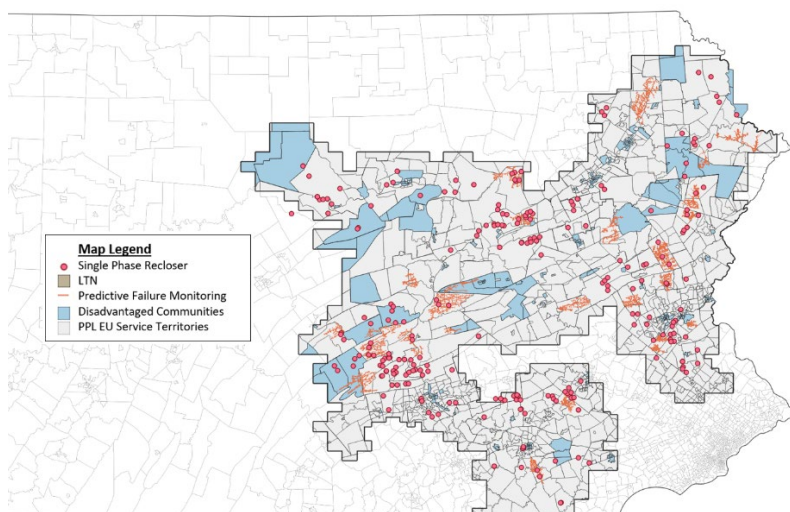


## Community Benefits Plan

### Executive Summary

PPL Electric Utilities Corporation (PPL Electric or the Company) and its team member, PPL Services Corporation (PPL Services and, together with PPL Electric, the Project Team) is committed to bringing reliable power to its customers and prioritizing the impact of benefits to communities in its service territory. The Company believes that it must engage, understand and contribute to its communities to empower economic vitality and improve customer quality of life. This portfolio enables PPL Electric to showcase this effort through continued collaboration with community stakeholders and address a range of social and environmental challenges facing its communities. This proactive approach to community engagement enables PPL Electric to deliver a portfolio under its Grid of the Future Project (Project) that better serves the unique needs of its communities and creates more inclusive and connected partnerships. The Company will continue its existing community engagement efforts while delivering benefits faster with accelerated investments. The Company serves more than 200 DACs in its service territory, in places like Allentown, Bethlehem, Harrisburg, Lancaster, and many others. The DACs represent about 20% of the total census tracts that PPL Electric serves.



**Map:** PPL Electric Service Territory, Project Locations and DACs

PPL Electric's application is driven by its commitment to its communities. At the Federal, state, and local level, PPL Electric's stakeholders are pushing for carbon reduction. This focus drives the Project's key goals: (1) aligning with local, state, and federal carbon reduction goals, (2) positioning the grid as an enabler of electric vehicle (EV) adoption, electrification, and distributed energy resource (DER) integration, and (3) investing in infrastructure to support economic development and advanced manufacturing in Pennsylvania. As part of this effort, the state and several communities in PPL Electric's service territory have stated carbon reduction targets that include transportation electrification. The 2021 National Electric Vehicle Infrastructure (NEVI) Formula Program has opened a myriad of electrification possibilities for the state. As part of that focus, Pennsylvania signed a multi-state agreement in 2020 committing that at least 30% of new medium-duty and heavy-duty truck sales will be zero-emission vehicles by 2030. Ultimately, the state aims to make EVs 100% of truck sales.<sup>1</sup>

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<sup>1</sup> [Final PA NEVI State Plan \(ver 7-21-2022\).pdf](#)

Internal combustion engine (ICE) vehicles produce 47% of nitrogen oxides in the air state-wide and have contributed to an increase in asthma-related emergency room visits.<sup>2</sup> They also contribute 21% of CO<sub>2</sub> emissions state-wide, resulting in rising temperatures and more extreme weather.<sup>3</sup> DACs in particular are disproportionately impacted by this harm.<sup>4</sup>

Additionally, EV owners experience 50 to 70% lower fuel costs, lower maintenance expenses, and longer vehicle life.<sup>5</sup> The recently enacted Inflation Reduction Act (IRA) includes tax benefits that improve low-income individuals' access to EVs. Additional support from both the IRA and IIJA enables fleet electrification for schools and municipalities. With this support, the long-term financial benefits of EVs can be more accessible for customers, including those living in DACs.

These benefits alone do not make achieving climate goals in DACs a reality. It also requires a resilient and reliable grid supporting the appropriate infrastructure, such as charging stations where PPL Electric intends to step in. With GRIP funding, the Company will accelerate and enable the achievement of stakeholders' ambitious climate goals in three critical ways: (1) its projects enhance resilience and reliability mitigating risk to EV charging capability, (2) its investments support increased DER adoption with improved grid flexibility, and (3) the improvements support corporate climate goals and drive economic development. IIJA funding is necessary to advance these projects and achieve these goals.

PPL Electric's investments, accelerated with DOE funding, drive the creation of a fully "self-healing" grid. The combination of operational technology (OT) and four kinds of information technology (IT) work together to offer enhanced visibility into grid performance across the entire service territory. The automation offered with the IT investments will allow PPL Electric to identify, mitigate, and prevent disruptions on the grid more efficiently and effectively. The portfolio will reduce outage frequency and durations so customers continue to receive reliable energy to power not only their homes but also their EVs, even in the worst of circumstances.

PPL Electric is in a critical position to make significant, long-lasting impacts on its communities because it can build off existing engagement efforts. The Company has a long history of actively engaging with community members to understand and address their needs. If PPL Electric receives DOE funding, it plans to leverage existing community initiatives, equipping the Company with more resources to understand customers' demands. Additionally, PPL Electric is nationally recognized for its trend-setting adoption of cutting-edge grid technology and can set an example for industry peers on community engagement.

In this Community Benefits Plan, PPL Electric will demonstrate its commitment to meeting the DOE's four investment priorities: (1) community and labor engagement, (2) investing in the American workforce, (3) advancing diversity, equity, inclusion, and accessibility (DEIA), and (4) the Justice40 Initiative. The Company has created a PPL Electric Grant Office to oversee the implementation of the IIJA portfolio; one of the Grant Office's most critical responsibilities is

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<sup>2</sup> Ibid.

<sup>3</sup> [Final PA NEVI State Plan \(ver 7-21-2022\).pdf](#)

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

holding the Company accountable to these four priorities. The following sections set forth the PPL Electric framework to ensure federal funding in its investments advance these four priorities.

### **Community and Labor Engagement**

PPL Electric has a long-standing commitment to being an active and impactful corporate citizen within the communities it serves. The Company understands that while enhancing and constructing physical utility infrastructure is vital to its community contributions, it also deeply prioritizes input and engagement from local communities. These discussions with the customers and businesses the Company serves inform the initiatives and investments it pursues.

PPL Electric leadership conducts semi-annual community engagement meetings with local officials and non-profit organizations in the service territory to share company initiatives and to hear important issues directly from community members. These meetings have uncovered that within PPL Electric's communities' the primary issues raised are reliability and affordability. Additionally, the Company has community meetings for transmission projects to solicit feedback from the communities that will be impacted. If the Company received DOE funding, it plans to build on its experience with these community meetings and expand them to include this Project. PPL Electric commits to holding public engagement sessions with the communities benefitting from these projects. These sessions will be modeled off PPL Electric's successful regional community engagement meetings and give the community the opportunity to learn about these projects. PPL Electric also actively supports its business community. The Company has a strong relationship with local Chambers of Commerce and Economic Development organizations and values engagement through customer interaction, local community board memberships, active participation within neighborhood groups, and consistent dialogue with elected officials.

PPL Electric has Regional Affairs Directors (RAD) that work with community leaders, elected officials, chambers of commerce, and non-profit organizations throughout their regions. RADs lead regional volunteer teams comprised of employees from various roles and geographic locations who make decisions on grant awards three times a year. PPL Electric Key Account Managers engage business and industrial community customers to help them get the most value from utility energy efficiency programs. They serve as liaisons with operations to assist with the electrical power needs of large customers and proactively address potential reliability issues.

PPL Electric employees devote over 10,000 volunteer hours annually to organizations throughout the Company's service territory. Through the PPL Foundation, which is run and operated at the PPL Services level, additional investments are made in the communities the Company serves through grants, which totaled more than \$3.7 million in 2022, to organizations and programs that seek to drive economic development, develop STEM education opportunities, encourage environmental excellence, and promote diversity and inclusion. The Company's collaboration with United Way is a critical part of PPL Electric's community engagement. At the end of 2022, PPL Electric, as part of PPL Corporation's annual giving campaign, was instrumental in raising over \$6 million for the United Way, which supports vital community resources.

The PPL Foundation has multiple programs to support education efforts in the communities PPL Electric serves, including the Empowering Educators program that awards 50 grants to teachers working to engage students in STEM subjects; Cover to Cover, which donates books to libraries

and summer learning programs to encourage literacy in K-3 students; and Partners in Education, a 30-year program in which employees volunteer as mentors and tutors for local elementary school students.

Additionally, as PPL Electric works to create the utility of the future, the PPL Foundation and the Powering Brighter Futures scholarship program aim to foster greater diversity in key fields and to expand access to high-quality education for students in the Company's communities. PPL Foundation-funded program will award \$150,000 annually to students who live within communities served by the Pennsylvania and Rhode Island utilities of PPL Corporation's (PPL Corp) subsidiaries. To further support workforce development efforts, non-traditional students, such as adult learners and those needing funding later in their educational career, are also eligible to apply for scholarships.

If PPL Electric received DOE funding, the Company can expand efforts to serve its customers better. For example, PPL Electric supports its communities' environmental improvement and will continue to organize "Days of Caring" for employees to give back to various communities. Operating town halls will require resources such as labor and materials that the DOE funding could support to increase PPL Electric's direct contact with community members.

PPL Electric considers its operations' environmental and economic factors on its employees, customers, and its communities. These factors are consistent with PPL Electric's prioritization of safely, reliably, and affordably providing sustainable energy solutions. IJIA funding will support installing more efficient, sustainable technology to advance its commitment to the responsible, clean energy transition in each of its service territory's communities.

PPL Electric participates in many outreach activities within the community through career fairs, multicultural leadership conferences, mock interviews, career boot camps, and affinity group sponsorships. In 2022, the PPL Foundation contributed nearly \$300,000 in grant funding to programs focused on career and workforce development, with \$159,000 or 53% of funding being directed to 11 programs in DACs.

PPL Electric has also supported communities within its service territories to meet the state's Climate Action Plans (CAPs). PPL Electric understands that communities are experiencing negative impacts due to climate change, such as increased severe weather events and flooding. The Company has committed to net-zero emissions by 2050 as part of PPL Corporation's enterprise-wide commitment.<sup>6</sup> This commitment is more aggressive than Pennsylvania's state-wide goal of reducing GHG emissions by 80% by the same year. Accomplishing these GHG objectives will contribute to reducing the risk of flooding events and landslides, and mitigate the rise in average temperature. Specific decarbonization objectives set forth by the state include incentivizing electrification and increasing the use of light-duty electric vehicles. Through improved reliability resulting from PPL Electric's GRIP investments, the Company can enable the adoption and expansion of EVs in Pennsylvania and in communities with established climate goals. Increased electricity reliability will enable electric vehicles to avoid the inability to charge, particularly following Major Event Days of severe weather when they may be most needed to address household-specific storm impacts.

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<sup>6</sup> [PPL Corporation](#). "PPL's 2021 Climate Assessment Report." 2021.

The Company supports communities by helping them build a roadmap for each city to reduce GHG emissions and mitigate climate change. To date, PPL Electric has supported four communities establish CAPs, including the cities of Bethlehem and Lancaster, Cumberland County, and Carlisle Borough. An additional 12 communities are in various stages of CAP development. Many of these CAPs focus on the Paris Accord Agreement by seeking to limit the global temperature rise to less than 2 degrees Celsius, though most go further (less than 1.5 degrees Celsius). These communities may also apply for CAP grants from the PA Department of Environmental Protection funded by the DOE State Energy Program.

PPL Electric understands the significance of involving all potentially impacted communities in a stakeholder engagement process in advance of project implementation. This process will intend to communicate and uncover information so that economic benefits flow to the communities where projects are implemented and that negative externalities are mitigated within those communities. PPL Electric interacts directly with communities in its service territory to solicit input on new construction projects proposed to improve grid reliability. Public stakeholder input is obtained through local workshops to provide communities with information on projects' needs, as well as an opportunity to provide input on siting of new facilities. Engaging with these stakeholders gives PPL Electric the opportunity to understand their perspectives on the project plan and creates an environment of transparency while eliminating certain risks associated with the project. PPL Electric will use this same successful community outreach strategy for communicating each investment with the communities and municipalities impacted by its GRIP portfolio.

Specifically, PPL Electric will commit to holding three community meetings over the course of the performance period. These meetings will be held at the beginning, middle, and end of this project to keep community members engaged throughout the process. Various stakeholders such as business leaders, higher education institutions, non-profits, labor unions, and representatives of the impacted communities will be invited. Additionally, PPL Electric will host at least one internal meeting per year to discuss best practices and lessons learned as project progress is made. Finally, the Company will create a promotional video within one year of receiving DOE funding that emphasizes the impact of DOE funding and the measurable benefits they have on the PPL Electric service territories.

### **American Workforce**

With the Topic Area 2 investments identified in this portfolio, PPL Electric hopes to support the creation of skilled Pennsylvania jobs. The construction jobs created are in line with PPL Electric's current strategy to attract and retain employees by providing competitive compensation (wages, benefits, training, etc.). Pennsylvania's energy strategy also recognizes the importance of a smart and reliable grid for job creation and economic development. In no other industry is this more important than advanced manufacturing – a sector that Pennsylvania has prioritized attracting to the state. Business groups, including the Pennsylvania Chamber of Commerce, have expressed the need for a resilient, smart grid that reduces momentary outages that are incredibly disruptive to advanced manufacturing.

PPL Electric currently employs around 1,600 team members in 29 counties in Pennsylvania and has historically hired more than 90 new team members per year on average. PPL Electric provides

all employees with a comprehensive, competitive compensation and benefits package. PPL Services' compensation philosophy targets the market median to ensure salaries and incentive targets are competitive to attract and retain a high-performing, highly skilled, and motivated workforce. PPL Electric has achieved 88.7% employee retention by providing quality jobs to all employees. A total of 196 promotions were conducted for both union and non-union employees in 2021. Thanks to IJA funding, the delivery of Topic Area 2 projects to the PA service area will make the grid more resilient and reliable and deliver benefits to its communities.

PPL Electric's commitment to improving the quality of energy jobs is demonstrated by the Company's strong relationship with the International Brotherhood of Electric Workers Local 1600. The Company supports its employees' right to freedom of association and to form or join a union, bargain collectively, and engage in union activities. With 37% of PPL Electric's workforce represented by a labor union, the company's operating utilities collaborate with union leadership to enhance workplace safety, meet the growing expectations of customers, and adapt to the challenges of rapidly changing technologies. Bargaining unit employees have access to a grievance procedure for internal dispute resolution. The grievance procedure promotes a prompt and responsible conclusion of issues raised by bargaining unit employees. Among other things, union and non-union employees alike are encouraged to participate in health and safety groups such as the safety advocate program and join one or more business resource groups, which are employee-driven organizations formed around common experiences and perspectives.

PPL Electric acknowledges and confirms that under Section 41101 of subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the "Davis-Bacon Act", all laborers and mechanics employed by PPL Electric, contractors or subcontractors in the performance of construction, alteration, or repair work funded in whole or in part under DE-FOA 0002740 will be paid wages at rates not less than those prevailing on similar projects in the locality, as determined by the Secretary of Labor.<sup>7</sup> PPL Electric understands the importance of positive labor relations, not just within the context of the GRIP program, but for the ongoing success of the utility. PPL Electric's commitment to positive relations and negotiations with unions serves to support community-wide development. By attracting and retaining employees and providing competitive compensation (wages, benefits, training, etc.) PPL Electric can ensure business continuity so that the utility can also continue to seamlessly serve communities across PA. At PPL Corp, DEIA priorities and corporate culture are overseen by senior management who provide updates to the PPL Board of Directors. The industry has recognized PPL Corp for its commitment to building an ethical and safe workplace culture including "Best Place to Work for Disability Inclusion" by Disability Equality Index, DiversityInc's "Top Utilities in the Nation for Workplace Diversity," and "Best Place to Work for LGBTQ Equality" in the Human Rights Campaign Foundation's 2021 Corporate Equality Index.

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<sup>7</sup> PPL Electric has not had any violations within the past two years under the National Labor Relations Act, Fair Labor Standards Act, Occupational Safety and Health Act, Service Contract Act, Davis-Bacon Act, or Title VII of the Civil Rights Act.

PPL Electric will continue with its current hiring structure, contracting to local partners for certain projects. This hiring includes both within its company and upstream in the components and materials it purchases. The Company is committed to working with these contractors to build hiring goals prioritizing community outreach and diverse hiring. Additionally, if the DOE funding is received, PPL Electric plans to expand its internal training to be able to use and take advantage of the new investments being made.

Workforce training and investing in the skills of its employees are essential to successful hiring practices at PPL Electric. The Company is committed to investing resources into upskilling and reviving its service territory, especially DACs. This is especially important due to the integration of IT into the grid and the demand for labor that is familiar with the technicalities of each investment. Through its support of education and workforce development programs with local community colleges and universities, PPL Electric has supported efforts to upskill residents to revive the community. If granted DOE funding, the company will leverage these relationships and support the communities' further by educating them on the benefits on Smart Grid. As the grid becomes more advanced, automated, and flexible, the capabilities of these institutions to upskill people in their communities become more important.

More generally, PPL Electric is partnering with several academic institutions across the state to upskill the workforce, especially for DAC residents. Specifically, the Company supports career development programs at higher education institutions throughout its service territory including Northampton Community College, Pennsylvania College of Technology, and Thaddeus Stevens University. In total, PPL Electric has contributed more than \$2 million in grant funding to support education efforts in the community. If DOE funding is received, PPL Electric will leverage existing relationships with these schools and other stakeholders and support the creation of curricula to prepare the workforce for the clean energy transition. Program examples include automobile mechanic training for EVs and DER installation skills.

The Company invests \$500,000 every year in training opportunities for its workforce, including tuition assistance and field apprenticeship programs. PPL Electric strongly emphasizes workforce planning to ensure the Company meets current and future workforce standards. Additional training includes the Company's live lab at its Walbert Training Center (WTC), which is focused on testing and training employees for predictive failure monitoring technologies.

If PPL Electric receives DOE funding, the Company plans to expand access to the lab for additional education opportunities to demonstrations for students at technical and high schools in its communities, enabling more students to learn about smart grid functions. The Company will also support three educational institutions that serve DACs and use these partnerships to support the creation of inclusive curricula, mentorship programs, and career pathway outreach. The Company will utilize its existing experience to engage these schools and present topics related to electricity and energy with the intention of encouraging more students to consider careers in the industry.

PPL Electric fosters an exceptional environment for its workforce. The Company leverages various resources to engage its employees, inform them about new technologies and innovations, and communicate safety standards. PPL Electric offers classroom, virtual, and computer-based programs to new hires and professional training programs to help employees improve their skills

in artificial intelligence and virtual reality programs. PPL Electric also partners with external contractors to run a training school for line workers at Northampton Community College.

A core commitment of PPL Electric and its parent company's corporate DEI strategy is to attract, develop and retain a high-performing, diverse workforce.<sup>8</sup> The Team Members support the success of its current and future workforce by cultivating a diverse, equitable and inclusive culture, fostering professional development, and encouraging employee engagement. PPL Electric celebrates the diversity of its employees through its 16 Business Resource Groups that provide opportunities for employees to network, volunteer, and address diversity issues in the workplace.

### **Diversity, Equity, Inclusion, and Accessibility**

PPL Electric takes its commitment to diversity, equity, inclusion, and accessibility (DEIA) seriously, and its history of DEIA initiatives is a testament to this. PPL Electric works with its stakeholders to make an impact on its local community. PPL Foundation has expanded its mission to include diversity, equity, and inclusion, with about 20% of its funds going to these efforts in PPL Electric communities.<sup>9</sup> As of 2017, PPL Corp has been one of 150 companies that has signed the CEO-led Action for Diversity & Inclusion to foster diversity, equity, and inclusion in the workplace.<sup>10</sup>

PPL Electric is proud of its supplier diversity program. The Company is a member of a myriad of national and local organizations aimed at elevating supplier diversity including Disability:IN, Eastern MSDC (Minority Supplier Development Council), and WBEC East (Women's Business Enterprise Center). Since 2016, the amount of PPL Electric's spending on products and services from diverse-owned businesses have doubled.<sup>11</sup> At present, the Company partners with women-owned, minority-owned, veteran-owned, and disability-owned business enterprises. In 2021, PPL Electric spent \$77 million with diverse suppliers across 95 suppliers.<sup>12</sup> Additionally, the Company continues to source from small businesses, many of which are based within or near the PPL Electric service territory. PPL Electric intends to continue to develop its diversity efforts by working with diverse suppliers and subcontractors for goods and services within its DOE investments.

Additionally, PPL Corporation has invested more than \$50 million in the Energy Impact Partners' global investment platform, which brings together leading companies and entrepreneurs worldwide to foster innovation toward a sustainable energy future. EIP's investment platform aims to accelerate the shift to a low-carbon future and driving commercial-scale solutions needed to deliver deep, economy-wide decarbonization. This collaboration includes participation in the EIP Elevate Council, which is focused on funding diverse businesses in the industry.

The Company also works with Century Promise, a cradle-to-career program that promises student members' future employment or continued education once they have completed a

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<sup>8</sup> [CSR](#). 2021 CSR Report. 2021.

<sup>9</sup> [PPL](#). "Energy Forward: PPL's 2021 Sustainability Report." 2021.

<sup>10</sup> [PPL Corporation](#). "PPL joins more than 150 businesses to make unprecedented commitment to advance diversity and inclusion in the workplace." July 12, 2017.

<sup>11</sup> [PPL Corporation](#). "Supplier Diversity."

<sup>12</sup> [PPL Electric](#). Report on Diversity to the Pennsylvania Public Utility Commission. March 2022.



partner-supported pathway that develops the knowledge, skills, and discipline necessary for success. PPL Electric commits to explore ways in which it can partner with Century Promise and bring these opportunities to more students in DACs. The Company has currently partnered with this program to create a career pathway for Allentown School District, where more than 90% of students are minorities and 89% are low-income. This program allows students interested in careers in energy a pathway to careers such as customer service or line work. Last year, company employees that are alumni of the school district shared their experiences working for the Company in an information session with 1,100 students. The students had the opportunity to talk to these employees about their jobs, roles at the company, and common experiences at the district's high schools. As a result of these meetings, 26 students expressed interest in the program and were tested to assess their ability to be successful with the PPL Electric pre-employment test. Areas identified for improvement were then included in each student's 12<sup>th</sup> grade curriculum. In addition to these learning components, visits to PPL Electric's training center and classes in computer skills, communications, and customer relations management training at Lehigh Carbon Community College are in development. There are also plans to enroll Century Promise students in Northampton Community College's certified line worker training program to provide them with the foundation to begin a career as a line worker.

In addition to these efforts, PPL Electric considers DEIA in its opportunities for internships, recruiting and non-profit funding and will continue to evaluate ways to further DEIA goals. PPL Electric works with its stakeholders to make an impact on its local community. PPL Foundation has expanded its mission to include diversity, equity, and inclusion, with about 20% of its funds going to these efforts in PPL Electric communities. The Company also incorporates DEIA considerations into its internship programs, which last year included [XX] interns, [XX]% of whom were minority. The Company utilizes blind recruiting to enable its DEIA recruiting success. This process involves removing applications names and educational institutions to ensure applicants were evaluated purely by their background and skillset. As part of the 2022 internship program, PPL Electric extended 31 of its 40 offers to diverse candidates (minority, female). Of the 21 intern candidates that accepted the offer, 14 candidates were diverse (minority, female). PPL Electric intends to continue these efforts with all projects associated with GRIP Program funding and aims to replicate the Century Promise program in one or more additional communities within the service territory. Finally, the Company will commit to going to at least three school districts per year to discuss the benefits of smart grid technology.

#### **Justice40**

At the forefront of PPL Electric's approach to GRIP investments and portfolio selection is the advancement of the Federal government's Justice40 Initiative to achieve greater engagement with underserved and underrepresented groups. The Company has estimated the magnitude of the DOE funding and its support for its GRIP portfolio across the DACs in its service territory. More specifically, PPL Electric is interested in investments' economic, environmental, and community benefits.

To prepare for IJA grant funding, the PPL Electric Grant Office has identified DACs and evaluated the needs and desires of those in the communities. Implementing Topic Area 2 projects will demand additional internal and external labor, potentially creating new job opportunities.

Economic growth is expected for two reasons. First, new utility projects are expected to create new jobs both directly through PPL Electric employment and indirectly through other types of jobs. A fear that many residents of DACs have is that new economic development will lead to gentrification. Many residents are concerned that new economic development will increase the desirability of the area to outsiders and will therefore drive up the cost of living for native residents. This desirability is a particular concern since over 60% of residents in DAC are renters and will not benefit from appreciations in real estate.

Secondly, more reliable electric infrastructure provides the backbone to support new businesses in these communities. Communities with reliable electricity are more likely to attract new businesses and therefore drive new jobs. Additionally, as improvements to the electric grid are made, the grid will become more resilient to storms, and improve reliability metrics. This level of infrastructure reliability is demanded by businesses that are considering building operations in a new region. Deploying these infrastructure developments will reassure companies that they will have reliable access to the grid to keep their business running.

A concern for many DAC residents is energy burden. For DAC residents in PPL Electric's service territory the energy burden is over 6%, compared to under 3% in non-DAC locations. Energy burden represents the proportion of income spent towards energy. Increasing economic development in the community and reducing customer electricity spend are the keys to lowering customers' energy burden.

PPL Electric plans to continue to reduce customer electricity burden through outreach programs. These programs both educate customers about energy consumption and provide financial relief in the form of reduced fixed payments, forgiveness, and electric service shutoff relief. They have been highly successful and have helped thousands of customers, including those in DACs.

**Decrease DAC energy burden:** This portfolio has a positive impact on DAC residents, particularly low-income residents. While the Company makes efforts to support DAC needs, IJIA support accelerates these initiatives and make greater impacts. Within the eleven DACs in the Company's service territory, 60% of the census tracts within these are qualified as DACs with a total population of about 295,000 residents who will be affected by accelerated DAC benefit investments.<sup>13</sup> Of this population, 59% of residents are considered low-income as defined by earning at or under 200% of the federal poverty line.<sup>14</sup> Communities at or below 200% of the federal poverty level experience an unemployment rate of 11.7%, which is over three times the national average (3.7%).<sup>15</sup> PPL Electric's portfolio meets three key DOE objectives: reduce unemployment, drive economic growth, and enable affordable electricity.

**Decrease environmental exposure:** The Company leverages more than a century of experience developing systems that maintain reliability and has long-established practices to ensure it is focused on engagement, access, affordability, and community support in every project the

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<sup>13</sup> [Department of Energy, "Energy Justice Mapping Tool" 2022 December. The methodology used to calculate relevant DAC figures involved filtering DoE data to PPL Electric's 13 DAC service territories and then filtering again to the Census tracts that are qualified as DACs. Values of each Census tract were weighted based on population and then averaged.](#)

<sup>14</sup> Ibid.

<sup>15</sup> [Bureau of Labor Statistics, "The Employment Situation" 2022 November.](#)

Company develops. PPL Electric's commitment to innovation is resulting in better reliability and service for its customers while maintaining affordability and paving the way to a cleaner energy future. PPL Electric is actively involved in the industry and public sector partnerships focused on advancing research in several key technology areas: advanced dispatchable renewables and power electronics, long-duration energy storage and advanced demand efficiency, zero-carbon fuels (e.g., hydrogen), advanced nuclear energy, and carbon capture, utilization, and storage. Finally, the increase in the number of electric vehicles deployed in Pennsylvania will have important impacts on the community. DACs are disproportionately more likely to suffer from the effects of climate change. Environmental resilience made possible by IIJA funding is intertwined with social and economic resilience.

**Increase parity with clean energy technology:** PPL Electric regularly distributes important energy efficiency information with its customers through online and television advertising, by mail, through digital means, and in-person. It includes home-energy analytics, energy-savings tips, and information about available energy-efficiency rebates. In 2022, energy efficiency programs across PPL Corp's subsidiary operating companies helped customers save more than 439,000 megawatt-hours of electricity and reduced peak demand by nearly 67 megawatts.

**Increase access to low-cost capital:** The Company's business strategy prioritizes affordability. Each of PPL Corp's subsidiary operating companies continually seeks to work more efficiently by eliminating redundancies, improving processes, and use more automation to minimize costs while maintaining its high level of service. This strategy helps keep energy affordable for customers. While the Company's goal is to continue to reduce operating and maintenance expenses to further benefit customers, it also remains focused on helping customers use energy wisely and provide a number of assistance programs to help vulnerable customers. PPL Corp's subsidiary utilities have contributed over \$4 million to various customer assistance programs to help vulnerable customers.

**Increase clean energy enterprise creation and contracting in DACs:** PPL Electric is always evaluating opportunities to increase its use of minority-owned and disadvantaged-owned business enterprises (MBE/DBE) for the clean energy transition. To accomplish this, the Company will continue to engage MBE/DBE businesses to gauge their capabilities in supporting its clean energy transition efforts. PPL Electric understands the needs of electric vehicle customers using the expertise and experience of these electrification companies. These companies will support PPL Electric's effort to identify critical locations that need to maintain the highest level of reliability for safe electric vehicle adoption. The primary use case associated with this reliability benefit is around being able to charge your electric vehicle during an extended power outage. Reliability in this situation is especially important for consumers that need to travel to get food, clean water, or medicine during severe weather.

**Increase clean energy jobs, job pipeline, and job training for individuals in DACs:** PPL Electric is dedicated to developing the industry's next generation of workers that address the challenges and priorities of the future. The Company has identified the imperative for reliable electricity to support the growth of electric vehicle adoption. These workers will need the skills and roles that need to be created. The company will leverage existing relationships with educational institutions and programs like the Century Project to support development of curricula that meet the needs of the workforce and, in the case of the Century Project, potentially hire program graduates.

**Increase energy resiliency in DACs:** These investments drive resiliency improvements across its service territory including addressing causes of reliability issues in DACs through LTN automation. Specifically, across all DACs PPL Electric expects to decrease SAIDI by 0.8% from 113.900 to 112.961 and SAIFI is expected to decrease by 0.4% from .7700 to .7672. Within its service territory, there are approximately 840,000 people that live in DACs out of PPL Electric's 4.3 million population.

**Increase energy democracy, including community ownership in DACs:** The Distributed Energy Resource Management System (DERMS) helps integrate more distributed energy resources like solar, while preserving network reliability and power quality. To date, more than 50 megawatts of customer owned renewable energy has been connected within the DERMS program. The Company has developed a tool to make it easier for customers to apply for and connect solar panels and other generation systems. Since its deployment in 2018, the company has received over 14,000 applications for connection of which 90% have been within 24 hours. Additionally, PPL Electric participates in an alternative energy portfolio standard. From June 2020 to May 2021, this comprised 18% of the power PPL Electric bought for customers without a competitive supplier. These sources include 8% from solar, wind, and hydropower energy sources.

### **Measurable investment outcomes**

PPL Electric's portfolio of investments will result in the creation of jobs, national economic development, fewer outages, and reduced emissions, including in disadvantaged communities throughout its service territories. For example, the LTN Automation is primarily located in DACs. These locations were identified to improve reliability for DAC residents. According to the White House's CEJST, over ~70% of the approximately 19,000 customers impacted by LTN Automation reside in DACs.

Additionally, the proposed infrastructure investments could lead to 150-225 jobs across the value chain. Nearly 85% of these jobs require less than a college degree, providing potential opportunities for workers in DAC.<sup>16</sup> Additionally, this GRIP portfolio is expected to generate nearly \$150 million in GDP improvement as a result of the project-related spending. More importantly, improvements to the reliability and resiliency of the grid have a positive impact in attracting businesses to build operations in these areas. This is because unreliable power can potentially lead to equipment damage, reduced employee productivity, and lost revenue. According to the DOE, electricity disruptions cost American businesses \$150 billion every year.<sup>17</sup> Providing stable infrastructure will position PPL Electric to meet the reliability expectations of its existing and prospective business customers in its service territories.

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<sup>16</sup> Ibid.

<sup>17</sup> [The Pew Charitable Trusts](#). "Industrial Efficiency in the Changing Utility Landscape." 2015 October.