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 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals

May 4, 2021

Submitted to: Rhode Island Division of Public Utilities and Carriers

Docket No. D-21-____

Submitted by:

Filing Letter

HINCKLEY ALLEN

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Gerald J. Petros
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May 4, 2021

VIA HAND DELIVERY AND ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Division of Public Utilities and Carriers
89 Jefferson Boulevard
Warwick, RI 02888

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 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals

Dear Ms. Massaro,

Enclosed for filing with the Division of Public Utilities and Carriers ("Division") is an original and four copies of the Petitioners' PPL Corporation ("PPL"), PPL Rhode Island Holdings, LLC ("PPL Rhode Island"), National Grid USA ("National Grid USA") and The Narragansett Electric Company ("Narragansett") (collectively "Petitioners") Petition for Authority to Transfer Ownership of The Narragansett Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals ("Petition").

Pursuant to a Share Purchase Agreement dated March 17, 2021, by and among PPL Energy Holdings, LLC, PPL (solely with respect to Section 4.10 and Section 6.14), and National Grid USA (the "Agreement"), National Grid USA agreed to sell 100 percent of the outstanding shares of common stock in Narragansett to PPL Rhode Island,[1] which is a wholly owned indirect subsidiary of PPL (the "Transaction"). The Transaction constitutes a stock purchase of Narragansett only, and PPL Rhode Island will pay the purchase price in cash at closing. Narragansett will continue to own and operate its assets and maintain all of its franchise rights for the provision of electric and gas distribution service in Rhode Island, under the management and control of PPL Rhode Island.

[1] Following execution of the Agreement, PPL Energy Holdings assigned its right to purchase Narragansett to its wholly owned subsidiary, PPL Rhode Island, such that upon closing, PPL Rhode Island will own 100 percent of the outstanding shares of common stock in Narragansett.

As required by R.I. Gen. Laws §§ 39-3-24 and 39-3-25 and 815-RICR-00-00-1.13, the Petitioners' filing establishes, through testimony of key PPL and National Grid USA representatives, that the Transaction will not diminish the facilities for furnishing services to the public and is consistent with the public interest. PPL is an established and highly reputable utility services provider in Pennsylvania, Kentucky, and the United Kingdom. PPL has the experience, knowledge, and innovative culture to build upon the safe, reliable, and affordable utility service its future customers in Rhode Island have received, expect and deserve.

This filing consists of the following documents:

- 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 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals;

- Pre-Filed Direct Testimony of Vincent Sorgi (Exhibit 1 to Petition);

- Pre-Filed Direct Testimony of Gregory Dudkin (Exhibit 2 to Petition);

- Pre-Filed Direct Testimony of Lonnie Bellar (Exhibit 3 to Petition); and

- Pre-Filed Direct Testimony of Terence Sobolewski (Exhibit 4 to Petition).

The Pre-Filed Direct Testimony of Vincent Sorgi, President and Chief Executive Officer of PPL, describes the key terms of the Agreement and Transaction, introduces PPL, and explains how the Transaction will benefit Narragansett's customers.

The Pre-Filed Direct Testimony of Gregory Dudkin, PPL's Executive Vice President and Chief Operating Officer, explains why PPL will successfully manage Narragansett, presents PPL's outstanding record of award-winning customer service, and describes PPL's industry leading experience with and commitment to modernizing the electric grid and facilitating the transition to a clean energy future.

The Pre-Filed Direct Testimony of Lonnie Bellar, the Chief Operating Office of Kentucky Utilities Company and Louisville Gas and Electric Company, both operating under PPL, provides insight into PPL's experience operating regulated gas distribution utilities and PPL's plans for the operation of Narragansett's gas distribution operations upon approval of the Transaction.

Finally, the Pre-Filed Direct Testimony of Terence Sobolewski, President, Rhode Island and Interim President for the New England Jurisdiction for National Grid USA Service Company, Inc., describes the Transaction from National Grid USA's perspective, discusses the

proposed transition process, and confirms that the Transaction meets the statutory standard for the Division's consent and approval of the Transaction.

The Petitioners have undertaken a thoughtful and thorough approach in developing this Petition and are proud to submit this Petition to the Division for review and approval. We look forward to working with the Division to advance this review.

All correspondence relating to the filing should be addressed to myself and Adam M. Ramos at the address listed above, along with:

Cheryl M. Kimball, Esq.
Robert J. Humm, Esq.
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99 High Street, Suite 2900
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Jennifer Brooks Hutchinson, Esq.
Senior Counsel
National Grid
280 Melrose Street
Providence, RI 02907
Tel: 401.784.7288

Thank you very much for your time and attention to this matter. Please do not hesitate to contact us should you have any questions regarding this filing.

Very truly yours,

Gerald J. Petros

Hinckley, Allen & Snyder LLP

Petition

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 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals

May 4, 2021

Submitted to: Rhode Island Division of Public Utilities and Carriers

Docket No. D-21-____

Submitted by:

STATE OF RHODE ISLAND
DIVISION OF PUBLIC UTILITIES AND CARRIERS

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 Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals	)	**Docket No. D-21_____**

Petition for Authority to Transfer Ownership of The Narragansett Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals

1. Pursuant to R.I. Gen. Laws §§ 39-3-24 and 39-3-25 and 815-RICR-00-00-1.13, PPL Corporation ("PPL"), PPL Rhode Island Holdings, LLC ("PPL Rhode Island"), National Grid USA, and The Narragansett Electric Company d/b/a National Grid ("Narragansett") (collectively "Petitioners") petition the Division of Public Utilities and Carriers (the "Division") for approval of PPL Rhode Island's purchase of 100% of the outstanding shares of common stock in Narragansett from National Grid USA (the "Transaction").

2. The Transaction will occur pursuant to the terms and conditions of the Share Purchase Agreement entered into as of March 17, 2021, by and among PPL Energy Holdings, LLC ("PPL Energy Holdings"), National Grid USA, and PPL (the "Agreement").[1] Following execution of the Agreement, PPL Energy Holdings assigned its rights under the Agreement to acquire Narragansett to its wholly owned subsidiary, PPL Rhode Island, such that upon closing,

[1] PPL is a party only to Sections 4.10 and 6.14 of the Agreement. Under Section 4.10, PPL makes certain representations and warranties. Under Section 6.14, PPL guarantees performance of all PPL Energy Holdings and PPL Rhode Island obligations under the Agreement.

PPL Rhode Island will own 100 percent of the outstanding shares of common stock in Narragansett.[2]

3. Petitioners also submit the Pre-Filed Direct Testimony of Vincent Sorgi, President and Chief Executive Officer of PPL;[3] Gregory N. Dudkin, Executive Vice President and Chief Operating Officer of PPL;[4] Lonnie E. Bellar, Chief Operating Officer of Kentucky Utilities Company and Louisville Gas and Electric Company ("LG&E");[5] and Terence Sobolewski, President, Rhode Island, and Interim President, New England Jurisdiction, for National Grid USA Service Company, Inc. (the "Service Company")[6] in support of this Petition.

4. The standard for approval of the Transaction under R.I. Gen. Laws § 39-3-25 is that "the facilities for furnishing service to the public will not thereby be diminished [by the Transaction] and . . . the terms [of the Agreement and the Transaction] are consistent with the public interest. The first criterion "requires a finding that "there will be no degradation of utility services after the transaction is consummated." The second criterion requires that "the proposed transaction will not unfavorably impact the general public (including [customers])."[7] Based on the facts set forth in this Petition and the supporting testimony, Petitioners respectfully submit that the Transaction satisfies this standard and the Division should consent to and approve the Transaction.

[2] True and accurate copies of the Agreement and the Assignment and Assumption Agreement are included as Exhibit A to the Pre-Filed Direct Testimony of Vincent Sorgi.
[3] Mr. Sorgi's testimony is attached as Exhibit 1 to this Petition.
[4] Mr. Dudkin's testimony is attached as Exhibit 2 to this Petition.
[5] Mr. Bellar's testimony is attached as Exhibit 3 to this Petition.
[6] Mr. Sobolewski's testimony is attached as Exhibit 4 to this Petition.
[7] See In re: Joint Petition for Purchase and Sale of Assets by The Narragansett Electric Company and the Southern Union Company, D-06-13, Report and Order No. 18676, at 52 (July 25, 2006).

The Petitioners

5. Narragansett is a "public utility" as defined under R.I. Gen. Laws § 39-1-2(20). Narragansett provides electric transmission and distribution service and natural gas distribution service to approximately 780,000 customers throughout the State of Rhode Island. National Grid USA owns 100 percent of the outstanding shares of Narragansett's common stock.

6. PPL Rhode Island is a wholly-owned, indirect subsidiary of PPL. Through its subsidiaries, PPL owns regulated utilities that provide electric distribution service to nearly 2.5 million customers in portions of Pennsylvania and Kentucky, and natural gas distribution service to more than 300,000 customers in portions of Kentucky. PPL's service area in Pennsylvania and Kentucky covers nearly 20,000 square miles.

7. Additionally, PPL, through a subsidiary, owns and operates Western Power Distribution ("WPD"), which is the largest electric distribution utility in the United Kingdom, serving approximately 8 million customers.

8. PPL operates electric distribution systems in both the United States and the United Kingdom that efficiently employ smart-grid technology to (1) improve reliability and resiliency; (2) reduce the number and duration of service interruptions; (3) facilitate the integration of renewable energy resources; and (4) deliver outstanding customer service. PPL's operations team has consistently earned the highest rankings and awards from recognized agencies in numerous categories measuring both customer satisfaction and performance.

9. National Grid USA is an indirect, wholly-owned United States subsidiary of National Grid plc, a public limited company organized under the laws of England and Wales. Through its subsidiaries, National Grid USA owns regulated electric distribution and gas distribution utilities in Rhode Island, Massachusetts, and New York, including Narragansett.

National Grid USA also owns a regulated electric transmission utility, New England Power Company ("NEP"), which owns and physically operates its own transmission assets and physically operates the transmission assets in Rhode Island owned by Narragansett.

10. Because the Transaction involves the purchase and sale of all shares of common stock of Narragansett, a public utility under Rhode Island law, the Petitioners seek consent for and approval of the Transaction under R.I. Gen. Laws § 39-3-24(3).

Terms and Conditions of the Transaction

11. Pursuant to the Agreement entered into on March 17, 2021, PPL Rhode Island will purchase all of National Grid USA's equity interests in Narragansett.[8] PPL Rhode Island will pay the purchase price in cash at closing, and its purchase of Narragansett's common stock is not contingent on obtaining any financing. Under the Agreement, PPL Rhode Island and National Grid USA have agreed to make an election under section 338(h)(10) of the Internal Revenue Code to have the Transaction treated as an asset sale for federal income tax purposes.

12. The Transaction will result in a change in control of Narragansett. It is a stock purchase of Narragansett only. Narragansett will continue to own and operate its assets and maintain all of its franchise rights for the provision of electric and gas distribution service in Rhode Island, under the management and control of PPL Rhode Island.

13. In addition, Narragansett will continue to own the electric transmission facilities that NEP currently physically operates in Rhode Island on Narragansett's behalf, for which NEP has transferred operational authority to ISO New England Inc.[9]

[8] Contemporaneous with the Transaction, PPL also announced that it had reached an agreement to sell WPD to an affiliate of National Grid plc.

[9] The details of post-closing, physical operation of the Narragansett transmission assets are under review and may require approval by FERC depending upon the ultimate resolution.

14. The Transaction does not impact ownership of facilities in Rhode Island owned by any other National Grid USA subsidiaries.

15. After closing, Narragansett will become one of the regulated utilities under the PPL umbrella and will no longer be affiliated with National Grid USA and its operating subsidiaries in Massachusetts and New York. Within 60 days of the closing of the Transaction, Narragansett will no longer do business under the National Grid name.

16. PPL Rhode Island or one of its affiliates will substitute for National Grid USA in providing guarantees for Narragansett's financial obligations.

17. The Petitioners do not expect the Transaction to negatively impact the current employees of Narragansett in Rhode Island. Recognizing the value that the employees bring to the operations of Narragansett, as part of the Transaction, PPL Rhode Island, for at least 12 months following the closing of the Transaction, will provide non-union employees a base salary or wage rate and annual cash incentive opportunities that are no less favorable than those provided immediately prior to closing and benefits that are substantially comparable in the aggregate to those currently provided. In addition to the Narragansett employees, and to further support the continuity of service to customers, PPL or one of its subsidiaries expects to extend employment offers to certain employees of National Grid USA and/or its affiliates who provide services to Narragansett. PPL or one of its subsidiaries will make those offers either in advance of the anticipated closing date or during the up to two-year transition period following the closing of the sale. Narragansett's collective bargaining agreements with union employees will remain in place, subject to effects bargaining with regard to certain arrangements or benefits that are unique to National Grid USA. Representatives of PPL and National Grid USA are

coordinating to conduct effects bargaining discussions with the bargaining units to resolve effects bargaining issues prior to closing the Transaction.

Transition of Narragansett's Utility Service

18. Until receipt of all necessary regulatory approvals[10] for the Transaction and the anticipated closing, Narragansett will continue to conduct its business in the ordinary course, subject to National Grid USA's obligation to consult in good faith with PPL and its affiliates on certain matters identified in the Agreement. See Agreement, §§ 6.1 and 6.13. National Grid USA and PPL Rhode Island are prepared to work collaboratively and cooperatively to continue the safe and reliable operation of Narragansett's utility services during the regulatory approval process and the transition period.

19. National Grid USA and PPL Rhode Island, or one or more of their respective affiliates, also will enter into a Transition Services Agreement ("TSA") to facilitate the operation of Narragansett immediately after closing and during the transition period. Petitioners have prepared a form TSA among Narragansett, National Grid USA,[11] and the Service Company,[12] and they are actively identifying and negotiating the nature and duration of the specific services to be provided by Service Company that will be set forth in an exhibit to the TSA. Those specifics will be finalized in advance of the closing. Narragansett's assets and employees, when taken together with the services to be provided under the TSA, will fully enable Narragansett to

[10] In addition to the approval sought by this Petition, Petitioners will be obtaining approvals and/or waivers of jurisdiction from the Massachusetts Department of Public Utilities under M.G.L. c. 164, § 96 and the Federal Energy Regulatory Commission under Section 203 of the Federal Power Act. The Agreement also requires clearance under the Hart-Scott-Rodino Antitrust Improvements Act and approval to transfer certain Federal Communications Commission licenses.

[11] National Grid USA is a party only to Section 4.6 of the TSA. Under Section 4.6, National Grid USA guarantees performance of all of the Service Company's obligations under the TSA.

[12] The Service Company is a wholly-owned subsidiary of National Grid USA.

conduct its business in all material respects in the same manner and on the same terms as currently conducted. The draft form of the TSA is attached to the Agreement.

20. Under the TSA, the Service Company will provide certain services for Narragansett in the operation of its business to maintain consistency of operations while PPL migrates and integrates those services into its systems and operations. Some operations will transition immediately, as of the first day after closing ("Day 1"), while the transition period for other operations may run for up to two years. The transition plan is described in greater detail in the Pre-Filed Direct Testimony of Gregory N. Dudkin and the Pre-Filed Direct Testimony Terence Sobolewski.

21. Upon completion of the transition period, all services provided by the Service Company will migrate to PPL and its subsidiaries, and Narragansett will be integrated with PPL's other operating entities. Petitioners will implement plans so that, beginning with Day 1, throughout the transition period, and after the conclusion of the transition, the public will continue to receive safe and reliable electric and gas distribution service from Narragansett.

22. PPL Rhode Island's purchase of Narragansett and the sale of WPD is part of PPL's overall strategic plan to focus on United States-based regulated utility operations. The Transaction is fundamental to this strategy, and PPL will devote substantial resources and time to Narragansett's operations and Rhode Island generally as it brings its forward-leaning focus to the delivery of electric and gas service in the state.

23. PPL will ensure that Narragansett has a Rhode Island-based President with responsibility for Narragansett's operations and the necessary authority at PPL to ensure that Rhode Island has the resources and support to meet the needs of its customers. This individual

will have substantial experience in electric operations and the expertise to address issues that arise with Narragansett's electric transmission and distribution infrastructure.

24. PPL also will ensure that Narragansett has a dedicated Rhode Island-based Vice President of Gas Operations responsible for Rhode Island gas distribution operations, reporting to the Rhode Island President. PPL will fill this position with an experienced gas distribution operations professional who has the expertise to address the unique challenges facing Narragansett's gas distribution system.

25. PPL also expects that it will have significant opportunities to invest in Narragansett's electric and gas infrastructure to enhance safety, reliability, and customer satisfaction for Rhode Island customers, a core tenet of PPL's strategy in all of the jurisdictions in which it provides utility service.

26. Accordingly, the Transaction satisfies the criteria that "there will be no degradation of utility services after the transaction is consummated."[13]

The Transaction is Consistent with the Public Interest

27. The standard for whether the Transaction is consistent with the public interest requires a finding that it will result in no net harm to the general public.[14] PPL's experience and expertise in operating regulated electric and gas utilities in other jurisdictions, and PPL's plans to bring that expertise to Narragansett, demonstrate that the Transaction satisfies this standard.

28. PPL's other regulated utilities have a demonstrated track record of delivering best in class electric and gas utility service to their customers, winning 54 J.D. Power awards for residential and business customer satisfaction in the U.S. alone. In addition, PPL's U.K. electric

[13] See In re: Joint Petition for Purchase and Sale of Assets by The Narragansett Electric Company and the Southern Union Company, D-06-13, Report and Order No. 18676, at 52 (July 25, 2006).
[14] See id., D-06-13, Report and Order No. 18676, at 52 (July 25, 2006). Rhode Island does not employ a net benefits test.

distribution networks consistently rank among the U.K.'s best performing utilities from a customer satisfaction perspective. PPL will bring its customer-centric focus to its ownership and management of Narragansett. Appendix A to this petition provides examples of industry recognition PPL has received.

29. Through prudent investment in and implementation of smart grid technology, PPL's regulated utilities have reduced service interruptions significantly over the past decade. Overall, PPL's Pennsylvania electric utility, PPL Electric Utilities Corporation ("PPL Electric Utilities"), has avoided more than one million customer outages since 2015 because of these investments. PPL will bring its experience in modernizing electric grid infrastructure to Narragansett to make Rhode Island a leader in this area.

30. PPL has managed its other regulated utilities efficiently and effectively. For example, the total operations and maintenance costs for PPL Electric Utilities in 2020 were generally flat compared to 2011, resulting in PPL Electric Utilities having lower electric rates than the average of other utilities in the Mid-Atlantic region. At the same time, PPL Electric Utilities is making meaningful capital investments to improve safety, reliability, and resiliency, all of which have driven economic growth in its service territory. PPL plans to bring this streamlined operational focus to Narragansett and Rhode Island.

31. PPL has successfully managed its LG&E gas distribution system in Kentucky through an aggressive gas main replacement program to eliminate cast iron and bare steel pipes throughout its entire gas network. The company is now working on the service lines, significantly ahead of where most of the gas industry is with these replacement programs. That strategy has reduced leak rates, eliminated water intrusion, increased operating pressures, and introduced more valves into its system. LG&E accomplished this while maintaining lower gas

costs to customers than the other major gas utilities in Kentucky. PPL will bring its experience and expertise in this area to Narragansett's gas distribution business.

32. PPL has robust year-round programs, training and systems in support of a strong safety culture focused on employee and public safety. PPL will bring this safety commitment and focus to the employees and residents of Rhode Island as described in the testimony of Gregory N. Dudkin.

33. PPL is committed to the clean energy future and recognizes that utilities play a major role in delivering a clean economy. PPL has adopted a clean energy strategy aimed at decarbonizing its owned generation and non-generation operations through (1) investments in clean and renewable energy; (2) reductions in energy use; (3) fleet vehicle electrification; (4) enabling third party decarbonization through its transmission and distribution networks; and (5) advancing research and development of clean energy technology necessary to achieve net-zero. Through its prudent investments in and implementation of smart grid technology in Pennsylvania, PPL already has created a grid that is ready to integrate significant renewable energy generation through distributed energy resources ("DER"). PPL will bring this experience to Narragansett as it works to modernize electric grid infrastructure in Rhode Island to enable further DER integration and to help facilitate the forthcoming electrification of the transportation and industrial sectors. PPL's clean energy strategy is a cornerstone of PPL's overall commitment to sustainability, with Board-level oversight through the Governance and Nominating Committee of the Board.

34. PPL views diversity, equity and inclusion as a strategic imperative that enhances customer insight and fuels innovation and growth. Each of PPL's operating companies is

committed to advancing its diversity, equity and inclusion commitments with embedded diversity, equity and inclusion managers overseeing the effort and monitoring progress.

35. PPL has significantly improved its customers' experience when interacting with its utilities. PPL has implemented an initiative to make residential and business customers' experiences more effortless and user friendly, and PPL will bring that focus to improve the experience for Narragansett customers.

36. PPL also is committed to giving back in other ways and building strong communities in the areas it serves as part of its corporate strategy. With local philanthropic programs in each operating region, PPL's investments support diversity, equity and inclusion; equitable education; economic and workforce development; health and safety; sustainable local community projects; capacity building for nonprofits, and COVID-19 relief.

37. Consistent with the above, the PPL Foundation will identify and support key charitable, philanthropic or community initiatives and programs in Rhode Island through donations. PPL also will make a contribution to the PPL Foundation in support of these commitments. Additionally, PPL will encourage its Rhode Island employees to contribute both time and resources to the causes that matter to them in the communities in which they live.

38. Petitioners plan to coordinate with the Division to determine the appropriate time to file a new base distribution rate case that will reflect operations of Narragansett as part of PPL. PPL will not seek to recover any acquisition premium or transaction costs in customer rates.

39. For all of these reasons, the Transaction meets the requirement that it "will not unfavorably impact the general public (including [customers]),"[15] and will serve the public

[15] See In re: Joint Petition for Purchase and Sale of Assets by The Narragansett Electric Company and the Southern Union Company, D-06-13, Report and Order No. 18676 at 52 (July 25, 2006).

interest by bringing PPL's experience and expertise in many areas, including smart grid technology, to Rhode Island.

Stockholder Approval

40. Section 39-3-24(3) of the Rhode Island General Laws provides that:

> Any public utility may merge with any other public utility or sell or lease all of any part of its property, assets, plant, and business to any other public utility, provided that the merger or a sale or lease of all or substantially all of its property, assets, plant, and business shall be authorized by a vote of at least two-third (2/3) in interest of its stockholders at a meeting duly called for the purpose.

41. National Grid USA is the sole holder of shares of voting stock of Narragansett and owns 100 percent of the shares of outstanding common stock to be sold to PPL Rhode Island under the Agreement. National Grid USA has taken all necessary corporate actions, including approval by the National Grid USA board of directors, to complete the Transaction. National Grid USA's actions as sole shareholder of Narragansett therefore satisfy the requirements for stockholder approval under R.I. Gen. Laws § 39-3-24(3). National Grid USA's corporate governing documents do not require any actions by its shareholders to authorize the Transaction.

42. PPL Rhode Island is not a regulated public utility, and therefore R.I. Gen. Laws § 39-3-24(3) does not require a shareholder vote from it as the purchasing company. PPL Energy Holdings is the sole owner of PPL Rhode Island, PPL Subsidiary Holdings, LLC is the sole owner of PPL Energy Holdings, LLC, and PPL is the sole owner of PPL Subsidiary Holdings, LLC. No vote or other action of PPL's shareowners is required pursuant to any other legal requirements, nor under the charter documents of PPL or otherwise for PPL Rhode Island to complete the Transaction.

Narragansett's Corporate Charter

43. Narragansett originally was incorporated as United Electric Power Company through a special act of the Rhode Island General Assembly on April 8, 1926. Through numerous transactions since then, Narragansett's rights under its corporate charter have expanded to include the rights to provide gas and electric distribution service throughout Rhode Island, with the exception of the areas of the state that receive electric distribution service from the Pascoag Utility District and the Block Island Power Company. Narragansett will continue to operate under its corporate charter after the Transaction and there are no changes necessary to that corporate charter as a result of the Transaction.

Narragansett Tariffs

44. The Transaction creates a change of control of Narragansett. However, the tariffs governing Narragansett's provision of service will remain substantively unchanged as a result of the Transaction. After closing, Narragansett will continue to operate under the existing terms and conditions and the current base distribution rate plan. Petitioners are in the process of identifying which individual tariffs will require minor edits to reflect changes in the Narragansett name because Narragansett will no longer operate under the name "National Grid" and will submit these proposed amended tariffs pursuant to R.I. Gen. Laws § 39-3-10(a).

Timing

45. Petitioners respectfully request that the Division complete its review and issue its ruling in this proceeding as early as possible, and by no later than November 1, 2021. This timing will coincide with the beginning of the heating season for Narragansett's gas business and thus will allow for a smooth transition between the entities for reporting of financial information in 2021 and 2022.

Conclusion

46. For all of these reasons, the Petitioners respectfully request the Division issue an order:

a. Finding that the Transaction will not diminish the facilities for furnishing service to the public;

b. Finding that the Transaction is consistent with the public interest; and

c. Granting consent and approval for the Transaction.

[Signature pages to follow]

PPL CORPORATION

By: _____
Vincent Sorgi
President and Chief Executive Officer

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF LEHIGH)

On this 3rd day of May, 2021, before me, a notary public, the undersigned, personally appeared Vincent Sorgi, who acknowledged himself to be the President and Chief Executive Officer of PPL CORPORATION, a corporation of the Commonwealth of Pennsylvania and that he, as such President and Chief Executive Officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President and Chief Executive Officer.

In witness whereof, I hereunto set my hand and official seal.

_____
Notary Public

Commonwealth of Pennsylvania - Notary Seal
Michelle L. Bartolomei, Notary Public
Lehigh County
My commission expires July 10, 2022
Commission number 1333990
Member, Pennsylvania Association of Notaries

PPL CORPORATION

Verified By: Wendy E. Stark

Wendy E. Stark
Senior Vice President, General Counsel and
Corporate Secretary

COMMONWEALTH OF VIRGINIA)
) ss.:
COUNTY OF FAIRFAX)

On this 28 day of April, 2021, before me, a notary public, the undersigned, personally appeared Wendy E. Stark, who acknowledged herself to be the Senior Vice President, General Counsel and Corporate Secretary of PPL CORPORATION, a corporation of the Commonwealth of Pennsylvania and that she, as such Senior Vice President, General Counsel and Corporate Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Senior Vice President, General Counsel and Corporate Secretary.

In witness whereof, I hereunto set my hand and official seal.

EVANGELINE TUBILLA
Reg. No. 7926018
NOTARY PUBLIC COMM. OF VIRGINIA
My Commission Expires February 28, 2025

Notary Public

PPL RHODE ISLAND HOLDINGS, LLC

By: _____
Andrew W. Elmore
President

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF LEHIGH)

On this 3rd day of May, 2021, before me, a notary public, the undersigned, personally appeared Andrew W. Elmore, who acknowledged himself to be the President of PPL RHODE ISLAND HOLDINGS, LLC, a limited liability company of the State of Delaware and that he, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by himself as President.

In witness whereof, I hereunto set my hand and official seal.

_____
Notary Public

Commonwealth of Pennsylvania - Notary Seal
Michelle L. Bartolomei, Notary Public
Lehigh County
My commission expires July 10, 2022
Commission number 1333990
Member, Pennsylvania Association of Notaries

PPL RHODE ISLAND HOLDINGS, LLC

Verified By: _____
Elizabeth Stevens Duane
Corporate Secretary

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF LEHIGH)

On this 3rd day of May, 2021, before me, a notary public, the undersigned, personally appeared Elizabeth Stevens Duane, who acknowledged herself to be the Corporate Secretary of PPL RHODE ISLAND HOLDINGS, LLC, a limited liability company of the State of Delaware and that she, as such Corporate Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by herself as Corporate Secretary.

In witness whereof, I hereunto set my hand and official seal.

_____
Notary Public

Commonwealth of Pennsylvania - Notary Seal
Michelle L. Bartolomei, Notary Public
Lehigh County
My commission expires July 10, 2022
Commission number 1333990
Member, Pennsylvania Association of Notaries

NATIONAL GRID USA

I, Badar Khan, am the President and Chairman of the Board of National Grid USA, and have authorized the filing of this petition. I have reviewed the petition and, based on my personal knowledge as well as reliance on documents and information gathered by authorized employees and counsel for National Grid USA, the facts stated therein with respect to National Grid are true and correct to the best of my knowledge, information and belief.

By: _____

Badar Khan
President and Chairman of the Board

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF Suffolk)

On this 2nd day of May 2021, before me, a notary public, the undersigned, personally appeared Badar Khan, who acknowledged himself to be the President and Chairman of the Board of NATIONAL GRID USA, a corporation incorporated in the State of Delaware and that he, as such President and Chairman of the Board, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by himself as President and Chairman of the Board.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

Kevin F. Penders

KEVIN F. PENDERS
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
April 22, 2022

NATIONAL GRID USA

I, Keri Sweet Zavaglia, am Senior Vice President and Secretary of National Grid USA, and have authorized the filing of this petition. I have reviewed the petition and, based on my personal knowledge as well as reliance on documents and information gathered by authorized employees and counsel for National Grid USA, the facts stated therein with respect to National Grid are true and correct to the best of my knowledge, information and belief.

By: Keri Sweet Zavaglia
Keri Sweet Zavaglia
Senior Vice President and Secretary

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF Suffolk)

On this 2nd day of May 2021, before me, a notary public, the undersigned, personally appeared Keri Sweet Zavaglia, who acknowledged herself to be the Senior Vice President and Secretary of NATIONAL GRID USA, a corporation incorporated in the State of Delaware and that she, as such Senior Vice President and Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by herself as Senior Vice President and Secretary.

In witness whereof, I hereunto set my hand and official seal.

Notary Public
Kevin F. Penders

KEVIN F. PENDERS
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
April 22, 2022

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID

I, Terence M. Sobolewski, am President of The Narragansett Electric Company d/b/a National Grid, and have authorized the filing of this petition. I have reviewed the petition and, based on my personal knowledge as well as reliance on documents and information gathered by authorized employees and counsel for National Grid USA, the facts stated therein with respect to National Grid are true and correct to the best of my knowledge, information and belief.

By: _____
Terence M. Sobolewski
President

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF Suffolk)

On this 2nd day of May, 2021, before me, a notary public, the undersigned, personally appeared Terence M. Sobolewski, who acknowledged himself to be the President of THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID, a utility incorporated in the State of Rhode Island and that he, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by himself as President.

In witness whereof, I hereunto set my hand and official seal.

_____
Notary Public

KEVIN F. PENDERS
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
April 22, 2022

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID

I, Keri Sweet Zavaglia, am Senior Vice President and Secretary of The Narragansett Electric Company d/b/a National Grid, and have authorized the filing of this petition. I have reviewed the petition and, based on my personal knowledge as well as reliance on documents and information gathered by authorized employees and counsel for National Grid USA, the facts stated therein with respect to National Grid are true and correct to the best of my knowledge, information and belief.

By: _____
Keri Sweet Zavaglia
Senior Vice President and Secretary

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

On this 2nd day of May 2021, before me, a notary public, the undersigned, personally appeared Keri Sweet Zavaglia, who acknowledged herself to be the Senior Vice President and Secretary of THE NARRAGANSET ELECTRIC COMPANY, a utility incorporated in the State of Rhode Island and that she, as such Senior Vice President and Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by herself as Senior Vice President and Secretary.

In witness whereof, I hereunto set my hand and official seal.

Notary Public
Kevin F. Penders

KEVIN F. PENDERS
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
April 22, 2022

Petition

Appendix A

Appendix A

History of Superior Customer Satisfaction

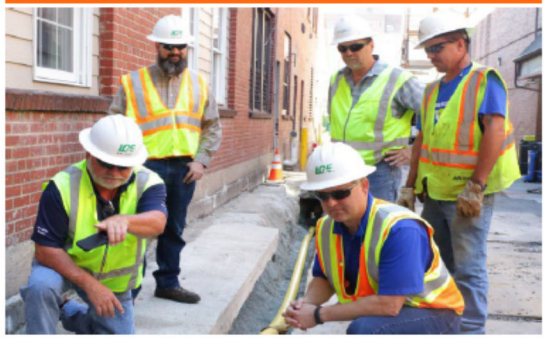
Consistently recognized as top-tier operators across all jurisdictions

Pennsylvania Regulated

28 J.D. Power Awards for Customer Satisfaction

- ✓ PPL Electric Utilities has won nine straight J.D. Power Awards for residential customer satisfaction (2011-2020)

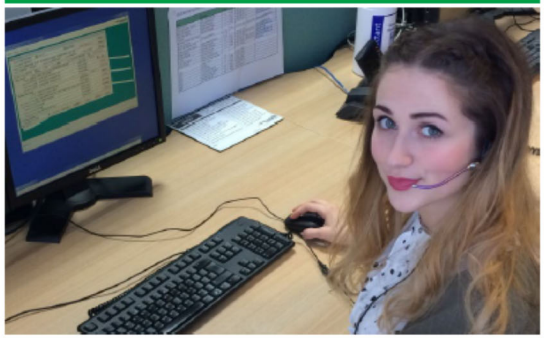
Kentucky Regulated



26 J.D. Power Awards for Customer Satisfaction

- ✓ KU ranked as top mid-sized utility in both Midwest residential and business customer satisfaction[1]
- ✓ LG&E ranked as top Midwest gas utility in business customer satisfaction[1]

U.K. Regulated



9 OUT OF **10** Score across all WPD DNOs in BMCS[2]

- ✓ WPD has been awarded the Customer Service Excellence Standard annually since 1992 – the only energy company in the U.K. to do so[3]

(1) 2020 J.D. Power Awards for Electric Utility Residential and Business Customer Satisfaction, Gas Utility Business Customer Satisfaction.
(2) BMCS – Broad Measure of Customer Service for 2018/2019 regulatory period; per Ofgem.
(3) Previously known as the Government's Charter Mark, the standard assesses multiple criteria related to customer service.

Appendix A

Among the Nation's Top Utilities

Strong track record of performance has led to numerous awards

- **Safety, Reliability and Customer Satisfaction**
  - 54 J.D. Power awards for customer satisfaction (3 in 2020)
  - 2019 ReliabilityOne Most Improved Utility Award
  - 2019 AGA Accident Prevention Award for Safety Excellence
- **Technology and Innovation**
  - 2019 AEIC award for downed wire technology
  - 2019 SEPA Power Players Investor-Owned Utility of the Year
  - Multiple EPRI Technology Transfer awards in recent years
- **Employee Engagement and Inclusion**
  - Best Place to Work for LGBTQ Equality (2017-2021)
  - 2020 Best Place to Work for Disability Inclusion (2019-2020)
  - Multiple awards for support of reservists/National Guard and hiring of Veterans
- **Community Support and Corporate Reputation**
  - 2021 Newsweek America's Most Responsible Companies
  - Consistent Site Selection Magazine Top 10 or 20 Utility for Economic Development
  - 2019 Escalent Most Trusted Brand

Exhibit 1

Sorgi Testimony

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC, NATIONAL GRID USA,
and THE NARRAGANSETT ELECTRIC COMPANY
Docket No. D-21-__
In Re: Petition for Authority to Transfer Ownership of
The Narragansett Electric Company to
PPL Rhode Island Holdings, LLC and Related Approvals
Witness: Vincent Sorgi

PRE-FILED DIRECT TESTIMONY

OF

VINCENT SORGI

President and Chief Executive Officer of PPL Corporation

Submitted in support of PPL Corporation, PPL Rhode Island Holdings, LLC,

National Grid USA, and The Narragansett Electric Company's

Petition for Authority to Transfer Ownership of The Narragansett Electric Company

to PPL Rhode Island Holdings, LLC and Related Approvals

TABLE OF CONTENTS

I. Introduction

Q. Please state your full name and business address.

A. My name is Vincent Sorgi, and my business address is Two North Ninth Street, Allentown, Pennsylvania 18101.

Q. What is your current position?

A. I am President and Chief Executive Officer of PPL Corporation ("PPL").

Q. Please describe your educational background and professional experience.

A. I have nearly thirty years of experience in the utility industry. Before my current role, I served as President and Chief Operating Officer of PPL from July 2019 to May 2020, leading the execution of PPL's long-term strategy and overseeing the overall performance of PPL's operations, including its seven high-performing regulated utilities. I served as PPL's Executive Vice President and Chief Financial Officer ("CFO") from January 2019 to July 2019 and as Senior Vice President and CFO from 2014 to 2019. As CFO, I oversaw PPL's investor relations, treasury, financial planning and analysis, tax, risk management, controllership, and strategy functions. I also played a key role in leading PPL through the spinoff of its competitive generation business in 2015.

Before becoming CFO, I served four years as Vice President and Controller for PPL and three years as Controller for PPL's former generation and energy supply and marketing business. I joined PPL in 2006 as financial director of the former

PPL Generation subsidiary. Prior to joining PPL, I worked for Public Service Enterprise Group, a utility holding company in Newark, New Jersey, and Deloitte, where my focus was auditing power and utility companies.

I graduated from The Pennsylvania State University with a bachelor's degree in accounting. I received my MBA from Villanova University. I also graduated from the Nuclear Reactor Technology Course for Utility Executives at the Massachusetts Institute of Technology.

Q. Do you serve on any boards?

A. Yes. I currently serve on the Board of Directors for PPL, the Electric Power Research Institute, the Edison Electric Institute, St. Luke's University Health Network, and the Lehigh Valley Partnership.

Q. Have you previously testified before any public utilities' regulators?

A. No, I have not.

Q. How is your testimony structured?

A. This Section I is the Introduction, which provides an overview of my relevant background. Section II provides a brief overview of the purpose of this filing and entities involved. Section III presents PPL's reasons for entering into the Transaction (as defined below). Section IV discusses the key terms and conditions of the Agreement (as defined below).

II. Brief Overview of Filing

Q. What is the purpose of this filing?

A. Petitioners PPL Rhode Island Holdings, LLC ("PPL Rhode Island"), PPL, National Grid USA, and The Narragansett Electric Company d/b/a National Grid ("Narragansett") seek approval from the Division of Public Utilities and Carriers (the "Division") for PPL Rhode Island to purchase 100% of the outstanding shares of common stock in Narragansett from National Grid USA (the "Transaction"). The Transaction will occur pursuant to the terms and conditions of the Share Purchase Agreement entered into as of March 17, 2021, by and among PPL Energy Holdings, LLC ("PPL Energy Holdings"), National Grid USA, and PPL (the "Agreement"). Following execution of the Agreement, PPL Energy Holdings assigned its right to acquire Narragansett to its wholly owned subsidiary, PPL Rhode Island, such that upon closing, PPL Rhode Island will own 100 percent of the outstanding shares of common stock in Narragansett. A true and accurate copy of the Agreement, including the assignment, is attached as Exhibit A to this testimony. I summarize the key terms of the Agreement below.

Q. Is PPL providing any other testimony in support of the petition?

A. Yes. PPL also is providing the Pre-Filed Direct Testimony of Gregory N. Dudkin, the Chief Operating Officer of PPL, and the Pre-Filed Direct Testimony of Lonnie E. Bellar, the Chief Operating Officer of Kentucky Utilities ("KU") and Louisville Gas & Electric ("LG&E"), PPL's regulated utilities in Kentucky.

Mr. Dudkin has responsibility for the operations and performance of all PPL's regulated utility companies. In that role, he has primary responsibility for managing the transition and integration of Narragansett into PPL, and his testimony provides details about that process and the plan for PPL to seamlessly begin operation of Narragansett on day one after closing ("Day 1"). Mr. Dudkin brings decades of operational experience and expertise. His testimony provides a full picture of PPL's experience and capabilities as the new owner and operator of Narragansett and PPL's plans to continue and build on the outstanding service Narragansett provides to Rhode Island customers. Mr. Dudkin's testimony covers PPL's overall operations and particular information about PPL's plans for Narragansett's electric business.

Mr. Bellar is an experienced utility operator with substantial expertise in gas distribution operations. He previously served as Vice President of Gas Operations for LG&E, and he has been immersing himself in evaluating Narragansett's gas distribution business to facilitate PPL's operation of that business on Day 1. His testimony describes the strong track record of PPL's operation of LG&E's gas distribution business and provides particular information about PPL's capabilities in this area.

Q. Please describe the PPL entities involved in the transaction.

A. PPL is a Pennsylvania corporation and one of the largest investor-owned utility holding companies in the United States utility sector. Headquartered in Allentown, Pennsylvania, PPL has more than 12,000 employees; serves more than 10.7 million customers in the United States and the United Kingdom; and as of December 31, 2020, had $7.6 billion in annual revenue, a total asset value of $48 billion, and a market capitalization of $21.7 billion. PPL has received 54 J.D. Power Awards for customer satisfaction related to its U.S. utility operations. PPL delivers more than 133 billion kilowatt-hours of electricity per year and owns approximately 7,500 megawatts of generation capacity in Kentucky. Currently, PPL has seven regulated utility operating companies: LG&E, KU, PPL Electric Utilities Corporation ("PPL Electric Utilities"), and four distribution network operators in the U.K. under the name Western Power Distribution ("WPD"). In addition, PPL owns PPL Renewables, LLC and Safari Energy, LLC, which build, own, and operate solar and energy storage projects throughout the United States.

LG&E and KU are regulated utilities engaged in the generation, transmission, distribution, and sale of electricity in Kentucky and Virginia. In Virginia, KU operates under the name Old Dominion Power Company. LG&E and KU own about 7,500 megawatts of power generation. In addition, LG&E is engaged in the transmission, distribution and sale of natural gas. LG&E and KU serve nearly 1.3

million customers and have consistently ranked among the best companies for customer satisfaction. In 2020, J.D. Power ranked KU highest in residential customer satisfaction among Midwest Midsize electric utilities for the fifth consecutive year, and highest in business customer satisfaction for the second consecutive year. LG&E ranked fourth in the same surveys in 2020.

PPL Electric Utilities provides electricity distribution and transmission service to more than 1.4 million customers in Pennsylvania. Like LG&E and KU, PPL Electric Utilities consistently ranks among the best utility companies for customer satisfaction. In 2020, J.D. Power ranked PPL Electric Utilities highest among large electric utilities in the eastern United States for residential customer satisfaction for the ninth year in a row.

WPD is the electricity distribution network operator in the United Kingdom for the East and West Midlands, South West England, and South Wales, serving nearly 8 million end-use customers. Operating the U.K.'s largest distribution network by geographical area, WPD covers densely populated residential areas and widely dispersed rural communities. WPD consistently achieves high marks for customer satisfaction. For the 2019/2020 regulatory period, WPD's four distribution network operators each earned 9 out of 10 rankings from customers in the Broad Measure of Customer Satisfaction from the Office of Gas and

Electricity Markets ("Ofgem"), which is the government regulator for gas and electricity markets in Great Britain. Under a separate agreement, PPL's affiliate PPL WPD Limited will sell WPD to National Grid plc's affiliate National Grid Holdings One Plc ("National Grid Holdings").

PPL Rhode Island is a Delaware limited liability company that is an indirect subsidiary of PPL and will serve as the holding company for Narragansett. PPL Rhode Island will purchase from National Grid USA's 100 percent of the outstanding shares of common stock in Narragansett, and Narragansett will become part of the PPL group of regulated electric and gas utilities in the United States.

III. Purpose of the Transaction

Q. Please explain why PPL has decided to purchase Narragansett.

A. The acquisition of Narragansett and sale of WPD will reposition PPL as a U.S.-based energy company focused on building the utilities of the future and supporting the U.S.'s transition to a clean energy future. The Transaction supports this strategic transformation by significantly expanding PPL's U.S. presence.

The decision to sell WPD followed a comprehensive strategic review by PPL's Board of Directors. The transactions with National Grid Holdings and National Grid USA will simplify PPL's business mix by focusing its operations on regulated utilities in the U.S. and better position PPL for long-term growth and success. They also will strengthen PPL's balance sheet and enhance its credit profile, providing it greater financial flexibility to invest in renewable energy solutions across the U.S.

Q. How will the Transaction impact Rhode Island and Rhode Island customers?

A. PPL intends to drive compelling value for the customers and communities that Narragansett serves. PPL plans to leverage its proven track record of operational excellence, award-winning customer service, strong reliability, and cost efficiency by building upon the existing service quality to deliver energy safely, reliably, and affordably to Rhode Island customers.

We expect that PPL's knowledge and experience, particularly with respect to the implementation of smart grid technology, will allow us to enhance reliability and customer satisfaction for Rhode Islanders. We are also confident that PPL will further improve the distribution systems' ability to accept and embrace renewable energy resources, large and small, to help fulfill the State's ambitious decarbonization goals. PPL's experience in automating electricity networks will

help Rhode Island achieve its net zero by 2050 goal, including the potential drive for 100% renewable energy by 2030.

Additionally, through its Kentucky operations, PPL has significant experience in upgrading and modernizing gas distribution systems and will bring that expertise to Rhode Island. Finally, PPL is a 100-year-old company that has built an excellent reputation with our customers and our regulators due to our customer-centric approach to operations.

We also believe that infrastructure investments and a more localized operating model under PPL's ownership will create jobs and support economic development in Rhode Island. And in terms of the Transaction, PPL will not seek to recover any acquisition premium or transaction costs in customer rates.

Q. What values drive PPL's long-term strategy?

A. PPL's success for more than a century has been built on strong corporate values. These values serve as a compass for our behaviors and decision making and drive our long-term strategy for growth and success:

- Safety and health – we do not compromise on safety and health.
- Customer focus – we deliver customer service that is second to none.
- Diversity, equity and inclusion – we value each other and appreciate our differences.

- Performance excellence and innovation – we get the job done right and we are always improving.
- Integrity and openness – we do the right thing.
- Corporate citizenship – we are environmentally conscious and invest in the communities we serve.

PPL's strategy seeks to create value for all stakeholders by (1) achieving industry-leading performance in safety, reliability, customer satisfaction, and operational efficiency; (2) advancing a clean energy transition while maintaining affordability and reliability; (3) maintaining a strong financial foundation and creating long-term value for shareowners; (4) fostering a diverse and exceptional workplace; and (5) building strong communities in the areas we serve.

Q. How does the Transaction advance PPL's long-term strategy?

A. First, together with the sale of PPL's U.K. electric distribution utilities, the purchase of Narragansett simplifies PPL's business structure. These transactions remove political, regulatory, and currency risk related to foreign operations, areas that have concerned PPL's investors for quite some time.

Second, the Transaction further diversifies PPL's regulated operations in the United States by expansion into a jurisdiction with a practical and forward-leaning regulatory environment, one that we believe is constructive. PPL's

existing U.S. rate-regulated utilities also operate in constructive regulatory environments. PPL sees opportunities to invest in electric and gas infrastructure to enhance safety, reliability, and customer satisfaction for Rhode Island customers while maintaining affordability.

Third, as discussed in greater detail above, consistent with PPL's corporate goals, PPL intends to drive compelling value for the customers and communities that Narragansett serves by building upon the existing service quality to deliver energy safely, reliably, and affordably to Rhode Island customers, while at the same time our extensive experience with grid modernization initiatives and innovation will help advance Rhode Island's ambitious decarbonization goals.

IV. Overview of the Agreement

Q. Please describe the basic elements of the Transaction.

A. The Agreement provides for the sale of Narragansett to PPL Rhode Island in a transaction valued at $5.3 billion. The purchase price includes an approximately $3.8 billion cash payment and assumption by PPL Rhode Island of approximately $1.5 billion of Narragansett debt. PPL will use a portion of the proceeds from the sale of WPD to fund the cash payment for the purchase of Narragansett. PPL Rhode Island will not need to obtain any financing to facilitate the purchase of Narragansett. The boards of directors for both National Grid USA and PPL have

approved the transaction, which is anticipated to close after receipt of all necessary regulatory approvals for the transaction. The petitioners respectfully request that the Division issue its final order in this proceeding no later than November 1, 2021 to facilitate timely closing and to align with the beginning of the heating season for Narragansett's gas business.

Q. You have mentioned the sale of WPD a few times. What are the basic elements of that transaction?

A. Pursuant to a separate agreement, PPL's affiliate PPL WPD Limited will sell its U.K. subsidiary holding the interests in WPD to National Grid Holdings in an all-cash transaction valued at £14.4 billion, including the assumption of approximately £6.6 billion of debt by National Grid Holdings. The sale is expected to result in net cash proceeds to PPL of approximately $10.2 billion, reflecting taxes and fees and based on a foreign currency exchange rate of $1.35/£, inclusive of currency hedges executed by PPL through March 2021.

Q. What are the components of PPL Rhode Island's purchase of Narragansett?

A. National Grid USA owns 100 percent of the outstanding shares of common stock, par value $50.00 per share, in Narragansett. The equity interests in Narragansett are referred to as the "Narragansett Equity Interest." PPL Rhode Island will purchase from National Grid USA the Narragansett Equity Interest. PPL Rhode Island will pay to National Grid USA $3.77 billion in cash for the Narragansett Equity Interest, subject to certain adjustments specified in Section 1.2 of the

Agreement. Upon closing of the Transaction, National Grid USA will deliver to PPL Rhode Island the stock certificate(s) representing the Narragansett Equity Interest.

Q. What regulatory approvals are necessary for the Transaction to close?

A. In addition to approval by the Division, the Federal Energy Regulatory Commission must approve the Transaction pursuant to Section 203 of the Federal Power Act, and the Massachusetts Department of Public Utilities must either issue a waiver of jurisdiction or approve the Transaction pursuant to Chapter 164, Section 96 of the Massachusetts General Laws. The Transaction also is subject to review under the Hart-Scott-Rodino Antitrust Improvements Act by the Federal Trade Commission and Department of Justice. The Transaction also requires approval from the Federal Communications Commission ("FCC") for the transfer of certain FCC licenses necessary for Narragansett's operations.

Q. Is PPL a party to the Agreement?

A. PPL is a party to the Agreement with respect to two sections only, Section 4.10 and Section 6.14. Section 4.10 contains PPL's representations and warranties. Section 6.14 contains PPL's guarantee that PPL Rhode Island and PPL Energy Holdings will comply with all agreements, covenants, and obligations under the Agreement.

Q. Does the Transaction require approval by PPL shareowners?

A. No vote or other action of PPL shareowners is required to close the Transaction.

Q. Does the Transaction require any additional approvals?

A. National Grid USA's approval of the Transaction is addressed in the Pre-Filed Direct Testimony of Terence Sobolewski. Additionally, the Transaction is contingent on the closing of the sale of WPD to National Grid Holdings, and the shareholder approval necessary for that transaction is addressed in the Pre-Filed Direct Testimony of Terence Sobolewski. We expect the WPD transaction to close by the end of July 2021, but it could close as early as May 2021.

Q. What effect will the Transaction have on existing and planned filings before the PUC or Division?

A. As a general matter, Narragansett will consult with PPL or its affiliates on significant regulatory and commercial matters pending approval of the purchase and closing. However, Narragansett has the ability and obligation to continue to operate the business safely and reliably in the normal course.

Q. Will Narragansett continue to operate under the "National Grid" name after the Transaction closes?

A. Pursuant to Section 6.7(a) of the Agreement, PPL and its affiliates will cease using the "National Grid" name or trademarks within 60 days of closing. PPL Rhode Island will file the necessary documentation to complete the name change prior to that time.

Q. How do PPL and National Grid USA propose to handle the integration and transition period after the Transaction closes?

A. Upon closing of the Transaction, Narragansett and National Grid USA Service Company, Inc., will enter into a Transition Services Agreement ("TSA"). The TSA is designed to ensure that Narragansett continues to operate in a safe and reliable manner during its transition to PPL's systems and processes. PPL and National Grid USA also have dedicated teams already planning the details of the integration of Narragansett into PPL's operation and management. The Pre-Filed Direct Testimonies of Gregory N. Dudkin and Terence Sobolewski describe the transition and integration planning efforts underway to ensure continuity of operations beginning on Day 1 in greater detail.

Q. Under what circumstances may the parties terminate the Agreement?

A. The parties may terminate the Agreement only under limited circumstances: (1) by mutual written consent of the parties to the Agreement; (2) by any party if a necessary regulatory approval is denied; (3) by any party if the Transaction does not close by March 17, 2022 (subject to certain limited extension periods); (4) by any party upon a breach of the Agreement; or (5) by any party if the agreement for the sale of WPD is terminated.

Q. Have PPL and/or its affiliates made any commitments to the employees of Narragansett?

A. Yes. PPL does not expect the Transaction to negatively impact the current employees of Narragansett in Rhode Island. Recognizing the value that the employees bring to the operations of Narragansett, consistent with Section 6.9 of the Agreement, as part of the Transaction, PPL Rhode Island, for at least 12 months following the closing of the Transaction, will provide non-union employees a base salary or wage rate and annual cash incentive opportunities that are no less favorable than those provided immediately prior to closing and benefits that are substantially comparable in the aggregate to those currently provided. In addition to the Narragansett employees, pursuant to Section 6.9 of the Agreement, PPL or its affiliates expect to extend employment offers to certain employees of National Grid USA and/or its affiliates, including National Grid USA Service Company, Inc., who currently provide services to Narragansett. Those offers of employment are expected either in advance of the anticipated closing date or during the transition services period.

Narragansett's collective bargaining agreements with union employees will remain in place, subject to effects bargaining with regard to certain arrangements or benefits that are unique to National Grid USA. Representatives of PPL and National Grid USA are coordinating to conduct effects bargaining discussions

with the bargaining units to resolve effects bargaining issues prior to closing the Transaction.

V. Conclusion

Q. Does this conclude your testimony?

A. Yes.

Exhibit A

To Sorgi Testimony Share Purchase Agreement and Assignment and Assumption Agreement

SHARE PURCHASE AGREEMENT

by and among

PPL ENERGY HOLDINGS, LLC,

PPL CORPORATION
(solely with respect to Section 4.10 and Section 6.14)

and

NATIONAL GRID USA

Dated as of March 17, 2021

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ANNEXES

EXHIBITS

SCHEDULES

SHARE PURCHASE AGREEMENT

This SHARE PURCHASE AGREEMENT is entered into as of March 17, 2021, by and among PPL Energy Holdings, LLC, a Delaware limited liability company ("Pluto"), National Grid USA, a Delaware corporation ("Newquay," and together with Pluto, the "Parties") and, solely with respect to Section 4.10 and Section 6.14, PPL Corporation, a Pennsylvania corporation ("Pluto Topco"). Capitalized terms herein have their respective meanings set forth in Annex A hereto.

RECITALS

WHEREAS, Newquay owns 100% of the outstanding shares of common stock, par value $50.00 per share, in The Narragansett Electric Company, a Rhode Island corporation ("Rover" and such equity interests, the "Rover Equity Interest");

WHEREAS, upon the terms and subject to the conditions set forth herein, Newquay desires to sell to Pluto, and Pluto desires to purchase from Newquay, 100% of the Rover Equity Interest;

WHEREAS, in furtherance of the foregoing and upon the terms and subject to the conditions set forth herein, Newquay shall sell to Pluto, and Pluto shall purchase from Newquay, the Rover Equity Interest in exchange for the consideration provided for herein; and

WHEREAS, Pluto and Newquay (or one or more of their respective wholly owned Subsidiaries) shall enter into the Transition Services Agreement as of the Closing.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree as follows:

ARTICLE I
SALE AND PURCHASE

Section 1.1 Sale and Purchase. Upon the terms and subject to the conditions of this Agreement, at the Closing, Newquay shall sell, assign, transfer and convey to Pluto, and Pluto shall purchase, acquire and accept from Newquay, all of the Rover Equity Interest, free and clear of all Liens (other than Permitted Equity Liens).

Section 1.2 Purchase Price. Subject to adjustment pursuant to Section 3.2, upon the terms and subject to the conditions of this Agreement, at the Closing Pluto shall pay to Newquay a payment, in cash by wire transfer of same day immediately available funds, in the amount of (i) $3,770,000,000, *plus* (ii) the Rover Adjustment Amount (which Rover Adjustment Amount, for the avoidance of doubt, may be positive or negative) as calculated using the Rover Estimated Closing Statement (and amounts calculated therefrom).

ARTICLE II
THE CLOSING

Section 2.1 Closing. The closing of the transactions provided for in this Agreement with respect to the sale and purchase of the Rover Equity Interest (the "Closing") shall take place (a) at the offices of Skadden, Arps, Slate, Meagher & Flom LLP, 1440 New York Avenue N.W., Washington, DC 20005 (or remotely via the electronic exchange of executed documents) at 9:00 a.m., New York City time, on the fifth (5^{th}) Business Day following the date on which the last of the conditions required to be satisfied or waived pursuant to Article VII is either satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to satisfaction or waiver thereof), or (b) at such other place, time or date as the Parties shall agree upon in writing. The date on which the Closing is to occur is referred to herein as the "Closing Date." The Closing shall be deemed to occur and be effective at 12:01 a.m., New York City time, on the Closing Date (the "Effective Time").

Section 2.2 Estimated Closing Statements.

(a) (i) Newquay shall prepare, or cause to be prepared, and deliver, or cause to be delivered, to Pluto at least four (4) Business Days prior to the Closing Date, a statement (the "Rover Estimated Closing Statement") prepared in accordance with Section 2.2(a)(ii) setting forth the estimated amounts of (A) Rover Closing Net Indebtedness, (B) Rover Closing Net Working Capital and (C) the Rover Adjustment Amount, determined as of the anticipated Effective Time (without giving effect to the transactions contemplated hereby) (the "Rover Adjustment Items").

(ii) Newquay shall, in good faith and at Newquay's expense, prepare, or cause to be prepared, the Rover Estimated Closing Statement on a basis consistent with the Rover Applicable Accounting Principles. Newquay shall give, and shall use its reasonable best efforts to cause its Representatives to give, Pluto and its Representatives reasonable access to such books, records and personnel of Rover (including the work papers of Newquay and its accountants relating to the preparation of the Rover Estimated Closing Statement and such calculations based thereon) as may be necessary to enable Pluto and its Representatives to review the Rover Estimated Closing Statement and such calculations based thereon prior to the Closing.

(b) Prior to the Closing, Newquay and Pluto in good faith shall seek to resolve any differences that they may have with respect to the computation of any of the items in the Rover Estimated Closing Statement, and such statement shall be updated accordingly prior to the Closing; *provided* that to the extent the Parties are unable to resolve such differences prior to the Closing, the amounts reflected in the Rover Estimated Closing Statement with respect to any such disputed item shall be used for purposes of calculating the Rover Adjustment Amount for purposes of the Closing.

Section 2.3 Pluto Deliveries at Closing. At the Closing, Pluto shall deliver, or cause to be delivered, to Newquay:

(a) a duly executed counterpart to the Transition Services Agreement on behalf of Pluto;

(b) the officer's certificate required pursuant to Section 7.2(c);

(c) properly executed and mutually agreed upon Forms 8023;

(d) copies (or other evidence) of all valid approvals or authorizations of, filings or registrations with, or notifications to, all Governmental Authorities required to be obtained, filed or made by Pluto in satisfaction of Section 7.1(b); and

(e) all such additional instruments, documents and certificates provided for by this Agreement or as may reasonably be requested by Newquay in order to consummate the Transactions.

Section 2.4 Newquay Deliveries at Closing. At the Closing, Newquay shall deliver, or cause to be delivered, to Pluto:

(a) stock certificates (or similar evidence) representing the Rover Equity Interest, duly endorsed in blank or with stock powers executed in proper form for transfer, and with any required stock transfer stamps affixed thereto;

(b) a duly executed counterpart to the Transition Services Agreement on behalf of Newquay;

(c) the resignations, in a form reasonably satisfactory to Pluto, of the officers and directors of Rover designated by Pluto in writing at least four (4) Business Days prior to the Closing Date;

(d) the officer's certificate required pursuant to Section 7.3(d);

(e) a complete and duly executed IRS Form W-9 from Newquay;

(f) properly executed and mutually agreed upon Forms 8023;

(g) copies (or other evidence) of all valid approvals or authorizations of, filings or registrations with, or notifications to, all Governmental Authorities required to be obtained, filed or made by Newquay in satisfaction of Section 7.1(b); and

(h) all such additional instruments, documents and certificates provided for by this Agreement or as may reasonably be requested by Pluto in order to consummate the Transactions.

Section 2.5 Proceedings at Closing. All proceedings to be taken, and all documents to be executed and delivered by the Parties, at the Closing shall be deemed to have been taken and

executed simultaneously, and, except as permitted hereunder, no proceedings shall be deemed taken nor any documents executed or delivered until all have been taken, executed and delivered.

Section 2.6 Withholding Rights. Notwithstanding any other provision in this Agreement to the contrary, each of Newquay and Pluto (and its respective Affiliates or agents) shall be entitled to deduct and withhold from all amounts payable pursuant to this Agreement such amounts as are required to be deducted and withheld under the Code or any other provision of applicable Requirement of Law; *provided*, *however*, that if Newquay or Pluto or anyone acting on its respective behalf believes that any withholding is required with respect to any amounts payable under this Agreement, such Person shall, at least five (5) Business Days prior to the Closing Date or, if different, the date such payment will be made, provide the applicable payee with written notice of the intention to withhold and the opportunity for such payee to provide any statement, form or other documentation that would reduce or eliminate the requirement to withhold. Each of Newquay and Pluto (and its respective Affiliates) shall reasonably cooperate with the other party to reduce and mitigate any withholding Taxes under applicable Requirement of Law. To the extent that amounts are so deducted and withheld pursuant to this Section 2.6, such amounts (i) shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made and (ii) shall be timely remitted to the appropriate Governmental Authority. For the avoidance of doubt, this Section 2.6 shall not apply to Transfer Taxes. Each Party acknowledges and agrees that as of the date of this Agreement, such Party does not believe that any deduction or withholding of any amounts payable pursuant to this Agreement is required.

ARTICLE III
POST-CLOSING ADJUSTMENTS

Section 3.1 Rover Final Closing Statement.

(a) (i) Not later than ninety (90) days after the Closing Date or such other time as is mutually agreed by the Parties, Newquay shall prepare, or cause to be prepared, and deliver, or cause to be delivered, to Pluto a written statement setting forth a calculation in reasonable detail of the Rover Adjustment Items (the "Rover Final Closing Statement"), determined as of the Effective Time (and without giving effect to the transactions contemplated hereby). The Rover Final Closing Statement shall be prepared on a basis consistent with the Rover Applicable Accounting Principles.

(ii) From and after the Closing, in connection with the preparation and delivery of the Rover Final Closing Statement and related calculations as set forth therein and during the period of any dispute contemplated by this Section 3.1, Newquay shall, and shall cause its Representatives to, and Pluto shall, and shall cause Rover and its respective Representatives to, (A) provide the other Party and its Representatives with reasonable access to the relevant books and records, facilities and employees and (B) cooperate in good faith with the other Party and its Representatives, including by providing on a timely basis all information reasonably necessary in or reasonably related to the preparation of the Rover Final Closing Statement and calculations as set forth therein.

(b) Within 45 days following its receipt of the Rover Final Closing Statement, Pluto shall deliver to Newquay either (i) its agreement as to the calculation of the Rover Adjustment Items as set forth therein or (ii) a written dispute notice, specifying in reasonable detail the nature of its dispute of the calculation of the Rover Adjustment Items as set forth therein; *provided* that Pluto may dispute the calculation of the Rover Adjustment Items as set forth in the Rover Final Closing Statement only on the basis that such calculation was not made in accordance with the Rover Applicable Accounting Principles, or on the basis of arithmetic error. During the 30 days after the delivery of a dispute notice to Newquay, Newquay and Pluto shall attempt in good faith to resolve any such dispute and finally determine the amounts, as applicable, of the Rover Adjustment Items as set forth in the Rover Final Closing Statement. If at the end of such 30-day period, Newquay and Pluto have failed to reach agreement with respect to such dispute, the matter shall be submitted to KPMG, or, if such firm is unwilling to act, such other internationally recognized accounting firm that is not the principal independent auditor for either Pluto or Newquay and is otherwise neutral and impartial and mutually agreed upon by Pluto and Newquay, *provided, however*, that if Pluto and Newquay are unable to select such other accounting firm within 45 days after delivery of a dispute notice to Newquay, either Party may request the American Arbitration Association to appoint, within 20 Business Days from the date of such request, an independent accounting firm meeting the requirements set forth above. The accounting firm so selected shall be referred to herein as the "Accountant." The Accountant, as an expert and not as an arbitrator, shall resolve the disputed portions of the calculation of the Rover Adjustment Items as set forth in the Rover Final Closing Statement in accordance with the terms and conditions of this Agreement. In making such determination, the Accountant may only consider those items and amounts as to which Newquay and Pluto have disagreed within the time periods and on the terms specified above and must resolve the matter in accordance with the terms and provisions of this Agreement; *provided* that the determination of the Accountant will neither be more favorable to Newquay than reflected in the Rover Final Closing Statement nor more favorable to Pluto than reflected in Pluto's dispute notice. The Accountant shall deliver to Pluto and Newquay, as promptly as practicable after its appointment (and in no event later than 60 days), a written report setting forth the resolution of each disputed matter and its determination of the amounts of the Rover Adjustment Items as set forth in the Rover Final Closing Statement as determined in accordance with the terms of this Agreement. Such report shall be final and binding upon the Parties to the fullest extent permitted under Requirements of Law and may be enforced in any court having jurisdiction. Each of Newquay and Pluto shall bear all the fees and costs incurred by it in connection with the Accountant's resolution of any disputed items pursuant to this Section 3.1(b), except that all fees and expenses relating to the foregoing work by the Accountant shall be borne by Newquay and Pluto in inverse proportion as they may prevail on the matters resolved by the Accountant, which proportionate allocation will also be determined by the Accountant and be included in the Accountant's written report.

(c) Each Party shall make available to the other Party its (and shall use its reasonable best efforts to cause its accountants to make available their) work papers, schedules and other supporting data as may reasonably be requested by such Party to enable such Party to verify the calculations of the Rover Adjustment Items as set forth in the Rover Final Closing Statement, subject to customary confidentiality and indemnity agreements.

Section 3.2 Post-Closing Payment. On the second Business Day after the later of (x) the date Newquay and Pluto agree to the calculations of the Rover Adjustment Items as set forth in the Rover Final Closing Statement and the Rover Adjustment Amount and (y) if Newquay and Pluto are unable to agree on such calculations of the Rover Adjustment Items or the Rover Adjustment Amount, the date that Newquay and Pluto receive notice from the Accountant of the final determination of the amount(s) being so disputed,

(a) in the event that the Rover Adjustment Amount as calculated using the Rover Final Closing Statement (and amounts calculated therefrom) is greater than the Rover Adjustment Amount as calculated using the Rover Estimated Closing Statement (and amounts calculated therefrom), Pluto shall pay, or cause to be paid, in cash by wire transfer of same day immediately available funds to Newquay an amount equal to such excess; and

(b) in the event that the Rover Adjustment Amount as calculated using the Rover Final Closing Statement (and amounts calculated therefrom) is less than the Rover Adjustment Amount as calculated using the Rover Estimated Closing Statement (and amounts calculated therefrom), Newquay shall pay, or cause to be paid, in cash by wire transfer of same day immediately available funds to Pluto an amount equal to such difference.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PLUTO AND PLUTO TOPCO

Each of Pluto and, solely with respect to Section 4.10, Pluto Topco, hereby represents and warrants to Newquay as of the date hereof and as of the Closing that:

Section 4.1 Organization and Good Standing. Pluto is a legal entity duly organized, validly existing and in good standing under the Requirements of Law of its jurisdiction of organization and has all requisite power and authority to own, operate and lease its assets and to carry on its business as currently conducted. Pluto is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the ownership, operation or leasing of its assets or the conduct of its business as currently conducted requires such qualification, except for those jurisdictions where the failure to be so qualified or to be in good standing, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Pluto's ability to perform its obligations under this Agreement or to consummate the Transactions. Pluto has made available to Newquay true and complete copies of the Charter Documents of Pluto.

Section 4.2 Authorization; Binding Obligations. Each of Pluto and each of its Subsidiaries that is party to the Transition Services Agreement has all necessary power and authority to make, execute and deliver this Agreement and the Transition Services Agreement, as applicable, and to perform all of its obligations to be performed by it under this Agreement and the Transition Services Agreement, as applicable. The making, execution, delivery and performance by Pluto and each of its applicable Subsidiaries of this Agreement and the Transition Services Agreement and the consummation by them of the Transactions have been duly and validly authorized by all necessary corporate action on the part of Pluto and each such Subsidiary. This Agreement has been, and, as of the Closing Date, the Transition Services Agreement will be, duly and validly executed and delivered by Pluto and each such Subsidiary,

as the case may be, and assuming the due authorization, execution and delivery by Newquay and each of its applicable Subsidiaries that is a party thereto, this Agreement constitutes, and, as of the Closing Date, the Transition Services Agreement will constitute, the valid, legal and binding obligation of Pluto and each of its applicable Subsidiaries that is a party thereto, enforceable against it in accordance with its terms, except (i) as the enforceability hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar Requirements of Law, now or hereafter in effect, relating to or affecting the rights of creditors generally and (ii) the availability of specific remedies (including specific performance and injunctive or other forms of equitable relief) may be limited by legal and equitable principles of general applicability (clauses (i) and (ii), the "Enforceability Exceptions").

Section 4.3 No Conflicts. The execution and delivery of this Agreement by Pluto does not, and the performance by Pluto of its obligations hereunder, the execution and delivery of the Transition Services Agreement by Pluto and each of its applicable Subsidiaries that is party thereto, the performance by Pluto and each such Subsidiary of its obligations thereunder, and the consummation of the Transactions will not, conflict with, result in a violation or breach of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any Person any right of payment or reimbursement, termination, revocation, cancellation, modification or acceleration of, or result in the creation or imposition of any Lien upon any of the assets or properties of Pluto or any applicable Subsidiary under, any of the terms, conditions or provisions of (a) the Charter Documents of Pluto or such Subsidiary, (b) subject to the taking of the actions described in Section 4.4 by Pluto, any Requirements of Law applicable to Pluto or any such Subsidiary or any of their respective assets or properties, or (c) any Contract, Permit or other instrument to which Pluto or any such Subsidiary is a party or by which it or any of their respective assets or properties is bound, excluding from the foregoing clauses (b) and (c) such items that, individually or in the aggregate, have not had and would not reasonably be expected to have a material adverse effect on Pluto's or such Subsidiaries' ability to perform their obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions.

Section 4.4 Pluto Required Statutory Approvals. Except for (a) compliance with, and filings under, the HSR Act and the rules and regulations thereunder, (b) FERC authorization under Section 203 of the Federal Power Act and (c) Rhode Island Division of Public Utilities and Carriers (the "Rhode Island Division") authorization under Chapter 39-3 of the Rhode Island General Laws (the "Rhode Island Approval") (the items set forth above in clauses (a) through (c) collectively, the " Pluto Required Statutory Approvals"), or to the extent required under the Communications Act of 1934 (the "Communications Act"), or applicable rules and regulations promulgated thereunder (together with the Communications Act, the "Communications Laws"), no notification, filing or registration, consent, approval, declaration, Permit or authorization to, by or from any Governmental Authority is necessary or required in connection with the execution and delivery of this Agreement or the Transition Services Agreement by Pluto or each applicable Subsidiary that is party thereto, the performance by Pluto or such Subsidiaries of their respective obligations hereunder or thereunder or the consummation of the Transactions by Pluto or such Subsidiaries, other than such items that the failure to make or obtain, as the case may be, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Pluto's or such Subsidiaries' ability to perform their obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions.

Section 4.5 No Pluto Shareowner Vote. No vote or other action of the shareowners of Pluto Topco is required pursuant to any Requirement of Law, the Charter Documents of Pluto Topco or otherwise in order for Pluto to consummate the Transactions.

Section 4.6 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or similar fee or commission in connection with the Transactions based upon arrangements made by or on behalf of Pluto, except J.P. Morgan Securities LLC whose fees and expenses will be the sole responsibility of Pluto.

Section 4.7 Pluto Financing. Assuming the Island Sale has been consummated, Pluto has sufficient cash, credit facilities or other financing sources available, and will have sufficient cash available at the Closing to make the cash payment contemplated by Section 1.2 and to pay all related fees and expenses, in each case in United States dollars, and otherwise to effect the Transactions. Notwithstanding anything contained in this Agreement to the contrary, Pluto expressly acknowledges that its obligations hereunder are not conditioned in any manner upon Pluto or any of its Affiliates obtaining any financing.

Section 4.8 Legal Proceedings. (a) There are no pending or, to the Knowledge of Pluto, threatened, actions, suits, arbitrations or proceedings by or before any Governmental Authority against or involving Pluto or any of its assets and properties, nor to the Knowledge of Pluto are there any Governmental Authority investigations, inquiries or audits pending or threatened against or involving Pluto or any of its assets and properties, that, in each case, individually or in the aggregate, would reasonably be expected to (i) prevent, materially impair or materially delay the consummation of the Transactions or (ii) have a material adverse effect on Pluto's ability to perform its obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions and (b) there are no judgments, injunctions, writs, orders or decrees of any Governmental Authority binding or, to the Knowledge of Pluto, threatened to be imposed upon Pluto that, individually or in the aggregate, would reasonably be expected to (i) prevent, materially impair or materially delay the consummation of the Transactions or (ii) have a material adverse effect on Pluto's ability to perform its obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions.

Section 4.9 Securities Act. The Rover Equity Interests are being acquired for investment only and not with a view to any public distribution thereof, and neither Pluto nor any Affiliate of Pluto shall offer to sell or otherwise dispose of the Rover Equity Interests so acquired by it in violation of any of the registration requirements of the United States Securities Act of 1933, as amended.

Section 4.10 Pluto Topco.

(a) Pluto Topco is a legal entity duly organized, validly existing and in good standing under the Requirements of Law of its jurisdiction of organization and has all necessary power and authority to make, execute and deliver this Agreement and to perform all of its obligations to be performed by it under this Agreement.

(b) The making, execution, delivery and performance by Pluto Topco of this Agreement and performance by Pluto Topco of its covenants and agreements under this

Agreement have been duly and validly authorized by all necessary corporate action on the part of Pluto Topco. This Agreement has been duly and validly executed and delivered by Pluto Topco and constitutes the valid, legal and binding obligation of Pluto Topco, enforceable against it in accordance with its terms, subject to the Enforceability Exceptions.

(c) None of the execution, delivery and performance of this Agreement by Pluto Topco will (i) violate, conflict with or result in a breach of the Charter Documents of Pluto Topco, (ii) violate, conflict with or result in the breach of any Requirements of Law applicable to Pluto Topco or its assets or properties, or (iii) (A) require any notification, filing or registration, consent, approval, declaration, Permit or authorization to, by, with or from any Person, or (B) violate, result in any breach of or, with or without notice or lapse of time or both, constitute a default or give rise to any right of termination, cancellation, suspension, revocation, amendment, modification or acceleration of, or result in the creation or imposition of a Lien on any asset, property or business of Pluto Topco under, any Contract, Permit or other instrument or arrangement to which Pluto Topco is a party or by which Pluto Topco or its properties or assets are bound, except, in the case of the foregoing clauses (ii) and (iii), as, individually or in the aggregate, has not and would not reasonably be expected to prevent or materially impair Pluto Topco's ability to perform its obligations under this Agreement.

Section 4.11 No Other Representations. Pluto acknowledges and agrees that, except for the representations and warranties contained in this Agreement, neither Newquay nor any of its Affiliates nor their respective Representatives, nor any other Person, makes, or shall be deemed to make, any representation or warranty to Pluto, express or implied, at law or in equity, on behalf of Newquay, and Newquay hereby excludes and disclaims any such representation or warranty, notwithstanding the delivery or disclosure to Pluto or any of its Affiliates or their respective Representatives or any other Person of any documentation or other information. In connection with Pluto's investigation of the Rover Business, Newquay has delivered, or made available to Pluto and its Representatives, certain projections and other forecasts relating to the Rover Business and certain business plan information of the Rover Business. Pluto acknowledges that there are uncertainties inherent in attempting to make such projections and other forecasts and plans and accordingly is not relying on them, that Pluto is familiar with such uncertainties, that Pluto is taking full responsibility for making its own evaluation of the adequacy and accuracy of all projections and other forecasts and plans so furnished to them, and that Pluto and its Representatives shall have no claim against any Person with respect thereto. Accordingly, Pluto acknowledges and agrees that neither Newquay nor any of its Representatives has made any representation or warranty with respect to such projections and other forecasts and plans. Pluto represents and warrants that it has not relied upon, and is not relying upon, any representation or warranty made by Newquay or any of its Affiliates or their respective Representatives in executing, delivering and performing this Agreement or in consummating the Transactions, except for the representations and warranties contained in this Agreement. Pluto acknowledges that it has conducted to its reasonable satisfaction an independent investigation of the financial condition, liabilities, results of operations and projected operations of the Rover Business and the nature and condition of the properties, assets and businesses of Rover and, in making the determination to proceed with the Transactions, has relied on the results of its own independent investigation and the representations and warranties contained in this Agreement. Nothing in this Section 4.11 shall be deemed to disclaim or waive

any claims of, or causes of action arising from, representations or warranties made by the Parties or their respective Affiliates under any other agreement.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF NEWQUAY

Newquay hereby represents and warrants to Pluto as of the date hereof and as of the Closing that, except as set forth in the corresponding section of the Newquay Disclosure Schedule (with any disclosure in a section of the Newquay Disclosure Schedule being deemed and understood to be disclosure in each other section of the Newquay Disclosure Schedule to which the applicability of the disclosure is reasonably apparent on its face, notwithstanding reference to a specific section):

Section 5.1 Organization and Good Standing . Each of Newquay and Rover is a legal entity duly organized, validly existing and (where applicable) in good standing under the Requirements of Law of its jurisdiction of organization and has all requisite power and authority to own, operate and lease its assets and to carry on its business as currently conducted. Each of Newquay and Rover is duly qualified to do business and is in good standing (where applicable) as a foreign corporation in each jurisdiction where the ownership, operation or leasing of its assets or the conduct of its business as currently conducted requires such qualification, except for those jurisdictions where the failure to be so qualified or to be in good standing, individually or in the aggregate, would not reasonably be expected to have a Rover Material Adverse Effect or, with respect to Newquay, to have a material adverse effect on Newquay's ability to perform its obligations under this Agreement or to consummate the Transactions. Newquay has made available to Pluto true and complete copies of the Charter Documents of Newquay and Rover.

Section 5.2 Authorization; Binding Obligations. Each of Newquay and each of its Subsidiaries that is party to the Transition Services Agreement has all necessary power and authority to make, execute and deliver this Agreement and the Transition Services Agreement, as applicable, and to perform all of the obligations to be performed by it under this Agreement and the Transition Services Agreement, as applicable. The making, execution, delivery and performance by Newquay and each of its applicable Subsidiaries of this Agreement and the Transition Services Agreement and the consummation by them of the Transactions have been duly and validly authorized by all necessary corporate action on the part of Newquay and each such Subsidiary. The board of directors of Newquay has approved the Transactions, and no other corporate proceedings on the part of Newquay or its shareholders are necessary or required to authorize the execution, delivery and performance of this Agreement by Newquay and the consummation by Newquay of the Transactions. This Agreement has been, and, as of the Closing Date, the Transition Services Agreement will be, duly and validly executed and delivered by Newquay and each such Subsidiary, as the case may be, and assuming the due authorization, execution and delivery by Pluto and each of its applicable Subsidiaries that is a party thereto, this Agreement constitutes, and, as of the Closing Date the Transition Services Agreement will constitute, the valid, legal and binding obligation of Newquay and each of its applicable Subsidiaries that is a party thereto, enforceable against them in accordance with its terms, subject to the Enforceability Exceptions. No vote or other action of the shareholders of Newquay Topco, Newquay or Rover is required pursuant to any Requirement of Law, the

Charter Documents of Newquay Topco, Newquay or Rover or otherwise in order for Newquay to consummate the Transactions.

Section 5.3 No Conflicts. The execution and delivery of this Agreement by Newquay does not, and the performance by Newquay of its obligations hereunder, the execution and delivery of the Transition Services Agreement by Newquay and each of its applicable Subsidiaries that is party thereto, and the performance by Newquay and each such Subsidiary of its obligations thereunder, and the consummation of the Transactions will not, conflict with, result in a violation or breach of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any Person any right of payment or reimbursement, termination, revocation, cancellation, modification or acceleration of, or result in the creation or imposition of any Lien upon any of the assets or properties of Newquay or such Subsidiary under, any of the terms, conditions or provisions of (a) the respective Charter Documents of Newquay or such Subsidiary, (b) subject to the taking of the actions described in Section 5.4 by Newquay, any Requirements of Law applicable to Newquay or any such Subsidiary or any of their respective assets or properties, or (c) any Contract, Permit or other instrument to which Newquay or any such Subsidiary is a party or by which it or any of their respective assets or properties is bound, excluding from the foregoing clauses (b) and (c) such items that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect or to have a material adverse effect on Newquay's or such Subsidiaries' ability to perform their obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions.

Section 5.4 Newquay Required Statutory Approvals. Except for (a) compliance with, and filings under, the HSR Act and the rules and regulations thereunder, (b) FERC authorization under Section 203 of the Federal Power Act, (c) Rhode Island Approval and (d) Massachusetts Department of Public Utilities authorization under Chapter 164, Section 96 of the Massachusetts General Laws (the "Massachusetts Approval") (the items set forth above in clauses (a) through (d) collectively, the "Newquay Required Statutory Approvals", and together with the Pluto Required Statutory Approvals, the "Required Statutory Approvals"), or to the extent required under the Communications Laws, no notification, filing or registration, consent, approval, declaration, Permit or authorization to, by or from any Governmental Authority is necessary or required in connection with the execution and delivery of this Agreement or the Transition Services Agreement by Newquay or each applicable Subsidiary that is party thereto, the performance by Newquay or such Subsidiaries of their obligations hereunder or thereunder or the consummation of the Transactions by Newquay or such Subsidiaries, other than such items that the failure to make or obtain, as the case may be, individually or in the aggregate, would not reasonably be expected to (i) prevent, materially impair or materially delay the consummation of the Transactions, (ii) have a Rover Material Adverse Effect or (iii) have a material adverse effect on Newquay's or such Subsidiaries' ability to perform their obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions.

Section 5.5 Rover; Other Interests.

(a) The authorized capital stock of Rover consists of 1,132,487 shares of common stock, par value $50.00 per share (the "Rover Common Stock"), of which 1,132,487 shares are issued and outstanding, and 350,000 shares of cumulative preferred stock, par value

$50.00 per share (the "Rover Preferred Stock"), of which 49,089 shares are issued and outstanding. All shares of Rover Common Stock and Rover Preferred Stock are duly authorized, validly issued, paid and non-assessable. Newquay is the legal and beneficial owner, directly or indirectly, of all of the outstanding shares of Rover Common Stock, free and clear of all liens (other than Permitted Equity Liens).

(b) Except for Equity Securities acquired after the date of this Agreement without violating any covenant or agreement set forth herein, Rover does not own, directly or indirectly, Equity Securities of any Person.

(c) There are no outstanding Contracts obligating Rover to acquire Equity Securities of any Person. Neither Newquay nor any of its Subsidiaries is a party to any Contract that obligates Newquay or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Equity Securities of Rover.

(d) There are no outstanding subscriptions, options, warrants, rights (including stock appreciation rights), preemptive rights or other Contracts, commitments, understandings or arrangements, including any right of conversion or exchange under any outstanding security, instrument or Contract, obligating Rover to (i) issue or sell any Equity Securities of Rover, (ii) grant, extend or enter into any option with respect thereto, (iii) redeem or otherwise acquire any such Equity Securities, or (iv) provide any amount of funds to, or make any material investment (in the form of a loan, capital contribution or otherwise) in, any Person (including any of their respective Subsidiaries).

(e) There are no voting trusts, proxies or other Contracts, commitments, understandings, restrictions or arrangements to which Newquay or any of its Affiliates is a party in favor of any Person with respect to the voting of or the right to participate in dividends or other earnings on any capital stock or other equity interests of Rover.

(f) Assuming that the Consents set forth in Section 5.4 are duly obtained and any applicable waiting periods have expired or terminated, upon consummation of the Transactions (including the execution and delivery of the documents to be delivered at the Closing), at the Closing, Pluto (or one or more of its wholly owned Subsidiaries) shall be vested with good and marketable title in and to the Rover Equity Interest, free and clear of all Liens (other than Permitted Equity Liens).

Section 5.6 Absence of Certain Changes.

(a) Since December 31, 2020 through the date of this Agreement, (i) Rover has conducted its businesses in the ordinary course of business in all material respects and (ii) there has not been any Change that, individually or in the aggregate, has had or would reasonably be expected to have a Rover Material Adverse Effect.

(b) Since December 31, 2020 through the date of this Agreement, no action has been taken with respect to Rover which, if taken after the date of this Agreement and prior to the Closing, would constitute a violation of Sections 6.1(b)(i), (ii)(A) – (C), (iii), (iv), (v), (viii), (ix) or (xiv).

Section 5.7 Undisclosed Liabilities. Rover does not have any Liabilities that would be required to be recorded or reflected on a balance sheet of Rover prepared in accordance with GAAP, other than (a) Liabilities reflected or otherwise reserved against in the Rover Financial Statements, (b) Liabilities arising in the ordinary course of business since the date of the Rover Financial Statements, (c) Liabilities incurred in accordance with this Agreement or incurred in connection with the Transactions and (d) Liabilities that have not had and would not reasonably be expected to have, individually or in the aggregate, a Rover Material Adverse Effect. Rover is not a party to, and does not have any commitment to become a party to, any "off balance sheet arrangement" (as defined in Item 303(a) of Regulation S-K promulgated by the SEC).

Section 5.8 Financial Statements; Utility Reports; Regulatory Status.

(a) Schedule 5.8(a) of the Newquay Disclosure Schedule sets forth true and complete copies of (i) an audited income statement for Rover for the 12 months ended March 31, 2020 (the "Rover Audited Income Statement") and an unaudited income statement for Rover for the nine months ended December 31, 2020 (the "Rover Unaudited Income Statement") and (ii) an audited balance sheet for Rover as of March 31, 2020 (the "Rover Audited Balance Sheet" and, together with the Rover Audited Income Statement, the "Rover Audited Financial Statements"), and an unaudited balance sheet for Rover as of December 31, 2020 (the "Rover Unaudited Balance Sheet" and, together with the Rover Unaudited Income Statement, the "Rover Unaudited Financial Statements"; the Rover Audited Financial Statements and the Rover Unaudited Financial Statements together being the "Rover Financial Statements").

(b) The Rover Financial Statements (i) have been derived from the accounting books and records of Rover, (ii) comply as to form in all material respects with the applicable accounting requirements and were prepared in accordance with GAAP (except as may be indicated therein or in the notes thereto and except with respect to unaudited statements), and (iii) fairly present in all material respects the financial position of Rover as of the respective dates thereof and the results of operations of Rover for the respective periods then ended (except as they may expressly disclose and subject, in the case of the Rover Unaudited Financial Statements, to the absence of footnotes therein and to normal, recurring year-end adjustments). The Rover Unaudited Financial Statements (except as they may expressly disclose and subject to the absence of footnotes therein and to normal, recurring year-end adjustments) were prepared using the same techniques and accounting policies as those adopted in preparing the Rover Audited Financial Statements. Rover's system of internal controls over financial reporting is sufficient in all material respects to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP.

(c) All filings required to be made by Rover since January 1, 2018, under (i) the Public Utility Holding Company Act of 2005, the Federal Power Act, the Natural Gas Act of 1938, the Natural Gas Policy Act of 1978, and the Communications Act of 1934 (in each case including all regulations promulgated thereunder) or (ii) Rhode Island Requirements of Law, have been filed on a timely basis (taking into account all applicable grace periods), with FERC, the Rover Utility Regulators or any other relevant Governmental Authority, as the case may be, including all forms, statements, reports, agreements (oral or written), undertakings, and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs, franchises, service agreements and related documents, and all such filings complied, as of

their respective dates, with all applicable requirements of the applicable statute and the rules and regulations thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable Requirements of Law, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect.

(d) Schedule 5.8(d) of the Newquay Disclosure Schedule sets forth, as of the date of this Agreement, (i) all filings requesting approval to implement a change in rates or charges in regulatory proceedings by Rover or on behalf of Rover by an Affiliate of Rover pending as of the date of this Agreement before the FERC or the Rover Utility Regulators and (ii) each other material proceeding pending as of the date of this Agreement before the FERC or the Rover Utility Regulators (other than those rate filings or other proceedings of a general or industry-wide nature that also affect other entities engaged in a business similar to that of Rover). All charges that have been made for service and all related fees have been charged in accordance with the terms and conditions of valid and effective tariffs or valid and enforceable agreements for non-tariff charges and are not subject to refund, except for failures to have made such charges or charged such fees that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect.

(e) Rover is legally entitled to provide services in all areas (i) where it currently provides service to its customers, and (ii) as identified in its respective licenses and authorizations, except for failures to be so entitled that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect.

(f) Rover is regulated as a public utility under the Federal Power Act and under applicable Requirements of Law of the State of Rhode Island. Rover is not subject to regulation as a public utility by any state or province other than the State of Rhode Island.

Section 5.9 Legal Proceedings. There are no pending or, to the Knowledge of Newquay, threatened, actions, suits, arbitrations or proceedings by or before any Governmental Authority against or involving Rover or any of its assets and properties, nor to the Knowledge of Newquay are there any Governmental Authority investigations, inquiries or audits pending or threatened against or involving Rover or any of its assets and properties, that, in each case, (a) involves potential criminal penalties or (b) seeks injunctive relief, damages or other remedies or relief that individually or in the aggregate, have had or would reasonably be expected to have a Rover Material Adverse Effect or to have a material adverse effect on the ability of Newquay or any Subsidiary of Newquay that is party to the Transition Services Agreement to perform their obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions. There are no judgments, injunctions, writs, orders or decrees of any Governmental Authority binding or, to the Knowledge of Newquay, threatened to be imposed upon (i) Rover, (ii) any other Affiliate of Newquay with respect to the Rover Business or (iii) the Rover Business, in each case, that seeks injunctive relief, damages or other remedies or relief that individually or in the aggregate, have had or would reasonably be expected to have a Rover Material Adverse Effect or to have a material adverse effect on the ability of Newquay or any Subsidiary of Newquay that is party to the Transition Services Agreement to perform their obligations under this Agreement or the Transition Services Agreement or to consummate the Transactions. There is no unsatisfied judgment (other than any such judgment subject to appeal) against Rover or any of its assets or the Rover Business, except as, individually or in the

aggregate, have not had or would not reasonably be expected to have a Rover Material Adverse Effect. The provisions of this Section 5.9 do not relate to matters with respect to Environmental Claims, such matters being the subject of Section 5.15.

Section 5.10 Permits; Compliance with Law and Orders. Rover holds all permits, licenses, certificates, notices, franchises, authorizations, approvals and similar consents from Governmental Authorities ("Permits") necessary or required for the lawful conduct of its business, except for failures to hold such Permits that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect. Rover is, and since January 1, 2018 has been, in compliance with the terms of its Permits, except failures so to comply that, individually or in the aggregate, have not had, and would not reasonably be expected to have a Rover Material Adverse Effect. Newquay and Rover are not, and since January 1, 2018 have not been, in violation of or default under any Requirement of Law or order of any Governmental Authority, except for such violations or defaults that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect or, with respect to Newquay, to have a material adverse effect on Newquay's ability to perform its obligations under this Agreement or to consummate the Transactions. The provisions of this Section 5.10 do not relate to matters with respect to Environmental Permits and Environmental Laws, such matters being the subject of Section 5.15.

Section 5.11 Taxes.

(a) All income and other material Tax Returns with respect to Rover that are required to be filed by, or on behalf of, Rover have been duly and timely filed with the appropriate Governmental Authority, and all such Tax Returns are (and, except to the extent that amendments have been made with respect to a Tax Return or adjustments to items reported on a Tax Return have been made by a Governmental Authority, were when filed) true, complete and correct in all material respects.

(b) All material Taxes due and owing by Rover (whether or not shown on any Tax Return) have been fully and timely paid to the appropriate Governmental Authority.

(c) The most recent financial statements contained in the Rover Financial Statements reflect, in accordance with GAAP, an adequate reserve for all Taxes payable by Rover for all taxable periods through the date of such financial statements, and since such date, Rover has not incurred any Liability for Taxes outside the ordinary course of business.

(d) Rover (i) has timely paid, deducted, withheld and collected all material amounts required to be paid, deducted, withheld or collected by it with respect to any payment owing to, or received from, its employees, creditors, independent contractors, shareholders, customers and other third parties (and has timely paid over, or set aside in accounts for such purpose and reported, any amounts so withheld, deducted or collected to the appropriate Governmental Authority), and (ii) has otherwise complied in all material respects with all Requirements of Law relating to the payment, withholding, collection and remittance of Taxes (including information reporting Requirements of Law).

(e) There is no ongoing, pending or, to the Knowledge of Newquay, threatened audit, claim, assessment, levy, administrative or judicial proceeding with respect to any material Taxes or material Tax Return of Rover.

(f) Neither Newquay nor Rover has received written notice of any claim made by a Governmental Authority in a jurisdiction where Rover has not filed a Tax Return or paid Taxes of a particular type, that Rover is or may be subject to taxation by that jurisdiction, required to file Tax Returns in that jurisdiction or required to pay such Taxes, which claim has not been resolved.

(g) Schedule 5.11(g) of the Newquay Disclosure Schedule sets forth all state, local and non-U.S. jurisdictions in which Rover is or has been subject to Tax, and each type of Tax payable in such jurisdiction, during the three (3) most recent taxable years.

(h) No Governmental Authority has proposed, asserted or assessed any deficiency with respect to any material Taxes against Rover (and that has not been fully paid or finally settled) with respect to any taxable period for which the period of assessment or collection remains open.

(i) There are no outstanding applications, written agreements, consents or waivers to extend the statutory period of limitations applicable to the assessment of any Taxes or deficiencies against Rover, and no power of attorney has been granted by or with respect to Rover outside the ordinary course with respect to any matters relating to Taxes that is currently in force.

(j) Rover (i) as of the Closing Date, is not a party to, or bound by, nor has any obligation under, any agreement providing for the allocation, indemnification or sharing of Taxes (other than such agreements with customers, vendors, lessors or the like entered into in the ordinary course of business and that are not primarily concerning Taxes), (ii) is not as of the Closing Date, and was not during any Taxable period for which the statutory period of limitations applicable to the assessment of any Taxes or deficiencies against Rover is open as of the Closing Date, a member of an affiliated, consolidated, combined, unitary or similar Tax group (or similar state, local or non-U.S. Tax group) (other than the group the common parent of which is National Grid North America Inc. (formerly known as National Grid Holdings Inc.)) and (iii) has no liability for the Taxes of any Person under U.S. Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Requirement of Law), or as a transferee or successor.

(k) There are no Liens for material Taxes (other than Permitted Liens) with respect to the assets owned or held by Rover.

(l) Neither Newquay nor Rover (i) has requested or received any closing agreement (as described in Section 7121 of the Code, or any predecessor provision or any analogous, comparable or similar provision of state, local or non-U.S. Requirement of Law), private letter rulings, technical advice memoranda or similar agreements or rulings related to Taxes from any Governmental Authority, or signed (or been a party to or bound by) any binding agreement relating to Taxes with any Governmental Authority (including any advance pricing

agreement) that reasonably could be expected to have an impact on the Tax liability of Rover in a taxable period (or portion thereof) ending after the Closing Date, or (ii) is currently the beneficiary of any Tax holiday or other Tax reduction or incentive arrangement with any Governmental Authority.

(m) Within the past two (2) years, or otherwise as part of a plan (within the meaning of Section 355(e) of the Code) that includes the transactions contemplated hereunder, Rover has not distributed the stock of another Person, or has had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code.

(n) Rover has not participated in any "listed transaction" within the meaning of U.S. Treasury Regulation Section 1.6011-4(b)(2) (or any similar provision of state, local or non-U.S. Requirement of Law).

(o) Rover will not be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (i) adjustment under Section 481 of the Code (or any similar provision of state, local or non-U.S. Requirement of Law) or any other change in method of accounting occurring prior to the Closing, (ii) closing agreement described in Section 7121 of the Code (or any similar provision of state, local or non-U.S. Requirement of Law) entered into prior to the Closing, (iii) installment sale or open transaction disposition occurring prior to the Closing, (iv) use of an improper method of accounting prior to the Closing, (v) prepaid amount received, or deferred revenue accrued, prior to the Closing, or (vi) "gain recognition agreement" as described in U.S. Treasury Regulation Section 1.367(a)-8 (or any similar provision of state, local or non-U.S. Requirement of Law) executed prior to the Closing.

(p) Rover is not, and will not be, required to include any amount in income for a taxable year ending after December 31, 2017 as a result of the application of Section 965 of the Code, except with respect to payments made in subsequent taxable years under a valid election under Section 965(h)(1) of the Code or with respect to which the financial statements of Rover reflect adequate reserves in accordance with GAAP. With respect to any amounts that Rover is required to include in income as a result of the application of Section 965 of the Code (or any similar or analogous provision of state or local Requirement of Law), Rover (i) has timely made a valid election under Section 965(h)(1) of the Code (or any similar or analogous provision of state or local Requirement of Law) and (ii) has timely paid in full each installment payment that is required to be paid on or before the Closing Date pursuant to Section 965(h)(2) of the Code (or any similar or analogous provision of state or local Requirement of Law).

(q) Rover and Newquay are properly treated as members of the same United States federal income tax consolidated group.

(r) Rover has not requested, applied for, or sought or received any relief, assistance or benefit from any Governmental Authority under any COVID-19 Legislation.

(s) It is agreed and understood that no representation or warranty is made by Newquay in respect of Tax matters in any section of this Agreement other than Section 5.6 (to the extent relating specifically to Taxes), Section 5.13 and this Section 5.11.

Section 5.12 Rover Business. The Rover Business is the only business operation currently carried on by Rover. The assets of Rover are currently being operated and maintained in accordance with Good Utility Practice, except as would not, individually or in the aggregate, reasonably be expected to have a Rover Material Adverse Effect. Rover owns, leases, licenses or has contractual rights to use all of the assets necessary to conduct the Rover Business in the manner in which it is currently conducted, except as would not, individually or in the aggregate, reasonably be expected to have a Rover Material Adverse Effect. The assets of Rover, and the Rover Business Employees, when taken together with the services to be provided pursuant to the Transition Services Agreement and any services Newquay is prepared to provide pursuant to the Transition Services Agreement but Pluto declines to accept, are sufficient to enable Rover to conduct the Rover Business in all material respects in the same manner and on the same terms as currently conducted.

Section 5.13 Employee Benefit Plans.

(a) Schedule 5.13(a) of the Newquay Disclosure Schedule sets forth, as of the date of this Agreement, an accurate and complete list of each material Rover Benefit Plan and identifies each such Rover Benefit Plan that is an Assumed Benefit Plan. Newquay has made available to Pluto a copy of, for each material Rover Benefit Plan, the plan document (including all amendments thereto) and, for each material Assumed Benefit Plan, the most recent, as applicable, (i) summary plan description and any current summary of material modifications, (ii) annual report, (iii) determination letter received from the IRS and (iv) actuarial report and related financial statements related thereto for the prior three (3) years.

(b) Each Assumed Benefit Plan has been established, operated and administered in accordance with its terms and is in compliance with ERISA, the Code and all other applicable Requirements of Law and all contributions required to be made under the terms of any Assumed Benefit Plan have been timely made or, if not yet due, have been properly reflected in the Rover Financial Statements to the extent required to be reflected therein in accordance with the Rover Applicable Accounting Principles, except, in each case, for instances of non-compliance that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect. Except for matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect, there are no pending, anticipated or, to the Knowledge of Newquay, threatened claims by or on behalf of any Assumed Benefit Plan, by any employee or beneficiary covered thereunder or otherwise involving any Assumed Benefit Plan (other than routine claims for benefits).

(c) Each of the Rover Benefit Plans intended to be "qualified" within the meaning of Section 401(a) of the Code is so qualified and each trust maintained thereunder is exempt from taxation under Section 501(a) of the Code. Except for matters that, individually or in the aggregate, have not resulted in and would not reasonably be expected to result in a material Liability to Rover, with respect to any Assumed Benefit Plan, none of Newquay, any

Newquay ERISA Affiliate nor Rover has engaged in a transaction in connection with which Rover reasonably could be subject to either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975 or 4976 of the Code.

(d) Except as would not, individually or in the aggregate, reasonably be expected to have a Rover Material Adverse Effect, none of Newquay, any Newquay ERISA Affiliate nor Rover maintains, contributes to or sponsors (or has in the past six (6) years maintained, contributed to, or sponsored) a multiemployer plan within the meaning of Section 3(37) or Section 4001(a)(3) of ERISA (each, a "Multiemployer Plan"), a multiple employer welfare arrangement within the meaning of Section 3(40) of ERISA or any "pension plan", as defined in Section 3(2) of ERISA (each, a "Pension Plan") that is subject to Section 302 or Title IV of ERISA or Section 412 of the Code.

(e) With respect to each Pension Plan that is a Rover Benefit Plan, (i) no condition exists that presents a risk to Rover of incurring any material Liability under Title IV or Section 302 of ERISA, other than any material Liability for premiums due the Pension Benefit Guaranty Corporation (which premiums have been paid when due); (ii) the minimum funding standard under Section 430 of the Code has been satisfied in all material respects and no waiver of any minimum funding standard or any extension of any amortization period has been requested or granted; and (iii) all material contributions required to be made with respect to such Pension Plan on or prior to the Closing Date have been timely made and deposited or, if not yet due, have been properly reflected in the Rover Financial Statements to the extent required to be reflected therein in accordance with the Rover Applicable Accounting Principles.

(f) None of Newquay, any Newquay ERISA Affiliate nor Rover has made or suffered a "complete withdrawal" or a "partial withdrawal", as such terms are respectively defined in sections 4203 and 4205 of ERISA, from a Multiemployer Plan that has resulted in or would reasonably be expected to result in a material Liability to Rover (or such material Liability resulting therefrom has been satisfied in full).

(g) None of the execution and delivery of this Agreement, the performance by any party of its obligations hereunder or the consummation of the Transactions (either alone or in conjunction with any other event, including any termination of employment on or following the Closing) will (i) entitle any Rover Business Employee, any other current individual service provider of Rover or any Rover Business Former Employee (collectively, the "Rover Personnel") to any additional compensation or benefit, (ii) accelerate the time of payment or vesting, or trigger any payment or funding, of any compensation or benefit or trigger any other obligation under any Assumed Benefit Plan, (iii) result in any breach or violation of, or default under, or limit Rover's right to amend, modify or terminate, any Assumed Benefit Plan, (iv) result in any forgiveness or extension of indebtedness under or with respect to any Assumed Benefit Plan or (v) result in an entitlement of any Rover Personnel to severance pay, unemployment compensation or any other payment or benefit.

(h) No amount or benefit that could be, or has been, received (whether in cash or property or the vesting of property or the cancellation of indebtedness) by any Rover Personnel who is a "disqualified individual" within the meaning of Section 280G of the Code

could be characterized as an "excess parachute payment" (as defined in Section 280G(b)(1) of the Code) as a result of the consummation of the Transactions.

(i) No Assumed Benefit Plan provides for the gross-up of any Taxes imposed by Section 409A or Section 4999 of the Code or otherwise.

(j) No Rover Benefit Plan that is a "welfare benefit plan" within the meaning of Section 3(1) of ERISA (without regard to whether it is subject to ERISA) provides benefits with respect to Rover Business Employees or Rover Business Former Employees beyond their retirement or other termination of service, other than coverage mandated by Requirement of Law or benefits the full costs of which are borne by the Rover Business Employee or Rover Business Former Employee or, respectively, his or her beneficiary.

Section 5.14 Labor Matters.

(a) Schedule 5.14(a) of the Newquay Disclosure Schedule sets forth, as of the date of this Agreement, each labor agreement, collective bargaining agreement or other labor-related agreements or arrangements with (i) any labor union, labor organization or works council to which Rover is a party to or bound by, and (ii) any other labor union, labor organization or works council representing any Rover Business Employee with respect to his or her employment with Newquay or any Affiliate of Newquay or Rover ((i) and (ii) collectively, the "Rover Labor Agreements").

(b) Neither the announcement nor the consummation of the Transactions will require the consent of, or advance notification to, any labor union, labor organization or works councils with respect to any Rover Business Employee.

(c) Since January 1, 2018, there have not been any work stoppages, strikes, slowdowns or lockouts by or affecting any Rover Business Employee, except in each case, as, individually or in the aggregate, has not resulted in and would not reasonably be expected to result in a material Liability to Rover, and as of the date of this Agreement, there is not any material work stoppage, strike, slowdown or lockout by or affecting any Rover Business Employee and, to the Knowledge of Newquay, no such action has been threatened.

(d) Each individual employed by Rover is primarily dedicated to the operation of the Rover Business.

(e) Except for matters that, individually or in the aggregate, has not had and would not reasonably be expected to have a Rover Material Adverse Effect, Newquay, each Affiliate of Newquay and Rover are, and since January 1, 2018, have been, in compliance with all applicable Requirements of Law respecting employment and employment practices, including, without limitation, all Requirements of Law respecting terms and conditions of employment, health and safety, wages and hours, worker classification, child labor, immigration, employment discrimination, disability rights or benefits, equal opportunity, plant closures and layoffs, affirmative action, workers' compensation, labor relations, employee leave issues and unemployment insurance, in each case with respect to the Rover Business.

(f) Except for matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect, there are no pending or, to the Knowledge of Newquay, threatened labor or employment-related actions, suits, arbitrations or proceedings by or before any Governmental Authority, in each case, with respect to the Rover Business or the Rover Business Employees.

(g) Since January 1, 2018, (i) none of Newquay or Rover has been a party to a settlement agreement with a current or former officer, employee or independent contractor of Rover or the Rover Business that involves allegations relating to sexual or racial discrimination, harassment or other misconduct by a Rover Business Employee at the level of Vice President or above and (ii) to the Knowledge of Newquay no material allegations of sexual or racial discrimination, harassment or other misconduct have been made against a Rover Business Employee at a level of Vice President or above.

Section 5.15 Environmental Matters.

(a) Rover is, and has been since January 1, 2018, in compliance with all, and has not received any written notice since January 1, 2018 alleging that Rover has any Liability arising under any, applicable Environmental Laws, except where the failure to be in such compliance with or any such notice of Liability, individually or in the aggregate, has not had and would not reasonably be expected to have a Rover Material Adverse Effect.

(b) Rover has obtained all Environmental Permits necessary for the conduct of its operations as of the date of this Agreement, as applicable, and all such Environmental Permits are validly issued, in full force and effect, and Rover is, and has been since January 1, 2018, in compliance with all terms and conditions of the Environmental Permits, except where the failure to obtain or comply with such Environmental Permits, or to maintain such Permits in good standing or, where applicable, to timely file a renewal application, individually or in the aggregate, has not had and would not reasonably be expected to have a Rover Material Adverse Effect.

(c) There is no Environmental Claim pending or, to the Knowledge of Newquay, threatened against Rover, and Rover has not retained or assumed by contract or operation of law any Liability that would reasonably be expected to result in an Environmental Claim against (i) Rover or (ii) any real or personal property or operations that Rover owns, leases or manages, in whole or in part, or formerly owned, leased or managed, in whole or in part), except in each case, for such Environmental Claims that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect.

(d) To the Knowledge of Newquay, there have not been any Releases of any Hazardous Material that would be reasonably likely to form the basis of any Environmental Claim against Rover or any Person whose liability for such Environmental Claim has been retained or assumed either contractually or by operation of law by Rover, in each case, except for such Releases that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect.

Section 5.16 Insurance. Schedule 5.16 of the Newquay Disclosure Schedule sets forth a list of all material insurance policies carried as of the date hereof by or on behalf of Rover that directly insure the Rover Business or the assets of Rover. Rover is in material compliance with the terms and conditions of all such insurance policies. No written notice of cancellation or termination, other than pursuant to the expiration of any such insurance policy in accordance with the terms thereof, has been received with respect to any such insurance policy, except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Rover Material Adverse Effect. Except for failures to maintain insurance that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect, Rover has been continuously insured with financially responsible insurers, in each case in such amounts and with respect to such risks and losses as are customary for companies in the United States conducting the business conducted by Rover. Since January 1, 2018, neither Newquay nor Rover has been refused any material insurance with respect to the Rover Business or the assets of Rover.

Section 5.17 Material Contracts.

(a) Schedule 5.17(a) of the Newquay Disclosure Schedule sets forth a list of all Rover Material Contracts. For purposes of this Agreement, the term "Rover Material Contract" shall mean any Contract to which Rover is a party or bound by (or by which its assets are bound) as of the date hereof (other than any Plans):

(i) that (A) purports to limit in any material respect either the type of business in which Rover (including those Contracts that purport to so limit Pluto or its Subsidiaries or Joint Ventures after the Closing) or any of its Affiliates may engage or the manner or geographic area in which any of them may so engage in any business, (B) would require the disposition of any material assets or line of business of Rover (including those Contracts that so require Pluto or its Subsidiaries or Joint Ventures after the Closing) or any of its Affiliates as a result of the consummation of the Transactions, (C) is a material Contract that grants "most favored nation" or exclusivity status with respect to any third party that, following the Closing, would impose obligations upon Pluto or its Subsidiaries or Joint Ventures (including Rover), (D) prohibits or limits, in any material respect, the right of Rover (including those Contracts that so prohibit or limit Pluto or its Subsidiaries or Joint Ventures after the Closing) to make, sell or distribute any products or services, (E) relates to the development, ownership, licensing or use of any Intellectual Property that is material to the operation of Rover, (F) relates to the operation and maintenance of the information technology systems of Rover that are material to its operation and not entered into in the ordinary course of business, (G) is with a Governmental Authority (other than settlement agreements or ordinary course customer Contracts with Governmental Authorities relating to the supply of electricity or gas), (H) grants any right of first refusal or right of first offer or similar right or that limits or purports to limit the ability of Rover (or, after the Closing, Pluto or its Subsidiaries or Joint Ventures after the Closing) to own, operate, lease, provide or receive services, or sell, transfer, pledge, or otherwise dispose of any material amount of its assets or its business, (I) are partnership, joint venture, joint ownership or limited liability company agreements or similar Contracts (however named) involving a sharing of assets, profits, losses, costs or liabilities with a third party (other than Charter Documents of Rover), (J) is an Affiliate

Agreement or (K) providing for Indebtedness of Newquay or any of its Affiliates (other than Rover) secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) any Lien on any property or asset of Rover;

(ii) that (A) has an aggregate principal amount, or provides for an aggregate obligation, with respect to the Rover Business in excess of $5,000,000 annually or $10,000,000 over the life of the Contract (but excluding Contracts for the procurement, sale, transmission, storage or distribution of gas or electricity the obligations of which are subject to review by the FERC or Rover Utility Regulators), (B) evidences Indebtedness to a third party in excess of $10,000,000, (C) guarantees any Indebtedness of a third party, (D) contains a covenant restricting the payment of dividends, or (E) provides for interest rate swaps, interest rate hedges, currency swaps or forward currency agreements, including each collar, cap and similar hedging obligations or other financial agreements or arrangements entered into by Rover for the purpose of limiting or managing interest rate, currency or commodity risks, other than in each case any Contract with a nominal value of less than $5,000,000; or

(iii) that involves the pending acquisition from another Person or pending disposition to another Person of any asset (including any entity or business) for aggregate consideration in excess of $5,000,000, other than acquisitions and dispositions of assets in the ordinary course of business of the Rover Business.

(b) Except as to matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect, (i) Rover is not in breach of or default under the terms of any Rover Material Contract, (ii) no event has occurred that (with or without notice or lapse of time or both) would result in a breach or default under any Rover Material Contracts, (iii) to the Knowledge of Newquay, no other party to a Rover Material Contract is in breach of or default under the terms of any such Rover Material Contract and (iv) each Rover Material Contract is a valid and binding obligation of Rover and, to the Knowledge of Newquay, of each other party thereto, and is in full force and effect and enforceable against Rover in accordance with its terms, subject to the Enforceability Exceptions.

(c) Newquay has made available to Pluto a true, complete and correct copy of each Rover Material Contract.

Section 5.18 Rover Real Property.

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Rover Material Adverse Effect, Rover has (i) good, valid title to all real property owned in fee simple by Rover (the "Rover Owned Real Property"), (ii) valid leasehold or subleasehold title to, or licensee interests in, all real property leased, subleased, licensed or otherwise occupied by Rover (any such lease, sublease, license or other occupancy agreement, a "Rover Real Property Lease" and such real property leased, subleased, licensed or otherwise occupied, collectively, the "Rover Leased Real Property"), and (iii) valid interest to the real property easements, surface rights or other similar rights granted to or reserved for the benefit of Rover (the real property subject to such easements or rights, the "Rover Easement Real Property" and, together with the Rover Owned Real Property and the Rover Leased Real

Property, the "Rover Real Property"), in each case, free and clear of all Liens, except Permitted Liens.

(b) As of the date of this Agreement, Rover is not obligated under, nor a party to, any option, right of first refusal or other Contract to sell, assign or dispose of any Rover Real Property (or any portion thereof) that, if such sale, assignment or disposition is consummated, would reasonably be expected, individually or in the aggregate, to have a Rover Material Adverse Effect.

(c) Except as would not, individually or in the aggregate, reasonably be expected to have a Rover Material Adverse Effect, (i) each Rover Real Property Lease is in full force and effect and is the valid and binding obligation of Rover, enforceable against Rover in accordance with its terms, and to the Knowledge of Newquay, the other party or parties thereto, subject to the Enforceability Exceptions, (ii) no notices of default under any Rover Real Property Lease have been received by Rover that have not been resolved and (iii) to the Knowledge of Newquay, no event has occurred which, with notice, lapse of time or both, would constitute a breach or default under any Rover Real Property Lease.

(d) With respect to the Rover Real Property, Rover has not received any written notice of, nor to the Knowledge of Newquay does there exist as of the date of this Agreement, any pending or threatened condemnation (other than condemnations in connection with rights of railroad operators, municipal road improvement projects, state highway improvement projects or other public transportation projects) or similar proceedings, or any sale or other disposition of any Rover Real Property or any part thereof in lieu of condemnation that, individually or in the aggregate, would reasonably be expected to have a Rover Material Adverse Effect.

Section 5.19 Intellectual Property.

(a) Except as to matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect: (i) Rover owns all right, title and interest in and to the Trademarks and either owns all right, title and interest in, or has sufficient rights to use, all other Intellectual Property, in each case used in the Rover Business as currently conducted; (ii) to the Knowledge of Newquay, the conduct of the Rover Business does not and has not since January 1, 2018 infringed or otherwise violated the Intellectual Property rights of any third party; (iii) there is no litigation, opposition, cancellation, proceeding, objection or claim pending, asserted in writing or, to the Knowledge of Newquay, threatened against Newquay, Rover or the Rover Business concerning the ownership, validity, registrability, enforceability, infringement or use of, or licensed right to use, any Intellectual Property used by Rover; (iv) to the Knowledge of Newquay, no Person is violating any Intellectual Property right that Rover owns or holds exclusively; and (v) Newquay and Rover have taken commercially reasonable measures to protect the confidentiality of all Trade Secrets that are owned, used or held by Rover.

(b) Except as to matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Rover Material Adverse Effect, to the Knowledge of Newquay: (i) Rover has implemented and maintain reasonable backup, security

and disaster recovery and business continuity technology, policies and plans that are consistent with industry practices; (ii) Rover takes such industry standard measures and other measures as are required by Requirement of Law and the policies of Rover to ensure the confidentiality of customer financial and other confidential information and that protect against the loss, theft and unauthorized access or disclosure of such information; (iii) Rover has, since January 1, 2018, complied with Newquay's and Rover's Privacy Legal Requirements; (iv) neither Newquay nor Rover has received any written claims, notices or complaints regarding Rover's information handling or security practices or the disclosure, retention, misuse or security of any Personal Information, or alleging a violation of any Person's privacy, personal or confidentiality rights under any Person's Privacy Legal Requirements, or otherwise by any Person, including any Governmental Authority; and (v) Rover's computers, computer software, firmware, middleware, servers, workstations, routers, hubs, switches, data communications lines, and all other information technology systems operate and perform in all material respects in accordance with their documentation and functional specifications, and have not materially malfunctioned or failed since January 1, 2018, and there have been no material unauthorized intrusions or material breaches of security with respect to such information technology systems.

Section 5.20 Anti-Corruption; Anti-Money Laundering.

(a) None of Rover, any of its Affiliates, their respective officers, directors or employees, nor, to the Knowledge of Newquay, any of their respective other Representatives, has since June 1, 2016, with respect to the Rover Business, directly or indirectly, made, offered, promised, authorized, accepted or agreed to accept, directly or indirectly, any gift, payment, or transfer of any money or anything else of value, including any bribe, rebate, kickback, payoff or other similar unlawful payment, or provided any benefit, to or from anyone, intending that, in consequence, a relevant function or activity should be performed improperly or to reward such improper performance, to any Government Official, (i) for the purpose of (A) influencing any act or decision of that Government Official, (B) inducing that Government Official to do or omit to do any act in violation of his lawful duty, (C) securing any improper advantage, or (D) inducing that Government Official to use his or her influence with a Governmental Authority, (1) to affect or influence any act or decision of any Governmental Authority, or (2) to assist Rover or any of its Affiliates in obtaining or retaining business with, or directing business to, any Person, or (ii) which would otherwise constitute or have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business or any improper advantage, in each case in violation in any material respect of any Requirements of Law (including any Anti-Corruption Laws).

(b) Since June 1, 2016, Rover and its Affiliates have maintained with respect to the Rover Business complete and accurate books and records with respect to payments to any Government Official and any payment to or other expenses involving agents, consultants, representatives, customers, employees and any other third parties acting on behalf of Rover, in each case, in accordance with Anti-Corruption Laws and GAAP in all material respects. Since June 1, 2016, Rover and its Affiliates have maintained with respect to the Rover Business a system of policies, procedures and internal controls reasonably designed to prevent and detect violations of, and promote compliance with, the Anti-Corruption Laws.

(c) None of Rover or any of its Affiliates has since June 1, 2016, with respect to the Rover Business either (i) (A) conducted or initiated any review, audit, or internal investigation, or (B) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing Anti-Corruption Laws, in each case with respect to any alleged act or omission arising under or relating to noncompliance with any Anti-Corruption Laws or Rover policy, or (ii) received any inquiry, notice, request, report or citation from any Person alleging material noncompliance with any Anti-Corruption Laws or Rover policy regarding such Laws.

(d) Each of Rover and its Affiliates is, and has been since June 1, 2016, in compliance with respect to the Rover Business in all material respects with all applicable Requirements of Law relating to anti-money laundering for all applicable jurisdictions, and maintains adequate internal controls to ensure such compliance.

Section 5.21 Affiliate Transactions. Except for Contracts (a) in respect of services and products that are to be continued or provided pursuant to the Transition Services Agreement or (b) to be terminated pursuant to Section 6.6(b) on or prior to the Closing Date, Rover is not a party to any Contract with Newquay or its Affiliates. Since March 31, 2020, the information in each Form No. 1 filed by Rover with FERC with respect to payments, charges and accruals for non-power goods or services received by Rover from, or provided by Rover to, any Affiliate of Newquay (other than Rover) has been true, complete and correct in all material respects (except as may be indicated therein). Since March 31, 2020, all payments, charges and accruals for non-power goods and services received by Rover from, or provided by Rover to, any Affiliate of Newquay (other than Rover) were made in compliance in all material respects with Requirements of Law and the cost allocation methodologies set forth on Schedule 5.21 of the Newquay Disclosure Schedule.

Section 5.22 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or similar fee or commission in connection with the Transactions based upon arrangements made by or on behalf of Newquay or Rover, except Barclays Bank PLC, Goldman Sachs International, and Robey Warshaw LLP, whose fees and expenses will be the sole responsibility of Newquay.

Section 5.23 No Other Representations. Newquay acknowledges and agrees that, except for the representations and warranties contained in this Agreement, neither Pluto nor any of its Affiliates nor their respective Representatives, nor any other Person, makes, or shall be deemed to make, any representation or warranty to Newquay, express or implied, at law or in equity, on behalf of Pluto, and Pluto hereby excludes and disclaims any such representation or warranty, notwithstanding the delivery or disclosure to Newquay or any of its Affiliates or their respective Representatives or any other Person of any documentation or other information. Nothing in this Section 5.23 shall be deemed to disclaim or waive any claims of, or causes of action arising from, representations or warranties made by the Parties or their respective Affiliates under any other agreement.

ARTICLE VI
COVENANTS

Section 6.1 Conduct of Rover Business.

(a) Except (i) as expressly contemplated by this Agreement, (ii) as may be required by applicable Requirement of Law, (iii) for matters set forth in Schedule 6.1(a) of the Newquay Disclosure Schedule or (iv) with the prior written consent of Pluto (which consent shall not be unreasonably withheld, delayed or conditioned), from and after the date hereof and prior to the Closing Date, Newquay hereby covenants and agrees that it will, and will cause its Affiliates to, use reasonable best efforts to (A) carry on the Rover Business in all material respects in the ordinary course of business and (B) keep the Rover Business and operations intact and preserve its material Permits, rights, franchises, goodwill and relations with its clients, customers, landlords, suppliers, any Governmental Authority and others with whom it does business or interacts.

(b) Without limiting the provisions of Section 6.1(a), Newquay hereby covenants and agrees that, except (i) as expressly contemplated by this Agreement, (ii) as may be required by applicable Requirement of Law, (iii) as set forth in Schedule 6.1(b) of the Newquay Disclosure Schedule, (iv) as contemplated by Rover's budget included in Schedule 6.1(b) of the Newquay Disclosure Schedule or (v) with the prior written consent of Pluto (which consent shall not be unreasonably withheld, delayed or conditioned), from and after the date hereof through the Closing, Newquay will not, and will cause Rover and, for purposes of Section 6.1(b)(vi), its other Affiliates not to, in connection with the Rover Business:

(i) amend, restate or otherwise change the Charter Documents of Rover;

(ii) (A) split, combine, redeem, reclassify, purchase or otherwise acquire, directly or indirectly, any equity interests or shares of capital stock of, or other equity or voting interest in, Rover, or make any other changes in the capital structure of Rover, (B) dissolve, adopt a plan of complete or partial liquidation, or effect a restructuring or recapitalization, with respect to Rover, (C) declare, set aside or pay any non-cash dividend or non-cash distribution to any Person with respect to Rover or (D) declare, set aside or pay any cash dividend or cash distribution, other than (x) dividends consistent with Rover's budget included in Schedule 6.1(b) of the Newquay Disclosure Schedule (allocated pro rata for the number of months elapsing between the date of this Agreement and the Closing Date), (y) dividends required to be declared and paid in respect of the Rover Preferred Stock and (z) distributions in connection with the settlement of intercompany obligations, in each case of clauses (x) and (z), so long as paid prior to the Effective Time;

(iii) authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver (A) any equity interests or capital stock of, or other equity or voting interest in, Rover or (B) any equity rights in respect of, security convertible into, exchangeable for or evidencing the right to subscribe for or acquire either (x) any equity interests or shares of capital stock of, or other equity or voting interest in, Rover or (y) any securities

convertible into, exchangeable for, or evidencing the right to subscribe for or acquire any shares of the capital stock of, or other equity or voting interest in, Rover;

(iv) with respect to Rover, make, change or revoke any material Tax election (other than (x) with respect to income Taxes or (y) making any initial Tax elections that are made by reporting an item on a Tax Return), change an annual Tax accounting period, adopt or change any method of accounting for Tax purposes, file any material amended Tax Return, enter into, obtain or request any Tax ruling or closing agreement for Tax purposes, surrender any right to claim a refund of material Taxes, consent to any extension or waiver of the limitation period applicable to any material Tax Claim or assessment, enter into any Tax sharing, indemnification or allocation agreement (other than any such agreement entered into in the ordinary course of business the principal purpose of which is not Taxes), settle or compromise any material Tax Claim, audit, assessment or dispute, prepare or file any material Tax Return in a manner which is materially inconsistent with the past practices of Rover, as applicable, with respect to the treatment of items on such Tax Returns unless a different treatment of any item is required by applicable Requirement of Law, fail to file any material Tax Return when due, or incur any material liability for Taxes other than in the ordinary course of business;

(v) terminate, discontinue, close or suspend any material line of business of Rover;

(vi) except as required pursuant to a Rover Benefit Plan, Contract or Rover Labor Agreement, in each case, as in effect as of the date of this Agreement or as established or modified in compliance with this Agreement, or for actions that do not result in any Liability to Pluto or Rover, (A) other than changes to benefits permitted by clause (E), make or agree to make any increase in wages, salaries, compensation, pension or other fringe benefits or perquisites payable to any Rover Business Employee, except for salary and wage increases in the ordinary course of business that, in the aggregate, do not exceed 3.5% of the aggregate salaries and wages of the Rover Business Employees as of December 31, 2020, (B) grant or agree to grant any severance or termination pay or enter into any Contract to make or grant any severance or termination pay or, other than in the ordinary course of business, pay or agree to pay any bonus or other incentive compensation to any Rover Business Employee, (C) grant or agree to grant or accelerate the time of vesting or payment of any benefits or awards under an Assumed Benefit Plan, (D) loan, amend any loan, or advance money or other property to any Rover Business Employee, (E) establish, adopt, amend, modify or terminate any Rover Benefit Plan in any material respect, other than any such actions (x) taken with respect to a Rover Benefit Plan that is not an Assumed Benefit Plan, so long as such action is designed to apply uniformly to eligible Rover Business Employees and other eligible similarly situated employees of Newquay and its Affiliates or (y) in connection with routine, immaterial or ministerial amendments to health and welfare plans that do not materially increase benefits or result in a material increase in administrative costs, or (F) (x) hire or engage any new employee who would be a Rover Business Employee with an annual base salary in excess of $130,000, (y) terminate the employment or engagement of any Rover Business Employee with an annual base salary in excess of $130,000 or (z) take any other action, including any transfer of employment, that would affect whether or not an

individual is identified as a Rover Direct Employee or Rover Dedicated Employee, in each case, other than (1) to replace a departed employee in the ordinary course of business, (2) terminations for cause or (3) internal transfers where such employee applied for, and was selected, in a competitive process that, in the case of an individual being removed from the Rover Business, was not targeted at Rover Business Employees;

(vii) with respect to each Additional Rover Service Employee, except as required pursuant to a Rover Labor Agreement as in effect as of the date of this Agreement or as entered into or modified in compliance with this Agreement, (A) terminate the employment of such Additional Rover Service Employee other than for cause or (B) alter the duties and responsibilities of such Additional Rover Service Employee in a manner that materially reduces his or her time spent on behalf of the Rover Business or materially affects the type of services he or she provides on behalf of the Rover Business;

(viii) except as required by the terms of any Rover Labor Agreement as in effect as of the date of this Agreement or as entered into or modified in compliance with this Agreement, (A) modify or extend any Rover Labor Agreement, or enter into any labor agreement, collective bargaining agreement or any other labor-related agreement or arrangement with any labor union, labor organization or works council representing any Rover Business Employee with respect to his or her employment with Rover, Newquay or any of its Affiliates, or (B) recognize or certify any labor union, labor organization, works council or group of employees as the bargaining representative for any Rover Business Employees;

(ix) acquire or dispose of, whether by purchase, merger, consolidation or sale, lease, pledge or other Lien of stock or assets or otherwise, in a single transaction or in a series of transactions, (A) any Equity Securities in any corporation, partnership or other Person or (B) assets comprising a business, in the case of clause (B), that is material to the Rover Business, taken as a whole;

(x) create, incur, assume or guarantee Indebtedness in excess of $10,000,000 except for (A) any Indebtedness (or any guarantees in respect of any Indebtedness) that will be repaid, discharged or otherwise satisfied in full prior to the Closing, including any borrowing under the intercompany money pool utilized by Newquay and its Subsidiaries (including Rover) pursuant to the Regulated Money Pool Agreement, dated as of November 1, 2012, by and among Newquay, Rover and certain other Affiliates of Newquay party thereto (the "Intercompany Money Pool"), (B) customer deposits or other amounts payable to customers in the ordinary course of business or (C) Indebtedness in replacement of existing Indebtedness at maturity (so long as the aggregate commitments or principal amounts thereunder shall not be increased);

(xi) enter into any Contract of the type described in Section 5.17, other than (A) Contracts entered into in the ordinary course of business, excluding Contracts related to automated metering infrastructure and Contracts with a term of two years or longer or (B) Contracts terminable on notice of 60 days or less without the payment of any premium, penalty or fee;

(xii) other than in the ordinary course of the Rover Business, amend or modify in any material respect or terminate any Contract of the type described in Section 5.17;

(xiii) settle any pending or threatened legal proceeding if such settlement exceeds $2,500,000 individually or $12,500,000 in the aggregate, except that (A) the foregoing shall not restrict Rover's ability to enter into settlements in the ordinary course of business (including settlements of collections matters, property damage claims against third parties or property damage or personal injury claims by third parties) or in respect of any regulatory proceedings (including appeals) that would not reasonably be expected to have, individually or in the aggregate, a Rover Material Adverse Effect and (B) any amount that is reserved against in the Rover Financial Statements in respect of such legal proceeding, or that is offset by insurance proceeds received in respect of such legal proceeding, shall in each case not be counted towards the limitations set forth above;

(xiv) fail to use its reasonable best efforts to maintain, in full force without interruption, the present insurance policies or comparable insurance coverage applicable to Rover;

(xv) (A) make aggregate capital expenditures in the period between the date hereof and the Closing Date that exceed the amount of capital expenditures budgeted for the time period between the date hereof and the Closing Date (with any partial month allocated pro rata for the number of days in such month included in such period) in Rover's budget included in Schedule 6.1(b) of the Newquay Disclosure Schedule (such amount, "Budgeted Pre-Closing Capex"), other than (x) in an amount that, in the aggregate, does not exceed the Budgeted Pre-Closing Capex by more than ten percent (10%), (y) capital expenditure that will be recoverable by Rover from customers in the ordinary course of business or (z) in connection with the repair or replacement of facilities, properties or other assets destroyed or damaged due to casualty or accident in accordance with Good Utility Practice, or (B) fail to make capital expenditures in the period between the date hereof and the Closing Date in an amount that, in the aggregate, is at least ninety percent (90%) of the Budgeted Pre-Closing Capex; or

(xvi) commit or agree, whether or not in writing, to do, or to authorize, any of the foregoing.

(c) Nothing contained in this Agreement shall give to Pluto, directly or indirectly, rights to control or direct the operation of the Rover Business prior to the Closing. Prior to the Closing, Newquay and its Affiliates shall be entitled to exercise, subject to the terms and conditions of this Agreement, complete control and supervision of the operations of the Rover Business.

Section 6.2 Access and Confidentiality.

(a) From the date hereof to the Closing, subject to any Requirement of Law and Sections 6.2(b) and 6.2(c), Newquay shall, and shall cause its Affiliates to, permit Pluto and its financial advisors, business consultants, legal counsel, accountants and other agents and representatives to have reasonable access, during regular business hours and upon reasonable

advance notice for purposes reasonably related to the Transactions, to their respective properties, premises, facilities, employees and representatives and the relevant books and records; *provided, however*, that Newquay may restrict or otherwise prohibit access to any documents or information to the extent that (i) any Requirement of Law requires Newquay or its Affiliates to restrict or otherwise prohibit access to such documents or information, (ii) access to such documents or information would give rise to a material risk of waiving any attorney-client privilege or other privilege applicable to such documents or information (in which event the Parties shall negotiate in good faith to seek alternative means to disclose such information as nearly as possible without affecting such attorney-client or such other privilege, including entry into a joint defense agreement) or (iii) access to a Contract to which Newquay or any of its Affiliates is a Party or otherwise bound would violate or cause a default under, or give a third party the right to terminate or accelerate the rights under, such Contract; *provided, further*, that such access shall be under the supervision of the designated personnel or representatives of Newquay or its Affiliates (*provided* that no such supervision shall restrict or limit the scope and extent of rights of a Party pursuant to this Section 6.2(a)); *provided, further*, that, to the extent practicable, all requests for information made pursuant to this Section 6.2(a) shall be directed to such Person or Persons as may be designated by Newquay, and Pluto shall use its reasonable best efforts not to directly contact any other officer, director, employee, agent or representative of Newquay or its Affiliates without the prior approval of such designated Person(s); *provided, further*, that no information or knowledge obtained by Pluto in any investigation conducted pursuant to the access contemplated by this Section 6.2(a) shall affect or be deemed to modify any representation or warranty of Newquay set forth in this Agreement or otherwise impair the rights and remedies available to the Party requesting access hereunder; *provided, further*, that Newquay may limit such access to the extent Newquay reasonably determines, in light of the COVID-19 virus or any COVID-19 Measures, that such access would jeopardize the health and safety of any employee or representative of Newquay or its Affiliates (in which event the Parties shall negotiate in good faith to seek alternative means to disclose such information as nearly as possible without jeopardizing the health and safety of any employee or representative of Newquay or its Affiliates, including by converting any such information to digital format). In the event that Newquay does not provide access or information in reliance on the preceding sentence, it shall use its reasonable best efforts to communicate the applicable information to Pluto in a way that would not violate the applicable Requirement of Law or Contract, waive such a privilege or jeopardize the health and safety of any employee or representative of Newquay or its Affiliates. Any investigation conducted pursuant to the access contemplated by this Section 6.2(a) shall be conducted in a manner that does not unreasonably interfere with the conduct of the business of Newquay or any of its Affiliates or create a risk of damage or destruction to any property or assets of Newquay or any of its Affiliates. Any access to the properties of Newquay or any of its Affiliates shall be subject to its reasonable security measures and insurance requirements and shall not include the right to perform invasive testing (including a so-called "Phase 2") without Newquay's prior written consent. The terms and conditions of the Confidentiality Agreement shall apply to any information obtained by Pluto or any of its financial advisors, business consultants, legal counsel, accountants and other agents and representatives in connection with any investigation conducted pursuant to the access contemplated by this Section 6.2(a).

(b) From and after the Closing until the date that is seven years following the Closing Date, except in connection with the activities contemplated by the Transition Services

Agreement as provided therein, neither Party shall, and shall cause its respective Affiliates (including, in the case of Pluto, Rover) and its Affiliates' personnel (including each of their accountants, legal advisers and other professional advisers) not to, disclose to any other Person or otherwise use any Confidential Information of the other Party; *provided* that a Party (or any of its Affiliates) may disclose Confidential Information (i) to the extent required pursuant to the Requirements of Law, in any report, statement, testimony or other submission to any Governmental Authority or (ii) in order to comply with any Requirement of Law, or in response to any summons, subpoena or other legal process or formal or informal investigative demand issued to Pluto or Newquay or any of their respective Affiliates, as the case may be, in the course of any litigation, investigation or administrative proceeding; *provided, further*, that if either Party or its Affiliates is, based on the advice of counsel to such Party, required by Requirements of Law to disclose any Confidential Information, such Party shall (A) to the extent such action would not violate or conflict with Requirements of Law, promptly notify the other Party of such Requirement of Law so that the non-disclosing Party may, at its sole expense, seek an appropriate protective order and/or waive in writing the disclosing Party's compliance with the provisions of this Agreement and (B) if, in the absence of a protective order or the receipt of a waiver hereunder, such Party or any of its Affiliates is nonetheless, in the opinion of counsel to such Party, compelled to disclose such Confidential Information, such Party, after notice to the non-disclosing Party (unless such notice would violate or conflict with Requirements of Law), may disclose such Confidential Information to the extent so required, in the opinion of counsel, by Requirements of Law. If requested by the other Party, the Party disclosing such information shall (x) exercise reasonable best efforts, at the non-disclosing Party's sole expense, to obtain reliable assurances that the Confidential Information so disclosed will be accorded confidential treatment or (y) cooperate with any attempt by the non-disclosing Party to obtain reliable assurances that the Confidential Information so disclosed will be accorded confidential treatment. Each Party agrees, and shall cause its Affiliates, to protect the Confidential Information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized disclosure of such as each Party uses to protect its own confidential information of a like nature. Neither Party, any of its Affiliates or their respective personnel (including each of its respective Affiliates' accountants, legal advisers and other professional advisers) shall be liable for the disclosure of Confidential Information as expressly permitted by this Section 6.2(b).

(c) All Confidential Information provided or obtained in connection with the Transactions (including pursuant to Section 6.2(a)) will be held in accordance with the letter agreements between Newquay Topco and Pluto, dated December 1, 2020 and January 12, 2021, respectively (together, the "Confidentiality Agreement"); *provided* that, in the event of a conflict or inconsistency between the terms of this Agreement and the Confidentiality Agreement, the terms of this Agreement will govern.

(d) From and after the Closing, until the date that is twelve months following the Closing Date, upon Pluto's request with respect to specified pre-Closing books and records reasonably necessary for the operation of the Rover Business by Pluto following the Closing the delivery of which is not otherwise provided for in the Transition Services Agreement, Newquay shall use reasonable best efforts to deliver the requested books and records of Rover to Pluto as promptly as reasonably practicable following any such request; provided that any books and records at any Rover Real Property as of the Closing (and not removed from such property by

Newquay or its Affiliates) shall be deemed to have been delivered as of the Closing (it being agreed that Newquay may retain a copy thereof, at its own expense, subject to its confidentiality obligations in accordance with this Section 6.2). From and after the Closing until the date that is seven years following the Closing Date, subject to any Requirement of Law, Newquay will allow Pluto and its representatives to have reasonable access, during regular business hours and upon reasonable advance notice, to examine and make copies, at Pluto's own expense, of any relevant books and records that were retained by Newquay or its Affiliates for any purpose reasonably related to the Rover Business, including in connection with (i) the preparation of Pluto's accounting records, or with any audits conducted by Pluto, (ii) any third party suit, claim, action, proceeding or investigation relating to the Rover Business or (iii) any regulatory filing or matter; *provided* that (A) Pluto shall reimburse Newquay promptly for all reasonable and necessary out-of-pocket costs and expenses incurred by Newquay, in connection with any such request and (B) Newquay shall not be required to permit the foregoing activities that would (w) result in the disclosure of any trade secrets of third parties, or any trade secrets of Newquay or of any of its Affiliates unrelated to the Transactions or (x) violate any obligations of Newquay or its Affiliates to any third party with respect to confidentiality or (y) reasonably be expected to have the effect of causing the waiver of any attorney-client privilege based upon the advice of counsel or (z) violate or cause a default under, or give a third party the right to terminate or accelerate the rights under, any Contract to which Newquay or any of its Affiliates is a Party or otherwise bound; *provided, further*, that Newquay may limit such access to the extent Newquay reasonably determines, in light of the COVID-19 virus or any COVID-19 Measures, that such access would jeopardize the health and safety of any employee or representative of Newquay or its Affiliates.

(e) From and after the Closing until the date that is seven years following the Closing Date, subject to any Requirement of Law, Pluto will allow Newquay and its representatives to have reasonable access, during regular business hours and upon reasonable advance notice, to examine and make copies, at Newquay's own expense, of any relevant books and records held by Pluto or its Affiliates for any purpose reasonably related to the Rover Business, including in connection with (i) the preparation of Newquay's accounting records, or with any audits conducted by Newquay, (ii) any third party suit, claim, action, proceeding or investigation relating to the Rover Business or (iii) any regulatory filing or matter; *provided* that (A) Newquay shall reimburse Pluto promptly for all reasonable and necessary out-of-pocket costs and expenses incurred by Pluto, in connection with any such request and (B) Pluto shall not be required to permit the foregoing activities that would (w) result in the disclosure of any trade secrets of third parties, or any trade secrets of Pluto or of any of its Affiliates unrelated to the Transactions or (x) violate any obligations of Pluto or its Affiliates to any third party with respect to confidentiality or (y) reasonably be expected to have the effect of causing the waiver of any attorney-client privilege based upon the advice of counsel or (z) violate or cause a default under, or give a third party the right to terminate or accelerate the rights under, any Contract to which Pluto or any of its Affiliates is a Party or otherwise bound; *provided, further*, that Pluto may limit such access to the extent Pluto reasonably determines, in light of the COVID-19 virus or any COVID-19 Measures, that such access would jeopardize the health and safety of any employee or representative of Pluto or its Affiliates.

(f) Notwithstanding the foregoing provisions of Section 6.2(d) and Section 6.2(e), the provisions of Article VIII shall govern the preservation, retention and sharing of Tax Returns and Tax work papers.

Section 6.3 Regulatory Approvals; Efforts; Consents.

(a) Upon the terms and subject to the conditions set forth in this Agreement, each Party shall cooperate and promptly prepare and file all necessary documentation to effect all necessary applications, notices, petitions and filings, and shall use reasonable best efforts to take or cause to be taken all actions, and do or cause to be done all things in order to, (i) obtain all approvals and authorizations of all Governmental Authorities necessary or advisable to consummate and make effective, in the most expeditious manner reasonably practicable, the Transactions, including the Required Statutory Approvals, (ii) make all registrations, filings and submissions, and thereafter, make any other required registrations, filings or submissions, and pay any fees due in connection therewith, with any Governmental Authority necessary in connection with the consummation of the Transactions, (iii) defend any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the Transactions, (iv) seek to have lifted or rescinded any injunction or restraining order which may adversely affect the ability of the Parties to consummate the Transactions, in each case until the issuance of a final, non-appealable order with respect thereto, and (v) execute and deliver any additional agreements or instruments reasonably necessary to consummate the Transactions.

(b) In furtherance of the obligations set forth in Section 6.3(a) and otherwise subject to the terms of this Section 6.3, each of the Parties shall make or cause to be made, as promptly as reasonably practicable after the date of this Agreement and in any event within sixty (60) days after the date of this Agreement, which may be extended by mutual agreement of the Parties, all necessary filings with Governmental Authorities related to the Transactions, including (i) an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the Transactions to be made by Pluto, (ii) an appropriate joint filing of a Petition pursuant to R.I.G.L. Section 39-3-24 and Section 39-3-25 with respect to the Transactions to be made by the Parties, (iii) an appropriate filing of a Petition for Waiver of Jurisdiction pursuant to G.L. c. 164, §96 (c) with respect to the Transactions to be made by Newquay, (iv) a joint application for FERC authorization under section 203 of the Federal Power Act consistent with the requirements of 18 C.F.R. Part 33 to be made by the Parties and (v) to the extent required, filings with the Federal Communications Commission (the "FCC") under the Communications Laws; *provided* that any such filings required under the Communications Laws shall be made on a date to be mutually agreed by the Parties reasonably selected to obtain any required approvals under the Communications Laws prior to Closing. Each of the Parties shall supply as promptly as reasonably practicable (and in any case within any applicable time period set by the applicable Governmental Authority) any additional information and documentary material that may be requested by the Federal Trade Commission (the "FTC"), the Department of Justice Antitrust Division (the "DOJ"), the Rhode Island Division, the MDPU, FERC or the applicable Governmental Authority with respect to any other approval or authorization necessary or advisable to consummate and make effective the Transactions.

(c) In furtherance of the obligations set forth in Section 6.3(a) and Section 6.3(b) and otherwise subject to the terms of this Section 6.3, (i) Pluto will use its reasonable best efforts to take (and to cause its Subsidiaries and Affiliates to take) promptly any and all steps reasonably necessary, proper or advisable to obtain all approvals and authorizations of all Governmental Authorities necessary or advisable to consummate and make effective the

Transactions, including the Pluto Required Statutory Approvals, so as to enable the Parties to close the Transactions as promptly as reasonably practicable, including, if necessary, by proposing, negotiating, committing to and implementing, by way of settlement, stipulation, operational restriction, consent decree, hold separate order, divestiture, undertaking or otherwise, all terms, conditions, Liabilities, commitments, sanctions or undertakings required by applicable Governmental Authorities in respect of Pluto or any of its Affiliates and (ii) Newquay will use reasonable best efforts to take (and to cause its Subsidiaries and Affiliates to take) promptly any and all steps reasonably necessary, proper or advisable to obtain the Massachusetts Approval so as to enable the Parties to close the Transactions as promptly as reasonably practicable, including, if necessary, by proposing, negotiating, committing to and implementing, by way of settlement, stipulation, operational restriction, consent decree, hold separate order, divestiture, undertaking or otherwise, all terms, conditions, Liabilities, commitments, sanctions or undertakings required by applicable Governmental Authorities in respect of Newquay or any of its Affiliates.

(d) Notwithstanding anything contained in this Agreement (including the obligations set forth in Section 6.3(a), Section 6.3(b) and Section 6.3(c)), (i) neither Pluto nor any of its Affiliates shall be required to, and Newquay and its Affiliates shall not be permitted to without Pluto's prior written approval, in connection with obtaining any Pluto Required Statutory Approvals, agree or consent to or accept any terms, conditions, liabilities, obligations, commitments, sanctions or undertakings (including settlements, stipulations, operational restrictions, hold separate orders, divestitures or otherwise) as a condition to obtaining the Pluto Required Statutory Approvals that would, individually or in the aggregate, have or reasonably be expected to have a Rover Burdensome Effect and (ii) neither Newquay nor any of its Affiliates shall be required to, and Pluto and its Affiliates shall not be permitted to without Newquay's prior written approval, in connection with obtaining the Massachusetts Approval, agree or consent to or accept any terms, conditions, liabilities, obligations, commitments, sanctions or undertakings (including settlements, stipulations, operational restrictions, hold separate orders, divestitures or otherwise) as a condition to obtaining the Massachusetts Approval that would, individually or in the aggregate, have or reasonably be expected to have a Newquay Burdensome Effect. Nothing contained in this Agreement (including the obligations set forth in Section 6.3(a), Section 6.3(b) and Section 6.3(c)) shall require (x) Pluto or any of its Affiliates to agree or consent to or accept any terms, conditions, liabilities, obligations, commitments, sanctions or undertakings (including settlements, stipulations, operational restrictions, hold separate orders, divestitures or otherwise) in connection with obtaining the Pluto Required Statutory Approvals to take any action or agree to any commitment that is not conditioned on the Closing or (y) Newquay or any of its Affiliates to agree or consent to or accept any terms, conditions, liabilities, obligations, commitments, sanctions or undertakings (including settlements, stipulations, operational restrictions, hold separate orders, divestitures or otherwise) in connection with obtaining the Massachusetts Approval to take any action or agree to any commitment that is not conditioned on the Closing. Newquay shall consult in good faith with Pluto and consider in good faith the views of Pluto with respect to the Massachusetts Approval, and Newquay shall not be permitted to without Pluto's prior written approval, in connection with obtaining the Massachusetts Approval, agree or consent to or accept any terms, conditions, liabilities, obligations, commitments, sanctions or undertakings (including settlements, stipulations, operational restrictions, hold separate orders, divestitures or otherwise) as a

condition to obtaining the Massachusetts Approval that would, individually or in the aggregate, have or reasonably be expected to have an adverse effect on Rover in any material respect.

(e) Notwithstanding anything to the contrary in this Agreement, neither Party shall, nor shall it agree to, directly or indirectly through one or more of its Affiliates, (i) acquire or make any investment in any Person or any division or assets thereof, or enter into any other business combination or similar transaction that would reasonably be expected to prevent, materially impair or materially delay the ability of the Parties to consummate the Transactions or (ii) take any other action with the intent to prevent, materially impair or materially delay the ability of the Parties to consummate the Transactions. Any act by an Affiliate of a Party that would be a violation of this Section 6.3(e) if taken by such Party shall be a breach of this Section 6.3(e) by such Party.

(f) Unless prohibited by Requirements of Law or by the applicable Governmental Authority, (i) to the extent reasonably practicable, neither Newquay nor Pluto (nor their respective Representatives on their behalf) shall participate in or attend any meeting, or engage in any substantive discussion with any Governmental Authority (including any member of any Governmental Authority's staff) in respect of this Agreement or the Transactions (including with respect to any of the actions referred to in Section 6.3(a) or Section 6.3(b)) without providing prior notice of any such meeting or discussion to the other and allowing the other Party to attend such a meeting or discussion (subject to appropriate confidentiality restrictions), (ii) in the event a Party is prohibited by Requirements of Law or by the applicable Governmental Authority from participating in or attending any such meeting or engaging in any such discussion, the other Party shall keep such Party reasonably and promptly apprised with respect thereto, (iii) the Parties shall cooperate in the filing of any substantive memoranda, white papers, filings, correspondence or other written communications explaining or defending this Agreement or the Transactions, articulating any regulatory or competitive argument or responding to requests or objections made by any Governmental Authority or intervenor and allow the other Party a reasonable opportunity to comment thereon prior to submission and take account in good faith any such comments, and (iv) to the extent reasonably practicable, each Party shall promptly provide the other Party copies of all correspondence, filings and communications between it and its Subsidiaries and Affiliates and their respective representatives, on the one hand, and any Governmental Authority (including any member of any Governmental Authority's staff), on the other hand, with respect to this Agreement or the Transactions; *provided* that (x) neither Party shall be under an obligation to disclose confidential information with respect to the Party or its Affiliates to the other Party and (y) the obligations in this sentence do not extend to meetings or discussions by the Parties with applicable Governmental Authorities that are not arranged or held in connection with the Transactions, notwithstanding the fact that the Transactions or the Required Statutory Approvals may be discussed in such meetings or discussions. Newquay and Pluto shall jointly (A) control the strategy for obtaining any Required Statutory Approvals and (B) coordinate the overall development of the positions to be taken and the regulatory actions to be requested in any filing with a Governmental Authority in connection with the Transactions and the Required Statutory Approvals and in connection with any investigation or other inquiry or litigation by or before, or any negotiations with, a Governmental Authority relating to the Transactions and the Required Statutory Approvals; *provided* that if the Parties are unable to agree with respect to strategy, positions or other regulatory actions for obtaining the Required Statutory Approvals or other

regulatory matters incidental to the Transactions, (1) Pluto shall, acting reasonably and in good faith, direct and control all aspects of the Parties' efforts to obtain the Pluto Required Statutory Approvals with respect to the matter in dispute and (2) Newquay shall, acting reasonably and in good faith, direct and control all aspects of the Parties' efforts to obtain the Massachusetts Approval with respect to the matter in dispute. For the avoidance of doubt, this Section 6.3(f) shall not apply to Tax matters except for those Tax matters reasonably anticipated to affect the receipt of any Required Statutory Approvals.

(g) Newquay shall, and shall cause Rover to, reasonably cooperate with Pluto to obtain any consents required from third parties in connection with the consummation of the transactions contemplated by this Agreement under Rover Material Contracts or Permits of Rover at or prior to the Closing. Unless prohibited by Requirements of Law or by the applicable Governmental Authority, each Party shall promptly notify the other Party of any notice or other communication from any Person alleging that such Person's approval, authorization, consent or Permit is or may be required in connection with the Transactions. Notwithstanding anything to the contrary contained herein, neither Newquay nor Pluto, nor any of their respective Affiliates, shall have any obligation to make any payments or incur any Liability to obtain any consents of third parties contemplated by this Section 6.3(g).

Section 6.4 Further Assurances. After the Closing Date, each of Pluto and Newquay shall (a) execute and deliver at the reasonable request of the other Party such additional documents and instruments as may be reasonably required to give effect to this Agreement and the Transactions and (b) provide whatever documents or other evidence of ownership as may be reasonably requested by Pluto to confirm its ownership of the Rover Equity Interest. The Parties agree that each of them shall cause each of their respective Affiliates to comply with any such Affiliate's obligations under this Agreement.

Section 6.5 Delivery of Certain Information. Between the date hereof and the Closing Date, Newquay shall provide, or cause to be provided, to Pluto, (a) promptly following the end of each calendar month after the date hereof (but in no event later than three (3) Business Days after the date available to Newquay or one of its Affiliates), copies of the monthly financial information for the Rover Business in the form customarily prepared by management for internal use and (b) promptly following the end of each calendar quarter after the date hereof (but in no event later than three (3) Business Days after the date available to Newquay or one of its Affiliates), true and complete copies of quarterly unaudited financial statements for the Rover Business.

Section 6.6 Guaranties; Letters of Credit; Affiliate Contracts; Intercompany Receivables and Payables.

(a) Except as provided otherwise in this Agreement, Pluto shall use its reasonable best efforts to cause one or more of its Affiliates to be substituted in all respects for Newquay or any of its Affiliates (other than Rover), effective as of the Closing, in respect of all obligations of Newquay or its Affiliates (other than Rover) under each of the guaranties, bonding arrangements, "keep wells," net worth maintenance agreements, letters of credit and letters of comfort furnished by Newquay or its Affiliates (other than Rover) for the benefit of Rover (the "Newquay Guaranties"). The Newquay Guaranties as of the date of this Agreement are set forth

in Schedule 6.6(a) of the Newquay Disclosure Schedule. Newquay shall give Pluto prompt notice of any material additional Newquay Guaranties executed after the date of this Agreement, which such Newquay Guaranties shall not, without Pluto's prior written consent (which consent shall not be unreasonably withheld, delayed or conditioned), be entered into outside of the ordinary course of business or be materially inconsistent in nature and scope with the Newquay Guaranties set forth on Schedule 6.6(a) of the Newquay Disclosure Schedule. To the extent Pluto is unable to effect such a substitution with respect to any Newquay Guaranty after using its reasonable best efforts to do so (including continuing such reasonable best efforts after the Closing), Pluto shall reimburse and hold harmless Newquay and its Affiliates (other than Rover) with respect to the obligations covered by each of Newquay Guaranties for which Pluto does not effect such substitution and shall pay, or cause to be paid, any amounts due thereunder on demand, such that neither Newquay nor its Affiliates (other than Rover) shall from and after the Closing incur any cost, liability or expense whatsoever arising from or in connection with Newquay Guaranties.

(b) Except as set forth in Schedule 6.6(b) of the Newquay Disclosure Schedule or as otherwise contemplated by this Agreement, Newquay shall, and shall cause its Affiliates to, immediately prior to the Closing, execute and deliver such releases, termination agreements and discharges as are necessary to, and shall, to the extent applicable, use reasonable best efforts to obtain FERC authorization to, terminate all Contracts (including any "service level agreements") between Newquay or any Affiliate (other than Rover), on the one hand, and Rover, on the other hand, such that from and after the Closing, except with respect to any such Contract where FERC authorization for termination has not yet been obtained, neither Newquay or such Affiliate, on the one hand, nor Rover, on the other hand, shall have any further rights or liabilities under such Contracts.

(c) Except as otherwise contemplated by this Agreement, Newquay shall, and shall cause its Affiliates to, enter into one or more arrangements between Rover, on the one hand, and Newquay and its Affiliates (other than Rover), on the other hand, to apply, effective as of the Closing, reasonable arms' length third-party terms (including payment terms) as mutually agreed between Newquay and Pluto (such terms, the "Third-Party Terms") to (i) any amounts owing from Newquay or any of its Affiliates (other than Rover) to Rover as of the Effective Time ("Rover Intercompany Receivables") and (ii) any amounts owing from Rover to Newquay or any of its Affiliates (other than Rover) as of the Effective Time ("Rover Intercompany Payables"), including, for the avoidance of doubt, any Rover Intercompany Receivables or any Rover Intercompany Payables under the Intercompany Money Pool. The Parties hereby acknowledge and agree that (x) Newquay and its Affiliates shall not be required to terminate, cancel, settle or otherwise eliminate any Rover Intercompany Receivables or Rover Intercompany Payables as of the Closing, (y) all Rover Intercompany Receivables and Rover Intercompany Payables shall be settled following the Closing in the ordinary course of business between Rover and Newquay or the applicable Affiliate of Newquay (other than Rover) in accordance with the Third-Party Terms and (z) all Rover Intercompany Receivables and Rover Intercompany Payables shall be reflected in the calculation of Rover Closing Cash, Rover Closing Indebtedness or Rover Closing Net Working Capital, as applicable, prepared in accordance with Schedule 2.2.

Section 6.7 Use of Certain Names.

(a) As soon as reasonably practicable, but in any event within sixty (60) days following the Closing, Pluto shall, and shall cause Rover to, cease using as company or business names, trademarks, brand names or branding, the words, marks, brand names and branding set forth in Schedule 6.7(a) of the Newquay Disclosure Schedule (collectively, the "Newquay Marks"), and any words or expressions similar thereto or constituting an abbreviation or extension thereof or that would, in each case, raise a reasonable likelihood of confusion with Newquay Marks, including eliminating Newquay Marks from the material Rover Real Property and the material assets of Rover, and disposing of any unused stationery and literature in the possession or control of Rover bearing Newquay Marks. Pluto acknowledges that Newquay Marks are owned exclusively by Newquay, and, except to the extent expressly permitted by this Section 6.7(a), from and after the Closing Date, Pluto shall not, and shall cause Rover and its Affiliates not to, use Newquay Marks or other Intellectual Property belonging to Newquay that have not been expressly transferred or licensed to Rover, and Pluto acknowledges that it, its Affiliates and Rover have no rights whatsoever to use or apply to register Newquay Marks.

(b) Notwithstanding the foregoing, Newquay and its Affiliates shall have the perpetual right to use the transferred Trademarks or Rover solely (i) in a non-trademark manner to describe the fact that Newquay previously owned Rover, (ii) as required by applicable Requirements of Law, and (iii) in a manner consistent with "fair use".

Section 6.8 Transition Services Agreement. Each of Pluto and Newquay shall negotiate and cooperate in good faith and use its reasonable best efforts to identify and agree to the Services (as defined in the Transition Services Agreement) to be provided under the Transition Services Agreement by the date that is 60 days after the date hereof, in order to permit the operation of the Rover Business by Pluto following the Closing in a manner substantially consistent with the operation of the Rover Business by Newquay prior to the Closing. Any such Services identified and agreed by Pluto and Newquay shall be incorporated into the schedules to the Transition Services Agreement attached as Exhibit A hereto prior to the execution thereof.

Section 6.9 Rover Employee Matters.

(a) (i) Following the date of this Agreement, Newquay and Pluto shall cooperate to identify the "Additional Rover Service Employees" in accordance with the terms set forth on Schedule 6.9(a)(iii) of the Newquay Disclosure Schedule, with the number of such employees equal to the Additional Rover Service Employee Limit (as defined and set forth on Schedule 6.9(a)(iii) of the Newquay Disclosure Schedule). For the avoidance of doubt, no individual who is identified as an Additional Rover Service Employee shall be considered as such or as a Rover Business Employee for purposes of this Agreement until Newquay and Pluto have agreed in writing to such identification in accordance with Schedule 6.9(a)(iii) of the Newquay Disclosure Schedule.

(ii) On or prior to the Closing, Newquay shall, and shall cause Rover to, take such steps as are required to transfer the employment of each Newquay Retained Employee and each Rover Direct Employee who is a Long-Term Disability Rover Employee from Rover to Newquay or one of its Affiliates (other than Rover).

(iii) Sixty (60) days prior to the anticipated Closing Date, Pluto shall provide a list (the "Offer List") to Newquay of the Additional Rover Service Employees to whom Pluto intends to make an offer of employment pursuant to this Section 6.9(a)(iii), which Offer List shall consist of a number of Additional Rover Service Employees equal to the Offer Threshold (as defined and set forth on Schedule 6.9(a)(iii) of the Newquay Disclosure Schedule). If Newquay objects to the inclusion of any Additional Rover Service Employee on the Offer List, then Newquay and Pluto shall cooperate to determine an appropriate course of action with respect to such Additional Rover Service Employee that takes into account the needs of the Rover Business, Newquay's retained businesses, the services to be provided under the Transition Services Agreement and any Requirements of Law, which course of action may consist of, among other things, selecting a mutually agreeable alternative employee, treating such Additional Rover Service Employee as a Delayed Transfer Employee or amending the Transition Services Agreement and the services to be provided thereunder, and the Offer List shall be appropriately updated. Thirty (30) days prior to the anticipated Closing Date, subject to the provisions of Section 6.9(a)(iv), Pluto or one of its Affiliates shall offer employment, effective at 12:01 A.M., local time, on the Closing Date, to (A) the Rover Dedicated Employees (other than any Long-Term Disability Rover Employees) and (B) the Additional Rover Service Employees on the Offer List, in each case, on terms and conditions consistent with this Section 6.9. Each such offer shall (x) be for a comparable position, (y) be sufficient to avoid common law severance obligations or any severance obligations under any Rover Benefit Plan or Rover Labor Agreement, provided that the relevant Rover Benefit Plan or Rover Labor Agreement has been disclosed to Pluto, and (z) otherwise comply in all respects with applicable Requirements of Law (including with respect to compensation and benefits). Solely for purposes of making offers pursuant to this Section 6.9(a)(iii), Pluto shall have access to Rover Dedicated Employees and Additional Rover Service Employees or, if more practicable, the relevant management personnel to such Rover Dedicated Employee and Additional Rover Service Employee, at times and in a manner reasonably agreed between Pluto and Newquay. Newquay shall not, and shall cause its Affiliates not to, make a competing offer of employment to any Rover Business Employee who receive an offer of employment from Pluto or one of its Affiliates in accordance with this Section 6.9(a)(iii).

(iv) Notwithstanding the foregoing to the contrary, Pluto may delay the transfer of any Rover Dedicated Employees and Additional Rover Service Employees (such employees, "Delayed Transfer Employees") with the mutual agreement of Newquay, such agreement not to be unreasonably withheld, to a date that is no later than the TSA End Date (such date, a "Delayed Transfer Date"), and in such case, Pluto and its Affiliates shall offer employment to each Delayed Transfer Employee no later than thirty (30) days prior to the applicable Delayed Transfer Date and otherwise on terms and conditions consistent with Section 6.9(a)(iii). In the event any Delayed Transfer Employee terminates employment prior to the Delayed Transfer Date, Newquay and Pluto shall cooperate and use reasonable best efforts to identify a suitable internal replacement. Newquay and Pluto shall reasonably cooperate to the extent necessary to give proper effect to the other provisions of this Agreement in connection with any Delayed Transfer Employee.

(v) Subject to Requirements of Law, with respect to any Long-Term Disability Rover Employee who returns to active employment with Newquay and its Affiliates within one hundred and eighty (180) days following the Closing Date or such later time as required by the terms of any applicable Rover Labor Agreement, Pluto or its applicable Affiliate shall offer employment to such Long-Term Disability Rover Employee on the earliest practicable date following the return of such individual to active employment with Newquay and its Affiliates and otherwise on terms and conditions consistent with Section 6.9(a)(iii). Newquay shall promptly notify Pluto of any Rover Business Employee becoming a Long-Term Disability Rover Employee and his or her return to active status.

(vi) In addition, during the Transition Period of the Transition Services Agreement, and subject to Newquay or its Affiliates' consent, which shall not be unreasonably withheld, taking into account the needs of the Rover Business, Newquay's retained businesses, the services to be provided under the Transition Services Agreement and any Requirements of Law, Pluto or one of its Affiliates may (but shall not be required to) offer employment to one or more of the TSA Employees on terms and conditions consistent with Section 6.9(a)(iii).

(vii) To the extent reasonably determined to be necessary, Newquay and Pluto shall cooperate to amend the Transition Services Agreement and modify the scope of services or service period of any Transition Services (as defined in the Transition Services Agreement) set forth on Exhibit A thereto to reflect (A) the transfer of Additional Rover Service Employees or TSA Employees, as applicable, and (B) the agreement to treat any Rover Business Employee as a Delayed Transfer Employee and the ultimate transfer of such Delayed Transfer Employee.

(viii) In the case of any Delayed Transfer Employee, Long-Term Disability Rover Employee or TSA Employee who becomes a Transferred Employee on or after the day following the Closing Date, all references in this Section 6.9 (except where explicitly stated to the contrary and except with respect to Sections 6.9(c), 6.9(i) and 6.9(j)) to the "Closing" or the "Closing Date" shall be deemed to be references to the day on which such individual becomes a Transferred Employee. Notwithstanding the foregoing, for purposes of Sections 6.9(i) and (j), for Delayed Transfer Employees, Long-Term Disability Rover Employees and TSA Employees, all references to the "Closing" or the "Closing Date" shall be deemed to be references to the next January 1 following the date that a Delayed Transfer Employee, Long-Term Disability Rover Employee or TSA Employee becomes a Transferred Employee; *provided*, *however* that each Retiree Benefit Transfer Employee shall become eligible to participate in the applicable Rover pension plan under the Rover Pension Plan Trust or Rover RW Plan as of the date such Retiree Benefit Transfer Employee becomes a Transferred Employee; and *provided further* that each Retiree Benefit Transfer Employee shall not accrue benefits under the applicable Newquay Pension Plan following the Delayed Transfer Date.

(b) (i) With respect to each Rover Dedicated Employee, Pluto or its Affiliates shall bear all the Liabilities relating to, and shall indemnify and hold harmless Newquay and its Affiliates from and against, all Severance Obligations with respect to such Rover Dedicated

Employee directly or indirectly arising out of or in connection with Newquay and its Affiliates terminating the employment of such Rover Dedicated Employee following the failure of Pluto or its Affiliates to make an offer of employment that complies with the terms and conditions of this Agreement to such Rover Dedicated Employee. "Severance Obligations" means all statutory or contractual severance or other severance payments or benefits pursuant to a Rover Benefit Plan previously disclosed to Pluto, including any such payments or benefits payable pursuant to a Rover Benefit Plan or Rover Labor Agreement, including any pro-rata bonus (but excluding long-term incentive award vesting and any other legally mandated payment obligations) and any compensation payable during a mandatory termination notice period in connection with the termination of employment of the applicable Rover Business Employee.

(ii) With respect to each Additional Rover Service Employee, Pluto or its Affiliates shall bear solely those Liabilities relating to, and shall indemnify and hold harmless Newquay and its Affiliates from and against, a portion, which portion shall be equal to the Weighted-Average Severance Percentage, of all Severance Obligations with respect to such Additional Rover Service Employee directly or indirectly arising out of or in connection with Newquay and its Affiliates terminating the employment of such Additional Rover Service Employee following the failure of Pluto or its Affiliates to make an offer of employment that complies with the terms and conditions of this Agreement to such Additional Rover Service Employee. Newquay and its Affiliates shall bear all the Liabilities relating to, and shall indemnify and hold harmless Pluto and its Affiliates from and against all Severance Obligations with respect to such Additional Rover Severance Employee in excess of such portion. Schedule 6.9(b)(ii) of the Newquay Disclosure Schedule provides an example that illustrates the intended operation of this Section 6.9(b)(ii).

(iii) The "Weighted-Average Severance Percentage" shall mean a percentage equal to (A) one-hundred (100) *multiplied* by (B) a fraction, the numerator of which is the Weighted-Average Numerator and the denominator of which is the total number of Additional Rover Service Employees for whom Pluto or its Affiliates failed to make an offer of employment that complies with the terms and conditions of this Agreement.

(iv) The "Weighted-Average Numerator" shall equal the sum of (A) the Offer Threshold *minus* the total number of Additional Rover Service Employees for whom Pluto or its Affiliates made an offer of employment that complies with the terms and conditions of this Agreement (provided that the amount in this clause (A) shall not be less than zero) and (B) the product of (x) one-half and (y) (I) the Additional Rover Service Employee Limit *minus* (II) the greater of (1) the Offer Threshold and (2) the total number of Additional Rover Service Employees for whom Pluto or its Affiliates made an offer of employment that complies with the terms and conditions of this Agreement.

(v) Notwithstanding anything else in this Agreement to the contrary, for purposes of calculating the Weighted-Average Severance Percentage, any Additional Rover Service Employee who is a Delayed Transfer Employee shall be considered an Additional Rover Service Employee for whom Pluto or its Affiliates made an offer of employment that complies with the terms and conditions of this Agreement. In the event that Pluto or its Affiliates fails to make an offer of employment that complies with the

terms and conditions of this Agreement to such Delayed Transfer Employee (or his or her replacement, if applicable), then the Weighted-Average Severance Percentage shall be recalculated treating such Delayed Transfer Employee as an Additional Rover Service Employees for whom Pluto or its Affiliates failed to make an offer of employment that complies with the terms and conditions of this Agreement, and Pluto or its applicable Affiliate shall promptly reimburse Newquay or its applicable Affiliate for any Severance Obligations that are the responsibility of Pluto based on such recalculated Weighted-Average Severance Percentage that were previously borne by Newquay and its Affiliates.

(c) Except as otherwise required by Requirement of Law or the terms of any Rover Labor Agreement, for the period commencing on the Closing Date and ending twelve (12) months thereafter, Pluto shall provide or cause to be provided to each Transferred Employee (i) a base salary or wage rate that is no less favorable than the base salary or wage rate provided by Newquay or any of its Affiliates (including Rover) to such Transferred Employee immediately prior to the Closing, (ii) annual cash incentive opportunities that are no less favorable than those provided by Newquay or any of its Affiliates (including Rover) to such Transferred Employee immediately prior to the Closing, (iii) employee benefits (excluding long-term incentives and benefits under equity-based plans) that are substantially comparable in the aggregate to those provided by Newquay or any of its Affiliates (including Rover) to such Transferred Employee immediately prior to the Closing (which employee benefits may be provided under the Continuing Pluto Plans and/or pursuant to the Transition Services Agreement as mutually agreed between Pluto and Newquay) and (iv) without limiting the foregoing clause (iii), severance benefits that are no less favorable than those provided by Newquay or any of its Affiliates (including Rover) to such Transferred Employee immediately prior to the Closing, as previously disclosed to Pluto. Notwithstanding the foregoing, Transferred Employees who are subject to a Rover Labor Agreement shall be governed by the terms of the applicable Rover Labor Agreement and Pluto shall provide or cause to be provided to each such Transferred Employee the compensation and benefits required under the terms of the applicable Rover Labor Agreement, subject to effects bargaining as contemplated by Section 6.9(f).

(d) Except as otherwise required by Requirement of Law, for all purposes, including eligibility, vesting and (other than with respect to defined benefit pension plans or subsidized retirement benefit arrangements) benefit accrual purposes, under the employee benefit plans of Pluto and its Affiliates, if any, that are offered and provide benefits to Transferred Employees after the Closing Date (the "Continuing Pluto Plans"), each Transferred Employee shall be credited with his or her years of service with Newquay and its Affiliates (including Rover) and any of their respective predecessors prior to the Closing Date to the same extent as such employee was entitled prior to the Closing Date to credit for such service under any similar Rover Benefit Plan, except to the extent such credit would result in a duplication of benefits. For purposes of each Continuing Pluto Plan, if any, providing medical, dental, pharmaceutical or vision benefits to any Transferred Employee, Pluto shall use its commercially reasonable efforts to (i) waive any pre-existing condition exclusion, actively-at-work requirement and waiting period under such Continuing Pluto Plan, to the extent such pre-existing condition exclusion, actively-at-work requirement or waiting period was satisfied or did not apply to such employee under the comparable Rover Benefit Plan prior to the Closing Date and (ii) provide such Transferred Employee and his or her covered dependents with credit for all eligible expenses incurred by such Transferred Employee and his or her covered dependents under the comparable

Rover Benefit Plans during the portion of the plan year ending on the date such Transferred Employee's participation in the corresponding Continuing Pluto Plan begins for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Transferred Employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such Continuing Pluto Plan subject to all applicable terms and conditions relating to such benefits or amounts.

(e) As of the Closing Date, the Transferred Employees shall cease active participation in all Rover Benefit Plans other than any Assumed Benefit Plan, which shall be treated in accordance with the provisions set forth in Sections 6.9(g), 6.9(h), 6.9(i), 6.9(j) and 6.9(k). As of the Closing Date, Pluto shall assume and honor, or shall cause a Subsidiary of Pluto (including Rover) to assume or retain and honor, in accordance with their terms (including terms related to amendment and termination), each Assumed Benefit Plan, and Pluto shall assume and honor, or shall cause a Subsidiary of Pluto (including Rover) to assume or retain and honor all Liabilities attributable to the Rover Business in respect of each Assumed Benefit Plan.

(f) Effective as of the Closing Date, Pluto shall cause Rover to take any actions necessary to adopt and assume the Rover Labor Agreements so that, effective immediately following the Closing, Rover shall assume and be liable for all obligations of Newquay and its Affiliates under the Rover Labor Agreements with respect to the Rover Business Employees and Rover Business Former Employees, *provided*, *however*, that with respect to the Rover Labor Agreements, Newquay and Pluto shall, and shall cause their Affiliates to take the actions set forth on Schedule 6.9(f)(i) of the Newquay Disclosure Schedule within the timeframes set forth on such schedule and Newquay shall, and shall cause its Affiliates to, undertake any and all such bargaining obligations (including "effects" bargaining obligations) in compliance with Schedule 6.9(f)(ii) of the Newquay Disclosure Schedule, (ii) reasonably cooperate with Pluto with respect to any such bargaining, including by notifying Pluto in advance of the dates, times and locations of any bargaining sessions or other meetings with collective bargaining representatives and promptly sharing with Pluto all material information, developments, notices and filings with respect to the bargaining sessions and (iii) use commercially reasonable efforts to complete such bargaining as promptly as reasonably practicable prior to the Closing Date, including by committing labor personnel and resources as reasonably necessary to do so; *provided*, *however*, that if Newquay or its Affiliates and the relevant collective bargaining representative(s) reach a legal impasse after negotiating in good faith in accordance with any applicable Requirement of Law with respect to the Rover Labor Agreements, upon Pluto's request, Newquay and its Affiliates shall use their commercially reasonable efforts to engage a mediator to resolve, prior to the Closing Date, any outstanding bargaining issues causing such impasse with the relevant collective bargaining representative(s); *provided further* that (x) neither Newquay nor any of its Affiliates shall have any obligation to amend, modify or otherwise relinquish any rights under any collective bargaining agreement of Newquay or any of its Affiliates other than the Rover Labor Agreements or to make any payment or grant any other concession in connection with any collective bargaining agreement of Newquay or any of its Affiliates other than the Rover Labor Agreements and (y) any obligation of Newquay or any of its Affiliates pursuant to this Section 6.9(f) to reasonably cooperate or use commercially reasonable efforts shall not require Newquay and its Affiliates to take any action, or refrain from taking any action, that would materially and adversely impact its relations with any of its other collective bargaining units. Pluto shall, and shall cause its Affiliates to, agree to

engage in any type of bargaining required under any applicable Requirement of Law (including "effects" bargaining) with any collective bargaining representative, from and after the Closing Date until such obligation is no longer required under any applicable Requirement of Law. Notwithstanding the foregoing, the provisions of this Section 6.9(f) and Schedules 6.9(f)(i) and (ii) of the Newquay Disclosure Schedule shall be subject to Schedule 6.9(f)(iii) of the Newquay Disclosure Schedule.

(g) Effective as of the Closing, Pluto shall, or shall cause a Subsidiary of Pluto, to assume Liability for all vacation days (regular, supplemental or banked) accrued or earned but not yet taken by each Transferred Employee as of immediately prior to the Closing (the "Rover Accrued Vacation Days"). In the event that a Transferred Employee is entitled under applicable Requirements of Law or any policy of Newquay and its Affiliates to be paid for any Rover Accrued Vacation Days in connection with the Closing, (i) Rover or, solely to the extent required by applicable Requirements of Law, Newquay or its applicable Affiliate (other than Rover), shall pay and be responsible for any required amounts to such employee and (ii) to the extent any such amounts are paid by Newquay or any of its Affiliates (other than Rover), Pluto shall promptly reimburse Newquay or its applicable Affiliate for such amounts. Effective as of the Closing, Pluto shall, and shall cause its Affiliates to, honor all the Rover Accrued Vacation Days for which payout is not made pursuant to the immediately preceding sentence; *provided* that, in the event Pluto is required to honor any Rover Accrued Vacation Days pursuant to the foregoing that are "purchased vacation days", to the extent that Newquay or one of its Affiliates (other than Rover) has received payment in respect of such purchased vacation days (the aggregate of all such amounts received by Newquay and its Affiliates, the "Purchased Vacation True-Up"), then Newquay or one of its Affiliates shall make a cash payment to Pluto or its designated Affiliate equal to the Purchased Vacation True-Up.

(h) If any Rover Business Employee requires a work permit or employment pass or other legal or regulatory approval for his or her employment with Pluto or its Affiliates, Pluto shall, and shall cause its Affiliates to, use their commercially reasonable efforts to cause any such permit, pass or other approval to be obtained and in effect prior to the Closing Date. Notwithstanding the foregoing, to the extent permitted by applicable Requirements of Law and any applicable Rover Labor Agreement, in the event an applicable permit, pass or approval for a Rover Business Employee is not in place with Pluto or its applicable Affiliate as of the Closing Date, such Rover Business Employee shall be treated as a Long-Term Disability Rover Employee, except that such Rover Business Employee's employment shall become effective as soon as practicable following Pluto's obtainment of the applicable permit, pass or approval, and the Parties shall reasonably cooperate to provide for the services of such Rover Business Employee to be made available exclusively to Pluto through an employee secondment, services or similar arrangement (in each case to the extent permissible under the Requirements of Law) under which Pluto shall be responsible for all the economic costs of such individual's compensation and benefits including any increased compensation payable under any Rover Benefit Plan as a result of such individual's continued service with Newquay and its Affiliates for such service period until the applicable work permit can be obtained; *provided, however*, that Pluto shall, and shall cause its Affiliates to, continue to use their commercially reasonable efforts to obtain the applicable work permit. In addition to the foregoing, with respect to each Rover Business Employee who is a foreign national working in the United States in non-immigrant visa status, to the extent permitted under applicable Requirements of Law, Pluto shall employ such

Rover Business Employee under terms and conditions such that Pluto qualifies as a "successor employer" under applicable United States immigration laws effective as of the Closing for immigration-related purposes only, and Pluto shall not by reason of any such election be deemed to have otherwise assumed any Liabilities (other than with respect to the immigration-related liabilities and responsibilities associated with the applicable visa petitions) or to be a successor for any other purpose except to the extent otherwise set forth in this Agreement.

(i) (i) With respect to each defined benefit pension plan, program, agreement or arrangement listed as an Assumed Benefit Plan in Schedule 5.13 of the Newquay Disclosure Schedule that is intended to be qualified under Section 401(a) of the Code and that is sponsored or maintained by Newquay or any of its Affiliates and in which any Rover Direct Employee, Rover Dedicated Employee, Additional Rover Service Employee who is on the Offer List, TSA Employee, in each case, who becomes a Transferred Employee, and Rover Business Former Employee (collectively, the "Retiree Benefit Transfer Employees") participates as of immediately prior to the Closing, whether on an active or inactive basis (each, a "Newquay Pension Plan"), Pluto shall use commercially reasonable efforts to have in effect or shall cause to be in effect on, or as soon as administratively practicable following, the Closing Date a defined benefit pension plan that is intended to be qualified under Section 401(a) of the Code (each, a "Rover Pension Plan") and a related trust that is intended to be exempt from tax under Section 501(a) of the Code (each, a "Rover Pension Plan Trust"). Pluto shall establish and maintain each Rover Pension Plan for the benefit of the Retiree Benefit Transfer Employees who participated in the corresponding Newquay Pension Plan as of immediately prior to the Closing, and shall cause each such individual to become a participant in such Rover Pension Plan as of the Closing Date.

(ii) As of the Closing Date, Pluto shall cause each Rover Pension Plan to assume all Liabilities and obligations of Newquay and its Affiliates for the benefits accrued by the Retiree Benefit Transfer Employees under the applicable Newquay Pension Plan as of immediately prior to the Closing (such benefits, collectively, the "Accrued Rover DB Benefits"); *provided* that, for the period between the Closing and the applicable Pension Transfer Date (as defined below), Newquay and its Affiliates shall, to the extent permitted by Requirements of Law, continue to make all required employer contributions to such Newquay Pension Plan and all scheduled benefit payments to such individuals and their applicable beneficiaries in respect of the Accrued Rover DB Benefits in accordance with the terms of such Newquay Pension Plan, as in effect immediately prior to the Closing, and the Requirements of Law.

(iii) Pluto shall cause each Rover Pension Plan and each Rover Pension Plan Trust (and any successors to such plan and/or trust) to (A) provide that, with respect to assets transferred to such Rover Pension Plan from the applicable Newquay Pension Plan in accordance with this Section 6.9(i), such assets shall be held by the applicable Rover Pension Plan Trust for the exclusive benefit of the participants in such Rover Pension Plan; (B) provide that the Accrued Rover DB Benefits may not be decreased by amendment or otherwise and (C) have terms and features (including employer contribution provisions and elections in respect of form of payment of Accrued Rover DB Benefits, but excluding benefit accrual provisions) that are substantially identical to

the applicable Newquay Pension Plan, such that each Newquay Pension Plan is substantially replaced by a corresponding Rover Pension Plan.

(iv) As soon as practicable following the Closing, Newquay and its Affiliates shall procure that the trustee of a Newquay Pension Plan shall transfer to the trustee of the corresponding Rover Pension Plan assets equal to (A) the amount required to be transferred pursuant to Section 414(l) of the Code and Section 4044 of ERISA, determined as if the Newquay Pension Plan were terminated immediately prior to the Closing (which, for the avoidance of doubt, may be, if applicable, the "de minimis" amount pursuant to Treasury Regulation Section 1.414(l)-1(h)) using the same actuarial assumptions and methodology used by Newquay to prepare the most recent financial statements relating to such Newquay Pension Plan, as they may be updated from time to time in Newquay's reasonable discretion, (for the avoidance of doubt, such actuarial assumptions and methodology need not include the safe harbor assumptions specified in Section 414(l) of the Code or Section 4044 of ERISA), subject to any requirements under such Sections of the Code and ERISA (each such required amount, a "Section 4044 Amount"); *adjusted* by (B) for the period between the Closing and the date such assets are transferred (each, a "Pension Transfer Date"), an interest increment or debit on the applicable Section 4044 Amount at the rate equal to the actual rate of return earned by the related trust or segregated subaccount, as applicable, holding such assets to be transferred as part of the applicable Section 4044 Amount, as determined by the applicable trustee, through the end of the calendar month preceding the Pension Transfer Date; *minus* (C) any benefit payments that are made from the applicable Newquay Pension Plan to the Retiree Benefit Transfer Employees in respect of the applicable Accrued Rover DB Benefits for the period between the Closing and the applicable Pension Transfer Date; *minus* (D) any reasonable costs or expenses incurred by Newquay and its Affiliates in respect of the applicable Accrued Rover DB Benefits for the period between the Closing and the applicable Pension Transfer Date. If requested by Pluto, such assets shall be transferred in the form of cash or, to the extent that Newquay is unable to effect such transfer entirely in cash after using commercially reasonable efforts (consistent with ERISA fiduciary obligations) to do so, other assets that are reasonably representative of such Newquay Pension Plan's investment portfolio as a whole as of the Pension Transfer Date; *provided*, *however*, Newquay shall not be obligated to convert assets into cash to the extent that such conversion would result in a significant reduction in the value of such assets or the remaining assets with respect to such Newquay Pension Plan. Notwithstanding the foregoing, Newquay shall have no obligation to cause any such transfer until such time as Newquay has been provided evidence reasonably satisfactory to Newquay that the applicable Rover Pension Plan satisfies the requirements for a U.S. tax qualified plan under Section 401(a) of the Code and that the applicable Rover Pension Plan Trust is exempt from Tax under Section 501(a) of the Code, and the Parties have received all other applicable approvals from all applicable Governmental Authorities. For purposes of this Section 6.9(i)(iv), to the extent permitted by Requirements of Law, the fair market value of the assets of the Newquay Pension Plans shall be based on actual market values as of the Closing.

(v) In connection with each Pension Transfer Date, Newquay shall calculate (A) the applicable amount required to be transferred under clause (iv) above on such

Pension Transfer Date minus (B) the amount that would have transferred under clause (iv) above on such Pension Transfer Date if the Section 4044 Amount was equal to (x) the aggregate value of the assets held in the trust related to the applicable Newquay Pension Plan as of immediately prior to the Closing multiplied by (y) a fraction, the numerator of which is the aggregate projected benefit obligation of the applicable Accrued Rover DB Benefits and the denominator of which is the aggregate projected benefit obligation of all Liabilities and obligations for the benefits accrued under the applicable Newquay Pension Plan as of immediately prior to the Closing, in each case, calculated in accordance with GAAP and using the same actuarial assumptions and methodology used by Newquay to prepare its most recent audited financial statements prior to the Closing Date, as such assumptions and methodologies may be updated by Newquay as reasonably necessary solely to the extent such updates are consistent with updates made by Newquay with respect to the pension plans maintained by Newquay or its Affiliates and with the prior written consent of Pluto (which consent shall not be unreasonably withheld, delayed or conditioned) (each such amount, a "Pension True-Up Amount"). If the applicable Pension True-Up Amount is positive, Pluto shall pay such amount to Newquay or its designee, and if the applicable Pension True-Up Amount is negative, Newquay shall pay the absolute value of such amount to Pluto or its designee, in each case, no later than the applicable Pension Transfer Date.

(vi) All Section 4044 Amounts and Pension True-Up Amounts shall be determined by an enrolled actuary designated by Newquay, and Newquay shall provide an actuary designated by Pluto with information reasonably necessary to also calculate such Section 4044 Amounts and Pension True-Up Amounts and to verify that such calculations with respect to the Section 4044 Amounts have been performed in a manner consistent with Section 414(l) of the Code and Section 4044 of ERISA. Within thirty (30) calendar days following receipt by Pluto's actuary of Newquay's actuary's calculation of a Section 4044 Amount and Pension True-Up Amount and the information described in the preceding sentence, Pluto shall notify Newquay in writing if there is a good faith dispute between Newquay's actuary and Pluto's actuary as to whether Newquay's calculation of such Section 4044 Amount or Pension True-Up Amount is in violation of applicable Requirements of Law or contains errors of a mathematical nature. If Pluto does not notify Newquay of any such good faith dispute within such thirty (30) calendar day period, the determination of Newquay's actuary shall become conclusive, final and binding. If any such dispute remains unresolved for thirty (30) calendar days following Newquay's receipt of such written notification from Pluto (or within such longer period as Newquay and Pluto shall mutually agree), Newquay and Pluto shall (in writing) select and appoint a third independent actuary mutually acceptable to Newquay and Pluto (the cost of which shall be borne equally by Newquay and Pluto), who shall make a conclusive, final and binding determination of the applicable Section 4044 Amount and Pension True-Up Amount in accordance with applicable Requirements of Law. Each of Newquay and Pluto shall be responsible for the cost of its own actuary. Newquay's actuary shall be responsible for any required actuarial certification under Section 414(l) of the Code.

(vii) Newquay and Pluto shall reasonably cooperate to make any and all filings and submissions to the appropriate Governmental Authorities required to be made by

Newquay or Pluto in effectuating the provisions of this Section 6.9(i), including (A) IRS Forms 5310-A in respect of the transfers of assets and (B) in the event that the Transactions constitute a "reportable event" (within the meaning of Section 4043 of ERISA) for which the thirty (30)-day notice has not been waived, timely notification of the Pension Benefit Guaranty Corporation and filing of all reports required in connection therewith.

(viii) Provided that Newquay has provided to Pluto the information described in the last sentence of this clause (viii) regarding elections made by the Retiree Benefit Transfer Employees under the Newquay Pension Plan, Pluto shall cause each Rover Pension Plan to recognize and maintain all existing elections, including, but not limited to, beneficiary designations, payment forms and other rights of alternate payees under qualified domestic relation orders as were in effect under the corresponding Newquay Pension Plan, unless and until changed or modified in accordance with the terms of the applicable plan or otherwise in accordance with applicable Requirements of Law. To the extent applicable, the provisions of this Section 6.9(i) shall apply to the eligible dependents of the Retiree Benefit Transfer Employees. As soon as administratively practicable following the Closing, Newquay shall provide to Pluto copies of all such beneficiary designations, payment forms and all other documents, files and other information that Pluto may need to administer each Rover Pension Plan in accordance with the terms of this Agreement, and, once provided, Newquay shall update any such information as reasonably appropriate.

(ix) With respect to the Rover Business Employees and TSA Employees who are anticipated to be Transferred Employees and who participate in a defined benefit pension plan maintained by Newquay and its Affiliates that is not a Newquay Pension Plan (an "Additional Pension Plan"), Newquay and Pluto shall cooperate to determine the appropriate treatment of such plans, including whether or not they should be treated as Assumed Benefit Plans for purposes of this Section 6.9(i). If Newquay and Pluto cannot reach a mutually acceptable agreement regarding such treatment, then Newquay may, acting reasonably, replace the Rover Business Employees and TSA Employees who participate in Additional Pension Plans with alternative employees of Newquay and its Affiliates who do not participate in such plans. For the avoidance of doubt, Pluto and its Affiliates are not required pursuant to the terms of this Agreement to make offers of employment to any employee who participates in an Additional Pension Plan, subject to the severance obligations in Section 6.9(b).

(j) (i) With respect to each retiree health or welfare plan that is sponsored or maintained by Newquay or its Affiliates and in which any Retiree Benefit Transfer Employee participates as of immediately prior to the Closing, whether on an active or inactive basis (each, a "Newquay RW Plan"), Pluto shall use commercially reasonable efforts to have in effect or shall cause to be in effect on, or as soon as administratively practicable following, the Closing Date one or more retiree health or welfare plans (each, a "Rover RW Plan") that have material terms and features that are substantially identical to the corresponding Newquay RW Plan, such that the benefits provided under the Newquay RW Plan are substantially replicated. As of the Closing Date, Pluto shall cause each Rover RW Plan to assume all Liabilities and obligations of Newquay and its Affiliates for the benefits accrued by the Retiree Benefit Transfer Employees

under the applicable Newquay RW Plan as of immediately prior to the Closing (the "Rover Business RW Benefits"); *provided* that, for the period between the Closing and the applicable RW Transfer Date (as defined below), Newquay or its Affiliates shall, to the extent permitted by Requirements of Law, continue to make and credit all required participant and employer contributions to the Newquay RW Plans and make all benefit payments in respect of the Rover Business RW Benefits in accordance with the terms of the Newquay RW Plans, as in effect immediately prior to the Closing, and the Requirements of Law.

(ii) As soon as practicable following the Closing, with respect to each subaccount within a trust holding assets that are intended, in whole or in part, to satisfy the Rover Business RW Benefits (or with respect to the entire trust if such trust is not divided into subaccounts), Newquay and its Affiliates shall procure that the applicable trustee shall transfer to the trustee of the corresponding Rover RW Plan the following assets (each, an "RW Transfer Amount"): (A) the applicable Closing Date RW Amount (as defined below); adjusted by (B) for the period between the Closing and the date such assets are transferred (each, a "RW Transfer Date"), an interest increment or debit on the applicable Closing Date RW Amount at the rate of return earned by the applicable subaccount or trust, as applicable, holding such Closing Date RW Amount, as determined by the applicable trustee, through the end of the calendar month preceding the applicable RW Transfer Date; plus (C) an amount equal to any contributions made to such subaccount or trust by or on behalf of Retiree Benefit Transfer Employees during the period between the Closing and the applicable RW Transfer Date; minus (D) any payments that are made from such subaccount or trust, as applicable, in respect of the applicable Rover Business RW Benefits for the period between the Closing and the applicable RW Transfer Date; minus (E) any reasonable costs or expenses incurred by Newquay and its Affiliates in respect of the applicable Rover Business RW Benefits for the period between the Closing and the applicable RW Transfer Date. If requested, such assets shall be transferred in the form of cash or, to the extent that Newquay is unable to effect such transfer entirely in cash after using commercially reasonable efforts (consistent with ERISA fiduciary obligations) to do so, other assets that are reasonably representative of the investment portfolio of the applicable subaccount (or the entire trust as a whole if such trust is not divided into subaccounts) as of the RW Transfer Date; *provided*, *however*, Newquay shall not be obligated to convert assets into cash to the extent that such conversion would result in a significant reduction in the value of such assets or the remaining assets with respect to such subaccount (or the entire trust as a whole if such trust is not divided into subaccounts).

(iii) With respect to each subaccount within a trust holding assets that are intended, in whole or in part, to satisfy the Rover Business RW Benefits (or with respect to the entire trust if such trust is not divided into subaccounts), the applicable "Closing Date RW Amount" shall mean an amount equal to (A) the aggregate value of the assets held in such subaccount or trust, as applicable, multiplied by (B) a fraction, the numerator of which is (x) the aggregate projected benefit obligation of the applicable Rover Business RW Benefits and the denominator of which is (y) the aggregate projected benefit obligation of all postretirement benefits that are intended to be satisfied by assets held in such subaccount or trust, as applicable, in the case of each of (x) and (y), calculated in accordance with GAAP and determined as of the Closing Date.

(iv) All Closing Date RW Amounts shall be determined by an enrolled actuary designated by Newquay, and Newquay shall provide an actuary designated by Pluto with information reasonably necessary to also calculate such Closing Date RW Amounts and to verify that such calculations with respect to the Closing Date RW Amounts have been performed in a manner consistent with GAAP. Within thirty (30) calendar days following receipt by Pluto's actuary of Newquay's actuary's calculation of a Closing Date RW Amount and the information described in the preceding sentence, Pluto shall notify Newquay in writing if there is a good faith dispute between Newquay's actuary and Pluto's actuary as to whether Newquay's calculation of such Closing Date RW Amount is in violation of applicable Requirements of Law or contains errors of a mathematical nature. If Pluto does not notify Newquay of any such good faith dispute within such thirty (30) calendar day period, the determination of Newquay's actuary shall become conclusive, final and binding. If any such dispute remains unresolved for thirty (30) calendar days following Newquay's receipt of such written notification from Pluto (or within such longer period as Newquay and Pluto shall mutually agree), Newquay and Pluto shall (in writing) select and appoint a third independent actuary mutually acceptable to Newquay and Pluto (the cost of which shall be borne equally by Newquay and Pluto), who shall make a conclusive, final and binding determination of the applicable Closing Date RW Amount in accordance with applicable Requirements of Law. Each of Newquay and Pluto shall be responsible for the cost of its own actuary.

(v) Notwithstanding anything herein to the contrary, if an RW Transfer Amount is negative, then, within five (5) Business Days after the applicable Closing Date RW Amount becomes final and binding, Pluto shall pay to Newquay the absolute value of such RW Transfer Amount. If, following an RW Transfer Date, Newquay or any of its Affiliates is required to pay any amounts in respect of the applicable Rover Business RW Benefits, Pluto or its applicable Affiliate shall reimburse Newquay or its applicable Affiliate for such amounts within five (5) Business Days of Newquay notifying Pluto of such payment; *provided* that reasonably acceptable documentation of such payment is provided by Newquay to Pluto.

(vi) As soon as administratively practicable following the Closing, Newquay shall provide to Pluto copies of all participant elections, payment forms and all other documents, files and other information that Pluto may need to administer each Rover RW Plan in accordance with the terms of this Agreement, and, once provided, Newquay shall update any such information as reasonably appropriate.

(k) As soon as practicable after the Closing, Pluto shall cause a tax-qualified qualified defined contribution retirement plan of Pluto with a qualified cash or deferred arrangement within the meaning of Section 401(k) of the Code (the "Pluto 401(k) Plan") to accept "direct rollovers" (as described in Section 401(a)(31) of the Code and including the in-kind rollover of notes evidencing participant loans) of the account balances of each Transferred Employee from the applicable Rover Benefit Plan that is a tax-qualified defined contribution retirement plan with a qualified cash or deferred arrangement within the meaning of Section 401(k) of the Code (the "Newquay 401(k) Plan") if such direct rollover is elected in accordance with applicable Requirements of Law and the terms of the Newquay 401(k) Plan by such Transferred Employee. Newquay and Pluto shall cooperate in good faith to take commercially

reasonable actions needed to permit each Transferred Employee with an outstanding loan balance under the Newquay 401(k) Plan as of the Closing Date to continue to make scheduled loan payments to the Newquay 401(k) Plan after the Closing Date, pending the distribution and in-kind rollover of the notes evidencing such loans from the Newquay 401(k) Plan to the Pluto 401(k) Plan so as to prevent, to the extent reasonably possible, a deemed distribution or loan offset with respect to such outstanding loans.

(l) Nothing in this Section 6.9 shall be treated as an amendment of, an undertaking to amend or terminate, or a limitation on the ability of Pluto or its Affiliates to amend or terminate any employee benefit plan (including Assumed Benefit Plans). Nothing herein shall require Pluto or its Affiliates to continue to employ the services of any particular individual after the Closing Date. Without limiting the generality of Section 11.9, the provisions of this Section 6.9 are for the sole benefit of the Parties and nothing herein, express or implied, is intended or shall be construed to confer upon or give any Person (including for the avoidance of doubt, any Rover Business Employee or Rover Business Former Employee), other than the Parties and their respective permitted successors and assigns, any legal or equitable or other rights or remedies (including with respect to the matters provided for in this Section 6.9) under or by reason of any provision of this Agreement.

Section 6.10 Public Announcements. The mutual announcement of the Agreement and the Transactions immediately following the execution of this Agreement shall be as agreed by Pluto and Newquay. Newquay and Pluto will consult with each other before issuing, and will provide each other reasonable opportunity to review, comment upon and concur with, any other press release or otherwise making any public statements with respect to this Agreement or the Transactions, and shall not issue any such press release or make any such written public statement prior to obtaining the other Party's written approval (which approval shall not be unreasonably withheld, conditioned or delayed), except (a) as the Parties or their respective Affiliates may be required, at the advice of counsel, to do by Requirement of Law, court order or by obligations pursuant to any listing agreement with any applicable securities exchange (in which case such Party will, to the extent practicable, promptly inform the other Party in writing in advance of such compelled disclosure), and (b) as is consistent with previous press releases, public disclosures or public statements made jointly by the Parties or otherwise in a manner consistent with this Section 6.10; *provided* that, in each such case, to the extent practicable, the Party intending to make such release shall use its reasonable best efforts consistent with Requirement of Law to consult with the other Party in advance of such release with respect to the text thereof.

Section 6.11 Alternative Transactions.

(a) From and after the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement, Newquay shall not, directly or indirectly, solicit, negotiate with, provide any nonpublic information regarding Rover to, enter into any Contract with, or in any manner encourage, any proposal of, any Person (other than Pluto and its Affiliates) relating to a potential acquisition of all or a material portion of the equity interests of Rover or all or a material portion of the assets of the Rover Business, whether by merger, sale of stock, sale of assets or otherwise (collectively, "Rover Acquisition Proposals"). Notwithstanding the foregoing, nothing in this Section 6.11(a) is intended to restrict or limit Newquay or any of

Newquay's Affiliates from entering into, engaging in or consummating any transaction not involving Rover or its business or assets. Newquay shall immediately cease all communications with any such Person that may be ongoing with respect to a Rover Acquisition Proposal as of the date hereof and request that each such Person promptly return or destroy all confidential information furnished to such Person by or on behalf of Newquay in connection with any such Rover Acquisition Proposal.

(b) Notwithstanding any provision of this Agreement to the contrary, including this Section 6.11, nothing in this Agreement is intended to restrict or limit Newquay from entering into, engaging in or consummating any transaction involving the acquisition or transfer (including by scheme of arrangement) of all or any portion of the equity interests of Newquay Topco or all or any portion of the assets of Newquay, provided, that any asset transaction transferring only a portion of Newquay's assets shall not include the Rover Equity Interest.

Section 6.12 Insurance. Pluto and Rover acknowledge that, except as provided in this Section 6.12, (a) all insurance policies maintained by Newquay or any of its Affiliates (other than Rover) for the benefit of Rover or the Rover Business, including, for the avoidance of doubt, any self-insurance or captive insurance or reinsurance policy or program (the "Insurance Policies") are part of the corporate insurance program maintained by Newquay, and such coverage shall not be available or transferred to Rover or Pluto, (b) from and after the Closing, Rover and the Rover Business shall cease to be insured by the Insurance Policies, and (c) from and after the Closing, Pluto shall be responsible for securing all insurance it deems appropriate for its operation of Rover and the Rover Business. From and after the Closing, Newquay and its Affiliates shall have no obligation to Pluto or Rover with respect to or under any of the Insurance Policies; *provided* that, from and after the Closing, Newquay and its Affiliates shall not take any measure or fail to take any measure to eliminate or reduce coverage available to Rover or the Rover Business under the Insurance Policies other than the reduction of policy limits due to claims paid in the ordinary course, and Newquay and its Affiliates shall use reasonable best efforts to (i) direct any carriers under the occurrence-based Insurance Policies (other than any occurrence-based Insurance Policy that is a self-insurance or captive insurance or reinsurance policy or program) ("Occurrence Based Policies") to make any applicable or potentially applicable insurance coverage under the Occurrence Based Policies available to Rover or the Rover Business for claims arising out of any actual or alleged occurrences occurring at or prior to the Closing relating to Rover or the Rover Business and (ii) direct any carriers under any claims-made Insurance Policies (other than any claims-made Insurance Policy that is a self-insurance or captive insurance or reinsurance policy or program) ("Claims Made Policies") to make any applicable or potentially applicable insurance coverage under the Claims Made Policies available to Rover and the Rover Business for claims made prior to or after the Closing that arise out of any actual or alleged act, omission, circumstance, event or incident occurring at or prior to the Closing relating to Rover or the Rover Business, in each case, to the extent permitted under such Claims Made Policies; *provided, further*, that (x) all deductibles, claims handling fees or any other amounts payable under any such Occurrence Based Policies or Claims Made Policies shall be shared equitably between Pluto and Rover, on the one hand, and Newquay, on the other hand, in respect of claims made by or on behalf of Pluto or Rover against the Insurance Policies pursuant to this Section 6.12, in the same proportion as the coverage they receive under such Occurrence Based Policies or Claims Made Policies, and (y) Pluto shall, or

shall cause Rover to, reimburse Newquay in respect of any documented reasonable costs or expenses associated with any deductibles, claims handling fees or other amounts incurred by Newquay or any Affiliate of Newquay and attributable to Pluto or Rover pursuant to the foregoing clause (x). Following the Closing Date, upon Pluto's or Rover's reasonable request, and at Pluto's cost and expense, Newquay and its Affiliates shall reasonably cooperate with and assist Pluto and Rover in issuing notices of such claims under the Occurrence Based Policies or Claims Made Policies, presenting such claims for payment and collecting insurance proceeds under the Insurance Policies. For the avoidance of doubt, neither Pluto nor any of its Affiliates (including, from and after the Closing, Rover) shall be entitled to receive any amounts under this Section 6.12 that would constitute a duplicative payment of amounts recovered as a purchase price adjustment pursuant to Article I or Article III.

Section 6.13 Designated Regulatory Proceedings. Notwithstanding any provision of this Agreement to the contrary, Newquay shall, and shall cause Rover and National Grid USA Service Company, Inc. to, consult in good faith with Pluto and consider in good faith the views of Pluto with respect to each of the regulatory proceedings set forth in Schedule 6.13 of the Newquay Disclosure Schedule and any subsequent regulatory proceedings regarding the regulatory proceedings set forth in Schedule 6.13 of the Newquay Disclosure Schedule (collectively, the "Designated Regulatory Proceedings"), including in connection with (a) the scheduling and conducting of all formal meetings with any Rover Utility Regulator on any Designated Regulatory Proceeding, (b) the making of all applications and filings with, and obtaining any consents, approvals or authorizations from, any Rover Utility Regulator for any Designated Regulatory Proceeding and (c) the resolution of any investigation or other inquiry by any Rover Utility Regulator in respect of any Designated Regulatory Proceeding.

Section 6.14 Pluto Topco Guarantee. Pluto Topco shall cause Pluto to comply with all of Pluto's agreements, covenants and obligations under this Agreement and hereby unconditionally and irrevocably guarantees to Newquay the full and complete performance of all of Pluto's agreements, covenants and obligations under this Agreement on a timely basis, including the due and punctual payment by Pluto of Pluto's payment obligations and liabilities under this Agreement (the "Guaranteed Obligations"). The foregoing sentence is an absolute, unconditional and continuing guarantee of the full and punctual discharge and performance of the Guaranteed Obligations. If Pluto defaults in the discharge and performance of all or any portion of its payment obligations under this Agreement, the obligations of Pluto Topco hereunder shall become immediately due and payable. Parent hereby waives diligence, presentment, demand of performance, filing of any claim, any right to require any proceeding first against Pluto, protest, notice and all demands whatsoever in connection with the performance of its obligations set forth in this Section 6.14 or elsewhere in this Agreement.

Section 6.15 FCC Licenses. Prior to the Closing, Newquay shall use its reasonable best efforts to, or to cause its Affiliates to, transfer or assign, in whole or in part, to Rover each license, permit or other authorization issued or granted by the Federal Communications Commission (or any successor thereto) to Newquay or an Affiliate of Newquay that is necessary to conduct the Rover Business in all material respects in the manner in which it is currently conducted (each, an "FCC License"), effective as of the Closing. In the event that any FCC License has not been transferred or assigned, in whole or in part, to Rover as of the Closing, the Parties hereby acknowledge and agree that access to the applicable spectrum licensed under any

such FCC License that is not so transferred or assigned shall be provided under the Transition Services Agreement in accordance with the terms thereof.

ARTICLE VII
CONDITIONS PRECEDENT

Section 7.1 Conditions of Both Parties to Closing. The respective obligation of each Party to effect the transactions contemplated hereby is subject to the satisfaction or, to the extent permitted by Requirement of Law, waiver, in whole or in part, by Newquay and Pluto at or prior to the Closing of the following conditions:

(a) No (i) temporary restraining order or preliminary or permanent injunction or other order by any Governmental Authority of competent jurisdiction preventing consummation of the Transactions, or (ii) Requirement of Law prohibiting, materially restraining or making illegal the consummation of the Transactions (collectively, "Transaction Restraints") shall be in effect.

(b) (i) the Required Statutory Approvals shall have been obtained, and such approvals shall have become Final Orders, and (ii) the waiting periods (and any extensions thereof) under the HSR Act applicable to the Transactions shall have expired or been terminated or the necessary clearance or approval thereunder shall have been received.

(c) The "Closing" (as defined in the Island Sale Purchase Agreement) shall have occurred or shall be occurring concurrently with the Closing.

Section 7.2 Conditions to Obligations of Newquay to Close. Newquay's obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction or waiver, prior to or at the Closing, of each of the following conditions:

(a) (i) Each of the representations and warranties of Pluto set forth in this Agreement (other than the representations and warranties contained in Section 4.1, Section 4.2, Section 4.5 and Section 4.6 (the "Pluto Designated Representations")) shall be true and correct as of the date of this Agreement and as of the Closing as though made on and as of the Closing (except that, in each case, representations and warranties that speak as of a specified date shall have been true and correct only on such date) except for such failures to be true and correct (when taken together and disregarding all qualifications and exceptions contained therein as to "materiality") that has not had or would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Pluto's ability to perform its obligations under this Agreement or to consummate the Transactions.

(ii) Each of the Pluto Designated Representations qualified by "materiality" shall be true and correct and each of the Pluto Designated Representations not so qualified shall be true and correct in all material respects, in each case as of the date of this Agreement and as of the Closing as though made on and as of the Closing (except that, in each case, representations and warranties that speak as of a specified date shall have been true and correct only on such date).

(b) Pluto shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing.

(c) Newquay shall have received at the Closing a certificate dated the Closing Date, which certificate shall be validly executed on behalf of Pluto by an appropriate executive officer of Pluto, certifying that the conditions specified in Section 7.2(a) and Section 7.2(b) have been satisfied.

(d) The Final Orders granting the Massachusetts Approval shall not impose terms or conditions that, individually or in the aggregate, would reasonably be expected to have a Newquay Burdensome Effect.

Section 7.3 Conditions to Obligations of Pluto to Close. Pluto's obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction or waiver, prior to or at the Closing, of each of the following conditions:

(a) (i) Each of the representations and warranties of Newquay set forth in this Agreement (other than the representations and warranties contained in Section 5.1, Section 5.2, Section 5.5 and Section 5.22 (the "Newquay Designated Representations")) shall be true and correct as of the date of this Agreement and as of the Closing as though made on and as of the Closing (except that, in each case, representations and warranties that speak as of a specified date shall have been true and correct only on such date) except for such failures to be true and correct (when taken together and disregarding all qualifications and exceptions contained therein as to "materiality" or "Rover Material Adverse Effect") that have not had or would not reasonably be expected to have, individually or in the aggregate, a Rover Material Adverse Effect.

(ii) The representations and warranties of Newquay set forth in the Newquay Designated Representations qualified by "materiality" or "Rover Material Adverse Effect" shall be true and correct and each of the Newquay Designated Representations not so qualified shall be true and correct in all material respects, in each case as of the date of this Agreement and as of the Closing as though made on and as of the Closing (except that, in each case, representations and warranties that speak as of a specified date shall have been true and correct only on such date).

(b) Newquay shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing.

(c) After the date of this Agreement no Change that, individually or in the aggregate, has had or would reasonably be expected to have a Rover Material Adverse Effect shall have occurred and be continuing.

(d) Pluto shall have received at the Closing a certificate dated the Closing Date, which certificate shall be validly executed on behalf of Newquay by an appropriate executive officer of Newquay, certifying that the conditions specified in Section 7.3(a), Section 7.3(b) and Section 7.3(c) have been satisfied.

(e) The Final Orders granting the Required Statutory Approvals shall not impose terms or conditions that, individually or in the aggregate, would reasonably be expected to have a Rover Burdensome Effect.

ARTICLE VIII
TAX MATTERS

Section 8.1 Allocation of Taxes and Indemnification.

(a) From and after the Closing Date, Pluto shall pay to Newquay the amount required to indemnify, defend, save and hold harmless Newquay Indemnified Parties from and against any and all (i) Taxes that are attributable to Rover with respect to any taxable period ending after the Closing Date, and for the portion of any Straddle Period beginning after the Closing Date (as determined under Section 8.1(c)); (ii) Taxes based upon, attributable to or resulting from any failure or failures to be true of, or inaccuracy in, any representation or warranty made in this Agreement; (iii) Taxes arising from or attributable to any breach or non-fulfillment of any covenant or agreement made by Pluto or any of their Affiliates in this Agreement; (iv) any Transfer Taxes payable by Pluto under Section 8.4; and (v) any costs and expenses, including reasonable out-of-pocket legal or accounting fees and expenses, attributable to any item described in (i) to (iv) (including, subject to Section 8.1(e), the contest of any Tax liability in connection therewith); *provided*, *however*, that Pluto shall not be liable, and Newquay Indemnified Parties shall not seek indemnification, for any Taxes or Losses to the extent recovery for such Taxes or Losses would constitute a duplicative payment of amounts recovered as a purchase price adjustment pursuant to Article I or Article III.

(b) From and after the Closing Date, Newquay shall pay to Pluto the amount required to indemnify, defend, save and hold harmless the Pluto Indemnified Parties from and against any and all (i) Taxes imposed on Rover that are attributable to any taxable period ending on or before the Closing Date, and for the portion of any Straddle Period ending on (and including) the Closing Date (as determined under Section 8.1(c)); (ii) Losses based upon, attributable to or resulting from any failure or failures to be true of, or inaccuracy in, any representation or warranty made in Section 5.11; (iii) Taxes based upon, attributable to or resulting from any failure or failures to be true of, or inaccuracy in, any representation or warranty made in this Agreement, other than representations or warranties made in Section 5.11 (which, for the avoidance of doubt, is addressed in clause (ii) above); (iv) Taxes arising from or attributable to any breach or non-fulfillment of any covenant or agreement made by Newquay or any of their Affiliates in this Agreement; (v) Taxes imposed on Rover as a result of Rover being a transferee or successor pursuant to applicable Requirement of Law, in either case where the liability of Rover is attributable to an event or transaction occurring before the Closing; (vi) amounts required to be paid by or imposed on Rover pursuant to any Tax allocation, Tax sharing, Tax indemnification or similar agreement or arrangement (other than indemnification or reimbursement provisions in any such agreement or arrangement entered into in the ordinary course of business, the principal subject of which does not relate to Taxes) to which Rover is a party or is otherwise subject, in either case, on or prior to the Closing Date; (vii) any Taxes imposed pursuant to U.S. Treasury Regulation Section 1.1502-6 (or any comparable provision under state, local or non-U.S. Requirements of Law or regulation imposing joint or several liability upon members of a consolidated, combined, affiliated, unitary or other group for Tax

purposes) for which Rover may be liable because of membership in the affiliated group, within the meaning of Section 1504(a) of the Code, of which Newquay is the common parent (the "Newquay Affiliated Group") or any consolidated group, combined, affiliated or unitary group (other than the Newquay Affiliated Group) at any time on or prior to the Closing Date; (viii) any Losses in connection with an over-accrual or over-statement of any Tax asset to the extent such Tax asset was specifically reserved for, clearly set forth and verifiable as an asset on the Rover Final Closing Statement; and (ix) any costs and expenses, including reasonable, out-of-pocket legal or accounting fees and expenses, attributable to any item described in clauses (i) to (viii) (including, subject to Section 8.1(e), the contest of any Tax liability in connection therewith); *provided*, *however*, that Newquay shall not be liable, and the Pluto Indemnified Parties shall not seek indemnification, for any Taxes or Losses to the extent (A) such Taxes or Losses were specifically reserved for, clearly set forth and verifiable as a liability on the Rover Final Closing Statement, or (B) such Taxes or Losses are attributable to any transaction or action of Pluto or any of its Affiliates that occurs after the Closing on the Closing Date (other than an ordinary course transaction or an action contemplated by this Agreement or taken at the written request of Newquay, including any transactions resulting from any Rover Election, the Taxes resulting from which shall be borne solely by Newquay).

(c) Straddle Period Tax Allocation. For purposes of this Article VIII, in the case of Taxes that are payable with respect to a taxable period that begins on or before the Closing Date and ends after the Closing Date (a "Straddle Period"), the portion of any such Tax that is allocable to the portion of the period ending on and including the Closing Date shall be:

(i) in the case of Taxes that are either (x) based upon or related to income, profits, gains or receipts, or (y) imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible), deemed equal to the amount that would be payable if the taxable year ended with (and included) the Closing Date;

(ii) in the case of Taxes imposed on a periodic basis with respect to the assets of Rover or otherwise measured by the level of any item not described in clause (i), deemed to be the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), *multiplied by* a fraction the numerator of which is the number of calendar days in the period ending on and including the Closing Date and the denominator of which is the number of calendar days in the entire period; and

(iii) in the case of Taxes in the form of interest or penalties, all such Taxes to the extent relating to a Tax for a taxable period ending on or before the Closing Date whether such items are incurred, accrued, assessed or similarly charged on, before or after the Closing Date.

(d) Whenever in accordance with this Article VIII Newquay shall be required to pay to Pluto an amount pursuant to Section 8.1(b), or Pluto shall be required to pay to Newquay an amount pursuant to Section 8.1(a), such payments shall be made by the later of (i) thirty (30) days after such payments are requested or (ii) five (5) days before the requesting Party is required to pay the related Tax liability under applicable Requirements of Law.

(e) Tax Controversies.

(i) If a claim for Taxes, including notice of a pending audit, shall be made by any Governmental Authority in writing, which, if successful, might result in an indemnity payment to the Party receiving such notice pursuant to this Section 8.1 (a "Tax Claim"), the Party receiving such notice shall notify the other Party promptly in writing of the Tax Claim. Such notice shall specify in reasonable detail the basis for such Tax Claim and shall include a copy of the relevant portion of any correspondence received from the Governmental Authority. Failure by the Party seeking indemnification to give prompt notice of a Tax Claim shall not relieve the other Party of liability under this Agreement except to the extent that such other Party demonstrates that its position is materially prejudiced as a result thereof (as determined by a court of competent jurisdiction).

(ii) Subject to Section 8.1(e)(iv) and Section 8.1(e)(v), Newquay shall control the defense of any Tax Claim with respect to Rover that relates to any taxable period which ends on or before the Closing Date. Notwithstanding the foregoing, in the event that Newquay has not assumed the defense of any Tax Claim which it is entitled to control pursuant to the preceding sentence by providing written notice of its intent to assume the defense of such claim to Pluto within thirty (30) days of the receipt of the notice required under Section 8.1(e)(i), Pluto may defend the same in such manner as it may deem appropriate (acting reasonably and in good faith as if it were the only party in interest in connection with such Tax Claim), including settling such Tax Claim; *provided, however*, that Pluto shall not settle such Tax Claim without the prior written consent of Newquay, which consent shall not be unreasonably withheld, delayed or conditioned. For the avoidance of doubt, Newquay shall be responsible, in accordance with Section 8.1(b), for any costs and expenses, including reasonable out of pocket legal and accounting fees and expenses, incurred by Pluto or any of its Affiliates in defending a Tax Claim that Newquay elects not to control pursuant to this Section 8.1(e)(ii).

(iii) Subject to Section 8.1(e)(iv) and Section 8.1(e)(v), with respect to any Tax Claim for a Straddle Period, (A) each of Newquay and Pluto may participate in the Tax Claim, (B) such Tax Claim shall be contested and defended by the Party which would bear the burden of the greater portion of the sum of any adjustment and any corresponding adjustments that reasonably may be anticipated (as determined under Section 8.1(c)); *provided* that such Tax Claim shall not be settled without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned.

(iv) Except as provided in Section 8.1(e)(v), the Party that is controlling the Tax Claim pursuant to Section 8.1(e)(ii) or Section 8.1(e)(iii) (the "Controlling Party") shall (A) provide the other Party (the "Non-Controlling Party") with notice reasonably in advance of, and the Non-Controlling Party shall have the right, at its expense, to participate in such Tax Claim to the extent allowed pursuant to the Requirements of Law including the right to attend any meetings with a Governmental Authority (including meetings with examiners) or hearings or proceedings before any Governmental Authority to the extent they relate to such Tax Claim, and (B) reasonably consult with the Non-Controlling Party before taking any significant action (including submitting written

materials) in connection with such Tax Claim, including giving the Non-Controlling Party the opportunity to comment on such written materials prior to their submission.

(v) Notwithstanding any other provision of this Agreement to the contrary, (A) neither Newquay nor any of its Affiliates shall be entitled to participate in any Tax Claim relating to any consolidated, combined, affiliated or unitary Tax Return which includes Pluto or any of its Affiliates and (B) neither Pluto nor any of its Affiliates shall be entitled to participate in any Tax Claim relating to any consolidated, combined, affiliated or unitary Tax Return which includes Newquay or any of its Affiliates.

Section 8.2 Tax Returns and Refunds.

(a) Rover Tax Returns. Newquay shall prepare or cause to be prepared all Tax Returns required to be filed by Rover for any taxable period which ends on or before the Closing Date that are due after the Closing Date (giving effect to any valid extensions of the due date for filing any such Tax Returns); *provided*, that Newquay shall prepare or cause to be prepared all such Tax Returns (other than Tax Returns of a Newquay Affiliated Group or other consolidated group, combined, affiliated or unitary group of which Rover is a member), to the extent permitted by Requirements of Law, in a manner consistent with past practice. Pluto shall timely file or cause to be timely filed any Tax Return required to be filed by Rover after the Closing Date that is prepared by Newquay pursuant to the preceding sentence. Pluto shall prepare or cause to be prepared and timely file or cause to be filed all Tax Returns required to be filed by Rover for taxable periods ending after the Closing Date and all required Tax Returns for subsequent taxable periods. All such Tax Returns that relate to Straddle Periods shall be prepared and all elections with respect to such Tax Returns that relate to Straddle Periods shall be made, to the extent permitted by Requirements of Law, in a manner consistent with past practice. Before filing any Tax Return with respect to any Straddle Period, Pluto shall provide Newquay with a copy of such Tax Return at least ten (10) days prior to the last date for timely filing such Tax Return (giving effect to any valid extensions thereof) accompanied by a statement calculating in reasonable detail Newquay's indemnification obligation, if any, pursuant to Section 8.1(b). To the extent that Newquay, its Affiliates or Rover has paid prior to the Closing Date to a Governmental Authority an amount in excess of Newquay's share of Taxes for a Straddle Period pursuant to Section 8.1(b), Pluto shall pay to Newquay the amount of such excess within ten (10) days of filing such Straddle Period Tax Return. Notwithstanding anything in this Agreement to the contrary, Newquay shall have no indemnification obligation pursuant to Section 8.1(b) with respect to any Taxes covered by such Tax Return unless and until Newquay has received such Tax Return and such statement. If for any reason Newquay does not agree with Pluto's calculation of its indemnification obligation, Newquay and Pluto shall consult and cooperate to resolve in good faith any such disagreements. In the event the Parties are unable to resolve any dispute within five (5) days following the delivery of such Tax Return to Newquay, the Parties shall consult and cooperate to resolve their dispute by submitting such dispute to the Accountant, which shall attempt to resolve any issue before the due date of such Tax Return, in order that such Tax Return may be timely filed. The scope of the Accountant's review shall be limited to disputed items. If the Accountant does not resolve any differences between Newquay and Pluto with respect to such Tax Return at least two (2) days prior to the due date therefor, such Tax Return shall be filed as prepared by Pluto, and Pluto shall subsequently amend the Tax Return to reflect the Accountant's resolution within ten (10) days of the date of such resolution.

Each of Newquay and Pluto shall bear the fees and expenses of the Accountant in inverse proportion as they may prevail on the matters resolved by the Accountant, which proportionate allocation will also be determined by the Accountant and included in the Accountant's report. For the avoidance of doubt, the preparation and filing of any Tax Return of Rover that does not relate to a taxable period ending on or before the Closing Date or a Straddle Period shall be exclusively within the control of Pluto. Without the prior written consent of Newquay (which consent shall not be unreasonably withheld, delayed or conditioned), Pluto shall not, and shall not permit any of its Affiliates to, except to the extent required by applicable Requirements of Law or a Determination in connection with a Tax Claim contested in accordance with Section 8.1(e), amend any Tax Returns or make or change any Tax elections (other than making the Rover Elections) or accounting methods with respect to the Transactions, in each case with respect to Rover and relating to a taxable period ending on or before the Closing Date or the portion of any Straddle Period ending on (and including) the Closing Date (as determined under Section 8.1(c)).

(b) Rover Refunds. Any refunds or credits of Taxes of Rover *plus* any interest received with respect thereto from the applicable Governmental Authority for any taxable period ending on or before the Closing Date (including refunds or credits arising by reason of amended Tax Returns filed after the Closing Date) shall be for the account of Newquay and shall be paid by Pluto or any of its Affiliates to Newquay within ten (10) days after Pluto or any of its Affiliates receives such refund or after the relevant Tax Return is filed in which the credit is applied against Pluto's or any of its Affiliates' liability for Taxes. Notwithstanding the foregoing, any refunds or credits of Taxes of Rover for any taxable period ending on or before the Closing Date that are attributable to (i) carrybacks of losses or credits from a taxable period beginning after the Closing Date or (ii) any Tax asset to the extent such Tax asset was specifically reserved for, clearly set forth and verifiable as an asset on the Rover Final Closing Statement, shall be for the account of Pluto. In the event a refund of or credit for Taxes paid by Pluto to Newquay is subsequently denied by a Governmental Authority, Newquay shall promptly repay such refund or an amount equal to such credit (including interest) to Pluto. Any refunds or credits of Taxes of Rover *plus* any interest received with respect thereto from the applicable Governmental Authority for any taxable period beginning after the Closing Date shall be for the account of Pluto. Any refunds or credits of Taxes of Rover for any Straddle Period shall be apportioned between Pluto and Newquay in the same manner as the liability for such Taxes is apportioned pursuant to Section 8.1. For purposes of this Section 8.2(b), any reduction in Tax liability for a period beginning after the Closing Date shall be treated as a refund for a taxable period ending on or before the Closing Date if such Tax reduction is provided in lieu of such a refund.

(c) Newquay Refund Request Procedures. At Newquay's request and expense and subject to Pluto's written consent, which consent shall not be unreasonably withheld, delayed or conditioned, Pluto shall, or shall cause its relevant Affiliates to, file for and obtain any refunds or credits to which Newquay is entitled under this Article VIII. In connection therewith, (i) Pluto shall permit Newquay to control the prosecution of any such refund claim that relates to refunds or credits to which Newquay or any of its Affiliates is entitled under this Article VIII and, where agreed by Pluto and Newquay, shall, or shall cause its relevant Affiliates to, authorize by appropriate powers of attorney such Persons as Newquay shall designate to represent such Affiliates with respect to such refund claim and (ii) Pluto shall, or shall cause its

relevant Affiliates to, forward to Newquay any such refund within ten (10) days after the refund is received (or reimburse Newquay and any of its Affiliates for any such credit within ten (10) days after the relevant Tax Return is filed in which the credit is applied against any of such relevant Affiliates' liability for Taxes). In the event such refund of or credit for Taxes is subsequently denied by a Governmental Authority, Newquay shall promptly repay such refund or an amount equal to such credit (including interest) to Pluto.

Section 8.3 Section 338 Election.

(a) With respect to the sale and acquisition of Rover pursuant to this Agreement, Newquay shall, or shall cause one or more of its Affiliates to, join with Pluto or one or more of its Affiliates in making a timely, effective and irrevocable election under Section 338(h)(10) of the Code (and any corresponding elections under any applicable state and local Requirements of Law) with respect to the purchase and sale of the issued and outstanding shares of capital stock of Rover (each a "Rover Election" and collectively, the "Rover Elections"). At least ten (10) days prior to the Closing Date, Pluto and Newquay shall agree on the form and content of the Forms 8023 on which each such Rover Election shall be made, and at or prior to the Closing, Newquay shall deliver to Pluto and Pluto shall deliver to Newquay properly executed and mutually agreed upon Forms 8023 with respect to Rover containing information then available, which Pluto shall file or cause to be filed with the IRS as soon as reasonably practicable after the Closing. The Parties shall cooperate to prepare and timely file, or cause to be prepared and timely filed, the IRS forms required to be filed in connection with each Rover Election pursuant to this Section 8.3(a), including IRS Forms 8023 and Forms 8883 and any other required forms or schedules thereto and any similar forms necessary to effectuate the Rover Elections under applicable state and local Requirements of Law (collectively, the "Section 338(h)(10) Forms"). Pluto shall provide Newquay with final copies of any such Section 338(h)(10) Forms filed by Pluto and other documentation confirming their filing not later than fifteen (15) days after such forms are filed.

(b) Within forty-five (45) days following the date that the Rover Adjustment Amount is finally determined pursuant to Section 3.2, Pluto shall provide or cause to be provided to Newquay (A) an allocation, for Tax purposes, of the total consideration paid to Newquay by Pluto and its Affiliates pursuant to this Agreement for the Rover Equity Interest among Rover's assets in accordance with Sections 338 and 1060 of the Code (the "Rover Allocation Schedule"), and (B) a complete set of draft IRS Forms 8883 (and any comparable forms required to be filed under state or local Requirements of Law with respect to Taxes) and any additional data or materials required to be attached to Form 8883 pursuant to the U.S. Treasury Regulations promulgated under Section 338 of the Code. The Rover Allocation Schedule shall be deemed final unless, within sixty (60) days after delivery thereof, Newquay notifies Pluto in writing that Newquay objects to the draft Rover Allocation Schedule, in which case Pluto and Newquay shall negotiate in good faith to resolve any such dispute with respect to the draft Rover Allocation Schedule. Any disputes that Pluto and Newquay are unable to resolve shall be resolved by the Accountant pursuant to Section 8.7.

(c) Each of Pluto and Newquay shall, and shall cause its respective Affiliates to, take all actions necessary and appropriate to effect the Rover Elections in accordance with the provisions of Section 338 of the Code and any applicable U.S. Treasury Regulations (and any

comparable provisions of state or local Requirements of Law with respect to Taxes) or any successor provisions, including (as applicable) signing and timely filing the Section 338(h)(10) Forms and any additional forms. To the extent permissible pursuant to the Requirements of Law, each of Pluto and Newquay shall, and shall cause its respective Affiliates to, cooperate in the preparation and timely filing of any (i) corrections, amendments or supplements to the Section 338(h)(10) Forms (including Form 8023 and Form 8883) and (ii) state or local forms or reports that are necessary or appropriate for purposes of complying with the requirements for making any state or local election that is comparable to the Rover Election.

(d) Each of Pluto and Newquay shall, and shall cause its respective Affiliates to, report the sale and acquisition, respectively, of the stock of Rover pursuant to this Agreement consistent with the Rover Elections made pursuant to Section 8.3(a), the Rover Allocation Schedule (as finally agreed pursuant to Section 8.3(b)) and any Section 338(h)(10) Forms and shall take no position to the contrary thereto in any Tax Return, or in any proceeding before any Governmental Authority or otherwise.

(e) Neither Pluto, Newquay nor any of their respective Affiliates shall take any action to modify any of the forms or reports (including any corrections, amendments or supplements thereto) that are required for the making of a Rover Election and any comparable elections under state or local Requirements of Law with respect to Taxes after their execution or to modify or revoke any Rover Election following the filing of the Forms 8023 without the prior written consent of Pluto and Newquay, as the case may be, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 8.4 Transfer Taxes. Pluto shall be responsible for and shall pay one hundred percent (100%) of all documentary, sales, use, registration, value added, transfer, stamp, registration and similar Taxes, fees and costs (including interest, penalties and additions to any such Taxes) imposed on or payable in connection with its purchase of the Rover Equity Interest pursuant to this Agreement ("Transfer Taxes"). Pluto shall prepare and timely file, or cause to be prepared and timely filed, any Tax Returns and other necessary documentation required to be filed with respect to any such Transfer Taxes, and shall timely pay or cause to be timely paid all Transfer Taxes shown as due thereon. Pluto shall provide to Newquay a true copy of each such Tax Return as filed and evidence of the timely filing thereof. Pluto and Newquay shall, and shall cause their respective Affiliates to, reasonably cooperate in reducing the amount of any Transfer Taxes or obtaining exemptions therefrom.

Section 8.5 Tax Sharing Agreements. Any and all existing agreements relating to the allocation or sharing of Taxes, other than this Agreement, the Transition Services Agreement and any such contract or agreement entered into in the ordinary course of business and for which Taxes are not the principal subject matter (the "Tax Sharing Agreements") between Rover, on the one hand, and Newquay or any of its Affiliates, on the other hand, shall, in each case, be terminated as of the Closing Date solely with respect to Rover. After the Closing Date, Rover shall not have any further rights or obligations under any such Tax Sharing Agreement.

Section 8.6 Characterization of Indemnification Payments. To the extent permitted pursuant to the Requirements of Law, any payments made pursuant to Section 3.2 and any

indemnification payments made under this Article VIII or Article X shall be treated for all Tax purposes as adjustments to the aggregate purchase price for the Rover Equity Interest.

Section 8.7 Resolution of All Tax Related Disputes. Except as otherwise provided in this Article VIII, with respect to any dispute or disagreement between the Parties relating to Taxes, the Parties shall cooperate in good faith to resolve such dispute between them; but if the Parties are unable to resolve such dispute, the Parties shall submit the dispute to the Accountant for resolution, which resolution shall be final, conclusive and binding on the Parties. Notwithstanding anything in this Agreement to the contrary, the fees and expenses relating to any dispute as to the amount of Taxes owed by either of the Parties shall be paid by Newquay, on the one hand, and Pluto, on the other hand, in proportion to each Party's respective liability for the portion of the Taxes in dispute, as determined by the Accountant.

Section 8.8 Cooperation, Exchange of Information and Record Retention.

(a) Newquay and Pluto shall provide each other, and shall cause their respective Affiliates, officers, employees, agents, auditors and representatives to provide each other, with such cooperation and information relating to Rover (including cooperation with respect to any audit), as any of them reasonably may request of another, including in (i) preparing and filing any Tax Return, amended Tax Return or claim for refund, including maintaining and making available to each other all records necessary in connection with Taxes; (ii) resolving all disputes and audits with respect to all taxable periods relating to Taxes; (iii) contesting or compromising any Tax Claim; (iv) determining a Tax liability or a right to a refund of Taxes; (v) participating in or conducting any audit or other proceeding in respect of Taxes; and (vi) connection with all other matters covered in this Article VIII. Each such Party shall make its employees available on a mutually convenient basis to provide explanations of any documents or information provided hereunder. To the extent reasonably requested by Newquay, Pluto shall cause Rover to authorize by appropriate powers of attorney such Persons as Newquay shall designate to represent Rover with respect to subclauses (i)-(vi) of this Section 8.8(a).

(b) Newquay and Pluto recognize that Newquay and its Affiliates will need access, from time to time, after the Closing Date, to certain accounting and Tax records and information held by Rover to the extent such records and information pertain to events occurring on or prior to the Closing Date; therefore, Newquay and Pluto agree that from and after the Closing Date, Pluto and its Affiliates shall (A) retain and maintain all such records including all Tax Returns, schedules and work papers, records and other documents in their possession relating to Tax matters of Rover for taxable periods ending on or prior to the Closing Date and for each Straddle Period for the longer of (x) the seven-year period beginning on the Closing Date or (y) the full period of the applicable statute of limitations, excluding any extension thereof and (B) allow the agents and representatives of Newquay and its Affiliates, upon reasonable notice and at mutually convenient times to inspect, review and make copies of such records (at the expense of Newquay) as Pluto and Newquay may deem reasonably necessary or appropriate from time to time. Pluto agrees that it shall provide Newquay with written notice thirty (30) calendar days prior to transferring, destroying or discarding the last copy of any such materials and Newquay shall have the right, at its expense, to copy or take any such materials; *provided* that Newquay provides written notice stating its intent to copy or take such materials no later than twenty (20) days after having received notice that such materials are being transferred,

destroyed or discarded. Any information obtained under this Section 8.8(b) shall be kept confidential except as may be otherwise necessary in connection with the filing of Tax Returns or claims for refund or in conducting an audit or other proceeding.

(c) Notwithstanding any other provision of this Agreement or the Transition Services Agreement, (i) neither Pluto nor any of its Affiliates shall be entitled to any information relating to, or a copy of, any consolidated, combined, affiliated or unitary Tax Return which includes Newquay or any of its Affiliates and (ii) neither Newquay nor any of its Affiliates shall be entitled to any information relating to, or a copy of, any consolidated, combined, affiliated or unitary Tax Return which includes Pluto or any of its Affiliates; *provided, however*, that Pluto shall be entitled to a copy of a pro forma Tax Return for Rover.

Section 8.9 Survival of Tax Provisions. Any claim to be made pursuant to Article VIII must be made before sixty (60) days after the expiration (giving effect to any valid extensions, waivers and tolling periods) of the applicable statutes of limitations relating to the Taxes at issue or, solely with respect to a claim for a refund or credit of Taxes (or an adjustment with respect thereto), the later of (i) sixty (60) days after the expiration (giving effect to any valid extensions, waivers and tolling periods) of the applicable statute of limitations relating to the Taxes at issue or (ii) one year after the Party making the claim becomes aware of sufficient facts relating to such refund or credit or adjustment to seek indemnification or reimbursement under this Article VIII.

Section 8.10 Exclusivity. Notwithstanding anything to the contrary in this Agreement, Article VIII shall govern (a) the retention of records with respect to Rover and (b) indemnification claims, in each case with respect to Taxes and the procedures relating thereto. For the avoidance of doubt, except as expressly provided in this Article VIII or Article X, the provisions of Article X (other than Section 10.5(c) and Section 10.7) shall not apply.

ARTICLE IX
TERMINATION

Section 9.1 Termination. This Agreement may be terminated and the Transactions may be abandoned at any time prior to the Closing:

(a) by the mutual written consent of Newquay and Pluto;

(b) by either Newquay or Pluto in the event (i) any Governmental Authority has denied a Required Statutory Approval and such denial has become final and nonappealable, or (ii) any Requirement of Law or Final Order permanently restraining, enjoining or otherwise prohibiting the consummation of the Transactions shall no longer be subject to rehearings or appeals; *provided* that the right to terminate this Agreement pursuant to this Section 9.1(b) shall not be available to any Party that has breached in any material respect its obligations set forth in this Agreement;

(c) by either Newquay or Pluto in the event that the transactions contemplated by this Agreement are not consummated by March 17, 2022 (as such date may be extended pursuant to the succeeding proviso, the "Outside Date"); *provided*, that (i) the Outside Date shall

be automatically extended without any action required by any Party by three (3) months if (A) the conditions to the Closing set forth in Section 7.1(b) or Section 7.1(c) have not been satisfied, and (B) all other conditions to the Closing set forth in Article VII have been satisfied or waived (or are capable of being satisfied at the Closing if the Closing were then to occur) and (ii) the Outside Date shall be automatically extended without any action required by any Party by an additional three (3) months if (A) the conditions to the Closing set forth in Section 7.1(b) (with respect to the Massachusetts Approval only) have not been satisfied, and (B) all other conditions to the Closing set forth in Article VII have been satisfied or waived (or are capable of being satisfied at the Closing if the Closing were then to occur); and *provided, further*, that the right to terminate this Agreement pursuant to this Section 9.1(c) shall not be available to any Party that has breached in any material respect its obligations set forth in this Agreement in any manner that shall have materially contributed to or resulted in the failure of the Closing to occur on or prior to the Outside Date (as may have been extended);

(d) by Pluto in the event that there shall have been a breach by Newquay of any of its covenants or agreements or any of the representations or warranties set forth in this Agreement, which breach, either individually or in the aggregate, would result in, if occurring or continuing on the Closing Date, the failure of the conditions set forth in Section 7.1 or Section 7.3, and which is not cured within the earlier of (i) forty-five (45) days following written notice to Newquay, or (ii) one (1) day prior to the Outside Date, *provided*, that, such cure period shall not apply if such breach by its nature or timing cannot be cured within such time period (*provided, further*, that, Pluto is not then in breach, in any material respect, of any of its covenants or agreements contained in this Agreement);

(e) by Newquay in the event that there shall have been a breach by Pluto of any of its covenants or agreements or any of the representations or warranties set forth in this Agreement, which breach, either individually or in the aggregate, would result in, if occurring or continuing on the Closing Date, the failure of the conditions set forth in Section 7.1 or Section 7.2, and which is not cured within the earlier of (i) forty-five (45) days following written notice to Pluto, or (ii) one (1) day prior to the Outside Date, *provided*, that, such cure period shall not apply if such breach by its nature or timing cannot be cured within such time period (*provided further* that, Newquay is not then in breach, in any material respect, of any of its covenants or agreements contained in this Agreement); or

(f) by either Newquay or Pluto in the event that the Island Sale Purchase Agreement has been terminated in accordance with its terms.

The Party desiring to terminate this Agreement pursuant to this Section 9.1 shall give written notice of such termination to the other Party, specifying the provision or provisions hereof pursuant to which such termination is effected.

Section 9.2 Effect of Termination. If this Agreement is terminated pursuant to Section 9.1, no Party (or any of its Affiliates or their respective directors, officers, employees, representatives or agents) will have any liability or further obligation to any other Party to this Agreement, except that (i) the obligations set forth in Section 6.2(c), this Section 9.2 and Section 11.10 shall survive such termination and (ii) subject to the provisions of this Section 9.2, no such termination shall relieve the breaching Party from liability for damages resulting from

any material breach by such Party of this Agreement prior to such termination that is a consequence of an act or failure to act undertaken by the breaching Party with actual knowledge that the action so taken or omitted to be taken would constitute a breach of this Agreement.

ARTICLE X
INDEMNIFICATION

Section 10.1 Survival of Representations and Warranties and Covenants.

(a) Except for the representations and warranties in Section 5.11, the survival of which is governed exclusively by Section 8.9, the representations and warranties set forth in this Agreement and the right to commence any claim with respect thereto shall survive until the date that is eighteen (18) months following the Closing Date; *provided* that (i) the Pluto Designated Representations and the Newquay Designated Representations shall survive until the date that is sixty (60) days after the date on which the applicable statute of limitations period expires. Any covenant, agreement or obligation that by its terms is to be performed prior to or at the Closing and the right to commence any claim with respect thereto shall survive until the date that is eighteen (18) months following the Closing Date. However, in the event written notice of any claim for indemnification under Section 10.2 or Section 10.3 shall have been given in accordance herewith within the applicable survival period setting forth in reasonable detail the nature of such claim (including a reasonable specification of the legal and factual basis for such claim), the representations and warranties or covenants that are the subject of such indemnification claim shall survive with respect to such claim until such time as such claim is fully and finally resolved.

(b) This Section 10.1 shall not limit any covenant or agreement of the Parties contained in this Agreement which by its terms contemplates performance after the Closing, which shall survive in accordance with its terms and shall not extend the applicability of any covenant or agreement of the Parties contained in this Agreement which by its terms relates only to a period between the date hereof and the Closing; *provided* that nothing herein shall restrict a Party's right to commence any claim with respect to such covenant or agreement following the Closing, subject to the limitations set forth in Section 10.1(a).

Section 10.2 Indemnification of Newquay. Subject to the terms of Article VIII and this Article X, from and after the Closing, Pluto shall indemnify, defend, save and hold harmless Newquay and its Affiliates and each of their respective officers, directors, employees, agents, representatives, successors and assigns (collectively, the "Newquay Indemnified Parties"), from and against any and all:

(a) Losses to the extent resulting from or arising out of any breach by Pluto of any representation or warranty in this Agreement or any certificate related thereto; and

(b) Losses to the extent resulting from or arising out of the failure by Pluto to perform any of its covenants or agreements contained in this Agreement.

Section 10.3 Indemnification of Pluto. Subject to the terms of Article VIII and this Article X, from and after the Closing, Newquay shall indemnify, defend, save and hold harmless Pluto and its Affiliates and each of their respective officers, directors, employees, agents,

representatives, successors and assigns (collectively, the "Pluto Indemnified Parties" and together with Newquay Indemnified Parties, the "Indemnified Parties," and each, an "Indemnified Party") from and against any and all:

(a) Losses to the extent resulting from or arising out of any breach by Newquay of any representation or warranty in this Agreement (other than the representations and warranties contained in Section 5.11, which shall be governed exclusively by Section 8.1(b)) or any certificate related thereto; and

(b) Losses to the extent resulting from or arising out of the failure by Newquay to perform any of its covenants or agreements contained in this Agreement.

Section 10.4 Claims.

(a) Third-Party Claims. Upon receipt by an Indemnified Party of notice of any action, suit, proceedings, claim, demand or assessment (other than a Tax Claim) made or brought by an unaffiliated third party (a "Third-Party Claim") with respect to a matter for which such Indemnified Party is indemnified under this Article X which has or is reasonably expected to give rise to a claim for Losses, the Indemnified Party shall as soon as practicable, in the case of a Newquay Indemnified Party, notify Pluto and in the case of a Pluto Indemnified Party, notify Newquay (Pluto or Newquay, as the case may be, the "Indemnifying Party"), in writing, indicating the nature of such Third-Party Claim and the basis therefor; *provided, however*, that any delay or failure by the Indemnified Party to give notice to the Indemnifying Party shall relieve the Indemnifying Party of its obligations hereunder only to the extent, if at all, that it is prejudiced by reason of such delay or failure. Such written notice shall (i) describe such Third-Party Claim in reasonable detail including the sections of this Agreement which form the basis for such Third-Party Claim; *provided* that the failure to identify a particular section in such notice shall not preclude the Indemnified Party from subsequently identifying such section as a basis for such claim, (ii) attach copies of all substantive written evidence thereof and (iii) if possible, set forth an estimate of the amount of Losses that have been or may be sustained by an Indemnified Party; *provided* that such estimate shall not be binding or used in place of the actual amount of Losses subject to this Article X. The Indemnifying Party shall have sixty (60) days after receipt of notice to elect, at its option, to assume and control the defense of, at its own expense and by its own counsel, any such Third-Party Claim and shall be entitled to assert any and all defenses available to the Indemnified Party to the fullest extent permitted under Requirements of Law. If the Indemnifying Party shall undertake to defend any such Third-Party Claim, it shall promptly, but in any event within sixty (60) days of the receipt of notice from the Indemnified Party of such Third-Party Claim, notify the Indemnified Party of its intention to do so, and the Indemnified Party agrees to cooperate fully with the Indemnifying Party and its counsel in the defense against, any such Third-Party Claim; *provided, however*, that the Indemnifying Party shall not settle, compromise or discharge, or admit any liability with respect to, any such Third-Party Claim without the prior written consent of the Indemnified Party (which consent will not be unreasonably withheld or delayed), unless the relief consists solely of money Losses to be paid by the Indemnifying Party and includes a provision whereby the plaintiff or claimant in the matter releases the Indemnified Parties from all liability with respect thereto. Notwithstanding an election to assume the defense of such action or proceeding at its own expense, provided that the Indemnified Party shall have the right to employ separate counsel and

to participate in the defense of such action or proceeding, and the Indemnifying Party shall bear the reasonable fees, costs and expenses of such separate counsel if (A) the Indemnified Party shall have determined in good faith that an actual or potential conflict of interest makes representation by the same counsel or the counsel selected by the Indemnifying Party inappropriate or (B) the Indemnifying Party shall have authorized the Indemnified Party to employ separate counsel at the Indemnifying Party's expense. In any event, the Indemnified Party and the Indemnifying Party and their counsel shall cooperate in the defense of any Third-Party Claim subject to this Article X, keep such Persons informed of all developments relating to any such Third-Party Claims and provide copies of all relevant correspondence and documentation relating thereto. All costs and expenses incurred in connection with the Indemnified Party's cooperation shall be borne by the Indemnifying Party; *provided* that the cost of any counsel of the Indemnified Party shall be borne by the Indemnifying Party only as set forth in this Section 10.4(a). If the Indemnifying Party receiving such notice of a Third-Party Claim does not elect to defend such Third-Party Claim or does not defend such Third-Party Claim in good faith, the Indemnified Party shall have the right, in addition to any other right or remedy it may have hereunder, at the Indemnifying Party's expense, to defend such Third-Party Claim; *provided, however*, that the Indemnified Party shall not settle, compromise or discharge, or admit any liability with respect to, any such Third-Party Claim without the written consent of the Indemnifying Party (which consent will not be unreasonably withheld or delayed).

(b) Direct Claims. In the event any Indemnified Party has a claim with respect to a matter for which such Indemnified Party is indemnified under this Article X that does not involve a Third-Party Claim being asserted against or sought to be collected from such Indemnified Party (a "Direct Claim"), the Indemnified Party shall as soon as practicable notify the Indemnifying Party in writing, indicating the nature of such Direct Claim and the basis therefor; *provided, however*, that any delay or failure by the Indemnified Party to give notice to the Indemnifying Party shall relieve the Indemnifying Party of its obligations hereunder only to the extent, if at all, that it is prejudiced by reason of such delay or failure. Such written notice shall (i) describe such Direct Claim in reasonable detail including the sections of this Agreement which form the basis for such Direct Claim; *provided* that the failure to identify a particular section in such notice shall not preclude the Indemnified Party from subsequently identifying such section as a basis for such claim, (ii) attach copies of all substantive written evidence thereof and (iii) if possible, set forth an estimate of the amount of Losses that have been or may be sustained by an Indemnified Party; *provided* that such estimate shall not be binding or used in place of the actual amount of Losses subject to this Article X. The Indemnifying Party shall have sixty (60) days after its receipt of such notice to respond in writing to such Direct Claim. During such sixty (60)-day period, the Indemnified Party shall allow the Indemnifying Party and its Representatives to investigate the matter or circumstance alleged to give rise to the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including reasonable access to the books, records and personnel of such Indemnified Party, if applicable) as the Indemnifying Party or any of its Representatives may reasonably request. If the Indemnifying Party does not respond within sixty (60) days of the receipt of notice from the Indemnified Party of such Direct Claim (or if in its response it disputes such Direct Claim), the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 10.5 Limitations; Payments.

(a) Notwithstanding anything contained in this Agreement to the contrary, Newquay shall not, other than with respect to any breach of any Newquay Designated Representation, be (i) liable for any amounts for which the Pluto Indemnified Parties are otherwise entitled to indemnification pursuant to Section 10.3(a) or Section 8.1(b)(iii) unless (A) a claim is timely asserted during the survival period specified in Section 10.1(a) or Section 8.9, as applicable, (B) the amount of Losses with respect to the particular act, circumstance, development, event, fact, occurrence or omission giving rise to such Losses exceeds $3,500,000 (aggregating all such Losses arising from substantially identical facts) and (C) the aggregate amount of all Losses for which the Pluto Indemnified Parties are entitled to indemnification pursuant to Section 10.3(a) or Section 8.1(b)(iii) (for the avoidance of doubt, excluding Losses that do not exceed the amount set forth in clause (B) above) exceeds, on a cumulative basis, $35,000,000 (the "Newquay Threshold"), and then only the extent of such excess) and (ii) required to make indemnification payments pursuant to Section 10.3(a) or Section 8.1(b)(iii) to the extent indemnification payments thereunder would exceed in the aggregate $400,000,000 (the "Newquay Indemnification Cap"). Notwithstanding anything contained in this Agreement to the contrary, and without limiting the foregoing (including Newquay Indemnification Cap), the maximum amount of indemnifiable Losses that may be recovered from Newquay for any amounts due under Section 10.3 and Section 8.1(b)(iii) shall be $3,770,000,000 (the "Newquay Total Cap"). For the avoidance of doubt, the Newquay Threshold, the Newquay Indemnification Cap and the Newquay Total Cap shall not apply to any remedies provided in Article VIII other than as provided in this Section 10.5(a).

(b) Notwithstanding anything contained in this Agreement to the contrary, in the event that any fact, event or circumstance which results in an adjustment to the purchase price pursuant to Article I or Article III would also constitute a breach or inaccuracy of any of a Party's representations, warranties, covenants or agreements under this Agreement or otherwise result in a Loss to the other Party, such Party shall have no obligation to indemnify any Newquay Indemnified Party or Pluto Indemnified Party, as applicable, with respect to such breach or inaccuracy to the extent that (i) recovery for any such Loss would constitute a duplicative payment of amounts recovered as a purchase price adjustment pursuant to Article I or Article III or (ii) such Loss was reflected as a liability on the Rover Final Closing Statement, as applicable, for which there was a purchase price adjustment pursuant to Article I or Article III.

(c) Notwithstanding anything contained in this Agreement to the contrary, for purposes of (i) the determination of whether there was a breach of a representation or warranty as of any particular date and (ii) the existence or amount of any Losses in respect of any such breach, any materiality, Rover Material Adverse Effect standard or qualification contained in or otherwise applicable to such representation or warranty shall be disregarded; *provided* that this Section 10.5(c) shall not apply to the representations and warranties set forth in Section 5.6(a)(ii).

(d) Notwithstanding anything contained in this Agreement to the contrary, no Party shall have any liability pursuant to Section 10.2 or Section 10.3 for any special, indirect, consequential or punitive damages relating to a breach or alleged breach of this Agreement;

provided, however, that any amounts payable to third parties pursuant to a Third-Party Claim shall not be deemed special, indirect, consequential or punitive damages.

Section 10.6 Insurance. Notwithstanding anything contained in this Agreement to the contrary, Losses shall be net of any insurance or other prior or subsequent recoveries actually received by the Indemnified Party or its Affiliates in connection with the facts giving rise to the claim for indemnification. If an Indemnified Party shall have used its reasonable best efforts to recover any amounts recoverable under insurance policies and shall not have recovered the applicable Losses, the Indemnifying Party shall be liable for the amount by which such Losses exceeds the amounts actually recovered.

Section 10.7 Remedies Exclusive. Except as otherwise specifically provided herein, and except in the case of fraud with respect to the representations and warranties contained in this Agreement, the remedies provided in Article VIII and this Article X shall be the exclusive monetary remedies (including equitable remedies that involve monetary payment, such as restitution or disgorgement, but excluding specific performance to enforce any payment or performance due hereunder) of the Parties from and after the Closing in connection with any breach of a representation or warranty, or non-performance, partial or total, of any covenant or agreement contained herein.

Section 10.8 Mitigation. Each Indemnified Party shall use its reasonable best efforts to mitigate any claim or liability that an Indemnified Party asserts or may assert under this Article X. In the event that an Indemnified Party shall fail to make such reasonable best efforts to mitigate any such claim or liability, then notwithstanding anything contained in this Agreement to the contrary, neither Pluto nor Newquay, as the case may be, shall be required to indemnify any Indemnified Party for that portion of any Losses that would reasonably be expected to have been avoided if the Indemnified Party had made such efforts.

ARTICLE XI
MISCELLANEOUS

Section 11.1 Construction; Absence of Presumption.

(a) For the purposes of this Agreement: (i) words (including capitalized terms defined herein) in the singular shall be held to include the plural and vice versa and words (including capitalized terms defined herein) of one gender shall be held to include the other gender as the context requires; (ii) the terms “hereof”, “herein”, “hereunder” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Exhibits) and not to any particular provision of this Agreement, and Article, Section, paragraph and Exhibit references are to the Articles, Sections, paragraphs and Exhibits to this Agreement, unless otherwise specified; (iii) the word “including” and words of similar import when used in this Agreement means “including without limitation”; (iv) all references to any period of days shall be deemed to be to the relevant number of calendar days unless otherwise specified; (v) the word “or” shall not be deemed to be exclusive, unless otherwise specified; (vi) the phrase “taxable year” includes, where the context permits, an accounting period; (vii) the word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase shall not mean simply “if”; (viii) except

as otherwise expressly provided, any information "made available" by a Party to the other Party shall include (A) with respect to information "made available" to Pluto, only that information contained in such documents posted to the applicable Intralinks dataroom by or on behalf of Newquay and (B) with respect to information "made available" to Newquay, only that information delivered electronically to Newquay or its Representatives, in each case of clause (A) and clause (B), no later than 12:00 p.m. New York City time on the date hereof; (ix) any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein; (x) the word "will" shall be construed to have the same meaning and effect as the word "shall"; and (xi) "$" shall refer to United States dollars.

(b) The Parties hereby acknowledge that each Party and its counsel have participated jointly in the negotiation and drafting of this Agreement, have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation of this Agreement (including all of the Exhibits hereto) or any amendments hereto or thereto.

(c) The Parties hereby acknowledge and agree that to the extent that there is a conflict with respect to any Tax matters between any (i) general provision of this Agreement and (ii) provision specifically relating to Tax matters, the terms of the specific Tax provision shall control.

Section 11.2 Headings. The Article and Section headings contained in this Agreement are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

Section 11.3 Notices. Except as otherwise provided in this Agreement, all notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and, in the case of delivery in person or by overnight courier, shall be deemed to have been duly given upon receipt) by delivery in person or overnight courier to the respective Parties at the following addresses, delivery by electronic mail transmission to the respective Parties at the following email addresses, or at such other address or email address for a Party as shall be specified in a notice given in accordance with this Section 11.3; *provided, however*, that delivery by electronic mail transmission shall be deemed to have been duly given upon receipt only if promptly confirmed by reply electronic mail transmission or telephone:

(a) If to Pluto or Pluto Topco:

PPL Corporation
Two North Ninth Street
Allentown, PA 18101
Attn: Jennifer McDonough
Email: jlmcdonough@pplweb.com

With a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, DC 20005
Attn: Pankaj Sinha
Richard Oliver
Email: psinha@skadden.com
rioliver@skadden.com

(b) If to Newquay:

National Grid USA
40 Sylvan Road
Waltham, MA 02451
Attn: Keri Sweet-Zavaglia
Email: Keri.Sweet-Zavaglia@nationalgrid.com

With a copy to:

Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Attn: Mark I. Greene
G.J. Ligelis Jr.
Email: MGreene@cravath.com
GLigelisJr@cravath.com

Section 11.4 Governing Law. This Agreement, and all claims or causes of action (whether at law, in contract or in tort) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance hereof, shall be governed by and construed in accordance with the Requirements of Law of the State of Delaware, without regard to any choice or conflict of law principles or rules (whether of the State of Delaware or any other jurisdiction) that would mandate or permit the application of the Requirements of Law of any jurisdiction other than the State of Delaware.

Section 11.5 Jurisdiction; Venue; Specific Performance; Waiver of Trial by Jury.

(a) Each Party agrees that all claims arising out of or in connection with this Agreement shall be brought in the Chancery Courts of the State of Delaware located in Wilmington, Delaware or, if under applicable Requirement of Law jurisdiction is not available in such courts, in the United States District Court for the District of Delaware. In connection with any action or proceeding in any such court, each Party (i) consents to the service of process or other papers in connection with such action or proceeding in the manner provided in Section 11.3 or in such other manner as permitted by Requirements of Law, (ii) submits with regard to any such action or proceeding, generally and unconditionally, to the personal jurisdiction of any such court, and (iii) irrevocably waives, to the fullest extent permitted by Requirements of Law, and

agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement in such court, any claim that the suit, action or proceeding in any such court is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper, or that this Agreement, or the subject matter hereof, may not be enforced in or by such court pursuant to this Section 11.5.

(b) The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, the Parties acknowledge and agree that, to prevent breaches or threatened breaches by the Parties of any of their respective covenants or obligations set forth in this Agreement and to enforce specifically the terms and provisions of this Agreement, the Parties shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled in law or in equity. In connection with any request for specific performance or equitable relief by any Party, each of the other Parties waives any requirement for the security or posting of any bond in connection with such remedy.

(c) EACH PARTY HEREBY WAIVES ITS RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR THE TRANSACTIONS TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, OR ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY HERETO (i) CERTIFIES THAT NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF ANY LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 11.5(c).

Section 11.6 Entire Agreement. This Agreement, together with the Island Sale Purchase Agreement, the Transition Services Agreement and the Confidentiality Agreement and all Annexes and Exhibits hereto and thereto, embody the entire agreement of the Parties with respect to the subject matter hereof and supersede all prior agreements with respect thereto.

Section 11.7 Consents; Waivers; Amendments. All waivers and consents given hereunder shall be in writing. No waiver by any Party of any breach or anticipated breach of any provision hereof by any other Party shall be deemed a waiver of any other contemporaneous, preceding or succeeding breach or anticipated breach, whether or not similar. Except as provided in this Agreement, no action taken pursuant to this Agreement, including any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance by any other Party with any representations, warranties, covenants or agreements contained in this Agreement. The failure of any Party to assert any rights under this Agreement or otherwise shall not constitute a waiver of such rights. Any amendment to this Agreement shall be in writing and signed by both Parties.

Section 11.8 Severability. If any provision of this Agreement or the application of any such provision is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted under Requirements of Law, the Parties waive any provision under Requirements of Law that renders any provision of this Agreement invalid, illegal or unenforceable in any respect. The Parties shall, to the extent lawful and practicable, use their reasonable best efforts to enter into arrangements to reinstate the intended benefits, net of the intended burdens, of any such provision held invalid, illegal or unenforceable.

Section 11.9 Successors and Assigns; No Third-Party Beneficiaries. Subject to the terms of this Section 11.9, this Agreement and all its provisions shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns. Nothing in this Agreement, whether expressed or implied, will confer on any Person, other than the Parties or their respective permitted successors and assigns, any rights, remedies or liabilities; *provided* that the provisions of Article X will inure to the benefit of the Indemnified Parties and the provisions of Section 11.12 will inure to the benefit of Newquay Counsel. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party and any purported assignment without such consent shall be void.

Section 11.10 Expenses. Except as provided in Section 8.4, whether or not the Transactions are consummated, all expenses incurred in connection with this Agreement and the Transactions shall be paid by the Party incurring such expenses; *provided* that each of the Parties shall bear fifty percent (50%) of all filing fees of the Parties or their Affiliates related to the filings required to be made to obtain the Required Statutory Approvals, including under the HSR Act.

Section 11.11 Counterparts. This Agreement may be executed by the parties hereto in multiple counterparts which may be delivered by .pdf transmission. Each counterpart when so executed and delivered shall be deemed an original, and all such counterparts taken together shall constitute one and the same instrument.

Section 11.12 Privilege; Counsel. Herbert Smith Freehills LLP, Cravath, Swaine & Moore LLP, Morgan, Lewis & Bockius LLP, Eversheds Sutherland (US) LLP, Eversheds Sutherland (International) LLP, and Keegan Werlin LLP (each, a "Newquay Counsel") have been engaged by Newquay to represent it in connection with this Agreement and the Transactions. Pluto (on its behalf and on behalf of its Affiliates) hereby (a) agrees that, in the event that a dispute arises after the Closing between Pluto or any of its Affiliates, on the one hand, and Newquay (or any related party to Newquay), on the other hand, each Newquay Counsel may represent Newquay (or such related party) in such dispute even though the interests of Newquay (or such related party) may be directly adverse to Pluto, Rover or any of their respective Affiliates, even though a Newquay Counsel may have represented Rover in a matter substantially related to such dispute, or may be handling ongoing matters for Pluto or Rover, and (b) waives any actual or potential conflict in connection therewith or relating thereto. Pluto (on its behalf and on behalf of its Affiliates) further agrees that, notwithstanding anything in this Agreement to the contrary, as to all communications among any Newquay Counsel and Rover or Newquay (including any of their respective directors, officers or employees or any other party

related to Newquay) that relate in any way to this Agreement or the Transactions, the attorney-client privilege and the expectation of client confidence belongs to Newquay and shall be controlled by Newquay and shall not pass to or be claimed by Pluto, Rover or any of their respective Affiliates. Pluto (on its behalf and on behalf of its Affiliates) further understands and agrees that the Parties have each undertaken reasonable best efforts to prevent the disclosure of confidential or attorney-client privileged information. Notwithstanding those efforts, Pluto (on its behalf and on behalf of its Affiliates) further understands and agrees that the consummation of the Transactions may result in the inadvertent disclosure of information that may be confidential or subject to a claim of privilege and that no such Person may use or rely on any such disclosure, whether located in the records or email server of Rover or otherwise, in any action against or involving Newquay or any party related to Newquay after such Closing. Pluto (on its behalf and on behalf of its Affiliates) further understands and agrees that any disclosure of information that may be confidential or subject to a claim of privilege will not prejudice or otherwise constitute a waiver of any claim of privilege. Pluto (on its behalf and on behalf of its Affiliates) agrees to use reasonable best efforts to return promptly any inadvertently disclosed information to the appropriate Person upon becoming aware of its existence. Notwithstanding the foregoing, in the event that a dispute arises between Pluto, Rover or any of their respective Affiliates, on the one hand, and a third party other than a Party, on the other hand, after the Closing, Rover may assert the attorney-client privilege to prevent disclosure of confidential communications by any Newquay Counsel to such third party; *provided*, *however*, that Rover may not waive such privilege without the prior written consent of Newquay. Each Newquay Counsel shall be a third-party beneficiary for purposes of this Section 11.12.

[*Remainder of page intentionally left blank.*]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed on its behalf by an authorized officer as of the date first above written.

PPL ENERGY HOLDINGS, LLC

By:_____
Name: Joseph P. Bergstein, Jr.
Title: Senior Vice President

PPL CORPORATION
(solely with respect to Section 4.10 and Section 6.14)

By:_____
Name: Joseph P. Bergstein, Jr.
Title: Senior Vice President and Chief Financial Officer

NATIONAL GRID USA

By:_____
Name:
Title:

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed on its behalf by an authorized officer as of the date first above written.

PPL ENERGY HOLDINGS, LLC

By:_____
Name:
Title:

PPL CORPORATION
(solely with respect to Section 4.10 and Section 6.14)

By:_____
Name:
Title:

NATIONAL GRID USA

By:_____
Name: John Pettigrew
Title: Authorized Signatory

Annex A

Defined Terms

For purposes of this Agreement, unless the context requires otherwise, the following terms have the following meanings:

"Accountant" has the meaning set forth in Section 3.1(b).

"Accrued Rover DB Benefits" has the meaning set forth in Section 6.9(i)(ii).

"Additional Rover Service Employee" has the meaning set forth in Section 6.9(a).

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such first Person. The term "control" (including its correlative meanings "controlled by" and "under common control with") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by Contract or otherwise).

"Affiliate Agreement" means any Contract between Rover, on the one hand, and Newquay or any of its Affiliates on the other hand; *provided* that any Contract among Rover, Newquay or any of its Affiliates and any third party shall not constitute an "Affiliate Agreement".

"Agreement" means this Transaction Agreement and the Newquay Disclosure Schedule and all Annexes and Exhibits hereto, as any of them may be amended, restated or updated from time to time.

"Anti-Corruption Laws" means Requirements of Law relating to anti-bribery or anti-corruption (governmental or commercial), including laws that prohibit the corrupt payment, offer, promise, or authorization, acceptance, or agreement to accept the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official, foreign government employee or commercial entity or to anyone to obtain or retain business or other improper benefit or advantage, including the U.S. Foreign Corrupt Practices Act (15 U.S.C. §§78dd-1 et seq.), the U.K. Bribery Act 2010, and all national and international laws enacted to implement the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions.

"Assumed Benefit Plan" means each (i) Rover Benefit Plan maintained exclusively by Rover or (ii) Rover Benefit Plan with respect to which Pluto or any of its Affiliates or Rover assumes any Liabilities pursuant to this Agreement, solely with respect to the portion of the Rover Benefit Plan and Liabilities thereunder allocable to the Rover Business Employees and Rover Business Former Employees participating in such Rover Benefit Plans.

"Budgeted Pre-Closing Capex" has the meaning set forth in Section 6.1(b)(xv).

"Business Day" means any day other than a Saturday, Sunday or day on which banking institutions in New York, New York or London, United Kingdom are authorized or obligated pursuant to the Requirements of Law or executive order to be closed.

"Change" means a change, effect, event, circumstance or development.

"Charter Documents" means, with respect to any entity at any time, in each case as amended, modified and supplemented at that time, (i) the articles of association or certificate of formation, incorporation, partnership or organization (or the equivalent organizational documents) of that entity, (ii) the bylaws, partnership agreement or limited liability company agreement or regulations (or the equivalent governing documents) of that entity, and (iii) each document setting forth the designation, amount and relative rights, limitations and preferences of any class or series of that entity's Equity Securities or of any rights in respect of that entity's Equity Securities.

"Claims Made Policies" has the meaning set forth in Section 6.12.

"Closing" has the meaning set forth in Section 2.1.

"Closing Date" has the meaning set forth in Section 2.1.

"Closing Date RW Amount" has the meaning set forth in Section 6.9(j)(iii).

"Code" means the Internal Revenue Code of 1986, as amended.

"Communications Act" has the meaning set forth in Section 4.4.

"Communications Laws" has the meaning set forth in Section 4.4.

"Confidential Information," with respect to Pluto or Newquay, as the case may be, means "Evaluation Material" (as defined in the Confidentiality Agreement).

"Confidentiality Agreement" has the meaning set forth in Section 6.2(c).

"Consent" means, with respect to any Person, any consent, approval, authorization, waiver, permit, license, grant, agreement, exemption or order of, or registration, declaration or filing with, any other Person, including any Governmental Authority, that is required in connection with (a) the execution and delivery by such Person of this Agreement or the Transition Services Agreement or (b) the consummation by such Person and its Affiliates of the Transactions.

"Continuing Pluto Plans" has the meaning set forth in Section 6.9(d).

"Contract" means, with respect to any Person, any loan agreement, indenture, letter of credit, mortgage, security agreement, pledge agreement, guarantee, lease, sublease, license or any other agreement, contract, instrument, obligation, commitment or arrangement, whether written or oral, in each case as amended, supplemented, waived or otherwise modified, to which such Person is a party or by which it is bound or any of its assets are subject.

"Controlling Party" has the meaning set forth in Section 8.1(e)(iv).

"Copyrights" means all registered and unregistered copyrights, including moral rights and rights of attribution and integrity, copyrights in computer Software and the content contained on any Web site and all applications for registration for the foregoing.

"COVID-19" means SARS-CoV-2 or COVID-19, and any natural evolutions thereof or related or associated epidemics, pandemics or disease outbreaks thereof.

"COVID-19 Legislation" means the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, Pub. L. 116-136; the Families First Coronavirus Response Act, Pub. L. No. 116-127; the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260; and any other U.S., non-U.S., state or local stimulus fund or relief programs or Laws enacted by a Governmental Authority in connection with or in response to COVID-19.

"COVID-19 Measures" means any quarantine, "shelter in place," "stay at home," workforce reduction, social distancing, shut down, closure, sequester, safety or similar Requirement of Law, directive, guidelines or recommendations promulgated by any industry group or any Governmental Authority, including the Centers for Disease Control and Prevention and the World Health Organization, in each case, in connection with or in response to COVID-19.

"Deepwater PPA" means the Amended Power Purchase Agreement, dated as of June 30, 2010, by and between Rover d/b/a Newquay and Deepwater Wind Block Island LLC.

"Delayed Transfer Date" has the meaning set forth in Section 6.9(a)(iv).

"Delayed Transfer Employees" has the meaning set forth in Section 6.9(a)(iv).

"Designated Regulatory Proceedings" has the meaning set forth in Section 6.13.

"Determination" has the meaning set forth in Section 1313(a) of the Code or any similar state, local or non-U.S. Requirement of Law with respect to Taxes.

"Direct Claim" has the meaning set forth in Section 10.4(b).

"DOJ" has the meaning set forth in Section 6.3(b).

"Effective Time" has the meaning set forth in Section 2.1.

"Enforceability Exceptions" has the meaning set forth in Section 4.2.

"Environmental Claim" means any and all administrative, regulatory or judicial actions, suits, orders, demands, demand letters, directives, claims, investigations, proceedings or notices of noncompliance, Liability or violation (written or oral) by any Person (including any Governmental Authority) alleging potential liability (including potential responsibility or liability for enforcement, investigatory costs, cleanup costs, governmental response costs, removal costs, remedial costs, natural resources damages, property damages, personal injuries or

penalties) arising out of, based on or resulting from circumstances forming the basis of any actual or alleged noncompliance with, violation of, or liability under, any Environmental Law or Environmental Permit.

"Environmental Laws" means any and all Requirements of Law pertaining to: (a) the protection of the environment (including air quality, surface water, groundwater, soils, subsurface strata, drinking water, natural resources and biota) or, as it relates to exposure to hazardous or toxic materials, the protection of human health; or (b) the processing, generation, management, storage, treatment, recycling, Release, threatened Release, investigation or remediation of hazardous or toxic materials, including the Federal Resource Conservation and Recovery Act, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Federal Clean Water Act, the Federal Clean Air Act, the Federal Occupational Safety and Health Act (as it relates solely to exposure to Hazardous Materials) and their implementing regulations as well as state analogues.

"Environmental Permits" means Permits issued or required pursuant to applicable Environmental Law.

"Equity Securities" of any Person means, as applicable (i) any and all of its shares of capital stock, membership interests or other equity interests or share capital, (ii) any warrants, Contracts or other rights or options directly or indirectly to subscribe for or to purchase any capital stock, membership interests or other equity interests or share capital of such Person, (iii) all securities or instruments, directly or indirectly, exchangeable for or convertible or exercisable into, any of the foregoing or with any profit participation features with respect to such Person, or (iv) any share appreciation rights, phantom share rights or other similar rights with respect to such Person or its business.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"FERC" means the Federal Energy Regulatory Commission (or any successor thereto).

"FCC" has the meaning set forth in Section 6.3(b).

"FCC License" has the meaning set forth in Section 6.15.

"Final Order" means action by the relevant Governmental Authority that has not been reversed, stayed, enjoined, set aside, annulled or suspended and is legally binding and effective.

"FTC" has the meaning set forth in Section 6.3(b).

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Good Utility Practice" means (a) the practices, methods and acts generally engaged in or approved by a significant portion of the electric and natural gas transmission and distribution utilities (as applicable), or (b) the practices, methods and acts, that, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, would reasonably have been expected to accomplish the desired result in a manner compliant with Requirements of Law

and consistent with reliability, safety, environmental protection, economy and expedition; *provided* that in the case of both clause (a) and clause (b), Good Utility Practice is not intended to be limited to the optimum practices, methods or acts, to the exclusion of all others, but rather is intended to include a spectrum of practices, methods or acts generally acceptable in the region during the relevant period in light of the circumstances.

"Government Official" means (i) any official, officer, employee or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Authority, (ii) any political party or party official or candidate for political office, or (iii) any official, officer, employee, or any person acting in an official capacity for or on behalf of, any company, business, enterprise or other entity owned (in whole or in substantial part) controlled by or affiliated with a Governmental Authority.

"Governmental Authority" means any federal, national, supranational, regional, state, provincial, local, or similar government, governmental, regulatory or administrative authority, agency, department, instrumentality, board, commission, bureau or administration or any court, tribunal, or judicial or arbitral body, and any self-regulatory organization within or outside the United States, including the SEC, FERC, Rover Utility Regulators and the North American Electric Reliability Corporation.

"Hazardous Materials" means (a) any petrochemical or petroleum products or by-products, waste oil, radon gas, asbestos in any form that is or could become friable or any material containing asbestos, lead-based paint, toxic Mold, urea formaldehyde foam insulation and polychlorinated biphenyls; and (b) any chemicals, materials or substances regulated under any Environmental Law as or included in the definition of "hazardous substances," "hazardous chemicals," "hazardous wastes," "hazardous materials," "toxic substances," "contaminants" or "pollutants" or words of similar meaning or regulatory effect.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Indebtedness" means, without duplication, (a) all indebtedness for borrowed money or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (b) any other indebtedness that is evidenced by a note, bond, debenture, draft or similar instrument, (c) all obligations in respect of bankers' acceptances, solely to the extent drawn or payable, (e) letters of credit and any other agreements relating to the borrowing of money or extension of credit, solely to the extent drawn or payable and (f) finance leases (but for the avoidance of doubt, operating lease liabilities shall not be included in Indebtedness and the Deepwater PPA shall not constitute a finance lease).

"Indemnified Party" has the meaning set forth in Section 10.3.

"Indemnifying Party" has the meaning set forth in Section 10.4(a).

"Insurance Policies" has the meaning set forth in Section 6.12.

"Intellectual Property" means all Copyrights, Patents, Trademarks, Trade Secrets, all other similar intangible assets, rights and forms of protection of a similar nature or having equivalent or similar effect in any jurisdiction (including all rights in designs) and the right to sue for past infringement of any of the foregoing.

"Intercompany Money Pool" has the meaning set forth in Section 6.1(b)(x).

"IRS" means the United States Internal Revenue Service.

"Island Sale" means the purchase of the entire issued share capital of PPL WPD Investments Limited, a limited company incorporated under the laws of the United Kingdom, by Newquay Topco or one of its Affiliates from an Affiliate of Pluto pursuant to the Island Sale Purchase Agreement.

"Island Sale Purchase Agreement" means that share purchase agreement entered into as of the date hereof, by and among PPL WPD Limited, a private limited company incorporated under the laws of England and Wales, National Grid Holdings One Plc, a public limited company organized under the laws of England and Wales, and Newquay Topco.

"Joint Venture" of a Person, means any Person that is not a Subsidiary of such first Person, in which such first Person or one or more of its Subsidiaries owns directly or indirectly any Equity Securities, other than Equity Securities held for passive investment purposes that are less than 5% of each class of the outstanding voting securities or voting capital stock of such second Person.

"Knowledge" means, with respect to Pluto, the knowledge of the individuals set forth in Annex B hereto and, with respect to Newquay, means the knowledge of the individuals set forth in Annex C hereto, which in each case shall be deemed to include the knowledge any such person would have had if he or she had made reasonable inquiry of those persons that such individual would reasonably expect to have actual knowledge of the relevant subject matter.

"Liability" means any liability, cost, expense, debt or obligation of any kind, character, or description, and whether known or unknown, accrued, matured, absolute, determined, determinable, contingent or otherwise, and regardless of when asserted or by whom.

"Liens" means any liens, pledges, charges, claims, security interests, deeds of trust, mortgages, deeds to secure debt, title retention agreements or other encumbrances.

"Long-Term Disability Rover Employee" means each Rover Business Employee who is on long-term disability as of immediately prior to the Closing Date.

"Losses" means all costs, damages, Taxes, awards, judgments, losses or costs and expenses, interest, awards, judgments and penalties that are imposed upon or otherwise incurred by an Indemnified Party (including reasonable attorneys' and consultants' fees and expenses) actually suffered or incurred.

"Massachusetts Approval" has the meaning set forth in Section 5.4.

"MDPU" means the Massachusetts Department of Public Utilities.

"Mold" means any form of multicellular fungi that live on plant or animal matter in moist, indoor environments and shall include, without limitation, Cladosporium, Penicillium, Altemaria, Asperigillus, Fusarium, Trichoderma, Memnoniella, Mucor and Stachbotry's Chartarum.

"Multiemployer Plan" has the meaning set forth in Section 5.13(d).

"Newquay" has the meaning set forth in the introductory paragraph to this Agreement.

"Newquay 401(k) Plan" has the meaning set forth in Section 6.9(k).

"Newquay Affiliated Group" has the meaning set forth in Section 8.1(b).

"Newquay Burdensome Effect" means a material adverse effect on the business, properties, financial condition or results of operations of, taken as a whole, Newquay and its Subsidiaries; *provided, however*, that for purposes of this definition only, Newquay and its Subsidiaries shall be deemed a consolidated group of entities of the size and scale of a hypothetical company that is 100% of the size of Rover taken as a whole as of the date of this Agreement.

"Newquay Counsel" has the meaning set forth in Section 11.12.

"Newquay Designated Representations" has the meaning set forth in Section 7.3(a)(i).

"Newquay Disclosure Schedule" means a letter delivered by Newquay to Pluto on or before the execution and delivery of this Agreement setting forth items the disclosure of which is required under this Agreement either in response to an express disclosure requirement contained in a provision of this Agreement or as an exception to one or more of the representations, warranties, covenants or agreements contained in this Agreement; *provided* that the mere inclusion of an item in the Newquay Disclosure Schedule as an exception to a representation or warranty will not be deemed an admission by Newquay that such item (or any non-disclosed item or information of comparable or greater significance) represents a material exception or fact, event or circumstance or that such item has had or is expected to have a Rover Material Adverse Effect.

"Newquay ERISA Affiliate" means any trade or business, whether or not incorporated, that together with Newquay would be deemed a "single employer" within the meaning of Section 4001(b) of ERISA.

"Newquay Guaranties" has the meaning set forth in Section 6.6(a).

"Newquay Indemnification Cap" has the meaning set forth in Section 10.5(a).

"Newquay Indemnified Parties" has the meaning set forth in Section 10.2.

"Newquay Marks" has the meaning set forth in Section 6.7(a).

"Newquay Pension Plan" has the meaning set forth in Section 6.9(i)(i).

"Newquay Required Statutory Approvals" has the meaning set forth in Section 5.4.

"Newquay RW Plan" has the meaning set forth in Section 6.9(j)(i).

"Newquay Threshold" has the meaning set forth in Section 10.5(a).

"Newquay Topco" means National Grid plc, a public limited company organized under the laws of England and Wales and parent entity of Newquay.

"Newquay Total Cap" has the meaning set forth in Section 10.5(a).

"Non-Controlling Party" has the meaning set forth in Section 8.1(e)(iv).

"Occurrence Based Policies" has the meaning set forth in Section 6.12.

"Offer List" has the meaning set forth in Section 6.9(a)(iii).

"Offer Threshold" has the meaning set forth in Section 6.9(b)(iv).

"Outside Date" has the meaning set forth in Section 9.1(c).

"Parties" has the meaning set forth in the introductory paragraph to this Agreement.

"Patents" means all patents and patent applications, including any continuations, divisionals, continuations-in-part, renewals and reissues.

"Pension Plan" has the meaning set forth in Section 5.13(d).

"Pension Transfer Date" has the meaning set forth in Section 6.9(i)(iv).

"Pension True-Up Amount" has the meaning set forth in Section 6.9(i)(v).

"Permits" has the meaning set forth in Section 5.10.

"Permitted Equity Lien" means any Liens, restrictions on transfers or other encumbrances (a) arising pursuant to or described in this Agreement, the Charter Documents of Rover or applicable securities Requirements of Law, or (b) that may be created by or at the request of Pluto, with respect to Rover.

"Permitted Lien" means (a) any Lien for Taxes, assessments and other governmental charges which are not due and payable as of the Closing Date or are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (b) vendors', mechanics', carriers', workmen's, warehouseman's, repairmen's, materialmen's, construction or similar Liens arising or incurred in the ordinary course of business relating to obligations which are not overdue for a period of more than ninety (90) days or that are being contested in good faith and by appropriate proceedings, (c) pledges, deposits or other Liens securing the performance of bids, trade contracts, leases or statutory

obligations (including workers' compensation, unemployment insurance or other similar social security Requirement of Law), (d) Liens the existence of which are specifically disclosed in notes to the Rover Financial Statements, (e) all easements, covenants, servitudes, permits, exceptions, restrictions, imperfections of title, charges, claims of indigenous Persons and railroad operators, rights-of-way and other similar restrictions, or zoning regulations, policies and plans enacted and permissions and consents granted, in each case, in the ordinary course of business that would not individually or in the aggregate, reasonably be expected to materially and adversely interfere with the present use of Rover's real property, taken as a whole, (f) minor survey exceptions and matters as to Rover's real property which would be disclosed by an accurate survey of such real property and that would not, individually or in the aggregate, reasonably be expected to materially and adversely interfere with the present use or occupancy of the real property affected thereby, (g) statutory Liens incurred or pledges, financial assurances, bonds or deposits made in favor of a Governmental Authority to secure the performance of obligations of the affected Person or any of its Subsidiaries under Environmental Laws to which any assets of the affected Person or any such Subsidiaries are subject, (h) Liens arising under any lines of credit or other credit facilities or arrangements in effect on the date of this Agreement (or any replacement facilities thereto permitted pursuant to this Agreement), (i) non-exclusive licenses to Intellectual Property granted in the ordinary course of business, and (j) with respect to the material Rover Owned Real Property, any matters disclosed in true and complete title reports, title searches and other title information made available by Rover to Pluto.

"Person" means any individual, corporation, business trust, partnership, association, limited liability company, unincorporated organization or similar organization, any Governmental Authority, fund, organized group of persons whether incorporated or not, or any receiver, trustee under Title 11 of the U.S. Code or similar official or any liquidating agent for any of the foregoing in his or her capacity as such.

"Personal Information" means, in addition to any information defined or described by a Requirement of Law as "personal information," all information that can reasonably be used to identify an individual natural Person, or regarding an identified Person (such as name, address, telephone number, email address, financial account number, government-issued identifier, and any other data used or intended to be used to identify, contact or precisely locate a person).

"Plan" means any employment, bonus, incentive compensation, deferred compensation, long term incentive, pension, profit sharing, retirement, stock purchase, stock option, stock ownership, stock appreciation rights, phantom stock, leave of absence, layoff, vacation, holiday, paid time-off, day or dependent care, legal services, cafeteria, life, health, medical, dental, accident, disability, workmen's compensation or other insurance, retention, severance, separation, termination, change of control or other benefit plan, agreement, practice, policy, program, scheme or arrangement of any kind, whether written or oral, including any "employee benefit plan" within the meaning of Section 3(3) of ERISA (whether or not subject to ERISA).

"Pluto" has the meaning set forth in the introductory paragraph to this Agreement.

"Pluto 401(k) Plan" has the meaning set forth in Section 6.9(k).

"Pluto Designated Representations" has the meaning set forth in Section 7.2(a)(i).

"Pluto Indemnified Parties" has the meaning set forth in Section 10.3.

"Pluto Required Statutory Approvals" has the meaning set forth in Section 4.4.

"Pluto Topco" has the meaning set forth in the introductory paragraph to this Agreement.

"Privacy Legal Requirement" means (a) any Requirement of Law regulating the collecting, accessing, using, disclosing, transmitting, transferring, securing, sharing, storing, maintaining, retaining, deleting, disposing, modifying, protecting, privacy of, breach of, or processing of Personal Information (including the European Union Directive 95/46/EC, the European Union General Data Protection Regulation (EU) 2016/679 (GDPR), the United Kingdom Data Protection Act 2018, the European Union Directive 2002/58/EC and all other applicable national laws, regulations and secondary legislation implementing the European Union Directive 2002/58/EC including the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2003/2426), in each case together with any subordinate or related legislation made under any of the foregoing), (b) any obligations under all Contracts to which a Party, any of its Subsidiaries or Joint Ventures is a party or is otherwise bound that relate to Personal Information and (c) any of a Party's, its Subsidiaries' or Joint Ventures' internal and publicly posted policies and representations regarding the collection, access, use, disclosure, transmission, transfer, security, sharing, storage, maintenance, retention, deletion, disposal, modification, protection, privacy, breach or processing of Personal Information.

"Release" means any spill, effluent, emission, leaking, pumping, pouring, emptying, escaping, dumping, injection, deposit, disposal, discharge, dispersal, leaching, abandoning, adding, or migration into the environment.

"Representatives" of any Person, means, as applicable, such Person's officers, directors, employees, investment bankers, accountants, attorneys, financial advisors and other advisors, agents and representatives.

"Required Statutory Approvals" has the meaning set forth in Section 5.4.

"Requirement of Law" means, with respect to any Person, any U.S. or non-U.S. federal, state or local statute, law (including common law), ordinance, rule, administrative code, secondary legislation, administrative interpretation, regulation, order, consent, writ, injunction, directive, judgment, decree, policy, ordinance, decision, guideline or other requirement of (or agreement with) any Governmental Authority (including any memorandum of understanding or similar arrangement with any Governmental Authority), in each case binding on that Person or its property or assets.

"Retiree Benefit Transfer Employee" has the meaning set forth in Section 6.9(i)(i).

"Rhode Island Approval" has the meaning set forth in Section 4.4.

"Rhode Island Division" has the meaning set forth in Section 4.4.

"Rover" has the meaning set forth in the Recitals.

"Rover Accrued Vacation Days" has the meaning set forth in Section 6.9(g).

"Rover Acquisition Proposals" has the meaning set forth in Section 6.11(a).

"Rover Adjustment Amount" means the sum of (i) Rover Closing Net Working Capital *minus* Rover Target Net Working Capital *plus* (ii) Rover Target Net Indebtedness *minus* Rover Closing Net Indebtedness, which Rover Adjustment Amount may be positive or negative.

"Rover Adjustment Items" has the meaning set forth in Section 2.2(a)(i).

"Rover Allocation Schedule" has the meaning set forth in Section 8.3(b).

"Rover Applicable Accounting Principles" means the accounting principles, policies and practices set out in Schedule 2.2.

"Rover Audited Balance Sheets" has the meaning set forth in Section 5.8(a).

"Rover Audited Financial Statements" has the meaning set forth in Section 5.8(a).

"Rover Audited Income Statement" has the meaning set forth in Section 5.8(a).

"Rover Benefit Plan" means each Plan (i) to which Newquay or any Newquay ERISA Affiliate has any obligation with respect to a Rover Business Employee or Rover Business Former Employee or that is sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by Newquay or any Newquay ERISA Affiliates for the benefit of any Rover Business Employee or Rover Business Former Employee or (ii) to which Rover has any obligation or that is sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by Rover, in all cases, excluding any Plans sponsored by any Governmental Authority.

"Rover Burdensome Effect" means a material adverse effect on the business, properties, financial condition or results of operations of (i) Rover, or (ii) taken as a whole, Pluto and its Subsidiaries; *provided, however,* that for purposes of this definition only, Pluto and its Subsidiaries shall be deemed a consolidated group of entities of the size and scale of a hypothetical company that is 100% of the size of Rover as of the date of this Agreement; *provided, further,* that the matters set forth in Schedule 6.3(d) of the Newquay Disclosure Schedule shall not be considered when determining whether a Rover Burdensome Effect has occurred.

"Rover Business" means the business, operations and activities of Rover as conducted by Rover as of the date of this Agreement, including the retail distribution and provision of electric and gas services to customers within Rover's service area in the State of Rhode Island.

"Rover Business Employee" means (i) each person who is employed by Rover (a "Rover Direct Employee"), (ii) 351 individuals listed on Schedule 6.9(a)(i) of the Newquay Disclosure Schedule (as it may be updated by Newquay from time to time prior to the Closing Date to reflect any terminations of employment, transfers or new hires, in each case, not prohibited by Section 6.1(b)(vi)), which list consists of individuals (other than Rover Direct Employees) of

Newquay and its Affiliates who (A) dedicate at least fifty percent (50%) of their working time to the Rover Business or (B) have knowledge essential to running the Rover Business (the "Rover Dedicated Employees"), and (iii) each Additional Rover Service Employee, including in each case, each such employee who as of the Closing Date is on a leave of absence (including medical leave, military leave, workers compensation leave and short-term disability or long-term disability, subject to the provisions of Section 6.9(a)(v)) or vacation; *provided* that each person who is set forth on Schedule 6.9(a)(ii) of the Newquay Disclosure Schedule shall not be a Rover Business Employee (a "Newquay Retained Employee"); *provided further* that the identification of any individual as a Rover Additional Employee shall be subject to the provisions of Schedule 6.9(a)(iv) of the Newquay Disclosure Schedule.

"Rover Business Former Employee" means any former employee of Newquay or any Affiliate of Newquay who on the last day of his or her employment with Newquay or its Affiliates was employed by Rover.

"Rover Business RW Benefits" has the meaning set forth in Section 6.9(j)(i).

"Rover Closing Cash" means amounts included on Rover's balance sheet as of the Effective Time (without giving effect to the Transactions), as determined in accordance with, and adjusted by, the Rover Applicable Accounting Principles, for: (i) cash, bank deposits or cash equivalents (whether in hand or credited to any account with any banking, financial, lending or other similar institution or organization), (ii) liquid or easily realizable stocks, shares, bonds, treasury bills and other securities (and interest accrued on each of the foregoing), (iii) all Rover Intercompany Receivables pursuant to the Intercompany Money Pool and (iv) such other line items designated for inclusion therein pursuant to the Rover Applicable Accounting Principles.

"Rover Closing Indebtedness" means amounts included on Rover's balance sheet as of the Effective Time (without giving effect to the Transactions), as determined in accordance with, and adjusted by, the Rover Applicable Accounting Principles, for (i) Indebtedness, (ii) all Rover Intercompany Payables pursuant to the Intercompany Money Pool and (iii) such other line items designated for inclusion therein pursuant to the Rover Applicable Accounting Principles.

"Rover Closing Net Indebtedness" means, as of the Effective Time (without giving effect to the Transactions), as determined in accordance with, and adjusted by, the Rover Applicable Accounting Principles, (a) the Rover Closing Indebtedness (stated as a positive amount), *minus* (b) the Rover Closing Cash.

"Rover Closing Net Working Capital" means amounts included on Rover's balance sheet as of the Effective Time (without giving effect to the Transactions), as determined in accordance with, and adjusted by, the Rover Applicable Accounting Principles, for (i) current assets (including Rover Intercompany Receivables, other than pursuant to the Intercompany Money Pool) and regulatory assets (including the current and non-current portions thereof), *minus* (ii) current liabilities (including Rover Intercompany Payables, other than pursuant to the Intercompany Money Pool) and regulatory liabilities (including the current and non-current portions thereof).

"Rover Common Stock" has the meaning set forth in Section 5.5(a).

"Rover Easement Real Property" has the meaning set forth in Section 5.18(a).

"Rover Election" has the meaning set forth in Section 8.3(a).

"Rover Equity Interest" has the meaning set forth in the recitals to this Agreement.

"Rover Estimated Closing Statement" has the meaning set forth in Section 2.2(a)(i).

"Rover Final Closing Statement" has the meaning set forth in Section 3.1(a)(i).

"Rover Financial Statements" has the meaning set forth in Section 5.8(a).

"Rover Intercompany Payables" has the meaning set forth in Section 6.6(c).

"Rover Intercompany Receivables" has the meaning set forth in Section 6.6(c).

"Rover Labor Agreement" has the meaning set forth in Section 5.14(a).

"Rover Leased Real Property" has the meaning set forth in Section 5.18(a).

"Rover Material Adverse Effect" means any Change (or Changes taken together) that, individually or in the aggregate, has had or would reasonably be expected to have, a material adverse effect on the business, properties, financial condition or results of operations of Rover; *provided, however,* that any Change shall not be considered when determining whether a Rover Material Adverse Effect has occurred to the extent resulting from or relating to any of the following: (a) any change generally affecting any industry in which Rover operates, including the international, national or regional electric generating, transmission or distribution industry or natural gas transmission or distribution industry; (b) any change generally affecting the international, national or regional wholesale or retail markets for electric power or natural gas; (c) any change in customer usage patterns or customer selection of third-party suppliers for electricity or natural gas; (d) any change in markets for commodities or supplies, including electric power, natural gas, or fuel and water, as applicable, used in connection with the Rover Business; (e) any change in market design and pricing; (f) any change in general regulatory or political conditions, including any engagements of hostilities, insurrections, acts of war or terrorist activities or changes imposed by a Governmental Authority associated with additional security; (g) any change or development in the international, national or regional natural gas or electric transmission or distribution systems or operations thereof; (h) any change in any Requirements of Law (including Environmental Laws) or GAAP (or authoritative interpretation thereof); (i) any change in the financial conditions or results of operations of Pluto or its Affiliates, including changes due to the credit rating of Pluto and its Affiliates; (j) any change in the financial, banking, securities or currency markets; (k) any change in general national or regional economic or financial conditions or the general economic effect of any failure or bankruptcy (or any similar event) of any financial services or banking institution or insurance company; (l) any actions requested by Pluto or required to be taken under or in accordance with this Agreement; (m) the announcement or pendency of the Transactions, including (i) any action taken by Rover to obtain any Required Statutory Approval in compliance with Section 6.3 and the result of any such action, (ii) any adverse change in supplier, employee, financing source, shareholder, regulatory, partner or similar relationships resulting therefrom, or (iii) any change

that arises out of or relates to the identity of Pluto or any of its Affiliates as the acquirer of Rover; (n) any labor strike, request for representation, organizing campaign, work stoppage, slowdown, or lockout or other labor dispute; (o) any new power plant entrants and their effect on pricing or transmission; (p) any finding of fact or order contained in any FERC or Rover Utility Regulator judgment, decision, order, rulemaking, or other directive applicable to Rover, in each case either (x) issued prior to the date hereof or arising from a filing made prior to the date hereof or (y) issued on or after the date hereof or arising from a filing made after the date hereof to the extent resulting from or relating to the Transactions; (q) any change or effect arising from any requirements imposed by any Governmental Authorities as a condition to obtaining the Required Statutory Approvals, including a Rover Burdensome Effect, or any other requirements or restrictions imposed by FERC or a Rover Utility Regulator on Rover; (r) any fact, circumstance, effect, change, event or development that results from any shutdown or suspension of operations at any power plant from which Rover obtains electricity; (s) any Change the effects of which are permitted to be passed through to, or recovered from, customers in accordance with applicable Requirements of Law; (t) any failure in and of itself by Rover to meet any internal or public projection, budget, forecast, estimate or prediction in respect of revenues, earnings or other financial or operating metrics for any period (except that the underlying cause of any such decline may, to the extent not otherwise excluded by clauses (a) through (v), be considered and taken into account in determining whether there has been a Rover Material Adverse Effect); (u) any change in the credit rating of Rover; or (v) any hurricane, tornado, tsunami, flood, earthquake, snow storm, ice storm, epidemics, pandemics (including the COVID-19 virus or any COVID-19 Measures) or quarantines, acts of God, or other natural disaster or weather-related event, circumstance or development, or any escalation of the foregoing; *provided*, *however*, that any Change set forth in clauses (a), (b), (c), (d), (e), (f), (g), (h), (j), (k), (o), or (v) above shall be taken into account in determining whether a "Rover Material Adverse Effect" has occurred or would reasonably be expected to occur to the extent such Change has a disproportionate adverse effect on Rover relative to other transmission and distribution utilities in the New England region of the United States (in which case the disproportionate adverse effect shall be taken into account in determining whether a "Rover Material Adverse Effect" has occurred or would reasonably be expected to occur).

"Rover Material Contract" has the meaning set forth in Section 5.17(a).

"Rover Owned Real Property" has the meaning set forth in Section 5.18(a).

"Rover Pension Plan" has the meaning set forth in Section 6.9(h)(i).

"Rover Pension Plan Trust" has the meaning set forth in Section 6.9(h)(i).

"Rover Personnel" has the meaning set forth in Section 5.13(g).

"Rover Preferred Stock" has the meaning set forth in Section 5.5(a).

"Rover Real Property" has the meaning set forth in Section 5.18(a).

"Rover Real Property Lease" has the meaning set forth in Section 5.18(a).

"Rover RW Plan" has the meaning set forth in Section 6.9(j)(i).

"Rover Target Net Indebtedness" means (a) $1,448,000,000 *plus* (b) $52,000,000 *multiplied* by a fraction with (i) a numerator equal to the number of calendar days elapsed between April 1, 2021 and the earlier of (A) the Closing Date and (B) March 31, 2022 and (ii) a denominator equal to 365.

"Rover Target Net Working Capital" means $109,000,000.

"Rover Unaudited Balance Sheet" has the meaning set forth in Section 5.8(a).

"Rover Unaudited Financial Statements" has the meaning set forth in Section 5.8(a).

"Rover Unaudited Income Statement" has the meaning set forth in Section 5.8(a).

"Rover Utility Regulators" means (i) the State of Rhode Island Public Utilities Commission, (ii) the Rhode Island Division and (iii) the Rhode Island Energy Facility Siting Board.

"RW Transfer Amount" has the meaning set forth in Section 6.9(j)(ii).

"RW Transfer Date" has the meaning set forth in Section 6.9(j)(ii).

"SEC" means the Securities and Exchange Commission.

"Section 338(h)(10) Forms" has the meaning set forth in Section 8.3(a).

"Section 4044 Amount" has the meaning set forth in Section 6.9(h)(iv).

"Severance Obligations" has the meaning set forth in Section 6.9(b)(i).

"Software" means computer software, including all programs, applications and databases (whether in object code, source code or other form), and all documentation related thereto.

"Straddle Period" has the meaning set forth in Section 8.1(c).

"Subsidiary" means, with respect to any Person, any other Person of which such first Person (either alone or through or together with any other Subsidiary) owns, directly or indirectly, a majority of the outstanding equity securities or securities carrying a majority of the voting power in the election of the board of directors or other governing body of such Person.

"Tax" means any federal, state, county, local, non-U.S. and other taxes, assessments, charges, duties, fees, levies, imposts or other similar charges imposed by a Governmental Authority, including all income, alternative or add-on minimum, gross receipts, sales, use, value added, transfer, gains, ad valorem, franchise, profits, license, state guarantee fund assessments, withholding, payroll, direct placement, employment, excise, severance, stamp, procurement, occupation, premium, property, real property, escheat, environmental or windfall profit tax, custom, duty or other tax, together with any interest, additions or penalties with respect thereto or with respect to any Tax Return.

"Tax Claim" has the meaning set forth in Section 8.1(e)(i).

"Tax Return" means any return, declaration, report, document, list, claim for refund, information return or similar statement filed or required to be filed with, or supplied to or required to be supplied to any Governmental Authority with respect to any Taxes, including any schedule or other attachment thereto, and including any amendment thereof.

"Tax Sharing Agreements" has the meaning set forth in Section 8.5.

"Third-Party Claim" has the meaning set forth in Section 10.4(a).

"Third-Party Terms" has the meaning set forth in Section 6.6(c).

"Trade Secrets" means all trade secrets, know-how and other confidential information, including forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs or codes, whether tangible or intangible, and whether or how stored, compiled or memorialized physically, electronically, graphically, photographically or in writing.

"Trademarks" means all registered and unregistered trademarks, service marks, trade dress, trade names, designs, logos, emblems, signs or insignia, slogans, Internet domain names, other similar designations of source or origin and general intangibles of like nature, together with all applications for registration for the foregoing and the goodwill symbolized by any of the foregoing.

"Transaction Restraint" has the meaning set forth in Section 7.1(a).

"Transactions" means the transactions contemplated by this Agreement and the Transition Services Agreement.

"Transfer Taxes" has the meaning set forth in Section 8.4.

"Transferred Employee" means each Rover Business Employee who, as of the Closing Date (or, if applicable, such later date that any Rover Business Employee commences employment with Pluto or one of its Affiliates), becomes an employee of Pluto or one of its Affiliates whether pursuant to the transfer of the Rover Equity Interest to Pluto or its Affiliates or by acceptance of an offer of employment from Pluto or one of its Affiliates pursuant to Section 6.9(a).

"Transition Services Agreement" means the Transition Services Agreement, substantially in the form of Exhibit A, to be entered into by Newquay (or one or more of its Subsidiaries) and Rover, as updated on mutually agreeable terms after the date hereof to take into account the scope of Services (as defined in the Transition Services Agreement) agreed to be provided in accordance with Section 6.8.

"TSA End Date" shall mean the last day of the Transition Period (as defined in the Transition Services Agreement).

"TSA Employee" means each person who is employed by Newquay or any Affiliate of Newquay and provides substantial services to the Rover Business following the Closing in connection with the Transition Services set forth on Exhibit A of the Transition Services Agreement, as reasonably determined by Newquay and Pluto.

"U.S. Treasury Regulation" means the final or temporary regulations of the United States Department of the Treasury under the Code, as may be amended from time to time.

"Weighted-Average Numerator" has the meaning set forth in Section 6.9(b)(iv).

"Weighted-Average Severance Percentage" has the meaning set forth in Section 6.9(b)(iii).

Annex B

Knowledge of Pluto

1. Michael Caverly
2. Jennifer McDonough

Annex C

Knowledge of Newquay

1. David Campbell
2. Keith Hutchison
3. Chris Kelly
4. William Malee
5. Donald Simpson
6. Ross Turrini
7. Charles Willard

Exhibit A

FORM OF

TRANSITION SERVICES AGREEMENT

by and among

NATIONAL GRID USA SERVICE COMPANY, INC.,

NATIONAL GRID USA

(solely with respect to Section 4.6)

and

THE NARRAGANSETT ELECTRIC COMPANY

Dated as of [●]

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ARTICLE V

LIMITATION OF LIABILITY; INDEMNIFICATION; DISCLAIMER OF WARRANTY

ARTICLE VI

MISCELLANEOUS

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (including all Exhibits and any other attachments hereto, this "Agreement"), is entered into as of [●], by and among National Grid USA Service Company, Inc., a Massachusetts corporation ("Service Provider"), The Narragansett Electric Company, a Rhode Island corporation ("Rover" and together with Service Provider, the "Parties" and each individually a "Party"), and, solely with respect to Section 4.6, National Grid USA, a Delaware corporation ("Newquay"). Capitalized terms used in this Agreement and not otherwise defined shall have the respective meanings ascribed to them in that certain Share Purchase Agreement (as it may be amended, modified or supplemented from time to time in accordance with its terms, the "Share Purchase Agreement"), dated as of March 17, 2021, by and among PPL Energy Holdings, LLC, a Delaware limited liability company ("Pluto"), Newquay, and PPL Corporation, a Pennsylvania corporation.

W I T N E S S E T H:

WHEREAS, pursuant to the Share Purchase Agreement, Pluto agreed, among other things, to purchase from Newquay, and Newquay agreed to sell to Pluto, one hundred percent (100%) of the outstanding shares of common stock of Rover;

WHEREAS, Newquay and its Affiliates will derive a substantial benefit from the transactions contemplated by the Share Purchase Agreement; and

WHEREAS, in connection with the transactions contemplated by the Share Purchase Agreement, Newquay and Pluto desire that Service Provider, an Affiliate of Newquay, provide Rover with certain transitional services as set forth in this Agreement; and

WHEREAS, the Parties have agreed to enter into such transitional arrangements to be effective as of the Closing under the Share Purchase Agreement on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valid consideration, the sufficiency of which is hereby acknowledged and in consideration of the foregoing and the mutual agreements contained herein, the Parties hereby agree as follows:

ARTICLE I

TRANSITION SERVICES

Section 1.1 General Intent. Each Party acknowledges and understands that the services provided hereunder are transitional in nature and are furnished by Service Provider solely for the purpose of facilitating the transactions contemplated by the Share Purchase Agreement and the operation of Rover and its Affiliates for a limited period of time, as set forth herein, and in furtherance thereof each Party expresses its intention to cooperate in good faith to provide information and assistance as reasonably requested by the other Party to effectuate a smooth transition. For the duration of the Transition Period (as defined in Section 3.2), to the extent not otherwise acquired by Pluto pursuant to the Share Purchase Agreement, Pluto and Rover shall have access during regular business hours and upon reasonable advance notice to such documents,

books and manuals as are reasonably necessary to obtain the benefit of the use of the Transition Services and to transition away from the use of the Transition Services by the end of the Transition Period. As part of each of the Transition Services, Service Provider will (a) cooperate with and use commercially reasonable efforts to assist Rover and its Affiliates in effectuating an orderly transition of each Transition Service to Pluto's or Rover's own internal organization or other third-party suppliers no later than the expiration of the term set forth herein applicable to such Transition Service, including by making employees of Service Provider and its Affiliates reasonably available during normal business hours for knowledge transfer to Pluto, Rover or its designee, and each Party shall otherwise reasonably cooperate with the other Party to facilitate such orderly transition, (b) transfer, or cause to be transferred, the books, records, files, information and data held, received or created by Service Provider or its Affiliates for the benefit of Pluto, Rover, or each of their Affiliates as reasonably requested by Pluto or Rover as related to the Rover Business, subject to reasonable mutually agreed transfer timetables and staging and (c) provide to Rover, subject to reasonable mutually agreed transfer timetables and staging or as otherwise more specifically set forth on Exhibit A, copies of data generated by Service Provider in providing the Transition Services that relate to Pluto's, Rover's or each of their Affiliates' businesses, including its customers, products, technologies and assets, subject to any third-party confidentiality or other use restrictions (with Service Provider to use commercially reasonable efforts to communicate the applicable information to Rover in a way that would not violate such restrictions); provided, for the avoidance of doubt, that costs and expenses of Service Provider with respect to the foregoing will be charged to Rover consistent with Section 2.1.

Section 1.2 Provision and Purchase of Transition Services. Subject to and upon the terms and conditions set forth in this Agreement and on Exhibit A annexed hereto, Service Provider agrees to provide, or cause to be provided, to Pluto and Rover, and Rover agrees to purchase from Service Provider, each of the services set forth on Exhibit A (collectively the "Transition Services" and separately a "Transition Service") for the applicable service period for such Transition Service set forth on Exhibit A. For the avoidance of doubt, each of the Transition Services shall include all of the underlying services and tasks that are necessary for the proper performance of, or that are inherent to or necessarily part of, the provision of such Transition Service.

Section 1.3 Omitted and Additional Services.

(a) In the event that within twelve (12) months after the date hereof, Pluto identifies a service that Service Provider or any of its Affiliates provided to Rover in the twelve (12) months prior to the Closing, and that Pluto reasonably needs in order to continue to operate the business operations of Rover in substantially the same manner in which Rover operated prior to the Closing, and such service was not included (and not otherwise expressly excluded) in Exhibit A (each, an "Omitted Service"), then Rover may submit a written request to Service Provider to provide such Omitted Service. Upon receipt of such written request for an Omitted Service, Service Provider will, so long as Service Provider has not ceased performing services substantially similar to the Omitted Service for the benefit of itself or its Affiliates, respond in writing within ten (10) days of the written request, notifying Rover (i) whether Service Provider is able, through the use of commercially reasonable efforts, to provide such Omitted Service and (ii) the earliest date upon which Service Provider expects it can begin providing such Omitted Service through the use of commercially reasonable efforts, which date shall be within a reasonable period after

Rover's request; provided that, Service Provider shall inform Rover (which may be through communication between the Coordinators) as promptly as possible if it anticipates that it will not be able to commence providing such Omitted Service within fifteen (15) days after Rover's request and the Parties shall cooperate in good faith to attempt to expedite commencement or implement earlier partial provision of such Omitted Service. Within ten (10) days of Service Provider's notice, the Parties shall negotiate in good faith to execute amendments to Exhibit A, as applicable, for such Omitted Service to be provided that shall set forth, among other things, (A) a description of such Omitted Service in reasonable detail, (B) the applicable service period for such Omitted Service, (C) the fees and expenses for such Omitted Service (it being agreed that the fees for such service shall be determined on a basis consistent with Article II unless otherwise mutually agreed) and (D) any additional reasonable terms and conditions specific to such Omitted Service. For clarity, each Omitted Service that Service Provider commences providing pursuant to the foregoing provisions will thereafter be deemed to be a Transition Service hereunder.

(b) In the event that within twelve (12) months after the Closing, Rover requests a service that was not included (and not otherwise expressly excluded) in Exhibit A (each, an "Additional Service"), Service Provider shall consider such request in good faith and, to the extent that the Parties reach an agreement on the provision of such Additional Service, the Parties shall cooperate to amend Exhibit A, as applicable, for such Additional Service that shall set forth, among other things, (i) a description of such Additional Service in reasonable detail, (ii) the applicable service period for such Additional Service, (iii) the fees and expenses for such Additional Service (it being agreed that the charge for such service to the extent performed by Service Provider or its Affiliates for Rover in the ordinary course of business prior to the Closing shall be determined on a basis consistent with Article II unless otherwise mutually agreed) and (iv) any additional reasonable terms and conditions specific to such Additional Service. For clarity, each Additional Service that is agreed to be provided by Service Provider pursuant to the foregoing provisions thereafter will be deemed to be a Transition Service hereunder. Notwithstanding anything to the contrary herein, the provision of any Additional Services shall be subject to the receipt of any required regulatory approvals in connection therewith.

Section 1.4 Service Standards. Subject to any limitations expressly set forth in Exhibit A, Service Provider shall provide and perform, or cause to be provided and performed, the Transition Services that it is required to provide under this Agreement using the same degree of care and skill as it utilizes in rendering such services for its own utility Affiliates' operations, and in any event, in accordance with Good Utility Practice; provided that nothing in this Agreement shall require Service Provider to favor the business of Pluto or Rover over Service Provider's own or its Affiliates' business operations. Nothing in this Agreement shall restrict or prohibit Service Provider from, with reasonable advance notice to Rover with respect to material changes made to a Transition Service, modifying the manner in which it provides, or systems utilized in providing, any Transition Service, in order to (a) automate, update, upgrade or enhance the provision of such Transition Service or the provision of similar services to Service Provider's Affiliates or (b) otherwise satisfy a legitimate business purpose, so long as such change does not materially adversely impact Rover's receipt of the Transition Service. The quantity of each Transition Service to be provided shall be that which Rover may reasonably require for the operation of Rover in the ordinary course of business consistent in all material respects with the operation of Rover prior to the Closing and, in any event, in accordance with Good Utility Practice. Service Provider

agrees to assign sufficient resources and qualified personnel as are reasonably required to perform the Transition Services in accordance with the standards set forth in this Section 1.4.

Section 1.5 Premises Access Rights. During the Transition Period, Rover shall grant to the employees, agents and authorized third-party vendors of Service Provider access to Rover's premises and equipment as may be reasonably necessary for Service Provider to perform its obligations under this Agreement, subject to (a) Rover's existing premises and equipment access policies and (b) Rover's subsequently updated premises and equipment access policies of which Service Provider has been informed and given reasonable advance notice and that do not unreasonably interfere with the provision of Transition Services consistent with past practice.

Section 1.6 Points of Contact. Each of Service Provider and Rover shall designate one individual to serve as principal transaction coordinator (each a "Coordinator") with regard to this Agreement, and such Coordinators, including addresses and email addresses for notices, shall be identified on Exhibit B. Each Coordinator shall be responsible for the overall implementation of this Agreement between Service Provider and Rover, including resolution of any issues that may arise during the performance hereunder on a day-to-day basis. The Coordinators may designate by written notice to the other Party additional sub-coordinators to be primarily responsible for the implementation of this Agreement with respect to specific functional areas. To ensure overall coordination and administration of this Agreement on a consistent basis, the Coordinators and sub-coordinators shall report to each other regarding any ongoing implementation issues, including any disputes. Either Party may change its designated Coordinator or sub-coordinators upon written notice to the other Party. The Coordinators and sub-coordinators shall communicate with each other on an as-needed basis, including participating in a telephone conference regarding the Transition Services at least once a month, with specific sub-coordinators designated to meet more frequently.

Section 1.7 Cooperation. Each Party will perform all of its obligations under this Agreement in good faith and reasonably cooperate with the other Party in all matters relating to the provision and receipt of the Transition Services in order to facilitate the provision and receipt of the Transition Services and effect a smooth and orderly transition of the Transition Services provided hereunder. Each Party shall provide updates to the other Party regarding the achievement of key transition milestones or any delays or expected delays with respect to transitioning any Transition Service by the expiration of the applicable service period for such Transition Service. The Parties will reasonably cooperate with each other in making information available as needed in the event of any and all internal or external audits, including regulatory audits. From time to time after the date hereof, each Party shall use reasonable efforts to take, or cause to be taken, all appropriate action, do or cause to be done all things reasonably necessary, proper or advisable under applicable Requirements of Law, and execute and deliver such documents as may be required or appropriate to carry out the provisions of this Agreement and to consummate, perform and make effective the transactions contemplated hereby.

Section 1.8 Subcontracting; Third-Party Warranties.

(a) Subject to any limitations expressly set forth in Exhibit A, Service Provider may in its discretion provide the Transition Services either through its own resources or the resources of its Affiliates or by contracting with third-party subcontractors (each a

"Subcontractor") consistent with Service Provider's practices in rendering such services for its own utility Affiliates' operations. Notwithstanding the foregoing, (i) such delegation or subcontracting shall not relieve Service Provider of any of its obligations under the Agreement and (ii) Service Provider shall be responsible for the actions or inactions of its Affiliates, and for the Specified Subcontractor Acts (as defined below), to the same extent it would have been responsible had Service Provider itself provided or failed to provide the applicable Transition Services (or portion thereof). Except as set forth on Exhibit A, to the extent Service Provider has during the twelve (12) months prior to the Closing provided certain services to Rover through Service Provider's own resources or the resources of its Affiliates, Service Provider shall use commercially reasonable efforts to maintain such practice with respect to the same Transition Services, except (A) as consistent with changes in Service Provider's practices in rendering similar services for its own utility Affiliates operations, (B) for changes to adjust for personnel that previously supported such services being hired by or transferred to Rover, Pluto or their Affiliates or (C) for changes that otherwise satisfy a legitimate business purpose, so long as such change does not materially adversely impact Rover's receipt of the applicable Transition Service. In the event Service Provider fails to comply with the preceding sentence in contracting with a Subcontractor to provide Transition Services, Service Provider shall be responsible for the actions or inactions of such Subcontractor in providing the applicable Transition Service (or portion thereof) that Service Provider previously provided through its own resources or the resources of its Affiliates during the twelve (12) months prior to the Closing (such actions or inactions, the "Specified Subcontractor Acts") in accordance with clause (ii) above.

(b) Notwithstanding Section 1.8(a), to the extent that a Subcontractor is performing Transition Services: (i) Service Provider's sole liability (other than with respect to Specified Subcontractor Acts) shall be to transfer or otherwise pass through to Rover the benefit of any warranties or remedies available under Services Provider's contracts with such Subcontractor in a manner that is equitable given the value of services, goods, inventory or equipment received by Rover; and (ii) Service Provider shall negotiate such contracts with Subcontractors that perform Transition Services using the same degree of care and skill as it utilizes in negotiating similar contracts for its own utility Affiliates' operations, and in any event, using Good Utility Practice, including with respect to the negotiation of available warranties and remedies.

Section 1.9 Third-Party Consents. This Agreement shall not constitute an agreement by Service Provider to provide any Transition Service or portion thereof if the provision thereof, without the consent of a third party, would constitute a breach of a third party contract or a violation of any Requirements of Law. Service Provider shall use commercially reasonable efforts to timely obtain all third-party consents and licenses necessary to provide the Transition Services to Pluto, Rover or each of its Affiliates, with any out-of-pocket third-party consent fees (collectively, "Consent Expenses") incurred since the date of the Share Purchase Agreement to be borne by Rover. Service Provider shall keep Rover informed of the status of such negotiations and the amount of such Consent Expenses on a reasonably current basis and shall not, without Rover's written consent, incur Consent Expenses in excess of $100,000 individually or $1,000,000 in the aggregate in connection with obtaining any individual or series of related third-party consents or licenses. Rover shall provide assistance as Service Provider may reasonably require to obtain such third-party consents or licenses, including assistance with negotiating the terms of consents with third-party suppliers and, as Service Provider or Rover may request, being

responsible for negotiations with respect to any additional licenses required for Pluto, Rover or their Affiliates to use third-party software. If any such consents or licenses are not obtained, Service Provider shall cooperate with Rover and use commercially reasonable efforts to determine and implement alternative equivalent services, as necessary for the Transition Services to be provided to or obtained by Pluto, Rover or their Affiliates, and Rover shall reasonably cooperate in good faith in connection therewith. To the extent that any such consents or licenses are not obtained or alternative arrangements made by Service Provider, the Parties shall cooperate in good faith to arrange for alternative services from a third-party provider and Service Provider shall, at Rover's request, use commercially reasonable efforts to purchase substantially similar services from a third party provider as a Transition Service (subject to Rover paying the fees and expenses for such Transition Service consistent with ARTICLE II), and shall use commercially reasonable efforts to ensure there is no material disruption to the business operations of Rover.

Section 1.10 Limitation on Transition Services. In connection with the performance of the Transition Services, unless otherwise expressly required to be performed by Service Provider as set forth on Exhibit A or agreed to by the Parties as an Additional Service in accordance with Section 1.3, Service Provider shall have no obligation to (a) upgrade, enhance or otherwise modify any computer hardware, software or network environment currently used by Rover; provided that, subject to the second sentence of Section 1.4, the foregoing clause (a) shall not relieve Service Provider from its obligation to maintain its computer hardware, software or network environment in a manner, consistent with Good Utility Practice, to avoid a material degradation in Transition Services as compared to the functionality provided during the twelve (12) months prior to the Closing; (b) convert from one format to another any data of Rover for use by Rover or any other person in connection with the Transition Services or otherwise, so long as the data and electronic files are readable to Rover through commercially reasonable means; (c) prepare financial statements, financial information or related certifications to be attributed to Service Provider or its Affiliates for incorporation in any reporting required by the U.S. Securities and Exchange Commission; or (d) provide legal advice to Rover or its Affiliates (it being understood that any analysis or recommendations provided by Service Provider or its Affiliates with respect to legal or regulatory matters shall not be construed as legal advice or create any professional client relationship and Rover shall be responsible for obtaining its own legal advice from internal or external legal counsel).

Section 1.11 Operations Protocols. If, from time to time, the Parties reasonably determine any Transition Service, the more general terms of which are set forth on Exhibit A, requires a more detailed operations protocol pursuant to which Service Provider will provide such Transition Service to Rover, the Parties will cooperate in good faith to document the terms of an appropriate operations protocol for such Transition Service, provided that such terms shall be consistent with the terms for such Transition Service as provided on Exhibit A.

ARTICLE II

FEES AND EXPENSES

Section 2.1 Fees for Transition Services. In consideration for receiving the Transition Services, Rover shall pay to Service Provider an amount equal to (a) the Fully Loaded Costs (as defined below) plus (b) a five percent (5%) mark-up on such Fully Loaded Costs (the

"Mark-up"); provided, that the Mark-up shall not be charged on the costs and expenses of third-party services, goods (including gas and electricity sales arranged by Service Provider), inventory or equipment (collectively, "Third-Party Expenses"). For purposes hereof, "Fully Loaded Costs" shall mean fully loaded direct and indirect costs and expenses of providing the Transition Services (including employee salaries, wages, pensions, benefits and health insurance, office supplies and expenses, property insurance, injuries and damages, miscellaneous general expenses, administrative, supervisory and support costs, rents, maintenance of structures and equipment, capital expenditures, depreciation and amortization, payroll and other taxes, and compensation for the use of capital). Subject to the terms of this Agreement, Fully Loaded Costs shall be charged to Rover on the same general basis as has been in effect prior to the date hereof, as may be more specifically set forth on Exhibit A with respect to individual Transition Services. In the event that Rover requests that any Transition Services continue beyond the end of the Transition Period, if Service Provider agrees to provide such Transition Services and the Parties mutually agree to extend the Transition Period, the Mark-up shall be increased by an additional five percent (5%) for the first three (3) months after the expiration of the original Transition Period and thereafter shall be increased by an additional five percent (5%) for each subsequent three (3) month period.

Section 2.2 Invoicing and Payment.

(a) Unless otherwise specified in Exhibit A and subject to Section 2.3, Service Provider shall render to Rover within fifteen (15) days of the beginning of each month an invoice that includes estimates of all fees payable to it and all charges and expenses incurred by it for the then-current calendar month of the Transition Period, itemizing all such fees, charges and expenses in reasonable detail. These estimated amounts subsequently will be adjusted by Service Provider to reflect final amounts and included on the subsequent monthly invoice. Rover shall pay, or cause to be paid, any undisputed amounts set forth in each such invoice from Service Provider within fifteen (15) days after receipt by it of each such invoice. Payment to Service Provider of all invoices in respect of the Transition Services shall be made in United States dollars ($). Neither Party shall offset any amounts owing to it by the other Party or under the Share Purchase Agreement against amounts payable hereunder. Service Provider and Rover shall reasonably cooperate to develop a form of monthly report itemizing the fees, costs and expenses to Rover for each calendar month of the Transition Period to be included with the invoices to be delivered under this Section 2.2(a).

(b) If there is a dispute between the Parties regarding the amounts shown as billed to Rover on any invoice, Rover shall pay the full amount of such invoice that is not in dispute within the time periods set forth herein for such payment, and Service Provider shall, where applicable and practicable, furnish to Rover such additional supporting documentation to substantiate the amounts billed as Rover shall reasonably request. Upon delivery of such additional documentation, the Parties shall cooperate in good faith and use their commercially reasonable efforts to resolve such dispute. If the Parties are unable to resolve such dispute within twenty (20) Business Days after the delivery of such additional supporting documentation by Service Provider or notice from Service Provider that additional supporting documentation will not be provided, as applicable, with respect to a final amount included on an invoice then the dispute shall be referred for resolution to a firm of independent accountants mutually agreed upon in good faith by the Parties in writing (the "Accounting Referee"). If the parties are unable to agree on an Accounting Referee, the matter shall be referred for resolution to KPMG, which will

serve as the Accounting Referee. The Accounting Referee shall be instructed to determine the validity of the disputed amounts within thirty (30) days of the referral of such dispute to the Accounting Referee. The determination of the Accounting Referee shall be binding on the Parties; provided that such determination shall not require Rover to pay more than the amount in dispute (except as provided herein with respect to interest and fees and expenses of the Accounting Referee). The fees and expenses of the Accounting Referee shall be borne by the Parties based on the percentage which the portion of the disputed amount not awarded to each Party bears to the amount actually contested by such Party.

(c) For a period of seven (7) years after the Closing, each Party shall keep and maintain books, records, accounts and other documents related to the provision of the Transition Services consistent with historical practices. Such records shall include receipts, invoices, memoranda, vouchers, inventories, timesheets and accounts pertaining to the Transition Services, as well as complete copies of all written contracts, purchase orders, service agreements and other such written arrangements entered into in connection therewith.

(d) Notwithstanding the payment by Rover of any charges, Rover shall have the right, by written notice given to Service Provider no later than six (6) months following the delivery of the applicable invoice (including any invoice adjusting the applicable estimated amounts to reflect final amounts), to review and contest the charges. Rover shall have the right to audit Service Provider or any of its Affiliate's relevant books, records, documents, accounting practices or internal controls; provided that such audit (i) relates solely to the Transition Services and (ii) shall not unreasonably interrupt the business or operations of Service Provider and its Affiliates. Subject to the foregoing limitations, upon written request by Rover, Service Provider shall, or shall cause its Affiliates to, within a reasonable period of time, provide, at the sole cost and expense of Rover, assistance, records and access reasonably requested by Rover in responding to such audit (including documents related to testing methodologies, test results, audit reports of significant findings, and remediation plans with respect to any material deficiencies in Service Provider's or its Affiliates' internal controls or procedures), to the extent that such assistance, records or access is within the reasonable control of Service Provider or its Affiliates and relates to the Transition Services provided hereunder by Service Provider.

Section 2.3 Taxes.

(a) All charges and fees to be paid by Rover under this Agreement are exclusive of any sales Tax, goods and services Tax, value added Tax or any other similar Tax or assessment that is required to be paid in connection with the Transition Services (each a "Sales and Services Tax", and collectively, "Sales and Services Taxes"). If any Sales and Services Taxes are assessed on the provision of any Transition Services under this Agreement, (i) Service Provider shall deliver to Rover an invoice (or other valid and customary documentation) reflecting such Sales and Services Taxes in accordance with applicable Requirements of Law, (ii) Rover shall pay to Service Provider the amount shown as due on such invoice in accordance with Section 2.2, and (iii) Service Provider shall timely remit to the applicable Governmental Authority any Sales and Services Taxes that are paid by Rover to Service Provider pursuant to clause (ii) hereof or that are otherwise required to be collected and remitted to the applicable Governmental Authority under applicable Law; provided that, for the avoidance of doubt, except to the extent reflected in Fully Loaded Costs charged pursuant to Section 2.1, each of Rover and Service Provider shall be

responsible for (A) any real or personal property Taxes on property it owns or leases, (B) franchise, margin, privilege and similar Taxes on its business, (C) the employment Taxes or contributions imposed on it or required from it with respect to its employees and (D) Taxes based on its income, gross receipts or capital.

(b) Notwithstanding any other provision in this Agreement to the contrary, Rover and each of its Affiliates shall be entitled to deduct and withhold (or cause to be deducted and withheld) from amounts otherwise payable to any person pursuant to this Agreement such amounts as it is required to deduct and withhold with respect to the making of such payment under any provision of any U.S. federal, state, local or non-U.S. Tax law ("Withholding Taxes"). To the extent that amounts are so withheld by Rover or any of its Affiliates and remitted to the appropriate Governmental Authority, such withheld and remitted amounts shall be treated for all purposes of this Agreement as having been paid to the relevant person in respect of which such deduction and withholding was made. Each of the Parties agrees to use reasonable best efforts to mitigate the imposition of any Withholding Taxes.

(c) Rover shall be entitled to any refund of any Sales and Services Tax for which it is responsible under this Section 2.3, and if Service Provider or any of its Affiliates receives a refund of such Sales and Services Taxes borne by Rover, Service Provider shall remit, or cause to be remitted, to Rover within ten (10) days, the amount of such refund.

(d) Each Party shall, and shall cause its Affiliates to, reasonably cooperate with the other Party (in accordance with Section 1.7) in connection with (i) mitigating the imposition of any Sales and Services Taxes required to be paid or collected, including by the provision of documentation necessary to support Sales and Services Tax exemptions, and (ii) the reporting of, or any audit, assessment, refund, claim or proceeding relating to, any such Sales and Services Taxes, including by the provision of information or data (including any resale certificate, other exemption certificates, and information regarding out-of-state use of materials, services or sale) as reasonably requested from time to time. Each Party shall promptly notify the other Party of any material deficiency claim or similar notice by a Governmental Authority connected to the provision of any Transition Services under this Agreement.

(e) Notwithstanding anything to the contrary contained in this Agreement, this Section 2.3 shall survive expiration or termination of this Agreement.

Section 2.4 No Right to Suspend Performance; Interest.

(a) Neither Party shall suspend the performance of its obligations hereunder notwithstanding any dispute that may be pending between the Parties or their Affiliates, whether under this Agreement or otherwise. If it is mutually agreed by the Parties or otherwise determined pursuant to Section 2.2 that Service Provider has incorrectly invoiced or billed Rover for excess fees or insufficient fees, as applicable, Service Provider shall remit any excess amounts to Rover or Rover shall remit such insufficient amount, in each case, within fifteen (15) days following such determination.

(b) Any amounts payable by a Party to the other Party shall accrue interest at a rate of [•]% per annum as of the date payment was due until the date such payment is

made. Neither Party may deduct from or set off against any amounts such Party or any Affiliate of such Party may owe to the other Party or its Affiliates.

ARTICLE III

TERM AND TERMINATION

Section 3.1 Duration of the Transition Services.

(a) Each Transition Service described in Exhibit A shall continue until the earlier of (i) the expiration of the applicable service period for such Transition Service set forth in Exhibit A, (ii) the termination of this Agreement, and (iii) such time as Rover terminates such Transition Service in accordance with Section 3.1(b).

(b) Rover may terminate all or a portion of any Transition Service that is being provided by Service Provider, subject to any limitations on the termination of individual Transition Services described in Exhibit A, upon written notice to Service Provider identifying the Transition Service to be terminated and the effective date of termination, which date shall not be earlier than ninety (90) days after receipt of such notice unless either (i) Service Provider otherwise agrees or (ii) Rover reimburses Service Provider for Service Provider's incremental costs in connection with such earlier termination along with payment of all remaining Fully Loaded Costs in accordance with Section 2.1 that Service Provider cannot reasonably eliminate for the period beginning on the the effective date of termination until the ninetieth (90th) day after receipt of such notice. Effective upon the termination of such Transition Service, Service Provider shall have no further obligation under this Agreement to provide such Transition Service and the fees associated with such Transition Service shall be equitably reduced to reflect the removal of the terminated Transition Services (if such terminated Transition Services are not reasonably required to be performed by Service Provider to continue to provide other Transition Services that are not terminated in accordance herewith to Rover) with respect to any period commencing on or after the effective date of such termination.

Section 3.2 Effectiveness; Term. The effectiveness of this Agreement and the Parties' rights and obligations hereunder is conditioned upon the occurrence of the Closing under the Share Purchase Agreement. The term of this Agreement (the "Transition Period") shall commence upon Closing and end, subject to earlier termination, on the earlier of (a) [●][1] and (b) the cessation by Rover of the purchase of all of the Transition Services under this Agreement. Upon the termination of the Share Purchase Agreement, this Agreement shall immediately and automatically terminate and shall be of no further force and effect, and the Parties shall have no rights or obligations hereunder from and after any such termination.

Section 3.3 Termination for Material Breach. Rover may terminate this Agreement or any specific Transition Service upon any material breach of this Agreement by Service Provider that remains uncured for thirty (30) days after written notice thereof. Service Provider may terminate its obligations to provide any Transition Service if Rover fails to pay any sum due and payable to Service Provider with respect to such Transition Services within

[1] NTD: To insert the two-year anniversary of the Closing Date.

fifteen (15) days after written notice thereof of such failure to pay a payment when due, unless such amount is being disputed by Rover in good faith in accordance herewith.

Section 3.4 Survival. Notwithstanding any termination or expiration of this Agreement (whether terminated by Service Provider or Rover) or any Transition Service, each Party will remain liable to the other Party for the payment of fees and expenses accruing to the other Party for the period prior to such termination or expiration even though such fees may not become due until after termination or expiration. Further, the provisions of Section 2.3 (Taxes), Section 2.4(b) (Interest), Section 4.1 (Confidentiality), Section 4.2 (Disclosure of Confidential Information), Section 4.3 (Ownership of Intellectual Property), Section 4.4 (Non-Solicitation; Offers of Employment), Article V (Limitation of Liability; Indemnification; Disclaimer of Warranty) and Article VI (Miscellaneous) shall survive any termination or expiration of this Agreement or any Transition Service.

ARTICLE IV

CONFIDENTIALITY AND INTELLECTUAL PROPERTY; ADDITIONAL AGREEMENTS

Section 4.1 Confidentiality. All confidential or proprietary information or documentation, regardless of its form ("Confidential Information"), of either Party which is disclosed to, is acquired by or comes into the possession of, the other Party through operation of this Agreement shall be held in confidence by the other Party (including its Affiliates) and shall be protected against unauthorized disclosure to the same extent and in the same manner as such Party protects its own confidential or proprietary information of like nature. Neither Party shall disclose, publish, release, transfer or otherwise make available Confidential Information of the other Party in any form to, or for the use or benefit of, any person or entity, or duplicate or reproduce the same, without such other Party's prior written approval. Each Party shall, however, be permitted to disclose relevant aspects of the other Party's Confidential Information to its officers, agents, employees and authorized representatives and to the officers, agents, employees and authorized representatives of its Affiliates, only to the extent that such disclosure is reasonably necessary to the performance of its duties and obligations under this Agreement; provided, that such Party shall take all reasonable measures to ensure that Confidential Information of the other Party is not disclosed or duplicated in contravention of the provisions of this Agreement by any such officer, agent, employee or authorized representative (it being understood that each Party shall be responsible for any breach of such Party's obligations caused by the acts or omissions of its Affiliates, officers, agents, employees or authorized representatives). Notwithstanding the foregoing, information of a Party disclosed to the other Party shall not be deemed Confidential Information if such information (a) is at the time of such disclosure in the public domain, or thereafter comes into the public domain from a third party and through no fault of the receiving Party; (b) can be demonstrably shown to have been in the possession of the receiving Party at the time of disclosure by the disclosing Party or to have been independently developed by the receiving Party; or (c) shall have become legally available to the receiving Party from a third party having no obligation of confidentiality with respect thereto. To the extent practicable, upon request of any disclosing Party, the other Party will, and will cause its Affiliates, agents and authorized representatives to, promptly return to such disclosing Party (or, if requested by the disclosing Party, destroy) all copies of the Confidential Information received from the disclosing Party and will destroy all memoranda, notes and other writings prepared by such Party based on the Confidential

Information. No Party shall use Confidential Information for any purpose other than in connection with performing its obligations under this Agreement. The rights and obligations of the Parties hereunder with respect to any Confidential Information disclosed or obtained prior to termination shall survive for a period of three (3) years following any termination or expiration of this Agreement.

Section 4.2 Disclosure of Confidential Information. Notwithstanding Section 4.1, either Party may disclose Confidential Information in the following circumstances (or as otherwise provided by the provisions of this Agreement): (a) in response to a court order or formal discovery request, (b) in compliance with the order of any governmental or regulatory authority of competent jurisdiction (including a reasonable request by a Governmental Authority), or (c) as otherwise required by applicable Requirements of Law; provided, in each such case, that the disclosing Party may only disclose such information if (i) it shall first have used commercially reasonable efforts to obtain, and, if practicable, shall have afforded the other Party the opportunity to obtain, an appropriate protective order or other satisfactory assurance of confidential treatment of the information required to be so disclosed, and (ii) if such protective order or other remedy is not obtained, or the other Party waives such person's compliance with the provisions of this Section 4.2, it will only furnish that portion of the Confidential Information which is legally required to be so disclosed.

Section 4.3 Ownership of Intellectual Property. Except as expressly set forth in this Agreement, no provision of this Agreement is intended to, or will, (a) assign or otherwise transfer any title in any goods, equipment or software, or any associated Intellectual Property rights, from any Party to any Party, or (b) assign any contract, or rights under contracts, from any Party to any other Party. Notwithstanding any materials, deliverables or other products that may be created or developed by Service Provider or its Affiliates during the Transition Period, no title, right or interest in such related Intellectual Property shall be obtained by Rover, unless Service Provider specifically agrees otherwise in response to a request from Rover. All rights not expressly granted in this Agreement by a Party are expressly reserved to such Party and its licensors and information, content and software providers. Notwithstanding the foregoing, solely to the extent required for the provision or receipt of the Transition Services (as applicable) in accordance with this Agreement, each Party (the "Licensor"), for itself and on behalf of its Affiliates, hereby grants to the other party (the "Licensee") (and the Licensee's Affiliates) a non-exclusive, non-transferable (other than in accordance with Section 6.4), royalty-free, worldwide license to use the Intellectual Property rights (and any and all improvements, modifications, enhancements or derivative works thereof) of the Licensor only to the extent and for the duration necessary for the Licensee to provide or receive (as applicable) the applicable Transition Services under this Agreement. Upon the expiration or termination of a Transition Service in accordance with this Agreement, the license to the relevant Intellectual Property rights shall automatically and immediately terminate, and all licenses granted hereunder shall automatically and immediately terminate upon the expiration or earlier termination of this Agreement in accordance with the terms hereof.

Section 4.4 Non-Solicitation; Offers of Employment. For the duration of the Transition Period and for a period of one year thereafter, neither Rover, nor any of its Affiliates or Representatives shall, directly or indirectly, solicit for employment or hire any employee of Service Provider or its Affiliates or otherwise initiate any offer or promise of employment with any employee of Service Provider or its Affiliates without Service Provider's prior written consent;

provided, that this prohibition does not apply to solicitations or hiring as the result of solicitations made to the public or the industry generally, and Rover is not prohibited from employing any such individual who (a) ceases to be employed by Service Provider or any of its Affiliates or (b) reaches out to Rover on his or her own initiative, in either case without prior solicitation or encouragement to terminate such employment from Rover or its Affiliates or Representatives in violation of this Agreement, provided, further, that during the Transition Period, Pluto, Rover or one of their Affiliates may (but shall not be required to) offer employment to one or more of the TSA Employees as permitted by Section 6.9(a)(vi) of the Share Purchase Agreement.

Section 4.5 Security, Privacy and Data Use. If Rover or any of its Affiliates gains access to Service Provider's, or any of its Affiliates' computer, electronic or data storage systems in connection with Service Provider's provision of the Transition Services, Rover shall use such access solely for the purpose of using the Transition Services. Rover shall (a) limit such access to Rover's employees who reasonably require such access in connection with the Transition Services being used, and (b) follow Service Provider's security, privacy and data use rules and procedures regarding the use of Service Provider's computer, electronic or data storage systems of which Rover has been informed and is given reasonable advance notice.[2] Any employees, contractors or other representatives of Rover or any of its Affiliates gaining access hereunder shall as a condition precedent to gaining such access or use be directed to comply with the procedures that Service Provider requires for third party access pursuant to Service Provider's security, privacy and data use rules and procedures of which Rover has been informed and is given reasonable advance notice. All user names and passwords disclosed to, or discovered by, Rover and any information of Service Provider or its Affiliates obtained by Rover or its Affiliates as a result of Rover's access to Service Provider's computer, electronic or data storage systems (other than Rover's Confidential Information) shall be deemed to be, and shall be treated as, Service Provider's Confidential Information.

Section 4.6 Newquay Guarantee. Newquay shall cause Service Provider to comply with all Service Provider's agreements, covenants and obligations under this Agreement and hereby unconditionally and irrevocably guarantees to Rover the full and complete performance of all of Service Provider's agreements, covenants and obligations under this Agreement on a timely basis, including the due and punctual payment by Service Provider of Service Provider's payment obligations and liabilities under this Agreement (the "Guaranteed Obligations"). The foregoing sentence is an absolute, unconditional and continuing guarantee of the full and punctual discharge and performance of the Guaranteed Obligations. If Service Provider defaults in the discharge and performance of all or any portion of its payment obligations under this Agreement, the obligations of Newquay hereunder shall become immediately due and payable. Newquay hereby waives diligence, presentment, demand of performance, filing of any claim, any right to require any proceeding first against Service Provider, protest, notice and all demands whatsoever in connection with the performance of its obligations set forth in this Section 4.6 or elsewhere in this Agreement.

[2] NTD: Newquay to provide a copy of such existing rules and procedures prior to execution hereof, which shall be subject to revision in the ordinary course.

ARTICLE V

LIMITATION OF LIABILITY; INDEMNIFICATION; DISCLAIMER OF WARRANTY

Section 5.1 LIMITATION OF LIABILITY. EXCEPT IN THE CASE OF ACTUAL FRAUD OR WILLFUL MISCONDUCT, OR AMOUNTS DUE AND PAYABLE PURSUANT TO SECTION 5.2, NEITHER PARTY NOR ANY OF ITS AFFILIATES SHALL BE LIABLE TO THE OTHER PARTY FOR ANY PUNITIVE, INCIDENTAL INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING ANY SUCH DAMAGES FOR LOST REVENUE, INCOME OR PROFITS, DIMINUTION IN VALUE OF THE BUSINESS OR ASSETS OF THE OTHER PARTY OR ANY OF ITS AFFILIATES, ARISING FROM ANY CLAIM RELATING TO THIS AGREEMENT OR ANY OF THE TRANSITION SERVICES TO BE PROVIDED HEREUNDER OR THE PERFORMANCE OF OR FAILURE TO PERFORM SUCH PARTY'S OBLIGATIONS UNDER THIS AGREEMENT, WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, AND REGARDLESS OF WHETHER SUCH DAMAGES ARE FORESEEABLE OR AN AUTHORIZED REPRESENTATIVE OF SUCH PARTY IS ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES. EXCEPT IN THE CASE OF (A) SERVICE PROVIDER'S OR ITS AFFILIATES' WILLFUL MISCONDUCT, GROSS NEGLIGENCE OR ACTUAL FRAUD, (B) WILLFUL MISCONDUCT, GROSS NEGLIGENCE OR ACTUAL FRAUD IN THE PERFORMANCE OF A SPECIFIED SUBCONTRACTOR ACT BY THE APPLICABLE SUBCONTRACTOR OR (C) INDEMNIFICATION CLAIMS UNDER Section 5.2, THE AGGREGATE DAMAGES FOR ANY CAUSE WHATSOEVER FOR WHICH SERVICE PROVIDER SHALL BE LIABLE UNDER THIS AGREEMENT SHALL NOT EXCEED THE TOTAL OF ALL FEES RECEIVED BY SERVICE PROVIDER UNDER THIS AGREEMENT (EXCLUDING, FOR THE AVOIDANCE OF DOUBT, ANY THIRD-PARTY EXPENSES) IN THE [TWELVE (12) MONTH] PERIOD IMMEDIATELY PRECEDING THE DATE OF THE APPLICABLE EVENT OR ACTION GIVING RISE TO SUCH DAMAGES.

Section 5.2 Indemnification.

(a) Rover shall indemnify Service Provider and each of its Affiliates from, and defend and hold Service Provider and each of its Affiliates harmless from and against, any and all damages, losses, liabilities, costs and expenses (including reasonable fees and expenses of counsel) (collectively referred to as "Damages") paid to third parties in connection with any claims arising from or relating to this Agreement or the Transition Services, except to the extent that such Damages are the direct result of Service Provider's or its Affiliates' (i) gross negligence or willful misconduct or (ii) breach of Section 4.1 or Section 4.2 of this Agreement.

(b) Service Provider shall indemnify Rover and each of its Affiliates from, and defend and hold Rover and each of its Affiliates harmless from and against, any and all Damages paid to third parties in connection with any claims arising from or relating to this Agreement or the Transition Services to the extent that such Damages are the direct result of Service Provider's or its Affiliates' (i) gross negligence or willful misconduct or (ii) breach of Section 4.1 or Section 4.2 of this Agreement.

Section 5.3 Indemnification Procedures. The provisions of Section 10.4 of the Share Purchase Agreement shall govern the procedures for indemnification under this Article V; provided that each reference in Section 10.4 of the Share Purchase Agreement to Article X of the Share Purchase Agreement shall be deemed a reference to this Article V.

Section 5.4 Claims. Should either Party or its Affiliates be named as defendant in any third-party claim or cause of action arising out of or relating to the Transition Services, the Parties will reasonably cooperate with each other in the joint defense of their common interests to the extent permitted by law.

Section 5.5 LIMITED WARRANTY; DISCLAIMER OF WARRANTIES.

(a) EXCEPT AS OTHERWISE PROVIDED HEREIN, THE TRANSITION SERVICES ARE FURNISHED AS IS, WHERE IS, WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR ANY IMPLIED WARRANTY OF NON-INFRINGEMENT.

(b) SERVICE PROVIDER IS ACTING AS ROVER'S PURCHASING AGENT OR OTHERWISE AS A RESELLER WITH RESPECT TO ALL THIRD PARTY SERVICES, GOODS, INVENTORY AND EQUIPMENT PROVIDED HEREUNDER BY THIRD PARTIES OTHER THAN SERVICE PROVIDER'S AFFILIATES, AND, AS SUCH, DOES NOT PROVIDE ANY WARRANTY FOR SUCH THIRD PARTY SERVICES, GOODS, INVENTORY OR EQUIPMENT PROVIDED TO ROVER HEREUNDER. ALL SUCH THIRD PARTY SERVICES, GOODS, INVENTORY AND EQUIPMENT ARE PROVIDED AS IS, WHERE IS, WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR ANY IMPLIED WARRANTY OF NON-INFRINGEMENT. ROVER'S SOLE REMEDY IN CONNECTION WITH ANY DEFECTS IN OR FAILURES OF SUCH THIRD PARTY SERVICES, GOODS, INVENTORY OR EQUIPMENT (WHETHER A CLAIM FOR SUCH DEFECT ARISES UNDER CONTRACT, TORT, STRICT LIABILITY, STATUTE, OR ANY OTHER LEGAL OR EQUITABLE THEORY OR PRINCIPLE INCLUDING NEGLIGENCE) SHALL BE TO SEEK RECOURSE EXCLUSIVELY FROM THE COUNTERPARTIES TO THE THIRD PARTY CONTRACTS, UNLESS THE DEFECT WAS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SERVICE PROVIDER OR ITS AFFILIATES. ROVER SHALL PASS THESE TERMS TO SUBSEQUENT BUYERS AND USERS OF GOODS, INVENTORY AND EQUIPMENT.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Force Majeure. No Party shall be liable or deemed to be in breach of or default under this Agreement or any provisions thereof to the extent resulting from any delay or failure in performance under this Agreement resulting from acts of God, civil or military authority, acts of a public enemy, war, terrorism, fires and explosions (other than to the extent

resulting from the gross negligence or willful misconduct of a Party), earthquakes, floods, the elements, pandemics (including the COVID-19 virus or any COVID-19 Measures), labor disputes, strikes, lockouts, disruption of supplies or transportation, delays by unaffiliated suppliers or carriers (to the extent delayed by a force majeure event with respect to such supplier or carrier), and acts, omissions or delays in acting by any Government Entity, impossibility due to operation of Requirements of Law (including without limitation by decree of a court of competent jurisdiction) or any cause beyond the Party's reasonable control (each, a "Force Majeure Event"); provided that (a) the foregoing may not be raised as a defense or excuse for the failure of Rover to pay any amount due and payable to Service Provider pursuant to this Agreement and (b) in connection with the delay, reduction or failure in, or suspension or resumption of, performance of the Transition Services, Service Provider shall treat Rover on a non-discriminatory basis as compared to Service Provider's utility Affiliates. Upon the occurrence of a Force Majeure Event, the affected Party shall promptly give written notice to the other Party of the Force Majeure Event upon which it intends to rely to excuse its performance, and of the expected duration of such Force Majeure Event. The duties and obligations of such Party hereunder shall be tolled for the duration of the Force Majeure Event, but only to the extent that the Force Majeure Event prevents such Party from performing its duties and obligations hereunder. During the duration of a Force Majeure Event, the affected Party shall use commercially reasonable efforts to avoid, mitigate, remedy or remove such Force Majeure Event as promptly as practicable and resume its performance under this Agreement with the least practicable delay.

Section 6.2 Incorporation by Reference. Sections 11.1, 11.2, 11.8 and 11.11 of the Share Purchase Agreement are hereby incorporated by reference in this Agreement in all respects as though fully set forth herein. In the event of a conflict between any provision contained herein and Sections 11.1, 11.2, 11.8 and 11.11 of the Share Purchase Agreement, the provision of the Share Purchase Agreement shall supersede and replace such conflicting provision of this Agreement.

Section 6.3 Notices. Except as otherwise provided in this Agreement, all notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and, in the case of delivery in person or by overnight courier, shall be deemed to have been duly given upon receipt) by delivery in person or overnight courier to the respective Parties at the following addresses, delivery by electronic mail transmission to the respective Parties at the following email addresses, or at such other address or email address for a Party as shall be specified in a notice given in accordance with this Section 6.3; provided, however, that delivery by electronic mail transmission shall be deemed to have been duly given upon receipt only if promptly confirmed by reply electronic mail transmission or telephone:

If to Rover:

The Narragansett Electric Company
[●]
Attn: [●]
Email: [●]

If to Service Provider:

National Grid USA Service Company, Inc.
[●]
Attn: [●]
Email: [●]

Section 6.4 Successors and Assigns; No Third-Party Beneficiaries. Subject to the terms of this Section 6.4, this Agreement and all its provisions shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns. Nothing in this Agreement, whether expressed or implied, will confer on any Person, other than the Parties or their respective permitted successors and assigns, any rights, remedies or liabilities; provided that the provisions of Article V will inure to the benefit of the Affiliates of the indemnified Party. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party and any purported assignment without such consent shall be void.

Section 6.5 Independent Contractors; No Relationship. The Parties to this Agreement are independent contractors. Neither Party hereto is an agent or representative of the other Party. Nothing in this Agreement shall be deemed to create a partnership, joint venture or other relationship between or among any of the Parties (other than a vendor-customer relationship), including their Affiliates, employees, officers, directors or agents. In no event shall either Party's personnel be deemed to be employees of the other Party.

Section 6.6 Governing Law. This Agreement, and all claims or causes of action (whether at law, in contract or in tort) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance hereof, shall be governed by and construed in accordance with the Requirements of Law of the State of Delaware, without regard to any choice or conflict of law principles or rules (whether of the State of Delaware or any other jurisdiction) that would mandate or permit the application of the Requirements of Law of any jurisdiction other than the State of Delaware.

Section 6.7 Jurisdiction; Venue; Specific Performance; Waiver of Trial by Jury.

(a) Each Party agrees that all claims arising out of or in connection with this Agreement shall be brought in the United States District Court for the District of Delaware or, if under applicable Requirement of Law exclusive jurisdiction is vested in state courts, in the Chancery Courts of the State of Delaware located in Wilmington, Delaware. In connection with any action or proceeding in any such court, each Party (i) consents to the service of process or other papers in connection with such action or proceeding in the manner provided in Section 6.3 or in such other manner as permitted by Requirements of Law, (ii) submits with regard to any such action or proceeding, generally and unconditionally, to the personal jurisdiction of any such court, and (iii) irrevocably waives, to the fullest extent permitted by Requirements of Law, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement in such court, any claim that the suit, action or proceeding in any such court is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper, or that this Agreement, or the subject matter hereof, may not be enforced in or by such court pursuant to this Section 6.7.

(b) The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, the Parties acknowledge and agree that, to prevent breaches or threatened breaches by the Parties of any of their respective covenants or obligations set forth in this Agreement and to enforce specifically the terms and provisions of this Agreement, the Parties shall be entitled to seek an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled in law or in equity. In connection with any request for specific performance or equitable relief by any Party, each of the other Parties waives any requirement for the security or posting of any bond in connection with such remedy.

(c) EACH PARTY HEREBY WAIVES ITS RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR THE TRANSACTIONS TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, OR ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY HERETO (i) CERTIFIES THAT NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF ANY LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 6.7.

Section 6.8 Entire Agreement. This Agreement, including Exhibit A and Exhibit B, together with the Share Purchase Agreement and all annexes and exhibits hereto and thereto, embody the entire agreement of the Parties with respect to the subject matter hereof and supersede all prior agreements with respect thereto.

Section 6.9 Consents; Waivers; Amendment. All waivers and consents given hereunder shall be in writing. No waiver by any Party of any breach or anticipated breach of any provision hereof by any other Party shall be deemed a waiver of any other contemporaneous, preceding or succeeding breach or anticipated breach, whether or not similar. Except as provided in this Agreement, no action taken pursuant to this Agreement, including any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance by any other Party with any representations, warranties, covenants or agreements contained in this Agreement. The failure of any Party to assert any rights under this Agreement or otherwise shall not constitute a waiver of such rights. Any amendment to this Agreement shall be in writing and signed by both Parties.

IN WITNESS WHEREOF, the Parties have caused this Transition Services Agreement to be duly executed as of the date first written above.

THE NARRAGANSETT ELECTRIC COMPANY

By _____
Name:
Title:

NATIONAL GRID USA SERVICE COMPANY, INC.

By _____
Name:
Title:

NATIONAL GRID USA
(solely with respect to Section 4.6)

By _____
Name:
Title:

Schedule 2.2

Rover Applicable Accounting Principles

PART A
Balance Sheet Principles

The Rover Estimated Closing Statement and Rover Final Closing Statement (for purposes of this Schedule, each a "Statement") shall be drawn up using:

(a) the accounting principles and policies specifically set out below (the "Specific Policies");

(b) to the extent not addressed in clause (a), the same accounting policies, principles, procedures, rules, practices, methodologies (including in respect of the exercise of management judgement), categorizations and definitions applied in the preparation of the Rover Audited Financial Statements; and

(c) to the extent not addressed in clauses (a) and (b), GAAP in effect as of the date of the Rover Audited Financial Statements.

For the avoidance of doubt, clause (a) shall take precedence over clauses (b) and (c), and clause (b) shall take precedence over clause (c).

An illustrative example calculation of the Rover Adjustment Amount is set forth in Part B hereto.

Specific Policies

1. The Rover Estimated Closing Statement and Rover Final Closing Statement (collectively, the "Statements") shall be prepared as of the Effective Time (and without giving effect to the Transactions).

2. The Statements shall be prepared from the nominal ledgers of Rover as if the Effective Time is the end of an accounting and Tax period, including performance of all normal year-end "close the books" processes and accounting procedures (including balance sheet reconciliations with unreconciled differences being written off).

3. The Statements shall be prepared so as to only take account of events taking place after the Effective Time if they are "recognized subsequent events" (as defined in FASB Accounting Standards Codification Topic 855) and only having regard to information available to the Parties up until the date on which the Rover Final Closing Statement is delivered by Newquay to Pluto and only where such information provides evidence of conditions existing at the Effective Time.

4. The Statements shall be prepared on the basis that Rover is a going concern and shall exclude the effect of any change in applicable Requirement of Law or GAAP after the Effective Time and of any change of control or ownership of Rover and will not take into

account the effects of any post-Closing reorganizations by Rover or Pluto or any post-Closing actions, intentions or obligations of Rover or Pluto.

5. The provisions of this Schedule 2.2 and the definitions used herein shall be interpreted so as to avoid double counting (whether positive or negative) of any item to be included in Rover Closing Net Working Capital or Rover Closing Net Indebtedness in the Statements.

6. The Statements will be prepared in U.S. Dollars. All amounts shall be calculated and expressed in U.S. Dollars.

7. Rover Closing Net Working Capital, Rover Closing Indebtedness and Rover Closing Net Indebtedness shall exclude the regulatory liability related to the cost of removal of any tangible fixed assets (which, for illustrative purposes, the aggregate liability therefor set forth in the illustrative example calculation of the Rover Adjustment Amount in Part B hereto was $223 million).

8. The Statements shall be prepared so as to include no provision, accrual or other liability in respect of any matter which is the subject of indemnification in favor of Pluto or Newquay or is otherwise being settled by Newquay or one of its Affiliates under the terms of this Agreement or the Transition Services Agreement.

9. No minimum materiality limits shall be applied in the preparation and review of the Statements.

10. In the event of any inconsistency between the illustrative example calculation of the Rover Adjustment Amount in Part B hereto and the definitions in the Agreement and the Specific Policies set forth in this Part A, the definitions in the Agreement and the Specific Policies set forth in this Part A shall govern.

11. Rover Closing Net Working Capital shall include an increase for any non-current commodity derivative assets and a decrease for any non-current commodity derivative liabilities. In addition, Rover Closing Net Working Capital shall include a decrease or increase (as applicable) for (i) IBNR, workers' compensation or other insurance related reserves or assets, and (ii) FAS 112 liabilities or assets, in each case included in other long term liabilities or other long term assets and calculated in accordance with clause (b) of Part A of this Schedule 2.2.

12. Except as expressly set forth in any other Specific Policy, Rover Closing Net Working Capital, Rover Closing Cash, Rover Closing Indebtedness and Rover Closing Net Indebtedness shall not include any liabilities (whether current or non-current) in respect of any of the following:

    a. environmental remediation costs and other environmental exposures (including regulatory liabilities in respect of such items);

    b. decommissioning and asset retirement obligations (including regulatory liabilities in respect of such items);

c. employee pension and post-retirement benefits; and

d. liabilities in respect of income Taxes (including any regulatory liabilities in respect of such items, or any deferred tax liabilities or FIN 48 liabilities). For the avoidance of doubt, the regulatory tax liability set forth in the illustrative example calculation of the Rover Adjustment Amount in Part B for which the equivalent amount at December 31, 2020 was $259 million shall be excluded from Rover Closing Net Working Capital and Rover Closing Net Indebtedness.

13. Except as expressly set forth in any other Specific Policy, Rover Closing Net Working Capital, Rover Closing Cash, Rover Closing Indebtedness and Rover Closing Net Indebtedness, Rover Closing Net Working Capital shall not include any assets in respect of any of the following:

    a. environmental remediation and other environmental exposures (including regulatory assets in respect of such items);

    b. employee pension and post-retirement benefits, including CSV split dollar life insurance policies;

    c. assets in respect of income Taxes (including any regulatory assets in respect of such items); and

    d. unamortized debt issuance costs or other debt issuance discounts.

14. No operating lease liabilities (under ASC 842) nor any liabilities in relation to the Deepwater PPA shall be included in Rover Closing Net Working Capital, Rover Closing Cash, Rover Closing Indebtedness or Rover Closing Net Indebtedness.

15. In the event of any omission of a category of assets or liabilities from these Specific Policies in Part A or the illustrative example calculation of the Rover Adjustment Amount in Part B hereto, the Parties shall cooperate in good faith to agree on the appropriate categorization of such omitted category of assets or liabilities that will apply for purposes of calculation of the Rover Adjustment Amount, and such categorization shall be in a manner consistent with the categorization of similar assets and liabilities in the Rover Audited Financial Statements.

An illustrative example of Rover Closing Net Working Capital and Rover Closing Net Indebtedness as of December 31, 2020 of this Schedule 2.2 is included in Part B hereto.

PART B
Illustrative Rover Adjustment Amount Calculation

See attached.

Part B of Schedule 2.2: Illustrative Rover Adjustment Amount Calculation

Illustrative mapping as at Dec-20

		Illustrative mapping at 31 Dec-20			
$ in millions	**Dec-20**	**Rover Closing Net Cash**	**Rover Closing Indebtedness**	**Rover Closing Working Capital**	**Other**
Current assets					
Cash and cash equivalents	9	9			
Accounts receivable	282			282	
Allowance for doubtful accounts	(67)			(67)	
Accounts receivable from affiliates	14			14	
Unbilled revenue	82			82	
Inventory	44			44	
Prepayments and other current assets	4			4	
Derivative instruments	3			3	
Derivative instruments	16			16	
Rate adjustment mechanisms	59			59	
Renewable energy certificates	4			4	
Revenue decoupling mechanism	-			-	
Other regulatory current assets	2			2	
Regulatory current assets	81	-	-	81	-
Other current assets	-			-	
Non current assets					
RWIP	233				233
Cost of removal	(233)				(233)
Other PPE	3,426				3,426
PPE (including Cost of Removal liability)	3,426	-	-	-	3,426
Environmental response costs	113				113
Net metering	37			37	
Postretirement benefits	209				209
Storm costs	136			136	
ARO	12				12
Other regulatory non-current assets	33			33	
Regulatory non-current assets	541	-	-	207	334
Goodwill	725				725
Derivative instruments	2			2	
CSV	4				4
RABBI Trust	8				8
Financial investments - Other	-	-			
Financial investments	11	-	-	-	11
Pensions/ OPEB	(0)				(0)
FAS 112	-			-	
Preliminary survey costs	6				6
Other non-current assets	0			0	
Other non-current assets	6	-	-	0	6
Current liabilities					
Accounts payable	(157)			(157)	
Accounts payable to affiliates	(57)			(57)	
Intercompany money pool	129	129			
Current portion of long-term debt	(1)		(1)		
Accrued taxes	(24)			(24)	
Income tax	(8)				(8)
Taxes accrued	(31)	-	-	(24)	(8)
Customer deposits	(12)			(12)	
Interest accrued	(16)		(16)		
Environmental remediation costs	(25)				(25)
Derivative instruments (current liabilities)	(13)			(13)	
Dividends	(0)		(0)		
Pension/OPEB	(0)				(0)
ARO	(0)				(0)
Lease	(6)				(6)
Other current payables	(87)			(87)	
Other current payables	(95)	-	(0)	(87)	(7)
Gas Futures	-			-	
Energy efficiency	(21)			(21)	
Gas cost adjustment	13			13	
Rate adjustment mechanisms	(62)			(62)	
Revenue decoupling mechanisms	(18)			(18)	
Tranmission service	(8)			(8)	
Regulatory current liabilities	(96)	-	-	(96)	-
	-				
Non-current liabilities	-				
ARO	(10)				(10)
Deferred income tax liabilities, net	(378)				(378)
Postretirement benefits	(119)				(119)
Derivative instruments (other liabilities, offset)	(8)			(8)	
FAS112	(5)			(5)	

	FIN48	17				17
	Environmental remediation costs (reg offset)	(90)				(90)
	Lease	(15)				(15)
	Sales tax and sales tax interest	(0)				(0)
	Other payables	(12)			(12)	
Other non-current payables		(105)	-	-	(17)	(88)
	Energy efficiency	(25)			(25)	
	Environmental response costs	(18)				(18)
	Regulatory tax liability, net	(259)				(259)
	Post-retirement	(1)				(1)
	Other non-current regulatory liabilities	(26)			(26)	
Regulatory non-current liabilities		(330)	-	-	(52)	(278)
	Unamortised debt issuance	7				7
	3rd party debt	(1,516)		(1,516)		
Long-term debt		(1,509)	-	(1,516)	-	7
Net assets		**2,328**	**138**	**(1,534)**	**127**	**3,597**
Common stock		(57)				(57)
Preferred stock		(2)				(2)
APIC		(1,436)				(1,436)
AOCI		4				4
Retained earnings		(765)				(765)
Net income		(72)				(72)
Equity		**(2,328)**	-	-	-	**(2,328)**

Rover Closing Net Working Capital (illustrative as at 31 Dec-20)	127
less: Rover Target Net Working Capital	**(109)**
Rover Target Net Indebtedness (illustrative as at 31 Dec-20)	1,448
less: Rover Closing Net Indebtedness (illustrative as at 31 Dec-20)	**(1,396)**
Rover Adjustment Amount	**70**

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "Agreement"), dated as of May 3, 2021, is entered into by and among PPL Energy Holdings, LLC, a Delaware limited liability company ("Pluto"), PPL Corporation, a Pennsylvania corporation ("Pluto Topco"), National Grid USA, a Delaware corporation, ("Newquay") and PPL Rhode Island Holdings, LLC, a Delaware limited liability company ("Pluto RI" and together with Pluto, Pluto Topco and Newquay, the "Parties").

RECITALS

WHEREAS, Pluto, Newquay and (solely with respect to Section 4.10 and Section 6.14) Pluto Topco entered into that certain Share Purchase Agreement, dated as of March 17, 2021 (the "Purchase Agreement"), relating to the purchase of common stock in The Narragansett Electric Company, a Rhode Island corporation;

WHEREAS, Pluto desires for all of Pluto's right, title and interest in, to and under Article I and Sections 3.2(a) and (b) of the Purchase Agreement (the "Specified Sections") to be assigned, conveyed, transferred and delivered to Pluto RI, and Pluto RI desires to assume all of Pluto's liabilities, obligations and commitments under the Specified Sections pursuant to this Agreement; and

WHEREAS, in accordance with Section 11.9 of the Purchase Agreement, no Party (as defined in the Purchase Agreement) may assign its rights or obligations under the Purchase Agreement without the prior written consent of the other Party.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows:

SECTION 1. Capitalized Terms. Capitalized terms used and not otherwise defined herein shall for all purposes of this Agreement, including the preceding recitals, have the respective meanings specified therefor in the Purchase Agreement.

SECTION 2. Assignment and Assumption. Effective as of the date hereof, Pluto does hereby assign, convey, transfer and deliver to Pluto RI all of Pluto's respective right, title and interest in, to and under the Specified Sections and Pluto does hereby assign to Pluto RI all of its liabilities, obligations and commitments under the Specified Sections. Pluto RI hereby accepts the foregoing assignment and expressly assumes, confirms and agrees to perform and observe all of the covenants, agreements, terms, conditions, obligations, duties and liabilities of Pluto under the Specified Sections, including any liabilities, obligations or commitments set forth therein. From and after the date hereof, Pluto RI is and shall be bound by, and shall enjoy the benefits of, the Specified Sections as if Pluto RI had been a party thereto in lieu of Pluto from the original execution and delivery thereof, pursuant to the terms and conditions of the Purchase Agreement.

SECTION 3. Continuing Effectiveness; No Other Amendments. Except for the assignment and assumption of the Specified Sections as expressly provided in this Agreement, all of the terms and conditions of the Purchase Agreement remain in full force and effect and are hereby ratified and confirmed, including Section 6.14 of the Purchase Agreement. For the

hereby ratified and confirmed, including Section 6.14 of the Purchase Agreement. For the avoidance of doubt, in accordance with Section 6.14 of the Purchase Agreement, (i) Pluto Topco shall cause Pluto RI to comply with all of Pluto RI's agreements, covenants and obligations under the Purchase Agreement, and (ii) all of Pluto RI's agreements, covenants and obligations under the Purchase Agreement shall constitute Guaranteed Obligations guaranteed by Pluto Topco.

SECTION 4. Further Assurances. Each of the Parties shall execute and deliver, at the reasonable request of the other Parties, such additional documents, instruments, conveyances and assurances and take such further actions as such other Parties may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

SECTION 5. Entire Agreement. This Agreement, together with the Purchase Agreement, the Island Sale Purchase Agreement, the Transition Services Agreement and the Confidentiality Agreement and all Annexes and Exhibits hereto and thereto, embody the entire agreement of the Parties with respect to the subject matter hereof and supersede all prior agreements with respect thereto.

SECTION 6. Other Terms. The provisions of Article XI of the Purchase Agreement (other than Section 11.6 of the Purchase Agreement) are incorporated herein by reference and shall apply to the terms and provisions of this Agreement and the Parties *mutatis mutandis*.

[*remainder of page intentionally left blank*]

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

PPL ENERGY HOLDINGS, LLC

By: Andrew W. Elmore (May 2, 2021 14:18 EDT)
Name: Andrew W. Elmore
Title: President

PPL CORPORATION

By: Joseph P. Berstein, Jr. (May 2, 2021 09:53 EDT)
Name: Joseph P. Bergstein, Jr.
Title: Executive Vice President
and Chief Financial Officer

NATIONAL GRID USA

By: _____
Name:
Title:

PPL RHODE ISLAND HOLDINGS, LLC

By: Andrew W. Elmore (May 2, 2021 14:18 EDT)
Name: Andrew W. Elmore
Title: President

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

PPL ENERGY HOLDINGS, LLC

By:_____
Name:
Title:

PPL CORPORATION

By:_____
Name:
Title:

NATIONAL GRID USA

DocuSigned by:
By: Keri Sweet Zavaglia
1EB281A7D964417
Name: Keri Sweet Zavaglia
Title: SVP & US General Counsel

PPL RHODE ISLAND HOLDINGS, LLC

By:_____
Name:
Title:

Exhibit 2

Dudkin Testimony

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC, NATIONAL GRID USA,
and THE NARRAGANSETT ELECTRIC COMPANY
Docket No. D-21-__
In Re: Petition for Authority to Transfer Ownership of
The Narragansett Electric Company to
PPL Rhode Island Holdings, LLC and Related Approvals
Witness: Gregory N. Dudkin

PRE-FILED DIRECT TESTIMONY

OF

GREGORY N. DUDKIN

Chief Operating Officer of PPL Corporation

Submitted in support of PPL Corporation, PPL Rhode Island Holdings, LLC,

National Grid USA, and The Narragansett Electric Company's

Petition for Authority to Transfer Ownership of The Narragansett Electric Company

to PPL Rhode Island Holdings, LLC and Related Approvals

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I. Introduction

Q. Please state your full name and business address.

A. My name is Gregory N. Dudkin, and my business address is Two North Ninth Street, Allentown, Pennsylvania 18101.

Q. What is your current position?

A. Effective April 12, 2021, I became Executive Vice President and Chief Operating Officer ("COO") of PPL Corporation ("PPL"). As COO, I oversee all aspects of PPL's operations, including its regulated gas distribution business in Kentucky, its regulated electric transmission and distribution businesses in Pennsylvania and Kentucky, and its generation business in Kentucky. The Presidents of PPL's regulated operating subsidiaries, PPL Electric Utilities Corporation ("PPL Electric Utilities"), Kentucky Utilities Corporation ("KU") and Louisville Gas and Electric ("LG&E") and PPL's Chief Information Security Officer ("CISO") report directly to me. Before becoming COO, I served as President of PPL Electric Utilities for 9 years. PPL Electric Utilities provides electric transmission and distribution service to approximately 1.4 million customers in Pennsylvania.

In my current role, I will have primary responsibility for setting up PPL's Rhode Island operations if the Division of Public Utilities and Carriers (the "Division") approves PPL Rhode Island Holdings, LLC's ("PPL Rhode Island") acquisition of

The Narragansett Electric Company ("Narragansett") from National Grid USA (the "Transaction") under the Share Purchase Agreement dated March 17, 2021 (the "Agreement"). Following approval of the Transaction, the President of Narragansett will report directly to me, and the Vice President of Gas Operations, who will report to the President of Narragansett, will also work directly with me as necessary.

Q. Please describe your educational background and professional experience.

A. I have more than 30 years of experience in telecommunications, electric, and gas utility operations. I joined PPL Electric Utilities in 2009 as Senior Vice President of Operations. I then served as President of PPL Electric Utilities from 2012 until April of 2021, when I became COO of PPL. During my time leading PPL Electric Utilities, we (1) reduced the number of power outages customers experienced by nearly 30 percent; (2) increased customer satisfaction substantially, consistently earning annual customer satisfaction awards; (3) significantly improved operational efficiency, with operations and maintenance costs in 2020 at substantially the same level as they were in 2011; (4) invested more than $10 billion to strengthen grid resilience and advance a cleaner energy future; and (5) strengthened training and programs focused on employee and public safety.

I also have 24 years of wide-ranging electric and gas utility experience at subsidiaries of Exelon Corporation. During my time with Exelon, I served as Executive Vice President of Energy Delivery Operations at Chicago-based Commonwealth Edison and held customer service and electric and gas operations leadership positions at Philadelphia-based PECO Energy Company.

In addition to my electric and gas utility experience, I served as regional Senior Vice President, and then the Senior Vice President of Technical Operations and Fulfillment, at Comcast.

I have a Bachelor's degree in Mechanical Engineering from the University of Delaware and a Master's degree in Business Administration from Widener University in Chester, Pennsylvania.

Q. Do you serve on any boards?

A. Yes. I currently serve on the Board of Directors of the Association of Edison Illuminating Companies and the Lehigh Valley Economic Development Corporation. I am also a member of the Smithsonian Science Education Center National Advisory Board. Additionally, I serve on the Board of the PPL Foundation, which contributes millions each year to improve the lives of people in the communities PPL serves.

Q. Have you previously testified before any public utilities regulators or other governmental bodies on energy issues?

A. Yes. I have testified before public utilities regulators during the course of my career, including the Pennsylvania Public Utilities Commission. I also have testified before legislative bodies regarding proposed legislation that would impact public utilities and their customers.

Q. What is the purpose of your testimony?

A. My testimony supports the petitioners' request that the Division approve PPL Rhode Island's acquisition of Narragansett. Pursuant to the Agreement, PPL Rhode Island, an indirect subsidiary of PPL, will purchase 100 percent of the outstanding common stock in Narragansett from National Grid USA. Specifically, my testimony describes (1) the qualifications of PPL to successfully operate Narragansett's electric transmission and distribution operations and its gas distribution operations in Rhode Island; (2) the expected impact of the transaction on Rhode Island customers; (3) the plan for the integration and transition of Narragansett's operations from National Grid USA to PPL; (4) PPL's specific plans related to Narragansett's electric businesses; and, (5) PPL's plan to contribute to and support the communities served by Narragansett. PPL's plans for the operation of Narragansett's gas business are described in the Pre-Filed Direct Testimony of Lonnie E. Bellar.

Q. The law requires the Division to review the Transaction to ensure that it (1) will not diminish or degrade utility service, and (2) will not harm the public interest, including the interest of Narragansett's customers. Does the Transaction meet this standard?

A. Yes. As demonstrated in my testimony and the testimony of the other witnesses in support of the petition, the Transaction satisfies this standard for many reasons, including the following: First, Narragansett will (1) continue to own and operate the same facilities that are currently used to provide electric and gas distribution service to Rhode Island customers, and (2) continue to employ the same field personnel to operate and maintain those facilities; so there will be no degradation in service or facilities. Second, PPL, like National Grid USA, is an experienced utility operator with an outstanding track record of achieving high levels of service, reliability, and customer satisfaction and therefore it will continue National Grid USA's successful management of Narragansett. Third, Narragansett will continue the best practices already established by National Grid USA and then incorporate the additional experience and expertise presented by PPL, including extensive, industry-leading experience in using smart grid technology to improve reliability and lower costs. That combination of best practices will benefit the customers and the State.

Q. How is your testimony structured?

A. This Section I is the Introduction, which provides an overview of my relevant background. Section II describes PPL's history, experience, and qualifications in operating electric and gas utilities. Section III explains PPL's expectations regarding customer impacts, including future distribution base rates. Section IV provides details about the integration and transition plan for operation of Narragansett's business. Section V discusses PPL's plans related to specific elements of Narragansett's electric operations after the change in control. Section VI provides information about PPL's plans to contribute to and support the communities served by Narragansett. Section VII is the conclusion.

II. PPL's Qualifications

Q. Please provide an overview of PPL's history and its current operations.

A. PPL is headquartered in Allentown, Pennsylvania. It is one of the largest companies in the U.S. utility sector. PPL started as Pennsylvania Power & Light on June 4, 1920, when eight utilities merged into one. PPL expanded in 2010 when it acquired KU and LG&E, and in 2011 when it acquired two additional electric distribution companies in the United Kingdom, adding to the two electric distribution companies already owned by PPL's U.K. subsidiary, Western Power Distribution ("WPD"). The acquisition of LG&E added gas distribution

operations to PPL's portfolio. The Transaction is part of PPL's strategic repositioning as a United States-focused energy company, as PPL has entered into a separate agreement to sell WPD to National Grid Holdings One Plc, an affiliate of National Grid USA.

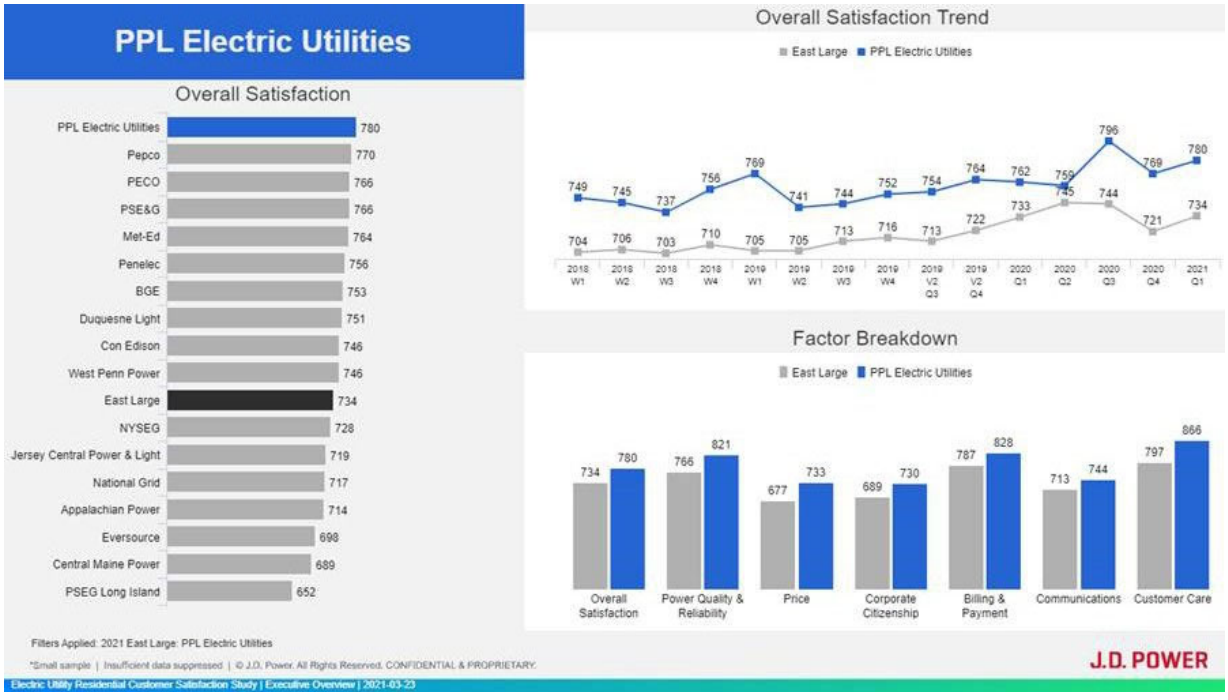
PPL has a strong and secure financial position, and the acquisition of Narragansett and sale of WPD will make that financial position even stronger. In 2020, PPL's operating revenues were about $7.6 billion, and its net income was about $1.4 billion. PPL's market capitalization is about $22 billion. PPL's total assets as of December 31, 2020 were about $48 billion and PPL's regulated U.S. utilities have A1 credit ratings from Moody's and A ratings from Standard and Poor's. PPL Rhode Island will pay the purchase price for the Transaction from a portion of the cash proceeds from the sale of WPD and will not require any debt-financing. The WPD sale is expected to close before the Narragansett acquisition.

Q. Please describe PPL's achievements in and rankings for customer satisfaction.

A. PPL's regulated utilities consistently rank among the industry's best in customer satisfaction. PPL's electric distribution operation in Pennsylvania, PPL Electric Utilities, has received 28 J.D. Power awards for customer satisfaction. In 2020, PPL Electric Utilities ranked highest among large electric utilities in the eastern

U.S. for residential customer satisfaction for the ninth year in a row. And recently, for the first quarter of 2021, J.D. Power again ranked PPL Electric Utilities best in class in overall satisfaction among residential customers in the East Large segment. Figure 1 below shows PPL Electric Utilities' performance from J.D. Power's Residential Study for the first quarter of 2021.

FIGURE 1



In 2020, Escalent awarded PPL Electric Utilities the 2020 Customer Champion of the East Region based on an independent customer survey measuring brand trust, product experience and service satisfaction.

KU also ranked highest in customer satisfaction in 2020 among Midwest Midsize electric utilities for the fifth year and second year in a row with residential and business customers, respectively. In that same survey, LG&E ranked fourth in both categories. In total, LG&E and KU have earned a total of 26 J.D. Power awards.

Q. What is PPL's approach for ensuring reliability and resiliency?

A. PPL's utilities continuously monitor, maintain, and enhance the reliability and resiliency of transformers, power lines, substations, distribution mains, service lines, and other equipment used to distribute electricity and gas to customers. PPL continuously analyzes its infrastructure to identify prudent investments to strengthen it by trimming trees, replacing aging equipment, installing smart grid technology, constructing new lines and substations, installing devices to guard against damage, and assessing flood risks at critical facilities. PPL also pays particular attention to maintaining and enhancing the physical and cyber security of our networks.

As part of this focus on reliability and resiliency, PPL Electric Utilities consistently finds new and innovative ways to deliver energy more safely, reliably and affordably. With each innovation, PPL utilizes the latest data analytics to make targeted investment decisions.

PPL Electric Utilities, for example, has invested in grid automation, including the installation of more than 7,000 smart devices on the electric transmission and distribution networks. PPL Electric Utilities is an industry leader in identifying, developing and deploying smart grid technology, and its power grid is one of the most advanced in the United States. This past September, PPL Electric Utilities recorded its one millionth avoided customer outage because of smart grid technology since 2015. Additionally, LG&E and KU are in the final phase of a $112 million, multi-year initiative to (1) upgrade their advanced distribution management system; (2) extend their data analysis capabilities; (3) integrate more than 1,500 smart devices on their networks; and (4) deploy a new suite of mobile solutions for field workers. These smart grid investments allow PPL's utilities to immediately pinpoint the location of power outages and, in many cases, limit the impacted area and automatically restore service for most of the impacted customers. The ability to quickly pinpoint the outage location also means crews can be deployed sooner to the right location to immediately make any necessary repairs.

PPL also regularly deploys technology to improve efficiency and performance. This past winter, PPL Electric Utilities, in partnership with the regional transmission operator PJM Interconnection, LLC ("PJM"), piloted Dynamic Line

Rating ("DLR") sensors on two transmission lines to determine if the devices could provide real-time information on conditions affecting transmission line performance to better manage congestion and provide PJM with real-time information to optimize performance and make infrastructure investment decisions. The pilot was successful, and, because of information from the DLR sensors, PJM determined that PPL Electric Utilities did not need a new or rebuilt line to manage congestion, saving millions of dollars in line rebuilds.

Q. How have these investments impacted reliability and resiliency?

A. From 2011 to 2019, customer outages for PPL Electric Utilities' customers decreased by 30%. In Kentucky during that time period, customer outages have decreased by 19%. Overall, PPL Electric Utilities has reduced transmission outages by 74% since 2012. For the electric operations of Narragansett, PPL's strategy will be to leverage the systems and processes developed and deployed by PPL across its existing electric and gas operations.

Q. Have these investments significantly increased operational costs and customer rates?

A. No. PPL's commitment to efficient and effective management of its operations has allowed it to make these significant investments for the benefit of customers without increasing operational costs and while maintaining affordable rates for customers. PPL Electric Utilities' operation and maintenance costs in 2020 are

substantially the same level they were in 2011. This has helped the company to maintain rates for our customers that are 27% lower than the average rates in the Mid-Atlantic region.

Q. Has PPL received any awards for its innovation?

A. Yes. In 2019, PPL Electric Utilities won the ReliabilityOne Most Improved Utility Award and the Association of Edison Illuminating Companies award for downed wire technology, a solution that automatically cuts power to downed power lines, improving employee and public safety. This innovation was awarded a U.S. patent in 2020. Also in 2019, PPL Electric Utilities won the Smart Electric Power Alliance's ("SEPA") Investor-Owned Utility of the Year award due to the implementation of our Distributed Energy Resource Management System ("DERMS"). This system dynamically manages distributed energy resources ("DER") connected to PPL Electric Utilities' grid to optimize power quality, while encouraging the adoption of DER like solar. In recent years, PPL Electric Utilities has won numerous Electric Power Research Institute ("EPRI") Technology Transfer awards, which recognize leaders and innovators in our industry who have applied EPRI research to produce significant results for customers. Most recently, PPL Electric Utilities was named ENERGY STAR® partner of the year for 2021 by the Environmental Protection Agency and the

Department of Energy based on energy savings we accomplished through our residential energy efficiency programs.

Q. What is PPL's commitment to renewable energy and the environment?

A. One of PPL's areas of focus is supporting the transition to a cleaner energy future by supporting investments in smarter power grids and advancements in research and development for more sustainable generation. There are four main prongs to our clean energy transition strategy: (1) enabling third party decarbonization, which includes investing in transmission and distribution networks to allow for large-scale connection of DER and delivery of renewable energy to load centers; (2) furthering research and development by investing in new clean energy technologies to eventually achieve net-zero by 2050; (3) decarbonizing our generation assets in Kentucky and building and acquiring renewable projects across the U.S.; and (4) decarbonizing non-generation operations, including reducing company energy use and emissions associated with our electric equipment and delivery of natural gas.

Q. How has PPL acted upon these commitments?

A. PPL has made industry-leading advances in integrating DER, enabling easier, more transparent, and faster renewable choices for customers. The transition to renewable energy resources will require different grid capabilities and data management systems than the traditional energy delivery approach. Instead of

energy coming from centralized bulk power generation exclusively, there will be numerous smaller resources interconnecting at numerous locations creating two-way power flows. To facilitate these additional generation sources that are often behind the meter, utilities must understand how these DER will impact the operation of the electric grid to ensure that the safe and reliable operation of the distribution and transmission system is not impacted. PPL, through smart grid technology, has been able to streamline the process of gathering data about what is needed to safely interconnect these resources and more easily make adjustments to grid operation to accommodate the challenges from distributed renewable resources. Our experience in this area will serve Rhode Island well as the State pursues its clean energy ambitions of net-zero by 2050 and potentially drives for 100% renewable energy by 2030.

PPL's utilities will continue to look for ways to decarbonize further, faster. In 2020, PPL Electric Utilities partnered with EPRI on research related to energy storage, distribution systems, and integration of DER. Meanwhile, LG&E and KU (1) continue operating Kentucky's first and largest utility-scale energy storage system, which provides real-world performance data and allows the company to explore how batteries can improve the inherent intermittency of solar power; (2) are modeling the financial and reliability impact of adding varying amounts of

intermittent solar and wind generation on our network to ensure the company is prepared to accommodate future deployments of renewable generation; and (3) partnered with the University of Kentucky to develop technologies that can capture carbon dioxide from coal generation.

Finally, PPL is one of 18 anchor sponsors for the Low-Carbon Resources Initiative, a unique, international collaborative launched by EPRI and the Gas Technology Institute that spans the electric and gas sectors and aims to achieve net-zero in a safe, reliable and affordable manner by targeting advancements in low-carbon electric generation technologies and low-carbon energy carriers, such as hydrogen, ammonia, synthetic fuels, and biofuels.

Q. New technology means new potential cybersecurity concerns. What is PPL's approach to cybersecurity?

A. PPL has a CISO who reports to me. Our CISO also interacts on a regular basis with PPL's Chief Executive Officer, Vincent Sorgi. The CISO delivers reports to PPL's full Board of Directors at least twice annually and as needed based upon assessment results or significant cyber-related matters. PPL governs cybersecurity risk by leveraging a Corporate Security Council, which includes executives from its business units and corporate level functions. We follow industry best practices, control frameworks, and standards such as the National

Institute of Standards and Technology Cybersecurity Framework ("NIST CSF") and the North American Electric Reliability Corporation Critical Infrastructure Protection ("NERC CIP") standards.

PPL's comprehensive, risk-based approach to cybersecurity integrates technology investment and cybersecurity risk management into a single strategic plan. That plan incorporates a layers-of-defense model that leverages controls and protections across people, process, and technology. PPL continually invests in current and emerging security technologies that help mitigate the risks associated with the latest cybersecurity threats.

PPL also is thoughtful about the use of third-party technology providers, performing detailed assessments of all new vendors and suppliers, and regularly re-evaluating them over time or as conditions change.

As part of PPL's layers of defense, we continuously seek to assess and improve our security protections and capabilities. We invest in advanced cyber threat platforms that are informed by the latest security threat intelligence. In addition to staying on top of all relevant information from applicable agencies and regulators, we regularly perform self, peer, and third-party assessments, as well as

exercises and drills which incorporate both physical and cyber resiliency, and crisis management processes. We also closely monitor changes to the threat landscape and make appropriate investments to help make our infrastructure more resilient to security threats, both physical and cyber.

Q. What does this focus on smart grids and a transition to a renewable energy generation focus mean for PPL's employees?

A. PPL's employees are critical to the success of our transition to the utility of the future. Developing, installing, and maintaining this advanced technology requires a highly skilled workforce. Through these initiatives, new skills are required in areas such as Information Technology, engineering and data analytics. Field workers remain as important as ever to construct, operate and maintain our facilities as well as to restore customers' service as quickly as possible. PPL is extremely proud of its workforce, and especially our frontline workers, for the work they do to deliver electric and gas service to our customers, even in the worst of conditions and on holidays.

Q. How does PPL promote diversity, equity and inclusion?

A. PPL is committed to diversity, equity and inclusion among its workforce by engaging employees in this effort and offering company-supported business resource groups. PPL fosters a constructive culture that strives to achieve exceptional business results through employee inclusion and engagement.

PPL has made five diversity, equity and inclusion commitments:

- Attract, develop and retain a high-performing, diverse workforce;
- Increase diverse representation in leadership roles, with a focus on females and minorities;
- Maintain a workplace culture of equity and inclusion;
- Foster partnerships that support the growth and vitality of the diverse communities and customers it serves; and
- Develop and sustain relationships with diverse suppliers, vendors and service providers.

PPL also has a Director of Diversity, Inclusion and Talent Management who reports to the Board of Directors on the Company's diversity strategy and actions undertaken to advance that strategy. Additionally, PPL requires that all pools of candidates for new board members include diverse candidates. PPL will bring this diversity, equity, and inclusion focus to Narragansett and the Rhode Island community.

PPL has taken numerous steps to further these commitments, and its successes have been recognized. PPL has received numerous awards for its employee

engagement and inclusion, including Best Place to Work for LGBTQ Equality (2017 to 2021), Best Place to Work for Disability and Inclusion (2019-2020) and multiple awards for support of reservists/National Guard and hiring of veterans.

Q. Please describe PPL's workplace safety initiatives.

A. PPL's workplace safety initiatives include (1) annual safety summits to raise awareness; (2) highly visible injury prevention campaigns; (3) world-class training facilities; (4) an employee safety advocate program; and (5) strict safety requirements for contractors. Public safety initiatives include (1) electrical safety kits and information for first responders; (2) a traveling "live-line" safety exhibit; (3) in-school/virtual safety theater performances; and (4) electrical safety books for kids. Systems and controls include (1) comprehensive safety management systems; (2) a robust pipeline integrity management program; (3) routine inspections; and (4) 24/7 monitoring via centralized control rooms. PPL will bring this safety commitment and focus to the employees and residents of Rhode Island.

Q. How does PPL contribute to the communities it currently serves?

A. PPL believes that its success as a company relies on the success of the communities it serves. In support of this guiding principle, PPL has created and supported philanthropic programs in each operating region and made meaningful

charitable investments to address community needs. PPL partners with numerous nonprofit and community organizations to support programs focused on:

- Capacity building for nonprofits;
- Diversity, equity and inclusion;
- Equitable education;
- Economic and workforce development;
- Health and safety; and
- Sustainable local community projects.

In 2020, these efforts translated into more than $12 million in charitable giving, including more than $2 million targeted specifically to COVID-19 relief, as well as donating 20,000 N95 masks to health care workers, and donating more than $100,000 to support racial justice initiatives. Beyond corporate and foundation giving, PPL's employees also give back generously, pledging about $3.5 million in employee giving campaigns in 2020 that were matched 100% by our foundations, resulting in a record $7 million raised to support local United Ways and other organizations. Moreover, in a typical year, PPL employees volunteer between 60,000 and 80,000 hours, and PPL supports more than 300 nonprofit organizations. Additionally, in 2020, 60% of PPL's spending on suppliers went to locally-based companies within the communities PPL serves, and we are

focused on improving our supplier diversity, which is one of our five diversity, equity and inclusion commitments.

III. Expected Impact of the Transaction on Narragansett Customers

Q. Does PPL expect the Transaction to impact Narragansett's customers?

A. In the short term, no. PPL and National Grid USA are actively working on an integration and transition plan to ensure that the transition of ownership of Narragansett from National Grid USA to PPL Rhode Island occurs seamlessly on the first day after the Transaction closes ("Day 1") and Narragansett's customers continue to receive safe and reliable electric and gas service without any discernible changes. The details of the integration and transition plan are set forth in Section IV of my testimony.

Over time, PPL will bring its experience, knowledge, and operational philosophy to Narragansett with the goal of enhancing overall reliability and service while incorporating smart grid features to prepare for Rhode Island's planned transition to renewable energy. PPL expects to make meaningful infrastructure investments in the electric grid and gas pipeline system to continue to enhance safety, reliability, and resiliency such that Narragansett's operations under PPL Rhode Island's ownership will meet or exceed current service levels. PPL will make

these investments to reduce service interruptions and increase the capacity to interconnect DER, as it has done in its current service territories. Additionally, PPL will endeavor that its customer service operations and functionality will expand on the excellent customer service Narragansett currently provides.

Q. Does PPL expect that the Transaction will impact the rates charged to Narragansett's customers for electric and gas distribution service?

A. No. When the Transaction closes, PPL will continue to operate Narragansett under the existing rate plan setting Narragansett's base distribution rates for electric and gas. As a result, PPL will make no changes to the existing Narragansett tariffs (other than to remove references to the "National Grid" name) and will maintain the existing mechanisms for setting the rates for cost of electric supply, gas supply, and other adjustment factors already approved by the Rhode Island Public Utilities Commission (the "PUC") until after the next base distribution rate case. Accordingly, the base distribution rates charged to Narragansett's customers will not be impacted by the Transaction.

Additionally, PPL commits that it will not seek an increase in base distribution rates to pay for transaction costs related to the Transaction. Specifically, PPL will not seek rate recovery for the costs of negotiating the Agreement and obtaining the necessary approvals, including this proceeding.

In the long term, PPL will pursue investments in tandem with achieving operating efficiencies to maintain rates as low as possible. In Pennsylvania, PPL Electric Utilities has coupled prudent investments with improved operating efficiency that has mitigated electric distribution base rate increases, and PPL will leverage that experience and deliver on that operational philosophy to maintain energy affordability in Rhode Island.

Q. You mentioned the next distribution base rate case. When does PPL expect that will occur?

A. PPL plans to coordinate with the Division to determine the appropriate time to file a new base distribution rate case that will reflect operations of Narragansett as part of PPL.

IV. The Integration and Transition Plan

Q. What is the process for transitioning from National Grid USA's ownership of Narragansett to PPL Rhode Island's ownership of Narragansett?

A. National Grid USA and PPL have established teams focused on identifying and implementing the steps necessary to separate Narragansett from National Grid USA and integrate Narragansett into PPL. Additionally, the Agreement includes a requirement that, at closing, Narragansett enter into a Transition Services Agreement ("TSA") with National Grid USA Service Company, Inc. (the

"Service Company") under which the Service Company and Narragansett agree to work cooperatively in good faith to help the Service Company provide certain services. These teams are working together to identify the services that the Service Company will provide to Narragansett, starting on Day 1 and continuing for up to two years to ensure a smooth transition of Narragansett's operations to PPL.

Q. Please provide an overview of the integration management process.

A. PPL named David J. Bonenberger Vice President, Operations Integration and Michael J. Caverly Vice President, Services Integration to assist me in leading the integration process. Mr. Bonenberger formerly was Vice President of Transmission and Substations for PPL Electric Utilities, and Mr. Caverly formerly was Vice President of Strategic Development for PPL. PPL and National Grid USA have assembled a group of officers, managers, and other employees from both companies to plan, execute, and coordinate the business integration and organizational separation efforts for the Transaction.

I lead the Integration Management Office ("IMO") for PPL that is responsible for defining the overall integration process and developing the schedules and workplans to effectively operate Narragansett on Day 1. The IMO is supported

by core PPL functional teams responsible for defining and developing the Day 1 implementation efforts.

My counterpart at National Grid USA, Dan Davies, leads the Transition Management Office ("TMO") that is responsible for defining the transition plan and developing the schedules and workplans to effectively separate Narragansett from National Grid USA. The TMO is supported by National Grid functional teams responsible for defining and developing the Day 1 transition efforts. The IMO and TMO teams are working together to plan and guide the integration effort and are dedicated to its successful completion. The teams are meeting on a weekly basis to discuss progress against the schedule and workplans and coordinate across integration and transition topics. This governance structure will remain in place through the end of the transition period.

Q. How are PPL and National Grid USA determining what services the Service Company will be providing to Narragansett under the TSA?

A. As part of the integration and transition plan, PPL and National Grid USA are working diligently to fully identify and define all the services the Service Company currently provides to Narragansett and which services it will continue to provide under the TSA. Both parties have identified lead personnel for the categories of services necessary for the operation of Narragansett, and those lead

personnel are evaluating (1) the nature of each service; (2) the manner in which it is currently provided; (3) the capacity of PPL to begin providing each service after closing; and (4) the most effective and efficient way to ensure delivery of the service to facilitate the integration and transition of operations. To facilitate overall integration and transition planning, the parties have identified approximately 200 separate services in the following categories, with the understanding that not all of these categories will be included in the TSA:

- Accounting;
- Billing;
- Customer Service;
- Electric Operations;
- Facilities;
- Gas Operations;
- Human Resources;
- Health, Safety, and Environmental;
- Labor and Union Relations;
- Legal;
- Pensions and Other Post-Employment Benefits;
- Regulatory;

- Supply Chain;
- Taxes;
- Treasury; and
- Other uncategorized services.

Each category of services covers multiple specific functions. The IMO and TMO are assessing (1) whether the service is necessary immediately after closing; (2) if the service is necessary, whether the Service Company will deliver the service temporarily as part of the TSA, or whether PPL will provide it beginning immediately on Day 1; and (3) the length of time the parties plan to have the Service Company deliver any services it will be providing.

Q. How will the Service Company provide services under the TSA?

A. For each service to be delivered by the Service Company under the TSA, the parties will prepare a document that (1) defines the service; (2) details the specifics of how the Service Company will deliver the service; and (3) sets the term for which the Service Company will deliver the service. The Service Company will have a contractual obligation under the TSA to perform each service "using the same degree of care and skill as it utilizes in rendering such services for its own utility Affiliates' operations, and in any event, in accordance with Good Utility Practice[.]"

Q. What are the current expectations for operations on Day 1?

A, The current expectations for Day 1 operations for Narragansett's gas distribution business are set forth in the testimony of Lonnie E. Bellar. For Narragansett's electric service, PPL currently expects on Day 1 that the Service Company will provide many services, including meter data services, mutual assistance for storm response, electricity procurement, engineering, and asset management. PPL expects to take Day 1 responsibility for some aspects of the electric distribution business, including management of the electric operating facilities and overhead and underground line and substation operations.

Q. How long will the transition take?

A. The complete transition is expected to take approximately two years from closing. The Service Company will not provide every service for two years, however. The overall plan is for Narragansett to transition away from receiving services from the Service Company as soon as the service can be transitioned to PPL without impacting the level of customer service. During the time that the Service Company is delivering services, PPL will be actively developing its systems and personnel to deliver those services. PPL will transition all services away from the Service Company and integrate them into PPL's management and operations systems as soon as practicable while ensuring safety, reliability, and resiliency of the electric and gas operations.

Q. How will PPL work to develop its capabilities to deliver the necessary services itself and transition away from the Service Company?

A. Much of the transition involves technology. After closing, PPL will work to integrate its existing systems to incorporate Narragansett's operations. PPL and National Grid USA already are working on identifying existing compatibilities between the systems and assessing the necessary steps to migrate Narragansett's operations into PPL's systems, such as customer service, billing, control center, and many others.

Additionally, as part of the integration and transition plan, PPL will be identifying Service Company employees with the experience and expertise in Narragansett's operations who PPL or its affiliates will seek to hire to continue their roles in operating Narragansett to provide safe and reliable gas and electric service. The Agreement and the TSA, once it becomes effective, provide a specific process for PPL or its affiliates to offer employment to these employees to ensure that their expertise continues to serve Rhode Island customers and to provide continuity in operations after closing.

Q. What will the transition services cost customers?

A. As a practical matter, the transition services will not impact the cost structure to customers. Until Narragansett files a new base distribution rate case, and the

PUC approves a new rate plan, PPL will continue to operate Narragansett under the existing base distribution rates. Additionally, the price that Narragansett will pay the Service Company for services is established under the TSA, and PPL will ensure that the costs paid to the Service Company will not result in increased rates for Narragansett's customers.

V. PPL's Plan for Narragansett's Operations

Q. Can you summarize PPL's plan for Narragansett's electric operations?

A. PPL intends to bring its experience and success from electric operations in its existing service territories to Rhode Island and build upon the safe and reliable service and excellent customer service Narragansett historically has provided to Rhode Island customers. To this end, PPL will work to integrate Narragansett into its existing operations and make infrastructure investments that will enhance reliability and resiliency. PPL has reduced the frequency and duration of service interruptions in its current distribution systems in Pennsylvania through its deployment of smart grid technology and operational expertise, and the Transaction will bring PPL's expertise in this area to Rhode Island to similarly seek to reduce the frequency and duration of service interruptions for Narragansett's electric customers. Additionally, PPL is prepared to effectively manage storm response both through deployment of smart grid technology to

quickly diagnose and respond to service interruptions and through its forecasting and planning processes to deploy crews in advance of storms to respond rapidly in the event of service interruption. Finally, the geographic diversity of PPL's crews makes it more likely that crews from Pennsylvania and Kentucky will be available to assist in storm recovery in Rhode Island when needed.

Additionally, PPL will bring its nimble, forward-leaning operational philosophy to Narragansett to modernize and harden the Rhode Island electric grid and facilitate the transition to more renewable energy resources, greater energy efficiency, better demand and load control, and electrification of the transportation sector.

Q. What are PPL's plans for leadership of Narragansett's electric operations?

A. PPL plans to have a President of Narragansett who will be based in Rhode Island. The person who fills this role will (1) have substantial experience in electric operations; (2) quickly develop a comprehensive understanding of the unique challenges posed by Narragansett's electric transmission and distribution systems, including the issues associated with Rhode Island's coastal geography and the storm concerns associated with that geography; and (3) have the necessary authority and work directly with me and other members of PPL's executive team, as necessary, to ensure that Narragansett's electric transmission and distribution

systems have the resources necessary to provide safe and reliable service to customers in any circumstances.

Q. What are PPL's plans for a control center for Narragansett's electric operations?

A. During the transition period, PPL will establish a control center in Rhode Island for Narragansett's electric and gas operations. PPL recognizes the importance of a local presence for the employees performing these critical functions to enhance their understanding of existing conditions, enable immediate communication with local government officials and businesses, and allow for a more nimble response to developing circumstances.

Q. Does PPL intend to advance grid modernization efforts in Rhode Island?

A. Yes. PPL recognizes that Narragansett has undertaken substantial efforts to plan for and initiate grid modernization efforts in Rhode Island to transform the electric grid. PPL has reviewed Narragansett's recent Updated Advanced Metering Functionality ("AMF") Business Case and Grid Modernization Plan ("GMP") filings, proposing full-scale deployment of AMF in Rhode Island, and a five-year implementation plan and a ten-year roadmap of future grid modernization investments, respectively. Although PPL recognizes that the existing proposals will need to be reconfigured to account for Narragansett's separation from National Grid USA and its affiliates, PPL is excited to advance

these efforts and is well positioned to do so given its substantial experience in developing a modern smart grid.

PPL already is examining what aspects of the proposed advanced metering and grid modernization plans will integrate with PPL's existing systems and which aspects will require adjustment. PPL expects to move forward expeditiously after closing and will demonstrate the customer benefits that such investments deliver through its experience deploying advanced meters and grid modernization technology in its existing service areas.

Q. Please describe how PPL will apply its experience deploying advanced meters in its existing electric distribution operations to Rhode Island.

A. In PPL Electric Utilities' service area, PPL uses advanced meters in all of its customers' homes. PPL Electric Utilities implemented its first generation automated meter reading system from 2002 to 2004. The current, second generation advanced meter reading infrastructure was implemented from 2015 to 2019.

PPL will bring its experience in deploying and using these advanced meters to maximize the efficiency and effectiveness of any advanced meter deployment program in Rhode Island. PPL already has substantial experience in realizing the

benefits that advanced meters can provide to electric grid operations and is at the forefront of implementing new programs and use cases for the advanced meter capabilities to better manage electric load distribution and allow customers greater access and control over their power consumption and costs.

Q. How will PPL approach grid modernization for Narragansett's system?

A. PPL will leverage its experience with its successful grid modernization deployments in its existing service territories to effectively and efficiently modernize the Narragansett electric grid by developing and implementing cutting-edge updates to keep its grid modern, safe, and high-functioning. PPL expects that it will make critical investments in grid modernization technology that will facilitate greater integration of distributed generation resources and the electrification of the transportation sector, all while enhancing reliability.

Q. Please describe how PPL's experience will help facilitate greater integration of renewable generation into Narragansett's electric system.

A. PPL has dedicated significant efforts throughout its service areas to integrate various forms of renewable generation. For instance, in Pennsylvania, PPL Electric Utilities has employed innovative technology that uses advanced inverters with communication capability to interconnect and manage DER. Through PPL Electric Utilities' online DER application portal, 93% of residential customers receive approval within 24 hours. Overall, through its deployment of

smart grid technology, PPL Electric Utilities has greater capacity and ability to interconnect solar generation than most electric utilities.

PPL knows and understands that the growth of renewable generation presents great opportunities and significant challenges. The benefits of renewable generation are critical as Rhode Island moves toward decarbonization of its power sector as part of the critical measures to combat climate change. But, significant integration of these renewable resources requires a reconfiguration of the electric grid away from a system where a small number of large generators deliver all the power to serve the grid through large transmission facilities to a system that can integrate many points of interconnection for generation assets, often directly on the distribution system, while continuing to safely and reliably serve customers. PPL has experience transforming electric grids for this purpose and is ready to bring that expertise to Rhode Island.

Q. You mentioned PPL's capabilities in integrating solar generation. Rhode Island has a burgeoning offshore wind industry. Is PPL prepared to integrate offshore wind generation?

A. Yes. Although PPL brings a great deal of experience and expertise in most areas of electric distribution and transmission operations, it also recognizes that it is not the only expert in this area and is ready, willing, and able to learn from the

expertise of others. Offshore wind provides an example. PPL does not currently have experience with offshore wind projects, but PPL is committed to supporting the expanding offshore wind industry in Rhode Island and is ready to continue the work that Narragansett already has begun to facilitate the integration of offshore wind generation into Rhode Island's electric grid to help the State achieve its renewable generation and carbon reduction goals. PPL recognizes that Rhode Island is the pioneer in offshore wind development in the United States, and PPL looks forward to learning from the expertise of those at Narragansett and the other players in the offshore wind industry in the State to further develop this important renewable energy resource.

VI. PPL's Corporate Citizenship

Q. You mentioned earlier that PPL focuses on giving back to the communities it serves. How will PPL give back to the Rhode Island community?

A. PPL is committed to charitable giving in all the communities in which it operates. Accordingly, PPL will identify and support key charitable organizations in Rhode Island through corporate donations consistent with its robust commitment to the areas it already serves in Pennsylvania and Kentucky. Additionally, PPL encourages its employees to contribute both time and resources to the causes that

matter to them in the communities in which they live, and PPL looks forward to doing so in Rhode Island.

Q. Does PPL have any specific plans to support diversity, equity, and inclusion efforts in Rhode Island?

A. As discussed above, PPL has a robust focus on diversity, equity, and inclusion as part of its corporate culture. PPL is committed to bringing that focus to its Rhode Island operations.

VII. Conclusion

Q. Please summarize how the Transaction will not result in a degradation of utility services.

A. PPL is an experienced energy company with a track record of successful operations by its regulated electric and gas utility operations in its existing service territories. PPL will combine the successful legacy of Narragansett's operations and PPL's own operational expertise to enhance operational success in Rhode Island. PPL also will make, subject to regulatory approvals, the necessary prudent investments to harden both the gas and electric infrastructure to maintain and enhance safety and reliability. Additionally, PPL will leverage the institutional knowledge of many employees of Narragansett and National Grid USA and its affiliates to provide a seamless transition to PPL Rhode Island's

ownership of Narragansett that is indiscernible to customers. Finally, PPL will commit the time and resources necessary and immerse itself in the operations of Narragansett to ensure that, after the Transaction it will meet or exceed service quality expectations and metrics.

Q. Please summarize why the Transaction is consistent with the public interest.

A. PPL's history of operating forward-thinking utilities that identify and leverage technology to deliver maximum benefits to customers demonstrates that, through the Transaction, PPL will build on the safe and reliable service that Narragansett's customers have received and will continue Rhode Island's leading role in the transition to a clean energy future. PPL's experience in deploying smart grid technology efficiently and effectively, creates an opportunity for Rhode Island to realize the value that the transition to a smart grid can provide, such as improved energy efficiency, reduced time to restore service interruptions, and greater integration of DER. Additionally, PPL expects to make prudent infrastructure investments, as it has done on LG&E's gas system, to reduce the amount of leak prone pipe and improve operating pressures.

Q. Please summarize your testimony.

A. My testimony demonstrates that PPL Rhode Island's acquisition of Narragansett meets the standard for approval by the Division by demonstrating that the change

in control will not reduce Narragansett's facilities for providing electric and gas service to customers and will not adversely impact the public.

Q. Does this conclude your testimony?

A. Yes.

Exhibit 3

Bellar Testimony

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC, NATIONAL GRID USA
and THE NARRAGANSETT ELECTRIC COMPANY
Docket No. D-21-__
In Re: Petition for Authority to Transfer Ownership of
The Narragansett Electric Company to
PPL Rhode Island Holdings, LLC and Related Approvals
Witness: Lonnie Bellar

PRE-FILED DIRECT TESTIMONY

OF

LONNIE E. BELLAR

Chief Operating Officer of Kentucky Utilities and

Louisville Gas and Electric Company

Submitted in support of PPL Corporation, PPL Rhode Island Holdings, LLC,

National Grid USA, and The Narragansett Electric Company's

Petition for Authority to Transfer Ownership of The Narragansett Electric Company

to PPL Rhode Island Holdings, LLC and Related Approvals

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I. Introduction

Q. Please state your full name and business address.

A. My name is Lonnie E. Bellar, and my business address is 220 W. Main Street, Louisville, Kentucky 40202.

Q. What is your current position?

A. I am the Chief Operating Officer of Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E"), two operating companies of PPL Corporation ("PPL"). I am responsible for all KU and LG&E operations, including power generation, energy supply and analysis, electric distribution and transmission, gas transmission, distribution and storage, safety, environmental, and customer service.

Q. Please describe your educational background and professional experience.

A. My career with KU and LG&E dates back to 1987, when I started as an electrical engineer with KU's generation system planning group. From there, I served in various management positions within generation planning and generation services, financial planning and controlling, and electric transmission. In 2007, I was promoted to Vice President, State Regulation and Rates, and, from 2013 to early 2017, I served as Vice President, Gas Distribution. In January 2017, I was promoted to Senior Vice President of Operations. I served in that position until assuming my current role in 2018.

For my undergraduate studies, I participated in a dual-degree program, receiving a bachelor's degree in engineering arts from Georgetown College and a bachelor's degree in electrical engineering from the University of Kentucky. I also have completed various management and executive education courses at the Harvard Business School, the Tuck School of Business at Dartmouth, and the E.ON Academy.

Q. Do you serve on any boards?

A. Yes. I serve on the board of directors for the American Gas Association and Southern Gas Association, and I am a member of various working committees and groups of these associations. I also serve as a board member of Electric Energy Inc. and Ohio Valley Electric Corporation. I participate on the Greater Louisville, Inc. board of directors, executive committee, and committee membership and the University of Kentucky Engineering School dean's advisory council.

Q. Have you testified before any public utilities regulators?

A. Yes. I have testified before public utilities regulators in multiple states. I have testified before the Kentucky Public Service Commission in more than 20 different matters since 2008. I also have testified before the Tennessee Public Utility Commission (formerly Tennessee Regulatory Authority) and the Virginia State Corporation Commission in support of rate cases filed by KU. The numerous matters in which I have testified include many rate cases, including the

current KU and LG&E rate cases before the Kentucky Public Service Commission. I also provided testimony in the 2010 proceeding before the Kentucky Public Service Commissions for the approval of PPL's acquisition of KU and LG&E.

Q. What is the purpose of your testimony?

A. My testimony supports the petitioners' request that the Division of Public Utilities and Carriers (the "Division") approve PPL Rhode Island Holdings, LLC's ("PPL Rhode Island") acquisition of The Narragansett Electric Company ("Narragansett"). PPL Rhode Island, an indirect wholly owned subsidiary of PPL, has agreed to purchase 100% of the equity interest in Narragansett from National Grid USA (the "Transaction"). Specifically, my testimony sets forth PPL's strong capabilities in the operation of regulated gas distribution utilities and provides the Division with insight into PPL's plans for the operation of Narragansett's gas distribution operations if the Division approves the Transaction.

Q. How is your testimony structured?

A. This Section I is the Introduction, which provides an overview of my relevant background. Section II describes PPL's experience operating LG&E's gas distribution business. Section III explains PPL's plan for its operation of Narragansett's gas distribution business. Section IV specifically addresses the circumstances on Aquidneck Island. Section V is the conclusion.

II. PPL's Operation of LG&E's Gas Distribution Business

Q. Please describe LG&E's gas distribution operations.

A. LG&E operates nearly 4,400 miles of gas distribution mains and nearly 400 miles of gas transmission mains. From that infrastructure, LG&E provides gas distribution service to more than 300,000 residential customers, more than 25,000 commercial and industrial customers, and more than 1,000 governmental customers in Kentucky. LG&E also owns and operates three natural gas compressor stations that allow LG&E to store, process and transport natural gas from storage to the distribution system that delivers the natural gas to customers. On a peak day, nearly half of firm sales customers' gas supply is met from LG&E's gas storage system.

Q. When did PPL acquire LG&E?

A. PPL acquired LG&E and KU from E.ON in late 2010.

Q. How have LG&E's gas operations performed since PPL acquired the company?

A. LG&E's gas operations have performed very well since PPL became the owner in 2010. LG&E's forward-thinking gas strategy has reduced leak rates and significantly enhanced safety. Addressing infrastructure, PPL spearheaded LG&E's comprehensive and aggressive main replacement program to replace aging gas pipelines with new, more durable materials. That program eliminated all cast iron pipe on LG&E's gas distribution and transmission system and

virtually eliminated distribution mains constructed of bare steel pipe. As a result, LG&E has (1) substantially lowered its leak rate; (2) eliminated water intrusion on its pipeline; (3) increased the operating pressures on its system; and (4) introduced more pipeline valves on the system for greater flexibility in management. Currently, LG&E continues to focus on improving its natural gas infrastructure through investments to (1) replace approximately 45,000 steel customer service lines and remove approximately 4,400 steel curbed services; (2) implement a transmission pipeline modernization program to replace approximately 15.5 miles of transmission pipeline; and (3) upgrade city gate stations and gas regulation facilities with new valves, piping, and modern regulation and measurement equipment.

LG&E also has maintained a strong safety culture in its gas distribution operations. It has developed a Pipeline Integrity Management Program. It also has routine pipeline safety inspections and monitors its gas operations via a centralized control room 24 hours per day, seven days per week. Further, LG&E focuses on educating community partners and the general public about natural gas safety. In 2019, LG&E earned the American Gas Association Accident Prevention Award for Safety Excellence.

Additionally, LG&E has managed its gas commodity costs effectively. Its gas cost adjustment rate has remained below the average of other gas utilities in Kentucky regularly since 2016. With respect to customer service, in 2019, J.D. Power rated LG&E the top Midwest gas utility in business customer satisfaction.

Q. Who at LG&E is primarily responsible for its gas distribution operations?

A. LG&E employs a Vice President of Gas Operations who reports directly to me. The person currently in that position has nearly 35 years of experience in the gas and electric industry and has the following responsibilities:

* The safe, reliable and strategic operation of LG&E's natural gas transmission and distribution systems and the delivery of low-cost gas to customers;

* Overseeing the natural gas supply forecast and purchasing, gas control, gas engineering, and operation of LG&E's compressor stations and underground storage fields; and

* Ensuring LG&E complies with all regulatory requirements related to the safety and integrity of the natural gas system.

III. PPL's Plan for the Operation of Narragansett's Gas Distribution Business

Q. Will PPL be prepared to operate Narragansett's gas distribution operations on day one after the Transaction closes ("Day 1")?

A. Yes. PPL is developing a comprehensive integration and transition plan with National Grid USA to provide a seamless transition in Narragansett's operations after the change in control. PPL and Narragansett have identified more than 20 gas operations functions for which they are crafting specific plans. Additionally, the overall transition plan includes dozens of other categories of operation that will support the gas distribution operation starting on Day 1. Generally, the plan for each of these functions falls into three categories: (1) services that National Grid USA Service Company, Inc. (the "Service Company") will perform on a temporary basis under a Transition Services Agreement ("TSA") while PPL and its affiliates work to migrate and integrate them into its existing operations; (2) services provided entirely by current Narragansett or Service Company employees who will either remain Narragansett employees or become employees of PPL or one of its affiliates after closing and will continue to perform the services on an ongoing basis without interruption; and (3) services that PPL and its affiliates will be ready to absorb into its operations starting on Day 1.

Representatives of PPL and National Grid USA are continuing to analyze operations to determine the specifics of how each gas business function will be

performed starting on Day 1, and they will have a firm plan in place well in advance of closing. Currently, we expect that on Day 1 the Service Company will continue to provide many functions, such as gas control center operations, customer meter support, asset management, gas supply planning and procurement and engineering, while PPL and/or its affiliates will immediately be responsible for several functions including emergency repairs and LNG operations. Narragansett or PPL and its affiliates will gradually and over a two-year period take responsibility for all the services provided by the Service Company. After that two-year period, Narragansett or PPL and its affiliates will fulfill all of these functions. More detail about the overall integration and transition plan for the entirety of Narragansett's operations is set forth in the Pre-Filed Direct Testimonies of Gregory N. Dudkin and Terence Sobolewski.

Q. You mentioned earlier that LG&E has a Vice President of Gas Operations in Kentucky. Will PPL employ someone in that role for Narragansett's Rhode Island gas operations?

A. Yes. PPL acknowledges the importance of having a senior level executive with significant gas operations experience in that role in Rhode Island and understands that the Division has expressed this preference. For these reasons, the Vice President of Gas Operations for Rhode Island will: (1) be based in Rhode Island, (2) have substantial experience in gas operations and understand the unique challenges posed by the aged infrastructure in many areas of Narragansett's gas

distribution system, and (3) have the necessary authority and work directly with the PPL executive team as necessary to ensure that Narragansett's gas distribution system has the resources necessary to provide safe and reliable service to customers in any circumstances.

Q. Please describe the plan for transitioning Narragansett's gas distribution service employees.

A. Narragansett's direct gas distribution service employees will remain employed by Narragansett and continue to perform the roles they have been providing with Narragansett. The collective bargaining agreements that govern the employment relationship between Narragansett and its direct gas distribution service employees will remain in place. Representatives of PPL are coordinating with National Grid USA to conduct effects bargaining discussions with the bargaining units to resolve effects bargaining issues prior to the closing of the transaction. In addition, as part of the Agreement, PPL or its affiliates will extend offers of employment to certain employees of the Service Company and/or National Grid USA and its other affiliates who provide service to Narragansett's gas distribution operations. This plan to transition employees is expected to facilitate a smooth transition of operations that is largely indiscernible to Narragansett's gas distribution service customers starting on Day 1.

Q. Narragansett has been deploying what is known as the Gas Business Enablement Program in Rhode Island. Will that program remain viable after the Transaction?

A. The integration and transition plan being negotiated as part of the Transaction will address the Gas Business Enablement Program. PPL recognizes the benefits of this program, which include automated assignment of work orders and greater integration between customer service and gas operations. PPL also recognizes that the Gas Business Enablement Program as it is currently constituted is heavily integrated with National Grid USA and the Service Company's back office operations and other National Grid USA-affiliated operating companies in Massachusetts and New York. On Day 1, the Service Company will continue to provide the Gas Business Enablement Program functions. PPL is undertaking efforts to assess what elements of the existing program will be able to be integrated into its operations on an ongoing basis. The Gas Business Enablement Program is primarily a technology program, and PPL's assessment will determine whether the existing technological solutions can be integrated, as is, or if there will be a need to modify or replace some of those solutions. In the event that the Gas Business Enablement Program as it currently exists cannot be migrated, in whole or in part, PPL will introduce new functionality and technology to continue and build on the operational improvements from the program.

Q. You mentioned earlier that LG&E operates its gas operations system via a centralized control room. What is PPL's plan for gas control room operations in Rhode Island?

A. On Day 1, the Service Company will provide gas control center operations for Narragansett. PPL will be setting up a Rhode Island-dedicated gas control center located in Rhode Island. Once that Rhode Island control center is established, PPL will take over gas control center operations, and its gas control personnel will work from Rhode Island. PPL recognizes the importance of a local presence for the employees performing this critical function to enhance their understanding of existing conditions, to enable immediate communication with local government officials and businesses, and to allow for a more nimble response to developing circumstances.

Q. Regarding Narragansett's aged gas distribution infrastructure, what is PPL's plan to address that issue?

A. As I mentioned earlier, PPL has had great success with its gas main replacement program in LG&E's gas service territory. PPL expects to make capital investments in Narragansett's distribution mains to build on Narragansett's work in replacing leak prone pipe and enhancing operational control over pressure and flow for service. PPL has a track record of making these types of capital investments in gas infrastructure to improve safety and reliability while

maintaining lower-than-average rates, and PPL plans to bring that approach to deliver similar results in Rhode Island.

Q. How will the Transaction impact Narragansett's gas distribution service quality and affordability?

PPL's onboarding of almost all of Narragansett's employees plus the continued support of National Grid USA in providing services through the TSA will ensure that the outstanding quality and affordability of Narragansett's gas distribution service continues. In addition, Narragansett's gas distribution service will be driven to exceed current levels as PPL adds its experience in operating LG&E's gas distribution operations in Kentucky to Rhode Island to continue and build on Narragansett's successful operations. Through its experience, and with the continued service of Narragansett's outstanding workforce, PPL is well-positioned to operate and strengthen Narragansett's gas distribution service while meeting or exceeding service quality metrics and improving pipeline safety through the replacement of leak prone pipe.

PPL Rhode Island's ownership also will contribute to energy affordability for Narragansett's gas distribution customers. PPL brings a proven track record of managing its procurement of gas to keep commodity prices down while also controlling operation and maintenance costs. PPL will apply this operational

expertise to Narragansett's gas distribution operations in Rhode Island to deliver high quality, affordable service to Narragansett's gas distribution customers.

IV. Aquidneck Island

Q. Has PPL communicated with National Grid regarding the circumstances on Aquidneck Island.

A. Yes. Narragansett has explained to PPL the options under consideration by and discussion with the regulators. Terence Sobolewski describes those options in his Pre-Filed Direct Testimony. PPL will remain informed as those discussions progress.

Q. Is PPL prepared to address the Aquidneck Island issues once it takes control of Narragansett?

A. Yes. PPL is engaged with Narragansett to ensure that it fully understands the issues, the proposed solutions, and the challenges presented by each potential solution. PPL will work collaboratively with the Division and other stakeholders to address any remaining gas supply issues.

V. Conclusion

Q. Can you summarize PPL's plan for Narragansett's gas distribution operations after the Transaction?

A. PPL will devote substantial resources and operational focus to Narragansett's gas distribution operations. In furtherance of that goal, PPL will establish a control center in Rhode Island and will employ a Rhode Island-based Vice President of Gas Operations. PPL will bring its experience from LG&E's gas distribution operations and apply that knowledge to the Rhode Island operations. PPL will work collaboratively with regulators and stakeholders to ensure that Narragansett continues to provide safe and reliable gas distribution service throughout Narragansett's gas distribution service territory.

Q. Does this conclude your testimony?

A. Yes.

Exhibit 4

Sobolewski Testimony

PPL CORPORATION, PPL RHODE ISLAND HOLDINGS, LLC, NATIONAL GRID USA,
and THE NARRAGANSETT ELECTRIC COMPANY
Docket No. D-21-___
In Re: Petition for Authority to Transfer Ownership of
The Narragansett Electric Company to
PPL Rhode Island Holdings, LLC and Related Approvals
Witness: Terence Sobolewski

PRE-FILED DIRECT TESTIMONY

OF

TERENCE SOBOLEWSKI

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I. Introduction

Q. Please state your full name and business address.

A. My name is Terence Sobolewski. My business address is 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. By whom are you employed and in what capacity?

A. I am employed by National Grid USA Service Company, Inc. (the "Service Company") as the President, Rhode Island, and Interim President, New England Jurisdiction. I have served as President, Rhode Island since April 1, 2019, and I assumed the role of Interim President, New England Jurisdiction on March 2, 2021.

Q. What are your principal responsibilities in your positions?

A. In my positions, I am responsible for overseeing the regulated electric and gas distribution operations of National Grid USA in Rhode Island and Massachusetts. I lead National Grid USA's efforts to deliver safe, reliable, clean and affordable energy for its gas and electric customers in Rhode Island and Massachusetts, including customers of The Narragansett Electric Company d/b/a National Grid ("Narragansett").

Q. Please describe your educational background and professional experience.

A. I received a Bachelor of Science degree in Mechanical Engineering and a Master of Business Administration from Duke University. I joined the Service Company in August 2011. My prior roles with the Service Company include Senior Vice

President and Chief Customer Officer, where I was responsible for customer innovation, sales and solution delivery, including energy efficiency, affordability, demand response, electric transport, distributed energy resource programs, and community support through corporate citizenship and economic development. Additionally, while at the Service Company, I have held roles in Sales and Program Operations, Business Planning, and Enterprise-wide Process and Performance Improvement. Prior to joining the Service Company, I led East Coast Business Development for SunPower Corporation. I also worked for GE Capital in various leadership roles, including Mid-Atlantic Region Manager for GE Capital Solutions, General Manager for GE Technology Finance and Senior Managing Director – Channel Sales for GE Vendor Finance. In addition, I also served four years in the United States Navy.

Q. Have you previously testified before the Rhode Island Public Utilities Commission (the "PUC"), Rhode Island Division of Public Utilities and Carriers (the "Division"), or any other regulatory commissions?

A. No, although I am scheduled to testify before the Massachusetts Department of Public Utilities on May 4, 2021 in Boston Gas Company d/b/a National Grid Petition for Approval of an Increase in Base Distribution Rates and a Performance-Based Ratemaking Plan, D.P.U. 20-120.

II. Purpose of Testimony

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to support the Petition (the "Petition") for Authority to Transfer Ownership of Narragansett to PPL Rhode Island Holdings, LLC ("PPL Rhode Island") and Related Approvals, from National Grid USA (the "Transaction"). In particular, my testimony will (1) summarize the Transaction and the reasons for the Transaction; (2) review the manner in which the Transaction meets the standard for approval by the Division; (3) describe the proposed transition plan from National Grid USA to PPL Rhode Island, including how National Grid USA and PPL Rhode Island and its affiliates, including PPL Corporation ("PPL"), will work together to ensure a smooth transition so that PPL Rhode Island and its affiliates can continue to maintain system reliability, provide outstanding customer service, modernize and harden the electric and gas distribution systems, and advance key initiatives currently under way in Rhode Island. The Transaction will occur pursuant to the terms and conditions of the Share Purchase Agreement entered into as of March 17, 2021, by and among PPL Energy Holdings, LLC ("PPL Energy Holdings"), PPL (solely with respect to Sections 4.10 and 6.14), and National Grid USA (the "Agreement").[1] Following execution of the Agreement, PPL Energy Holdings assigned its right to acquire

[1] True and accurate copies of the Agreement and the Assignment and Assumption Agreement are included as Exhibit A to the Pre-Filed Direct Testimony of Vincent Sorgi.

Narragansett to its wholly owned subsidiary, PPL Rhode Island, such that upon closing, PPL Rhode Island will own 100 percent of the outstanding shares of common stock in Narragansett.

Q. How is your testimony organized?

A. My testimony is organized into the following sections. Sections I and II are the introductory sections of my testimony. Section III provides a brief overview of the Transaction, including a description of the National Grid entities involved in the Transaction, the key aspects of the Transaction, and the rationale for the Transaction. Section IV explains how the Transaction meets Rhode Island's standard for approval, including that the facilities for furnishing service to the public will not be diminished by the Transaction, and that the Transaction is consistent with the public interest. Section V discusses Narragansett's transition to PPL Rhode Island's ownership, including National Grid USA's support for operations starting on the first day after the Transaction closes ("Day 1"). Section VI is the conclusion.

III. <u>Summary of the Transaction</u>

Q. Please provide a brief description of the National Grid USA affiliated entities involved in the Transaction.

A. National Grid USA is a holding company incorporated in Delaware, which is indirectly owned by National Grid plc. National Grid USA owns the common

equity of several electric and gas operating companies, including Narragansett in Rhode Island; Massachusetts Electric Company, Nantucket Electric Company, and Boston Gas Company in Massachusetts; Niagara Mohawk Power Corporation, The Brooklyn Union Gas Company, and KeySpan Gas East Corporation in New York; and New England Power Company ("NEP") and National Grid LNG LLC regulated by the Federal Energy Regulatory Commission ("FERC"), among other companies. National Grid USA is also the parent company of the Service Company, which provides services across National Grid USA operating companies. Costs for services incurred by the Service Company are shared among all National Grid USA operating affiliates, including Narragansett.

National Grid USA owns 100 percent of Narragansett's common stock. Narragansett provides regulated electric and gas operations in Rhode Island. As of March 17, 2021, Narragansett provides distribution service to approximately 498,000 electric customers in 38 cities and towns throughout Rhode Island and approximately 272,000 natural gas customers in 33 cities and towns throughout Rhode Island.

National Grid plc is a public limited company incorporated under the laws of England and Wales. National Grid plc owns and operates electric transmission

and gas transmission networks in the United Kingdom and has a minority interest in a gas distribution network business in the United Kingdom. National Grid plc also indirectly owns the affiliated electric and gas distribution companies operating in Rhode Island, Massachusetts, and New York.

Q. What employee resources does Narragansett use to provide electric and gas service to its Rhode Island customers?

A. To provide safe and reliable service to electric and gas customers in Rhode Island, Narragansett relies on a combination of direct employees and Service Company employees. Direct employees are employees who are employed by Narragansett and have a job function dedicated to operations in Rhode Island. For example, an overhead line worker in Rhode Island is a direct employee of Narragansett. Service Company employees provide support to the various operating companies within National Grid USA's service territory in the United States on a shared-service basis. For example, employees with job functions within Customer Service, Regulation and Pricing, Legal, and Finance are Service Company employees. Approximately 5,100 Service Company employees provided services to National Grid USA's Rhode Island operations in the most recent fiscal year (i.e., 12 months ending March 31, 2021).

Q. How many direct employees are dedicated to Rhode Island operations?

A. As of March 17, 2021, Narragansett has approximately 764 direct employees, all of whom are dedicated to supporting the Rhode Island jurisdiction. Of this total,

approximately 327 employees are associated with gas operations, approximately 399 employees are associated with electric operations, and approximately 38 employees provided "other" services, such as fleet management, property services, and other non-electric or gas specific services. Of the approximately 764 direct employees in Rhode Island, approximately 703 employees are union positions and approximately 61 employees are non-union positions.

Narragansett's gas operations include two main functions. The first function is Maintenance and Construction, which includes emergency response mandated system maintenance activities and capital construction consisting of replacement of existing facilities, and installation of growth main and services. The second function is Customer Meter Services, which includes emergency response, meter exchanges, on/off orders, meter reading, new customer meter sets, capital fitting work, collections, meter and bill investigations, and gas pressure investigations.

Narragansett's electric operations consist of overhead line employees, underground employees, substation maintenance employees, protection and telecommunications operations employees, distribution design employees, and Customer Meter Services. Customer Meter Services for electric operations includes emergency response, meter exchanges, on/off orders, meter reading, new

customer meter sets, distributed generation metering, collections, meter and bill investigations, and complex metering.

Q. Please summarize the Transaction.

A. On March 17, 2021, National Grid plc agreed to acquire PPL WPD Investments Limited, the holding company of Western Power Distribution ("WPD"), the United Kingdom's largest electricity distribution business, from PPL WPD Limited, a subsidiary of PPL (the "WPD Acquisition").

In a separate but related business deal, National Grid USA agreed to the Transaction, in which it will transfer 100 percent of its equity interest in Narragansett to PPL Rhode Island pursuant to the terms and conditions of the Agreement. If the Transaction receives all necessary approvals, and upon closing, PPL Rhode Island will acquire 100 percent of the outstanding shares of common stock of Narragansett in consideration of PPL Rhode Island paying $3.77 billion (subject to customary post-closing account adjustments) in cash and PPL Rhode Island assuming approximately $1.5 billion of debt. Closing of the purchase and sale under the Agreement is conditioned upon prior completion of the WPD Acquisition, certain federal and state regulatory approvals in the U.S., and other customary closing conditions.

Q. What is National Grid USA transferring to PPL Rhode Island through the Transaction?

A. Through the transfer of its 100 percent equity interest in Narragansett, National Grid USA is effectively selling to PPL Rhode Island the business, operations, and activities of Narragansett, including the retail distribution and provision of electric and gas services to customers within Narragansett's service area in the State of Rhode Island. Narragansett's assets and employees, when taken together with the services to be provided under a transition services agreement described later in my testimony, are sufficient to enable Narragansett to conduct its business in all material respects in the same manner and on the same terms as currently conducted.

Q. How will the Transaction affect the transmission facilities owned by Narragansett and managed by NEP?

A. NEP owns and physically operates its own transmission assets and physically operates the transmission assets in Rhode Island owned by Narragansett. The Transaction will not change the availability of Narragansett facilities for transmission service under the ISO New England Inc. open access transmission tariff.

Q. What statutory and regulatory approvals are the parties seeking to obtain before the Transaction closes?

A. Within 60 days after the execution of the Agreement, the parties are making the following filings related to the Transaction: (1) this joint filing of a petition to the Division pursuant to Rhode Island General Laws Section 39-3-24 and Section 39-3-25; (2) a petition for waiver of jurisdiction to the Massachusetts Department of Public Utilities pursuant to Massachusetts General Laws Chapter 164, Section 96(c), made by National Grid USA; (3) a Notification and Report Form pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976; (4) a joint application for FERC authorization under Section 203 of the Federal Power Act, consistent with the requirements of 18 C.F.R. Part 33. The parties are required to receive all necessary approvals before closing. The parties are also submitting filings with the Federal Communications Commission ("FCC") to transfer certain private carrier licenses associated with Narragansett's operations.

Q. Has National Grid received the necessary corporate authorization to effectuate the Transaction if this filing is approved?

A. Yes. The National Grid USA board of directors has approved the Transaction. As National Grid USA is the sole holder of the outstanding shares of common stock of Narragansett, National Grid USA has satisfied the requirements for a vote of two-thirds of its shareholders to authorize the Transaction. No further

action is necessary from National Grid USA or its shareholders to authorize the Transaction.

Q. When is the Transaction scheduled to close?

A. Pursuant to the Agreement, provided that the WPD Acquisition has been completed or occurs concurrently with this Transaction, the closing is scheduled to occur no later than the fifth business day following the date on which the last of the statutory and regulatory approvals described above is obtained or waived.

Q. How will Narragansett conduct its business until the Transaction closes?

A. Pursuant to Section 6.1(a) of the Agreement, Narragansett will carry out its business in the ordinary course in all material respects. Narragansett has an obligation to confer with PPL and its affiliates on certain operational and regulatory actions, as provided in Sections 6.1 and 6.13 of the Agreement.

Q. What effect will the pending Transaction have on existing and planned filings before the PUC or Division?

A. Pursuant to Section 6.13 of the Agreement, Narragansett must consult with PPL and its affiliates on certain regulatory matters specified in the Agreement. These include, but are not limited to, Narragansett's filings for annual approval of its electric and gas infrastructure, safety, and reliability plans and reconciliations in compliance with Section 39-1-27.7.1 of the Rhode Island General Laws; the Updated Advanced Metering Functionality Business Case (PUC Docket No. 5113); and Grid Modernization Plan (PUC Docket No. 5114).

IV. The Transaction Meets the Standard for Division Approval

Q. Is it your testimony that the Transaction meets the standard for approval by the Division under Rhode Island General Laws Section 39-3-25?

A. Yes. I am not an attorney; however, my understanding is that Division approval under Rhode Island General Laws Section 39-3-25 requires the Transaction to meet two criteria. Specifically, the Division must first evaluate whether "the facilities for furnishing service to the public will not thereby be diminished" if the Transaction is approved. In other words, the Division must conclude that there will be no degradation of utility services after the Transaction is consummated. Second, the Transaction must be "consistent with the public interest," meaning the Division finds that the proposed Transaction will not unfavorably impact the general public, including Rhode Island customers. As demonstrated by my testimony and that of my co-witnesses, the Transaction will not result in a degradation of utility services and, therefore, the facilities for furnishing service to the public will not be diminished if the Transaction is approved. PPL is a reputable company with a purpose-driven culture and strong core values. Like National Grid USA, PPL is committed to providing safe and reliable service for customers. PPL's utilities are consistently ranked among the best utilities in the regions they serve. Thus, we are confident that the Transaction will not diminish the high level of electric and gas distribution service customers expect in Rhode Island.

Second, the Transaction is consistent with the public interest, in that it will not unfavorably impact the general public in Rhode Island, including Narragansett's customers. Similar to the benefits provided by National Grid USA's multi-jurisdictional presence, PPL has extensive experience within, and working across, its jurisdictions to gain synergies, efficiencies, and savings wherever possible. In addition, Rhode Island-based management will be responsible for operating Narragansett on behalf of PPL, resulting in no adverse impact to Rhode Island customers, who expect and appreciate businesses with local ties. In short, the Transaction is consistent with the public interest because the State of Rhode Island and its customers will benefit from the high level of service they will receive from a company with significant experience providing strong local utility service.

Q. What impact will the Transaction have on base distribution rates charged to Narragansett electric and gas customers?

A. The transfer of ownership of Narragansett to PPL Rhode Island will have no impact on base distribution rates charged to Narragansett electric and gas customers upon the closing of the Transaction.

V. Transition and Day 1 Operation

Q. What are National Grid USA's overarching goals for the transition process?

A. The Transaction is expected to result in a seamless transition with uninterrupted service and ongoing support for Rhode Island customers and other stakeholders. National Grid USA and PPL will work very closely in the short- and long-term to transition the support provided to Narragansett by the Service Company to the PPL organization. To formalize this arrangement, National Grid USA and PPL will operate under a Transition Services Agreement ("TSA") between the Service Company and Narragansett. Under the TSA, the Service Company will continue to provide certain services and operational and systems support after the closing of the Transaction for periods up to two years, which will allow PPL adequate time to integrate Narragansett into PPL's own operations and systems. National Grid USA and PPL are both fully committed to a successful, seamless transition so that the customers of Narragansett continue to receive safe, reliable, high-quality, and cost-effective electric and gas distribution service.

Q. What are the purpose and goals of the TSA?

A. Through the TSA, National Grid USA will ensure a smooth transition so that PPL can maintain and ensure continued system reliability, continue to provide outstanding customer service to Rhode Island customers, and continue to modernize and harden the electric and gas distribution systems. In addition, through the TSA, National Grid will help PPL continue to advance uninterrupted

ongoing initiatives, projects, and dockets in Rhode Island that are underway as of the closing of the Transaction.

Q. How are National Grid USA and PPL approaching the transition process?

A. National Grid USA and PPL have each established a multi-dimensional transition team to work together to identify current processes and to convey information to assist PPL in taking over the management of the Narragansett business. The main objectives of the transition team prior to closing are to achieve a smooth transition for customers, ensure the continued safety of the electric and gas distribution systems, and facilitate integration of operations. National Grid USA and PPL are taking a deliberate and programmatic approach to transitioning the various functional areas of the Narragansett business.

National Grid USA and PPL are working collaboratively to exchange information and documentation about the personnel and operating assets that are being transitioned, so that both organizations are ready to move forward on Day 1, following the close of the Transaction. During the transition, there will be some functional areas that can be safely and efficiently transferred to PPL on Day 1; however, there will be some functional areas that will require a more gradual transition.

Q. Please provide an overview of the integration management process from National Grid USA's perspective.

A. National Grid USA and PPL have assembled a group of officers, managers, and other employees from both companies to plan, execute, and coordinate the business integration and organizational separation efforts for the Transaction. For National Grid USA, Dan Davies leads the Transition Management Office ("TMO") that is responsible for defining the transition plan and developing the schedules and workplans to effectively separate Narragansett from National Grid USA. The TMO team is supported by National Grid USA functional teams responsible for defining and developing the Day 1 transition efforts. The TMO team is working together with PPL's Integration Management Office ("IMO") team to plan and guide the integration effort and are dedicated to its successful completion. The TMO and IMO teams are meeting on a weekly basis to discuss progress against the schedule and workplans and coordinate across integration and transition topics. This governance structure will remain in place through the end of the transition period.

Q. What is your understanding of operations on Day 1?

A. National Grid USA will be ready and able to support PPL on Day 1. In addition to the services and systems that National Grid USA subsidiaries and/or the Service Company will provide under the TSA, Narragansett personnel will continue to perform portions of the day-to-day operations work on Day 1, and the

Narragansett personnel will immediately begin reporting to the PPL management team through a chain of command that will be organized based on the PPL operating model. National Grid USA understands that the PPL organization will have sufficient resources to take on additional responsibility of oversight of the Narragansett electric and gas distribution systems to maintain the high-quality, safe and reliable service provided to PPL's existing customers.

Q. What are some examples of areas within electric and gas operations that will not be transferred on Day 1 and that will require a more gradual transition?

A. Some areas will require a more gradual transition because the functions are thoroughly integrated with National Grid and will require the transfer of complex Information Technology ("IT") systems, such as the Supervisory Control and Data Acquisition ("SCADA") system. Another example of a transition area that will need to be phased-in over time is the Gas Control Center, which is the nerve center of Narragansett's gas distribution network. As such, it is a high priority for transition, but it will be approached systematically and deliberately to ensure a safe and successful transfer. These and other areas will be overseen by PPL management on Day 1, but National Grid USA-affiliated personnel will continue to provide services through the TSA until the services are safely and effectively transitioned to PPL. The transition areas that will need to be phased in over time are not limited to those mentioned in my testimony, which serves only to provide examples of such transition work.

Q. What are some other longer lead time items that you expect will require a transition period beyond Day 1?

A. The transition of Narragansett's various IT systems are among the longest lead time items because they are complex and fully integrated with the main system operated by National Grid USA for all of its operating subsidiaries. Consequently, systems integration will not occur as of Day 1 but instead will need to be facilitated through the TSA until such time as they can be transitioned to PPL.

Q. What is the status of the gas supply circumstances on Aquidneck Island?

A. Narragansett has been engaged with PPL to ensure that it fully understands the gas supply issues on Aquidneck Island, the proposed solutions, and the challenges presented by each potential solution. There are supply constraints from the Algonquin Gas Transmission, LLC ("Algonquin") transmission pipeline delivering gas to the city gate station in Portsmouth, Rhode Island, which is the only city gate station supplying Narragansett's gas distribution system on Aquidneck Island. Specifically, the Portsmouth city gate is at the end of that branch of the Algonquin transmission pipeline, and it is connected by a single, six-inch main, which restricts the pressure and flow to the city gate station. These factors restrict the volume and pressure of gas that Algonquin can deliver to the Portsmouth city gate. Narragansett, therefore, is unable to contract for delivery of additional gas specifically to the Portsmouth city gate without construction of

additional infrastructure on the Algonquin transmission system. It is likely that additional gas supply will be necessary to meet demand on a design day, particularly as additional customer demand is interconnected to the distribution system.

Narragansett has been supplementing the gas supply to Aquidneck Island with a temporary portable liquefied natural gas ("LNG") operation at Old Mill Lane in Portsmouth, which is adjacent to the Portsmouth city gate. Although this portable LNG operation has been in place, it has not been used regularly to supply gas to Aquidneck Island. Rather, it has been a back-up supply in case it is needed. Additionally, Narragansett has accelerated community-based energy efficiency efforts on Aquidneck Island, including a focus on enrolling Aquidneck Island customers in peak period gas demand response programs. The portable LNG operation and demand response programs are not permanent solutions to ensure sufficient gas supply to Aquidneck Island.

Narragansett has been working to develop long term solutions for the gas supply concerns on Aquidneck Island. As part of that process, Narragansett has (1) held regular winter reliability meetings with the Division and the Office of Energy Resources ("OER"); (2) engaged an informal advisory group with representatives from Portsmouth, Middletown, and Newport, as well as the Division and OER;

and (3) assembled an internal team to review viable solutions and produce the Aquidneck Island Long-Term Gas Capacity Study. Through this process, Narragansett has identified potential solutions that include (1) the establishment of permanent LNG facilities (either at Old Mill Lane or another location); (2) heavier reliance on electrification, demand response, and energy efficiency; and (3) an Algonquin pipeline infrastructure project. Currently, Narragansett is considering a hybrid approach that pursues new energy efficiency and demand response programs to offset future demand growth together with the development of a new LNG facility to replace the current temporary portable facility at Old Mill Lane, which would have the potential for hydrogen blending capabilities. That proposal would also include investments to minimize local impact around the existing Old Mill Lane LNG facility while its operation is needed.

Q. Will National Grid USA support PPL in addressing these supply constraint issues once it takes control of Narragansett?

A. Yes. As mentioned above, Narragansett has been engaged with PPL to ensure that it fully understands the issues, the proposed solutions, and the challenges presented by each potential solution. National Grid USA is confident that PPL understands the importance of addressing the supply concerns and will dedicate the necessary focus on addressing this issue in a balanced way. Narragansett will remain engaged with the Division and other government officials contemporaneously with this regulatory proceeding to move forward in selecting

and implementing solutions. Once PPL has control over the gas distribution system, it will have an opportunity to fully evaluate the conditions and assume responsibility for any remaining planning or implementation.

VI. Conclusion

Q. Does this conclude your testimony?

A. Yes.