

Division 7-43

Request:

Referencing the response to DIV 1-54 (c), PPL states that “[c]ertain functions that are currently provided by National Grid that are planned to be created in Rhode Island are Customer Contact and back office functions, Electric dispatch and control room operations, gas control and dispatch functions, gas and electric training operations and miscellaneous service company functions.” PPL further states in DIV 1-54(d) that “[i]f the Transaction is approved, PPL expect to submit plans for approval that increases the amount of infrastructure investments in Rhode Island, which will have a direct impact on the Rhode Island economy through direct and indirect purchases, use of contractors and service providers. In addition, PPL plans to create certain functions in Rhode Island that will require investments in facilities, construction, professional services and purchases (see item c. above).”

- a. Please provide details on the proposed infrastructure and cost, correlating the planned investment to the follow-up response to DIV 1-54(c). How will PPL fund the proposed infrastructure? Does PPL intend to recover the cost of the infrastructure in Rhode Island rates? If PPL has not identified the proposed infrastructure or cost, and cannot quantify the economic benefits that PPL asserts will occur in Rhode Island, how can PPL guarantee that Rhode Island ratepayers will not incur incremental costs for infrastructure without receiving commensurate benefits?
- b. Regarding Customer Contact and back office functions, electric dispatch and control room operations, gas control and dispatch functions, gas and electric training operations and service company functions, please:
 - i. Explain what functions are currently located in Rhode Island under National Grid's ownership;
 - ii. State whether any function located in Rhode Island is designed to serve the full needs of all Rhode Island customers; and
 - iii. State whether PPL has plans to create or expand any of the functions in Rhode Island in order to serve Rhode Island customers exclusively. If the answer is yes, please provide details on the plans including timing and proposed cost.

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC,
NATIONAL GRID USA, and THE NARRAGANSETT ELECTRIC COMPANY
Docket No. D-21-09
PPL Corporation and PPL Rhode Island Holdings, LLC's
Responses to Division's Seventh Set of Data Requests
Issued on August 31, 2021

Response:

- a. PPL is still in the process of determining proposed infrastructure investments to enhance the reliability and resiliency of the electric grid, as well as to enhance the grid's ability to integrate distributed energy resources ("DER"). As part of that process, PPL is reviewing, among other things, the Grid Modernization Plan (Docket 5114) (the "GMP") and Advanced Metering Functionality ("AMF") Plan (Docket 5113) filed by Narragansett with the Rhode Island Public Utilities Commission (the "PUC"). PPL has not yet identified any specific proposed infrastructure investments or quantified the costs associated with any such investments, nor has it quantified the benefits that these investments will provide to Narragansett customers.

Notwithstanding the foregoing, PPL can be sure that Narragansett customers will not incur incremental costs for infrastructure improvements without receiving commensurate benefits because: (1) any infrastructure investments PPL makes while operating under the current approved base rates would not result in incremental costs because rates are already set and in effect; and (2) any infrastructure investments PPL proposed through other mechanisms, such as the Infrastructure, Safety, and Reliability Plan or in a future general rate case in Rhode Island will be subject to review and approval by the PUC.

- b. PPL and PPL RI refer to National Grid USA and Narragansett's responses to subparts (b)(i) and (b)(ii) of this request.

In response to subpart (b)(iii) of this request, PPL and PPL RI refer to their response to data request Division 7-42, their response to data request Division 7-41, and Attachment PPL DIV 7-41-1 for information regarding functions that PPL and PPL RI plan to create or expand to serve Rhode Island customers exclusively.

Supplemental Response:

- (b)(iii) PPL and PPL RI refer to Attachment PPL-DIV 1-54-1 for additional information responsive to this request.