PPL EnergyPlus to Reduce Work Force to Improve Competitiveness

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Responding to changing regional energy market conditions, PPL EnergyPlus on Tuesday (9/12) announced that it will reduce its work force by 65 positions, or about 5 percent. PPL EnergyPlus is a subsidiary of PPL Corp. (NYSE: PPL).

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"These reductions -- along with electronic commerce options that we are now pursuing -- will allow us to operate more economically as we continue to serve customers in the evolving competitive energy marketplace," said William F. Hecht, chairman, president and chief executive officer of PPL Corp.

"This action is part of an ongoing process -- one that will not end -- to reduce costs everywhere we can," Hecht said. "We have a long history of reducing costs and staffing to obtain efficiency improvements in every element of our business. This is another opportunity to enhance our highly competitive position.

"Decisions involving personnel reductions are always very difficult," Hecht said. "But to remain competitive, and to continue to be a major player in the new energy marketplace, PPL EnergyPlus needs to adapt to changing conditions. E-commerce solutions allow suppliers to offer a commodity like electricity at competitive prices."

PPL EnergyPlus remains committed to the competitive retail energy business, and will continue to serve all of its retail electricity customers, Hecht said.

PPL EnergyPlus also has a thriving wholesale electricity business, and markets retail and wholesale energy in 43 U.S. states and Canada. Additionally, its energy and mechanical services business is growing -- both in terms of revenues and number of customers -- in the mid-Atlantic and Northeast regions.

PPL Corp. has continued to experience improved performance on already strong earnings growth across its business lines. Based on this strong earnings performance, combined with the positive impact on earnings from an acquisition by PPL's subsidiary in the United Kingdom, a set of business fundamentals that we believe will continue, and conservative assumptions about future business conditions, PPL in late August increased its earnings forecast to $3.00 per share for the year 2000 and to between $3.20 and $3.30 per share for 2001. The company had previously forecasted earnings of between $2.80 and $2.90 per share for this year and between $3.10 and $3.20 per share for 2001.

All of the affected employees in PPL EnergyPlus will have the chance to find positions as vacancies are filled elsewhere in the PPL Corp. family of companies. Those who don't find other PPL jobs will be eligible for displacement benefits, including severance pay.

The affected employees work in sales, marketing, administrative and support positions in the PPL EnergyPlus main office in Allentown, Pa., and in several other locations in Pennsylvania.

PPL EnergyPlus is an unregulated subsidiary of PPL Corp. PPL EnergyPlus is not the same company as PPL Utilities, the electric and gas utility. The prices of PPL EnergyPlus are not regulated by the Pennsylvania Public Utility Commission, and you do not have to buy PPL EnergyPlus electricity, natural gas or other products in order to receive the same quality regulated services from PPL Utilities.

Based in Allentown, Pa., PPL Corp. is a FORTUNE 500® company that delivers electricity and natural gas to more than 1.3 million customers in Pennsylvania; markets wholesale or retail energy in 43 U.S. states and Canada; provides energy services for businesses in the Mid-Atlantic and Northeastern U.S.; generates electricity at power plants in Pennsylvania, Maine and Montana; delivers electricity to 1.4 million customers in southwest Britain; and delivers electricity to nearly 1.8 million customers in Chile, Bolivia, El Salvador and Brazil.

Certain statements contained in this news release, including statements with respect to future earnings and performance, are "forward-looking statements" within the meaning of the federal securities laws. Although PPL Corp. 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; weather variations affecting customer energy usage; competition in retail and wholesale power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corp. and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements; system conditions and operating costs; performance of new ventures; political, regulatory or economic conditions in countries where PPL Corp. or its subsidiaries conduct business; any required governmental approvals or third-party consents; capital market conditions; share price performance; foreign exchange rates; and the commitments and liabilities of PPL Corp. and its subsidiaries. Any such forward-looking statements should be considered in light of such factors and in conjunction with PPL Corp.'s Form 10-K and other reports on file with the Securities and Exchange Commission.

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