

PPL Completes Fuel Cell Installation at Starwood's Sheraton Edison Hotel, the First for International Company

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EDISON, N.J.

A PPL Corporation (NYSE: PPL) subsidiary has completed the installation of a clean, reliable fuel cell energy system for Starwood Hotels & Resorts, one of the world's largest hotel and leisure companies.

At a dedication ceremony today at the hotel, PPL's distributed generation and energy services subsidiary said it has completed the development of a 250-kilowatt fuel cell system at the Sheraton Edison Hotel-Raritan Center in Edison, N.J. Another PPL subsidiary, H.T. Lyons Inc. of Allentown, Pa., was responsible for the installation.

The system provides about 25 percent of the hotel's electricity and hot water. PPL will own, operate and maintain the fuel cell system.

FuelCell Energy (NASDAQ: FCEL) of Danbury, Conn., manufactured the hotel's fuel cell power plant, which uses natural gas that will be supplied by NUI Elizabethtown Gas of Bedminster, N.J. PPL has an equity investment in FuelCell Energy and is a distributor of its fuel cells in the U.S.

The Sheraton Edison project is part of a master agreement that PPL and Starwood signed that could eventually lead to PPL installing fuel cells at other Starwood properties across the United States. A similar fuel cell project at Starwood's Sheraton Parsippany, N.J., hotel is scheduled for completion in September.

"Until recently, fuel cell energy technology was not available commercially, and its practical use was very limited," said Michael E. Kroboth, president of PPL Energy Services Holdings. "However fuel cells are now part of a growing range of environmentally friendly energy solutions that PPL is providing to our customers. PPL is proud to supply Starwood with an efficient, reliable on-site fuel cell energy system."

Fuel cells generate electricity with no combustion. They are, in effect, like large, continuously operating batteries that generate electricity as long as fuel, such as natural gas, is supplied. Since the fuel is not burned, there is no pollution commonly associated with the combustion of fossil fuels. Because hydrogen is generated directly within the fuel cell module from readily available fuels such as natural gas and wastewater treatment gas, FuelCell Energy power plants are ready today and do not require the creation of a hydrogen infrastructure.

"We are thrilled that our first hotel application of fuel cell system technology has been completed and are pleased to be working in conjunction with PPL on this important initiative," said John Lembo, director of Energy for Starwood. "Having been the recipient of the ENERGY STAR Partner® of the Year Award for the last two years, Starwood Hotels & Resorts will continue to adopt and implement environmentally safe and friendly practices that save energy and protect the environment. We feel that energy fuel cell technology will play an important role in reducing harmful emissions and reduce the hotels' overall energy costs."

"We are delighted to be working with Starwood as it continues its vision and commitment to environmental leadership with the first of two installations of our power plants at its hotel properties this year," said FuelCell Energy Chairman and CEO Jerry D. Leitman. "This unit represents PPL's fourth successful installation, demonstrating its role as a premier provider of ultra clean energy using our highly efficient fuel cell power plants."

The New Jersey Clean Energy Program provided \$860,000 in funding to PPL as part of its incentive program to encourage the use of clean and efficient energy technology.

Demonstrating its commitment to balance the need for affordable power with environmental concerns, PPL has a number of other fuel cell projects in various stages of development with a variety of customers:

-- In May 2003, a fuel cell power plant at the U. S. Coast Guard Air

Station in Bourne, Mass., began commercial operation.

- Zoot Enterprises in Bozeman, Mont. installed two 250-kilowatt fuel cells that will be operating in the next several months. Zoot will use the fuel cell power plant system in conjunction with traditional diesel fuel generators and the electric grid to meet the electrical reliability requirements of its building and to support future development at its high-technology campus.
- Ocean County College in Toms River, N.J., will install a 250-kilowatt fuel cell later this year to provide heat and electricity to several buildings on the campus.
- PPL has signed a financial assistance agreement with the Connecticut Clean Energy Fund for a fuel cell project at an industrial site in Bloomfield, Conn.
- PPL has received grant approval for \$920,000 from the New York State Energy Research and Development Authority for a fuel cell project at Starwood's Sheraton New York Hotel and Towers in midtown Manhattan.

Starwood Hotels & Resorts Worldwide, Inc. (NYSE: HOT) is one of the leading hotel and leisure companies in the world, with more than 750 properties in more than 80 countries and 105,000 employees at its owned and managed properties. With internationally renowned brands, Starwood is a fully integrated owner, operator and franchisor of hotels and resorts including St. Regis, The Luxury Collection, Sheraton, Westin, Four Points by Sheraton and W brands, as well as Starwood Vacation Ownership, Inc., one of the premier developers and operators of high quality vacation interval ownership resorts.

FuelCell Energy Inc. (www.fuelcellenergy.com) is a world-recognized leader for the development and commercialization of high-efficiency fuel cells for electric power generation. The company is developing Direct FuelCell® technology for stationary power plants with the U.S. Department of Energy through the National Energy Technology Laboratory, whose advanced fuel cell research program is focused on developing a new generation of high-performance fuel cells that can generate clean electricity at power stations or in distributed locations near the customer, including hospitals, schools, universities, and other commercial and industrial applications.

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.

SOURCE: PPL Corporation

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