

PPL Electric Utilities Proposes Major New Regional Transmission Project

Line would improve reliability and lower costs for millions of electricity users in Mid-Atlantic region

ALLENTOWN, Pa., July 31, 2014 /PRNewswire/ -- PPL Corporation (NYSE: PPL) announced Thursday (7/31) that its Pennsylvania utility, PPL Electric Utilities Corporation, is proposing to build a major new regional transmission line that would make electric service more reliable and enhance the security of the electric grid while reducing the cost of electricity for consumers.

PPL Electric Utilities submitted the project to PJM Interconnection as part of the competitive solicitation process under FERC Order 1000. As currently proposed, the 500-kilovolt line would run about 725 miles from western Pennsylvania into New York and New Jersey, and also south into Maryland.

By delivering lower-cost electricity into the region, and by enabling the development of new power plants fueled by lower-cost and cleaner-burning natural gas, the project is expected to create savings for millions of electric customers in several states including Pennsylvania, Maryland, New Jersey and New York, according to the PPL Electric Utilities analysis submitted to PJM.

The project is in the preliminary planning stages. If approved and built as proposed, the line would help replace supplies of electricity that will be lost when existing power plants retire. It also would help prevent power shortages during periods of extremely high demand, like the prolonged severe cold weather this past winter.

"This is a forward-looking project with significant benefits for customers, for several states and for the region as a whole," said Gregory N. Dudkin, president of PPL Electric Utilities. He noted that the company has extensive experience planning, obtaining approval for and building major regional electricity infrastructure projects.

The company has begun a comprehensive regional planning effort to determine the best route and final details of the proposed line. As always with such projects, the company would have an inclusive public outreach process and would consider public input when making a final route selection.

The project is expected to create jobs, including thousands of temporary construction jobs, and have a lasting positive impact on the regional economy. The project also is expected to foster regional economic development as new employers take advantage of a reliable, secure and lower-cost supply of energy.

"The project would help secure this region's ability to deliver adequate supplies of energy for decades to come," said Dudkin. "In addition, it would make the electricity delivery network more reliable and more secure over a wide swath of the Mid-Atlantic region."

According to preliminary estimates, the cost of the project would be between \$4 billion and \$6 billion. These potential capital expenditures are not included in PPL Corporation's most recent capital expenditure projections. PPL Electric Utilities may enter into partnerships to develop and build some or all of the project.

The preliminary timeline envisions completion of the project between 2023 and 2025, assuming all necessary approvals are received and construction begins in 2017. Approvals are needed from various regulatory and regional planning entities.

PPL Electric Utilities will be meeting with appropriate state and federal agencies as planning for the project moves forward. Further details of the project will be made public as they become available.

PPL Electric Utilities, a subsidiary of PPL Corporation (NYSE: PPL), provides electric delivery services to about 1.4 million customers in Pennsylvania. The company owns and operates 4,500 miles of electric transmission lines, and currently is building two major high-voltage transmission projects, the Susquehanna-Roseland line and the Northeast-Pocono Reliability Project. The company consistently ranks among the best companies for customer service in the United States. More information is available at www.pplelectric.com.

PPL Corporation, with 2013 revenues of \$12 billion, is one of the largest companies in the U.S. utility sector. The PPL family of companies delivers electricity and natural gas to about 10 million customers in the United States

and the United Kingdom. PPL recently announced an agreement to combine its competitive market generating company with the competitive generation business of Riverstone Holdings LLC to form Talen Energy Corporation, the third-largest independent power producer in the country. More information is available at www.pplweb.com.

Statements contained in this news release, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy, are "forward-looking statements" within the meaning of the federal securities laws. Although PPL Corporation believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, these statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of generating plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

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