

**STATE OF RHODE ISLAND
PROVIDENCE, SC.**

SUPERIOR COURT

**PETER NERONHA ATTORNEY GENERAL :
OF THE STATE OF RHODE ISLAND :**

v. :

No. _____

**RHODE ISLAND DIVISION OF :
PUBLIC UTILITIES AND CARRIERS, :
LINDA GEORGE, ADMINISTRATOR IN HER :
OFFICIAL CAPACITY ONLY; :
NATIONAL GRID USA; NARRAGANSETT :
ELECTRIC; PPL CORPORATION; AND PPL :
RHODE ISLAND HOLDINGS LLC :**

**EMERGENCY MOTION TO STAY DIVISION ORDER DURING PENDENCY OF
APPEAL PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT
(Memorandum of Law to Follow)**

NOW HERE COMES, Petitioner Peter F. Neronha, Attorney General of the State of Rhode Island (“RIAG”) pursuant to R.I. Gen. Laws §42-35-15(c) and submits this emergency motion to stay the Division of Public Utilities and Carriers’ (“Division”) 334-page order, Order 24322 (the “Order”), issued yesterday February 23, 2022, during the pendency of an appeal for review of the Order pursuant to the Administrative Procedures Act (“APA”) in order to prevent irreparable harm to the public. Said appeal has been filed contemporaneously with this motion. This motion is necessitated by the stated intention of the parties to close the proposed transaction within five (5) business days of the Order, well before the tolling of the thirty (30) day appeal period.

On May 4, 2021, PPL Corporation (“PPL Corp”), PPL Rhode Island Holdings, LLC (“PPL RI”) (PPL and PPL RI shall be collectively referred to as “PPL”), National Grid USA (“National Grid”), and The Narragansett Electric Company (“Narragansett”) (collectively, the “Petitioners”) filed a joint petition with the Division of Public Utilities and Carriers (the “Division”) under R.I.

Gen. Laws §§ 39-3-24 and 39-3-25 and 815-RICR-00-00-1.13, seeking to transfer 100 percent of the outstanding shares of common stock in Narragansett from National Grid to PPL RI, a subsidiary of PPL Corp created solely for the purposes of this transaction. PPL Corp is an energy company headquartered in Allentown, Pennsylvania. The transaction as approved would remove Narragansett from the carefully integrated regional system of cost-efficient synergies and infrastructure developed by National Grid over decades, which has in large part already been paid for by Rhode Island ratepayers, and attempts to place the utility in a new corporate structure under the Pennsylvania-based PPL Corporation umbrella.

The potential far-reaching effects of the proposed transaction clearly warrant a stay to ensure that the status quo is maintained and the rights of the parties to seek effective judicial review are not limited. The approval of this transaction having been issued under a standard inconsistent with statute, without adequate financial information to assure continued quality and efficiency of services, on an inadequate record and without statutorily mandated climate change provisions, *inter alia*, puts Rhode Islanders at risk.

As will be explicated more fully in the Attorney General's forthcoming Memorandum of Law, if a brief stay for review is not granted and the transaction is allowed to proceed, both extensive and irreparable harm can or will result for the following reasons:

- This \$5.3 billion transaction represents the transfer of a virtual monopoly over electric and natural gas distribution in the State and stands to affect every single Rhode Islander.
- Degradation of services and/or significant rate increases are not precluded and in fact permitted by the legal standard created *suo motu* by the Division;
- The *status quo* for effective shared storm response without significantly increasing costs to ratepayers and the public is at risk because of new factors of geographic distance:
- A significant portion of PPL's costs for the overhaul and replacement of Narragansett's information technology system, necessary solely because of the transaction and potentially duplicative of costs already paid for by ratepayers, will be sought from ratepayers;

- The transaction was not reviewed in accordance with the State's obligation to meet emissions and other goals required by the Act on Climate;
- The transaction was approved based on entirely novel and untested standards of law establishing a dangerously low threshold for approval that would essentially allow sale of a utility at any time to any large corporate purchaser, whether or not such a transaction would harm the public.

Without a stay of the Order, the Petitioners will close on the transaction, creating a situation that would be impossible to unwind and would evade judicial review, ensuring harm to the public would result.

Pursuant to R.I. Gen. Laws §42-35-15(c) “[t]he agency may grant, or the reviewing court may order, a stay upon the appropriate terms.” R.I. Gen. Laws § 42-35-15(c). The Rhode Island Supreme Court has stated: “we are of the opinion that this section grants to the reviewing court the power to grant a stay of an agency order under circumstances which in the trial justice’s sound discretion should require that matters be held in status quo pending review of the agency decision on its merits.” *State of Rhode Island Department of Corrections v. Rhode Island State Labor Relations Board, et al.*, 658 A. 2d 509, 509 (1995).

For the reasons stated herein, the Attorney General as Intervenor requests an immediate stay of Order 24322 to permit full and complete judicial review.

Respectfully submitted,

PETER F. NERONHA
ATTORNEY GENERAL OF THE
STATE OF RHODE ISLAND

By,

/s/ Nicholas M. Vaz

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Dated: February 24, 2022

CERTIFICATE OF SERVICE

I hereby certify that this motion has been served via email to all party attorneys of record in the agency proceedings and the clerk of the agency.

/s/ Nicholas Vaz