

AG RR 2

Request:

Please provide any post-transaction financials and supporting documentation submitted to Moody's in connection with Moody's review of the proposed Transaction.

Response:

PPL and PPL RI refer to Attachment AG RR2-1. PPL and PPL RI have filed a Motion for Protective Treatment to maintain Attachment AG RR2-1 as confidential in its entirety. The confidential Attachment AG RR2-1 further contains redactions to protect the sensitive financial information of companies that are irrelevant to the Transaction.

The financial information contained in AG RR2-1 was based upon preliminary information obtained from National Grid USA during the due diligence phase surrounding the potential acquisition of The Narragansett Electric Company ("Narragansett"). This financial information was provided to Moody's on March 5, 2021, to provide a preliminary, high-level picture of the potential post-transaction impacts to the credit ratings of PPL and its subsidiaries based on the information available at that time. This financial information reflects a preliminary overview of PPL Rhode Island Holdings, LLC, inclusive of Narragansett. It does not provide specific financial information about Narragansett. Similarly, this information does not reflect the Narragansett financial information that will impact customers. For example, this financial information includes goodwill, which will not be included on the books of Narragansett. Also, the operation and maintenance cost estimates contained in this attachment were created before the cost analysis set forth in Attachment PPL-DIV 1-54-1, which evaluated managed costs. This information does not reflect any transition service costs.

Overall, Attachment AG RR2-1 reflects a high-level summary financial picture based on the information PPL had available at the time, and it does not represent PPL's current view of the post-Transaction financials of Narragansett or PPL RI. As PPL witnesses explained in testimony, PPL is currently in the process of creating a budget, but that process is not yet complete. Attachment PPL-DIV 1-54-1 is the most up-to-date analysis of PPL's estimated cost to operate Narragansett after the transition period.

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 Record Requests  
Issued on December 14, 2021

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Attachment PPL AG RR 2-1

Confidential Attachment PPL AG RR 2-1 contains confidential information. PPL and PPL RI have requested protective treatment of this confidential attachment in its entirety.