Forward Purchaser (or decreasing the amount of cash that such Forward Purchaser would owe us) upon a cash settlement of the relevant forward sale agreement or increasing the number of shares of our common stock we would deliver to such Forward Purchaser (or decreasing the number of shares of our common stock that such Forward Purchaser would deliver to us) upon net share settlement of the relevant forward sale agreement. See "Risk Factors."

Each Forward Purchaser will have the right to accelerate its forward sale agreement (with respect to all or any portion of the transaction under such forward sale agreement that such Forward Purchaser determines is affected by such event) and require us to physically settle on a date specified by such Forward Purchaser if (1) in such Forward Purchaser's good faith commercially reasonable judgment, it or its affiliate (x) is unable to hedge its exposure under such forward sale agreement because an insufficient number of shares of our common stock have been made available for borrowing by securities lenders or (y) would incur a stock loan cost in excess of a specified threshold to hedge its exposure under such forward sale agreement; (2) we declare any dividend, issue or distribution on shares of our common stock (a) payable in cash in excess of specified amounts (unless it is an extraordinary dividend), (b) payable in securities of another company that we acquire or own (directly or indirectly) as a result of a spin-off or similar transaction, or (c) of any other type of securities (other than shares of our common stock), rights, warrants or other assets, for payment at less than the prevailing market price as reasonably determined by such Forward Purchaser; (3) certain ownership thresholds applicable to such Forward Purchaser and its affiliates are exceeded; (4) an event is announced that if consummated would result in a specified extraordinary event (including certain mergers or tender offers, as well as certain events involving our nationalization or insolvency or a delisting of shares of our common stock) or the occurrence of a change in law under the forward sale agreement; or (5) certain other events of default or termination events occur, including, among others, any material misrepresentation made in connection with such forward sale agreement (each as more fully described in each forward sale agreement). A Forward Purchaser's decision to exercise its right to accelerate any forward sale agreement and to require us to physically settle any such forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of the applicable forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and return on equity. In addition, upon certain insolvency filings or reorganization relating to us, the forward sale agreement will automatically terminate without further liability of either party. Following any such termination, we would not deliver any shares of our common stock and we would not receive any proceeds pursuant to the forward sale agreement. See "Risk Factors."

Relationships with Sales Agents

The Sales Agents and their respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, financing and brokerage activities.

Certain of the Sales Agents and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions and reimbursement of expenses for these transactions. Affiliates of certain Sales Agents are lenders and/or agents under our credit facility, and certain Sales Agents and their affiliates may from time to time hold our securities for their own account. To the extent we use the net proceeds of this offering to reduce indebtedness outstanding under our existing credit facility or any of our securities, such Sales Agents or affiliates thereof, as applicable, will receive a pro rata portion of such payments. Certain of the Sales Agents have acted as underwriters for certain of our securities. Certain of the Sales Agents or their affiliates routinely hedge, certain of the Sales Agents or their affiliates are likely to hedge or

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otherwise reduce, and certain other of the Sales Agents or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these Sales Agents and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities. Any such credit default swaps or short positions could adversely affect future trading prices of our securities. Certain of the Sales Agents or their affiliates are customers of ours and engage in transactions with us or our affiliates in the ordinary course of business.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchases of securities.

Conflicts of Interest

The Forward Purchasers (or their respective affiliates) will receive the net proceeds of any sale of borrowed shares of our common stock sold pursuant to this prospectus supplement in connection with any forward sale agreement. Because certain Sales Agents, Forward Sellers and Forward Purchasers or their respective affiliates are expected to receive part of the net proceeds from the sale of shares of our common stock in connection with any forward sale agreement, such Sales Agents, Forward Sellers and Forward Purchasers would be deemed to have a conflict of interest under FINRA Rule 5121 to the extent such Sales Agents, Forward Sellers and Forward Purchasers or their affiliates receive at least 5% of the net proceeds of the offering. Any Sales Agent, Forward Seller or Forward Purchaser deemed to have a conflict of interest would be required to conduct the distribution of our common stock in accordance with FINRA Rule 5121. If the offering is conducted in accordance with FINRA Rule 5121, such Sales Agent, Forward Seller or Forward Purchaser would not be permitted to confirm a sale to an account over which it exercises discretionary authority without first receiving specific written approval from the account holder. The appointment of a “qualified independent underwriter” (as defined in FINRA Rule 5121) is not necessary for this offering because the shares of common stock being offered have a “bona fide public market” (as defined in FINRA Rule 5121).

Other Relationships

If we enter into a forward sale agreement with any Forward Purchaser, we expect that the affiliated Forward Seller will attempt to sell borrowed shares of our common stock to hedge such Forward Purchaser’s exposure under such forward sale agreement. All of the net proceeds from the sale of any such borrowed shares of our common stock will be paid to the applicable Forward Purchaser. Such entity will be either a Sales Agent or an affiliate of a Sales Agent. As a result, a Sales Agent or one of its affiliates will receive the net proceeds from any sale of borrowed shares of our common stock made in connection with any forward sale agreement.

In addition, from time to time, certain of the Sales Agents, Forward Purchasers, Forward Sellers and their respective affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future. In the ordinary course of their various business activities, the Sales Agents, Forward Purchasers, Forward Sellers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Company. The Sales Agents, Forward Purchasers, Forward Sellers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

No Public Offering Outside of the United States

No action has been or will be taken in any jurisdiction (except in the United States) that would permit a public offering of the shares of our common stock, or the possession, circulation, or distribution of this

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prospectus supplement or the accompanying prospectus or any other material relating to us or the shares of our common stock in any jurisdiction where action for that purpose is required. Accordingly, the shares of our common stock offered by this prospectus supplement and the accompanying prospectus may not be offered or sold, directly or indirectly, and this prospectus supplement, the accompanying prospectus and any other offering material or advertisements in connection with the shares of our common stock may not be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State an offer of our shares of common stock may not be made to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Sales Agent, Forward Purchaser or Forward Seller or agents nominated by us for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, *provided* that no such offer of our shares of common stock shall require us or any Sales Agent, Forward Purchaser or Forward Seller to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the same may be varied in that Member State by any measures implementing the Prospectus Directive in that Member State; and the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in each Relevant Member State.

This prospectus supplement has been prepared on the basis that any offer of the shares of our common stock in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of the shares of our common stock. Accordingly, any person making or intending to make any offer in that Relevant Member State of the shares of our common stock which are the subject of the transactions contemplated by this prospectus supplement may only do so in circumstances in which no obligation arises for us or any of the Sales Agents, Forward Purchasers or Forward Sellers to produce a prospectus for such offer pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the Sales Agents, Forward Purchasers or Forward Sellers have authorized, or hereby authorize, the making of any offer of the shares of our common stock in circumstances in which an obligation arises for us or any of the Sales Agents to publish a prospectus for such offer.

United Kingdom

Each Sales Agent, Forward Purchaser and Forward Seller has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act of 2000 (the "FSMA")) received by it in connection with the offer of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

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(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

In the United Kingdom, this prospectus supplement is being distributed only to and is directed only at, persons who are "qualified investors" (as defined in the Prospectus Directive) who are (i) investment professionals falling within Article 19(5) of the U.K. Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); or (ii) high net worth entities, and other persons to whom it may be lawfully be communicated, falling within Articles 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this prospectus supplement relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this prospectus supplement or any of its contents.

Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Sales Agents are not required to comply with the disclosure requirements of NI 33-105 regarding Sales Agent conflicts of interest in connection with this offering.

Hong Kong

The shares may not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

The shares which are the subject of this prospectus supplement do not represent units in a collective investment scheme which is authorized or recognized by the Monetary Authority of Singapore (MAS) under Section 286 or 287 of the Securities and Futures Act (Chapter 289 of Singapore) (SFA) and this Information

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Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore under the SFA. This prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares will not be circulated or distributed, nor will the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore, other than institutional investors as defined in Section 4A of the SFA or relevant regulations thereunder.

Japan

This offering of the shares of our common stock has not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of April 13, 1948, as amended; the "Financial Instruments and Exchange Act") or any other laws, regulations or ministerial guidelines of Japan, and accordingly the shares of our common stock may not be offered or sold, directly or indirectly, in Japan or to, or for the account or the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan and any branch or other office in Japan of a corporation or other entity organized under the laws of any foreign state), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

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EXPERTS

The financial statements of PPL Corporation as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, incorporated by reference in this prospectus supplement by reference to PPL Corporation's Annual Report on Form 10-K for the year ended December 31, 2024, and the effectiveness of PPL Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports. Such financial statements are incorporated by reference in reliance upon the reports of such firm given their authority as experts in accounting and auditing.

LEGAL MATTERS

Certain legal matters in connection with the offering will be passed upon for PPL Corporation by Davis Polk & Wardwell LLP, New York, New York, and W. Eric Marr, Esq., Senior Counsel of PPL Corporation. Certain legal matters in connection with this offering will be passed upon for the Sales Agents by Hunton Andrews Kurth LLP, New York, New York. From time to time, Hunton Andrews Kurth LLP acts as counsel to PPL Corporation and its affiliates on certain matters. Davis Polk & Wardwell LLP and Hunton Andrews Kurth LLP, will rely on the opinion of Mr. Marr as to matters involving the law of the Commonwealth of Pennsylvania. As to matters involving the law of the State of New York, Mr. Marr will rely on the opinion of Davis Polk & Wardwell LLP.

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PROSPECTUS

PPL Corporation
PPL Capital Funding, Inc.
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101-1179
(610) 774-5151

Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202
(502) 627-2000

Kentucky Utilities Company
One Quality Street
Lexington, Kentucky 40507
(502) 627-2000

PPL Corporation

Common Stock, Preferred Stock,
Stock Purchase Contracts, Stock Purchase Units and Depositary Shares

PPL Capital Funding, Inc.

Debt Securities and Subordinated Debt Securities
Guaranteed by PPL Corporation as described in a supplement to this prospectus

PPL Electric Utilities Corporation

Debt Securities

Louisville Gas and Electric Company

Debt Securities

Kentucky Utilities Company

Debt Securities

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the supplements carefully before you invest.

We may offer the securities directly or through underwriters or agents. The applicable prospectus supplement will describe the terms of any particular plan of distribution.

Investing in the securities involves certain risks. See "~~Risk Factors~~" on page 2.

PPL Corporation's common stock is listed on the New York Stock Exchange and trades under the symbol "PPL."

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission, nor has the Securities and Exchange Commission or any state securities commission determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 16, 2024.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that PPL Corporation, PPL Capital Funding, Inc. ("PPL Capital Funding"), PPL Electric Utilities Corporation ("PPL Electric"), Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") have each filed with the Securities and Exchange Commission, or SEC, using the "shelf" registration process. Under this shelf process, we may, from time to time, sell combinations of the securities described in this prospectus in one or more offerings. Each time we sell securities, we will provide a prospectus supplement that will contain a description of the securities we will offer and specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under "Where You Can Find More Information."

We may use this prospectus to offer from time to time:

- shares of PPL Corporation Common Stock, par value $.01 per share ("PPL Common Stock");
- shares of PPL Corporation Preferred Stock, par value $.01 per share ("PPL Preferred Stock");
- contracts or other rights to purchase shares of PPL Common Stock or PPL Preferred Stock ("PPL Stock Purchase Contracts");
- stock purchase units, each representing (1) a PPL Stock Purchase Contract and (2) PPL Preferred Stock or debt securities or preferred trust securities of third parties (such as debt securities or subordinated debt securities of PPL Capital Funding, preferred trust securities of a subsidiary trust or United States Treasury securities) that are pledged to secure the stock purchase unit holders' obligations to purchase PPL Common Stock or PPL Preferred Stock under the PPL Stock Purchase Contracts;
- PPL Corporation's Depositary Shares, issued under a deposit agreement and representing a fractional interest in PPL Preferred Stock;
- PPL Capital Funding's unsecured and unsubordinated debt securities ("PPL Capital Funding Debt Securities");
- PPL Capital Funding's unsecured and subordinated debt securities ("PPL Capital Funding Subordinated Debt Securities");
- PPL Electric's First Mortgage Bonds issued under PPL Electric's 2001 indenture, as amended and supplemented, which will be secured by the lien of the 2001 indenture on PPL Electric's electricity distribution and certain transmission properties, subject to certain exceptions to be described in a prospectus supplement;
- LG&E's First Mortgage Bonds issued under LG&E's 2010 indenture, as amended and supplemented, which will be secured by the lien of the 2010 indenture on LG&E's Kentucky electricity generation, transmission and distribution properties and natural gas distribution properties, subject to certain exceptions to be described in a prospectus supplement; and
- KU's First Mortgage Bonds issued under KU's 2010 indenture, as amended and supplemented, which will be secured by the lien of the 2010 indenture on KU's Kentucky electricity generation, transmission and distribution properties, subject to certain exceptions to be described in a prospectus supplement.

We sometimes refer to the securities listed above collectively as the "Securities."

PPL Corporation will fully and unconditionally guarantee the payment of principal, premium and interest on the PPL Capital Funding Debt Securities and PPL Capital Funding Subordinated Debt Securities as will be described in supplements to this prospectus. We sometimes refer to PPL Corporation's guarantees of PPL Capital Funding Debt Securities as "PPL Guarantees" and PPL Corporation's guarantees of PPL Capital Funding Subordinated Debt Securities as the "PPL Subordinated Guarantees."

Information contained herein relating to each registrant is filed separately by such registrant on its own behalf. No registrant makes any representation as to information relating to any other registrant or Securities or

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guarantees issued by any other registrant, except that information relating to PPL Capital Funding's Securities is also attributed to PPL Corporation.

As used in this prospectus, the terms "we," "our" and "us" generally refer to:

- PPL Corporation with respect to Securities, PPL Guarantees or PPL Subordinated Guarantees issued by PPL Corporation or PPL Capital Funding;
- PPL Electric, with respect to Securities issued by PPL Electric;
- LG&E, with respect to Securities issued by LG&E; and
- KU, with respect to Securities issued by KU.

For more detailed information about the Securities, the PPL Guarantees and the PPL Subordinated Guarantees, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

RISK FACTORS

Investing in the Securities involves certain risks. You are urged to read and consider the risk factors relating to an investment in the Securities described in the Annual Reports on Form 10-K of PPL Corporation, PPL Electric, LG&E and KU, as applicable, for the year ended December 31, 2023, and incorporated by reference in this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus. The risks and uncertainties we have described are not the only ones affecting PPL Corporation, PPL Electric, LG&E and KU. The prospectus supplement applicable to each type or series of Securities we offer and our other filings incorporated by reference herein and therein may contain a discussion of additional risks applicable to an investment in us and the particular type of Securities we are offering under that prospectus supplement.

FORWARD-LOOKING INFORMATION

Certain statements included or incorporated by reference in this prospectus, including statements concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact are "forward-looking statements" within the meaning of the federal securities laws. Although we believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, and actual results may differ materially from the results discussed in forward-looking statements. In addition to the specific factors discussed in the "Risk Factors" section in this prospectus and our reports that are incorporated by reference, the following are among the important factors that could cause actual results to differ materially and adversely from the forward-looking statements:

- strategic acquisitions, dispositions, or similar transactions, and our ability to consummate these business transactions or realize expected benefits from them;
- pandemic health events or other catastrophic events such as fires, earthquakes, explosions, floods, droughts, tornadoes, hurricanes and other extreme weather-related events (including events potentially caused or exacerbated by climate change) and their impact on economic conditions, financial markets and supply chains;
- capital market conditions, including the availability of capital, credit or insurance, changes in interest rates and certain economic indices, and decisions regarding capital structure;

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- volatility in or the impact of other changes in financial markets, commodity prices and economic conditions, including inflation;
- weather and other conditions affecting generation, transmission and distribution operations, operating costs and customer energy use;
- the outcome of rate cases or other cost recovery, revenue or regulatory proceedings;
- the direct or indirect effects on PPL or its subsidiaries or business systems of cyber-based intrusion or the threat of cyberattacks;
- significant changes in the demand for electricity;
- expansion of alternative and distributed sources of electricity generation and storage;
- the effectiveness of our risk management programs, including commodity and interest rate hedging;
- defaults by counterparties or suppliers for energy, capacity, coal, natural gas or key commodities, goods or services;
- a material decline in the market value of PPL's equity;
- significant decreases in the fair value of debt and equity securities and their impact on the value of assets in defined benefit plans, and the related cash funding requirements if the fair value of those assets decline;
- interest rates and their effect on pension and retiree medical liabilities, asset retirement obligation liabilities, interest payable on certain debt securities, and the general economy;
- the potential impact of any unrecorded commitments and liabilities of PPL and its subsidiaries;
- new accounting requirements or new interpretations or applications of existing requirements;
- adverse changes in the corporate credit ratings or securities analyst rankings of PPL and its securities;
- any requirement to record impairment charges pursuant to Generally Accepted Accounting Principles with respect to any of our significant investments;
- laws or regulations to reduce emissions of greenhouse gases or the physical effects of climate change;
- continuing ability to access fuel supply for LG&E and KU, as well as the ability to recover fuel costs and environmental expenditures in a timely manner at LG&E and KU and natural gas supply costs at LG&E and Rhode Island Energy ("RIE");
- war, armed conflicts, terrorist attacks, or similar disruptive events, including the ongoing conflicts in Ukraine, the Red Sea and Gaza;
- changes in political, regulatory or economic conditions in states or regions where PPL or its subsidiaries conduct business;
- the ability to obtain necessary governmental permits and approvals;
- changes in state or federal tax laws or regulations;
- changes in state, federal or foreign legislation or regulatory developments;
- the impact of any state, federal or foreign investigations applicable to PPL and its subsidiaries and the energy industry;
- our ability to attract and retain qualified employees;
- the effect of changing expectations and demands of our customers, regulators, investors and stakeholders, including views on environmental, social and governance concerns;
- the effect of any business or industry restructuring;

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- development of new projects, markets and technologies;
- performance of new ventures;
- collective labor bargaining negotiations and labor costs; and
- the outcome of litigation involving PPL and its subsidiaries.

Any forward-looking statements should be considered in light of these important factors and in conjunction with other documents we file with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for us to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made and, we undertake no obligation to update the information contained in the statement to reflect subsequent developments or information.

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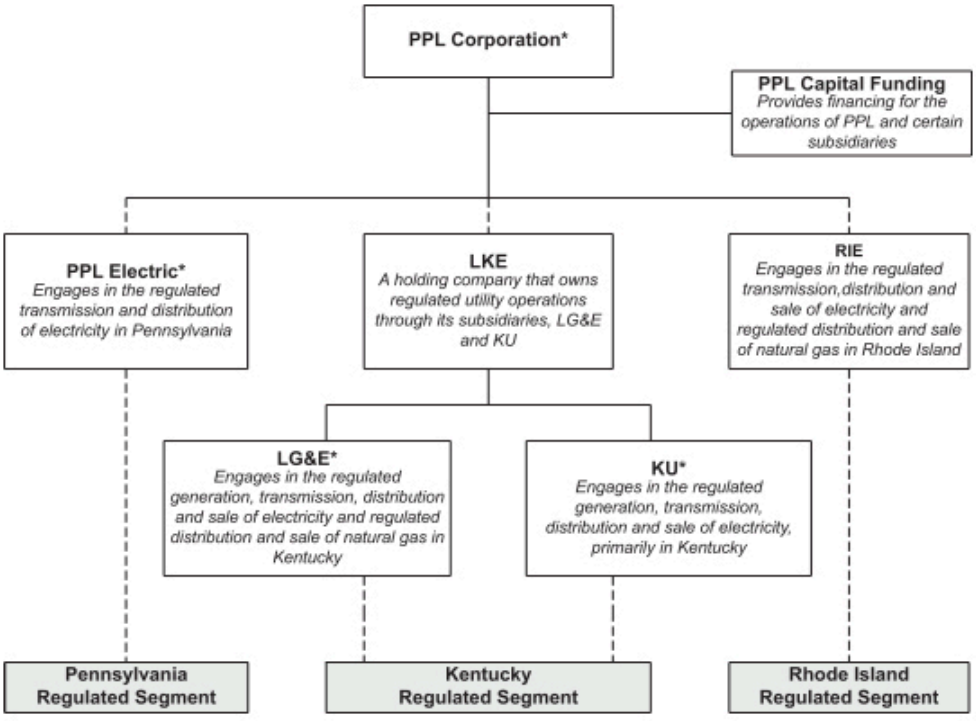
PPL CORPORATION

PPL Corporation, headquartered in Allentown, Pennsylvania, is a utility holding company, incorporated in 1994. PPL Corporation, through its regulated utility subsidiaries, delivers electricity to customers in Pennsylvania, Kentucky, Virginia, and Rhode Island; delivers natural gas to customers in Kentucky and Rhode Island; and generates electricity from power plants in Kentucky.

PPL Corporation's principal subsidiaries are shown below (* denotes a registrant hereunder):



PPL Corporation conducts its operations through the following segments:

Kentucky Regulated

The Kentucky Regulated segment consists primarily of the regulated electricity generation, transmission and distribution operations conducted by LG&E and KU, as well as LG&E's regulated distribution and sale of natural gas. As of December 31, 2023, LG&E provided electric service to approximately 436,000 customers and provided natural gas service to approximately 335,000 customers in Kentucky, and KU delivered electricity to approximately 573,000 customers in Kentucky and Virginia. See "Louisville Gas and Electric Company" and "Kentucky Utilities Company," respectively, for more information.

Pennsylvania Regulated

The Pennsylvania Regulated segment includes the regulated electricity transmission and distribution operations of PPL Electric. As of December 31, 2023, PPL Electric delivered electricity to approximately 1.5 million customers in eastern and central Pennsylvania. See "PPL Electric Utilities Corporation" below for more information.

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Rhode Island Regulated

The Rhode Island Regulated segment consists primarily of the regulated electricity transmission and distribution operations and regulated distribution and sale of natural gas conducted by RIE. As of December 31, 2023, RIE delivered electric service to approximately 500,000 customers and natural gas service to approximately 270,000 customers in Rhode Island.

PPL Corporation's subsidiaries, including PPL Electric, LG&E, KU and RIE, are separate legal entities and are not liable for the debts of PPL Corporation, and PPL Corporation is not liable for the debts of its subsidiaries (other than under the PPL Guarantees of PPL Capital Funding Debt Securities and PPL Subordinated Guarantees of PPL Capital Funding Subordinated Debt Securities). None of PPL Electric, LG&E, KU or RIE will guarantee or provide other credit or funding support for the Securities to be offered by PPL Corporation pursuant to this prospectus.

PPL CAPITAL FUNDING, INC.

PPL Capital Funding is a Delaware corporation and wholly owned subsidiary of PPL Corporation. PPL Capital Funding's primary business is to provide PPL Corporation with financing for its operations. PPL Corporation will fully and unconditionally guarantee the payment of principal, premium and interest on the PPL Capital Funding Debt Securities pursuant to the PPL Guarantees and the PPL Capital Funding Subordinated Debt Securities pursuant to the PPL Subordinated Guarantees, as will be described in supplements to this prospectus.

PPL ELECTRIC UTILITIES CORPORATION

PPL Electric, headquartered in Allentown, Pennsylvania, is a wholly owned subsidiary of PPL Corporation, incorporated in Pennsylvania in 1920 and a regulated public utility that is an electricity transmission and distribution service provider in eastern and central Pennsylvania. As of December 31, 2023, PPL Electric delivered electricity to approximately 1.5 million customers in a 10,000 square mile territory in 29 counties of eastern and central Pennsylvania. PPL Electric also provides electricity to retail customers in this area as a provider of last resort under the Pennsylvania Electricity Generation Customer Choice and Competition Act.

PPL Electric is subject to regulation as a public utility by the Pennsylvania Public Utility Commission, and certain of its transmission activities are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") under the Federal Power Act.

Neither PPL Corporation nor any of its subsidiaries or affiliates will guarantee or provide other credit or funding support for the Securities to be offered by PPL Electric pursuant to this prospectus.

LOUISVILLE GAS AND ELECTRIC COMPANY

LG&E, headquartered in Louisville, Kentucky, is a wholly owned subsidiary of LG&E and KU Energy LLC ("LKE") and a regulated utility engaged in the generation, transmission, distribution and sale of electricity and distribution and sale of natural gas in Kentucky.

As of December 31, 2023, LG&E provided electric service to approximately 436,000 customers in Louisville and adjacent areas in Kentucky, covering approximately 700 square miles in nine counties and provided natural gas service to approximately 335,000 customers in its electric service area and eight additional counties in Kentucky.

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LG&E is subject to regulation as a public utility by the Kentucky Public Service Commission ("KPSC"), and certain of its transmission activities are subject to the jurisdiction of the FERC under the Federal Power Act. LG&E was incorporated in 1913.

Neither PPL Corporation nor any of its subsidiaries or affiliates will guarantee or provide other credit or funding support for the Securities to be offered by LG&E pursuant to this prospectus.

KENTUCKY UTILITIES COMPANY

KU, headquartered in Lexington, Kentucky, is a wholly owned subsidiary of LKE and a regulated utility engaged in the generation, transmission, distribution and sale of electricity in Kentucky and Virginia.

As of December 31, 2023, KU provided electric service to approximately 545,000 customers in 77 counties in central, southeastern and western Kentucky, approximately 28,000 customers in five counties in southwestern Virginia, covering approximately 4,800 non-contiguous square miles. As of December 31, 2023, KU also sold wholesale electricity to two municipalities in Kentucky under load following contracts. In Virginia, KU operates under the Old Dominion Power name.

KU is subject to regulation as a public utility by the KPSC and the Virginia State Corporation Commission, and certain of its transmission and wholesale power activities are subject to the jurisdiction of the FERC under the Federal Power Act. KU was incorporated in Kentucky in 1912 and in Virginia in 1991.

Neither PPL Corporation nor any of its subsidiaries or affiliates will guarantee or provide other credit or funding support for the Securities to be offered by KU pursuant to this prospectus.

The offices of PPL Corporation, PPL Capital Funding and PPL Electric are located at Two North Ninth Street, Allentown, Pennsylvania 18101-1179 (Telephone number (610) 774-5151).

The offices of LG&E are located at 220 West Main Street, Louisville, Kentucky 40202 (Telephone number (502) 627-2000).

The offices of KU are located at One Quality Street, Lexington, Kentucky 40507 (Telephone number (502) 627-2000).

The information above concerning PPL Corporation, PPL Capital Funding, PPL Electric, LG&E and KU and, if applicable, their respective subsidiaries is only a summary and does not purport to be comprehensive. For additional information about these companies, including certain assumptions, risks and uncertainties involved in the forward-looking statements contained or incorporated by reference in this prospectus, you should refer to the information described in "Where You Can Find More Information."

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USE OF PROCEEDS

Except as otherwise described in a prospectus supplement, the net proceeds from the sale of the PPL Capital Funding Debt Securities and the PPL Capital Funding Subordinated Debt Securities will be loaned to PPL Corporation and/or its subsidiaries, and PPL Corporation and/or its subsidiaries are expected to use the proceeds of such loans, and the proceeds of the other Securities issued by PPL Corporation, for general corporate purposes, including repayment of debt. Except as otherwise described in a prospectus supplement, each of PPL Electric, LG&E and KU is expected to use the proceeds of the Securities it issues for general corporate purposes, including repayment of debt and for capital expenditures.

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WHERE YOU CAN FIND MORE INFORMATION

Available Information

PPL Corporation, PPL Electric, LG&E and KU each file reports and other information with the SEC. The SEC maintains an Internet site that contains information PPL Corporation, PPL Electric, LG&E and KU have filed electronically with the SEC, which you can access over the Internet at http://www.sec.gov.

PPL Corporation's Internet Web site is www.pplweb.com. Under the "Investors" heading of that website, PPL Corporation provides access to all SEC filings of PPL Corporation, PPL Electric, LG&E and KU free of charge, as soon as reasonably practicable after filing with the SEC. The information at PPL Corporation's Internet Web site is not incorporated in this prospectus by reference, and you should not consider it a part of this prospectus.

In addition, reports, proxy statements and other information concerning PPL Corporation, PPL Electric, LG&E and KU, as applicable, can be inspected at Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

Incorporation by Reference

Each of PPL Corporation, PPL Electric, LG&E and KU will "incorporate by reference" information into this prospectus by disclosing important information to you by referring you to another document that it files separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede that information. This prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about the registrants.

PPL Corporation

SEC Filings (File No. 1-11459)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023
PPL Corporation's 2023 Notice of Annual Meeting and Proxy Statement (portions thereof incorporated by reference into PPL Corporation's Annual Report on Form 10-K for the year ended December 31, 2022)	Filed on April 4, 2023
Current Reports on Form 8-K	Filed on January 5, 2024

PPL Electric

SEC Filings (File No. 1-905)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023
Current Reports on Form 8-K	Filed on January 5, 2024

LG&E

SEC Filings (File No. 1-2893)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023

KU

SEC Filings (File No. 1-3464)	Period/Date
Annual Report on Form 10-K	Year ended December 31, 2023

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Additional documents that PPL Corporation, PPL Electric, LG&E and KU file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, between the date of this prospectus and the termination of the offering of the Securities are also incorporated herein by reference. In addition, any additional documents that PPL Corporation, PPL Electric, LG&E or KU file with the SEC pursuant to these sections of the Exchange Act after the date of the filing of the registration statement containing this prospectus, and prior to the effectiveness of the registration statement, are also incorporated herein by reference. Unless specifically stated to the contrary, none of the information that PPL Corporation, PPL Electric, LG&E or KU files or discloses under Items 2.02 or 7.01 of any Current Report on Form 8-K that have been furnished or may from time to time be furnished with the SEC is or will be incorporated by reference into, or otherwise included in, this prospectus.

Each of PPL Corporation, PPL Electric, LG&E and KU will provide without charge to each person, including any beneficial owner, to whom a copy of this prospectus has been delivered, a copy of any and all of its filings with the SEC. You may request a copy of these filings by writing or telephoning the appropriate registrant at:

Two North Ninth Street
Allentown, Pennsylvania 18101-1179
Attention: Treasurer
Telephone: 1-800-345-3085

No separate financial statements of PPL Capital Funding are included herein or incorporated herein by reference. PPL Corporation and PPL Capital Funding do not consider those financial statements to be material to holders of the PPL Capital Funding Debt Securities or PPL Capital Funding Subordinated Debt Securities because (1) PPL Capital Funding is a wholly owned subsidiary that was formed for the primary purpose of providing financing for PPL Corporation and its subsidiaries, (2) PPL Capital Funding does not currently engage in any independent operations and (3) PPL Capital Funding is a finance subsidiary and does not currently plan to engage, in the future, in more than minimal independent operations. See “PPL Capital Funding.” Accordingly, PPL Corporation and PPL Capital Funding do not expect PPL Capital Funding to file such reports.

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EXPERTS

The consolidated financial statements of PPL Corporation and PPL Electric Utilities Corporation and the financial statements of Louisville Gas and Electric Company and Kentucky Utilities Company incorporated by reference in this Prospectus by reference to their Annual Reports on Form 10-K for the year ended December 31, 2023, and the effectiveness of PPL Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports. Such financial statements are incorporated by reference in reliance upon the reports of such firm, given their authority as experts in accounting and auditing.

VALIDITY OF THE SECURITIES AND THE PPL GUARANTEES

Davis Polk & Wardwell LLP, New York, New York, and W. Eric Marr, Esq., Senior Counsel of PPL Services Corporation will pass upon the validity of the Securities, the PPL Guarantees and the PPL Subordinated Guarantees for PPL Corporation and PPL Capital Funding. Bracewell LLP, New York, New York and Mr. Marr will pass upon the validity of any PPL Electric Securities for PPL Electric. Bracewell LLP and John P. Fendig, Esq., Senior Counsel of PPL Services Corporation will pass upon the validity of any LG&E and KU Securities for those issuers. Hunton Andrews Kurth LLP, New York, New York will pass upon the validity of the Securities, the PPL Guarantees and the PPL Subordinated Guarantees for any underwriters or agents. Bracewell LLP, Davis Polk & Wardwell LLP and Hunton Andrews Kurth LLP will rely on the opinion of Mr. Marr as to matters involving the law of the Commonwealth of Pennsylvania and on the opinion of Mr. Fendig as to matters involving the laws of the Commonwealths of Kentucky and Virginia.

OFFERING MEMORANDUM ***STRICTLY CONFIDENTIAL***

THE NARRAGANSETT ELECTRIC COMPANY

Rhode Island Energy™

a PPL company

$500,000,000 5.350% Senior Notes due 2034

We are offering $500,000,000 aggregate principal amount of our 5.350% Senior Notes due 2034 (the "Notes"). We will pay interest on the Notes semi-annually in arrears on May 1 and November 1 of each year, commencing on November 1, 2024. The Notes will mature on May 1, 2034. The Notes will accrue interest at the rate of 5.350% per annum. We may redeem the Notes at our option, in whole or in part, at any time and from time to time, at the applicable redemption price described in this offering memorandum (the "Offering Memorandum") under the caption "Description of Notes—Optional Redemption."

The Notes will be our unsecured senior obligations and rank *pari passu* with all of our existing and future unsecured senior indebtedness and senior to any of our existing and future subordinated indebtedness and will be effectively subordinated to all of our secured indebtedness to the extent of the value of the assets securing that indebtedness.

We do not intend to file a registration statement with the Securities and Exchange Commission related to the Notes. The Notes are new issues of securities with no established trading market. We do not intend to apply for listing of the Notes on any securities exchange or for inclusion of the Notes in any automated quotation system.

See "Risk Factors" beginning on page 6 to read about important factors you should consider before buying the Notes.

Offering Price: 99.922%

The offering price set forth above does not include accrued interest, if any. Interest on the Notes will accrue from March 25, 2024. If the Notes are delivered after March 25, 2024, accrued interest must be paid by the purchaser until the time of delivery.

The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any other jurisdiction and are being offered and sold in the United States only to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act ("Rule 144A") and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Notes are not transferable except in accordance with the restrictions described under "Notice to Investors; Transfer Restrictions."

The initial purchasers expect to deliver the Notes to investors through the book-entry delivery system of The Depository Trust Company ("DTC") for the accounts of its direct and indirect participants (including Euroclear SA/NV ("Euroclear"), as operator of the Euroclear System, and Clearstream Banking S.A. ("Clearstream")) on or about March 25, 2024.

Joint Book-Running Managers

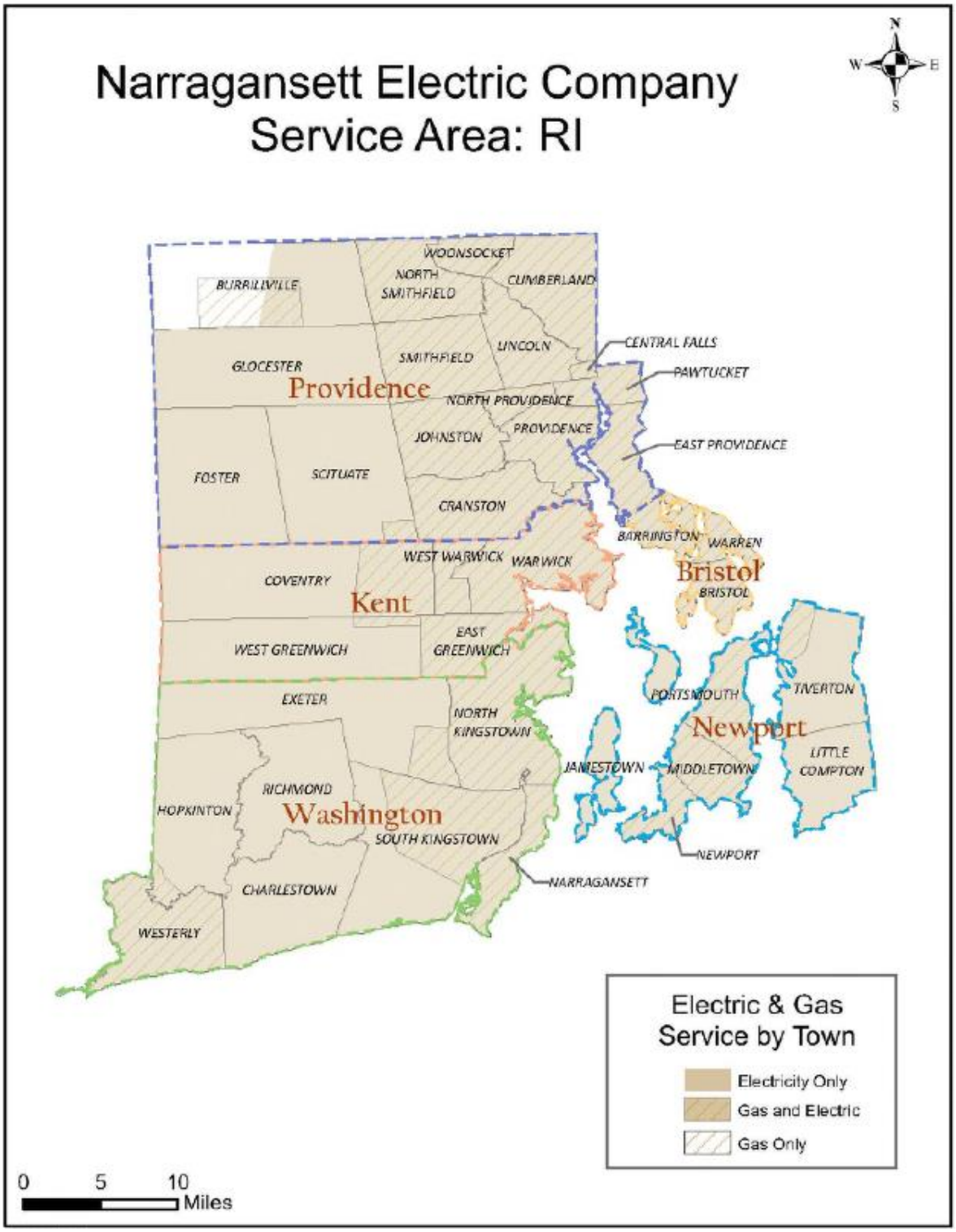
Goldman Sachs & Co. LLC **J.P. Morgan** **Mizuho** **RBC Capital Markets**

Co-Managers

MUFG **Scotiabank** **SMBC Nikko**

Academy Securities **AmeriVet Securities** **MFR Securities, Inc.** **Mischler Financial Group, Inc.** **Siebert Williams Shank**

The date of this Offering Memorandum is March 21, 2024.


Narragansett Electric Company
Service Area: RI
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WOONSOCKET
NORTH SMITHFIELD
CUMBERLAND
BURRILLVILLE
LINCOLN
CENTRAL FALLS
SMITHFIELD
GLOCESTER
Providence
PAWTUCKET
NORTH PROVIDENCE
JOHNSTON
PROVIDENCE
EAST PROVIDENCE
FOSTER
SCITUATE
CRANSTON
BARRINGTON
WARREN
WEST WARWICK
WARWICK
Bristol
BRISTOL
COVENTRY
Kent
EAST GREENWICH
WEST GREENWICH
PORTSMOUTH
TIVERTON
EXETER
NORTH KINGSTOWN
Newport
LITTLE COMPTON
JAMESTOWN
MIDDLETOWN
RICHMOND
HOPKINTON
Washington
SOUTH KINGSTOWN
NEWPORT
NARRAGANSETT
CHARLESTOWN
WESTERLY
Electric & Gas
Service by Town
Electricity Only
Gas and Electric
Gas Only
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Miles

We are not, and the initial purchasers are not, making an offer of the Notes in any state or other jurisdiction where such offer is not permitted. The information contained in this Offering Memorandum speaks only as of the date of the Offering Memorandum or such other date as may be specified in this Offering Memorandum. Our business, financial condition, results of operations and prospects may have changed since those respective dates.

Unless the context otherwise requires or as otherwise indicated, references in this Offering Memorandum to "we," "our," "us," "Company," and "Issuer" refer to The Narragansett Electric Company (d/b/a Rhode Island Energy). The term "initial purchasers" refers to Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Mizuho Securities USA LLC, RBC Capital Markets, LLC, MUFG Securities Americas Inc., Scotia Capital (USA) Inc., SMBC Nikko Securities America, Inc., Academy Securities, Inc., AmeriVet Securities, Inc., MFR Securities, Inc., Mischler Financial Group, Inc. and Siebert Williams Shank & Co., LLC.

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This Offering Memorandum is confidential. You are authorized to use this Offering Memorandum solely for the purpose of considering the purchase of the Notes described in this Offering Memorandum. We have provided the information contained in this Offering Memorandum. The initial purchasers named herein make no representation or warranty, express or implied, as to the accuracy or completeness of such information, and nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers. You may not reproduce or distribute this Offering Memorandum, in whole or in part, and you may not disclose any of the contents of this Offering Memorandum or use any information herein for any purpose other than considering the purchase of the Notes. You agree to the foregoing by accepting delivery of this Offering Memorandum.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved the securities offered hereby or passed upon the adequacy or accuracy of this Offering Memorandum. Any representation to the contrary is a criminal offense.

The laws of certain jurisdictions may restrict the distribution of this Offering Memorandum and the offer and sale of the Notes. Persons into whose possession this Offering Memorandum or any of the Notes come must inform themselves about, and observe, any such restrictions. Neither we nor our representatives, nor the initial purchasers or their representatives, are making any representation to you regarding the legality of any investment in the Notes by you under applicable legal investment or similar laws or regulations.

You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Notes. You may contact us if you need any additional information. By purchasing any Notes, you will be deemed to have acknowledged that:

- you have reviewed this Offering Memorandum;
- you have had an opportunity to request any additional information that you need from us; and
- the initial purchasers and their affiliates are not responsible for, and are not making any representation to you concerning, our future performance or the accuracy or completeness of this Offering Memorandum.

We are not, and the initial purchasers and our and their respective affiliates are not, providing you with any legal, business, tax or other advice in this Offering Memorandum. You should consult with your own advisors as needed to assist you in making your investment decision and advise you whether you are legally permitted to purchase the Notes.

You must comply with all laws and regulations that apply to you in any place in which you buy, offer or sell any Notes or possess or distribute this Offering Memorandum. You must also obtain any consents or approvals that you need in order to purchase any Notes. Neither we nor the initial purchasers are responsible for your compliance with these legal requirements.

The Notes are subject to restrictions on resale and transfer as described under "Notice to Investors; Transfer Restrictions" and may not be resold or transferred except as permitted under the Securities Act and the applicable state securities laws pursuant to registration or an exemption therefrom. We have no obligation to register the Notes for resale and have no plans to do so. By purchasing the Notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in the "Notice to Investors; Transfer Restrictions" section of this Offering Memorandum. You may be required to bear the financial risks of investing in the Notes for an indefinite period of time.

AVAILABLE INFORMATION

We are not currently subject to the periodic reporting and other informational requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). For so long as any of the Notes remain outstanding, we will furnish to holders of the Notes and prospective purchasers thereof, upon request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

We have not, and the initial purchasers have not, authorized any other person to provide you with any information other than the information contained in this Offering Memorandum. Neither we nor the initial

purchasers take responsibility for, or provide any assurance as to the reliability of, any different or additional information.

This Offering Memorandum contains summaries of certain agreements that we have entered into or will enter into in connection with the offering of the Notes, such as the indenture governing the Notes. The descriptions contained in this Offering Memorandum of these agreements do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements. Copies of the indenture governing the Notes will be made available without charge to you in response to a written or oral request to us.

All references in this Offering Memorandum to "U.S. dollars" and "$" refer to United States dollars.

FORWARD-LOOKING STATEMENTS

Certain statements included herein constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Whenever used in this Offering Memorandum, the words "intend," "estimate," "expect," "believe," "anticipate," or similar expressions are intended to identify such forward-looking statements. In the past actual results have varied materially and unpredictably from expectations. We caution readers not to place undue reliance on these forward-looking statements, which speak only as to the date of this Offering Memorandum. We undertake no obligation to republish revised forward-looking statements to reflect new information, future events or otherwise. New factors emerge from time to time and it is not possible for management to predict all such factors, nor can it assess the impact of any such factor on the business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. We urge readers to carefully review and consider the factors in the succeeding paragraph.

In addition to the assumptions and other factors referred to specifically in connection with such statements, factors that involve risks and uncertainties and that could cause actual results to differ materially from those contemplated in any forward-looking statements include, among others:

- changes in laws and regulations (or their enforcement or interpretation) affecting our business, financial condition, results of operations and reputation;
- our ability to recover costs associated with the operation of our business;
- our ability to comply with environmental, health and safety laws and regulations and risks relating to liabilities thereunder;
- changes in commodity prices and our ability to pass through any commodity price increases;
- risks related to the operation and maintenance of our transmission and distribution systems;
- risks related to network failures or interruptions;
- security breaches, including cyber-based intrusion or the threat of cyber attacks, and other disruptions affecting our business and reputation;
- our reputation as a supplier of energy;
- our performance against certain regulatory targets;
- regulatory restrictions and indebtedness covenants that limit our ability to finance our future capital needs and limit our operating flexibility;
- our ability to access the capital markets;
- disruption of our operations due to work stoppage or strikes; and

- weather, including extreme weather-related events potentially caused or exacerbated by climate change, and other conditions affecting generation, transmission and distribution operations, operating costs and customer energy usage.

We urge you to read this Offering Memorandum, including the sections titled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” for a more complete discussion of the factors that could affect our future performance and the industry in which we operate.

SUMMARY

This summary highlights some of the information contained elsewhere in this Offering Memorandum. Because it is only a summary, it does not contain all of the information that may be important to you and that you should consider before investing in the Notes. For a more complete understanding of this offering, we encourage you to read this entire Offering Memorandum, including the section captioned "Risk Factors," and our financial statements and the related notes included elsewhere in this Offering Memorandum.

Our Company

We are a regulated public utility organized under the laws of the State of Rhode Island and our principal business consists of our regulated energy delivery business in the State of Rhode Island. As of December 31, 2023, we provided electric service to approximately 514,000 electric customers and gas service to approximately 278,000 natural gas customers in Rhode Island. Our service area covers substantially all of Rhode Island, which is more fully illustrated in the operating district service territory map included elsewhere in this Offering Memorandum (the "Service Territory"). The Service Territory covers an area that is equivalent to approximately 1,200 square miles with a population in excess of 1,000,000. We currently do not own any generation facilities. We are subject to extensive federal and state government laws and regulations that are enforced by various regulatory agencies including the Rhode Island Public Utilities Commission (the "RIPUC"), the Rhode Island Division of Public Utilities and Carriers (the "Division"), the Rhode Island Department of Environmental Management (the "DEM"), the Federal Environmental Protection Agency (the "EPA") and the Federal Energy Regulatory Commission (the "FERC").

Our energy delivery business consists of electricity distribution facilities and a natural gas distribution system that provides utility energy delivery services to residential, commercial and industrial customers in our Service Territory and transmission facilities that are owned and operated by us. As a regulated utility in the State of Rhode Island we have an energy choice program for our customers who elect to choose to receive their commodity service from a non-regulated power producer or competitive supplier (e.g., an energy service company, or "ESCO"). For further information see "Business—Natural Gas Supply—Commodity Service." However, if the customer opts not to make such an election, we have a "provider of last resort" ("POLR") obligation. As a POLR, we are required to offer the sale of energy commodities (e.g., electricity and natural gas) at cost to any customers within our Service Territory that elect not to buy their energy commodities from an energy commodity marketer.

We were organized in 1926 under the name of United Electric Power Company. In 1927, the United Electric Power Company changed its name to The Narragansett Electric Company following its acquisition of the assets of the Narragansett Electric Lighting Company, which was incorporated in 1884. On May 25, 2022, PPL Rhode Island Holdings, LLC, a wholly-owned subsidiary of PPL Corporation ("PPL"), acquired 100% of the outstanding shares of our common stock from National Grid U.S., a subsidiary of National Grid plc (the "Acquisition"). PPL, headquartered in Allentown, Pennsylvania, is a utility holding company incorporated in 1994. PPL, through its regulated utility subsidiaries, delivers electricity to customers in Pennsylvania, Kentucky, Virginia and Rhode Island; delivers natural gas to customers in Kentucky and Rhode Island; and generates electricity from power plants in Kentucky. Following the closing of the Acquisition, we provide services doing business under the name Rhode Island Energy ("RIE"). None of our direct or indirect parent companies is guaranteeing the Notes. See "Business—Our Business—Acquisition of Narragansett Electric Company by PPL."

Our principal offices are located at 280 Melrose Street, Providence, Rhode Island, and our telephone number is +1 (610) 774-4092.

THE OFFERING

The summary below describes the principal terms of the Notes offered hereby. Certain of the terms and conditions described below are subject to important limitations and exceptions. The "Description of Notes" section of this Offering Memorandum contains more detailed descriptions of the terms and conditions of the Notes.

Issuer:	The Narragansett Electric Company
Offered Securities:.....	$500,000,000 aggregate principal amount of 5.350% Senior Notes due May 1, 2034.
Maturity Date:	The Notes will mature on May 1, 2034.
Interest Rate:	The Notes will bear interest at the rate of 5.350% per annum.
Interest Payment Dates:.....	Interest on the Notes will be payable semi-annually in arrears on May 1 and November 1 of each year, commencing on November 1, 2024.
Ranking:	The Notes will be our unsecured senior obligations and will: • rank pari passu in right of payment with all of our existing and future unsecured senior indebtedness; • rank senior in right of payment to all of our existing and future subordinated indebtedness; • be effectively subordinated in right of payment to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness; and • be effectively subordinated in right of payment to all future indebtedness and other liabilities of each of our future subsidiaries, if any. As of December 31, 2023, we had $1,502 million of current and long-term indebtedness outstanding, including $2 million aggregate principal amount of First Mortgage Bonds outstanding. Substantially all of our properties that comprised the natural gas distribution system acquired in 2006 are subject to mortgage liens securing our First Mortgage Bonds debt.
Optional Redemption:	Prior to February 1, 2034 (three months prior to their maturity date) (the "Par Call Date"), we may redeem the Notes at our option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

	(1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date (as defined herein) (assuming the notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined herein) plus 20 basis points less (b) interest accrued to the Redemption Date, and (2) 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but excluding, the Redemption Date. On or after the Par Call Date, we may redeem the Notes at our option, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest thereon to, but excluding, the Redemption Date. See "Description of Notes—Optional Redemption."
Certain Covenants:	The indenture governing the Notes will contain a covenant that will limit our ability to merge, consolidate, sell or otherwise dispose of all or substantially all of our assets. See "Description of Notes—Certain Covenants." The indenture governing the Notes will not limit our ability to incur debt or create liens.
Form and Denomination:.....	The Notes initially will be represented by global notes in registered form. Interests in the Notes will be issued in minimum denominations of $2,000 and integral multiples of $1,000. See "Book-Entry, Delivery and Form."
Use of Proceeds:.....	We intend to use the net proceeds from the sale of the Notes to repay short-term debt and for general corporate purposes. See "Use of Proceeds."
Transfer Restrictions:	We have not registered the offer or sale of the Notes under the Securities Act or any state or other securities laws. The Notes are subject to restrictions on transfer and may only be offered or sold in transactions exempt from or not subject to the registration requirements of the Securities Act. See "Notice to Investors; Transfer Restrictions." We will not register the Notes for resale under the Securities Act or the securities laws of any other jurisdiction or offer to exchange the Notes for

	registered Notes under the Securities Act or the securities laws of any other jurisdiction.
No Prior Market:	The Notes are new issues of securities with no established trading market. The initial purchasers have advised us that they intend to make a market in the Notes. The initial purchasers are not obligated, however, to make a market in the Notes, and any such market-making may be discontinued by the initial purchasers at their discretion at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.
Ratings:	It is expected that the Notes will be rated A3 by Moody's Investors Service, Inc. and A- by Standard & Poor's Ratings Services, subject to confirmation at closing. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revisions, suspension or withdrawal at any time by the assigning rating agency.
Listing:	We do not intend to apply for listing of the Notes on any securities exchange or for inclusion of the Notes in any automated quotation system.
Registrar, Trustee and Paying Agent:.....	The Bank of New York Mellon
Governing Law:.....	The indenture governing the Notes will be governed by, and construed in accordance with, the laws of the State of New York.
Risk Factors:.....	You should carefully consider the information set forth in the section entitled "Risk Factors" and the other information included in this Offering Memorandum in deciding whether to purchase the Notes.

SUMMARY HISTORICAL FINANCIAL DATA

The following table sets forth certain summary historical financial data as of and for the periods indicated. The summary historical financial data as of December 31, 2023, 2022 and 2021 and for the fiscal years ended December 31, 2023, 2022 and 2021 have been derived from our audited financial statements included elsewhere in this Offering Memorandum.

The summary historical financial data set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and related notes thereto appearing elsewhere in this Offering Memorandum.

	As at and for the Twelve Months Ended December 31,		
	2023	2022	2021
	(in millions of dollars)		
Statement of Income Data			
Operating Revenues	$ 1,851	$ 1,803	$ 1,695
Operating Expenses			
Energy purchases	658	631	506
Other operations and maintenance	705	795	661
Depreciation	156	150	141
Taxes, other than income	156	152	147
Total Operating Expenses	$ 1,675	$ 1,728	$ 1,455
Operating income	$ 176	$ 75	$ 240
Other Income (Expense), net	19	8	(5)
Interest Income (Expense) from Affiliate	(16)	2	—
Interest Expense	67	65	64
Income Before Income Taxes	$ 112	$ 20	$ 171
Income Taxes	$ 16	$ —	$ 30
Net Income	$ 96	$ 20	$ 141
Statement of Cash Flows:			
Net cash provided by operating activities	200	285	312
Net cash used in investing activities	(454)	(338)	(318)
Net cash provided by (used in) financing activities	$ 260	$ 53	$ (1)
Balance Sheet Data (at period end):			
Cash and cash equivalents, end of period	8	2	2
Total assets	6,515	6,277	5,718
Total debt	$ 1,521	$ 1,497	$ 1,510

RISK FACTORS

You should carefully consider the risk factors set forth below as well as the other information contained in this Offering Memorandum before purchasing the Notes. This Offering Memorandum contains forward-looking statements that involve risk and uncertainties. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. In such a case, you may lose all or part of your original investment.

Regulatory and Environmental Risks

We are subject to extensive and complex legislation and regulations that affect our business, financial condition, results of operations and reputation.

We are subject to extensive legislation and regulations enforced by various regulatory agencies and authorities. These regulatory agencies and authorities include the FERC, the EPA, the Division and the RIPUC. We are also subject to regulation and oversight by other federal, state and local agencies, including audits by tax authorities and other regulators. Regulations affect almost every aspect of our business and limit our ability to independently make and implement management decisions regarding business combinations, disposing of operating assets, setting rates charged to customers, securing adequate supplies of natural gas, issuing debt and engaging in transactions between us and our affiliates. Moreover, legislation and regulatory decisions also affect matters unique to our business, including whether franchises to operate are granted or renewed, the decoupling of energy usage and revenue, and remuneration for stranded assets. Compliance with the requirements under these various regulatory regimes may cause us to incur significant additional costs, which may or may not result in additional remuneration, and failure to comply with such requirements could result in the shutdown of any non-complying facility, the imposition of liens, fines and/or civil or criminal liability.

Legislation and regulations are subject to ongoing policy initiatives, and we cannot predict the future course of legislation or regulations and their ultimate effects. If more onerous requirements are imposed, our ability to recover costs under the applicable regulatory framework may change. This could have a material impact on our business, financial condition, results of operations and reputation.

Recovery of our costs is subject to regulatory review and approval, and we may not be able to recover the costs of substantial capital expenditures and investments.

Our rates are established by regulatory proceedings. These proceedings involve multiple parties, including government bodies and officials, consumer and environmental advocacy groups, and various consumers of energy, who have differing concerns, but who generally have the common objective of limiting rate increases. Decisions are subject to appeal, potentially leading to additional uncertainty associated with the approval proceedings.

While rate regulation is premised on providing us a fair opportunity to obtain a reasonable rate of return on invested capital, the regulatory commissions do not guarantee that we will be able to realize a reasonable rate of return. Moreover, we may not be able to recover certain costs, including with respect to the construction and/or acquisition of additional transmission and distribution facilities, the modernizing of existing infrastructure, as well as other initiatives (e.g., site remediation). Failure to recover any such costs could adversely affect our results of operations. While we may seek to limit the impact of any failure to recover costs by attempting to reduce the scope of our capital expenditures and investments, there can be no assurance as to the effectiveness of any such mitigation efforts, particularly with respect to previously incurred costs and commitments.

We are subject to numerous environmental, health and safety laws and regulations that could adversely affect our business, financial condition, results of operations and reputation.

We are subject to numerous environmental, health and safety laws and regulations that affect many aspects of our operations, including our use and generation of hazardous and potentially hazardous wastes, products and by-products. In addition, there are aspects of our operations that are not currently subject to environmental, health or safety laws and regulations but that could become subject to regulation in the future.

Compliance with current and potentially more stringent future laws and regulations has required, and may in the future require significant capital and operating expenditures, including expenditures for new equipment and distribution infrastructure, inspection and clean-up costs and damages arising out of contaminated properties. Compliance activities pursuant to any such regulations could be prohibitively expensive. As a result, some facilities may be required to shut down or alter their operations. Further, we may not be able to obtain or maintain all required environmental, health and safety regulatory approvals for our facilities. If we fail to obtain or maintain such approvals or comply with any applicable environmental, health and safety laws and regulations, we may be subject to penalties and fines or other sanctions or liabilities. In addition, we could suffer damage to our reputation or face third-party claims and/or community opposition. A significant health, safety or environmental incident, the failure of our safety or environmental processes, or a breach of, or noncompliance with, our environmental, health and safety, legal, regulatory or contractual obligations could materially adversely affect our business, financial condition, results of operations and reputation.

Environmental laws and regulations also impose obligations to remediate contaminated properties or to pay for the cost of such remediation, often on parties that did not actually cause the contamination and including current and prior owners and operators of property and parties whose waste was disposed of at a property. We generally are responsible for on-site liabilities, and in some cases off-site liabilities, associated with our operations or the environmental condition of our current and former assets, including former manufactured gas production ("MGP") facilities, former electric generation-related assets, electric transmission and electric and natural gas distribution assets that we have acquired or developed, and, if deemed liable, for third-party waste disposal sites to which we have sent waste, regardless of when the liabilities arose and whether they are known or unknown. Additionally, third parties, such as adjoining landowners, may make demands for clean-up costs and may bring claims against us alleging property damage or personal injury. We have taken reserves based on currently available information with respect to the investigation and remediation of contaminated sites for which we know we bear some or all of the responsibility. It is possible such reserves will increase in the future by material amounts in the event new sites are identified, currently unknown contamination is discovered, other potentially responsible parties fail to pay their share, or there are changes in laws or policies (or the enforcement or interpretation thereof) relating to the investigation or remediation of those sites. In connection with acquisitions and divestitures, we may obtain or require indemnification against some environmental liabilities. If we incur a material liability, or the other party to a transaction fails to meet its indemnification obligations, we could suffer material losses. Future events, such as changes in existing laws or policies or their enforcement, or the discovery of currently unknown contamination, may give rise to additional costs or liabilities that may be material.

Additionally, the cost of future environmental remediation obligations is often inherently difficult to estimate, and uncertainties can include the extent of contamination, the appropriate corrective actions and our share of the liability. We are increasingly subject to regulation in relation to climate change and are affected by requirements to reduce our own carbon emissions as well as to enable reduction in energy use by our customers. For example, pursuant to legislation enacted in 2022, 100% of electricity in Rhode Island will be required to come from renewable resources by 2033. Our efforts to meet these requirements, including any more onerous requirements that may be imposed or our ability to recover these costs under regulatory frameworks changes, could have a material adverse impact on our business, financial condition, results of operations and reputation.

Increased operating costs, changes in commodity prices and regulations affecting our ability to pass through increased commodity prices may have an adverse effect on our results of operations.

Our income under our rate plan is not linked to inflation. In periods of inflation, our operating costs may increase by more than our revenues and could materially affect the results of our operations. Changes in commodity prices could impact our business. Our current rate plan permits us to pass through virtually all of the increased costs related to commodity prices to consumers. However, if this ability were restricted, it could have an adverse effect on our results of operations. In addition, we have numerous long-term agreements of varying duration that are material to the operation of our business, such as commodity, natural gas supply and transportation contracts, and the failure to maintain, renew or replace these agreements on satisfactory terms and conditions could increase our exposure to changes in commodity prices.

We are subject to risks associated with federal and state tax laws and regulations.

Changes in tax law as well as the inherent difficulty in quantifying potential tax effects of business decisions could negatively impact our results of operations and cash flows. We are required to make judgments in order to

estimate our obligations to taxing authorities. These tax obligations include income, property, gross receipts, franchise, sales and use, employment-related and other taxes. We also estimate our ability to utilize deferred tax assets and tax credits. We cannot predict changes in tax law or regulation or the effect of any such changes on our business. Any such changes could increase tax expense and could have a significant negative impact on our results of operations and cash flows. We continue to evaluate the application of relevant laws, including the Tax Cuts and Jobs Act of 2017 and the Inflation Reduction Act of 2022, in calculating income tax expense.

Increases in electricity prices and/or a weak economy can lead to changes in legislative and regulatory policy, including the promotion of energy efficiency, conservation and distributed generation or self-generation, which may adversely impact our business.

Energy consumption is significantly affected by overall levels of economic activity and costs of energy supplies. Economic downturns or periods of high energy supply costs can lead to changes in or the development of legislative and regulatory policy designed to promote reductions in energy consumption and increased energy efficiency, alternative and renewable energy sources, and distributed or self-generation by customers. This focus on conservation, energy efficiency and self-generation may result in a decline in electricity demand, which could adversely affect our business.

Operational Risks

We are subject to operating uncertainties that could adversely affect our business, financial condition, results of operations and reputation.

The operation of complex transmission and distribution systems involves many operating uncertainties and events, many of which are beyond our control. These potential events include the breakdown or failure of pipelines, transmission and distribution lines or other equipment or processes, unscheduled facility outages, interruption or unavailability of critical equipment, materials and supplies, or performance below expected levels of output, capacity or efficiency.

In addition to these risks, we may be affected by other potential events that are largely outside our control, such as fire, earthquakes or explosions, acts of terror or vandalism and the impact of weather (including as a result of climate change and recent extreme weather events, including the occurrence of major storms. We apply for rate recoveries from the RIPUC for additional costs relating to severe weather and the RIPUC reviews such costs for prudence. In the event that the RIPUC were to deem that such costs were imprudently incurred, such costs would not be approved or reimbursed. Weather conditions can affect financial performance and severe weather that causes outages or damages infrastructure together with our actual or perceived response could materially adversely affect our business, financial condition, results of operations and reputation.

Any of these risks or other operational risks could cause us to fail to meet the standard of service as established by the RIPUC and expected of utilities or significantly reduce or eliminate our revenues or significantly increase our expenses. For example, if we cannot operate our electric transmission and distribution system or natural gas facilities at full capacity due to damage caused by a catastrophic event or terrorist act, our revenues could decrease due to decreased sales and our expenses could increase due to the need to obtain energy from more expensive sources. In addition, we could be subject to regulatory penalties if we fail to meet certain service quality or operational performance standards, as applicable. Furthermore, a failure of, or damage to, our electric or natural gas distribution facilities or electric transmission system could result in a fire, explosion or other occurrence which could result in bodily injury, death, property damage or the release of hazardous substances. In the event of such accident, we could be required to pay substantial amounts to compensate others for injury or death or other damage, including property damage. Such an accident could also adversely affect our reputation and brand and result in adverse proceedings and the imposition of material fines and penalties. Some of these payments may not be covered by our insurance policies or could exceed our coverage under such policies and the occurrence of such an event could adversely affect the cost and availability of such insurance in the future. Any reduction of revenues or increase in our expenses resulting from the risks described above could adversely affect our business, financial condition, results of operations and reputation.

Our business is subject to physical, market and economic risks relating to potential effects of climate change.

Climate change may produce changes in weather or other environmental conditions, including temperature or precipitation levels, and thus may impact consumer demand for electricity. In addition, the potential physical effects

of climate change, such as increased frequency and severity of storms, floods, and other climatic events, could disrupt our operations and cause us to incur significant costs to prepare for or respond to these effects. These or other meteorological changes could lead to increased operating costs, capital expenses or power purchase costs. Greenhouse gas regulation could increase the cost of electricity, particularly power generated by fossil fuels, and such increases could have a depressive effect on regional economies. Reduced economic and consumer activity in our service area—both generally and specific to certain industries and consumers accustomed to previously lower cost power—could reduce demand for the power we generate, market and deliver. Also, demand for our energy-related services could be similarly lowered by consumers' preferences or market factors favoring energy efficiency, low-carbon power sources or reduced electricity usage. Our responses to such climate-related risks include compliance with evolving governmental policy and developing and implementing strategies designed to meet net zero carbon emissions goals, which may affect our financial condition, results of operations or cash flows.

We may suffer a major network failure or interruption, or may not be able to carry out critical non-network operations due to the failure of technology supporting our business-critical processes.

Operational performance could be materially adversely affected by a failure to maintain the health of the system or network, inadequate forecasting of demand, a failure or interruption on the interstate natural gas pipelines or by an electricity supplier supplying our Service Territory, inadequate record keeping or control of data or failure of information systems and supporting technology. This could cause us to fail to meet agreed standards of service, incentive and reliability targets, or be in breach of a license, approval, regulatory requirement or contractual obligation. Even incidents that do not amount to a breach could result in adverse regulatory and financial consequences, as well as harming our reputation.

Our business operation is continually subject to cyber-based security and data integrity risks from vulnerabilities related to our IT systems, operational technology infrastructure and supply chain relationships.

Numerous functions affecting the efficient operation of our business are dependent on the secure and reliable storage, processing and communication of electronic data and the use of sophisticated computer hardware and software systems and network infrastructure. The operation of our transmission and distribution systems, including gas distribution systems, are all reliant on cyber-based, complex and integrated technologies. Systemic issues could arise as a result of upgrades to particular software or human error. In addition, these complex systems are subject to the risk that they could be the target of disruptive actions by terrorists, nation state actors or criminals or otherwise be compromised. Attacks may come through ransomware, software updates or patches, use of opensource software, firmware that hackers can manipulate to include malicious codes for exploitation at a later date, or the compromising of hardware by bad actors, creating serious risks to our security, the security of our customers' information, and potentially to our ability to provide power. As a result, operations could be interrupted, property could be damaged and sensitive customer information lost or stolen, causing us to incur significant losses of revenues, other substantial liabilities and damages, costs to replace or repair damaged equipment and damage to our reputation. Threats to our systems and operations continue to emerge as new ways to compromise components of our systems or networks are developed. Additionally, cybersecurity risks also threaten our supply chains, including aspects that are not under our control, such as the incorporation of opensource software in systems or software that we use, that despite our efforts do not meet our current security standards.

Our reputation may be harmed if customers suffer a disruption to their energy supply even if this disruption is outside of our control.

We are responsible for transporting available electricity and gas and, for those customers that have not chosen another supplier, we are also responsible for acquiring and providing electricity and gas that we procure from commodity suppliers. However, where there is insufficient supply, no matter the cause, our role is to manage the system safely, which may require us to curtail supply to current customers or refuse new customers, which may result in reputational harm to us.

Pandemic health events and their impact on business and economic conditions could negatively affect our business.

A pandemic health event and related remediation efforts could present challenges to businesses, communities, workforces, markets and supply chains. At this time, we cannot predict the ways in which and the extent to which these or other pandemic-related factors may affect our business, earnings or other financial results.

Our results of operations depend on a number of factors relating to business performance, including performance against regulatory targets and the delivery of anticipated cost and efficiency savings.

Earnings maintenance and growth from our regulated gas and electricity businesses will be affected by our ability to meet or exceed efficiency and integration targets that underlie our retail rate plan and service quality or operational performance standards, as applicable, as approved by the RIPUC. In addition, from time to time, we publish cost and efficiency savings targets for our business. To meet these targets and standards, we must continue to improve operational performance, service reliability and customer service. If we do not meet these targets and standards, we may not achieve the expected benefits and our business may be adversely affected and our performance, results of operations and reputation may be harmed.

Our indebtedness could adversely affect our business and financial condition.

The amount of our indebtedness could limit our ability to obtain additional financing for working capital, capital expenditures, debt service requirements or other purposes. It may also increase our vulnerability to adverse economic, market and industry conditions, and limit our flexibility in planning for, or reacting to, changes in our business operations or the industry overall. Any or all of the above events and factors could have an adverse effect on our business, financial condition and results of operations.

Our debt agreements contain or future debt agreements may contain covenants that limit our flexibility in operating our business. In addition, we are subject to restrictions imposed by regulators that may adversely affect our financial condition.

Our current and future debt agreements, including the indenture governing the Notes offered hereby, contain or may contain various covenants that limit our ability to engage in specified types of transactions. We are also subject to restrictions on financing that have been imposed by regulators. These covenants and restrictions limit or may limit our ability to, among other things:

- incur additional indebtedness;
- create liens;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets (such as in the Indenture (as defined herein)); and
- consummate certain asset sales (such as in our Syndicated Credit Facility (as defined herein)).

Certain of our debt agreements contain covenants, including those relating to the periodic and timely provision of financial information. Failure to comply with these covenants, or to obtain waivers of those requirements, could in some cases trigger a right, at the lender's discretion, to require repayment of some of our debt and may restrict our ability to draw upon our facilities or access capital. A portion of our current debt is secured: substantially all of our properties that comprised the natural gas distribution system acquired in 2006 are subject to mortgage liens securing our First Mortgage Bonds debt. As of December 31, 2023, we had $2 million aggregate principal amount of First Mortgage Bonds outstanding. See "Capitalization." For further information regarding our debt agreements, please see Note 5 to our financial statements for the years ended December 31, 2023, 2022 and 2021, included in this Offering Memorandum (the "Financial Statements").

The restrictions on financing imposed on us by regulators include regulatory requirements for us to maintain adequate financial resources within certain parts of our operating business and may restrict our ability to engage in certain transactions, including paying dividends, lending cash and levying charges. These restrictions and covenants could materially and adversely affect our ability to finance our future operations or capital needs. Furthermore, they may restrict our ability to conduct and expand our business and pursue our business strategies.

We rely on access to the capital markets. If we are unable to access capital markets or the cost of capital was to substantially increase, our liquidity and operations could be adversely affected.

Our business is partly financed through debt, and the maturity and repayment profile of debt used to finance investments does not always correlate to cash flows from our operations. Accordingly, we rely on access to banks and capital markets as sources of long-term financing. Our ability to obtain financing and the costs of such capital

are dependent on numerous factors, including our levels of indebtedness, maintenance of acceptable credit ratings, financial performance, liquidity and cash flows, and market conditions. Market conditions that could adversely affect our financing costs and the availability of financing include:

- current financial market and general and local economic conditions;
- market prices for electricity and gas;
- variable interest rates on future borrowings;
- rates of inflation; and
- the overall health of the utility industry.

The global financial markets have experienced and may continue to experience extreme volatility and disruption, which could have an adverse effect on the market price of the Notes. This extreme volatility and disruption has led to reduced liquidity and increased credit risk premiums for many market participants. Future crises may be precipitated by any number of causes, including natural disasters, epidemics, geopolitical instability and war, changes to energy prices or sovereign defaults. Any sudden or rapid destabilization of global economic conditions could negatively impact our ability to access capital at competitive rates and our ability to finance our operations and implement our strategy will be adversely affected.

Prolonged disruptions of our business operations due to work stoppages or strikes could adversely affect our business, financial condition, results of operations and reputation.

Most of our workforce is covered by collective bargaining agreements, which affect our labor costs. We believe that we have satisfactory relations with our unions. However, we cannot assure you that we will be able to reach new agreements with the unions on satisfactory terms when the current collective bargaining agreements expire, two of which expire in 2024. Nor can we assure you that new agreements will be reached without work stoppages, strikes or similar industrial actions. If industrial actions substantially interrupt our operations for extended periods, our business and results of operations could suffer material harm.

Disruptions of the business operations, strikes or similar measures at our customers' or suppliers' sites could also have a material adverse impact on our business, financial condition, results of operations and reputation.

Future funding requirements of our post-retirement plans could adversely affect our results of operations.

We participate in a qualified and non-qualified non-contributory defined benefit pension plan that covers substantially all of our employees. In addition, we provide "post-retirement benefits other than pension benefits" ("PBOPs") to all of our employees who meet applicable eligibility requirements. PBOPs provide health care and life insurance coverage to eligible retired employees. Eligibility is based on age and length of service requirements and, in most cases, retirees must contribute to the cost of their coverage.

As of December 31, 2023, equity securities, which are subject to market fluctuation, accounted for a substantial portion of the fair value of the assets of our post-retirement plans. Any decline in the market value of equity securities held by the plans may increase future funding requirements.

Estimates of the amounts and timing of future fundings for our post-retirement plans are based on various actuarial assumptions and other factors including, among other things, the actual and projected market performance of the plan assets, future long-term bond yields, average life expectancies, employee demographics, future health care costs, governmental regulation and relevant legal requirements. Changes in these assumptions and other factors may require us to make additional contributions to these post-retirement plans which, if they are no longer recoverable (under applicable state rate plans, for example), could have a material adverse effect on our business, financial condition, results of operations and reputation. See "Business—Regulation and Rate Plans—Rate Plans and Allowed ROE in Context—Features of Our Rate Plans."

Our operating results may fluctuate on a seasonal and quarterly basis.

Our electricity and gas businesses are generally seasonal businesses. In particular, revenues from our gas distribution business are weighted towards the end of our financial year, when demand for gas increases due to colder weather conditions. As a result, we are subject to seasonal variations in working capital because we generally purchase gas supplies for storage in the first and second quarters of our financial year and must finance these purchases. Accordingly, our results of operations for this business fluctuate substantially on a seasonal basis. In addition, portions of our electricity businesses are seasonal and subject to weather and related market conditions. Sales of electricity to customers are influenced by temperature changes, and significant changes in heating or cooling requirements could have significant effects on our electricity business and/or our natural gas business. While our current rate plan includes weather normalization provisions and a Revenue Decoupling Mechanism ("RDM") for certain customer classes, unusually mild weather in the future could diminish our results of operations and harm our financial condition. Conversely, unusually extreme weather conditions, such as heat waves or winter storms, could cause seasonal fluctuations to be more pronounced and increase our results of operations in a manner that would not likely be sustainable. As a result, fluctuations in weather between years may have a significant effect on our results of operations for both gas and electricity businesses.

Customers and counterparties may not perform their obligations.

Our operations are exposed to the risk that customers, suppliers, banks and other financial institutions and others with whom we do business will not satisfy their obligations, which could materially adversely affect our financial condition. This risk is significant where we have concentrations of receivables from electricity utilities and their affiliates, as well as industrial customers and other purchasers, and may also arise where customers are unable to pay us as a result of increasing commodity prices or adverse economic conditions. Banks that provide us with credit facilities may also fail to perform under those contracts.

We may fail to attract, develop and retain employees with the competencies, including leadership and business capabilities, values and behaviors required to deliver our strategy and vision and ensure they are engaged to act in our best interests.

Our ability to operate effectively and implement our strategy depends on the capabilities and performance of our employees and leadership at all levels. Our ability to implement our strategy and vision may be negatively affected by the loss of key personnel or an inability to attract, integrate, engage and retain appropriately qualified personnel, or if significant disputes arise with our employees. As a result, there may be a material adverse effect on our business, financial condition, results of operations and prospects.

There is a risk that an employee or someone acting on our behalf may breach our internal controls or internal governance framework or may contravene applicable laws and regulations. This could have an impact on our business, financial condition, results of operations and reputation and our relationship with our regulators and other stakeholders.

We cannot predict the outcome of legal proceedings or investigations related to our business in which we are periodically involved. An unfavorable outcome or determination in any of these matters could have a material adverse effect on our financial condition, results of operations or cash flows.

We are involved in legal proceedings, claims and litigation and periodically are subject to state and federal investigations arising out of our business operations, the most significant of which are summarized in Note 9 to the Financial Statements. We cannot predict the ultimate outcome of these matters, nor can we reasonably estimate the costs or liabilities that could potentially result from a negative outcome in each case.

Risks Related to the Notes

Your right to receive payments on the Notes is effectively subordinate to those lenders who have a security interest in our assets.

Our obligations under the Notes are unsecured. In the future, we may incur indebtedness that is secured by certain or substantially all of our tangible and intangible assets, including the capital stock of any of our future subsidiaries, if any. If we were unable to repay any such secured indebtedness, the creditors of such obligations could foreclose on the pledged assets to the exclusion of holders of the Notes, even if an event of default exists

under the indenture governing the Notes offered hereby at such time. In any such event, because the Notes will not be secured by any of our assets, it is possible that there would be no assets remaining from which your claims could be satisfied or, if any assets remained, they might be insufficient to fully satisfy your claims.

Substantially all of our properties that comprised the natural gas distribution system acquired in 2006 are subject to mortgage liens securing our First Mortgage Bonds debt. As of December 31, 2023, we had $2 million aggregate principal amount of First Mortgage Bonds outstanding.

Claims of Noteholders will be structurally subordinate to claims of creditors of all of our future subsidiaries, if any.

The Notes will not be guaranteed by any of our future subsidiaries, if any. Accordingly, claims of holders of the Notes will be structurally subordinate to the claims of creditors of our subsidiaries, if any, including trade creditors. All obligations of any of our subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon a liquidation or otherwise, to us.

There are restrictions on your ability to transfer or resell the Notes without registration under applicable securities laws.

The Notes are being offered and sold pursuant to an exemption from registration under U.S. federal and applicable state securities laws. In addition, we are not required to commence an exchange offer for the Notes, or to register sales of the Notes under the Securities Act. Therefore, you may transfer or resell the Notes in the United States only in a transaction registered under or exempt from the registration requirements of the U.S. federal and applicable state securities laws, and you may be required to bear the risk of your investment for an indefinite period of time. See “Notice to Investors; Transfer Restrictions.”

The Notes have not been registered under the Securities Act or any state securities laws and, unless so registered, may not be re-offered or re-sold except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. We do not intend to register the Notes under the Securities Act or to offer to exchange the Notes in an exchange offer registered under the Securities Act. As a result, we will not be subject to the reporting requirements of the Exchange Act, and holders of the Notes will only be entitled to receive the information about us specified under “Description of Notes—Certain Covenants—Reports and Other Information” including the information required by Rule 144A(d)(4) under the Securities Act.

Your ability to transfer the Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the Notes.

The Notes are a new issue of securities for which there is no established public market. The Notes will neither be listed on any securities exchange nor included in any automated quotation system.

The initial purchasers have advised us that they intend to make a market in the Notes, as permitted by applicable laws and regulations; however, the initial purchasers are not obligated to make a market in the Notes, and they may discontinue their market-making activities at any time without notice. Therefore, we cannot assure you that an active market for the Notes will develop or, if developed, that it will continue. In addition, subsequent to their initial issuance, the Notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar Notes, our performance and other factors.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of December 31, 2023 on a historical basis and as adjusted to give effect to this offering and the application of the net proceeds therefrom as described under "Use of Proceeds" (assuming the proceeds are held in cash). You should read this table in conjunction with "Use of Proceeds," "Summary Historical Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the related notes included elsewhere in this Offering Memorandum.

	As of December 31, 2023	
	Historical	As Adjusted
	(in millions of dollars)	
Cash and cash equivalents	$ 8	$ 74
Short-term debt[(1)]	434	—
Long-term debt[(2)]		
Notes offered hereby	—	500
5.638% Senior Notes due 2040	300	300
4.170% Senior Notes due 2042	250	250
3.919% Senior Notes due 2028	350	350
3.395% Senior Notes due 2030	600	600
Other long-term debt (excluding current portion)[(3)]	1	1
Total debt	1,935	2,001
Total shareholders' equity	3,056	3,056
Total capitalization	$ 4,991	$ 5,057

(1) Includes $409 million owed to affiliates. Please see Note 10 to the Financial Statements for additional information.

(2) Before unamortized debt issuance costs.

(3) Represents first mortgage bond due 2025 in the aggregate principal amount of approximately $2 million. The current portion of our other long-term debt at December 31, 2023 was $1 million.

USE OF PROCEEDS

We intend to use the net proceeds from the sale of the Notes to repay short-term debt, which was incurred primarily for capital expenditures, and for general corporate purposes. At February 29, 2024, we had $395 million of outstanding short-term debt, including commercial paper borrowings, bearing interest at a weighted average interest rate of 5.53%.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our results of operations and financial condition in conjunction with the section entitled "Summary Historical Financial Data" and financial statements and related notes included elsewhere in this Offering Memorandum. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the "Risk Factors" section of this Offering Memorandum. Actual results may differ materially from those contained in any forward-looking statements. See the "Forward Looking Statements" section of this Offering Memorandum.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of RIE's business strategy and a discussion of important financial and operational developments.
- "Results of Operations" includes a "Statement of Income Analysis," which discusses significant changes in principal line items on the Statements of Income, comparing the year ended December 31, 2023 with the year ended December 31, 2022.
- "Liquidity and Capital Resources" provides an analysis of RIE's liquidity positions and credit profiles. This section also includes a discussion of forecasted sources and uses of cash and rating agency actions.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of RIE and that require its management to make significant estimates, assumptions and other judgments of inherently uncertain matters.

Overview

We are a regulated public utility organized under the laws of the State of Rhode Island and our principal business consists of our regulated energy delivery business in the State of Rhode Island. As of December 31, 2023, we provided electric service to approximately 514,000 electric customers and gas service to approximately 278,000 natural gas customers. Our service area covers substantially all of Rhode Island. For a description of RIE and its businesses, see "Business."

Business Strategy

RIE, as a subsidiary of PPL, supports PPL's strategy to achieve industry-leading performance in safety, reliability, customer satisfaction and operational efficiency; to advance a clean energy transition while maintaining affordability and reliability; to maintain a strong financial foundation and create long-term value for its shareowners; to foster a diverse and exceptional workplace; and to build strong communities in areas that it serves.

Central to RIE's strategy is recovering capital project and operating costs efficiently through various rate-making mechanisms, including periodic base rate case proceedings using forward test years, annual FERC formula rate mechanisms and other regulatory agency-approved recovery mechanisms designed to limit regulatory lag. In Rhode Island, FERC formula rates, the gas cost adjustment, storm cost recovery, net metering, infrastructure, safety and reliability ("ISR") and revenue decoupling mechanisms, pension expense tracker, energy efficiency tracker and other rate adjustment mechanisms provide timely recovery of and return on, as appropriate, prudently incurred costs.

Financial and Operational Developments

Advanced Metering Functionality

In 2021, we filed our Updated Advanced Metering Functionality ("AMF") Business Case and Grid Modernization Plan ("GMP") with the RIPUC in accordance with the Amended Settlement Agreement ("ASA") approved by the RIPUC in August 2018, and which among other things, sought approval to deploy smart meters throughout our Service Territory. After the Acquisition, we filed a new AMF Business Case with the RIPUC in 2022, consisting of a detailed proposal for full-scale deployment of AMF across our electric service territory.

On September 27, 2023, the RIPUC unanimously approved our request to deploy an AMF-based metering system for the electric distribution business. RIE is authorized to seek recovery of the approved capital investment through the ISR process with an overall multi-year cap on recovery at approximately $153 million, subject to certain terms, conditions and limitations with respect to the potential offsets and recoverability of certain costs. We are required to continue spending even if above the recovery cap, until it achieves the functionalities outlined in the AMF Business Case. We filed with the RIPUC (i) an updated electric Service Quality Plan on December 27, 2023 for RIPUC approval and (ii) additional compliance tariff provisions regarding recovery and updated cost schedules to reflect the RIPUC's decision on December 22, 2023 for RIPUC approval. We cannot predict the outcome of these matters. See “Business—Regulation and Rate Plans—Regulatory Developments.”

Results of Operations for the Years Ended December 31, 2023 and December 31, 2022

The “Statement of Income Analysis” discussion below describes significant changes in principal line items on the Statements of Income, comparing the year ended December 31, 2023 with the year ended December 31, 2022.

Statement of Income Analysis

Net income for the years ended December 31, 2023 and December 31, 2022 includes the following results:

	2023	2022	Change 2023 vs. 2022
	(in millions of dollars)		
Operating Revenues	$ 1,851	$ 1,803	$ 48
Operating Expenses			
Operation			
Energy purchases	658	631	27
Other operation and maintenance	705	795	(90)
Depreciation	156	150	6
Taxes, other than income	156	152	4
Total Operating Expenses	1,675	1,728	(53)
Other Income (Expense) – net	19	8	11
Interest Income (Expense) from affiliate	(16)	2	(18)
Interest Expense	67	65	2
Income Tax Expense	16	—	16
Net Income	$ 96	$ 20	$ 76

The changes in the components of RIE’s results between these periods were due to the factors set forth below.

- Operating revenues increased primarily due to a bill credit returned to customers in 2022 as a result of a commitment made during the Acquisition process. See Note 6 to the Financial Statements for additional information.

- Energy purchases increased primarily due to higher commodity costs in 2023.

- Other operation and maintenance decreased primarily due to additional distribution adjustment charge system pressure costs being recorded as a regulatory asset in 2023; and additional expenses incurred in 2022, not in 2023, resulting from commitments made during the Acquisition process, which included the forgiveness of certain accounts receivable in arrearages and the write offs of certain regulatory assets. See Note 6 to the Financial Statements for additional information.

- Other income (expense) - net increased primarily due to an increase in interest income. See Note 11 to the Financial Statements for additional information.

- Interest expense with affiliate increased primarily due to an increase in intercompany borrowings under the revolving line of credit with CEP Reserves. See Note 10 to the Financial Statements for additional information.

- Income tax expense increased primarily due to an increase in pre-tax income.

As a result of the Acquisition, RIE has performed certain integration and related activities. Approximately $56 million and $109 million of costs associated with RIE's integration, commitments made during the Acquisition process and related costs were incurred during the years ended December 31, 2023 and 2022, respectively. These costs are not expected to continue following the completion of the integration. See Note 6 to the Financial Statements about the Acquisition. The following after-tax gains (losses) impacted RIE's results.

	Income Statement Line Item	2023	2022
		(in millions of dollars)	
Acquisition integration, net of tax of $17, $18 (a)	Other operation and maintenance	$ (65)	$ (70)
Acquisition integration, net of tax of $0	Other Income (Expense) – net	—	1
Acquisition integration, net of tax of ($2), $10 (b)	Operating Revenues	8	(40)
Acquisition integration, net of tax of ($1)	Depreciation	2	—
Acquisition integration, net of tax of $0	Interest Expense	(1)	—
Total Acquisition integration costs		$ (56)	$ (109)

(a) Primarily includes certain transaction services agreement costs for IT systems that will not be part of RIE's ongoing operations. The operation and maintenance expenses incurred in the year ended December 31, 2022 also includes costs for certain commitments made during the Acquisition process.

(b) The 2023 amount relates to the prior period impact of a methodology change for Infrastructure, Safety, and Reliability revenues. The 2022 amount relates to certain commitments made during the Acquisition process.

Liquidity and Capital Resources

RIE's cash flows from operations and access to cost effective bank and capital markets are subject to risks and uncertainties. See "Risk Factors" for a discussion of risks and uncertainties that could affect RIE's cash flows.

RIE had the following at:

	December 31, 2023
	(in millions of dollars)
Cash and cash equivalents	$ 8
Short-term debt	25
Short-term debt with affiliates	409
Long-term debt due within one year	1

	December 31, 2022
	(in millions of dollars)
Cash and cash equivalents	$ 2
Short-term debt	—
Short-term debt with affiliates	142
Long-term debt due within one year	1

Net cash provided by (used in) operating, investing and financing activities for the years ended December 31, 2023 and December 31, 2022 and the changes between periods were as follows:

	2023	2022	2023 vs. 2022 Change
	(in millions of dollars)		
Operating activities	$ 200	$ 285	$ (85)
Investing activities	(454)	(338)	(116)
Financing activities	260	53	207

Operating Activities

The components of the change in cash provided by (used in) operating activities were as follows:

Change - Cash Provided (Used):	**2023 vs. 2022**
	(in millions of dollars)
Net income	$ 76
Non-cash components	(82)
Working capital	(28)
Other operating activities	(51)
Total	$ (85)

Cash provided by operating activities in the year ended December 31, 2023 decreased $85 million compared with the year ended December 31, 2022.

- Net income increased $76 million between periods and included a decrease in net non-cash charges of $82 million. The decrease in non-cash charges was primarily due to an increase in defined benefit plans income (primarily due to a higher expected return) and a write-off of regulatory assets in the year ended December 31, 2022.

- The $28 million decrease in cash from changes in working capital was primarily due to a decrease in accounts payable, partially offset by a decrease in accounts receivable.

- The $51 million decrease in cash provided by other operating activities was driven by a decrease in non-current liabilities, partially offset by a decrease in non-current assets.

Investing Activities

The components of the change in cash provided by (used in) investing activities were as follows:

Change - Cash Provided (Used):	**2023 vs. 2022**
	(in millions of dollars)
Expenditures for PP&E	$ (28)
Intercompany money pool	(96)
Cost of removal	8
Total	$ (116)

Cash provided by investing activities in the year ended December 31, 2023 decreased $116 million compared with the year ended December 31, 2022.

- The increase in expenditures for PP&E was primarily due to additional expenditures for electric and gas distribution assets partially offset by lower expenditures for electric transmission assets.

- The changes in the intercompany money pool is due to the settlement of balances that existed prior to the Acquisition.

See “Forecasted Uses of Cash” for detail regarding projected capital expenditures for the years 2024 through 2027.

Financing Activities

The components of the change in cash provided by (used in) financing activities were as follows:

Change - Cash Provided (Used):	**2023 vs. 2022**
	(in millions of dollars)
Redemption of preferred stock	$ (2)
Long-term debt issuance/retirement, net	13
Note payable with affiliate	125
Changes in net short-term debt	25
Dividends	(53)
Capital contributions/distributions, net	99
Total	$ 207

See Note 5 to the Financial Statements for additional information.

See "Long-term Debt and Equity Securities" below for additional information on current year activity. See "Forecasted Sources of Cash" for a discussion of RIE's plans to issue debt securities, as well as a discussion of credit facility capacity available to RIE. Also see "Forecasted Uses of Cash" for a discussion of RIE's maturities of long-term debt.

Long-term Debt and Equity Securities

Long-term debt and equity securities activity for 2023 included:

	Debt		**Stock**	
	Issuances	**Retirements**	**Issuances**	**Repurchases**
	(in millions of dollars)			
Cash Flow Impact	$ —	$ (1)	$ —	$ (2)

Forecasted Sources of Cash

RIE expects to continue to have adequate liquidity available from operating cash flows, cash and cash equivalents, credit facilities and commercial paper issuances to meet its requirements with respect to contractual obligations and anticipated capital expenditures. Additionally, subject to market conditions, RIE may access the capital markets in 2024.

Short-term Debt

In March 2023, RIE was added as an authorized borrower under the PPL Capital Funding syndicated credit facility (the "Syndicated Credit Facility"). RIE maintains access to the credit facility to enhance liquidity, provide credit support and provide a backstop to its commercial paper program. At December 31, 2023, RIE's borrowing sublimit under the facility was $250 million. In January 2024, RIE's borrowing sublimit was increased to $400 million.

RIE maintains a commercial paper program to provide an additional financing source to fund short-term liquidity needs, as necessary. Commercial paper issuances, included in "Short-term debt" on the balance sheets, are supported by RIE's borrowing sublimit under the Syndicated Credit Facility. At December 31, 2023, RIE had commercial paper borrowings outstanding of $25 million.

Long-term Debt and Equity Securities

RIE is authorized to issue, at the discretion of management and subject to market conditions and regulatory approvals, up to $500 million of long-term debt securities, the proceeds of which would be used to repay short-term debt incurred to fund capital expenditures and for general corporate purposes. See Note 5 to the Financial Statements for additional long-term debt information.

Contributions from Parent

From time to time, the parent of RIE makes capital contributions to RIE. The proceeds from these contributions are used to fund capital expenditures and for other general corporate purposes.

Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, and taxes, RIE currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends, and possibly the purchase or redemption of a portion of debt securities.

Capital Expenditures

The table below shows the current capital expenditure projections for the years 2024 through 2027. Approximately 90-95% of the expenditures are expected to be recovered through rates, pending regulatory approval.

		Projected			
	Total	2024(1)	2025	2026	2027
	(in millions of dollars)				
Electric distribution facilities	$ 825	$ 250	$ 300	$ 275	$ 225
Gas distribution facilities	750	225	250	275	275
Transmission facilities	800	200	300	300	250
Total Capital Expenditures	$ 2,375	$ 675	$ 850	$ 850	$ 750

(1) The 2024 total excludes amounts included in accounts payable as of December 31, 2023.

Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions.

Contractual Obligations

RIE has assumed various financial obligations and commitments in the ordinary course of conducting business. At December 31, 2023, estimated contractual cash obligations were as follows:

	Total	2024	2025-2026	2027-2028	After 2028
	(in millions of dollars)				
Long-term Debt (1)	$ 1,502	$ 1	$ 1	$ 350	$ 1,150
Interest on Long-term Debt (2)	678	62	123	123	370
Operating Leases (3)	24	6	9	7	2
Commodity Purchase Obligations	1,087	425	196	97	369
Other Purchase Obligations	28	9	19	—	—
Total Contractual Cash Obligations	$ 3,319	$ 503	$ 348	$ 577	$ 1,891

(1) Reflects principal maturities based on stated maturity, sinking fund payments, or earlier put dates.

(2) Assumes interest payments through stated maturity or earlier put dates.

(3) See Note 7 to the Financial Statements for additional information.

Dividends/Distributions

See Note 5 to the Financial Statements for these and other restrictions related to distributions on capital interests for RIE.

Rating Agency Actions

Moody’s and S&P periodically review the credit ratings of the debt of RIE. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of RIE are based on information provided by RIE and other sources. The ratings of Moody's and S&P are not a recommendation to buy, sell or hold any securities of RIE. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities.

The credit ratings of RIE affect its liquidity, access to capital markets and cost of borrowing under its credit facilities. A downgrade in the credit ratings could result in higher borrowing costs and reduced access to capital markets. RIE has no credit rating triggers that would result in the reduction of access to capital markets or the acceleration of maturity dates of outstanding debt.

The following table sets forth the credit ratings for outstanding debt securities or commercial paper programs as of December 31, 2023.

	Senior Unsecured		Commercial Paper	
Issuer	**Moody's**	**S&P**	**Moody's**	**S&P**
Rhode Island Energy				
.....	A3	A-	P-2	A-2

The rating agencies have taken the following actions related to RIE. Following the Acquisition, Moody's upgraded RIE's senior unsecured and issuer ratings to A3 from Baa1 and S&P upgraded RIE's senior unsecured and issuer ratings to A- from BBB+.

In June 2023, Moody's assigned RIE's commercial paper a Short-Term Rating of P-2.

In June 2023, S&P assigned RIE's commercial paper a Short-Term Rating of A-2.

Ratings Triggers

Various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity and fuel and commodity transportation and storage, contain provisions that require the posting of additional collateral or permit the counterparty to terminate the contract, if RIE's credit rating, as applicable, were to fall below investment grade. See Note 13 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral requirements for RIE for derivative contracts in a net liability position at December 31, 2023.

Other Contingent Obligations

RIE has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 9 to the Financial Statements for a discussion of these agreements.

Application of Critical Accounting Policies

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to an understanding of the reported financial condition or results of operations and require management to make estimates or other judgments of matters that are inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in our financial statements (these accounting policies are also discussed in Note 1 to the Financial Statements). Senior management has reviewed with PPL's Audit Committee these critical accounting policies, the following disclosures regarding their application, and the estimates and assumptions regarding them.

Defined Benefits

RIE participates in certain qualified funded and non-qualified unfunded defined benefit pension plans and other postretirement benefit plans. See Notes 1, 4 and 8 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

Management makes certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. As such, annual net periodic defined benefit costs are recorded in current earnings or regulatory assets and liabilities based on estimated results. Any differences between actual and estimated results are recorded in regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in regulatory assets and liabilities are amortized to income over future periods. The significant assumptions are:

- Discount Rate — In selecting the discount rates for defined benefit plans, the plan sponsors start with a cash flow analysis of the expected benefit payment stream for their plans. The plan-specific cash flows are matched against the coupons and expected maturity values of Aa-rated non-callable (or callable with make-whole provisions) bonds that could be purchased for a hypothetical settlement portfolio. The plan sponsors then use the single discount rate derived from matching the discounted benefit payment stream to the market value of the selected bond portfolio.

- Expected Return on Plan Assets — The expected long-term rates of return for pension and other postretirement benefits are based on management's projections using a best-estimate of expected returns, volatilities and correlations for each asset class. Each plan's specific current and expected asset allocations are also considered in developing a reasonable return assumption.

- Rate of Compensation Increase — Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement. In selecting a rate of compensation increase, plan sponsors consider past experience, the potential impact of movements in inflation rates and expectations of ongoing compensation practices.

See Note 8 to the Financial Statements for details of the assumptions selected for pension and other postretirement benefits. A variance in the assumptions could significantly impact accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets and liabilities.

The following tables reflect changes in certain assumptions based on RIE's primary defined benefit plans. The inverse of this change would have the opposite impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets and liabilities. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption.

Actuarial assumption	Increase (Decrease)
Discount Rate	(0.25%)
Expected Return on Plan Assets	(0.25%)
Rate of Compensation Increase	0.25%

Actuarial assumption	Increase (Decrease) Defined Benefit Asset	Increase (Decrease) Net Regulatory Assets	Increase (Decrease) Defined Benefit Costs
		(in millions of dollars)	
RIE			
Discount rates	$ (21)	$ 21	$ —
Expected return on plan assets	n/a	n/a	2
Rate of compensation increase	(3)	3	—

Income Taxes

Significant management judgment is required in developing RIE's provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken on tax returns and valuation allowances on deferred tax assets.

Additionally, significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. On a quarterly basis, uncertain tax positions are reassessed by considering information known as of the reporting date. Based on management's assessment of new information, a tax benefit

may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be derecognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

The need for valuation allowances to reduce deferred tax assets also requires significant management judgment. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers several factors in assessing the expected realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. When evaluating the need for valuation allowances, the uncertainty posed by political risk on such factors is also considered by management. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future.

See Note 3 to the Financial Statements for income tax disclosures.

Regulatory Assets and Liabilities

RIE is subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to RIE and other regulated entities, and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels and is subject to change in the future. If future recovery of costs ceases to be probable, the regulatory asset would be written-off. Additionally, the regulatory agencies can provide flexibility in the manner and timing of recovery of regulatory assets.

See Note 4 to the Financial Statements for a discussion of regulatory assets and regulatory liabilities recorded at December 31, 2023 and 2022, as well as additional information on those regulatory assets and liabilities. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices.

Price Risk Management

See Notes 1, 12 and 13 to the Financial Statements for information about our risk management objectives, valuation techniques and accounting designations.

Goodwill Impairment

Goodwill is tested for impairment at the reporting unit level. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying amount of the reporting unit may be greater than the reporting unit’s fair value. RIE is comprised of a single reporting unit.

The fair value of the reporting unit is compared with the carrying value and an impairment charge is recognized if the carrying amount exceeds the fair value of the reporting unit.

RIE may elect either to initially make a qualitative evaluation about the likelihood of an impairment of goodwill or to bypass the qualitative evaluation and test goodwill for impairment using a quantitative test. See “Long-Lived

and Intangible Assets - Asset Impairment (Excluding Investments)" in Notes 1 and 14 to the Financial Statements for further discussion of goodwill impairment tests and additional information.

As of October 1, 2023, RIE elected to perform the qualitative step zero evaluation of goodwill. This evaluation considered the excess of fair value over the carrying value of the reporting unit that was calculated during step one of the quantitative impairment tests performed in the fourth quarter of 2022, and the relevant events and circumstances that occurred since the test was performed including:

- current year financial performance versus the prior year,
- changes in planned capital expenditures,
- the consistency of forecasted free cash flows,
- earnings quality and sustainability,
- changes in market participant discount rates,
- changes in long-term growth rates,
- changes in PPL's market capitalization, and
- the overall economic and regulatory environments in which these regulated entities operate.

Based on this evaluation, management concluded it was not more likely than not that the fair value of the reporting unit was less than the carrying value. As such, the step one quantitative impairment test was not performed and no impairment was recognized.

Revenue Recognition—Unbilled Revenues

Revenues related to the sale of energy are recorded when service is rendered or when energy is delivered to customers. Because customers are billed on cycles which vary based on the timing of actual meter reads taken throughout the month, estimates are recorded for unbilled revenues at the end of each reporting period. Such unbilled revenue amounts reflect estimates of deliveries to customers since the date of the last reading of their meters. The unbilled revenue estimates reflect consideration of factors including daily load models, estimated usage for each customer class, the effect of current and different rate schedules, the meter read schedule, the billing schedule, actual weather data, and, where applicable, the impact of weather normalization or other regulatory provisions of rate structures.

BUSINESS

Overview

We are a regulated public utility organized under the laws of the State of Rhode Island and our principal business consists of our regulated energy delivery business in the State of Rhode Island. As of December 31, 2023, we provided electric service to approximately 514,000 electric customers and gas service to approximately 278,000 natural gas customers in Rhode Island. Our Service Territory covers substantially all of Rhode Island, which is more fully illustrated in the operating district service territory map included elsewhere in this Offering Memorandum. Our Service Territory covers an area that is equivalent to approximately 1,200 square miles with a population in excess of 1,000,000. We currently do not own any generation facilities. We are subject to extensive federal and state government laws and regulations that are enforced by various regulatory agencies including the RIPUC, the Division, DEM, EPA and the FERC.

Our energy delivery business consists of electricity distribution facilities and a natural gas distribution system that provides utility energy delivery services to residential, commercial and industrial customers in our Service Territory and transmission facilities that are owned and operated by us. As a regulated utility in the State of Rhode Island we have an energy choice program for those customers that elect to choose to receive their commodity service from a non-regulated power producer or competitive supplier through a qualified energy retail marketer ("ESCO"). For further information see "—Natural Gas Supply—Commodity Service." However, if the customer opts not to make such an election, we have a POLR obligation under the Rhode Island public service law. As a POLR, we are required to offer the sale of energy commodities (e.g., electricity and natural gas) at cost to any customers within our Service Territory that elect not to buy their energy commodities from an energy commodity marketer.

We were organized in 1926 under the name of United Electric Power Company. In 1927, the United Electric Power Company changed its name to The Narragansett Electric Company following its acquisition of the assets of the Narragansett Electric Lighting Company, which was incorporated in 1884. On May 25, 2022, PPL Rhode Island Holdings, LLC, a wholly-owned subsidiary of PPL, acquired 100% of the outstanding shares of our common stock from National Grid U.S., a subsidiary of National Grid plc. PPL, headquartered in Allentown, Pennsylvania, is a utility holding company incorporated in 1994. PPL, through its regulated utility subsidiaries, delivers electricity to customers in Pennsylvania, Kentucky, Virginia and Rhode Island; delivers natural gas to customers in Kentucky and Rhode Island; and generates electricity from power plants in Kentucky. Following the closing of the Acquisition, we provide services doing business under the name Rhode Island Energy. See "—Our Business—Acquisition of Narragansett Electric Company by PPL."

Our principal offices are located at 280 Melrose Street, Providence, Rhode Island, and our telephone number is (610) 774-4092.

Our Business

Franchises and Licenses

RIE provides electricity delivery service and natural gas distribution service in its service territory pursuant to certain franchises, licenses, statutory service areas, easements and other rights or permissions granted by the Rhode Island state legislature, cities or municipalities or other entities.

Electric Transmission and Distribution

We are the largest electricity transmission and distribution service provider in Rhode Island. Our customers include domestic homes, as well as small and large commercial and industrial enterprises located in urban and suburban areas. Our revenues from our electric transmission and distribution operations are comprised of:

- *Retail sales* — delivery charges and recovery of purchased power costs from customers who purchase their electric supply from us.

- *Delivery only sales* — charges for only the delivery of energy to customers who purchase their power from other electricity suppliers.

We own and operate our transmission facilities. Our transmission services are regulated by the FERC and coordinated with the Independent System Operator of New England ("ISO-NE"). Distribution sales are regulated by the RIPUC, which is responsible for approving the rates and other terms of services as part of the rate making process.

Our electric system is directly interconnected with other electric utility systems in Connecticut and Massachusetts, and indirectly interconnected with most of the electric utility systems through the Eastern Interconnection power grid of the United States and Canada.

As of December 31, 2023, our electric distribution system was comprised of approximately 6,279 miles of electric distribution lines.

Electricity is transported either directly from generators into local electricity distribution networks or via electricity transmission networks to our distribution network. Our electricity transmission system is subject to the operational control and regional planning authority of the ISO-NE that has the responsibility for balancing electricity supply with demand and for the reliability of the regional transmission network. We recover these transmission costs through charges to our delivery service customers. In addition, our rates, which are approved by the RIPUC, include a non-bypassable charge for the costs of our former affiliate's generating business which were not recovered through the sale of that business.

Our customers have the right to choose their power supplier pursuant to legislation enacted in Rhode Island. Customers may buy power on the competitive market or may continue to buy it from us through a market-based service. To provide power to customers, we enter into power supply contracts with third parties and pass these power supply costs through to customers without extra charge.

Natural Gas Distribution—Delivery and Transportation

Within our Service Territory, we are the recognized and Rhode Island-regulated local natural gas distribution company ("LDC") that owns and operates a natural gas distribution network that provides utility services to our customers under a grant of authority derived from statutes, rules and regulations, tariff provisions, and municipal grants and agreements (e.g., franchise agreements). As the LDC in our Service Territory, we are responsible for owning, operating and maintaining the local pipeline distribution network and natural gas distribution assets (e.g., gas mains and services, meters, gate stations, etc.) required to provide natural gas distribution services to residential, large and small commercial and industrial end-user customers located within our Service Territory.

Our LDC activities are regulated primarily by the RIPUC. In addition, there are other federal and state laws and applicable regulations covering aspects of our natural gas distribution business and general business practices that also exercise jurisdiction and control over LDC matters involving activities such as operational reliability; safety; energy and commodity related transactions; sales for resale activity; customer sales and service; retail and wholesale rates for transportation and delivery charges; financing activities (e.g., issuance of short and long-term debt); and environmental, health and safety matters, including environmental remediation and hazardous waste disposal.

We sell, distribute and transport natural gas throughout most of Rhode Island. We maintain a diverse portfolio of firm natural gas supply, interstate pipeline storage and transportation capacity contracts to reliably meet our obligations to serve our customers and to maintain system operations. We purchase natural gas from marketers, producers and distributors under a combination of long and short-term supply agreements and, in certain instances, we purchase natural gas on the spot market. We then arrange for pipeline capacity to transport the natural gas on the independent interstate pipeline system owned and operated by various U.S. and Canadian interstate pipeline companies to our LDC city gate station and we further distribute the natural gas through our regulated LDC gas transmission and distribution system for delivery to our retail customers (i.e., residential, commercial, industrial, etc.). If not immediately transported, our natural gas purchased for our customers may be stored in storage facilities owned and operated by the interstate pipeline companies for later transport and delivery to our customers. To ensure a regular supply of gas in the winter when customer demand is highest, we purchase natural gas during the summer for storage in on-system and interstate storage facilities and withdraw these gas supplies during the winter heating season.

Our revenues from our LDC operations are comprised of:

- *Retail sales*—charges for distribution and transportation of natural gas to customers who purchase their natural gas supplies at cost from us as the POLR;

- *Transportation revenue*—charges for the transportation of natural gas to customers who purchase their natural gas supplies from other parties; and

- *Off-system wholesale sales*—sales of natural gas to wholesale customers for resale.

As of December 31, 2023, our natural gas distribution system was comprised of approximately 3,200 miles of natural gas mains (i.e., pipelines).

Under our existing tariff-based transportation and delivery service, we offer natural gas for sale (see "— Natural Gas Supply—Commodity Service") and provide natural gas delivery service to residential and small commercial customers on a firm basis, and to most large commercial and industrial customers on either a firm or interruptible basis. Firm service is offered to customers under tariff schedules or negotiated contracts that anticipate no interruptions. Temperature-controlled service is offered to multi-family, commercial and industrial customers under tariff schedules or negotiated service contracts that provide for service curtailment when the temperature drops below a designated threshold. Interruptible service is offered to customers under tariff schedules or negotiated service contracts that anticipate and permit interruption on short notice for system reliability reasons. In order to meet our regulatory obligations as an LDC, including supply and transportation obligations, to serve our customers and maintain system reliability, we contract for interstate pipeline and storage capacity and natural gas supplies necessary to meet our design day (i.e., the coldest day that produces the highest demand the system is designed to handle), design winter and annual load requirements. Under less than design conditions, excess capacity exists to meet our day-to-day obligations. There is an RIPUC regulatory expectation that LDCs with excess capacity should seek to minimize the costs of such excess capacity by conducting optimization transactions through participation in interstate markets by releasing pipeline capacity and by selling bundled services to customers for resale outside of our Service Territory (i.e., off-system sales). As an incentive, we are allowed to retain a certain percentage of optimization transaction margins, provided that we share the remaining percentage with our customers.

Natural Gas Supply—Commodity Service

Commodity service in Rhode Island is deregulated, which means that qualified retail energy marketers are allowed to buy natural gas and sell it to our customers. Customers can choose to unbundle, i.e., choose their own natural gas supplier, while the regulated public utility continues to provide transportation services. ESCOs are not allowed to own or operate distribution and transmission facilities. We own and operate the gas distribution network in our Service Territory, which generally cannot be bypassed, and as such we are the state-recognized natural monopoly designated to provide gas service in our Service Territory. In other areas of the United States, commodity service is not deregulated, and the regulated public utilities are vertically integrated and produce and sell electricity and natural gas directly to customers connected to their distribution facilities.

As the recognized POLR in Rhode Island within our Service Territory, we are required to provide natural gas at cost to our customers. Where customers choose us to provide their natural gas, they pay us for distribution services at the utility rates approved under our tariffs and for energy commodity supply at cost. Where the customers choose to purchase from an ESCO, they pay us only for distribution services and pay the third-party supplier for the commodity. In order to provide a POLR commodity service to our customers, we enter into various natural gas long-term supply arrangements with third parties. We also arrange for natural gas spot market purchases from liquid natural gas hub markets throughout the United States.

Pursuant to rules and regulations of the RIPUC, prudently incurred costs of natural gas supply and related interstate pipeline transportation service and storage costs are passed on to customers through various rate mechanisms provided as part of our rate plan and tariffs. Therefore, net natural gas revenues are not affected by customers opting to purchase their natural gas supplies from other sources and delivery rates charged to delivery and transportation customers generally are the same as delivery rates charged to customers who purchase their natural gas from us. Natural gas costs are pass-through costs, in that prices charged for natural gas purchased for supply to customers are passed through to customers without extra charge.

Acquisition of Narragansett Electric Company by PPL

On May 25, 2022, PPL Rhode Island Holdings, a wholly owned subsidiary of PPL, acquired 100% of the outstanding shares of our common stock from National Grid U.S., a subsidiary of National Grid plc.

In connection with the Acquisition, we have entered into a transition services agreement (the "TSA") with National Grid USA Service Company, Inc. and National Grid U.S., pursuant to which National Grid has agreed to provide certain transition services to us to support our ongoing operations immediately following the Acquisition and facilitate the transition of our operation to PPL following the Acquisition, as agreed upon in the share purchase agreement for the Acquisition. The TSA provided for an initial two-year term; however, the TSA is subject to extension as necessary to complete the successful transition. While many operations have been successfully transitioned since the Acquisition and are no longer supported by National Grid, certain remaining aspects have been extended to the third quarter of 2024. We currently anticipate that the remaining services pursuant to the TSA would be fully transitioned by the third quarter of 2024. See Note 6 to the Financial Statements for further information regarding the Acquisition.

Competition

There are currently no other electric or gas public utilities operating within our service area.

Alternative energy sources such as electricity, oil, propane and other fuels indirectly impact our natural gas revenues. Marketers may also compete to sell natural gas to certain large end-users. Our natural gas tariffs include gas price passthrough mechanisms relating to its sale of natural gas as a commodity. Therefore, customer natural gas purchases from alternative suppliers do not generally impact our profitability. Some large industrial and commercial customers, however, may physically bypass our facilities and seek delivery service directly from interstate pipelines or other natural gas distribution systems.

Regulation and Rate Plans

Federal and State Regulation

We are subject to extensive laws and regulations enforced by the RIPUC, the ISO-NE, the Department of Transportation and the FERC, with regards to the operational activities of our transmission assets. In general, state public utility commissions, such as the RIPUC, regulate the provision of retail services, including the distribution of electricity and sale of natural gas and electricity to customers within the state. The FERC regulates wholesale rates for interstate sales of electricity and the electric power transmission system as well as interstate natural gas pipeline transportation and storage activities. The federal and state regulators also regulate certain transactions including service company cost allocations and intercompany borrowings among affiliates of utility companies.

The FERC is an independent agency with broad authority to implement the provisions of the Federal Power Act, the Natural Gas Act, the Energy Policy Act and other federal statutes. The FERC also regulates wholesale rates for interstate sales of electricity and the electric power transmission system as well as interstate natural gas pipeline transportation and storage activities. Our natural gas distribution activities and certain related intrastate natural gas transportation functions are not subject to the FERC's jurisdiction. However, to the extent that we sell natural gas for resale in interstate commerce, such transactions are subject to the FERC's jurisdiction. We have implemented programs and procedures that are designed to ensure that we are fully compliant with the FERC's regulations, including compliance monitoring procedures.

In the United States, public utilities' retail transactions are regulated by state utility commissions, such as the RIPUC. The state commissions serve as economic regulators, approving cost recovery and authorized rates of return. The state commissions establish the retail rates to recover the cost of transmission and distribution services and focus on services and costs within their jurisdictions. They also serve the public interest by making sure utilities provide safe and adequate service at just and reasonable prices. The commissions establish service standards and approve public utility mergers and acquisitions. Under Title 39 of the Rhode Island General Laws, the RIPUC regulates all utility companies (including LDCs) operating in Rhode Island. Under Title 39 of the Rhode Island General Laws, a utility company includes, among other things, any entity engaged in the production, transmission or distribution of electricity or natural gas to the public for light, heat or power purposes.

The RIPUC serves as a quasi-judicial tribunal with general supervisory responsibility for most aspects of investor-owned electric power, natural gas, and water industries in Rhode Island, including with respect to rate setting and terms and conditions of retail service and the monitoring of retail service quality, reliability and safety. The Division enforces the tariffs, rules and regulations of the RIPUC and all laws relative to public utilities. It also certifies all public utilities and has independent regulatory authority over the transactions between public utilities and their affiliates and with respect to all public utility equity and debt issuances.

Overview of the Regulatory Process

The U.S. regulatory regime is premised on allowing the utility the opportunity to recover its cost of service and earn a reasonable return on its investments as determined by the applicable state and/or federal regulatory commission. Utilities submit formal rate filings ("rate cases") to the relevant state regulator when additional revenues are necessary to provide safe and adequate service to customers. Utilities can also be compelled to demonstrate that existing rates are just and reasonable based on complaints filed with the state commission or at the state commission's own discretion. The rate case process is conducted in a litigated setting and takes approximately one year on average from filing to receipt of a final decision. A utility is always required to prove that its requested rate change is prudent and reasonable. Unlike the state commissions, the FERC has no defined process for adjudicating a rate case. The FERC allows rates to be put in place before a final decision is reached, however, a refund may be required if the outcome is unfavorable. The utility may request a rate plan that can span multiple years.

During the rate case process, consumer advocates and other intervening parties scrutinize and often file opposing positions to the utility's rate request. The rate case decision reflects a weighing of the facts in light of the regulator's policy objectives. During a rate case, the utility, regulators, consumer advocates and other intervening parties may agree on the resolution of aspects of a case and file a negotiated settlement with a commission for approval.

Gas and electricity rates are established from a revenue requirement or cost of service, representing the utility's total cost of providing distribution or delivery service to its customers. It includes operating expenses, depreciation, taxes and a fair and reasonable return on certain components of the utility's regulated asset base, typically referred to as its rate base. The revenue requirement is derived from a comprehensive study of the utility's total costs during a recent twelve-month period of operations referred to as a historic test year. RIE's 2023 year-end rate base was $3.7 billion. The rate of return applied to the rate base is the utility's weighted average cost of capital, representing its cost of debt and an allowed return on equity ("ROE") intended to provide the utility with an opportunity to attract capital from investors and maintain its financial integrity. The total cost of service is apportioned among different customer classes and categories of service to establish the rates, through a process called rate design, for these classes of customers. The final costs of service and rate design are ultimately approved in the rate case decision.

Rate Plans and Allowed ROE in Context—Features of Our Rate Plans

We are subject to direct regulation by the RIPUC and the Division and indirect regulation by the FERC for our transmission assets, with respect to the utility rates we charge our customers based on a methodology that establishes prices customers pay for certain utility services. Such methodology is based primarily on our costs and an allowed ROE. The RIPUC regulates retail services, including the distribution and sale of natural gas and electricity to consumers within our Service Territory. The FERC regulates interstate natural gas transportation and storage assets and activities and electric transmission and has jurisdiction over certain wholesale natural gas sales, such as off-system sales, and wholesale electric sales. Each of the federal and state regulators also regulates certain transactions among us and our affiliates. In certain cases, the rate actions of the FERC and the RIPUC can result in accounting that differs from non-regulated companies. In these cases, we defer costs (as regulatory assets) or recognize obligations (as regulatory liabilities) if it is probable that such amounts will be recovered from, or refunded to, customers through future rates. Regulatory assets and liabilities are reflected on the balance sheet consistent with the treatment of the related costs in the ratemaking process.

We are subject to a retail electricity rate plan and a retail gas rate plan. We generally charge customers both for our delivery services and for electricity and gas consumed (we do not charge any additional margin on the sale of electricity or natural gas).

We are allowed recovery of all of our gas commodity costs through annual fully reconciling rate recovery mechanisms established by the RIPUC in gas cost recovery proceedings.

Rate plans, such as ours, in general are designed to produce a specific allowed ROE by reference to an allowed operating expense level and rate base. Some rate plans, including our current rate plan, (i) are based on costs and regulatory asset base and provide for a return on capital expenditure, (ii) include earnings-sharing mechanisms that allow utilities to retain a portion of the earnings above the allowed ROE (achieved by improving efficiency) with the balance benefiting customers and (iii) permit recovery of commodity costs and other pass-through costs, which are incurred by a POLR. In addition, a utility's performance under certain rate plans is subject to service performance targets and may subject it to monetary penalties in cases where it does not meet those targets.

One measure used to monitor the performance of our regulated businesses is a comparison of achieved ROE to allowed ROE, with a target that the achieved should be equal to or above the allowed ROE. However, this measure cannot be used in isolation as there are a number of factors that may prevent us from achieving that target in any given year such as a regulatory lag, cost disallowances and market conditions, as set out below.

- *Regulatory lag*: in the years after rates are set, costs may increase due to inflation or other factors. If the cost increases cannot be offset by productivity gains, the total cost to deliver will be higher as a proportion of revenue and therefore achieved ROE will be lowered.

- *Cost disallowances*: a cost disallowance is a decision by the regulator that a certain expense should not be recovered in rates from customers. The regulator may do this for a variety of reasons. We can respond to some disallowances by choosing not to incur such costs; others may be unavoidable. As a result, unless offsetting cost reductions can be found, the achieved ROE will be lowered.

- *Market conditions*: if a utility files a new rate case, the new allowed ROE may be below the current allowed ROE as financial market conditions may have changed. As such, a utility that appears to be underperforming the allowed ROE and files a new rate case may not succeed in increasing revenues.

We work to increase achieved ROEs through productivity improvements, positive performance against incentives or earned savings mechanisms such as energy efficiency programs, where available, and, by filing a new rate case when achieved returns are lower than that which we could reasonably expect to attain through the current rate case.

We are responsible for billing our customers for their use of electricity and gas services. Customer bills typically comprise a commodity charge at our cost, covering the cost of the electricity or natural gas purchased and delivered, and charges covering our delivery service and electricity and gas services. Depending on the state, delivery rates are either based upon actual sales volumes and costs incurred in an historical test year, or on estimates of sales volumes and costs. Rhode Island follows the latter approach, basing delivery rates on estimates of sales volumes and costs, but in both cases delivery rates can differ from actual amounts. A substantial proportion of our costs, in particular electricity and gas purchases for supply to customers, are pass- through costs, meaning they are fully recoverable from our customers. Our charges to customers are designed to recover these costs with no profit. Rates are adjusted from time to time to ensure any over- or under-recovery of these costs is returned to, or recovered from, our customers. There can be timing differences between costs being incurred and rates being adjusted. As a consequence, we have no economic exposure to such commodity costs, assuming they were prudently incurred. However, as prices are typically established based on estimated costs and volumes, there can be timing differences between the financial period when we incur such costs and the financial period when our prices are adjusted to return or charge for any over- or under-recovery (known as rate recovery).

Deferral Mechanisms

We record revenues in accordance with accounting principles for rate-regulated operations for arrangements with the applicable regulator. These include various deferral mechanisms such as capital trackers, energy efficiency programs, and other programs that qualify as Alternative Revenue Programs ("ARPs"). ARPs enable us to adjust rates in the future, in response to past activities or completed events. Our electric and gas distribution rates both have a revenue decoupling mechanism, which allows for annual adjustments to our delivery rates, as a result of the reconciliation between allowed revenue and billed revenue. We also have other ARPs related to the achievement of certain objectives, demand side management initiatives, and certain other rate making mechanisms. We recognize

ARPs with a corresponding offset to a regulatory asset or liability account when the regulatory specified events or conditions have been met, when the amounts are determinable, and are probable of recovery (or payment) through future rate adjustments.

Current Rate Plan Summary

The objectives of our rate case filings are to ensure we have the right cost of service with the ability to earn a fair and reasonable rate of return, while providing a safe, reliable and economical service to our customers. Rate plans in general are designed to produce a specific level of revenue determined upon an allowed ROE applied to the rate base and by reference to an allowed operating expense level. Our rate plans are based on our costs and regulatory asset base, and they provide for a return on capital expenditure. In order to achieve these objectives and to reduce regulatory lag, we have requested structural changes to the cost recovery mechanism in our rate plan, such as a RDM, capital trackers, commodity-related bad debt true-ups and pension and other post-employment benefit true-ups, separately from base rates.

On May 5, 2020, the RIPUC approved the terms of an ASA, which allows us to maintain a base ROE rate for electric distribution of 9.275%, a base ROE rate for gas distribution of 9.275% and a base ROE rate for electric transmission of 10.57% plus a 0.5% ROE adder as an incentive for joining a regional transmission organization. The calculation of ROE rates is based on a common equity ratio of approximately 51%. In addition, we may earn higher returns than the base allowed ROE rates for electric and gas distribution through incentive mechanisms and efficiencies that are supported by customer sharing mechanisms. 50% of the earnings will be shared with customers when earned ROE is between 9.275% and 10.275% and the percentage will increase to 75% when earned ROE exceeds 10.275%. Similarly, the allowed ROE rate for electric transmission may be increased up to 11.74% under additional project adder mechanisms. We are currently in year six of the multi-year rate plan (the "rate plan"). On June 30, 2021, the RIPUC consented to an open-ended extension of the term of the rate plan such that we were not required to file our next rate case in order for new rates take effect no later than September 1, 2022 as originally contemplated by the ASA. Pursuant to the settlement with the Rhode Island Office of the Attorney General in connection with the Acquisition, we currently do not anticipate filing a new base rate case until at least the second half of 2025, at least three years following the closing of the Acquisition and 12 months after the termination of the TSA. Pursuant to the open-ended extension, the Rate Year 3 level of base distribution rates under ASA will remain in effect and we will continue to operate under the current rate plan until a new rate plan is approved by the RIPUC.

There are various reconciliation mechanisms in our rate plans that permit us to fully or partially true up to established thresholds for items such as real property taxes, special franchise taxes, SIR costs, and pension and other post-employment benefit costs and decoupling mechanisms. In the case of non-growth related capital, we must return unspent funds below established targets to customers, but may not recover overspending. In addition, we are subject to affiliate rules and various financial protections for the term of the rate plan.

As part of our rate plan, we are also subject to an RDM that is applicable to our firm residential heating sales and transportation customers. The RDM in our rate plan is a reconciliation mechanism that eliminates the disincentive to implement energy efficiency programs by separating our ability to recover agreed-upon fixed costs, including the profit margin, from the actual volume of sales that occur through a rate adjustment mechanism. The rate adjustment mechanism is designed to break the link between utility sales and revenue, thereby eliminating the disincentive for us to promote energy efficiency programs. In the case of non-growth- related capital, we must return unspent funds below established targets to customers but may not recover overspending.

We are also subject to service quality standards for customer service, billing, customer satisfaction, staffing levels, safety and reliability and are potentially subject to monetary penalties for failing to meet such standards.

State law provides our Rhode Island electric and gas operating divisions with rate mechanisms that allow us to recover capital investment, including a return. It also enables the recovery of certain expenses outside base rate proceedings through the submission of annual electric and gas ISR plans designed to improve the safety and reliability of the electric and gas distribution systems.

Regulatory Developments

FY 2024 Gas ISR Plan

On December 23, 2022, we filed our fiscal year 2024 Gas ISR Plan with the RIPUC. At its January 20, 2023 Open Meeting, the RIPUC directed us to file supplemental budget and rate schedules to reflect an April 1 to March 31 fiscal year. The supplemental budget that was filed with the RIPUC on January 27, 2023 includes $187 million of capital investment spend. We reached an agreement with the Division on an approximately $171 million capital investment spending plan, and filed a second supplemental budget on March 13, 2023. At an Open Meeting on March 29, 2023, the RIPUC approved the plan with an adjustment to the budget for the Proactive Main Replacement Program category resulting in a total approved fiscal year 2024 Gas ISR Plan of $163 million for capital investment spend. On March 31, 2023, the RIPUC approved our March 30, 2023 compliance filing for rates effective April 1, 2023. On December 22, 2023, we filed our fiscal year 2025 Gas ISR Plan with the RIPUC with a budget that includes $185 million of capital investment spend and up to $11 million of contingency plan spend in light of the Pipeline and Hazardous Materials Safety Administration's potential enactment of regulations during fiscal year 2025 that would significantly alter our leak detection and repair obligations under federal regulations. We also filed our proposed gas ISR plan budgetary and reconciliation framework with our fiscal year 2025 ISR Plan. The RIPUC had scheduled hearings on March 7, 11 and 18, 2024, and is scheduled to rule on the plan by the end of March 2024. We cannot predict the outcome of these matters.

FY 2024 Electric ISR Plan

On December 23, 2022, we filed our fiscal year 2024 Electric ISR Plan with the RIPUC. At its January 20, 2023 Open Meeting, the RIPUC directed us to file supplemental budget and rate schedules to reflect an April 1 to March 31 fiscal year. The supplemental budget filed with the RIPUC on January 27, 2023 includes $176 million of capital investment spend, $14 million of vegetation operations and management ("O&M") spend and $3 million of Other O&M spend. We filed second supplemental budget schedules on March 21, 2023 which includes $166 million of capital investment spend, $14 million of vegetation management O&M spend and $1 million of Other O&M spend. The RIPUC held hearings in March 2023, and on March 29, 2023, approved the plan with modifications to the proposed capital investment spend, resulting in a total approved fiscal year 2024 Electric ISR Plan of $112 million for capital investment spend, $14 million for vegetation management O&M spend, and $1 million for Other O&M spend. On March 31, 2023, the RIPUC approved our March 30, 2023 compliance filing for rates effective April 1, 2023. We filed our proposed electric ISR plan budgetary and reconciliation framework with our fiscal year 2025 ISR Plan filing on December 21, 2023. We cannot predict the outcome of these matters. On December 21, 2023, we filed our fiscal year 2025 Electric ISR Plan with the RIPUC with a budget that includes $141 million of capital investment spend, $13 million of vegetation O&M spend and $1 million of Other O&M spend. We also filed our proposed electric ISR plan budgetary and reconciliation framework with our fiscal year 2025 ISR Plan. The RIPUC had scheduled hearings on March 13, 14 and 19, 2024, and is scheduled to rule on the plan by the end of March 2024. We cannot predict the outcome of these matters.

AMF

On January 21, 2021, we filed our Updated AMF Business Case and GMP with the RIPUC in accordance with the ASA. The Updated AMF Business Case – a foundational component of the GMP – seeks approval to deploy smart meters throughout our Service Territory. After the Acquisition, we filed a new AMF Business Case with the RIPUC on November 18, 2022. The new AMF Business Case filing consists of a detailed proposal for full-scale deployment of AMF across our electric service territory. The proposal will enable significant customer and grid benefits in line with the state's climate mandates. On September 27, 2023, the RIPUC unanimously approved RIE to deploy an AMF-based metering system for the electric distribution business. We are authorized to seek recovery of the approved capital investment through the ISR process with an overall multi-year cap on recovery at approximately $153 million, subject to certain terms, conditions and limitations with respect to the potential offsets and recoverability of certain costs. We are required to continue spending even if above the recovery cap, until it achieves the functionalities outlined in the AMF Business Case. We filed with the RIPUC (i) an updated electric Service Quality Plan on December 27, 2023 for RIPUC approval and (ii) additional tariff provisions regarding recovery and plans that address certain programs related to AMF on December 22, 2023 for RIPUC approval. We cannot predict the outcome of these matters.

Grid Modernization

We filed a new GMP with the RIPUC on December 30, 2022. The new GMP filing consists of a holistic suite of grid modernization investments that will provide us with the tools and capability to manage the electric distribution system more granularly considering a range of distributed energy resources adoption levels, accelerated by Rhode

Island's climate mandates, while at the same time maintaining a safe and reliable electric distribution system. The GMP is an informational guidance document that supports the grid modernization investments to be proposed in future electric ISR plans. Consequently, we did not request approval from the RIPUC for any specific investments or seek cost recovery as part of the GMP; rather, we requested the RIPUC issues an order affirming our compliance with its obligation to file a GMP that meets the requirements of the ASA. The RIPUC held a status conference on October 26, 2023, to discuss the scope of the RIPUC's review of the GMP and its potential impact future electric ISR plans.

Long-term Contracts for Renewable Energy

A 2009 Rhode Island law required us to solicit proposals for a small-scale renewable energy generation project of up to eight wind turbines with an aggregate nameplate capacity of up to 30 MW to benefit the Town of New Shoreham. The renewable energy generation project also included a transmission cable to be constructed between Block Island and the mainland of Rhode Island. On June 30, 2010, we entered into a 20-year Amended Power Purchase Agreement ("PPA") with Deepwater Wind Block Island LLC, which was approved by the RIPUC in August 2010. The wind turbines reached commercial operation on December 12, 2016 and the PPA is being accounted for as an operating lease. We also negotiated a transmission facilities purchase agreement ("Facilities Purchase Agreement") with Deepwater Wind Block Island Transmission, LLC ("Deepwater") to purchase from Deepwater the permits, engineering, real estate, and other site development work for construction of the undersea transmission cable (collectively, the "Transmission Facilities"). On April 2, 2014, the Division issued its consent decision for us to execute the Facilities Purchase Agreement with Deepwater. In July 2014, four agreements were filed with the FERC, in part, for approval to recover the costs associated with the transmission cable and related facilities (the "Project") that will be allocated to us and Block Island Power Company through transmission rates. On September 2, 2014, the FERC accepted all four agreements thus approving cost recovery for the Project, with no conditions, that will apply to our costs. The agreements went into effect on September 30, 2014. On January 30, 2015, we closed the purchase of the Transmission Facilities from Deepwater. We placed the Transmission Facilities into service on October 31, 2016.

On April 9, 2018, the RIPUC approved eight long-term (20-year) contracts totaling approximately 44 MWs of nameplate capacity between us and several counterparties pursuant to the Rhode Island Long-Term Contracting Standard (the "LTCS") of which six clean energy long-term contract totaling 36.427 MW are currently operational and with respect to which we collect 2.75% remunerations in the annual payments pursuant to the LTCS. The contracts resulted from a three-state solicitation for renewable energy generation proposals.

On December 6, 2018, we entered into a 20-year PPA with DWW Rev I, LLC ("Revolution Wind"), for the purchase of the electricity and renewable energy credits generated by the offshore windfarm proposed by Revolution Wind, that will have a nameplate capacity of up to 408 MW. The anticipated commercial operations date for the windfarm is in 2026. On May 28, 2019, at an open meeting, the RIPUC approved the contract without remuneration. The written order approving the agreement and confirming that we will be able to recover the cost incurred under the agreement was issued by the RIPUC on June 7, 2019.

In addition to the LTCS, in October 2023, we issued a request for proposals ("RFP") for 300 MW to approximately 1,200 MW of newly developed offshore wind energy projects, under the Affordable Clean Energy Security Act ("ACES"), as amended in 2022. Based on the RFP schedule, we anticipate beginning conditional project selection in June 2024. We must negotiate in good faith to achieve a commercially reasonable contract and may file such contract with the RIPUC for approval in December 2024, unless we show that the bids are unlikely to lead to a contract that meets all of the statutory and RFP requirements. As approved by the RIPUC, we are allowed to pass through commodity-related/purchased power costs to customers and collect remuneration equal to 2.75% for long-term contracts approved prior to January 1, 2022, pursuant to LTCS as amended in 2022, and that have achieved commercial operation. For long-term contracts approved pursuant to LTCS or ACES, both as amended, on or after January 1, 2022, we are entitled to financial remuneration equal to 1.0% through December 31, 2026, for those projects that are commercially operating. For long-term contracts approved pursuant to LTCS or ACES on or after January 1, 2027, we are not entitled to any financial remuneration, unless otherwise granted by the RIPUC. Also, the 2022 amendments to LTCS and ACES added a provision, which provides that for any calendar year in which our actual return on equity exceeds the return on equity allowed by the RIPUC in the last general rate case, the RIPUC may adjust any or all remuneration to assure that such remuneration does not result in or contribute toward us earning above its allowed return for such calendar year.

Environmental Regulation

We and our ongoing operations and historic activities are subject to various federal, state and local environmental laws and regulations including, among other things, requirements concerning air and water quality, wetlands and flood plains, endangered and threatened species, storage, transportation and disposal of hazardous wastes and substances, worker health and safety, storage tanks, climate change, and site remediation. Our business generates hazardous and potentially hazardous wastes, products and by-products. Under certain federal and state laws, including Superfund laws (which establish requirements and impose liability for cleanup of contaminated sites), potential strict liability for contamination of property may be imposed on responsible parties (which can include current or former owners or operators of the property or parties who arranged for the disposal of wastes at the property), jointly and severally, without fault, even if the activities engaged in by such parties were lawful when they occurred.

The EPA and the DEM, as well as private entities, have alleged that we are or may be responsible under state or federal laws and regulations for the remediation of numerous sites, including certain sites that we currently or previously owned or operated. We generally are responsible for on-site liabilities, and in some cases off-site liabilities, associated with our operations or the environmental condition of our current and former assets, including former MGP sites, former electric generation related assets, electric transmission and electric and natural gas distribution assets that we have acquired or developed, and, if deemed liable, for third- party waste disposal sites to which we have sent waste, regardless of when the liabilities arose and whether they are known or unknown. We believe our most significant liabilities relate to former MGP facilities formerly owned by the Blackstone Valley Gas and Electric Company and the Rhode Island assets of New England Gas Company. We are currently investigating and remediating, as necessary, those MGP sites and certain other properties under agreements with the EPA and/or DEM. At December 31, 2023 and December 31, 2022, we had a recorded liability of $99 million and $100 million, respectively, representing our best estimate of the remaining costs of environmental remediation activities. These undiscounted costs are expected to be incurred over approximately 30 years and generally to be subject to rate recovery. However, remediation costs for each site may be materially higher than estimated, depending on changing technologies and regulatory standards, selected end uses for each site, and actual environmental conditions encountered. We have recovered amounts from certain insurers and potentially responsible parties, and, where appropriate, may seek additional recovery from other insurers and from other potentially responsible parties, but it is uncertain whether, and to what extent, such efforts will be successful. For information on our accrued liabilities related to our environmental obligations, please see Notes 4 and 9 to the Financial Statements.

The RIPUC has approved settlement agreements that provide for rate recovery of prudent and reasonably incurred remediation costs associated with the former MGP sites and other hazardous waste sites in Rhode Island. Additionally, under our electric rate recovery agreement, qualified costs related to MGP sites and electrical operation sites are paid out of a special fund established by us. Contributions from rates of approximately $3 million per year are added to the fund along with interest and any recoveries from insurance carriers and other third parties.

Under the New England Gas Company rate recovery agreement, qualified costs related to MGP sites, polychlorinated biphenyls pipe removal and mercury-seal regulator removals are amortized and recovered over a ten-year period with $1.3 million built into the base gas rates. Similar to the electric agreement, any recoveries from insurance carriers and other third parties are used to offset the annual costs prior to amortization.

Climate change legislation may be considered by Congress in the future, and the EPA and various states have implemented regulations with respect to greenhouse gases or proposed regulatory changes or initiatives that could separately lead to new requirements. Pursuant to the federal Mandatory Reporting of Greenhouse Gases Rule, we are obligated, as an LDC, to submit annual reports to the EPA on greenhouse gas emissions associated with certain aspects of our natural gas distribution business. Under Rhode Island's Renewable Energy Standard we are required to obtain a percentage of the electricity sold to retail customers in Rhode Island from renewable resources, which increases over time. Pursuant to legislation enacted in 2022, 100% of electricity in Rhode Island will be required to come from renewable resources by 2033. Uncertainty about the timing and nature of any new regulatory requirements with respect to greenhouse gas emissions make any further future potential direct or indirect impacts on us difficult to determine.

We believe that obligations imposed on us because of environmental laws will not have a material adverse effect on our business or financial condition. Our rate plan 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, we have recorded a regulatory asset representing the investigation, remediation and monitoring obligations we expect to recover from ratepayers.

Sustainability

Increasing attention has been focused on a broad range of corporate activities under the heading of "sustainability", which has resulted in a significant increase in the number of requests from interested parties for information on sustainability topics. These parties range from investor groups focused on environmental, social, governance and other matters to non-investors concerned with a variety of public policy matters. Often the scope of the information sought is very broad and not necessarily relevant to an issuer's business or industry. As a result, a number of private groups have proposed to standardize the subject matter constituting sustainability, either generally or by industry. Those efforts remain ongoing. In addition, on March 6, 2024, the SEC adopted final rules for public companies that mandate significant new disclosures relating to climate-related risks, Scope 1 and Scope 2 greenhouse gas emissions and climate-related financial metrics. We are currently assessing the new rules, including current and prospective challenges to the rules, for potential effects to our business and results of operations once the requirements become effective.

Seasonality

There is seasonal variation in electric transmission and distribution operations, usually peaking in the winter and summer months. The seasonality is correlated with the colder or warmer temperature because more electricity is used for heating or cooling during those months. In addition, there is a seasonal variation in natural gas customer sales, with loads usually peaking in the winter months. The seasonality is correlated with colder temperatures, when more natural gas is used for heating. Accordingly, results of the gas operations are most favorable in the fourth fiscal quarter of the year, followed by the third and first fiscal quarter. Operating losses are generally incurred in the second fiscal quarter during the summer.

Employees

As of February 23, 2024, we had approximately 1,260 employees, of whom approximately 63.8% were union members. We have three collective bargaining agreements with our union members, two of which expire in 2024.

Insurance

Natural gas distribution and electric transmission and distribution facilities pose a variety of hazards and operating risks, such as leaks, explosions and mechanical problems caused by natural disasters, accidents and terrorism or other damage by third parties, which could cause substantial financial loss. In addition to impairing operations, these risks could also result in loss of human life, personal injuries, property damage and environmental contamination or pollution. In accordance with standard industry practice, we maintain insurance against what we believe are appropriate potential risks and losses.

Legal Proceedings

We are subject to various legal proceedings arising in the ordinary course of our business. We do not consider any such proceedings to be material, individually or in the aggregate, to our business or expect them to result in a material adverse effect on our results of operations, financial position, or cash flows. For additional information, please see Note 9 to the Financial Statements.

MANAGEMENT

Our business is managed by the senior management as set forth in the table below.

Name	Age(1)	Position(s)
J. Gregory Cornett (2)	53	President
Tadd J. Henninger	48	Senior Vice President and Treasurer
Alan T. LaBarre	58	Vice President and Chief Operating Officer
Michele V. Leone	53	Vice President – Gas Operations
Kathy R. Castro	43	Vice President – Distribution
Marlene C. Beers	52	Vice President and Controller
David J. Bonenberger (2)	62	Former President

Note:

(1) As of March 1, 2024.

(2) Effective as of March 4, 2024, Mr. Cornett replaced Mr. Bonenberger as President.

Mr. Cornett was recently appointed President of our company as of March 4, 2024. Cornett oversees all operations of Rhode Island Energy with a focus on rates and regulatory strategy, business growth and development, public affairs, communications and stakeholder engagement. Before his promotion, Mr. Cornett served as vice president and deputy general counsel for PPL. A 25-year utility industry veteran, Mr. Cornett has successfully led various regulatory and legal strategies during his career. Prior to serving as VP and deputy general counsel for PPL, Cornett served as associate general counsel and director of legal services for PPL subsidiaries, including Louisville Gas and Electric Company and Kentucky Utilities Company. He also previously was an equity member with a large law firm in Kentucky, where he focused his work in the utility sector. Mr. Cornett earned a bachelor's degree in political science from the University of Kentucky and a law degree from the University of Kentucky J. David Rosenberg College of Law.

Mr. Henninger is Senior Vice President – Finance and Treasurer of PPL and Senior Vice President and Treasurer of our company since the Acquisition. Mr. Henninger oversees financial planning and analysis and treasury-related activities for the Company, including leading equity and capital market transactions, maintaining rating agency and banking relationships, and managing liquidity and cash. Prior to his work in treasury, he was director of special projects in PPL's mergers and acquisitions group, supporting the Company's $7.6 billion and $6.5 billion asset acquisitions, respectively, in Kentucky and the United Kingdom in 2010 and 2011. Before joining PPL in 2009, Henninger was a senior manager at Ernst & Young, a public accounting firm, where he had over 10 years of experience serving various industries, including power and utilities, manufacturing and construction. Henninger received a bachelor's degree in accounting from Kutztown University and is a certified public accountant.

Mr. LaBarre is Vice President and Chief Operating Officer of our company. Mr. LaBarre was promoted to this position as of March 4, 2014, having previously served as Vice President – Electric Operations, and has worked at RIE or its predecessor companies for over 35 years. Other roles Mr. LaBarre has held in the industry include Vice President New England Control Centers at National Grid and Director of Distribution Planning and Asset Management at National Grid. Mr. LaBarre's focus is to lead modernization of the electric and gas distribution systems to enable a clean energy future while upholding network safety, reliability and customer affordability. Mr. LaBarre is a graduate of the University of Rhode Island where he received his Bachelor of Science degree in Electrical Engineering and a graduate of Worcester Polytechnic Institute's School of Industrial Management Program. Mr. LaBarre is also a registered professional engineer in the state of Rhode Island.

Ms. Leone is Vice President – Gas of our company and has held the position since 2022. She is responsible for the safe, reliable, and cost-effective operation of Rhode Island's natural gas distribution system. She joined National Grid in 2000. She has held various leadership roles on gas, electric, environmental and sustainability teams, including Director, Gas Operations for Rhode Island and Cape Cod; Director, Group Sustainability and Environment; Director, Electric Planning and Performance; and Director, Rhode Island Strategy and Performance Management. She holds a Bachelor of Science in Environmental Engineering from Syracuse

University and a Master of Science in Environmental Engineering from the University of Michigan at Ann Arbor.

Ms. Castro is Vice President – Distribution of our company as of March 4, 2024. She is responsible for the safe, reliable, and cost-effective operation of Rhode Island's electric distribution system. She joined National Grid in 2003. She has held various leadership roles, including Director of Engineering and Asset Management Rhode Island; Director, Distribution Planning and Asset Management New England; Director, Customer Project Development NE and NY for both gas and electric. She holds a Bachelor of Science in Electrical Engineering from Worcester Polytechnic Institute and a Graduate Certificate in Power Systems Management from the Worcester Polytechnic Institute.

Ms. Beers is the Vice President and Controller of PPL and of our company since the Acquisition. Ms. Beers provides leadership for the Company's financial accounting and reporting, establishing appropriate accounting policies and procedures, ensuring compliance with generally accepted accounting principles (GAAP) and regulatory requirements. Prior to taking on her current role with PPL, Ms. Beers was vice president-Finance and Regulatory Affairs and Controller for PPL's subsidiary, PPL Electric Utilities Corporation, which provides electric delivery service to 1.4 million customers in Pennsylvania. In that role, she played a critical leadership role as the company made investments to improve reliability and service to customers while meeting stakeholder return expectations. Ms. Beers came to PPL in January 2016 after a 20-year career at Air Products and Chemicals, Inc., an Allentown, Pennsylvania-based industrial gas supplier where she held various accounting and finance roles. She also has public accounting experience. Ms. Beers holds a bachelor's degree in accounting from Cedar Crest College in Allentown, Pennsylvania, and a master's degree in business administration from Lehigh University in Bethlehem, Pennsylvania. She is also a certified public accountant in Pennsylvania.

Mr. Bonenberger was President of our company from the Acquisition until he was succeeded by Mr. Cornett on March 4, 2024. In that capacity he oversaw all operations of the Company and both as President and in his former position as PPL's Vice President of Operation Integration was instrumental in facilitating the transition of the operations of our company under PPL ownership. Mr. Bonenberger has nearly four decades of industry experience. Mr. Bonenberger joined PPL in 1984 as assistant field office manager at PPL's Susquehanna nuclear power plant. Over the course of his tenure, he has held various positions in the corporate audit, finance, customer service and operations departments with increased levels of responsibility. He played a key role in the startup of the PPL EnergyPlus retail business and PPL Solutions in unregulated markets. He has also served as Vice President-Distribution Operations, general manager-Transmission & Substations, director of Distribution Operations and regional director of the utility's central region. Bonenberger holds a bachelor's degree in accounting from Bloomsburg University and a master's in business administration from Wilkes University. Mr. Bonenberger now serves as Senior Vice President and Chief Operating Officer-Utilities at PPL and in that position will continue to be involved in overseeing Company operations.

DESCRIPTION OF NOTES

General

Certain terms used in this description are defined under the subheading "Certain Definitions." In this description, (a) the terms "we", "our" and "us" each refer to The Narragansett Electric Company and any future Subsidiaries, and (b) the term "Issuer" refers only to The Narragansett Electric Company (and its successors in interest) and not to any of its future Subsidiaries.

The Narragansett Electric Company will issue $500,000,000 aggregate principal amount of 5.350% senior notes due 2034 (the "Notes"). The Notes will be issued under a base indenture dated March 22, 2010 (the "Base Indenture"), as supplemented prior to the date hereof, by and between The Narragansett Electric Company and The Bank of New York Mellon, as trustee, as further supplemented by a sixth supplemental indenture to be dated March 25, 2024 between the Issuer and The Bank of New York Mellon, as securities registrar, trustee and paying agent (the "Trustee") (the "Sixth Supplemental Indenture"). The term "Indenture" in this description of notes refers to the Base Indenture as supplemented by the Sixth Supplemental Indenture. The Notes will be issued in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "Notice to Investors; Transfer Restrictions."

The following description is only a summary of the material provisions of the Indenture, does not purport to be complete and is qualified in its entirety by reference to the provisions of that agreement, including the definitions therein of certain terms used below. We urge you to read the Indenture because it, not this description, defines your rights as Holders of the Notes. You may request copies of the Indenture at our address set forth under the heading "—Additional Information."

Brief Description of Notes

The Notes will be:

- unsecured senior obligations of the Issuer;
- *pari passu* in right of payment with existing and any future unsecured senior Indebtedness (as defined below) of the Issuer;
- senior in right of payment to any existing and future Subordinated Indebtedness of the Issuer;
- effectively subordinated in right of payment to any existing and future secured Indebtedness of the Issuer to the extent of the value of the assets securing such Indebtedness; and
- effectively subordinated in right of payment to any Indebtedness and other obligations of any future Subsidiary of the Issuer.

As of December 31, 2023, we had $2 million aggregate principal amount of First Mortgage Bonds outstanding. Substantially all of our properties that comprised the natural gas distribution system acquired in 2006 are subject to mortgage liens securing our First Mortgage Bonds debt.

As of December 31, 2023, we had $1,502 million of current and long-term indebtedness outstanding.

It is not expected that the Notes will be exchanged for similar notes in a transaction registered under the Securities Act, or that the resale of the Notes will be registered under the Securities Act. Additionally, it is not anticipated that the Indenture will be qualified under the Trust Indenture Act and, as a result, the Holders of the Notes will not receive the protections otherwise provided thereby.

Paying Agents and Registrars for the Notes

The Issuer will maintain one or more paying agents for the Notes in the Borough of Manhattan, City of New York. The initial paying agent for the Notes will be the Trustee. Principal, premium, if any, and interest on the Notes will be payable at the office of the paying agent or, at the option of the Issuer, payment of interest may be made by check mailed to the Holders of the Notes at their respective addresses set forth in the register of Holders; provided,

that all payments of principal, premium, if any, and interest with respect to the Notes represented by one or more global notes registered in the name of or held by DTC or its nominee will be made by wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof.

The Issuer will also maintain one or more registrars with offices in the Borough of Manhattan, City of New York. The initial registrar will be The Bank of New York Mellon. The registrar will maintain a register reflecting ownership of the Notes outstanding from time to time and will facilitate transfer of Notes on behalf of the Issuer.

The Issuer may change the paying agents or the registrars without prior notice to the Holders. The Issuer or any of its future Subsidiaries may act as a paying agent or registrar.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The registrar and the Trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Issuer is not required to transfer or exchange any Note selected for redemption. Also, the Issuer is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

Principal, Maturity and Interest

The Issuer will issue $500,000,000 aggregate principal amount of Notes in this offering. The Notes will mature at 100% of their principal amount on May 1, 2034. The Issuer may issue an unlimited amount of additional Notes from time to time after this offering under the Indenture ("Additional Notes"). The Notes offered hereby by the Issuer and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including waivers, amendments and redemptions. Additional Notes that are issued with the same CUSIP or other identifying number as a series of outstanding Notes will be issued with no more than a de minimis amount of original issue discount, or as part of a qualified reopening, in each case for U.S. federal income tax purposes. The period of any resale restriction applicable to the Notes offered hereby and sold in reliance on Rule 144A may be extended to the last day of the period of any resale restrictions imposed on any such Additional Notes that are issued with the same CUSIP as the Notes offered hereby. Unless the context requires otherwise, references to "Notes" for all purposes of the Indenture and this "Description of Notes" include any Additional Notes that are actually issued.

The Notes will bear interest at a rate of 5.350% per annum and will be payable semi-annually in arrears on May 1 and November 1, commencing on November 1, 2024, to the Holders of the Notes of record at the close of business on the immediately preceding April 15 and October 15. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the Issue Date. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

If any interest payment date or maturity date is not a Business Day, the payment otherwise required to be made on such date will be made on the next Business Day without any additional payment as a result of such delay.

Taxation

All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by any governmental authority unless such withholding or deduction is required by law. If an amount in respect of withholding taxes were legally required to be deducted or withheld from interest, principal or other payments on the Notes, no additional amounts shall be paid as a result of the deduction or withholding.

Mandatory Redemption; Offers to Purchase; Open Market Purchases

The Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. The Issuer may at any time and from time to time acquire Notes by means other than a redemption, whether by tender offer, exchange offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws.

Optional Redemption

At any time and from time to time, the Issuer may redeem all or a part of the Notes, upon not less than 10 nor more than 60 days' prior notice delivered to the registered address of each Holder of Notes or otherwise in accordance with the procedures of DTC, Euroclear or Clearstream.

Prior to February 1, 2034 (three months prior to their maturity date) (the "Par Call Date"), the Issuer may redeem the Notes at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

(1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date (as defined below) (assuming the notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points less (b) interest accrued to the Redemption Date, and

(2) 100% of the principal amount of the Notes to be redeemed,

plus, in either case, accrued and unpaid interest thereon to, but excluding, the Redemption Date.

On or after the Par Call Date, the Issuer may redeem the Notes at its option, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest thereon to, but excluding, the date fixed for redemption (the "Redemption Date").

Notice of any optional redemption may, at the Issuer's discretion, be subject to one or more conditions precedent.

If the Issuer redeems less than all of the outstanding Notes, the depositary shall select the Notes to be redeemed in the manner described under "—Selection and Notice."

Selection and Notice

If the Issuer is redeeming less than all of the Notes issued by it at any time, the depositary will select the Notes to be redeemed (a) if the Notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the Notes are listed, (b) on a pro rata pass-through distribution of principal basis to the extent practicable or, if a pro rata basis is not practicable for any reason, by lot or by such other method as the depositary shall deem fair and appropriate, in accordance with the procedures of DTC, or (c) by lot or such other similar method in accordance with the procedures of DTC.

Notices of redemption shall be delivered and, unless otherwise specified herein, at least 10 but not more than 60 days before the Redemption Date to each Holder of Notes at such Holder's registered address or otherwise in accordance with the procedures of DTC, Euroclear or Clearstream, except that redemption notices may be delivered more than 60 days prior to a Redemption Date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. If any Note is to be redeemed in part only, any notice of redemption that relates to such Note shall state the portion of the principal amount thereof that has been or is to be redeemed.

The Issuer will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the Holder upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the Redemption Date, interest ceases to accrue on Notes or portions thereof called for redemption.

Certain Covenants

Merger, Consolidation or Sale of All or Substantially All Assets

The Issuer may not consolidate or merge with or into or wind up into (whether or not the Issuer is the surviving entity), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to any Person unless:

(1) (A) the Issuer is the surviving entity, or (B) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other

disposition will have been made is an entity organized or existing under the laws of the United States, any state or territory thereof or the District of Columbia (such Person being herein called the "Successor Person");

(2) the Successor Person, if other than the Issuer, expressly assumes all the obligations of the Issuer under the Indenture and the Notes pursuant to supplemental indentures or other documents or instruments in form reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default exists; and

(4) the Issuer or the Successor Person shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indentures, if any, comply with the Indenture.

The Successor Person will succeed to, and be substituted for, the Issuer under the Indenture and the Notes.

Reports and Other Information

So long as any Notes are outstanding, if not filed electronically with the SEC through the SEC's Electronic Data Gathering, Analysis, and Retrieval System (or any successor system), the Issuer will furnish to the Trustee and Holders of the Notes, within 180 days of the end of each fiscal year for annual reports and within 75 days of the end of each fiscal quarter for quarterly reports:

(1) an annual report including solely the following information: annual financial statements of the Issuer (including balance sheets as of the end of the two most recent fiscal years and statements of earnings and statements of cash flows for the two most recent fiscal years) prepared in accordance with GAAP as in effect from time to time, together with a report on the annual financial statements by the Issuer's independent auditors; and

(2) a quarterly report including solely the following information: quarterly financial statements of the Issuer (including a balance sheet as of the end of the most recent fiscal quarter and statements of earnings and statements of cash flows for the period from the end of the most recent fiscal year to the end of the most recent fiscal quarter, and for the corresponding interim period of the preceding fiscal year) prepared in accordance with GAAP as in effect from time to time.

With respect to the information set forth in paragraphs (1) and (2) immediately above, we shall post copies of such information on PPL's website (or by similar publicly available means), which will not be incorporated into this offering memorandum, for so long as the Notes remain outstanding. Furthermore, so long as such information is so posted, the related delivery requirements set forth above shall be deemed satisfied.

In addition, the Issuer has agreed that, for so long as any Notes remain outstanding and during any period during which the Issuer is not subject to Section 13 or Section 15(d) of the Exchange Act, it will furnish to Holders of the Notes and to prospective purchasers of the Notes, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Events of Default and Remedies

The Indenture will provide that each of the following is an Event of Default with respect to the Notes:

(1) default for 14 days or more in the payment when due and payable, upon redemption, acceleration or otherwise, of principal of, or premium, if any, on the Notes;

(2) default for 30 days or more in the payment when due of interest on or with respect to the Notes;

(3) failure by the Issuer for 90 days after receipt of written notice given by the Trustee or the Holders of not less than 25% in principal amount of outstanding Notes to comply with any of its obligations, covenants or agreements (other than a default referred to in clauses (1) and (2) above) contained in the Indenture or the Notes; or

(4) certain events of bankruptcy or insolvency with respect to the Issuer.

If any Event of Default (other than of a type specified in clause (4) above) occurs and is continuing under the Indenture, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may by written notice as provided in the Indenture declare the principal, premium, if any, interest, if any, and any other monetary obligations on all the then outstanding Notes to be due and payable immediately.

Upon the effectiveness of such declaration, such principal of and premium, if any, and interest, if any, will be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising under clause (4) of the first paragraph of this section, all outstanding Notes will become due and payable without further action or notice. The Indenture will provide that the Trustee may withhold from the Holders notice of any continuing Default, except a Default relating to the payment of principal, premium, if any, or interest, if any, if it determines that withholding notice is in their interest. In addition, the Trustee shall have no obligation to accelerate the Notes if, in the best judgment of the Trustee, it determines acceleration is not in the best interest of the Holders of the Notes.

The Indenture provides that the Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default and its consequences under the Indenture (except a continuing Default in the payment of interest on, premium, if any, or the principal of any Note held by a non-consenting Holder) and rescind any acceleration with respect to the Notes and its consequences (provided such rescission would not conflict with any judgment of a court of competent jurisdiction).

Subject to the provisions of the Indenture relating to the duties of the Trustee thereunder, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders of the Notes unless the Holders have offered to the Trustee reasonable indemnity or security satisfactory to it against any cost, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest, if any, when due, no Holder of a Note may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 25% in principal amount of the total outstanding Notes have requested the Trustee to pursue the remedy;

(3) Holders of the Notes have offered the Trustee reasonable security or indemnity against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and

(5) Holders of a majority in principal amount of the total outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, under the Indenture the Holders of a majority in principal amount of the total outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder of a Note or that would involve the Trustee in personal liability.

The Indenture will provide that the Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any of its parent companies shall have any liability for any obligations of the Issuer under the Notes or the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each Holder by accepting Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The obligations of the Issuer under the Indenture and the Notes will terminate (other than certain obligations) and will be released upon payment in full of all of the Notes. The Issuer may, at its option and at any time, elect to have all of its obligations discharged with respect to the Notes ("Legal Defeasance") and cure all then existing Events of Default except for:

(1) the rights of Holders of the Notes to receive payments in respect of the principal of, premium, if any, and interest, if any, on the Notes when such payments are due solely out of the trust created pursuant to the Indenture;

(2) the Issuer's obligations with respect to such Notes concerning issuing temporary Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have its obligations released with respect to certain covenants that are described in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations shall not constitute a Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including bankruptcy, receivership, rehabilitation and insolvency events pertaining to the Issuer) described under "—Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to the Notes:

(1) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in U.S. dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient (without reinvestment of any interest thereon), in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest, if any, due on the Notes on the stated maturity date or on the Redemption Date, as the case may be, of such principal, premium, if any, or interest, if any, on the Notes and the Issuer must specify whether the Notes are being defeased to maturity or to a particular Redemption Date;

(2) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel of recognized standing with respect to U.S. federal income tax matters confirming that, subject to customary assumptions and exclusions, (x) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling, or (y) since the issuance of the Notes, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that the beneficial owners of the Notes will not recognize income, gain or loss for U.S. federal income tax purposes, as applicable, as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel of recognized standing with respect to U.S. federal income tax matters confirming that, subject to customary assumptions and exclusions, the beneficial owners of the Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default (other than that resulting from borrowing funds to be applied to make such deposit and any similar and simultaneous deposit relating to other Indebtedness and, in each case, the granting of Liens in connection therewith) shall have occurred and be continuing on the date of such deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Indenture) to which the Issuer is a party or by which the Issuer is bound (other than that resulting from any borrowing of funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to such other Indebtedness, and the granting of Liens in connection therewith);

(6) the Issuer shall have delivered to the Trustee an Opinion of Counsel to the effect that, as of the date of such opinion and subject to customary assumptions and exclusions following the deposit, the trust funds will not be subject to the effect of Section 547 of Title 11 of the United States Code;

(7) the Issuer shall have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or others; and

(8) the Issuer shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel (which Opinion of Counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to the Notes when either:

(1) all Notes theretofore authenticated and delivered, except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust, have been delivered to the Trustee for cancellation; or

(2) (a) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable by reason of the making of a notice of redemption or otherwise, will become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer and the Issuer has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders of the Notes, cash in U.S. dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient without consideration of any reinvestment of interest to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest, if any, to the date of maturity or redemption;

(b) no Default (other than that resulting from borrowing funds to be applied to make such deposit or any similar and simultaneous deposit relating to other Indebtedness and the granting of Liens in connection therewith) with respect to the Indenture or the Notes shall have occurred and be continuing on the date of such deposit or shall occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Indenture) to which the Issuer is a party or by which the Issuer is bound (other than resulting from any borrowing of funds to be applied to make such deposit and any similar and simultaneous deposit relating to such other Indebtedness and the granting of Liens in connection therewith);

(c) the Issuer has paid or caused to be paid all sums payable by it under the Indenture; and

(d) the Issuer has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes at maturity or the Redemption Date, as the case may be.

In addition, the Issuer must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture as it relates to the Notes and the Notes may be amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding affected by such supplemental indenture, voting as one class, including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes, and any existing Default or compliance with any provision of the Indenture or the Notes issued thereunder may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes, other than Notes beneficially owned by the Issuer or its Affiliates (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

The Indenture will provide that, without the consent of each affected Holder of Notes, an amendment or waiver may not, with respect to any Notes held by a non-consenting Holder:

(1) reduce the principal amount of such Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal amount of or change the fixed final maturity of any such Note or alter or waive the provisions with respect to the redemption of such Notes;

(3) reduce the rate of or change the time for payment of interest on any Note;

(4) waive a Default in the payment of principal of or premium, if any, or interest, if any, on the Notes, except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration, or waive a Default in respect of a covenant or provision contained in the Indenture which cannot be amended or modified without the consent of all Holders;

(5) make any Note payable in money other than that stated therein;

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders to receive payments of principal of or premium, if any, or interest, if any, on the Notes;

(7) make any change in these amendment and waiver provisions; or

(8) impair the right of any Holder to receive payment of principal of, or interest, if any, on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes.

Notwithstanding the foregoing, the Issuer and the Trustee may amend or supplement the Indenture and the Notes without the consent of any Holder:

(1) to cure any ambiguity, omission, mistake, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Issuer's obligations to the Holders;

(4) to make any change that would provide any additional rights or benefits to the Holders or that does not materially adversely affect the legal rights under the Indenture of any such Holder;

(5) to add covenants for the benefit of the Holders or to surrender any right or power conferred upon the Issuer;

(6) to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act;

(7) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof or to otherwise comply with any requirement of the Indenture;

(8) to provide for the issuance of exchange notes or private exchange notes, which are identical to exchange notes except that they are not freely transferable;

(9) to add a guarantor with respect to the Notes;

(10) to conform the text of the Indenture or the Notes to any provision of this "Description of Notes" to the extent that such provision in this "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture or the Notes;

(11) to make any amendment to the provisions of the Indenture relating to the transfer and legending of Notes as permitted by the Indenture, including, without limitation, to facilitate the issuance and administration of the Notes; provided, however, that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes; or

(12) to mortgage, pledge, hypothecate or grant any other Lien in favor of the Trustee for the benefit of the Holders of the Notes, as security for the payment and performance of all or any portion of the obligations of the Issuer under the Indenture and the Notes, in any property or assets.

The consent of the Holders of the Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

Notices

Notices given by publication will be deemed given on the first date on which publication is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing.

Concerning the Trustee

The Trustee may resign or be removed with respect to the Notes and a successor trustee may be appointed to act with respect to the Notes.

The Indenture will provide that the Holders of a majority in principal amount of the outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture will provide that in case an Event of Default shall occur (which is not cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of the Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

Governing Law

The Indenture and the Notes will be governed by, and construed in accordance with, the laws of the State of New York.

Additional Information

Anyone who receives this Offering Memorandum may obtain copies of the Indenture without charge by writing to the Issuer at c/o PPL Services Corporation, Two North Ninth Street, Allentown, Pennsylvania, 18101-1179, Attention: Treasury.

Certain Definitions

"Additional Notes" has the meaning set forth in the first paragraph under "—Principal, Maturity and Interest."

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause

the direction of the management and policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Business Day" means each day which is not a Legal Holiday.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Clearstream" means Clearstream Banking S.A.

"Covenant Defeasance" has the meaning set forth in the second paragraph under "—Legal Defeasance and Covenant Defeasance."

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"DTC" means The Depository Trust Company.

"Euroclear" means Euroclear Bank SA/NV.

"Event of Default" has the meaning set forth in the first paragraph under "—Events of Default and Remedies."

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"GAAP" means generally accepted accounting principles in the United States.

"Government Securities" means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged; or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in either case, are not callable or redeemable at the option of the issuers thereof, and shall also include a depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depositary receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depositary receipt.

"guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations and, when used as a verb, shall have corresponding meaning.

"Holder" means the Person in whose name a Note is registered on the registrar's books.

"Indebtedness" means, with respect to any Person, without duplication, any indebtedness of such Person in respect of borrowed money evidenced by bonds, notes, debentures or similar instruments.

"Indenture" has the meaning set forth in the second paragraph under "—General."

"Issue Date" means March 25, 2024.

"Issuer" has the meaning set forth in the first paragraph under "—General."

"Legal Defeasance" has the meaning set forth in the first paragraph under "—Legal Defeasance and Covenant Defeasance."

"Legal Holiday" means a Saturday, a Sunday or a day on which commercial banking institutions are not required to be open in the State of New York.

"Lien" means, with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, hypothecation, charge, security interest, preference, priority or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; provided that in no event shall an operating lease be deemed to constitute a Lien.

"Notes" has the meaning set forth in the second paragraph under "—General."

"Officer" means the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer, any Assistant Treasurer or the Secretary or any Assistant Secretary of the Issuer.

"Officer's Certificate" means a certificate signed on behalf of the Issuer by an Officer of the Issuer that meets the requirements set forth in the Indenture.

"Opinion of Counsel" means a written opinion from legal counsel, which opinion is acceptable to the Trustee. The counsel may be an employee of or counsel to the Issuer.

"Person" means any individual, corporation, limited liability company, partnership, limited partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Redemption Date" has the meaning set forth in the third paragraph under "—Optional Redemption."

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Subordinated Indebtedness" means, with respect to the Notes, any Indebtedness of the Issuer which is by its terms subordinated in right of payment to the Notes.

"Subsidiary" means, with respect to any Person:

(1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and

(2) any partnership, joint venture, limited liability company or similar entity of which

(x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such

Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and

(y) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Successor Person" has the meaning set forth in the first paragraph under "—Certain Covenants— Merger, Consolidation or Sale of All or Substantially All Assets."

"Treasury Rate" means, with respect to any Redemption Date, the yield determined by the Issuer in accordance with the following two paragraphs.

The Treasury Rate will be determined by the Issuer after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the Redemption Date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) — H.15" (or any successor designation or publication) ("H.15") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading) ("H.15 TCM"). In determining the Treasury Rate, the Issuer shall select, as applicable:

(1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the Redemption Date to the Par Call Date (the "Remaining Life"); or

(2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields — one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life — and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or

(3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life.

For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the Redemption Date.

If on the third business day preceding the Redemption Date H.15 TCM is no longer published, the Issuer shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such Redemption Date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Issuer shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Issuer shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

"Trust Indenture Act" means the Trust Indenture Act of 1939, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Trustee" has the meaning set forth in the second paragraph under "—General."

BOOK-ENTRY, DELIVERY AND FORM

The Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A ("Rule 144A Notes"). The Notes also may be offered and sold in offshore transactions in reliance on Regulation S ("Regulation S Notes"). Except as set forth below, the Notes will be issued in registered, global form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. Notes will be issued at the closing of this offering only against payment in immediately available funds. The Notes will be issued under a base indenture dated March 22, 2010 (the "Base Indenture"), as supplemented prior to the date hereof, between The Narragansett Electric Company and The Bank of New York Mellon, as trustee (the "Trustee"), as further supplemented by a sixth supplemental indenture to be dated March 25, 2024 between the Issuer and the Trustee (the "Sixth Supplemental Indenture"). The term "Indenture" in this section refers to the Base Indenture as supplemented by the Sixth Supplemental Indenture.

Rule 144A Notes initially will be represented by one or more global notes in registered form without interest coupons (collectively, the "Rule 144A Global Notes"). Regulation S Notes initially will be represented by one or more temporary global notes in registered form without interest coupons (collectively, the "Regulation S Temporary Global Notes"). The Rule 144A Global Notes and the Regulation S Temporary Global Notes will be deposited upon issuance with The Bank of New York Mellon as custodian for DTC in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the "Restricted Period"), beneficial interests in the Regulation S Temporary Global Notes may be held only through Euroclear, and Clearstream (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule 144A Global Note in accordance with the certification requirements described under "—Exchanges Between Regulation S Notes and Rule 144A Notes" below. Within a reasonable time period after the expiration of the Restricted Period, the Regulation S Temporary Global Notes will be exchanged for one or more permanent notes in registered, global form without interest coupons (collectively, the "Regulation S Permanent Global Notes" and, together with the Regulation S Temporary Global Notes, the "Regulation S Global Notes"; the Regulation S Global Notes and the Rule 144A Global Notes collectively being the "Global Notes") upon delivery to DTC of certification of compliance with the transfer restrictions applicable to the Notes and pursuant to Regulation S as provided in the Indenture. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except in the limited circumstances described under "—Exchanges Between Regulation S Notes and Rule 144A Notes" below.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for definitive notes in registered certificated form ("Certificated Notes") except in the limited circumstances described below. See "— Exchange of Global Notes for Certificated Notes." Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of the Notes in certificated form.

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Notice to Investors; Transfer Restrictions." Regulation S Notes will also be subject to certain restrictions on transfer and will also bear the legend as described under "Notice to Investors; Transfer Restrictions." In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Depositary Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. Neither we nor the Trustee take any responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a

"clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between the Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it

- upon deposit of the Global Notes, DTC will credit the accounts of the Participants designated by the initial purchasers with portions of the principal amount of the Global Notes; and

- ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Rule 144A Global Notes who are Participants may hold their interests therein directly through DTC. Investors in the Rule 144A Global Notes who are not Participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) that are Participants. Investors in the Regulation S Global Notes must initially hold their interests therein through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants. After the expiration of the Restricted Period (but not earlier), investors may also hold interests in the Regulation S Global Notes through Participants in DTC other than Euroclear and Clearstream. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which in turn hold such interests in customers' securities accounts in the depositaries' names on the books of DTC. Citibank, N.A. acts as depositary for Clearstream, and JPMorgan Chase Bank acts as depositary for Euroclear. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of a person having beneficial interests in a Global Note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the Global Notes will not have notes registered in their names, will not receive physical delivery of notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indenture for any purpose.

Payments in respect of the principal of, and interest and premium, if any, on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indenture. Under the terms of the Indenture, we and the Trustee will treat the persons in whose names the Notes, including the Global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, neither we, the Trustee nor any agent of ours or of the Trustee has or will have any responsibility or liability for:

- any aspect of DTC's records or any Participant's or Indirect Participant's records relating to, or payments made on account of, beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any Participants or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes; or

- any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe that it will not receive payment on such payment date. Each relevant Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant securities as shown on the records of DTC. Payments by the Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be our responsibility or the responsibility of DTC or the Trustee. Neither we nor the Trustee will be liable for any delay by DTC or any of the Participants or the Indirect Participants in identifying the beneficial owners of the Notes, and we and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Notice to Investors; Transfer Restrictions," transfers between the Participants will be effected in accordance with DTC's procedures and will be settled in same- day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfers between the Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary. However, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note from DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction. However, if there is an event of default under the Notes, DTC reserves the right to exchange the Global Notes for legended notes in certificated form and to distribute such notes to its Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate to transfers of interests in the Rule 144A Global Notes and the Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. Neither we nor the Trustee nor any of our or its agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global Notes for Certificated Notes

A Global Note is exchangeable for Certificated Notes if:

- DTC (1) notifies us that it is unwilling or unable to continue as depositary for the Global Notes or (2) has asked to no longer be a clearing agency registered under the Exchange Act and, in either case, we fail to appoint a successor depositary; or

- there has occurred and is continuing an event of default with respect to the Notes.

In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its

customary procedures) and will bear the applicable restrictive legend referred to in "Notice to Investors; Transfer Restrictions," unless that legend is not required by applicable law.

Exchange of Certificated Notes for Global Notes

Certificated Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such notes. See "Notice to Investors; Transfer Restrictions."

Exchanges Between Regulation S Notes and Rule 144A Notes

Prior to the expiration of the Restricted Period, beneficial interests in the Regulation S Global Notes may be exchanged for beneficial interests in the Rule 144A Global Notes only if:

- such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A; and
- the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that the Notes are being transferred to a person:

    1. who the transferor reasonably believes to be a "qualified institutional buyer" as defined in Rule 144A (each a "QIB");

    2. purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A; and

    3. in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Notes, whether before or after the expiration of the Restricted Period, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available) and that, if such transfer occurs prior to the expiration of the Restricted Period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream.

Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Rule 144A Global Notes will be effected by DTC by means of an instruction originated by the Trustee through the DTC Deposit/Withdrawal at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Notes and a corresponding increase in the principal amount of the Rule 144A Global Notes or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for so long as it remains such an interest. The policies and practices of DTC may prohibit transfers of beneficial interests in the Regulation S Global Notes prior to the expiration of the Restricted Period.

Certifications by Holders of the Regulation S Temporary Global Notes

A holder of a beneficial interest in the Regulation S Temporary Global Notes must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the Indenture certifying that the beneficial owner of the interest in the Regulation S Temporary Global Notes is either a non-U.S. person or a U.S. person that has purchased such interest in a transaction that is exempt from the registration requirements under the Securities Act and Euroclear or Clearstream, as the case may be, must deliver to the Trustee (or the paying agent if other than such Trustee) a certificate in the form required by the Indenture, prior to any exchange of such beneficial interest for a beneficial interest in the Regulation S Permanent Global Notes.

Same Day Settlement and Payment

We will make payments in respect of the Notes represented by the Global Notes (including principal, premium, if any, and interest) by wire transfer of immediately available funds to the accounts specified by DTC or its nominee. We will make all payments of principal, interest and premium, if any, with respect to Certificated Notes by wire transfer of immediately available funds to the accounts specified by the holders of the Certificated Notes or, if no such account is specified, by mailing a check to each such holder's registered address. The Notes represented by the Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary trading in any Certificated Notes will also be settled in immediately available funds.

Because of time-zone differences, credits of interests in the Global Notes received in Clearstream or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions involving interests in such Global Notes settled during such processing will be reported to the relevant Clearstream or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of interests in the Global Notes by or through a Clearstream participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

NOTICE TO INVESTORS; TRANSFER RESTRICTIONS

Because of the following restrictions, you are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of any of the Notes.

None of the Notes has been or will be registered under the Securities Act and they may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only:

- to persons reasonably believed to be QIBs in compliance with Rule 144A; and

- outside the United States to persons other than U.S. persons ("non-U.S. purchasers," which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust)) in reliance upon Regulation S. As used herein, the terms "United States" and "U.S. person" have the meanings given to them in Regulation S.

Until the expiration of forty (40) days after the commencement of the offering, any offer or sale of the Notes within the United States by a broker-dealer may violate the registration requirements of the Securities Act, unless such offer or sale is made pursuant to Rule 144A or another available exemption from the registration requirements thereof.

Each purchaser of the Notes will be deemed to have represented and agreed as follows:

(1) It is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is either (A) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (B) a non-U.S. purchaser that is outside the United States (or a non-U.S. purchaser that is a dealer or other fiduciary as referred to above).

(2) It acknowledges that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.

(3) It shall not resell or otherwise transfer any of such Notes except (A) to us or any of our subsidiaries, if any, (B) inside the United States to a person reasonably believed to be a QIB in a transaction complying with Rule 144A, (C) inside the United States to "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) (an "Accredited Investor"), that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to the Trustee a signed letter containing certain representations and agreements relating to the restrictions on transfer of the Notes (the form of which letter can be obtained from such Trustee), (D) outside the United States in compliance with Rule 904 under the Securities Act (if available), (E) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available), (F) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel if we so request), or (G) pursuant to an effective registration statement under the Securities Act.

(4) It agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes.

(5) It acknowledges that prior to any proposed transfer of Notes in certificated form or of beneficial interests in a Global Note (in each case other than pursuant to an effective registration statement) the holder of Notes or the holder of beneficial interests in a Global Note, as the case may be, may be required to provide certifications and other documentation relating to the manner of such transfer and submit such certifications and other documentation as provided in the Indenture.

(6) It understands that all of the Notes will bear a legend substantially to the following effect unless otherwise agreed by us and the holder thereof.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE

UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH BELOW. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT, (2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) TO THE NARRAGANSETT ELECTRIC COMPANY OR ANY SUBSIDIARY THEREOF, (B) INSIDE THE UNITED STATES TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) INSIDE THE UNITED STATES TO AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(A)(l), (2), (3), OR (7) UNDER THE SECURITIES ACT, AN "ACCREDITED INVESTOR") THAT, PRIOR TO SUCH TRANSFER, FURNISHES (OR HAS FURNISHED ON ITS BEHALF BY A U.S. BROKER-DEALER) TO THE TRUSTEE A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY (THE FORM OF WHICH LETTER CAN BE OBTAINED FROM THE TRUSTEE FOR THIS NOTE), (D) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT (IF AVAILABLE), (E) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (F) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL IF THE NARRAGANSETT ELECTRIC COMPANY SO REQUESTS), OR (G) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALE OF THE NOTE EVIDENCED HEREBY IN CONNECTION WITH ANY TRANSFER OF THIS NOTE WITHIN ONE YEAR AFTER THE ORIGINAL ISSUANCE OF THIS NOTE, IF THE PROPOSED TRANSFEREE IS AN ACCREDITED INVESTOR, THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE TRUSTEE AND THE NARRAGANSETT ELECTRIC COMPANY SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS ANY OF THEM MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANING GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

(7) Either (A) no portion of the assets used to acquire or hold the Notes (or any interest therein) constitutes the assets of any (i) employee benefit plan or other plan which is subject to Part 4, Subtitle B, Title I of the Employee Income Retirement Security Act of 1974, as amended ("ERISA"), Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") or provisions under any federal, state, local, non-U.S. or other laws, rules or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws") or (ii) entity, account or arrangement whose underlying assets are considered for purposes of such provisions of ERISA, the Code or Similar Laws to include "plan assets" of any of the foregoing types of plans, or (B) the acquisition, holding and disposition of the Notes or any interest therein will not constitute or result in a non-exempt prohibited transaction or other violation under Part 4, Subtitle B, Title I of ERISA or Section 4975 of the Code, or a violation under any applicable Similar Laws.

(8) It acknowledges that the Trustee will not be required to accept for registration of transfer any Notes acquired by it, except upon presentation of evidence satisfactory to us and the Trustee that the restrictions set forth herein have been complied with.

(9) It acknowledges that we, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of the acknowledgments, representations or agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify us and the initial purchasers. If it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations, and agreements on behalf of each account.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following are the material U.S. federal income tax consequences of owning and disposing of Notes that are purchased in this offering at the "issue price," which is the first price at which a substantial amount of the Notes is sold to the public, and are held as capital assets for U.S. federal income tax purposes.

This discussion does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including alternative minimum tax consequences, and differing tax consequences that may apply if you are, for instance:

- a financial institution;
- an insurance company;
- a regulated investment company or real estate investment trust;
- a dealer or trader in securities that uses a mark-to-market method of tax accounting;
- a person holding Notes as part of a "straddle" or integrated transaction;
- a U.S. Holder (as defined below) whose functional currency is not the U.S. dollar;
- a partnership or other pass-through entity or arrangement for U.S. federal income tax purposes;
- a tax-exempt entity; or
- a person required for U.S. federal income tax purposes to conform the timing of income accruals with respect to the Notes to their financial statements under Section 451 of the United States Internal Revenue Code of 1986, as amended to the date hereof (the "Code").

If you are a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of your partners will generally depend on the status of the partners and your activities.

This summary is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which after the date of this Offering Memorandum may affect the U.S. federal income tax consequences described herein, possibly on a retroactive basis. This summary does not discuss any aspect of state, local, or non-U.S. taxation, any federal taxes other than U.S. federal income taxes, or the potential application of the Medicare contribution tax. If you are considering the purchase of Notes, you should consult your tax adviser with respect to the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. jurisdiction.

Tax Consequences to U.S. Holders

This section applies to you if you are a "U.S. Holder." You are a U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of a Note that is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Certain Additional Payments

There are circumstances in which we might be required to make payments on a Note that would increase the yield of the Note, for instance, as described under "Description of Notes — Optional Redemption." We intend to take the position that the possibility of these payments does not result in the Notes being treated as "contingent payment debt instruments" under the applicable Treasury regulations. Our position is not binding on the Internal

Revenue Service ("IRS"). If the IRS were to take a position contrary to that described above, you could be required to accrue interest income based upon a "comparable yield" (as defined in the Treasury regulations) determined at the time of issuance of the Notes (which is not expected to differ significantly from the actual yield on the Notes), with adjustments to those accruals when any contingent payments were made that differ from the projected payments based on the comparable yield. In addition, any income on the sale, exchange, retirement or other taxable disposition of the Notes would be treated as ordinary income rather than as capital gain. You should consult your tax adviser regarding the tax consequences if the Notes were treated as contingent payment debt instruments. The remainder of this discussion assumes that the Notes are not treated as contingent payment debt instruments.

Payments of Interest

Stated interest on a Note will be taxable to you as ordinary interest income at the time it accrues or is received, in accordance with your method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the Notes will be issued without original issue discount for U.S. federal income tax purposes. If the Notes are issued with more than de minimis original issue discount, you generally must include OID in income in advance of the receipt of some or all of the related cash payments.

Sale or Other Taxable Disposition of the Notes

Upon the sale or other taxable disposition of a Note, you will recognize taxable gain or loss equal to the difference between the amount realized on the sale or other taxable disposition and your adjusted tax basis in the Note. Your adjusted tax basis in a Note generally will equal the cost of your Note. For this purpose, the amount realized does not include any amount attributable to accrued but unpaid interest, which is treated as described under "Payments of Interest" above. Gain or loss realized on the sale or other taxable disposition of a Note will generally be capital gain or loss, and will be long-term capital gain or loss if at the time of sale or other taxable disposition the Note has been held for more than one year. Long-term capital gains recognized by non-corporate U.S. Holders may be eligible for reduced tax rates. The deductibility of capital losses is subject to limitations.

Tax Consequences to Non-U.S. Holders

This section applies to you if you are a "Non-U.S. Holder." You are a Non-U.S. Holder if, for U.S. federal income tax purposes, you are a beneficial owner of a Note that is:

- a non-resident alien individual;
- a non-U.S. corporation; or
- a non-U.S. estate or trust.

You are not a Non-U.S. Holder if you are a non-resident alien individual present in the United States for 183 days or more in the taxable year of disposition of a Note, or if you are a former citizen or former resident of the United States, in either of which cases you should consult your tax adviser regarding the U.S. federal income tax consequences of the sale or other disposition of a Note.

Payments of Interest

Subject to the discussions below of backup withholding and FATCA, U.S. federal income and withholding tax will not apply to any payment of principal or interest on the Notes, provided that in the case of interest, the interest is not effectively connected with your conduct of a trade or business within the United States, and:

- you do not actually (or constructively) own 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and the Treasury regulations;
- you are not a controlled foreign corporation that is related, directly or indirectly, to us within the meaning of the Code; and
- you certify on a properly executed IRS Form W-8BEN or W-8BEN-E, under penalties of perjury, that you are not a United States person as defined under the Code.

If you cannot satisfy the requirements described above, payments of interest will be subject to a 30% U.S. federal withholding unless, generally, you provide an IRS Form W-8BEN or W-8BEN-E establishing your entitlement to the benefits of an applicable tax treaty or an IRS Form W-8ECI establishing that the interest payments are effectively connected with your conduct of a U.S. trade or business, as described further below.

Interest payments that are effectively connected with your conduct of a trade or business within the United States (and, where an applicable tax treaty so provides, are also attributable to a permanent establishment or fixed base maintained by you in the United States) are not subject to the U.S. federal withholding tax, but instead are subject to U.S. federal income tax, as described below.

Sale or Other Taxable Disposition of the Notes

Subject to the discussions below of backup withholding and FATCA withholding, any gain realized on the disposition of a Note (including a redemption or retirement), other than any amount attributable to accrued interest, which will be taxed as set forth above, will generally not be subject to U.S. federal income tax unless that gain is effectively connected with your conduct of a trade or business in the United States (and, where an applicable tax treaty so provides, is attributable to a permanent establishment or fixed base maintained by you in the United States).

Effectively Connected Income

If you are engaged in a trade or business in the United States and interest or gain on the Notes is effectively connected with your conduct of that trade or business (and, where an applicable tax treaty so provides, is attributable to a permanent establishment or fixed base maintained by you in the United States), you will be subject to U.S. federal income tax on that interest or gain on a net-income basis, generally in the same manner as if you were a U.S. Holder. In addition, if you are a non-U.S. corporation you may be subject to a 30% branch profits tax, or a lower rate specified in an applicable income tax treaty.

Backup Withholding and Information Reporting

If you are a U.S. Holder, information returns are required to be filed with the IRS in connection with payments on the Notes and proceeds received from a sale or other disposition of the Notes unless you are an exempt recipient. You may also be subject to backup withholding on these payments in respect of your Notes unless you provide your taxpayer identification number and otherwise comply with applicable requirements of the backup withholding rules or you provide proof of an applicable exemption.

If you are Non-U.S. Holder, information returns are required to be filed with the IRS in connection with payments of interest on your Notes. Unless you comply with certification procedures to establish that you are not a United States person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of a Note. You may be subject to backup withholding on payments on your Notes or on the proceeds from a sale or other disposition of your Notes unless you comply with certification procedures to establish that you are not a United States person or otherwise establish an exemption. The certification procedures required to claim the exemption from withholding tax on interest described above will avoid backup withholding as well.

Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

FATCA

Provisions commonly referred to as “FATCA” generally impose withholding of 30% on payments of interest on the Notes paid to “foreign financial institutions” (which is broadly defined for this purpose and in general includes investment vehicles) and certain other non-U.S. entities unless various U.S. information reporting and due diligence requirements have been satisfied or an exemption applies, which is typically evidenced by delivery of a properly executed IRS Form W-8BEN-E. Under proposed regulations, the preamble to which states that taxpayers may rely on them, this withholding will not apply to the payment of gross proceeds from a sale or other disposition of Notes (other than any amount treated as interest).

An intergovernmental agreement between the United States and the non-U.S. entity’s jurisdiction may modify these requirements. If FATCA withholding is imposed, a beneficial owner that is not a foreign financial institution

generally will be entitled to a refund of any amounts withheld by filing a U.S. federal income tax return, which may entail significant administrative burden. You should consult your tax adviser regarding the effects of FATCA on your investment in Notes.

ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the acquisition, holding and disposition of the Notes or any interest therein by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), plans, including individual retirement accounts or Keogh plans, that are subject to Section 4975 of the Code (as defined under "Material U.S. Federal Income Tax Consequences" above) or any employee benefit plans or other plans that are subject to the provisions under any other federal, state, local, non-U.S. or other laws, rules or regulations that are similar to the foregoing provisions of ERISA or the Code (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" (within the meaning of ERISA or otherwise) of any such employee benefit or plan, by virtue of such employee benefit plan's, or plan's investment in the entity (each, a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries with respect to a Plan subject to Title I of ERISA or Section 4975 of the Code (an "ERISA Plan"). Under ERISA and the Code, any person who exercises any discretionary authority or control over the management of an ERISA Plan or exercises any authority or control over the management or disposition of an ERISA Plan's assets, or who renders investment advice for a fee or other compensation to an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

ERISA imposes certain general fiduciary requirements on fiduciaries, including, investment prudence and diversification, and the investment of the assets of any ERISA Plan in accordance with the documents governing such ERISA Plan. Accordingly, in considering an investment in the Notes of assets of any ERISA Plan, the fiduciary of such ERISA Plan should determine whether the investment is in accordance with the documents and instruments governing any such ERISA Plan and the applicable provisions of ERISA relating to the fiduciary's duties to such ERISA Plan, including, without limitation, the duties of investment prudence and diversification and delegation of control, as well as the prohibited transaction provisions of ERISA and the Code.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving "plan assets" with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. Individual retirement accounts involved in a non-exempt prohibited transaction may result in adverse tax consequences to the owner of the account.

Prohibited Transaction Exemptions

The acquisition, holding or disposition of the Notes or any interest therein by, on behalf of, or using assets of, an ERISA Plan with respect to which we (or our affiliates) or the initial purchasers (or any of their affiliates) are considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, unless the investment is acquired, held and disposed of in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the Department of Labor has issued prohibited transaction class exemptions, or PTCEs, that may provide exemptive relief for direct or indirect prohibited transactions resulting from the acquisition, holding or disposition of the Notes. These class exemptions include, without limitation: PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that neither the party in interest nor any of its affiliates (directly or indirectly) has or exercises any discretionary authority or control or renders any investment advice with respect to the ERISA Plan assets involved in the transaction, and provided further that the

ERISA Plan pays no more or receives no less than adequate consideration in connection with the transaction. There can be no assurance that any of these class exemptions or the statutory exemption or any other prohibited transaction exemption will apply with respect to any particular investment in the Notes or any interest therein by, or on behalf of, an ERISA Plan or, even if it were deemed to apply, that any exemption would apply to all transactions that may occur in connection with the investment.

Because of the foregoing, neither the Notes nor any interest therein should be acquired, held or disposed of by any person investing "plan assets" of any ERISA Plan, unless such acquisition, holding and disposition will not constitute a non-exempt prohibited transaction under ERISA or the Code.

Other Plans

Some plans, such as governmental plans, non-U.S. plans and certain church plans, and the fiduciaries of those plans, generally are not subject to the requirements of ERISA or Section 4975 of the Code, but may be subject to Similar Laws. Accordingly, assets of these plans may be invested in the Notes without regard to the ERISA considerations described above, subject to the provisions of any applicable Similar Laws. In addition, certain of such plans may be subject to other provisions of federal law, including, for example, the prohibited transaction rules in Section 503 of the Code. Fiduciaries of Plans subject to Similar Laws should determine whether an investment in the Notes or any interest therein by such Plans complies with such Similar Laws.

Representation

Accordingly, by its acquisition or acceptance of a Note or any interest therein, each purchaser and transferee of a Note or any interest therein will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire, hold or dispose of the Notes or any interest therein constitutes assets of any Plan or (ii) the acquisition, holding and disposition of the Notes or any interest therein by such purchaser or transferee will not constitute or result in, in the case of an ERISA Plan, a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of a Plan subject to Similar Laws, a violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering acquiring the Notes or any interest therein (and holding or disposing of the Notes or any interest therein) on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether, in the case of ERISA Plans ,an exemption would be applicable to the acquisition, holding and disposition of the Notes or any interest therein. Purchasers of Notes or any interest therein have the exclusive responsibility for ensuring, to the extent applicable, that their investment complies with the fiduciary responsibility rules of ERISA or Similar Laws and does not violate the prohibited transaction rules of ERISA, the Code or any applicable Similar Laws.

The sale of the Notes or any interest therein to any Plan or any person acting on behalf of, or investing assets of, a Plan will not constitute a representation by us or the initial purchasers or any of their affiliates that such an investment meets all relevant legal requirements relating to investments by such Plan generally or by any particular Plan, or that such an investment is appropriate for such Plan generally or for a particular Plan. In this regard, neither this discussion nor anything provided in this offering memorandum or the accompanying documentation is or is intended to be investment advice directed at any potential Plan purchasers or at Plan purchasers generally and such purchasers of Notes should consult and rely on their own counsel and advisers as to whether an investment in Notes or any interest therein is suitable.

PLAN OF DISTRIBUTION

We have entered into a purchase agreement with the initial purchasers named below, for whom Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Mizuho Securities USA LLC and RBC Capital Markets, LLC are acting as representatives, pursuant to which, and subject to the terms and conditions set forth therein, we have agreed to sell to the initial purchasers and each initial purchaser has severally agreed to purchase, the principal amount of the Notes as set forth below.

Initial Purchasers	Principal Amount of Notes
Goldman Sachs & Co. LLC	$ 100,000,000
J.P. Morgan Securities LLC	100,000,000
Mizuho Securities USA LLC	100,000,000
RBC Capital Markets, LLC	100,000,000
MUFG Securities Americas Inc.	25,000,000
Scotia Capital (USA) Inc.	25,000,000
SMBC Nikko Securities America, Inc.	25,000,000
Academy Securities, Inc.	5,000,000
AmeriVet Securities, Inc.	5,000,000
MFR Securities, Inc.	5,000,000
Mischler Financial Group, Inc.	5,000,000
Siebert Williams Shank & Co., LLC	5,000,000
Total	$ 500,000,000

The obligations of the initial purchasers under the purchase agreement, including their agreement to purchase the Notes from us, are several and not joint. The purchase agreement provides that the initial purchasers will purchase, subject to certain conditions precedent, all the Notes if any of them are purchased.

The initial purchasers initially propose to offer and sell the Notes at the price set forth on the cover page of this Offering Memorandum. If all of the Notes are not sold at the initial offering price, the initial offering price and other selling terms may be changed at any time without notice. The initial purchasers may offer and sell the Notes through certain of their affiliates. The offering of the Notes by the initial purchasers is subject to receipt and acceptance and subject to the initial purchasers' right to reject any order in whole or in part.

In the purchase agreement, we have agreed to indemnify each initial purchaser, its affiliates, directors, officers and controlling persons against certain liabilities in connection with this offering and to contribute to payments that the initial purchases may be required to make in respect thereof.

The Notes have not been registered under the Securities Act. Each initial purchaser has agreed that it will offer or sell the Notes only (i) in the United States to a person reasonably believed to be a QIBs in reliance on Rule 144A under the Securities Act or (ii) in offshore transactions in reliance on Regulation S under the Securities Act. The Notes being offered and sold pursuant to Regulation S may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person, unless the Notes are registered under the Securities Act or an exemption from the registration requirements under the Securities Act is available. Terms used above have the meanings given to them by Regulation S and Rule 144A under the Securities Act. See "Notice to Investors; Transfer Restrictions."

Until the expiration of forty (40) days after the commencement of the offering, any offer or sale of Notes within the United States by a broker-dealer may violate the registration requirements of the Securities Act, unless such offer or sale is made pursuant to Rule 144A under the Securities Act or another available exemption from the registration requirements thereof.

The Notes are a new issue of securities with no established trading market. Certain of the initial purchasers have advised us that following the completion of this offering, they intend to make a market in the Notes. They are not obligated to do so, however, and any market-making activities with respect to the Notes may be discontinued at any time at their sole discretion without notice. In addition, such market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, we cannot give any assurance as to the development of any market or the liquidity of any market for the Notes.

In connection with this offering, the initial purchasers may engage in over-allotment, stabilizing transactions and syndicate covering transactions. Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchasers of the Notes in the open market after the distribution has been completed in order to cover short positions. The initial purchasers may also impose a penalty bid, whereby selling concessions allowed to syndicate members or other broker-dealers for the Notes sold for their account may be reclaimed by the syndicate if such Notes are repurchased by the syndicate in stabilizing or covering transactions. Any of these activities may prevent a decline in the market price of the Notes, and may also cause the price of the Notes to be higher than it would otherwise be in the absence of these transactions. The initial purchasers may conduct these transactions in the over-the-counter market or otherwise. If the initial purchasers commence any of these transactions, they may discontinue them at any time.

Certain of the initial purchasers and their affiliates have performed certain investment and commercial banking or financial advisory services for the Issuer and its affiliates from time to time, for which they have received customary fees and commissions, and they expect to provide these services to the Issuer and its affiliates in the future, for which they expect to receive customary fees and commissions.

The initial purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services.

In the ordinary course of their various business activities, the initial purchasers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. If any of the initial purchasers or their affiliates has a lending relationship with us or our affiliates, certain of those underwriters or their affiliates routinely hedge, and certain other of those initial purchasers or their affiliates may hedge, their credit exposure to us or our affiliates consistent with their customary risk management policies. Typically, such initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes. The initial purchasers and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Selling Restrictions

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This Offering Memorandum has been prepared on the basis that any offer of the Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a

prospectus for offers of the Notes. This Offering Memorandum is not to be considered a prospectus for the purposes of the Prospectus Regulation and any relevant implementing measure in each member state of the EEA.

United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "*FSMA*") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point(8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a "qualified investor" as defined in Article 2 of Regulation (EU) No 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation").

Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of the Notes in the United Kingdom will be made pursuant to an exemption under the UK Prospectus Regulation from a requirement to publish a prospectus for offers of securities. This Offering Memorandum is not a prospectus for the purpose of the UK Prospectus Regulation.

In the United Kingdom, this Offering Memorandum is being distributed only to and is directed only at: (i) persons who are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), (ii) high net worth companies, unincorporated associations and other bodies within the categories described in Article 49(2)(a) to (d) of the Order and (iii) any other persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of the Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). Any person who is not a relevant person should not act or rely on this Offering Memorandum or any of its contents. Any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

Canada

In relation to Canada, the Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45–106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The Notes have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") of Hong Kong and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "CO") or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the Notes has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Japan

The Notes have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the Notes nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Singapore

Each representative has acknowledged that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each representative has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;

(b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA and in accordance with the conditions, specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

    (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities based Derivatives Contracts) Regulations 2018.

Singapore Securities and Futures Act Product Classification—Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, we have determined, and hereby notify all relevant persons (as defined in section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Switzerland

The Notes may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Notes or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the Notes have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of notes will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("FINMA"), and the offer of notes has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of notes.

Taiwan

The Notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or that require registration with or the approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Notes in Taiwan.

Other Jurisdictions

Each initial purchaser has represented and agreed with the Issuer that it will comply with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Memorandum or any amendment or supplement thereto, in so far as such laws, regulations and directives relate to the purchase, offer, sale or delivery of the Notes or the possession or distribution of this Offering Memorandum or any amendment or supplement thereto.

LEGAL MATTERS

The validity of the Notes offered hereby will be passed upon for us by Davis Polk & Wardwell LLP, New York, New York, and Celia O'Brien, Associate General Counsel of the Issuer. Certain legal matters in connection with the offering of the Notes will be passed upon for the initial purchasers by Hunton Andrews Kurth LLP, New York, New York. Davis Polk & Wardwell LLP and Hunton Andrews Kurth LLP will rely on the opinion of Celia O'Brien as to matters involving the law of the State of Rhode Island.

INDEPENDENT AUDITOR

The financial statements of the Company as of December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023, included in this Offering Memorandum, have been audited by Deloitte & Touche LLP, independent auditor, as stated in their report appearing herein.

INDEX TO FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Narragansett Electric Company

Opinion

We have audited the financial statements of The Narragansett Electric Company (d/b/a "Rhode Island Energy") (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, comprehensive income, cash flows and equity for each of the three years in the period ended December 31, 2023, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 16, 2024

RHODE ISLAND ENERGY
STATEMENTS OF INCOME

(In millions of dollars)

	Years Ended December 31,		
	2023	**2022**	**2021**
Operating Revenues	**$ 1,851**	$ 1,803	$ 1,695
Operating Expenses			
Energy purchases	**658**	631	506
Other operations and maintenance	**705**	795	661
Depreciation	**156**	150	141
Taxes, other than income	**156**	152	147
Total Operating Expenses	**1,675**	1,728	1,455
Operating Income	**176**	75	240
Other Income (Expense) - net	**19**	8	(5)
Interest Income (Expense) from Affiliate	**(16)**	2	—
Interest Expense	**67**	65	64
Income (Loss) Before Income Taxes	**112**	20	171
Income Tax Expense (Benefit)	**16**	—	30
Net Income (Loss)	**$ 96**	$ 20	$ 141

The accompanying Notes to Financial Statements are an integral part of the financial statements.

RHODE ISLAND ENERGY
STATEMENTS OF COMPREHENSIVE INCOME

(In millions of dollars)

	Years Ended December 31,		
	2023	**2022**	**2021**
Net income	**$ 96**	$ 20	$ 141
Other comprehensive income (loss):			
Amounts arising during the period - gains (losses), net of tax (expense) benefit:			
Defined benefit plans:			
Net actuarial gain (loss), net of tax of $0, $0, $0	—	—	1
Reclassifications from AOCI - (gains) losses, net of tax expense (benefit):			
Qualifying derivatives, net of tax of $0, ($1), $0	—	2	—
Defined benefit plans:			
Net actuarial (gain) loss, net of tax of $0, $0, $0	**1**	—	—
Total other comprehensive income (loss)	**1**	2	1
Comprehensive income	**$ 97**	$ 22	$ 142

The accompanying Notes to Financial Statements are an integral part of the financial statements.

RHODE ISLAND ENERGY
STATEMENTS OF CASH FLOWS

(In millions of dollars)

	Years Ended December 31,		
	2023	**2022**	**2021**
Operating activities:			
Net income	**$ 96**	$ 20	$ 141
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	**157**	150	141
Deferred income tax expense	**48**	50	26
Bad debt expense	**26**	45	16
Allowance for equity funds used during construction	**(10)**	(7)	(6)
Regulatory asset write-off	**—**	21	—
Pension and postretirement benefits (income) expenses, net	**(23)**	24	11
Other, net	**2**	(1)	1
Pension and postretirement benefits contributions	**—**	—	(6)
Environmental remediation payments	**(4)**	(12)	(13)
Changes in operating assets and liabilities:			
Accounts receivable, net and unbilled revenues	**21**	(158)	(4)
Accounts receivable from/payable to affiliates, net	**6**	(28)	—
Fuel, materials and supplies	**(36)**	(12)	(6)
Regulatory assets and liabilities, net	**(49)**	(61)	40
Regulatory assets and liabilities (non-current), net	**(32)**	89	(40)
Derivative instruments	**(1)**	—	(44)
Prepaid and accrued taxes	**13**	(33)	(11)
Accounts payable and other liabilities	**35**	175	58
Other, net	**(49)**	23	8
Net cash provided by operating activities	**200**	285	312
Investing activities:			
Capital expenditures	**(424)**	(396)	(336)
Intercompany money pool	**—**	96	32
Cost of removal	**(30)**	(38)	(22)
Other	**—**	—	8
Net cash used in investing activities	**(454)**	(338)	(318)
Financing activities:			
Redemption of preferred stock	**(2)**	—	—
Payments on long-term debt	**(1)**	(14)	(1)
Notes payable to affiliates	**267**	142	—
Net increase in short-term debt	**25**	—	—
Payment of common stock dividends to parent	**(53)**	—	—
Contributions from parent	**58**	—	—
Return of capital to parent	**(34)**	(75)	—
Net cash provided by (used in) financing activities	**260**	53	(1)
Net increase (decrease) in cash and cash equivalents	**6**	—	(7)
Cash and cash equivalents, beginning of period	**2**	2	9
Cash and cash equivalents, end of period	**$ 8**	$ 2	$ 2
Supplemental Disclosures of Cash Flow Information			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	**$ 60**	$ 63	$ 63
Income taxes - net	**$ (61)**	$ (20)	$ 18
Significant non-cash transactions:			
Accrued expenditures for property, plant and equipment at December 31,	**$ 16**	$ 31	$ 12
Parent tax loss allocation	**$ —**	$ —	$ 7

The accompanying Notes to Financial Statements are an integral part of the financial statements.

RHODE ISLAND ENERGY
BALANCE SHEETS

(Unaudited, in millions of dollars)

	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	**$ 8**	$ 2
Accounts receivable (Less reserve: 2023, $43; 2022, $40)	**293**	327
Accounts receivable from affiliates	**4**	—
Unbilled revenues (Less reserve: 2023, $2; 2022, $2)	**94**	103
Fuel, materials and supplies	**78**	42
Regulatory assets	**226**	190
Price risk management assets	**1**	20
Other current assets	**23**	17
Total current assets	**727**	701
Property, plant and equipment		
Regulated utility plant	**5,492**	5,241
Less: accumulated depreciation - regulated utility plant	**1,312**	1,252
Regulated utility plant, net	**4,180**	3,989
Non-regulated property, plant and equipment	**5**	37
Less: accumulated depreciation - non-regulated property, plant and equipment	—	24
Non-regulated property, plant and equipment, net	**5**	13
Construction work in progress	**287**	186
Property, plant and equipment, net	**4,472**	4,188
Other noncurrent assets		
Deferred income tax assets, net	**87**	148
Pension benefit assets	**17**	36
Regulatory assets	**441**	443
Goodwill	**725**	725
Other noncurrent assets	**46**	36
Total other noncurrent assets	**1,316**	1,388
Total assets	**$ 6,515**	$ 6,277

The accompanying Notes to Financial Statements are an integral part of the financial statements.

RHODE ISLAND ENERGY
BALANCE SHEETS

(In millions of dollars)

	December 31, 2023	December 31, 2022
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	**$ 359**	$ 362
Accounts payable to affiliates	**24**	15
Short-term debt	**25**	—
Short-term debt with affiliates	**409**	142
Long-term debt due within one year	**1**	1
Taxes	**40**	27
Interest	**16**	16
Regulatory liabilities	**117**	141
Price risk management liabilities	**51**	62
Renewable energy certificate obligations	**29**	28
Other current liabilities	**89**	134
Total current liabilities	**1,160**	928
Long-term debt	**1,495**	1,496
Other noncurrent liabilities		
Regulatory liabilities	**658**	730
Asset retirement obligations	**8**	9
Environmental remediation costs	**92**	93
Other noncurrent liabilities	**46**	31
Total other noncurrent liabilities	**804**	863
Equity		
Common stock - $50 par value (a)	**57**	57
Preferred stock	**—**	2
Additional paid-in capital	**1,581**	1,557
Earnings reinvested	**1,418**	1,375
Accumulated other comprehensive loss	**—**	(1)
Total Equity	**3,056**	2,990
Total Liabilities and Equity	**$ 6,515**	$ 6,277

(a) 1,132,487 shares authorized, issued and outstanding at December 31, 2023 and December 31, 2022.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

RHODE ISLAND ENERGY
STATEMENTS OF EQUITY

(In millions of dollars)

	Common stock (a)	Preferred stock (b)	Additional paid-in capital	Earnings reinvested	Accumulated other comprehensive loss	Total
December 31, 2020	$ 57	$ 2	$ 1,436	$ 837	$ (4)	$ 2,328
Net income				141		141
Other comprehensive income					1	1
Parent tax loss allocation			6			6
December 31, 2021	$ 57	$ 2	$ 1,442	$ 978	$ (3)	$ 2,476
Net income				20		20
Return of capital to parent			(75)			(75)
Other comprehensive income					2	2
Adjustments related to acquisition by PPL Rhode Island Holdings			190	378		568
Adoption of financial instrument credit losses guidance cumulative effect adjustment (Note 1)				(1)		(1)
December 31, 2022	$ 57	$ 2	$ 1,557	$ 1,375	$ (1)	$ 2,990
Net income				96		96
Dividends declared on common stock				(53)		(53)
Capital contributions from parent			58			58
Return of capital to parent			(34)			(34)
Other comprehensive income					1	1
Redemption of preferred stock		(2)				(2)
December 31, 2023	$ 57	$ —	$ 1,581	$ 1,418	$ —	$ 3,056

(a) 1,132,487 shares authorized, issued and outstanding. All common shares of RIE stock are owned by PPL Rhode Island Holdings at December 31, 2023 and 2022.

(b) No shares authorized, issued or outstanding at December 31, 2023. 49,089 shares authorized, issued and outstanding at December 31, 2022. See Note 5 for additional information.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

General

The accompanying financial statements are prepared in accordance with GAAP, including the accounting principles for rate-regulated entities. Capitalized terms and abbreviations appearing in the combined notes to financial statements are defined in the glossary. Dollars are in millions, except per share data, unless otherwise noted.

Business and Consolidation

RIE, whose service area covers substantially all of Rhode Island, is primarily engaged in the transmission, distribution and sale of electricity and the distribution and sale of natural gas.

On May 25, 2022, PPL Rhode Island Holdings, a wholly owned subsidiary of PPL, acquired 100% of the outstanding shares of common stock of The Narragansett Electric Company from National Grid U.S., a subsidiary of National Grid plc (the Acquisition). Following the closing of the Acquisition, Narragansett Electric provides services doing business under the name Rhode Island Energy (RIE). See Note 6 for additional information.

Certain prior period amounts included in these financial statements have been reclassified to conform to PPL's presentation and accounting policies, including "Operating Revenues" and "Other operations and maintenance" on the Statements of Income to conform to PPL's presentation of network transmission services. See Note 2 for additional information.

Regulation

RIE is a cost-based rate-regulated utility for which rates are set by regulators to enable RIE to recover the costs of providing electric or gas service and to provide a reasonable return to shareholders. Base rates are generally established based on a future test period. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by GAAP and reflect the effects of regulatory actions. Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover expected future costs, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose. The accounting for regulatory assets and regulatory liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC or the state regulatory commissions. See Note 4 for additional details regarding regulatory matters.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Loss Accruals

Potential losses are accrued when (1) information is available that indicates it is "probable" that a loss has been incurred, given the likelihood of uncertain future events and (2) the amount of loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." RIE continuously assesses potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events. Loss accruals for environmental remediation are discounted when appropriate.

The accrual of contingencies that might result in gains is not recorded, unless realization is assured.

Price Risk Management

Interest rate contracts are used to hedge exposure to changes in the fair value of debt instruments and to hedge exposure to variability in expected cash flows associated with existing floating-rate debt instruments or forecasted fixed-rate issuances of debt. Derivative instruments pursuant to regulator approved plans to manage commodity price risk associated with natural gas purchases to reduce fluctuations in natural gas prices and costs associated with these derivatives instruments are generally recoverable through approved cost recovery mechanism. Similar derivatives may receive different accounting treatment, depending on management's intended use and documentation.

Certain contracts may not meet the definition of a derivative because they lack a notional amount or a net settlement provision. In cases where there is no net settlement provision, markets are periodically assessed to determine whether market mechanisms have evolved to facilitate net settlement. Certain derivative contracts may be excluded from the requirements of derivative accounting treatment because NPNS has been elected. These contracts are accounted for using accrual accounting. Contracts that have been classified as derivative contracts are reflected on the balance sheets at fair value.

Cash inflows and outflows related to derivative instruments are included as a component of operating, investing or financing activities on the Statements of Cash Flows, depending on the classification of the hedged items.

RIE has elected not to offset net derivative positions against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

Derivative transactions may be marked to fair value through regulatory assets/liabilities if approved by the appropriate regulatory body. These transactions generally include the effect of commodity gas contracts that are included in customer rates.

To meet its obligations as last resort providers to their customers, RIE has entered into certain contracts that meet the definition of a derivative. However, NPNS has been elected for these contracts.

See Notes 12 and 13 for additional information on derivatives.

Revenue

Operating revenues are primarily recorded based on energy deliveries through the end of each calendar month. Unbilled retail revenues result because customers' bills are rendered throughout the month, rather than at the end of the month. Unbilled revenues for a month are calculated by multiplying an estimate of unbilled kWh or Mcf by the estimated average cents per kWh or Mcf. Any difference between estimated and actual revenues is adjusted the following month when the previous unbilled estimate is reversed and actual billings occur.

RIE's base rates are determined based on cost of service. Some regulators have also authorized the use of additional alternative revenue programs, which enable RIE to adjust future rates based on past activities or completed events. Revenues from alternative revenue programs are recognized when the specific events permitting future billings have occurred. Revenues from alternative revenue programs are required to be presented separately from revenues from contracts with customers. These amounts are, however, presented as revenues from contracts with customers, with an offsetting adjustment to alternative revenue program revenue, when they are billed to customers in future periods. See Note 2 for additional information.

Financing and Other Receivables

During 2022, RIE adopted accounting guidance, using a modified retrospective approach, that requires the use of a current expected credit loss (CECL) model for the measurement of credit losses on financial instruments within the scope of the guidance, which includes accounts receivable. The CECL model requires an entity to measure credit losses using historical information, current information and reasonable and supportable forecasts of future events, rather than the incurred loss impairment model required under previous GAAP. The adoption of this guidance did not have a material impact on RIE.

Accounts receivable are reported on the Balance Sheets at the gross outstanding amount adjusted for an allowance for doubtful accounts. Financing receivables include accounts receivable, with the exception of those items within accounts receivable that are not subject to the current expected credit loss model.

Financing receivable collectability is evaluated using a current expected credit loss model, consisting of a combination of factors, including past due status based on contractual terms, trends in write-offs and the age of the receivable. Specific events, such as bankruptcies, are also considered when applicable. RIE also evaluates the impact of observable external factors on the

collectability of the financing receivables to determine if adjustments to the allowance for doubtful accounts should be made based on current conditions or reasonable and supportable forecasts. Adjustments to the allowance for doubtful accounts are made based on the results of these analyses. Accounts receivable are written off in the period in which the receivable is deemed uncollectible.

RIE has identified one class of financing receivables, “accounts receivable - customer”, which includes financing receivables for all billed and unbilled sales with customers. All other financing receivables are classified as other.

The changes in the allowance for doubtful accounts are included in the following table. Amounts relate to financing receivables, except as noted.

	Balance at Beginning of Period	Additions: Charged to Income	Deductions (b)	Balance at End of Period
2023	$ 42	$ 27	$ 24	$ 45
2022 (a)	$ 62 (a)	$ 48 (c)	$ 68 (d)	$ 42

(a) Adjusted for $1 million cumulative-effect adjustment upon adoption of current expected credit loss guidance.
(b) Primarily related to uncollectible accounts written off.
(c) Includes $23 million related to the forgiveness of arrearages. See Note 6 for additional information.
(d) Includes $44 million related to the forgiveness of arrearages. See Note 6 for additional information.

Cash

Cash Equivalents

All highly liquid investments with original maturities of three months or less are considered to be cash equivalents.

Fair Value Measurements

RIE values certain financial and nonfinancial assets and liabilities at fair value. Generally, the most significant fair value measurements relate to price risk management assets and liabilities, investments in securities in defined benefit plans, and cash and cash equivalents. RIE uses, as appropriate, a market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models) and/or a cost approach (generally, replacement cost) to measure the fair value of an asset or liability. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk.

RIE classifies fair value measurements within one of three levels in the fair value hierarchy. The level assigned to a fair value measurement is based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- **Level 1** - quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

- **Level 2** - inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for substantially the full term of the asset or liability.

- **Level 3** - unobservable inputs that management believes are predicated on the assumptions market participants would use to measure the asset or liability at fair value.

Assessing the significance of a particular input requires judgment that considers factors specific to the asset or liability. As such, RIE’s' assessment of the significance of a particular input may affect how the assets and liabilities are classified within the fair value hierarchy.

Long-Lived and Intangible Assets

Property, Plant and Equipment

PP&E is recorded at original cost, unless impaired. If impaired, the asset is written down to fair value at that time, which becomes the new cost basis of the asset. Original cost for constructed assets includes material, labor, contractor costs, certain overheads and financing costs, where applicable. Included in PP&E are capitalized costs of software projects that were developed or obtained for internal use. The cost of repairs and minor replacements are charged to expense as incurred. RIE records costs associated with planned major maintenance projects in the period in which work is performed and costs are incurred.

AFUDC is capitalized at RIE as part of the construction costs for cost-based rate-regulated projects for which a return on such costs is recovered after the project is placed in service. The debt component of AFUDC is credited to "Interest Expense" and the equity component is credited to "Other Income (Expense) - net" on the Statements of Income.

RIE capitalizes interest costs as part of construction costs. Capitalized interest, including the debt component of AFUDC, for the years ended December 31 is as follows:

	2023	2022	2021
Capitalized Interest	$ 2	$ 3	$ 3

Depreciation

Depreciation is recorded over the estimated useful lives of property using the composite straight-line method. When a component of PP&E that was depreciated under the composite method is retired, the original cost is charged to accumulated depreciation. When all or a significant portion of an operating unit that was depreciated under the composite method is retired or sold, the property and the related accumulated depreciation account is reduced and any gain or loss is included in income, unless otherwise required by regulators. RIE accrues costs of removal net of estimated salvage value through depreciation, which is included in the calculation of customer rates over the assets' depreciable lives in accordance with regulatory practices. Cost of removal amounts accrued through depreciation rates are accumulated as a regulatory liability until the removal costs are incurred.

Following are the weighted-average composite rates of depreciation for the years ended December 31:

	2023	2022	2021
Electric	2.9 %	3.0 %	3.0 %
Gas	2.7 %	3.1 %	3.1 %

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price paid over the fair value of the identifiable net assets acquired in a business combination. As PPL elected not to reflect purchase accounting in the financial statements of RIE, the goodwill reflected in these financial statements does not include the goodwill recognized by PPL in connection with the acquisition of Narragansett Electric from National Grid U.S.

Other acquired intangible assets are initially measured based on their fair value. Intangibles that have finite useful lives are amortized over their useful lives based upon the pattern in which the economic benefits of the intangible assets are consumed or otherwise used. Costs incurred to obtain an initial license and renew or extend terms of licenses are capitalized as intangible assets.

When determining the useful life of an intangible asset, including intangible assets that are renewed or extended, RIE considers:

- the expected use of the asset;
- the expected useful life of other assets to which the useful life of the intangible asset may relate;
- legal, regulatory, or contractual provisions that may limit the useful life;
- the company's historical experience as evidence of its ability to support renewal or extension;
- the effects of obsolescence, demand, competition, and other economic factors; and,
- the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Asset Impairment (Excluding Investments)

RIE reviews long-lived assets that are subject to depreciation or amortization, including finite-lived intangibles, for impairment when events or circumstances indicate carrying amounts may not be recoverable.

A long-lived asset classified as held and used is impaired when the carrying amount of the asset exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If impaired, the asset's carrying value is written down to its fair value.

A long-lived asset classified as held for sale is impaired when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If impaired, the asset's (disposal group's) carrying value is written down to its fair value less cost to sell.

RIE reviews goodwill for impairment at the reporting unit level annually or more frequently when events or circumstances indicate that the carrying amount of a reporting unit may be greater than the unit's fair value. Additionally, goodwill must be tested for impairment in circumstances when a portion of goodwill has been allocated to a business to be disposed. RIE has a single reporting unit that comprises its operations.

RIE may elect either to initially make a qualitative evaluation about the likelihood of an impairment of goodwill or to bypass the qualitative evaluation and test goodwill for impairment using a quantitative test. If the qualitative evaluation (referred to as step zero) is elected and the assessment results in a determination that it is not more likely than not that the fair value of a reporting unit is less than the carrying amount, the quantitative impairment test is not necessary. However, the quantitative impairment test is required if management concludes it is more likely than not that the fair value of a reporting unit is less than the carrying amount based on the step zero assessment. If the carrying amount of the reporting unit, including goodwill, exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. As of October 1, 2023, RIE elected to perform the qualitative step zero evaluation of goodwill. This evaluation considered the excess of fair value over the carrying value of the reporting unit that was calculated during step one of the quantitative impairment tests performed in the fourth quarter of 2022, and the relevant events and circumstances that occurred since the test was performed including:

- current year financial performance versus the prior year,
- changes in planned capital expenditures,
- the consistency of forecasted free cash flows,
- earnings quality and sustainability,
- changes in market participant discount rates,
- changes in long-term growth rates,
- changes in PPL's market capitalization, and
- the overall economic and regulatory environments in which these regulated entities operate.

Based on this evaluation, management concluded it was not more likely than not that the fair value of the reporting unit was less than the carrying value. As such, the step one quantitative impairment test was not performed and no impairment was recognized.

Asset Retirement Obligations

RIE records liabilities to reflect various legal obligations associated with the retirement of long-lived assets. Initially, this obligation is measured at fair value and offset with an increase in the value of the capitalized asset, which is depreciated over the asset's useful life. Until the obligation is settled, the liability is increased through the recognition of accretion expense classified within "Other operation and maintenance" on the Statements of Income to reflect changes in the obligation due to the passage of time. For AROs, deferred accretion and depreciation expense is recovered through cost of removal.

Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is generally amortized over the remaining life of the associated long-lived asset. See Note 4 and Note 15 for additional information on AROs.

Compensation and Benefits

Defined Benefits

Certain PPL subsidiaries sponsor various defined benefit pension and other postretirement plans. An asset or liability is recorded to recognize the funded status of all defined benefit plans with an offsetting entry to regulatory assets or liabilities. Consequently, the funded status of the defined benefit plan is fully recognized on the Balance Sheet.

The expected return on plan assets is determined based on a market-related value of plan assets, which is calculated by rolling forward the prior year market-related value with contributions, disbursements and long-term expected return on investments. One-fifth of the difference between the actual value and the expected value is added (or subtracted if negative) to the expected value to determine the new market-related value.

See Note 4 for a discussion of the regulatory treatment of defined benefit costs and Note 8 for a discussion of defined benefits.

Taxes

Income Taxes

PPL and its domestic subsidiaries file a consolidated U.S. federal income tax return.

Significant management judgment is required in developing RIE's provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken on tax returns and valuation allowances on deferred tax assets.

RIE uses a two-step process to evaluate uncertain tax positions. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in its financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization upon settlement that exceeds 50%. Unrecognized tax benefits are classified as current to the extent management expects to settle the uncertain tax position by payment or receipt of cash within one year of the reporting date. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in future periods. At December 31, 2023, no significant changes in unrecognized tax benefits were projected over the next 12 months.

Deferred income taxes reflect the net future tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes, as well as the tax effects of net operating losses and tax credit carryforwards.

RIE records valuation allowances to reduce deferred income tax assets to the amounts that are more-likely-than-not to be realized. The need for valuation allowances requires significant management judgment. If RIE determines that they are able to realize deferred tax assets in the future in excess of recorded net deferred tax assets, adjustments to the valuation allowances increase income by reducing tax expense in the period that such determination is made. Likewise, if RIE determines that they are not able to realize all or part of net deferred tax assets in the future, adjustments to the valuation allowances would decrease income by increasing tax expense in the period that such determination is made. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future.

RIE defers investment tax credits when the credits are generated and amortizes the deferred amounts over the average lives of the related assets.

RIE recognizes tax-related interest and penalties in "Income Taxes" on its Statements of Income.

RIE uses the portfolio approach method of accounting for deferred taxes related to pre-tax OCI transactions. The portfolio approach involves a strict period-by-period cumulative incremental allocation of income taxes to the change in income and losses reflected in OCI. Under this approach, the net cumulative tax effect is ignored. The net change in unrealized gains and losses recorded in AOCI under this approach would be eliminated only on the date the investment portfolio is classified as held for sale or is liquidated.

See Note 3 for income tax disclosures.

The provision for RIE's deferred income taxes related to regulatory assets and liabilities is based upon the ratemaking principles reflected in rates established by relevant regulators. The difference in the provision for deferred income taxes for regulatory assets and liabilities and the amount that otherwise would be recorded under GAAP is deferred and included on the Balance Sheets in noncurrent "Regulatory assets" or "Regulatory liabilities."

The income tax provision for RIE is calculated in accordance with an intercompany tax sharing agreement, which provides that taxable income be calculated as if RIE and any domestic subsidiaries each filed a separate return. Tax benefits are not shared between companies. The entity that generates a tax benefit is the entity that is entitled to the tax benefit. The effect of PPL filing a consolidated tax return is taken into account in the settlement of current taxes and the recognition of deferred taxes.

At December 31, 2023 and 2022, RIE recorded $4 million and $33 million in intercompany tax receivables.

Taxes, Other Than Income

RIE presents sales taxes in "Other current liabilities" on the Balance Sheets. These taxes are not reflected on the Statements of Income. See Note 3 for details of taxes included in "Taxes, other than income" on the Statements of Income.

Other

Leases

RIE determines whether contractual arrangements contain a lease by evaluating whether those arrangements either implicitly or explicitly identify an asset, whether RIE has the right to obtain substantially all of the economic benefits from use of the asset throughout the term of the arrangement, and whether RIE has the right to direct the use of the asset. Renewal options are included in the lease term if it is reasonably certain RIE will exercise those options. Periods for which RIE is reasonably certain not to exercise termination options are also included in the lease term. RIE has certain agreements with lease and non-lease components, such as office space leases, which are generally accounted for separately.

Short-term leases are leases with a term that is 12 months or less and do not include a purchase option or option to extend the initial term of the lease to greater than 12 months that RIE is reasonably certain to exercise. RIE has made an accounting policy election to not recognize the right-of-use asset and the lease liability arising from leases classified as short-term.

The discount rate for a lease is the rate implicit in the lease unless that rate cannot be readily determined. In that case, RIE is required to use their incremental borrowing rate, which is the rate RIE would have to pay to borrow, on a collateralized basis over a similar term, an amount equal to the lease payments in a similar economic environment.

RIE receives secured borrowing rates from financial institutions based on their applicable credit profile. RIE uses the secured rate which corresponds with the term of the applicable lease. See Note 7 for additional information.

Fuel, Materials and Supplies

Fuel, materials and supplies is composed of natural gas stored underground and materials and supplies. Natural gas stored underground and materials and supplies are valued using the average cost method. Natural gas supply costs are charged to expense when delivered to customers. See Note 4 for further discussion of the gas supply clause.

"Fuel, materials and supplies" on the Balance Sheets consisted of the following at December 31:

	2023	2022
Natural gas stored underground	$ 24	$ 23
Materials and supplies	54	19
Total	$ 78	$ 42

Renewable Energy Standard Obligation

Purchased Renewable Energy Certificates (RECs) are stated at cost and are used to measure compliance with state renewable energy standards. RECs support new renewable generation standards and are held primarily to be utilized in fulfillment of

RIE's compliance obligations. See Note 14 for the amount of RECs included in the gross carrying amount of other intangibles reported within the Balance Sheets.

2. Revenue from Contracts with Customers

RIE generates substantially all of its revenues from contracts with customers from its regulated tariff-based transmission and distribution of electricity and regulated tariff-based distribution of natural gas.

Distribution Revenue

Distribution revenues are primarily from the sale of electricity, natural gas, and related services to retail customers. Distribution sales are regulated by the RIPUC, which is responsible for approving the rates and other terms of services as part of the rate making process. Natural gas and electric distribution revenues are derived from the regulated sale and distribution of electricity and natural gas to residential, commercial, and industrial customers within RIE's service territory under the tariff rates. The performance obligation related to distribution sales is to provide electricity and natural gas to customers on demand. The performance obligation is satisfied over time because the customer simultaneously receives and consumes the electricity or natural gas as services are provided. RIE records revenues related to the distribution sales based upon the approved tariff rate and the volume delivered to the customers, which corresponds with the amount RIE has the right to invoice.

Distribution revenue also includes estimated unbilled amounts, which represent the estimated amounts due from retail customers as a result of customer's bills rendered throughout the month, rather than bills being rendered at the end of the month. Unbilled revenues are determined based on estimated unbilled sales volumes and then applying tariff rates to those volumes. Any difference between estimated and actual revenues is adjusted the following month when the previous unbilled estimate is reversed and actual billings occur. This method of recognition fairly presents RIE's transfer of electricity and natural gas to the customer as the amount recognized is based on actual and estimated volumes delivered and the tariff rate per unit of energy and any applicable fixed charges or regulatory mechanisms as approved by the respective regulatory body.

Distribution customers are "at will" customers of RIE with no term contract and no minimum purchase commitment. Performance obligations are limited to the service requested and received to date. Accordingly, there is no unsatisfied performance obligation associated with RIE's retail account contracts.

Certain customers have the option to obtain electricity or natural gas from other suppliers where RIE facilitates the delivery. In those circumstances, revenue is only recognized for providing delivery of the commodity to the customer.

Transmission Revenue

RIE's transmission services are regulated by the FERC and coordinated with ISO – New England (ISO-NE). These revenues arise under tariff/rate agreements and are collected primarily from RIE's distribution customers. As of January 1, 2023 RIE is a transmission operator. The revenue is recognized over-time as transmission services are provided and consumed. This method of recognition fairly presents RIE's transfer of transmission services as the daily rate is set by a FERC-approved formula-based rate.

RIE's agreement to provide transmission services contains no minimum purchase commitment. The performance obligation is limited to the service requested and received to date. Accordingly, RIE has no unsatisfied performance obligations.

The following table reconciles "Operating Revenues" included in the Statements of Income with revenues generated from contracts with customers for the years ended December 31:

	2023	2022	2021
Operating Revenues (a)	$ 1,851	$ 1,803	$ 1,695
Revenues derived from:			
Alternative revenue programs (b)	2	(8)	2
Other (c)	(3)	(6)	—
Revenues from Contracts with Customers	$ 1,850	$ 1,789	$ 1,697

(a) Operating Revenues were increased by $120 million in 2021, with corresponding increases to "Other operations and maintenance expense" on the Statements of Income, to conform to PPL's presentation of network transmission services.
(b) This line item shows the over/under collection of rate mechanisms deemed alternative revenue programs with over-collections of revenue shown as positive amounts in the table above and under collections as negative amounts.

(c) Represents additional revenues outside the scope of revenues from contracts with customers such as leases and other miscellaneous revenues.

The following table shows revenues from contracts with customers disaggregated by customer class for the years ended December 31:

	Residential	Commercial	Industrial	Other (a)	Transmission	Revenues from Contracts with Customers
2023	$ 640	$ 228	$ 20	$ 792	$ 170	$ 1,850
2022	596	207	16	811	159	1,789
2021	552	161	10	817	157	1,697

(a) Primarily includes open access tariff revenues, which are calculated on combined customer classes .

Contract receivables from customers are primarily included in "Accounts receivable" and "Unbilled revenues" on the Balance Sheets.

The following table shows the accounts receivable and unbilled revenues balances that were impaired for the year ended December 31:

	2023	2022	2021
Impairments (a)	$ 26	$ 46	$ 16

(a) Includes $23 million for the year ended December 31, 2022 related to the commitment to forgive customer arrearages for low-income and protected residential customers. See Note 6 for additional information.

3. Income and Other Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes and the tax effects of net operating loss carryforwards. The provision for RIE's deferred income taxes for regulated assets and liabilities is based upon the ratemaking principles of the applicable jurisdiction. See Notes 1 and 4 for additional information.

Net deferred tax assets have been recognized based on management's estimates of future taxable income.

Significant components of RIE's deferred income tax assets and liabilities were as follows:

	2023	2022 (a)
Deferred Tax Assets		
Plant - net	$ —	$ 22
Allowance for doubtful accounts	7	2
Regulatory liabilities	39	11
Environmental remediation costs	1	1
Intangibles (b)	78	85
Contributions in aid of construction	17	1
Goodwill (c)	126	141
Other	40	20
Total deferred tax assets	308	283
Deferred Tax Liabilities		
Plant - net	65	—
Accrued pension and postretirement costs	6	9
Regulatory assets	141	120
Other	9	6
Total deferred tax liabilities	221	135
Net deferred tax (asset) liability	$ (87)	$ (148)

(a) NGUSA and PPL elected to treat PPL's acquisition of RIE from NGUSA on May 25, 2022 as an asset transaction for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of RIE at fair market value (essentially equivalent to book value) for tax purposes resulting in a "step-up" in tax basis and the elimination of deferred taxes. Subsequently, as part of purchase accounting, RIE recorded deferred taxes on any differences between the book and tax basis of the assets acquired and liabilities assumed on the acquisition date. Such deferred taxes were recorded through book goodwill.

(b) Certain of the RIE assets acquired in 2022 are treated as intangibles for tax purposes and are amortized over a 15 year period. RIE recorded deferred tax assets on these intangibles, which will reverse as tax deductions are taken.

(c) The election to treat the acquisition of RIE as an asset transaction allows RIE to recognize tax deductible goodwill, which is amortized over a 15 year period. The tax deductible goodwill at RIE is greater than the book goodwill recorded at RIE, since the total book goodwill in excess of acquired book goodwill was recorded at PPL Rhode Island Holdings due to PPL's election to not "push-down" purchase accounting. This difference in book and tax goodwill results in a deferred tax asset that will reverse over a 15 year period as tax deductions are taken and will eventually result in a deferred tax liability that will remain as long as book goodwill exists.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were as follows:

	2023	2022	2021
Income Tax Expense (Benefit)			
Current Expense (Benefit) - Federal	$ (32)	$ (50)	$ 4
Deferred Expense (Benefit) - Federal	48	50	26
Total income tax expense (benefit)	$ 16	$ —	$ 30

In the table above, the following income tax expense (benefit) are excluded from income taxes:

	2023	2022	2021
Other comprehensive income	$ —	$ 1	$ —
Earnings reinvested	—	(399)	—
Additional paid-in capital	—	(189)	—
Total	$ —	$ (587)	$ —

	2023	2022	2021
Reconciliation of Income Tax Expense (Benefit)			
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 24	$ 4	$ 36
Depreciation and other items not normalized	(1)	(1)	—
Amortization of excess deferred income taxes	(7)	(4)	(5)
Other	—	1	(1)
Total increase (decrease)	(8)	(4)	(6)
Total income tax expense (benefit)	$ 16	$ —	$ 30
Effective income tax rate	14.3%	—%	17.5%

	2023	2022	2021
Taxes, other than income			
State gross earnings	$ 59	$ 58	$ 55
Property	95	86	83
Other	2	8	9
Total	$ 156	$ 152	$ 147

Unrecognized Tax Benefits

The income tax provision for RIE is calculated in accordance with an intercompany tax sharing agreement, which provides that taxable income be calculated as if each domestic subsidiary filed a separate consolidated return. With few exceptions, at December 31, 2023, these jurisdictions, as well as the tax years that are no longer subject to examination, were as follows.

	RIE
U.S. (federal)	2020 and prior

Any audit settlements related to the period prior to PPL's acquisition of RIE on May 25, 2022 are the responsibility of NGUSA.

RIE is not subject to state income tax due to the State of Rhode Island's exclusion of public utilities from income tax.

4. Utility Rate Regulation

Regulatory Assets and Liabilities

RIE reflects the effects of regulatory actions in the financial statements for its rate-regulated utility operations. Regulatory assets and liabilities are classified as current if, upon initial recognition, the entire amount related to an item will be recovered or refunded within a year of the balance sheet date.

RIE is subject to the jurisdiction of the RIPUC, the Rhode Island Division of Public Utilities and Carriers, and the FERC. RIE operates under a FERC-approved open access transmission tariff. RIE's base distribution rates are calculated based on recovery of costs as well as a return on rate base. Certain other recovery mechanisms exist to recover expenses and capital investments with a return on rate base separate from the base distribution rate case process.

The following table provides information about the regulatory assets and liabilities of cost-based rate-regulated utility operations at December 31:

	2023	2022
Current Regulatory Assets:		
Gas supply clause	$ —	$ 28
Rate adjustment mechanism	118	96
Renewable energy certificates	14	14
Derivative instruments	51	41
Transmission service charge	12	—
Other	31	11
Total current regulatory assets	$ 226	$ 190
Noncurrent Regulatory Assets:		
Defined benefit plans	$ 117	$ 82
Net Metering	112	61
Environmental Cost recovery	99	102
Taxes recoverable through future rates	—	47
Derivative instruments	8	—
Storm costs	68	108
Other	37	43
Total noncurrent regulatory assets	$ 441	$ 443

	2023	2022
Current Regulatory Liabilities:		
Transmission service charge	$ —	$ 7
Rate adjustment mechanism	72	96
Energy efficiency	23	23
Other	22	15
Total current regulatory liabilities	$ 117	$ 141
Noncurrent Regulatory Liabilities:		
Accumulated cost of removal of utility plant	$ 291	$ 275
Net deferred taxes	232	295
Defined benefit plans	98	65
Energy efficiency	5	32
Other	32	63
Total noncurrent regulatory liabilities	$ 658	$ 730

Following is an overview of selected regulatory assets and liabilities detailed in the preceding tables. Specific developments with respect to certain of these regulatory assets and liabilities are discussed in "Regulatory Matters."

Defined Benefit Plans

Defined benefit plan regulatory assets and liabilities represent prior service cost and net actuarial gains and losses that will be recovered in defined benefit plans expense through future base rates based upon established regulatory practices and, generally, are amortized over the average remaining service lives of plan participants. These regulatory assets and liabilities are adjusted at least annually or whenever the funded status of defined benefit plans is remeasured.

In addition, the excess amounts received in rates over actual costs of RIE's pension and other postretirement benefit plans that are to be recovered from or passed back to customers in future periods, are also recorded as regulatory assets and liabilities.

Storm Costs

As provided in the Amendment Settlement Agreement (ASA), RIE has the authority from the RIPUC to treat certain incremental O&M expenses related to specific extraordinary storms as a regulatory asset and defer such costs for regulatory accounting and reporting purposes. Once all expenses for the extraordinary storm have been finalized, RIE files a final accounting of those storm expenses with the RIPUC that is subject to review by the RIPUC and the Rhode Island Division of Public Utilities and Carriers.

Accumulated Cost of Removal of Utility Plant

RIE charges costs of removal through depreciation expense with an offsetting credit to a regulatory liability. The regulatory liability is relieved as costs are incurred.

Net Deferred Taxes

Regulatory liabilities associated with net deferred taxes represent the future revenue impact from the adjustment of deferred income taxes required primarily for excess deferred taxes and unamortized investment tax credits, largely a result of the TCJA enacted in 2017.

Derivative Instruments

RIE evaluates open derivative instruments for regulatory deferral by determining if they are probable of recovery from, or refund to, customers through future rates. Derivative instruments that qualify for recovery are recorded at fair value, with changes in fair value recorded as regulatory assets or regulatory liabilities in the period in which the change occurs. The balance is reconcilable, and any over- or under-recovery from customers will be refunded or recovered annually in the subsequent year.

Energy Efficiency

Energy efficiency represents the difference between revenue billed to customers through RIE's energy efficiency charge and the costs of the RIE's energy efficiency programs as approved by the RIPUC.

The energy efficiency charge is designed to collect the estimated costs of the RIE's energy efficiency plan for the upcoming calendar year. The final annual over/under is reconciled in the next year's energy efficiency plan filing, as part of the reconciliation factor calculation. RIE may file to change the energy efficiency plan charge at any time should significant over-or under-recoveries occur.

Environmental Cost Recovery

RIE's rate plans provide for specific rate allowances for RIE's share of the estimated costs to investigate and perform certain remediation activities at sites with which it may be associated, with variances deferred for future recovery from, or return to, customers. RIE believes future costs, beyond the expiration of current rate plans, will continue to be recovered through rates. The regulatory asset represents the excess of amounts incurred for RIE's actual site investigation and remediation costs versus amounts received in rates.

Gas Supply Clause

RIE is subject to rate adjustment mechanisms for commodity costs, whereby an asset or liability is recognized resulting from differences between billed revenues and the underlying cost being recovered, as approved by the RIPUC. The regulatory assets

or liabilities represent the total amounts that have been under- or over-recovered due to timing or adjustments to the mechanisms and are typically recovered or refunded within the next year.

Net Metering

Net metering deferral reflects the recovery mechanism for costs associated with customer-installed on-site generation facilities, including the costs of renewable generation credits. This surcharge provides RIE with a mechanism to recover such amounts. Net metering is reconcilable annually, and any over- or under-recovery from customers will be refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

Rate Adjustment Mechanisms

In addition to commodity costs, RIE is subject to a number of additional rate adjustment mechanisms whereby an asset or liability is recognized resulting from differences between actual revenues and the underlying cost being recovered or differences between actual revenues and targeted amounts as approved by the RIPUC. The rate adjustment mechanisms are reconcilable, and any over- or under-recovery from customers are to be refunded or recovered annually in the subsequent year.

Renewable energy certificates (RECs)

Represents deferred costs associated with RIE's compliance obligation with the Rhode Island Renewable Portfolio Standard (RPS). The RPS is legislation established to foster the development of new renewable energy sources. The regulatory asset will be recovered over the next year.

Taxes Recoverable through Future Rates

Taxes recoverable through future rates represent the portion of future income taxes that are anticipated to be recovered through future rates based upon established regulatory practices. Accordingly, this regulatory asset is recognized when the offsetting deferred tax liability is recognized. For general-purpose financial reporting, this regulatory asset and the deferred tax liability are not offset; rather, each is displayed separately. This regulatory asset is expected to be recovered over the period that the underlying book-tax timing differences reverse and the actual cash taxes are incurred.

Transmission Service Charge (TSC)

RIE arranges transmission service on behalf of its customers and bills the costs of those services to customers, pursuant to its Transmission Service Cost Adjustment Provision. The TSC contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

Regulatory Matters

Rhode Island Activities

Rate Case proceedings

Pursuant to Report and Order No. 23823 issued May 5, 2020, the RIPUC approved the terms of an Amended Settlement Agreement (ASA), reflecting an allowed return on equity (ROE) rate of 9.275% based on a common equity ratio of approximately 51%. RIE is currently in year six of the multi-year rate plan (Rate Plan). On June 30, 2021, the Rhode Island Division of Public Utilities and Carriers consented to an open-ended extension of the term of the Rate Plan. Pursuant to the settlement with the Rhode Island Office of the Attorney General in connection with the acquisition of RIE by PPL, RIE currently does not anticipate filing a new base rate case before October 1, 2025. Pursuant to the open-ended extension, the Rate Year 3 level of base distribution rates under ASA will remain in effect and RIE will continue to operate under the current Rate Plan until a new Rate Plan is approved by the RIPUC.

The ASA includes additional provisions, including (i) an Electric Transportation Initiative (the ET Initiative) to facilitate the growth of Electric Vehicle (EV) adoption and scaling of the market for EV charging equipment to advance Rhode Island's zero emission vehicles and greenhouse gas emissions policy goals, (ii) two energy storage demonstration projects, which are on track for timely completion, (iii) a performance incentive for System Efficiency: Annual Megawatt Capacity Savings, which sunset in 2021 and is a tracking and reporting only metric and (iv) several additional metrics for tracking and reporting purposes only. The RIPUC discussed the ET Initiative at an Open Meeting on August 30, 2022, advising RIE to seek RIPUC

authorization to continue the ET Initiative and/or to alter any of the targets established in the ASA for Rate Year 5 and beyond. No votes or official rulings were taken; however, based on this feedback, RIE has paused the ET programs in Rate Year 5.

Advanced Metering Functionality (AMF)

In 2021, RIE filed its Updated AMF Business Case and Grid Modernization Plan (GMP) with the RIPUC in accordance with the Amended Settlement Agreement (ASA) approved by the RIPUC in August 2018, and which among other things, sought approval to deploy smart meters throughout the service territory. After PPL completed the acquisition of RIE, RIE filed a new AMF Business Case with the RIPUC in 2022, consisting of a detailed proposal for full-scale deployment of AMF across its electric service territory.

On September 27, 2023, the RIPUC unanimously approved RIE to deploy an AMF-based metering system for the electric distribution business. RIE is authorized to seek recovery of the approved capital investment through the ISR process with an overall multi-year cap on recovery at approximately $153 million, subject to certain terms, conditions and limitations with respect to the potential offsets and recoverability of certain costs. RIE is required to continue spending even if above the recovery cap, until it achieves the functionalities outlined in the AMF Business Case. RIE filed with the RIPUC (i) an updated electric Service Quality Plan on December 27, 2023 for RIPUC approval and (ii) additional compliance tariff provisions regarding recovery and cost schedules to reflect the RIPUC's decision on December 22, 2023 for RIPUC approval. RIE cannot predict the outcome of these matters.

Grid Modernization

RIE filed a new GMP with the RIPUC on December 30, 2022. The new GMP filing consists of a holistic suite of grid modernization investments that will provide RIE with the tools and capability to manage the electric distribution system more granularly considering a range of distributed energy resources adoption levels, accelerated by Rhode Island's climate mandates, while at the same time maintaining a safe and reliable electric distribution system. The GMP is an informational guidance document that supports the grid modernization investments to be proposed in future electric ISR plans. Consequently, RIE did not request approval from the RIPUC for any specific investments or seek cost recovery as part of the GMP; rather, RIE requested the RIPUC issues an order affirming RIE's compliance with its obligation to file a GMP that meets the requirements of the ASA. The RIPUC held a status conference on October 26, 2023, to discuss the scope of the RIPUC's review of the GMP and its potential impact future electric ISR plans.

Petition for Deferral of Credit Card Fees

On January 31, 2024, RIE filed a petition to request approval to recognize regulatory assets related to the credit card, debit card, and related fees (Electronic Transaction Fees) that RIE has waived and will continue to waive on a going forward basis pursuant to the RIPUC orders in RIPUC Docket No. 5022 related to COVID-19 impacts. If approved, RIE plans to include a proposal as part of its next base distribution rate case for the amortization/recovery of the regulatory assets and to include future Electronic Transaction Fees in base distribution rates. RIE simultaneously filed a Notice of Withdrawal of its April 2021 petition to create regulatory assets for COVID-19 related bad debt expense and the lost revenue from unassessed late payment charges pending in Docket No. 5154. RIE is continuing to evaluate these other COVID-19 related costs and intends to reserve its rights to file for recovery of these costs in the future. RIE cannot predict the outcome of this matter.

FY 2023 Gas Infrastructure, Safety and Reliability (ISR) Plan

At an Open Meeting on March 29, 2022, the RIPUC conditionally approved RIE's FY 2023 Gas ISR Plan and associated revenue requirement, subject to further review regarding RIE's Proactive Main Replacement Program and its decision to reconstruct and purchase heating and pressure regulation equipment located at RIE's Wampanoag and Tiverton take stations. The RIPUC held an Open Meeting on September 13, 2022, and issued its Order on November 18. 2022 regarding the Proactive Main Replacement Program and made the following rulings: (i) commencing with the Gas ISR plan to be filed in this calendar year 2022 (prospectively), new main constructed to replace leak prone pipe will not be considered used and useful, and therefore not eligible for rate base treatment, until the related old main is abandoned; and (ii) approved the proactive main replacement revenue requirement set forth in the FY 2023 Gas ISR plan. Also, the RIPUC directed RIE to submit prefiled testimony on the issue of its replacement of heating and pressure regulation facilities at the Wampanoag and Tiverton take stations and to address three issues, specifically: (i) a cost-benefit analysis arising from RIE's decision to take ownership of the reconstructed take station equipment; (ii) the potential that the benefits derived from the reconstruction and ownership transfer of the take station equipment will not be realized due to the future use of hydrogen or abandonment of the gas system; and (iii) the depreciation and accounting treatment of the reconstructed take station equipment. RIE filed this testimony with the RIPUC

on May 16, 2022, and the RIPUC has not taken any action to date on this issue. The RIPUC continues to consider the appropriate rate recovery treatment of projects not covered by an ISR plan for the applicable fiscal year, and additional definitions and procedures that may be implemented related to the ISR plan process. A new docket has been opened to address this matter with the goal of implementing changes for the FY 2025 ISR Plan. RIE filed its proposed gas ISR plan budgetary and reconciliation framework with its FY 2025 ISR Plan filing on December 22, 2023. RIE cannot predict the outcome of these matters.

FY 2024 Gas ISR Plan

On December 23, 2022, RIE filed its FY 2024 Gas ISR Plan with the RIPUC. At its January 20, 2023 Open Meeting, the RIPUC directed RIE to file supplemental budget and rate schedules to reflect an April 1 to March 31 fiscal year. The supplemental budget that was filed with the RIPUC on January 27, 2023 includes $187 million of capital investment spend. The supplemental rate schedules were filed on February 3, 2023. RIE and the Rhode Island Division of Public Utilities and Carriers reached an agreement on an approximately $171 million capital investment spending plan, and RIE filed a second supplemental budget on March 13, 2023. The RIPUC held a hearing on the plan on March 14, 2023. At an Open Meeting on March 29, 2023, the RIPUC approved the plan with an adjustment to the budget for the Proactive Main Replacement Program category resulting in a total approved FY 2024 Gas ISR Plan of $163 million for capital investment spend. On March 31, 2023, the RIPUC approved RIE's March 30, 2023 compliance filing for rates effective April 1, 2023. The RIPUC continues to consider the appropriate rate recovery treatment of projects not covered by an ISR plan for the applicable fiscal year, and additional definitions and procedures that may be implemented related to the ISR plan review and approval process starting with the FY 2025 ISR Plan. A new docket has been opened to address this matter with the goal of implementing changes for the FY 2025 ISR Plan. RIE filed its proposed gas ISR plan budgetary and reconciliation framework with its FY 2025 ISR Plan filing on December 22, 2023. RIE cannot predict the outcome of these matters.

FY 2025 Gas ISR Plan

On December 22, 2023, RIE filed its FY 2025 Gas ISR Plan with the RIPUC with a budget that includes $185 million of capital investment spend and up to $11 million of contingency plan spend in light of the Pipeline and Hazardous Materials Safety Administration’s potential enactment of regulations during FY 2025 that would significantly alter RIE’s leak detection and repair obligations under federal regulations. RIE also filed its proposed gas ISR plan budgetary and reconciliation framework with its FY 2025 ISR Plan. The RIPUC has scheduled hearings on March 7 and 11, 2024, and is scheduled to rule on the plan by the end of March 2024. RIE cannot predict the outcome of these matters.

FY 2024 Electric ISR Plan

On December 23, 2022, RIE filed its FY 2024 Electric ISR Plan with the RIPUC. At its January 20, 2023 Open Meeting, the RIPUC directed RIE to file supplemental budget and rate schedules to reflect an April 1 to March 31 fiscal year. The supplemental budget filed with the RIPUC on January 27, 2023 includes $176 million of capital investment spend, $14 million of vegetation operations and management (O&M) spend and $3 million of Other O&M spend. The supplemental rate schedules were filed on February 3, 2023. RIE filed second supplemental budget schedules on March 21, 2023 which includes $166 million of capital investment spend, $14 million of vegetation management O&M spend and $1 million of Other O&M spend. The RIPUC held hearings in March 2023, and on March 29, 2023, approved the plan with modifications to the proposed capital investment spend, resulting in a total approved FY 2024 Electric ISR Plan of $112 million for capital investment spend, $14 million for vegetation management O&M spend, and $1 million for Other O&M spend.

On March 31, 2023, the RIPUC approved RIE's March 30, 2023 compliance filing for rates effective April 1, 2023. The RIPUC continues to consider the appropriate rate recovery treatment of projects not covered by an ISR plan for the applicable fiscal year, and additional definitions and procedures that may be implemented related to the ISR plan review and approval process. A new docket has been opened to address this matter with the goal of implementing changes for the FY 2025 ISR Plan. RIE filed its proposed electric ISR plan budgetary and reconciliation framework with its FY 2025 ISR Plan filing on December 21, 2023. RIE cannot predict the outcome of these matters.

FY 2025 Electric ISR Plan

On December 21, 2023, RIE filed its FY 2025 Electric ISR Plan with the RIPUC with a budget that includes $141 million of capital investment spend, $13 million of vegetation O&M spend and $1 million of Other O&M spend. RIE also filed its proposed electric ISR plan budgetary and reconciliation framework with its FY 2025 ISR Plan. The RIPUC has scheduled

hearings on March 13 and 14, 2024, and is scheduled to rule on the plan by the end of March 2024. RIE cannot predict the outcome of these matters.

Federal Matters

Recovery of Transmission Costs

Until December 2022, RIE's transmission facilities were operated in combination with the transmission facilities of National Grid's New England affiliates, Massachusetts Electric Company (MECO) and New England Power (NEP), as a single integrated system with NEP designated as the combined operator. As of January 1, 2023, RIE operates its own transmission facilities. NE-ISO allocates RIE's costs among transmission customers in New England, in accordance with the ISO Open Access Transmission Tariff (ISO-NE OATT). According to the FERC orders, RIE is compensated for its actual monthly transmission costs, with its authorized maximum ROE of 11.74% on its transmission assets.

The ROE for transmission rates under the ISO-NE OATT is the subject of four complaints that are pending before the FERC. On October 16, 2014, the FERC issued an order on the first complaint, Opinion No. 531-A, resetting the base ROE applicable to transmission assets under the ISO-NE OATT from 11.14% to 10.57% effective as of October 16, 2014 and establishing a maximum ROE of 11.74%. On April 14, 2017, this order was vacated and remanded by the D. C. Circuit Court of Appeals (Court of Appeals). After the remand, the FERC issued an order on October 16, 2018 applicable to all four pending cases where it proposed a new base ROE methodology that, with subsequent input and support from the New England Transmission Owners (NETO), yielded a base ROE of 10.41%. Subsequent to the FERC's October 2018 order in the New England Transmission Owners cases, the FERC further refined its ROE methodology in another proceeding and has applied that refined methodology to transmission owners' ROEs in other jurisdictions, and the NETOs filed further information in the New England matters to distinguish their case. Those determinations in other jurisdictions have recently been vacated and remanded back to the FERC for further proceedings by the D.C. Circuit Court of Appeals. The proceeding and the final base rate ROE determination in the New England matters remain open, pending a final order from the FERC. PPL cannot predict the outcome of this matter, and an estimate of the impact cannot be determined.

Other

Purchase of Receivables Programs

In 2021 and 2022, the RIPUC approved various components of a Purchase of Receivables Program (POR) in Rhode Island for effect on April 1, 2022. Municipal aggregators and non-regulated power producers (collectively, Competitive Suppliers) are eligible to participate in accordance with RIE's approved electric tariffs for municipal aggregation and non-regulated power producers. Under the POR program, RIE will purchase the Competitive Suppliers' accounts receivables, including existing receivables, at discounted rates, regardless of whether RIE has collected the owed monies from customers. The program is intended to make RIE whole through the implementation of a discount rate or Standard Complete Bill Percentage (SCBP) paid by Competitive Suppliers. RIE calculates the SCBP for each customer class and files the calculations with the RIPUC for review and approval by February 15 of each year. At an Open Meeting on March 29, 2023, the RIPUC approved the SCBP for effect beginning on April 1, 2023 for a one-year period.

5. Financing Activities

Credit Arrangements and Short-term Debt

In March 2023, RIE was added as an authorized borrower under the PPL Capital Funding syndicated credit facility. At December 31, 2023, RIE's borrowing sublimit under the facility was $250 million. At December 31, 2023, RIE had borrowings outstanding of $25 million. In January 2024, RIE's borrowing sublimit was increased to $400 million.

Long-term Debt

	Weighted-Average Rate (a)	Maturities (a)	December 31, 2023	December 31, 2022
RIE				
Senior Unsecured Notes:				
Senior Notes	5.64 %	2040	$ 300	$ 300
Senior Notes	4.17 %	2042	250	250
Senior Notes	3.92 %	2028	350	350
Senior Notes	3.40 %	2030	600	600
Senior Secured Notes/First Mortgage Bonds (b) (c):				
FMB Series R	7.50 %	2025	2	2
Total Long-term Debt before adjustments			1,502	1,502
Unamortized debt issuance costs			(6)	(5)
Total Long-term Debt			1,496	1,497
Less current portion of Long-term Debt			1	1
Total Long-term Debt, noncurrent			$ 1,495	$ 1,496

(a) The table reflects principal maturities only, based on stated maturities, sinking fund requirements, or earlier put dates, and the weighted-average rates as of December 31, 2023.
(b) Includes first mortgage bonds with an annual sinking fund requirement of $750,000 through maturity in 2025.
(c) RIE has a maximum 70% of debt-to-capitalization covenant. Furthermore, if at any time RIE's debt exceeds 60% of the total capitalization, each holder of bonds then outstanding, shall receive effective as of the first date of such occurrence, a one time, and permanent, 0.20% increase in the interest rate paid by RIE on its bonds. Failure to comply with this covenant, or to obtain waivers of those requirements, could in some cases trigger a right, at the lender's discretion, to require repayment of some of RIE's debt and may restrict RIE's ability to draw upon its facilities or access the capital markets. As of December 21, 2023 and 2022, RIE was in compliance with this covenant.

The aggregate maturities of long-term debt, based on sinking fund requirements, stated maturities or earlier put dates, for the periods 2024 through 2028 and thereafter are as follows:

	RIE
2024	$ 1
2025	1
2026	—
2027	—
2028	350
Thereafter	1,150
Total	$ 1,502

Equity Securities

In June 2023, RIE redeemed all 49,089 shares of its outstanding preferred stock at a redemption price equal to the par value of $50 per share, plus a premium of $5 per share, plus a prorated dividend of $0.1875 per share. The total payment was $3 million.

Distributions and Related Restrictions

The net assets of RIE are subject to legal restrictions. RIE is subject to Section 305(a) of the Federal Power Act, which makes it unlawful for a public utility to make or pay a dividend from any funds "properly included in capital account." The meaning of this limitation has never been clarified under the Federal Power Act. RIE believes, however, that this statutory restriction, as applied to its circumstances, would not be construed or applied by the FERC to prohibit the payment from retained earnings of dividends that are not excessive and are for lawful and legitimate business purposes.

6. Acquisition of Narragansett Electric Company by PPL Corporation

On May 25, 2022, PPL Rhode Island Holdings, a wholly owned subsidiary of PPL, acquired 100% of the outstanding shares of common stock of Narragansett Electric from National Grid U.S., a subsidiary of National Grid plc. PPL has elected to not reflect the effects of purchase accounting in the separate financial statements of RIE.

In connection with the Acquisition, National Grid USA Service Company, Inc., National Grid U.S. and Narragansett Electric have entered into a transition services agreement (TSA), pursuant to which National Grid has agreed to provide certain transition services to Narragansett Electric to facilitate the transition of the operation of Narragansett Electric to PPL following the Acquisition, as agreed upon in the Narragansett SPA. The TSA is for an initial two-year term and certain aspects have been extended to the third quarter of 2024. The TSA is subject to further extension as necessary to complete the successful transition. TSA costs of $228 and $123 million were incurred for the twelve month periods ended December 31, 2023 and 2022.

As a condition to the Acquisition, PPL made certain commitments to the Rhode Island Division of Public Utilities and Carriers and the Attorney General of the State of Rhode Island. As a result:

- RIE provided a credit to all its electric and natural gas distribution customers in the total amount of $50 million ($40 million net of tax benefit). Based on the relative number of electric distribution customers and natural gas distribution customers as of November 1, 2022, RIE refunded, in the form of a bill credit, $33 million to electric customers and $17 million to natural gas customers of amounts collected from customers since the Acquisition date. Each electric customer received the same credit, and each natural gas customer received the same credit. A reduction of revenue and a regulatory liability of $50 million for the amounts refunded were recorded during the quarter ended September 30, 2022. These credits were issued during the fourth quarter of 2022. The amounts refunded will not impact RIE's earnings sharing regulatory mechanism.
- RIE forgave approximately $44 million ($21 million net of allowance for doubtful accounts) in arrearages for low-income and protected residential customers, which represents 100% of the arrearages over 90 days for those customers as of March 31, 2022. PPL deemed these accounts uncollectible and fully reserved for them as of September 30, 2022, resulting in an increase to "Other operations and maintenance expense" on the Statement of Income of $23 million for the year ended December 31, 2022.
- RIE will not file a base rate case seeking an increase in base distribution rates for natural gas and/or electric service sooner than three years from the Acquisition date, and RIE will not submit a request for a change in base rates unless and until there is at least twelve months of operating experience under PPL's exclusive leadership and after the TSA with National Grid terminates.
- RIE will forgo potential recovery of any and all transition costs, which includes (1) the installation of certain information technology systems; (2) modification and enhancements to physical facilities in Rhode Island; and (3) incurring costs related to severance payments, communications and branding changes, and other transition related costs. These costs are being incurred by PPL and are not reflected in the operating results of RIE.
- RIE will not seek to recovery any transaction costs related to the Acquisition. These costs were incurred by PPL and are not reflected in the operating results of RIE.
- RIE will exclude all goodwill from the ratemaking capital structure.
- In June 2022, RIE expensed $20 million of regulatory assets as of the Acquisition date for the Gas Business Enablement (GBE) project and for certain Cybersecurity/IT investments related to GBE. The expense was recorded to "Other operations and maintenance" on the Statements of Income for the year ended December 31, 2022. RIE will not seek to recover these regulatory assets from customers in any future proceedings.
- RIE will hold harmless Rhode Island customers from any changes to Accumulated Deferred Income Taxes (ADIT) as a result of the Acquisition. RIE reserves the right to seek rate adjustments based on future changes to ADIT that are not related to the Acquisition.
- RIE will not increase its revenue requirement to a level higher than what would exist in the absence of the Acquisition as a result of any restatement of pension and other post-retirement benefits plan assets and liabilities to fair value after the close of the Acquisition.

- RIE will make available up to $2.5 million for the Rhode Island Attorney General to utilize as needed in evaluating PPL's report on RIE's specific decarbonizing goals to support Rhode Island's 2021 Act on Climate or to assess the future of the gas distribution business in Rhode Island. These costs were incurred by PPL and are not reflected in the operating results of RIE.
- Rhode Island Holdings contributed $2.5 million to the Rhode Island Commerce Corporation's Renewable Energy Fund and will not use any of the $2.5 million to meet its pre-existing renewable energy credit goals in Rhode Island or any other state. These costs were incurred by PPL and are not reflected in the operating results of RIE.
- Various other operational and reporting commitments have been established.

7. Leases

RIE has various operating leases, primarily related to buildings, land, and finance leases related to fleet vehicles used to support the electric and gas operations, with lease terms ranging between 1 and 28 years. In measuring lease liabilities, RIE excludes variable lease payments, other than those that depend on an index or rate, or are in substance fixed payments, and includes lease payments made at or before the commencement date. The variable lease payments were not material for the year ended December 31, 2023.

Lessee Transactions

The following table provides the components of lease cost for RIE's operating leases for the years ended December 31:

	2023	2022	2021
Lease cost:			
Finance lease cost:			
Amortization of right-of-use assets	$ 1	$ —	$ —
Interest on lease liabilities	—	—	—
Operating lease cost	7	6	8
Short-term lease cost	—	—	—
Total lease cost	$ 8	$ 6	$ 8

The following table provides other key information related to RIE's operating leases at December 31:

	2023	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from finance leases	$ —	$ —	$ —
Operating cash flows from operating leases	7	7	8
Financing cash flows from finance leases	1	—	—
Right-of-use asset obtained in exchange for new finance lease liabilities	7	—	—
Right-of-use asset obtained in exchange for new operating lease liabilities	14	11	6

The following table provides the total future minimum rental payments for operating leases, as well as a reconciliation of these undiscounted cash flows to the lease liabilities recognized on the Balance Sheets as of December 31, 2023.

	RIE	
	Operating leases	Finance leases
2024	$ 6	$ 2
2025	5	1
2026	4	1
2027	4	1
2028	3	1
Thereafter	2	2
Total	$ 24	$ 8
Weighted-average discount rate	3.51%	7.56%
Weighted-average remaining lease term (in years)	5	7
Current lease liabilities (a)	$ 5	$ 1
Non-current lease liabilities (a)	17	6
Right-of-use assets (b)	22	6

(a) Current lease liabilities are included in "Other current liabilities" on the Balance Sheets. Non-current lease liabilities are included in "Other noncurrent liabilities" on the Balance Sheets. The difference between the total future minimum lease payments and the recorded lease liabilities is due to the impact of discounting.
(b) Operating lease right-of-use assets are included in "Other noncurrent assets" and finance lease right-of-use assets are included in “Property, Plant & Equipment” on the Balance Sheets.

Lessor Transactions

There are certain leases in which RIE is the lessor. The following table shows the lease income recognized for the years ended December 31:

	2023	2022	2021
RIE	$ 3	5	5

8. Retirement and Postemployment Benefits

Defined Benefits

Post Acquisition

As a result of the acquisition, effective May 25, 2022, new pension and other postretirement benefit plans were established to provide eligible RIE employees the same benefits that they had under National Grid pension and other postretirement benefit plans.

The qualified pension plan is a defined benefit plan which provides most union employees, as well as non-union employees hired before January 1, 2011, with a retirement benefit. The plan is non-contributory with benefits based on length of service and final average pay. RIE also provides supplemental retirement benefits to a limited number of executive and other key management employees through unfunded nonqualified retirement plans.

The other postretirement benefit plan provides health care and life insurance coverage to eligible retired employees. Eligibility is based on age and length of service requirements and, in most cases, retirees must contribute to the cost of their coverage.

The following table provides the components of net periodic defined benefit costs (credits) for pension and other postretirement benefit plans for the year ended December 31.

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Net periodic defined benefit costs (credits):				
Service cost	$ 6	$ 5	$ 2	$ 1
Interest cost	29	16	8	5
Expected return on plan assets	(50)	(27)	(11)	(6)
Amortization of:				
Actuarial (gain) loss	—	—	(3)	(2)
Net periodic defined benefit costs (credits)	$ (15)	$ (6)	$ (4)	$ (2)
Other Changes in Plan Assets and Benefit Obligations Recognized in OCI and Regulatory Assets/Liabilities - Gross:				
Net (loss)/gain allocated at acquisition	$ —	$ 33	$ —	$ (49)
Net (gain) loss	41	43	—	(8)
Amortization of:				
Actuarial gain (loss)	—	—	3	2
Total recognized in OCI and regulatory assets/liabilities	41	76	3	(55)
Total recognized in net periodic defined benefit costs, OCI and regulatory assets/liabilities	$ 26	$ 70	$ (1)	$ (57)

Base mortality tables issued by the Society of Actuaries are used for all defined benefit pension and other postretirement benefit plans. The Pri-2012 base table and the MP-2020 projection scale with varying adjustment factors based on the underlying demographic and geographic differences and experience of the plan participants was used for all periods.

The following weighted-average assumptions were used in the valuation of the benefit obligations at December 31.

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Discount rate	5.48 %	5.80 %	5.49 %	5.79 %
Rate of compensation increase	3.50 %	3.85 %	3.50 %	3.85 %

The following weighted-average assumptions were used to determine the net periodic defined benefit costs for the year ended December 31.

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Discount rate	5.80 %	4.83 %	5.79 %	4.83 %
Rate of compensation increase	3.85 %	3.65 %	3.85 %	3.65 %
Expected return on plan assets	8.25 %	7.25 %	7.17 %	6.00 %

(a) The expected long-term rates of return for pension and other postretirement benefits are based on management's projections using a best-estimate of expected returns, volatilities and correlations for each asset class. Each plan's specific current and expected asset allocations are also considered in developing a reasonable return assumption.

The following table provides the assumed health care cost trend rates for the year ended December 31:

	2023	2022
Health care cost trend rate assumed for next year		
– obligations	6.25 %	6.50 %
– cost	6.50 %	6.80 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)		
– obligations	5.00 %	5.00 %
– cost	5.00 %	4.50 %
Year that the rate reaches the ultimate trend rate		
– obligations	2029	2029
– cost	2029	2031

The funded status of RIE's plans at December 31 were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Change in Benefit Obligation				
Benefit Obligation, beginning of period	$ 515	$ —	$ 146	$ —
Service cost	6	5	2	1
Interest cost	29	16	8	5
Actuarial (gain) loss	45	(39)	11	(16)
Acquisition (a)	—	553	—	163
Gross benefits paid	(32)	(20)	(11)	(7)
Benefit Obligation, end of period	563	515	156	146
Change in Plan Assets				
Plan assets at fair value, beginning of period	548	—	155	—
Actual return on plan assets	54	(55)	22	(2)
Acquisition (a)	—	623	—	160
Gross benefits paid	(32)	(20)	(11)	(3)
Plan assets at fair value, end of period	570	548	166	155
Funded Status, end of period	$ 7	$ 33	$ 10	$ 9
Amounts recognized in the Balance Sheets consist of:				
Noncurrent asset	$ 7	$ 33	$ 10	$ 9
Current liability	—	—	—	—
Noncurrent liability	—	—	—	—
Net amount recognized, end of period	$ 7	$ 33	$ 10	$ 9
Amounts recognized in AOCI and regulatory assets/liabilities (pre-tax) consist of:				
Prior service cost (credit)	$ —	$ —	$ —	$ —
Net actuarial (gain) loss	118	76	(53)	(55)
Total	$ 118	$ 76	$ (53)	$ (55)
Total accumulated benefit obligation for defined benefit pension plans	$ 534	$ 490		

(a) As a result of the acquisition effective May 25, 2022, PPL assumed all pension and other postretirement obligations and was transferred assets to fund the trusts of newly established plans. PPL remeasured the plan obligations using its methods and assumptions with the amount of assets transferred based on prescribed ERISA 4044 guidance for pension and negotiated amounts to proportionately fund other postretirement benefits assumed.

The actuarial loss for pension plans in 2023 was primarily related to a change in the discount rate used to measure the benefit obligations of those plans. For 2022, the actuarial gain was primarily related to the discount rate change from 2021 to 2022.

As of December 31, 2022 and 2023, the fair value of plan assets exceeded both the projected benefit obligation (PBO) and the accumulated benefit obligation (ABO).

Pre-Acquisition

Prior to the acquisition of Narragansett Electric from National Grid U.S.A. on May 25, 2022, eligible RIE employees were provided benefits under National Grid pension and other postretirement benefit plans. The following paragraphs provide the allocated activity from the National Grid plans for the period January 1, 2022 to May 24, 2022 and for the year ended December 31, 2021.

During the year ended December 31, 2021, RIE made contributions of approximately $6.5 million to the Qualified Pension Plans. No contributions were made to the other postretirement benefit plans during the year ended December 31, 2021.

The following weighted-average assumptions were used in the valuation of the benefit obligations at December 31.

	Pension Benefits	Other Postretirement Benefits
	2021	2021
Discount rate	2.95 %	2.95 %
Rate of compensation increase (non-union)	4.10 %	N/A
Rate of compensation increase (union)	4.05 %	N/A
Weighted-average cash balance interest crediting rate	2.75 %	N/A

The following weighted-average assumptions were used to determine the net periodic defined benefit costs for the years ended December 31.

	Pension Benefits		Other Postretirement Benefits	
	2022	2021	2022	2021
Discount rate	3.35 %	3.65 %	3.35 %	3.65 %
Rate of compensation increase	4.15 %	3.50 %	N/A	N/A
Expected return on plan assets	4.10 %	6.00 %	5.0% - 5.5%	6.5% - 7.0%
Weighted-average cash balance interest crediting cost	2.75 %	2.75 %	N/A	N/A

RIE selects its discount rate assumption based upon rates of return on highly rated corporate bond yields in the marketplace as of each measurement date. Specifically, RIE uses the Aon AA Only Bond Universe Curve along with the expected future cash flows from RIE retirement plans to determine the weighted average discount rate assumption both on analysis of historical rates of return and forward looking analysis of risk premiums and yields. Current market conditions, such as inflation and interest rates, are evaluated in connection with the setting of the long-term assumptions. A small premium is added for active management of both equity and fixed income securities. The rates of return for each asset class are then weighted in accordance with the actual asset allocation, resulting in a long-term return on asset rate for each plan.

The following table provides the assumed health care cost trend rates for the years ended December 31:

	2022	2021
Health care cost trend rate assumed for next year		
Pre-65	6.60 %	6.80 %
Post-65	5.00 %	5.40 %
Prescription	7.40 %	7.70 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50 %	4.50 %
Year that the rate reaches the ultimate trend rate		
Pre-65	2031+	2031+
Post-65	2031+	2031+
Prescription	2031+	2031+

The following table provides the components of net periodic defined benefit costs (credits) for pension and other postretirement benefit plans for the period ended:

	Pension Benefits		Other Postretirement Benefits	
	May 24, 2022 (a)	December 31, 2021	May 24, 2022 (a)	December 31, 2021
Net periodic defined benefit costs (credits):				
Service cost	$ 3	$ 9	$ 1	$ 3
Interest cost	8	20	2	6
Expected return on plan assets	(11)	(29)	(3)	(8)
Amortization of:				
Actuarial (gain) loss	4	13	—	—
Net periodic defined benefit costs (credits)	$ 4	$ 13	$ —	$ 1
Other Changes in Plan Assets and Benefit Obligations Recognized in OCI and Regulatory Assets/Liabilities - Gross:				
Net (gain) loss	$ —	$ (47)	$ —	$ (38)
Amortization of:				
Actuarial gain (loss)	(4)	(13)	—	—
Total recognized in OCI and regulatory assets/liabilities	(4)	(60)	—	(38)
Total recognized in net periodic defined benefit costs, OCI and regulatory assets/liabilities	$ —	$ (47)	$ —	$ (37)

(a) Represents the pre-acquisition period from January 1, 2022 through May 24, 2022.

The funded status of RIE's plans at period end was as follows:

	Pension Benefits	Other Postretirement Benefits
	May 24, 2022 (a)	May 24, 2022 (a)
Change in Benefit Obligation		
Benefit Obligation, beginning of period	$ 654	$ 215
Service cost	3	1
Interest cost	8	2
Actuarial (gain) loss	(56)	(37)
Divestitures (b)	(601)	(177)
Gross benefits paid	(8)	(4)
Benefit Obligation, end of period	—	—
Change in Plan Assets		
Plan assets at fair value, beginning of period	649	184
Actual return on plan assets	(24)	(20)
Employer contributions	4	—
Divestitures (b)	(621)	(160)
Gross benefits paid	(8)	(4)
Plan assets at fair value, end of period	—	—
Funded Status, end of period	$ —	$ —
Amounts recognized in the Balance Sheets consist of:		
Noncurrent asset	$ —	$ —
Current liability	—	—
Noncurrent liability	—	—
Net amount recognized, end of period	$ —	$ —
Amounts recognized in AOCI and regulatory assets/liabilities (pre-tax) consist of:		
Prior service cost (credit)	$ —	$ —
Net actuarial (gain) loss	—	—
Total	$ —	$ —

(a) Represents the pre-acquisition period from January 1, 2022 through May 24, 2022.

(b) As a result of the acquisition effective May 25, 2022, PPL assumed all pension and other postretirement obligations and was transferred assets to fund the trusts of newly established plans. PPL remeasured the plan obligations using its methods and assumptions with the amount of assets transferred based on prescribed ERISA 4044 guidance for pension and negotiated amounts to proportionately fund other postretirement benefits assumed.

Plan Assets - Pension Plans

All of PPL's qualified pension plans are invested in the PPL Services Corporation Master Trust (the Master Trust) that also includes 401(h) accounts that are restricted for certain other postretirement benefit obligations. The investment strategy for the Master Trust is to achieve a risk-adjusted return on a mix of assets that, in combination with PPL's funding policy, will ensure that sufficient assets are available to provide long-term growth and liquidity for benefit payments, while also managing the duration of the assets to complement the duration of the liabilities. The Master Trust benefits from a wide diversification of asset types, investment fund strategies and external investment fund managers, and therefore has no significant concentration of risk.

The investment policy of the Master Trust outlines investment objectives and defines the responsibilities of the EBPB, external investment managers, investment advisor and trustee and custodian. The investment policy is reviewed annually by PPL's Board of Directors.

The EBPB created a risk management framework around the trust assets and pension liabilities. This framework considers the trust assets as being composed of three sub-portfolios: growth, immunizing and liquidity portfolios. The growth portfolio is

comprised of investments that generate a return at a reasonable risk, including equity securities, certain debt securities and alternative investments. The immunizing portfolio consists of debt securities, generally with long durations, and derivative positions. The immunizing portfolio is designed to offset a portion of the change in the pension liabilities due to changes in interest rates. The liquidity portfolio consists primarily of cash and cash equivalents.

Target allocation ranges have been developed for each portfolio based on input from external consultants with a goal of limiting funded status volatility. The EBPB monitors the investments in each portfolio and seeks to obtain a target portfolio that emphasizes reduction of risk of loss from market volatility. In pursuing that goal, the EBPB establishes revised guidelines from time to time. EBPB investment guidelines as of the end of 2023 are presented below.

The asset allocation for the trust and the target allocation by portfolio at December 31 are as follows:

	Percentage of trust assets		Target Asset Allocation
	2023	2022	2023
Growth Portfolio	**54 %**	**55 %**	**55 %**
Equity securities	31 %	31 %	
Debt securities (a)	12 %	13 %	
Alternative investments	11 %	11 %	
Immunizing Portfolio	**43 %**	**43 %**	**43 %**
Debt securities (a)	36 %	33 %	
Derivatives (b)	7 %	10 %	
Liquidity Portfolio	**3 %**	**2 %**	**2 %**
Total	100 %	100 %	100 %

(a) Includes commingled debt funds, which PPL treats as debt securities for asset allocation purposes.
(b) Includes posted collateral to support derivative instruments subject to counterparty risk.

The fair value of the RIE Retirement Plan assets of $570 million and $548 million at December 31, 2023 and 2022, represents a 17.3% and 16.7% undivided interest in each asset and liability of the Master Trust, which is fully disclosed below.

The fair value of net assets in the Master Trust by asset class and level within the fair value hierarchy was:

	December 31, 2023				December 31, 2022			
	Fair Value Measurements Using				Fair Value Measurements Using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
PPL Services Corporation Master Trust								
Cash and cash equivalents	$ 226	$ 226	$ —	$ —	$ 306	$ 306	$ —	$ —
Equity securities:								
U.S. Equity	36	36	—	—	34	34	—	—
U.S. Equity fund measured at NAV (a)	542	—	—	—	574	—	—	—
International equity fund at NAV (a)	431	—	—	—	403	—	—	—
Commingled debt measured at NAV (a)	528	—	—	—	526	—	—	—
Debt securities:								
U.S. Treasury and U.S. government sponsored agency	159	159	—	—	153	153	—	—
Corporate	915	—	906	9	834	—	818	16
Other	14	—	13	1	14	—	14	—
Alternative investments:								
Real estate measured at NAV (a)	61	—	—	—	60	—	—	—
Private equity measured at NAV (a)	105	—	—	—	96	—	—	—
Private credit partnerships measured at NAV (a)	13	—	—	—	6	—	—	—
Hedge funds measured at NAV (a)	192	—	—	—	194	—	—	—
Derivatives	93	—	93	—	8	—	8	—
PPL Services Corporation Master Trust assets, at fair value	3,315	$ 421	$ 1,012	$ 10	3,208	$ 493	$ 840	$ 16
Receivables and payables, net (b)	(16)				67			
401(h) accounts restricted for other postretirement benefit obligations	(124)				(126)			
Total PPL Services Corporation Master Trust pension assets	$ 3,175				$ 3,149			

(a) In accordance with accounting guidance, certain investments that are measured at fair value using the net asset value per share (NAV), or its equivalent, have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

(b) Receivables and payables, net represents amounts for investments sold/purchased but not yet settled along with interest and dividends earned but not yet received.

A reconciliation of the Master Trust assets classified as Level 3 at December 31, 2023 is as follows:

	Corporate debt
Balance at beginning of period	$ 16
Actual return on plan assets:	
Relating to assets still held at the reporting date	(2)
Relating to assets sold during the period	4
Purchases, sales and settlements	(8)
Balance at end of period	$ 10

A reconciliation of the Master Trust assets classified as Level 3 at December 31, 2022 is as follows:

	Corporate debt
Balance at beginning of period	$ 20
Actual return on plan assets:	
Relating to assets still held at the reporting date	(2)
Relating to assets sold during the period	2
Purchases, sales and settlements	(4)
Balance at end of period	$ 16

The fair value measurements of cash and cash equivalents are based on the amounts on deposit.

The market approach is used to measure fair value of equity securities. The fair value measurements of equity securities (excluding commingled funds), which are generally classified as Level 1, are based on quoted prices in active markets. These securities represent actively and passively managed investments that are managed against various equity indices.

Investments in commingled equity and debt funds are categorized as equity securities. Investments in commingled equity funds include funds that invest in U.S. and international equity securities. Investments in commingled debt funds include funds that invest in a diversified portfolio of emerging market debt obligations, as well as funds that invest in investment grade long-duration fixed-income securities.

The fair value measurements of debt securities are generally based on evaluations that reflect observable market information, such as actual trade information for identical securities or for similar securities, adjusted for observable differences. The fair value of debt securities is generally measured using a market approach, including the use of pricing models, which incorporate observable inputs. Common inputs include benchmark yields, relevant trade data, broker/dealer bid/ask prices, benchmark securities and credit valuation adjustments. When necessary, the fair value of debt securities is measured using the income approach, which incorporates similar observable inputs as well as payment data, future predicted cash flows, collateral performance and new issue data. For the Master Trust, these securities represent investments in securities issued by U.S. Treasury and U.S. government sponsored agencies; investments securitized by residential mortgages, auto loans, credit cards and other pooled loans; investments in investment grade and non-investment grade bonds issued by U.S. companies across several industries; investments in debt securities issued by foreign governments and corporations.

Investments in real estate represent an investment in a partnership whose purpose is to manage investments in U.S. real estate properties diversified geographically and across major property types (e.g., office, industrial, retail, etc.). The partnership has limitations on the amounts that may be redeemed based on available cash to fund redemptions. Additionally, the general partner may decline to accept redemptions when necessary to avoid adverse consequences for the partnership, including legal and tax implications, among others. The fair value of the investment is based upon a partnership unit value.

Investments in private equity represent interests in partnerships in multiple early-stage venture capital funds and private equity fund of funds that use a number of diverse investment strategies. The partnerships have limited lives of at least 10 years, after which liquidating distributions will be received. Prior to the end of each partnership's life, the investment cannot be redeemed with the partnership; however, the interest may be sold to other parties, subject to the general partner's approval. Fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

Investments in private credit represent pools of actively managed loans that span capital structure and borrower type. Strategies carry different types and levels of risk. Returns from those strategies will vary in terms of yield, fees generated, loan loss rates and the pace of principal repayment. Investments have limited lives of approximately 2-8 years. The investment cannot be redeemed with the general partner; however, the interest may be sold to other parties, subject to the general partner's approval. Fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

At December 31, 2023, the Master Trust had unfunded commitments of $85 million that may be required during the lives of the real estate, private equity and private credit partnerships.

Investments in hedge funds represent investments in a fund of hedge funds. Hedge funds seek a return utilizing a number of diverse investment strategies. The strategies, when combined aim to reduce volatility and risk while attempting to deliver positive returns under most market conditions. Major investment strategies for the fund of hedge funds include long/short equity, tactical trading, event driven, and relative value. Shares may be redeemed with 45 days prior written notice. The fund is subject to short term lockups and other restrictions. The fair value for the fund has been estimated using the net asset value per share.

The fair value measurements of derivative instruments utilize various inputs that include quoted prices for similar contracts or market-corroborated inputs. In certain instances, these instruments may be valued using models, including standard option valuation models and standard industry models. These securities primarily represent investments in treasury futures, total return swaps, interest rate swaps and swaptions (the option to enter into an interest rate swap), which are valued based on quoted prices, changes in the value of the underlying exposure or on the swap details, such as swap curves, notional amount, index and term of index, reset frequency, volatility and payer/receiver credit ratings.

Plan Assets - Other Postretirement Benefit Plans

The investment strategy with respect to other postretirement benefit obligations is to fund VEBA trusts and/or 401(h) accounts with voluntary contributions and to invest in a tax efficient manner. Excluding the 401(h) account included in the Master Trust, the other postretirement benefit plan is invested in a mix of assets for long-term growth with an objective of earning returns that provide liquidity as required for benefit payments. The plan benefits from diversification of asset types, investment fund strategies and investment fund managers and, therefore, have no significant concentration of risk. Equity securities include investments in a global exchange-traded fund. Ownership interests in commingled funds that invest entirely in debt securities are classified as equity securities, but treated as debt securities for asset allocation and target allocation purposes. Ownership interests in money market funds are treated as cash and cash equivalents for asset allocation and target allocation purposes. The asset allocation for the VEBA trusts and the target allocation, by asset class, at December 31 are detailed below.

	Percentage of Plan Assets		Target Asset Allocation
	2023	2022	2023
Asset Class			
Equity securities	47 %	45 %	46 %
Debt securities (a)	48 %	49 %	49 %
Cash and cash equivalents (b)	5 %	6 %	5 %
Total	100 %	100 %	100 %

(a) Includes commingled debt funds and debt securities.
(b) Includes money market funds.

The fair value of RIE assets in the other postretirement benefit plans by asset class and level within the fair value hierarchy was:

	December 31, 2023				December 31, 2022			
	Fair Value Measurement Using				Fair Value Measurement Using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Money market funds	$ 8	$ 8	$ —	$ —	$ 8	$ 8	$ —	$ —
Equity securities:								
Global equity exchange-traded fund	72	72	—	—	61	61	—	—
Long-term bond exchange-traded fund	74	74	—	—	65	65	—	—
Total VEBA trust assets, at fair value	154	$ 154	$ —	$ —	134	$ 134	$ —	$ —
Receivables and payables, net (a)	(12)				—			
401(h) account assets (b)	24				21			
Total other postretirement benefit plan assets	$ 166				$ 155			

(a) Receivables and payables represent amounts for investments sold/purchased but not yet settled along with interest and dividends earned but not yet received.
(b) RIE specific interest in total Master Trust 401(h) account.

Investments in money market funds represent investments in funds that invest primarily in a diversified portfolio of investment grade money market instruments, including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness with a maturity not exceeding 13 months from the date of purchase. The primary objective of the fund is a level of current income consistent with stability of principal and liquidity. Redemptions can be made daily on this fund.

Investments in global equity exchange-traded fund represents a passively-managed pooled investment vehicle that invests in developed market equities and is designed to track the performance of the MSCI World Index. Fair value measurements can be obtained from a quoted price on the exchange. Redemptions can be made daily on this fund.

Investments in long-term bond exchange-traded fund represents a passively-managed pooled investment vehicle that is designed to track the performance of the Bloomberg U.S. Long Government/Credit Float Adjusted Index, which includes all medium and larger issues of U.S. Government, investment-grade corporate and investment-grade international dollar-denominated bonds that have maturities of greater than 10 years. Fair value measurements can be obtained from a quoted price on the exchange. Redemptions can be made daily on this fund.

Expected Cash Flows - Defined Benefit Plans

RIE does not plan to contribute to its pension plan in 2024.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the plans and the following federal subsidy payments are expected to be received.

		Other Postretirement	
	Pension	Benefit Payment	Expected Federal Subsidy
2024	$ 34	$ 10	$ —
2025	35	10	—
2026	36	10	—
2027	36	11	—
2028	37	11	—
2029-2033	200	54	—

Savings Plans

Substantially, all employees of RIE are eligible to participate in a deferred savings plan (401(k)). Employer contributions to the plan were:

	2023	2022	2021
RIE	$ 9	$ 4	$ 3

9. Commitments and Contingencies

Energy Purchase Commitments

RIE has several long-term contracts for the purchase of electric power. Substantially all of these contracts require power to be delivered before RIE is obligated to make payment. Additionally, RIE has entered various contracts for gas delivery, storage, and supply services. Certain of these contracts require payment of annual demand charges, which are recoverable from customers. RIE is liable for these payments regardless of the level of service required from third-parties.

These contracts include the following commitments:

Contract Type	Maximum Maturity Date
Electric power	2025
Gas-related	Beyond 2029

RIE's commitments under these long-term contracts subsequent to December 31, 2023 are summarized in the table below.

	Total	2024	2025-2026	2027-2028	Thereafter
Energy Purchase Obligations	$ 1,087	$ 425	$ 196	$ 97	$ 369

Long-term Contracts for Renewable Energy

Several of the obligations included in the table above relate to certain long-term contracts for renewable energy, including:

- the Deepwater Wind PPA, involving a proposal for a small-scale renewable energy generation project of up to eight offshore wind turbines with an aggregate nameplate capacity of up to 30 MW to benefit the Town of New Shoreham and an underwater cable to Block Island, which entered into service in October 2016;
- the Three-State Procurement, involving six clean energy long-term contracts pursuant to the Rhode Island Long-Term Contracting Standard (LTCS) of which 36.427 MW is currently operational and with respect to which RIE collects 2.75% remunerations in the annual payments pursuant to the LTCS; and
- the Offshore Wind Energy Procurement, pursuant to a 20-year PPA with Deep Water Wind Rev I, LLC (Revolution Wind), with an expected nameplate capacity of 408 MW expected to be operational in 2026; this contract was approved without remuneration but allows RIE to seek costs incurred under the agreement.

In addition, RIE is obligated under the LTCS (as amended in 2014) to annually solicit for renewable projects until 90 MW of renewable contracting capacity has been secured. The RIPUC-approved solicitations currently in service include: (i) a 15-year PPA with Orbit Energy Rhode Island, LLC for a 3.2 MW nameplate anaerobic digester biogas project located in Johnston, Rhode Island, placed in service in 2017, (ii) a 15-year PPA with Black Bear Development Holdings, LLC for a 3.9 MW nameplate run-of-river hydroelectric plant located in Orono, Maine, placed in service in 2013, (iii) a 15-year PPA with Copenhagen Wind Farm, LLC for an 80 MW nameplate land-based wind project located in Denmark, New York, placed in service in 2018, and (iv) a 15-year PPA with Rhode Island LFG Genco, LLC for a 32.1 MW nameplate combined cycle combustion turbine generating facility fueled by a landfill gas project located in Johnston, Rhode Island, placed in service in 2013. On December 29, 2023, RIE filed an RFP with the RIPUC for approval under LTCS to backfill approximately 17.2 MW of renewable contracting capacity resulting from a terminated PPA to fulfill the required 90 MW under LTCS.

In addition to the LTCS, in October 2023, RIE issued a request for proposals (RFP) for 300 MW to approximately 1,200 MW of newly developed offshore wind energy projects, under the Affordable Clean Energy Security Act (ACES), as amended in 2022. Based on the RFP schedule, RIE anticipates beginning conditional project selection in June 2024. RIE must negotiate in good faith to achieve a commercially reasonable contract and may file such contract with the RIPUC for approval in December 2024, unless RIE shows that the bids are unlikely to lead to a contract that meets all of the statutory and RFP requirements.

As approved by the RIPUC, RIE is allowed to pass through commodity-related/purchased power costs to customers and collect remuneration equal to 2.75% for long-term contracts approved prior to January 1, 2022, pursuant to LTCS as amended in 2022, and that have achieved commercial operation. For long-term contracts approved pursuant to LTCS or ACES, both as amended, on or after January 1, 2022, RIE is entitled to financial remuneration equal to 1.0% through December 31, 2026, for those projects that are commercially operating. For long-term contracts approved pursuant to LTCS or ACES on or after January 1, 2027, RIE is not entitled to any financial remuneration, unless otherwise granted by the RIPUC. Also, the 2022 amendments to

LTCS and ACES added a provision, which provides that for any calendar year in which RIE's actual return on equity exceeds the return on equity allowed by the RIPUC in the last general rate case, the RIPUC may adjust any or all remuneration to assure that such remuneration does not result in or contribute toward RIE earning above its allowed return for such calendar year.

Legal Matters

RIE is involved in legal proceedings, claims and litigation in the ordinary course of business. RIE cannot predict the outcome of such matters, or whether such matters may result in material liabilities, unless otherwise noted.

Narragansett Electric Litigation

Energy Efficiency Programs Investigation

Narragansett Electric, while under the ownership of National Grid, performed an internal investigation into conduct associated with its energy efficiency programs. On June 27, 2022, the RIPUC opened a new docket (RIPUC Docket No. 22-05-EE) to investigate RIE's actions and the actions of its National Grid employees during the time RIE was a National Grid USA affiliate being provided services by National Grid USA Service Company, Inc. relating to the manipulation of the reporting of invoices affecting the calculation of past energy efficiency shareholder incentives and the resulting impact on customers. The Rhode Island Attorney General and National Grid USA intervened in the docket.

On January 19, 2023, the Rhode Island Division of Public Utilities and Carriers (the Division) filed a motion to dismiss RIPUC Docket No. 22-05-EE without prejudice. As grounds for its motion, the Division stated that sufficient evidence exists in the docket to warrant an independent summary investigation by the Division, to include an audit of RIE, pursuant to Rhode Island General Laws Section 39-4-13. If the Division finds sufficient grounds, the Division may proceed to a formal hearing regarding the matters under investigation pursuant to Rhode Island General Laws Sections 39-4-14 and 39-4-15. Upon the conclusion of its investigation, the Division will provide the RIPUC with a report outlining the Division's findings and final decision. On January 30, 2023, the Rhode Island Attorney General filed an objection to the Division's motion to dismiss; RIE and National Grid each filed responses with the RIPUC requesting that any additional action taken by the RIPUC or the Division be considered after National Grid completes its internal investigation report, which National Grid filed with the RIPUC on March 10, 2023. On February 24, 2023, the Division initiated the independent summary investigation that it had referenced in its motion to dismiss. The RIPUC held a hearing on March 28, 2023 to hear oral arguments regarding the Division's motion to dismiss and subsequently denied the motion. On November 27, 2023, the Division filed testimony recommending the RIPUC disallow a portion of the performance incentive awarded from 2012 through 2021, an amount of approximately $13 million, including interest. On January 19, 2024, the Division and the Rhode Island Attorney General filed their respective briefs recommending that the RIPUC assess financial penalties on the Company. The Division also recommended that the RIPUC consider further regulatory investigations and analysis within each of the energy efficiency dockets from 2012 through 2020, to confirm the accuracy of claimed savings and to document all conduct and actions that would trigger penalties pursuant to R.I. Gen. Laws §§ 39-2-8 and 39-1-22. This proceeding remains open and, in parallel, the Division's summary investigation remains ongoing. At this time, it is not possible to predict the final outcome or determine the total amount of any additional liabilities that may be incurred by RIE in connection with this matter or the Division's summary investigation. RIE does not expect this matter will have a material adverse effect on its results of operations, financial position or cash flows.

Superfund and Other Remediation

RIE is potentially responsible for investigating and remediating contamination under the federal Superfund program and similar state programs. Actions are under way at certain sites including former coal gas manufacturing plants in Rhode Island previously owned or operated by, or currently owned by predecessors of RIE.

Depending on the outcome of investigations at identified sites where investigations have not begun or been completed, or developments at sites for which information is incomplete, additional costs of remediation could be incurred. RIE lacks sufficient information about such additional sites to estimate any potential liability or range of reasonably possible losses, if any, related to these sites. Such costs, however, are not currently expected to be significant.

The EPA is evaluating the risks associated with polycyclic aromatic hydrocarbons and naphthalene, chemical by-products of coal gas manufacturing. As a result, individual states may establish stricter standards for water quality and soil cleanup that could require more extensive assessment and remedial actions at former coal gas manufacturing plants. RIE cannot reasonably estimate a range of possible losses, if any, related to these matters.

RIE is a potentially responsible party for a share of clean-up costs at certain sites including former manufactured gas plant (MGP) facilities formerly owned by the Blackstone Valley Gas and Electric Company and the Rhode Island gas distribution assets of the New England Gas division of Southern Union Company and electric operations at certain RIE facilities. RIE is currently investigating and remediating, as necessary, those MGP sites and certain other properties under agreements with governmental agencies, the costs of which have not been and are not expected to be significant to RIE.

At December 31, 2023 and December 31, 2022, RIE had a recorded liability of $99 million and $100 million representing its best estimate of the remaining costs of environmental remediation activities. These undiscounted costs are expected to be incurred over approximately 30 years and generally to be subject to rate recovery. However, remediation costs for each site may be materially higher than estimated, depending on changing technologies and regulatory standards, selected end uses for each site, and actual environmental conditions encountered. RIE has recovered amounts from certain insurers and potentially responsible parties, and, where appropriate, may seek additional recovery from other insurers and from other potentially responsible parties, but it is uncertain whether, and to what extent, such efforts will be successful.

The RIPUC has approved two settlement agreements that provide for rate recovery of qualified remediation costs of certain contaminated sites located in Rhode Island and Massachusetts. Rate-recoverable contributions for electric operations of approximately $3 million are added annually to RIE's Environmental Response Fund, established with RIPUC approval in March 2000 to address such costs, along with interest and any recoveries from insurance carriers and other third-parties. In addition, RIE recovers approximately $1 million annually for gas operations under a distribution adjustment charge in which the qualified remediation costs are amortized over 10 years. See Note 4 for additional information on RIE's recorded environmental regulatory assets and liabilities.

Regulatory Issues

See Note 4 for information on regulatory matters related to utility rate regulation.

Electricity - Reliability Standards

The NERC is responsible for establishing and enforcing mandatory reliability standards (Reliability Standards) regarding the bulk electric system in North America. The FERC oversees this process and independently enforces the Reliability Standards.

The Reliability Standards have the force and effect of law and apply to certain users of the bulk electric system, including electric utility companies, generators and marketers. Under the Federal Power Act, the FERC may assess civil penalties for certain violations.

RIE monitors its compliance with the Reliability Standards and self-report or self-log potential violations of applicable reliability requirements whenever identified, and submit accompanying mitigation plans, as required. The resolution of a small number of potential violations is pending. Penalties incurred to date have not been significant. Any Regional Reliability Entity determination concerning the resolution of violations of the Reliability Standards remains subject to the approval of the NERC and the FERC.

In the course of implementing its programs to ensure compliance with the Reliability Standards, certain other instances of potential non-compliance may be identified from time to time. RIE cannot predict the outcome of these matters, and an estimate or range of possible losses cannot be determined.

Gas - Security Directives

In May and July of 2021, the Department of Homeland Security's (DHS) Transportation Security Administration (TSA) released two security directives applicable to certain notified owners and operators of natural gas pipeline facilities (including local distribution companies) that the TSA has determined to be critical. RIE has not been notified by the TSA that they are within the scope of this directive. The first security directive required notified owners/operators to implement cybersecurity incident reporting to the DHS, designate a cybersecurity coordinator, and perform a gap assessment of current entity cybersecurity practices against certain voluntary TSA security guidelines and report relevant results and proposed mitigation to applicable DHS agencies. The second security directive, revised in July of 2023, requires refinement of the cybersecurity implementation plan and the cybersecurity assessment plan.

10. Related Party Transactions

Support Costs

Prior to acquisition by PPL, the affiliated service companies of NGUSA provided certain services to RIE at cost without a markup. The service company costs are generally allocated to associated companies through a tiered approach. Costs are directly charged to the benefited company whenever practicable. In cases where direct charging cannot be readily determined, costs are allocated using cost/causation principles linked to the relationship of that type of service, such as number of employees, number of customers/meters, capital expenditures, value of property owned, and total transmission and distribution expenditures. All other costs are allocated based on a general allocator determined using a 3-point formula based on net margin, net property, plant and equipment, and operations and maintenance expense. Charges for the years ended December 31 are put forth in the table below.

Subsequent to the acquisition, PPL Services provides RIE and other PPL subsidiaries with administrative, management and support services. The costs of directly assignable and attributable services are charged to the respective recipients as direct support costs. General costs that cannot be directly attributed to a specific entity are allocated and charged to the respective recipients as indirect support costs. PPL Services uses a three-factor methodology that includes the applicable recipients' invested capital, operation and maintenance expenses and number of employees to allocate indirect costs. PPL Services may also use a ratio of overall direct and indirect costs or a weighted average cost ratio. PPL Services charged the following amounts for the years ended December 31, including amounts applied to accounts that are further distributed between capital and expense on the books of RIE, based on methods that are believed to be reasonable.

	2023	2022	2021
PPL Services to RIE	$ 70	$ 40	$ —
Pre-acquisition costs from NGUSA	—	118	301

Intercompany Borrowings

RIE maintains a $450 million revolving line of credit with CEP Reserves. At December 31, 2023, RIE had borrowings outstanding of $407 million. This balance is reflected in "Short-term debt with affiliates" on the RIE Balance Sheets. The interest rates on borrowings are equal to one-month SOFR plus a spread.

11. Other Income (Expense) - net

The components of "Other Income (Expense) - net" for the years ended December 31, were:

	2023	2022	2021
Defined benefit plans - non-service credits (Note 8)	$ —	$ 15	$ (2)
Interest income	13	2	4
AFUDC - equity component	8	7	6
Charitable contributions	—	—	(1)
Miscellaneous	(2)	(16)	(12)
Other Income (Expense) - net	$ 19	$ 8	$ (5)

12. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). A market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models), and/or a cost approach (generally, replacement cost) are used to measure the fair value of an asset or liability, as appropriate. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk. The fair value of a group of financial assets and liabilities is measured on a net basis. See Note 1 for information on the levels in the fair value hierarchy.

Recurring Fair Value Measurements

The assets and liabilities measured at fair value were:

	December 31, 2023				December 31, 2022			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Cash and cash equivalents	$ 8	$ 8	$ —	$ —	$ 2	$ 2	$ —	$ —
Price risk management assets (a):								
Gas contracts	1	—	1	—	25	—	25	—
Total assets	$ 9	$ 8	$ 1	$ —	$ 27	$ 2	$ 25	$ —
Liabilities								
Price risk management liabilities (a):								
Gas contracts	60	—	41	19	66	—	10	56
Total price risk management liabilities	$ 60	$ —	$ 41	$ 19	$ 66	$ —	$ 10	$ 56

(a) Current portion is included in "Other current assets" and "Other current liabilities" and noncurrent portion is included in "Other noncurrent assets" and "Other noncurrent liabilities" on the Balance Sheets.

Price Risk Management Assets/Liabilities

Gas Contracts

To manage gas commodity price risk associated with natural gas purchases, RIE utilizes over-the-counter (OTC) gas swaps contracts with pricing inputs obtained from the New York Mercantile Exchange (NYMEX) and the Intercontinental Exchange (ICE), except in cases where the ICE publishes seasonal averages or where there were no transactions within the last seven days. RIE may utilize discounting based on quoted interest rate curves, including consideration of non-performance risk, and may include a liquidity reserve calculated based on bid/ask spread. Substantially all of these price curves are observable in the marketplace throughout at least 95% of the remaining contractual quantity, or they could be constructed from market observable curves with correlation coefficients of 95% or higher. These contracts are classified as Level 2.

RIE also utilizes gas option and purchase and capacity transactions, which are valued based on internally developed models. Industry-standard valuation techniques, such as the Black-Scholes pricing model, are used for valuing such instruments. For valuations that include both observable and unobservable inputs, if the unobservable input is determined to be significant to the overall inputs, the entire valuation is classified as Level 3. This includes derivative instruments valued using indicative price quotations whose contract tenure extends into unobservable periods. In instances where observable data is unavailable, consideration is given to the assumptions that market participants would use in valuing the asset or liability. This includes assumptions about market risks such as liquidity, volatility, and contract duration. Such instruments are classified as Level 3 as the model inputs generally are not observable. RIE considers non-performance risk and liquidity risk in the valuation of derivative instruments classified as Level 2 and Level 3.

The significant unobservable inputs used in the fair value measurement of the gas derivative instruments are implied volatility and gas forward curves. A relative change in commodity price at various locations underlying the open positions can result in significantly different fair value estimates.

Financial Instruments Not Recorded at Fair Value

The carrying amounts of other current financial instruments (except for long-term debt due within one year) and long-term debt (including long-term debt due within one year) are not recorded at fair value on the Balance Sheets. The other current financial instruments approximate fair values because of their short-term nature and long-term debt is classified as Level 2 and is net of debt issuance costs.

13. Derivative Instruments and Hedging Activities

Risk Management Objectives

RIE has a risk management policy approved by the Board of Directors to manage market risk associated with commodities, interest rates on debt issuances (including price, liquidity and volumetric risk) and credit risk (including non-performance risk and payment default risk). The Risk Management Committee, comprised of senior management and chaired by the Senior Director-Risk Management, oversees the risk management function. Key risk control activities designed to ensure compliance with the risk policy and detailed programs include, but are not limited to, credit review and approval, validation of transactions, verification of risk and transaction limits, value-at-risk analyses (VaR, a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level) and the coordination and reporting of the Enterprise Risk Management program.

Market Risk

Market risk includes the potential loss that may be incurred as a result of price changes associated with a particular financial or commodity instrument as well as market liquidity and volumetric risks. Forward contracts, futures contracts, options, swaps and structured transactions are utilized as part of risk management strategies to minimize unanticipated fluctuations in earnings caused by changes in commodity prices and interest rates. Many of these contracts meet the definition of a derivative. All derivatives are recognized on the Balance Sheets at their fair value, unless NPNS is elected.

The following summarizes the market risks that affect RIE.

Interest Rate Risk

- RIE is exposed to interest rate risk associated with forecasted fixed-rate debt issuances. RIE may utilize interest rate swaps to hedge changes in benchmark interest rates, when appropriate, in connection with future debt issuances.
- RIE is exposed to interest rate risk associated with debt securities and derivatives held by defined benefit plans. This risk is significantly mitigated to the extent that the plans are sponsored at, or sponsored on behalf of, the regulated utilities due to the recovery methods in place.

Commodity Price Risk

RIE is exposed to commodity price risk through its subsidiaries as described below.

- RIE utilizes derivative instruments pursuant to its RIPUC-approved plan to manage commodity price risk associated with its natural gas purchases. RIE's commodity price risk management strategy is to reduce fluctuations in firm gas sales prices to its customers. RIE's costs associated with derivatives instruments are recoverable through its RIPUC- approved cost recovery mechanisms. RIE is required to purchase electricity to fulfill its obligation to provide Last Resort Service (LRS). Potential commodity price risk is mitigated through its RIPUC-approved cost recovery mechanisms and full requirements service agreements to serve LRS customers, which transfer the risk to energy suppliers. RIE is required to contract through long-term agreements for clean energy supply under the Rhode Island Renewable Energy Growth program and Long-term Clean Energy Standard. Potential commodity price risk is mitigated through its RIPUC-approved cost recovery mechanisms, which true-up cost differences between contract prices and market prices.

Volumetric Risk

Volumetric risk is the risk related to the changes in volume of retail sales due to weather, economic conditions or other factors. RIE is exposed to volumetric risk, which is significantly mitigated by regulatory mechanisms. RIE's electric and gas distribution rates both have a revenue decoupling mechanism, which allows for annual adjustments to RIE's delivery rates.

Equity Securities Price Risk

RIE is exposed to equity securities price risk associated with the fair value of the defined benefit plans' assets. This risk is significantly mitigated due to the recovery methods in place.

Credit Risk

Credit risk is the potential loss that may be incurred due to a counterparty's non-performance.

RIE is exposed to credit risk from "in-the-money" transactions with counterparties, as well as additional credit risk through certain of its subsidiaries, as discussed below.

In the event a supplier of RIE defaults on its contractual obligation, RIE would need to seek replacement power or replacement fuel in the market. In general, subject to regulatory review or other processes, appropriate incremental costs incurred by these entities would be recoverable from customers through applicable rate mechanisms, thereby mitigating the financial risk for these entities.

RIE has credit policies in place to manage credit risk, including the use of an established credit approval process, daily monitoring of counterparty positions and the use of master netting agreements or provisions. These agreements generally include credit mitigation provisions, such as margin, prepayment or collateral requirements. RIE may request additional credit assurance, in certain circumstances, in the event that the counterparties' credit ratings fall below investment grade, their tangible net worth falls below specified percentages or their exposures exceed an established credit limit.

Master Netting Arrangements

Net derivative positions on the balance sheets are not offset against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

RIE had no cash collateral posted under master netting arrangements at December 31, 2023 and $4 million cash collateral posted under master netting arrangements at December 31, 2022.

RIE had no obligation to return cash collateral under master netting arrangements at December 31, 2023 and 2022.

See "Offsetting Derivative Instruments" below for a summary of derivative positions presented in the balance sheets where a right of setoff exists under these arrangements.

Interest Rate Risk

RIE issue debt to finance their operations, which exposes them to interest rate risk. A variety of financial derivative instruments are utilized to adjust the mix of fixed and floating interest rates in their debt portfolios, adjust the duration of the debt portfolios and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under RIE's risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of the debt portfolio due to changes in benchmark interest rates. In addition, the interest rate risk is potentially mitigated as a result of the existing regulatory framework or the timing of rate cases.

Cash Flow Hedges

Interest rate risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financings. Financial interest rate swap contracts that qualify as cash flow hedges may be entered into to hedge floating interest rate risk associated with both existing and anticipated debt issuances. RIE had no such contracts at December 31, 2023.

Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time period and any amounts previously recorded in AOCI are reclassified into earnings once it is determined that the hedged transaction is not probable of occurring.

For 2023, 2022 and 2021, RIE had no cash flow hedges reclassified into earnings associated with discontinued cash flow hedges.

At December 31, 2023, RIE had no accumulated net unrecognized after-tax gains (losses) on qualifying derivatives expected to be reclassified into earnings during the next 12 months. Amounts are reclassified as the hedged interest expense is recorded.

Commodity Price Risk

Economic Activity

RIE enters into financial and physical derivative contracts that economically hedge natural gas purchases. Realized gains and losses from the derivatives are recoverable through regulated rates, therefore subsequent changes in fair value are included in regulatory assets or liabilities until they are realized as purchased gas. Realized gains and losses are recognized in "Energy Purchases" on the Statements of Income upon settlement of the contracts. At December 31, 2023, RIE held contracts with notional volumes of 48 Bcf that range in maturity from 2024 through 2025.

Accounting and Reporting

All derivative instruments are recorded at fair value on the Balance Sheet as an asset or liability unless the NPNS is elected. See Note 4 for amounts recorded in regulatory assets and regulatory liabilities at December 31, 2022 and 2021.

See Note 1 for additional information on accounting policies related to derivative instruments.

The following table presents the fair value and location of derivative instruments recorded on the Balance Sheets:

	December 31, 2023		December 31, 2022	
	Derivatives not designated as hedging instruments		Derivatives not designated as hedging instruments	
	Assets	Liabilities	Assets	Liabilities
Current:				
Price Risk Management Assets/Liabilities (a):				
Gas contracts	$ 1	$ 51	$ 20	$ 62
Total current	1	51	20	62
Noncurrent:				
Price Risk Management Assets/Liabilities (a):				
Gas contracts	—	9	5	4
Total noncurrent	—	9	5	4
Total derivatives	$ 1	$ 60	$ 25	$ 66

(a) Noncurrent portion is included in "Other noncurrent assets" and "Other noncurrent liabilities" on the Balance Sheets.

The following tables present the pre-tax effect of derivative instruments recognized in income or regulatory assets and regulatory liabilities:

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	2023	2022	2021
Gas contracts	Energy Purchases	$ (19)	$ 67	$ 22
	Other income (expense) - net	(1)	—	—
	Total	$ (20)	$ 67	$ 22

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets	2023	2022	2021
Gas contracts	Regulatory assets - current	$ 9	$ 41	$ (16)
	Regulatory assets - noncurrent	(8)	—	—
	Total	$ 1	$ 41	$ (16)

Offsetting Derivative Instruments

RIE has master netting arrangements in place and also enter into agreements pursuant to which they purchase or sell certain energy and other products. Under the agreements, upon termination of the agreement as a result of a default or other termination event, the non-defaulting party typically would have a right to set off amounts owed under the agreement against any other obligations arising between the two parties (whether under the agreement or not), whether matured or contingent and irrespective of the currency, place of payment or place of booking of the obligation.

RIE has elected not to offset derivative assets and liabilities and not to offset net derivative positions against the right to reclaim cash collateral pledged (an asset) or the obligation to return cash collateral received (a liability) under derivatives agreements. The table below summarizes the derivative positions presented in the balance sheets where a right of setoff exists under these arrangements and related cash collateral received or pledged.

	Assets				Liabilities			
		Eligible for Offset				Eligible for Offset		
	Gross	Derivative Instruments	Cash Collateral Received	Net	Gross	Derivative Instruments	Cash Collateral Pledged	Net
December 31, 2023								
Derivatives								
RIE	$ 1	$ —	$ —	$ 1	$ 60	$ —	$ —	$ 60
December 31, 2022								
Derivatives								
RIE	$ 25	$ 20	$ —	$ 5	$ 66	$ 62	$ —	$ 4

Credit Risk-Related Contingent Features

Certain derivative contracts contain credit risk-related contingent features which, when in a net liability position, would permit the counterparties to require the transfer of additional collateral upon a decrease in the credit ratings of RIE. Most of these features would require the transfer of additional collateral or permit the counterparty to terminate the contract if the applicable credit rating were to fall below investment grade. Some of these features also would allow the counterparty to require additional collateral upon each downgrade in credit rating at levels that remain above investment grade. In either case, if the applicable credit rating were to fall below investment grade, and assuming no assignment to an investment grade affiliate were allowed, most of these credit contingent features require either immediate payment of the net liability as a termination payment or immediate and ongoing full collateralization on derivative instruments in net liability positions.

Additionally, certain derivative contracts contain credit risk-related contingent features that require adequate assurance of performance be provided if the other party has reasonable concerns regarding the performance of RIE's obligations under the contracts. A counterparty demanding adequate assurance could require a transfer of additional collateral or other security, including letters of credit, cash and guarantees from a creditworthy entity. This would typically involve negotiations among the parties. However, amounts disclosed below represent assumed immediate payment or immediate and ongoing full collateralization for derivative instruments in net liability positions with "adequate assurance" features.

At December 31, 2023, derivative contracts in a net liability position that contain credit risk-related contingent features was $35 million. The aggregate fair value of additional collateral requirements in the event of a credit downgrade below investment grade was $36 million.

14. Goodwill and Other Intangible Assets

Goodwill

Goodwill for RIE was $725 million at December 31, 2023 and 2022. There were no accumulated impairment losses related to goodwill.

Other Intangible Assets

The gross carrying amount of other intangibles consists of renewable energy credits of $15 million at December 31, 2023 and $14 million at December 31, 2022. Renewable energy credits are expensed when consumed or sold; therefore, there is no accumulated amortization.

Current intangible assets are included in "Other current assets" and long-term intangible assets are included in "Other noncurrent assets" on the Balance Sheets.

15. Asset Retirement Obligations

RIE's ARO liabilities are related to gas mains and PCBs. The PCBs are in gas distribution equipment, consisting mainly of gas pipes and meters, and electrical transmission and distribution equipment.

The changes in the carrying amounts of AROs were as follows:

	2023	2022
ARO at beginning of period	$ 9	$ 10
Changes in estimated timing or cost	(1)	(1)
ARO at end of period	$ 8	$ 9

16. Accumulated Other Comprehensive Income (Loss)

The after-tax changes in AOCI by component for the years ended December 31 were as follows:

	Unrealized gains (losses) on qualifying derivatives	Defined benefit plans: Actuarial gain (loss)	Total
RIE			
December 31, 2020	$ (3)	$ (1)	$ (4)
Amounts arising during the year	—	1	1
Reclassifications from AOCI	—	—	—
Net OCI during the year	—	1	1
December 31, 2021	$ (3)	$ —	$ (3)
Amounts arising during the year	—	—	—
Reclassifications from AOCI	2	—	2
Net OCI during the year	2	—	2
December 31, 2022	$ (1)	$ —	$ (1)
Amounts arising during the year	—	—	—
Reclassifications from AOCI	—	1	1
Net OCI during the year	—	1	1
December 31, 2023	$ (1)	$ 1	$ —

The following table presents RIE's gains (losses) and related income taxes for reclassifications from AOCI for the years ended December 31, 2023, 2022 and 2021. The defined benefit plan components of AOCI are not reflected in their entirety in the statement of income; rather, they are included in the computation of net periodic defined benefit costs (credits) and subject to capitalization. See Note 8 for additional information.

Details about AOCI	2023	2022	2021	Affected Line Item on the Statements of Income
Qualifying derivatives				
Unrealized gains on hedges	$ —	$ 3	$ —	
Total Pre-tax	—	3	—	
Income Taxes	—	(1)	—	
Total After-tax	—	2	—	
Defined benefit plans				
Prior service costs	—	—	—	
Net actuarial loss	(1)	—	—	
Total Pre-tax	(1)	—	—	
Income Taxes	—	—	—	
Total After-tax	(1)	—	—	
Total reclassifications during the year	$ (1)	$ 2	$ —	

17. New Accounting Guidance Pending Adoption

Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09 which requires all entities that are subject to Topic 740 (Income Taxes) to provide additional income tax disclosures including information on income taxes paid. For entities other than public business entities, ASU 2023-09 requires qualitative disclosure about specific categories of reconciling items and individual jurisdictions that result in a significant difference between the statutory tax rate and the effective tax rate.

For entities other than public business entities, this guidance will be applied on a prospective basis. Retrospective application is permitted. This guidance will be effective for annual periods beginning after December 15, 2025. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance.

RIE is currently assessing the impact of adopting this guidance.

18. Subsequent Events

RIE has evaluated subsequent events and transactions through February 16, 2024, the date of issuance of these financial statements, and concluded that other than those matters already disclosed, there were no events or transactions that require adjustment to, or disclosure in, the financial statements as of and for the year ended December 31, 2023.

GLOSSARY OF TERMS AND ABBREVIATIONS

401(h) account(s) - a sub-account established within a qualified pension trust to provide for the payment of retiree medical costs.

AFUDC - allowance for funds used during construction. The cost of equity and debt funds used to finance construction projects of regulated businesses, which is capitalized as part of construction costs.

AOCI - accumulated other comprehensive income or loss.

ARO - asset retirement obligation.

CEP Reserves - CEP Reserves, Inc., a cash management subsidiary of PPL that maintains cash reserves for the balance sheet management of PPL and certain subsidiaries

CCR(s) - coal combustion residual(s). CCRs include fly ash, bottom ash and sulfur dioxide scrubber wastes.

COVID-19 - the disease caused by the coronavirus identified in 2019 that caused a global pandemic.

EBPB - Employee Benefit Plan Board. The administrator of PPL's U.S. qualified retirement plans, which is charged with the fiduciary responsibility to oversee and manage those plans and the investments associated with those plans.

EPA - Environmental Protection Agency, a U.S. government agency.

FERC - Federal Energy Regulatory Commission, the U.S. federal agency that regulates, among other things, interstate transmission and wholesale sales of electricity, hydroelectric power projects and related matters.

GAAP - Generally Accepted Accounting Principles in the U.S.

ISO - Independent System Operator.

kWh - kilowatt hour, basic unit of electrical energy.

Mcf - one thousand cubic feet, a unit of measure for natural gas.

NGUSA - National Grid U.S., an indirectly owned subsidiary of National Grid, Plc.

MW - megawatt, one thousand kilowatts.

Narragansett Electric - The Narragansett Electric Company, an entity that serves electric and natural gas customers in Rhode Island. On May 25, 2022, PPL and its subsidiary, PPL Rhode Island Holdings announced the completion of the acquisition of Narragansett Electric, which will continue to provide services under the name Rhode Island Energy.

NEP - New England Power Company, a National Grid U.S. affiliate.

NERC - North American Electric Reliability Corporation.

NPNS - the normal purchases and normal sales exception as permitted by derivative accounting rules. Derivatives that qualify for this exception may receive accrual accounting treatment.

OCI - other comprehensive income or loss.

PCB - Polychlorinated biphenyls – A group of man-made chemicals that were commercially manufactured from 1929 until production banned in 1979. They have a range of toxicity and vary in consistency from an oil to a waxy solid. Due to their non-flammability, chemical stability, high boiling point, and electrical insulation properties, they were used in industrial and commercial applications including electrical equipment, plasticizers, and pigments.

PP&E - property, plant and equipment.

PPA(s) - power purchase agreement(s).

PPL - PPL Corporation, the ultimate parent holding company of RIE and other subsidiaries.

PPL Rhode Island Holdings - PPL Rhode Island Holdings, LLC, a subsidiary of PPL Energy Holdings formed for the purpose of acquiring Narragansett Electric to which certain interests of PPL Energy Holdings in the Narragansett SPA were assigned.

PPL Services - PPL Services Corporation, a subsidiary of PPL that provides administrative, management and support services to PPL and its subsidiaries.

RIE - Rhode Island Energy, the name under which Narragansett Electric will continue to provide services subsequent to its acquisition by PPL and its subsidiary, PPL Rhode Island Holdings on May 25, 2022.

RIPUC - Rhode Island Public Utilities Commission, a three-member quasi-judicial tribunal with jurisdiction, powers, and duties to implement and enforce the standards of conduct under R.I. Gen. Laws § 39-1-27.6 and to hold investigations and hearings involving the rates, tariffs, tolls, and charges, and the sufficiency and reasonableness of facilities and accommodations of public utilities.

Rhode Island Division of Public Utilities and Carriers - the Rhode Island Division of Public Utilities and Carriers, which is headed by an Administrator who is not a Commissioner of the RIPUC, exercises the jurisdiction, supervision, power, and duties not specifically assigned to the RIPUC.

SOFR - Secured Overnight Financing Rate, a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

Superfund - federal environmental statute that addresses remediation of contaminated sites; states also have similar statutes.

TCJA - Tax Cuts and Jobs Act. Comprehensive U.S. federal tax legislation enacted on December 22, 2017.

VEBA - Voluntary Employee Beneficiary Association. A tax-exempt trust under the Internal Revenue Code Section 501 (c)(9) used by employers to fund and pay eligible medical, life and similar benefits.

The Narragansett Electric Company

Rhode Island Energy™

a PPL company

5.350% Senior Notes due 2034

Offering Memorandum
March 21, 2024

Joint Book-Running Managers

Goldman Sachs & Co. LLC **J.P. Morgan** **Mizuho** **RBC Capital Markets**

Co-Managers

MUFG **Scotiabank** **SMBC Nikko**

Academy Securities **AmeriVet Securities** **MFR Securities, Inc.** **Mischler Financial Group, Inc.** **Siebert Williams Shank**