

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 RI Attorney General's First Set of Data Requests
Issued on September 29, 2021

AG 1-1

Request:

Please provide the Narragansett Electric charter or founding documents that set forth its stock shares and how they may be transferred.

Response:

PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-1.

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AG 1-2

Request:

Please detail PPL's due diligence efforts regarding the reasonableness of the purchase price for Narragansett Electric, including but not limited to the following:

- (a) Please include the analysis and professional opinions of any investment banks retained by PPL for this transaction.
- (b) Please include internal or external evaluations of markets, growth potential, financial outlook, and the regulatory environment.

Response:

PPL and PPL RI (collectively, "PPL") object to this data request because it seeks irrelevant information and documents and exceeds the scope of this proceeding. This joint petition seeks Rhode Island Division of Public Utilities and Carriers ("Division") approval for PPL Rhode Island Holdings, LLC's purchase of all shares of common stock of The Narragansett Electric Company ("Narragansett") under R.I. Gen. Laws § 39-3-24 and 39-3-25. Those statutes and the Division's August 19, 2021 Order in this proceeding establish the standard of review applicable to this proceeding: they require a finding that the proposed transaction will neither cause a detriment to the public nor diminish the provision of Narragansett's electric and gas distribution service. As the Division has held in this proceeding, this review is narrow. First, before approving a R.I. Gen. Laws § 39-3-24 petition, "the Division must find that there will be no degradation of utility services after the transaction is consummated." *In re Petition of PPL Corporation, PPL Rhode Island Holdings, LLC, National Grid USA and The Narragansett Electric Company for Authority To Transfer Ownership of The Narragansett Docket No. D-21-09 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals*, Dkt. No. D-21-09, 74 (R.I.D.P.U.C. August 19, 2021) (internal citations and quotations omitted). "The Division makes this determination by considering the buyer's experience and financial strength," not by reference to the due diligence performed by the buyer. *Id.* at 75. Second, the Division must find "that the proposed transaction will not unfavorably impact the general public (including ratepayers)." *Id.* (internal citations and quotation marks omitted). The information requested in this data request will not inform the Division's application of the standard.

This data request seeks information that does not bear on the two-pronged standard the Division applies to evaluate this transaction. Specifically, this request for information related to PPL's due diligence efforts regarding the reasonableness of the purchase price for Narragansett is not relevant because such information has no bearing on PPL and PPL RI's experience and financial strength or on whether the proposed transaction will unfavorably impact the general public, including

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ratepayers. Rather, this request is an unnecessary exploration into the thought processes and business strategy PPL employed in deciding to enter into this transaction. Such information will not inform the evaluation of whether PPL can continue to operate Narragansett in a manner that provides an equivalent level of service. Nor does this request seek any information that bears on the impact the transaction will have on the public. Rather, this request seeks irrelevant and proprietary information regarding PPL's decision to enter this transaction. Accordingly, this request seeks information beyond the scope of this proceeding.

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AG 1-3

Request:

Please provide a list of all assets being transferred as a result of the proposed Transaction. Please name the current owner and current operator of all identified assets, as well as the entity that would own and operate the assets if the proposed Transaction is approved.

Response:

PPL Rhode Island Holdings, LLC's ("PPL Rhode Island") acquisition of The Narragansett Electric Company ("Narragansett") from National Grid USA (the "Transaction") is structured as the sale of all the shares of outstanding common stock of Narragansett. Upon the closing of the Transaction, PPL Rhode Island will own Narragansett, but Narragansett will retain ownership of all the assets that it currently holds; no assets (other than the shares of Narragansett common stock currently owned by National Grid USA) are being transferred to PPL Corporation ("PPL"), PPL Rhode Island, or any other PPL affiliate.

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AG 1-4

Request:

If the current Transaction is approved, will National Grid still operate in Rhode Island in any capacity? If so, explain what services National Grid will continue to provide and/or assets it will retain? What current affiliates will remain in operation in Rhode Island under the National Grid umbrella?

Response:

PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-4.

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AG 1-5

Request:

Please discuss the relationship between NEP and Narragansett Electric, what services are currently provided by one to the other and if those services will continue and at what costs. If the services will not continue as they currently are, please explain who will provide said services or products going forward and at what costs.

Response:

PPL and PPL RI refer to their responses to data requests Division 1-37 and Division 2-42. PPL and PPL RI also refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-5.

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AG 1-6

Request:

Please detail any and all “ring-fencing” provisions that PPL will adopt to ensure that cash flows generated by Narragansett Electric will not be used to support third-party borrowings, PPL acquisitions, or meet other corporate cash requirements outside Rhode Island.

Response:

PPL refers to its responses to data requests Division 6-3 and Division 8-7.

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AG 1-7

Request:

For Narragansett Electric, PPL Electric, Louisville Gas & Electric and Kentucky Utilities:

- (a) Please provide a summary of the five most recent long-term debt placements for each company, including closing date, dollar amount, term for the debt, interest rate, and all other material terms.
- (b) Please provide the ratings for long-term debt that currently apply to each company.

Response:

- (a) Please see Attachment PPL-AG 1-7-1. PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-7 for responsive information for Narragansett Electric.
- (b) Please see Attachment PPL-AG 1-7-1. PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-7 for responsive information for Narragansett Electric.

Long Term Consolidated Debt-5 Most Recent Placements

Position Date: 30-Sep-2021

Entity	Instrument	Opening Date	Maturity Date	Par Call Date	Call Date	Coupon	Currency	Principal Amount Outstanding
PPL Electric Utilities	EU-FMB-FRN-2024	06/24/2021	06/24/2024	Maturity	06/24/2022	Floating ⁽¹⁾	USD	650,000,000
	EU-FMB-FRN-2023	10/01/2020	09/28/2023	Maturity	09/28/2021	Floating ⁽²⁾	USD	250,000,000
	EU-3.00-FMB-2049	09/06/2019	10/01/2049	04/01/2049		3.00%	USD	400,000,000
	EU-4.15-FMB-2048	06/14/2018	06/15/2048	12/15/2047		4.15%	USD	400,000,000
	EU-3.95-FMB-2047	05/11/2017	06/01/2047	12/01/2046		3.95%	USD	475,000,000
	Total							2,175,000,000

⁽¹⁾ Bonds are in a Floating Rate Period through maturity (SOFR+33bps).

⁽²⁾ Bonds are in a Floating Rate Period through maturity (3mL+25bps).

Entity	Instrument	Opening Date	Maturity Date	Par Call Date	Coupon	Currency	Principal Amount Outstanding
Louisville Gas and Electric Co	LGE-4.25-FMB-2049	04/01/2019	04/01/2049	10/01/2048	4.25%	USD	400,000,000
	LGE-4.375-FMB-2045	09/28/2015	10/01/2045	04/01/2045	4.375%	USD	250,000,000
	LGE-3.30-FMB-2025	09/28/2015	10/01/2025	07/01/2025	3.30%	USD	300,000,000
	LGE-4.65-FMB-2043	11/14/2013	11/15/2043	05/15/2043	4.65%	USD	250,000,000
	LGE-5.125-FMB-2040	11/16/2010	11/15/2040	05/15/2040	5.125%	USD	285,000,000
	Total						1,485,000,000
Kentucky Utilities Corporation	KU-3.30-FMB-2050	06/03/2020	06/01/2050	12/01/2049	3.30%	USD	500,000,000
	KU-4.375-FMB-2045	09/28/2015	10/01/2045	04/01/2045	4.38%	USD	550,000,000
	KU-3.30-FMB-2025	09/28/2015	10/01/2025	07/01/2025	3.30%	USD	250,000,000
	KU-4.65-FMB-2043	11/14/2013	11/15/2043	05/15/2043	4.65%	USD	250,000,000
	KU-5.125-FMB-2040	11/16/2010	11/01/2040	05/01/2040	5.125%	USD	750,000,000
	Total						2,300,000,000
	Kentucky Total						3,785,000,000

Note: SN = Senior Note, FMB = First Mortgage Bond

Long Term Debt-Remarketings

Position Date: 30-Sep-2021

Entity	Instrument	Remarketing Date	Maturity Date	Put Date	Coupon	Currency	Principal Amount Outstanding
PPL Electric Utilities	EU-2008-PEDFA-2023	10/01/2020	10/01/2023		0.40%	USD	90,000,000
	Total						90,000,000

Entity	Instrument	Remarketing Date	Maturity Date	Call/Put Date	Coupon	Currency	Principal Amount Outstanding
Louisville Gas and Electric Co	LGE Trimble 2001A	09/01/2021	09/01/2026		0.625%	USD	27,500,000
	LGE Jefferson 2007A	06/01/2021	06/01/2033		Floating ⁽¹⁾	USD	31,000,000
	LGE Jefferson 2007B	06/01/2021	06/01/2033		Floating ⁽¹⁾	USD	35,200,000
	LGE Jefferson 2001B	05/03/2021	11/01/2027		1.35%	USD	35,000,000
	LGE Trimble 2001B	05/03/2021	11/01/2027		1.35%	USD	35,000,000
Kentucky Utilities Corporation	Total						163,700,000
	KU Carroll 2002A	08/12/2021	02/01/2032		Floating ⁽²⁾	USD	20,930,000
	KU Carroll 2002B	08/12/2021	02/01/2032		Floating ⁽²⁾	USD	2,400,000
	KU Mercer 2002A	08/12/2021	02/01/2032		Floating ⁽²⁾	USD	7,400,000
	KU Muhlenberg 2002A	08/12/2021	02/01/2032		Floating ⁽²⁾	USD	2,400,000
	KU Carroll 2008A	06/01/2021	02/01/2032		2.00%	USD	77,947,000
Kentucky Total	KU Carroll 2006B	06/01/2021	10/01/2034	06/01/2031	2.125%	USD	54,000,000
	Total						165,077,000
							328,777,000

⁽¹⁾ Bonds reset on Weekly Rate Mode

⁽²⁾ Bonds are in a CP Rate Mode

Long Term Debt Credit Ratings

As of: 30-Sep-2021

Entity	Type	Moody's	S&P
Narragansett Electric	Senior Unsecured	Baa1	BBB+
PPL Electric Utilities	Senior Secured/FMB	A1	A
LG&E	Senior Secured/FMB	A1	A
KU	Senior Secured/FMB	A1	A

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AG 1-8

Request:

Please provide a balance sheet and utility rate base for the following companies before and after the proposed transaction, inclusive of goodwill and ADIT:

- (a) PPL Rhode Island Holdings (post transaction only);
- (b) Narragansett Electric (differentiated between electric and gas operations, as available).

Please explain each material change between before and after the transaction.

Response:

PPL and PPL RI refer to their response to data requests Division 2-3 (a) and (c) and the response of National Grid USA and The Narragansett Electric Company to data request AG 1-8 (b).

As explained in that response, PPL is still in the process of assessing the fair values of the assets acquired and liabilities assumed so it is not able to determine the purchase accounting entries to be recorded on PPL RI's balance sheet post transaction or the accounting entries required on Narragansett Electric's balance sheet related to the election under section 338(h)(10) of the Internal Revenue Code. In addition, PPL does not yet know the transaction close date. As a result, PPL is not able to provide a PPL RI balance sheet post transaction, or a Narragansett Electric balance sheet before and after the proposed transaction or utility rate base at this time.

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AG 1-9

Request:

Referencing PPL's response to DIV 2-3(b), please describe the impact, if any, of the tax election addressed in the response on the Narragansett Electric revenue requirements for both the electric and gas operations.

Response:

PPL refers to its response to AG 1-8.

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AG 1-10

Request:

Please provide National Grid's five-year financial forecast for Narragansett Electric, segregated between electric and gas operations as available, showing income statement, balance sheet and capital spending forecasts.

To the extent that PPL Electric has developed alternative forecasts for these entities, or if it has any material disagreements with these forecasts, please provide PPL's updates and explain the substantive differences.

Response:

PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-10.

PPL and PPL RI have not developed a five-year financial forecast for The Narragansett Electric Company. PPL and PPL RI refer to Attachment PPL-DIV 1-54-1 (Supplement), which provides a current view of PPL's reasonable expectation of the comparison between National Grid's current costs to operate Narragansett and PPL's anticipated costs to operate Narragansett at the conclusion of the transition period. Attachment PPL-DIV 1-54-1 (Supplement) is not a budget for PPL costs in future years and does not include any rate case timing assumptions; it is a cost comparison based on the best information currently available and estimates generated from that information.

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AG 1-11

Request:

Referencing PPL's response to DIV 2-36, PPL indicates that Narragansett Electric has some \$725 million of goodwill on its balance sheet, and that the proposed transaction will result in an additional \$1 billion, to be recorded on the balance sheet for PPL Rhode Island Holdings. Regarding that goodwill:

- (a) Please summarize the transactions that produce the \$725 million in goodwill.
- (b) Please provide the debt to capital ratio for Narragansett Electric with and without the goodwill.
- (c) Is PPL committing to finance the goodwill asset on the PPL Rhode Island Holdings balance sheet entirely with equity? If not, please explain your response.

Response:

- (a) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-11 (a).
- (b) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-11 (b).
- (c) PPL intends to finance the acquisition of Narragansett with a portion of proceeds from the June 2021 sale of PPL's former United Kingdom subsidiary, Western Power Distribution. These proceeds will be used by PPL RI to acquire the assets, including goodwill, and assume the liabilities of Narragansett, including the assumption of approximately \$1.5 billion of Narragansett debt.

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AG 1-12

Request:

Reference Attachment PPL-DIV 1-1-3, pages 213-224 of 668:

- (a) For each listed service provided by the service company, please specify the costs associated with that service for Narragansett Electric in the most recent year, split between the electric and gas companies.
- (b) Please indicate whether PPL anticipates that the costs will increase, decrease, or remain approximately the same for each service.

Response:

- (a) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-12 (a).
- (b) PPL and PPL RI have not conducted an analysis of whether each service company cost referenced in response to AG 1-12 (a) will increase, decrease, or remain the same for each service. PPL and PPL RI refer to Attachment PPL-DIV 1-54-1 (Supplement), which provides a current view of PPL's reasonable expectation of the comparison between National Grid's current costs to operate Narragansett and PPL's anticipated costs to operate Narragansett at the conclusion of the transition period. Attachment PPL-DIV 1-54-1 (Supplement) is not a budget for PPL costs in future years; it is a cost comparison based on the best information currently available and estimates generated from that information.

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AG 1-13

Request:

Currently, National Grid operates in Rhode Island, Massachusetts, and New York, providing certain regional benefits and cost savings which it claims has helped avoid additional costs for Rhode Island ratepayers. If this Transaction were approved, how will PPL avoid additional costs as a result of its not having any local or regional presence?

Response:

PPL and PPL RI refer to their response to data request Division 7-56.

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AG 1-14

Request:

Please provide a summary of your billing practices including if possible a sample bill or a description of what you anticipate your bills to look like including what items will be specified in the breakdown of charges.

Response:

PPL RI plans to continue The Narragansett Electric Company's ("Narragansett") existing billing practices on Day 1 following the completion of the Transaction in the same manner that Narragansett currently operates and manages its billing practices. On Day 1, the current Narragansett bills will remain substantively the same with the exception of updating branding. PPL RI will evaluate Narragansett's billing practices after the Transaction closes to consider whether any billing practice changes are appropriate. PPL and PPL RI will follow the existing statutory and regulatory requirements and processes to the extent that they determine that they want to make any potential changes to existing billing practices.

AG 1-15

Request:

Will PPL have a customer service presence physically located in Rhode Island following the proposed Transaction? If not, please explain why you do not believe a physical presence is necessary. If so, where will the facilities be located and how many local customer service employees are expected to be employed at the local facility. Will customers be able to physically go to the location to meet with customer service representatives? If not, please explain why.

Response:

PPL and PPL RI intend to create a physical customer service contact center for Narragansett customers in Rhode Island, which would include hiring contact center personnel. PPL and PPL RI currently estimate that the contact center will have approximately 115 employees. These employees will consist of existing National Grid employees transferring to PPL RI and new hires. PPL and PPL RI continue to evaluate staffing needs, and these employment estimates are subject to change. The contact center will be located in Rhode Island, but PPL and PPL RI have not yet determined the specific location within Rhode Island. PPL and PPL RI have not yet determined whether customers will be able to meet with customer service representatives in person at the contact center.

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AG 1-16

Request:

Will there be physical locations in Rhode Island where ratepayers can pay their electric and/or natural gas bills? If so, will those locations provide an option for paying by cash?

Response:

It is PPL and PPL RI's understanding that Narragansett currently allows customers to pay their bills in person at certain Western Union locations. Initially, PPL and PPL RI intend to continue Narragansett's arrangement with Western Union for in-person bill payment. PPL and PPL RI will evaluate Narragansett's policies for in-person bill payment after the Transaction closes to determine whether any changes are appropriate. PPL and PPL RI will follow the existing statutory and regulatory requirements, as applicable, to the extent that they determine that they want to make any potential changes to existing in-person bill payment policies.

AG 1-17

Request:

Applicants, please identify your collection practices and the steps you take with ratepayers to address financial and medical hardships and inability to pay. PPL please explain how you plan to apply or not apply all or some of your current practices in Rhode Island.

Response:

PPL's collection practices involve sending written notice to the customer to advise of a past-due amount and inform of possible disconnection in approximately 10 days. The customer may contact PPL to explore ways to pay, setting up payment arrangements or enrolling them in or advising them of available customer assistance programs. PPL's customer assistance programs are explained in more detail at PPL's response to data request OER 1-19.

If efforts to work with the customer are unsuccessful, PPL will pursue service termination as a last resort. PPL pursues service terminations only in compliance with applicable Pennsylvania Public Utility Commission, Kentucky Public Service Commission, and Virginia Division of Public Utility Regulation regulations. Additionally, PPL complies with applicable medical hardship regulations in its respective jurisdictions when working with customers who are overdue on their bills because of medical issues.

PPL rarely pursues collection of overdue bills by legal means for active accounts. PPL uses third-party collection agencies for the collection of unpaid, final bill balances. Legal actions may be utilized in these efforts but are rarely employed.

PPL Rhode Island anticipates that it will have similar collection practices that are adjusted to comply with Rhode Island-specific collection laws and regulations.

PPL and PPL RI refer to National Grid USA and Narragansett's response to data request AG 1-17 for a description of Narragansett's collection practices and the steps it takes with ratepayers to address financial and medical hardships and inability to pay.

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AG 1-18

Request:

Please summarize Narragansett Electric's programs for low-income customer assistance and provide reference to plan documents as available. Please indicate whether PPL has any plans to modify those programs.

Response:

PPL RI refers to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-18. PPL RI plans to continue to follow Narragansett's current programs for low-income customer assistance following closing of the Transaction. PPL RI's review of Narragansett's programs for low-income customer assistance will continue after the Transaction closes, however, PPL RI does not currently have any plans to modify Narragansett's current programs for low-income customer assistance. By way of further response, PPL offers similar low-income customer assistance programs as what is being offered by Narragansett currently in its other jurisdictions as detailed in PPL's response to OER 1-19.

AG 1-19

Request:

Please discuss your understanding of the issues in *Laura Bennett, et al. v. Thomas Ahern, et al.*, PC-2015-4214. Discuss how you believe the outcome may affect your treatment of the classes of ratepayers that are the subject to the suit and how the result could affect rates.

Response:

PPL and PPL RI are generally aware of *Laura Bennett, et al. v. Thomas Ahern, et al.*, PC-2015-4214 (the "Bennett Litigation") and understand that the Bennett Litigation initially concerned the application of the Rhode Island Public Utilities Commission's Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service, 810-RICR-10-00-1 ("PUC" Termination Rules"), which govern the utility's ability to terminate residential utility service, and in particular the rules governing termination of customers who are designated "seriously ill" or "handicap." PPL and PPL RI understand that there were several consent decrees entered by the court, including an existing consent order and a stay of the pending issues in the case, which involve the interpretation and application of protections relating to customers who are "seriously ill" and/or the administration of or access to a "life support" program. One of the requirements is that The Narragansett Electric Company ("Narragansett") may not terminate any electric or gas utility service for nonpayment to any residence of the individual plaintiffs in the Bennett Litigation or to any customer who previously submitted or later submits a physician's certification of serious illness. PPL and PPL RI expect that they will operate Narragansett after the Transaction closes consistent with and in accordance with the existing consent order, the PUC's Termination Rules, including any orders or rules and regulations and court orders or judgments that result from the remaining Bennett Litigation. PPL understands that Narragansett and the plaintiffs in the Bennett Litigation settled and Narragansett is no longer a party to that suit. PPL recognizes that the outcome of the remaining Bennett Litigation and any potential amendments to the PUC's Termination Rules may affect the treatment of the classes of ratepayers that are subject to the Bennett Litigation but any such impact is not known at this time. PPL and PPL RI currently do not expect that the outcome of the Bennett Litigation is likely to have any specific and identifiable impact on rates, but PPL and PPL RI acknowledge that uncollectible/bad debt expense is a component of ratemaking, and, to the extent the outcome of the Bennett Litigation causes material changes to Narragansett's uncollectible/bad debt expense, any such changes may be reflected when Narragansett files future base distribution rate cases.

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AG 1-20

Request:

Please provide any projections PPL may have for rates over the next five years for each electric and gas rate class.

Response:

PPL has not prepared any projections for electric or gas rates over the next five years. Narragansett's current base distribution rates will remain in effect until PPL files a rate case, and PPL has not determined when it will be filing a rate case in Rhode Island. PPL has not prepared any projections of potential changes to the other components of electric and gas rates, including for supply, which are established through the various reconciling factors reviewed and approved by the Rhode Island Public Utilities Commission.

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC,
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Docket No. D-21-09

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AG 1-21

Request:

Please explain the reason for the 5 percent mark-up on Fully Loaded Costs referenced in the Transition Service Agreement and explain whether or not the costs and mark-up will be passed on to ratepayers. If so, please explain why.

Response:

The 5 percent mark-up on Fully Loaded Costs is consistent with market rates to compensate providers of comparable services. The mark-up will not be passed on to ratepayers. PPL and PPL RI have not yet determined when the next base distribution rate case will be filed and therefore have not determined whether the costs will be included as part of the test year in a future rate case.

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC,
NATIONAL GRID USA, and THE NARRAGANSETT ELECTRIC COMPANY

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AG 1-22

Request:

How does PPL plan to service its gas customers on Aquidneck Island in light of the crisis experienced in 2019? Is PPL prepared to continue forward with National Grid's application expected before the Energy Facility Siting Board in 2022 and implementation of any approved plan resulting therefrom? If not, why?

Response:

PPL and PPL RI plan to provide safe and reliable gas distribution service to its gas customers on Aquidneck Island. PPL and PPL RI are aware of the gas service interruption that occurred on Aquidneck Island in 2019, and PPL and PPL RI have been following National Grid USA and Narragansett's efforts to address gas supply constraints to Aquidneck Island, including proceedings before the Energy Facility Siting Board in 2022. PPL and PPL RI do not know what the status of National Grid's proposed solution will be when the Transaction closes, and PPL and PPL RI currently expect that they will continue with National Grid's proposed solution after the Transaction closes. Once the Transaction closes and PPL and PPL RI take ownership of Narragansett, they will continue their evaluation of the gas distribution system and the gas supply constraints on Aquidneck Island and will determine whether to make any proposed changes or additions to the plan to provide safe and reliable gas distribution service to Aquidneck Island gas customers.

AG 1-23

Request:

Please discuss the differences and similarities in the treatment of interconnection costs and process of interconnection in Rhode Island with the costs and process in the jurisdiction's PPL operates in. Discuss who is responsible for the costs of interconnection in each jurisdiction, how is this determined, and what changes PPL intends to make to the process in Rhode Island.

Response:

PPL Electric Utilities Corporation ("PPL Electric")

FERC Jurisdictional

PJM Interconnection administers the wholesale generator interconnection process in 13 member states, including Pennsylvania. PPL Electric's role in this process as a Transmission Owner is substantially similar to Narragansett and New England Power Company's role in the ISO-NE process. PJM and ISO-NE's processes and cost causation principles are comparable and based on FERC guidance. Because ISO-NE owns these FERC jurisdictional processes in Rhode Island, PPL and PPL RI do not have the ability to make unilateral changes to the ISO-NE wholesale generator interconnection process. Any changes for which PPL and PPL RI may advocate as a part of ISO-NE's stakeholder process will be determined upon further evaluation and experience working in Rhode Island.

One main difference between ISO-NE and PJM is the treatment of state jurisdictional generator interconnection requests that may have impacts on the New England Transmission System. In ISO-NE, state jurisdictional generator interconnection requests of a certain size must be studied for impacts on the stability, reliability or operating characteristics of the New England Transmission System in the ISO-NE process and the generator interconnection customer could receive cost allocation for transmission upgrades ISO-NE determines are needed to mitigate such impacts. Currently in PJM, there is no formal process by which state jurisdictional requests are studied by PJM or the Transmission Owner.

State Jurisdictional

PPL Electric accepts interconnection applications for net-metered Distributed Energy Resources ("DER") up to 5MW through the state jurisdictional process and DERs who seek to use the distribution system to access the wholesale markets through PJM. Both types of interconnection requests follow the same process and cost structure as part of the distribution interconnection

process. DERs participating in the wholesale market also follow PJM's interconnection process for wholesale generators.

PPL Electric charges non-refundable application fees based on the size and type of generator. For inverter-based installations 10 kW or less, there is a flat fee of \$100. For inverter-based generators greater than 10 kW but 2000 kW or less, there is flat fee of \$250 plus \$1/kW. For non-inverter-based generators of any size and inverter-based generators larger than 2000 kW, there is a flat-fee of \$350 plus \$2/kW. These costs are in accordance with the standard fees outlined by the Pennsylvania Public Utility Commission Policy Statement on Interconnection Application fees and were adopted in 2009 and can be found at the following link:

<https://www.puc.pa.gov/pdocs/1034191.doc>.

PPL Electric's Renewable Energy Connection, an online web portal where customers apply to install a distributed energy resource, provides a basic technical evaluation at the time of application for situations such as service transformer overload or multiple generators on the same transformer.

Additionally, single-phase generators 25 kW or greater or three-phase generator 50kW or greater are technically reviewed and modeled by PPL Electric engineering for overall system impact and associated infrastructure upgrades, islanding potential and associated relaying requirements, and net metering qualification, if applicable.

All required infrastructure upgrade costs are passed on to the customer, including but not limited to service and/or service transformer upgrades, protection and/or relaying upgrades, conductor, or substation upgrades.

Louisville Gas & Electric ("LG&E")/Kentucky Utilities ("KU")

LG&E and KU accepts two levels of applications for interconnecting DER to its electric distribution system:

- Level I Application – involves primary customer interconnection requests which are relatively straightforward, satisfy set requirements outlined in the Company's Net Metering Service tariff language, and requires no contribution from customers.
- Level II Application – targeted for large or complex interconnection requests which necessitate more extensive system studies prior to approval. Filed applications are charged a non-refundable \$100 fee, and if a system impact study is required, the customer can be held responsible for up to \$1,000 for documented study costs.

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Additional costs that can be passed to customers for Level I and II interconnections include any infrastructure upgrades required to accommodate interconnection. This includes but is not limited to upgrades of associated service transformers, conductors, and protection and control equipment. To date, the company has only charged approximately \$9k towards upgrades on just over ten DER interconnections.

After receiving an interconnection application, LG&E and KU perform basic checks to verify customer eligibility for net metering and perform a technical review and system modeling as necessary to identify any required equipment setting changes or infrastructure upgrades. Once an application is approved and construction is complete, the customer meter is exchanged and the appropriate tariff is applied to their account.

With respect to intended process changes, PPL refers to its responses to data requests OER 1-12 and OER 1-13.

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC,
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AG 1-24

Request:

Please reference Narragansett Electric's Energy Efficiency Program:

- (a) If the current energy efficiency program is not that shown at [http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-2021EEPlan\(10-15-2020\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-2021EEPlan(10-15-2020).pdf), please provide an updated reference.
- (b) Please identify any changes contemplated by PPL Electric relating to the current energy efficiency program.

Response:

- (a) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-24 (a).
- (b) PPL and PPL RI refer to their response to data request OER 1-3.

AG 1-25

Request:

Please reference PPL Electric's filing before the Pennsylvania Public Utility Commission at Docket No. P-2019-3010128 regarding requirements to attach distributed generation:

- (a) Please provide a copy of (or reference to) the current PPL Electric DER Management Plan.
- (b) Please identify any significant differences between the PPL Electric DER Management Plan and that used by National Grid for Narragansett Electric.
- (c) Please indicate whether PPL intends to pursue a pilot program for Narragansett Electric as envisioned in Section II.B. of the settlement in the referenced proceeding (<https://www.puc.pa.gov/pdocs/1679576.pdf>).
- (d) Does PPL intend to adopt a plan similar or identical to the DER Management Plan addressed in the referenced proceeding at Narragansett Electric? Please explain your response.
- (e) Please identify any features of the PPL Electric DER Management Plan that the Company believes would not be appropriate for Narragansett Electric. Please detail the reasons.
- (f) Please detail Narragansett Electric's current CIAC policies regarding the development and integration of DER facilities, and provide a representative quantitative example for how the CIAC requirements are derived.
- (g) Please indicate whether PPL has any plans to modify Narragansett Electric's current CIAC policies for DER.

Response:

- (a) PPL and PPL RI refer to their response to data request Division 2-14(f).
- (b) National Grid does not have a similar DER Management pilot program for Narragansett, therefore, implementation of a program similar to the PPL Electric DER Management pilot program would be new for Narragansett.

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- (c) PPL Electric is still in the process of implementing the DER Management pilot program in Pennsylvania. PPL and PPL RI do not have any plans to immediately pursue a similar pilot program for Narragansett.
- (d) PPL and PPL RI refer to their response to data request AG 1-25(c).
- (e) PPL and PPL RI refer to their response to data request AG 1-25(c).
- (f) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-25(f).
- (g) PPL RI plans to continue to follow Narragansett's current CIAC policies for DER following closing of the Transaction. PPL RI's review of Narragansett's CIAC policies for DER will continue after the Transaction closes, however, PPL RI does not currently have any plans to modify Narragansett's current CIAC policies for DER.

AG 1-26

Request:

Reference Narragansett Electric Policies for EVs:

- (a) Please describe and provide reference to the current Narragansett Electric policies regarding EVs and both home and commercial vehicle charging stations.
- (b) Please identify any changes that PPL contemplates regarding the existing policies.
- (c) Please detail Narragansett Electric's current CIAC policies relating to electric vehicle charging stations and provide a representative quantitative example for how CIAC requirements are derived.

Response:

- (a) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-26 (a).
- (b) PPL RI plans to continue The Narragansett Electric Company's ("Narragansett") existing policies for EVs on Day 1 following the completion of the transaction in the same manner that the policies are currently operated and managed. PPL RI will evaluate Narragansett's policies for EVs after the transaction closes to consider opportunities to determine whether any program enhancements are appropriate. PPL and PPL RI will follow the existing statutory and regulatory requirements and processes to the extent that they determine that they want to make any potential changes to existing EV policies. PPL RI refers to its response to data request OER 1-16.
- (c) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-26(c).

AG 1-27

Request:

In your efforts regarding the transition to clean energy, please identify efforts you have made that you have funded without seeking partial or full recovery through rates, efforts you have pursued and sought partial or full recovery through rates, and efforts that have been funded via third party, whether grants or other source.

Response:

In its efforts regarding the transition to clean energy, PPL has made the following efforts that were funded without seeking partial or full recovery through rates:

Renewable energy development

- PPL is expanding its unregulated renewable generation portfolio by adding 93 megawatts of owned solar generation through 2020. Through Safari Energy, LLC, PPL has also invested in the development of commercial-scale solar projects with projects generating approximately 618,942 megawatt hours of electricity.

Investment in competitive transmission for renewable deployment

- PPL recently made a non-material investment in SOO Green innovative competitive transmission project designed to remove key barriers to interregional transmission line construction that will be essential to connecting more largescale renewable energy to the grid.

Investment in R&D

- PPL recently announced it is expanding its efforts to advance clean energy technologies by joining Energy Impact Partners' ("EIP") global investment platform, which brings together leading companies and entrepreneurs worldwide to foster innovation toward a sustainable energy future. Through its participation in the EIP platform, PPL will support investments aimed at accelerating the shift to a low-carbon future and driving commercial-scale solutions needed to deliver deep, economywide decarbonization.

Charitable contributions for community programs

Provide trees to county and municipal parks, environmentally focused groups and schools through various tree distribution programs.

- PPL Foundation makes a number of major and sustaining grants to projects and initiatives supporting sustainable communities, including environmental projects that could support the clean energy transition.

In its efforts regarding the transition to clean energy, PPL has made the following efforts that were funded by seeking partial or full recovery through rates:

R&D (partial recovery)

- PPL is an anchor sponsor of the joint, five-year effort between the Electric Power Research Institute (“EPRI”) and the Gas Technology Institute to conduct intensive and focused R&D in clean energy technologies that are necessary for economywide decarbonization. PPL’s CEO is chairing the board-level Low-Carbon Resources Initiative working group at EPRI. Funding is combination of corporate (not recovered) and operating company funding.
- Louisville Gas & Electric Company (“LG&E”) and Kentucky Utilities (“KU”) have collaborated with the University of Kentucky Center for Applied Energy Research (“CAER”) on carbon capture, utilization and storage. LG&E and KU have directly invested in CAER’s decarbonization research, and the company’s E.W. Brown Generation Station has been used by CAER to support U.S. DOE-funded research projects.

R&D (full recovery)

- PPL Electric supports collective industry research spearheaded by the National Electric Energy Testing, Research and Application Center including reliability analysis, power cable system design and distribution system standards.
- LG&E and KU is working with the EPRI on a large-scale energy storage project.

Transition to cleaner forms of energy (full recovery)

- LG&E and KU are working toward economic replacement of coal-fired generation in Kentucky. In 2019, LG&E and KU retired two units at the E.W. Brown plant, increasing the total retired coal-fired generation in Kentucky to 1,200 megawatts since 2010. LG&E and KU expect to retire an additional 1,000 megawatts of coal-fired power plants in Kentucky by 2028. As a result, they issued requests for proposals in January 2021, seeking 300 to 900 megawatts of replacement generation capacity beginning in 2025 to 2028. Additionally, LG&E and KU have asked for proposals for at least 100 megawatts of battery storage.

Delivering renewable energy to customers (limited to participating customers)

- LG&E and KU offer Green Tariff programs for community and business solar for customers interested in purchasing renewable power in Kentucky.
- A small component of renewable Power Purchase Agreements for customers not under contract with specific customers are retained for use in serving a broader customer base.

Delivering renewable energy to customers (full recovery)

- PPL Electric procures 18% of electricity delivered to non-shopping customers from qualified renewable and alternative energy sources in compliance with Pennsylvania's Alternative Energy Portfolio Standard.

Customer energy efficiency/Demand Side Management ("DSM") (full recovery)

- Since 2017, PPL has invested \$315.8 million in energy efficiency and DSM programs, saving customers over 2,000 megawatt-hours of electricity.

Integrating renewables (full recovery)

- PPL and PPL RI refer to their response to data request OER 1-15, which describes PPL's experience with interconnecting renewable energy resources.
- PPL Electric launched an innovative Distributed Energy Resource Management System ("DERMS") in Pennsylvania to enable more distributed energy resources, like solar power and energy storage, to connect reliably to the grid. PPL Electric made it easier for customers in Pennsylvania to apply to connect solar panels and other generation systems to the grid through a user-friendly Renewable Energy Connection website. Through June 2021, the website supported the connection of approximately 246 megawatts of renewable energy to the grid. (The project was initially launched through a partnership with the United States Department of Energy and academia.)

Decarbonizing utility operations (full recovery net of operational savings)

- Fleet, transmission & distribution, and building energy use
 - PPL has a current goal to reduce carbon emissions from its fleet vehicles by 5,000 metric tons, a 21% reduction from 2020 levels by 2030. PPL's operating companies are currently evaluating additional opportunities to electrify fleet vehicles.

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- Through the use of predictive analytics, infrastructure replacement and operational improvements, PPL has reduced fugitive emissions associated with transmission and distribution equipment by 68% since 2010 and by 37% since 2016 from gas distribution operations.
- PPL Electric has reduced building energy use by 52% from 2010-2020 and installed a solar facility at one of its service centers.

AG 1-28

Request:

What benefits does PPL plan to provide ratepayers to incentivize the use of green/renewable energies?

Response:

PPL and PPL RI (collectively, "PPL") object to this data request because it seeks irrelevant information and exceeds the scope of this proceeding. This joint petition seeks Rhode Island Division of Public Utilities and Carriers ("Division") approval for PPL Rhode Island Holdings, LLC's purchase of all shares of common stock of The Narragansett Electric Company ("Narragansett") under R.I. Gen. Laws s. 39-3-24 and 39-3-25. Those statutes and the Division's August 19, 2021 Order in this proceeding establish the standard of review applicable to this proceeding: they require a finding that the proposed transaction will neither cause a detriment to the public nor diminish the provision of Narragansett's electric and gas distribution service. As the Division has held in this proceeding, this review is narrow. First, before approving a R.I. Gen. Laws § 39-3-24 petition, "the Division must find that there will be no degradation of utility services after the transaction is consummated." *In re Petition of PPL Corporation, PPL Rhode Island Holdings, LLC, National Grid USA and The Narragansett Electric Company for Authority To Transfer Ownership of The Narragansett Docket No. D-21-09 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals*, Dkt. No. D-21-09, 74 (R.I.D.P.U.C. August 19, 2021) (internal citations and quotations omitted). "The Division makes this determination by considering the buyer's experience and financial strength," not by reference to the due diligence performed by the buyer. *Id.* at 75. Second, the Division must find "that the proposed transaction will not unfavorably impact the general public (including ratepayers)." *Id.* (internal citations and quotation marks omitted). The information requested in this data request will not inform the Division's application of the standard. The Division specifically directed that the Attorney General would "not be permitted to venture beyond the scope of this regulatory review or to seek 'net benefit' commitments from PPL." *Id.* at 71.

This data request seeks information that does not bear on the two-pronged standard the Division applies to evaluate this transaction and ventures beyond the scope of the regulatory review in this proceeding to inquire about potential benefits. Specifically, this request asks whether PPL and PPL RI have a plan to provide benefits to incentivize ratepayers to use green/renewable energies. That request is inappropriate and in contravention of the Division's order defining the scope of this proceeding.

Without waiving and subject to these objections, PPL and PPL RI refer to their response to data request OER 1-15 for a discussion of their approach to renewable energy programs.

AG 1-29

Request:

Please discuss and detail plans Applicants have, if any, to transition to renewable energy by 2030, including plans in Rhode Island.

Response:

PPL does not currently have a specific plan to transition to renewable energy by 2030 in any of its existing territories, or in Rhode Island. PPL is, however, committed to facilitating the transition to renewable energy and taking the steps necessary to support Rhode Island's renewable energy goals. As set forth below, PPL has the experience in Pennsylvania and Kentucky to play a key role in facilitating the transition to renewable energy in Rhode Island.

PPL and PPL RI refer to their response to AG 1-27. PPL's clean energy strategy includes commitments to decarbonize its owned generation and to enable others to decarbonize.

PPL recognizes the value of the energy grid in supporting the clean energy transition and the need to balance reliability, resiliency and affordability for customers. PPL's electric infrastructure will need to support increased electrification of the economy, including electric vehicles, large-scale connection of distributed energy resources ("DER") to distribution networks and the transmission of renewable energy to local communities. PPL Electric has developed one of the nation's most advanced automated electric distribution networks to not only strengthen resiliency in the face of severe weather, but also pave the way to integrate increased DERs reliably and efficiently. PPL will leverage its experience in Pennsylvania and the technology it has developed to deliver similar benefits to customers in Rhode Island as PPL develops a comprehensive energy infrastructure plan that supports the state's renewable and clean energy goals.

PPL Electric's DER management system is an innovative platform leveraging thousands of smart grid devices on its grid. This system enables PPL Electric to integrate renewables into the grid and gives real-time visibility to monitor and manage energy usage and maintain power quality. PPL Electric has enabled seamless connection of renewables for residential customers through an advanced online system that allows 90% of customers to receive immediate approval of applications. Additionally, PPL and PPL RI refer to their response to OER 1-15.

PPL also recognizes that transmission is the backbone of resiliency, reliability and integration of clean energy sources. PPL will bring its expertise constructing and managing intrastate and regional transmission to identify and propose necessary upgrades to Rhode Island's grid to facilitate interconnection of additional renewable energy generation.

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PPL Electric has gained industry-leading expertise in both regulated and competitive transmission over decades and will continue to educate itself on Rhode Island's needs. Regarding integration of renewables, PPL Electric's large generation interconnection requests have increased by more than eight times since 2017 in Pennsylvania, with about 95% of requests from carbon-free resources. PPL Electric's team has a 100% on-time completion rate for all necessary interconnection studies, enabling timely construction of projects. Recognizing PPL's expertise and success in this area, the company is looked to as a leader in discussions at PJM to reform the RTO's interconnection process and reduce a backlog of requests.

On the generation side of PPL's business, advancing a cleaner energy future involves investing in renewable projects. PPL's subsidiary, Safari Energy, LLC, supports the development of renewable energy in dozens of states across the U.S. Safari Energy, LLC ("Safari") has developed or acquired more than 500 commercial-scale solar projects since 2008 with projects generating approximately 618,942 megawatt hours of electricity. PPL through Safari is also responsibly expanding its unregulated renewable generation portfolio, adding 93 megawatts of solar generation through 2020.

In Kentucky, LG&E and KU will replace retiring coal-fired plants with cleaner generation sources, including renewables. Since 2010, PPL has divested or retired more than 5,200 megawatts of coal-fired generation from its portfolio. This includes 1,200 megawatts of coal-fired generation retired in Kentucky. As announced in January 2021, LG&E and KU anticipate retiring an additional 1,000 megawatts of coal-fired generation by 2028 and are evaluating proposals for 300 to 900 megawatts of replacement generation capacity beginning from 2025 to 2028. Additionally, LG&E and KU are seeking proposals for at least 100 megawatts of battery storage on their system.

Within Kentucky, LG&E and KU continue to support the economic development of renewables through several programs approved by the Kentucky Public Service Commission. This includes a Business Solar program, which develops private solar facilities for commercial and industrial customers; a Solar Share program, which allows all customers to share in solar energy developed by LG&E and KU; and a Green Tariff, which allows business customers to purchase renewable energy procured by LG&E and KU through long-term PPAs. In 2019, for example, KU entered into a 100-megawatt PPA with the developer of a planned solar site in the state to support major contracts signed with customers through the Green Tariff.

PPL and PPL RI also refer to the responses of National Grid USA and The Narragansett Electric Company to data requests AG 1-29 and AG 1-30.

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AG 1-30

Request:

To the extent available, please provide Narragansett Electric's understanding of the implications for its business plans for complying with the requirements of the 2021 Act on Climate. Please identify any differences that PPL has with that understanding.

Response:

PPL and PPL RI refer to the response of National Grid USA ("National Grid") and The Narragansett Electric Company ("Narragansett") to data request AG 1-30. PPL and PPL RI do not have any differences with the understanding outlined in National Grid and Narragansett's response to data request AG 1-30.

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AG 1-31

Request:

What efforts will PPL make to help Rhode Island meet its mandated reductions in fossil fuel and greenhouse gas emissions as laid out in the 2021 Act on Climate, including reaching net zero by 2050?

Response:

PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-30 regarding the interpretation the 2021 Act on Climate. PPL and PPL RI further state that they will follow all applicable statutes and regulations that impose any mandated reductions in fossil fuel and greenhouse gas emissions. PPL and PPL RI have not created a specific plan for Rhode Island related to the 2021 Act on Climate.

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AG 1-32

Request:

How does PPL plan to “modernize” Rhode Island’s electric grid as claimed in the Petition? What upgrades to the electric system might this include? Please include in your answer specific programs and examples of how you may have implemented programs in your current service areas under any of your subsidiaries. Please also identify any expected costs related to this “modernization” and how those costs may be passed on to ratepayers.

Response:

PPL and PPL RI refer to their responses to data requests Division 1-35 and 1-39; Division 2-9, 2-13, and 2-46; and Division 7-43 (Supplemental), 7-45, and 7-52.

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AG 1-33

Request:

Please provide PPL's long-term vision for the natural gas distribution business, in the context of global climate change and Rhode Island's 2021 Act on Climate. For instance, does PPL have any plans to degas Rhode Island or to convert natural gas lines to some form of renewable/alternative fuel?

Response:

PPL and PPL RI are committed to operating Narragansett's natural gas distribution business consistent with the requirements of Rhode Island's 2021 Act on Climate and all other State policies and requirements addressing global climate change. PPL has not developed any specific plans to transition Rhode Island away from gas. Any efforts to "degas Rhode Island," including any potential conversion of natural gas lines to "some form of renewable/alternative fuel," will be governmental policy decisions. PPL and PPL RI will work with the Rhode Island governor, legislature, regulators, and stakeholders to achieve Rhode Island energy policy priorities related to natural gas distribution. PPL's long-term plan for its operation of Narragansett's gas distribution business is to do so prudently and consistent with the Rhode Island's short- and long-term renewable and climate goals.

AG 1-34

Request:

Regarding natural gas system extension investments:

- (a) Please detail Narragansett Electric's current policy for extending the natural gas system to serve new customers.
- (b) Please provide Narragansett Electric's current CIAC policy for new gas system customers and provide a representative quantitative example of how CIAC requirements are set.
- (c) Please explain how Narragansett electric derives the economic life for new natural gas distribution assets.
- (d) Please detail any disagreements or proposed changes that PPL has with respect to the existing policies for new customers.

Response:

- (a) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-34 (a).
- (b) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-34 (b).
- (c) PPL and PPL RI refer to the response of National Grid USA and The Narragansett Electric Company to data request AG 1-34 (c).
- (d) PPL and PPL RI are not currently aware of any disagreements or proposed changes with respect to existing policies. PPL and PPL RI plan to continue to follow Narragansett's current policies for new customers following close of the Transaction. PPL and PPL RI's review of Narragansett's policies for new customers will continue after the Transaction closes.

AG 1-35

Request:

Regarding natural gas system replacements/abandonments:

- (a) Please detail Narragansett Electric's policies regarding decisions to replace or abandon obsolescent gas distribution facilities.
- (b) Please explain how Narragansett Electric currently determines the economic life for gas distribution replacement assets.
- (c) Please detail any disagreements or proposed changes that PPL has with respect to the existing policies for natural gas system replacements/abandonments.

Response:

- (a) PPL and PPL RI refer to National Grid USA and Narragansett's response to data request AG 1-35 (a).
- (b) PPL and PPL RI refer to National Grid USA and Narragansett's response to data request AG 1-35 (b).
- (c) At this time, PPL and PPL RI have not made any decisions about changes to existing policies regarding pipeline replacements. However, PPL expects that in-flight projects and programs would continue until after closing when PPL and PPL RI undertake a review of all programs and develop future plans.

AG 1-36

Request:

Reference Petition at para. 4, regarding PPL's sale of its Western Power Distribution ("WPD") operations:

- (a) Please specify the magnitude of PPL corporate and administrative costs that are currently assigned to WPD but will remain with PPL after the sale.
- (b) Please indicate how costs previously assigned to WPD will be recovered in the future.

Response:

PPL and PPL RI (collectively, "PPL") object to this data request because it seeks irrelevant information and documents and exceeds the scope of this proceeding. This joint petition seeks Rhode Island Division of Public Utilities and Carriers ("Division") approval for PPL Rhode Island Holdings, LLC's purchase of all shares of common stock of The Narragansett Electric Company ("Narragansett") under R.I. Gen. Laws s. 39-3-24 and 39-3-25. Those statutes and the Division's August 19, 2021 Order in this proceeding establish the standard of review applicable to this proceeding: they require a finding that the proposed transaction will neither cause a detriment to the public nor diminish the provision of Narragansett's electric and gas distribution service. As the Division has held in this proceeding, this review is narrow. First, before approving a R.I. Gen. Laws § 39-3-24 petition, "the Division must find that there will be no degradation of utility services after the transaction is consummated." *In re Petition of PPL Corporation, PPL Rhode Island Holdings, LLC, National Grid USA and The Narragansett Electric Company for Authority To Transfer Ownership of The Narragansett Docket No. D-21-09 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals*, Dkt. No. D-21-09, 74 (R.I.D.P.U.C. August 19, 2021) (internal citations and quotations omitted). "The Division makes this determination by considering the buyer's experience and financial strength," and the corporate and administrative costs previously assigned to WPD have no impact on this factor. *Id.* at 75. Second, the Division must find "that the proposed transaction will not unfavorably impact the general public (including ratepayers)." *Id.* (internal citations and quotation marks omitted). The information requested in this data request will not inform the Division's application of the standard.

This data request seeks information that does not bear on the two-pronged standard the Division applies to evaluate this transaction. Specifically, this request for information related to PPL's corporate and administrative costs for a different utility that PPL has sold and no longer controls, and those costs have no bearing on PPL and PPL RI's experience and financial strength or on whether the proposed transaction will unfavorably impact the general public, including ratepayers.

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 RI Attorney General's First Set of Data Requests
Issued on September 29, 2021

Without waiving and subject to this objection, PPL and PPL RI state that the corporate and administrative costs previously assigned to WPD will have no impact on Narragansett customers rates or service.

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
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AG 1-37

Request:

Referencing PPL's response to DIV 3-11, PPL Gas Utilities Corporation, please detail the reasons for PPL's acquisition and subsequent divestiture of gas distribution operations in Pennsylvania.

Response:

After a reasonable investigation, PPL no longer has records detailing the reasons for PPL's acquisition of PPL Gas Utilities Corporation ("PPL Gas") or its predecessor in interest.

See PPL's July 30, 2007, Form 8-K filed with the Securities and Exchange Commission at the time of the sale of PPL Gas at the following link:

<https://www.sec.gov/Archives/edgar/data/0000922224/000092222407000083/pp18kexhibit991.htm>

As stated in the Form 8-K, PPL's sale of PPL Gas was to "position [PPL] to focus on emerging growth opportunities in our core businesses of electricity generation, marketing and delivery – bringing the most value to our shareowners..."

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 RI Attorney General's First Set of Data Requests
Issued on September 29, 2021

AG 1-38

Request:

Please provide a list of other jurisdictions you have operated in over the last 15 years in the electric or gas market. Please provide the name of the entity you operated as, your reason for withdrawal from the market, and whether your withdrawal was connected to litigation or resulted in litigation. If litigation did occur, please provide the status of the litigation.

Response:

See Attachment PPL-AG 1-38-1 which lists PPL's United States subsidiaries, as well as certain foreign subsidiaries, that have operated in the electric or gas market over the last 15 years. There were other foreign subsidiaries that operated in various countries more than a decade ago, but because those records were maintained in the respective foreign jurisdiction and went with those companies upon their sale, PPL no longer has information regarding their operations in the electric or gas markets over the last 15 years.

PPL created, acquired or divested these subsidiaries, or qualified or withdrew subsidiaries from various states, in furtherance of its mission to provide safe, affordable, reliable, sustainable energy to its customers and superior, long-term returns to its shareowners, or because it was doing business in a state, or was no longer doing business in a state.

PPL did not withdraw from any market because of litigation nor did the withdrawal result in litigation.

**PPL Corporation Subsidiary Listing and Jurisdictions Operated in over the Last 15 Years in the Electric or Gas Market
 (Includes Former WPD International Subsidiaries)**

COMPANY	STATE OF FORMATION	OTHER STATES AUTHORIZED	DATE WITHDRAWN	% OWNERSHIP (IF NOT WHOLLY OWNED)	DISPOSITION
Bangor-Pacific Hydro Associates	ME			50% Penobscot Hydro Co., Inc.; 50% Indeck Penobscot Hydro LLC	Sold to an affiliate of ArcLight Capital Partners, LLC on 11/1/09.
Bangor-Pacific Operating Co., Inc.	ME				Sold to an affiliate of ArcLight Capital Partners, LLC on 11/1/09.
Brunner Island Services, LLC	PA				As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15
Electric Energy, Inc.	IL			20%	
Kentucky Utilities Company	KY and VA dual incorporation	TN			
LFG Production of Coopersville, LLC	DE				Sold to Granger Holdings, LLC on 12/31/07.
LFG Production of Morgantown, LLC	DE				Sold to Granger Holdings, LLC on 12/31/07.
LG&E and KU Energy LLC	KY				
LG&E Energy Marketing Inc.	OK	CT FL GA IL IN KY LA MO NM NY OH OK SC TN TX VA	3/11/11 3/10/11 10/23/14 11/10/15 11/9/15 7/16/12 3/14/11 3/18/11 11/9/15 11/9/15 3/11/11 3/11/11 7/11/16 8/3/11 12/1/15		Merged into LG&E and KU Capital LLC on 12/31/18.
Louisville Gas and Electric Company	KY	IN			
Lower Mount Bethel Energy, LLC	DE	PA			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
LSP University Park, LLC	DE	IL			Sold to Harbor Gen Holdings, LLC on 3/9/11.
Ohio Valley Electric Corporation	OH			Kentucky Utilities Company 2.50%; Louisville Gas & Electric Company 5.63%	
Penn Fuel Propane, LLC	PA	DE MD WV			Sold to UGI Industries, Inc. on 10/1/08.
Penobscot Hydro Co., Inc.	ME				Merged into PPL Maine, LLC on 12/31/11
PPL Brunner Island, LLC	DE	PA			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Distributed Generation, LLC	DE	NJ NY PA			Changed its name to PPL Renewable Energy, LLC on 6/5/07. As part of the spinoff, PPL Renewable Energy, LLC became part of the Talen Energy Corporation on 6/1/15
PPL Edgewood Energy, LLC	DE	NY			Sold to an affiliate of J-Power USA Development Co., Ltd. on 2/26/10.
PPL Electric Utilities Corporation	PA	NY	12/15/06		

**PPL Corporation Subsidiary Listing and Jurisdictions Operated in over the Last 15 Years in the Electric or Gas Market
 (Includes Former WPD International Subsidiaries)**

COMPANY	STATE OF FORMATION	OTHER STATES AUTHORIZED	DATE WITHDRAWN	% OWNERSHIP (IF NOT WHOLLY OWNED)	DISPOSITION
PPL EnergyPlus Retail, LLC	DE	DC MD NJ PA VA WV			Sold to United Petroleum Plus Terminals, Inc on 5/1/15.
PPL EnergyPlus, LLC	PA	Alberta CT DC DE IL MA MD ME MT NH NJ NY OH TX VA VT			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Gas Utilities Corporation	PA	DE MD WV			Sold to UGI Industries, Inc. on 10/1/08.
PPL Great Works, LLC	DE	ME	12/26/12		Merged into PPL Maine, LLC on 12/31/12.
PPL Holtwood, LLC	DE	PA			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Interstate Energy Company	DE	PA			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Ironwood, LLC	DE	PA VA	2/13/13		As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Maine, LLC	DE	ME	4/1/13		As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Martins Creek, LLC	DE	PA			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Montana, LLC	DE	AZ CA CO ID MT NM NV OR WY			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Montour, LLC	DE	PA			As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Northwest, LLC	DE	PA	4/2/09		Merged into PPL Generation, LLC on 3/31/09.
PPL Prescott, LLC	DE	PA VA	2/13/13		As part of the spinoff, this company became part of Talen Energy Corporation on 6/1/15.
PPL Shoreham Energy, LLC	DE	NJ NY PA			Sold to an affiliate of J-Power USA Development Co., Ltd. On 2/26/10.
PPL Susquehanna, LLC	DE	PA			As part of the spinoff, this company is now part of Talen Energy Corporation as of 6/1/15.
PPL Treasure State, LLC	DE	MT PA			As part of the spinoff, this company is now part of Talen Energy Corporation as of 6/1/15.
PPL University Park, LLC	DE	IL	3/9/11		Merged into LSP University Park, LLC on 3/8/11.

**PPL Corporation Subsidiary Listing and Jurisdictions Operated in over the Last 15 Years in the Electric or Gas Market
 (Includes Former WPD International Subsidiaries)**

COMPANY	STATE OF FORMATION	OTHER STATES AUTHORIZED	DATE WITHDRAWN	% OWNERSHIP (IF NOT WHOLLY OWNED)	DISPOSITION
PPL Wallingford Energy LLC	CT				Sold to Harbor Gen Holdings, LLC on 3/9/11.
Safe Harbor Water Power Corporation	PA			50% PPL Holtwood, LLC; 50% Constellation Power Source Generation, Inc.	Sold interest to LSP Safe Harbor Holdings, LLC on 3/9/11.
Western Kentucky Energy Corp.	KY				