

# Moody's upgrades PPL credit rating following company's strategic repositioning and acquisition of The Narragansett Electric Company

*Moody's cites improved overall business risk profile of PPL's U.S.-focused regulated portfolio*

ALLENTOWN, Pa., June 7, 2022 /PRNewswire/ -- Moody's Investors Service on Monday upgraded the investment-grade credit ratings of PPL Corporation (NYSE: PPL) and PPL Capital Funding, Inc., following PPL's recent acquisition of The Narragansett Electric Company, which is now doing business as Rhode Island Energy.

The national credit rating service upgraded the ratings of PPL, including its issuer rating, and PPL Capital Funding, including its senior unsecured rating, to Baa1 from Baa2. Moody's also upgraded Narragansett Electric's senior unsecured and issuer ratings to A3 from Baa1 and preferred stock securities rating to Baa2 from Baa3.

"These ratings upgrades reflect the improved financial strength of the new PPL following the sale of our U.K. utility business in 2021 and our recent acquisition of Narragansett Electric," said PPL President and Chief Executive Officer Vincent Sorgi.

"As a result of our strategic repositioning, today's new, U.S.-focused PPL has one of the utility sector's best credit profiles, a balance sheet capable of supporting robust growth without equity needs for the foreseeable future, and a de-risked business plan to drive significant value for our shareowners and customers moving forward," said Sorgi.

"We believe these ratings upgrades also reflect the quality of our new regulated utility mix, our disciplined approach to deploying capital and the constructive regulatory jurisdictions in which we operate."

In announcing its upgrades to PPL and PPL Capital Funding, Moody's cited PPL's improved overall business risk profile and credit supportive regulatory environments as contributing factors. Moody's said its upgrade of Narragansett Electric's credit rating reflects its "expectation that the utility will be able to maintain its strong, stable credit profile going forward without the credit pressure from its previous highly leveraged parent company." Moody's also indicated a key driver of the Narragansett Electric rating upgrade was improved corporate governance, as PPL has agreed to strengthen ring-fencing provisions to better insulate the Rhode Island utility from its parent company.

As [previously announced](#), PPL will host a virtual Investor Day on June 9 beginning at 10 a.m. Eastern Time to discuss the company's business strategy and long-term financial outlook, including its improved credit profile. Investors and analysts may access the event through the Investor Relations section of the company's website at <https://pplweb.investorroom.com>.

## About PPL Corporation

PPL Corporation (NYSE: PPL), based in Allentown, Pennsylvania, is a leading U.S. energy company focused on providing electricity and natural gas safely, reliably and affordably to 3.5 million customers in the U.S. PPL's high-performing, award-winning utilities are addressing energy challenges head-on by building smarter, more resilient and more dynamic power grids and advancing sustainable energy solutions. For more information, visit [www.pplweb.com](http://www.pplweb.com).

Note to Editors: Visit our media website at [www.pplnewsroom.com](http://www.pplnewsroom.com) for additional news about PPL Corporation.

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