



and other natural resources located within the state.” See R.I. Gen. Laws § 10-20-1 and § 10-20-3(d)(5).

4. Respondent Rhode Island Division of Public Utilities and Carriers (“Division”) is an agency of the State of Rhode Island subject to the provisions of the Administrative Procedures Act (“APA”) (R.I.G.L. §§ 42-35-1 *et seq.*).
5. Linda George is the Administrator of the Division.
6. The Division (along with the Public Utilities Commission) is vested with “the exclusive power and authority to supervise, regulate, and make orders governing the conduct of companies offering to the public in intrastate commerce energy...for the purpose of increasing and maintaining the efficiency of the companies, according desirable safeguards and convenience to their employees and to the public, and protecting them and the public against improper and unreasonable rates, tolls, and charges by providing full, fair, and adequate administrative procedures and remedies, and by securing a judicial review to any party aggrieved by such an administrative proceeding or ruling.” R.I. Gen. Laws § 39-1-1(c).
7. The Narragansett Electric Company (“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.
8. National Grid USA (“National Grid”) currently owns 100 percent of the outstanding shares of common stock in Narragansett.
9. PPL Corporation is a corporate entity that owns and operates, through subsidiaries, regulated utilities in Pennsylvania and Kentucky.

10. PPL Rhode Island Holdings, LLC (collectively with PPL Corporation, “PPL”), is a wholly-owned, indirect PPL Corporation subsidiary.
11. On or about May 4, 2021, PPL, National Grid, and Narragansett (collectively, the “Petitioners”) filed a petition under R.I. Gen. Laws §§ 39-3-24, 25 and 815-RICR-00-00-1.13 (the “Joint Petition”), seeking Division approval to transfer 100 percent of the outstanding shares of common stock in Narragansett from National Grid to PPL (the “Transaction”).
12. In exchange for 100% ownership of Narragansett, PPL proposes to pay National Grid approximately \$3.8 billion and assume roughly \$1.5 billion of debt.
13. Pursuant to R.I. Gen. Laws § 39-3-24, Division approval is required for the Transaction to take place.
14. Pursuant to R.I. Gen. Laws § 39-3-25, to approve the transaction the Division must find that “the facilities for furnishing service to the public will not . . . be diminished” by the transaction and that the transaction and its terms are “consistent with the public interest.”
15. Upon closing, PPL Rhode Island Holdings, LLC would hold 100 percent of the outstanding shares of common stock in Narragansett.
16. Ownership of 100 percent of the outstanding common stock in Narragansett provides a functional monopoly over natural gas and electric distribution in the State of Rhode Island.
17. After closing on the Transaction, Narragansett would become one of the regulated utilities under the PPL umbrella, and it would cease to be affiliated with National Grid USA and its operating subsidiaries in Massachusetts and New York.
18. National Grid, including through its subsidiary National Grid Service Company which provides numerous services to Narragansett under a shared cost model, currently provides

- synergies as a result of cooperation and shared services in its Massachusetts, New York, and Rhode Island operations, which provide cost savings for Rhode Island ratepayers.
19. After closing on the Transaction, Rhode Island will cease to benefit from these synergies.
  20. The Joint Petition was reviewed by the Division through proceedings in its Docket No. D-21-09.
  21. The Advocacy Section, which exists within the Division and appears as a party of right in Division proceedings to protect the interests of ratepayers, appeared and represented the interests of Rhode Island gas and electric ratepayers in Docket No. D-21-09.
  22. On June 11, 2021, the Division issued a notice of a filing deadline for motions to intervene in Docket D-21-09.
  23. Following a hearing on July 15, 2021, five (5) of nine (9) motions to intervene were granted in whole or part via Division Order 24109 dated August 19, 2021.
  24. Division Order 24109 allowed intervention into Docket No. D-21-09 by the following parties:
    - i. RIAG
    - ii. Office of Energy Resources (“OER”)
    - iii. Conservation Law Foundation (“CLF”)
    - iv. Acadia Center (“Acadia”)
    - v. The Green Energy Consumers Alliance, Inc. (“Green Energy”)
  25. Pursuant to the scheduling order issued in Docket No. D-21-09, all discovery and data requests were issued by October 1, 2021.
  26. Advocacy Section and intervenor direct testimony was filed by November 8, 2021. Petitioners’ rebuttal testimony was filed on November 23, 2021.
  27. Advocacy Section and intervenor surrebuttal testimony was filed on December 9, 2021.
  28. Hearings in Docket No. D-21-09 were scheduled for and held each day from December 13, 2021 to December 16, 2021 (the “Hearings”).

29. On December 11 and 12, PPL submitted certain “commitments” to the Division (the “Original Commitments”), altering the terms of the Joint Petition on the literal eve of the hearings, after close of discovery and after the submission of expert testimony, preventing the Advocacy Section and intervenors from conducting discovery on the Original Commitments and analysis of the Commitments to complete a proper vetting of alterations to the Petition in consultation with experts for the presentation of their cases in Docket No. D-21-09. Copies of the Original Commitments are attached hereto as Exhibit A.
30. The Petitioners presented seven (7) witnesses at the Hearings.
31. The Advocacy Section presented three (3) expert witnesses at the Hearings.
32. The Attorney General presented two (2) expert witnesses at the Hearings who testified as a panel.
33. Green Energy presented an expert witness at the Hearings.
34. PPL has failed to provide voluminous information requested by the Advocacy Section and the intervenors, including *inter alia*, crucially important post-closing financial projections for PPL and Narragansett.
35. The information PPL has failed to provide includes information typically expected and provided in reviews of public utility acquisitions.
36. Post-hearing briefs by PPL, National Grid, the Advocacy Section, the RIAG, CLF, Acadia, and Green Energy were filed on January 17, 2022.
37. PPL’s post-hearing brief again altered the Original Conditions and attached a new version of their proposed conditions (the “Amended Conditions”).
38. Petitioners solely had the affirmative burden to demonstrate that the Transaction satisfies the standard established by R.I. Gen. Laws § 39-3-25, including “that the facilities for

furnishing service to the public will not thereby be diminished; and that the purchase, sale, or lease and the terms thereof are consistent with the public interest”

39. The Division’s Order demonstrates a clear error of law and abuse of discretion in its failure to apply the standard set forth in R.I. Gen. Laws § 39-3-25 and further misapplies the standard even as interpreted by the Hearing Officer.
40. The compressed procedural schedule prevented parties and the Division from completing a meaningful review of the proposed transaction.
41. The submission of the Original Commitments on the eve of the hearing and further alterations presented in the Amended Commitments in PPL’s post-hearing brief deprived parties of the opportunity to meaningfully review the changes with the benefit of discovery needed to illuminate their true meaning in the context of the Joint Petition, and build an adequate record to support the Division in its Order.
42. Petitioners’ insufficient responses to discovery and the denial by the Hearing Officer of RIAG’s motion to admit all data responses into the record, lead to an incomplete record that does not support the findings in the Division’s Order.
43. Petitioners did not provide, and the record does not contain, sufficient evidence demonstrating that PPL can effectively operate Narragansett without substantial harm to the public.
44. Petitioners failed to provide, and the record does not contain, evidence that PPL can provide commensurate synergies to the status quo or otherwise ensure no harm will accrue to the public, including ratepayers.
45. Petitioners failed to provide, and the record does not contain, evidence that PPL is capable of and committed to helping Rhode Island meet its required greenhouse gas emission

reductions under the Act on Climate or provide any specifics as to how it may accomplish such actions.

46. Petitioners failed to provide, and the record does not contain, evidence as to how PPL plans to avoid significant increases in natural gas and electric distribution costs resulting from its operation of Narragansett, including costs related to new technology and facilities not necessary absent the Transaction.
47. Petitioners failed to provide, and the record does not contain, evidence of how PPL would ensure the same or better storm response than the services currently provided by Narragansett under National Grid ownership without increasing the costs of such response.
48. If the Transaction were closed while an appeal is pending, it would be impossible to unwind the \$5.3 billion Transaction and to require National Grid to re-assume control of virtually all of the natural gas and electric distribution in Rhode Island, without substantial harm to the public and Rhode Island ratepayers.
49. The Petitioners failed to support the Joint Petition with sufficient evidence to ensure that the Transaction will not result in a diminishment of Narragansett's services, and the record is devoid of any such evidence.
50. The Petitioners failed to support the Joint Petition with sufficient evidence to ensure that the Transaction was in the public interest, including the interest of ratepayers, and the record is devoid of any such evidence.
51. The Division Order and the administrative findings, inferences, and conclusion contained therein violate statutory provisions, exceed the statutory authority of the agency, was made upon unlawful procedure and upon an incomplete administrative record, was affected by clear error of law, and is an arbitrary and capricious decision constituting an unwarranted

exercise of discretion.

52. The Division Order and the administrative findings, inferences, and conclusions contained therein are in violation of Rhode Island's Administrative Procedure Act.
53. Jurisdiction over this matter is conferred upon the Superior Court pursuant to R.I.G.L. § 39-5-1 and § 42-35-15.

**WHEREFORE**, the RIAG respectfully requests that this Honorable Court:

- a. Conduct a judicial review of the Division Order in light of the record;
- b. Vacate the Division Order approving the Joint Petition;
- c. Direct the Division to deny the Joint Petition and/or remand the matter for further proceedings; and
- d. Grant such additional and further relief as this Honorable Court deems just and proper.

Respectfully submitted,

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