

PPL to Build Additional Electricity Output on Long Island at Freeport

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A subsidiary of PPL Corporation (NYSE: PPL) has reached an agreement in principle with The Long Island Power Authority (LIPA) in New York to construct an electricity-generating facility at Freeport to supply Long Island with additional power for the summer of 2003. This agreement is consistent with PPL's strategy to add electricity-generating capability, under contract, in key U.S. markets.

(Photo: <http://www.newscom.com/cgi-bin/prnh/19981015/PHTH025>)

Subject to approval by the governing bodies of PPL and LIPA, PPL will build a two-unit generating facility, using LM-6000 turbine generation units, on property owned by the Village of Freeport, at Freeport, Long Island. Each of the two units of the facility will be capable of producing 44 megawatts of electricity.

The site contains an existing oil-fired power plant operated by the Freeport Municipal Electric Utility. That plant will be decommissioned and replaced by the new facility, utilizing state-of-the-art emissions-control technology.

The facility is projected to be on line for the summer of 2003. PPL will own one of the units and, pending the completion of a power-purchase agreement, will sell the output to LIPA. Freeport will own the other unit and will operate both units. Both units will use natural gas from a to-be-constructed extension of the existing KeySpan Gas system. These units have a dual-fuel capability, with fuel oil as a limited alternative source.

The electricity capacity to be built at Freeport is in addition to 159 megawatts that PPL already is currently building at two other locations on Long Island. Each of those facilities is also using LM-6000 turbine generation units, on property owned by LIPA in Shoreham, N.Y., and on the property at the Pilgrim State Hospital in Edgewood, N.Y.

Construction of the units at Shoreham and Edgewood already has begun, and the facilities are projected to be on line this summer.

Also on Long Island, PPL has learned that its Article X application to construct and own a 300-megawatt, natural gas-fired power plant in Kings Park has been deemed complete by the New York State Board on Electric Generation Siting and the Environment. The siting board has until March 2003 to make a decision about the project, which, if approved, could be operational in early 2004.

"PPL is pleased to be working with LIPA and with Gov. George Pataki in helping to secure Long Island's energy future and in improving air quality at the same time," said William F. Hecht, PPL Corporation's chairman, president and chief executive officer. Hecht said the siting and building of these plants is consistent with PPL's generation expansion strategy to generate and sell energy in key U.S. markets and to maintain an optimum balance of generation supply with long-term contracts.

PPL Corporation, headquartered in Allentown, Pa., controls or owns more than 10,000 megawatts of generating capacity in the United States, sells energy in key U.S. markets, and delivers electricity to nearly 6 million customers in Pennsylvania, the United Kingdom and Latin America.

Including the Freeport location, PPL currently has more than 2,100 megawatts of generating capacity under development in Arizona, Illinois, Pennsylvania and New York.

LIPA owns the retail electric system on Long Island, and provides electric service to nearly 1.1 million customers in Nassau and Suffolk counties, and the Rockaway Peninsula in Queens. LIPA does not provide natural gas service.

Certain statements contained in this news release, including statements with respect to project development and generating capacity, 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; environmental conditions and requirements; system conditions and operating costs; development of new projects, markets and technologies; and receipt of necessary governmental approvals. 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.

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SOURCE: PPL Corporation

Contact: Dan McCarthy, +1-610-774-5758 or financial community: Tim Paukovits, +1-610-774-4124, both of PPL Corporation

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