

PPL Corporation requests Rhode Island regulatory approval to acquire The Narragansett Electric Company

PPL Corporation (NYSE: PPL) and National Grid USA filed a petition Tuesday (5/4) seeking approval from the Rhode Island Division of Public Utilities and Carriers for PPL to acquire The Narragansett Electric Company from National Grid USA.

The request follows PPL's announcement in March that it had entered into definitive agreements to sell its U.K. utility business to National Grid for £7.8 billion and, in a separate transaction, acquire Narragansett Electric from National Grid USA for \$3.8 billion.

"As we strategically reposition PPL as a U.S.-focused energy company, we see Narragansett Electric as a great fit for PPL," said Vincent Sorgi, PPL president and chief executive officer. "We believe we are well-positioned to continue to drive significant value for Rhode Island families and businesses and to advance the state's ambitious goal to achieve net-zero carbon emissions by 2050. We look forward to partnering with the talented and dedicated team at Narragansett Electric to deliver energy safely, reliably and affordably for those we serve."

In the petition and accompanying testimony, PPL highlighted its strong record of delivering award-winning customer service in each of the regions it serves and said it intends to bring this same customer-centric focus to Rhode Island.

The company also said it intends to leverage its experience in building one of the nation's most advanced energy grids to make Rhode Island a leader in this area, enhance grid resilience and reliability for customers, and support the state's decarbonization goals. These goals will benefit from the kind of smart grid technology PPL has already deployed to reliably integrate increased distributed energy resources, including renewable generation and energy storage, on local networks.

Regarding natural gas operations, PPL said it intends to bring its strong safety culture and forward-thinking natural gas strategy to bear in providing safe, reliable and affordable service for Rhode Island customers. The company's filing noted PPL's experience with its gas main replacement program in Kentucky as an example of its forward-thinking approach. The program has already replaced all cast iron pipes and virtually all bare steel pipes with more durable materials, reducing gas leaks and enhancing public safety. PPL expects to build upon existing gas main replacement efforts taking place in Rhode Island.

PPL's filing also emphasized the company's success in operating efficiently and effectively to control costs to customers and said the transaction itself will not impact customers' energy bills.

In addition, the company said it is committed to investing in infrastructure improvements that benefit customers and drive economic growth, to building strong communities through philanthropy and volunteerism, and to maintaining a strong leadership presence in the state. The company said Narragansett Electric will have a Rhode Island-based president responsible for operations in the state, as well as a Rhode Island-based vice president of gas operations.

PPL has already established a Rhode Island transition team and is coordinating closely with National Grid on transition planning.

"I have met with Rhode Island employees and have been impressed with their commitment to their work and the communities they serve," said Gregory N. Dudkin, PPL executive vice president and chief operating officer. "Together, we intend to ensure a smooth transition in operations upon closing of the transaction so that we don't miss a beat in providing safe, reliable and affordable service to Rhode Island customers. Beyond closing, PPL expects to deliver the kind of operational excellence for Rhode Island that has been a hallmark of our company for 100 years."

PPL's sale of its U.K. utility business, Western Power Distribution, and the company's acquisition of Narragansett

Electric require approvals in the U.S. and U.K. With today's filing in Rhode Island, PPL has submitted all of the regulatory filings required to secure approval for the transactions.

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