PPL Increases Pollution Control Investment

Company Adds `Scrubber' to Two Additional Generating Units; All Major PPL Coal-Fired Units Will Have Scrubbers By 2009

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PPL Corporation (NYSE: PPL) plans to increase its investment in pollution control equipment over the next five years, adding a "scrubber" for two additional generating units, the company announced Wednesday (8/10).

When the scrubber project is complete, all of PPL's major coal-fired generating units will have scrubbers, nearly eliminating sulfur dioxide emissions while improving plant competitiveness.

The new scrubber equipment will be installed at the company's Brunner Island power plant south of Harrisburg, Pa., by 2009. This project, in addition to another scrubber for the plant announced in February, will mean that all three units at the plant will have scrubbers.

The scrubbers will remove nearly all of the sulfur dioxide emitted when coal is burned to generate electricity. Besides this significant reduction in emissions, the scrubbers also will create jobs and improve the competitiveness of plants where they are installed.

The Brunner Island scrubbers, when added to other scrubber projects announced in February and other planned environmental expenditures, mean that PPL will be investing an estimated \$1.5 billion in environmental projects between now and 2010.

"The Brunner Island plant already is in compliance with sulfur dioxide emission regulations," said James H. Miller, PPL president and chief operating officer, in making the announcement. "We're installing these scrubbers because it makes good business sense, and because it's the right thing to do for the environment.

"Installing scrubbers at Brunner Island is a significant investment, one that will have significant payoffs for the communities around our plants, for PPL and for the environment," he said.

The scrubber projects at Brunner Island will create jobs - hundreds of temporary construction jobs while they are being built, and a number of permanent PPL jobs because additional employees are needed to operate the equipment.

The projects will improve the plant's competitiveness, because the cost of installing scrubbers is less than the anticipated future cost of buying the emission allowances that would be required to operate the plant without scrubbers.

"These projects demonstrate that what is good for the environment also can be good for the company, and for the communities around the plant," Miller said. "Our investment confirms PPL's long-term commitment to this plant, and is a testament to the economic value it brings to the community and to the state of Pennsylvania."

Miller noted that the scrubber investment is just the latest in a long string of environmental improvements PPL has made. Since 1990, while demand for electricity has increased significantly, the company's power plants have cut their nitrogen oxide emissions rate by 66 percent, their sulfur dioxide emissions rate by 43 percent and their carbon dioxide emissions rate by 8 percent.

Construction of the first scrubber for Brunner Island, originally planned for completion in 2010, has been accelerated and is now planned for completion by 2008. The scrubber equipment for the other two units at Brunner Island will be installed during 2009, Miller said. Scrubbers for PPL's Montour power plant north of Danville, Pa., announced in February, will be completed by 2008.

"This is a proud day for the employees here at Brunner Island, who have worked very hard to make this plant efficient, safe, competitive, environmentally friendly and a good neighbor for the community," Miller said.

PPL Corporation (NYSE: PPL), headquartered in Allentown, Pa., controls about 12,000 megawatts of generating

capacity in the United States, sells energy in key U.S. markets and delivers electricity to nearly 5 million customers in Pennsylvania, the United Kingdom and Latin America. More information is available at http://www.pplweb.com/.

Statements contained in this news release, including statements with respect to future capital expenditures, market costs, construction, pollution control and competition, 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: energy market conditions; competition in retail and wholesale power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; environmental costs, conditions and requirements; generating performance and operating costs; political, regulatory or economic conditions; receipt of necessary governmental permits and approvals; capital market conditions; 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 Corporation

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