PPL Signs Power Purchase Agreements to Supply Electric Utilities in Arizona

PRNewswire-FirstCall
ALLENTOWN, Pa.

The energy marketing subsidiary of PPL Corporation (NYSE: PPL) has announced the signing of power purchase agreements to supply up to 225 megawatts of electricity at any one time between 2003 and 2006 to utilities Arizona Public Service and Tucson Electric Power. The electricity to fulfill the agreements will come from the output of PPL's natural gas-fired Sundance plant, located in Pinal County, just south of Phoenix.

PPL EnergyPlus, LLC has signed an agreement with Arizona Public Service to provide 112 megawatts of electricity from July through September of 2003 and 150 megawatts from June through September of 2004 and 2005. In addition, PPL EnergyPlus has signed agreements with Tucson Electric Power amounting to 37 megawatts of electricity from June through December 2003 and 75 megawatts from January 2004 through December 2006.

Paul T. Champagne, president of PPL EnergyPlus, said, "These agreements are another step forward in PPL's strategy to reduce market risk with respect to prices for both the electricity produced and the fuel needed to run our power plants."

For 2003, according to Champagne, PPL has signed contracts to sell more than 95 percent of the anticipated electricity production from its power plants. He said the corresponding figure for 2004 is about 90 percent.

PPL Corporation, headquartered in Allentown, Pa., controls about 11,500 megawatts of generating capacity in the United States, sells energy in key U.S. markets and delivers electricity to customers in Pennsylvania, the United Kingdom and Latin America.

Certain statements contained in this news release, including statements with respect to future energy supply, 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 involve 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; operating performance of plants and other facilities; environmental conditions and requirements; system conditions and operating costs; development of new projects, markets and technologies; political, regulatory or economic conditions in states and regions where PPL Corporation or its subsidiaries conduct business; receipt of necessary governmental permits and approvals; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

SOURCE: PPL EnergyPlus, LLC

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