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UBS Natural Gas, Electric Power and Coal Conference

March 2-3, 2010

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

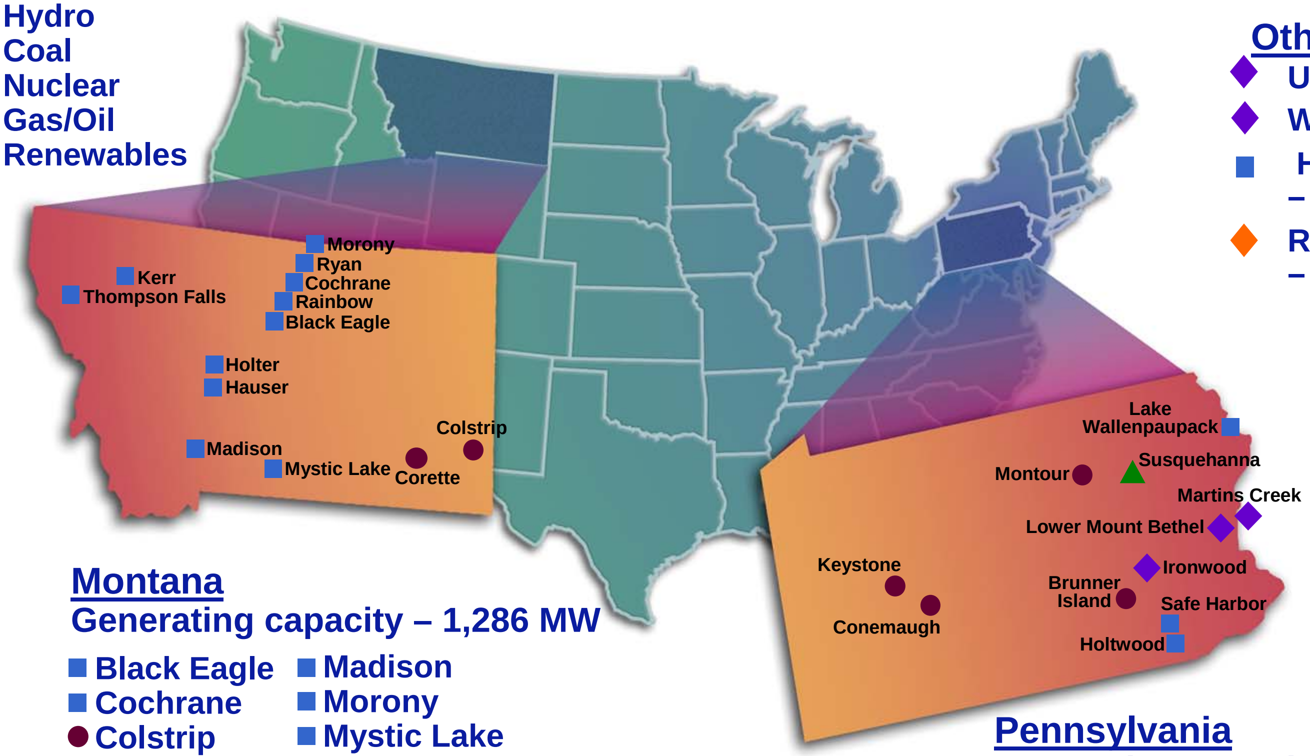
Investment Highlights

- Significant increase in financial performance
  - Earnings expected to increase substantially in 2010 driven by transition to market based electricity prices after approximately 10 years of fixed generation rates
  - Dividends continue to be viewed as an important component of shareowner return
  - Investment grade credit ratings are a key competitive asset
- Highly attractive baseload oriented generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
  - Attractive nuclear and hydro uprate/expansion projects equating to 239 additional MWs
  - Potential benefit from carbon regulation
  - Underlying value strongly and positively correlated to a recovery in natural gas prices
- Disciplined multiyear hedging program has created significant value
  - 99% for 2010, 88% for 2011 and 55% for 2012 of expected baseload volumes
  - Protects against further weakness in energy prices and allows for upside participation if near-term recovery occurs
- Focused on growth in rate regulated businesses
  - Achieved formula rate mechanism for Transmission tariffs at a ROE of 11.64%
  - Highly attractive Susquehanna-Roseland RTEP project; PPL EU’s portion is expected to cost $510 million at an approved 12.89% ROE
  - Significant Distribution Capex to support performance of existing network in US and UK
  - WPD DPCR5: Final proposal issued, anticipated earnings contribution consistent with 2010 forecast

PPL’s Generation Portfolio

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables



Other generating stations

- ◆ University Park, IL – 585 MW
- ◆ Wallingford, CT – 244 MW
- ■ Hydroelectric Facilities, ME – 12 MW
- ◆ Renewable , NJ, CT, NH, VT – 9 MW

Montana

Generating capacity – 1,286 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

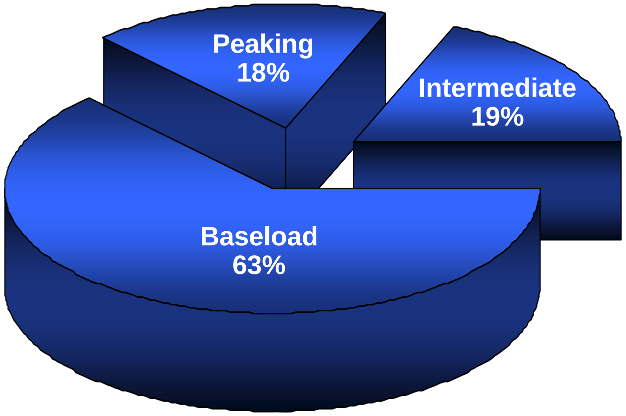
Pennsylvania

Generating capacity – 9,583 MW

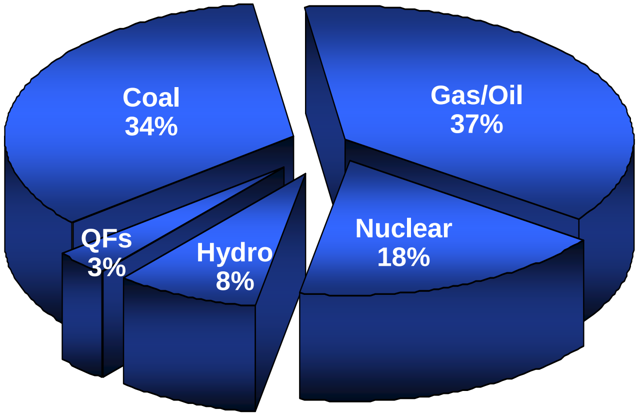
- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ■ Safe Harbor
- ◆ Ironwood

Diverse and Balanced Fleet

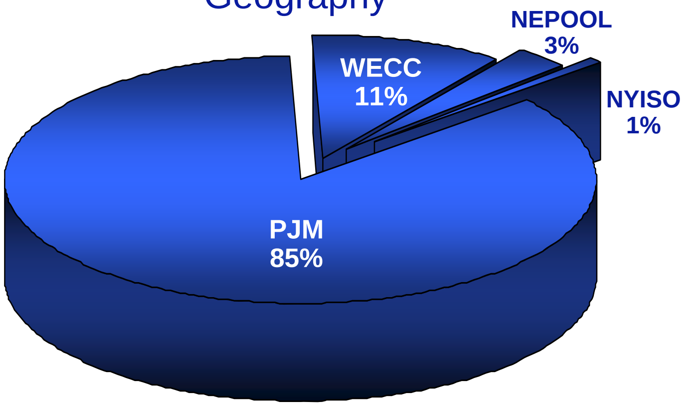
Market Segment



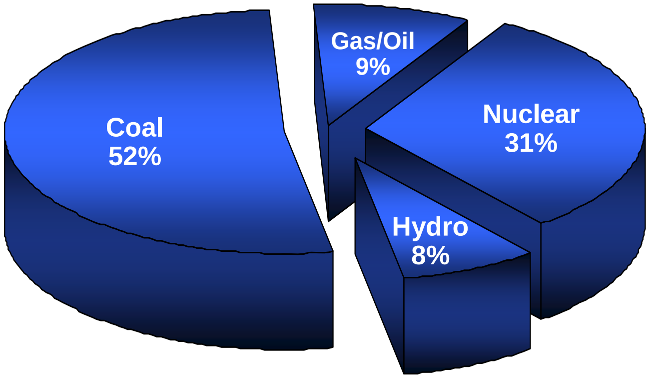
Installed Capacity
MW



Geography



Production
GWh



Baseload oriented fleet augmented by attractive load-following capabilities

Environmental Control Equipment

		Brunner Island			Montour		Colstrip(1)		Keystone(2)	Conemaugh(2)
Control Device	Removes	Unit 1	Unit 2	Unit 3	Unit 1	Unit 2	Unit 1 & 2	Unit 3 & 4	Unit 1 & 2	Unit 1 & 2
Low Nox Burners	NOx	🟢	🟢	🟢	🟢	🟢	🟡	🟢	🟢	🟢
SCR	NOx			🟡	🟢	🟢			🟢	🟡
Scrubbers	SO2	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢

🟢 = Installed

🟡 = Potential

PPL has complied with current environmental regulations on a proactive basis

(1) Colstrip is located in Montana

(2) Keystone & Conemaugh: PPL is a minority owner and does not operate

Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (1,000 MWhs)	**52.1**	**52.1**	**56.1**
East	43.4	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**99%**	**88%**	**55%**
East	100%	88%	51%
West	97%	86%	78%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$58**	**$61**
East	$60	$59	$62
West	$49	$56	$57
Expected Average Price (Fully Loaded) ($MWh)	**$70**	**$67**	**$68**
East**	$72	$69	$71
West	$49	$56	$57
% Hedged Through Swaps/Options Energy Transactions	96%	88%	55%
% Hedged Through Load-following Transactions	3%	0%	0%
Intermediate/Peaking			
Expected Generation (1,000 MWhs)	**5.0**	**5.0**	**5.1**
Current Hedges (%)	**19%**	**0%**	**0%**

As of December 31, 2009
***Represents expected sales based on current business plan assumptions**
****Represents energy, capacity, congestion and other revenues**

Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	85%	62%
West	100%	100%	91%
Total	**99%**	**89%**	**70%**

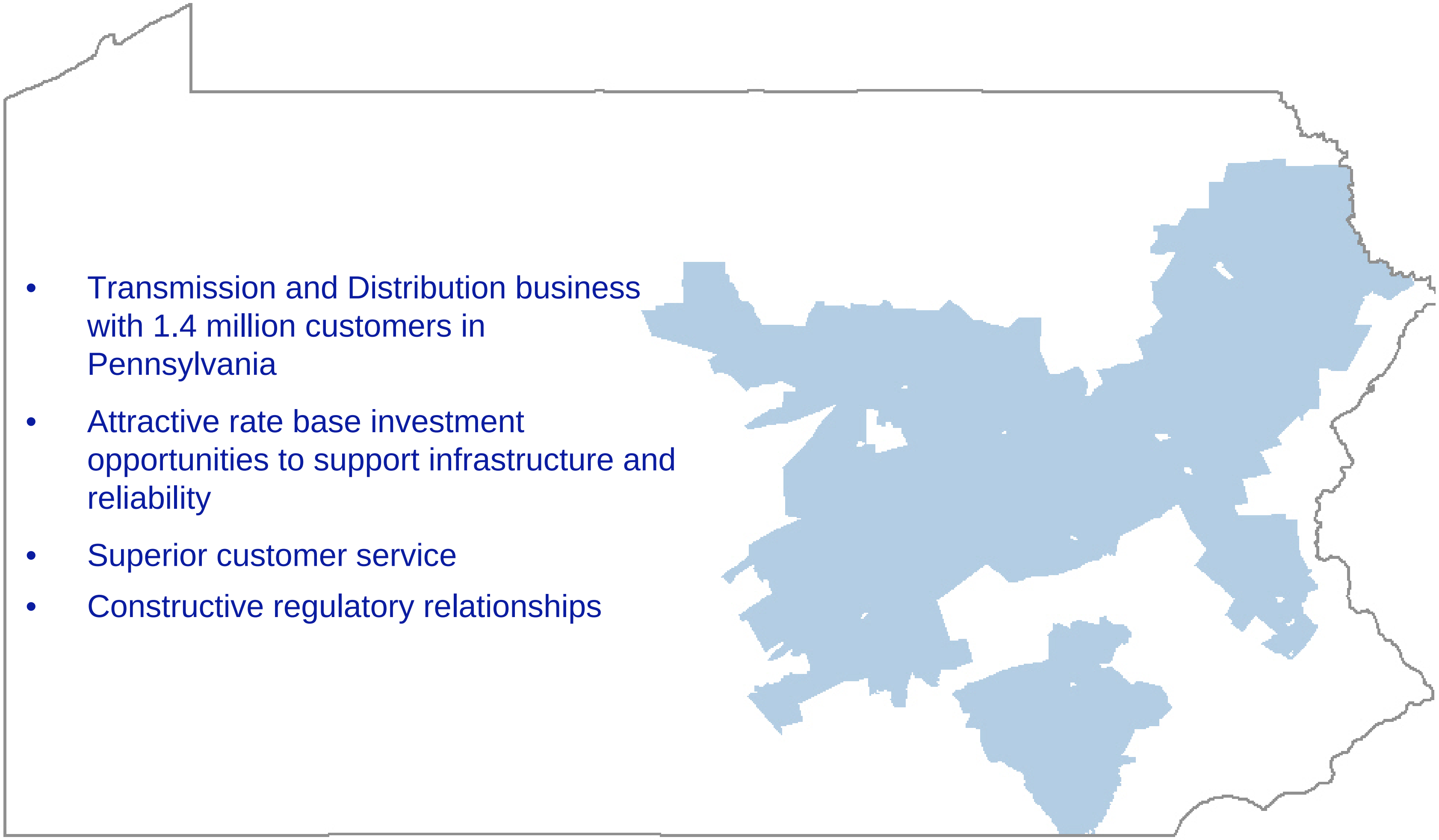
Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	28%	$51	5%	$63
% Collars	0%	N/A	72%	$44-$51	95%	$42-$50
% Diesel Surcharge	7%	$46	0%	N/A	0%	N/A

(1) Weighted Average $/ton at mine for east wholly owned plants, excludes Keystone & Conemaugh

Note: As of 12/31/2009

PPL Electric Utilities

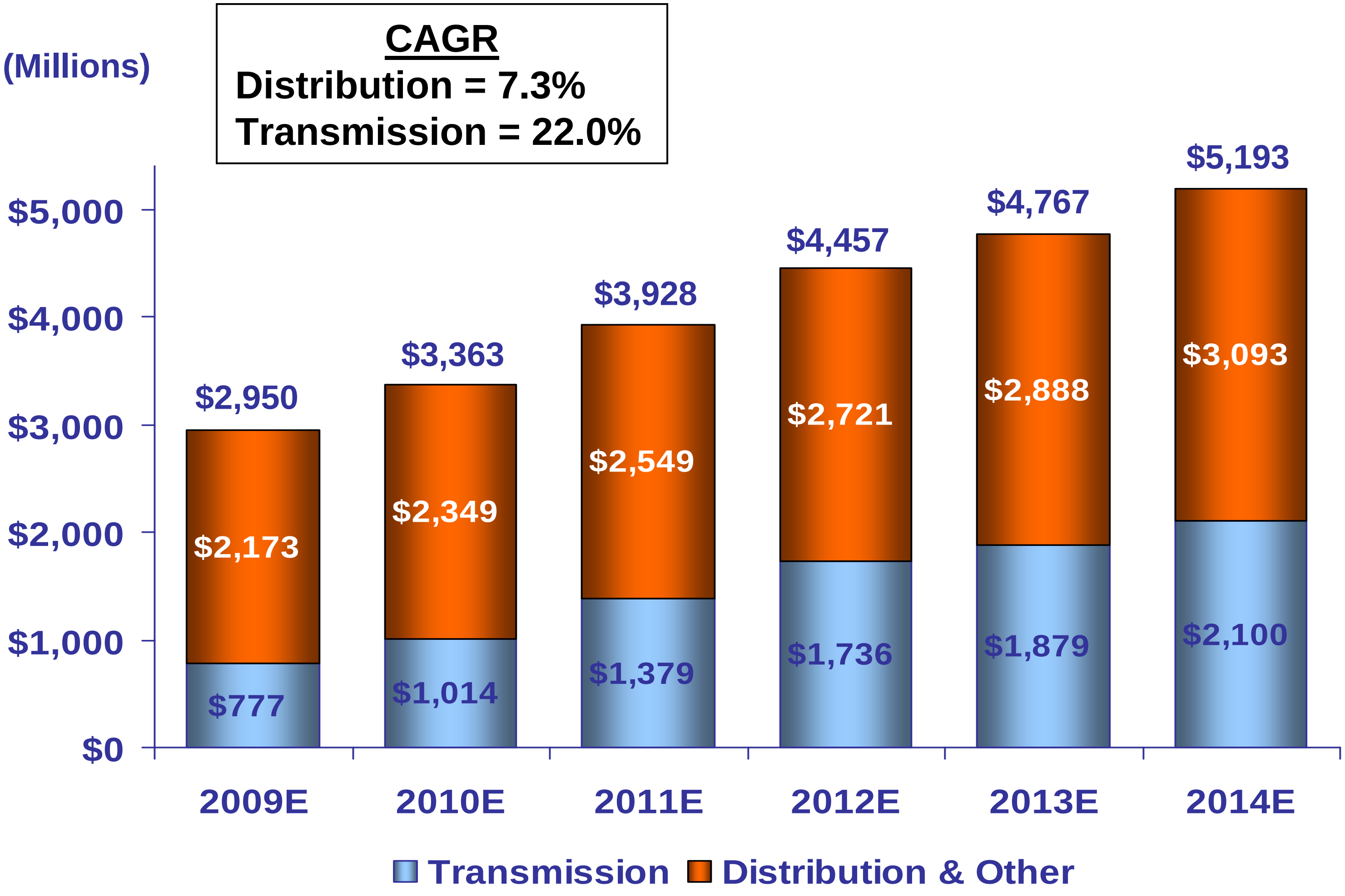


- Transmission and Distribution business with 1.4 million customers in Pennsylvania
- Attractive rate base investment opportunities to support infrastructure and reliability
- Superior customer service
- Constructive regulatory relationships

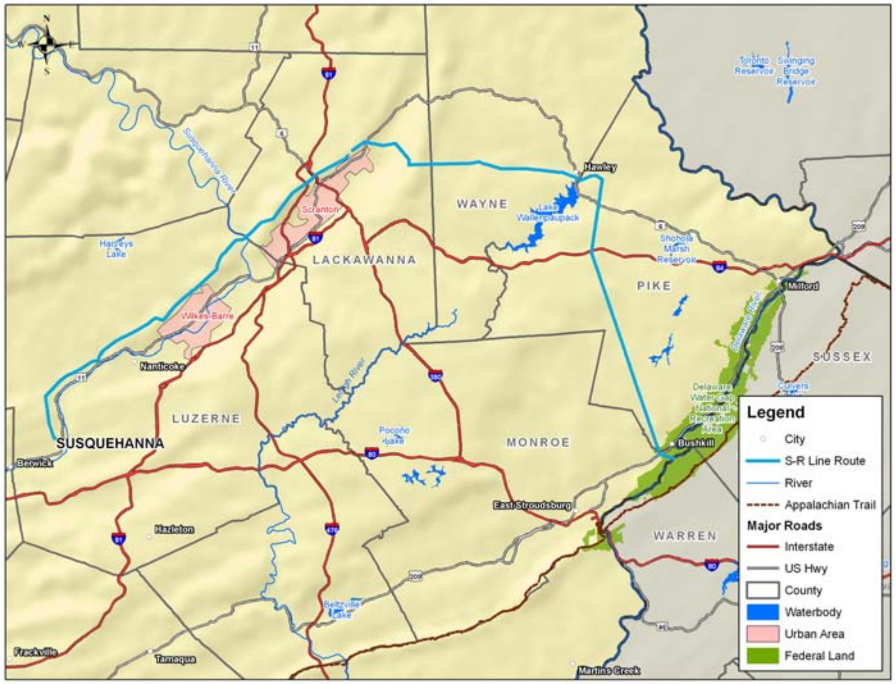
Pennsylvania Electricity Distribution Rate Regulation

- Retail distribution of electricity and natural gas are regulated by the Pennsylvania Public Utility Commission
  - Pennsylvania deregulated the generation of electricity in 1997
  - Transmission and wholesale sales of electricity are regulated by the Federal Energy Regulatory Commission
- Retail distribution rates are set by a combination of base rate proceedings and automatic adjustment clauses
- Base rate proceedings
  - Initiated by a utility filing or, rarely, through a Commission investigation
  - Based upon the traditional cost of service, rate of return model
  - The utility must have the opportunity to earn a "fair rate of return“ on used and useful rate base
  - The utility must file historic data; may file future data
  - The Commission must enter an order within nine months of the utility's filing or the proposed rates go into effect subject to refund
- Automatic adjustment clauses
  - Specifically authorized in the Public Utility Code
  - Limited by court decision to expense items, not capital costs
  - Usually based on a forecast of costs with an annual reconciliation to actual costs
  - Have been used to recover the costs of: energy, stranded investment, transmission and universal service

PPL Electric Utilities Rate Base



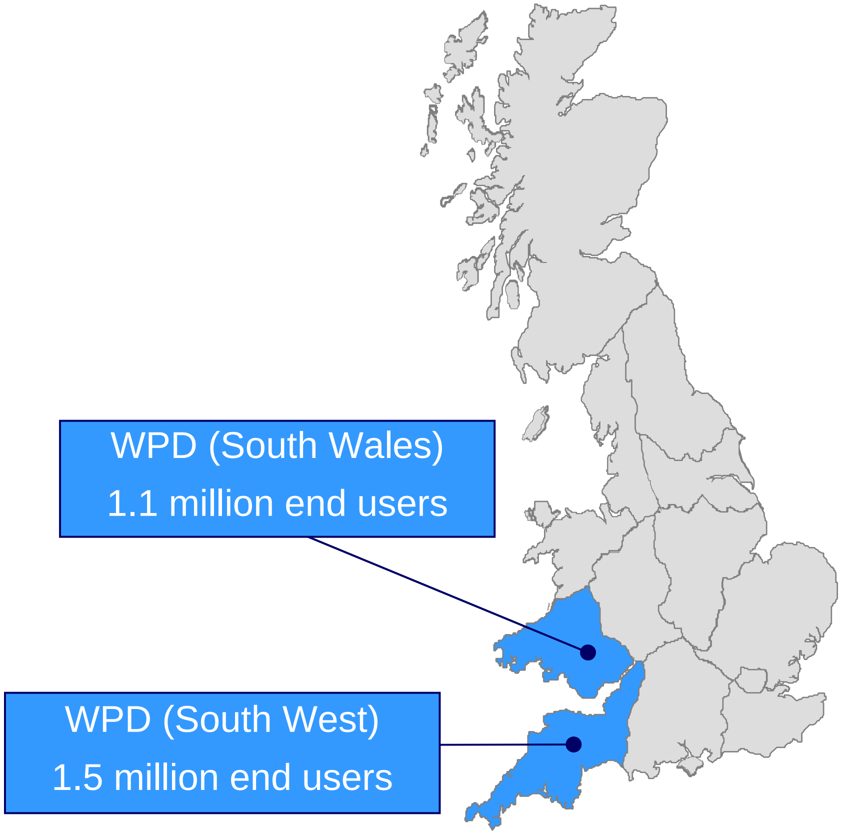
Attractive Transmission Development Project



- PPL Electric to build Pennsylvania portion of the 150-mile Susquehanna to Roseland, NJ 500 kV transmission line. New Jersey portion of the line to be built by PSEG.
- Project needed for reliability and is part of PJM's Regional Transmission Expansion Program (RTEP)
- Received Final Order from Pennsylvania PUC approving the line
- Scheduled for completion in May 2012
- Cost of PPL's portion of the line is estimated at $510 million
- Formula rate mechanism for transmission
  - Settlement agreement approved by FERC for 11.64% ROE* including RTO adder
- PPL rate structure for RTEP project
  - 12.89% ROE*
  - CWIP in rate base
  - Recovery of costs if abandoned

*ROE increases to 11.68% including RTO adder and to 12.93% for RTEP projects in 6/2010.

Western Power Distribution


WPD (South Wales)

1.1 million end users

WPD (South West)

1.5 million end users

- Electricity Distribution company that delivers electricity to 2.6 million end users in the United Kingdom
- No commodity exposure
- Highly attractive regulatory construct
- Final proposal for DCPR5 provides anticipated earnings contribution consistent with 2010 expectations

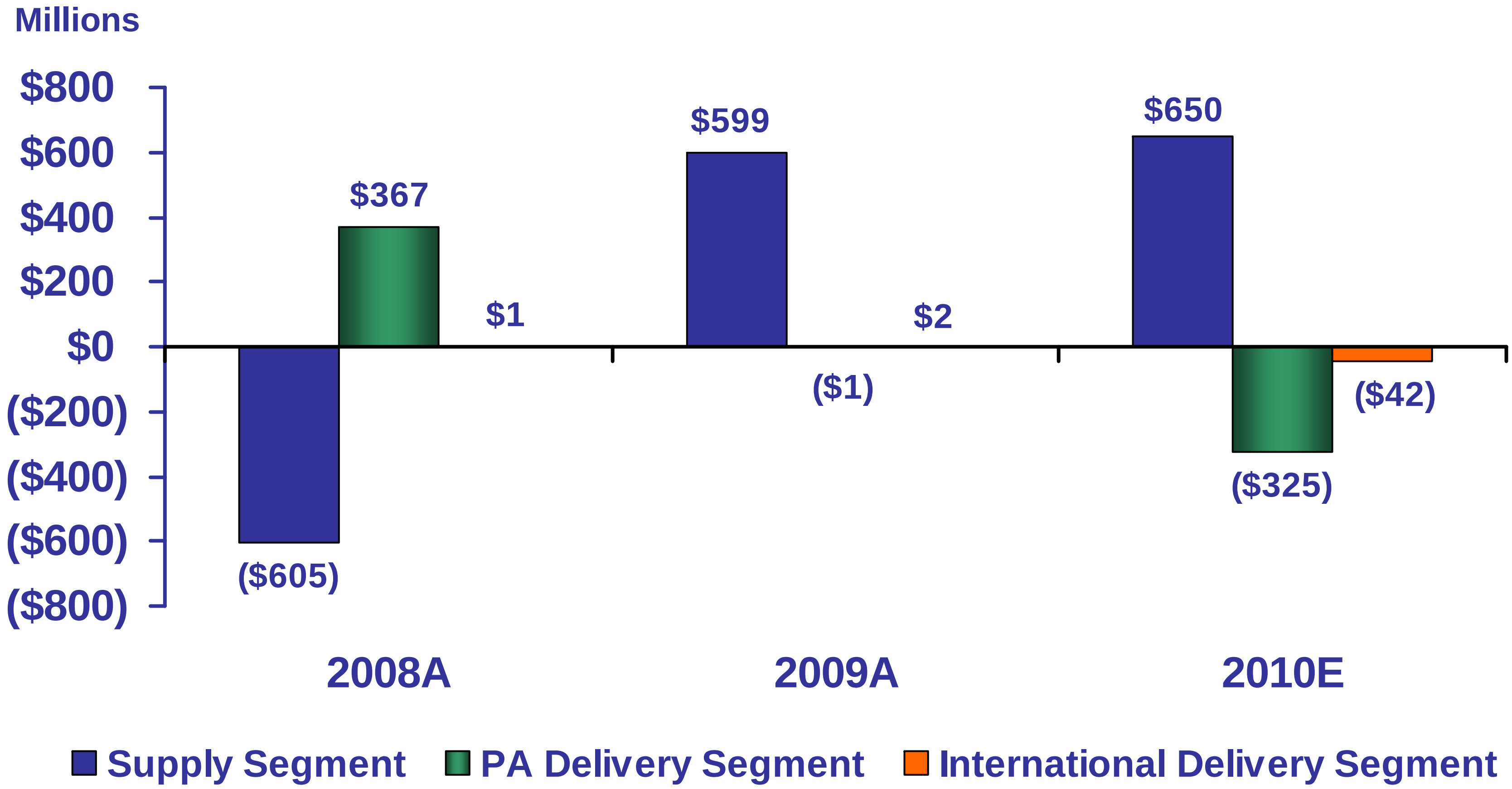
International Delivery Segment Operational Update

- The Ofgem final proposal was a constructive outcome for WPD
- Increases revenues by an average of 6.9% per year (plus inflation)
- Higher revenues result from a capital spending increase of 31% and operating cost increase of 14%
- Additionally, WPD was awarded the following benefits for its performance:

	<u>Recovery Period</u>
– $106 million for capital cost efficiency (#1)	20 years
– $77 million for quality of supply performance (#1)	5 years
– $48 million for forecasting accuracy (#1)	5 years
– $11 million for operating cost efficiency (#3)	5 years

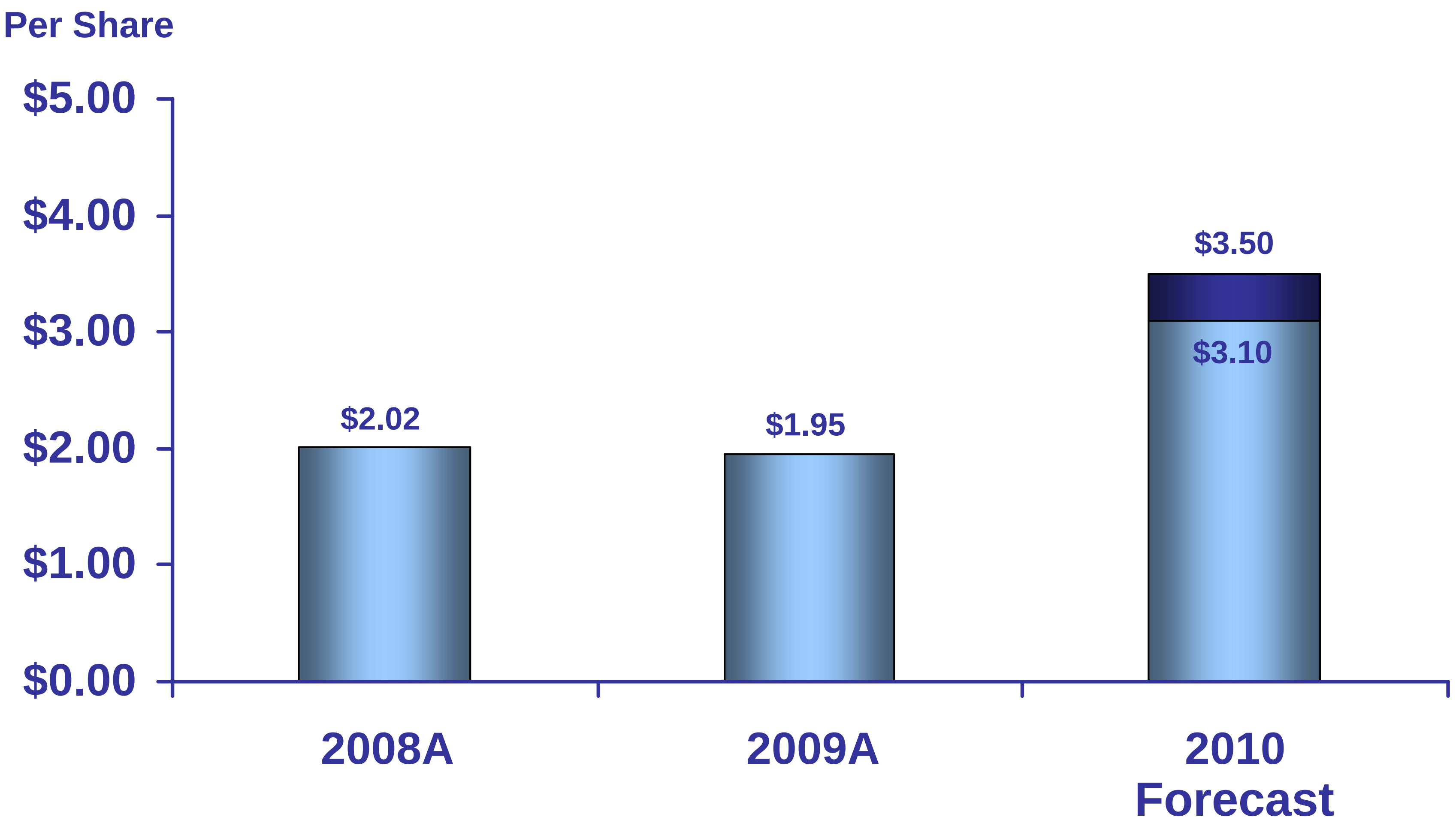
Exceptional performance has earned WPD additional revenue of over $240 million with potential to earn more

Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Market Prices

	Actual	Forward(1)		
	2009	2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$57	$60	$60
Off-Peak	$31	$40	$41	$42
ATC(2)	$38	$48	$50	$51
Mid-Columbia				
On-Peak	$36	$50	$54	$56
Off-Peak	$29	$40	$43	$44
ATC(2)	$33	$46	$49	$50
GAS(3)				
NYMEX	$3.92	$5.79	$6.34	$6.53
TZ6NNY	$4.63	$6.48	$7.09	$7.23
PJM MARKET				
HEAT RATE(4)	8.2	8.9	8.4	8.3
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.6%	88.7%	91.8%

(1) Market prices based on the average of broker quotes as of 12/31/2009

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 12/31/2009

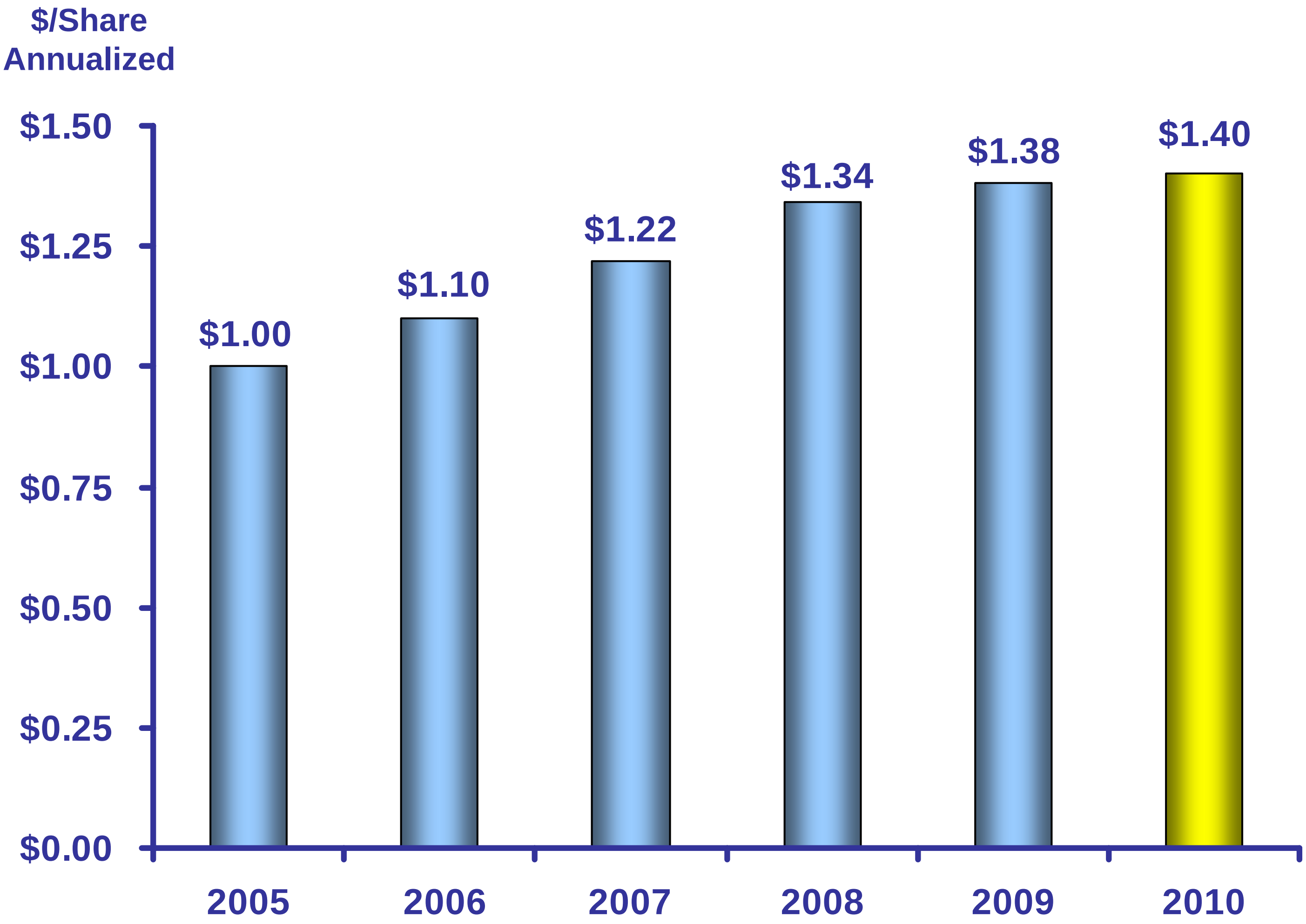
(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:
  - ✓ August 11, 2009
  - ✓ October 20, 2009
  - ✓ January 19, 2010
  - April 20, 2010
  - July 20, 2010
  - October 19, 2010
  - April 18, 2011
  - July 19, 2011
  - October 18, 2011
  - January 9, 2012
  - April 3, 2012
  - July 17, 2012
  - October 16, 2012
  - January 22, 2013

✓ Completed

Dividend Profile



Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

Note: As of 12/31/2009

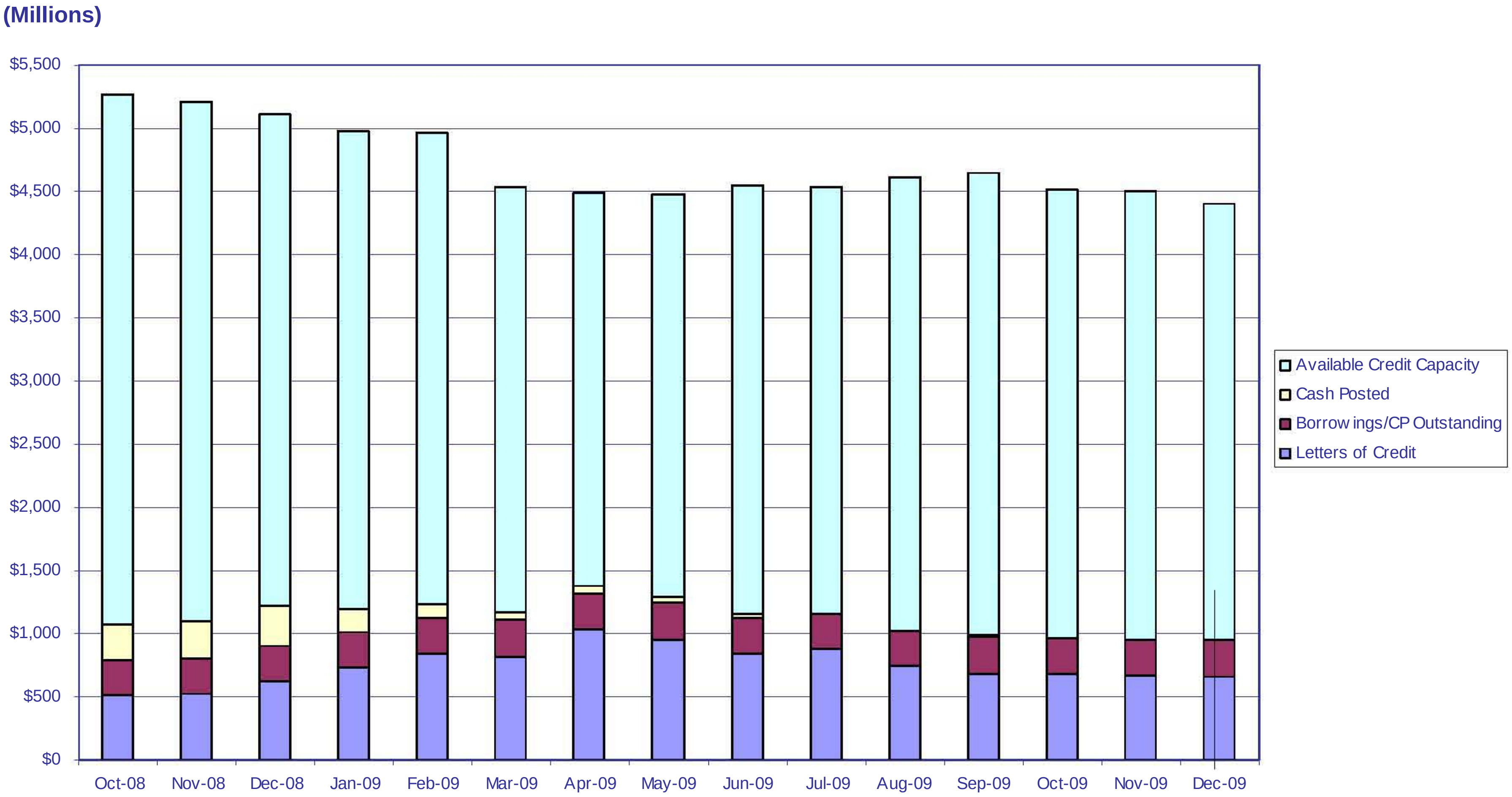
Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (1) (Millions)	Drawn (1) (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$373	$285	$2,567
	Bilateral Credit Facility	Mar-2010	200	4	0	196
	5-year Structured Credit Facility	Mar-2011	300	285	0	15
	364-day Credit Facility	Sep-2010	400	0	0	400
			$4,125	$662	$285	$3,178
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$6	$0	$184
	Asset-backed Credit Facility	Jul-2010	150	0	0	150
			$340	$6	$0	$334
WPD	3-year Credit Facility	Jul-2012	£210	£0	£60	£150
	5-year Credit Facility	Jan-2013	150	0	132	18
	Uncommitted Credit Facilities		65	0	21	44
	Letter of Credit Facility	Mar-2010	4	3	0	1
			£429	£3	£213	£213

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 15% of the total committed capacity.

(1) Reported as of 12/31/2009

PPL Energy Supply Collateral Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual		Projected
	2008	2009	2010
Cash from Operations	$595	$1,310	$1,435
Increase/(Decrease) in cash due to:			
Capital Expenditures	(939)	(720)	(952)
Investment in Energy Project	(203)		
Asset Sales (1), (2)		84	167
Other Investing Activities-net	(58)	(75)	
Free Cash Flow before Dividends	($605)	$ 599	$650

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes contingent payment on the Maine hydro assets from ArcLight, completion of the sale of the Penobscot Trust assets, and the previously announced sale of the Long Island generating assets

PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual		Projected
	2008	2009	2010
Cash from Operations	$643	$294	$264
Less Transition Bond Repayment	(293)		
Increase/(Decrease) in cash due to:			
Capital Expenditures	(286)	(298)	(589)
Asset Sales & Other	303	3	
Free Cash Flow before Dividends	$367	($1)	($325)

Note: Asset Sales in 2008 includes the net proceeds from the sale of gas and propane businesses

International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual		Projected
	2008	2009	2010
Cash from Operations	$279	$248	$278
Increase/(Decrease) in cash due to:			
Capital Expenditures	(278)	(247)	(320)
Other Investing Activities – Net		1	
Free Cash Flow before Dividends	$1	$2	($42)

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual		
	High	Low			
	2010	2010	2009	2008	2007
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02	$2.60
Special Items:					
Energy-related economic activity			(0.59)	0.67	0.08
Sales of assets			(0.11)	(0.01)	0.50
Impairments			(0.06)	(0.16)	(0.04)
Workforce reductions			(0.03)		(0.02)
Other:					
Change in tax accounting method related to repairs			(0.07)		
Montana streambed litigation			(0.01)		
Synfuel tax adjustment				(0.04)	
Montana basin seepage litigation				(0.01)	
Change in U.K. tax rate					0.14
Settlement of Wallingford cost-based rates					0.09
Total Special Items	0.00	0.00	(0.87)	0.45	0.75
Reported Earnings per share of common stock	$3.50	$3.10	$1.08	$2.47	$3.35

Note: Per share amounts are based on diluted shares outstanding.

Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa2	BBB	BBB
Outlook	NEGATIVE	NEGATIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	NEGATIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa2	BBB-	BBB
Subordinated Debt	Baa3	BB+	BB+
Outlook	NEGATIVE		STABLE
PPL Electric Utilities			
Issuer Rating	Baa1	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa1	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Baa3	BBB	BBB-
Preference Stock	Baa3	BBB	BBB-
Outlook	NEGATIVE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	NEGATIVE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE

PPL Facts

PPL Corporation (NYSE: PPL) is a Fortune 500 company with headquarters in Allentown, Pa. The Company's diversified corporate strategy is to achieve growth in energy supply margins while limiting volatility in both cash flows and earnings and to achieve stable, long-term growth in regulated delivery businesses through efficient operations and strong customer and regulatory relations. The strategy is carried out through four principal subsidiaries:

PPL EnergyPlus, which markets energy in key U. S. markets.

PPL Generation, which operates more than 12,000 megawatts of electricity generating capacity in Pennsylvania, Montana, Maine, Illinois, New York and Connecticut, with an additional 239 megawatts of planned uprate projects.

PPL Electric Utilities, which delivers electricity to 1.4 million customers in Pennsylvania.

PPL Global, which delivers electricity to 2.6 million customers in the United Kingdom.

Security Ratings

	Moody's	S&P	Fitch
PPL Corp.			
Corporate Credit Rating	Baa2	BBB	BBB
PPL Capital Funding, Inc.			
Senior Unsecured Debt	Baa2	BBB-	BBB
PPL Electric Utilities Corp.			
First Mortgage Bonds	A3	A-	A-
Senior Secured Bonds	A3	A-	A-
PPL Energy Supply			
Senior Unsecured Notes	Baa2	BBB	BBB
WPD Holdings Limited			
Senior Unsecured Debt	Baa3	BBB-	BBB
WPD Operating Cos.			
Senior Unsecured Debt	Baa1	BBB+	A-

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation 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 and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations”, although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management’s view of PPL’s fundamental earnings performance as another criterion in making their investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *The impact of energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *The impact of sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL’s generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period that was hedged. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, as well as the repayment of transition bonds, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

"Domestic Gross Energy Margins" is intended to supplement the investors' understanding of PPL’s domestic non-trading and trading activities by combining applicable income statement line items and related adjustments to calculate a single financial measure. PPL believes that "Domestic Gross Energy Margins" is useful and meaningful to investors because it provides them with the results of PPL's domestic non-trading and trading activities as another criterion in making their investment decisions. "Domestic Gross Energy Margins" is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their non-trading and trading activities.

Morgan Stanley Utilities Conference

March 11, 2010

Cautionary Statements and Factors That May Affect Future Results

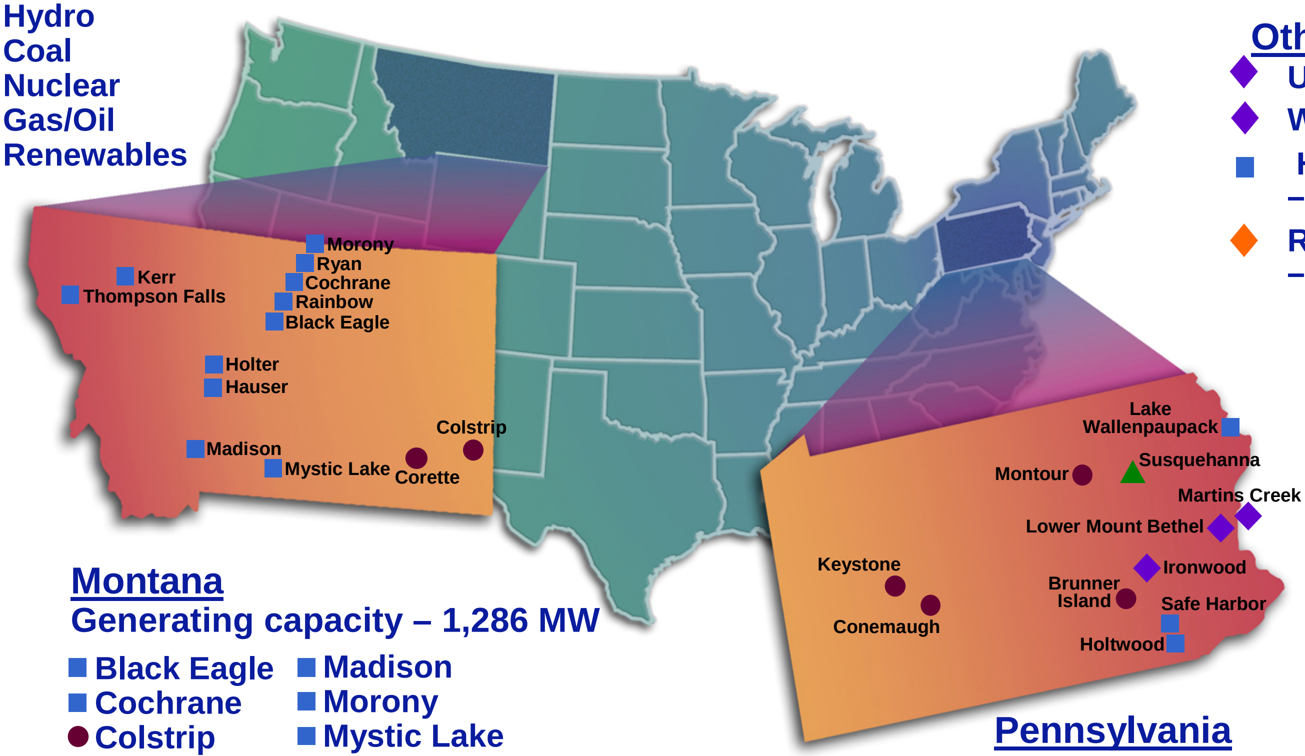
Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

Investment Highlights

- Significant increase in financial performance
  - Earnings expected to increase substantially in 2010 driven by transition to market based electricity prices after approximately 10 years of fixed generation rates
  - Dividends continue to be viewed as an important component of shareowner return
  - Investment grade credit ratings are a key competitive asset
- Highly attractive baseload oriented generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
  - Attractive nuclear and hydro uprate/expansion projects equating to 239 additional MWs
  - Potential benefit from carbon regulation
  - Underlying value strongly and positively correlated to a recovery in natural gas prices
- Disciplined multiyear hedging program has created significant value
  - 99% for 2010, 88% for 2011 and 55% for 2012 of expected baseload volumes
  - Protects against further weakness in energy prices and allows for upside participation if near-term recovery occurs
- Focused on growth in rate regulated businesses
  - Achieved formula rate mechanism for Transmission tariffs at a ROE of 11.64%
  - Highly attractive Susquehanna-Roseland RTEP project; PPL EU's portion is expected to cost $510 million at an approved 12.89% ROE
  - Significant Distribution Capex to support performance of existing network in US and UK
  - WPD DPCR5: Final proposal issued, anticipated earnings contribution consistent with 2010 forecast

PPL’s Generation Portfolio

Key
- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables



Other generating stations
- ◆ University Park, IL – 585 MW
- ◆ Wallingford, CT – 244 MW
- ■ Hydroelectric Facilities, ME – 12 MW
- ◆ Renewable , NJ, CT, NH, VT – 9 MW

Montana
Generating capacity – 1,286 MW

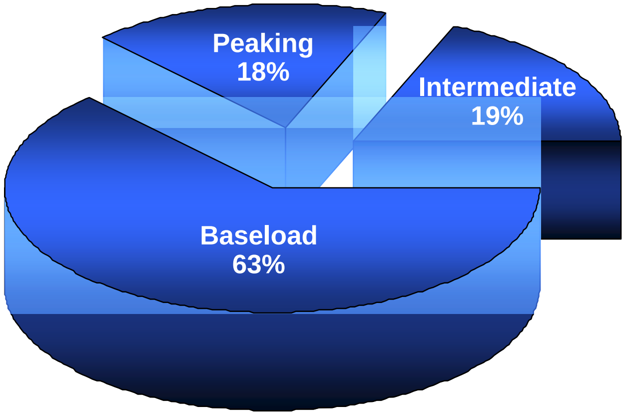
- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Pennsylvania
Generating capacity – 9,583 MW

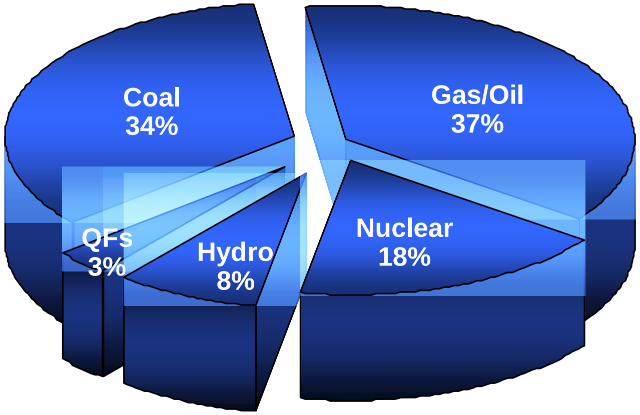
- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ■ Safe Harbor
- ◆ Ironwood

Diverse and Balanced Fleet

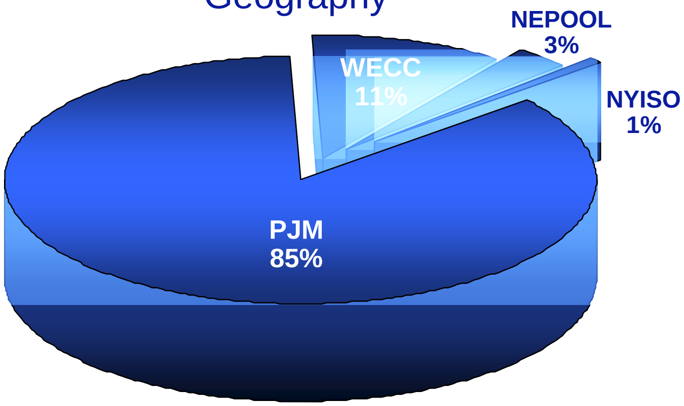
Market Segment



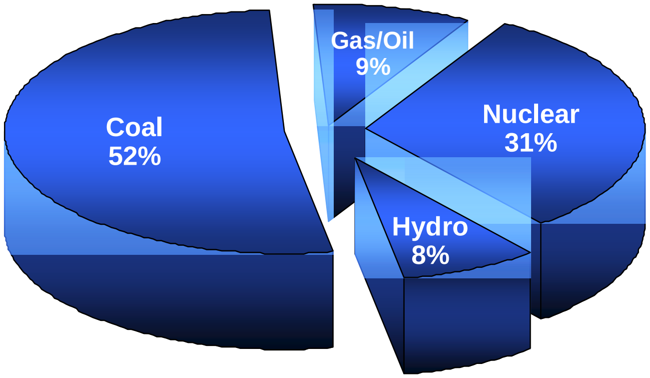
Installed Capacity
MW



Geography



Production
GWh



Baseload oriented fleet augmented by attractive load-following capabilities

Environmental Control Equipment

		Brunner Island			Montour		Colstrip(1)		Keystone(2)	Conemaugh(2)
Control Device	Removes	Unit 1	Unit 2	Unit 3	Unit 1	Unit 2	Unit 1 & 2	Unit 3 & 4	Unit 1 & 2	Unit 1 & 2
Low Nox Burners	NOx	🟢	🟢	🟢	🟢	🟢	🟡	🟢	🟢	🟢
SCR	NOx			🟡	🟢	🟢			🟢	🟡
Scrubbers	SO2	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢

🟢 = Installed
🟡 = Potential

PPL has complied with current environmental regulations on a proactive basis

(1) Colstrip is located in Montana
(2) Keystone & Conemaugh: PPL is a minority owner and does not operate

Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (1,000 MWhs)	**52.1**	**52.1**	**56.1**
East	43.4	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**99%**	**88%**	**55%**
East	100%	88%	51%
West	97%	86%	78%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$58**	**$61**
East	$60	$59	$62
West	$49	$56	$57
Expected Average Price (Fully Loaded) ($MWh)	**$70**	**$67**	**$68**
East**	$72	$69	$71
West	$49	$56	$57
% Hedged Through Swaps/Options Energy Transactions	96%	88%	55%
% Hedged Through Load-following Transactions	3%	0%	0%
Intermediate/Peaking			
Expected Generation (1,000 MWhs)	**5.0**	**5.0**	**5.1**
Current Hedges (%)	**19%**	**0%**	**0%**

As of December 31, 2009
***Represents expected sales based on current business plan assumptions**
****Represents energy, capacity, congestion and other revenues**

Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	85%	62%
West	100%	100%	91%
Total	**99%**	**89%**	**70%**

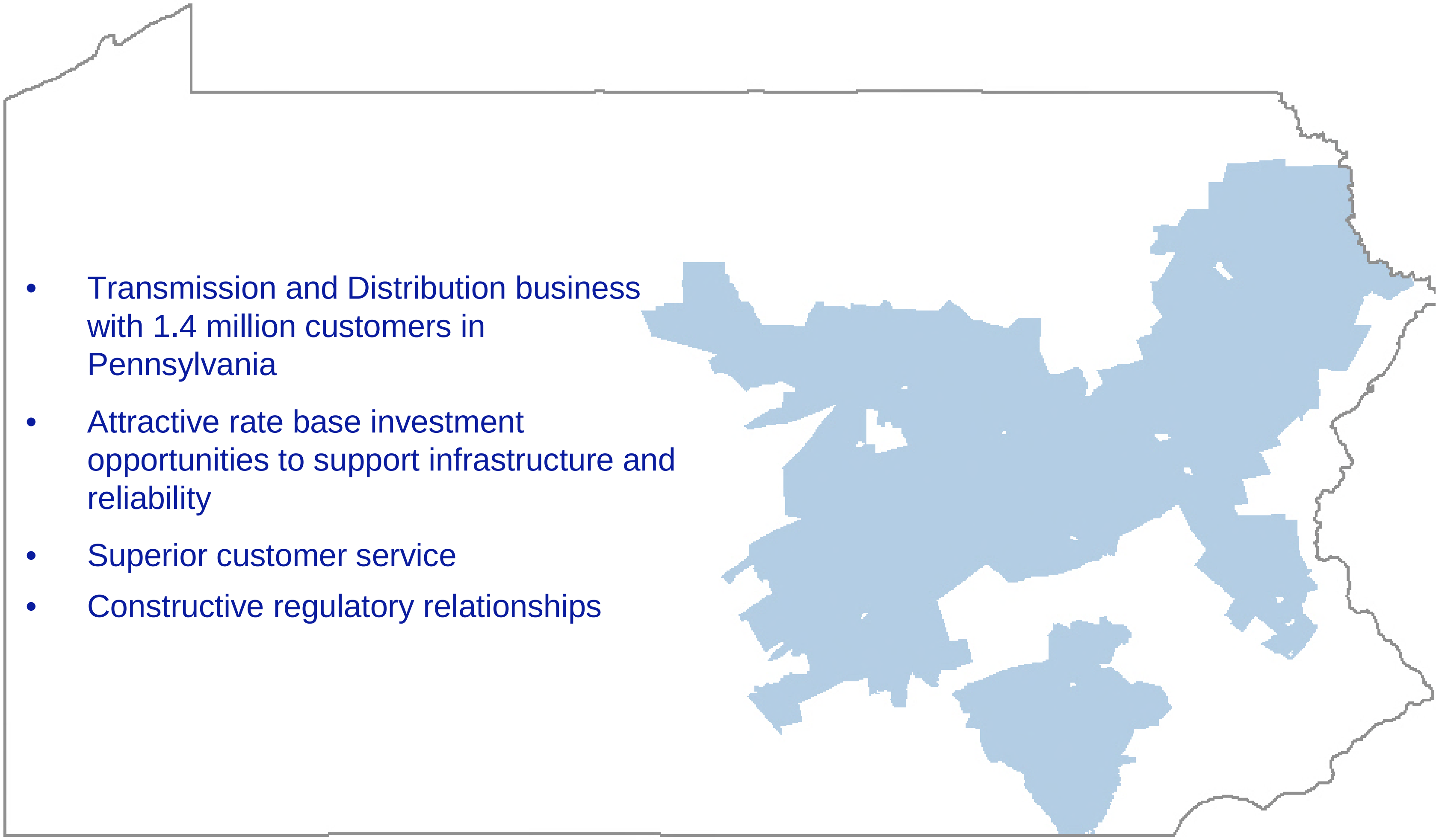
Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	28%	$51	5%	$63
% Collars	0%	N/A	72%	$44-$51	95%	$42-$50
% Diesel Surcharge	7%	$46	0%	N/A	0%	N/A

(1) Weighted Average $/ton at mine for east wholly owned plants, excludes Keystone & Conemaugh

Note: As of 12/31/2009

PPL Electric Utilities



- Transmission and Distribution business with 1.4 million customers in Pennsylvania
- Attractive rate base investment opportunities to support infrastructure and reliability
- Superior customer service
- Constructive regulatory relationships

Pennsylvania Electricity Distribution Rate Regulation

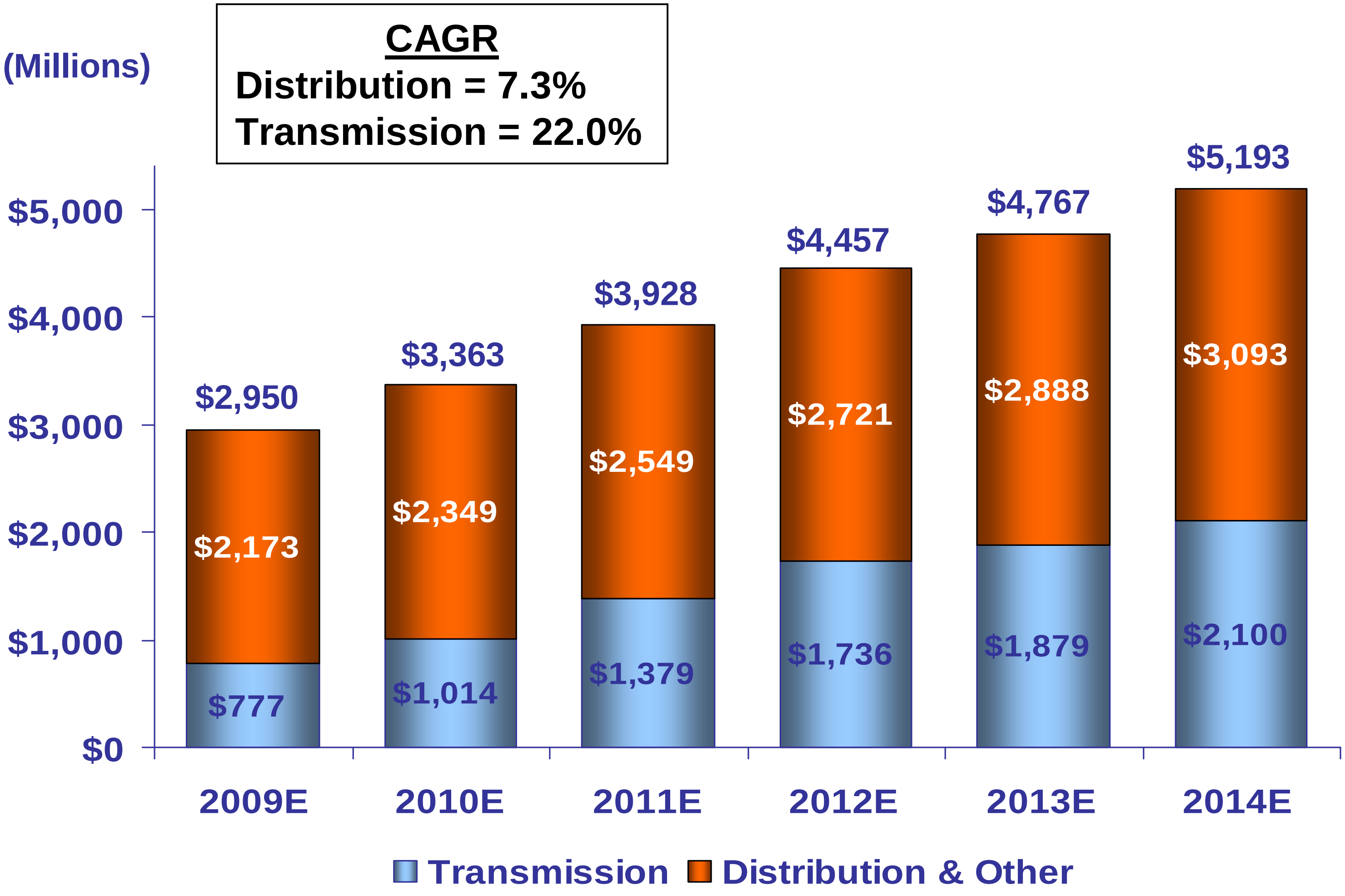
- Retail distribution of electricity and natural gas are regulated by the Pennsylvania Public Utility Commission
  - Pennsylvania deregulated the generation of electricity in 1997
  - Transmission and wholesale sales of electricity are regulated by the Federal Energy Regulatory Commission

- Retail distribution rates are set by a combination of base rate proceedings and automatic adjustment clauses

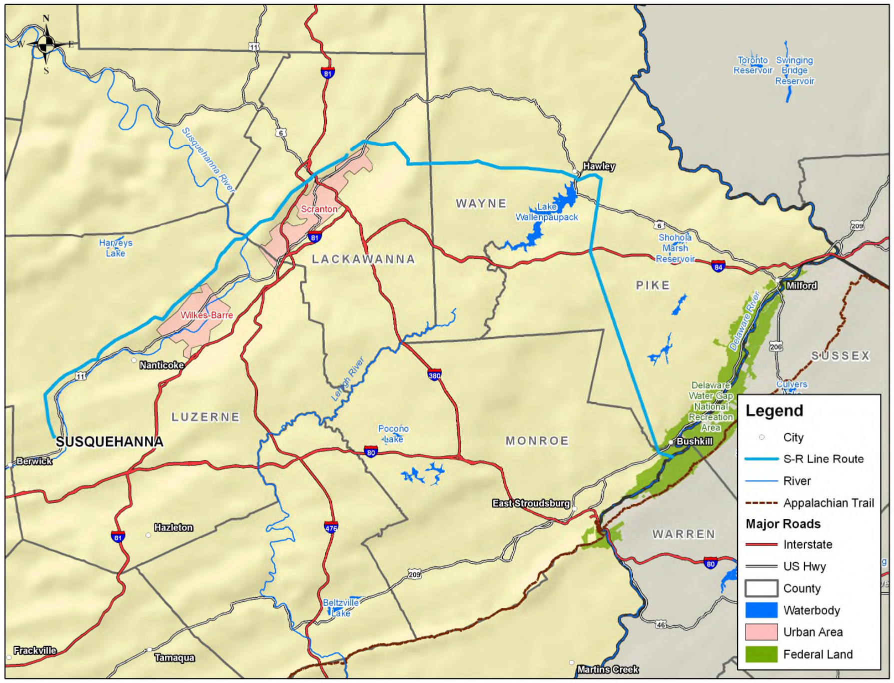
- Base rate proceedings
  - Initiated by a utility filing or, rarely, through a Commission investigation
  - Based upon the traditional cost of service, rate of return model
  - The utility must have the opportunity to earn a "fair rate of return“ on used and useful rate base
  - The utility must file historic data; may file future data
  - The Commission must enter an order within nine months of the utility's filing or the proposed rates go into effect subject to refund

- Automatic adjustment clauses
  - Specifically authorized in the Public Utility Code
  - Limited by court decision to expense items, not capital costs
  - Usually based on a forecast of costs with an annual reconciliation to actual costs
  - Have been used to recover the costs of: energy, stranded investment, transmission and universal service

PPL Electric Utilities Rate Base



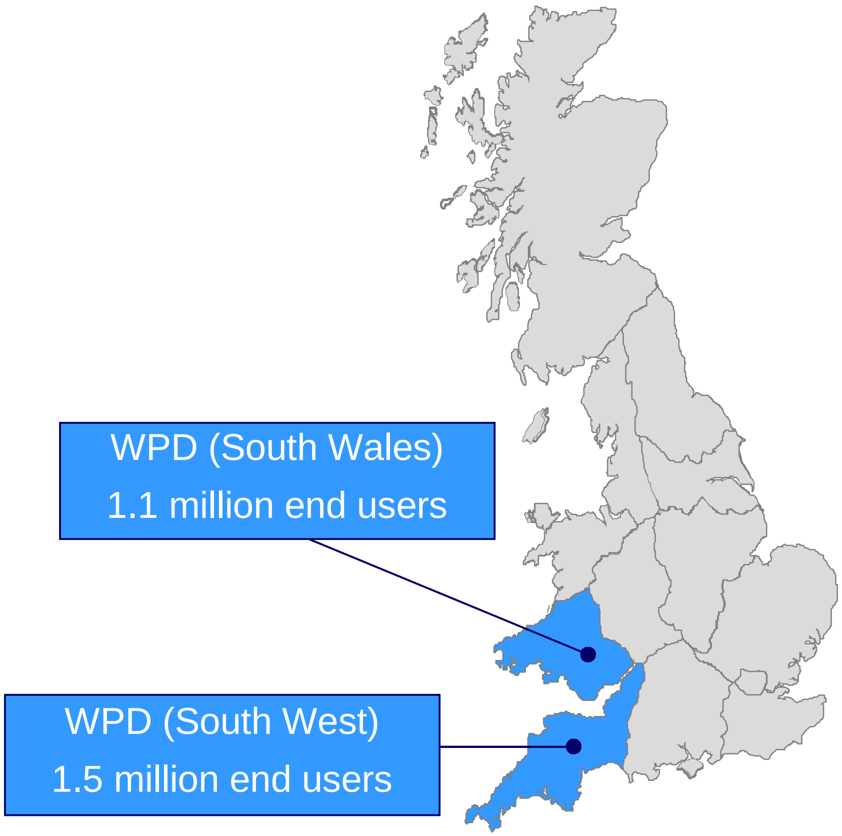
Attractive Transmission Development Project



- PPL Electric to build Pennsylvania portion of the 150-mile Susquehanna to Roseland, NJ 500 kV transmission line. New Jersey portion of the line to be built by PSEG.
- Project needed for reliability and is part of PJM's Regional Transmission Expansion Program (RTEP)
- Received Final Order from Pennsylvania PUC approving the line
- Scheduled for completion in May 2012
- Cost of PPL's portion of the line is estimated at $510 million
- Formula rate mechanism for transmission
  - Settlement agreement approved by FERC for 11.64% ROE* including RTO adder
- PPL rate structure for RTEP project
  - 12.89% ROE*
  - CWIP in rate base
  - Recovery of costs if abandoned

*ROE increases to 11.68% including RTO adder and to 12.93% for RTEP projects in 6/2010.

Western Power Distribution



- Electricity Distribution company that delivers electricity to 2.6 million end users in the United Kingdom
- No commodity exposure
- Highly attractive regulatory construct
- Final proposal for DCPR5 provides anticipated earnings contribution consistent with 2010 expectations

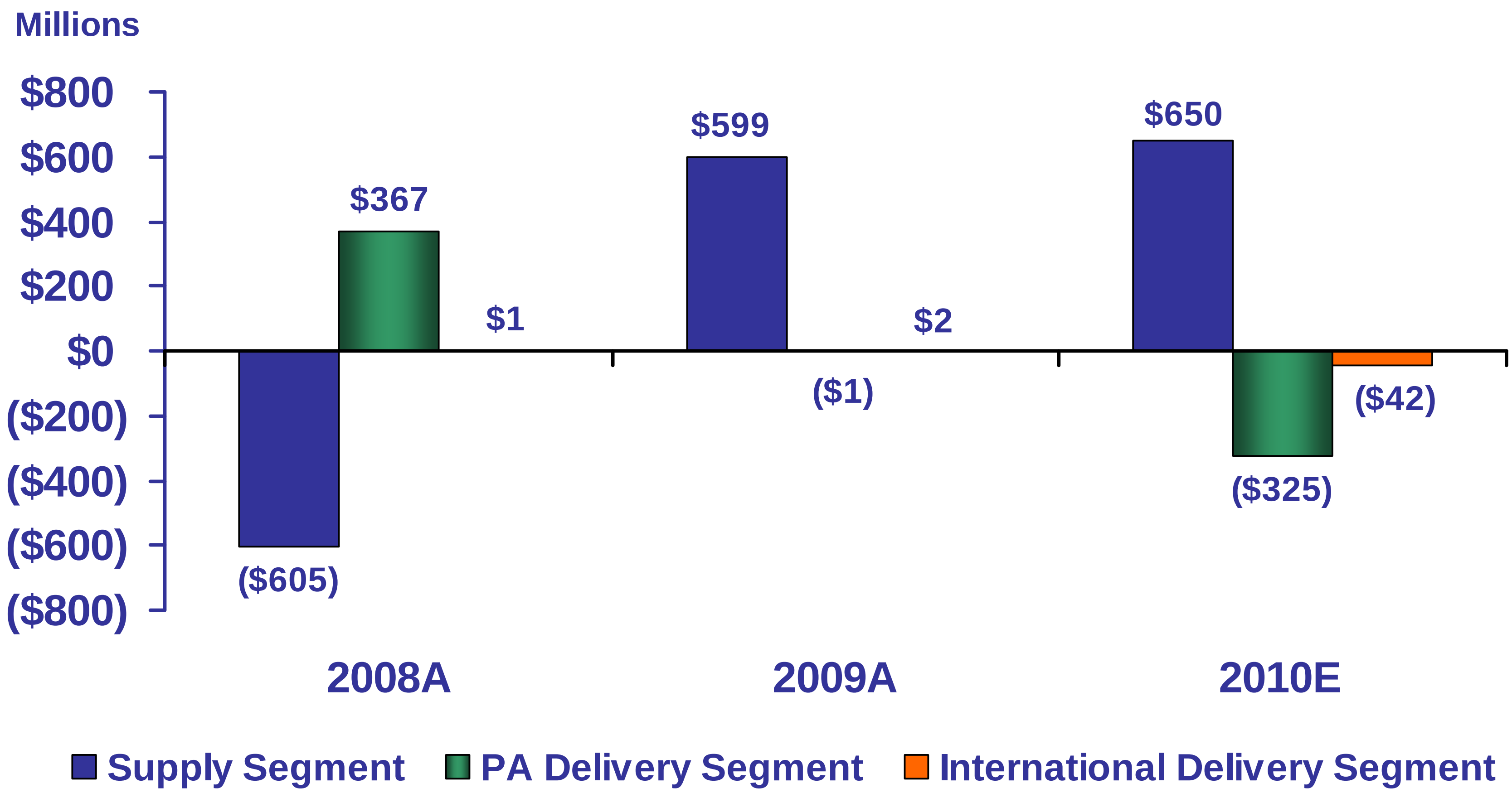
International Delivery Segment Operational Update

- The Ofgem final proposal was a constructive outcome for WPD
- Increases revenues by an average of 6.9% per year (plus inflation)
- Higher revenues result from a capital spending increase of 31% and operating cost increase of 14%
- Additionally, WPD was awarded the following benefits for its performance:

	Recovery Period
– $106 million for capital cost efficiency (#1)	20 years
– $77 million for quality of supply performance (#1)	5 years
– $48 million for forecasting accuracy (#1)	5 years
– $11 million for operating cost efficiency (#3)	5 years

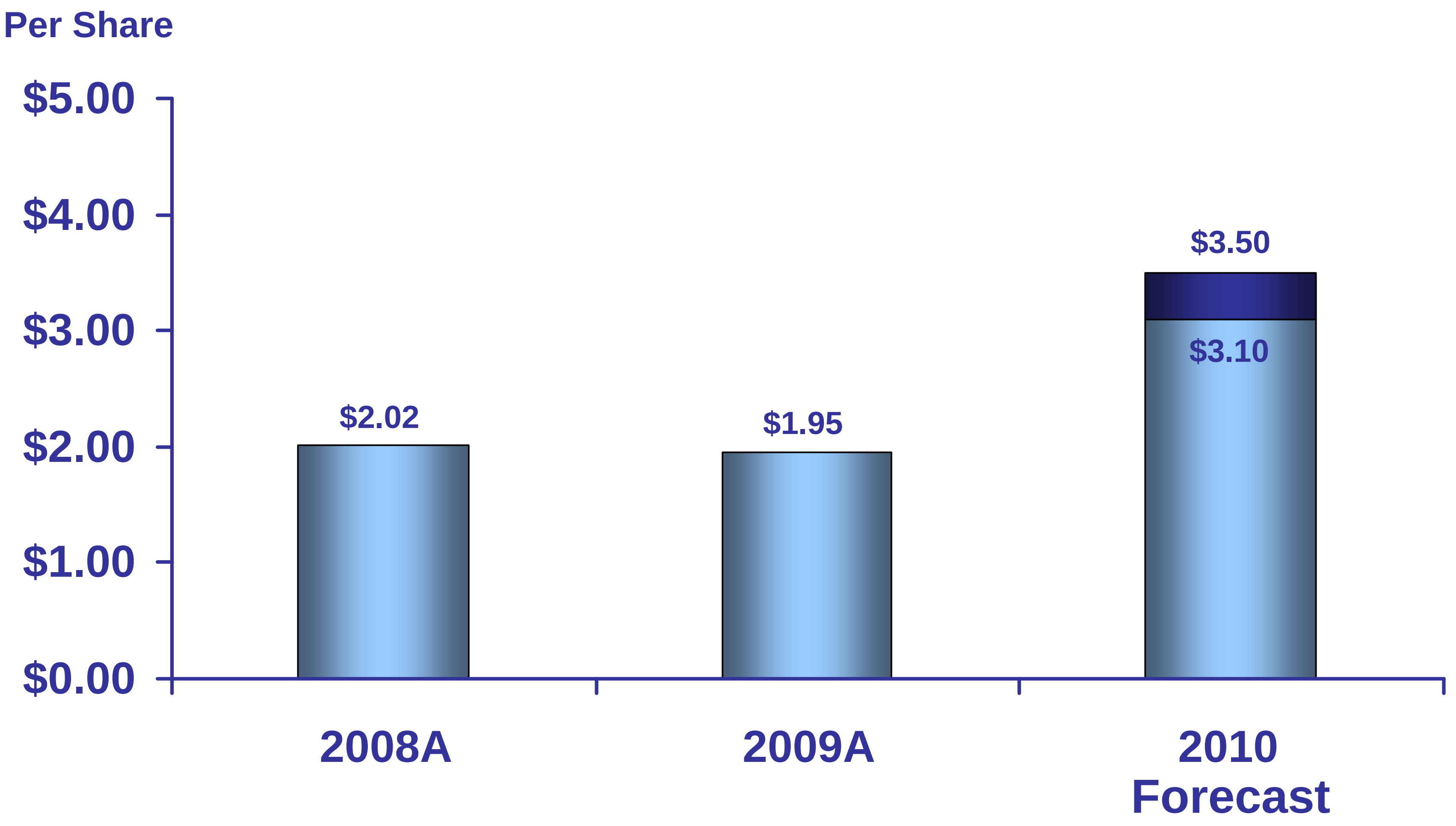
Exceptional performance has earned WPD additional revenue of over $240 million with potential to earn more

Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Market Prices

	Actual	Forward(1)		
	2009	2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$57	$60	$60
Off-Peak	$31	$40	$41	$42
ATC(2)	$38	$48	$50	$51
Mid-Columbia				
On-Peak	$36	$50	$54	$56
Off-Peak	$29	$40	$43	$44
ATC(2)	$33	$46	$49	$50
GAS(3)				
NYMEX	$3.92	$5.79	$6.34	$6.53
TZ6NNY	$4.63	$6.48	$7.09	$7.23
PJM MARKET				
HEAT RATE(4)	8.2	8.9	8.4	8.3
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.6%	88.7%	91.8%

(1) Market prices based on the average of broker quotes as of 12/31/2009

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 12/31/2009

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

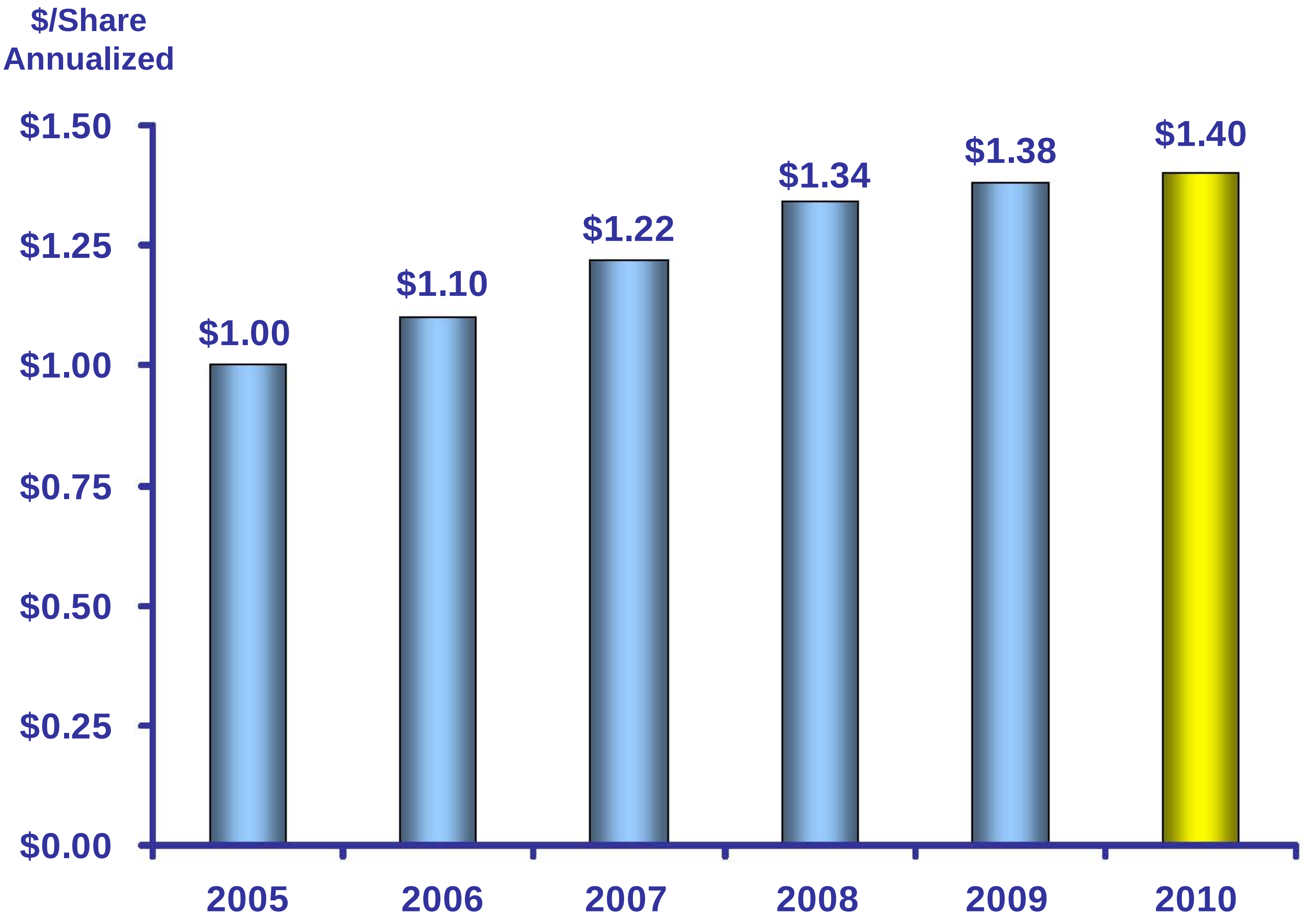
PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:

✓	August 11, 2009	July 19, 2011
✓	October 20, 2009	October 18, 2011
✓	January 19, 2010	January 9, 2012
	April 20, 2010	April 3, 2012
	July 20, 2010	July 17, 2012
	October 19, 2010	October 16, 2012
	April 18, 2011	January 22, 2013

✓ Completed

Dividend Profile



Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

Note: As of 12/31/2009

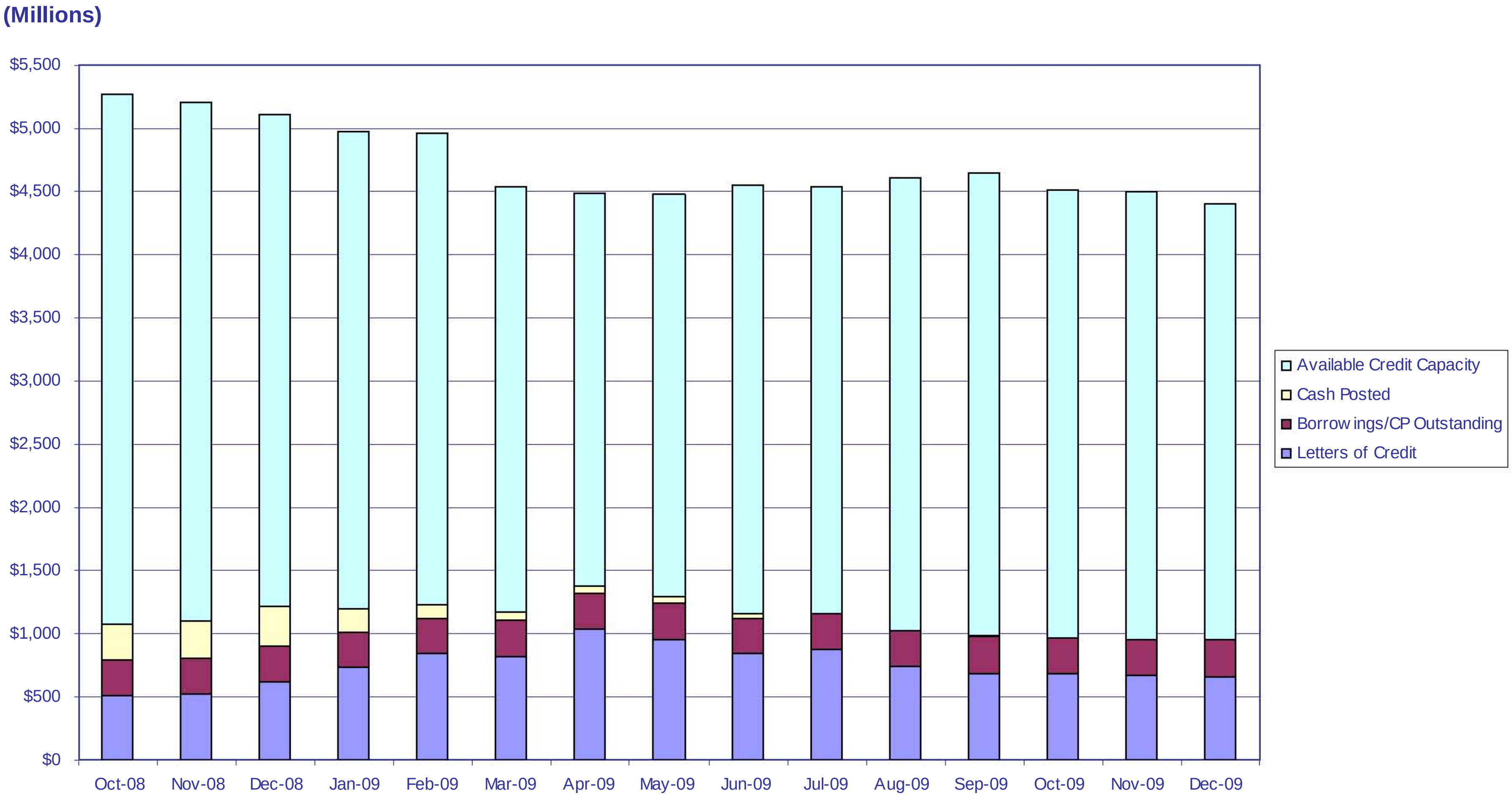
Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding [(1)] (Millions)	Drawn [(1)] (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$373	$285	$2,567
	Bilateral Credit Facility	Mar-2010	200	4	0	196
	5-year Structured Credit Facility	Mar-2011	300	285	0	15
	364-day Credit Facility	Sep-2010	400	0	0	400
			$4,125	$662	$285	$3,178
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$6	$0	$184
	Asset-backed Credit Facility	Jul-2010	150	0	0	150
			$340	$6	$0	$334
WPD	3-year Credit Facility	Jul-2012	£210	£0	£60	£150
	5-year Credit Facility	Jan-2013	150	0	132	18
	Uncommitted Credit Facilities		65	0	21	44
	Letter of Credit Facility	Mar-2010	4	3	0	1
			£429	£3	£213	£213

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 15% of the total committed capacity.

(1) Reported as of 12/31/2009

PPL Energy Supply Collateral Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2008	Actual 2009	Projected 2010
Cash from Operations	$595	$1,310	$1,435
Increase/(Decrease) in cash due to:			
Capital Expenditures	(939)	(720)	(952)
Investment in Energy Project	(203)		
Asset Sales (1), (2)		84	167
Other Investing Activities-net	(58)	(75)	
Free Cash Flow before Dividends	($605)	$ 599	$650

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes contingent payment on the Maine hydro assets from ArcLight, completion of the sale of the Penobscot Trust assets, and the previously announced sale of the Long Island generating assets

PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual		Projected
	2008	2009	2010
Cash from Operations	$643	$294	$264
Less Transition Bond Repayment	(293)		
Increase/(Decrease) in cash due to:			
Capital Expenditures	(286)	(298)	(589)
Asset Sales & Other	303	3	
Free Cash Flow before Dividends	$367	($1)	($325)

Note: Asset Sales in 2008 includes the net proceeds from the sale of gas and propane businesses

International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual		Projected
	2008	2009	2010
Cash from Operations	$279	$248	$278
Increase/(Decrease) in cash due to:			
Capital Expenditures	(278)	(247)	(320)
Other Investing Activities – Net		1	
Free Cash Flow before Dividends	$1	$2	($42)

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual		
	High	Low			
	2010	2010	2009	2008	2007
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02	$2.60
Special Items:					
Energy-related economic activity			(0.59)	0.67	0.08
Sales of assets			(0.11)	(0.01)	0.50
Impairments			(0.06)	(0.16)	(0.04)
Workforce reductions			(0.03)		(0.02)
Other:					
Change in tax accounting method related to repairs			(0.07)		
Montana streambed litigation			(0.01)		
Synfuel tax adjustment				(0.04)	
Montana basin seepage litigation				(0.01)	
Change in U.K. tax rate					0.14
Settlement of Wallingford cost-based rates					0.09
Total Special Items	0.00	0.00	(0.87)	0.45	0.75
Reported Earnings per share of common stock	$3.50	$3.10	$1.08	$2.47	$3.35

Note: Per share amounts are based on diluted shares outstanding.

Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa2	BBB	BBB
Outlook	NEGATIVE	NEGATIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	NEGATIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa2	BBB-	BBB
Subordinated Debt	Baa3	BB+	BB+
Outlook	NEGATIVE		STABLE
PPL Electric Utilities			
Issuer Rating	Baa1	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa1	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Baa3	BBB	BBB-
Preference Stock	Baa3	BBB	BBB-
Outlook	NEGATIVE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	NEGATIVE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE

PPL Facts

PPL Corporation (NYSE: PPL) is a Fortune 500 company with headquarters in Allentown, Pa. The Company's diversified corporate strategy is to achieve growth in energy supply margins while limiting volatility in both cash flows and earnings and to achieve stable, long-term growth in regulated delivery businesses through efficient operations and strong customer and regulatory relations. The strategy is carried out through four principal subsidiaries:

PPL EnergyPlus, which markets energy in key U. S. markets.

PPL Generation, which operates more than 12,000 megawatts of electricity generating capacity in Pennsylvania, Montana, Maine, Illinois, New York and Connecticut, with an additional 239 megawatts of planned uprate projects.

PPL Electric Utilities, which delivers electricity to 1.4 million customers in Pennsylvania.

PPL Global, which delivers electricity to 2.6 million customers in the United Kingdom.

Security Ratings

	Moody's	S&P	Fitch
PPL Corp.			
Corporate Credit Rating	Baa2	BBB	BBB
PPL Capital Funding, Inc.			
Senior Unsecured Debt	Baa2	BBB-	BBB
PPL Electric Utilities Corp.			
First Mortgage Bonds	A3	A-	A-
Senior Secured Bonds	A3	A-	A-
PPL Energy Supply			
Senior Unsecured Notes	Baa2	BBB	BBB
WPD Holdings Limited			
Senior Unsecured Debt	Baa3	BBB-	BBB
WPD Operating Cos.			
Senior Unsecured Debt	Baa1	BBB+	A-

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation 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 and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations”, although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management’s view of PPL’s fundamental earnings performance as another criterion in making their investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *The impact of energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *The impact of sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL’s generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period that was hedged. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, as well as the repayment of transition bonds, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

"Domestic Gross Energy Margins" is intended to supplement the investors' understanding of PPL’s domestic non-trading and trading activities by combining applicable income statement line items and related adjustments to calculate a single financial measure. PPL believes that "Domestic Gross Energy Margins" is useful and meaningful to investors because it provides them with the results of PPL's domestic non-trading and trading activities as another criterion in making their investment decisions. "Domestic Gross Energy Margins" is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their non-trading and trading activities.

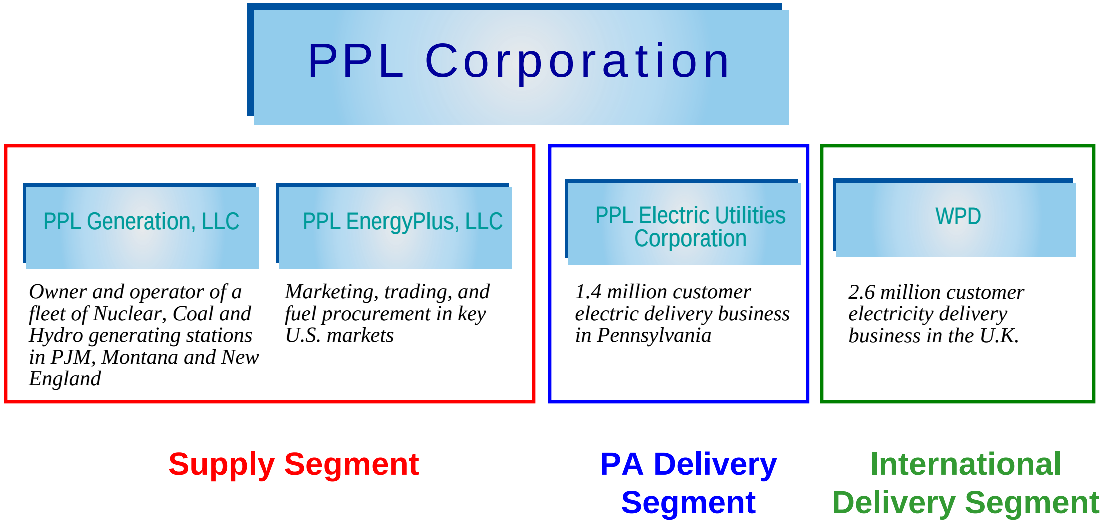
EEI International Utility Conference

March 14-17, 2010

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

Corporate Overview



PPL Corporation

PPL Generation, LLC

Owner and operator of a fleet of Nuclear, Coal and Hydro generating stations in PJM, Montana and New England

PPL EnergyPlus, LLC

Marketing, trading, and fuel procurement in key U.S. markets

PPL Electric Utilities Corporation

1.4 million customer electric delivery business in Pennsylvania

WPD

2.6 million customer electricity delivery business in the U.K.

Supply Segment

PA Delivery Segment

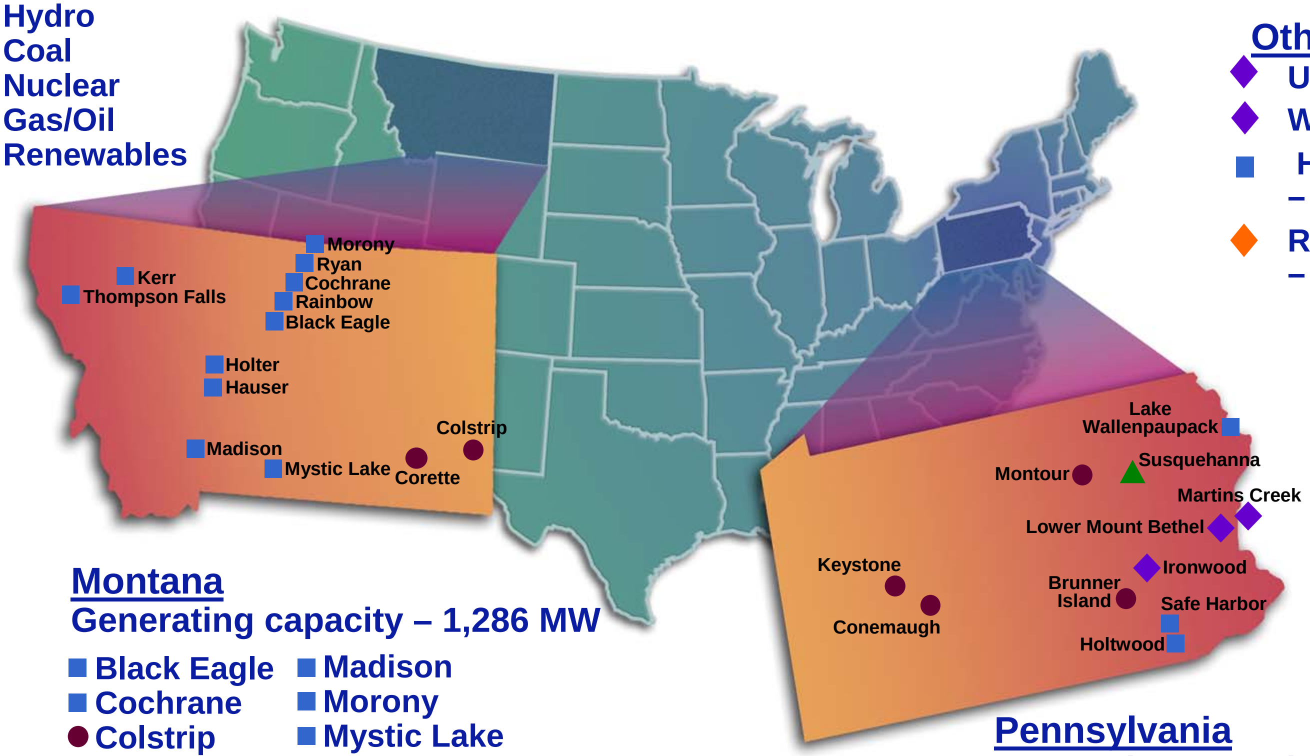
International Delivery Segment

Investment Highlights

- Significant increase in financial performance
  - Earnings expected to increase substantially in 2010 driven by transition to market based electricity prices after approximately 10 years of fixed generation rates
  - Dividends continue to be viewed as an important component of shareowner return
  - Investment grade credit ratings are a key competitive asset
- Highly attractive baseload oriented generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
  - Attractive nuclear and hydro uprate/expansion projects equating to 239 additional MWs
  - Potential benefit from carbon regulation
  - Underlying value strongly and positively correlated to a recovery in natural gas prices
- Disciplined multiyear hedging program has created significant value
  - 99% for 2010, 88% for 2011 and 55% for 2012 of expected baseload volumes
  - Protects against further weakness in energy prices and allows for upside participation if near-term recovery occurs
- Focused on growth in rate regulated businesses
  - Achieved formula rate mechanism for Transmission tariffs at a ROE of 11.64%
  - Highly attractive Susquehanna-Roseland RTEP project; PPL EU's portion is expected to cost $510 million at an approved 12.89% ROE
  - Significant Distribution Capex to support performance of existing network in US and UK
  - WPD DPCR5: Final proposal issued, anticipated earnings contribution consistent with 2010 forecast

PPL's Generation Portfolio

Key
- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables



Other generating stations
- ◆ University Park, IL – 585 MW
- ◆ Wallingford, CT – 244 MW
- ■ Hydroelectric Facilities, ME – 12 MW
- ◆ Renewable , NJ, CT, NH, VT – 9 MW

Montana
Generating capacity – 1,286 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Pennsylvania
Generating capacity – 9,583 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ■ Safe Harbor
- ◆ Ironwood

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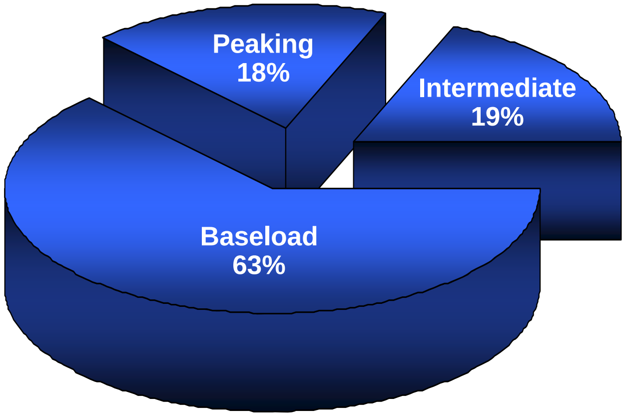
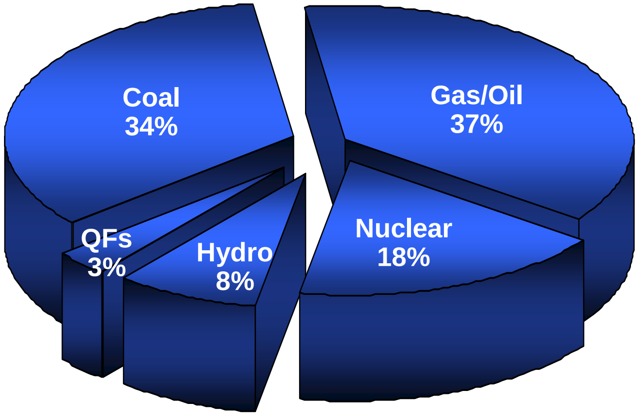
Diverse and Balanced Fleet

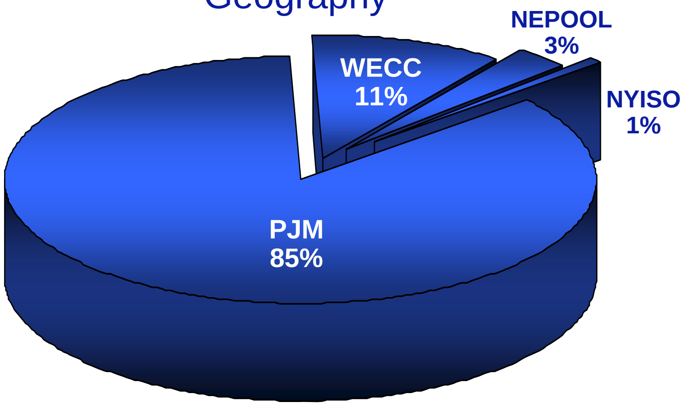
Market Segment



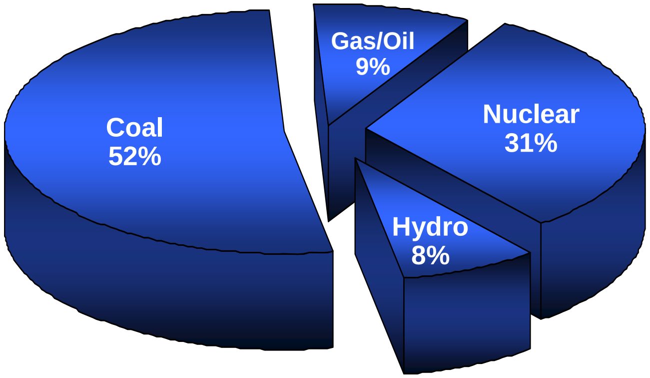
Installed Capacity
MW



Geography



Production
GWh



Baseload oriented fleet augmented by attractive load-following capabilities

PPL’s Carbon Footprint

- Currently 40% of generation output non-carbon emitting
- Power plant uprates – all carbon neutral
- PPL’s Supply margins would benefit under various climate legislation that is being proposed

Environmental Control Equipment

		Brunner Island			Montour		Colstrip$^{(1)}$		Keystone$^{(2)}$	Conemaugh$^{(2)}$
Control Device	Removes	Unit 1	Unit 2	Unit 3	Unit 1	Unit 2	Unit 1 & 2	Unit 3 & 4	Unit 1 & 2	Unit 1 & 2
Low Nox Burners	NOx	🟢	🟢	🟢	🟢	🟢	🟡	🟢	🟢	🟢
SCR	NOx			🟡	🟢	🟢			🟢	🟡
Scrubbers	SO2	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢

🟢 = Installed

🟡 = Potential

PPL has complied with current environmental regulations on a proactive basis

(1) Colstrip is located in Montana

(2) Keystone & Conemaugh: PPL is a minority owner and does not operate

Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (million MWhs)	**52.1**	**52.1**	**56.1**
East	43.4	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**99%**	**88%**	**55%**
East	100%	88%	51%
West	97%	86%	78%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$58**	**$61**
East	$60	$59	$62
West	$49	$56	$57
Expected Average Price (Fully Loaded) ($MWh)	**$70**	**$67**	**$68**
East**	$72	$69	$71
West	$49	$56	$57
% Hedged Through Swaps/Options Energy Transactions	96%	88%	55%
% Hedged Through Load-following Transactions	3%	0%	0%
Intermediate/Peaking			
Expected Generation (million MWhs)	**5.0**	**5.0**	**5.1**
Current Hedges (%)	**19%**	**0%**	**0%**

As of December 31, 2009
***Represents expected sales based on current business plan assumptions**
****Represents energy, capacity, congestion and other revenues**

Current Fuel Contracts - Base Prices

	2010	**2011**	**2012**
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	85%	62%
West	100%	100%	91%
Total	**99%**	**89%**	**70%**

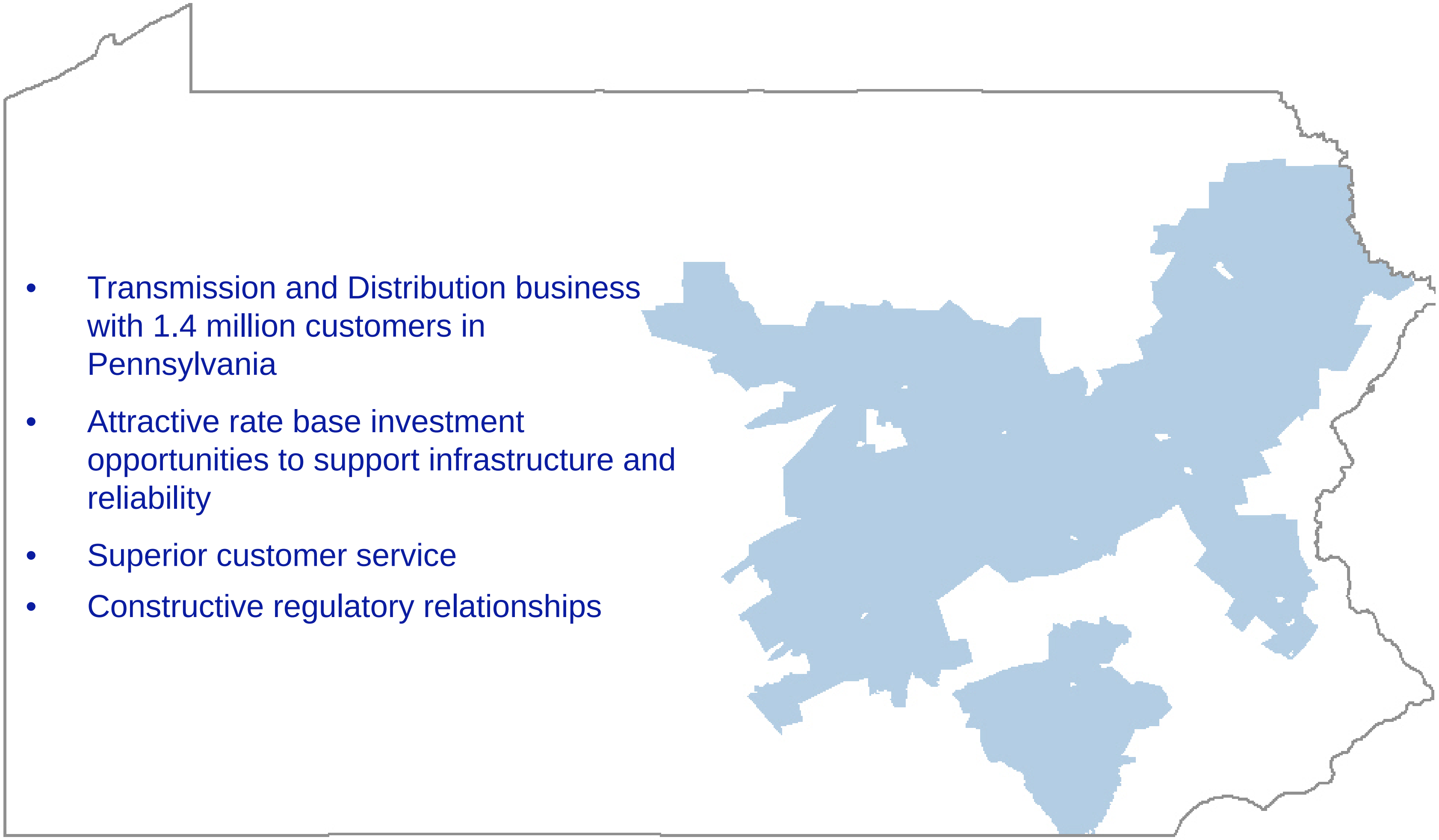
Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	28%	$51	5%	$63
% Collars	0%	N/A	72%	$44-$51	95%	$42-$50
% Diesel Surcharge	7%	$46	0%	N/A	0%	N/A

(1) Weighted Average $/ton at mine for east wholly owned plants, excludes Keystone & Conemaugh

Note: As of 12/31/2009

PPL Electric Utilities

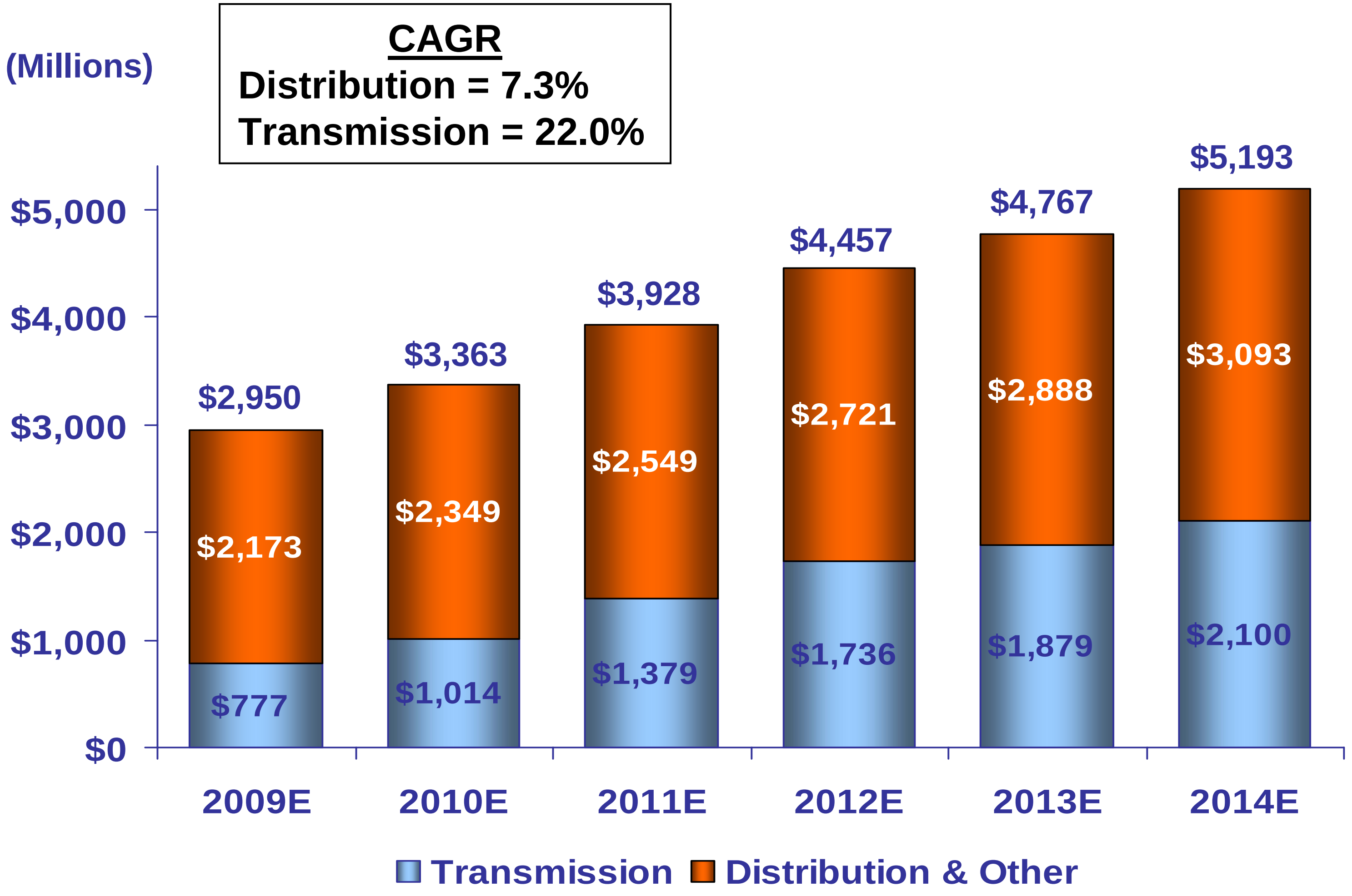


- Transmission and Distribution business with 1.4 million customers in Pennsylvania
- Attractive rate base investment opportunities to support infrastructure and reliability
- Superior customer service
- Constructive regulatory relationships

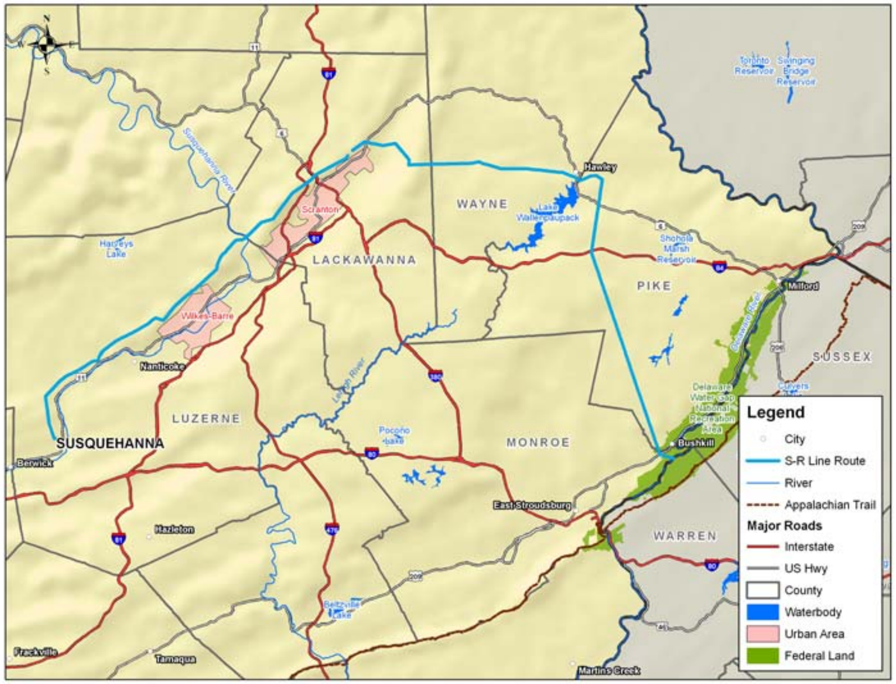
Pennsylvania Electricity Distribution Rate Regulation

- Retail distribution of electricity and natural gas are regulated by the Pennsylvania Public Utility Commission
  - Pennsylvania deregulated the generation of electricity in 1997
  - Transmission and wholesale sales of electricity are regulated by the Federal Energy Regulatory Commission
- Retail distribution rates are set by a combination of base rate proceedings and automatic adjustment clauses
- Base rate proceedings
  - Initiated by a utility filing or, rarely, through a Commission investigation
  - Based upon the traditional cost of service, rate of return model
  - The utility must have the opportunity to earn a "fair rate of return“ on used and useful rate base
  - The utility must file historic data; may file future data
  - The Commission must enter an order within nine months of the utility's filing or the proposed rates go into effect subject to refund
- Automatic adjustment clauses
  - Specifically authorized in the Public Utility Code
  - Limited by court decision to expense items, not capital costs
  - Usually based on a forecast of costs with an annual reconciliation to actual costs
  - Have been used to recover the costs of: energy, stranded investment, transmission and universal service

PPL Electric Utilities Rate Base



Attractive Transmission Development Project



- PPL Electric to build Pennsylvania portion of the 150-mile Susquehanna to Roseland, NJ 500 kV transmission line. New Jersey portion of the line to be built by PSEG.
- Project needed for reliability and is part of PJM's Regional Transmission Expansion Program (RTEP)
- Received Final Order from Pennsylvania PUC approving the line
- Scheduled for completion in May 2012
- Cost of PPL's portion of the line is estimated at $510 million
- Formula rate mechanism for transmission
  - Settlement agreement approved by FERC for 11.64% ROE* including RTO adder
- PPL rate structure for RTEP project
  - 12.89% ROE*
  - CWIP in rate base
  - Recovery of costs if abandoned

*ROE increases to 11.68% including RTO adder and to 12.93% for RTEP projects in 6/2010.

Western Power Distribution

WPD (South Wales)

1.1 million end users

WPD (South West)

1.5 million end users

- Electricity Distribution company that delivers electricity to 2.6 million end users in the United Kingdom
- No commodity exposure
- Highly attractive regulatory construct
- Final proposal for DCPR5 provides anticipated earnings contribution consistent with 2010 expectations

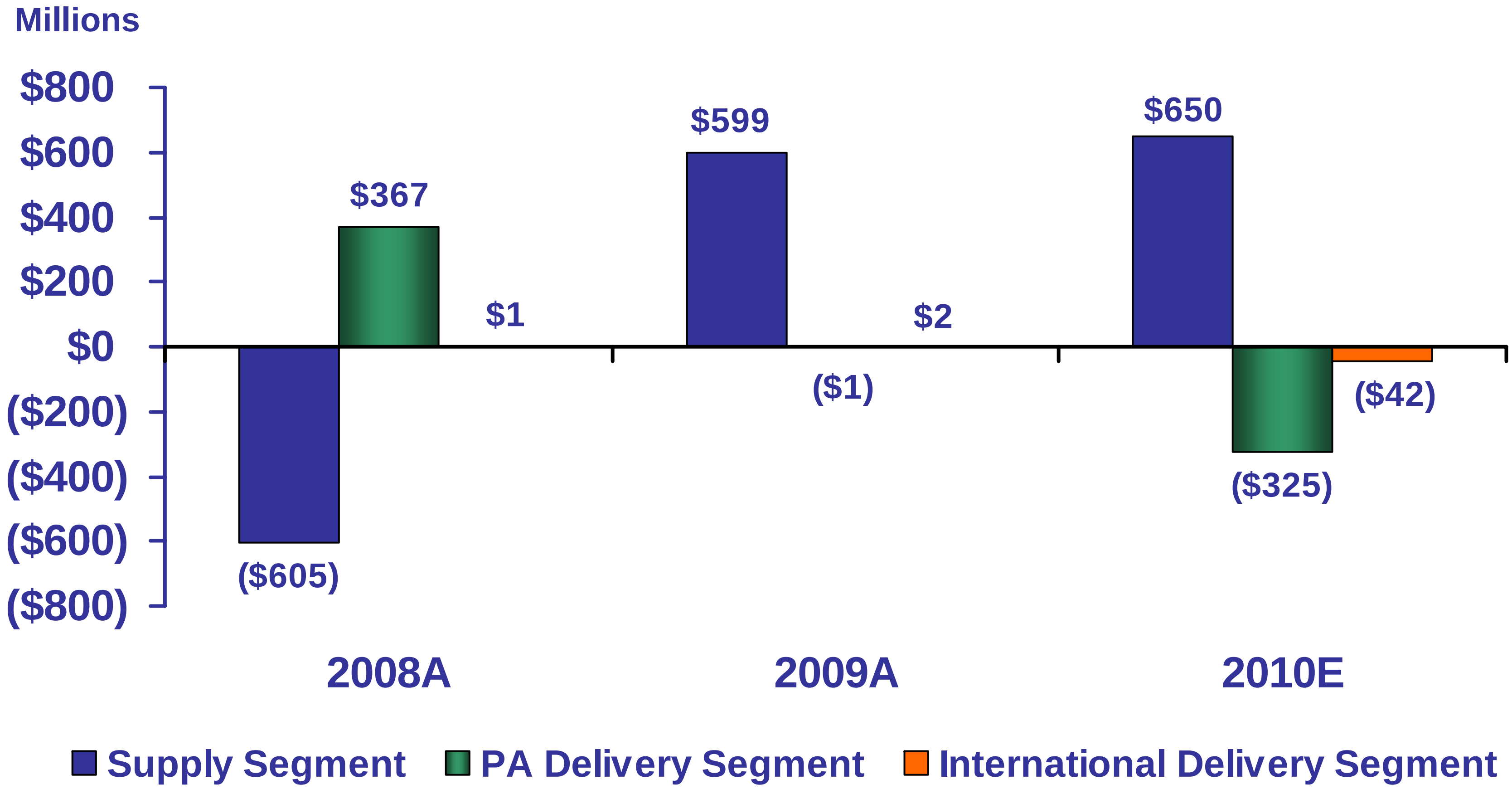
International Delivery Segment Operational Update

- The Ofgem final proposal was a constructive outcome for WPD
- Increases revenues by an average of 6.9% per year (plus inflation)
- Higher revenues result from a capital spending increase of 31% and operating cost increase of 14%
- Additionally, WPD was awarded the following benefits for its performance:

	Recovery Period
– $106 million for capital cost efficiency (#1)	20 years
– $77 million for quality of supply performance (#1)	5 years
– $48 million for forecasting accuracy (#1)	5 years
– $11 million for operating cost efficiency (#3)	5 years

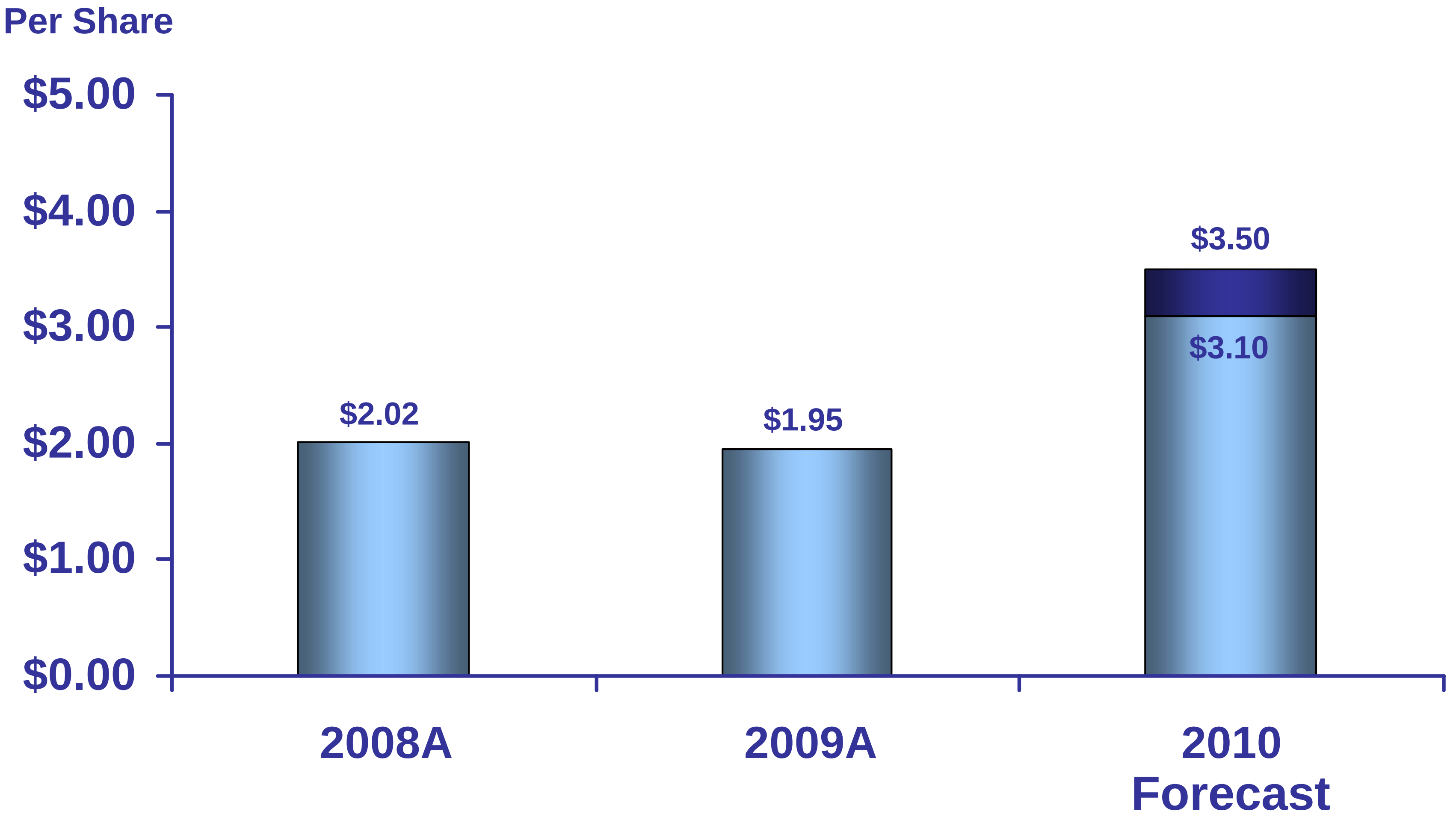
Exceptional performance has earned WPD additional revenue of over $240 million with potential to earn more

Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Market Prices

	Actual	Forward[1]		
	2009	2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$57	$60	$60
Off-Peak	$31	$40	$41	$42
ATC[2]	$38	$48	$50	$51
Mid-Columbia				
On-Peak	$36	$50	$54	$56
Off-Peak	$29	$40	$43	$44
ATC[2]	$33	$46	$49	$50
GAS[3]				
NYMEX	$3.92	$5.79	$6.34	$6.53
TZ6NNY	$4.63	$6.48	$7.09	$7.23
PJM MARKET				
HEAT RATE[4]	8.2	8.9	8.4	8.3
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.6%	88.7%	91.8%

(1) Market prices based on the average of broker quotes as of 12/31/2009

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 12/31/2009

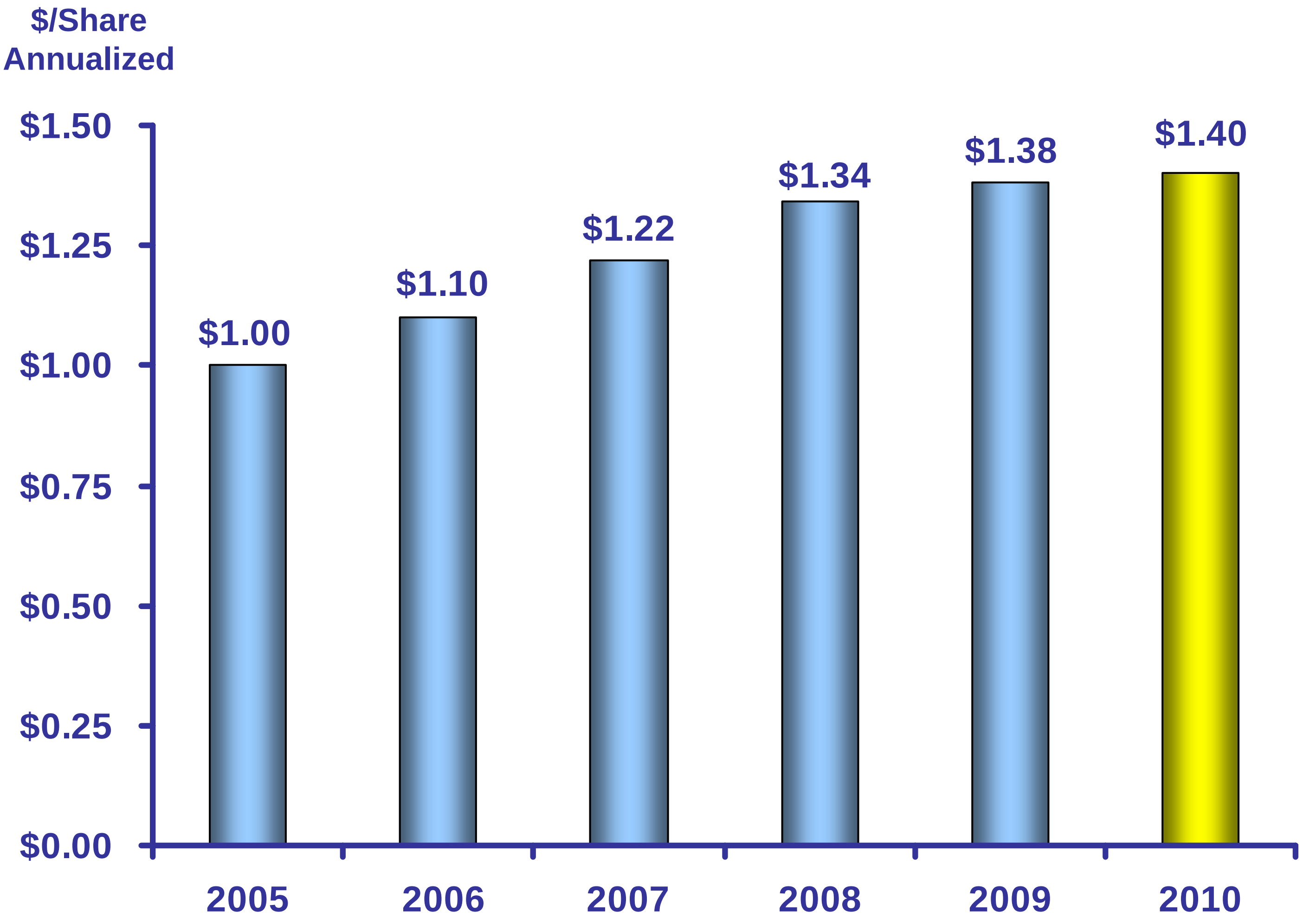
(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:
  - ✓ August 11, 2009
  - ✓ October 20, 2009
  - ✓ January 19, 2010
  - April 20, 2010
  - July 20, 2010
  - October 19, 2010
  - April 18, 2011
  - July 19, 2011
  - October 18, 2011
  - January 9, 2012
  - April 3, 2012
  - July 17, 2012
  - October 16, 2012
  - January 22, 2013

✓ Completed

Dividend Profile



Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

Note: As of 12/31/2009

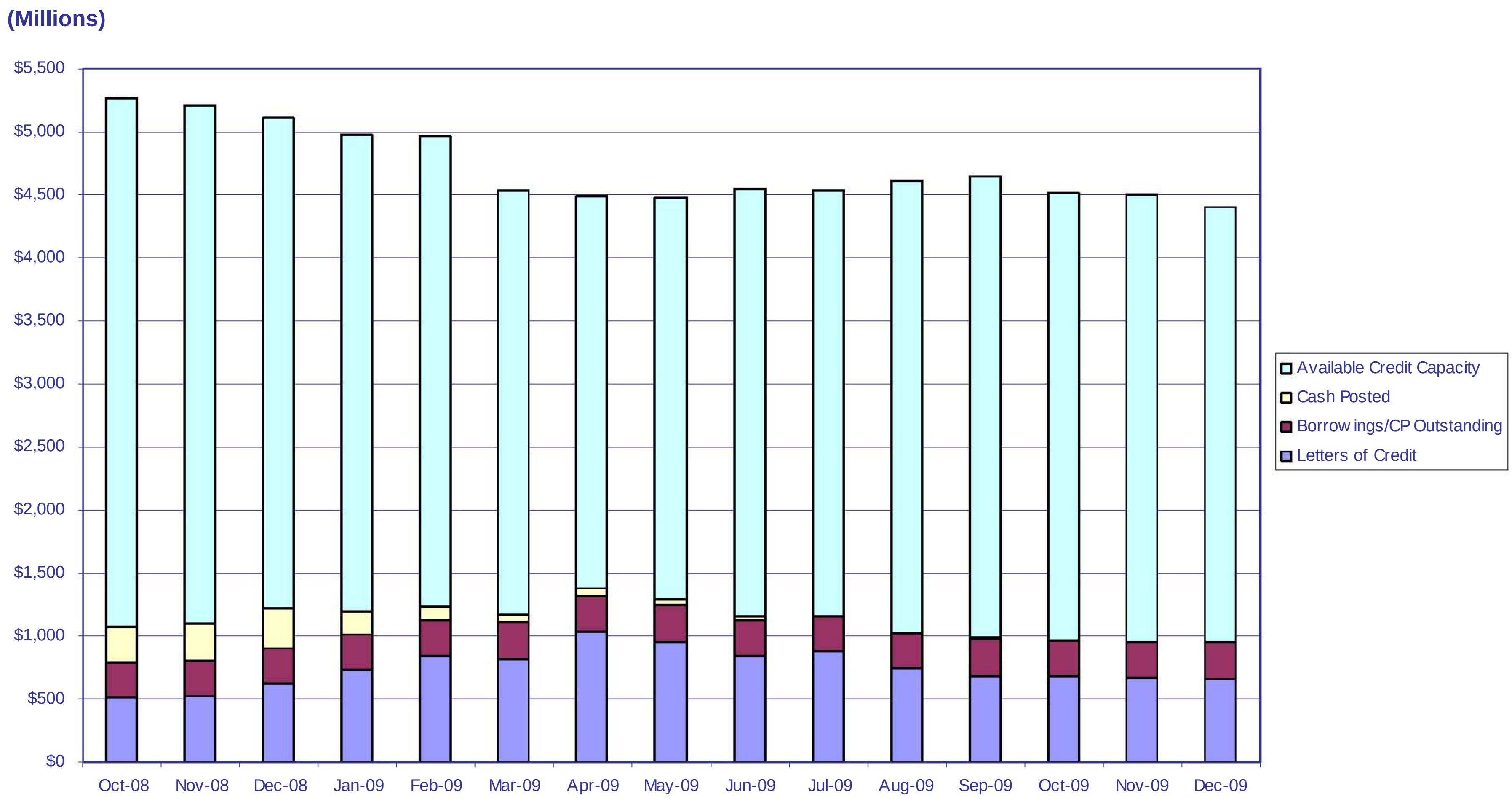
Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding [(1)] (Millions)	Drawn [(1)] (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$373	$285	$2,567
	Bilateral Credit Facility	Mar-2010	200	4	0	196
	5-year Structured Credit Facility	Mar-2011	300	285	0	15
	364-day Credit Facility	Sep-2010	400	0	0	400
			$4,125	$662	$285	$3,178
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$6	$0	$184
	Asset-backed Credit Facility	Jul-2010	150	0	0	150
			$340	$6	$0	$334
WPD	3-year Credit Facility	Jul-2012	£210	£0	£60	£150
	5-year Credit Facility	Jan-2013	150	0	132	18
	Uncommitted Credit Facilities		65	0	21	44
	Letter of Credit Facility	Mar-2010	4	3	0	1
			£429	£3	£213	£213

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 15% of the total committed capacity.

(1) Reported as of 12/31/2009

PPL Energy Supply Collateral Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2008	Actual 2009	Projected 2010
Cash from Operations	$595	$1,310	$1,435
Increase/(Decrease) in cash due to:			
Capital Expenditures	(939)	(720)	(952)
Investment in Energy Project	(203)		
Asset Sales (1), (2)		84	167
Other Investing Activities-net	(58)	(75)	
Free Cash Flow before Dividends	($605)	$ 599	$650

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes contingent payment on the Maine hydro assets from ArcLight, completion of the sale of the Penobscot Trust assets, and the previously announced sale of the Long Island generating assets

PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual		Projected
	2008	2009	2010
Cash from Operations	$643	$294	$264
Less Transition Bond Repayment	(293)		
Increase/(Decrease) in cash due to:			
Capital Expenditures	(286)	(298)	(589)
Asset Sales & Other	303	3	
Free Cash Flow before Dividends	$367	($1)	($325)

Note: Asset Sales in 2008 includes the net proceeds from the sale of gas and propane businesses

International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2008	Actual 2009	Projected 2010
Cash from Operations	$279	$248	$278
Increase/(Decrease) in cash due to:			
Capital Expenditures	(278)	(247)	(320)
Other Investing Activities – Net		1	
Free Cash Flow before Dividends	$1	$2	($42)

Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Total
Year-to-Date December 31, 2009				
Earnings from ongoing operations	$333	$133	$272	$738
Special Items:				
Energy-related economic activity	(225)			(225)
Foreign currency-related economic hedges - unrealized impacts			1	1
Sales of assets	(15)		(27)	(42)
Impairments	(23)	(1)	(1)	(25)
Workforce reduction	(6)	(5)	(2)	(13)
Other:				
Change in tax accounting method related to repairs	(21)	(3)		(24)
Montana streambed litigation	(3)			(3)
Total Special Items	(293)	(9)	(29)	(331)
Reported earnings*	$40	$124	$243	$407
Year-to-Date December 31, 2008				
Earnings from ongoing operations	$303	$167	$291	$761
Special Items:				
Energy-related economic activity	251			251
Sales of assets		(6)		(6)
Impairments	(57)			(57)
Workforce reduction	(1)		(1)	(2)
Other:				
Synfuel tax adjustment	(13)			(13)
Off-site remediation of ash basin leak	1			1
Montana basin seepage litigation	(5)			(5)
Total Special Items	176	(6)	(1)	169
Reported earnings*	$479	$161	$290	$930
Change in earnings from ongoing operations	$30	($34)	($19)	($23)

* Represents net income attributable to PPL Corporation.

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual		
	High 2010	Low 2010	2009	2008	2007
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02	$2.60
Special Items:					
Energy-related economic activity			(0.59)	0.67	0.08
Sales of assets			(0.11)	(0.01)	0.50
Impairments			(0.06)	(0.16)	(0.04)
Workforce reductions			(0.03)		(0.02)
Other:					
Change in tax accounting method related to repairs			(0.07)		
Montana streambed litigation			(0.01)		
Synfuel tax adjustment				(0.04)	
Montana basin seepage litigation				(0.01)	
Change in U.K. tax rate					0.14
Settlement of Wallingford cost-based rates					0.09
Total Special Items	0.00	0.00	(0.87)	0.45	0.75
Reported Earnings per share of common stock	$3.50	$3.10	$1.08	$2.47	$3.35

Note: Per share amounts are based on diluted shares outstanding.

Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa2	BBB	BBB
Outlook	NEGATIVE	NEGATIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	NEGATIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa2	BBB-	BBB
Subordinated Debt	Baa3	BB+	BB+
Outlook	NEGATIVE		STABLE
PPL Electric Utilities			
Issuer Rating	Baa1	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa1	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Baa3	BBB	BBB-
Preference Stock	Baa3	BBB	BBB-
Outlook	NEGATIVE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	NEGATIVE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE

PPL Facts (cont'd)

PPL Corporation (NYSE: PPL) is a Fortune 500 company with headquarters in Allentown, Pa. The Company's diversified corporate strategy is to achieve growth in energy supply margins while limiting volatility in both cash flows and earnings and to achieve stable, long-term growth in regulated delivery businesses through efficient operations and strong customer and regulatory relations. The strategy is carried out through four principal subsidiaries:

PPL EnergyPlus, which markets energy in key U. S. markets.

PPL Generation, which operates more than 12,000 megawatts of electricity generating capacity in Pennsylvania, Montana, Maine, Illinois and Connecticut, with an additional 239 megawatts of planned uprate projects.

PPL Electric Utilities, which delivers electricity to 1.4 million customers in Pennsylvania.

PPL Global, which delivers electricity to 2.6 million customers in the United Kingdom.

Security Ratings

	Moody's	S&P	Fitch
PPL Corp.			
Corporate Credit Rating	Baa2	BBB	BBB
PPL Capital Funding, Inc.			
Senior Unsecured Debt	Baa2	BBB-	BBB
PPL Electric Utilities Corp.			
First Mortgage Bonds	A3	A-	A-
Senior Secured Bonds	A3	A-	A-
PPL Energy Supply			
Senior Unsecured Notes	Baa2	BBB	BBB
WPD Holdings Limited			
Senior Unsecured Debt	Baa3	BBB-	BBB
WPD Operating Cos.			
Senior Unsecured Debt	Baa1	BBB+	A-

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PPL Facts (cont.)

Financial and Operating Information **($ in millions, except per share amounts)**	**(Unaudited)** **Year Ended** **December 2009**	 **December 2008**
Common Equity	$5,496	$5,077
Noncontrolling Interests	319	319
Short-Term Debt	639	679
Long-Term Debt	7,143	7,838
Total Capitalization	$13,597	$13,913
Total Assets	$22,165	$21,405
Operating Revenues	$7,556	$8,007
Earnings Per Share – Diluted		
Reported	$1.08	$2.47
Ongoing Operations	$1.95	$2.02
Market Price Per Share	$32.31	$30.69
Book Value Per Share	$14.57	$13.55
Return on Average Common Equity		
Reported	7.48%	16.88%
Ongoing Operations	13.61%	14.46%
Common Shares Outstanding – (thousands)		
End of Period	377,183	374,581
Weighted-Average - Diluted	376,406	374,901
Annualized Dividend Rate	$1.38	$1.34
Dividend Payout - Diluted, using annualized dividends		
Reported	128%	54%
Ongoing Operations	71%	66%
Electric Energy Sales – Domestic (millions of kwh)		
Retail Deliveries	36,717	38,058
Retail Supply	38,912	40,374
Wholesale Supply		
East	27,522	28,614
West	11,466	14,098
Net System Capacity (MW)	11,719	12,002

Note: See Appendix for the reconciliation of earnings from ongoing operations to report earnings.

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation 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 and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations”, although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management’s view of PPL’s fundamental earnings performance as another criterion in making their investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *The impact of energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *The impact of sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL’s generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period that was hedged. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, as well as the repayment of transition bonds, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

"Domestic Gross Energy Margins" is intended to supplement the investors' understanding of PPL’s domestic non-trading and trading activities by combining applicable income statement line items and related adjustments to calculate a single financial measure. PPL believes that "Domestic Gross Energy Margins" is useful and meaningful to investors because it provides them with the results of PPL's domestic non-trading and trading activities as another criterion in making their investment decisions. "Domestic Gross Energy Margins" is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their non-trading and trading activities.

First Quarter Earnings Call

May 6, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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Agenda

First Quarter 2010 Earnings and 2010 Earnings Forecast and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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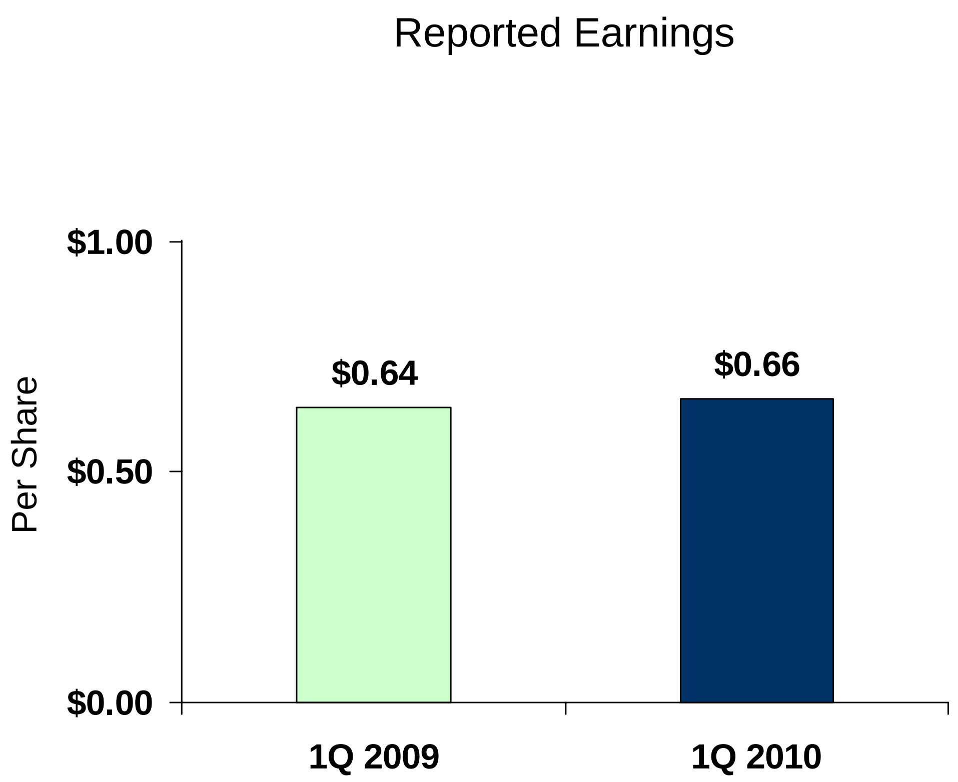
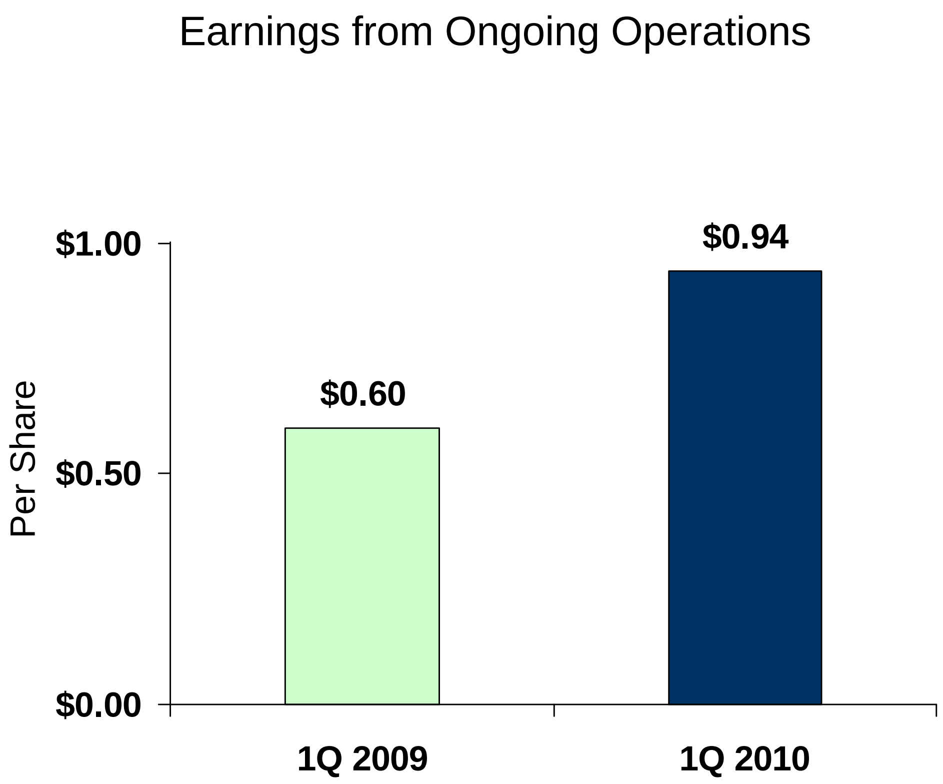
Earnings Results


Reported Earnings


Earnings from Ongoing Operations

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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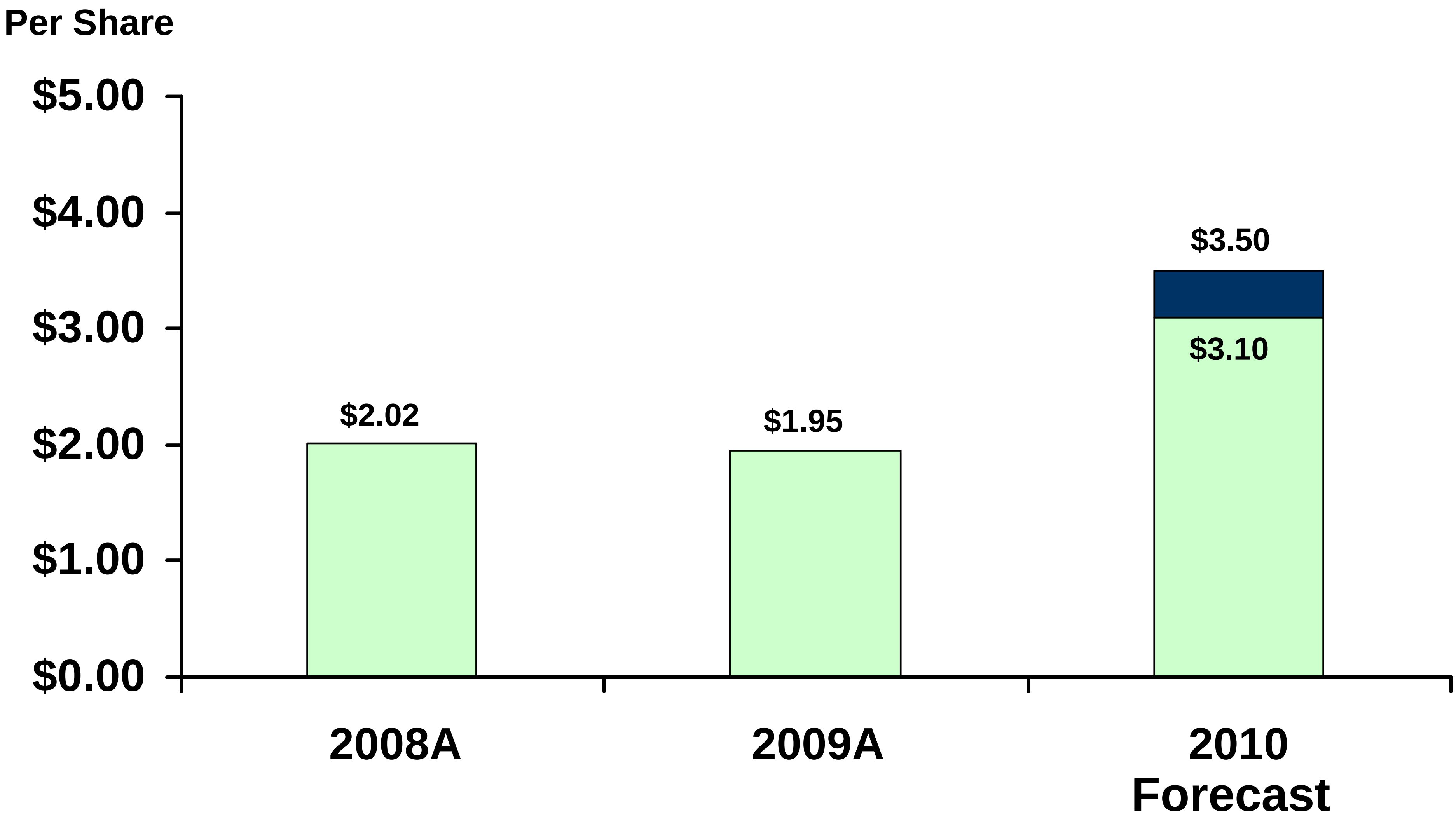
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Ongoing Earnings Overview

	Q1 2010	Q1 2009	Change
Supply	$0.64	$0.22	$ 0.42
Pennsylvania Delivery	0.10	0.14	(0.04)
International Delivery	0.20	0.24	(0.04)
Total	$0.94	$0.60	$ 0.34

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	1st Quarter	
2009 EPS – Ongoing Earnings		$0.22
Margins – East	0.53	
O&M	(0.06)	
Depreciation	(0.02)	
Income Taxes & Other	(0.03)	
Total		0.42
2010 EPS – Ongoing Earnings		$0.64

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Delivery Segment Earnings Drivers

		1st Quarter
2009 EPS – Ongoing Earnings		$0.14
Delivery Margins	(0.02)	
O&M	(0.02)	
Total		(0.04)
2010 EPS – Ongoing Earnings		$0.10

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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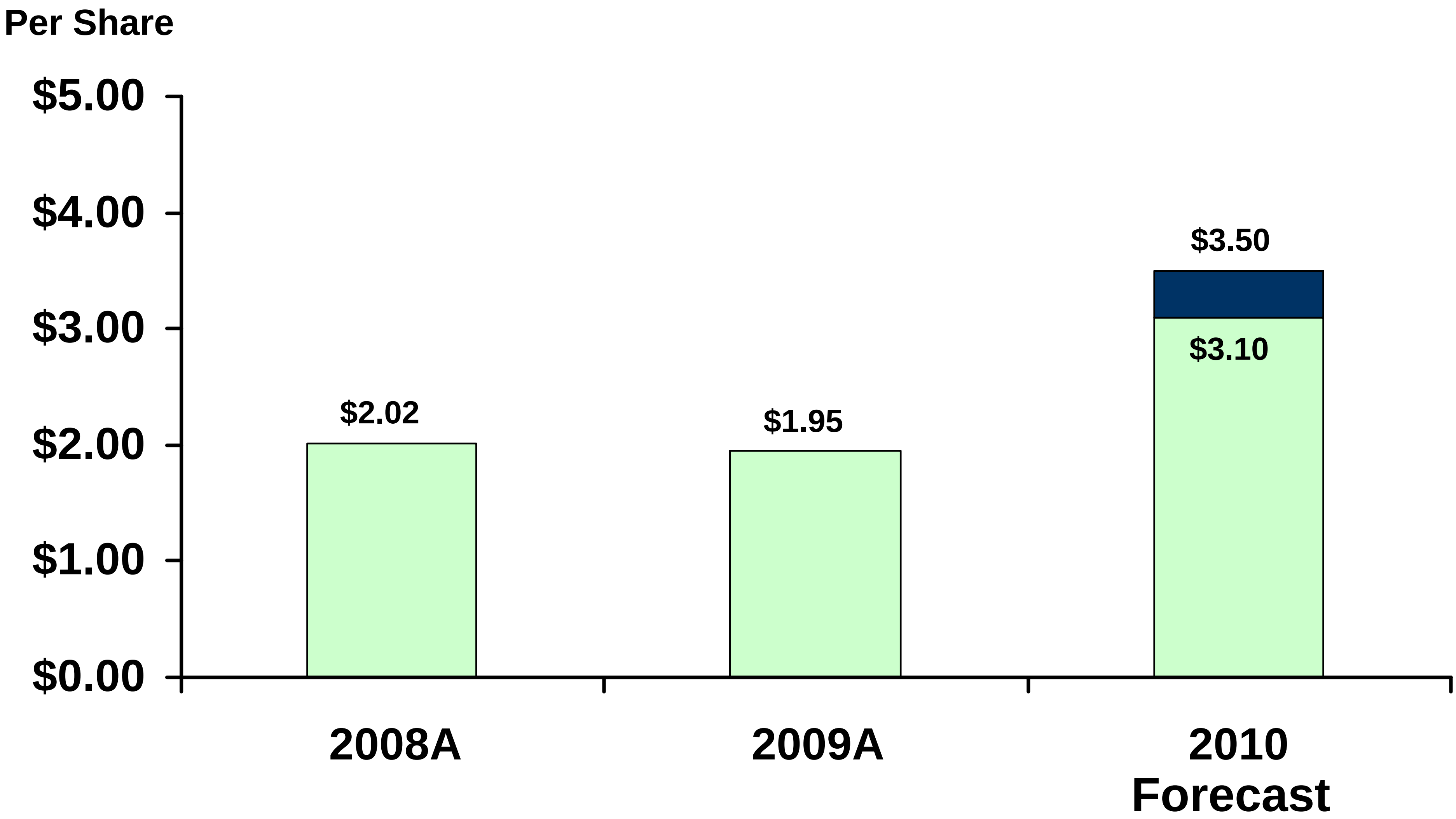
International Delivery Segment Earnings Drivers

		1st Quarter
2009 EPS – Ongoing Earnings		$0.24
Utility Revenues	0.02	
O&M	(0.02)	
Financing Costs	(0.03)	
Effect of Exchange Rates	0.02	
Income Taxes & Other	(0.03)	
Total		(0.04)
2010 EPS – Ongoing Earnings		$0.20

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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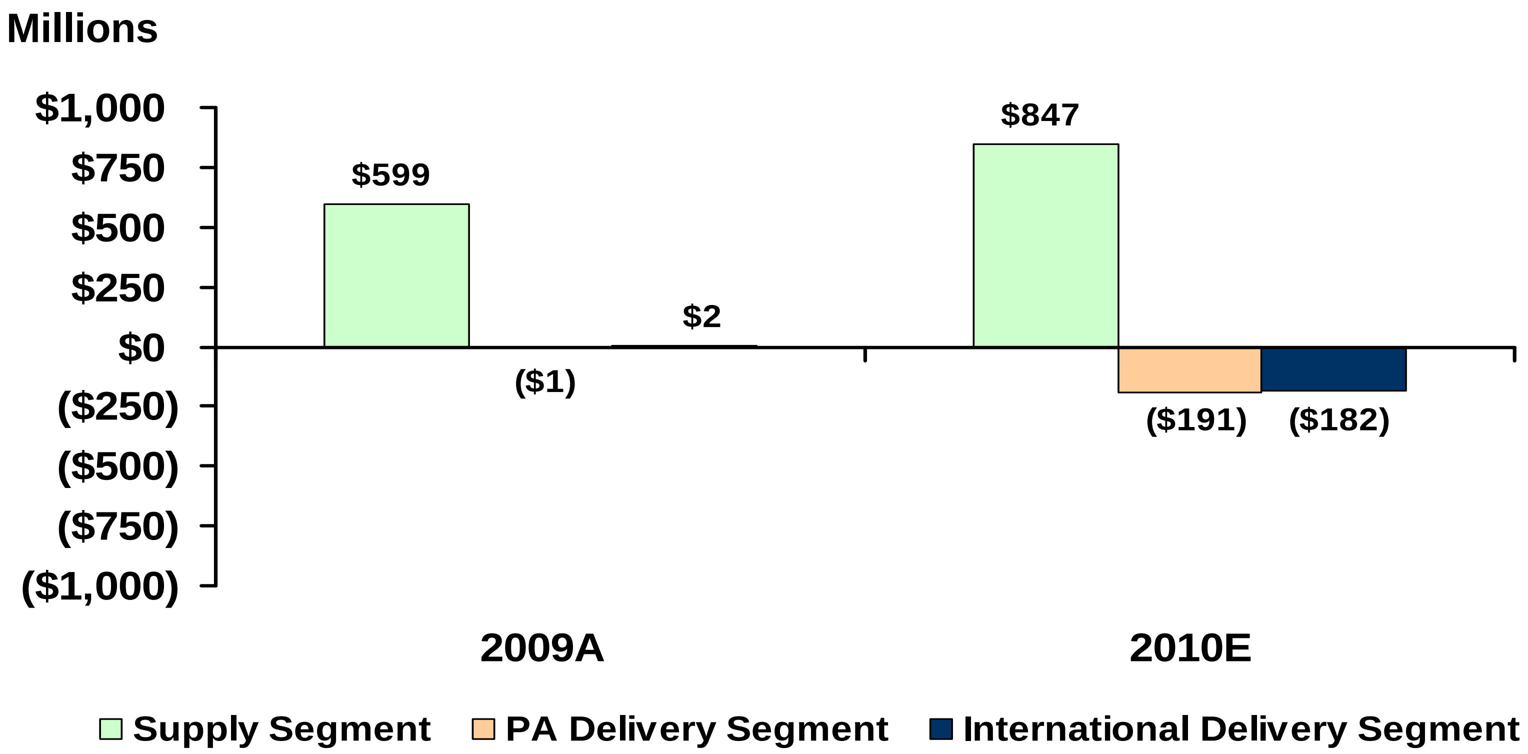
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

PA and International Delivery Segment Operational Update

PA Delivery

- PPLEU completed 4th solicitation for 2011 to mid-2013 procurement period
- PPLEU filed for $114.7 million distribution rate increase

International Delivery

- WPD agreed to outcome of Distribution Price Control 5 (DPCR5)
    - New rates effective April 1

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PPL Electric Utilities Rate Case Facts

- Seeking $114.7 million distribution rate increase
    - Future test year is 2010
    - Requested allowed ROE of 11.75%
    - 2010 Common Equity of 48.4%
    - 2010 Distribution Rate Base of $2.245 billion
- 1% change in ROE = $20 million in revenue
- Docket # R-2010-2161694

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Supply Segment Operational Update

- Completed sale of Long Island generation assets
- Susquehanna nuclear power plant set operational record
- Susquehanna Unit #1 completed refueling outage and uprate work

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Supply Segment Asset Hedge Positions

	2010	2011	2012
<u>Baseload</u>			
Expected Generation* (Million MWhs)	**52.0**	**52.1**	**56.1**
East	43.3	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**100%**	**96%**	**61%**
East	100%	97%	58%
West	100%	91%	79%
Average Hedged Price (Energy Only) ($/MWh)	**$58**	**$57**	**$59**
East	$59	$58	$60
West	$49	$55	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$65**	**$66**
East**	$71	$67	$69
West	$49	$55	$56
% Hedged Through Swaps/Options Energy Transactions	97%	95%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
<u>Intermediate/Peaking</u>			
Expected Generation (Million MWhs)	**4.8**	**5.0**	**5.1**
Current Hedges (%)	**20%**	**0%**	**0%**

As of March 31, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	91%	78%
West	100%	100%	91%
Total	**99%**	**93%**	**81%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	29%	$53	20%	$65
% Collars	0%	N/A	68%	$45-$52	80%	$44-$52
% Diesel Surcharge	7%	$44	4%	$45	0%	N/A

Note: As of March 31, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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Market Prices

	Actual	Forward(1)		
	2009	Apr-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	**$44**	**$45**	**$49**	**$52**
Off-Peak	**$31**	**$32**	**$36**	**$36**
ATC(2)	**$38**	**$38**	**$42**	**$43**
Mid-Columbia				
On-Peak	**$36**	**$41**	**$44**	**$48**
Off-Peak	**$29**	**$33**	**$36**	**$39**
ATC(2)	**$33**	**$37**	**$40**	**$44**
GAS(3)				
NYMEX	**$3.92**	**$4.27**	**$5.34**	**$5.79**
TZ6NNY	**$4.63**	**$4.68**	**$5.89**	**$6.33**
PJM MARKET				
HEAT RATE(4)	**9.5**	**9.5**	**8.4**	**8.1**
CAPACITY PRICES *(Per MWD)*	**$158.24**	**$181.39**	**$136.79**	**$123.63**
EQA	**88.5%**	**91.5%**	**88.7%**	**91.8%**

(1) Market prices based on the average of broker quotes as of 3/31/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 3/31/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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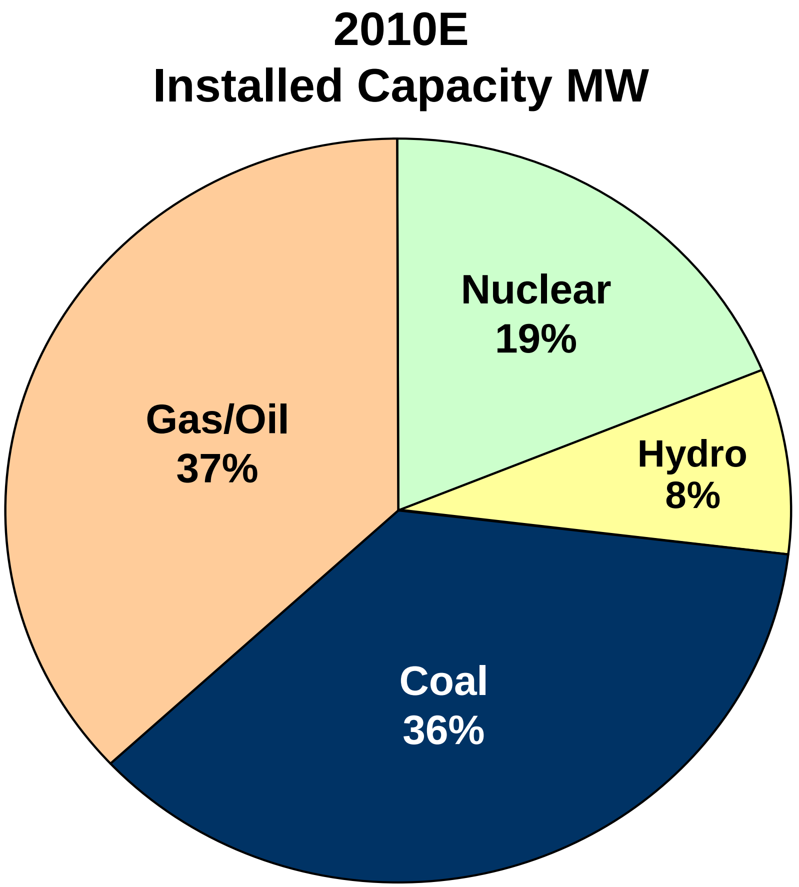
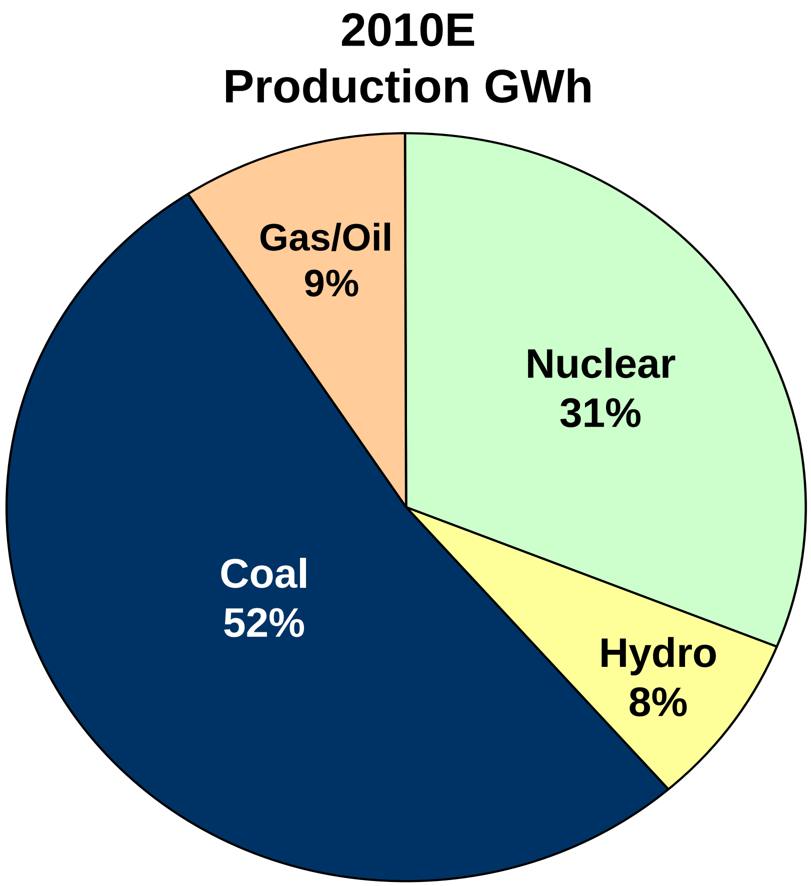
PPL Supply Business Overview





Note: Includes tolling agreements

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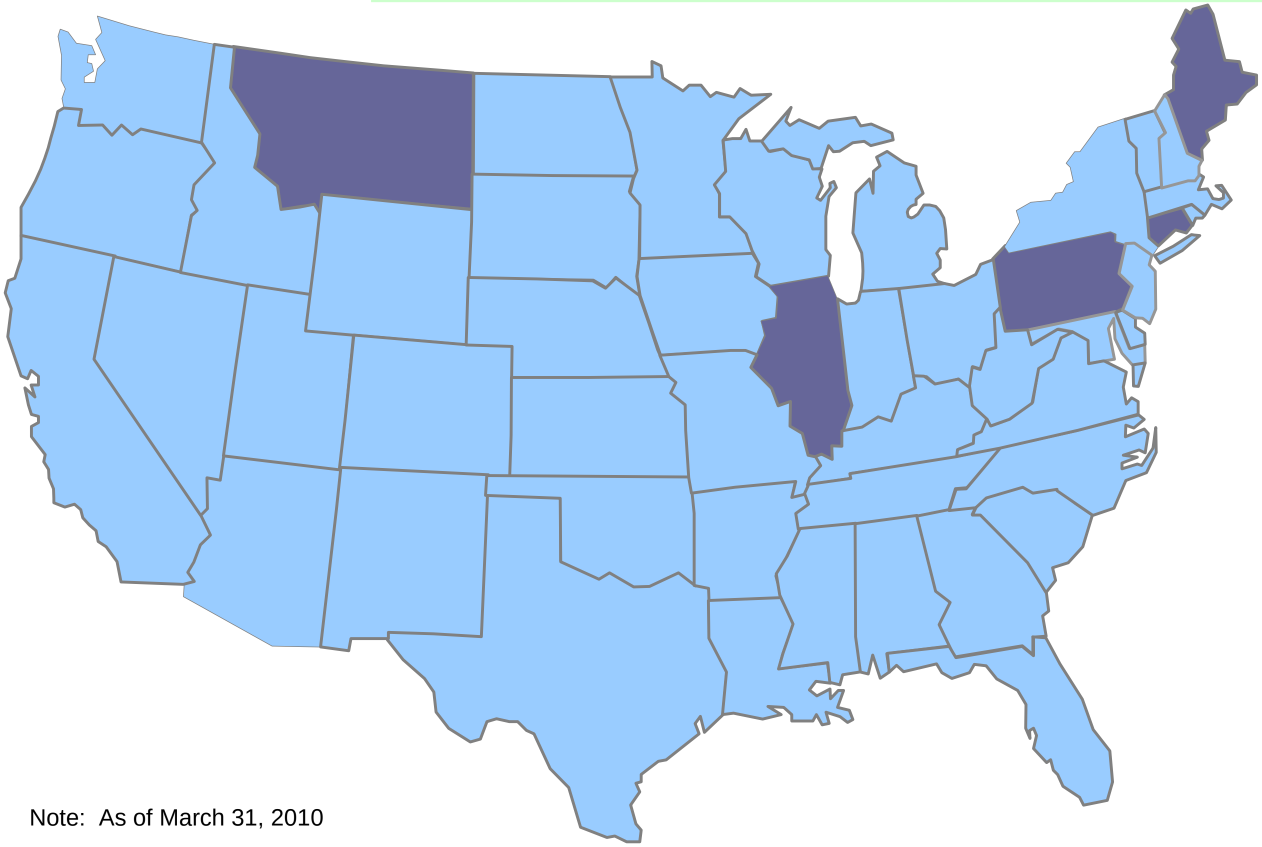
PPL's Generation Portfolio

Total Domestic Generation: 11,695 MW

Planned Uprate Projects or Additions: 239 MW



East	**10,409 MW**
Coal	3,497
Nuclear	2,206
Oil	1,672
Gas	2,212 (1)
Hydro	324 (2)
CTs	465
QFs	33 (1)
Nuclear Uprate (2010-2011)	53
Hydro Uprate (2013)	125
Gas/Oil Uprate (2011)	30
Landfill Gas Uprate (2011)	3
West	**1,286 MW**
Coal	682
Hydro	604
Hydro Uprate (2012)	28

Note: As of March 31, 2010

(1) Includes tolling agreements, and renewable energy projects

(2) Includes 12 MWs associated with the proposed sale of the remaining PPL Maine hydro assets

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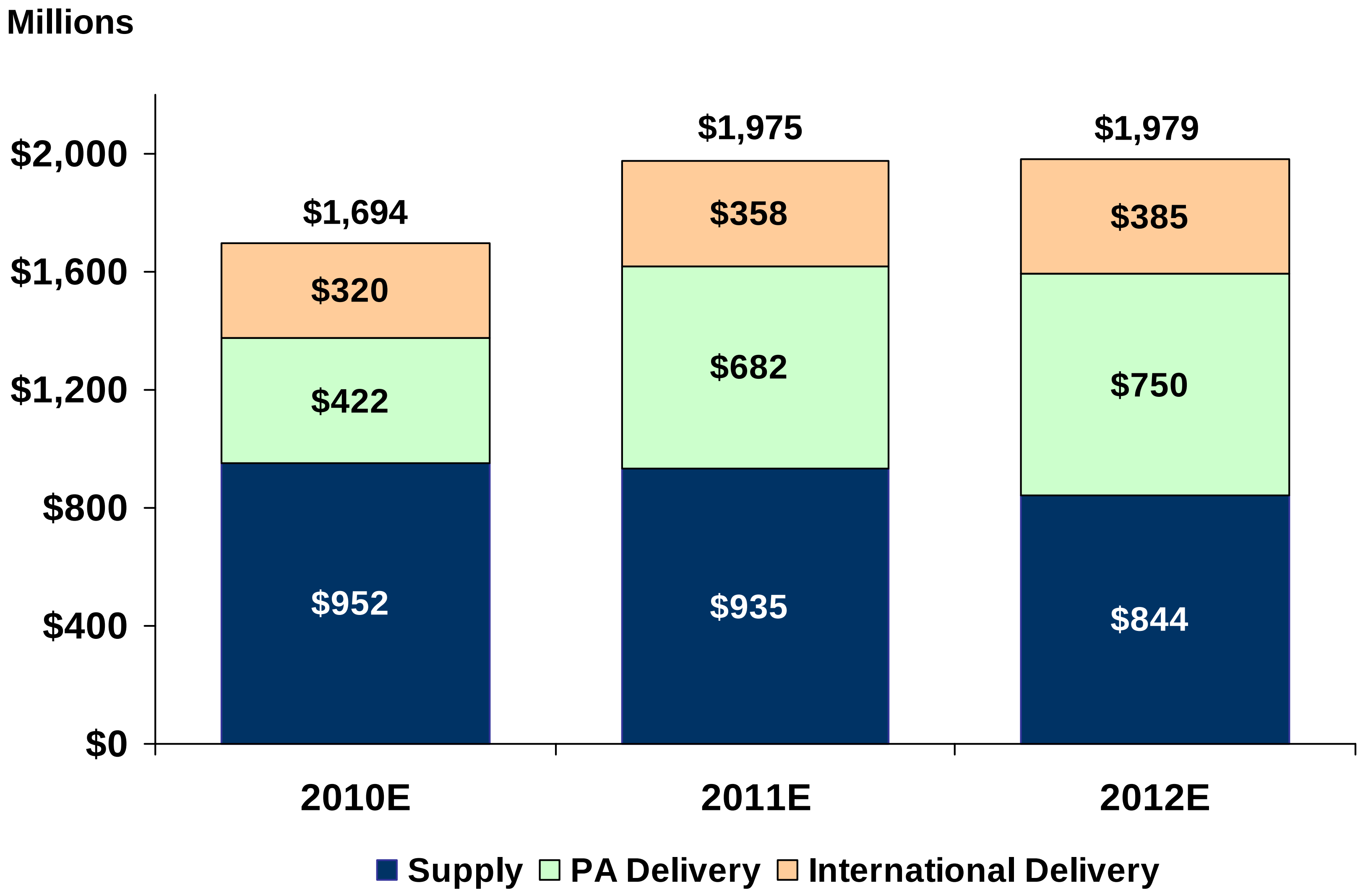
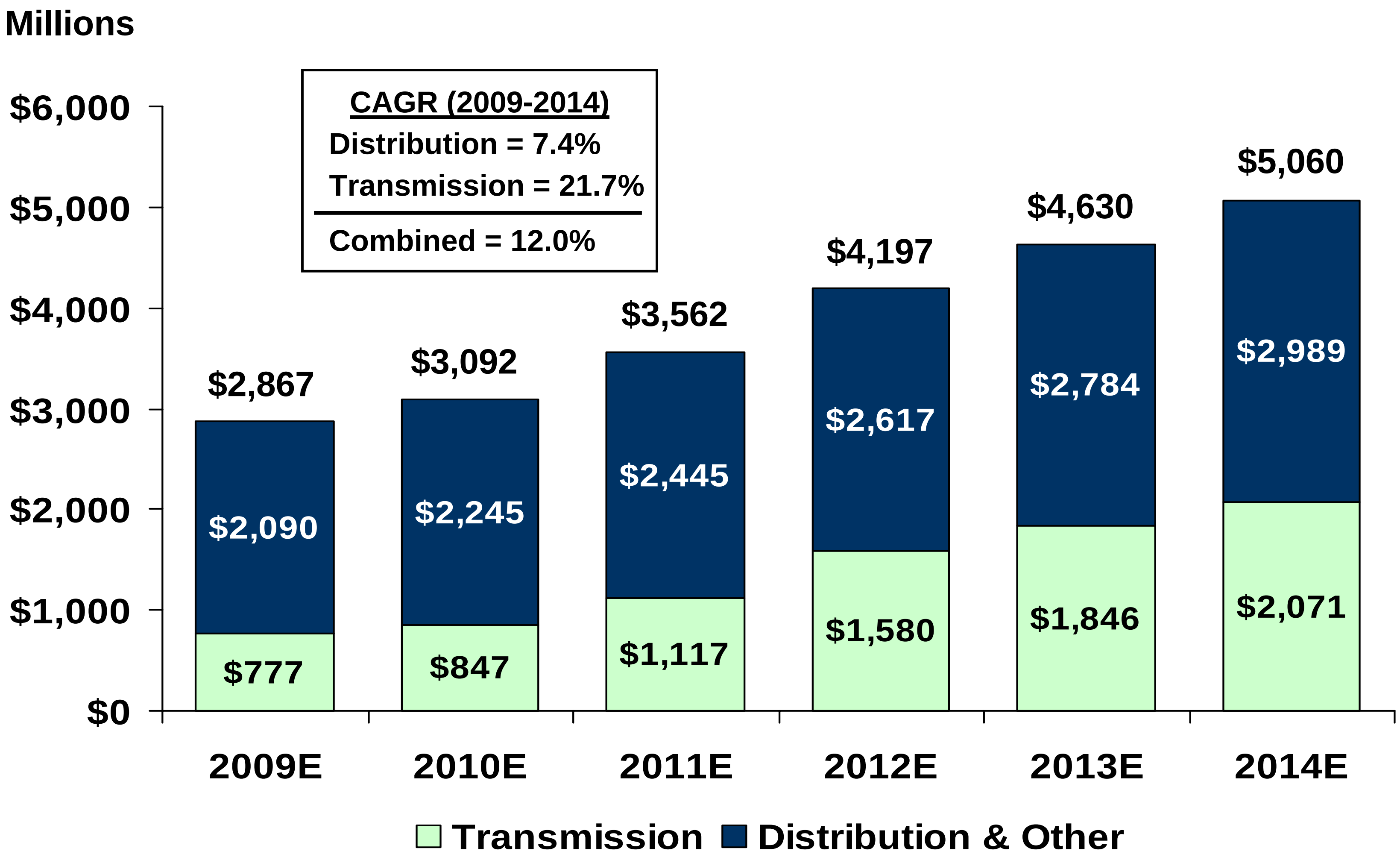
Capital Expenditures by Segment



Pennsylvania Delivery Rate Base



CAGR (2009-2014)

Distribution = 7.4%

Transmission = 21.7%

Combined = 12.0%

PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:

  ✓ August 11, 2009

  ✓ October 20, 2009

  ✓ January 19, 2010

  ✓ April 20, 2010

  July 20, 2010

  October 19, 2010

  April 18, 2011

  July 19, 2011

  October 18, 2011

  January 9, 2012

  April 3, 2012

  July 17, 2012

  October 16, 2012

  January 22, 2013

✓ Completed

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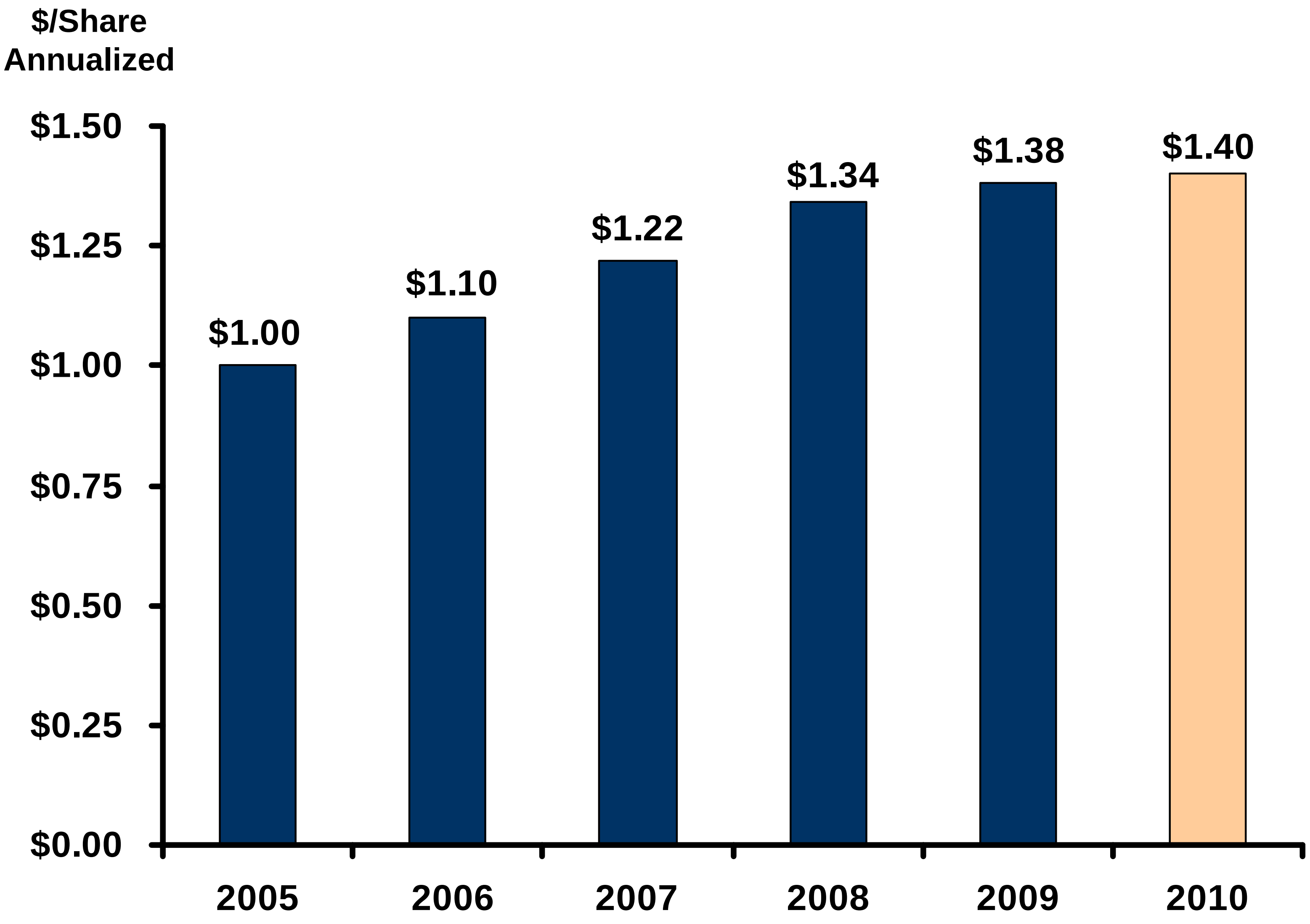
Dividend Profile



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Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

Note: As of March 31, 2010

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding [(1)] (Millions)	Drawn [(1)] (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$474	$285	$2,466
	3-Year Bilateral Credit Facility	Mar-2013	200	4	0	196
	5-year Structured Credit Facility	Mar-2011	300	282	0	18
	364-day Credit Facility	Sep-2010	400	0	0	400
			$4,125	$760	$285	$3,080
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$6	$0	$184
	Asset-backed Credit Facility	Jul-2010	150	0	0	150
			$340	$6	$0	$334
WPD	3-year Credit Facility	Jul-2012	£210	£0	£42	£168
	5-year Credit Facility	Jan-2013	150	0	148	2
	Uncommitted Credit Facilities		64	3	14	47
			£424	£3	£204	£217

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 15% of the total committed capacity.

(1) Reported as of March 31, 2010

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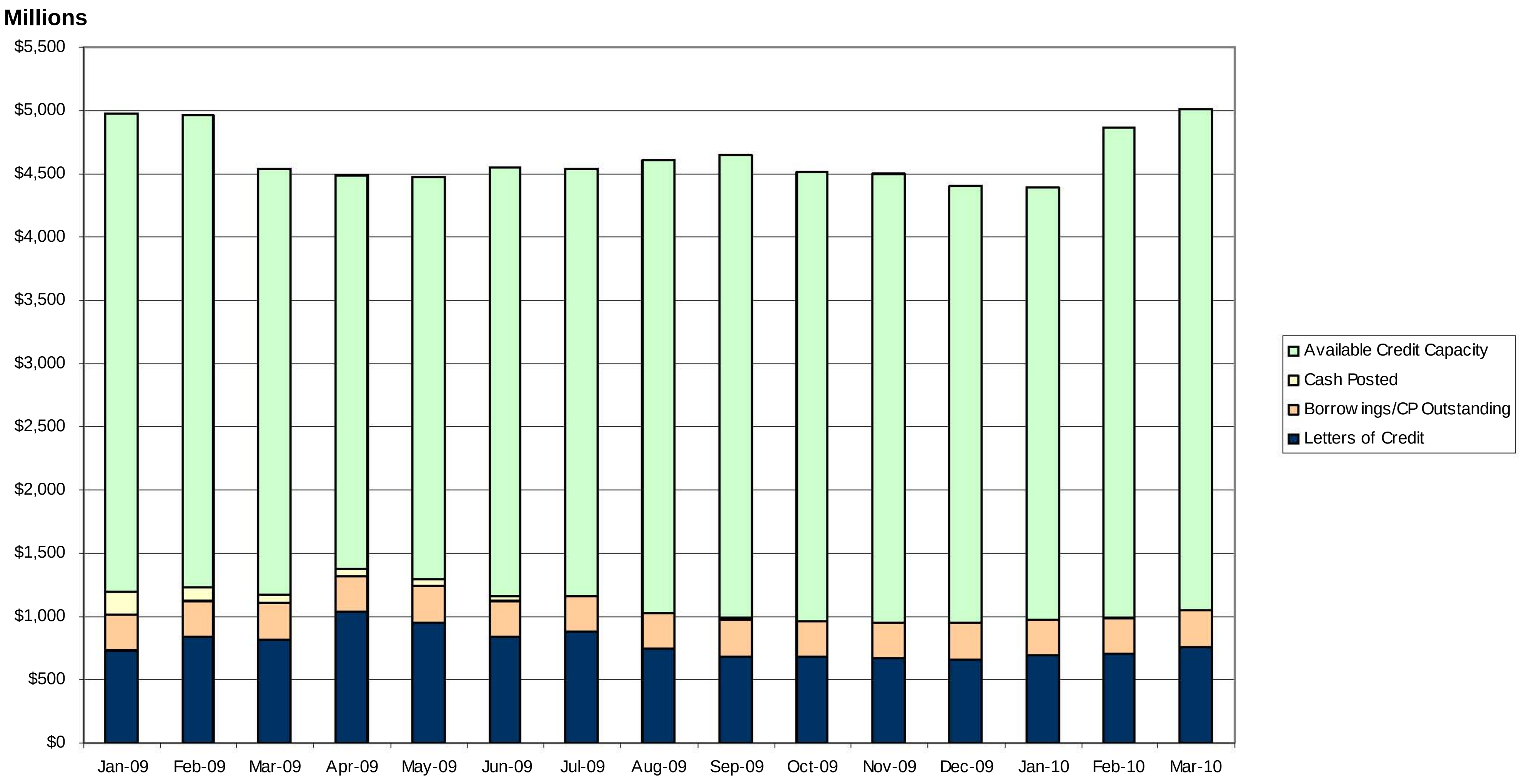
PPL Energy Supply Collateral Profile



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Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$1,310	$1,663
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Investment in Energy Project		
Asset Sales (1) (2)	84	151
Other Investing Activities-net	(75)	(15)
Free Cash Flow before Dividends	$599	$847

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

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PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$294	$230
Less Transition Bond Repayment		
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(422)
Asset Sales & Other	3	1
Free Cash Flow before Dividends	($1)	($191)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$248	$138
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities – Net	1	
Free Cash Flow before Dividends	$2	($182)

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Total
Quarter Ending March 31, 2010				
Earnings from Ongoing Operations	$244	$37	$76	$357
Special Items:				
Energy-related economic activity	(65)			(65)
Impairments	(2)			(2)
Other:				
Montana hydroelectric litigation	(32)			(32)
Health Care Reform - tax impact	(8)			(8)
Total Special Items	(107)	0	0	(107)
Reported Earnings*	$137	$37	$76	$250
Quarter Ending March 31, 2009				
Earnings from Ongoing Operations	$81	$55	$90	$226
Special Items:				
Energy-related economic activity	50			50
Impairments	(20)	(1)	(1)	(22)
Workforce reduction	(6)	(5)	(2)	(13)
Total Special Items	24	(6)	(3)	15
Reported Earnings*	$105	$49	$87	$241
Change in Earnings from Ongoing Operations	$163	($18)	($14)	$131

* Represents net income attributable to PPL Corporation.

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Total
Quarter Ending March 31, 2010				
Earnings from Ongoing Operations	$0.64	$0.10	$0.20	$0.94
Special Items:				
Energy-related economic activity	(0.16)			(0.16)
Impairments	(0.01)			(0.01)
Other:				
Montana hydroelectric litigation	(0.09)			(0.09)
Health Care Reform - tax impact	(0.02)			(0.02)
Total Special Items	(0.28)	0.00	0.00	(0.28)
Reported Earnings	$0.36	$0.10	$0.20	$0.66
Quarter Ending March 31, 2009				
Earnings from Ongoing Operations	$0.22	$0.14	$0.24	$0.60
Special Items:				
Energy-related economic activity	0.13			0.13
Impairments	(0.06)			(0.06)
Workforce reduction	(0.01)	(0.01)	(0.01)	(0.03)
Total Special Items	0.06	(0.01)	(0.01)	0.04
Reported Earnings	$0.28	$0.13	$0.23	$0.64
Change in Earnings from Ongoing Operations	$0.42	($0.04)	($0.04)	$0.34

Note: Per share amounts are based on diluted shares outstanding.

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual	
	High	Low		
	2010	2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02
Special Items:				
Energy-related economic activity	(0.16)	(0.16)	(0.59)	0.67
Sales of assets			(0.11)	(0.01)
Impairments	(0.01)	(0.01)	(0.06)	(0.16)
Workforce reductions			(0.03)	
Other:				
Montana hydroelectric litigation	(0.09)	(0.09)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.28)	(0.28)	(0.87)	0.45
Reported Earnings per share of common stock	$3.22	$2.82	$1.08	$2.47

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of Year-to-Date Operating Income and Energy Margins

(Millions of Dollars)

	Year-to-Date March 31,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Eastern U.S., pre-tax	$659	$312	$347	$0.53
Western U.S., pre-tax	84	83	1	
Domestic gross energy margins, pre-tax	$743	$395	$348	$0.53

	Year-to-Date March 31,	
	2010	**2009**
Operating Income	$492	$412
Adjustments:		
Utility	(1,014)	(1,065)
Energy-related businesses, net	(6)	(8)
Other operation and maintenance	445	372
Amortization of recoverable transition costs	0	84
Depreciation	128	109
Taxes, other than income	72	72
Revenue adjustments (a)	(327)	152
Expense adjustments (a)	953	267
Domestic gross energy margins	$743	$395

(a) See additional information on the following slide.

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Reconciliation of Year-to-Date Operating Income and Energy Margins

(Millions of Dollars)

	Year-to-Date March 31,	
	2010	**2009**
Revenue adjustments		
Impact from energy-related economic activity	$ (447)	$ (353)
Revenue from energy supplied to PPL Electric by PPL EnergyPlus	115	497
Gains from sale of RECs	1	0
Revenues from Supply segment discontinued operations	4	8
Total revenue adjustments	$ (327)	$ 152
Expense adjustments		
Impact from energy-related economic activity	$ (557)	$ (267)
PLR energy supplied by third parties	(409)	(12)
Other	13	12
Total expense adjustments	$ (953)	$ (267)

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Reconciliation of Year-to-Date Operating Income and Delivery Margins

(Millions of Dollars)

	Year-to-Date March 31,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Domestic gross delivery margins, pre-tax	$ 221	$ 237	$ (16)	$ (0.02)

	Year-to-Date March 31,	
	2010	**2009**
Operating Income	$ 492	$ 412
Adjustments:		
Unregulated retail electric and gas	(104)	(42)
Wholesale energy marketing	(1,810)	(1,150)
Net energy trading margins	(11)	12
Energy-related businesses, net	(6)	(8)
Fuel	233	258
Energy purchases	1,575	946
Other operation and maintenance	445	372
Depreciation	128	109
Taxes, other than income	72	72
Revenue adjustments (a)	(203)	(176)
Expense adjustments (a)	(590)	(568)
Domestic gross delivery margins	$ 221	$ 237

(a) See additional information on the following slide.

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Reconciliation of Year-to-Date Operating Income and Delivery Margins

(Millions of Dollars)

	Year-to-Date March 31, 2010	Year-to-Date March 31, 2009
Revenue adjustments		
WPD utility revenue	$ (203)	$ (176)
Expense adjustments		
PLR energy purchases	$ 524	$ 509
Gross receipts tax	45	51
Act 129	18	0
Other	3	8
Total expense adjustments	$ 590	$ 568

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Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa2	BBB	BBB
Outlook	NEGATIVE	NEGATIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	NEGATIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa2	BBB-	BBB
Subordinated Debt	Baa3	BB+	BB+
Outlook	NEGATIVE		STABLE
PPL Electric Utilities			
Issuer Rating	Baa1	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa1	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Baa3	BBB	BBB-
Preference Stock	Baa3	BBB	BBB-
Outlook	NEGATIVE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

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Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	NEGATIVE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	NEGATIVE	POSITIVE

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, acquisitions and dispositions, marketing performance, hedging, financing, exchange rates, corporate strategy and generating capacity and performance, 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation 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 and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions, including the proposed acquisition of E.ON U.S.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management’s view of PPL’s fundamental earnings performance as another criterion in making their investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL’s generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options. This economic activity is deferred and included in earnings over the delivery period that was hedged. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR energy supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

Deutsche Bank

2010 Alternative Energy, Utilities & Power Conference

May 11 – 12, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Combination Creates Significant Value

- Transformative transaction that rebalances business mix
- Consistent with our stated strategy to grow regulated earnings
- Creates a stronger, more diversified enterprise with increased earnings visibility
- Strengthens solid investment grade credit profile
- Enhances regulated growth opportunities
- Retains significant upside to power market recovery through PPL's existing competitive generation fleet

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A Compelling Opportunity

- Best-in-class utility franchises with progressive regulation
- Very strong management team; strong track record of execution
- Significant rate base growth profile with high degree of near-term visibility
- Lowest rates in the region
- Track record of timely regulatory approvals
- Attractive valuation:
  - Purchase price of $7.625 billion includes approximately $450 million of tax attributes
  - Value net of tax attributes is $7.175 billion
  - Implied multiples are well within the range of where fully-regulated peers are valued
  - Not dependent upon synergies

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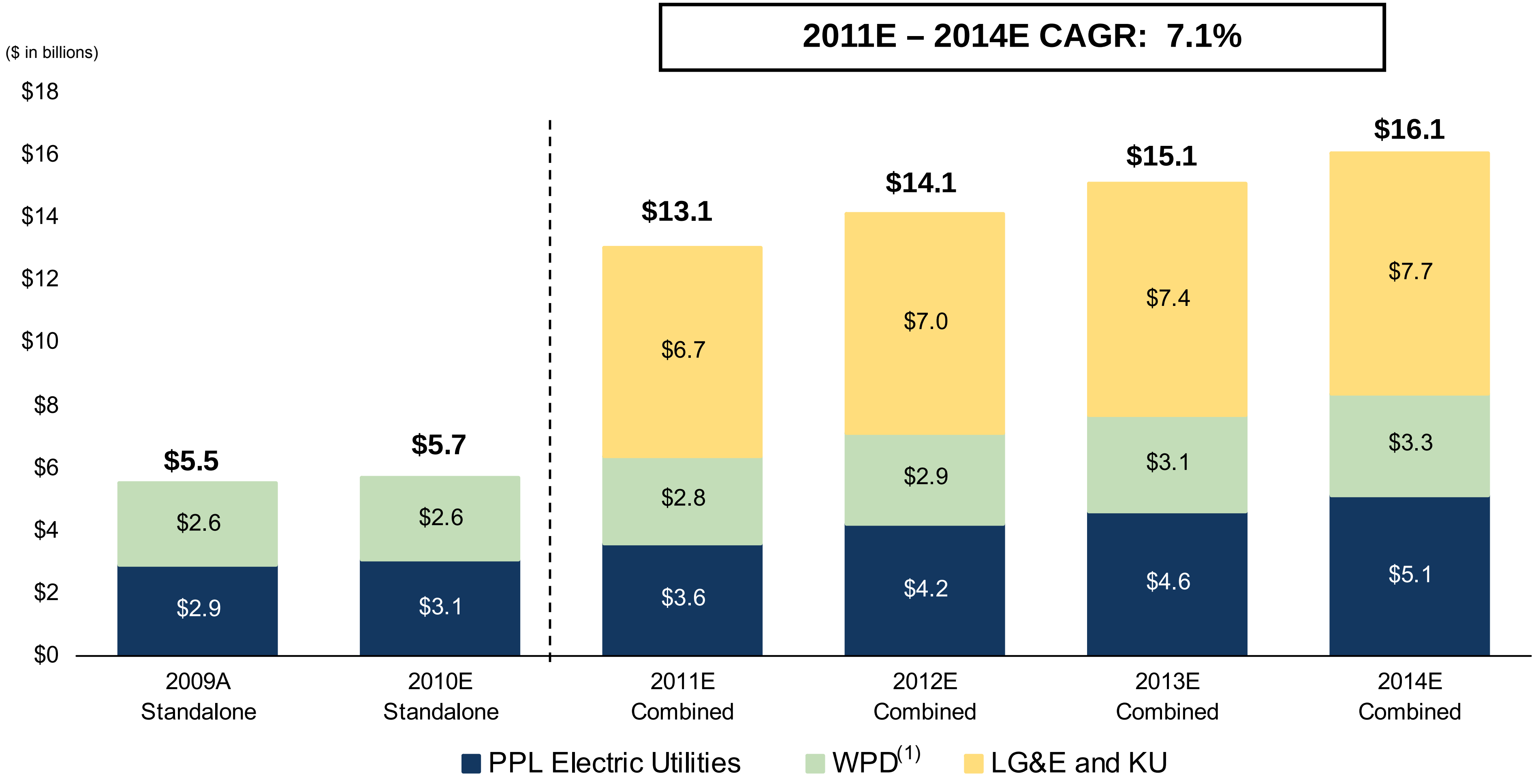
Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.
(1) Figures based on assumed exchange rate of $1.60 / GBP.

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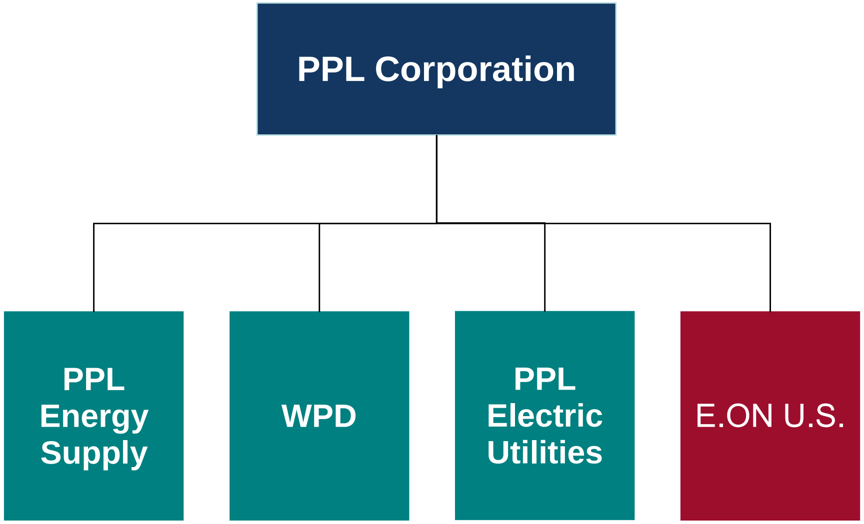
Strengthened Utility Platform

($ in billions)

	PPL	E.ON U.S.	Combined
Enterprise value(1)	$17.8	$7.6	$25.4
Rate base (2010E)	$5.7	$6.4(2)	$12.1
Total assets(3)	$22.2	$8.5	$30.7
Utility customers (m)	4.0	1.2	5.2
Competitive generation capacity (MW)	11,695	–	11,695
Regulated generation capacity (MW)(4)	–	8,077	8,077
Number of employees	10,489	3,127	13,616

(1) Based on PPL stock price as of 4/27/2010.
(2) Represents utility capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.
(3) As of 12/31/2009.
(4) Capacity pro forma for completion of Trimble County 2.

Pro Forma Structure



PPL Corporation

PPL Energy Supply

WPD

PPL Electric Utilities

E.ON U.S.

Overview

Transaction	▪ Acquisition of E.ON U.S., parent company of Louisville Gas & Electric and Kentucky Utilities ▪ $7.625 billion purchase price including approximately $450 million of present value associated with tax benefits ▪ $7.175 billion enterprise value for E.ON U.S.
Consideration	▪ Cash: $6.7 billion ▪ Assumption of utility tax-exempt debt: $925 million
Financing	▪ Committed bridge financing for cash portion of purchase price ▪ Permanent financing to include debt, equity and high-equity-content securities, and cash on hand
Pro Forma Profile	▪ PPL expects to maintain its existing dividend ▪ Strengthens credit position while maintaining investment-grade ratings ▪ Modestly dilutive in first full year, moving to earnings accretion by 2013
Regulatory Approvals	▪ State commissions: Kentucky, Virginia and Tennessee ▪ Federal: FERC (Federal Power Act), DOJ (HSR)
Estimated Closing	▪ Year-end 2010

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Transaction Financing

Committed Acquisition Facility

- $6.5 billion committed bridge facility from Bank of America Merrill Lynch and Credit Suisse
- Financing term extends beyond the expected timing of regulatory approvals

Permanent Financing

Balanced combination of financing sources

- Assumption of $925 million tax-exempt utility debt
- $800 million unsecured corporate debt and $2.1 billion first mortgage bonds at LG&E and KU
- $250 - $750 million cash on hand
- $750 million - $1.0 billion high-equity-content securities
- $2.2 - $2.6 billion common stock
- May fund certain amounts prior to closing depending on market conditions
- Would consider potential sale of certain non-core assets

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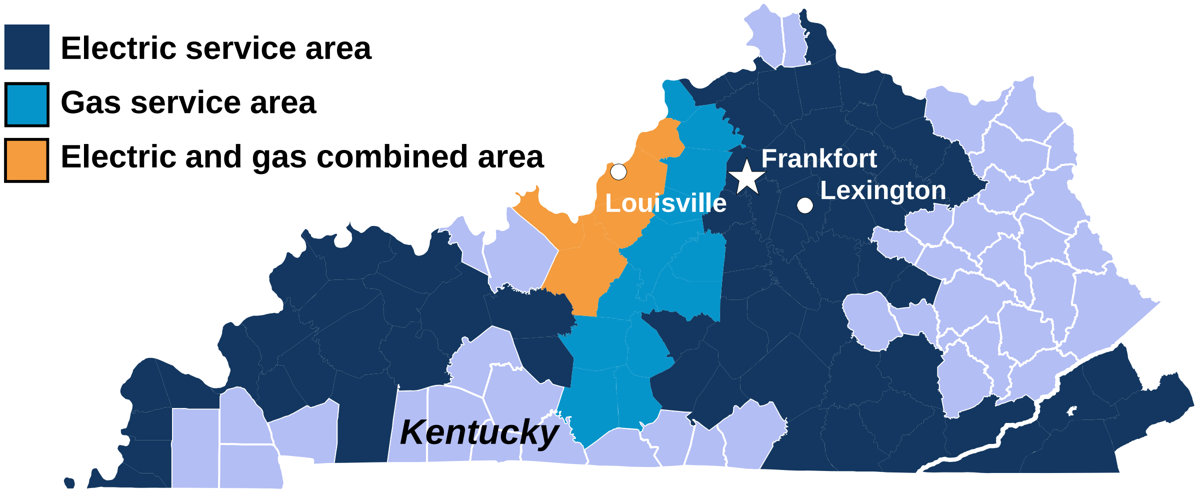
E.ON U.S. Overview



- Vertically integrated utilities serving 2/3 of counties in Kentucky
- Small customer base in Virginia and Tennessee
- Fuel, purchased power, gas supply and environmental cost pass-through
- No material non-regulated assets or operations
- ~8,100 MW of regulated generation

E.ON U.S.

Louisville Gas & Electric

- Serves Louisville, KY and 16 surrounding counties
- 396,000 electric customers
- 321,000 gas customers
- $2.34 billion rate base ($487 million of which is gas)(1)
- 2009 revenue of $1.28 billion(2)

Kentucky Utilities

- Based in Lexington, KY
- Serving 77 counties in KY and five in VA
- 515,000 electric customers in Kentucky
- 30,000 electric customers in Virginia
- $3.55 billion rate base(1)
- 2009 revenue of $1.36 billion(2)

---

(1) Figures per January 2010 KU and LG&E rate case filings (test year ending 10/31/09).
(2) Figures per KU and LG&E 2009 FERC Form 1 filings.

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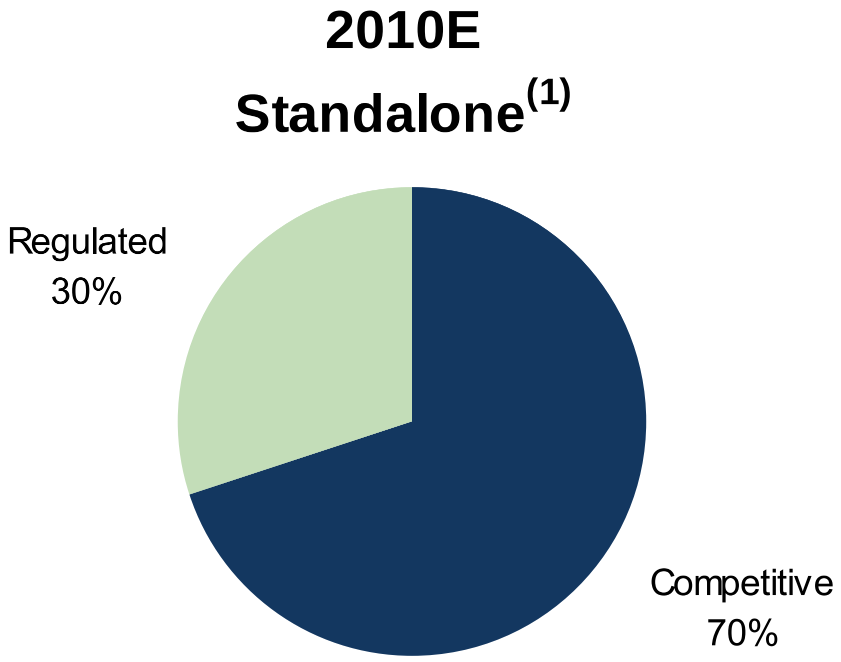
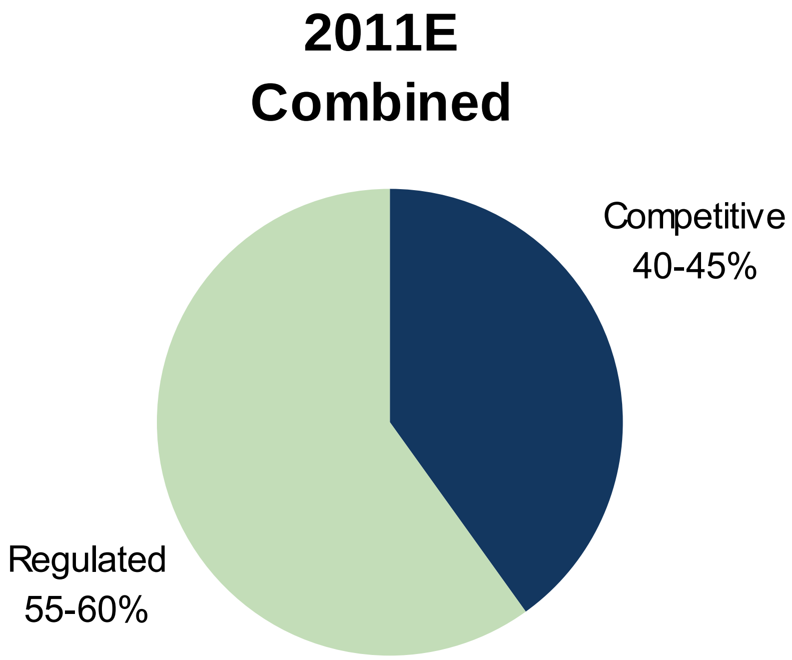
Significantly and Immediately Rebalances Business Mix

EBITDA





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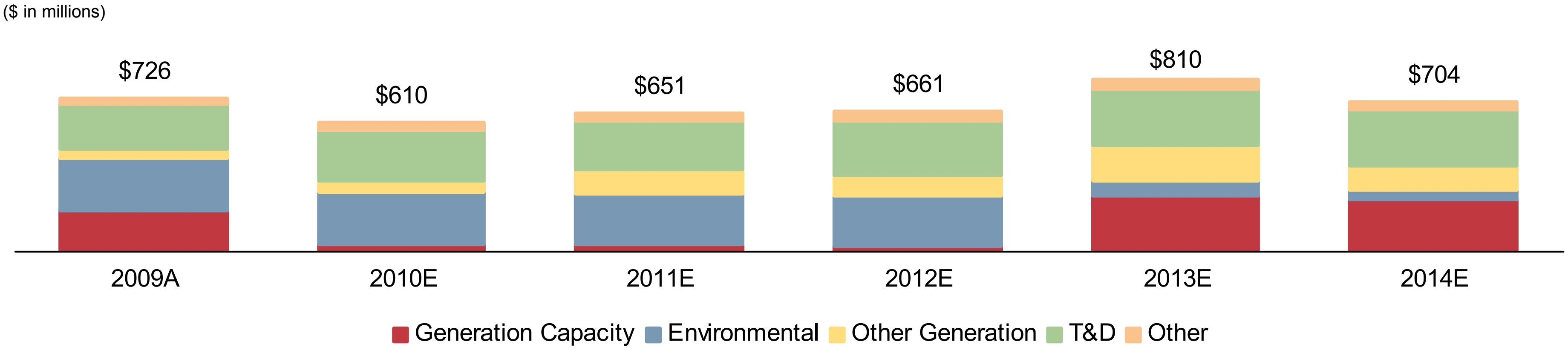
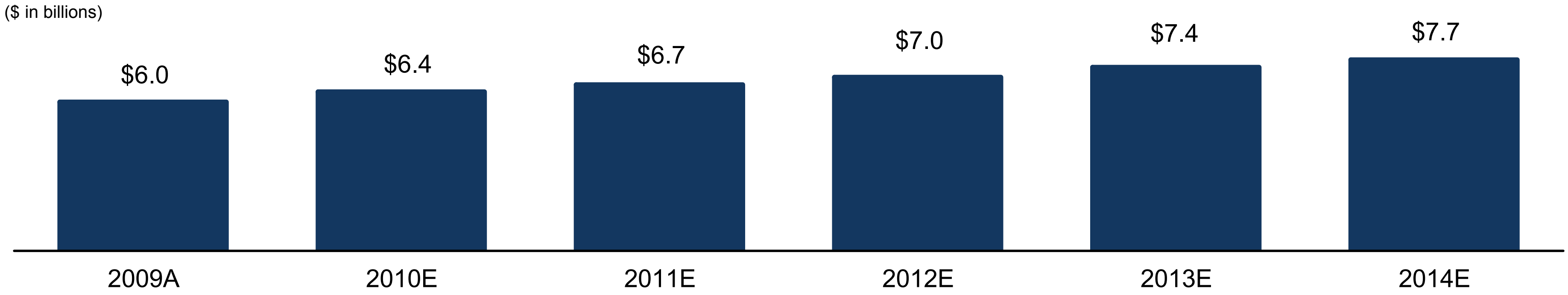
(1) Based on mid-point of 2010 forecast.

Strong Regulated Growth Profile

Capital expenditures



Capitalization[1]



(1) LG&E and KU rate constructs are based on capitalization.

Significant rate base growth opportunity driven by balanced capital expenditures with realized ROEs ranging from 10-12% historically

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Pending Rate Cases

- On January 29, 2010, LG&E and KU filed applications with the KPSC requesting annual increases in base electric and gas rates
  - Total request of $253 million
  - Includes 11.5% requested ROE, 53% Equity
  - Majority of request associated with investment and storm cost regulatory assets previously approved by the KPSC
  - Requested increases are based on an historic test year ended October 31, 2009
- Procedural schedule issued and well underway
  - Discovery phase nearing completion
  - Company rebuttal testimony due May 28, 2010
  - Public hearing scheduled for June 8, 2010
  - Rate increases suspended until August 1, 2010

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Progressive and Constructive Regulation

Kentucky Rate Mechanisms:

Environmental Cost Recovery (“ECR”)

- Recovery of and return on environmental investment required as a result of coal combustion reflected in bill two months after incurred

Construction Work In Progress (“CWIP”)

- History of including CWIP in ECR and base rates

Fuel Adjustment Clause (“FAC”)

- Variations in fuel costs and economic power purchases are reflected monthly in rates charged to electric customers two months after incurred

Gas Supply Clause Adjustment (“GSC”)

- Cost of natural gas supply for LG&E Gas reflected in rates reset quarterly with mechanisms to balance to actual costs and provide utility performance-based incentive

Demand Side Management (“DSM”)

- Concurrent recovery of DSM costs including lost revenue

Supportive and progressive regulation combined with competitive customer rates

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Transaction Timeline

- **State regulatory approvals**
  - Kentucky PSC: 120-day statutory review period
  - Virginia State Corporation Commission and Tennessee Regulatory Authority expected to follow a similar timeline
- **Other regulatory approvals include FERC (Federal Power Act) and HSR**

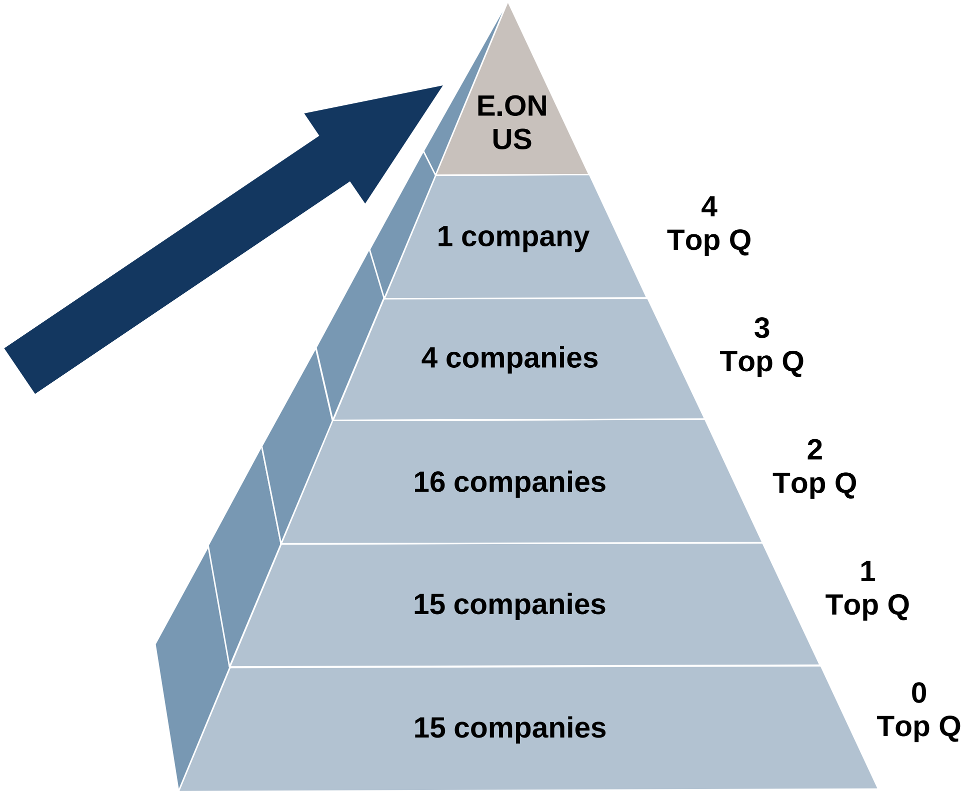
Transaction	**Announced**	**Filed with KPSC**	**KPSC Approval**
E.ON / PowerGen	April 2001	May 2001	September 2001
PowerGen / LG&E	February 2000	March 2000	May 2000
LG&E / KU	May 1997	June 1997	September 1997

KPSC has historically approved similar transactions in relatively short timeframes

Top Quartile Cost Performance

Cost area	Metric	Performance	Ranking
Generation	Non-fuel O&M / MWh of production	$4.78	4th – top decile
Transmission	Cash cost / transmission mile	$10,702	6th – top decile
Distribution	Cash cost / customer	$189(1)	16th – top quartile
Retail	O&M cost / customer	$41.51	11th – second decile
Corporate A&G	A&G cost / MWh of sales	$3.23(2)	7th – top decile

(1) E.ON US cost adjusted upward to include CWIP changes over the five-year period.
(2) E.ON US cost adjusted upward to include $80 million of Value Delivery Team amortization costs over the five-year period.

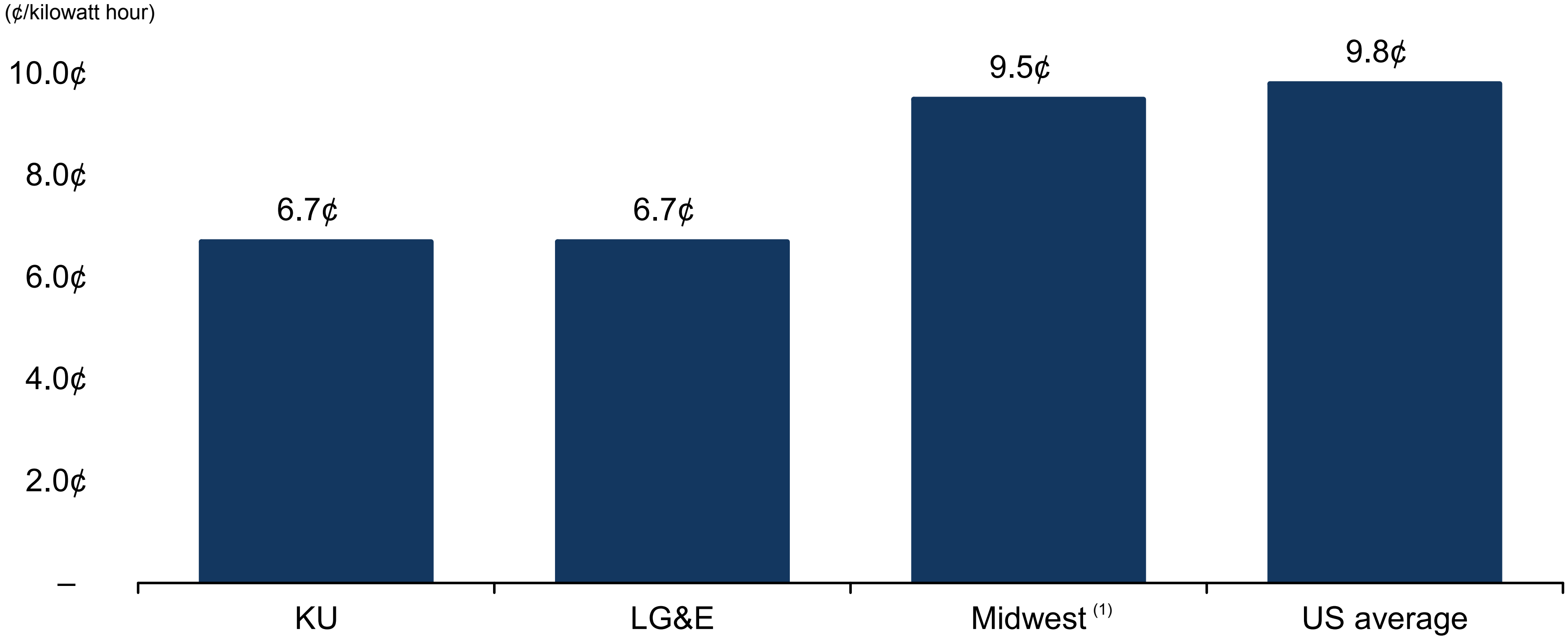


Source: FERC Form 1, E.ON US Corporate Development Analysis.
Note: The Triangle = 52 US electric holding company's averages for 2004–2008 (only includes companies competing in all 5 segments).

Only utility with top quartile cost performance in five major cost areas over the 2004–2008 period

Competitive Rates

2009 electric retail rate comparison



	KU	LG&E	Midwest (1)	US average
Residential:	7.26	7.56	11.44	11.72
Commercial:	7.12	6.99	9.90	10.03
Industrial:	5.61	5.18	6.56	6.63

Source: Edison Electric Institute, typical bills and average rates report, winter 2010 (covers January 2009 through December 2009).
Note: The EEI report surveys approximately 90 electric utilities in the US.
(1) 'Midwest' definition is the Reliability First Corporation area, which includes DE, IL, IN, KY, MD, MI, NJ, OH, PA WI, and WV.

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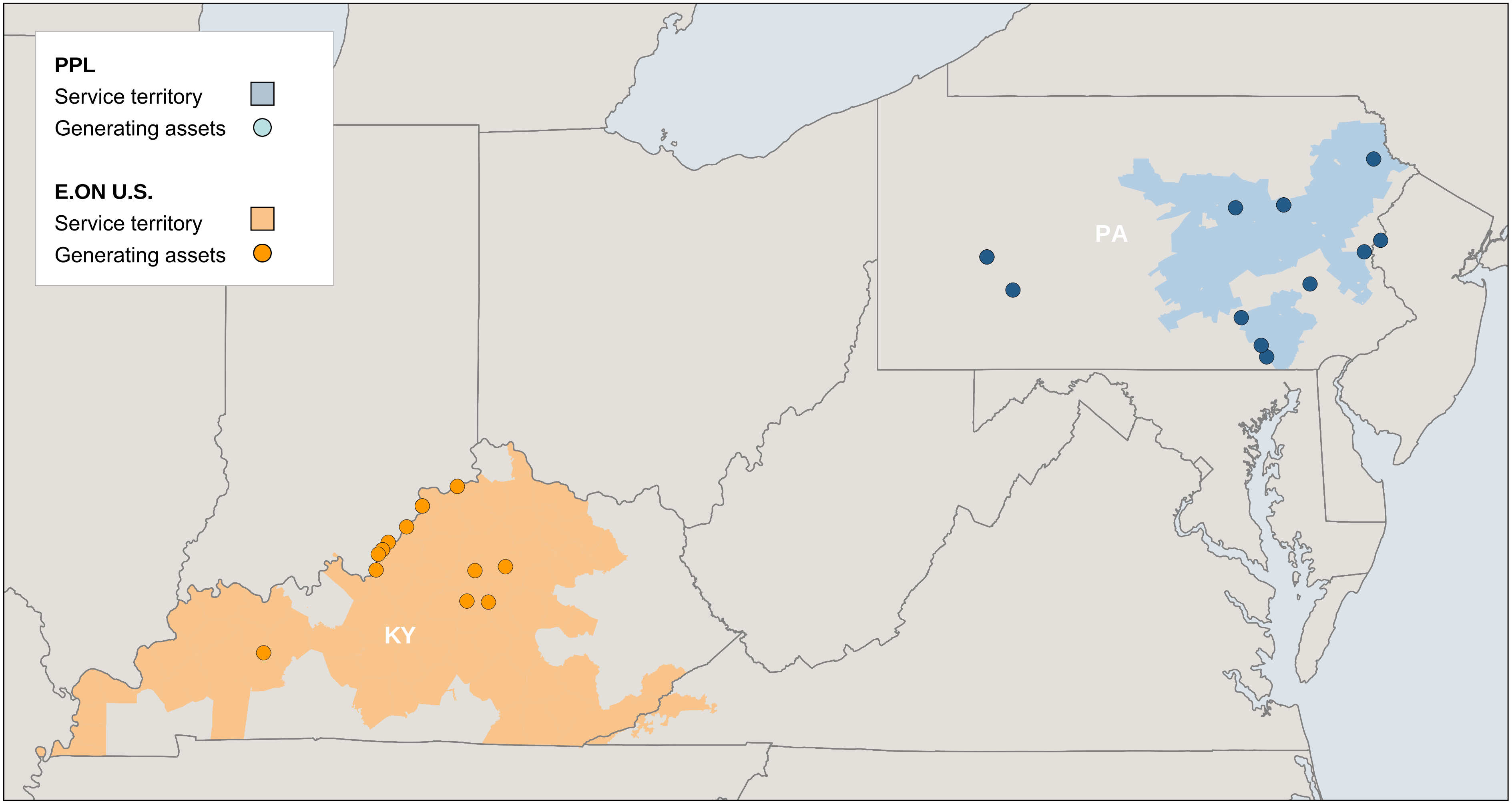
Combined Utility Platform



Note: Represents only PPL Electric Utilities service territory and generation in PA.

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Best-in-Class Utility Operations

PPL Electric Utilities

- J.D. Power study of business customer satisfaction among Eastern U.S. utilities
    - Ranked 1st 8 times in the past 11 years
    - Total of 16 awards, more than any other electric utility in the country
- J.D. Power study of residential customer satisfaction among Eastern U.S. utilities
    - Earned top honor 8 times
- Field sites certified as Star sites under the OSHA Voluntary Protection Program

WESTERN POWER DISTRIBUTION

- UK Customer Excellence Award (18 consecutive years)
- 4 years with no customer complaints to regulator
- Best reliability among 14 distribution companies
- Maximum performance bonuses for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $240 mm revenue bonus in most recent five-year rate review period for operational performance

KU LG&E

- J.D. Power study of residential customer satisfaction among Midwest U.S. utilities
    - Ranked 1st 7 times in the past 10 years
- KU received highest ranking in JD Power's 2010 electric utility business customer satisfaction study
- Winner of prestigious EEI Emergency Recovery Award for outstanding service restoration during January 2009 ice storm

An unparalleled commitment to customer service, reliability and safety

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Market Prices

	Actual	Forward(1)		
	2009	Apr-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$45	$49	$52
Off-Peak	$31	$32	$36	$36
ATC(2)	$38	$38	$42	$43
Mid-Columbia				
On-Peak	$36	$41	$44	$48
Off-Peak	$29	$33	$36	$39
ATC(2)	$33	$37	$40	$44
GAS(3)				
NYMEX	$3.92	$4.27	$5.34	$5.79
TZ6NNY	$4.63	$4.68	$5.89	$6.33
PJM MARKET				
HEAT RATE(4)	9.5	9.5	8.4	8.1
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	88.7%	91.8%

(1) Market prices based on the average of broker quotes as of 3/31/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 3/31/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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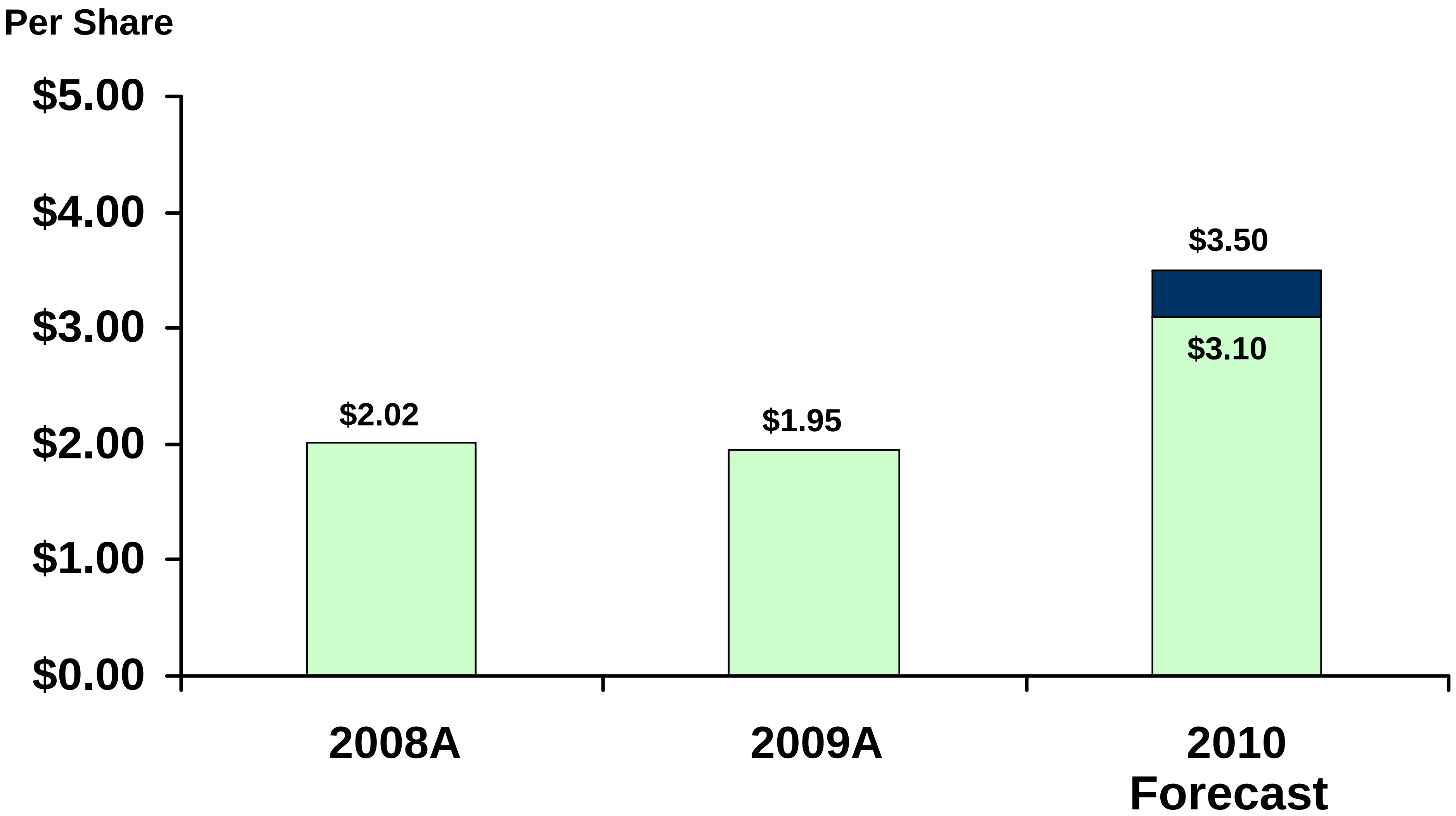
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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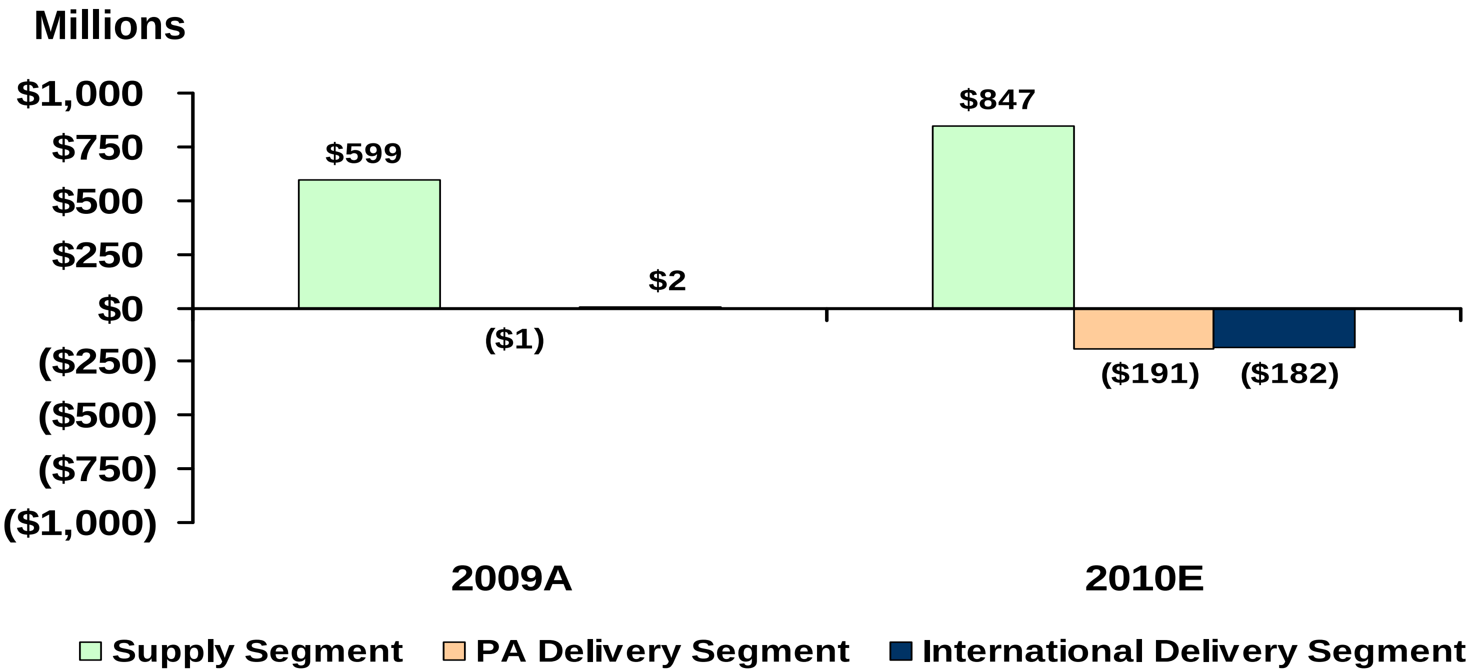
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**52.0**	**52.1**	**56.1**
East	43.3	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**100%**	**96%**	**61%**
East	100%	97%	58%
West	100%	91%	79%
Average Hedged Price (Energy Only) ($/MWh)	**$58**	**$57**	**$59**
East	$59	$58	$60
West	$49	$55	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$65**	**$66**
East**	$71	$67	$69
West	$49	$55	$56
% Hedged Through Swaps/Options Energy Transactions	97%	95%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**4.8**	**5.0**	**5.1**
Current Hedges (%)	**20%**	**0%**	**0%**

As of March 31, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	91%	78%
West	100%	100%	91%
Total	**99%**	**93%**	**81%**

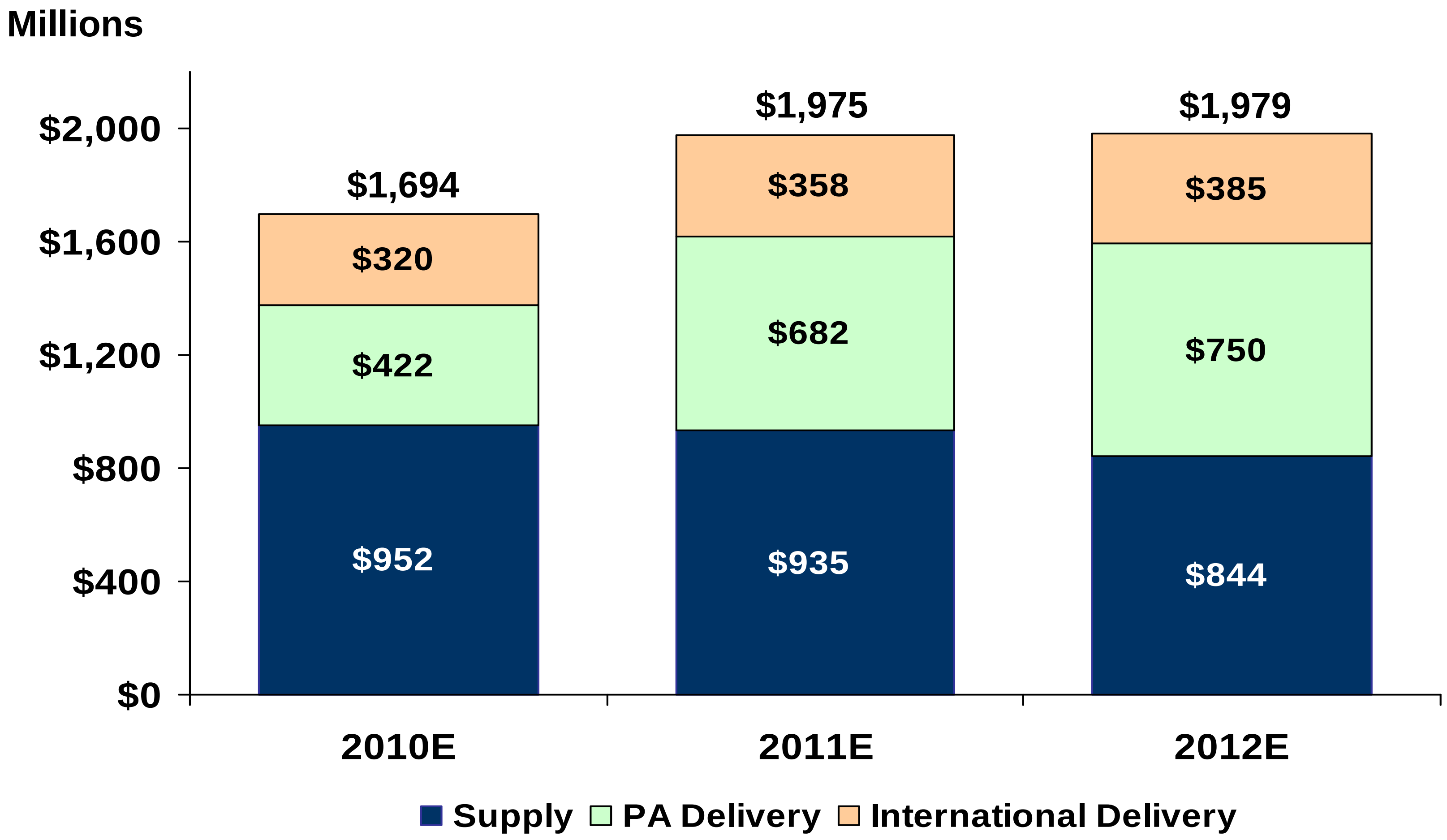
Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	29%	$53	20%	$65
% Collars	0%	N/A	68%	$45-$52	80%	$44-$52
% Diesel Surcharge	7%	$44	4%	$45	0%	N/A

Note: As of March 31, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

Capital Expenditures by Segment



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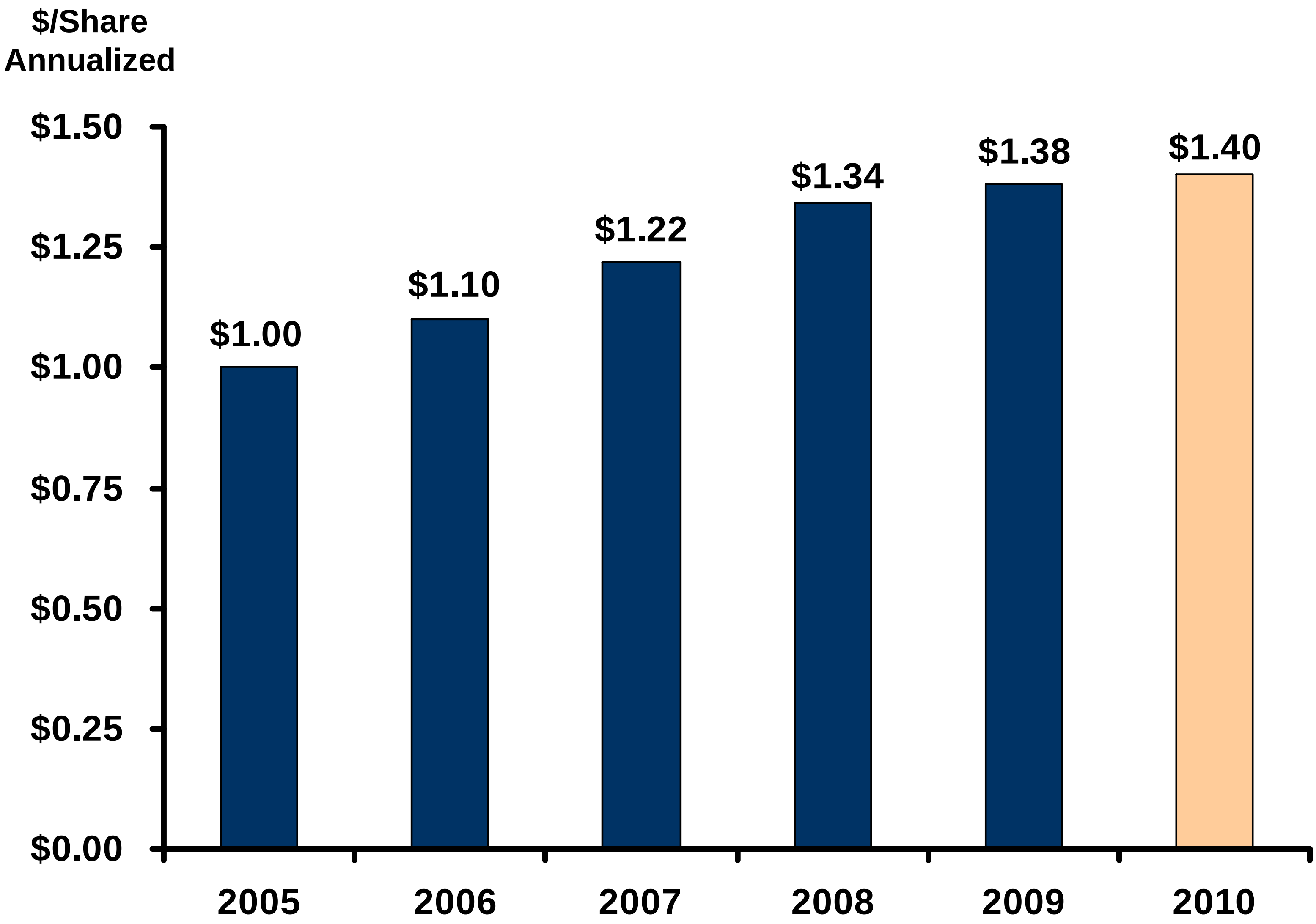
Dividend Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	Projected 2010
Cash from Operations	$1,310	$1,663
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Asset Sales (1) (2)	84	151
Other Investing Activities - net	(75)	(15)
Free Cash Flow before Dividends	$599	$847

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$294	$230
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(422)
Asset Sales & Other	3	1
Free Cash Flow before Dividends	($1)	($191)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$248	$138
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities - net	1	
Free Cash Flow before Dividends	$2	($182)

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02
Special Items:				
Energy-related economic activity	(0.16)	(0.16)	(0.59)	0.67
Sales of assets			(0.11)	(0.01)
Impairments	(0.01)	(0.01)	(0.06)	(0.16)
Workforce reductions			(0.03)	
Other:				
Montana hydroelectric litigation	(0.09)	(0.09)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.28)	(0.28)	(0.87)	0.45
Reported Earnings per share of common stock	$3.22	$2.82	$1.08	$2.47

Note: Per share amounts are based on diluted shares outstanding.

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Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa3	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa3	BBB-	BBB
Subordinated Debt	Ba1	BB+	BB+
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Electric Utilities			
Issuer Rating	Baa2	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa2	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Ba1	BBB	BBB-
Preference Stock	Ba1	BBB	BBB-
Outlook	STABLE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security
(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	STABLE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	STABLE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	STABLE	POSITIVE

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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options. This economic activity is deferred and included in earnings over the delivery period that was hedged. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR energy supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition by PPL Corporation of E.ON U.S., LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Mid-Atlantic/Mid-West Road Show

May 12, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Combination Creates Significant Value

- Transformative transaction that rebalances business mix
- Consistent with our stated strategy to grow regulated earnings
- Creates a stronger, more diversified enterprise with increased earnings visibility
- Strengthens solid investment grade credit profile
- Enhances regulated growth opportunities
- Retains significant upside to power market recovery through PPL's existing competitive generation fleet

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A Compelling Opportunity

- Best-in-class utility franchises with progressive regulation
- Very strong management team; strong track record of execution
- Significant rate base growth profile with high degree of near-term visibility
- Lowest rates in the region
- Track record of timely regulatory approvals
- Attractive valuation:
  - Purchase price of $7.625 billion includes approximately $450 million of tax attributes
  - Value net of tax attributes is $7.175 billion
  - Implied multiples are well within the range of where fully-regulated peers are valued
  - Not dependent upon synergies

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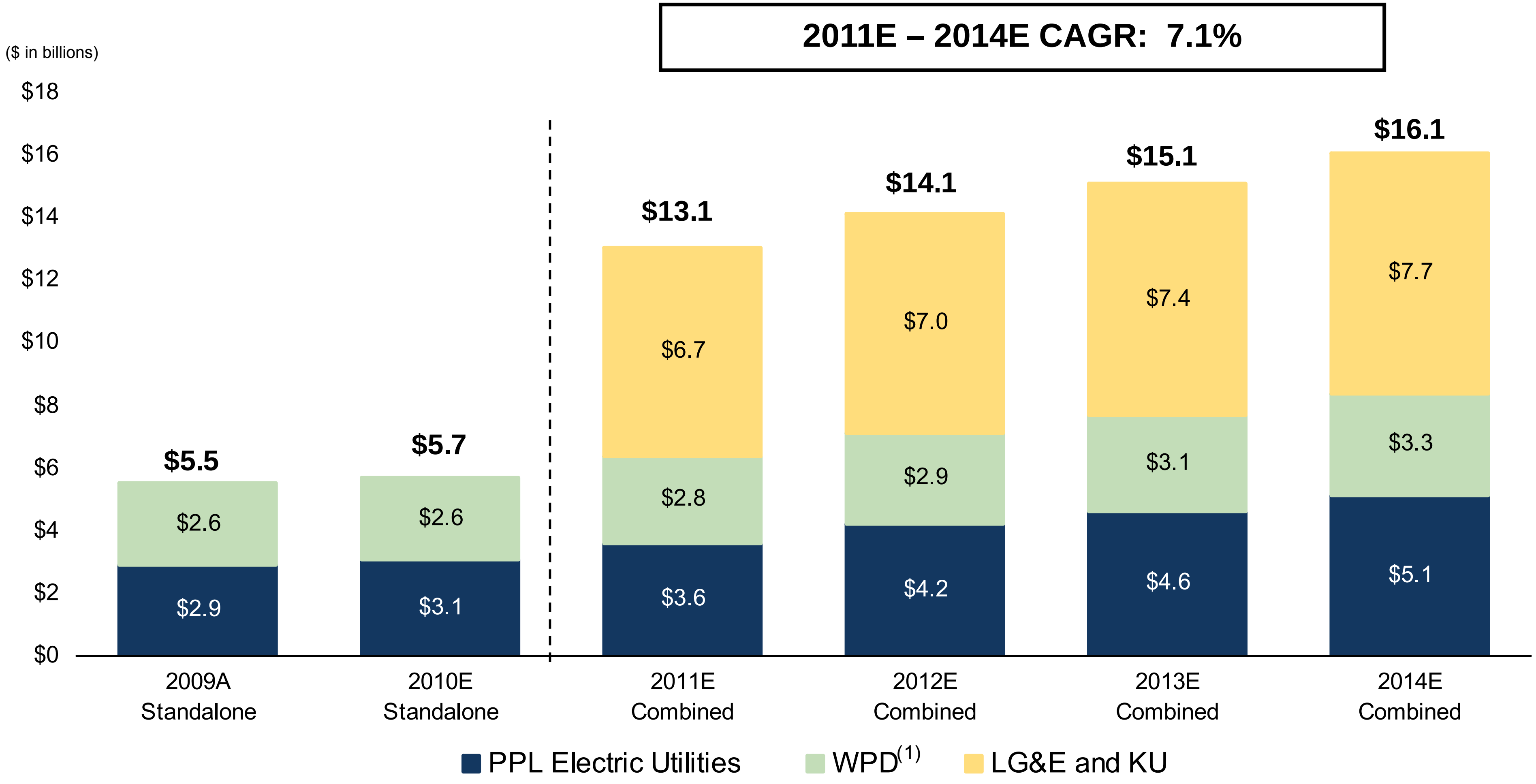
Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

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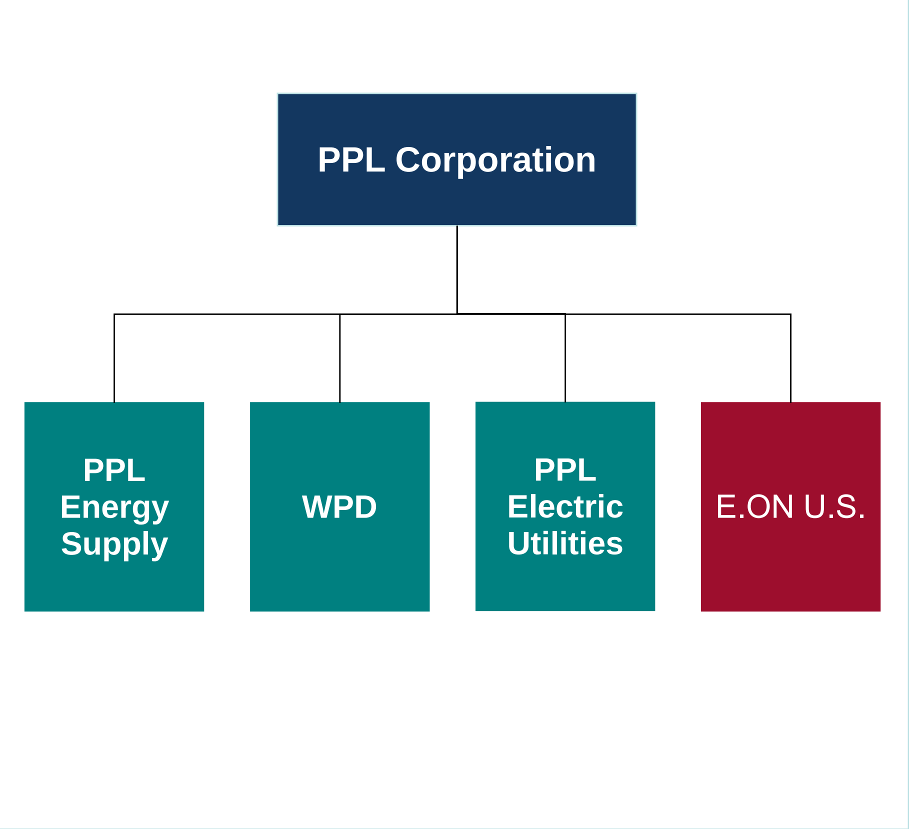
Strengthened Utility Platform

($ in billions)

	PPL	E.ON U.S.	Combined
Enterprise value[1]	$17.8	$7.6	$25.4
Rate base (2010E)	$5.7	$6.4[2]	$12.1
Total assets[3]	$22.2	$8.5	$30.7
Utility customers (m)	4.0	1.2	5.2
Competitive generation capacity (MW)	11,695	–	11,695
Regulated generation capacity (MW)[4]	–	8,077	8,077
Number of employees	10,489	3,127	13,616

(1) Based on PPL stock price as of 4/27/2010.
(2) Represents utility capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.
(3) As of 12/31/2009.
(4) Capacity pro forma for completion of Trimble County 2.

Pro Forma Structure



PPL Corporation

PPL Energy Supply

WPD

PPL Electric Utilities

E.ON U.S.

Overview

Transaction	▪ Acquisition of E.ON U.S., parent company of Louisville Gas & Electric and Kentucky Utilities ▪ $7.625 billion purchase price including approximately $450 million of present value associated with tax benefits ▪ $7.175 billion enterprise value for E.ON U.S.
Consideration	▪ Cash: $6.7 billion ▪ Assumption of utility tax-exempt debt: $925 million
Financing	▪ Committed bridge financing for cash portion of purchase price ▪ Permanent financing to include debt, equity and high-equity-content securities, and cash on hand
Pro Forma Profile	▪ PPL expects to maintain its existing dividend ▪ Strengthens credit position while maintaining investment-grade ratings ▪ Modestly dilutive in first full year, moving to earnings accretion by 2013
Regulatory Approvals	▪ State commissions: Kentucky, Virginia and Tennessee ▪ Federal: FERC (Federal Power Act), DOJ (HSR)
Estimated Closing	▪ Year-end 2010

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Transaction Financing

Committed Acquisition Facility

- $6.5 billion committed bridge facility from Bank of America Merrill Lynch and Credit Suisse
- Financing term extends beyond the expected timing of regulatory approvals

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Permanent Financing

Balanced combination of financing sources

- Assumption of $925 million tax-exempt utility debt
- $800 million unsecured corporate debt and $2.1 billion first mortgage bonds at LG&E and KU
- $250 - $750 million cash on hand
- $750 million - $1.0 billion high-equity-content securities
- $2.2 - $2.6 billion common stock
- May fund certain amounts prior to closing depending on market conditions
- Would consider potential sale of certain non-core assets

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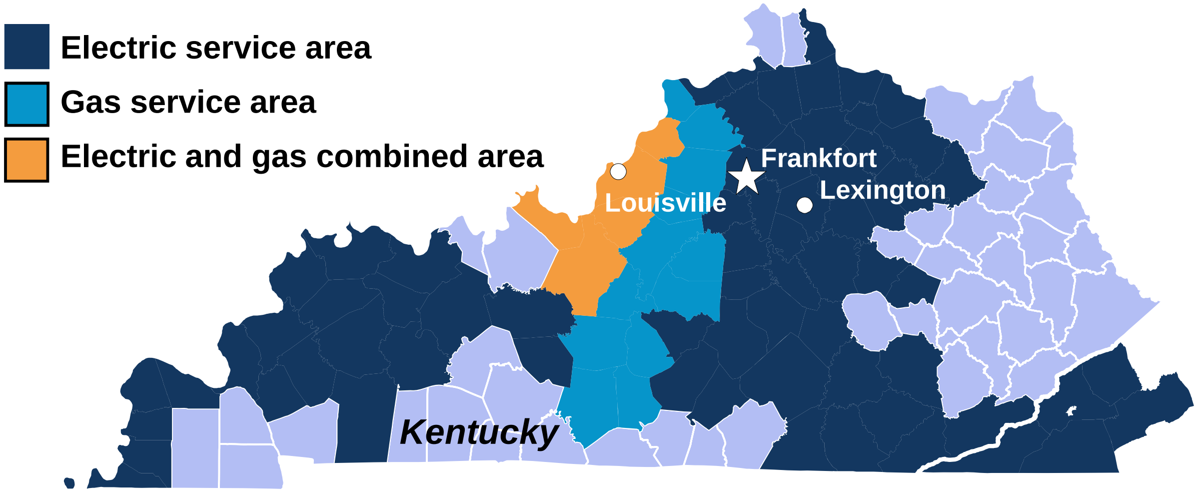
E.ON U.S. Overview



- Vertically integrated utilities serving 2/3 of counties in Kentucky
- Small customer base in Virginia and Tennessee
- Fuel, purchased power, gas supply and environmental cost pass-through
- No material non-regulated assets or operations
- ~8,100 MW of regulated generation

E.ON U.S.

Louisville Gas & Electric

- Serves Louisville, KY and 16 surrounding counties
- 396,000 electric customers
- 321,000 gas customers
- $2.34 billion rate base ($487 million of which is gas)(1)
- 2009 revenue of $1.28 billion(2)

Kentucky Utilities

- Based in Lexington, KY
- Serving 77 counties in KY and five in VA
- 515,000 electric customers in Kentucky
- 30,000 electric customers in Virginia
- $3.55 billion rate base(1)
- 2009 revenue of $1.36 billion(2)

(1) Figures per January 2010 KU and LG&E rate case filings (test year ending 10/31/09).
(2) Figures per KU and LG&E 2009 FERC Form 1 filings.

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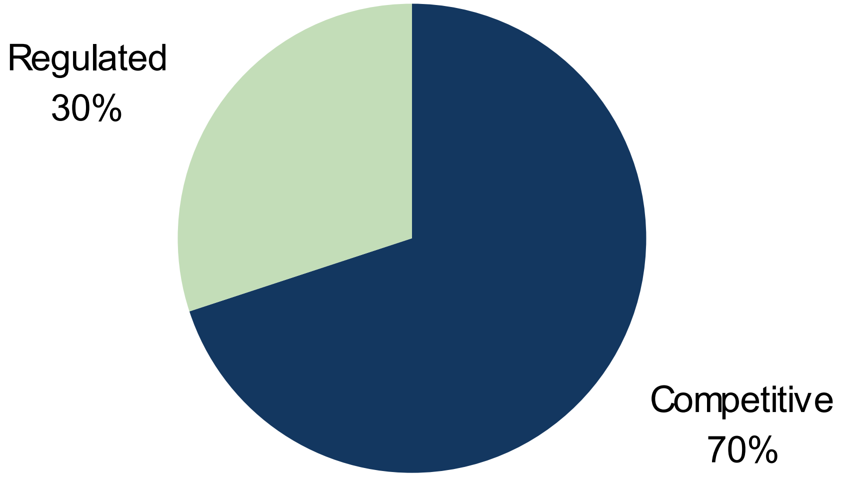
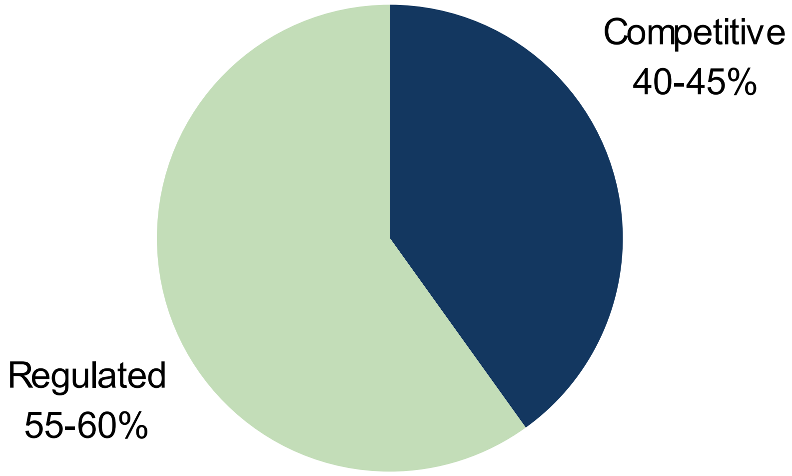
Significantly and Immediately Rebalances Business Mix

EBITDA

2010E Standalone[1]



2011E Combined



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(1) Based on mid-point of 2010 forecast.

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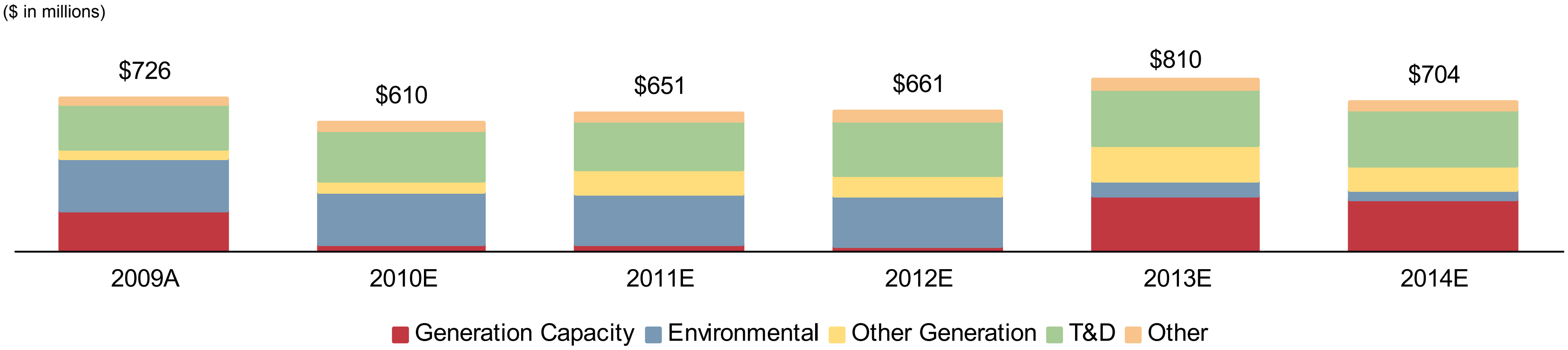
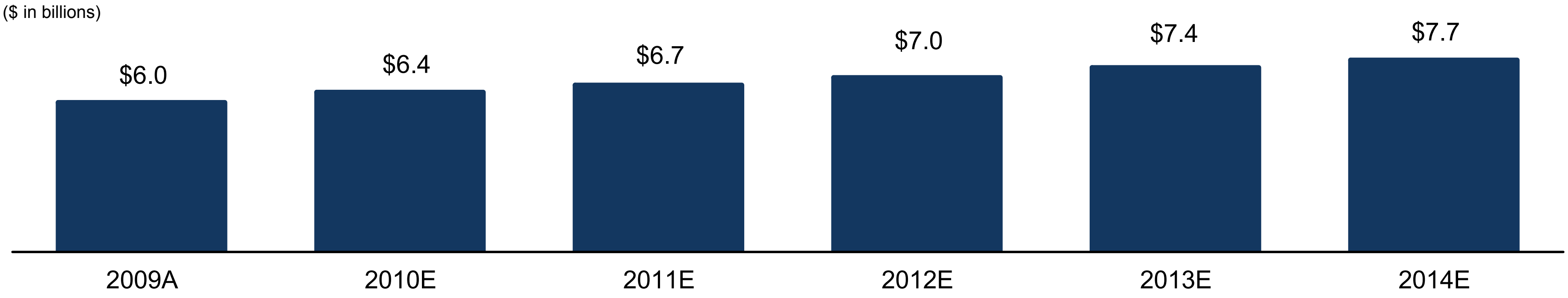
Strong Regulated Growth Profile

Capital expenditures



Capitalization[1]



(1) LG&E and KU rate constructs are based on capitalization.

Significant rate base growth opportunity driven by balanced capital expenditures with realized ROEs ranging from 10-12% historically

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Pending Rate Cases

- On January 29, 2010, LG&E and KU filed applications with the KPSC requesting annual increases in base electric and gas rates
  - Total request of $253 million
  - Includes 11.5% requested ROE, 53% Equity
  - Majority of request associated with investment and storm cost regulatory assets previously approved by the KPSC
  - Requested increases are based on an historic test year ended October 31, 2009
- Procedural schedule issued and well underway
  - Discovery phase nearing completion
  - Company rebuttal testimony due May 28, 2010
  - Public hearing scheduled for June 8, 2010
  - Rate increases suspended until August 1, 2010

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Progressive and Constructive Regulation

Kentucky Rate Mechanisms:

Environmental Cost Recovery ("ECR")

- Recovery of and return on environmental investment required as a result of coal combustion reflected in bill two months after incurred

Construction Work In Progress ("CWIP")

- History of including CWIP in ECR and base rates

Fuel Adjustment Clause ("FAC")

- Variations in fuel costs and economic power purchases are reflected monthly in rates charged to electric customers two months after incurred

Gas Supply Clause Adjustment ("GSC")

- Cost of natural gas supply for LG&E Gas reflected in rates reset quarterly with mechanisms to balance to actual costs and provide utility performance-based incentive

Demand Side Management ("DSM")

- Concurrent recovery of DSM costs including lost revenue

Supportive and progressive regulation combined with competitive customer rates

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Transaction Timeline

- **State regulatory approvals**
  - Kentucky PSC: 120-day statutory review period
  - Virginia State Corporation Commission and Tennessee Regulatory Authority expected to follow a similar timeline
- **Other regulatory approvals include FERC (Federal Power Act) and HSR**

Transaction	**Announced**	**Filed with KPSC**	**KPSC Approval**
E.ON / PowerGen	April 2001	May 2001	September 2001
PowerGen / LG&E	February 2000	March 2000	May 2000
LG&E / KU	May 1997	June 1997	September 1997

KPSC has historically approved similar transactions in relatively short timeframes

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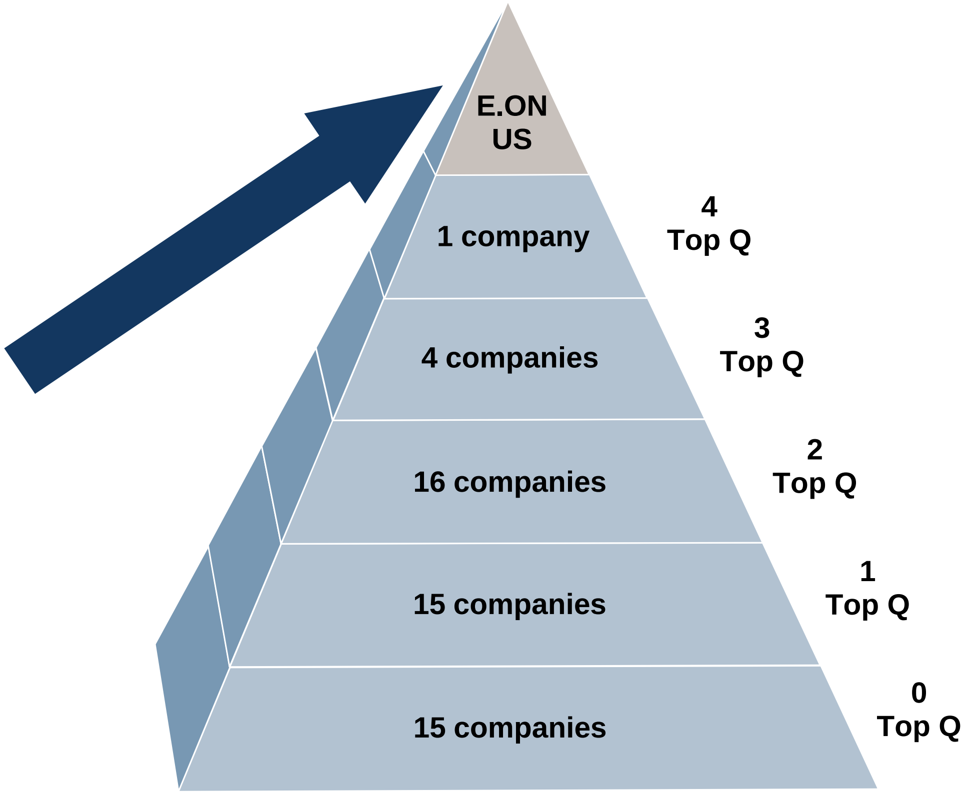
Top Quartile Cost Performance

Cost area	Metric	Performance	Ranking
Generation	Non-fuel O&M / MWh of production	$4.78	4th – top decile
Transmission	Cash cost / transmission mile	$10,702	6th – top decile
Distribution	Cash cost / customer	$189(1)	16th – top quartile
Retail	O&M cost / customer	$41.51	11th – second decile
Corporate A&G	A&G cost / MWh of sales	$3.23(2)	7th – top decile

(1) E.ON US cost adjusted upward to include CWIP changes over the five-year period.
(2) E.ON US cost adjusted upward to include $80 million of Value Delivery Team amortization costs over the five-year period.



E.ON US

1 company — 4 Top Q

4 companies — 3 Top Q

16 companies — 2 Top Q

15 companies — 1 Top Q

15 companies — 0 Top Q

Source: FERC Form 1, E.ON US Corporate Development Analysis.
Note: The Triangle = 52 US electric holding company's averages for 2004–2008 (only includes companies competing in all 5 segments).

Only utility with top quartile cost performance in five major cost areas over the 2004–2008 period

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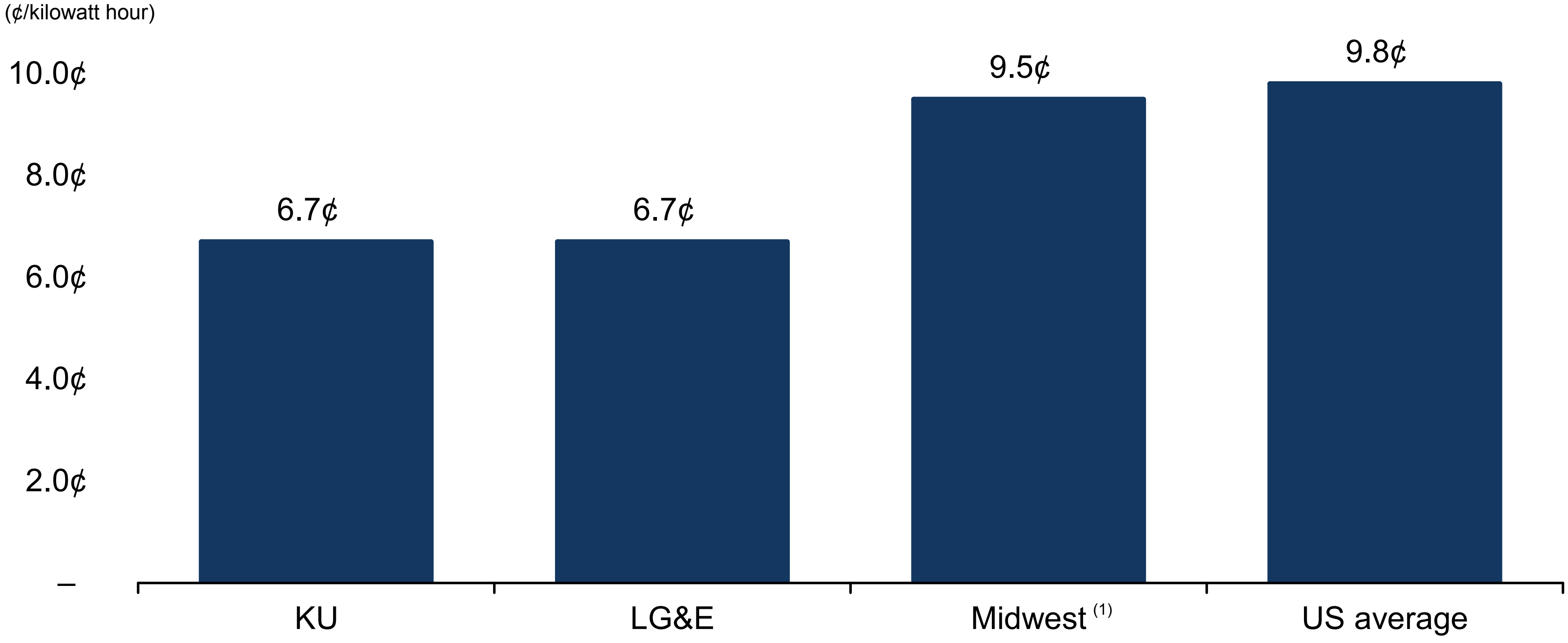
Competitive Rates

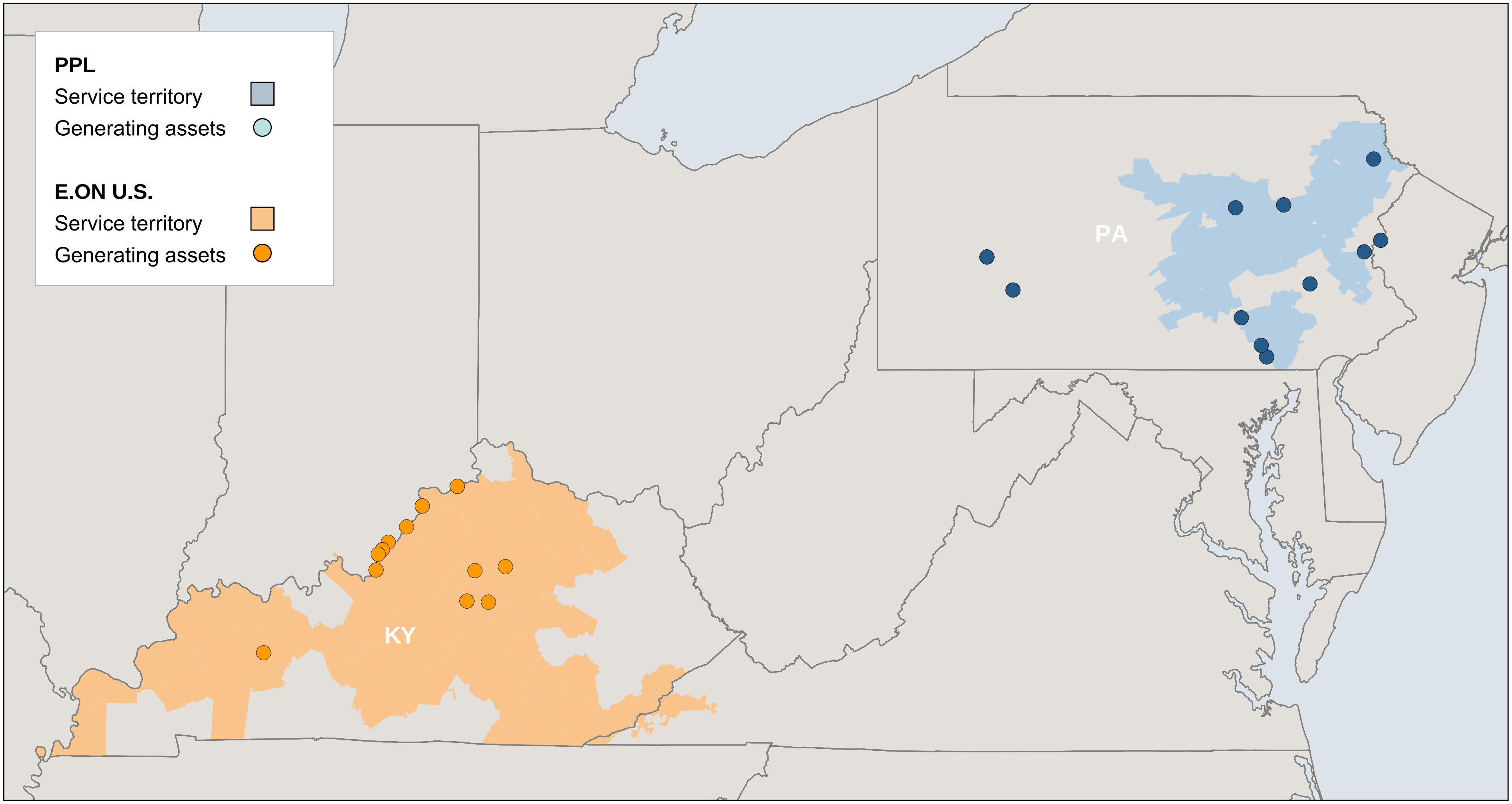
2009 electric retail rate comparison



	KU	LG&E	Midwest (1)	US average
Residential:	7.26	7.56	11.44	11.72
Commercial:	7.12	6.99	9.90	10.03
Industrial:	5.61	5.18	6.56	6.63

Source: Edison Electric Institute, typical bills and average rates report, winter 2010 (covers January 2009 through December 2009).
Note: The EEI report surveys approximately 90 electric utilities in the US.
(1) 'Midwest' definition is the Reliability First Corporation area, which includes DE, IL, IN, KY, MD, MI, NJ, OH, PA WI, and WV.

Combined Utility Platform



Note: Represents only PPL Electric Utilities service territory and generation in PA.

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Best-in-Class Utility Operations

PPL Electric Utilities

- J.D. Power study of business customer satisfaction among Eastern U.S. utilities
  - Ranked 1st 8 times in the past 11 years
  - Total of 16 awards, more than any other electric utility in the country
- J.D. Power study of residential customer satisfaction among Eastern U.S. utilities
  - Earned top honor 8 times
- Field sites certified as Star sites under the OSHA Voluntary Protection Program

WESTERN POWER DISTRIBUTION

- UK Customer Excellence Award (18 consecutive years)
- 4 years with no customer complaints to regulator
- Best reliability among 14 distribution companies
- Maximum performance bonuses for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $240 mm revenue bonus in most recent five-year rate review period for operational performance

KU LG&E

- J.D. Power study of residential customer satisfaction among Midwest U.S. utilities
  - Ranked 1st 7 times in the past 10 years
- KU received highest ranking in JD Power's 2010 electric utility business customer satisfaction study
- Winner of prestigious EEI Emergency Recovery Award for outstanding service restoration during January 2009 ice storm

An unparalleled commitment to customer service, reliability and safety

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Market Prices

	Actual	Forward(1)		
	2009	Apr-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$45	$49	$52
Off-Peak	$31	$32	$36	$36
ATC(2)	$38	$38	$42	$43
Mid-Columbia				
On-Peak	$36	$41	$44	$48
Off-Peak	$29	$33	$36	$39
ATC(2)	$33	$37	$40	$44
GAS(3)				
NYMEX	$3.92	$4.27	$5.34	$5.79
TZ6NNY	$4.63	$4.68	$5.89	$6.33
PJM MARKET				
HEAT RATE(4)	9.5	9.5	8.4	8.1
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	88.7%	91.8%

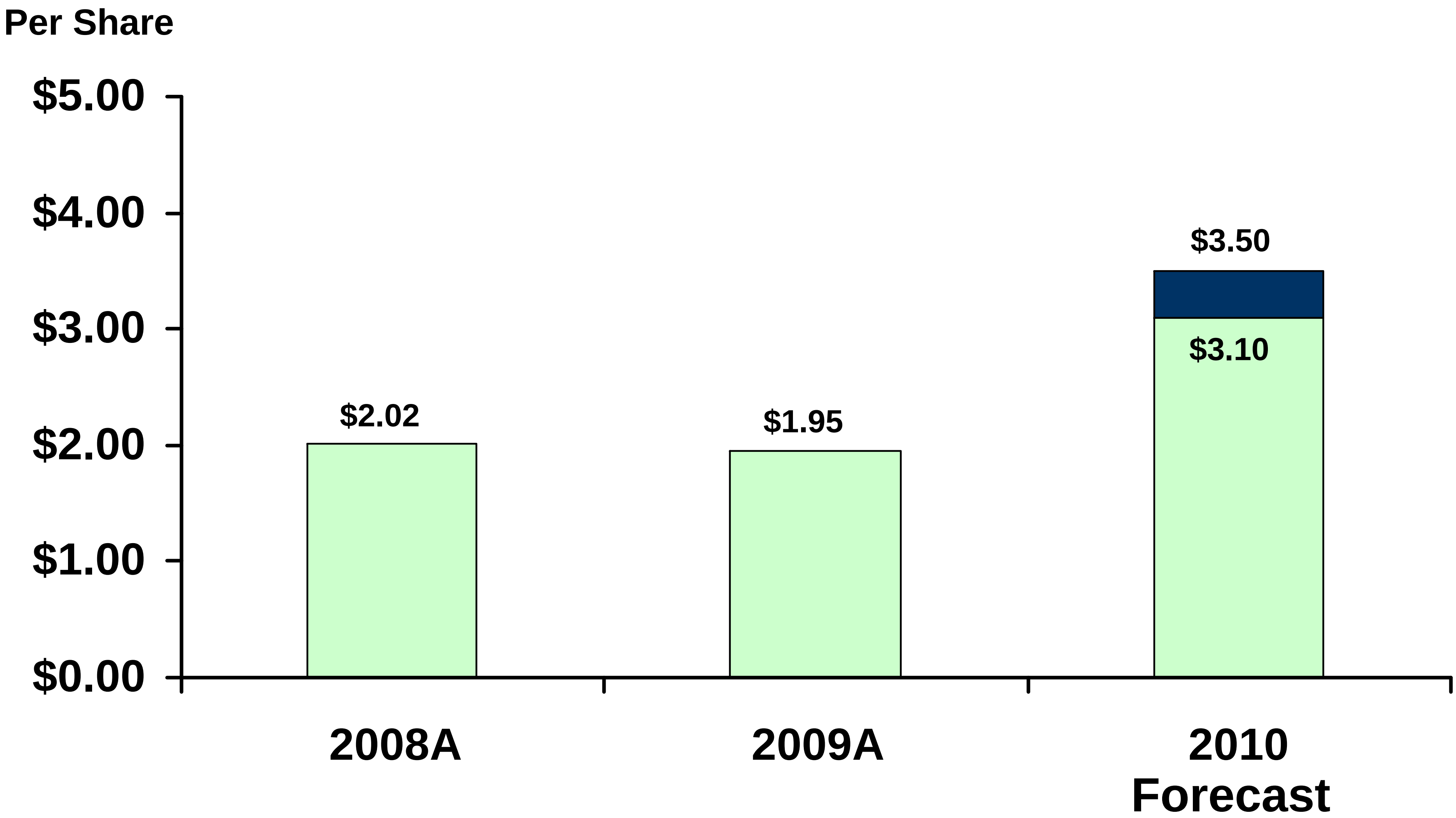
(1) Market prices based on the average of broker quotes as of 3/31/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 3/31/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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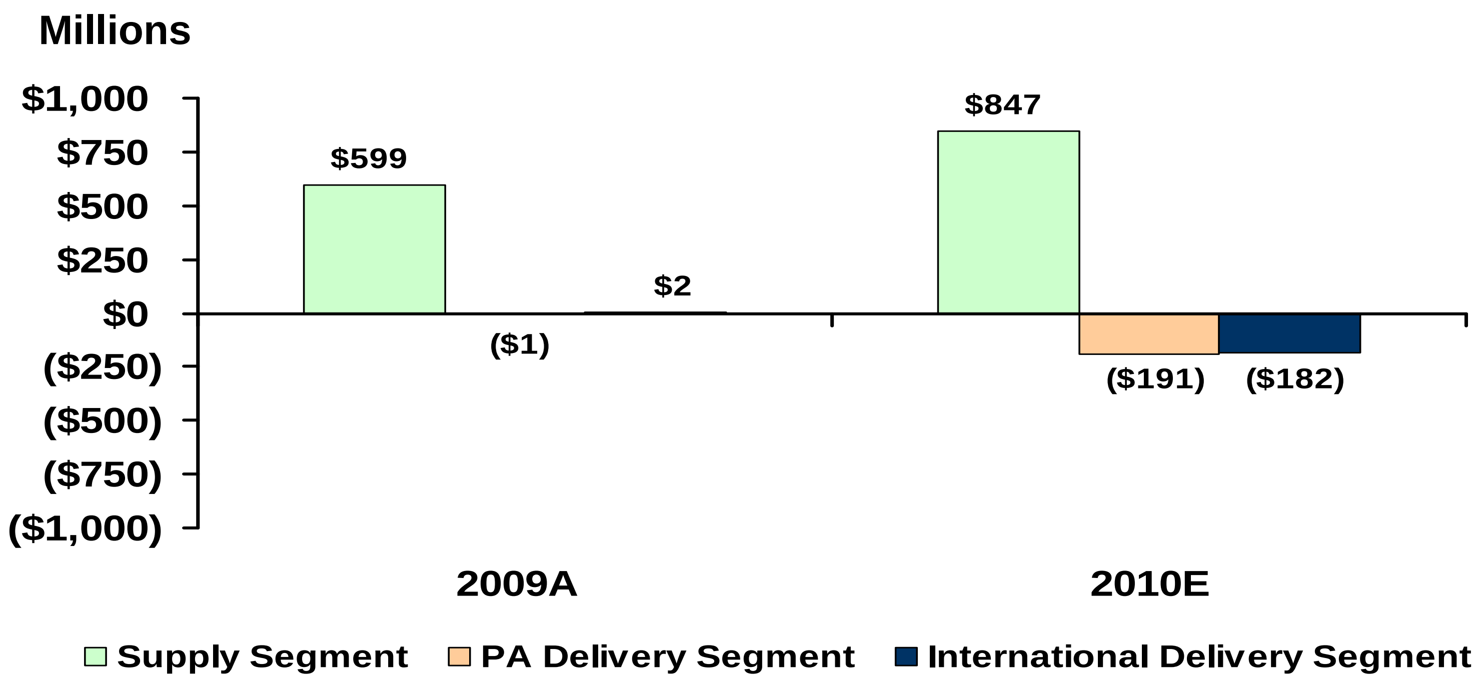
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**52.0**	**52.1**	**56.1**
East	43.3	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**100%**	**96%**	**61%**
East	100%	97%	58%
West	100%	91%	79%
Average Hedged Price (Energy Only) ($/MWh)	**$58**	**$57**	**$59**
East	$59	$58	$60
West	$49	$55	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$65**	**$66**
East**	$71	$67	$69
West	$49	$55	$56
% Hedged Through Swaps/Options Energy Transactions	97%	95%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**4.8**	**5.0**	**5.1**
Current Hedges (%)	**20%**	**0%**	**0%**

As of March 31, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	**2011**	**2012**
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	91%	78%
West	100%	100%	91%
Total	**99%**	**93%**	**81%**

Eastern Coal Contracts (1)

	2010		**2011**		**2012**	
	Hedge Level	**Price**	**Hedge Level**	**Price**	**Hedge Level**	**Price**
% Fixed Base Price	**93%**	**$49**	**29%**	**$53**	**20%**	**$65**
% Collars	**0%**	**N/A**	**68%**	**$45-$52**	**80%**	**$44-$52**
% Diesel Surcharge	**7%**	**$44**	**4%**	**$45**	**0%**	**N/A**

Note: As of March 31, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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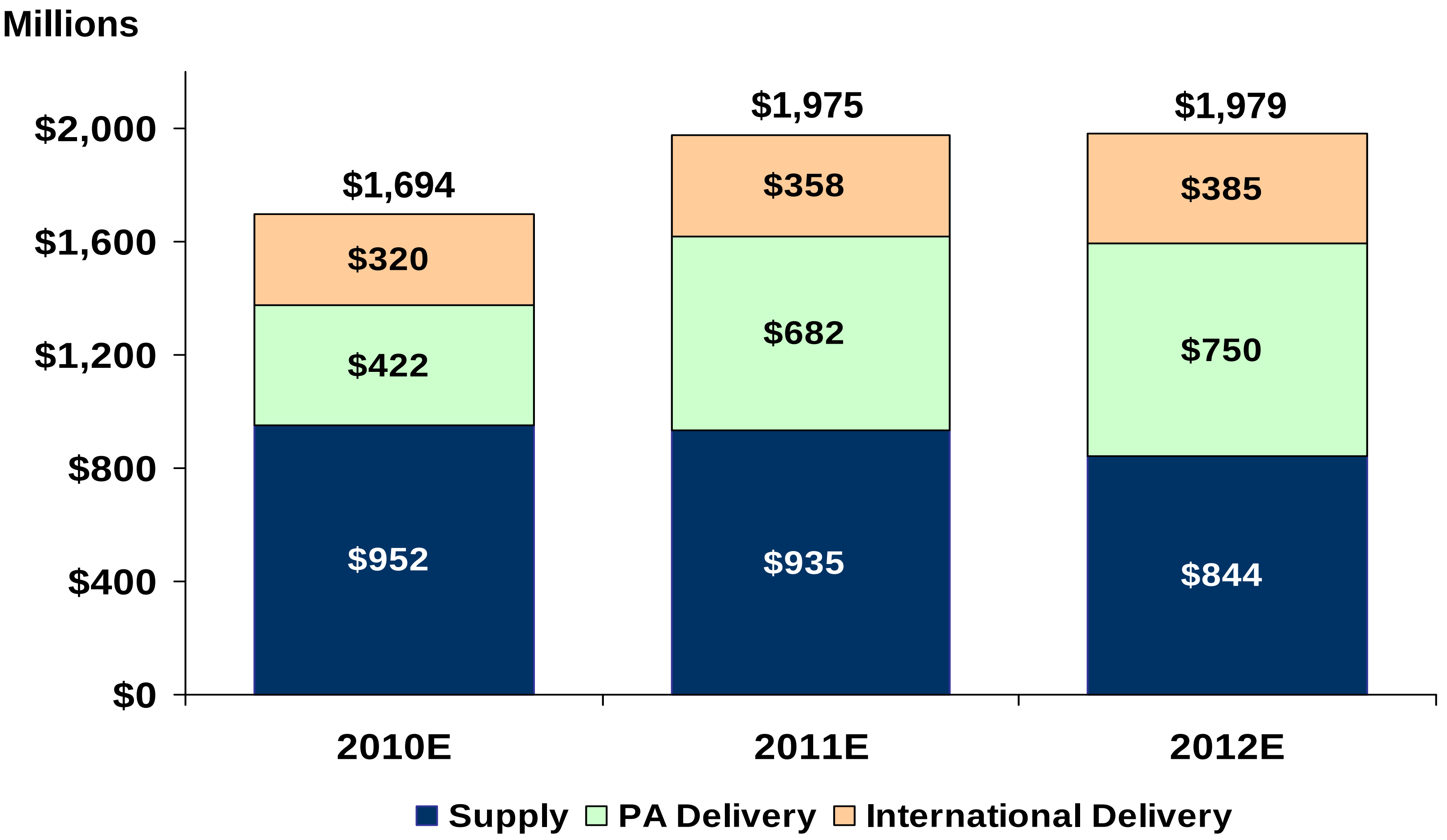
Capital Expenditures by Segment



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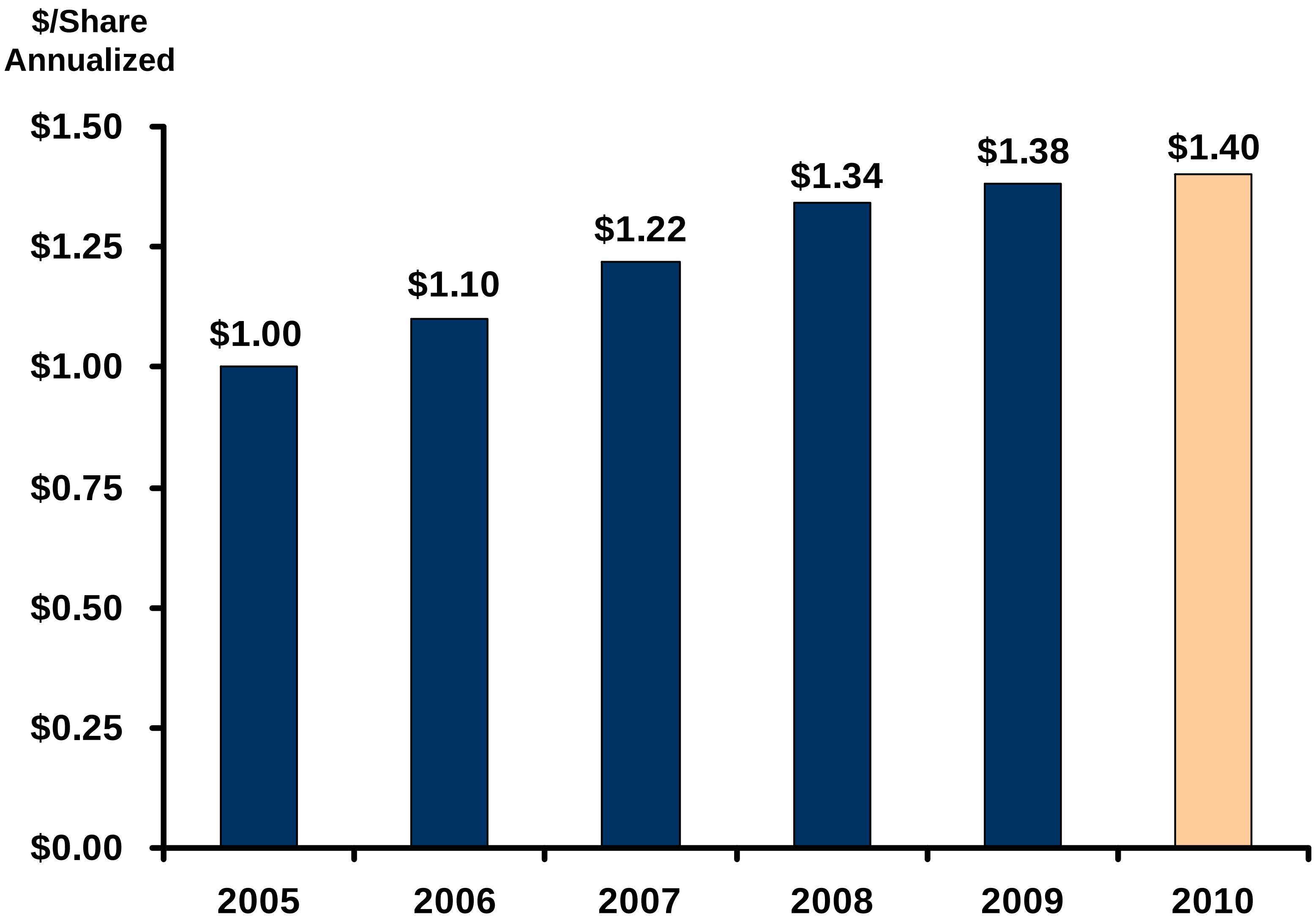
Dividend Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	Projected 2010
Cash from Operations	$1,310	$1,663
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Asset Sales (1) (2)	84	151
Other Investing Activities - net	(75)	(15)
Free Cash Flow before Dividends	$599	$847

---

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$294	$230
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(422)
Asset Sales & Other	3	1
Free Cash Flow before Dividends	($1)	($191)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	**Projected 2010**
Cash from Operations	$248	$138
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities - net	1	
Free Cash Flow before Dividends	$2	($182)

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02
Special Items:				
Energy-related economic activity	(0.16)	(0.16)	(0.59)	0.67
Sales of assets			(0.11)	(0.01)
Impairments	(0.01)	(0.01)	(0.06)	(0.16)
Workforce reductions			(0.03)	
Other:				
Montana hydroelectric litigation	(0.09)	(0.09)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.28)	(0.28)	(0.87)	0.45
Reported Earnings per share of common stock	$3.22	$2.82	$1.08	$2.47

Note: Per share amounts are based on diluted shares outstanding.

Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa3	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa3	BBB-	BBB
Subordinated Debt	Ba1	BB+	BB+
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Electric Utilities			
Issuer Rating	Baa2	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa2	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Ba1	BBB	BBB-
Preference Stock	Ba1	BBB	BBB-
Outlook	STABLE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	STABLE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	STABLE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	STABLE	POSITIVE

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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options. This economic activity is deferred and included in earnings over the delivery period that was hedged. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR energy supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition by PPL Corporation of E.ON U.S., LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

West Coast Road Show

May 26-28, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Combination Creates Significant Value

- Transformative transaction that rebalances business mix
- Consistent with our stated strategy to grow regulated earnings
- Creates a stronger, more diversified enterprise with increased earnings visibility
- Strengthens solid investment grade credit profile
- Enhances regulated growth opportunities
- Retains significant upside to power market recovery through PPL's existing competitive generation fleet

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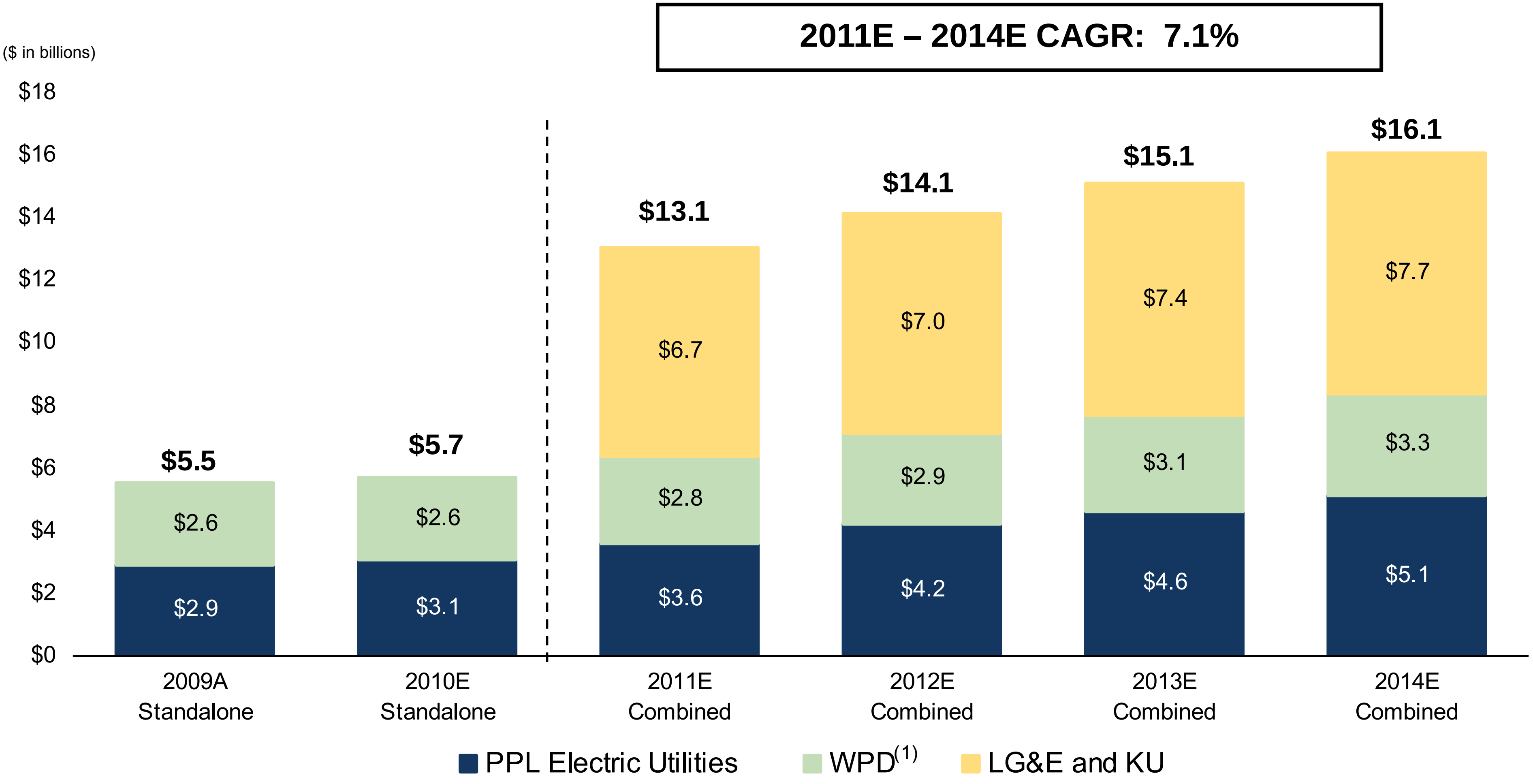
A Compelling Opportunity

- Best-in-class utility franchises with progressive regulation
- Very strong management team; strong track record of execution
- Significant rate base growth profile with high degree of near-term visibility
- Lowest rates in the region
- Track record of timely regulatory approvals
- Attractive valuation:
  - Purchase price of $7.625 billion includes approximately $450 million of tax attributes
  - Value net of tax attributes is $7.175 billion
  - Implied multiples are well within the range of where fully-regulated peers are valued
  - Not dependent upon synergies

Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

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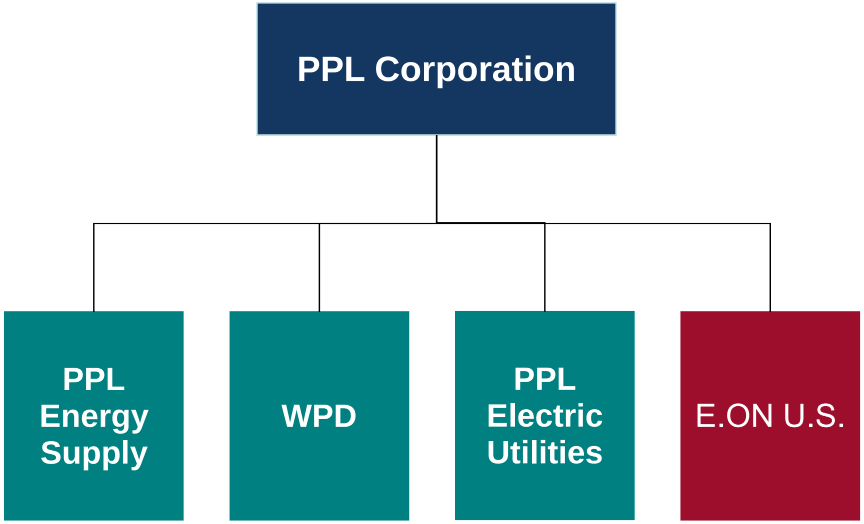
Strengthened Utility Platform

($ in billions)

	PPL	E.ON U.S.	Combined
Enterprise value[1]	$17.8	$7.6	$25.4
Rate base (2010E)	$5.7	$6.4[2]	$12.1
Total assets[3]	$22.2	$8.5	$30.7
Utility customers (m)	4.0	1.2	5.2
Competitive generation capacity (MW)	11,695	–	11,695
Regulated generation capacity (MW)[4]	–	8,077	8,077
Number of employees	10,489	3,127	13,616

(1) Based on PPL stock price as of 4/27/2010.
(2) Represents utility capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.
(3) As of 12/31/2009.
(4) Capacity pro forma for completion of Trimble County 2.

Pro Forma Structure



PPL Corporation

PPL Energy Supply

WPD

PPL Electric Utilities

E.ON U.S.

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Overview

Transaction	Acquisition of E.ON U.S., parent company of Louisville Gas & Electric and Kentucky Utilities $7.625 billion purchase price including approximately $450 million of present value associated with tax benefits $7.175 billion enterprise value for E.ON U.S.
Consideration	Cash: $6.7 billion Assumption of utility tax-exempt debt: $925 million
Financing	Committed bridge financing for cash portion of purchase price Permanent financing to include debt, equity and high-equity-content securities, and cash on hand
Pro Forma Profile	PPL expects to maintain its existing dividend Strengthens credit position while maintaining investment-grade ratings Modestly dilutive in first full year, moving to earnings accretion by 2013
Regulatory Approvals	State commissions: Kentucky, Virginia and Tennessee Federal: FERC (Federal Power Act), DOJ (HSR)
Estimated Closing	Year-end 2010

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Transaction Financing

Committed Acquisition Facility

- $6.5 billion committed bridge facility from Bank of America Merrill Lynch and Credit Suisse
- Financing term extends beyond the expected timing of regulatory approvals

---

Permanent Financing

Balanced combination of financing sources

- Assumption of $925 million tax-exempt utility debt
- $800 million unsecured corporate debt and $2.1 billion first mortgage bonds at LG&E and KU
- $250 - $750 million cash on hand
- $750 million - $1.0 billion high-equity-content securities
- $2.2 - $2.6 billion common stock
- May fund certain amounts prior to closing depending on market conditions
- Would consider potential sale of certain non-core assets

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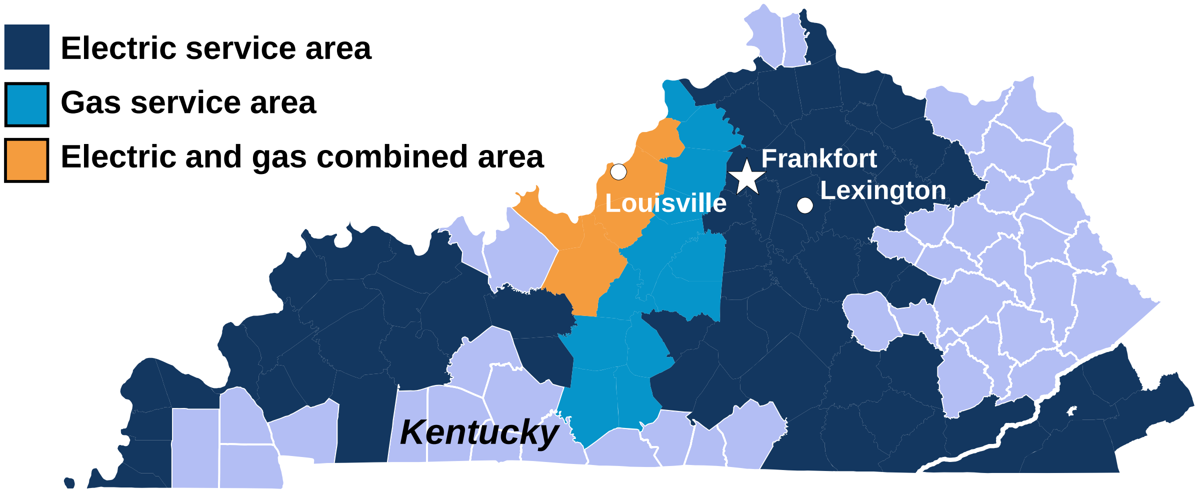
E.ON U.S. Overview



- Vertically integrated utilities serving 2/3 of counties in Kentucky
- Small customer base in Virginia and Tennessee
- Fuel, purchased power, gas supply and environmental cost pass-through
- No material non-regulated assets or operations
- ~8,100 MW of regulated generation

E.ON U.S.

Louisville Gas & Electric

- Serves Louisville, KY and 16 surrounding counties
- 396,000 electric customers
- 321,000 gas customers
- $2.34 billion rate base ($487 million of which is gas)(1)
- 2009 revenue of $1.28 billion(2)

Kentucky Utilities

- Based in Lexington, KY
- Serving 77 counties in KY and five in VA
- 515,000 electric customers in Kentucky
- 30,000 electric customers in Virginia
- $3.55 billion rate base(1)
- 2009 revenue of $1.36 billion(2)

(1) Figures per January 2010 KU and LG&E rate case filings (test year ending 10/31/09).
(2) Figures per KU and LG&E 2009 FERC Form 1 filings.

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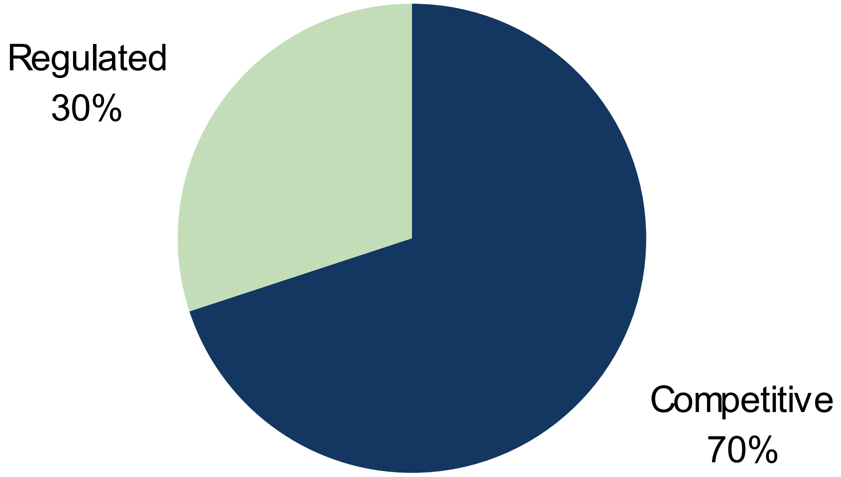
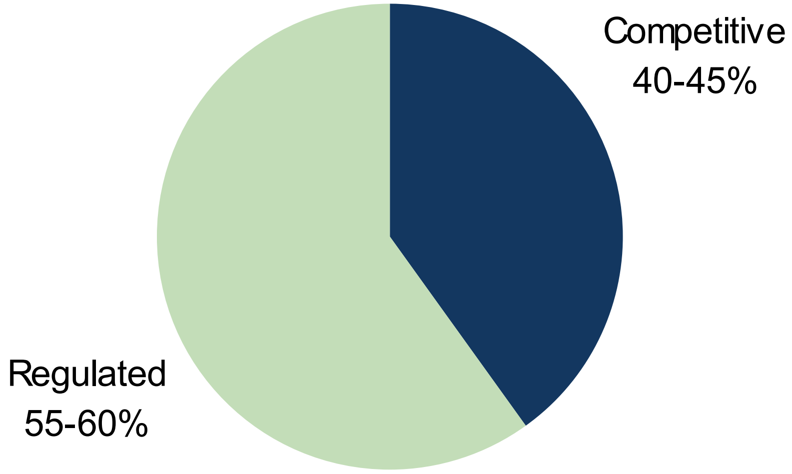
Significantly and Immediately Rebalances Business Mix

EBITDA

2010E Standalone[1]



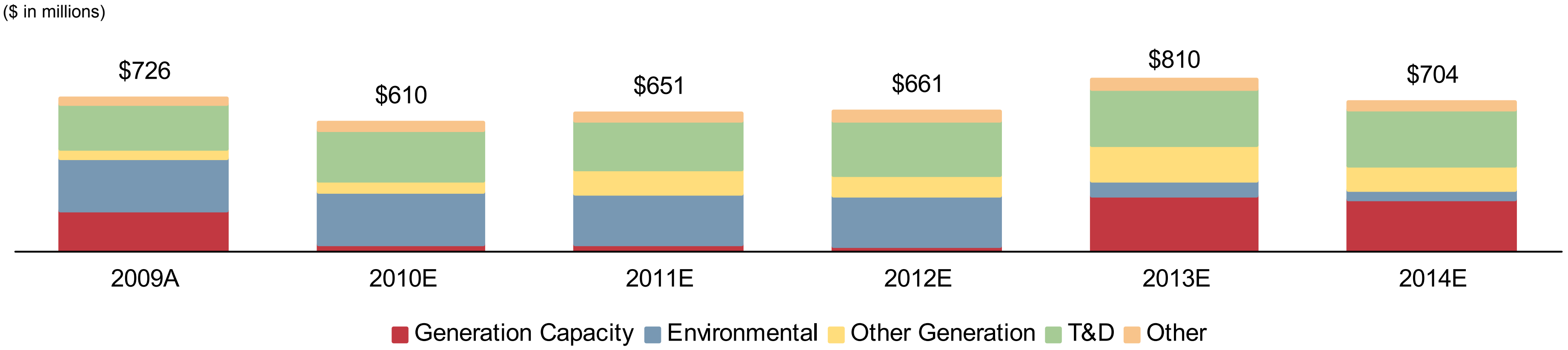
2011E Combined



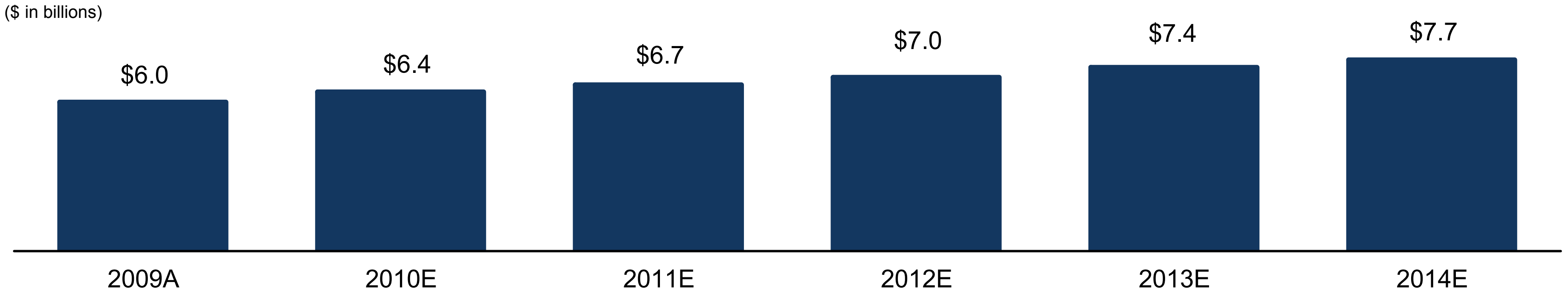
(1) Based on mid-point of 2010 forecast.

Strong Regulated Growth Profile

Capital expenditures



Capitalization[1]



(1) LG&E and KU rate constructs are based on capitalization.

Significant rate base growth opportunity driven by balanced capital expenditures with realized ROEs ranging from 10-12% historically

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Pending Rate Cases

- On January 29, 2010, LG&E and KU filed applications with the KPSC requesting annual increases in base electric and gas rates
  - Total request of $253 million
  - Includes 11.5% requested ROE, 53% Equity
  - Majority of request associated with investment and storm cost regulatory assets previously approved by the KPSC
  - Requested increases are based on an historic test year ended October 31, 2009
- Procedural schedule issued and well underway
  - Discovery phase nearing completion
  - Company rebuttal testimony due May 28, 2010
  - Public hearing scheduled for June 8, 2010
  - Rate increases suspended until August 1, 2010

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Progressive and Constructive Regulation

Kentucky Rate Mechanisms:

Environmental Cost Recovery (“ECR”)

- Recovery of and return on environmental investment required as a result of coal combustion reflected in bill two months after incurred

Construction Work In Progress (“CWIP”)

- History of including CWIP in ECR and base rates

Fuel Adjustment Clause (“FAC”)

- Variations in fuel costs and economic power purchases are reflected monthly in rates charged to electric customers two months after incurred

Gas Supply Clause Adjustment (“GSC”)

- Cost of natural gas supply for LG&E Gas reflected in rates reset quarterly with mechanisms to balance to actual costs and provide utility performance-based incentive

Demand Side Management (“DSM”)

- Concurrent recovery of DSM costs including lost revenue

Supportive and progressive regulation combined with competitive customer rates

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Transaction Timeline

- **State regulatory approvals**
  - Kentucky PSC: 120-day statutory review period
  - Virginia State Corporation Commission and Tennessee Regulatory Authority expected to follow a similar timeline
- **Other regulatory approvals include FERC (Federal Power Act) and HSR**

Transaction	Announced	Filed with KPSC	KPSC Approval
E.ON / PowerGen	April 2001	May 2001	September 2001
PowerGen / LG&E	February 2000	March 2000	May 2000
LG&E / KU	May 1997	June 1997	September 1997

KPSC has historically approved similar transactions in relatively short timeframes

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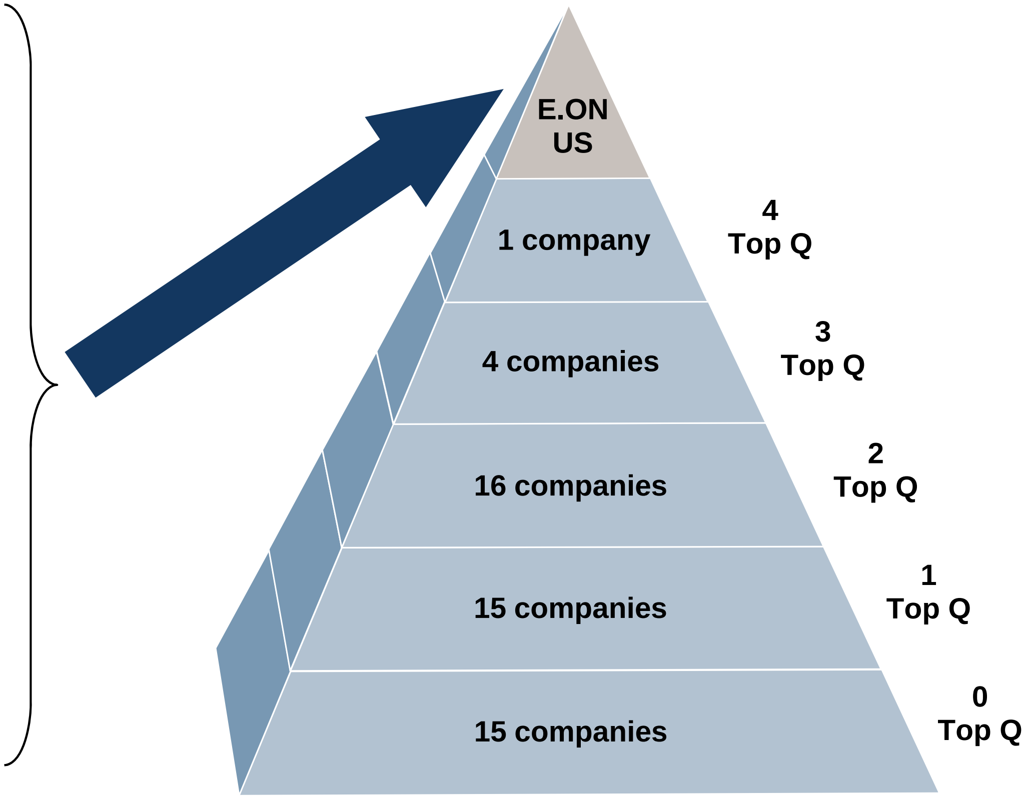
Top Quartile Cost Performance

Cost area	Metric	Performance	Ranking
Generation	Non-fuel O&M / MWh of production	$4.78	4th – top decile
Transmission	Cash cost / transmission mile	$10,702	6th – top decile
Distribution	Cash cost / customer	$189(1)	16th – top quartile
Retail	O&M cost / customer	$41.51	11th – second decile
Corporate A&G	A&G cost / MWh of sales	$3.23(2)	7th – top decile

(1) E.ON US cost adjusted upward to include CWIP changes over the five-year period.
(2) E.ON US cost adjusted upward to include $80 million of Value Delivery Team amortization costs over the five-year period.

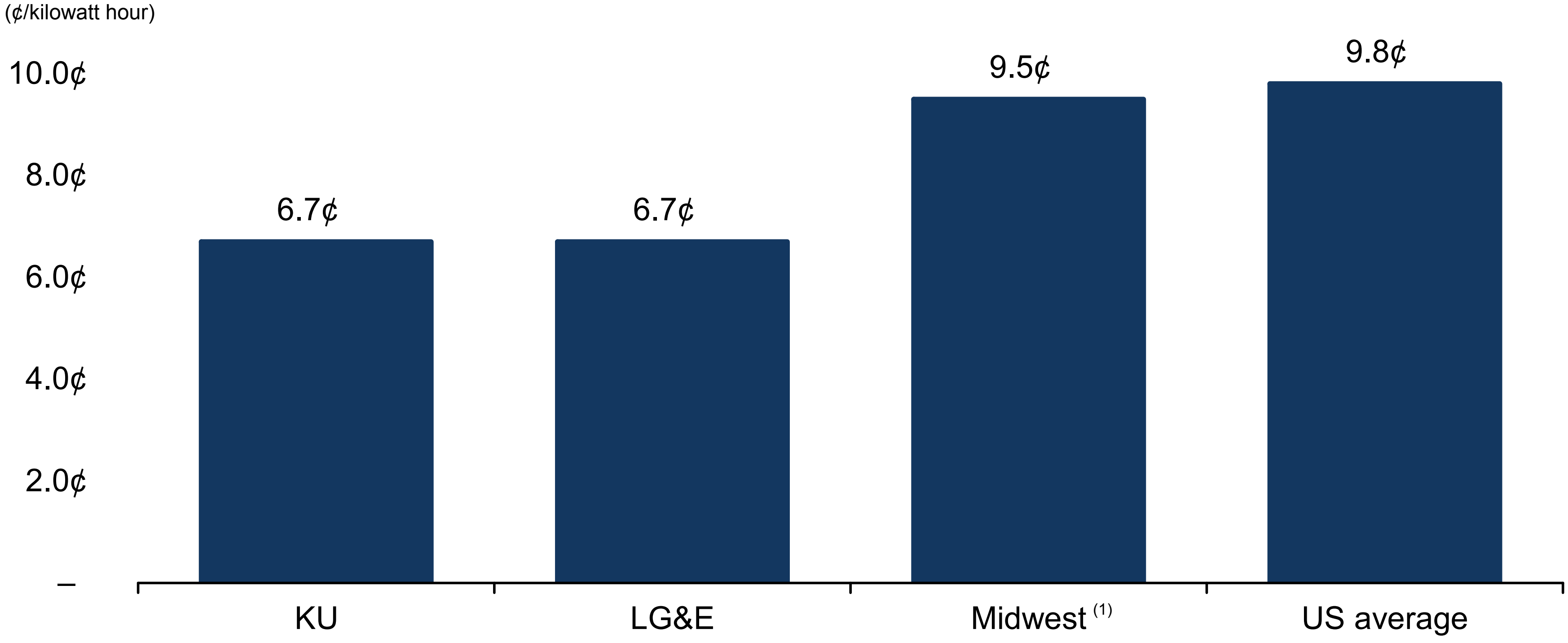


Source: FERC Form 1, E.ON US Corporate Development Analysis.
Note: The Triangle = 52 US electric holding company's averages for 2004–2008 (only includes companies competing in all 5 segments).

Only utility with top quartile cost performance in five major cost areas over the 2004–2008 period

Competitive Rates

2009 electric retail rate comparison



	KU	LG&E	Midwest (1)	US average
Residential:	7.26	7.56	11.44	11.72
Commercial:	7.12	6.99	9.90	10.03
Industrial:	5.61	5.18	6.56	6.63

Source: Edison Electric Institute, typical bills and average rates report, winter 2010 (covers January 2009 through December 2009).
Note: The EEI report surveys approximately 90 electric utilities in the US.

(1) 'Midwest' definition is the Reliability First Corporation area, which includes DE, IL, IN, KY, MD, MI, NJ, OH, PA WI, and WV.

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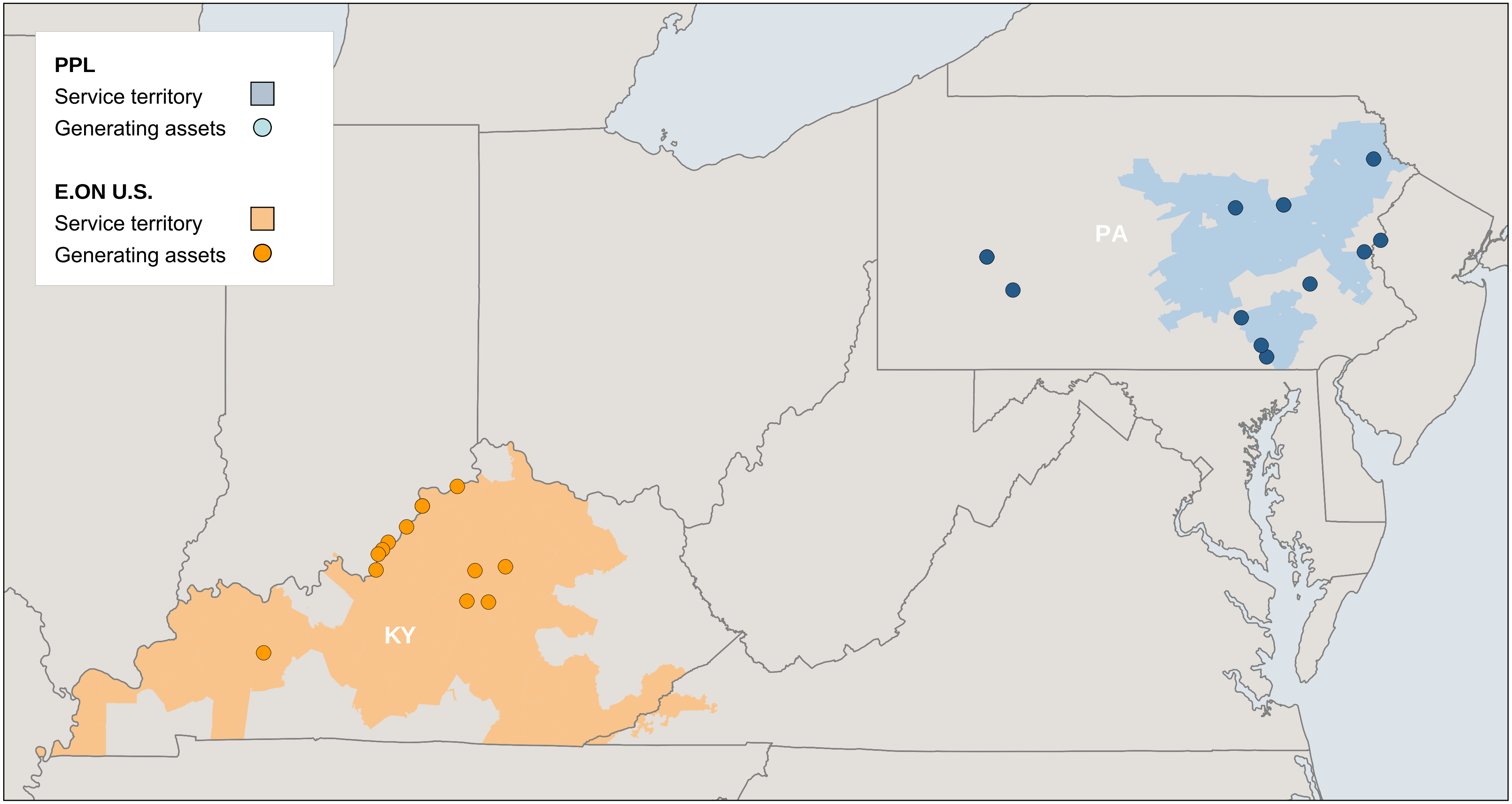
Combined Utility Platform



Note: Represents only PPL Electric Utilities service territory and generation in PA.

Best-in-Class Utility Operations

PPL Electric Utilities

- J.D. Power study of business customer satisfaction among Eastern U.S. utilities
  - Ranked 1st 8 times in the past 11 years
  - Total of 16 awards, more than any other electric utility in the country
- J.D. Power study of residential customer satisfaction among Eastern U.S. utilities
  - Earned top honor 8 times
- Field sites certified as Star sites under the OSHA Voluntary Protection Program

WESTERN POWER DISTRIBUTION

- UK Customer Excellence Award (18 consecutive years)
- 4 years with no customer complaints to regulator
- Best reliability among 14 distribution companies
- Maximum performance bonuses for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $240 mm revenue bonus in most recent five-year rate review period for operational performance

KU LG&E

- J.D. Power study of residential customer satisfaction among Midwest U.S. utilities
  - Ranked 1st 7 times in the past 10 years
- KU received highest ranking in JD Power's 2010 electric utility business customer satisfaction study
- Winner of prestigious EEI Emergency Recovery Award for outstanding service restoration during January 2009 ice storm

An unparalleled commitment to customer service, reliability and safety

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Market Prices

	Actual	Forward(1)		
	2009	Apr-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$45	$49	$52
Off-Peak	$31	$32	$36	$36
ATC(2)	$38	$38	$42	$43
Mid-Columbia				
On-Peak	$36	$41	$44	$48
Off-Peak	$29	$33	$36	$39
ATC(2)	$33	$37	$40	$44
GAS(3)				
NYMEX	$3.92	$4.27	$5.34	$5.79
TZ6NNY	$4.63	$4.68	$5.89	$6.33
PJM MARKET				
HEAT RATE(4)	9.5	9.5	8.4	8.1
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	88.7%	91.8%

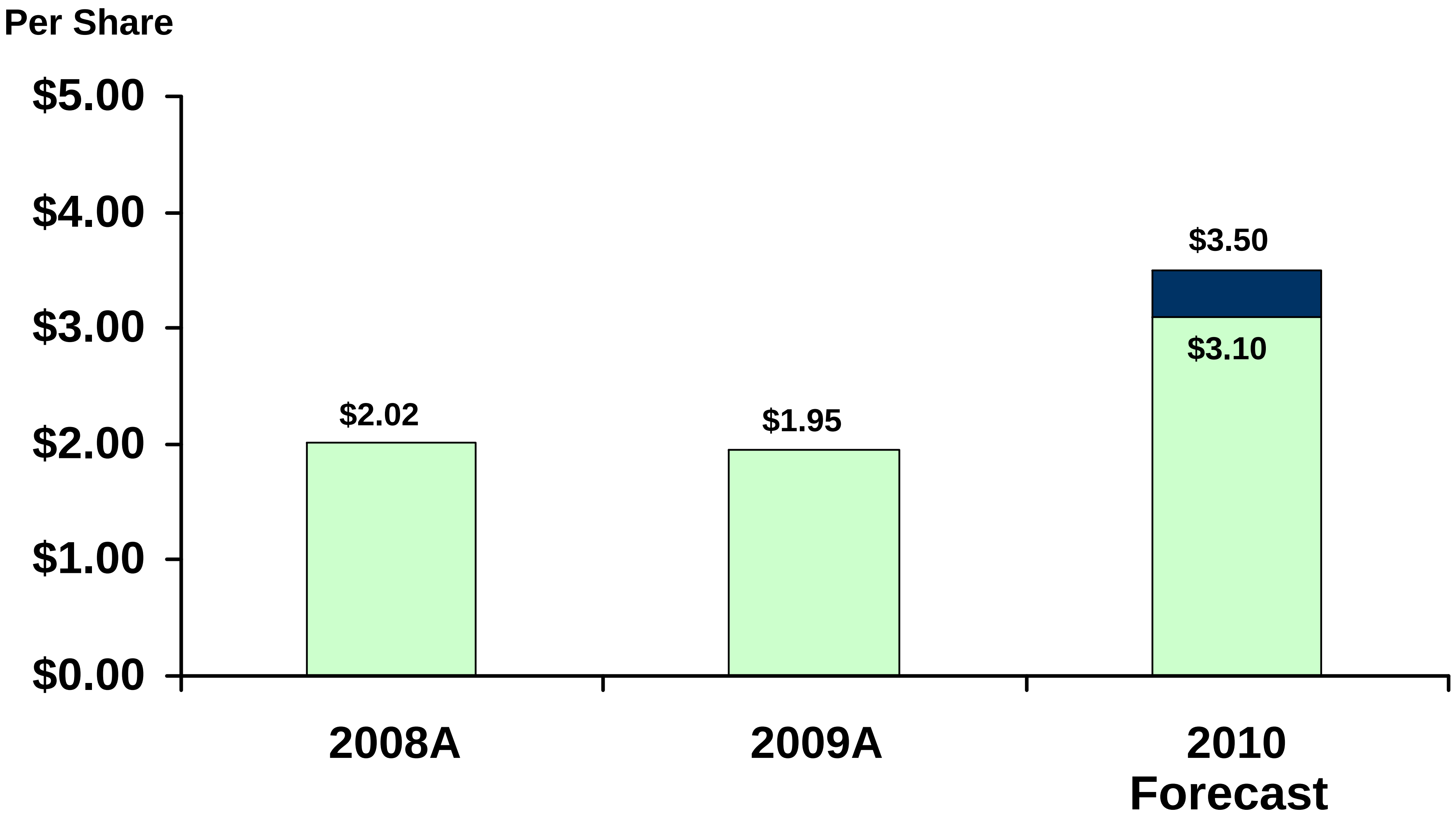
(1) Market prices based on the average of broker quotes as of 3/31/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 3/31/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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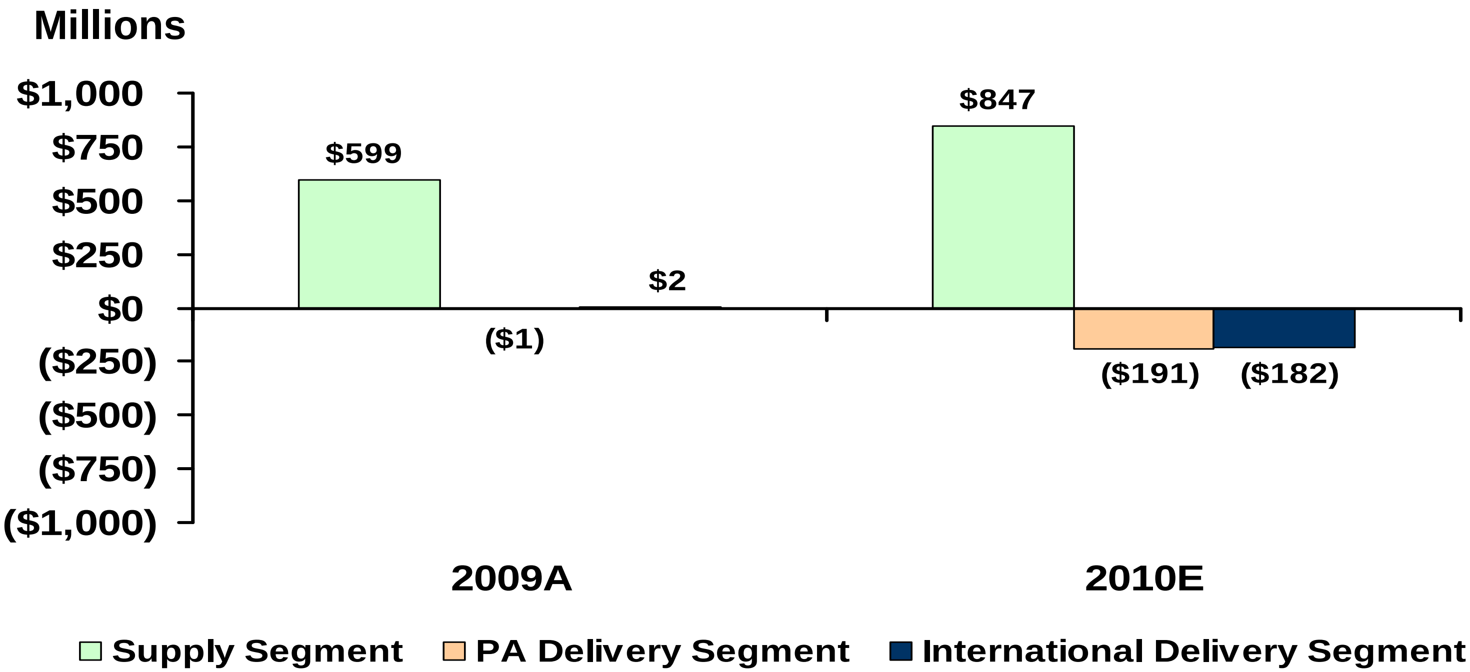
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**52.0**	**52.1**	**56.1**
East	43.3	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**100%**	**96%**	**61%**
East	100%	97%	58%
West	100%	91%	79%
Average Hedged Price (Energy Only) ($/MWh)	**$58**	**$57**	**$59**
East	$59	$58	$60
West	$49	$55	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$65**	**$66**
East**	$71	$67	$69
West	$49	$55	$56
% Hedged Through Swaps/Options Energy Transactions	97%	95%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**4.8**	**5.0**	**5.1**
Current Hedges (%)	**20%**	**0%**	**0%**

As of March 31, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	91%	78%
West	100%	100%	91%
Total	**99%**	**93%**	**81%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	**Price**	**Hedge Level**	**Price**	**Hedge Level**	**Price**
% Fixed Base Price	**93%**	**$49**	**29%**	**$53**	**20%**	**$65**
% Collars	**0%**	**N/A**	**68%**	**$45-$52**	**80%**	**$44-$52**
% Diesel Surcharge	**7%**	**$44**	**4%**	**$45**	**0%**	**N/A**

Note: As of March 31, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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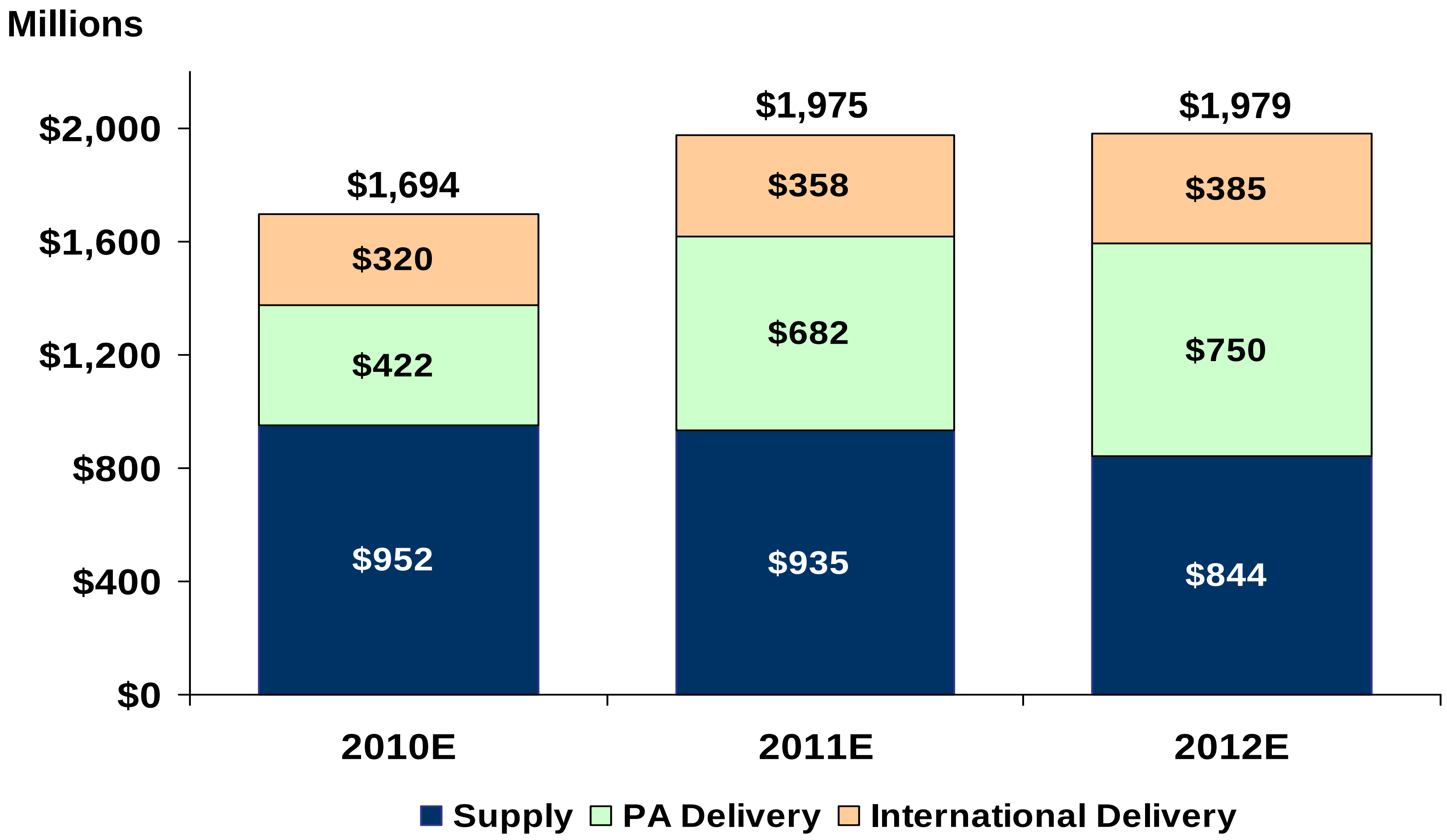
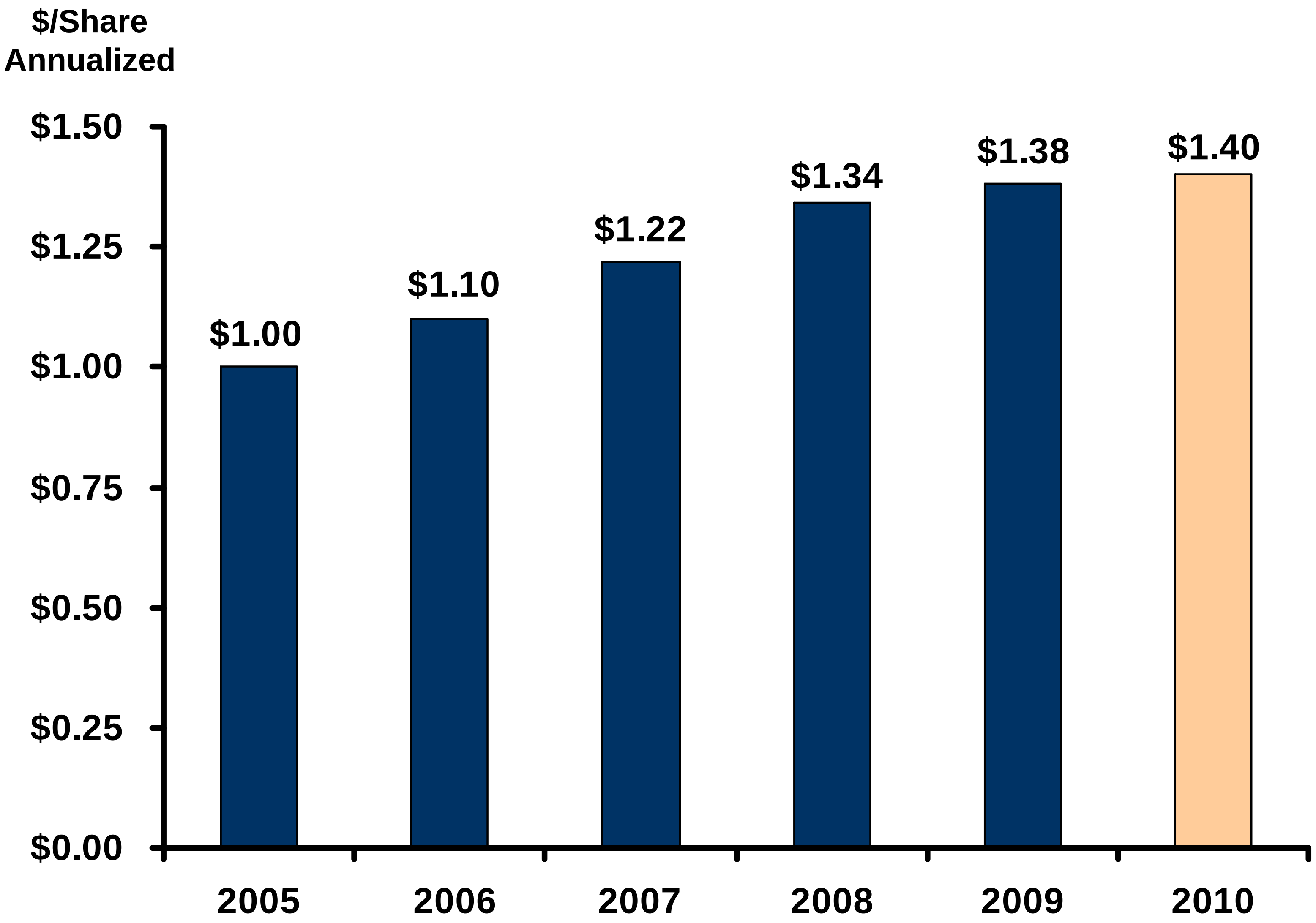
Capital Expenditures by Segment



Dividend Profile



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Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$1,310	$1,663
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Asset Sales (1) (2)	84	151
Other Investing Activities - net	(75)	(15)
Free Cash Flow before Dividends	$599	$847

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

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PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	**Projected 2010**
Cash from Operations	$294	$230
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(422)
Asset Sales & Other	3	1
Free Cash Flow before Dividends	($1)	($191)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	 Projected 2010
Cash from Operations	$248	$138
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities - net	1	
Free Cash Flow before Dividends	$2	($182)

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual	
	High	Low		
	2010	2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02
Special Items:				
Energy-related economic activity	(0.16)	(0.16)	(0.59)	0.67
Sales of assets			(0.11)	(0.01)
Impairments	(0.01)	(0.01)	(0.06)	(0.16)
Workforce reductions			(0.03)	
Other:				
Montana hydroelectric litigation	(0.09)	(0.09)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.28)	(0.28)	(0.87)	0.45
Reported Earnings per share of common stock	$3.22	$2.82	$1.08	$2.47

Note: Per share amounts are based on diluted shares outstanding.

Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa3	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa3	BBB-	BBB
Subordinated Debt	Ba1	BB+	BB+
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Electric Utilities			
Issuer Rating	Baa2	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa2	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Ba1	BBB	BBB-
Preference Stock	Ba1	BBB	BBB-
Outlook	STABLE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	STABLE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	STABLE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	STABLE	POSITIVE

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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options. This economic activity is deferred and included in earnings over the delivery period that was hedged. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR energy supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition by PPL Corporation of E.ON U.S., LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

2010 Citi Power, Gas, Coal and Alternative Energy Conference

June 7-8, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Combination Creates Significant Value

- Transformative transaction that rebalances business mix
- Consistent with our stated strategy to grow regulated earnings
- Creates a stronger, more diversified enterprise with increased earnings visibility
- Strengthens solid investment grade credit profile
- Enhances regulated growth opportunities
- Retains significant upside to power market recovery through PPL's existing competitive generation fleet

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A Compelling Opportunity

- Best-in-class utility franchises with progressive regulation
- Very strong management team; strong track record of execution
- Significant rate base growth profile with high degree of near-term visibility
- Lowest rates in the region
- Track record of timely regulatory approvals
- Attractive valuation:
  - Purchase price of $7.625 billion includes approximately $450 million of tax attributes
  - Value net of tax attributes is $7.175 billion
  - Implied multiples are well within the range of where fully-regulated peers are valued
  - Not dependent upon synergies

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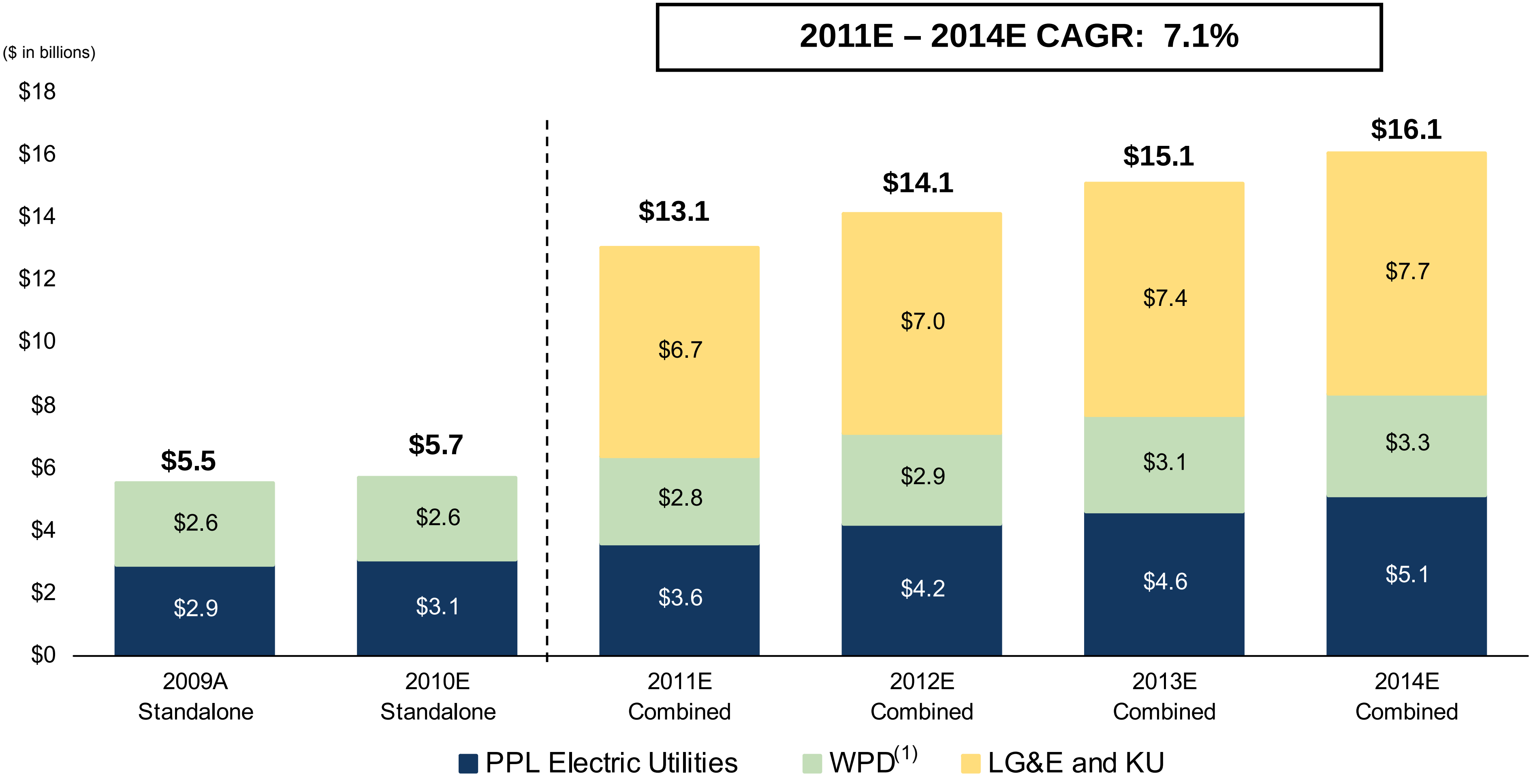
Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

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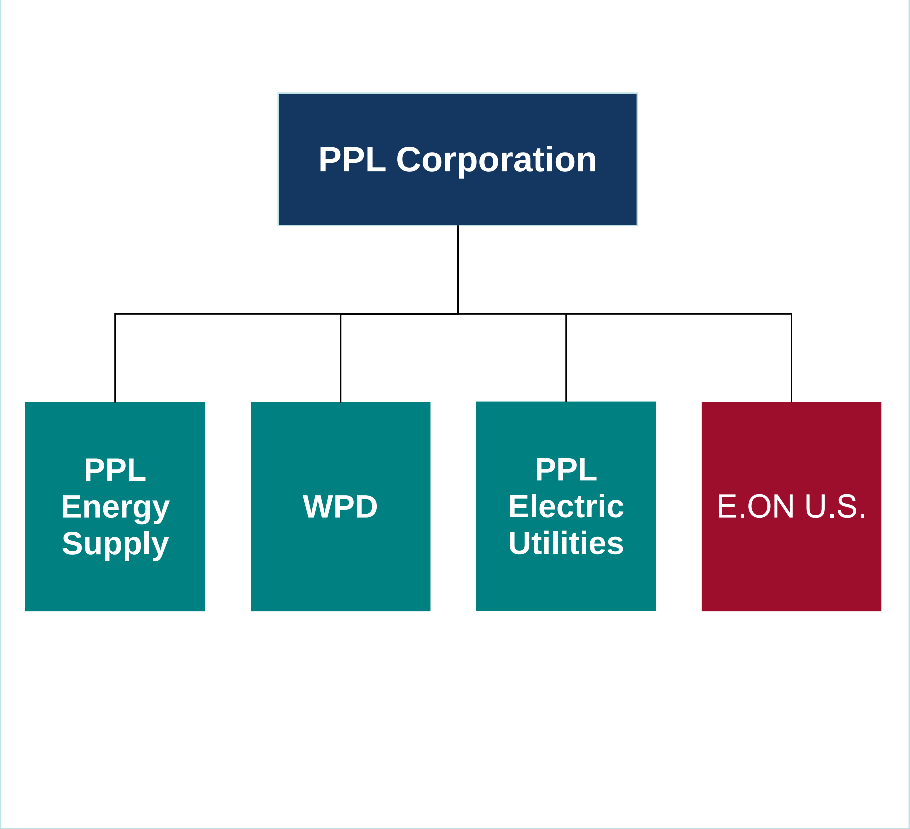
Strengthened Utility Platform

($ in billions)

	PPL	E.ON U.S.	Combined
Enterprise value[(1)]	$17.8	$7.6	$25.4
Rate base (2010E)	$5.7	$6.4[(2)]	$12.1
Total assets[(3)]	$22.2	$8.5	$30.7
Utility customers (m)	4.0	1.2	5.2
Competitive generation capacity (MW)	11,695	–	11,695
Regulated generation capacity (MW)[(4)]	–	8,077	8,077
Number of employees	10,489	3,127	13,616

(1) Based on PPL stock price as of 4/27/2010.
(2) Represents utility capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.
(3) As of 12/31/2009.
(4) Capacity pro forma for completion of Trimble County 2.

Pro Forma Structure



PPL Corporation

PPL Energy Supply

WPD

PPL Electric Utilities

E.ON U.S.

Overview

Transaction	▪ Acquisition of E.ON U.S., parent company of Louisville Gas & Electric and Kentucky Utilities ▪ $7.625 billion purchase price including approximately $450 million of present value associated with tax benefits ▪ $7.175 billion enterprise value for E.ON U.S.
Consideration	▪ Cash: $6.7 billion ▪ Assumption of utility tax-exempt debt: $925 million
Financing	▪ Committed bridge financing for cash portion of purchase price ▪ Permanent financing to include debt, equity and high-equity-content securities, and cash on hand
Pro Forma Profile	▪ PPL expects to maintain its existing dividend ▪ Strengthens credit position while maintaining investment-grade ratings ▪ Modestly dilutive in first full year, moving to earnings accretion by 2013
Regulatory Approvals	▪ State commissions: Kentucky, Virginia and Tennessee ▪ Federal: FERC (Federal Power Act), DOJ (HSR)
Estimated Closing	▪ Year-end 2010

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Transaction Financing

Committed Acquisition Facility

- $6.5 billion committed bridge facility from Bank of America Merrill Lynch and Credit Suisse
- Financing term extends beyond the expected timing of regulatory approvals

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Permanent Financing

Balanced combination of financing sources

- Assumption of $925 million tax-exempt utility debt
- $800 million unsecured corporate debt and $2.1 billion first mortgage bonds at LG&E and KU
- $250 - $750 million cash on hand
- $750 million - $1.0 billion high-equity-content securities
- $2.2 - $2.6 billion common stock
- May fund certain amounts prior to closing depending on market conditions
- Would consider potential sale of certain non-core assets

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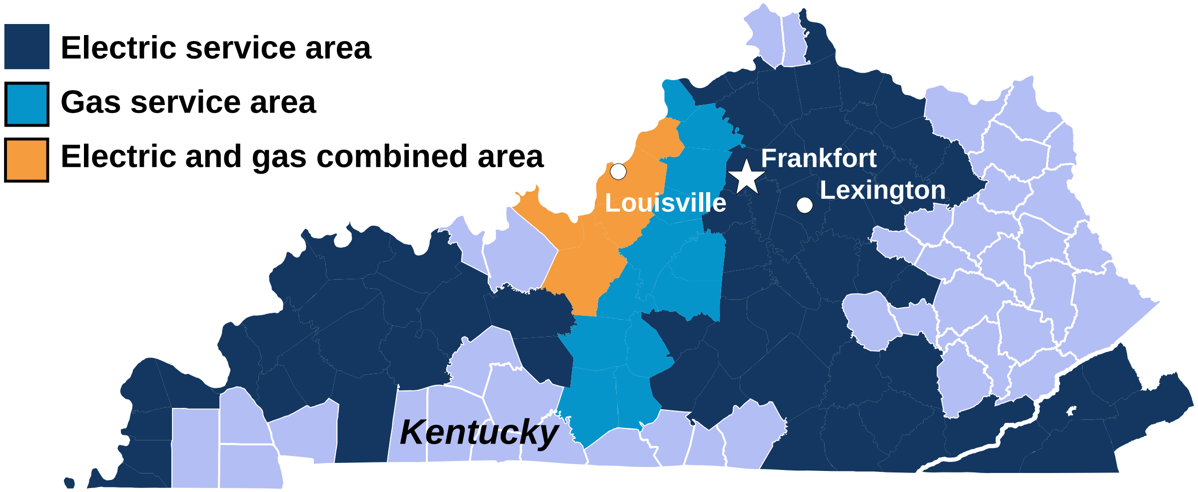
E.ON U.S. Overview



- Vertically integrated utilities serving 2/3 of counties in Kentucky
- Small customer base in Virginia and Tennessee
- Fuel, purchased power, gas supply and environmental cost pass-through
- No material non-regulated assets or operations
- ~8,100 MW of regulated generation

E.ON U.S.

Louisville Gas & Electric

- Serves Louisville, KY and 16 surrounding counties
- 396,000 electric customers
- 321,000 gas customers
- $2.34 billion rate base ($487 million of which is gas)(1)
- 2009 revenue of $1.28 billion(2)

Kentucky Utilities

- Based in Lexington, KY
- Serving 77 counties in KY and five in VA
- 515,000 electric customers in Kentucky
- 30,000 electric customers in Virginia
- $3.55 billion rate base(1)
- 2009 revenue of $1.36 billion(2)

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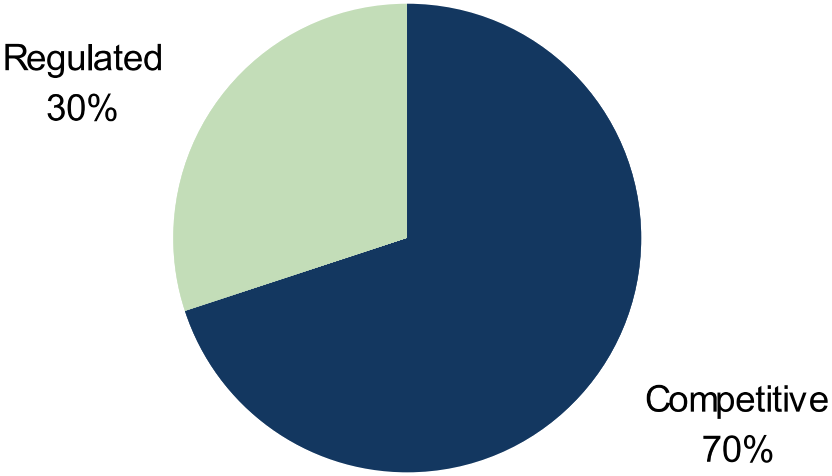
(1) Figures per January 2010 KU and LG&E rate case filings (test year ending 10/31/09).
(2) Figures per KU and LG&E 2009 FERC Form 1 filings.

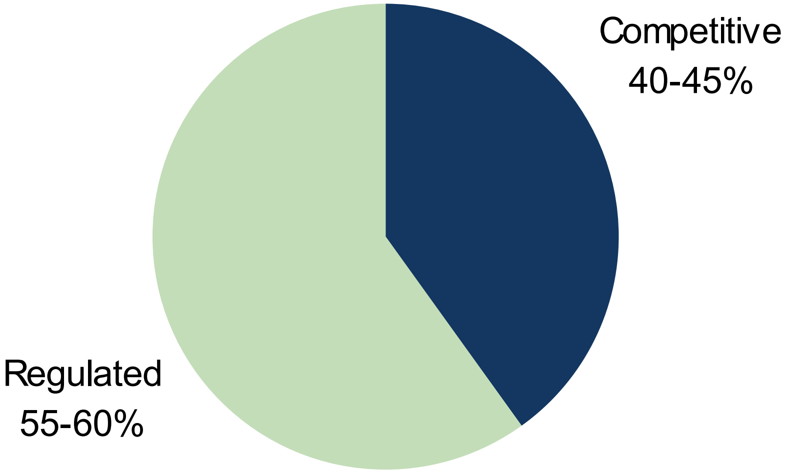
Significantly and Immediately Rebalances Business Mix

EBITDA

2010E Standalone(1)



2011E Combined



(1) Based on mid-point of 2010 forecast.

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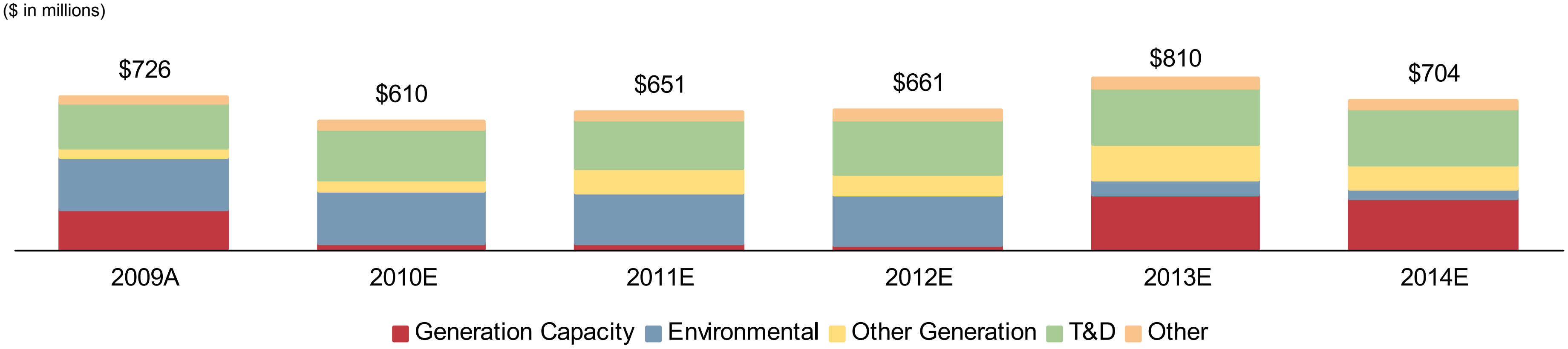
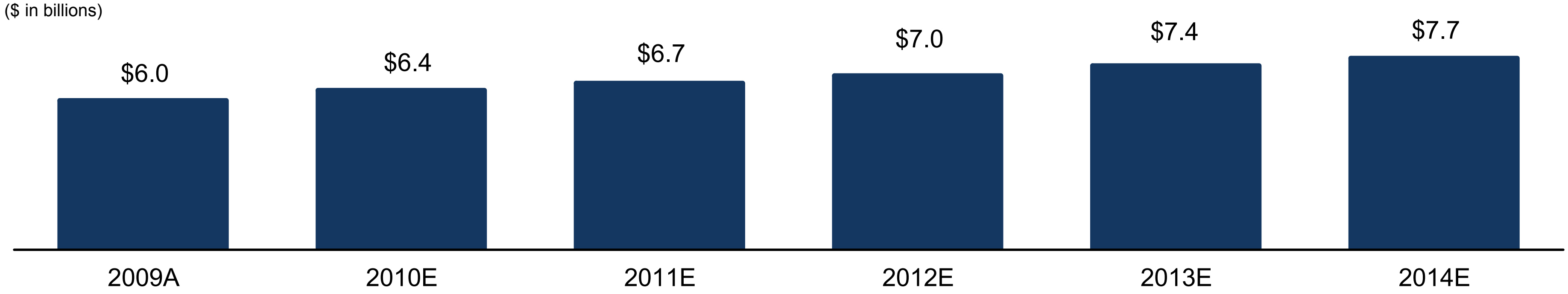
Strong Regulated Growth Profile

Capital expenditures



Capitalization[1]



(1) LG&E and KU rate constructs are based on capitalization.

Significant rate base growth opportunity driven by balanced capital expenditures with realized ROEs ranging from 10-12% historically

Pending Rate Cases

- On January 29, 2010, LG&E and KU filed applications with the KPSC requesting annual increases in base electric and gas rates
  - Total request of $253 million
  - Includes 11.5% requested ROE, 53% Equity
  - Majority of request associated with investment and storm cost regulatory assets previously approved by the KPSC
  - Requested increases are based on an historic test year ended October 31, 2009
- Procedural schedule issued and well underway
  - Discovery phase nearing completion
  - Company rebuttal testimony due May 28, 2010
  - Public hearing scheduled for June 8, 2010
  - Rate increases suspended until August 1, 2010

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Progressive and Constructive Regulation

Kentucky Rate Mechanisms:

Environmental Cost Recovery (“ECR”)

- Recovery of and return on environmental investment required as a result of coal combustion reflected in bill two months after incurred

Construction Work In Progress (“CWIP”)

- History of including CWIP in ECR and base rates

Fuel Adjustment Clause (“FAC”)

- Variations in fuel costs and economic power purchases are reflected monthly in rates charged to electric customers two months after incurred

Gas Supply Clause Adjustment (“GSC”)

- Cost of natural gas supply for LG&E Gas reflected in rates reset quarterly with mechanisms to balance to actual costs and provide utility performance-based incentive

Demand Side Management (“DSM”)

- Concurrent recovery of DSM costs including lost revenue

Supportive and progressive regulation combined with competitive customer rates

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Transaction Timeline

- **State regulatory approvals**
  - Kentucky PSC: 120-day statutory review period
  - Virginia State Corporation Commission and Tennessee Regulatory Authority expected to follow a similar timeline
- **Other regulatory approvals include FERC (Federal Power Act) and HSR**

Transaction	Announced	Filed with KPSC	KPSC Approval
E.ON / PowerGen	April 2001	May 2001	September 2001
PowerGen / LG&E	February 2000	March 2000	May 2000
LG&E / KU	May 1997	June 1997	September 1997

KPSC has historically approved similar transactions in relatively short timeframes

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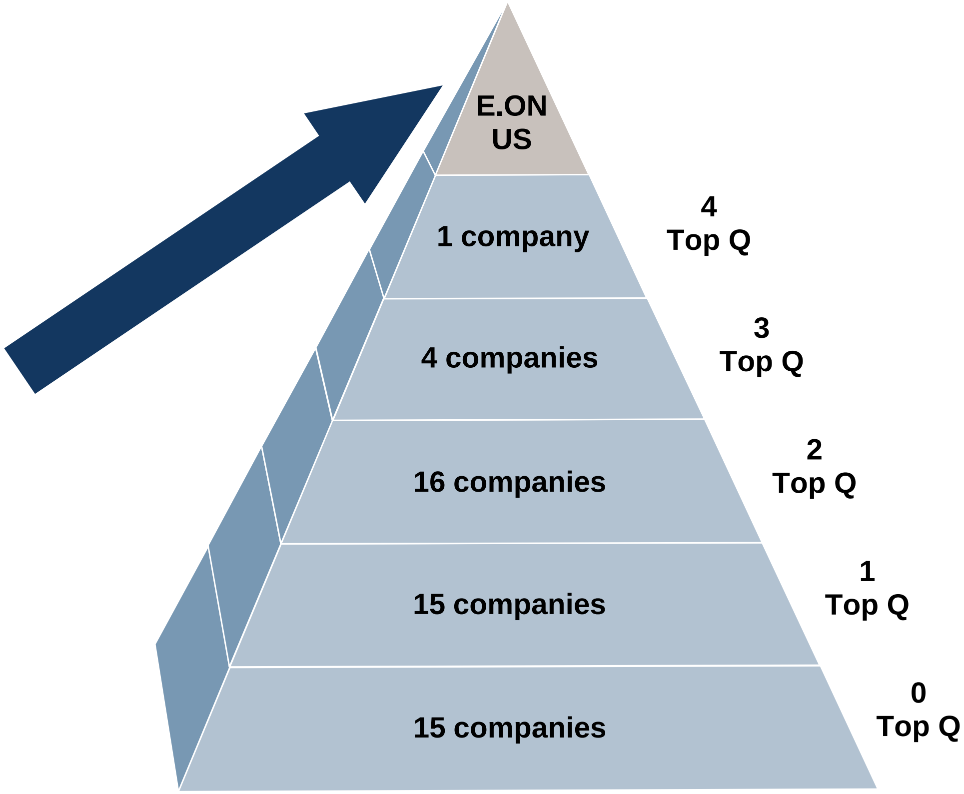
Top Quartile Cost Performance

Cost area	Metric	Performance	Ranking
Generation	Non-fuel O&M / MWh of production	$4.78	4th – top decile
Transmission	Cash cost / transmission mile	$10,702	6th – top decile
Distribution	Cash cost / customer	$189(1)	16th – top quartile
Retail	O&M cost / customer	$41.51	11th – second decile
Corporate A&G	A&G cost / MWh of sales	$3.23(2)	7th – top decile

(1) E.ON US cost adjusted upward to include CWIP changes over the five-year period.
(2) E.ON US cost adjusted upward to include $80 million of Value Delivery Team amortization costs over the five-year period.



Source: FERC Form 1, E.ON US Corporate Development Analysis.
Note: The Triangle = 52 US electric holding company's averages for 2004–2008 (only includes companies competing in all 5 segments).

Only utility with top quartile cost performance in five major cost areas over the 2004–2008 period

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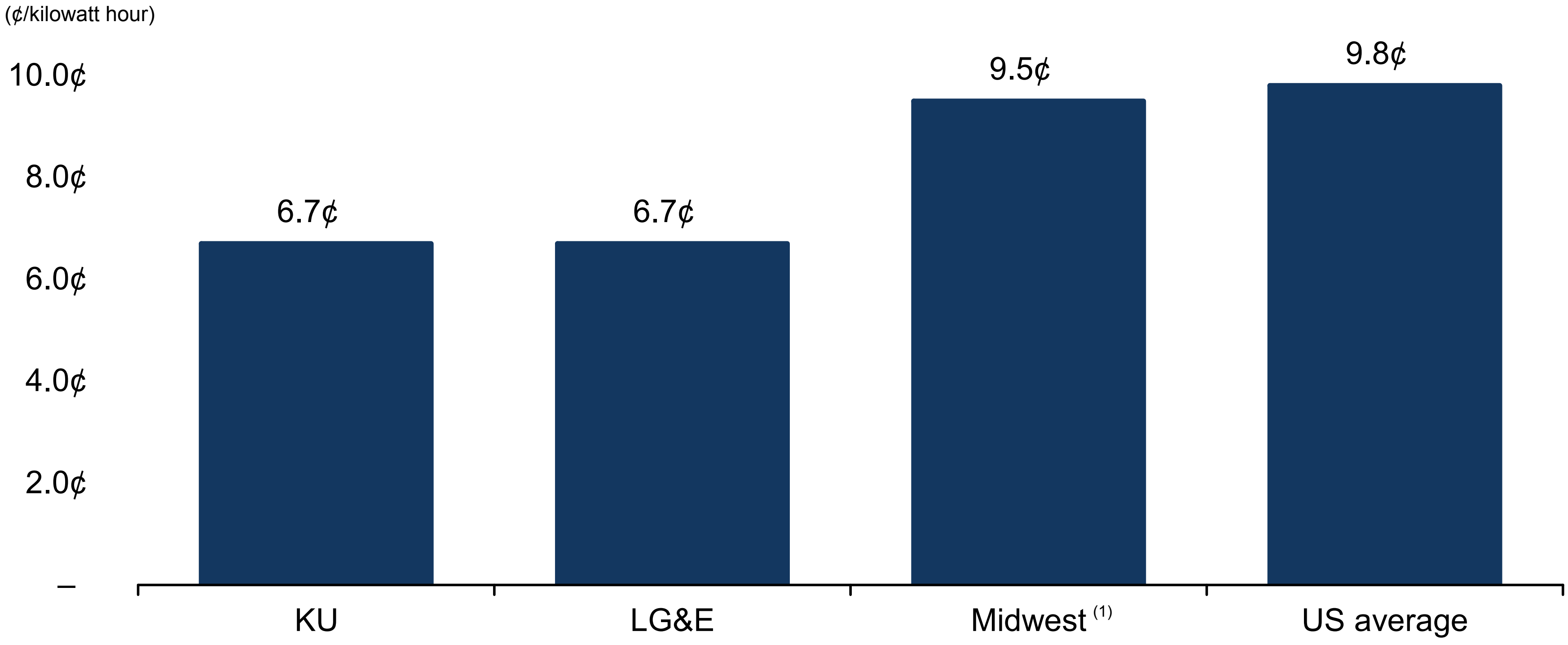
Competitive Rates

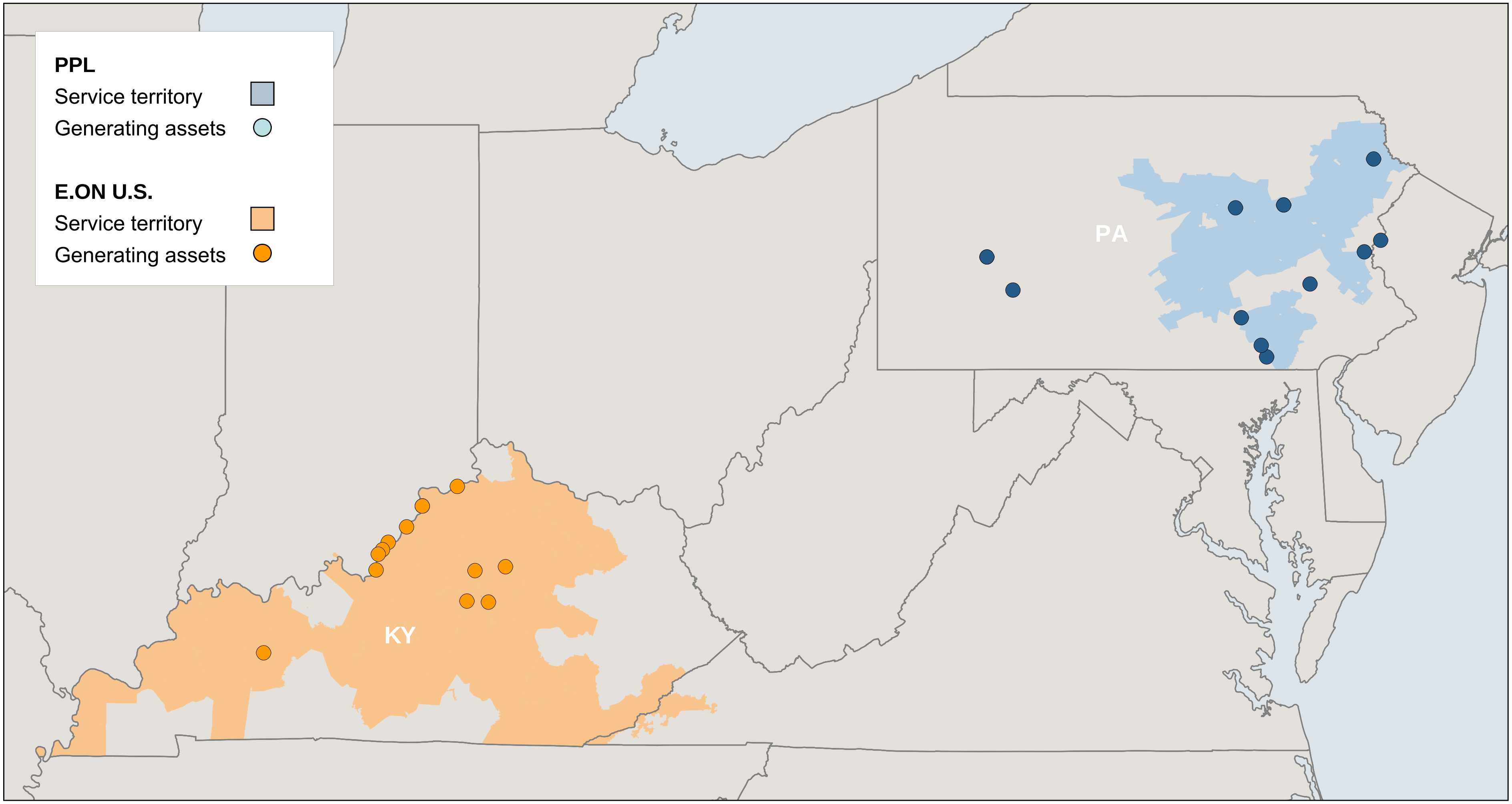
2009 electric retail rate comparison



	KU	LG&E	Midwest (1)	US average
Residential:	7.26	7.56	11.44	11.72
Commercial:	7.12	6.99	9.90	10.03
Industrial:	5.61	5.18	6.56	6.63

Source: Edison Electric Institute, typical bills and average rates report, winter 2010 (covers January 2009 through December 2009).
Note: The EEI report surveys approximately 90 electric utilities in the US.
(1) 'Midwest' definition is the Reliability First Corporation area, which includes DE, IL, IN, KY, MD, MI, NJ, OH, PA WI, and WV.

Combined Utility Platform



Note: Represents only PPL Electric Utilities service territory and generation in PA.

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Best-in-Class Utility Operations

PPL Electric Utilities

- J.D. Power study of business customer satisfaction among Eastern U.S. utilities
  - Ranked 1st 8 times in the past 11 years
  - Total of 16 awards, more than any other electric utility in the country
- J.D. Power study of residential customer satisfaction among Eastern U.S. utilities
  - Earned top honor 8 times
- Field sites certified as Star sites under the OSHA Voluntary Protection Program

WESTERN POWER DISTRIBUTION

- UK Customer Excellence Award (18 consecutive years)
- 4 years with no customer complaints to regulator
- Best reliability among 14 distribution companies
- Maximum performance bonuses for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $240 mm revenue bonus in most recent five-year rate review period for operational performance

KU LG&E

- J.D. Power study of residential customer satisfaction among Midwest U.S. utilities
  - Ranked 1st 7 times in the past 10 years
- KU received highest ranking in JD Power's 2010 electric utility business customer satisfaction study
- Winner of prestigious EEI Emergency Recovery Award for outstanding service restoration during January 2009 ice storm

An unparalleled commitment to customer service, reliability and safety

Market Prices

	Actual	Forward(1)		
	2009	Apr-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$45	$49	$52
Off-Peak	$31	$32	$36	$36
ATC(2)	$38	$38	$42	$43
Mid-Columbia				
On-Peak	$36	$41	$44	$48
Off-Peak	$29	$33	$36	$39
ATC(2)	$33	$37	$40	$44
GAS(3)				
NYMEX	$3.92	$4.27	$5.34	$5.79
TZ6NNY	$4.63	$4.68	$5.89	$6.33
PJM MARKET				
HEAT RATE(4)	9.5	9.5	8.4	8.1
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	88.7%	91.8%

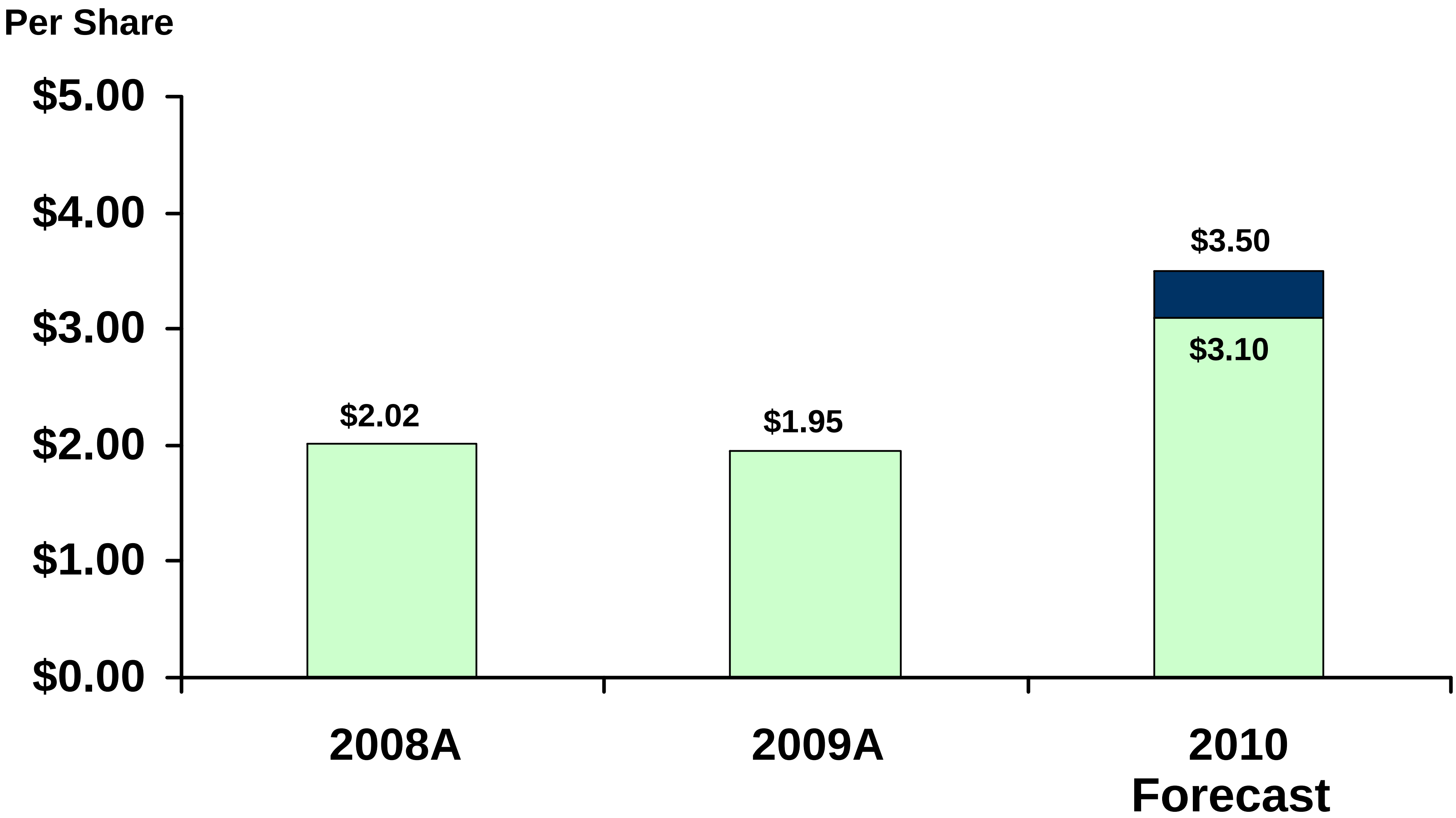
(1) Market prices based on the average of broker quotes as of 3/31/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 3/31/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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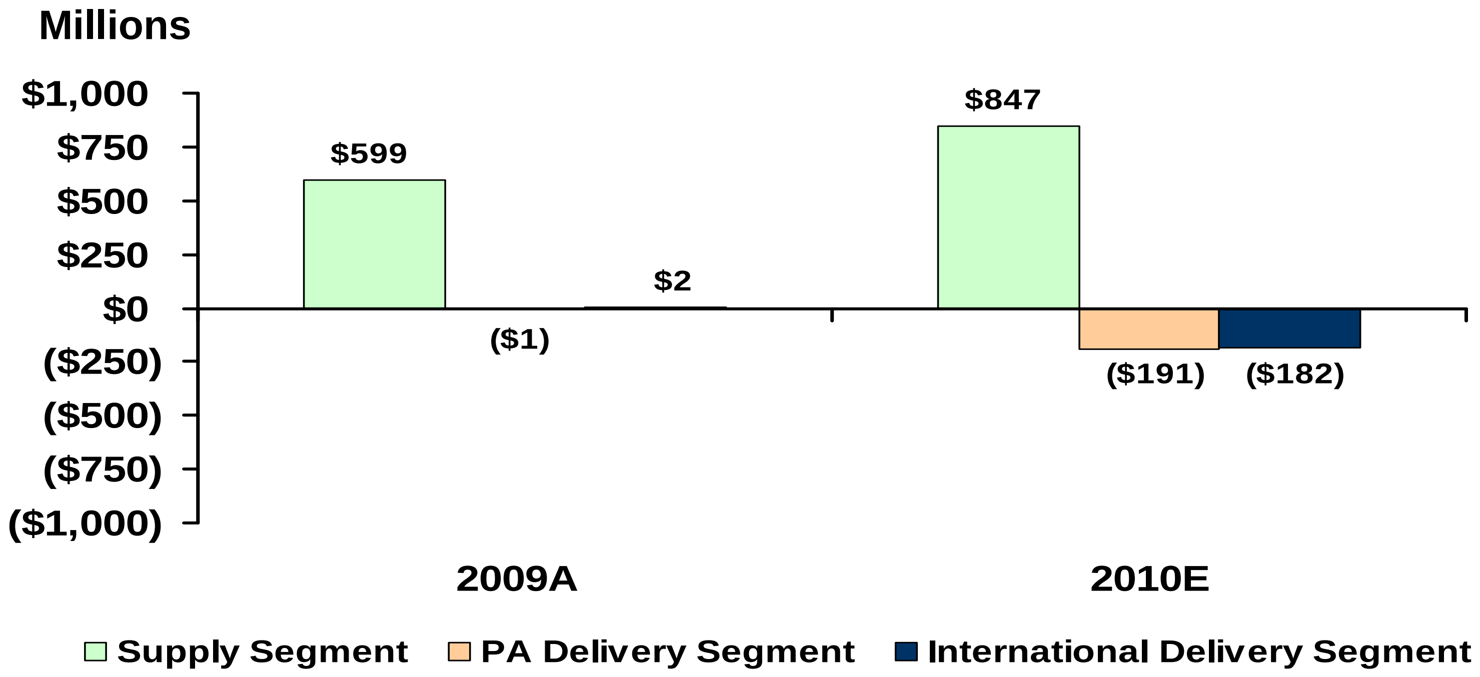
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**52.0**	**52.1**	**56.1**
East	43.3	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**100%**	**96%**	**61%**
East	100%	97%	58%
West	100%	91%	79%
Average Hedged Price (Energy Only) ($/MWh)	**$58**	**$57**	**$59**
East	$59	$58	$60
West	$49	$55	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$65**	**$66**
East**	$71	$67	$69
West	$49	$55	$56
% Hedged Through Swaps/Options Energy Transactions	97%	95%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**4.8**	**5.0**	**5.1**
Current Hedges (%)	**20%**	**0%**	**0%**

As of March 31, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	91%	78%
West	100%	100%	91%
Total	**99%**	**93%**	**81%**

Eastern Coal Contracts [1]

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	29%	$53	20%	$65
% Collars	0%	N/A	68%	$45-$52	80%	$44-$52
% Diesel Surcharge	7%	$44	4%	$45	0%	N/A

Note: As of March 31, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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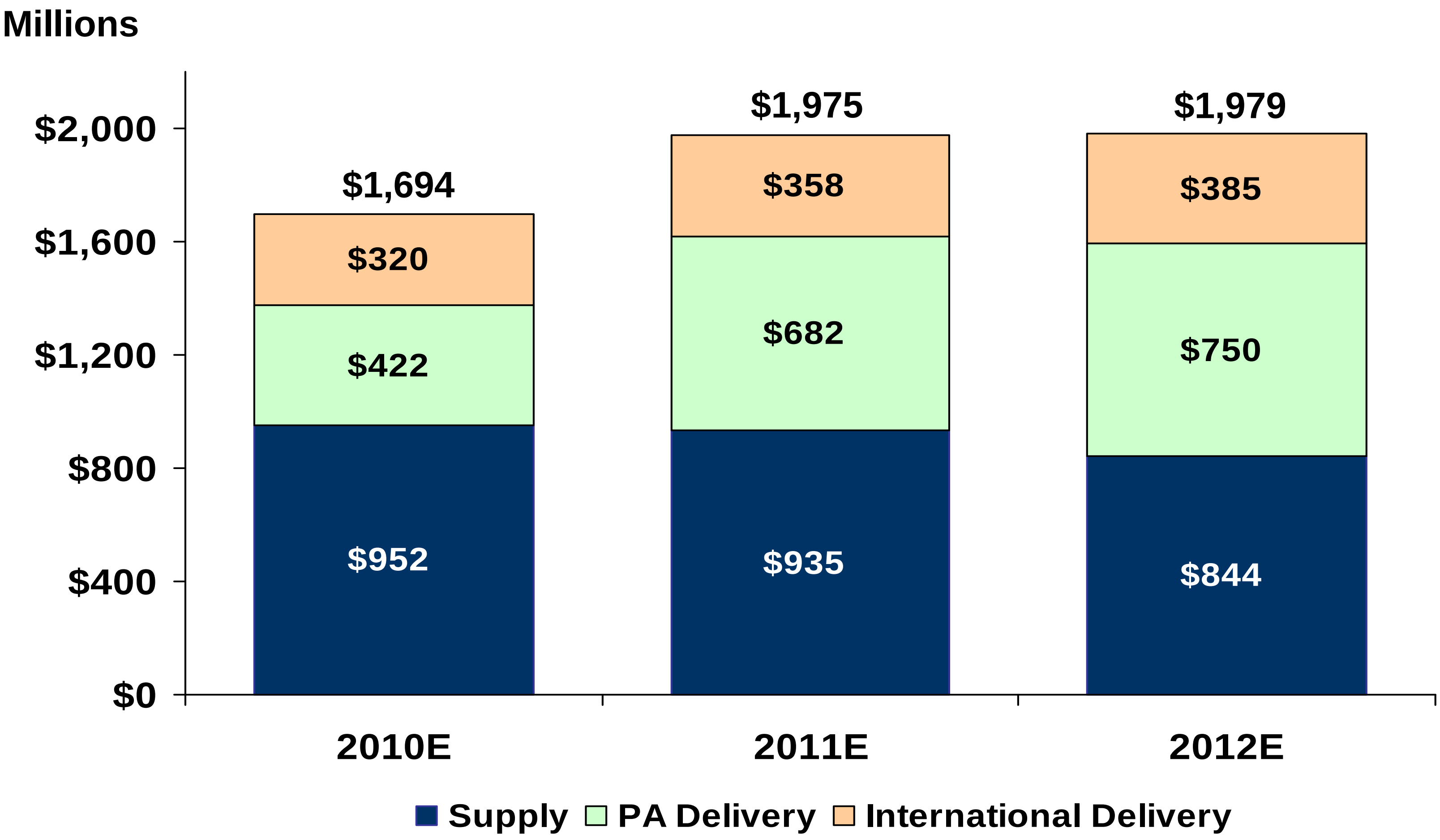
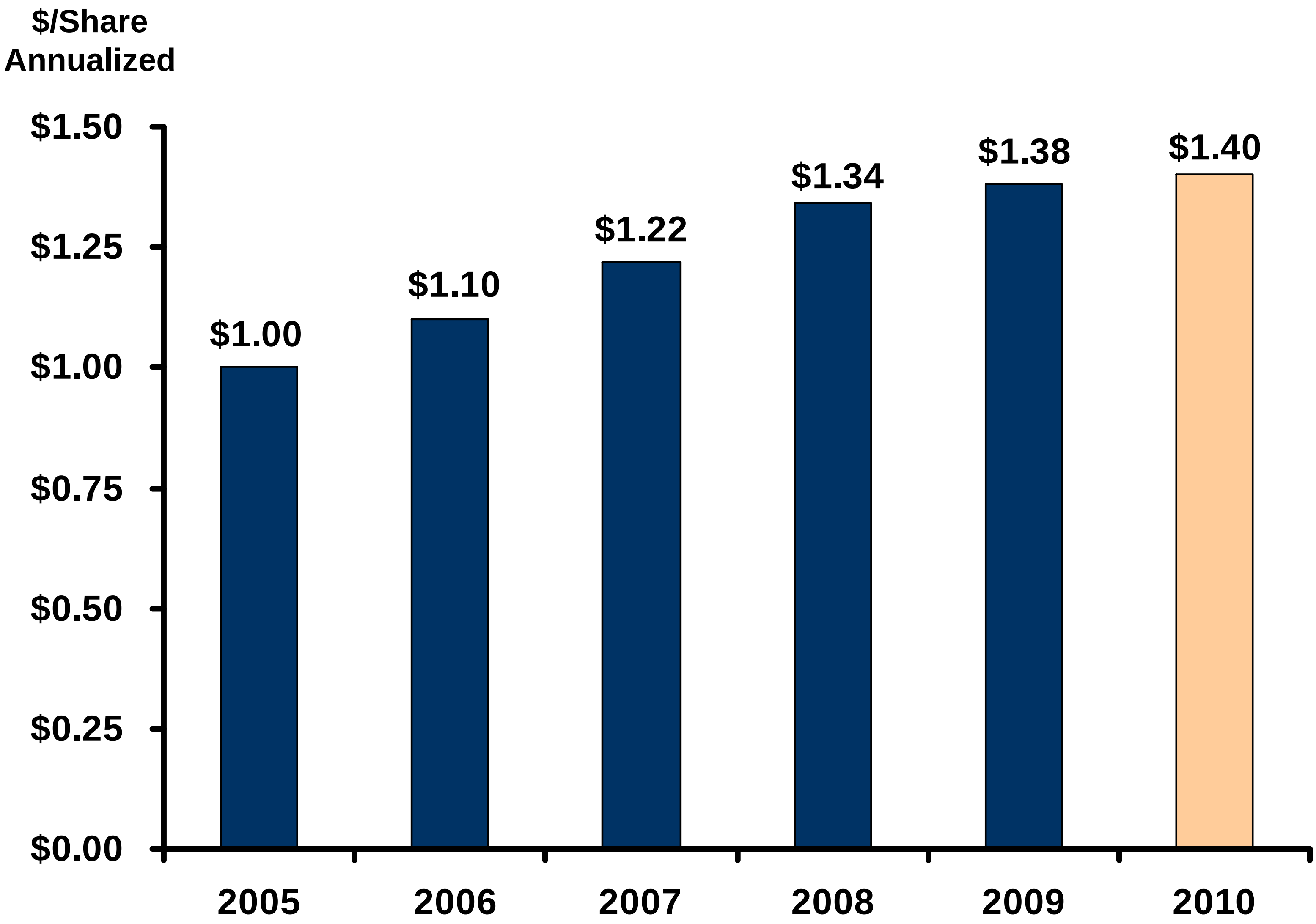
Capital Expenditures by Segment



Dividend Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$1,310	$1,663
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Asset Sales (1) (2)	84	151
Other Investing Activities - net	(75)	(15)
Free Cash Flow before Dividends	$599	$847

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

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PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	Projected 2010
Cash from Operations	$294	$230
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(422)
Asset Sales & Other	3	1
Free Cash Flow before Dividends	($1)	($191)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	 Projected 2010
Cash from Operations	$248	$138
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities - net	1	
Free Cash Flow before Dividends	$2	($182)

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual	
	High	Low		
	2010	2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02
Special Items:				
Energy-related economic activity	(0.16)	(0.16)	(0.59)	0.67
Sales of assets			(0.11)	(0.01)
Impairments	(0.01)	(0.01)	(0.06)	(0.16)
Workforce reductions			(0.03)	
Other:				
Montana hydroelectric litigation	(0.09)	(0.09)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.28)	(0.28)	(0.87)	0.45
Reported Earnings per share of common stock	$3.22	$2.82	$1.08	$2.47

Note: Per share amounts are based on diluted shares outstanding.

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Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa3	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa3	BBB-	BBB
Subordinated Debt	Ba1	BB+	BB+
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Electric Utilities			
Issuer Rating	Baa2	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa2	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Ba1	BBB	BBB-
Preference Stock	Ba1	BBB	BBB-
Outlook	STABLE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security

(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	STABLE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	STABLE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	STABLE	POSITIVE

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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management’s view of PPL’s fundamental earnings performance as another criterion in making their investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL’s generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options. This economic activity is deferred and included in earnings over the delivery period that was hedged. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR energy supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition by PPL Corporation of E.ON U.S., LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

EEI Finance Committee Meeting

June 23, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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Combination Creates Significant Value

- Transformative transaction that rebalances business mix
- Consistent with our stated strategy to grow regulated earnings
- Creates a stronger, more diversified enterprise with increased earnings visibility
- Strengthens solid investment grade credit profile
- Enhances regulated growth opportunities
- Retains significant upside to power market recovery through PPL's existing competitive generation fleet

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A Compelling Opportunity

- Best-in-class utility franchises with progressive regulation
- Very strong management team; strong track record of execution
- Significant rate base growth profile with high degree of near-term visibility
- Lowest rates in the region
- Track record of timely regulatory approvals
- Attractive valuation:
  - Purchase price of $7.625 billion includes approximately $450 million of tax attributes
  - Value net of tax attributes is $7.175 billion
  - Implied multiples are well within the range of where fully-regulated peers are valued
  - Not dependent upon synergies

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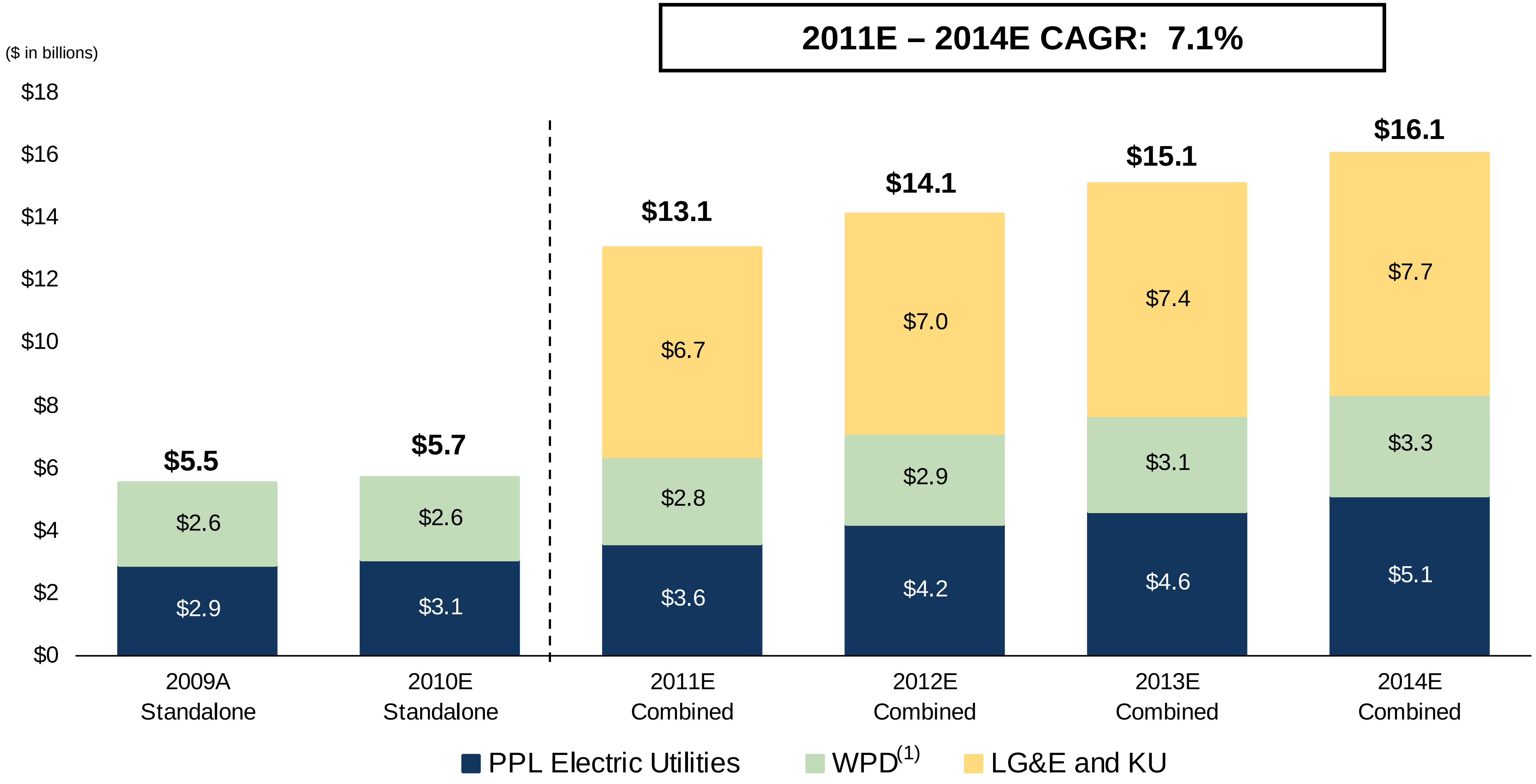
Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

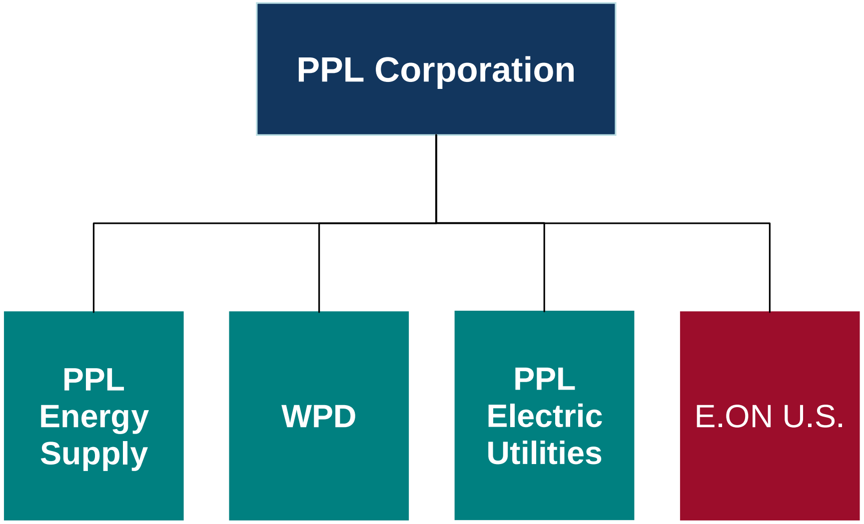
Strengthened Utility Platform

($ in billions)

	PPL	E.ON U.S.	Combined
Enterprise value[1]	$17.8	$7.6	$25.4
Rate base (2010E)	$5.7	$6.4[2]	$12.1
Total assets[3]	$22.2	$8.5	$30.7
Utility customers (m)	4.0	1.2	5.2
Competitive generation capacity (MW)	11,695	–	11,695
Regulated generation capacity (MW)[4]	–	8,077	8,077
Number of employees	10,489	3,127	13,616

(1) Based on PPL stock price as of 4/27/2010.
(2) Represents utility capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.
(3) As of 12/31/2009.
(4) Capacity pro forma for completion of Trimble County 2.

Pro Forma Structure



PPL Corporation

PPL Energy Supply

WPD

PPL Electric Utilities

E.ON U.S.

Overview

Transaction	▪ Acquisition of E.ON U.S., parent company of Louisville Gas & Electric and Kentucky Utilities ▪ $7.625 billion purchase price including approximately $450 million of present value associated with tax benefits ▪ $7.175 billion enterprise value for E.ON U.S.
Consideration	▪ Cash: $6.7 billion ▪ Assumption of utility tax-exempt debt: $925 million
Financing	▪ Committed bridge financing for cash portion of purchase price ▪ Permanent financing to include debt, equity and high-equity-content securities, and cash on hand
Pro Forma Profile	▪ PPL expects to maintain its existing dividend ▪ Strengthens credit position while maintaining investment-grade ratings ▪ Modestly dilutive in first full year, moving to earnings accretion by 2013
Regulatory Approvals	▪ State commissions: Kentucky, Virginia and Tennessee ▪ Federal: FERC (Federal Power Act), DOJ (HSR)
Estimated Closing	▪ Year-end 2010

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Transaction Financing

Committed Acquisition Facility

- $6.5 billion committed bridge facility from Bank of America Merrill Lynch and Credit Suisse
- Financing term extends beyond the expected timing of regulatory approvals

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Permanent Financing

Balanced combination of financing sources

- Assumption of $925 million tax-exempt utility debt
- $800 million unsecured corporate debt and $2.1 billion first mortgage bonds at LG&E and KU
- $250 - $750 million cash on hand
- $750 million - $1.0 billion high-equity-content securities
- $2.2 - $2.6 billion common stock
- May fund certain amounts prior to closing depending on market conditions
- Would consider potential sale of certain non-core assets

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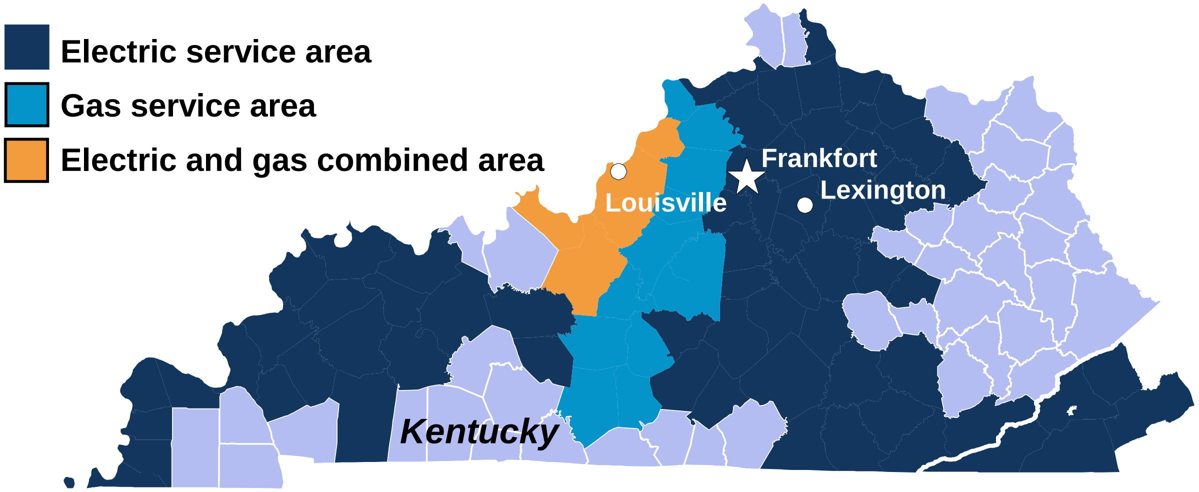
E.ON U.S. Overview



- Vertically integrated utilities serving 2/3 of counties in Kentucky
- Small customer base in Virginia and Tennessee
- Fuel, purchased power, gas supply and environmental cost pass-through
- No material non-regulated assets or operations
- ~8,100 MW of regulated generation

E.ON U.S.

Louisville Gas & Electric

- Serves Louisville, KY and 16 surrounding counties
- 396,000 electric customers
- 321,000 gas customers
- $2.34 billion rate base ($487 million of which is gas)(1)
- 2009 revenue of $1.28 billion(2)

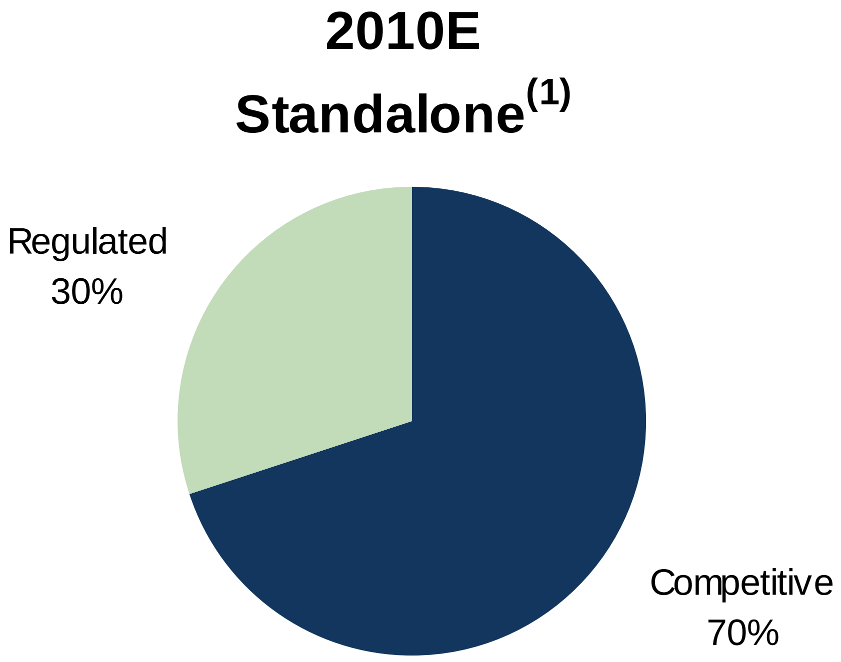
Kentucky Utilities

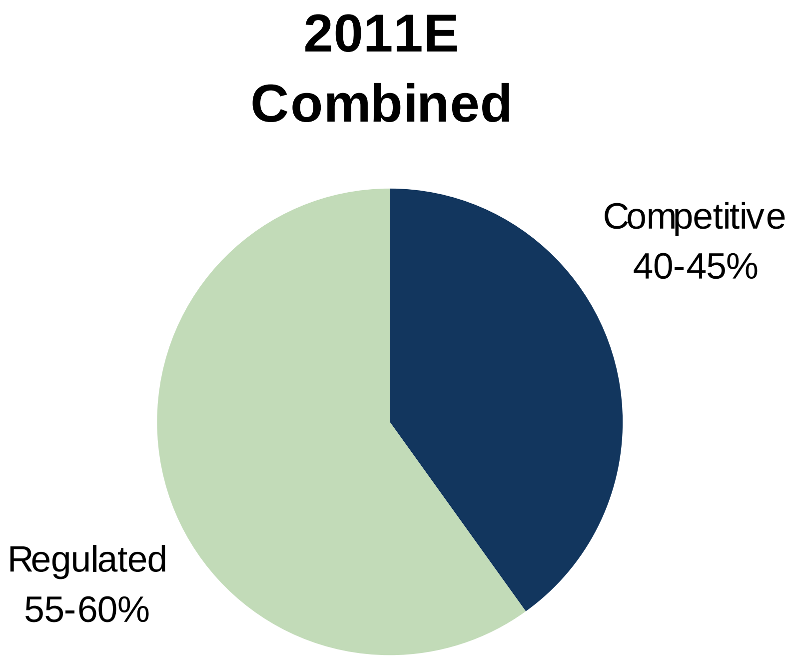
- Based in Lexington, KY
- Serving 77 counties in KY and five in VA
- 515,000 electric customers in Kentucky
- 30,000 electric customers in Virginia
- $3.55 billion rate base(1)
- 2009 revenue of $1.36 billion(2)

(1) Figures per January 2010 KU and LG&E rate case filings (test year ending 10/31/09).
(2) Figures per KU and LG&E 2009 FERC Form 1 filings.

Significantly and Immediately Rebalances Business Mix

EBITDA





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(1) Based on mid-point of 2010 forecast.

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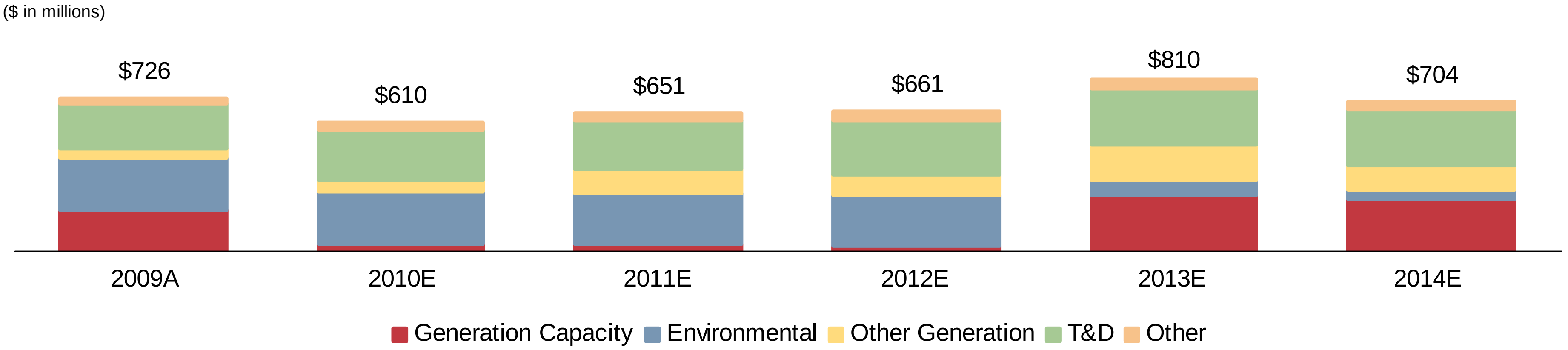
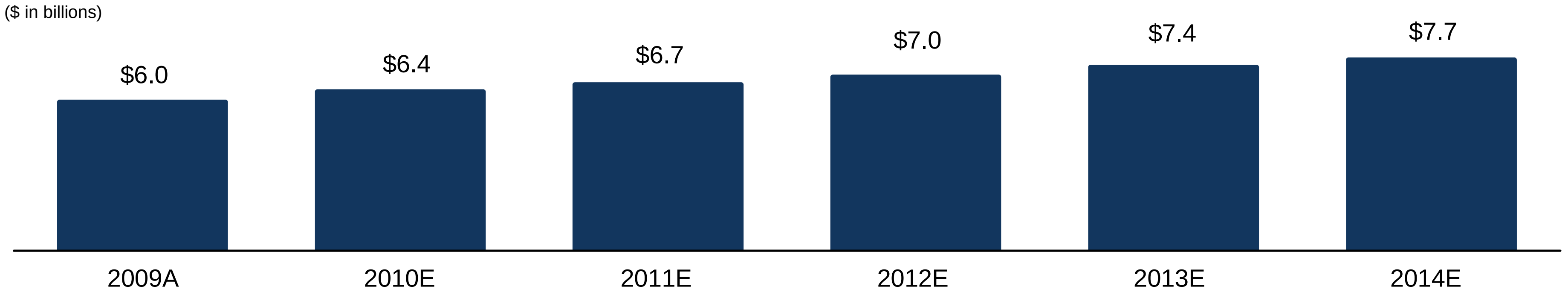
Strong Regulated Growth Profile

Capital expenditures



Capitalization(1)



(1) LG&E and KU rate constructs are based on capitalization.

Significant rate base growth opportunity driven by balanced capital expenditures with realized ROEs ranging from 10-12% historically

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Pending Rate Cases

- On January 29, 2010, LG&E and KU filed applications with the KPSC requesting annual increases in base electric and gas rates
  - Total request of $253 million
  - Includes 11.5% requested ROE, 53% Equity
  - Majority of request associated with investment and storm cost regulatory assets previously approved by the KPSC
  - Requested increases are based on an historic test year ended October 31, 2009
- Procedural schedule issued and well underway
  - Discovery phase nearing completion
  - Company rebuttal testimony due May 28, 2010
  - Public hearing scheduled for June 8, 2010
  - Rate increases suspended until August 1, 2010

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Progressive and Constructive Regulation

Kentucky Rate Mechanisms:

Environmental Cost Recovery (“ECR”)

- Recovery of and return on environmental investment required as a result of coal combustion reflected in bill two months after incurred

Construction Work In Progress (“CWIP”)

- History of including CWIP in ECR and base rates

Fuel Adjustment Clause (“FAC”)

- Variations in fuel costs and economic power purchases are reflected monthly in rates charged to electric customers two months after incurred

Gas Supply Clause Adjustment (“GSC”)

- Cost of natural gas supply for LG&E Gas reflected in rates reset quarterly with mechanisms to balance to actual costs and provide utility performance-based incentive

Demand Side Management (“DSM”)

- Concurrent recovery of DSM costs including lost revenue

Supportive and progressive regulation combined with competitive customer rates

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Transaction Timeline

- **State regulatory approvals**
  - Kentucky PSC: 120-day statutory review period
  - Virginia State Corporation Commission and Tennessee Regulatory Authority expected to follow a similar timeline
- **Other regulatory approvals include FERC (Federal Power Act) and HSR**

Transaction	Announced	Filed with KPSC	KPSC Approval
E.ON / PowerGen	April 2001	May 2001	September 2001
PowerGen / LG&E	February 2000	March 2000	May 2000
LG&E / KU	May 1997	June 1997	September 1997

KPSC has historically approved similar transactions in relatively short timeframes

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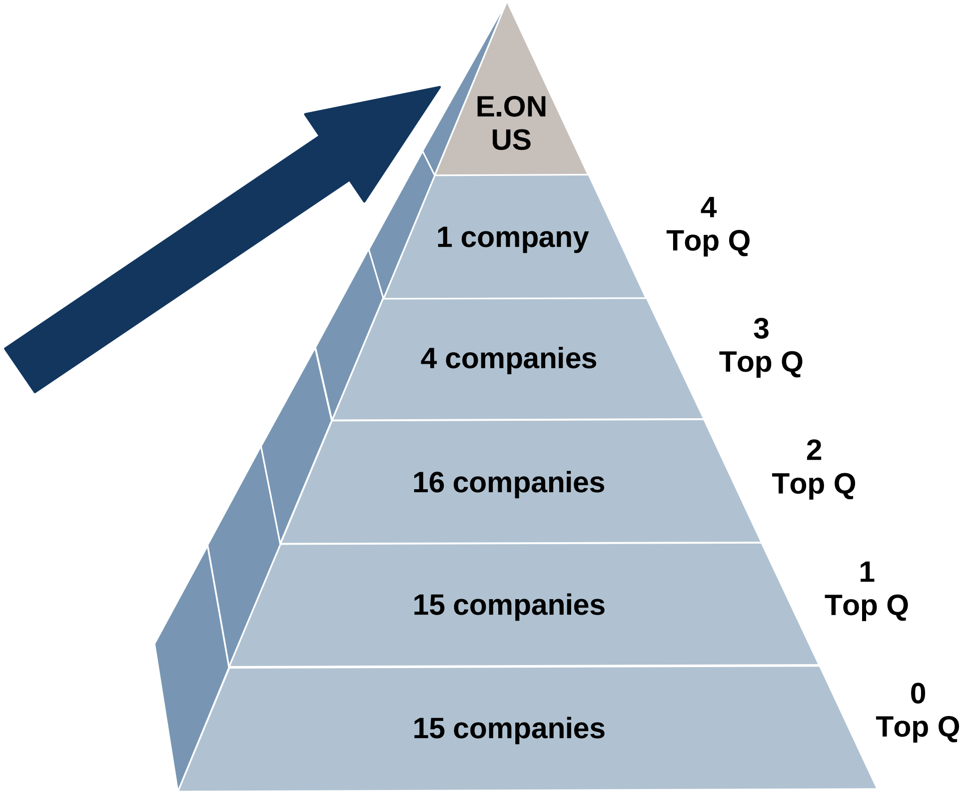
Top Quartile Cost Performance

Cost area	Metric	Performance	Ranking
Generation	Non-fuel O&M / MWh of production	$4.78	4th – top decile
Transmission	Cash cost / transmission mile	$10,702	6th – top decile
Distribution	Cash cost / customer	$189(1)	16th – top quartile
Retail	O&M cost / customer	$41.51	11th – second decile
Corporate A&G	A&G cost / MWh of sales	$3.23(2)	7th – top decile

(1) E.ON US cost adjusted upward to include CWIP changes over the five-year period.

(2) E.ON US cost adjusted upward to include $80 million of Value Delivery Team amortization costs over the five-year period.



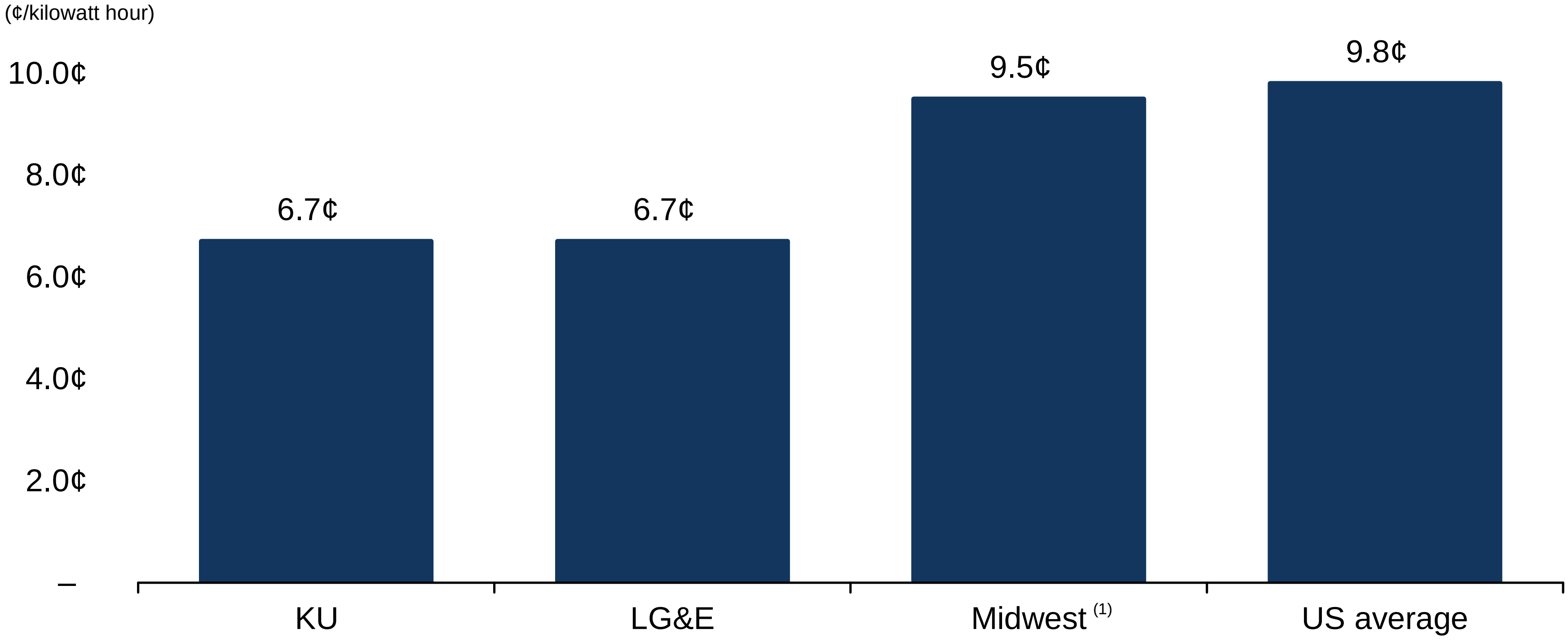
Source: FERC Form 1, E.ON US Corporate Development Analysis.

Note: The Triangle = 52 US electric holding company's averages for 2004–2008 (only includes companies competing in all 5 segments).

Only utility with top quartile cost performance in five major cost areas over the 2004–2008 period

Competitive Rates

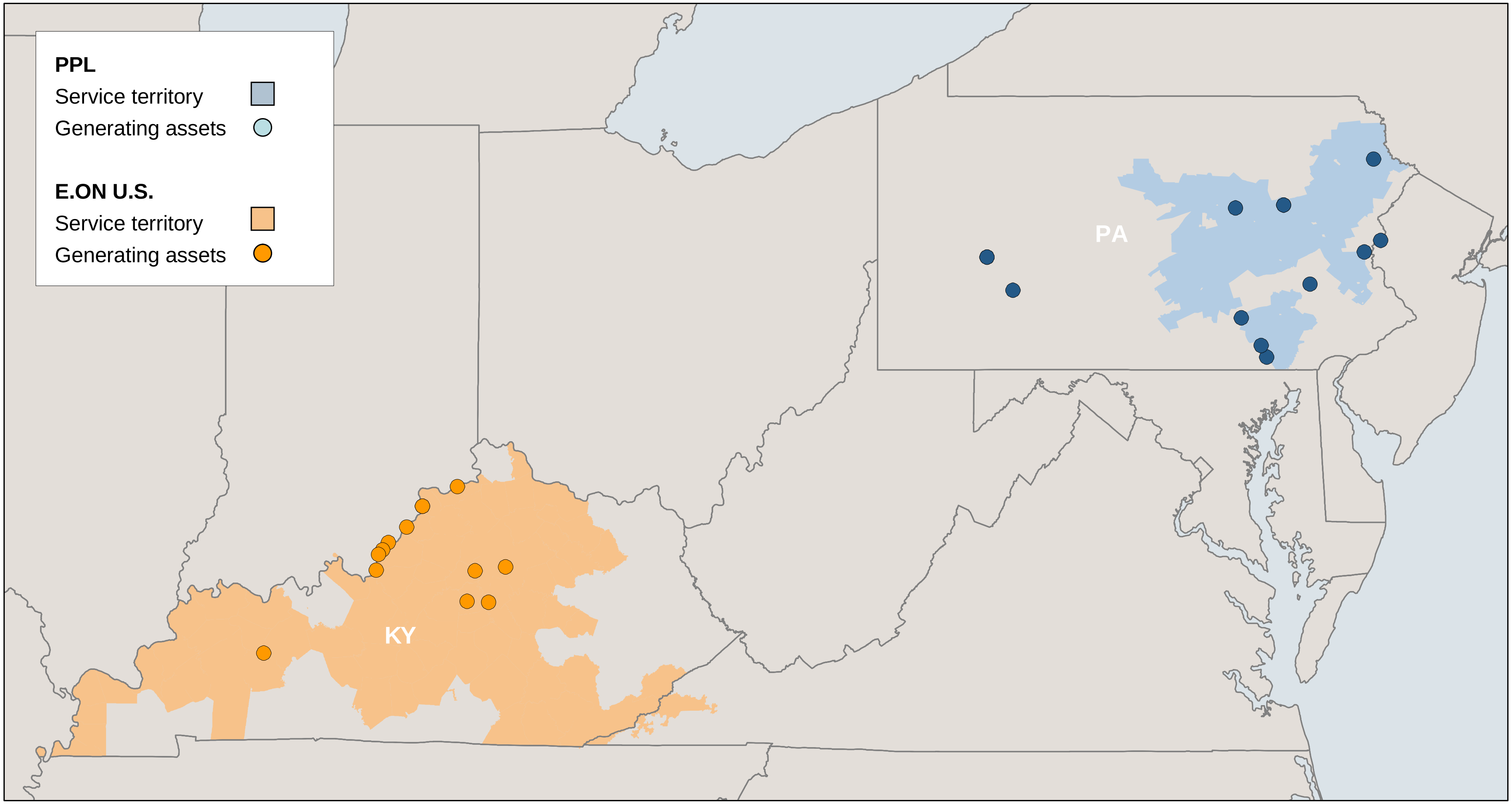
2009 electric retail rate comparison



	KU	LG&E	Midwest (1)	US average
Residential:	7.26	7.56	11.44	11.72
Commercial:	7.12	6.99	9.90	10.03
Industrial:	5.61	5.18	6.56	6.63

Source: Edison Electric Institute, typical bills and average rates report, winter 2010 (covers January 2009 through December 2009).
Note: The EEI report surveys approximately 90 electric utilities in the US.
(1) 'Midwest' definition is the Reliability First Corporation area, which includes DE, IL, IN, KY, MD, MI, NJ, OH, PA WI, and WV.

Combined Utility Platform



Note: Represents only PPL Electric Utilities service territory and generation in PA.

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Best-in-Class Utility Operations

PPL Electric Utilities

- J.D. Power study of business customer satisfaction among Eastern U.S. utilities
    - Ranked 1st 8 times in the past 11 years
    - Total of 16 awards, more than any other electric utility in the country
- J.D. Power study of residential customer satisfaction among Eastern U.S. utilities
    - Earned top honor 8 times
- Field sites certified as Star sites under the OSHA Voluntary Protection Program

WESTERN POWER DISTRIBUTION

- UK Customer Excellence Award (18 consecutive years)
- 4 years with no customer complaints to regulator
- Best reliability among 14 distribution companies
- Maximum performance bonuses for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $240 mm revenue bonus in most recent five-year rate review period for operational performance

KU LG&E

- J.D. Power study of residential customer satisfaction among Midwest U.S. utilities
    - Ranked 1st 7 times in the past 10 years
- KU received highest ranking in JD Power's 2010 electric utility business customer satisfaction study
- Winner of prestigious EEI Emergency Recovery Award for outstanding service restoration during January 2009 ice storm

An unparalleled commitment to customer service, reliability and safety

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Market Prices

	Actual	Forward(1)		
	2009	**Apr-Dec 2010**	**2011**	**2012**
ELECTRIC				
PJM				
On-Peak	$44	$45	$49	$52
Off-Peak	$31	$32	$36	$36
ATC(2)	$38	$38	$42	$43
Mid-Columbia				
On-Peak	$36	$41	$44	$48
Off-Peak	$29	$33	$36	$39
ATC(2)	$33	$37	$40	$44
GAS(3)				
NYMEX	$3.92	$4.27	$5.34	$5.79
TZ6NNY	$4.63	$4.68	$5.89	$6.33
PJM MARKET				
HEAT RATE(4)	9.5	9.5	8.4	8.1
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	88.7%	91.8%

(1) Market prices based on the average of broker quotes as of 3/31/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 3/31/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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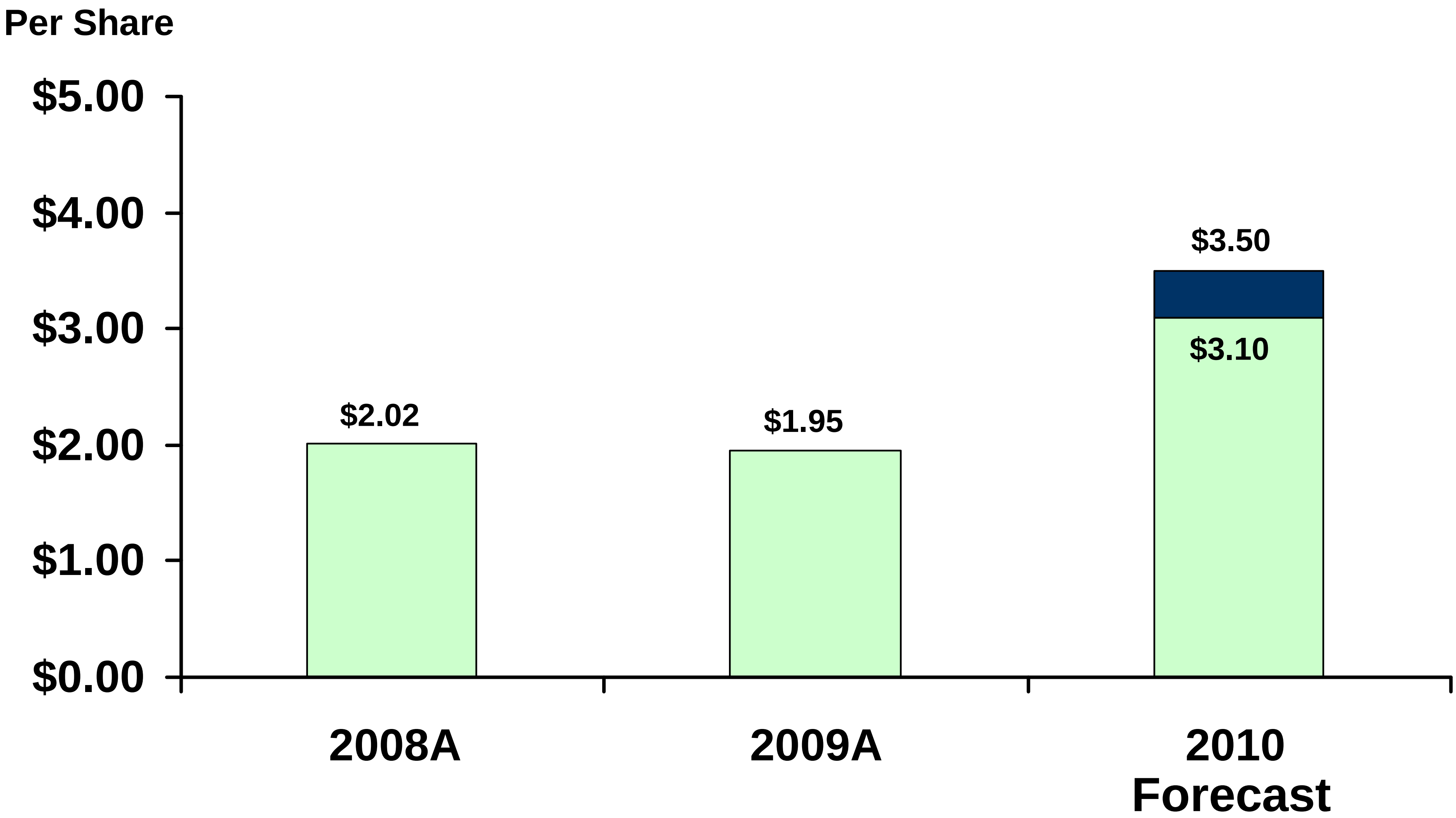
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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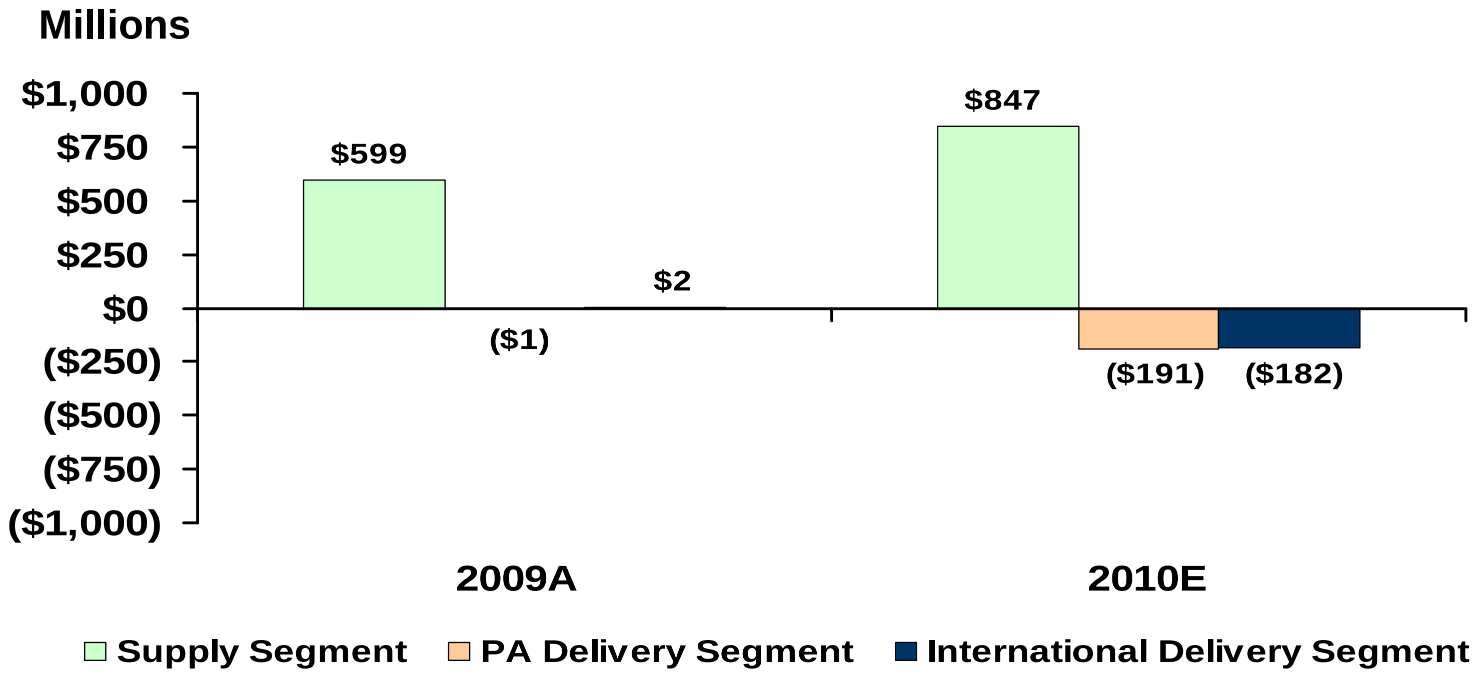
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**52.0**	**52.1**	**56.1**
East	43.3	43.8	47.6
West	8.7	8.3	8.5
Current Hedges (%)	**100%**	**96%**	**61%**
East	100%	97%	58%
West	100%	91%	79%
Average Hedged Price (Energy Only) ($/MWh)	**$58**	**$57**	**$59**
East	$59	$58	$60
West	$49	$55	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$65**	**$66**
East**	$71	$67	$69
West	$49	$55	$56
% Hedged Through Swaps/Options Energy Transactions	97%	95%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**4.8**	**5.0**	**5.1**
Current Hedges (%)	**20%**	**0%**	**0%**

As of March 31, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	99%	91%	78%
West	100%	100%	91%
Total	**99%**	**93%**	**81%**

Eastern Coal Contracts [(1)]

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	29%	$53	20%	$65
% Collars	0%	N/A	68%	$45-$52	80%	$44-$52
% Diesel Surcharge	7%	$44	4%	$45	0%	N/A

Note: As of March 31, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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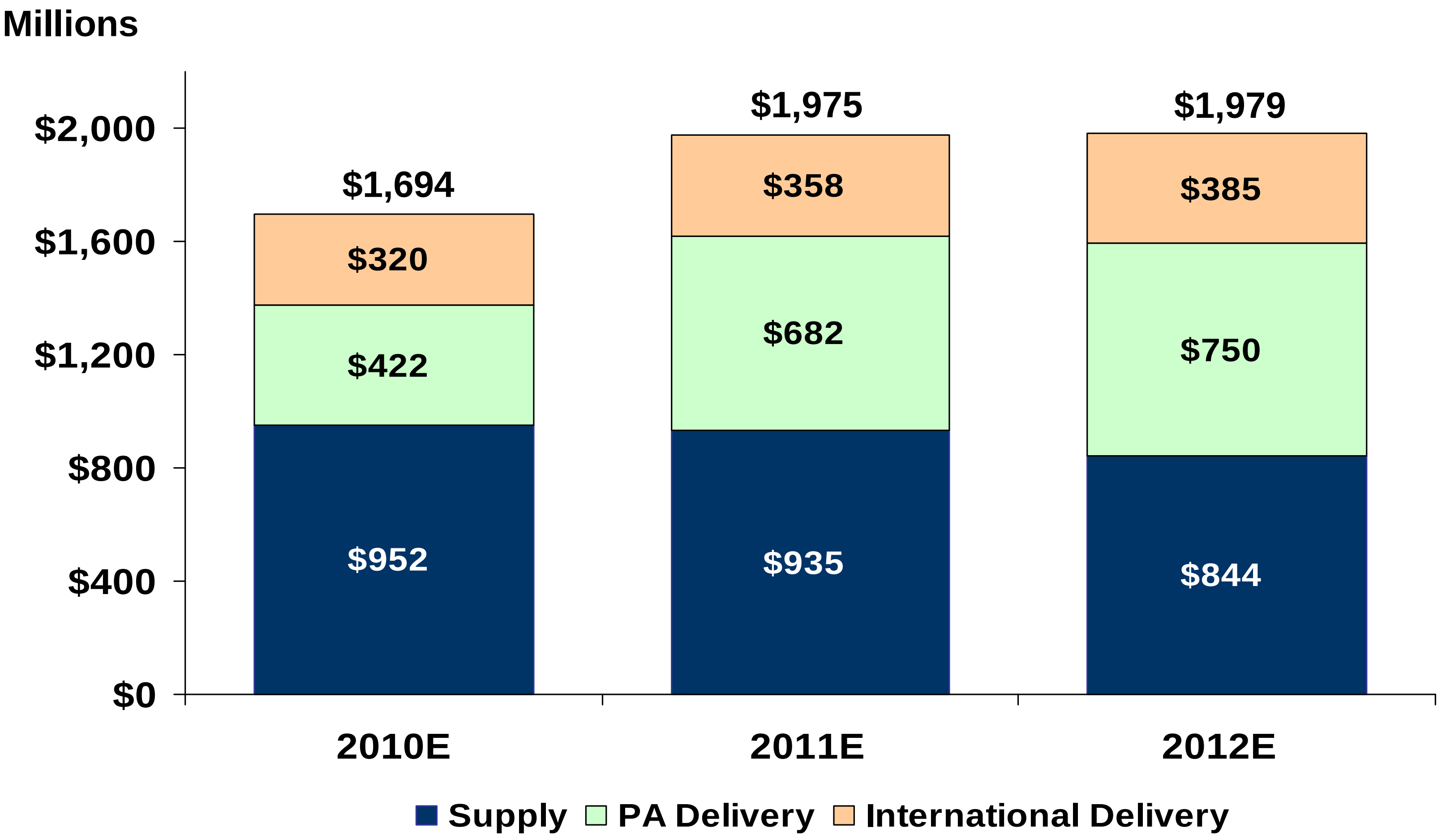
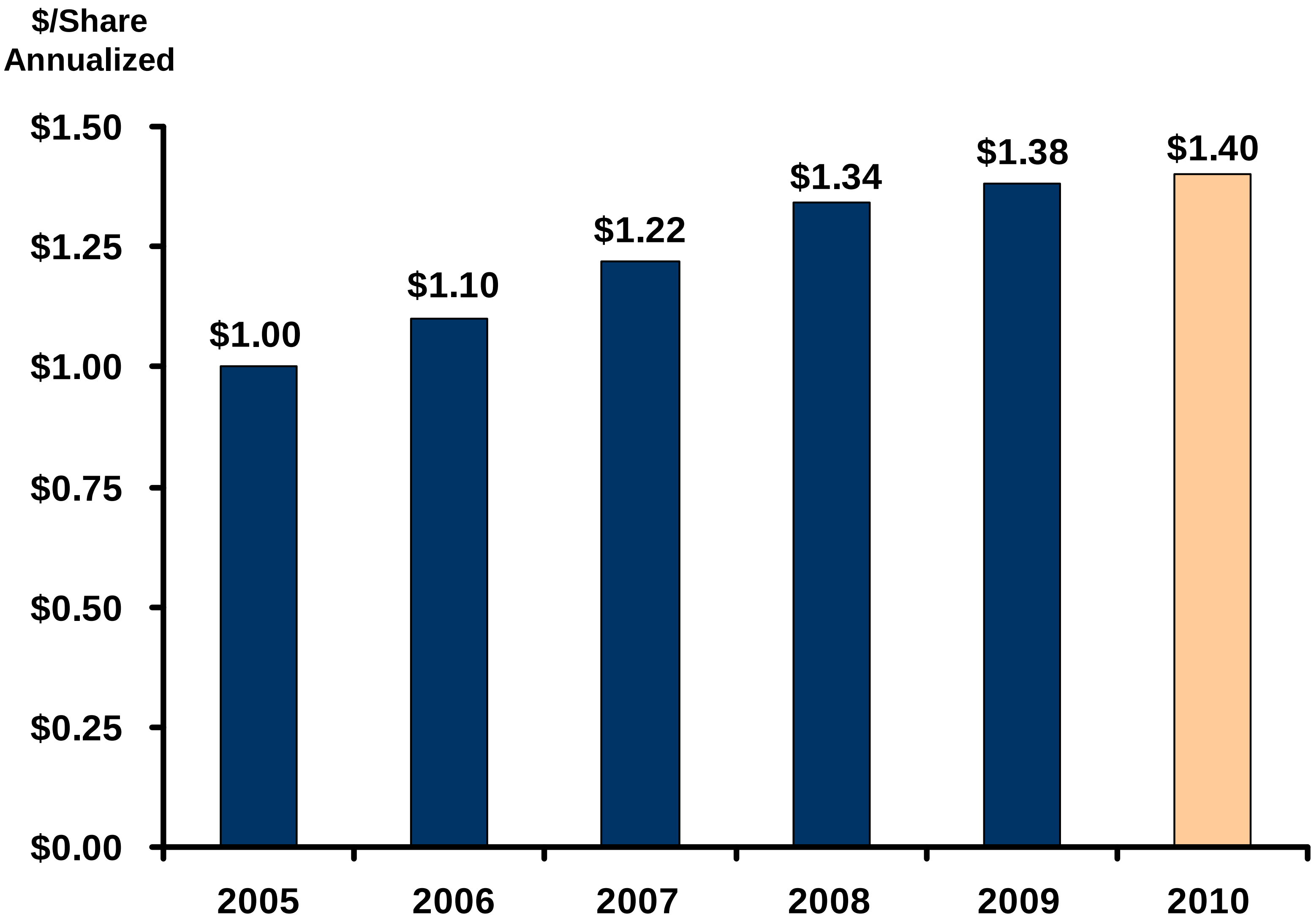
Capital Expenditures by Segment



Dividend Profile



Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	 Projected 2010
Cash from Operations	$1,310	$1,663
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Asset Sales (1) (2)	84	151
Other Investing Activities - net	(75)	(15)
Free Cash Flow before Dividends	$599	$847

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

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PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) **Actual 2009**	 **Projected 2010**
Cash from Operations	$294	$230
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(422)
Asset Sales & Other	3	1
Free Cash Flow before Dividends	($1)	($191)

International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) **Actual 2009**	 **Projected 2010**
Cash from Operations	$248	$138
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities - net	1	
Free Cash Flow before Dividends	$2	($182)

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$3.50	$3.10	$1.95	$2.02
Special Items:				
Energy-related economic activity	(0.16)	(0.16)	(0.59)	0.67
Sales of assets			(0.11)	(0.01)
Impairments	(0.01)	(0.01)	(0.06)	(0.16)
Workforce reductions			(0.03)	
Other:				
Montana hydroelectric litigation	(0.09)	(0.09)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.28)	(0.28)	(0.87)	0.45
Reported Earnings per share of common stock	$3.22	$2.82	$1.08	$2.47

Note: Per share amounts are based on diluted shares outstanding.

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Credit Ratings

	Moody's	Standard & Poor's	Fitch
PPL Corporation			
Issuer Rating	Baa3	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Energy Supply			
Issuer Rating		BBB	BBB
Tax-Exempt Bonds (1)	Aaa	AAA	
Senior Notes	Baa2	BBB	BBB
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Capital Funding			
Issuer Rating			BBB
Senior Unsecured Debt	Baa3	BBB-	BBB
Subordinated Debt	Ba1	BB+	BB+
Outlook	STABLE	Watch POSITIVE	STABLE
PPL Electric Utilities			
Issuer Rating	Baa2	A-	BBB
First Mortgage Bonds	A3	A-	A-
Tax-Exempt Bonds (2)	A3/Baa2	A/A-	
Senior Secured Debt	A3	A-	A-
Commercial Paper	P-2	A-2	F-2
Preferred Stock	Ba1	BBB	BBB-
Preference Stock	Ba1	BBB	BBB-
Outlook	STABLE	NEGATIVE	STABLE

(1) Letter of Credit-Backed Security
(2) Includes both Insured and Non-Insured Securities

Credit Ratings (cont.)

	Moody's	Standard & Poor's	Fitch
PPL Montana			
Pass-Through Certificates	Baa3	BBB-	BBB
Outlook	STABLE	STABLE	
WPD Holdings Limited			
Issuer Rating	Baa3	BBB-	BBB-
Senior Unsecured Debt	Baa3	BBB-	BBB
Commercial Paper		A-3	
Outlook	STABLE	STABLE	POSITIVE
WPD Holdings LLP			
Issuer Rating			BBB
Commercial Paper			
Outlook			POSITIVE
Western Power Distribution (South Wales) PLC			
Issuer Rating		BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper		A-2	F2
Outlook	STABLE	STABLE	POSITIVE
Western Power Distribution (South West) PLC			
Issuer Rating	Baa1	BBB+	BBB+
Senior Unsecured Debt	Baa1	BBB+	A-
Commercial Paper	P-2	A-2	F2
Outlook	STABLE	STABLE	POSITIVE

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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options. This economic activity is deferred and included in earnings over the delivery period that was hedged. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR energy supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition by PPL Corporation of E.ON U.S., LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Second Quarter Earnings Call

August 5, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

Agenda

Second Quarter 2010 Earnings and 2010 Earnings Forecast and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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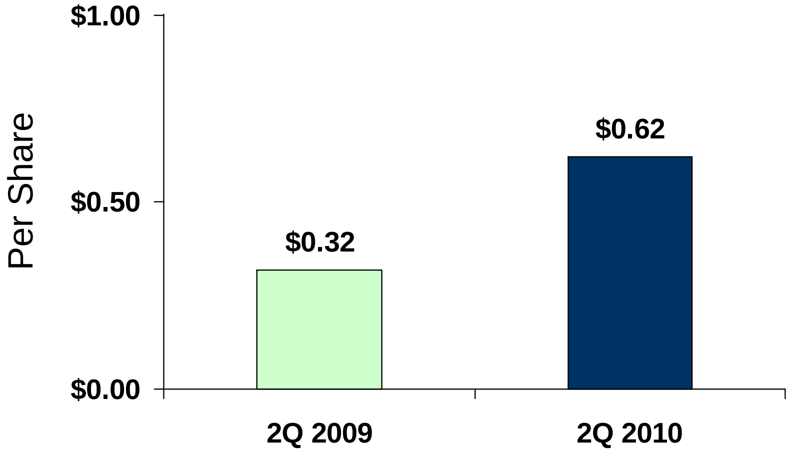
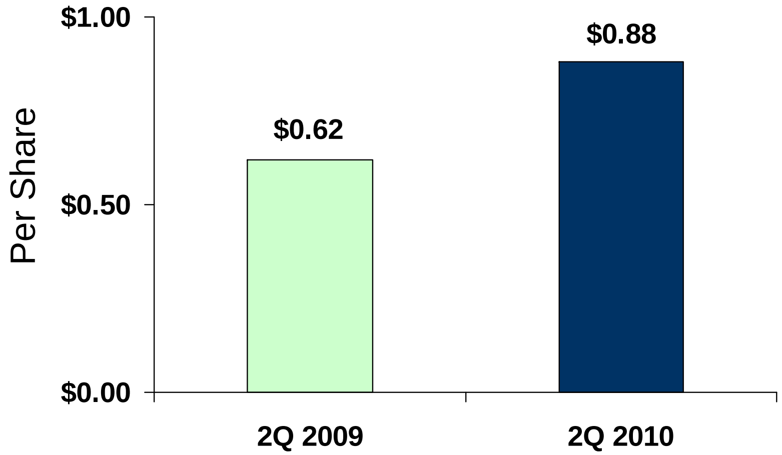
Earnings Results

Second Quarter
Reported Earnings

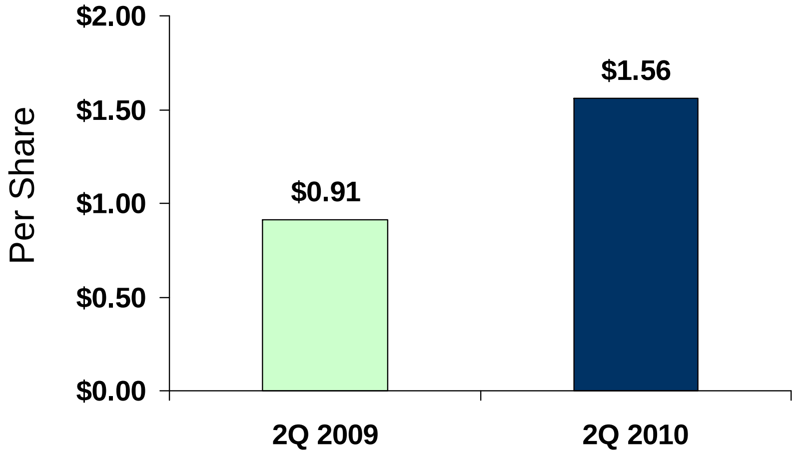
Second Quarter
Earnings from Ongoing Operations



Year-to-Date
Reported Earnings



Year-to-Date
Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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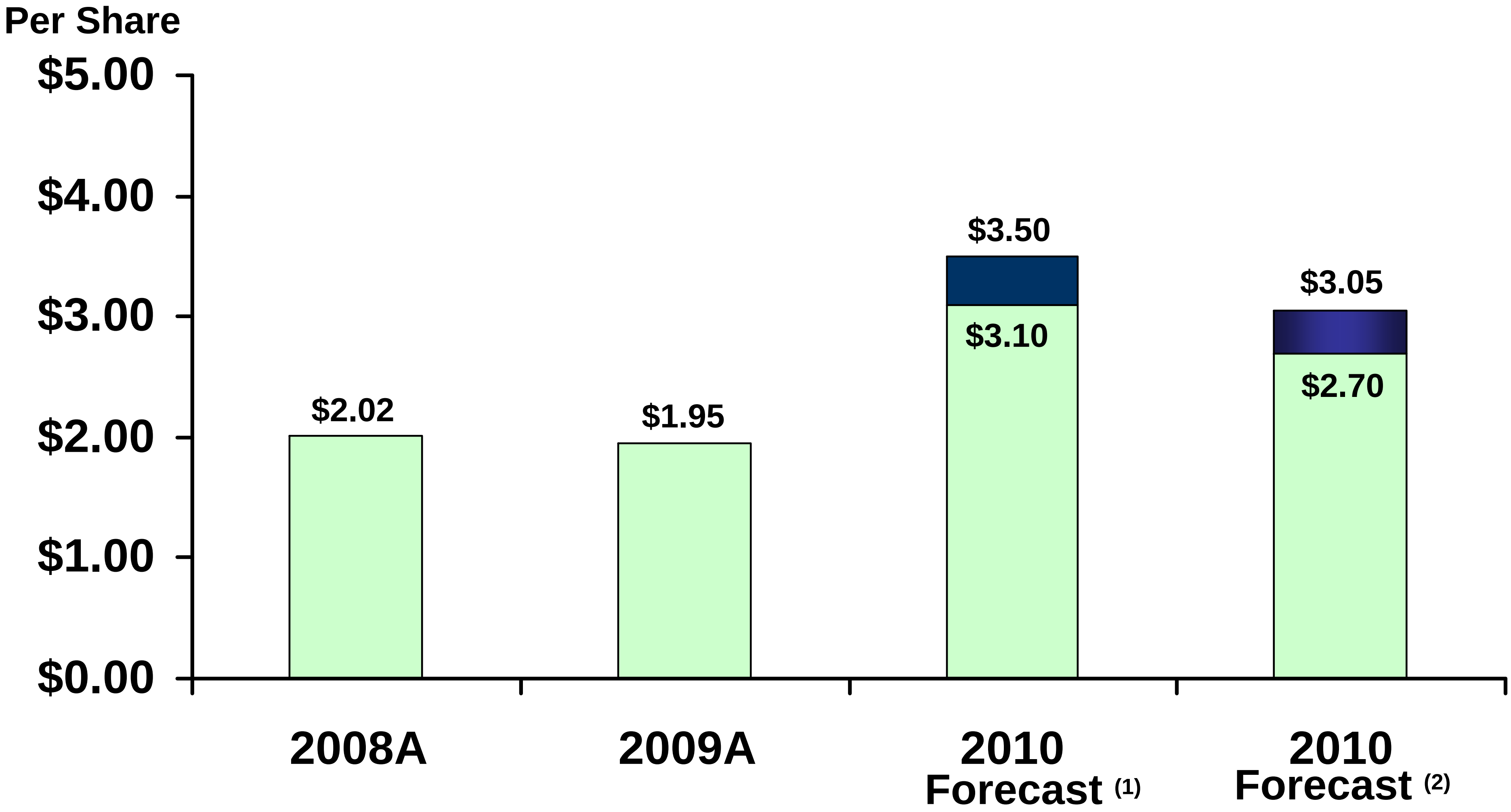
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Unadjusted for share dilution

(2) Adjusted for share dilution

Ongoing Earnings Overview

	Q2 2010	Q2 2009	Change
Supply	$0.43	$0.09	$ 0.34
Pennsylvania Delivery	0.04	0.05	(0.01)
International Delivery	0.15	0.18	(0.03)
Total	$0.62	$0.32	$ 0.30

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	2nd Quarter	
2009 EPS – Ongoing Earnings		$0.09
Margins – East	0.34	
Margins - West	0.02	
O&M	(0.02)	
Depreciation	(0.02)	
Income Taxes & Other	0.02	
Total		0.34
2010 EPS – Ongoing Earnings		$0.43

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Delivery Segment Earnings Drivers

		2nd Quarter
2009 EPS – Ongoing Earnings		$0.05
Delivery Margins	0.02	
O&M	(0.02)	
Income Taxes & Other	(0.01)	
Total		(0.01)
2010 EPS – Ongoing Earnings		$0.04

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

International Delivery Segment Earnings Drivers

		2nd Quarter
2009 EPS – Ongoing Earnings		$0.18
Delivery Revenue	0.03	
O&M	(0.02)	
Financing Costs	(0.03)	
Effect of Exchange Rates	0.01	
Income Taxes & Other	(0.02)	
Total		(0.03)
2010 EPS – Ongoing Earnings		$0.15

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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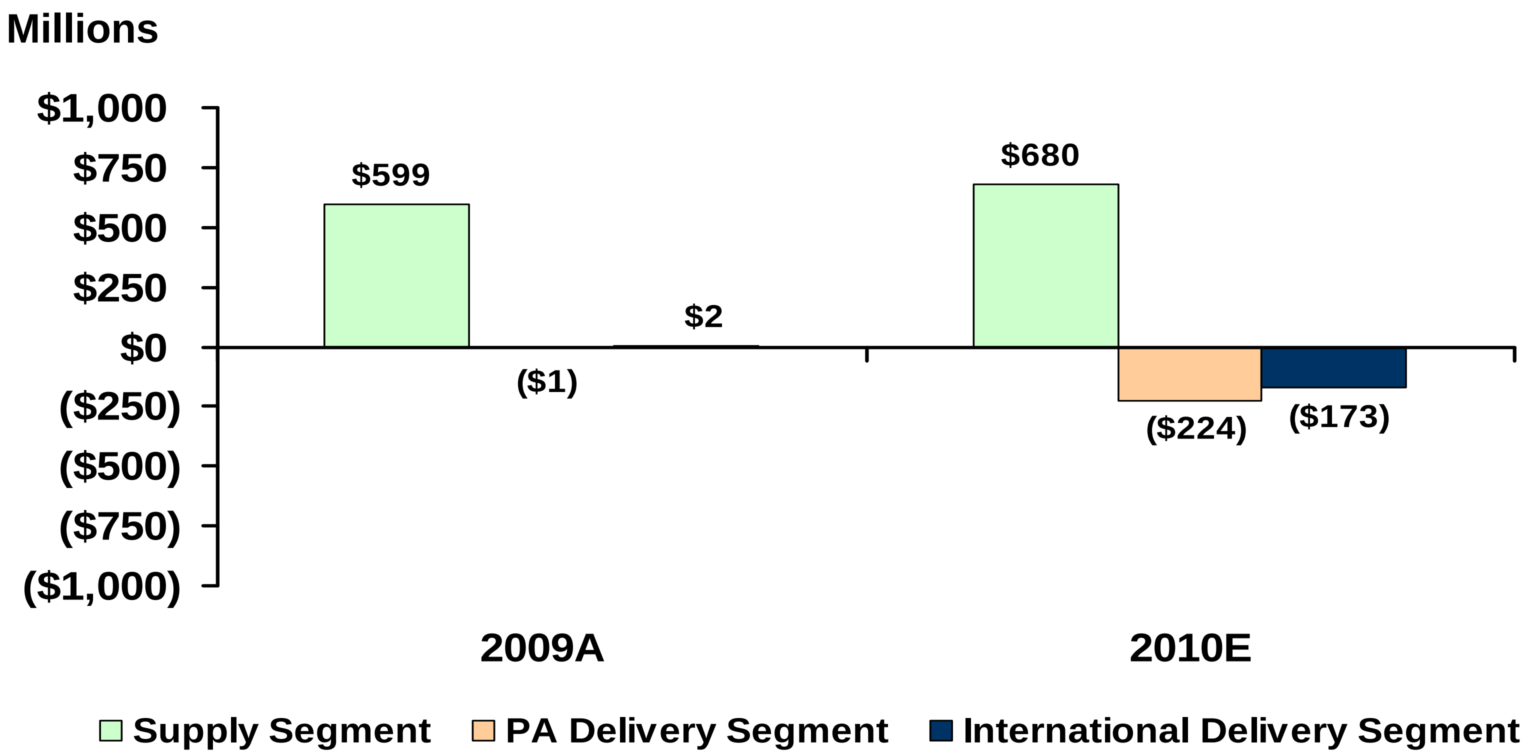
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends.

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PA and International Delivery Segments Operational Update

PA Delivery

- PPLEU completed another solicitation for 2011 to mid-2013 procurement period
  - Generation service charge for 2011 could be 9% - 12% lower than the current rate
- Susquehanna to Roseland Transmission Line delayed

International Delivery

- Distribution Price Control 5 (DPCR5) rates went into effect April 1

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PPL Electric Utilities Rate Case

<u>Schedule</u>

Surrebuttal Testimony due August 5

Evidentiary Hearings August 9-13

Record Closes August 13

ALJ Recommend Decision expected by middle of October

Commission Order expected by middle of December

<u>Financial Data</u>

- Seeking $114.7 million distribution rate increase
  - Test year is 2010
  - Requested ROE of 11.75%
  - 2010 Common Equity of 48.4%
  - 2010 Distribution Rate Base of $2.245 billion
- 1% change in ROE = $20 million in revenue
- Docket # R-2010-2161694

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Supply Segment Operational Update

- Susquehanna Unit 1
  - Safely shut down on 7/16
  - Significant condenser leak
  - Non-nuclear related incident

- Sold several load-following contracts
  - Contracts were for 2010, 2011 and 2012
  - Approximately 1,570 MW
  - Cash proceeds of $249 million

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Supply Segment Asset Hedge Positions

	2010	2011	2012
<u>Baseload</u>			
Expected Generation* (Million MWhs)	**51.2**	**51.4**	**55.4**
East	42.8	43.1	46.9
West	8.4	8.3	8.5
Current Hedges (%)	**99%**	**97%**	**61%**
East	100%	98%	57%
West	98%	92%	83%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$57**	**$59**
East	$60	$58	$60
West	$50	$54	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$64**	**$64**
East**	$71	$65	$66
West	$50	$54	$56
% Hedged Through Swaps/Options Energy Transactions	96%	96%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
<u>Intermediate/Peaking</u>			
Expected Generation (Million MWhs)	**5.5**	**5.2**	**5.2**
Current Hedges (%)	**56%**	**0%**	**0%**

As of June 30, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	100%	98%	93%
West	100%	100%	92%
Total	**100%**	**98%**	**93%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	**Price**	**Hedge Level**	**Price**	**Hedge Level**	**Price**
% Fixed Base Price	**93%**	**$49**	**44%**	**$51**	**32%**	**$64**
% Collars	**0%**	**N/A**	**52%**	**$48-$53**	**68%**	**$44-$52**
% Diesel Surcharge	**7%**	**$45**	**4%**	**$45**	**0%**	**N/A**

Note: As of June 30, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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Market Prices

	Actual	Forward(1)		
	2009	Jul-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$54	$53	$54
Off-Peak	$31	$38	$39	$40
ATC(2)	$38	$46	$46	$47
Mid-Columbia				
On-Peak	$36	$43	$44	$48
Off-Peak	$29	$35	$36	$38
ATC(2)	$33	$40	$40	$44
GAS(3)				
NYMEX	$3.92	$4.82	$5.34	$5.68
TZ6NNY	$4.63	$5.28	$5.93	$6.17
PJM MARKET				
HEATE RATE(4)	9.5	10.2	8.9	8.8
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	89.4%	90.9%

(1) Market prices based on the average of broker quotes as of 6/30/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 6/30/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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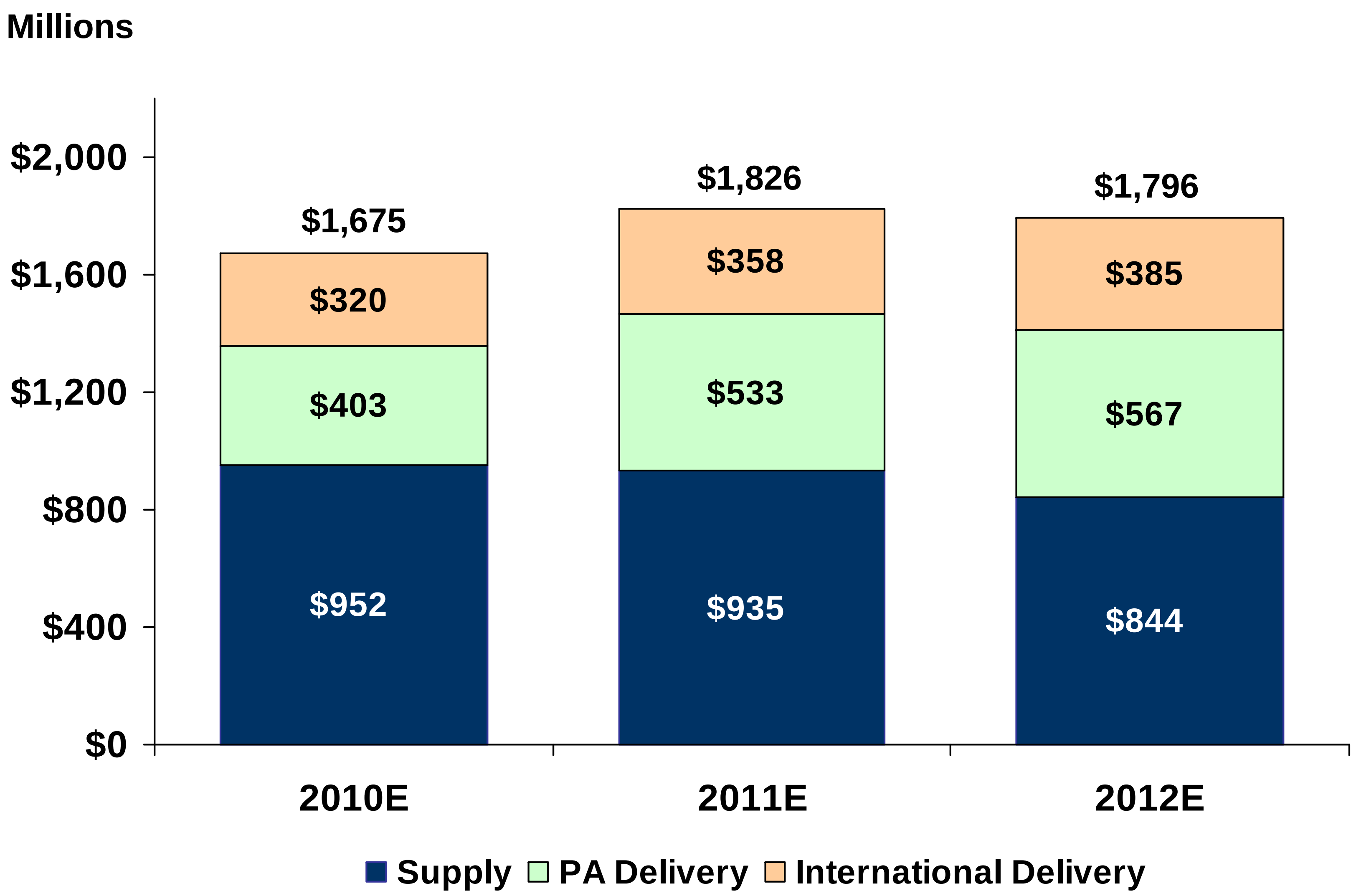
Capital Expenditures by Segment



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PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:

  - ✓ August 11, 2009
  - ✓ October 20, 2009
  - ✓ January 19, 2010
  - ✓ April 20, 2010
  - ✓ July 20, 2010
  - October 19, 2010
  - April 18, 2011
  - July 19, 2011
  - October 18, 2011
  - January 9, 2012
  - April 3, 2012
  - July 17, 2012
  - October 16, 2012
  - January 22, 2013

✓ Completed

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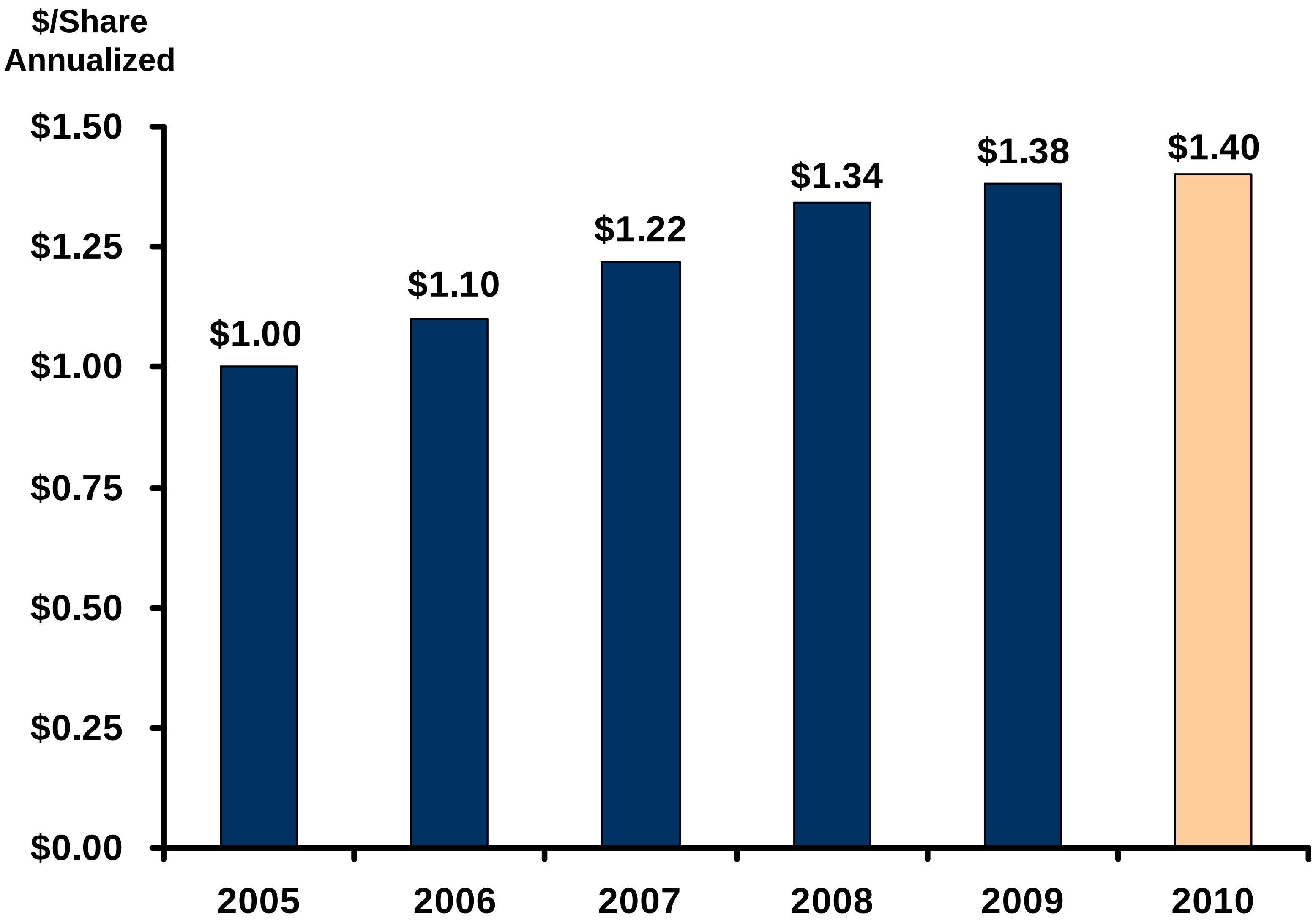
Dividend Profile



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Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

Note: As of June 30, 2010

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding [1] (Millions)	Drawn [1] (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$245	$285	$2,695
	3-Year Bilateral Credit Facility	Mar-2013	200	4	0	196
	5-year Structured Credit Facility	Mar-2011	300	280	0	20
	364-day Credit Facility	Sep-2010	400	0	0	400
			$4,125	$529	$285	$3,311
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$13	$0	$177
	Asset-backed Credit Facility	Jul-2010	150	0	0	150
			$340	$13	$0	$327
WPD	3-year Credit Facility	Jul-2012	£210	£0	£0	£210
	5-year Credit Facility	Jan-2013	150	0	123	27
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£123	£297

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 15% of the total committed capacity.

(1) Reported as of June 30, 2010

Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	(Millions) Projected 2010
Cash from Operations	$1,310	$1,255
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Investment in Energy Project		
Asset Sales (1) (2)	84	152
Sale of Load-Following Deals		249
Other Investing Activities – Net	(75)	(24)
Free Cash Flow before Dividends	$599	$680

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

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PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	 Projected 2010
Cash from Operations	$294	$177
Less Transition Bond Repayment		
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(403)
Asset Sales & Other	3	2
Free Cash Flow before Dividends	($1)	($224)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions)	
	Actual 2009	Projected 2010
Cash from Operations	$248	$146
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities – Net	1	1
Free Cash Flow before Dividends	$2	($173)

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Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Quarter Ending June 30, 2010					
Earnings from Ongoing Operations	$ 164	$ 16	$ 59	$ -	$ 239
Special Items:					
Energy-related economic activity	(54)				(54)
Foreign currency-related economic hedges - unrealized impacts			(1)		(1)
Sales of assets:					
Sundance indemnification	1				1
Impairments:					
Impacts from emission allowances	(5)				(5)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(75)				(75)
Deferred Bridge Facility financing costs				(13)	(13)
Other pending acquisition-related costs				(6)	(6)
Other:					
Montana hydroelectric litigation	(1)				(1)
Total Special Items	(134)	-	(1)	(19)	(154)
Reported Earnings*	$ 30	$ 16	$ 58	$ (19)	$ 85
Quarter Ending June 30, 2009					
Earnings from Ongoing Operations	$ 34	$ 17	$ 68	$ -	$ 119
Special Items:					
Energy-related economic activity	(88)				(88)
Foreign currency-related economic hedges - unrealized impacts			(6)		(6)
Sales of assets:					
Long Island generation business	(34)				(34)
Impairments:					
Adjustments - NDT investments	2				2
Total Special Items	(120)	-	(6)	-	(126)
Reported Earnings*	$ (86)	$ 17	$ 62	$ -	$ (7)
Change in Earnings from Ongoing Operations	$ 130	$ (1)	$ (9)	$ -	$ 120

* Represents net income attributable to PPL Corporation.

Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Quarter Ending June 30, 2010					
Earnings from Ongoing Operations	$ 0.43	$ 0.04	$ 0.15	$ -	$ 0.62
Special Items:					
Energy-related economic activity	(0.14)				(0.14)
Impairments:					
Impacts from emission allowances	(0.01)				(0.01)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(0.20)				(0.20)
Deferred Bridge Facility financing costs				(0.03)	(0.03)
Other pending acquisition-related costs				(0.02)	(0.02)
Total Special Items	(0.35)	-	-	(0.05)	(0.40)
Reported Earnings*	$ 0.08	$ 0.04	$ 0.15	$ (0.05)	$ 0.22
Quarter Ending June 30, 2009					
Earnings from Ongoing Operations	$ 0.09	$ 0.05	$ 0.18	$ -	$ 0.32
Special Items:					
Energy-related economic activity	(0.23)				(0.23)
Foreign currency-related economic hedges - unrealized impacts			(0.02)		(0.02)
Sales of assets:					
Long Island generation business	(0.09)				(0.09)
Total Special Items	(0.32)	-	(0.02)	-	(0.34)
Reported Earnings*	$ (0.23)	$ 0.05	$ 0.16	$ -	$ (0.02)
Change in Earnings from Ongoing Operations	$ 0.34	$ (0.01)	$ (0.03)	$ -	$ 0.30

* Represents net income attributable to PPL Corporation.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Year-to-Date June 30, 2010					
Earnings from Ongoing Operations	$ 408	$ 53	$ 135	$ -	$ 596
Special Items:					
Energy-related economic activity	(119)				(119)
Foreign currency-related economic hedges - unrealized impacts			(1)		(1)
Sales of assets:					
Sundance indemnification	1				1
Impairments:					
Impacts from emission allowances	(7)				(7)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(75)				(75)
Deferred Bridge Facility financing costs				(13)	(13)
Other pending acquisition-related costs				(6)	(6)
Other:					
Montana hydroelectric litigation	(33)				(33)
Health Care Reform - tax impact	(8)				(8)
Total Special Items	(241)	-	(1)	(19)	(261)
Reported Earnings*	$ 167	$ 53	$ 134	$ (19)	$ 335
Year-to-Date June 30, 2009					
Earnings from Ongoing Operations	$ 115	$ 72	$ 158	$ -	$ 345
Special Items:					
Energy-related economic activity	(38)				(38)
Foreign currency-related economic hedges - unrealized impacts			(6)		(6)
Sales of assets:					
Long Island generation business	(34)				(34)
Impairments:					
Impacts from emission allowances	(15)				(15)
Adjustments - NDT investments	(1)				(1)
Other asset impairments	(2)	(1)	(1)		(4)
Workforce reduction	(6)	(5)	(2)		(13)
Total Special Items	(96)	(6)	(9)	-	(111)
Reported Earnings*	$ 19	$ 66	$ 149	$ -	$ 234
Change in Earnings from Ongoing Operations	$ 293	$ (19)	$ (23)	$ -	$ 251

* Represents net income attributable to PPL Corporation.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Year-to-Date June 30, 2010					
Earnings from Ongoing Operations	$ 1.07	$ 0.14	$ 0.35	$ -	$ 1.56
Special Items:					
Energy-related economic activity	(0.30)				(0.30)
Impairments:					
Impacts from emission allowances	(0.02)				(0.02)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(0.20)				(0.20)
Deferred Bridge Facility financing costs				(0.03)	(0.03)
Other pending acquisition-related costs				(0.02)	(0.02)
Other:					
Montana hydroelectric litigation	(0.09)				(0.09)
Health Care Reform - tax impact	(0.02)				(0.02)
Total Special Items	(0.63)	-	-	(0.05)	(0.68)
Reported Earnings*	$ 0.44	$ 0.14	$ 0.35	$ (0.05)	$ 0.88
Year-to-Date June 30, 2009					
Earnings from Ongoing Operations	$ 0.30	$ 0.19	$ 0.42	$ -	$ 0.91
Special Items:					
Energy-related economic activity	(0.10)				(0.10)
Foreign currency-related economic hedges - unrealized impacts			(0.02)		(0.02)
Sales of assets:					
Long Island generation business	(0.09)				(0.09)
Impairments:					
Impacts from emission allowances	(0.04)				(0.04)
Other asset impairments	(0.01)				(0.01)
Workforce reduction	(0.01)	(0.01)	(0.01)		(0.03)
Total Special Items	(0.25)	(0.01)	(0.03)	-	(0.29)
Reported Earnings*	$ 0.05	$ 0.18	$ 0.39	$ -	$ 0.62
Change in Earnings from Ongoing Operations	$ 0.77	$ (0.05)	$ (0.07)	$ -	$ 0.65

* Represents net income attributable to PPL Corporation.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

	Forecast [a]		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 3.05	$ 2.70	$ 1.95	$ 2.02
Special Items:				
Energy-related economic activity	(0.27)	(0.27)	(0.59)	0.67
Sales of assets:				
Long Island generation business			(0.09)	
Latin American businesses			(0.07)	
Interest in Wyman Unit 4			(0.01)	
Gas and propane businesses				(0.01)
Majority of Maine hydroelectric generation business			0.06	
Impairments:				
Impacts from emission allowances	(0.02)	(0.02)	(0.05)	(0.07)
Adjustments - NDT investments				(0.04)
Holtwood hydroelectric plant				(0.03)
Other asset impairments			(0.01)	(0.01)
Pending E.ON U.S. acquisition-related costs:				
Monetization of certain full-requirement sales contracts	(0.17)	(0.17)		
Deferred Bridge Facility financing costs	(0.03)	(0.03)		
Other pending acquisition-related costs	(0.01)	(0.01)		
Workforce reductions			(0.03)	(0.01)
Other:				
Montana hydroelectric litigation	(0.08)	(0.08)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.60)	(0.60)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.45	$ 2.10	$ 1.08	$ 2.47

Note: Per share amounts are based on diluted shares outstanding.

[a] 2010 forecast amounts reflect the dilution associated with the June 2010 offering of common stock.

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Reconciliation of Second Quarter Operating Income to Domestic Gross Energy Margins

(Millions of Dollars)

	Three Months Ended June 30,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Eastern U.S., pre-tax	$ 533	$ 312	$ 221	$ 0.34
Western U.S., pre-tax	88	77	11	0.02
Domestic gross energy margins, pre-tax	$ 621	$ 389	$ 232	$ 0.36

	Three Months Ended June 30,	
	2010	**2009**
Operating Income	$ 238	$ 104
Adjustments:		
Utility	(692)	(881)
Energy-related businesses, net	(10)	(7)
Other operation and maintenance	423	354
Amortization of recoverable transition costs	-	70
Depreciation	130	114
Taxes, other than income	54	67
Revenue adjustments (a)	719	530
Expense adjustments (a)	(241)	38
Domestic gross energy margins	$ 621	$ 389

(a) See additional information on the following slide.

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Reconciliation of Second Quarter Operating Income to Domestic Gross Energy Margins

(Millions of Dollars)

	Three Months Ended June 30, 2010		Three Months Ended June 30, 2009	
Revenue adjustments				
Impact from energy-related economic activity	$	656	$	111
PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus		64		411
Gains (losses) from sale of RECs		(1)		1
Revenues from Supply segment discontinued operations		-		7
Total revenue adjustments	$	719	$	530
Expense adjustments				
Impact from energy-related economic activity	$	436	$	(39)
External PLR energy purchases		(209)		(11)
Other		14		12
Total expense adjustments	$	241	$	(38)

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Reconciliation of Second Quarter Operating Income to Domestic Gross Delivery Margins

(Millions of Dollars)

	Three Months Ended June 30,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Domestic gross delivery margins, pre-tax	$ 199	$ 185	$ 14	$ 0.02

	Three Months Ended June 30,	
	2010	**2009**
Operating Income	$ 238	$ 104
Adjustments:		
Unregulated retail electric and gas	(101)	(32)
Wholesale energy marketing	(595)	(646)
Net energy trading margins	(5)	(7)
Energy-related businesses, net	(10)	(7)
Fuel	263	186
Energy purchases	295	678
Other operation and maintenance	423	354
Depreciation	130	114
Taxes, other than income	54	67
Revenue adjustments (a)	(236)	(566)
Expense adjustments (a)	(257)	(60)
Domestic gross delivery margins	$ 199	$ 185

(a) See additional information on the following slide.

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Reconciliation of Second Quarter Operating Income to Domestic Gross Delivery Margins

(Millions of Dollars)

	Three Months Ended June 30,	
	2010	**2009**
Revenue adjustments		
WPD utility revenue	$ (172)	$ (155)
PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	(64)	(411)
Total revenue adjustments	$ (236)	$ (566)
Expense adjustments		
External PLR energy purchases	$ 209	$ 11
Gross receipts tax	27	44
Act 129	19	-
Other	2	5
Total expense adjustments	$ 257	$ 60

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Forward-Looking Information Statement

Statements contained in this press release, including statements with respect to future events and their timing, including statements concerning the acquisition by PPL Corporation of E.ON U.S. LLC and its subsidiaries Louisville Gas and Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Costs related to the pending E.ON U.S. acquisition, including gains or losses associated with the sale of certain full-requirement sales contracts in support of raising cash for the acquisition.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, full-requirement and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, losses on the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts monetized, and included in domestic gross energy margins earnings over the delivery period that was hedged or upon realization. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

Goldman Sachs
Power & Utility Conference
August 12, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Agenda

Second Quarter 2010 Earnings and 2010 Earnings Forecast and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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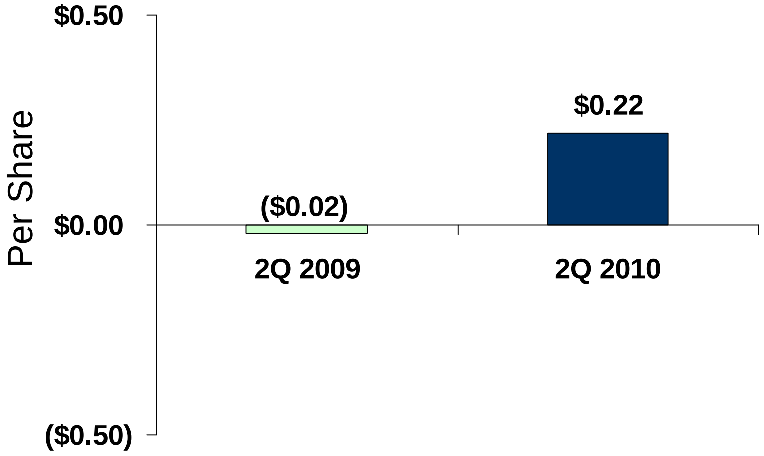
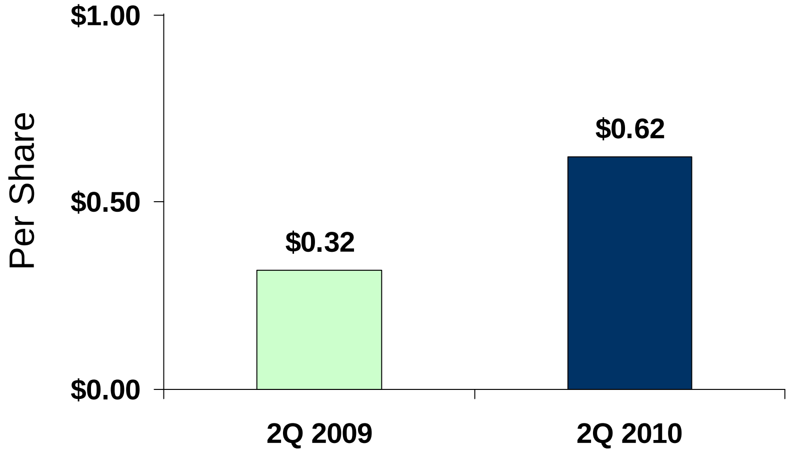
Earnings Results

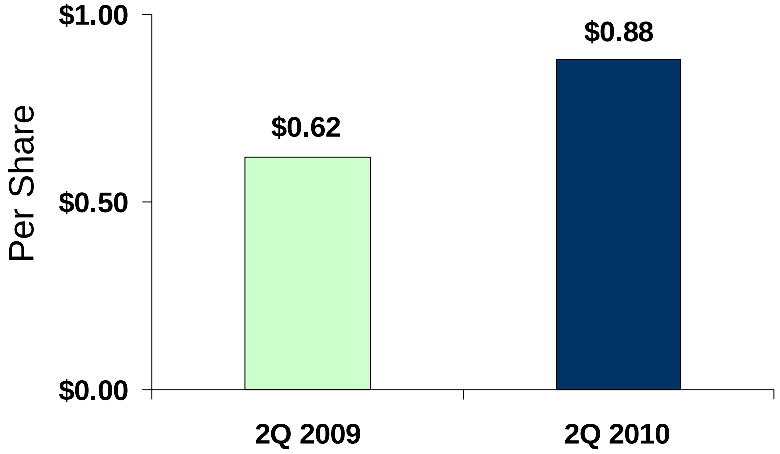
Second Quarter
Reported Earnings



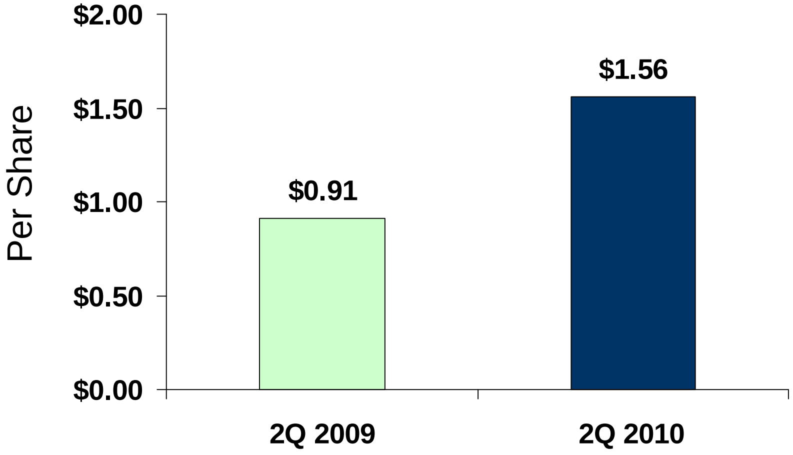
Second Quarter
Earnings from Ongoing Operations



Year-to-Date
Reported Earnings



Year-to-Date
Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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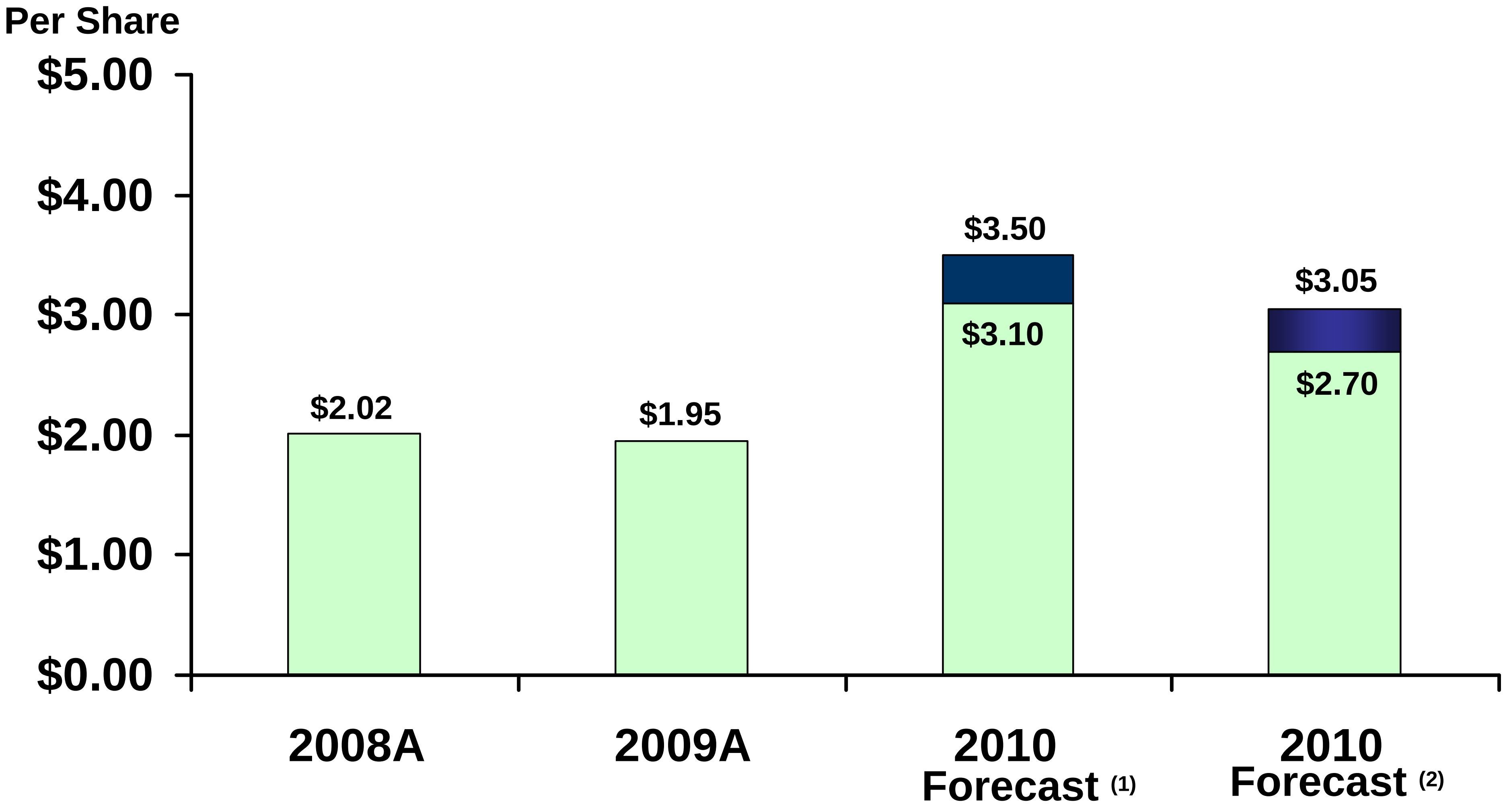
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Unadjusted for share dilution

(2) Adjusted for share dilution

Ongoing Earnings Overview

	Q2 2010	Q2 2009	Change
Supply	$0.43	$0.09	$ 0.34
Pennsylvania Delivery	0.04	0.05	(0.01)
International Delivery	0.15	0.18	(0.03)
Total	$0.62	$0.32	$ 0.30

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

		2nd Quarter
2009 EPS – Ongoing Earnings		$0.09
Margins – East	0.34	
Margins - West	0.02	
O&M	(0.02)	
Depreciation	(0.02)	
Income Taxes & Other	0.02	
Total		0.34
2010 EPS – Ongoing Earnings		$0.43

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Delivery Segment Earnings Drivers

	2nd Quarter	
2009 EPS – Ongoing Earnings		\$0.05
Delivery Margins	0.02	
O&M	(0.02)	
Income Taxes & Other	(0.01)	
Total		(0.01)
2010 EPS – Ongoing Earnings		\$0.04

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Delivery Segment Earnings Drivers

		2nd Quarter
2009 EPS – Ongoing Earnings		$0.18
Delivery Revenue	0.03	
O&M	(0.02)	
Financing Costs	(0.03)	
Effect of Exchange Rates	0.01	
Income Taxes & Other	(0.02)	
Total		(0.03)
2010 EPS – Ongoing Earnings		$0.15

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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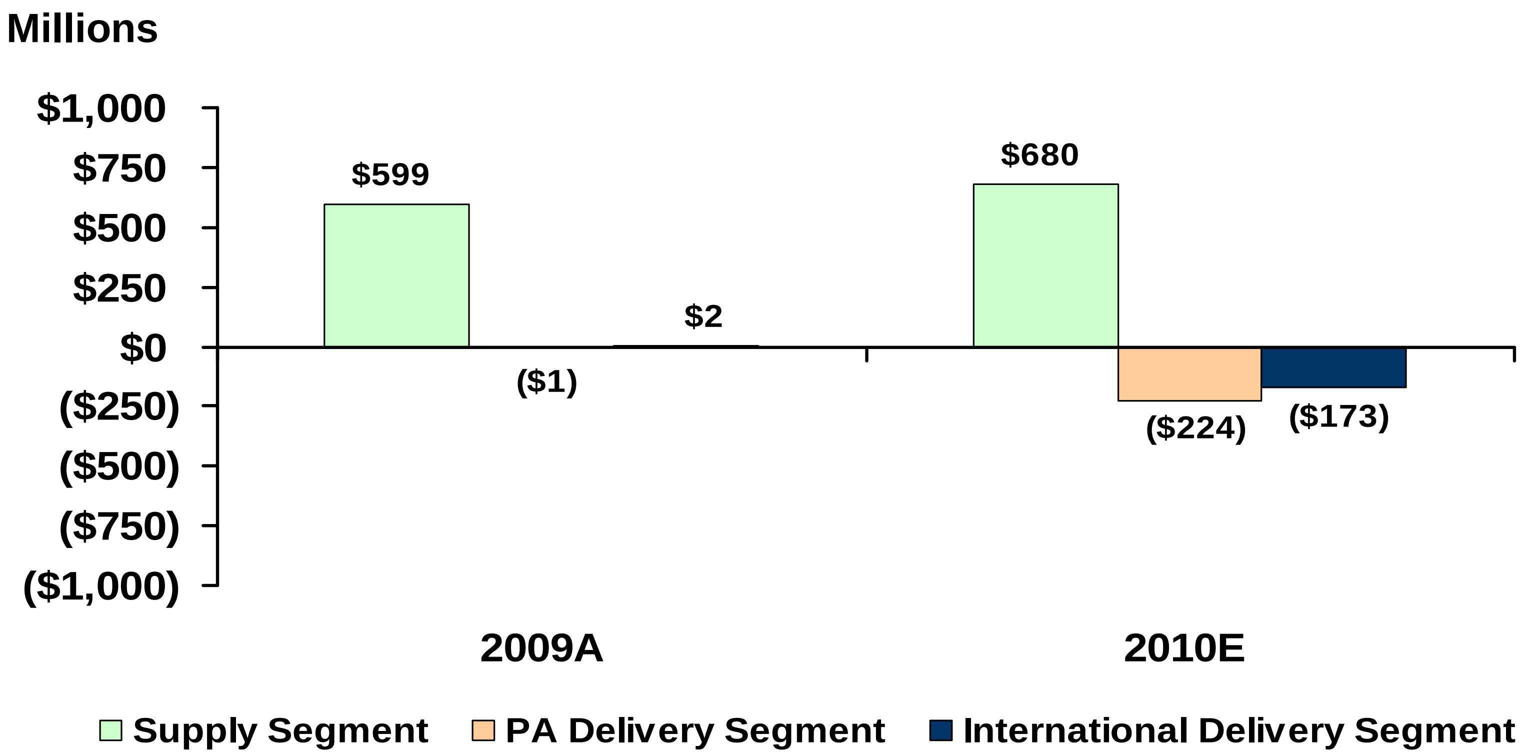
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends.

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PA and International Delivery Segments Operational Update

PA Delivery

- PPLEU completed another solicitation for 2011 to mid-2013 procurement period
  - Generation service charge for 2011 could be 9% - 12% lower than the current rate
- Susquehanna to Roseland Transmission Line delayed

International Delivery

- Distribution Price Control 5 (DPCR5) rates went into effect April 1

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PPL Electric Utilities Rate Case

Schedule

Surrebuttal Testimony due August 5

Evidentiary Hearings August 9-13

Record Closes August 13

ALJ Recommend Decision expected by middle of October

Commission Order expected by middle of December

Financial Data

- Seeking $114.7 million distribution rate increase
    - Test year is 2010
    - Requested ROE of 11.75%
    - 2010 Common Equity of 48.4%
    - 2010 Distribution Rate Base of $2.245 billion
- 1% change in ROE = $20 million in revenue
- Docket # R-2010-2161694

Supply Segment Operational Update

- Susquehanna Unit 1
  - Safely shut down on 7/16
  - Significant condenser leak
  - Non-nuclear related incident

- Sold several load-following contracts
  - Contracts were for 2010, 2011 and 2012
  - Approximately 1,570 MW
  - Cash proceeds of $249 million

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**51.2**	**51.4**	**55.4**
East	42.8	43.1	46.9
West	8.4	8.3	8.5
Current Hedges (%)	**99%**	**97%**	**61%**
East	100%	98%	57%
West	98%	92%	83%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$57**	**$59**
East	$60	$58	$60
West	$50	$54	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$64**	**$64**
East**	$71	$65	$66
West	$50	$54	$56
% Hedged Through Swaps/Options Energy Transactions	96%	96%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**5.5**	**5.2**	**5.2**
Current Hedges (%)	**56%**	**0%**	**0%**

As of June 30, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	100%	98%	93%
West	100%	100%	92%
Total	**100%**	**98%**	**93%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	**Price**	**Hedge Level**	**Price**	**Hedge Level**	**Price**
% Fixed Base Price	**93%**	**$49**	**44%**	**$51**	**32%**	**$64**
% Collars	**0%**	**N/A**	**52%**	**$48-$53**	**68%**	**$44-$52**
% Diesel Surcharge	**7%**	**$45**	**4%**	**$45**	**0%**	**N/A**

Note: As of June 30, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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Market Prices

	Actual	Forward[1]		
	2009	Jul-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$54	$53	$54
Off-Peak	$31	$38	$39	$40
ATC[2]	$38	$46	$46	$47
Mid-Columbia				
On-Peak	$36	$43	$44	$48
Off-Peak	$29	$35	$36	$38
ATC[2]	$33	$40	$40	$44
GAS[3]				
NYMEX	$3.92	$4.82	$5.34	$5.68
TZ6NNY	$4.63	$5.28	$5.93	$6.17
PJM MARKET				
HEAT RATE[4]	9.5	10.2	8.9	8.8
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	89.4%	90.9%

(1) Market prices based on the average of broker quotes as of 6/30/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 6/30/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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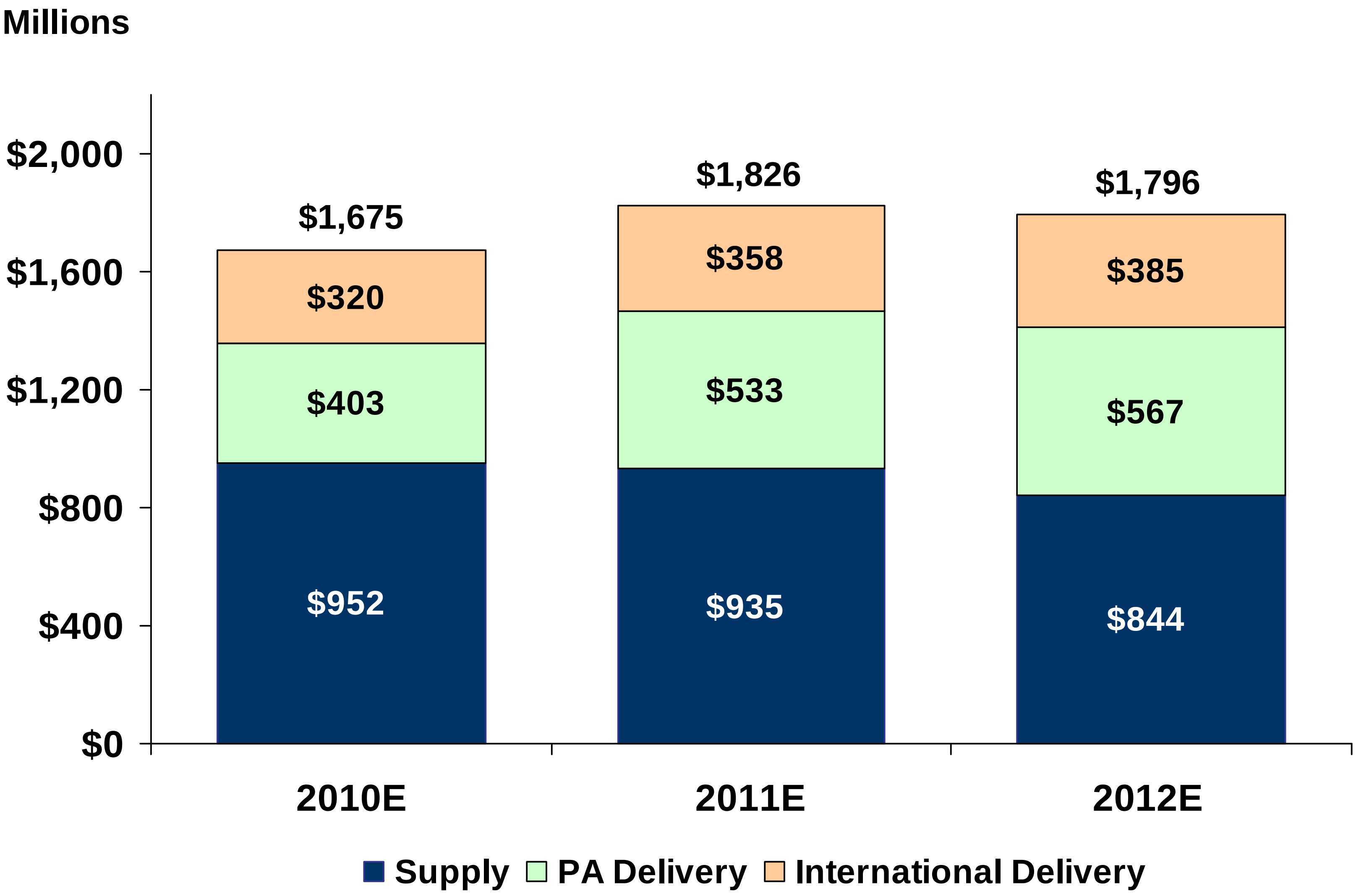
Capital Expenditures by Segment



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PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:

  - ✓ August 11, 2009
  - ✓ October 20, 2009
  - ✓ January 19, 2010
  - ✓ April 20, 2010
  - ✓ July 20, 2010
  - October 19, 2010
  - April 18, 2011
  - July 19, 2011
  - October 18, 2011
  - January 9, 2012
  - April 3, 2012
  - July 17, 2012
  - October 16, 2012
  - January 22, 2013

✓ Completed

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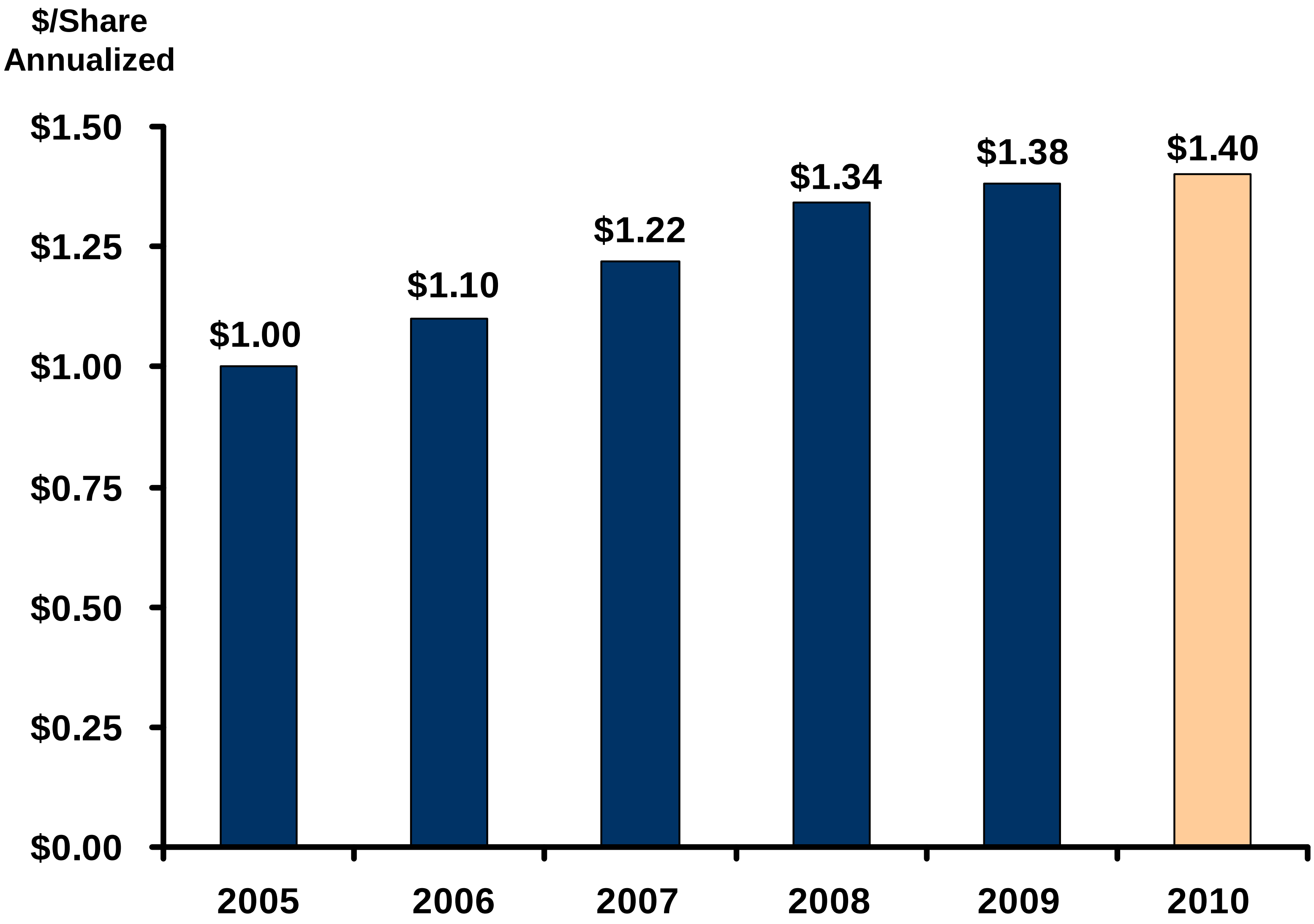
Dividend Profile



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Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

Note: As of June 30, 2010

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (1) (Millions)	Drawn (1) (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$245	$285	$2,695
	3-Year Bilateral Credit Facility	Mar-2013	200	4	0	196
	5-year Structured Credit Facility	Mar-2011	300	280	0	20
	364-day Credit Facility	Sep-2010	400	0	0	400
			$4,125	$529	$285	$3,311
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$13	$0	$177
	Asset-backed Credit Facility	Jul-2010	150	0	0	150
			$340	$13	$0	$327
WPD	3-year Credit Facility	Jul-2012	£210	£0	£0	£210
	5-year Credit Facility	Jan-2013	150	0	123	27
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£123	£297

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 15% of the total committed capacity.

(1) Reported as of June 30, 2010

Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	 Projected 2010
Cash from Operations	$1,310	$1,255
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Investment in Energy Project		
Asset Sales (1) (2)	84	152
Sale of Load-Following Deals		249
Other Investing Activities – Net	(75)	(24)
Free Cash Flow before Dividends	$599	$680

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, and completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust

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PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	(Millions) Projected 2010
Cash from Operations	$294	$177
Less Transition Bond Repayment		
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(403)
Asset Sales & Other	3	2
Free Cash Flow before Dividends	($1)	($224)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions) Actual 2009	 Projected 2010
Cash from Operations	$248	$146
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities – Net	1	1
Free Cash Flow before Dividends	$2	($173)

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Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Quarter Ending June 30, 2010					
Earnings from Ongoing Operations	$ 164	$ 16	$ 59	$ -	$ 239
Special Items:					
Energy-related economic activity	(54)				(54)
Foreign currency-related economic hedges - unrealized impacts			(1)		(1)
Sales of assets:					
Sundance indemnification	1				1
Impairments:					
Impacts from emission allowances	(5)				(5)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(75)				(75)
Deferred Bridge Facility financing costs				(13)	(13)
Other pending acquisition-related costs				(6)	(6)
Other:					
Montana hydroelectric litigation	(1)				(1)
Total Special Items	(134)	-	(1)	(19)	(154)
Reported Earnings*	$ 30	$ 16	$ 58	$ (19)	$ 85
Quarter Ending June 30, 2009					
Earnings from Ongoing Operations	$ 34	$ 17	$ 68	$ -	$ 119
Special Items:					
Energy-related economic activity	(88)				(88)
Foreign currency-related economic hedges - unrealized impacts			(6)		(6)
Sales of assets:					
Long Island generation business	(34)				(34)
Impairments:					
Adjustments - NDT investments	2				2
Total Special Items	(120)	-	(6)	-	(126)
Reported Earnings*	$ (86)	$ 17	$ 62	$ -	$ (7)
Change in Earnings from Ongoing Operations	$ 130	$ (1)	$ (9)	$ -	$ 120

* Represents net income attributable to PPL Corporation.

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Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Quarter Ending June 30, 2010					
Earnings from Ongoing Operations	$ 0.43	$ 0.04	$ 0.15	$ -	$ 0.62
Special Items:					
Energy-related economic activity	(0.14)				(0.14)
Impairments:					
Impacts from emission allowances	(0.01)				(0.01)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(0.20)				(0.20)
Deferred Bridge Facility financing costs				(0.03)	(0.03)
Other pending acquisition-related costs				(0.02)	(0.02)
Total Special Items	(0.35)	-	-	(0.05)	(0.40)
Reported Earnings*	$ 0.08	$ 0.04	$ 0.15	$ (0.05)	$ 0.22
Quarter Ending June 30, 2009					
Earnings from Ongoing Operations	$ 0.09	$ 0.05	$ 0.18	$ -	$ 0.32
Special Items:					
Energy-related economic activity	(0.23)				(0.23)
Foreign currency-related economic hedges - unrealized impacts			(0.02)		(0.02)
Sales of assets:					
Long Island generation business	(0.09)				(0.09)
Total Special Items	(0.32)	-	(0.02)	-	(0.34)
Reported Earnings*	$ (0.23)	$ 0.05	$ 0.16	$ -	$ (0.02)
Change in Earnings from Ongoing Operations	$ 0.34	$ (0.01)	$ (0.03)	$ -	$ 0.30

* Represents net income attributable to PPL Corporation.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Year-to-Date June 30, 2010					
Earnings from Ongoing Operations	$ 408	$ 53	$ 135	$ -	$ 596
Special Items:					
Energy-related economic activity	(119)				(119)
Foreign currency-related economic hedges - unrealized impacts			(1)		(1)
Sales of assets:					
Sundance indemnification	1				1
Impairments:					
Impacts from emission allowances	(7)				(7)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(75)				(75)
Deferred Bridge Facility financing costs				(13)	(13)
Other pending acquisition-related costs				(6)	(6)
Other:					
Montana hydroelectric litigation	(33)				(33)
Health Care Reform - tax impact	(8)				(8)
Total Special Items	(241)	-	(1)	(19)	(261)
Reported Earnings*	$ 167	$ 53	$ 134	$ (19)	$ 335
Year-to-Date June 30, 2009					
Earnings from Ongoing Operations	$ 115	$ 72	$ 158	$ -	$ 345
Special Items:					
Energy-related economic activity	(38)				(38)
Foreign currency-related economic hedges - unrealized impacts			(6)		(6)
Sales of assets:					
Long Island generation business	(34)				(34)
Impairments:					
Impacts from emission allowances	(15)				(15)
Adjustments - NDT investments	(1)				(1)
Other asset impairments	(2)	(1)	(1)		(4)
Workforce reduction	(6)	(5)	(2)		(13)
Total Special Items	(96)	(6)	(9)	-	(111)
Reported Earnings*	$ 19	$ 66	$ 149	$ -	$ 234
Change in Earnings from Ongoing Operations	$ 293	$ (19)	$ (23)	$ -	$ 251

* Represents net income attributable to PPL Corporation.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Year-to-Date June 30, 2010					
Earnings from Ongoing Operations	$ 1.07	$ 0.14	$ 0.35	$ -	$ 1.56
Special Items:					
Energy-related economic activity	(0.30)				(0.30)
Impairments:					
Impacts from emission allowances	(0.02)				(0.02)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(0.20)				(0.20)
Deferred Bridge Facility financing costs				(0.03)	(0.03)
Other pending acquisition-related costs				(0.02)	(0.02)
Other:					
Montana hydroelectric litigation	(0.09)				(0.09)
Health Care Reform - tax impact	(0.02)				(0.02)
Total Special Items	(0.63)	-	-	(0.05)	(0.68)
Reported Earnings*	$ 0.44	$ 0.14	$ 0.35	$ (0.05)	$ 0.88
Year-to-Date June 30, 2009					
Earnings from Ongoing Operations	$ 0.30	$ 0.19	$ 0.42	$ -	$ 0.91
Special Items:					
Energy-related economic activity	(0.10)				(0.10)
Foreign currency-related economic hedges - unrealized impacts			(0.02)		(0.02)
Sales of assets:					
Long Island generation business	(0.09)				(0.09)
Impairments:					
Impacts from emission allowances	(0.04)				(0.04)
Other asset impairments	(0.01)				(0.01)
Workforce reduction	(0.01)	(0.01)	(0.01)		(0.03)
Total Special Items	(0.25)	(0.01)	(0.03)	-	(0.29)
Reported Earnings*	$ 0.05	$ 0.18	$ 0.39	$ -	$ 0.62
Change in Earnings from Ongoing Operations	$ 0.77	$ (0.05)	$ (0.07)	$ -	$ 0.65

* Represents net income attributable to PPL Corporation.

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast [a]		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 3.05	$ 2.70	$ 1.95	$ 2.02
Special Items:				
Energy-related economic activity	(0.27)	(0.27)	(0.59)	0.67
Sales of assets:				
Long Island generation business			(0.09)	
Latin American businesses			(0.07)	
Interest in Wyman Unit 4			(0.01)	
Gas and propane businesses				(0.01)
Majority of Maine hydroelectric generation business			0.06	
Impairments:				
Impacts from emission allowances	(0.02)	(0.02)	(0.05)	(0.07)
Adjustments - NDT investments				(0.04)
Holtwood hydroelectric plant				(0.03)
Other asset impairments			(0.01)	(0.01)
Pending E.ON U.S. acquisition-related costs:				
Monetization of certain full-requirement sales contracts	(0.17)	(0.17)		
Deferred Bridge Facility financing costs	(0.03)	(0.03)		
Other pending acquisition-related costs	(0.01)	(0.01)		
Workforce reductions			(0.03)	(0.01)
Other:				
Montana hydroelectric litigation	(0.08)	(0.08)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.60)	(0.60)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.45	$ 2.10	$ 1.08	$ 2.47

Note: Per share amounts are based on diluted shares outstanding.

[a] 2010 forecast amounts reflect the dilution associated with the June 2010 offering of common stock.

Reconciliation of Second Quarter Operating Income to Domestic Gross Energy Margins

(Millions of Dollars)

	Three Months Ended June 30,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Eastern U.S., pre-tax	$ 533	$ 312	$ 221	$ 0.34
Western U.S., pre-tax	88	77	11	0.02
Domestic gross energy margins, pre-tax	$ 621	$ 389	$ 232	$ 0.36

	Three Months Ended June 30,	
	2010	**2009**
Operating Income	$ 238	$ 104
Adjustments:		
Utility	(692)	(881)
Energy-related businesses, net	(10)	(7)
Other operation and maintenance	423	354
Amortization of recoverable transition costs	-	70
Depreciation	130	114
Taxes, other than income	54	67
Revenue adjustments (a)	719	530
Expense adjustments (a)	(241)	38
Domestic gross energy margins	$ 621	$ 389

(a) See additional information on the following slide.

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Reconciliation of Second Quarter Operating Income to Domestic Gross Energy Margins

(Millions of Dollars)

	Three Months Ended June 30,	
	2010	**2009**
Revenue adjustments		
Impact from energy-related economic activity	$ 656	$ 111
PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	64	411
Gains (losses) from sale of RECs	(1)	1
Revenues from Supply segment discontinued operations	-	7
Total revenue adjustments	$ 719	$ 530
Expense adjustments		
Impact from energy-related economic activity	$ 436	$ (39)
External PLR energy purchases	(209)	(11)
Other	14	12
Total expense adjustments	$ 241	$ (38)

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Reconciliation of Second Quarter Operating Income to Domestic Gross Delivery Margins

(Millions of Dollars)

	Three Months Ended June 30,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Domestic gross delivery margins, pre-tax	$ 199	$ 185	$ 14	$ 0.02

	Three Months Ended June 30,	
	2010	**2009**
Operating Income	$ 238	$ 104
Adjustments:		
Unregulated retail electric and gas	(101)	(32)
Wholesale energy marketing	(595)	(646)
Net energy trading margins	(5)	(7)
Energy-related businesses, net	(10)	(7)
Fuel	263	186
Energy purchases	295	678
Other operation and maintenance	423	354
Depreciation	130	114
Taxes, other than income	54	67
Revenue adjustments (a)	(236)	(566)
Expense adjustments (a)	(257)	(60)
Domestic gross delivery margins	$ 199	$ 185

(a) See additional information on the following slide.

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Reconciliation of Second Quarter Operating Income to Domestic Gross Delivery Margins

(Millions of Dollars)

	Three Months Ended June 30,	
	2010	**2009**
Revenue adjustments		
WPD utility revenue	$ (172)	$ (155)
PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	(64)	(411)
Total revenue adjustments	$ (236)	$ (566)
Expense adjustments		
External PLR energy purchases	$ 209	$ 11
Gross receipts tax	27	44
Act 129	19	-
Other	2	5
Total expense adjustments	$ 257	$ 60

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Forward-Looking Information Statement

Statements contained in this press release, including statements with respect to future events and their timing, including statements concerning the acquisition by PPL Corporation of E.ON U.S. LLC and its subsidiaries Louisville Gas and Electric Company and Kentucky Utilities Company (collectively, the "E.ON Entities"), the expected results of operations of any of the E.ON Entities or PPL Corporation both before or following PPL Corporation's acquisition of the E.ON Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the E.ON Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the E.ON Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the E.ON Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the E.ON Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the E.ON Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Costs related to the pending E.ON U.S. acquisition, including gains or losses associated with the sale of certain full-requirement sales contracts in support of raising cash for the acquisition.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item is the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, full-requirement and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, losses on the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts monetized, and included in domestic gross energy margins earnings over the delivery period that was hedged or upon realization. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

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Bank of America-Merrill Lynch Power & Gas Leaders Conference

September 28, 2010

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Investment Highlights

- Significant growth in rate regulated businesses
  - Acquisition of E.ON US will significantly transform business mix
  - Substantial Capex to support performance of existing networks in PA, KY and the United Kingdom
  - Attractive formula rate mechanism for PA transmission tariffs at ROE of 11.68%
  - Regulated infrastructure growth of $3 billion from 2011 to 2014
- Regulated businesses operate in constructive regulatory jurisdictions
- Highly attractive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
  - Three significant drivers of upside
    - Increasing gas prices
    - Increasing heat rates
    - Carbon regulation
- Secure dividend with current yield of 5.2% (1)

(1) Based on 9/17/2010 closing price of $26.75

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E.ON US Transaction Timeline

Regulatory Body	Milestone	Expected Timing
Kentucky PSC	Settlement Agreement reached with all interveners filed with KY PSC on 9/2/10	120 day statutory expiration 9/30/2010
Virginia & Tennessee Commission		Expected approval shortly after Kentucky
DOJ/FTC	Antitrust clearance granted	Completed
FERC	Settlement Agreement reached with all objecting parties filed with FERC on 9/15/10	Requested FERC approval by 10/15/2010
Transaction Close		Maximum 15 business days post final regulatory approval

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Progressive and Constructive Regulation - Kentucky

Kentucky Rate Mechanisms:

Environmental Cost Recovery ("ECR")

- Recovery of and return on environmental investment required as a result of coal combustion reflected in bill two months after incurred

Construction Work In Progress ("CWIP")

- History of including CWIP in ECR and base rates

Fuel Adjustment Clause ("FAC")

- Variations in fuel costs and economic power purchases are reflected monthly in rates charged to electric customers two months after incurred

Gas Supply Clause Adjustment ("GSC")

- Cost of natural gas supply for LG&E Gas reflected in rates reset quarterly with mechanisms to balance to actual costs and provide utility performance-based incentive

Demand Side Management ("DSM")

- Concurrent recovery of DSM costs including lost revenue

Supportive and progressive regulation combined with competitive customer rates

UK Electricity Distribution Regulation

- Electricity and natural gas supply and distribution are regulated by the UK's Office of Gas and Electricity Markets.

- Electricity distribution revenues are set every five years through a Distribution Price Control Review (DPCR) process.
  - Price control is based on a forward looking assessment of income sufficient to finance an efficient business.
  - Revenues cover operating and capital costs at an efficient level for the service territory.
    - Efficiency is determined through a detailed comparable analysis of all UK electricity distribution companies.
    - Annual adjustments for inflation
  - An incentive / penalty arrangement exists for reliability and customer service levels.
- The revenue that a company can earn in each of the five years is the sum of:
  - The Regulator's view of efficient costs,
  - A return on the value of Regulated Asset Value ("RAV"), and
  - A return of capital being the depreciation of the RAV.

- Rate set through March 31, 2015.

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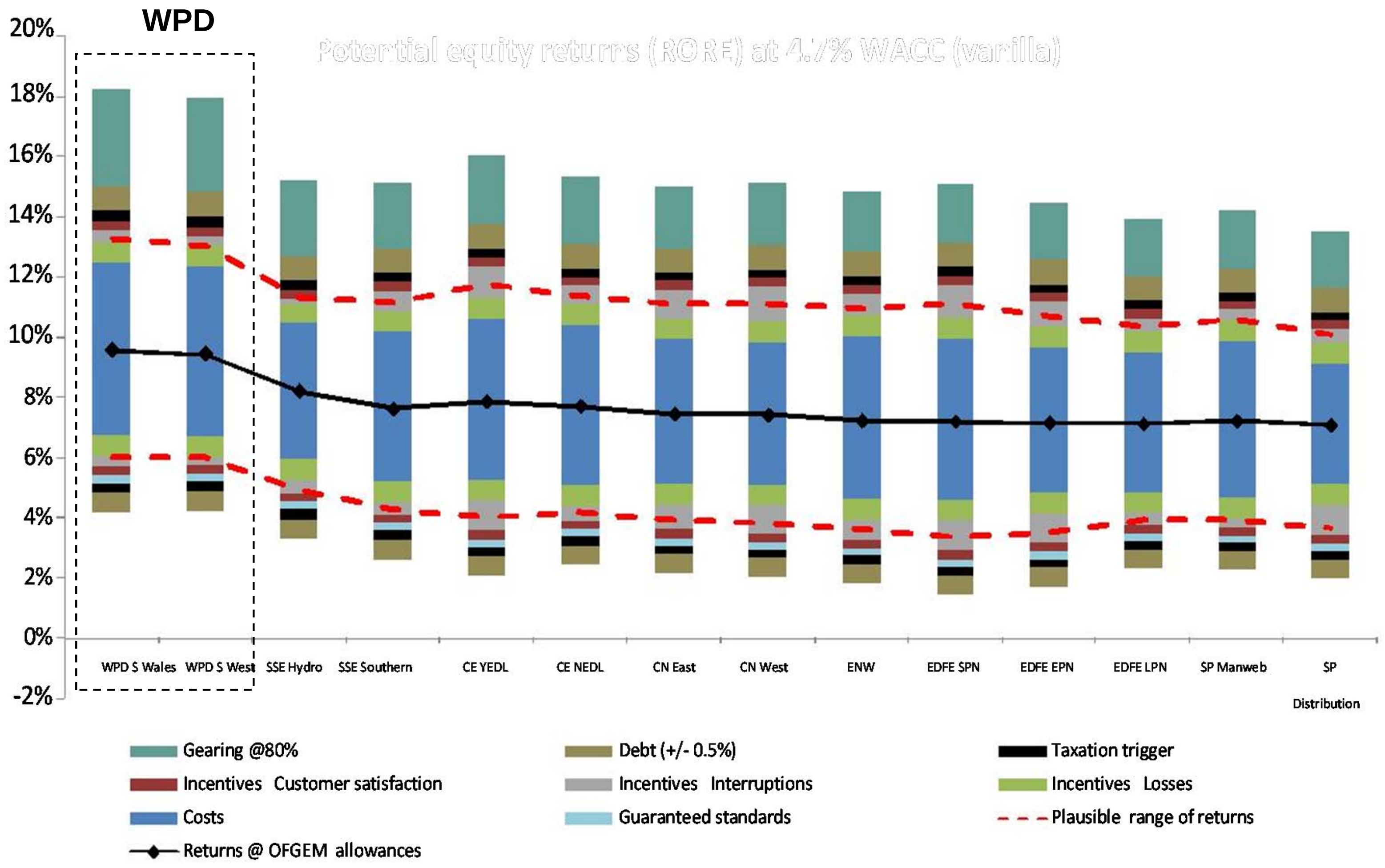
UK Return on Regulatory Equity



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Recent Rate Case Developments

- LG&E and KU rate stipulations approved by KY PSC on July 29
  - $189 million total rate increase
  - ROE in range of 10.25% - 10.75%
- PPL Electric Utilities reached a settlement with all interveners in rate case
  - Subject to ALJ and PA PUC approval
  - $77.5 million rate increase
  - Settlement does not address rate design or rate allocation
  - ALJ recommended decision expected by middle of October
  - PA PUC final decision expected by middle of December

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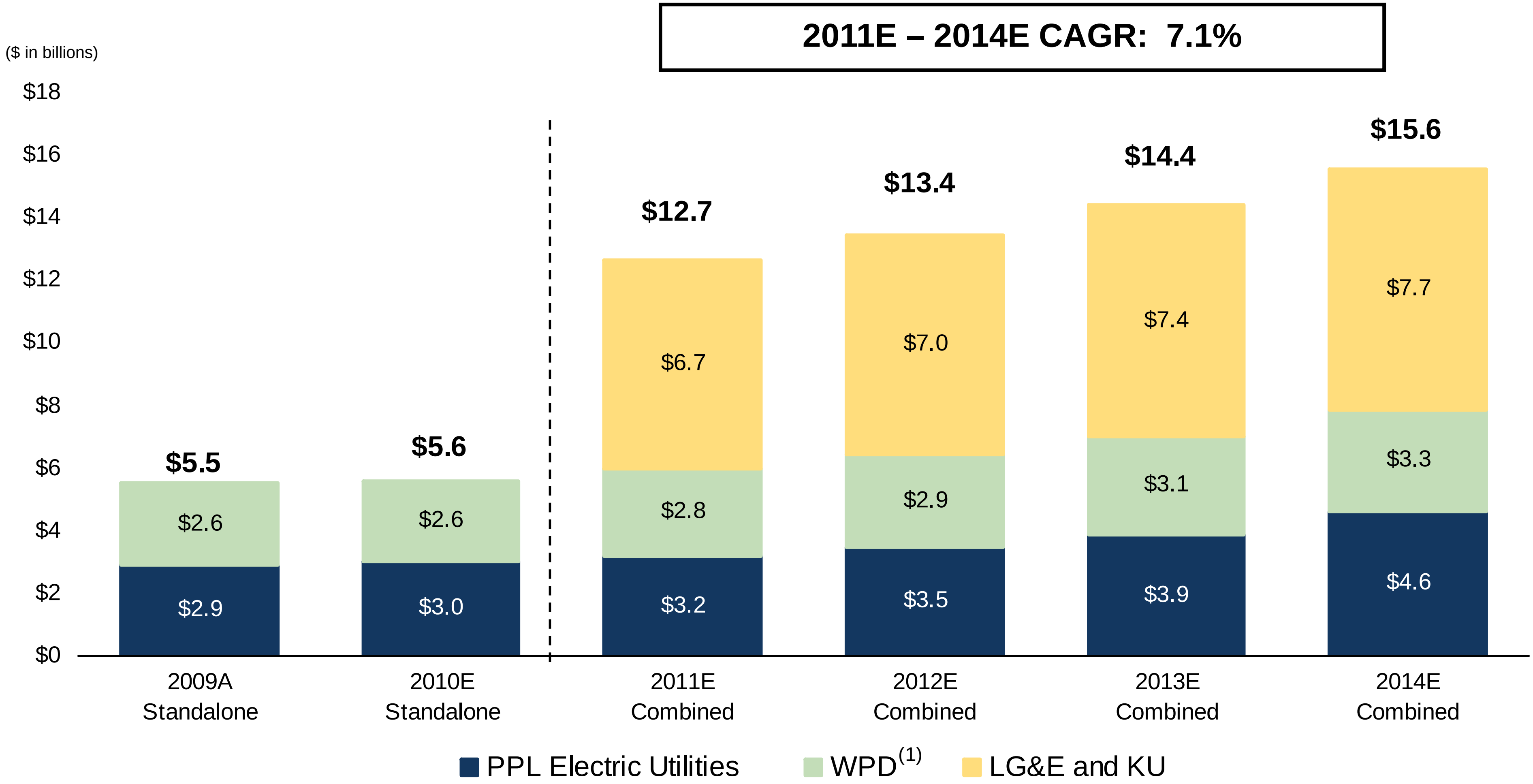
Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

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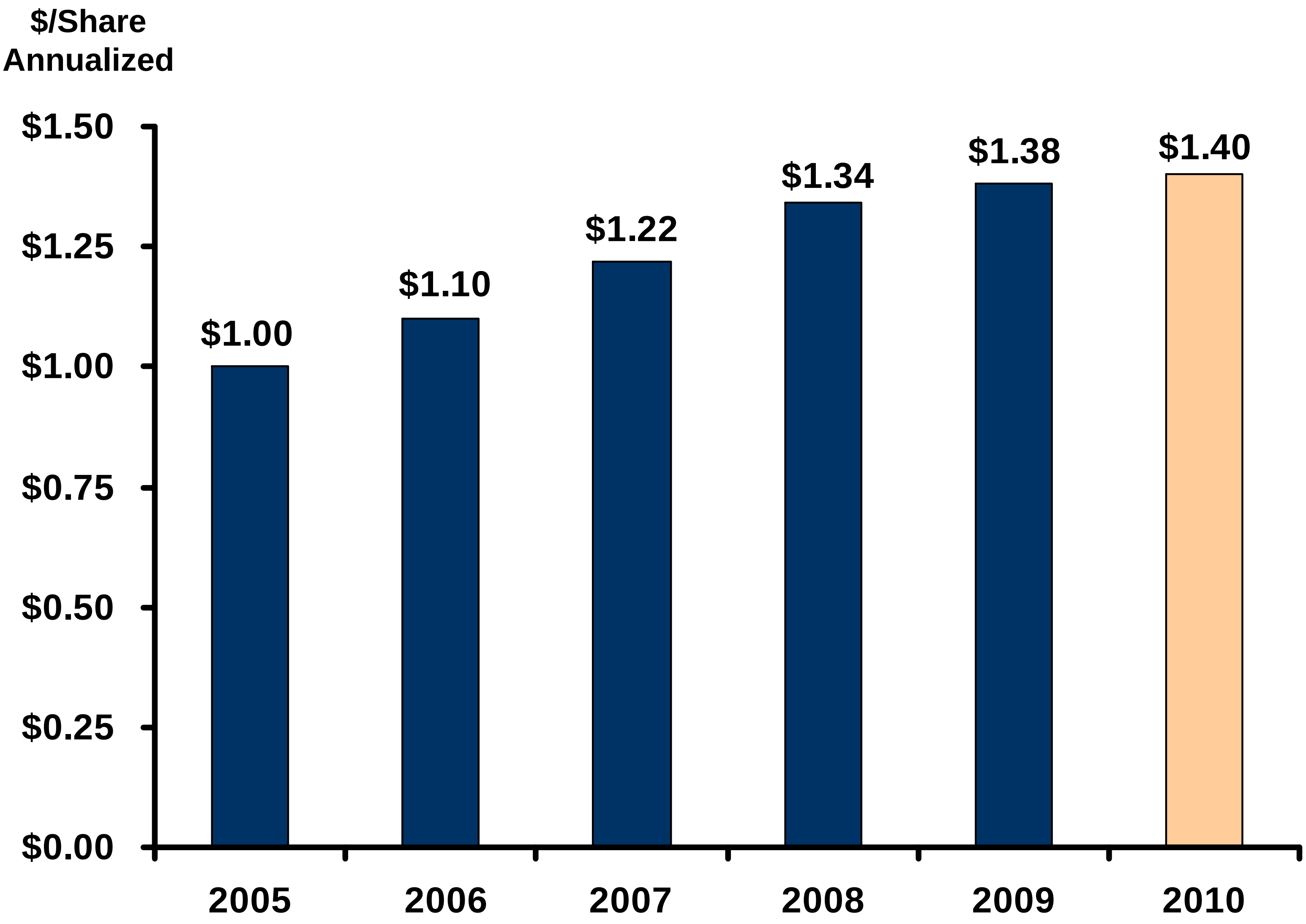
Dividend Profile



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Market Prices

	Actual	Forward(1)		
	2009	Jul-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$54	$53	$54
Off-Peak	$31	$38	$39	$40
ATC[2]	$38	$46	$46	$47
Mid-Columbia				
On-Peak	$36	$43	$44	$48
Off-Peak	$29	$35	$36	$38
ATC[2]	$33	$40	$40	$44
GAS[3]				
NYMEX	$3.92	$4.82	$5.34	$5.68
TZ6NNY	$4.63	$5.28	$5.93	$6.17
PJM MARKET				
HEAT RATE[4]	9.5	10.2	8.9	8.8
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	91.5%	89.4%	90.9%

---

(1) Market prices based on the average of broker quotes as of 6/30/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 6/30/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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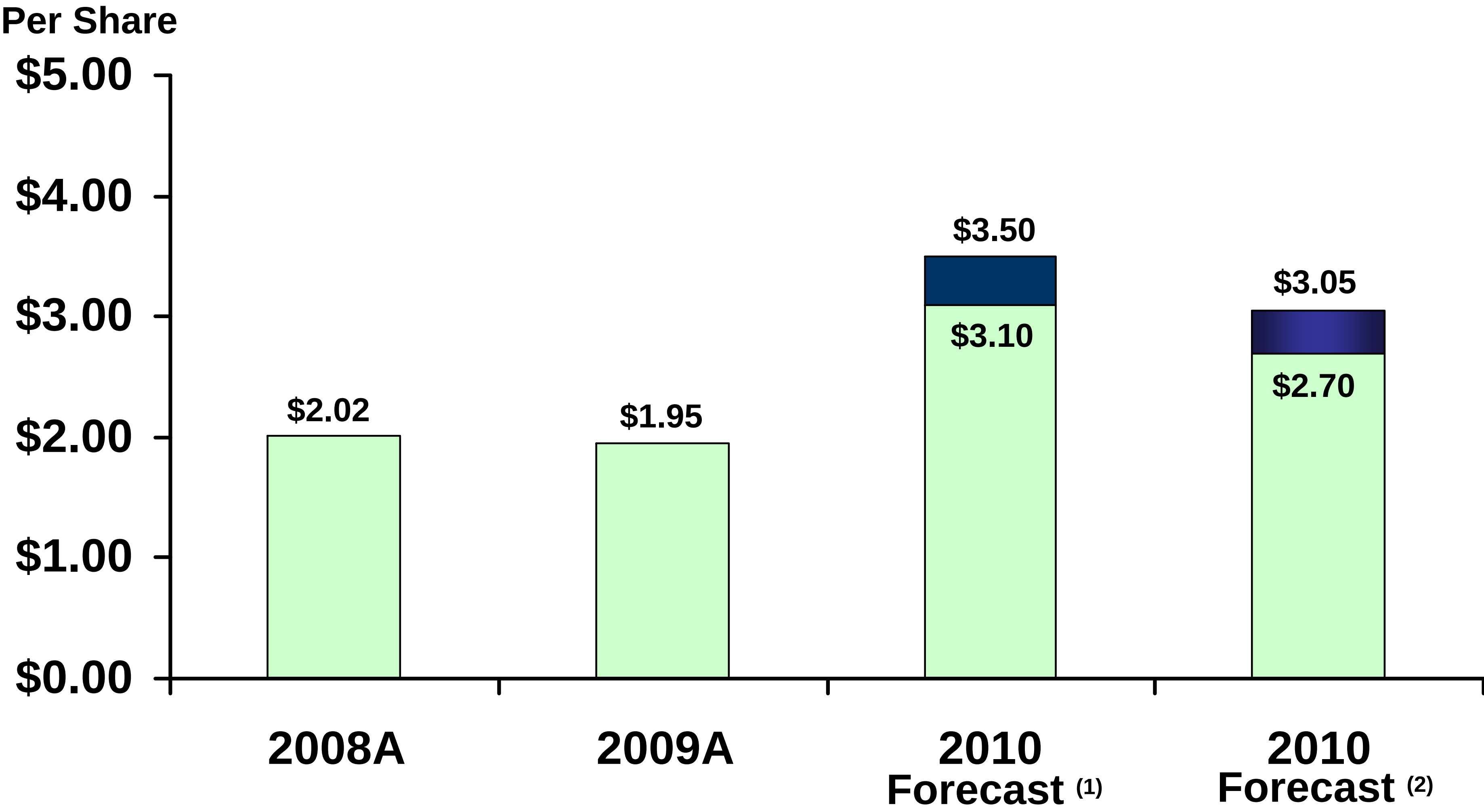
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Unadjusted for share dilution

(2) Adjusted for share dilution

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**51.2**	**51.4**	**55.4**
East	42.8	43.1	46.9
West	8.4	8.3	8.5
Current Hedges (%)	**99%**	**97%**	**61%**
East	100%	98%	57%
West	98%	92%	83%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$57**	**$59**
East	$60	$58	$60
West	$50	$54	$56
Expected Average Price (Fully Loaded) ($/MWh)	**$69**	**$64**	**$64**
East**	$71	$65	$66
West	$50	$54	$56
% Hedged Through Swaps/Options Energy Transactions	96%	96%	61%
% Hedged Through Load-following Transactions	3%	1%	0%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**5.5**	**5.2**	**5.2**
Current Hedges (%)	**56%**	**0%**	**0%**

As of June 30, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	100%	98%	93%
West	100%	100%	92%
Total	**100%**	**98%**	**93%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	**Price**	**Hedge Level**	**Price**	**Hedge Level**	**Price**
% Fixed Base Price	**93%**	**$49**	**44%**	**$51**	**32%**	**$64**
% Collars	**0%**	**N/A**	**52%**	**$48-$53**	**68%**	**$44-$52**
% Diesel Surcharge	**7%**	**$45**	**4%**	**$45**	**0%**	**N/A**

Note: As of June 30, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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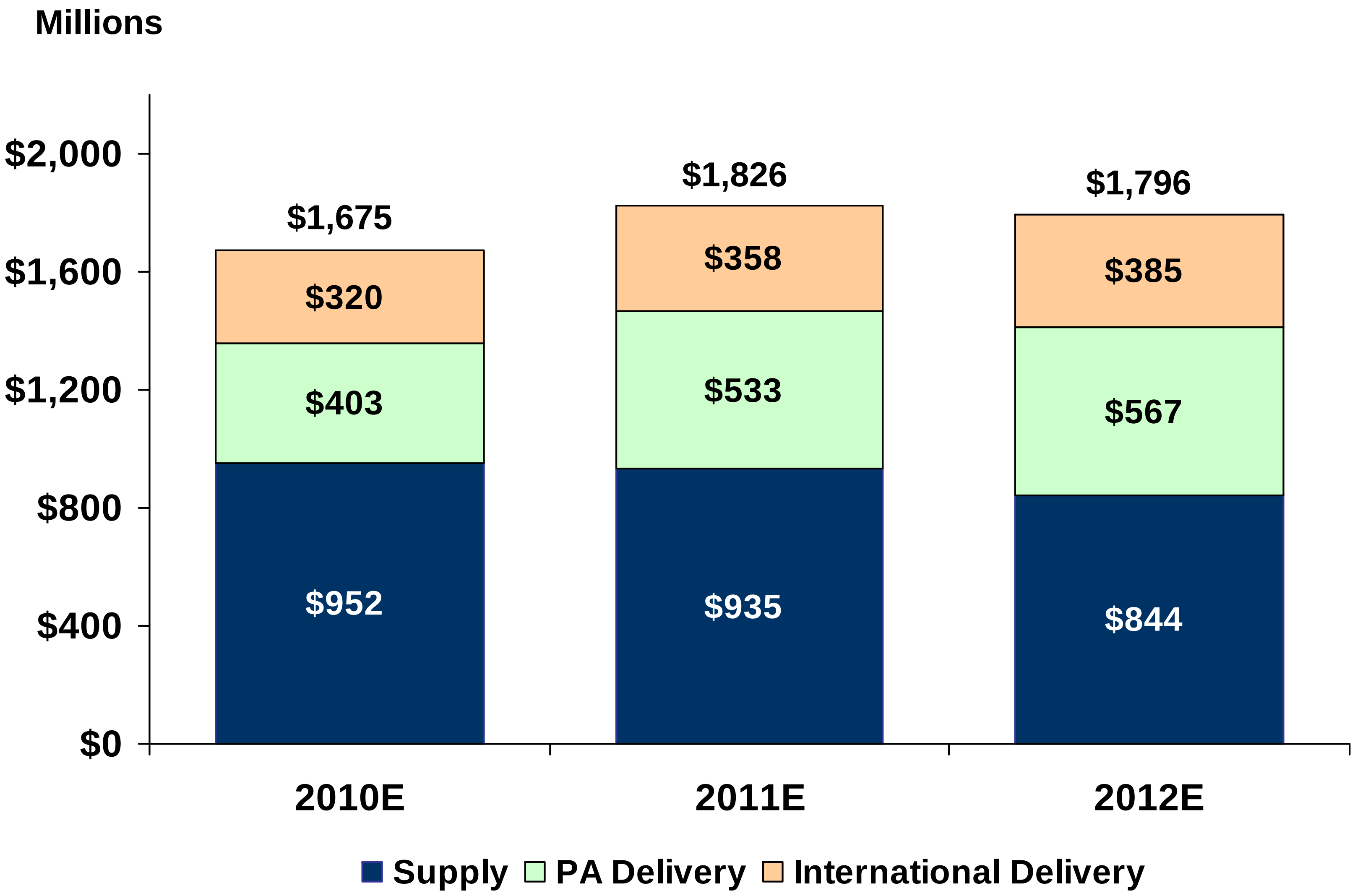
Capital Expenditures by Segment



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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast [a]		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 3.05	$ 2.70	$ 1.95	$ 2.02
Special Items (through June 30, 2010):				
Energy-related economic activity	(0.27)	(0.27)	(0.59)	0.67
Sales of assets:				
Long Island generation business			(0.09)	
Latin American businesses			(0.07)	
Interest in Wyman Unit 4			(0.01)	
Gas and propane businesses				(0.01)
Majority of Maine hydroelectric generation business			0.06	
Impairments:				
Impacts from emission allowances	(0.02)	(0.02)	(0.05)	(0.07)
Adjustments - NDT investments				(0.04)
Holtwood hydroelectric plant				(0.03)
Other asset impairments			(0.01)	(0.01)
Pending E.ON U.S. acquisition-related costs:				
Monetization of certain full-requirement sales contracts	(0.17)	(0.17)		
Deferred Bridge Facility financing costs	(0.03)	(0.03)		
Other pending acquisition-related costs	(0.01)	(0.01)		
Workforce reductions			(0.03)	(0.01)
Other:				
Montana hydroelectric litigation	(0.08)	(0.08)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.60)	(0.60)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.45	$ 2.10	$ 1.08	$ 2.47

Note: Per share amounts are based on diluted shares outstanding.

[a] 2010 forecast amounts reflect the dilution associated with the June 2010 offering of common stock.

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Third Quarter Earnings Call

October 28, 2010

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Agenda

Third Quarter 2010 Earnings and 2010 Earnings Forecast and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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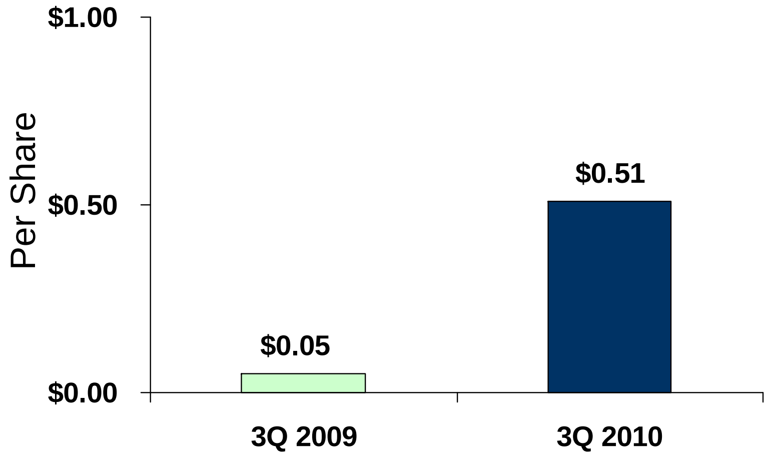
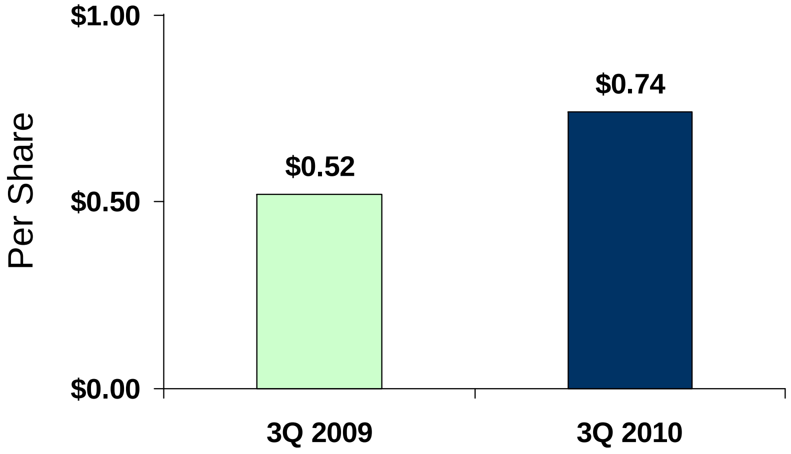
Earnings Results

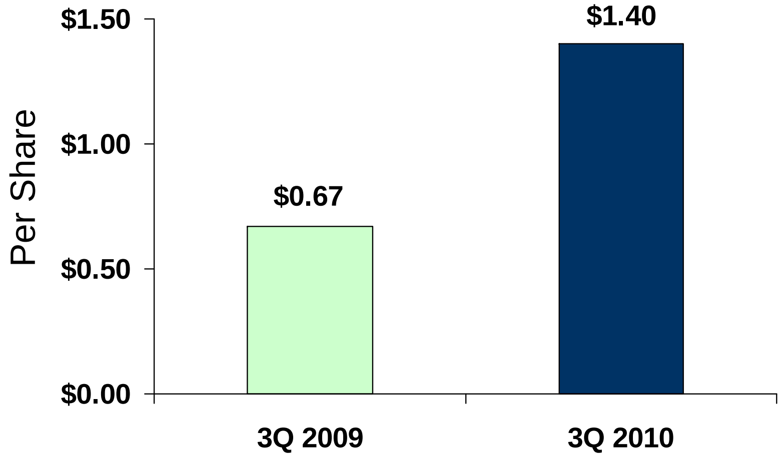
Third Quarter
Reported Earnings



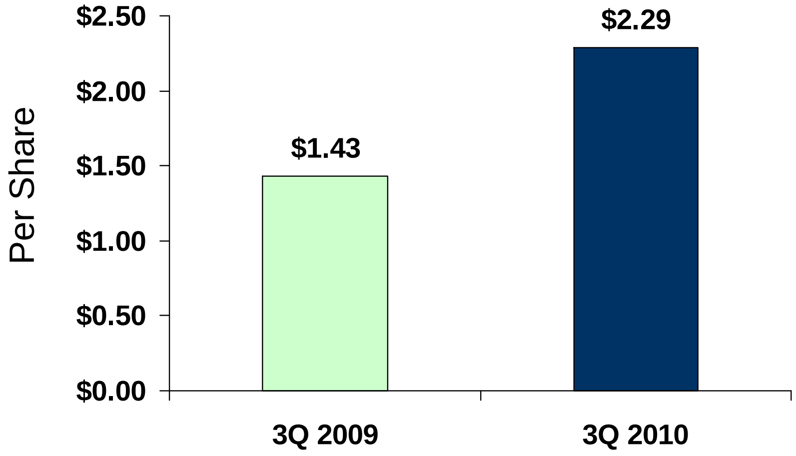
Third Quarter
Earnings from Ongoing Operations



Year-to-Date
Reported Earnings



Year-to-Date
Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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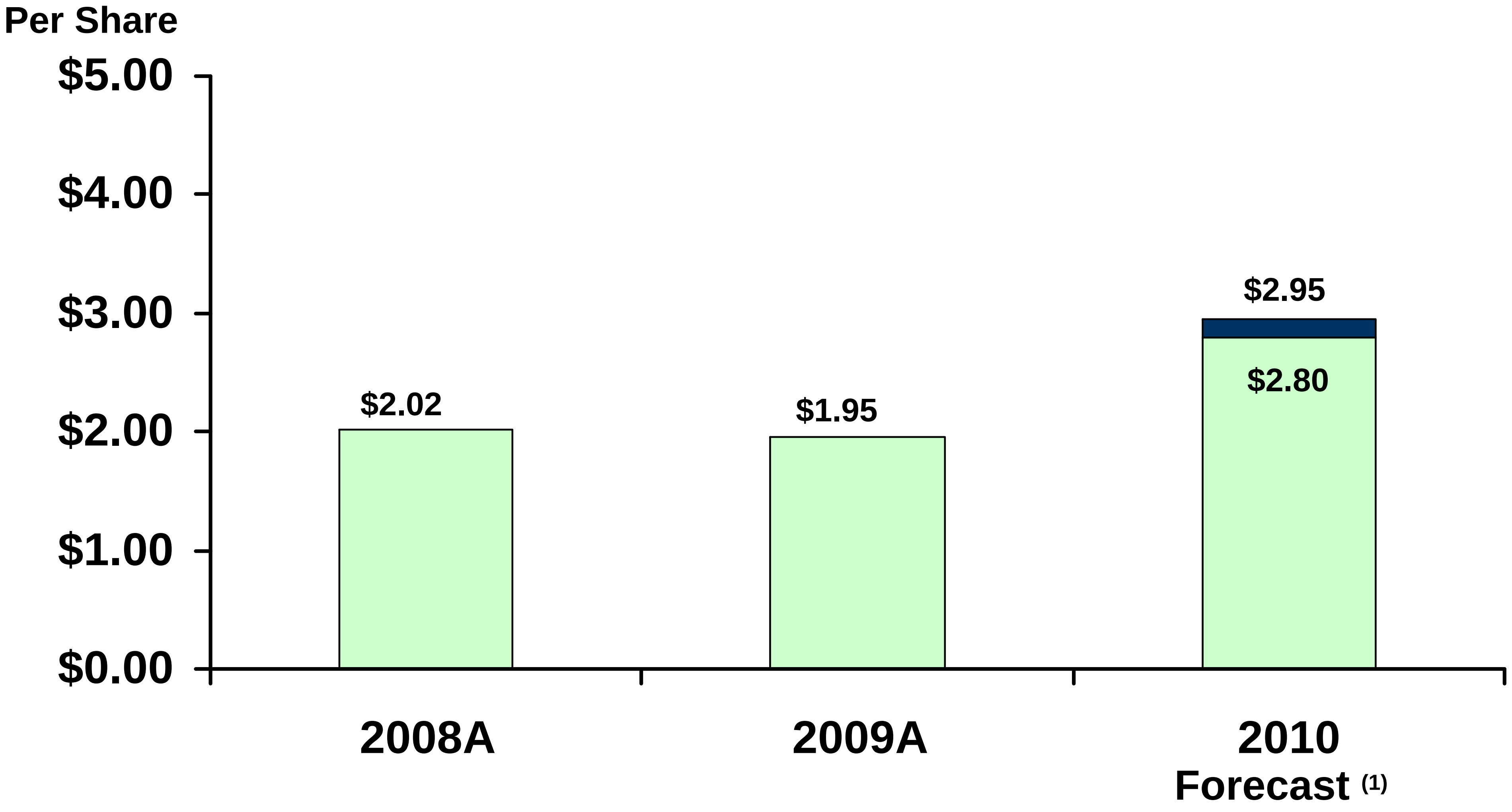
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Adjusted for share dilution

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Ongoing Earnings Overview

	Q3 2010	Q3 2009	Change
Supply	$0.54	$0.33	$ 0.21
Pennsylvania Delivery	0.08	0.07	0.01
International Delivery	0.12	0.12	0.00
Total	$0.74	$0.52	$ 0.22

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	3rd Quarter	
2009 EPS – Ongoing Earnings		$0.33
Margins – East	0.31	
O&M	(0.02)	
Depreciation	(0.02)	
Income Taxes & Other	0.11	
Dilution	(0.17)	
Total		0.21
2010 EPS – Ongoing Earnings		$0.54

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Delivery Segment Earnings Drivers

		3rd Quarter
2009 EPS – Ongoing Earnings		$0.07
Delivery Margins	0.02	
O&M	(0.01)	
Income Taxes & Other	0.02	
Dilution	(0.02)	
Total		0.01
2010 EPS – Ongoing Earnings		$0.08

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

International Delivery Segment Earnings Drivers

		3rd Quarter
2009 EPS – Ongoing Earnings		$0.12
Delivery Revenue	0.02	
O&M	(0.02)	
Financing Costs	(0.02)	
Income Taxes & Other	0.06	
Dilution	(0.04)	
Total		0.00
2010 EPS – Ongoing Earnings		$0.12

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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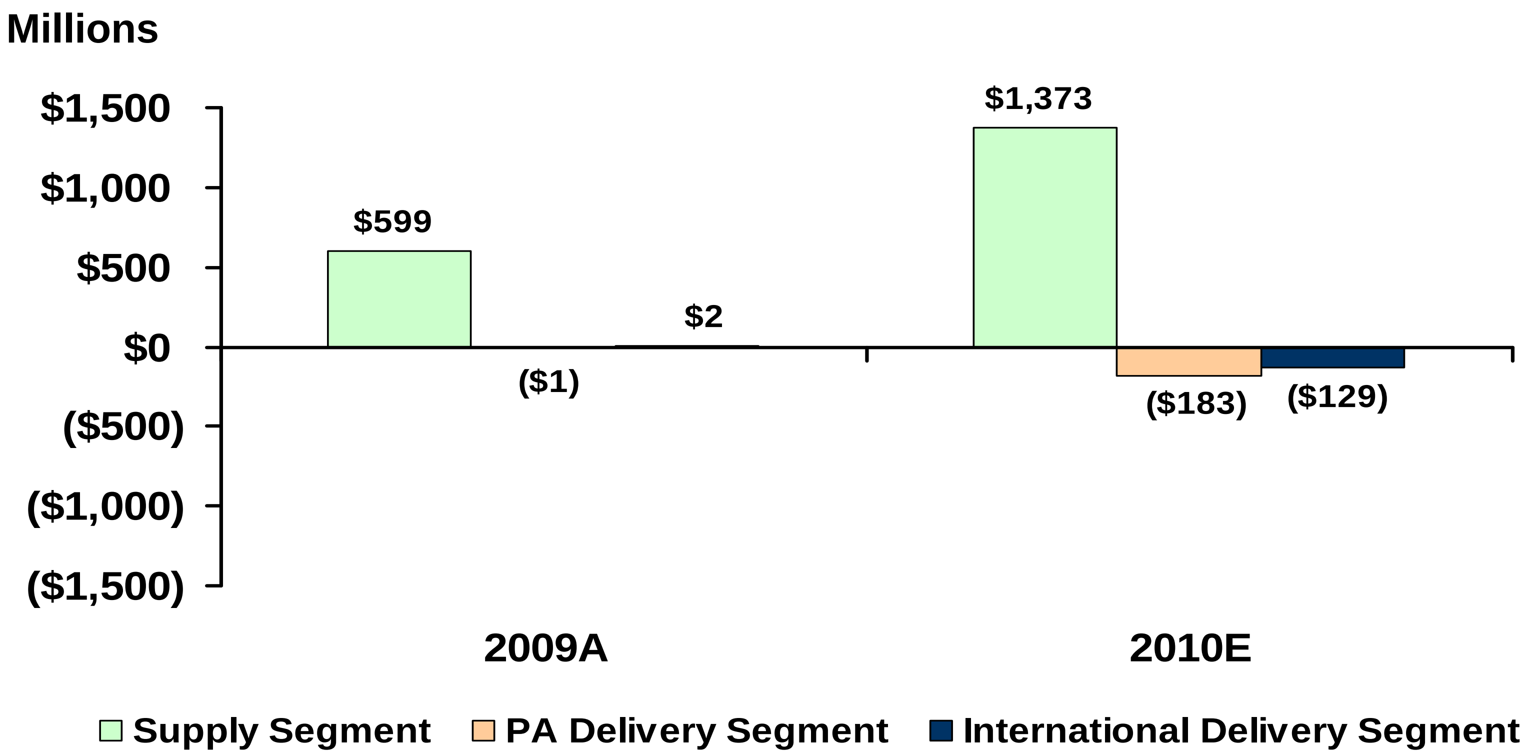
Free Cash Flow before Dividends Forecast



Note: See Appendix for reconciliation of cash from operations to free cash flow before dividends

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Operational Review

- ALJ issued recommended decision approving settlement agreement in PPL EU rate case; PUC order expected December 2010
- No significant change to generation hedge profile
- Slight increase in East and West coal hedges for 2012; no change to average hedge price
- Basis assumptions for 2010, 2011, 2012 unchanged since last earnings call
- Continue to forecast eastern coal transportation costs at $24/ton in 2011

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Market Prices

	Actual	Forward[1]		
	2009	Oct-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$43	$48	$50
Off-Peak	$31	$33	$35	$37
ATC[2]	$38	$38	$41	$43
Mid-Columbia				
On-Peak	$36	$37	$35	$41
Off-Peak	$29	$31	$27	$31
ATC[2]	$33	$35	$31	$37
GAS[3]				
NYMEX	$3.92	$3.94	$4.44	$5.07
TZ6NNY	$4.63	$4.50	$4.96	$5.55
PJM MARKET				
HEAT RATE[4]	9.5	9.6	9.6	9.0
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	92.8%	89.6%	90.4%

(1) Market prices based on the average of broker quotes as of 9/30/2010

(2) 24-hour average

(3) NYMEX and TZ6NNY forward gas prices on 9/30/2010

(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**50.3**	**51.4**	**54.7**
East	41.7	43.1	46.2
West	8.6	8.3	8.5
Current Hedges (%)	**100%**	**97%**	**68%**
East	100%	98%	63%
West	100%	94%	94%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$56**	**$58**
East	$60	$56	$59
West	$50	$54	$54
Expected Average Price (Fully Loaded) ($/MWh)	**$68**	**$61**	**$62**
East**	$71	$63	$64
West	$50	$54	$54
% Hedged Through Swaps/Options Energy Transactions	97%	96%	67%
% Hedged Through Load-following Transactions	3%	1%	1%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**6.7**	**5.3**	**5.3**
Current Hedges (%)	**87%**	**1%**	**0%**

As of October 20, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	100%	98%	95%
West	100%	100%	100%
Total	**100%**	**99%**	**96%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	96%	$52	32%	$64
% Collars	0%	N/A	0%	N/A	68%	$45-$52
% Diesel Surcharge	7%	$45	4%	$45	0%	N/A

Note: As of September 30, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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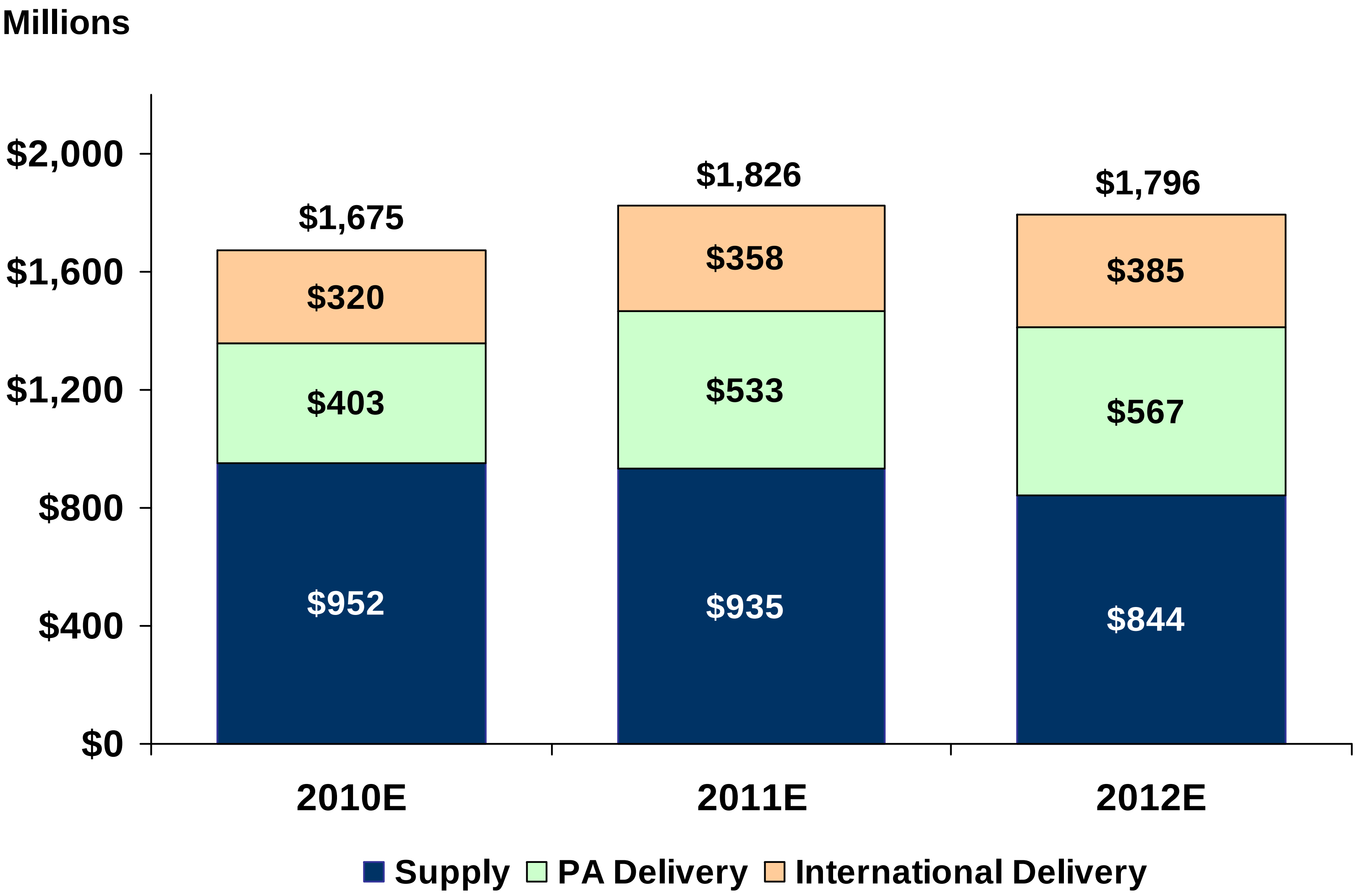
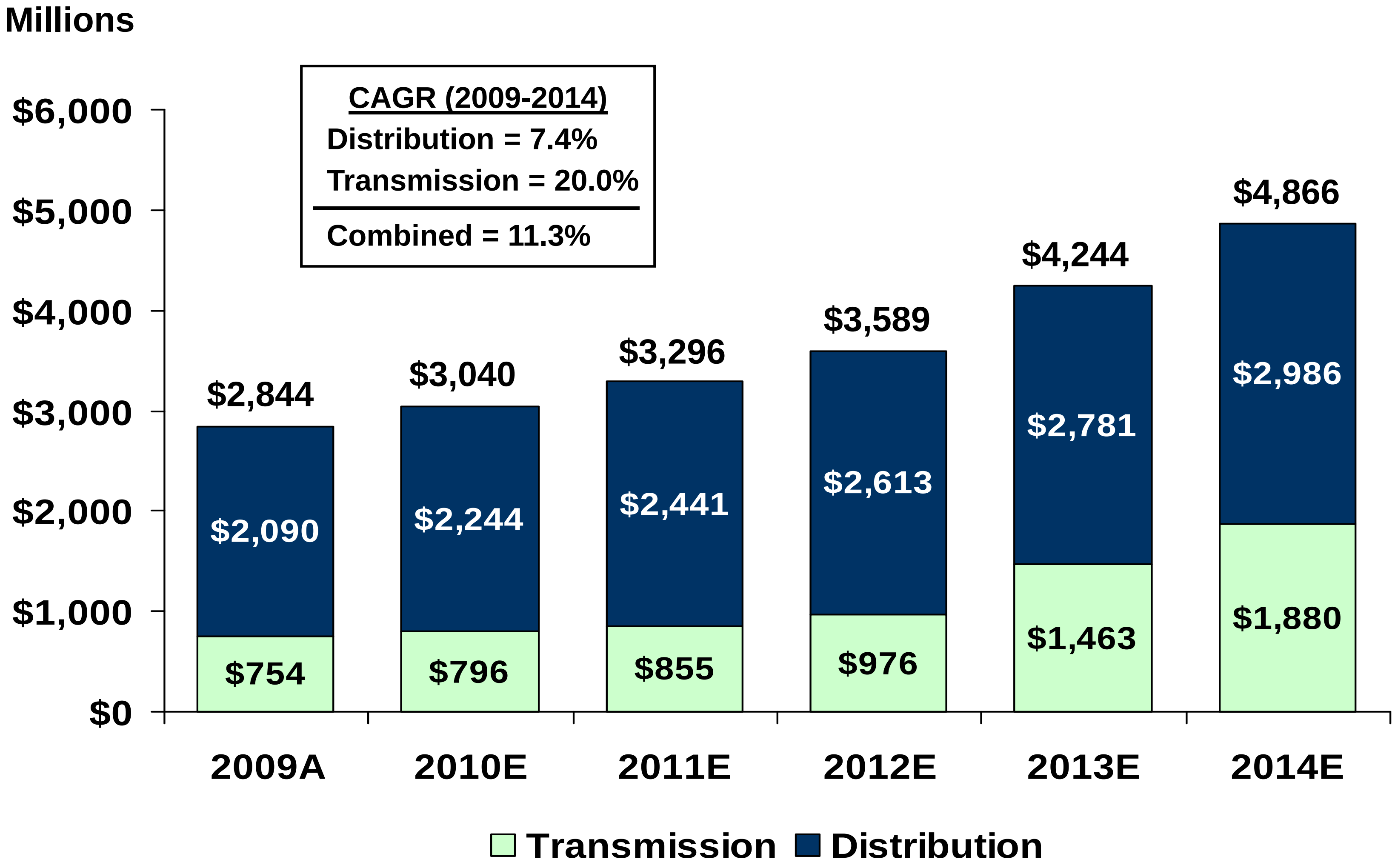
Capital Expenditures by Segment



PPL Electric Utilities Rate Base



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PPL Electric Utilities 2011 to mid-2013 Procurement Plan Schedule

- Due dates for bids:
  - ✓ August 11, 2009
  - ✓ October 20, 2009
  - ✓ January 19, 2010
  - ✓ April 20, 2010
  - ✓ July 20, 2010
  - ✓ October 19, 2010
  - April 18, 2011
  - July 19, 2011
  - October 18, 2011
  - January 9, 2012
  - April 3, 2012
  - July 17, 2012
  - October 16, 2012
  - January 22, 2013

✓ Completed

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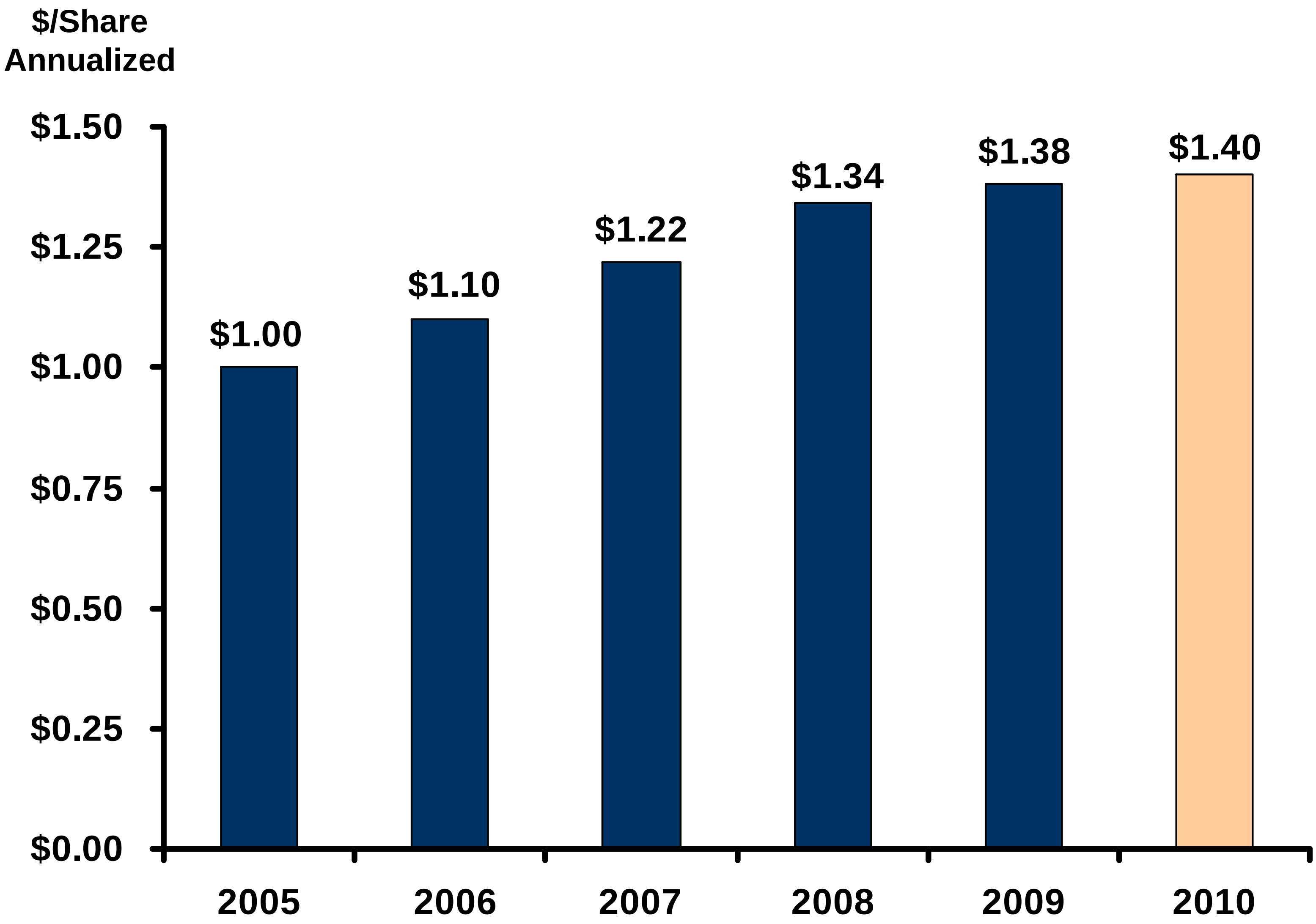
Dividend Profile



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Debt Maturities

(Millions)

	2010	2011	2012	2013	2014
PPL Energy Supply	$0	$500	$0	$737	$300
PPL Capital Funding	0	0	0	0 (2)	0
PPL Electric Utilities	0	0	0	400	10 (1)
WPD Group	0	0	0	0	0
Total	$0	$500	$0	$1,137	$310

Note: As of September 30, 2010

(1) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

(2) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful

Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$5	$0	$3,220
	3-Year Bilateral Credit Facility	Mar-2013	200	85	0	115
	5-year Structured Credit Facility	Mar-2011	300	143	0	157
			$3,725	$233	$0	$3,492
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$13	$0	$177
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$340	$13	$0	$327
WPD	3-year Credit Facility	Jul-2012	£210	£0	£0	£210
	5-year Credit Facility	Jan-2013	150	0	121	29
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£121	£299

Amounts reported above are as of September 30, 2010. Effective October 19, PPL Energy Supply's $3.2 billion credit facility was terminated and a new $4 billion credit facility was made effective. With these changes, domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 12% of the total committed capacity.

Supply Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$1,310	$1,826
Increase/(Decrease) in cash due to:		
Capital Expenditures	(720)	(952)
Asset Sales (1) (2)	84	531
Other Investing Activities – Net	(75)	(32)
Free Cash Flow before Dividends	$599	$1,373

(1) 2009 includes sale of Wyman and initial payment for the Maine hydro assets from ArcLight

(2) 2010 includes February 2010 sale of the Long Island generating assets, contingent payment on the pending sale of the remaining Maine hydro assets from ArcLight, completion of the pending sale of the remaining Maine hydro assets to the Penobscot Trust, and pending sale of Wallingford, University Park, and interest in Safe Harbor

PA Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

	(Millions)	
	Actual 2009	Projected 2010
Cash from Operations	$294	$221
Increase/(Decrease) in cash due to:		
Capital Expenditures	(298)	(403)
Asset Sales & Other	3	(1)
Free Cash Flow before Dividends	($1)	($183)

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International Delivery Segment Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions)

	Actual 2009	Projected 2010
Cash from Operations	$248	$190
Increase/(Decrease) in cash due to:		
Capital Expenditures	(247)	(320)
Other Investing Activities – Net	1	1
Free Cash Flow before Dividends	$2	($129)

Reconciliation of Third Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Quarter Ending September 30, 2010					
Earnings from Ongoing Operations	$ 260	$ 36	$ 63	$ (1)	$ 358
Special Items:					
Energy-related economic activity	4				4
Foreign currency-related economic hedges - unrealized impacts			(1)		(1)
Impairments:					
Impacts from emission allowances	(2)				(2)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(27)				(27)
Bridge Facility costs				(31)	(31)
Other pending acquisition-related costs				(2)	(2)
Anticipated sale of certain non-core generation facilities	(62)				(62)
Discontinued cash flow hedges for unissued debt	(19)				(19)
Other:					
Montana hydroelectric litigation	(1)				(1)
Change in U.K. tax rate			19		19
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			12		12
Total Special Items	(107)	-	30	(33)	(110)
Reported Earnings*	$ 153	$ 36	$ 93	$ (34)	$ 248
Quarter Ending September 30, 2009					
Earnings from Ongoing Operations	$ 124	$ 27	$ 44	$ -	$ 195
Special Items:					
Energy-related economic activity	(130)				(130)
Foreign currency-related economic hedges - unrealized impacts			4		4
Sales of assets:					
Latin American businesses			(24)		(24)
Other:					
Change in tax accounting method related to repairs	(25)				(25)
Total Special Items	(155)	-	(20)	-	(175)
Reported Earnings*	$ (31)	$ 27	$ 24	$ -	$ 20
Change in Earnings from Ongoing Operations	$ 136	$ 9	$ 19	$ (1)	$ 163

* Represents net income attributable to PPL Corporation.

Reconciliation of Third Quarter Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Quarter Ending September 30, 2010					
Earnings from Ongoing Operations	$ 0.54	$ 0.08	$ 0.12	$ -	$ 0.74
Special Items:					
Energy-related economic activity	0.01				0.01
Impairments:					
Impacts from emission allowances	(0.01)				(0.01)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(0.06)				(0.06)
Bridge Facility costs				(0.06)	(0.06)
Other pending acquisition-related costs				(0.01)	(0.01)
Anticipated sale of certain non-core generation facilities	(0.13)				(0.13)
Discontinued cash flow hedges for unissued debt	(0.04)				(0.04)
Other:					-
Change in U.K. tax rate			0.04		0.04
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03		0.03
Total Special Items	(0.23)	-	0.07	(0.07)	(0.23)
Reported Earnings*	$ 0.31	$ 0.08	$ 0.19	$ (0.07)	$ 0.51
Quarter Ending September 30, 2009					
Earnings from Ongoing Operations	$ 0.33	$ 0.07	$ 0.12	$ -	$ 0.52
Special Items:					
Energy-related economic activity	(0.34)				(0.34)
Sales of assets:					
Latin American businesses			(0.06)		(0.06)
Other:					
Change in tax accounting method related to repairs	(0.07)				(0.07)
Total Special Items	(0.41)	-	(0.06)	-	(0.47)
Reported Earnings*	$ (0.08)	$ 0.07	$ 0.06	$ -	$ 0.05
Change in Earnings from Ongoing Operations	$ 0.21	$ 0.01	$ -	$ -	$ 0.22

* Represents net income attributable to PPL Corporation.

Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Year-to-Date September 30, 2010					
Earnings from Ongoing Operations	$ 668	$ 89	$ 198	$ (1)	$ 954
Special Items:					
Energy-related economic activity	(115)				(115)
Foreign currency-related economic hedges - unrealized impacts			(2)		(2)
Sales of assets:					
Sundance indemnification	1				1
Impairments:					
Impacts from emission allowances	(9)				(9)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(102)				(102)
Bridge Facility costs				(44)	(44)
Other pending acquisition-related costs				(8)	(8)
Anticipated sale of certain non-core generation facilities	(62)				(62)
Discontinued cash flow hedges for unissued debt	(19)				(19)
Other:					
Montana hydroelectric litigation	(34)				(34)
Health Care Reform - tax impact	(8)				(8)
Change in U.K. tax rate			19		19
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			12		12
Total Special Items	(348)	-	29	(52)	(371)
Reported Earnings*	$ 320	$ 89	$ 227	$ (53)	$ 583
Year-to-Date September 30, 2009					
Earnings from Ongoing Operations	$ 239	$ 99	$ 202	$ -	$ 540
Special Items:					
Energy-related economic activity	(168)				(168)
Foreign currency-related economic hedges - unrealized impacts			(2)		(2)
Sales of assets:					
Long Island generation business	(34)				(34)
Latin American businesses			(24)		(24)
Impairments:					
Impacts from emission allowances	(15)				(15)
Adjustments - NDT investments	(1)				(1)
Other asset impairments	(2)	(1)	(1)		(4)
Workforce reduction	(6)	(5)	(2)		(13)
Other:					
Change in tax accounting method related to repairs	(25)				(25)
Total Special Items	(251)	(6)	(29)	-	(286)
Reported Earnings*	$ (12)	$ 93	$ 173	$ -	$ 254
Change in Earnings from Ongoing Operations	$ 429	$ (10)	$ (4)	$ (1)	$ 414

* Represents net income attributable to PPL Corporation.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Dollars Per Share)

	Supply	Pennsylvania Delivery	International Delivery	Unallocated Costs	Total
Year-to-Date September 30, 2010					
Earnings from Ongoing Operations	$ 1.60	$ 0.21	$ 0.48	$ -	$ 2.29
Special Items:					
Energy-related economic activity	(0.27)				(0.27)
Impairments:					
Impacts from emission allowances	(0.02)				(0.02)
Pending E.ON U.S. acquisition-related costs:					
Monetization of certain full-requirement sales contracts	(0.24)				(0.24)
Bridge Facility costs				(0.11)	(0.11)
Other pending acquisition-related costs				(0.02)	(0.02)
Anticipated sale of certain non-core generation facilities	(0.15)				(0.15)
Discontinued cash flow hedges for unissued debt	(0.05)				(0.05)
Other:					
Montana hydroelectric litigation	(0.08)				(0.08)
Health Care Reform - tax impact	(0.02)				(0.02)
Change in U.K. tax rate			0.04		0.04
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03		0.03
Total Special Items	(0.83)	-	0.07	(0.13)	(0.89)
Reported Earnings*	$ 0.77	$ 0.21	$ 0.55	$ (0.13)	$ 1.40
Year-to-Date September 30, 2009					
Earnings from Ongoing Operations	$ 0.63	$ 0.26	$ 0.54	$ -	$ 1.43
Special Items:					
Energy-related economic activity	(0.45)				(0.45)
Foreign currency-related economic hedges - unrealized impacts			(0.01)		(0.01)
Sales of assets:					
Long Island generation business	(0.09)				(0.09)
Latin American businesses			(0.06)		(0.06)
Impairments:					
Impacts from emission allowances	(0.04)				(0.04)
Other asset impairments	(0.01)				(0.01)
Workforce reduction	(0.01)	(0.01)	(0.01)		(0.03)
Other:					
Change in tax accounting method related to repairs	(0.07)				(0.07)
Total Special Items	(0.67)	(0.01)	(0.08)	-	(0.76)
Reported Earnings*	$ (0.04)	$ 0.25	$ 0.46	$ -	$ 0.67
Change in Earnings from Ongoing Operations	$ 0.97	$ (0.05)	$ (0.06)	$ -	$ 0.86

* Represents net income attributable to PPL Corporation.

Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

	Forecast [a]		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 2.95	$ 2.80	$ 1.95	$ 2.02
Special Items:				
Energy-related economic activity	(0.27)	(0.27)	(0.59)	0.67
Sales of assets:				
Long Island generation business			(0.09)	
Latin American businesses			(0.07)	
Interest in Wyman Unit 4			(0.01)	
Gas and propane businesses				(0.01)
Majority of Maine hydroelectric generation business			0.06	
Impairments:				
Impacts from emission allowances	(0.02)	(0.02)	(0.05)	(0.07)
Adjustments - NDT investments				(0.04)
Holtwood hydroelectric plant				(0.03)
Other asset impairments			(0.01)	(0.01)
Pending E.ON U.S. acquisition-related costs:				
Monetization of certain full-requirement sales contracts	(0.24)	(0.24)		
Bridge Facility costs	(0.10)	(0.10)		
Other pending acquisition-related costs	(0.02)	(0.02)		
Anticipated sale of certain non-core generation facilities	(0.14)	(0.14)		
Discontinued cash flow hedges for unissued debt	(0.04)	(0.04)		
Workforce reductions			(0.03)	(0.01)
Other:				
Montana hydroelectric litigation	(0.08)	(0.08)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in U.K. tax rate	0.04	0.04		
U.S. Tax Court ruling (U.K. Windfall Profits Tax)	0.03	0.03		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.86)	(0.86)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.09	$ 1.94	$ 1.08	$ 2.47

Note: Per share amounts are based on diluted shares outstanding.

[a] 2010 forecast amounts reflect the dilution associated with the June 2010 issuance of common stock and equity units.

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Reconciliation of Third Quarter Operating Income to Domestic Gross Energy Margins

(Millions of Dollars)

	Three Months Ended September 30,			
	2010	2009	Change	Per Share Diluted (after-tax)
Eastern U.S., pre-tax	$ 591	$ 391	$ 200	$ 0.31
Western U.S., pre-tax	88	85	3	-
Domestic gross energy margins, pre-tax	$ 679	$ 476	$ 203	$ 0.31

	Three Months Ended September 30,	
	2010	2009
Operating Income	$ 522	$ 171
Adjustments:		
Utility	(732)	(955)
Energy-related businesses, net	(7)	(8)
Other operation and maintenance	366	316
Amortization of recoverable transition costs	-	73
Depreciation	127	116
Taxes, other than income	56	69
Revenue adjustments (a)	(229)	784
Expense adjustments (a)	576	(90)
Domestic gross energy margins	$ 679	$ 476

(a) See additional information on the following slide.

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Reconciliation of Third Quarter Operating Income to Domestic Gross Energy Margins

(Millions of Dollars)

	Three Months Ended September 30,			
	2010		2009	
Revenue adjustments				
Impact from energy-related economic activity	$	(335)	$	307
PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus		71		445
Revenues from Supply segment discontinued operations		35		32
Total revenue adjustments	$	(229)	$	784
Expense adjustments				
Impact from energy-related economic activity	$	(377)	$	86
External PLR energy purchases		(228)		(11)
Expenses from Supply segment discontinued operations		12		8
Ancillary charges		7		5
Gross receipts tax		4		-
Other		6		2
Total expense adjustments	$	(576)	$	90

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Reconciliation of Third Quarter Operating Income to Domestic Gross Delivery Margins

(Millions of Dollars)

	Three Months Ended September 30,			
	2010	**2009**	**Change**	**Per Share - Diluted (after-tax)**
Domestic gross delivery margins, pre-tax	$ 217	$ 207	$ 10	$ 0.02

	Three Months Ended September 30,	
	2010	**2009**
Operating Income	$ 522	$ 171
Adjustments:		
Unregulated retail electric and gas	(116)	(34)
Wholesale energy marketing	(1,244)	(669)
Net energy trading margins	20	(7)
Energy-related businesses, net	(7)	(8)
Fuel	322	259
Energy purchases	686	669
Other operation and maintenance	366	316
Depreciation	127	116
Taxes, other than income	56	69
Revenue adjustments (a)	(234)	(610)
Expense adjustments (a)	(281)	(65)
Domestic gross delivery margins	$ 217	$ 207

(a) See additional information on the following slide.

Reconciliation of Third Quarter Operating Income to Domestic Gross Delivery Margins

(Millions of Dollars)

	Three Months Ended September 30,	
	2010	**2009**
Revenue adjustments		
WPD utility revenue	$ (163)	$ (165)
PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	(71)	(445)
Total revenue adjustments	$ (234)	$ (610)
Expense adjustments		
External PLR energy purchases	$ 228	$ 11
Gross receipts tax	29	46
Act 129	18	-
Other	6	8
Total expense adjustments	$ 281	$ 65

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Forward-Looking Information Statement

Statements contained in this press release, including statements with respect to future events and their timing, including statements concerning the acquisition by PPL Corporation of E.ON U.S. LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "Kentucky Entities"), the expected results of operations of any of the Kentucky Entities or PPL Corporation both before or following PPL Corporation's acquisition of the Kentucky Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the Kentucky Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the Kentucky Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the Kentucky Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the Kentucky Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the Kentucky Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management’s view of PPL’s fundamental earnings performance as another criterion in making their investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.
“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Costs and charges related to the pending E.ON U.S. acquisition.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL’s generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, full-requirement and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, losses on the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts monetized, and included in domestic gross energy margins earnings over the delivery period that was hedged or upon realization. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

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EEI Financial Conference

Palm Desert, CA

October 31 – November 3, 2010

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Recent Developments

- Close of LG&E, KU Transaction
- Pending sale of non-core assets
- Favorable ALJ recommendation in PA rate case

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The New PPL

- Significantly larger regulated business
  - Expected to be 55-60 percent of total EBITDA next year
  - Very positive regulatory relationships
  - LG&E, KU add regulated generation, improving diversity
- Substantial Capex spending in regulated businesses
  - $3 billion from 2011 to 2014
  - Replacing aging infrastructure
- Excellent competitive market generating fleet
  - Nuclear, hydro, efficient coal
  - Well-positioned when electricity prices recover
  - Successes in the retail markets
- Solid dividend
  - 5.2 percent yield*
- Today's PPL now more attractive than ever
  - Retain generation-related upside
  - Solid earnings – as well as growth – from regulated business

*Based on closing stock price on 10/26/2010

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PPL: Making the Right Calls in Challenging Markets

- Sale of Latin American operations
- Early mover on scrubbers – significant savings
- Successful competitive market transition in Pennsylvania
- Hedging strategy captured $2.5 billion in value
- Expansion of existing hydro & nuclear facilities
- UK rate decision – best in class
- LG&E, KU Acquisition

Scrubbers at Montour

Holtwood Hydro Expansion Project

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Pennsylvania Rate Request

- $77.5 million settlement approved by ALJ’s Recommended Decision
- Rate design recommendation accepts PPL Electric’s proposals
- Lower generation prices should offset increase
- Final PUC decision expected in mid-December
- New rates effective January 1, 2011

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Environmental Control Equipment Positions PPL Favorably for Future Regulation

Control Device		Low Nox Burners	SCR	Scrubbers	Cooling Tower	Coal Ash
Removes		NO_x	NO_x	SO_2		No Wet Impoundments Post 2014
Brunner Island [3]	Unit 1	✓		✓	✓	✓
	Unit 2	✓		✓	✓	✓
	Unit 3	✓	✔	✓	✓	✓
Montour	Unit 1	✓	✓	✓	✓	✓
	Unit 2	✓	✓	✓	✓	✓
Colstrip [1]	Unit 1 & 2	✔		✓	✓	
	Unit 3 & 4	✓		✓	✓	
Keystone [2]	Unit 1 & 2	✓	✓	✓	✓	
Conemaugh [2]	Unit 1 & 2	✓	✔	✓	✓	

✓ = Installed

✔ = Potential

PPL has complied with current environmental regulations on a proactive basis

[1] **Colstrip is located in Montana**

[2] **Keystone & Conemaugh: PPL is a minority owner and does not operate**

[3] **Brunner Island's cooling towers are once-through but may be converted to closed-loop**

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Company Well-positioned on Developing Environmental Issues

- Carbon legislation could be net benefit
  - Competitive fleet with a good mix of fuel
  - Very good prospects for recovery of cost to comply in regulated facilities
- Working toward reasonable rulemaking for fossil fleet regulations

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Dividend Profile

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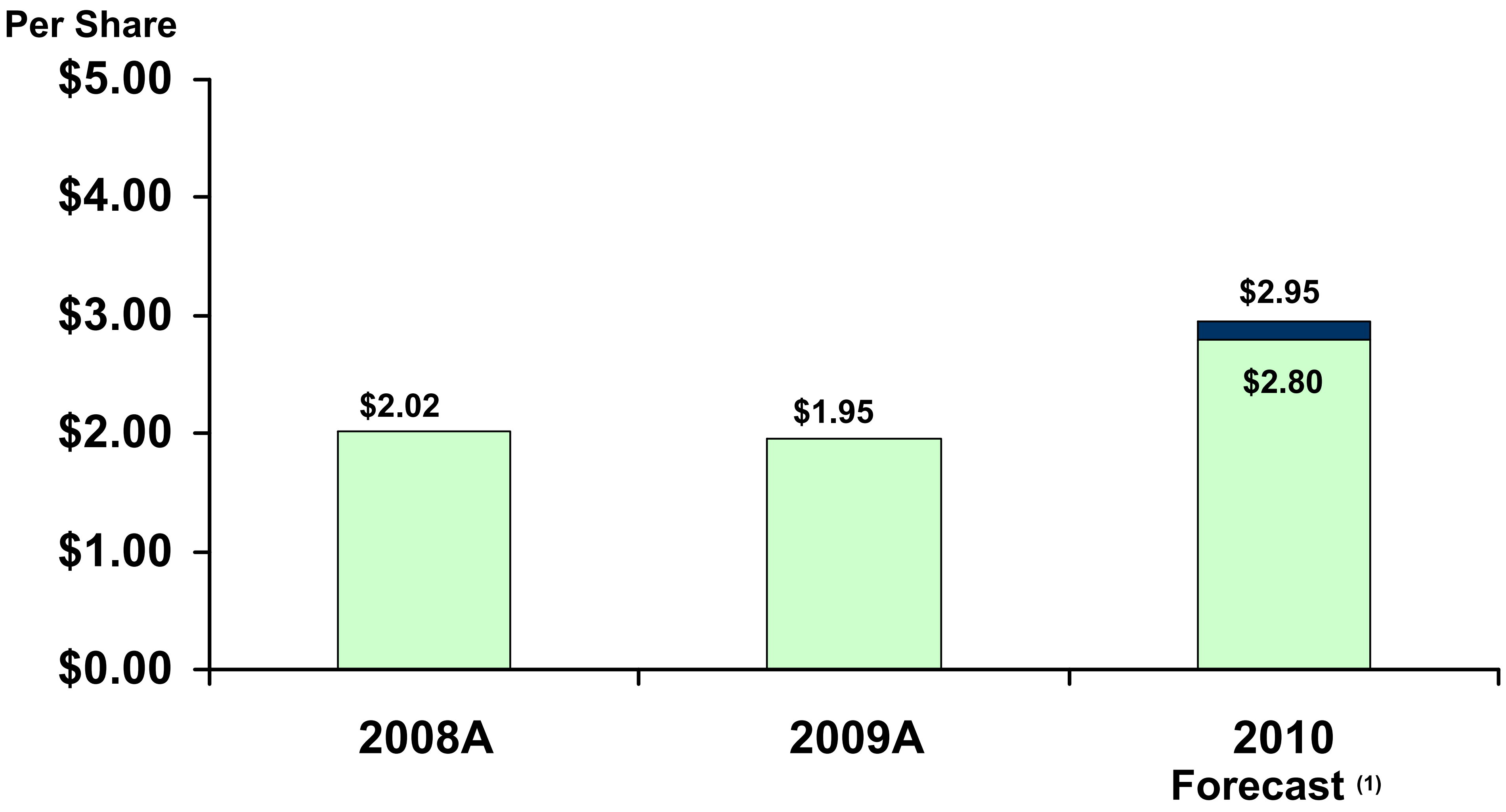
Strong Expected Earnings Growth



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Adjusted for share dilution, but excludes KY utility operations operating results for November and December

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Market Prices

	Actual	Forward(1)		
	2009	Oct-Dec 2010	2011	2012
ELECTRIC				
PJM				
On-Peak	$44	$43	$48	$50
Off-Peak	$31	$33	$35	$37
ATC(2)	$38	$38	$41	$43
Mid-Columbia				
On-Peak	$36	$37	$35	$41
Off-Peak	$29	$31	$27	$31
ATC(2)	$33	$35	$31	$37
GAS(3)				
NYMEX	$3.92	$3.94	$4.44	$5.07
TZ6NNY	$4.63	$4.50	$4.96	$5.55
PJM MARKET				
HEAT RATE(4)	9.5	9.6	9.6	9.0
CAPACITY PRICES *(Per MWD)*	$158.24	$181.39	$136.79	$123.63
EQA	88.5%	92.8%	89.6%	90.4%

(1) Market prices based on the average of broker quotes as of 9/30/2010
(2) 24-hour average
(3) NYMEX and TZ6NNY forward gas prices on 9/30/2010
(4) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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Supply Segment Asset Hedge Positions

	2010	2011	2012
Baseload			
Expected Generation* (Million MWhs)	**50.3**	**51.4**	**54.7**
East	41.7	43.1	46.2
West	8.6	8.3	8.5
Current Hedges (%)	**100%**	**97%**	**68%**
East	100%	98%	63%
West	100%	94%	94%
Average Hedged Price (Energy Only) ($/MWh)	**$59**	**$56**	**$58**
East	$60	$56	$59
West	$50	$54	$54
Expected Average Price (Fully Loaded) ($/MWh)	**$68**	**$61**	**$62**
East**	$71	$63	$64
West	$50	$54	$54
% Hedged Through Swaps/Options Energy Transactions	97%	96%	67%
% Hedged Through Load-following Transactions	3%	1%	1%
Intermediate/Peaking			
Expected Generation (Million MWhs)	**6.7**	**5.3**	**5.3**
Current Hedges (%)	**87%**	**1%**	**0%**

As of October 20, 2010

*Represents expected sales based on current business plan assumptions

**Represents energy, capacity, congestion and other revenues

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Current Fuel Contracts - Base Prices

	2010	2011	2012
Uranium	**100%**	**100%**	**100%**
Coal			
East	100%	98%	95%
West	100%	100%	100%
Total	**100%**	**99%**	**96%**

Eastern Coal Contracts (1)

	2010		2011		2012	
	Hedge Level	Price	Hedge Level	Price	Hedge Level	Price
% Fixed Base Price	93%	$49	96%	$52	32%	$64
% Collars	0%	N/A	0%	N/A	68%	$45-$52
% Diesel Surcharge	7%	$45	4%	$45	0%	N/A

Note: As of September 30, 2010

(1) Weighted Average $/ton at mine for east wholly owned plants; excludes Keystone & Conemaugh

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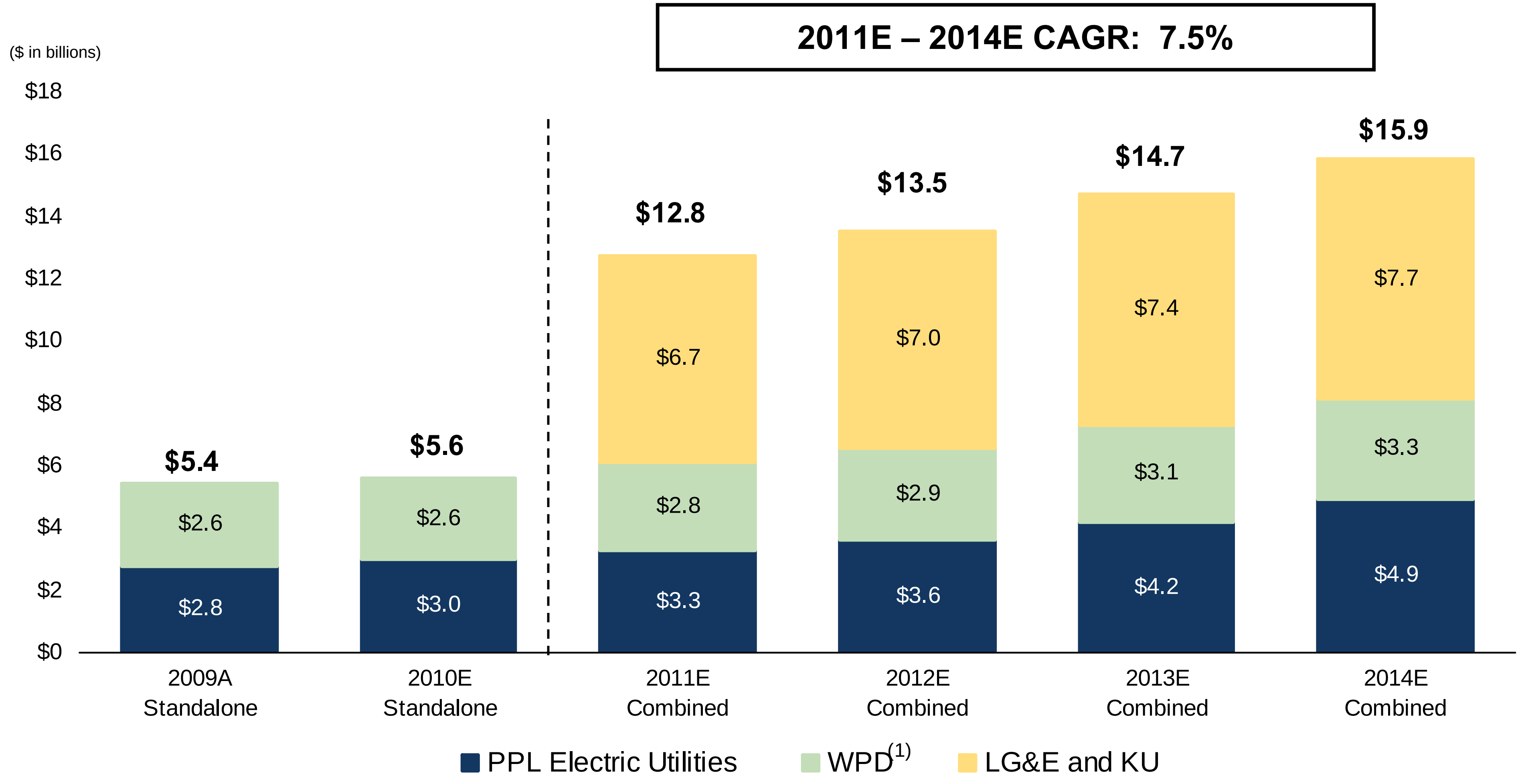
Increased Scale with Continued Growth



Note: Represents capitalization for E.ON US since LG&E and KU rate constructs are based on capitalization.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	5-year Credit Facility	Jun-2012	$3,225	$5	$0	$3,220
	3-Year Bilateral Credit Facility	Mar-2013	200	85	0	115
	5-year Structured Credit Facility	Mar-2011	300	143	0	157
			$3,725	$233	$0	$3,492
PPL Electric Utilities	5-year Credit Facility	May-2012	$190	$13	$0	$177
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$340	$13	$0	$327
WPD	3-year Credit Facility	Jul-2012	£210	£0	£0	£210
	5-year Credit Facility	Jan-2013	150	0	121	29
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£121	£299

Amounts reported above are as of September 30, 2010. Effective October 19, PPL Energy Supply’s $3.2 billion credit facility was terminated and a new $4 billion credit facility was made effective. With these changes, domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 12% of the total committed capacity.

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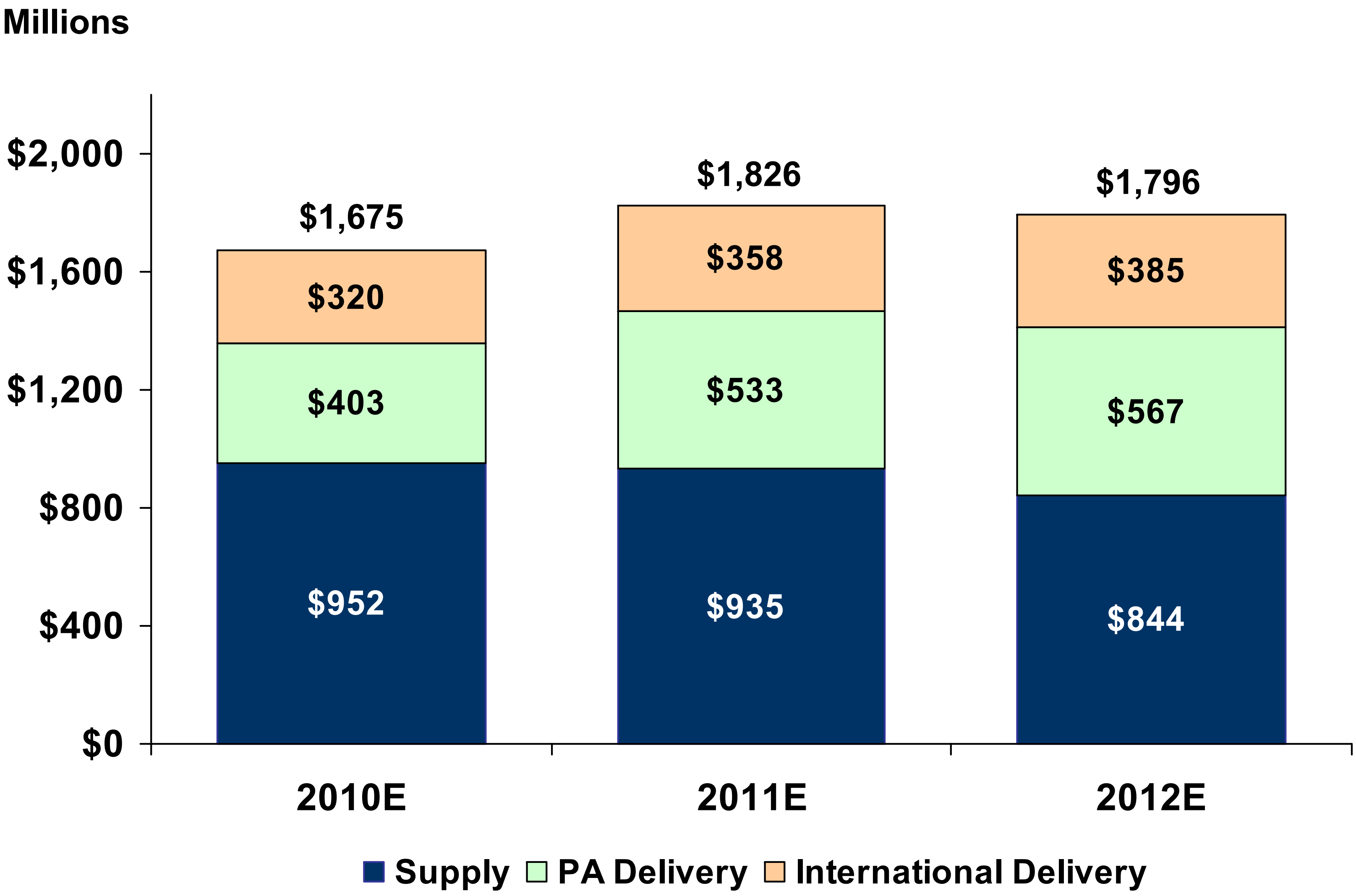
Capital Expenditures by Segment



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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

	Forecast [a]		Actual	
	High 2010	Low 2010	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 2.95	$ 2.80	$ 1.95	$ 2.02
Special Items:				
Energy-related economic activity	(0.27)	(0.27)	(0.59)	0.67
Sales of assets:				
Long Island generation business			(0.09)	
Latin American businesses			(0.07)	
Interest in Wyman Unit 4			(0.01)	
Gas and propane businesses				(0.01)
Majority of Maine hydroelectric generation business			0.06	
Impairments:				
Impacts from emission allowances	(0.02)	(0.02)	(0.05)	(0.07)
Adjustments - NDT investments				(0.04)
Holtwood hydroelectric plant				(0.03)
Other asset impairments			(0.01)	(0.01)
Pending E.ON U.S. acquisition-related costs:				
Monetization of certain full-requirement sales contracts	(0.24)	(0.24)		
Bridge Facility costs	(0.10)	(0.10)		
Other pending acquisition-related costs	(0.02)	(0.02)		
Anticipated sale of certain non-core generation facilities	(0.14)	(0.14)		
Discontinued cash flow hedges for unissued debt	(0.04)	(0.04)		
Workforce reductions			(0.03)	(0.01)
Other:				
Montana hydroelectric litigation	(0.08)	(0.08)	(0.01)	
Health Care Reform - tax impact	(0.02)	(0.02)		
Change in U.K. tax rate	0.04	0.04		
U.S. Tax Court ruling (U.K. Windfall Profits Tax)	0.03	0.03		
Change in tax accounting method related to repairs			(0.07)	
Synfuel tax adjustment				(0.04)
Montana basin seepage litigation				(0.01)
Total Special Items	(0.86)	(0.86)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.09	$ 1.94	$ 1.08	$ 2.47

Note: Per share amounts are based on diluted shares outstanding.

[a] 2010 forecast amounts reflect the dilution associated with the June 2010 issuance of common stock and equity units.

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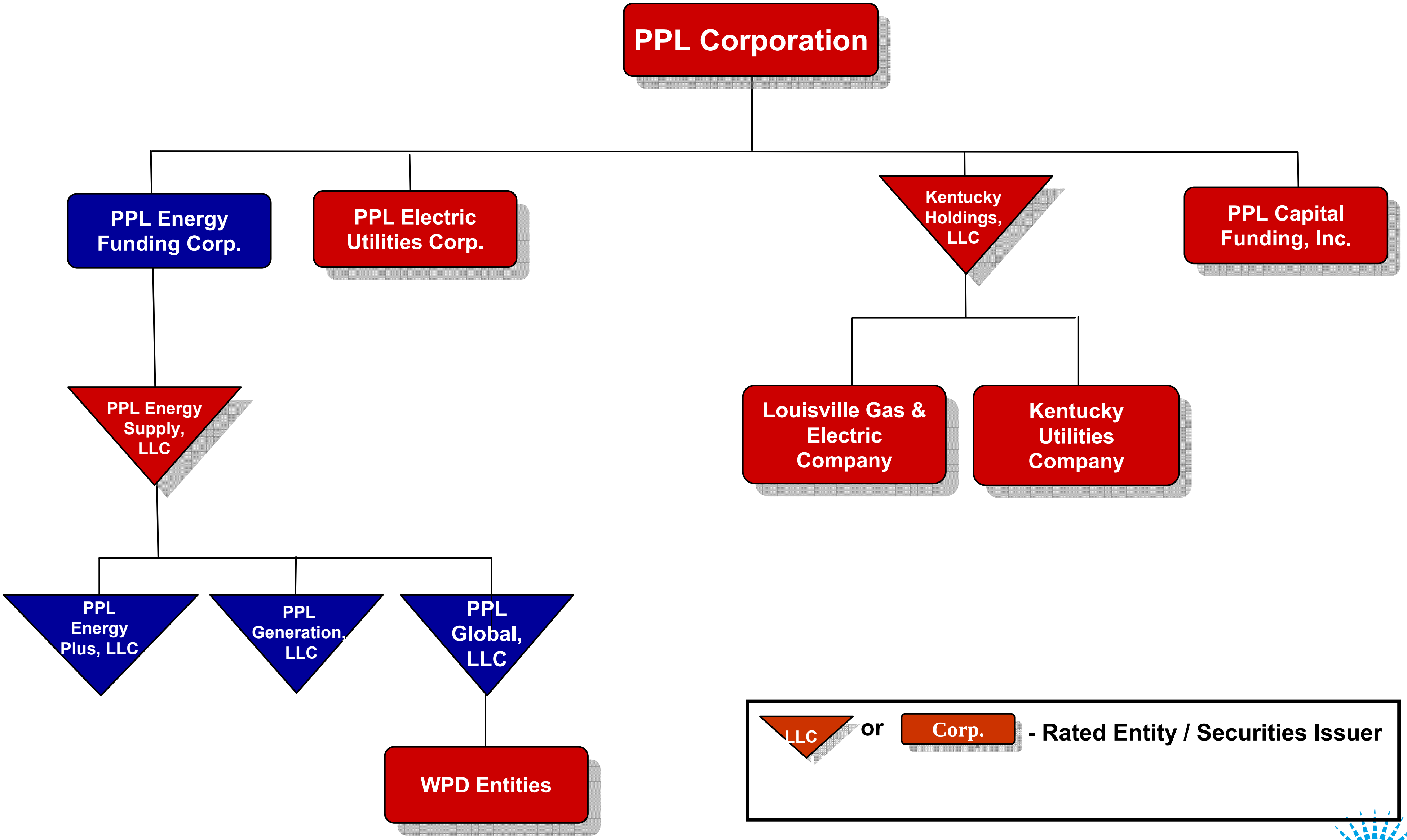
Post-Acquisition Structure



PPL Corporation

PPL Energy Funding Corp.

PPL Electric Utilities Corp.

Kentucky Holdings, LLC

PPL Capital Funding, Inc.

PPL Energy Supply, LLC

Louisville Gas & Electric Company

Kentucky Utilities Company

PPL Energy Plus, LLC

PPL Generation, LLC

PPL Global, LLC

WPD Entities

LLC or Corp. - Rated Entity / Securities Issuer

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Sources of Acquisition Financing

Sources of Acquisition Financing
($ in Millions)

Net Common Stock Proceeds	$ 2,409
Net Proceeds from Equity Unit Securities	1,116
Net Pollution Control Revenue Bonds (Assumed)	762 (1)
E.ON U.S. Capital MTN's (Assumed)	2
Cash on hand	101
Draws under PPL Energy Supply credit facility and loans to Kentucky holding company and utility subsidiaries to pay off debt owed to E.ON affiliates	3,200
Total owed to E.ON AG at closing	7,590
Less: Net Debt Assumed	(764)
Net Proceeds to E.ON AG	$ 6,826

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(1) Consists of $925 million of Pollution Control Revenue Bonds ("PCRB") less $163 million of PCRBs that are currently being held for future remarketing

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Permanent Financing

- Subsequent to the closing, the Credit Facility draws and loans will be repaid through the issuance by the Kentucky companies of a combination of unsecured debt, First Mortgage Bonds and remarketed Pollution Control Revenue Bonds.

- To mitigate interest rate risk, PPL has hedged $2.1 billion of the approximately $3 billion of debt to be issued

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Projected Capitalization Structures at 12/31/2010 (1)

(Millions of $)	Total	% of Total
PPL Corporation		
Debt	$ 11,957	55.4%
Equity Unit Securities	1,150	5.3%
Preference Stock	250	1.2%
Common Equity	8,213	38.1%
Total	$ 21,570	100.0%
Kentucky Holdings Consolidated		
Debt	$ 3,888	51.0%
Common Equity	3,737	49.0%
Total	$ 7,625	100.0%
Louisville Gas & Electric		
Debt	$ 1,109	41.2%
Common Equity	1,582 (2)	58.8% (2)
Total	$ 2,691	100.0%
Kentucky Utilities		
Debt	$ 1,904	41.2%
Common Equity	2,720 (3)	58.8% (3)
Total	$ 4,624	100.0%

(1) GAAP Basis and assuming permanent financing is completed prior to year-end.

(2) Of this amount, $292 million represents goodwill, which is not recoverable for regulatory purposes. As a result, the regulatory capitalization structure contains 53.8% equity.

(3) Of this amount, $510 million represents goodwill, which is not recoverable for regulatory purposes. As a result, the regulatory capitalization structure contains 53.7% equity.

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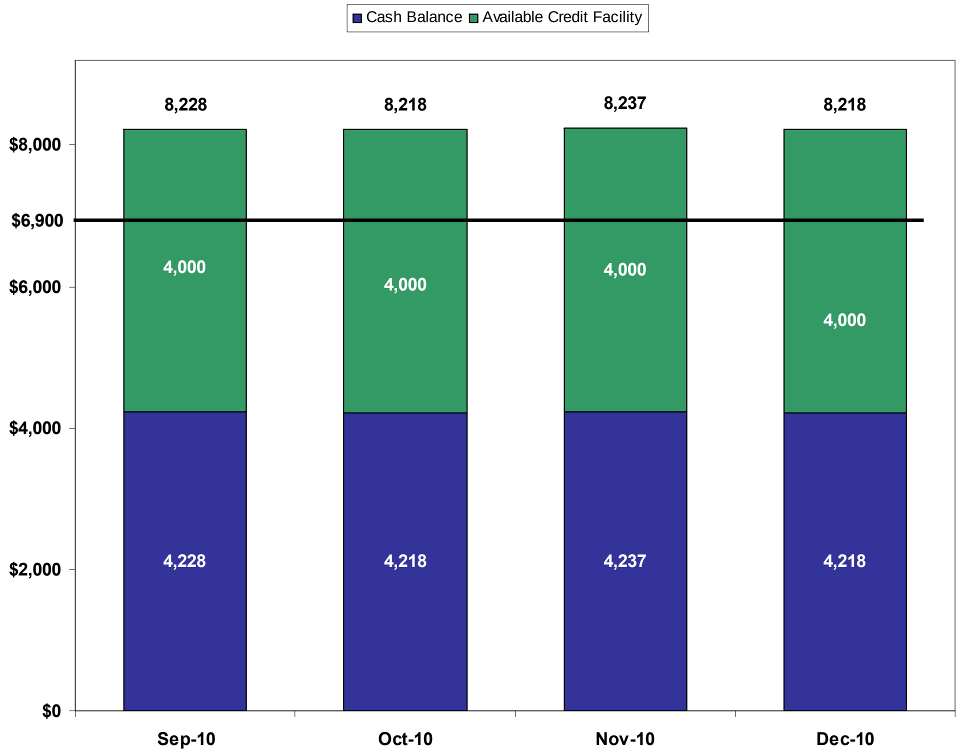
Liquidity Position

- PPL has drawn on PPL Energy Supply's new $4 billion credit facility
  - PPL borrowed $3.2 billion under this facility for the acquisition closing in order to make loans to KU, LGE and the Kentucky holding company on the closing date so that those companies could repay loans due to E.ON affiliates at closing.
  - Subsequent to the closing, the Credit Facility draws and loans will be repaid through the issuance by the Kentucky holding company and/or its subsidiaries of a combination of unsecured debt, First Mortgage Bonds and remarketed Pollution Control Revenue Bonds.
  - The following graph shows PPL Energy Supply's current projected liquidity position (Millions of $) compared to the net funds of $6.9 billion required at closing.



Excess Liquidity	1,328	1,318	1,337	1,318

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Overview of the Acquired Utilities

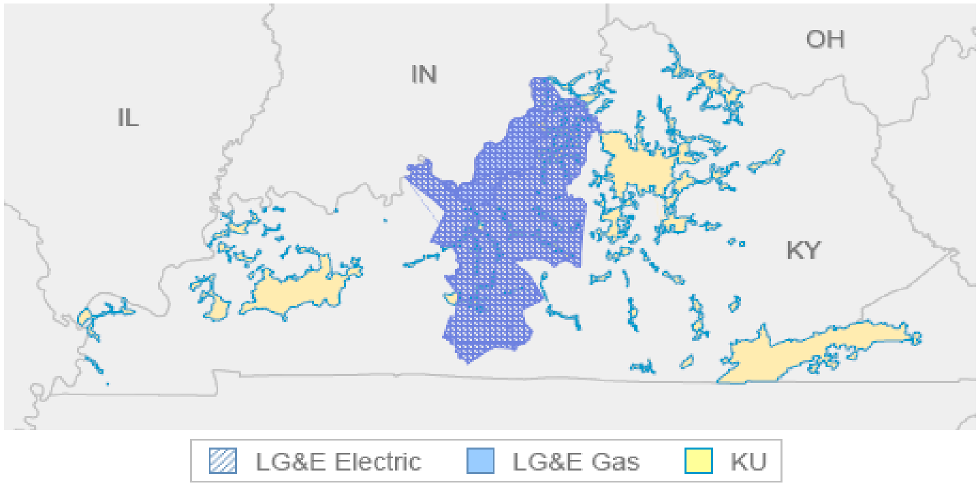
- **E.ON U.S. is the only IOU (1) to rank in the top quartile in all five of the key operating benchmark categories**

Utility Area	Metric	E.ON U.S. 2008 Performance	Rank out of IOU Holding companies
Generation	Non-fuel O&M / MWh Produced	$4.78	4th - Top Decile
Transmission	Cash Cost / Transmission Mile	$10,702	6th - Top Decile
Distribution	Cash Cost / Customer	$189.00	16th - Second Decile
Retail	O&M Cost / Customer	$41.51	11th - Second Decile
Corporate A&G	A&G Cost / MWh Sold	$3.23	7th - Top Decile

Rate Base and Customers (2)

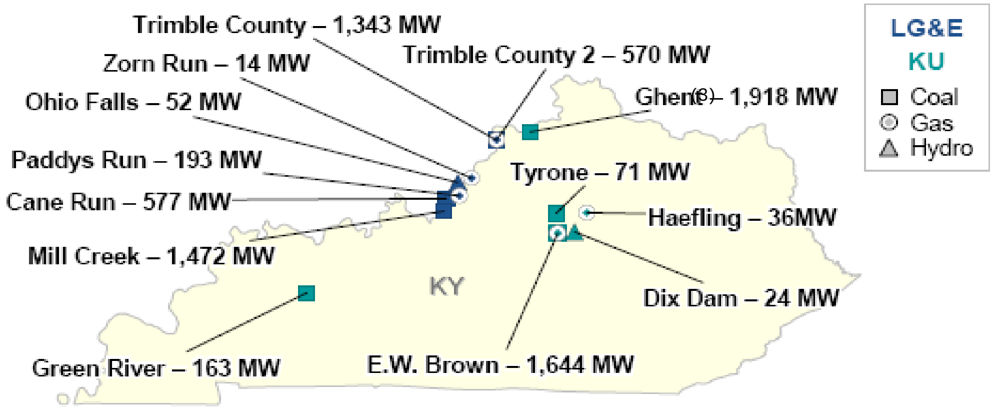
	LG&E	KU	Midwest Avg.
Customers			
Electric	396,000	545,000	-
Gas	321,000	-	-
Rate Base	$2.4bn	$3.3bn	-
Electric Retail Avg. Rates (cents/kWh)	6.68	6.56	9.58

Utility Service Area



Generation Portfolio – 8,077 MW

Coal: 5,837 MW; **Gas:** 2,164 MW; **Hydro:** 76 MW



(1) Based on 52 U.S. electric IOU holding companies

(2) Figures as of 2008

(3) In-service summer 2010

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2010 Kentucky Rate Case

	Per January 2010 Request	Per June 2010 Stipulation
LG&E annual base electric rate increase	$95 million	$74 million
LG&E annual gas rate increase	$23 million	$17 million
KU annual base electric rate increase	$135 million	$98 million
ROE	11.50%	10.25 – 10.75%
Recovery of wind and ice storm costs	Amortize over 5 years	Amortize over 10 years

- July 2010 – KPSC issued an order approving all provisions in the stipulation with rates effective August 1, 2010.
- ROE range in KPSC order was 9.75% - 10.75% with ECR rate approved at 10.63%
- No requests or appeals for a rehearing were filed – rates are final.

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Kentucky Change of Control Settlement

- Resolved issues with all parties to the Kentucky Change of Control case

- Key Provisions
  - LG&E and KU agreed not to seek base rate adjustment that would become effective prior to January 1, 2013
  - Normal fuel cost adjustments and environmental cost recovery mechanism adjustments continue
  - Earnings in excess of 10.75% ROE are shared equally between ratepayer and shareholder

Settlement approved by Kentucky PSC on September 30, 2010

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Environmental Cost Recovery Mechanism

- ECR allows real time return of and on environmental investment (including CWIP) and recovery of environmental expenses associated with coal-fired generation
- Most recent ECR plan approved by KPSC December 2009
  - Selective catalytic reduction unit (SCR) at Brown facility
  - Coal combustion by-products projects at Brown, Cane Run, Ghent and Trimble County
- Periodic Reviews by KPSC
  - Two year reviews complete through April 2009
  - Six month review initiated through April 2010
  - No disallowances
- Anticipate recovery of carbon costs through this mechanism

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Forward-Looking Information Statement

Statements contained in this press release, including statements with respect to future events and their timing, including statements concerning the acquisition by PPL Corporation of E.ON U.S. LLC and its subsidiaries Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "Kentucky Entities"), the expected results of operations of any of the Kentucky Entities or PPL Corporation both before or following PPL Corporation's acquisition of the Kentucky Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the Kentucky Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the Kentucky Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the Kentucky Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the Kentucky Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the Kentucky Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides them with management's view of PPL's fundamental earnings performance as another criterion in making their investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.
"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Costs and charges related to the pending E.ON U.S. acquisition.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures (continued)

"Domestic Gross Energy Margins" and "Domestic Gross Delivery Margins" are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance.

- *"Domestic Gross Energy Margins" is a single financial performance measure of PPL's domestic energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure excludes utility revenues and includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Domestic Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's generation assets, full-requirement and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, losses on the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts monetized, and included in domestic gross energy margins earnings over the delivery period that was hedged or upon realization. PPL believes that "Domestic Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic energy non-trading and trading activities. PPL's management also uses "Domestic Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation. Other companies may use different measures to present the results of their energy non-trading and trading activities.*

- *"Domestic Gross Delivery Margins" is a single financial performance measure of PPL's domestic regulated electric delivery operations, which includes transmission and distribution activities, including PLR supply. In calculating this measure, domestic regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's domestic regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors to manage its domestic regulated electric delivery operations. PPL believes that "Domestic Gross Delivery Margins" provides another criterion to make investment decisions. Other companies may use different measures to present the results of their regulated electric delivery operations.*

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4th Quarter Earnings Call
February 4, 2011

PPL Corporation

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Agenda

Fourth Quarter 2010 Earnings and 2011 Earnings Forecast and Outlook	J. H. Miller
Operational Review	W. H. Spence
Segment Results and Financial Overview	P. A. Farr
Q&A	

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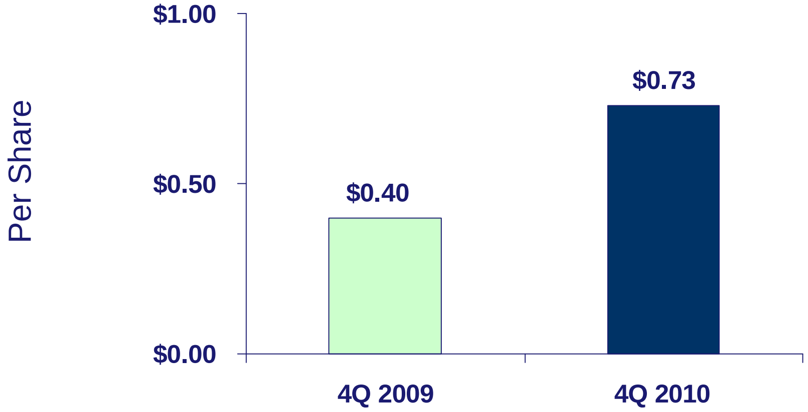
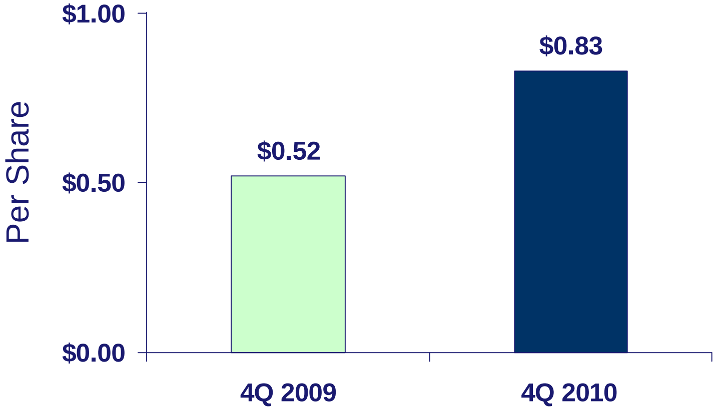
Earnings Results

Fourth Quarter
Reported Earnings

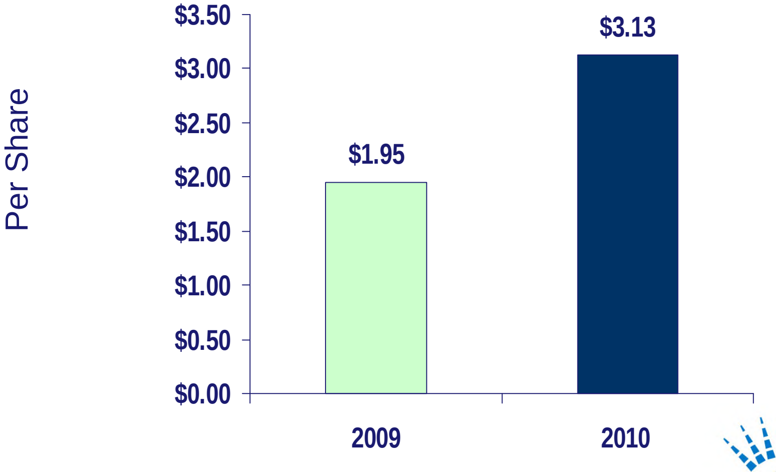


Fourth Quarter
Earnings from Ongoing Operations



Year-to-Date
Reported Earnings

Year-to-Date
Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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PPL: Poised for Additional Growth

- Three high-performing utilities with tangible rate base growth
- Well-positioned supply business with in-the-money hedges and growth as market recovers
- Strong track record of execution

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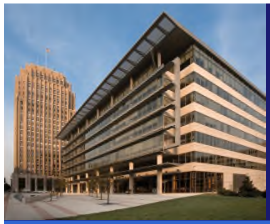
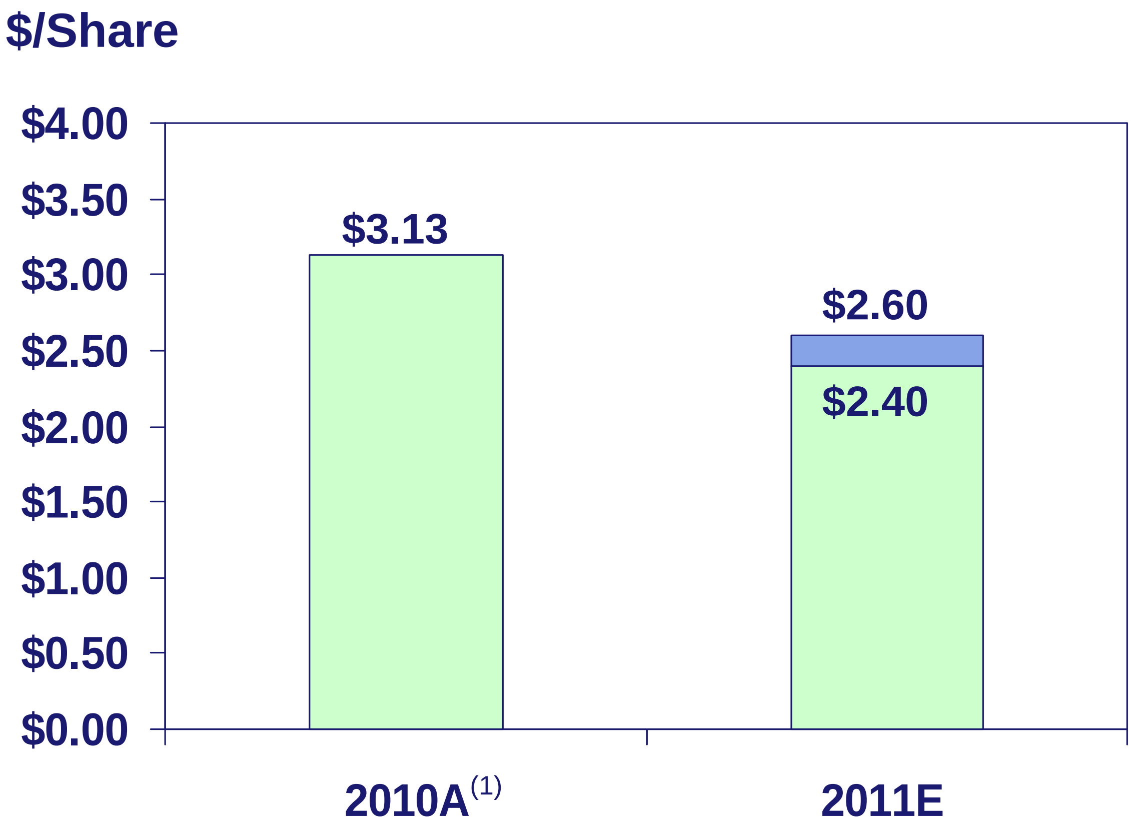
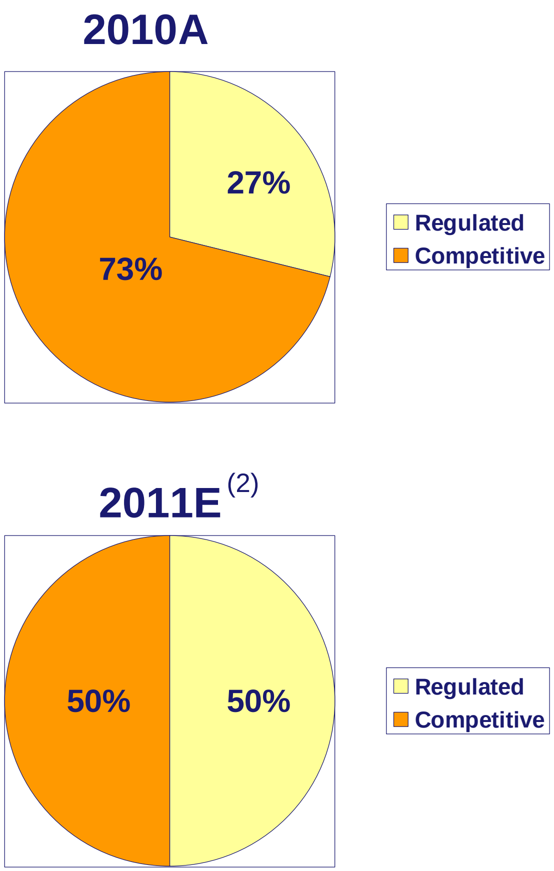


2011 Earnings Forecast





(1) See appendix for reconciliation of earnings from ongoing operations to reported earnings.

(2) Based on mid-point of forecasted earnings range.

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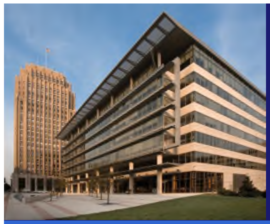

Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
- Strong operating performance – regulated and competitive
- Strong carbon and other environmental position
- Excellent cost-management
- Knowledgeable, dedicated employees
- Strong dividend with opportunity for growth

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LG&E® KU®

PPL companies

Kentucky Regulated Segment
Key Business and Value Drivers

- Excellent customer service
- Superior cost position and operational excellence
- Constructive regulatory environment
- Low rates and an opportunity for growth

LG&E and KU Are Among Best Performing Utilities in the U.S.

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Significant EPA Regulations Impacting Kentucky

- Environmental compliance spending associated with coal combustion is recoverable through the ECR.
  - $2.9 billion recovered via mechanism since inception
- NO_x, SO_2, Mercury, Particulate Regulations will increase capital spending.
- Exact remediation and incremental cost will not be known until final regulations on all pollutants are completed.

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Current State of Environmental Controls
Kentucky Regulated Major Coal Plant Sites

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower	Dry Handling/Disposal/Beneficial Use
Addresses		NO_x	NO_x	SO_2	Water Intake	Coal Combustion Residuals (CCRs) (2)
Trimble County	Unit 1	✓	✓	✓	✓	**(1)**
	Unit 2	✓	✓	✓	✓	**(1)**
Ghent	Unit 1	✓	✓	✓	✓	**(1)**
	Unit 2	✓		✓	✓	**(1)**
	Unit 3	✓	✓	✓	✓	**(1)**
	Unit 4	✓	✓	✓	✓	**(1)**
Brown	Unit 1	✓		✓	✓	✔
	Unit 2	✓		✓	✓	✔
	Unit 3	✓	**(3)**	✓	✓	✔
Mill Creek	Unit 1	✓		✓		✓
	Unit 2	✓		✓	✓	✓
	Unit 3	✓	✓	✓	✓	✓
	Unit 4	✓	✓	✓	✓	✓
Cane Run	Unit 4	✓		✓		✓
	Unit 5	✓		✓		✓
	Unit 6	✓		✓		✓

✓ = Installed
✔ = Under consideration

(1) Dry handling disposal construction approved by KPSC and permitting underway at Trimble and Ghent.
(2) Wet ash impoundments exist at all plants.
(3) Construction underway. Scheduled to be in service 2012.

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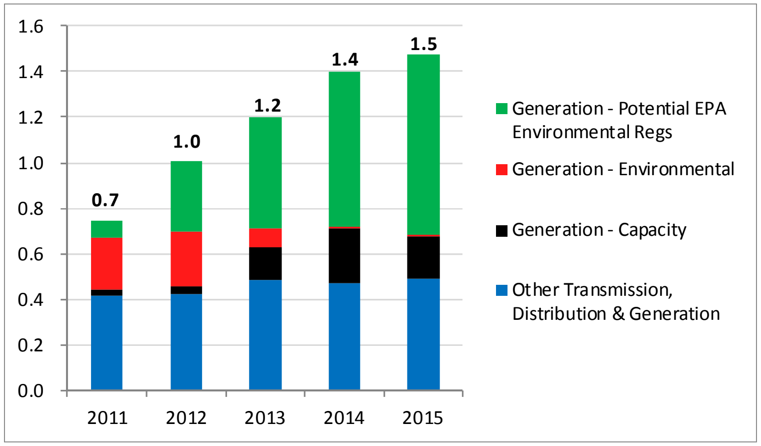
Kentucky Regulated Capital Expenditures and Rate Base Growth

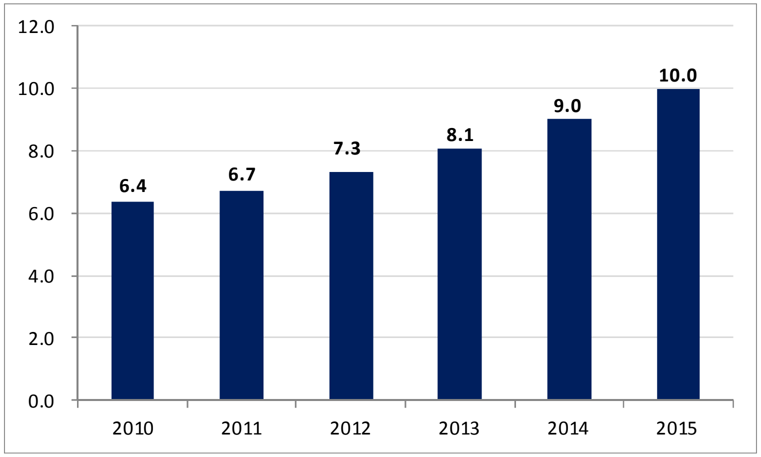
Estimated Annual CAPEX

$ Billions



Estimated Rate Base (Utility Capitalization) (1)

$ Billions



CAGR (2011-2015)
10.5%

(1) Represents year-end amounts

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WESTERN POWER
DISTRIBUTION

International Regulated Segment
Key Business and Value Drivers

- Electricity distribution businesses are regulated by the UK's Office of Gas and Electricity Markets (Ofgem).
  - Current price control period is April 1, 2010 to March 31, 2015.
- Business growth is driven by capital investment in aging infrastructure and load-related assets.
  - $2.0 billion investment in current price control period (2010 – 2015); 31% higher than previous price control period.
- Regulatory Incentive mechanisms provide opportunity for enhanced returns.
  - Customer service and reliability.
  - Cost efficiency.
  - $240 million awarded during DPCR5 and $130 million awarded during DPCR4 reviews

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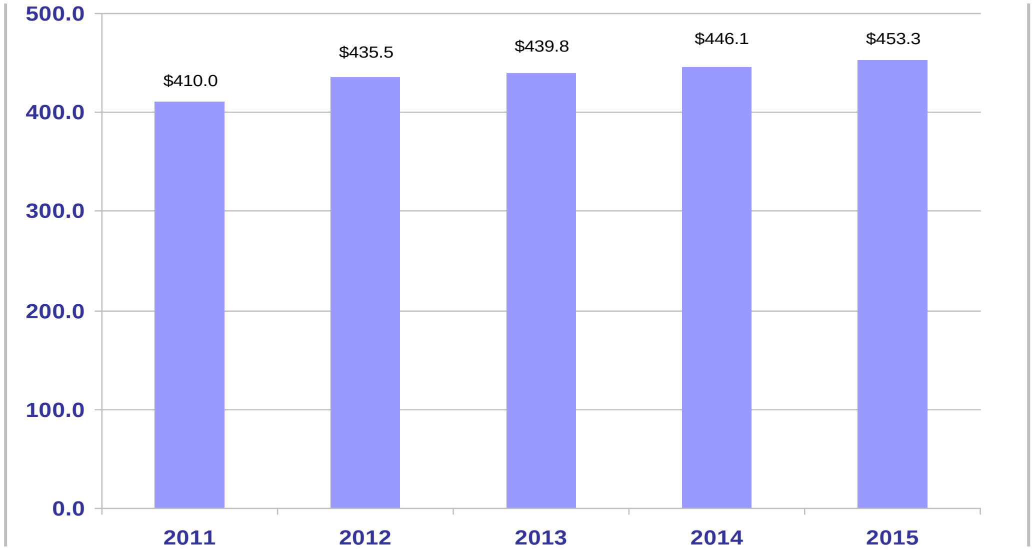
International Regulated Segment Capital Expenditures and Rate Base Growth

Estimated Annual CAPEX

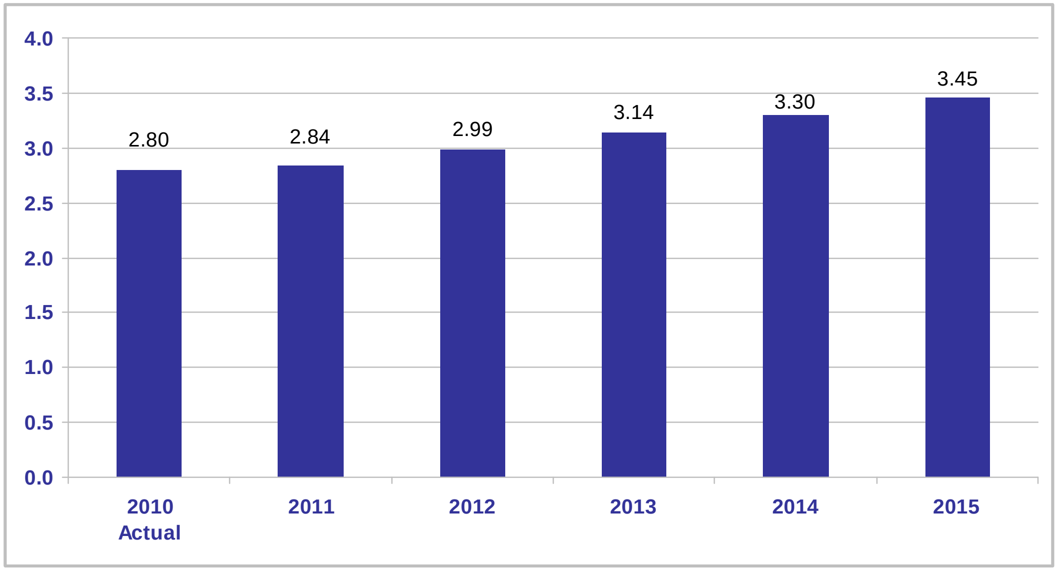
$ Millions



Regulatory Period (DPCR5)
$2.0 BB

Estimated RAV (1)

$ Billions



CAGR (2011-2015)
5.0%

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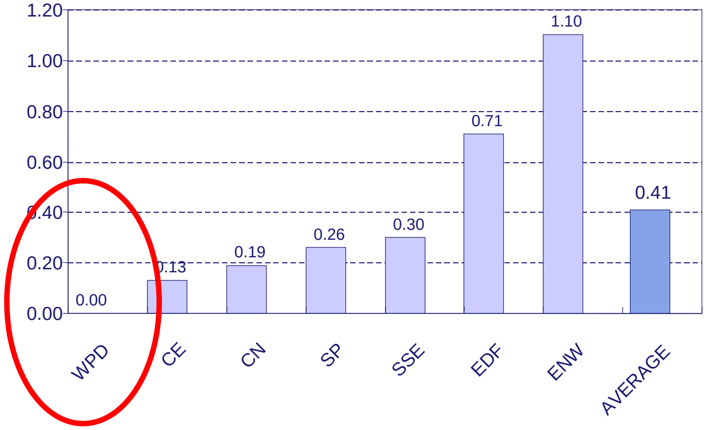
(1) Represents year-end amounts

Outstanding Operational Performance

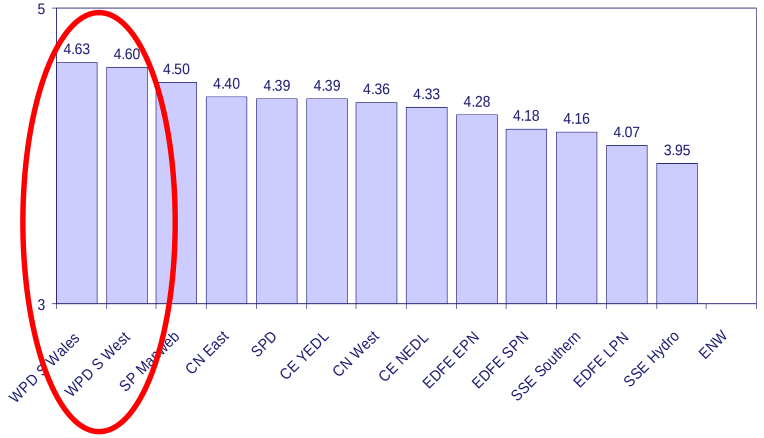
Ombudsman Complaints

Complaints to Ombudsman per 100,000 customers



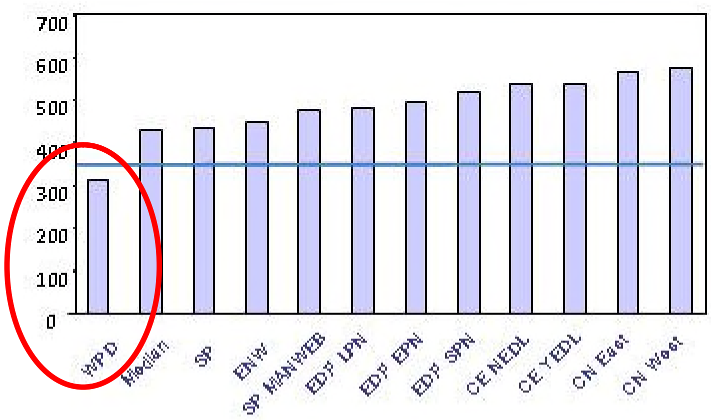
Ofgem Telephony Incentive Scheme

Score (out of 5)



Capex Efficiency in DPCR5

Performance against Peers



1 Hour Restoration Rate

Year ended 31 March 1999 - 51.9%
Year ended 31 March 2001 - 57.6%
Year ended 31 March 2003 - 80.0%
Year ended 31 March 2005 - 84.8%
Year ended 31 March 2007 - 84.6%
Year ended 31 March 2008 - 85.5%
Year ended 31 March 2009 - 86.3%
Year to date 31 December 2010 - 87.4%

Best in UK

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International - Modeling Parameters

	Revenues (£)	• Regulated Revenues escalate 6.9% annually plus inflation; Energy-related business revenue escalate at inflation
−	***Operation and Maintenance (£)***	• Operation and Maintenance expense (excluding pension expense) escalates at inflation
−	***Pension Expense (£)***	• Pension expense increases from £20 million in 2011 to £55 million in 2012 and beyond
−	***Depreciation Expense (£)***	• Depreciation expense escalates at about 7% per annum
−	***Real Estate Taxes plus Energy-related Business Expense (£)***	• Real Estate taxes and Energy-related Business expense escalates at inflation
−	***Interest Expense (£)***	• Interest Expense primarily fixed except for £251 million of index-linked debt escalating at inflation
−	***Income Taxes (£)***	• Effective tax rate of about 25% for Q4 2010 and beyond
X	***Foreign Currency Assumption***	• Assumed $/£ foreign currency exchange rate
=	***International Regulated Net Income ($)***	

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PPL Electric Utilities

PA Regulated Segment Key Business and Value Drivers

- Superior customer service -
  - 16th JD Power awards, most in nation
  - 1st place JD Power East Region Large Utilities – Business Customers
  - 83% “very satisfied” with customer transactions
- Constructive regulatory relationships
- Attractive future rate base investment opportunities to support reliability
- Rate Base growth from $3.0 Billion in 2010 to $4.8 Billion in 2015

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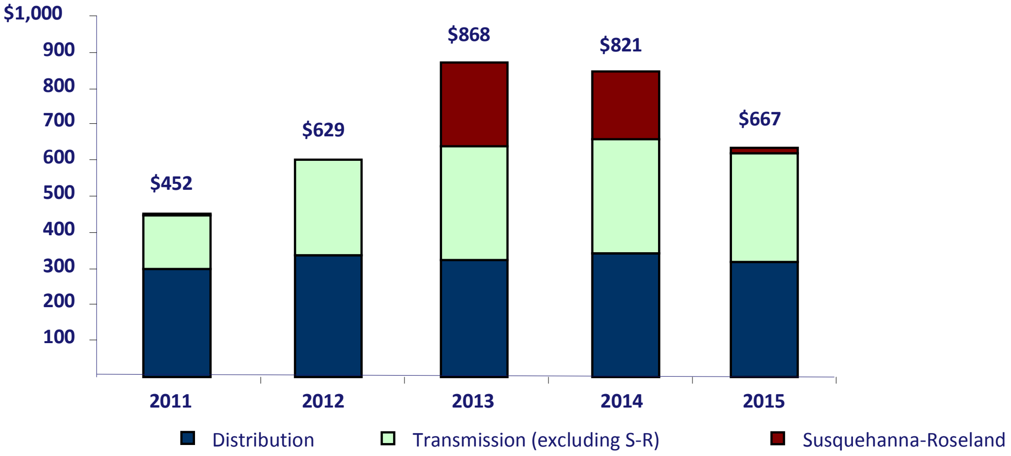
PA Regulated Segment Capex and Rate Base Growth

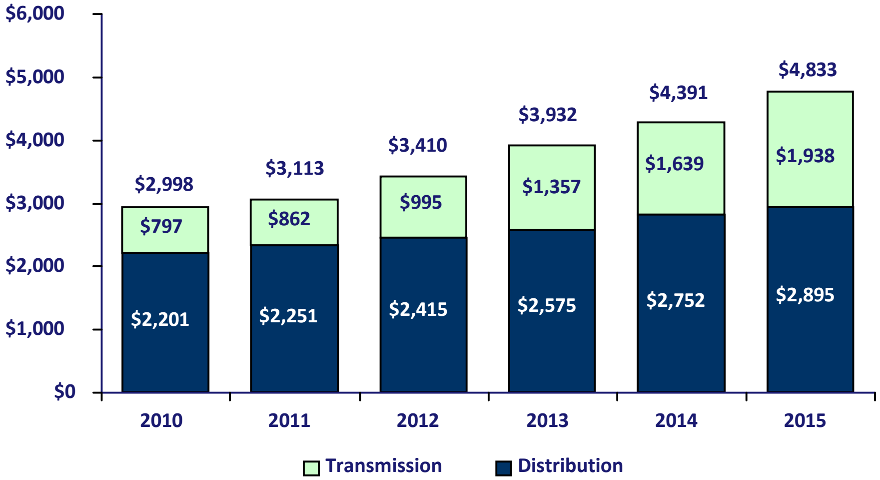
Estimated Annual CAPEX

$ Millions



Estimated Rate Base (Utility Capitalization) (1)

$ Millions



CAGR (2011-2015)

Distribution = 6.5%

Transmission = 22.5%

Combined = 11.6%

(1) Represents year-end amounts

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PPL Generation

PPL EnergyPlus

Supply Segment Key Business and Value Drivers

- Our efficient, diverse generating fleet with the ability to meet proposed EPA regulations without substantial increase in capital or operating cost
- Our ability to control spending and optimize operations in a low commodity business cycle
- Current and future capacity additions to our low cost, carbon-free nuclear and hydro facilities
- Our active hedging strategy to protect and enhance the value of our competitive generation fleet
- Improved supply/demand fundamentals

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Actively Managing Environmental Uncertainty

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower	Dry Handling/Disposal/Beneficial Use
Addresses		NO_x	NO_x	SO_2	Water Intake	Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✓	✔	✓	(3)	✓
	Unit 2	✓	✔	✓	(3)	✓
	Unit 3	✓	✔	✓	(3)	✓
Montour	Unit 1	✓	✓	✓	✓	✓
	Unit 2	✓	✓	✓	✓	✓
Colstrip	Unit 1 & 2	✔	(1)	✓	✓	(2)
	Unit 3 & 4	✓	(1)	✓	✓	(2)
Keystone	Unit 1 & 2	✓	✓	✓	✓	✓
Conemaugh	Unit 1 & 2	✓	✔	✓	✓	✓

✓= Installed

✔ = Under Consideration

PPL's proactive approach to environmental compliance has made the EPA's pending regulations manageable

(1) At this time we believe that SCR/SNCRs are not required at Colstrip to meet the proposed NO_x emission units.
(2) PPL has begun to assess dry handling/disposal of CCRs at Colstrip.
(3) If required, once through cooling towers could be converted to closed cycle.

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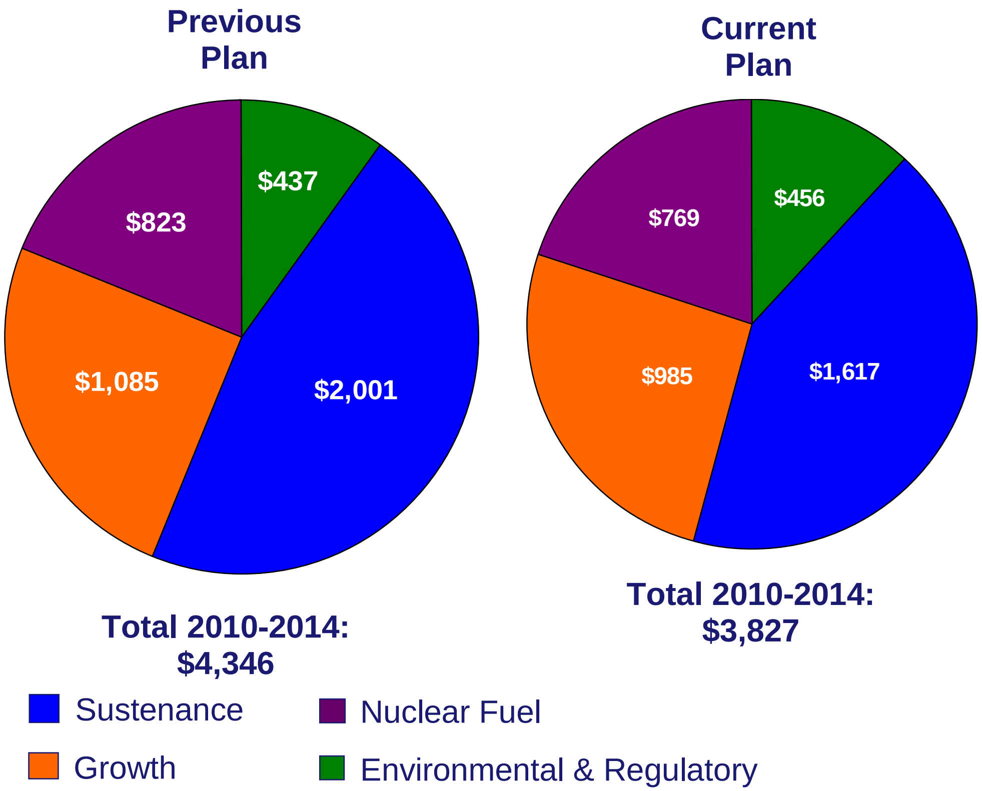
Operating in a Down Commodity Cycle

- **Controlling Capital**
  - Reducing capital spending by over $500 million over the 5 year plan
- **Optimizing Operation**
  - Operating at minimums during low priced off-peak periods
  - Reducing unit minimums
  - Analyzing fuel options
  - Controlling operating costs



PPL's proactive approach to controlling spending and optimizing operations is maximizing value

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Enhancing Value Through Active Hedging

	2011	2012
Baseload		
Expected Generation[1] (Million MWhs)	**51.4**	**54.7**
East	43.1	46.2
West	8.3	8.5
Current Hedges (%)	**99%**	**68%**
East	100%	63%
West	95%	94%
Average Hedged Price (Energy Only) ($/MWh) (2) (3)		
East	$56	$59-61
West	$54	$53-54
Current Coal Hedges (%)	**99%**	**96%**
East	99%	94%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$73-74	$76-80
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation[1] (Million MWhs)	6.0	6.2
Current Hedges (%)	34%	7%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of December 31, 2010

(1) Represents expected sales based on current business plan assumptions

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of December 31, 2010; the prior collars have all been converted to fixed swaps.

(3) The 2012 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 power prices at the 5th and 95th percentile confidence levels.

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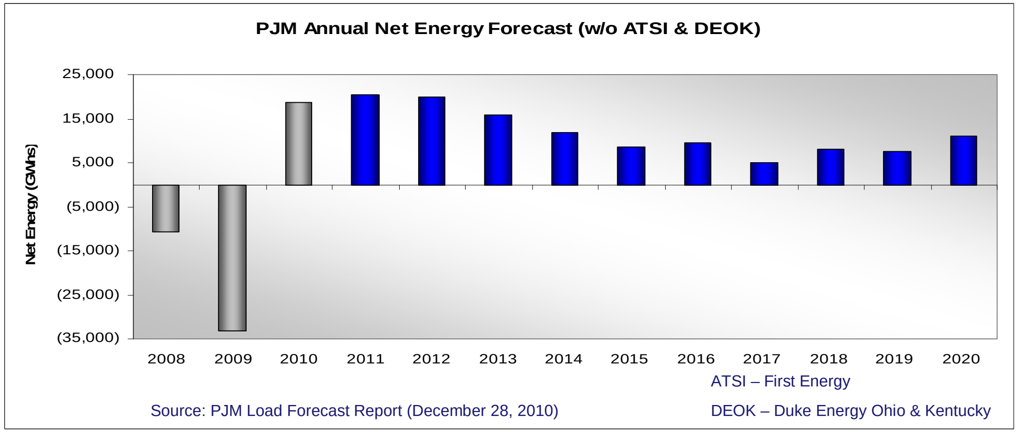
Supply & Demand - Catalysts for Growth

- Economic recovery driving increases in electric demand
- Existing forward prices provide little incentive to build
- Proposed EPA regulations are expected to be a net benefit given our mix of generation

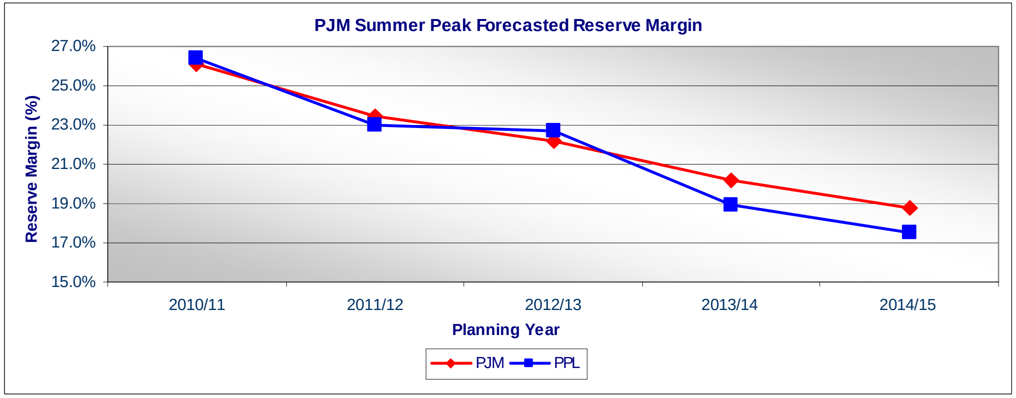


PJM Annual Net Energy Forecast (w/o ATSI & DEOK)

ATSI – First Energy

Source: PJM Load Forecast Report (December 28, 2010)

DEOK – Duke Energy Ohio & Kentucky



PJM Summer Peak Forecasted Reserve Margin

		Impact on Coal Capacity		
	Date of Report	RFC/PJM	Nationwide	Impact by
PPL	Dec-10	5-12 GW		2019
Brattle	Nov-2010	12-19 GW	50-65 GW	2020
NERC	Oct-2010	3-11 GW	10-35 GW	2018
Credit Suisse	Sep-2010	12-24 GW	35-100 GW (60 GW Base)	2017
ICF/INGAA	May-2010	25-30 GW	50 GW	2018

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Financial Overview

Ongoing Earnings Overview

	Q4 2010	Q4 2009	Change
Kentucky Regulated	$0.07	$0.00	$0.07
International Regulated	0.07	0.18	(0.11)
Pennsylvania Regulated	0.05	0.09	(0.04)
Supply	0.64	0.25	0.39
Total	$0.83	$0.52	$0.31

	2010	2009	Change
Kentucky Regulated	$0.06	$0.00	$0.06
International Regulated	0.53	0.72	(0.19)
Pennsylvania Regulated	0.27	0.35	(0.08)
Supply	2.27	0.88	1.39
Total	$3.13	$1.95	$1.18

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Regulated Segment Earnings Drivers

	2010	
2009 EPS – Ongoing Earnings		$0.72
Delivery Revenue	0.08	
O&M	(0.09)	
Financing	(0.10)	
Effect of Exchange Rates	0.04	
Income Taxes & Other	(0.05)	
Dilution	(0.07)	
Total		(0.19)
2010 EPS – Ongoing Earnings		$0.53

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Regulated Segment Earnings Drivers

	2010	
2009 EPS – Ongoing Earnings		$0.35
O&M	(0.06)	
Other	0.01	
Dilution	(0.03)	
Total		(0.08)
2010 EPS – Ongoing Earnings		$0.27

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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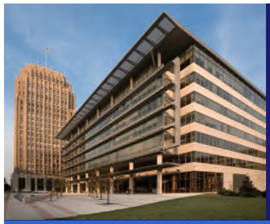

Supply Segment Earnings Drivers

		2010
2009 EPS – Ongoing Earnings		$0.88
Margins – East	1.56	
Margins – West	0.03	
O&M	(0.08)	
Depreciation	(0.07)	
Income Taxes & Other	0.24	
Discontinued Operations	0.04	
Dilution	(0.33)	
Total		1.39
2010 EPS – Ongoing Earnings		$2.27

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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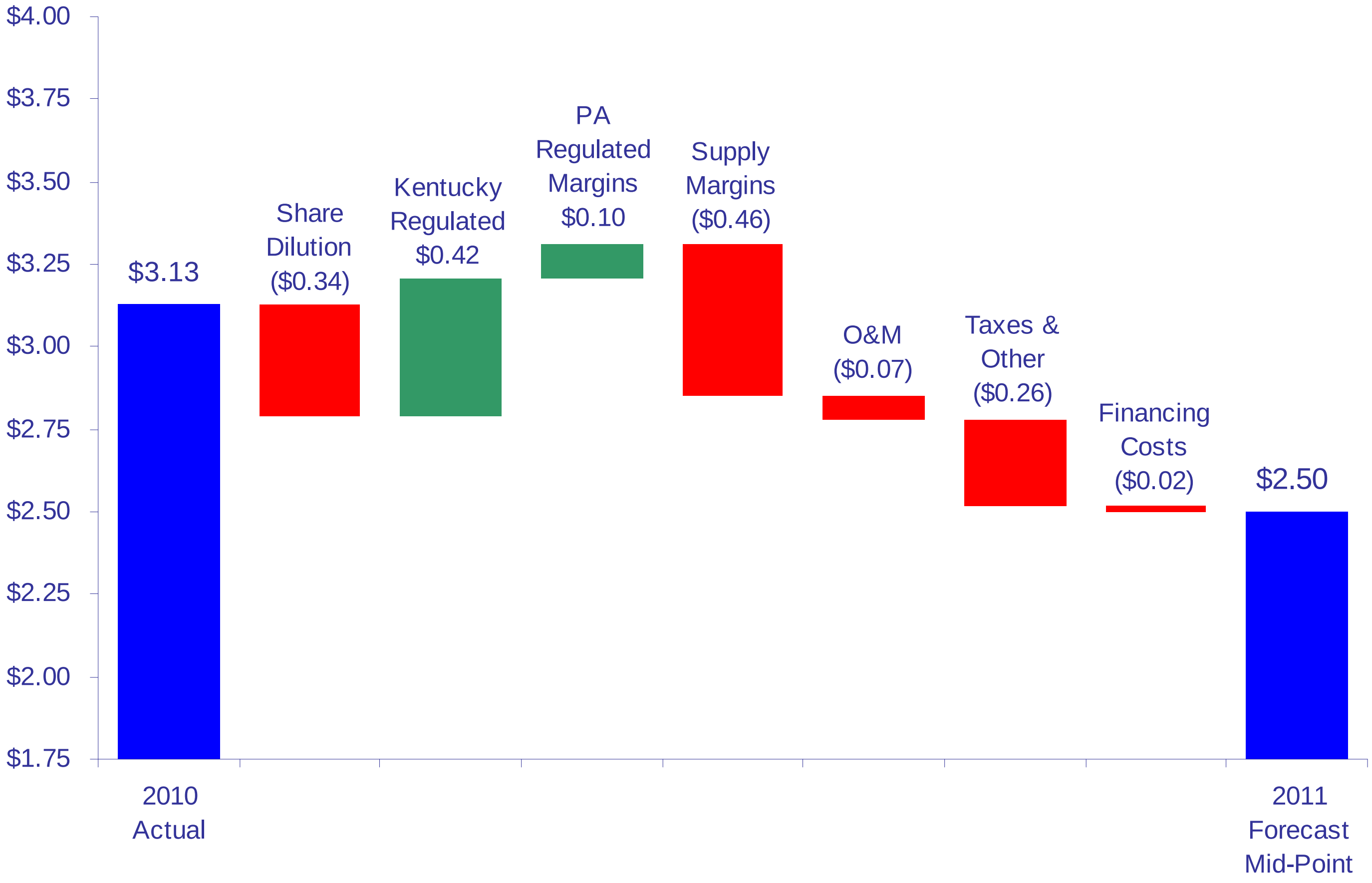
2010 to 2011 Earnings Walk

Earnings Per Share



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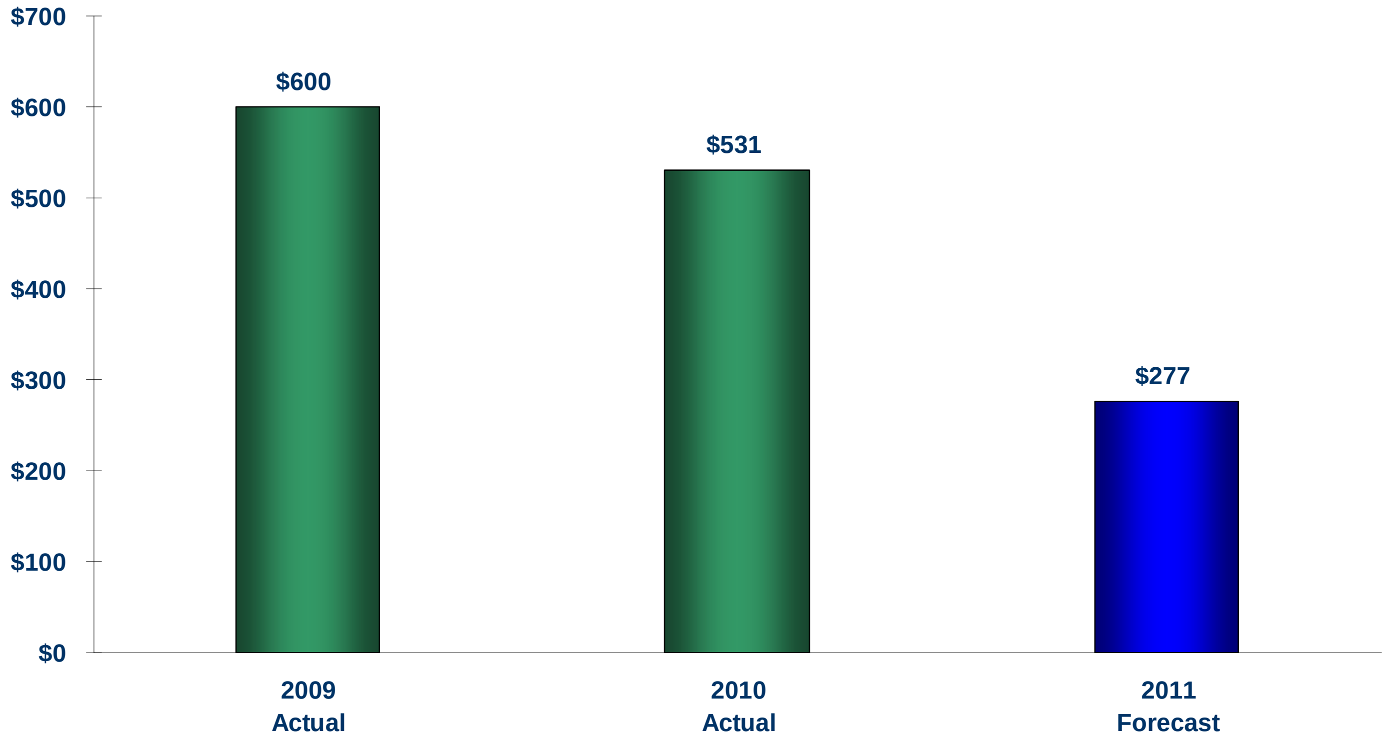
Free Cash Flow before Dividends

Millions of Dollars



2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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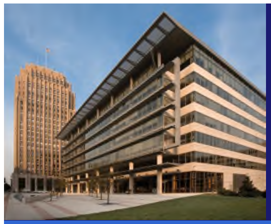
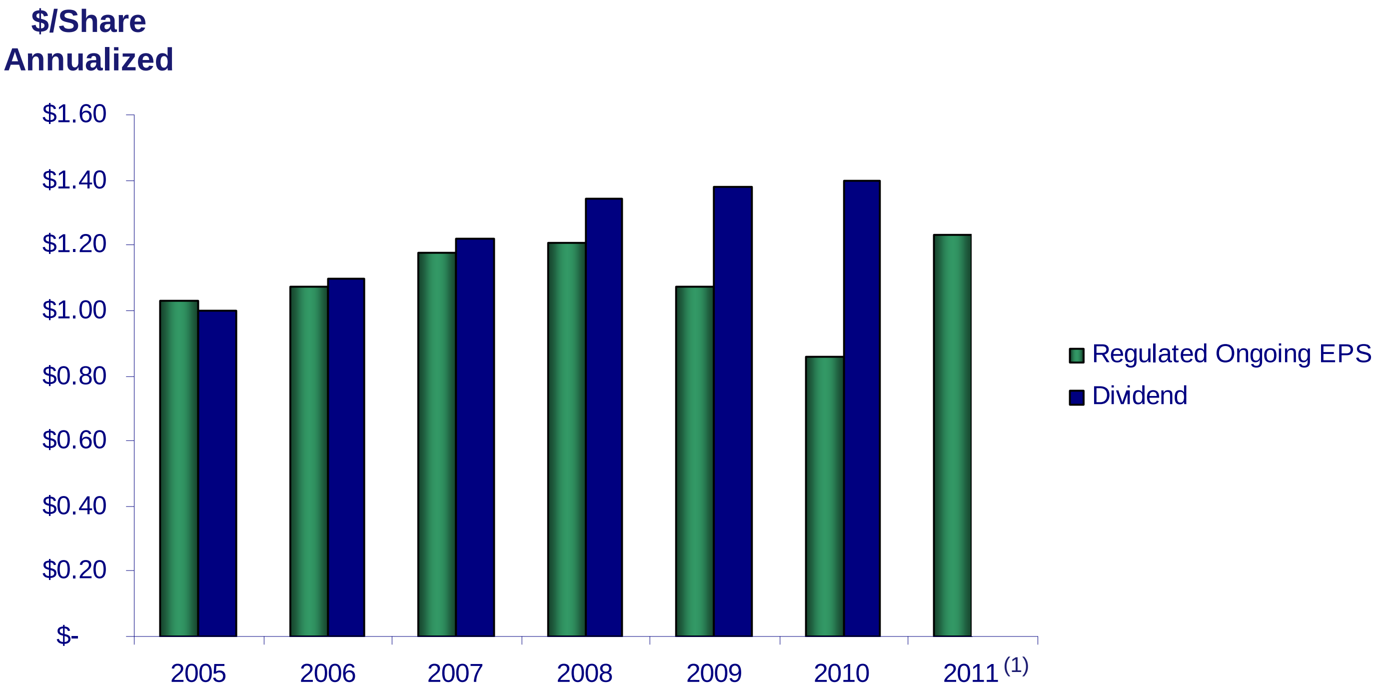


Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Regulated EPS based on mid-point of forecast. Dividend to be determined by Board of Directors.

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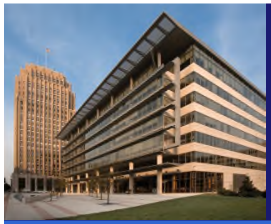

Key Expected Earnings Drivers – 2012 and 2013

- Higher domestic regulated earnings as a result of higher rate bases and planned distribution rate filings
- Continued benefits from WPD’s current distribution price control review
- Lower Supply margins as a result of depressed energy prices
- Higher O&M
- Positive Fundamentals in Supply
- Heat rate expansion
- Load recovery

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Appendix

Kentucky Rate Mechanisms

- Fuel Adjustment Clause (FAC) – Collects or refunds difference between base rate fuel component and actual fuel cost monthly with a two-month lag
- Gas Supply Clause (GSC) – Actual cost of gas supply passed through to customers with rates reset quarterly based on projected cost with balancing mechanism
    - Performance-Based Rate Component – Utility retains 25% of savings vs. benchmark gas costs
    - Weather Normalization Adjustment (WNA) – Applies to residential and commercial gas customers during winter months
- Environmental Cost Recovery Surcharge (ECR) – Entitled to recovery of and on costs of complying with environmental regulations with a two-month lag
- Construction Work in Progress (CWIP) – Recovery on CWIP included in base rates and ECR
- Demand-Side Management Cost Recovery Mechanism (DSMRM) – Provides for concurrent recovery of DSM costs and provides incentive for implementing DSM programs, including lost revenue

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UK Electricity Distribution Regulation

- Electricity distribution revenues are set through a Distribution Price Control Review (DPCR) process.
  - Based on a forward looking assessment of income sufficient to finance an efficient business.
  - Revenues cover operating and capital costs at an efficient level for the service territory.
    - Efficiency is determined through a detailed comparable analysis of all UK electricity distribution companies.
    - Annual adjustments for inflation
  - An incentive / penalty arrangement exists for reliability and customer service levels.

- The revenue that a company can earn in each rate period is the sum of:
  - The Regulator's view of efficient costs,
  - A return on the value of Regulated Asset Value ("RAV"),
  - A return of capital being the depreciation of the RAV, and
  - Incentive payments for performance.

- Rate set through March 31, 2015.

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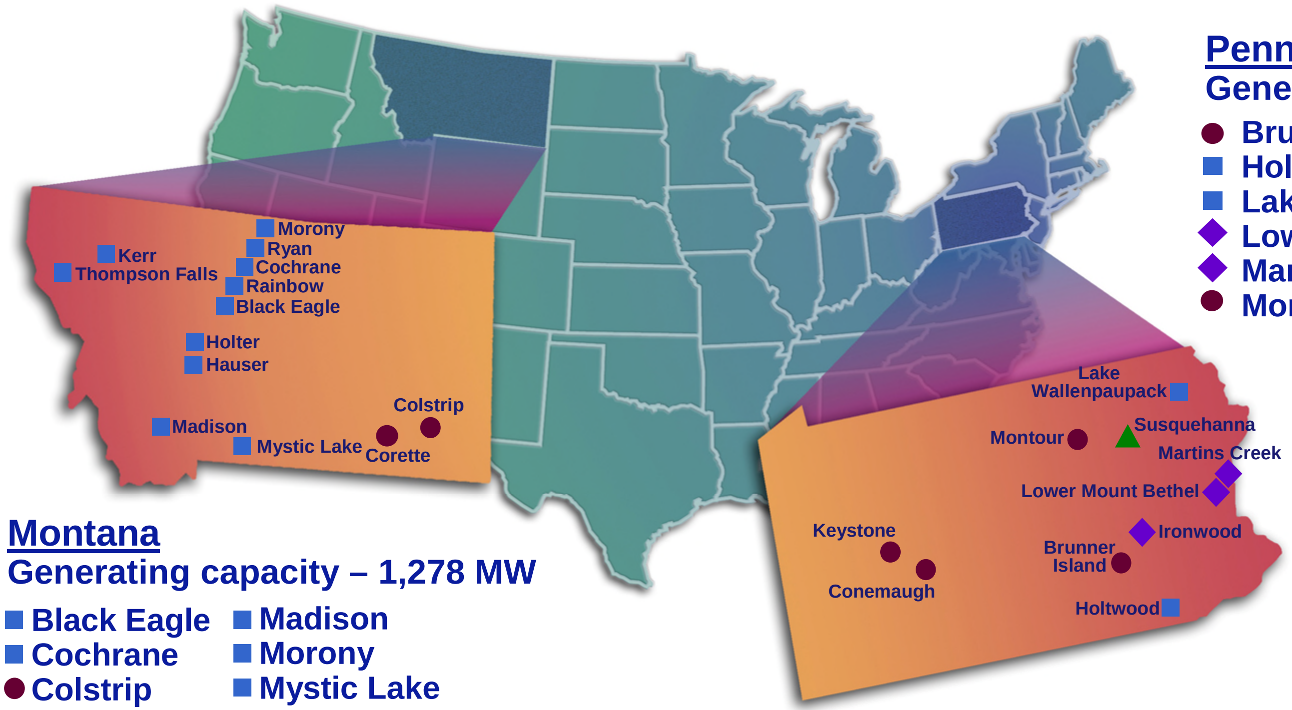
Diverse Competitive Generation Portfolio



Pennsylvania

Generating capacity – 9,482 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,278 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

Our size, location and diverse mix of competitive generation gives us flexibility to adapt in a variety of market conditions

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Market Prices

	2011	2012
ELECTRIC		
PJM		
On-Peak	$53	$54
Off-Peak	$39	$40
ATC(2)	$46	$47
Mid-Columbia		
On-Peak	$35	$43
Off-Peak	$27	$34
ATC(1)	$31	$39
GAS(2)		
NYMEX	$4.55	$5.08
TZ6NNY	$5.43	$5.88
PJM MARKET		
HEAT RATE(3)	9.76	9.15
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63
EQA	89.2%	90.0%

(1) 24-hour average

(2) NYMEX and TZ6NNY forward gas prices on 12/31/2010

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price

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Debt Maturities

(Millions)

	2011	2012	2013	2014	2015
PPL Capital Funding	$0	$0	$0 (1)	$0	$0
LG&E and KU Energy (Holding Co LKE)	2	0	0	0	400
Louisville Gas & Electric	0	0	0	0	250
Kentucky Utilities	0	0	0	0	250
PPL Electric Utilities	0	0	400	10 (2)	100
PPL Energy Supply	500	0	737	300	300 (3)
WPD	0	0	0	0	0
Total	$502	$0	$1,137	$310	$1,300

Note: As of December 31, 2010

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL’s Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful

(2) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee

(3) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$0	$350	$2,650
	3-Year Bilateral Credit Facility	Mar-2013	200	24	0	176
	5-year Structured Credit Facility	Mar-2011	300	161	0	139
			$3,500	$185	$350	$2,965
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$163	$237
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$198	$0	$202
WPD	5-year Credit Facility	Jan-2013	£150	£0	£115	£35
	3-year Credit Facility	Jul-2012	210	0	0	210
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£115	£305

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 12% of the total committed capacity.

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Reconciliation of Fourth Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Quarter Ending December 31, 2010						
Earnings from Ongoing Operations	$ 36	$ 32	$ 26	$ 311	$ (1)	$ 404
Special Items:						
Energy-related economic activity	(1)			(6)		(7)
Foreign currency-related economic hedges		3				3
Sales of assets:						
Maine hydroelectric generation business				15		15
Impairments:						
Impacts from emission allowances				(1)		(1)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(23)		(23)
Anticipated sale of certain non-core generation facilities				(2)		(2)
Discontinued cash flow hedges & ineffectiveness				(9)		(9)
Reduction of credit facility				(6)		(6)
Bridge Facility costs					(8)	(8)
Other acquisition-related costs					(14)	(14)
Other:						
Change in U.K. tax rate		(1)				(1)
LKE discontinued operations	2					2
Montana basin seepage litigation				2		2
Total Special Items	1	2		(30)	(22)	(49)
Reported Earnings *	$ 37	$ 34	$ 26	$ 281	$ (23)	$ 355
Quarter Ending December 31, 2009						
Earnings from Ongoing Operations		$ 70	$ 34	$ 94		$ 198
Special Items:						
Energy-related economic activity				(57)		(57)
Foreign currency-related economic hedges		3				3
Sales of assets:						
Maine hydroelectric generation business				22		22
Long Island generation business				1		1
Latin American businesses		(3)				(3)
Interest in Wyman Unit 4				(4)		(4)
Impairments:						
Impacts from emission allowances				(4)		(4)
Adjustments - nuclear decommissioning trust investments				1		1
Other asset impairments				(2)		(2)
Other:						
Montana hydroelectric litigation				(3)		(3)
Change in tax accounting method related to repairs			(3)	4		1
Total Special Items			(3)	(42)		(45)
Reported Earnings *		$ 70	$ 31	$ 52		$ 153
Change in earnings from ongoing operations	$ 36	$ (38)	$ (8)	$ 217	$ (1)	$ 206

* Represents net income attributable to PPL Corporation.

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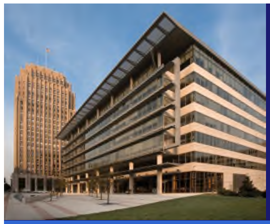

Reconciliation of Fourth Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Quarter Ending December 31, 2010						
Earnings from Ongoing Operations	$ 0.07	$ 0.07	$ 0.05	$ 0.64		$ 0.83
Special Items:						
Energy-related economic activity				(0.01)		(0.01)
Sales of assets:						
Maine hydroelectric generation business				0.03		0.03
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(0.05)		(0.05)
Discontinued cash flow hedges & ineffectiveness				(0.02)		(0.02)
Reduction of credit facility				(0.01)		(0.01)
Bridge Facility costs					$ (0.01)	(0.01)
Other acquisition-related costs					(0.03)	(0.03)
Total Special Items				(0.06)	(0.04)	(0.10)
Reported Earnings	$ 0.07	$ 0.07	$ 0.05	$ 0.58	$ (0.04)	$ 0.73
Quarter Ending December 31, 2009						
Earnings from Ongoing Operations		$ 0.18	$ 0.09	$ 0.25		$ 0.52
Special Items:						
Energy-related economic activity				(0.15)		(0.15)
Foreign currency-related economic hedges		0.01				0.01
Sales of assets:						
Maine hydroelectric generation business				0.06		0.06
Latin American businesses		(0.01)				(0.01)
Interest in Wyman Unit 4				(0.01)		(0.01)
Impairments:						
Impacts from emission allowances				(0.01)		(0.01)
Other:						
Montana hydroelectric litigation				(0.01)		(0.01)
Change in tax accounting method related to repairs			(0.01)	0.01		
Total Special Items			(0.01)	(0.11)		(0.12)
Reported Earnings		$ 0.18	$ 0.08	$ 0.14		$ 0.40
Change in earnings from ongoing operations	$ 0.07	$ (0.11)	$ (0.04)	$ 0.39		$ 0.31

Note: Per share amounts are based on diluted shares outstanding. 2010 amounts reflect the dilution associated with the June 2010 issuance of common stock.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Year-to-Date December 31, 2010						
Earnings from Ongoing Operations	$ 25	$ 230	$ 115	$ 990	$ (2)	$ 1,358
Special Items:						
Energy-related economic activity	(1)			(121)		(122)
Foreign currency-related economic hedges		1				1
Sales of assets:						
Maine hydroelectric generation business				15		15
Sundance indemnification				1		1
Impairments:						
Impacts from emission allowances				(10)		(10)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(125)		(125)
Anticipated sale of certain non-core generation facilities				(64)		(64)
Discontinued cash flow hedges & ineffectiveness				(28)		(28)
Reduction of credit facility				(6)		(6)
Bridge Facility costs					(52)	(52)
Other acquisition-related costs					(22)	(22)
Other:						
Montana hydroelectric litigation				(34)		(34)
Health Care Reform - tax impact				(8)		(8)
Change in U.K. tax rate		18				18
U.S. Tax Court ruling (U.K. Windfall Profits Tax)		12				12
LKE discontinued operations	2					2
Montana basin seepage litigation				2		2
Total Special Items	1	31		(378)	(74)	(420)
Reported Earnings *	$ 26	$ 261	$ 115	$ 612	$ (76)	$ 938
Year-to-Date December 31, 2009						
Earnings from Ongoing Operations		$ 272	$ 133	$ 333		$ 738
Special Items:						
Energy-related economic activity				(225)		(225)
Foreign currency-related economic hedges		1				1
Sales of assets:						
Maine hydroelectric generation business				22		22
Long Island generation business				(33)		(33)
Latin American businesses		(27)				(27)
Interest in Wyman Unit 4				(4)		(4)
Impairments:						
Impacts from emission allowances				(19)		(19)
Other asset impairments		(1)	(1)	(4)		(6)
Workforce reduction		(2)	(5)	(6)		(13)
Other:						
Montana hydroelectric litigation				(3)		(3)
Change in tax accounting method related to repairs			(3)	(21)		(24)
Total Special Items		(29)	(9)	(293)		(331)
Reported Earnings *		$ 243	$ 124	$ 40		$ 407
Change in earnings from ongoing operations	$ 25	$ (42)	$ (18)	$ 657	$ (2)	$ 620

* Represents net income attributable to PPL Corporation.

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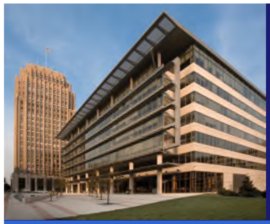

Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Year-to-Date December 31, 2010						
Earnings from Ongoing Operations	$ 0.06	$ 0.53	$ 0.27	$ 2.27		$ 3.13
Special Items:						
Energy-related economic activity				(0.27)		(0.27)
Sales of assets:						
Maine hydroelectric generation business				0.03		0.03
Impairments:						
Impacts from emission allowances				(0.02)		(0.02)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(0.29)		(0.29)
Anticipated sale of certain non-core generation facilities				(0.14)		(0.14)
Discontinued cash flow hedges & ineffectiveness				(0.06)		(0.06)
Reduction of credit facility				(0.01)		(0.01)
Bridge Facility costs					$ (0.12)	(0.12)
Other acquisition-related costs					(0.05)	(0.05)
Other:						
Montana hydroelectric litigation				(0.08)		(0.08)
Health Care Reform - tax impact				(0.02)		(0.02)
Change in U.K. tax rate		0.04				0.04
U.S. Tax Court ruling (U.K. Windfall Profits Tax)		0.03				0.03
Total Special Items		0.07		(0.86)	(0.17)	(0.96)
Reported Earnings	$ 0.06	$ 0.60	$ 0.27	$ 1.41	$ (0.17)	$ 2.17
Year-to-Date December 31, 2009						
Earnings from Ongoing Operations		$ 0.72	$ 0.35	$ 0.88		$ 1.95
Special Items:						
Energy-related economic activity				(0.59)		(0.59)
Sales of assets:						
Maine hydroelectric generation business				0.06		0.06
Long Island generation business				(0.09)		(0.09)
Latin American businesses		(0.07)				(0.07)
Interest in Wyman Unit 4				(0.01)		(0.01)
Impairments:						
Impacts from emission allowances				(0.05)		(0.05)
Other asset impairments				(0.01)		(0.01)
Workforce reduction		(0.01)	(0.01)	(0.01)		(0.03)
Other:						
Montana hydroelectric litigation				(0.01)		(0.01)
Change in tax accounting method related to repairs			(0.01)	(0.06)		(0.07)
Total Special Items		(0.08)	(0.02)	(0.77)		(0.87)
Reported Earnings		$ 0.64	$ 0.33	$ 0.11		$ 1.08
Change in earnings from ongoing operations	$ 0.06	$ (0.19)	$ (0.08)	$ 1.39		$ 1.18

Note: Per share amounts are based on diluted shares outstanding. 2010 amounts reflect the dilution associated with the June 2010 issuance of common stock.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share)	Forecast		Actual		
	High 2011	Low 2011	2010 [a]	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 2.60	$ 2.40	$ 3.13	$ 1.95	$ 2.02
Special Items:					
Energy-related economic activity			(0.27)	(0.59)	0.67
Sales of assets:					
Maine hydroelectric generation business			0.03	0.06	
Long Island generation business				(0.09)	
Latin American businesses				(0.07)	
Interest in Wyman Unit 4				(0.01)	
Gas and propane businesses					(0.01)
Impairments:					
Impacts from emission allowances			(0.02)	(0.05)	(0.07)
Adjustments - nuclear decommissioning trust investments					(0.04)
Holtwood hydroelectric plant					(0.03)
Other asset impairments				(0.01)	(0.01)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(0.29)		
Anticipated sale of certain non-core generation facilities			(0.14)		
Bridge Facility costs			(0.12)		
Discontinued cash flow hedges & ineffectiveness			(0.06)		
Reduction of credit facility			(0.01)		
Other acquisition-related costs			(0.05)		
Workforce reductions				(0.03)	(0.01)
Other:					
Montana hydroelectric litigation			(0.08)	(0.01)	
Health Care Reform - tax impact			(0.02)		
Change in U.K. tax rate			0.04		
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03		
Change in tax accounting method related to repairs				(0.07)	
Synfuel tax adjustment					(0.04)
Montana basin seepage litigation					(0.01)
Total Special Items			(0.96)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.60	$ 2.40	$ 2.17	$ 1.08	$ 2.47

Note: Amounts are based on diluted shares outstanding.

[a] Reflects the dilution associated with the June 2010 issuance of common stock.

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Reconciliation of Year-to-Date Operating Income to Unregulated Gross Energy Margins

(Millions of Dollars)

	Year Ended December 31, 2010	Year Ended December 31, 2009	Change	Per Share Diluted (after-tax) (a)
Eastern U.S., pre-tax	$ 2,428	$ 1,406	$ 1,022	$ 1.56
Western U.S., pre-tax	342	325	17	0.03
Unregulated gross energy margins, pre-tax	$ 2,770	$ 1,731	$ 1,039	$ 1.59

	Year Ended December 31, 2010	Year Ended December 31, 2009
Operating Income	$ 1,866	$ 896
Adjustments:		
Utility	(3,668)	(3,902)
Energy-related businesses, net	(26)	(27)
Other operation and maintenance	1,756	1,418
Amortization of recoverable transition costs	-	304
Depreciation	556	455
Taxes, other than income	238	280
Revenue adjustments (b)	920	2,217
Expense adjustments (b)	1,128	90
Unregulated gross energy margins	$ 2,770	$ 1,731

(a) Excludes dilution associated with the June 2010 issuance of common stock.

(b) See additional information on the following slide.

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Reconciliation of Year-to-Date Operating Income to Unregulated Gross Energy Margins

(Millions of Dollars)

	Year Ended December 31, 2010		Year Ended December 31, 2009	
Revenue adjustments				
Exclude the impact from the Supply segment's energy-related economic activity	$	483	$	274
Include PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus		320		1,806
Include gains from the sale of emission allowances/RECs		-		2
Include revenue from Supply segment discontinued operations		117		135
Total revenue adjustments	$	920	$	2,217
Expense adjustments				
Exclude fuel and energy purchases from the Kentucky Regulated segment	$	(207)		
Exclude the impact from the Supply segment's energy-related economic activity		63	$	(109)
Exclude external PLR energy purchases		(1,072)		(44)
Include expenses from Supply segment discontinued operations		33		22
Include ancillary charges		24		19
Include gross receipts tax		15		-
Other		16		22
Total expense adjustments	$	(1,128)	$	(90)

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,399
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,505)
Sale of Assets	84	161	383
Other Investing Activities – Net	(71)	(20)	0
Free Cash Flow before Dividends	$ 600	$ 531	$ 277

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Forward-Looking Information Statement

Statements contained in this news release, including statements with respect to future events and their timing, including statements concerning the acquisition by PPL Corporation of E.ON U.S. LLC and its subsidiaries Louisville Gas and Electric Company and Kentucky Utilities Company (collectively, the “Kentucky Entities”), the expected results of operations of any of the Kentucky Entities or PPL Corporation both before or following PPL Corporation’s acquisition of the Kentucky Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the Kentucky Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the Kentucky Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the Kentucky Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the Kentucky Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the Kentucky Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Costs and charges related to the acquisition of E.ON U.S.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Credit Suisse Global Energy Summit
February 8-11, 2011

PPL Corporation

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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PPL: Poised for Additional Growth

- Three high-performing utilities with tangible rate base growth
- Well-positioned supply business with in-the-money hedges and growth as market recovers
- Strong track record of execution

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Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
- Strong operating performance – regulated and competitive
- Strong carbon and other environmental position
- Excellent cost-management
- Knowledgeable, dedicated employees
- Strong dividend with opportunity for growth

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Kentucky Regulated Segment Key Business and Value Drivers

- Excellent customer service
- Superior cost position and operational excellence
- Constructive regulatory environment
- Low rates and an opportunity for growth

LG&E and KU Are Among Best Performing Utilities in the U.S.

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Significant EPA Regulations Impacting Kentucky

- Environmental compliance spending associated with coal combustion is recoverable through the ECR.
  - $2.9 billion recovered via mechanism since inception
- NO_x, SO_2, Mercury, Particulate Regulations will increase capital spending.
- Exact remediation and incremental cost will not be known until final regulations on all pollutants are completed.

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International Regulated Segment Key Business and Value Drivers

- Electricity distribution businesses are regulated by the UK's Office of Gas and Electricity Markets (Ofgem).
  - Current price control period is April 1, 2010 to March 31, 2015.

- Business growth is driven by capital investment in aging infrastructure and load-related assets.
  - $2.0 billion investment in current price control period (2010 – 2015); 31% higher than previous price control period.

- Regulatory Incentive mechanisms provide opportunity for enhanced returns.
  - Customer service and reliability.
  - Cost efficiency.
  - $240 million awarded during DPCR5 and $130 million awarded during DPCR4 reviews

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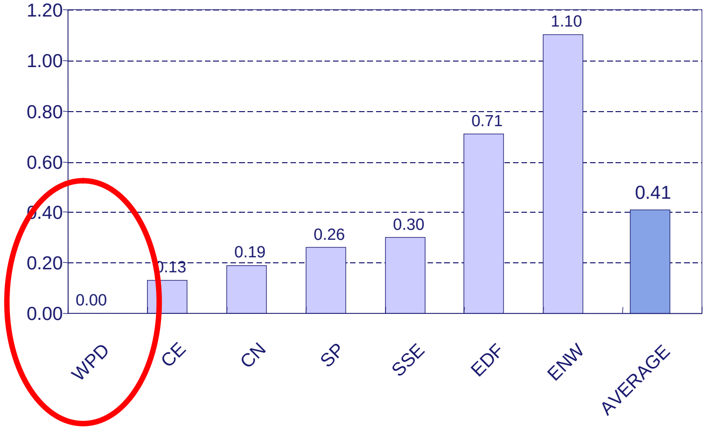
Outstanding Operational Performance

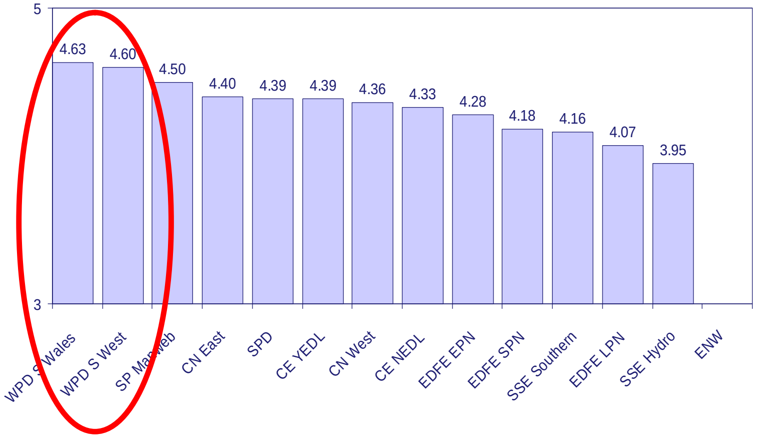
Ombudsman Complaints

Complaints to Ombudsman per 100,000 customers



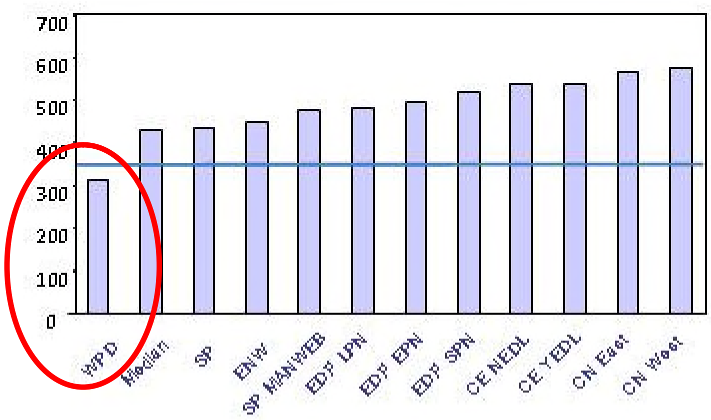
Ofgem Telephony Incentive Scheme

Score (out of 5)



Capex Efficiency in DPCR5

Performance against Peers



1 Hour Restoration Rate

Year ended 31 March 1999 - 51.9%
Year ended 31 March 2001 - 57.6%
Year ended 31 March 2003 - 80.0%
Year ended 31 March 2005 - 84.8%
Year ended 31 March 2007 - 84.6%
Year ended 31 March 2008 - 85.5%
Year ended 31 March 2009 - 86.3%
Year to date 31 December 2010 - 87.4%

Best in UK

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PA Regulated Segment Key Business and Value Drivers

- Superior customer service -
  - 16th JD Power awards, most in nation
  - 1st place JD Power East Region Large Utilities – Business Customers
  - 83% “very satisfied” with customer transactions
- Constructive regulatory relationships
- Attractive future rate base investment opportunities to support reliability
- Rate Base growth from $3.0 Billion in 2010 to $4.8 Billion in 2015

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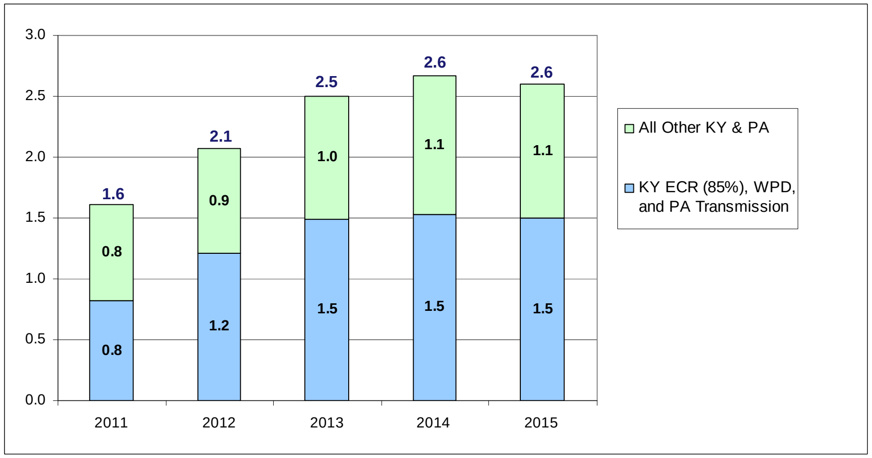
Combined Regulated Segments Capex and Rate Base Growth

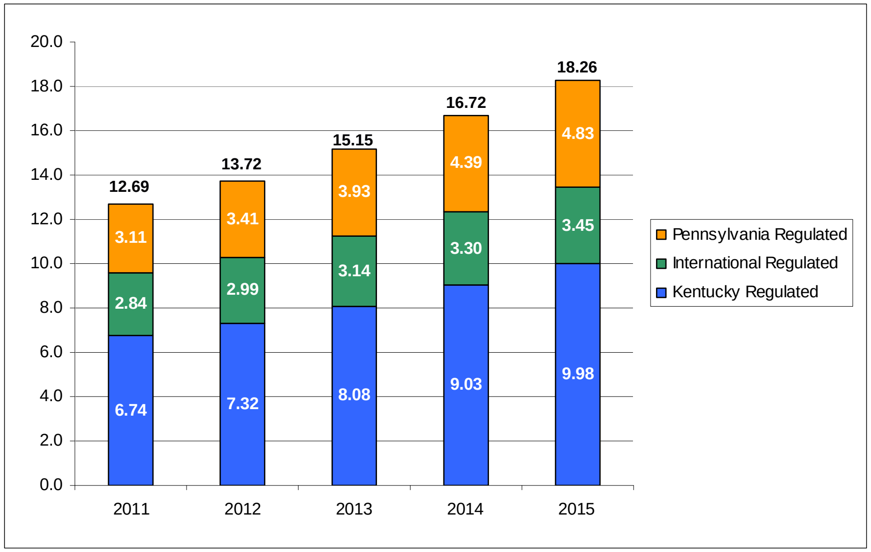
Estimated Annual CAPEX

$ Billions



Estimated Rate Base (Utility Capitalization) [1]

$ Billions



CAGR (2011-2015)
9.5%

[1] Represents year-end amounts.

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Supply Segment Key Business and Value Drivers

- Our efficient, diverse generating fleet with the ability to meet proposed EPA regulations without substantial increase in capital or operating cost
- Our ability to control spending and optimize operations in a low commodity business cycle
- Current and future capacity additions to our low cost, carbon-free nuclear and hydro facilities
- Our active hedging strategy to protect and enhance the value of our competitive generation fleet
- Improved supply/demand fundamentals

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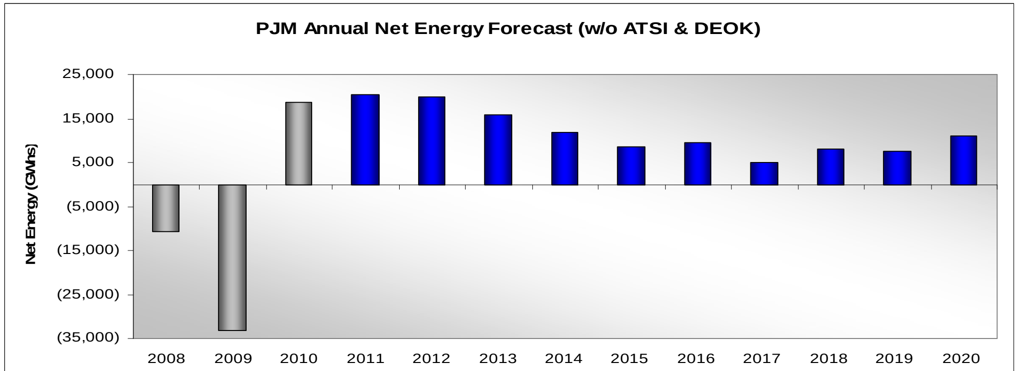
Supply & Demand - Catalysts for Growth

- Economic recovery driving increases in electric demand

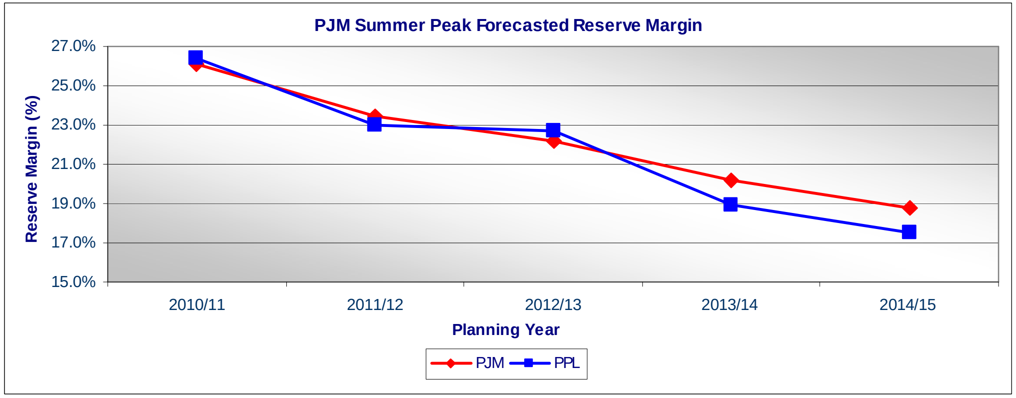


ATSI – First Energy

Source: PJM Load Forecast Report (December 28, 2010)

DEOK – Duke Energy Ohio & Kentucky

- Existing forward prices provide little incentive to build



- Proposed EPA regulations are expected to be a net benefit given our mix of generation

		Impact on Coal Capacity		
	Date of Report	RFC/PJM	Nationwide	Impact by
PPL	Dec-10	5-12 GW		2019
Brattle	Nov-2010	12-19 GW	50-65 GW	2020
NERC	Oct-2010	3-11 GW	10-35 GW	2018
Credit Suisse	Sep-2010	12-24 GW	35-100 GW (60 GW Base)	2017
ICF/INGAA	May-2010	25-30 GW	50 GW	2018

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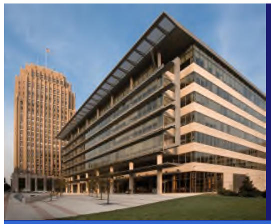
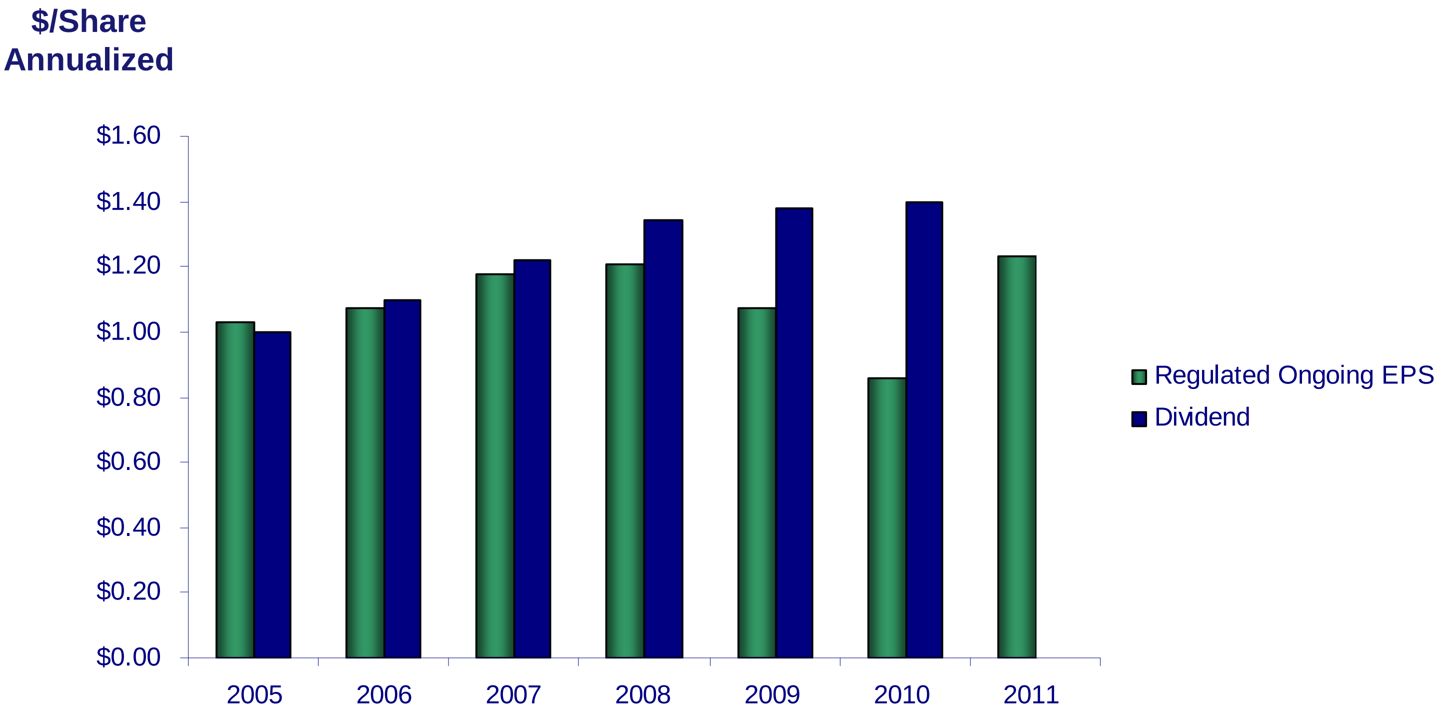


Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Regulated EPS based on mid-point of forecast. Dividend to be determined by Board of Directors.

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Appendix

Kentucky Rate Mechanisms

- Fuel Adjustment Clause (FAC) – Collects or refunds difference between base rate fuel component and actual fuel cost monthly with a two-month lag
- Gas Supply Clause (GSC) – Actual cost of gas supply passed through to customers with rates reset quarterly based on projected cost with balancing mechanism
  - Performance-Based Rate Component – Utility retains 25% of savings vs. benchmark gas costs
  - Weather Normalization Adjustment (WNA) – Applies to residential and commercial gas customers during winter months
- Environmental Cost Recovery Surcharge (ECR) – Entitled to recovery of and on costs of complying with environmental regulations with a two-month lag
- Construction Work in Progress (CWIP) – Recovery on CWIP included in base rates and ECR
- Demand-Side Management Cost Recovery Mechanism (DSMRM) – Provides for concurrent recovery of DSM costs and provides incentive for implementing DSM programs, including lost revenue

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Current State of Environmental Controls
Kentucky Regulated Major Coal Plant Sites

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower	Dry Handling/Disposal/Beneficial Use
Addresses		NO_x	NO_x	SO_2	Water Intake	Coal Combustion Residuals (CCRs) (2)
Trimble County	Unit 1	✓	✓	✓	✓	(1)
	Unit 2	✓	✓	✓	✓	(1)
Ghent	Unit 1	✓	✓	✓	✓	(1)
	Unit 2	✓		✓	✓	(1)
	Unit 3	✓	✓	✓	✓	(1)
	Unit 4	✓	✓	✓	✓	(1)
Brown	Unit 1	✓		✓	✓	✔
	Unit 2	✓		✓	✓	✔
	Unit 3	✓	(3)	✓	✓	✔
Mill Creek	Unit 1	✓		✓		✓
	Unit 2	✓		✓	✓	✓
	Unit 3	✓	✓	✓	✓	✓
	Unit 4	✓	✓	✓	✓	✓
Cane Run	Unit 4	✓		✓		✓
	Unit 5	✓		✓		✓
	Unit 6	✓		✓		✓

✓ = Installed

✔ = Under consideration

(1) Dry handling disposal construction approved by KPSC and permitting underway at Trimble and Ghent.
(2) Wet ash impoundments exist at all plants.
(3) Construction underway. Scheduled to be in service 2012.

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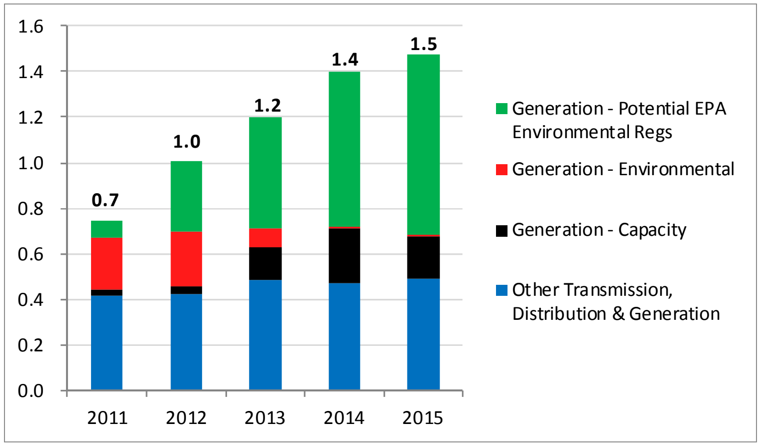
Kentucky Regulated Capital Expenditures and Rate Base Growth

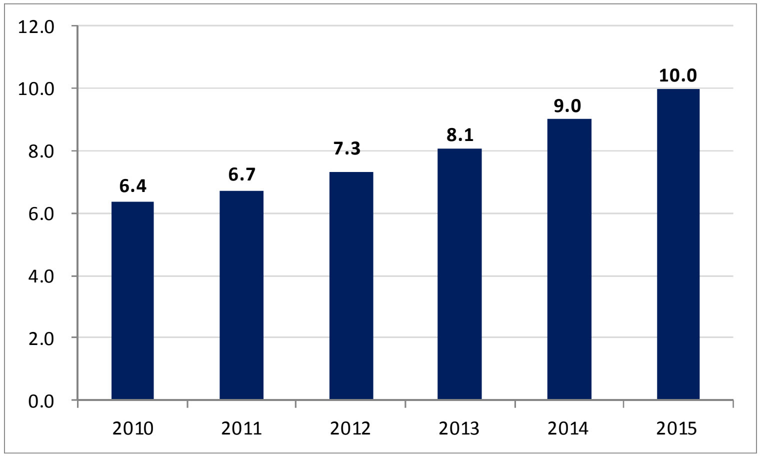
Estimated Annual CAPEX

$ Billions



Estimated Rate Base (Utility Capitalization) (1)

$ Billions



CAGR (2011-2015)
10.5%

(1) Represents year-end amounts.

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UK Electricity Distribution Regulation

- Electricity distribution revenues are set through a Distribution Price Control Review (DPCR) process.
  - Based on a forward looking assessment of income sufficient to finance an efficient business.
  - Revenues cover operating and capital costs at an efficient level for the service territory.
    - Efficiency is determined through a detailed comparable analysis of all UK electricity distribution companies.
    - Annual adjustments for inflation
  - An incentive / penalty arrangement exists for reliability and customer service levels.

- The revenue that a company can earn in each rate period is the sum of:
  - The Regulator's view of efficient costs,
  - A return on the value of Regulated Asset Value ("RAV"),
  - A return of capital being the depreciation of the RAV, and
  - Incentive payments for performance.

- Rate set through March 31, 2015.

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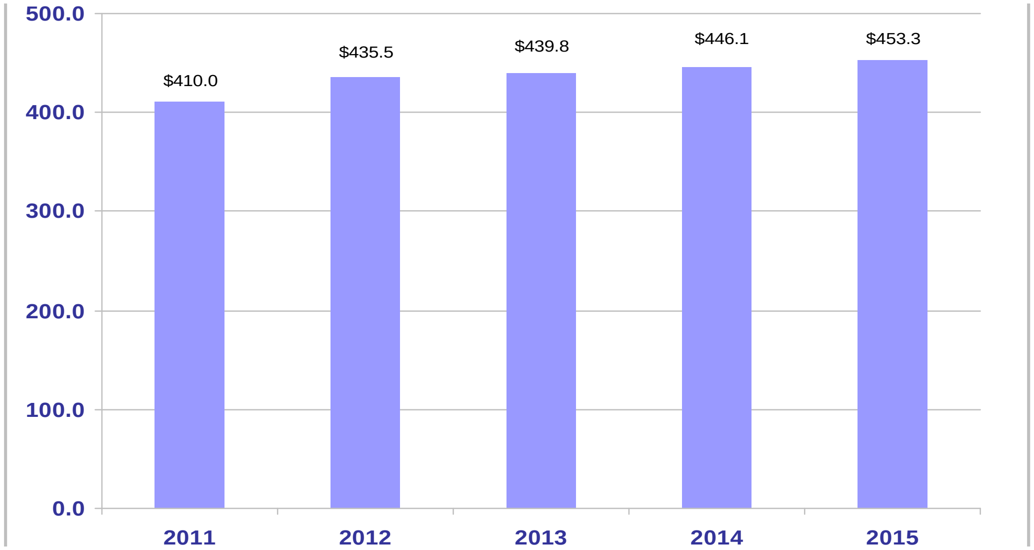
International Regulated Segment
Capital Expenditures and Rate Base Growth

Estimated Annual CAPEX

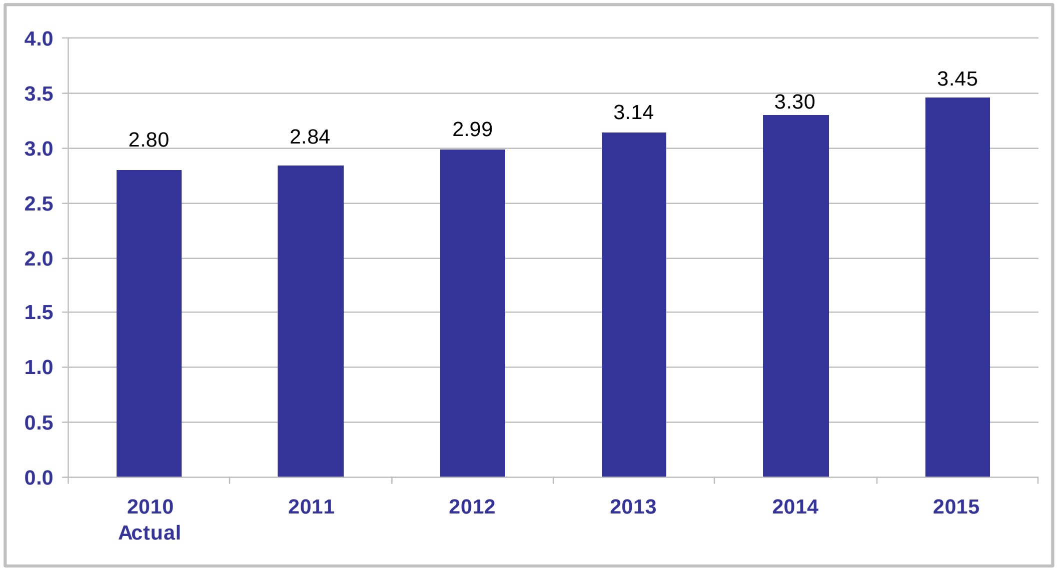
$ Millions



Regulatory Period (DPCR5)
$2.0 BB

Estimated RAV [1]

$ Billions



CAGR (2011-2015)
5.0%

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[1] Represents year-end amounts.

International - Modeling Parameters

	Revenues (£)	• Regulated Revenues escalate 6.9% annually plus inflation; Energy-related business revenue escalate at inflation
–	***Operation and Maintenance (£)***	• Operation and Maintenance expense (excluding pension expense) escalates at inflation
–	***Pension Expense (£)***	• Pension expense increases from £20 million in 2011 to £55 million in 2012 and beyond
–	***Depreciation Expense (£)***	• Depreciation expense escalates at about 7% per annum
–	***Real Estate Taxes plus Energy-related Business Expense (£)***	• Real Estate taxes and Energy-related Business expense escalates at inflation
–	***Interest Expense (£)***	• Interest Expense primarily fixed except for £251 million of index-linked debt escalating at inflation
–	***Income Taxes (£)***	• Effective tax rate of about 25% for Q4 2010 and beyond
X	***Foreign Currency Assumption***	• Assumed $/£ foreign currency exchange rate
=	***International Regulated Net Income ($)***	

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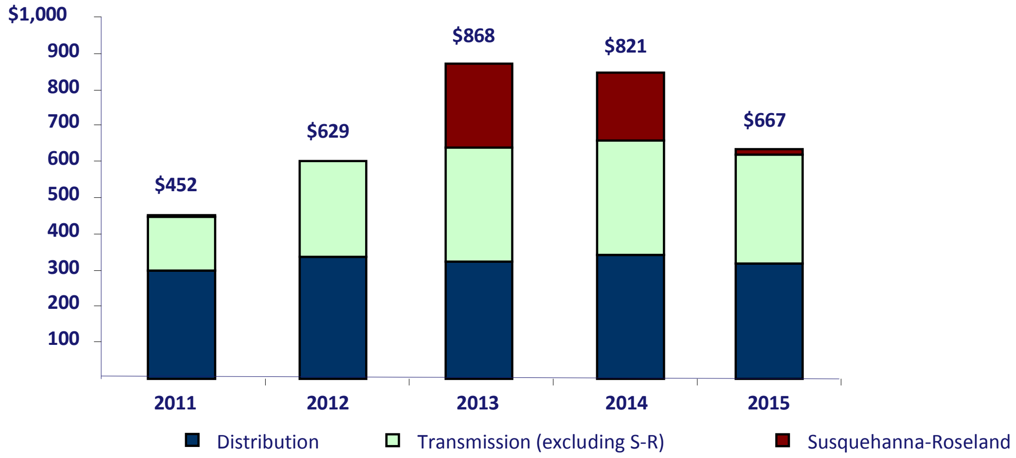
PA Regulated Segment Capex and Rate Base Growth

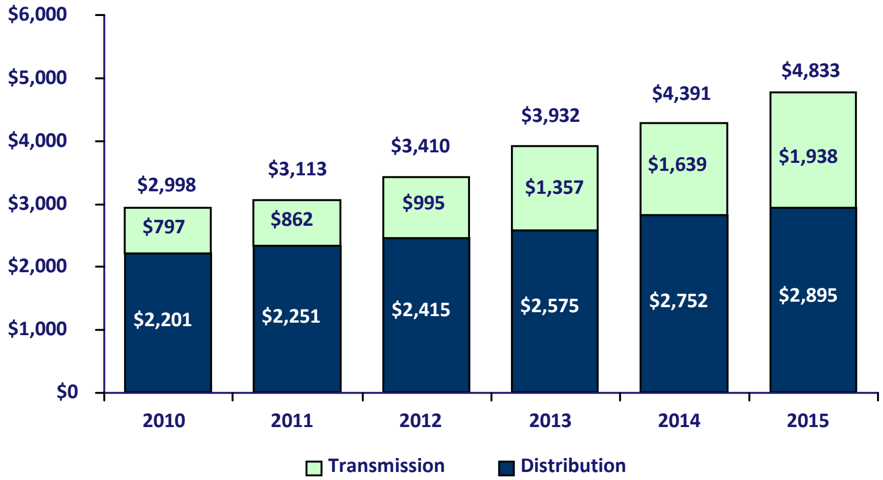
Estimated Annual CAPEX

$ Millions



Estimated Rate Base (Utility Capitalization) (1)

$ Millions



CAGR (2011-2015)

Distribution = 6.5%

Transmission = 22.5%

Combined = 11.6%

(1) Represents year-end amounts.

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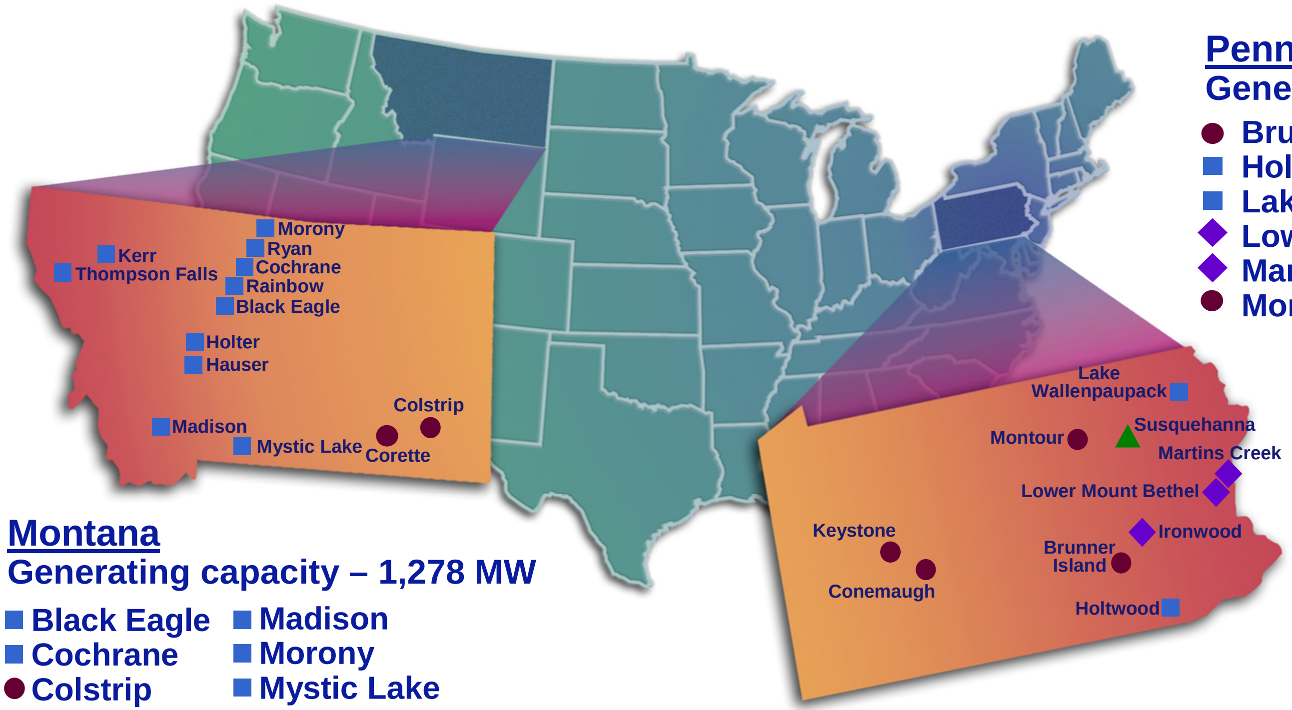
Diverse Competitive Generation Portfolio



Pennsylvania

Generating capacity – 9,482 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

Montana

Generating capacity – 1,278 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Our size, location and diverse mix of competitive generation gives us flexibility to adapt in a variety of market conditions

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Market Prices

	2011	2012
ELECTRIC		
PJM		
On-Peak	$53	$54
Off-Peak	$39	$40
ATC[2]	$46	$47
Mid-Columbia		
On-Peak	$35	$43
Off-Peak	$27	$34
ATC[1]	$31	$39
GAS[2]		
NYMEX	$4.55	$5.08
TZ6NNY	$5.43	$5.88
PJM MARKET		
HEAT RATE[3]	9.76	9.15
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63
EQA	89.2%	90.0%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 12/31/2010.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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Actively Managing Environmental Uncertainty

Control Device Addresses		Low Nox Burners NO_x	SCR/SNCR NO_x	Scrubbers SO_2	Closed Cycle Cooling Tower Water Intake	Dry Handling/Disposal/Beneficial Use Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✓	✔	✓	**(3)**	✓
	Unit 2	✓	✔	✓	**(3)**	✓
	Unit 3	✓	✔	✓	**(3)**	✓
Montour	Unit 1	✓	✓	✓	✓	✓
	Unit 2	✓	✓	✓	✓	✓
Colstrip	Unit 1 & 2	✔	**(1)**	✓	✓	**(2)**
	Unit 3 & 4	✓	**(1)**	✓	✓	**(2)**
Keystone	Unit 1 & 2	✓	✓	✓	✓	✓
Conemaugh	Unit 1 & 2	✓	✔	✓	✓	✓

✓= Installed

✔ = Under Consideration

PPL's proactive approach to environmental compliance has made the EPA's pending regulations manageable

(1) At this time we believe that SCR/SNCRs are not required at Colstrip to meet the proposed NO_x emission units.
(2) PPL has begun to assess dry handling/disposal of CCRs at Colstrip.
(3) If required, once through cooling towers could be converted to closed cycle.

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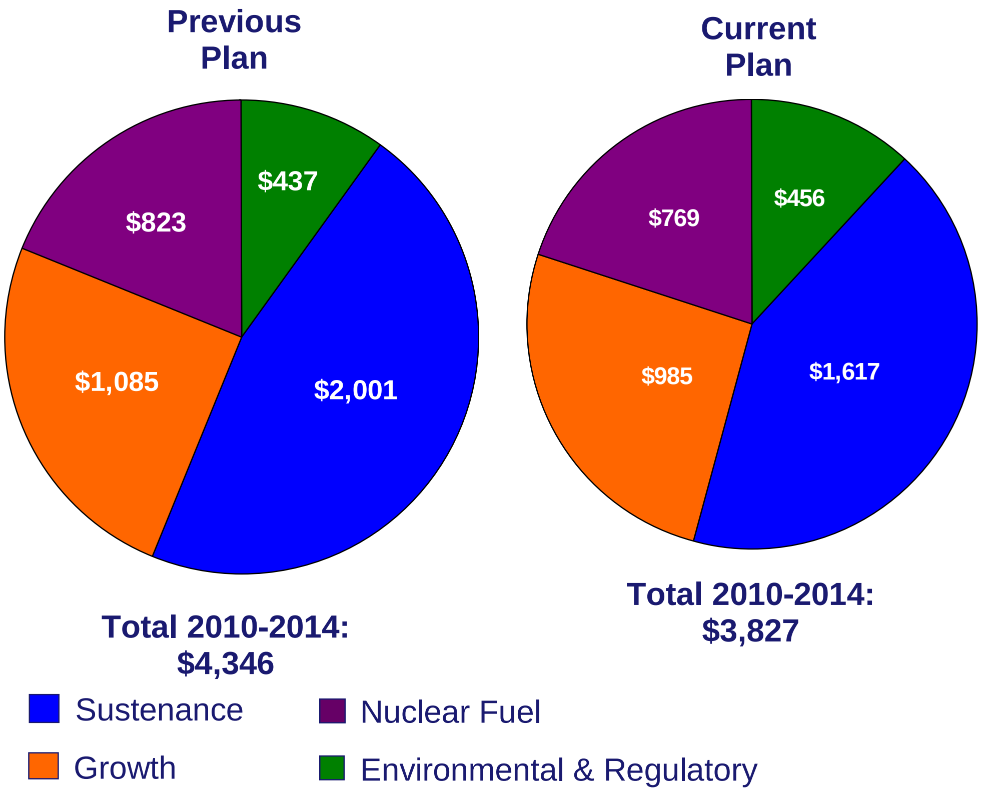
Operating in a Down Commodity Cycle

- **Controlling Capital**
  - Reducing capital spending by over $500 million over the 5 year plan
- **Optimizing Operation**
  - Operating at minimums during low priced off-peak periods
  - Reducing unit minimums
  - Analyzing fuel options
  - Controlling operating costs



PPL's proactive approach to controlling spending and optimizing operations is maximizing value

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Enhancing Value Through Active Hedging

	2011	2012
Baseload		
Expected Generation[1] (Million MWhs)	**51.4**	**54.7**
East	43.1	46.2
West	8.3	8.5
Current Hedges (%)	**99%**	**68%**
East	100%	63%
West	95%	94%
Average Hedged Price (Energy Only) ($/MWh) (2) (3)		
East	$56	$59-61
West	$54	$53-54
Current Coal Hedges (%)	**99%**	**96%**
East	99%	94%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$73-74	$76-80
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation[1] (Million MWhs)	6.0	6.2
Current Hedges (%)	34%	7%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of December 31, 2010

(1) Represents expected sales based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of December 31, 2010; the prior collars have all been converted to fixed swaps.

(3) The 2012 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 power prices at the 5th and 95th percentile confidence levels.

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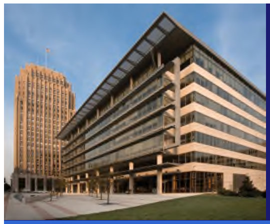
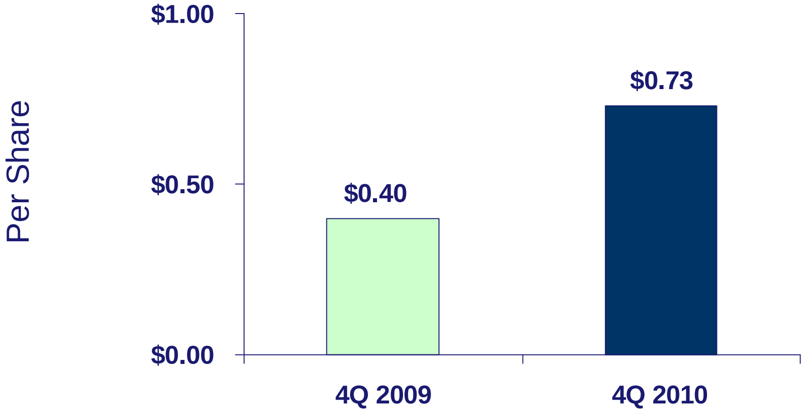
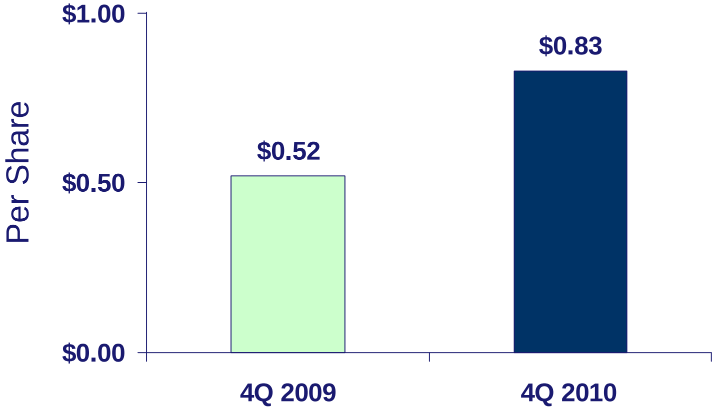


Earnings Results

Fourth Quarter Reported Earnings

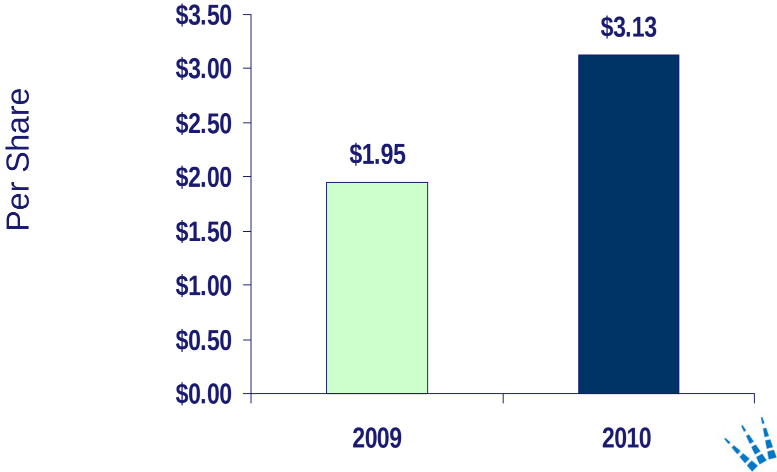


Fourth Quarter Earnings from Ongoing Operations



Year-to-Date Reported Earnings

Year-to-Date Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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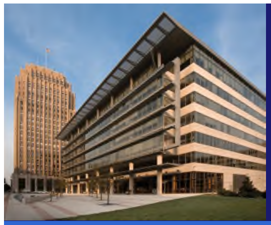
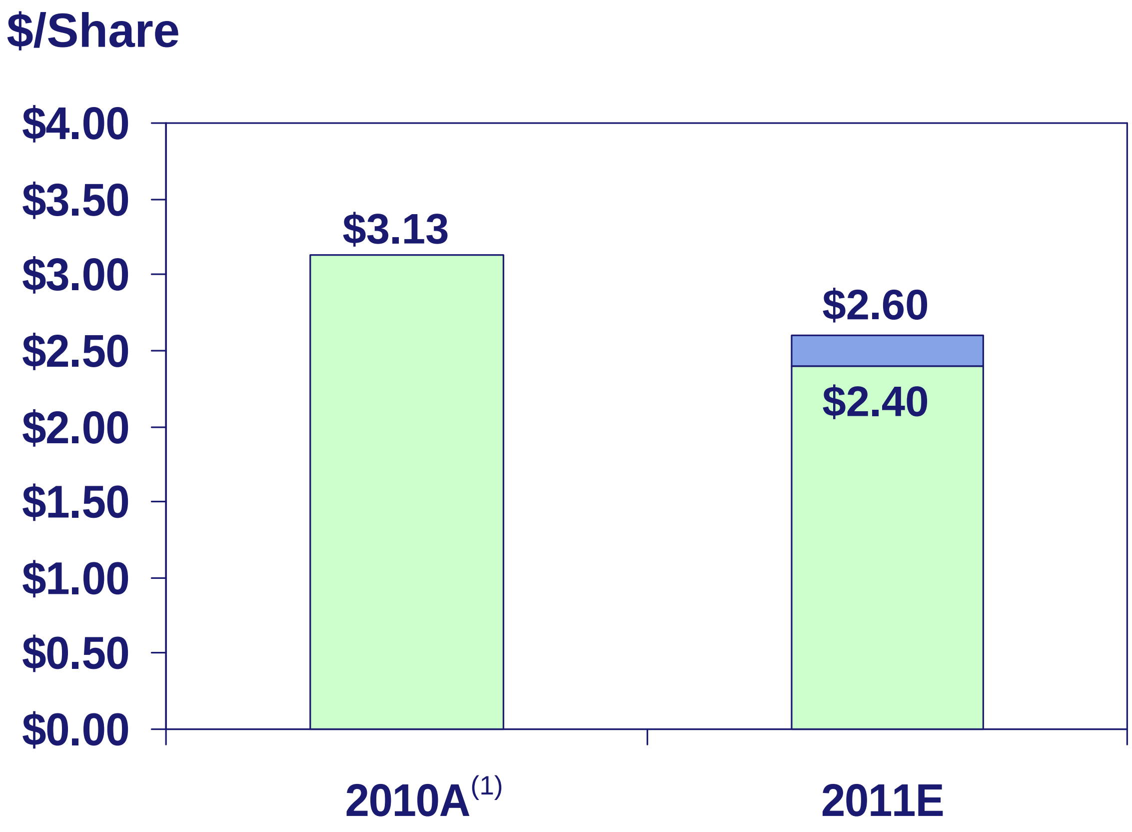
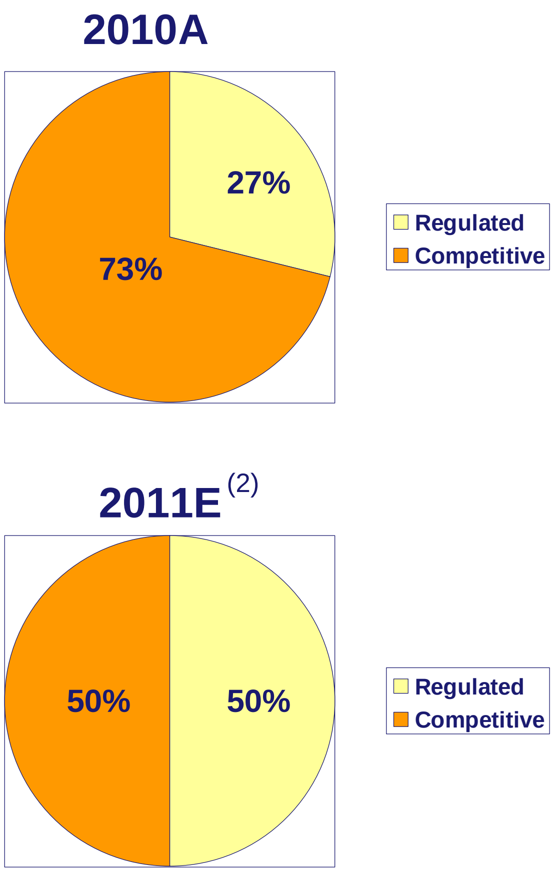


2011 Earnings Forecast





(1) See appendix for reconciliation of earnings from ongoing operations to reported earnings.

(2) Based on mid-point of forecasted earnings range.

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Ongoing Earnings Overview

	Q4 2010	Q4 2009	Change
Kentucky Regulated	$0.07	$0.00	$0.07
International Regulated	0.07	0.18	(0.11)
Pennsylvania Regulated	0.05	0.09	(0.04)
Supply	0.64	0.25	0.39
Total	$0.83	$0.52	$0.31

	2010	2009	Change
Kentucky Regulated	$0.06	$0.00	$0.06
International Regulated	0.53	0.72	(0.19)
Pennsylvania Regulated	0.27	0.35	(0.08)
Supply	2.27	0.88	1.39
Total	$3.13	$1.95	$1.18

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Regulated Segment Earnings Drivers

	2010	
2009 EPS – Ongoing Earnings		$0.72
Delivery Revenue	0.08	
O&M	(0.09)	
Financing	(0.10)	
Effect of Exchange Rates	0.04	
Income Taxes & Other	(0.05)	
Dilution	(0.07)	
Total		(0.19)
2010 EPS – Ongoing Earnings		$0.53

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Regulated Segment Earnings Drivers

		2010
2009 EPS – Ongoing Earnings		$0.35
O&M	(0.06)	
Other	0.01	
Dilution	(0.03)	
Total		(0.08)
2010 EPS – Ongoing Earnings		$0.27

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	2010	
2009 EPS – Ongoing Earnings		$0.88
Margins – East	1.56	
Margins – West	0.03	
O&M	(0.08)	
Depreciation	(0.07)	
Income Taxes & Other	0.24	
Discontinued Operations	0.04	
Dilution	(0.33)	
Total		1.39
2010 EPS – Ongoing Earnings		$2.27

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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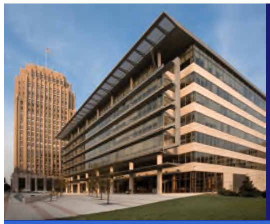
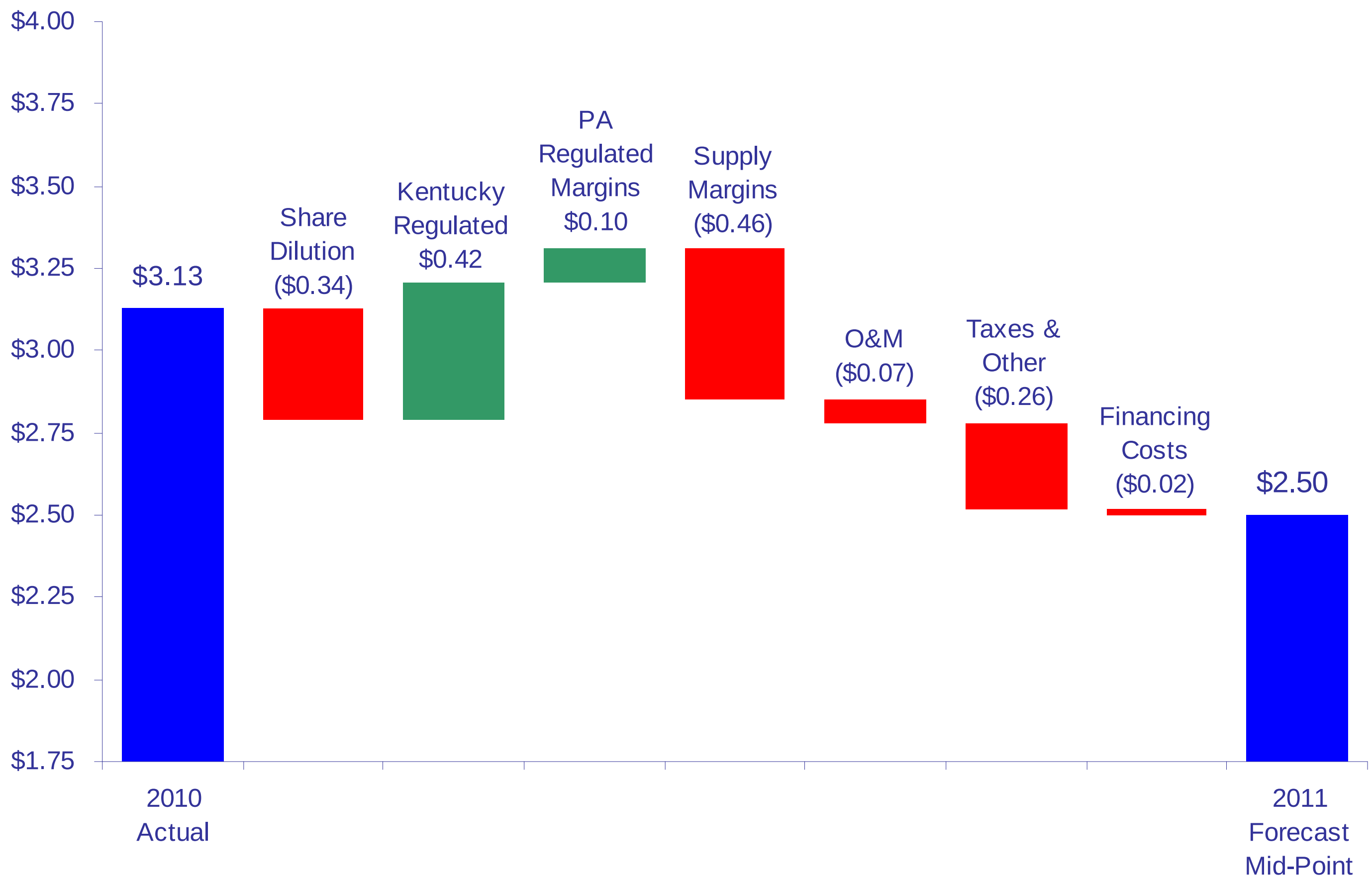


2010 to 2011 Earnings Walk

Earnings Per Share



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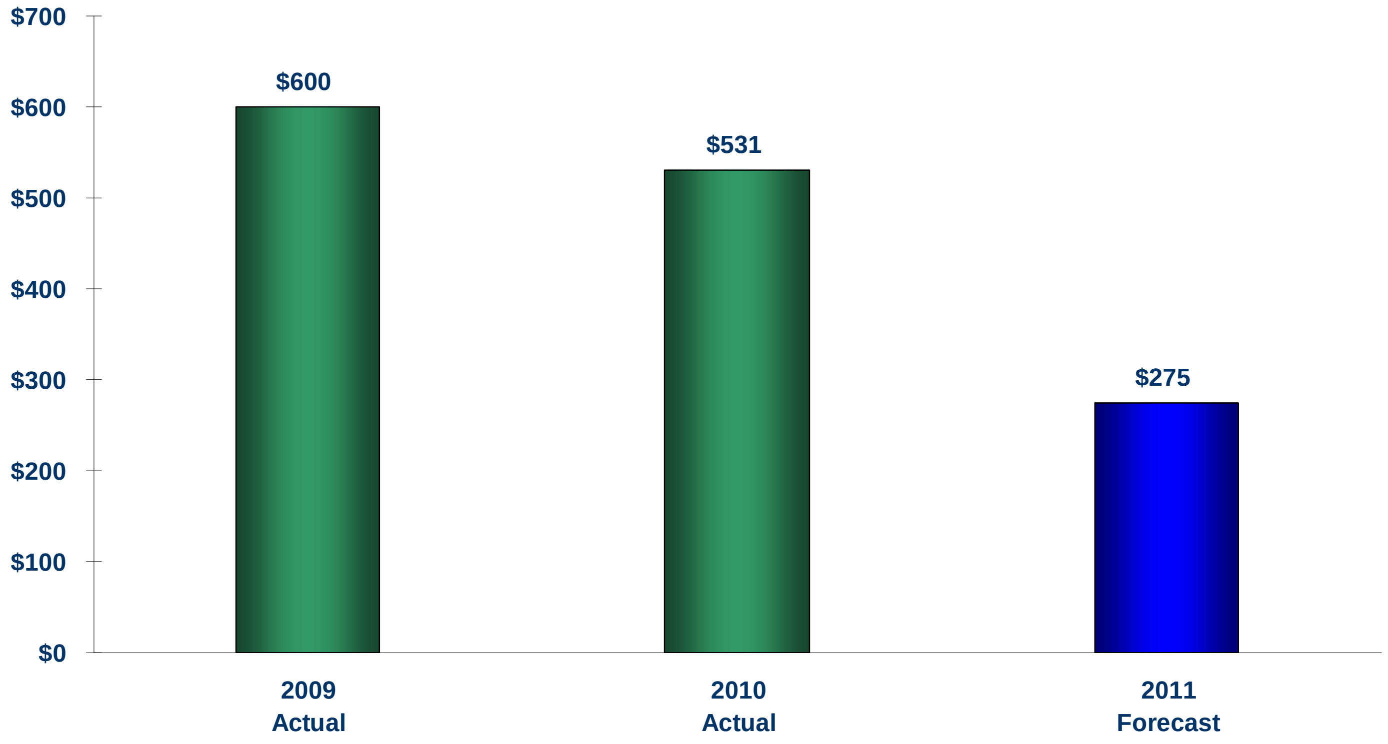
Free Cash Flow before Dividends

Millions of Dollars



2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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Debt Maturities

(Millions)

	2011	2012	2013	2014	2015
PPL Capital Funding	$0	$0	$0 (1)	$0	$0
LG&E and KU Energy (Holding Co LKE)	2	0	0	0	400
Louisville Gas & Electric	0	0	0	0	250
Kentucky Utilities	0	0	0	0	250
PPL Electric Utilities	0	0	400	10 (2)	100
PPL Energy Supply	500	0	737	300	300 (3)
WPD	0	0	0	0	0
Total	$502	$0	$1,137	$310	$1,300

Note: As of December 31, 2010

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL’s Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(3) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$0	$350	$2,650
	3-Year Bilateral Credit Facility	Mar-2013	200	24	0	176
	5-year Structured Credit Facility	Mar-2011	300	161	0	139
			$3,500	$185	$350	$2,965
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$163	$237
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$198	$0	$202
WPD	5-year Credit Facility	Jan-2013	£150	£0	£115	£35
	3-year Credit Facility	Jul-2012	210	0	0	210
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£115	£305

Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 12% of the total committed capacity.

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Reconciliation of Fourth Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Quarter Ending December 31, 2010						
Earnings from Ongoing Operations	$ 36	$ 32	$ 26	$ 311	$ (1)	$ 404
Special Items:						
Energy-related economic activity	(1)			(6)		(7)
Foreign currency-related economic hedges		3				3
Sales of assets:						
Maine hydroelectric generation business				15		15
Impairments:						
Impacts from emission allowances				(1)		(1)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(23)		(23)
Anticipated sale of certain non-core generation facilities				(2)		(2)
Discontinued cash flow hedges & ineffectiveness				(9)		(9)
Reduction of credit facility				(6)		(6)
Bridge Facility costs					(8)	(8)
Other acquisition-related costs					(14)	(14)
Other:						
Change in U.K. tax rate		(1)				(1)
LKE discontinued operations	2					2
Montana basin seepage litigation				2		2
Total Special Items	1	2		(30)	(22)	(49)
Reported Earnings *	$ 37	$ 34	$ 26	$ 281	$ (23)	$ 355
Quarter Ending December 31, 2009						
Earnings from Ongoing Operations		$ 70	$ 34	$ 94		$ 198
Special Items:						
Energy-related economic activity				(57)		(57)
Foreign currency-related economic hedges		3				3
Sales of assets:						
Maine hydroelectric generation business				22		22
Long Island generation business				1		1
Latin American businesses		(3)				(3)
Interest in Wyman Unit 4				(4)		(4)
Impairments:						
Impacts from emission allowances				(4)		(4)
Adjustments - nuclear decommissioning trust investments				1		1
Other asset impairments				(2)		(2)
Other:						
Montana hydroelectric litigation				(3)		(3)
Change in tax accounting method related to repairs			(3)	4		1
Total Special Items			(3)	(42)		(45)
Reported Earnings *		$ 70	$ 31	$ 52		$ 153
Change in earnings from ongoing operations	$ 36	$ (38)	$ (8)	$ 217	$ (1)	$ 206

* Represents net income attributable to PPL Corporation.

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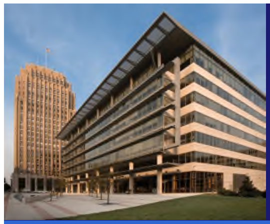

Reconciliation of Fourth Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Quarter Ending December 31, 2010						
Earnings from Ongoing Operations	$ 0.07	$ 0.07	$ 0.05	$ 0.64		$ 0.83
Special Items:						
Energy-related economic activity				(0.01)		(0.01)
Sales of assets:						
Maine hydroelectric generation business				0.03		0.03
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(0.05)		(0.05)
Discontinued cash flow hedges & ineffectiveness				(0.02)		(0.02)
Reduction of credit facility				(0.01)		(0.01)
Bridge Facility costs					$ (0.01)	(0.01)
Other acquisition-related costs					(0.03)	(0.03)
Total Special Items				(0.06)	(0.04)	(0.10)
Reported Earnings	$ 0.07	$ 0.07	$ 0.05	$ 0.58	$ (0.04)	$ 0.73
Quarter Ending December 31, 2009						
Earnings from Ongoing Operations		$ 0.18	$ 0.09	$ 0.25		$ 0.52
Special Items:						
Energy-related economic activity				(0.15)		(0.15)
Foreign currency-related economic hedges		0.01				0.01
Sales of assets:						
Maine hydroelectric generation business				0.06		0.06
Latin American businesses		(0.01)				(0.01)
Interest in Wyman Unit 4				(0.01)		(0.01)
Impairments:						
Impacts from emission allowances				(0.01)		(0.01)
Other:						
Montana hydroelectric litigation				(0.01)		(0.01)
Change in tax accounting method related to repairs			(0.01)	0.01		
Total Special Items			(0.01)	(0.11)		(0.12)
Reported Earnings		$ 0.18	$ 0.08	$ 0.14		$ 0.40
Change in earnings from ongoing operations	$ 0.07	$ (0.11)	$ (0.04)	$ 0.39		$ 0.31

Note: Per share amounts are based on diluted shares outstanding. 2010 amounts reflect the dilution associated with the June 2010 issuance of common stock.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions)

	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Year-to-Date December 31, 2010						
Earnings from Ongoing Operations	$ 25	$ 230	$ 115	$ 990	$ (2)	$ 1,358
Special Items:						
Energy-related economic activity	(1)			(121)		(122)
Foreign currency-related economic hedges		1				1
Sales of assets:						
Maine hydroelectric generation business				15		15
Sundance indemnification				1		1
Impairments:						
Impacts from emission allowances				(10)		(10)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(125)		(125)
Anticipated sale of certain non-core generation facilities				(64)		(64)
Discontinued cash flow hedges & ineffectiveness				(28)		(28)
Reduction of credit facility				(6)		(6)
Bridge Facility costs					(52)	(52)
Other acquisition-related costs					(22)	(22)
Other:						
Montana hydroelectric litigation				(34)		(34)
Health Care Reform - tax impact				(8)		(8)
Change in U.K. tax rate		18				18
U.S. Tax Court ruling (U.K. Windfall Profits Tax)		12				12
LKE discontinued operations	2					2
Montana basin seepage litigation				2		2
Total Special Items	1	31		(378)	(74)	(420)
Reported Earnings *	$ 26	$ 261	$ 115	$ 612	$ (76)	$ 938
Year-to-Date December 31, 2009						
Earnings from Ongoing Operations		$ 272	$ 133	$ 333		$ 738
Special Items:						
Energy-related economic activity				(225)		(225)
Foreign currency-related economic hedges		1				1
Sales of assets:						
Maine hydroelectric generation business				22		22
Long Island generation business				(33)		(33)
Latin American businesses		(27)				(27)
Interest in Wyman Unit 4				(4)		(4)
Impairments:						
Impacts from emission allowances				(19)		(19)
Other asset impairments		(1)	(1)	(4)		(6)
Workforce reduction		(2)	(5)	(6)		(13)
Other:						
Montana hydroelectric litigation				(3)		(3)
Change in tax accounting method related to repairs			(3)	(21)		(24)
Total Special Items		(29)	(9)	(293)		(331)
Reported Earnings *		$ 243	$ 124	$ 40		$ 407
Change in earnings from ongoing operations	$ 25	$ (42)	$ (18)	$ 657	$ (2)	$ 620

* Represents net income attributable to PPL Corporation.

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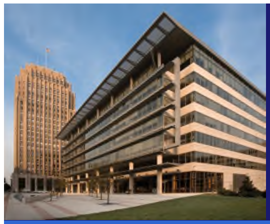

Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Year-to-Date December 31, 2010						
Earnings from Ongoing Operations	$ 0.06	$ 0.53	$ 0.27	$ 2.27		$ 3.13
Special Items:						
Energy-related economic activity				(0.27)		(0.27)
Sales of assets:						
Maine hydroelectric generation business				0.03		0.03
Impairments:						
Impacts from emission allowances				(0.02)		(0.02)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(0.29)		(0.29)
Anticipated sale of certain non-core generation facilities				(0.14)		(0.14)
Discontinued cash flow hedges & ineffectiveness				(0.06)		(0.06)
Reduction of credit facility				(0.01)		(0.01)
Bridge Facility costs					$ (0.12)	(0.12)
Other acquisition-related costs					(0.05)	(0.05)
Other:						
Montana hydroelectric litigation				(0.08)		(0.08)
Health Care Reform - tax impact				(0.02)		(0.02)
Change in U.K. tax rate		0.04				0.04
U.S. Tax Court ruling (U.K. Windfall Profits Tax)		0.03				0.03
Total Special Items		0.07		(0.86)	(0.17)	(0.96)
Reported Earnings	$ 0.06	$ 0.60	$ 0.27	$ 1.41	$ (0.17)	$ 2.17
Year-to-Date December 31, 2009						
Earnings from Ongoing Operations		$ 0.72	$ 0.35	$ 0.88		$ 1.95
Special Items:						
Energy-related economic activity				(0.59)		(0.59)
Sales of assets:						
Maine hydroelectric generation business				0.06		0.06
Long Island generation business				(0.09)		(0.09)
Latin American businesses		(0.07)				(0.07)
Interest in Wyman Unit 4				(0.01)		(0.01)
Impairments:						
Impacts from emission allowances				(0.05)		(0.05)
Other asset impairments				(0.01)		(0.01)
Workforce reduction		(0.01)	(0.01)	(0.01)		(0.03)
Other:						
Montana hydroelectric litigation				(0.01)		(0.01)
Change in tax accounting method related to repairs			(0.01)	(0.06)		(0.07)
Total Special Items		(0.08)	(0.02)	(0.77)		(0.87)
Reported Earnings		$ 0.64	$ 0.33	$ 0.11		$ 1.08
Change in earnings from ongoing operations	$ 0.06	$ (0.19)	$ (0.08)	$ 1.39		$ 1.18

Note: Per share amounts are based on diluted shares outstanding. 2010 amounts reflect the dilution associated with the June 2010 issuance of common stock.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share)	Forecast		Actual		
	High 2011	Low 2011	2010 [a]	2009	2008
Earnings from Ongoing Operations per share of common stock	$ 2.60	$ 2.40	$ 3.13	$ 1.95	$ 2.02
Special Items:					
Energy-related economic activity			(0.27)	(0.59)	0.67
Sales of assets:					
Maine hydroelectric generation business			0.03	0.06	
Long Island generation business				(0.09)	
Latin American businesses				(0.07)	
Interest in Wyman Unit 4				(0.01)	
Gas and propane businesses					(0.01)
Impairments:					
Impacts from emission allowances			(0.02)	(0.05)	(0.07)
Adjustments - nuclear decommissioning trust investments					(0.04)
Holtwood hydroelectric plant					(0.03)
Other asset impairments				(0.01)	(0.01)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(0.29)		
Anticipated sale of certain non-core generation facilities			(0.14)		
Bridge Facility costs			(0.12)		
Discontinued cash flow hedges & ineffectiveness			(0.06)		
Reduction of credit facility			(0.01)		
Other acquisition-related costs			(0.05)		
Workforce reductions				(0.03)	(0.01)
Other:					
Montana hydroelectric litigation			(0.08)	(0.01)	
Health Care Reform - tax impact			(0.02)		
Change in U.K. tax rate			0.04		
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03		
Change in tax accounting method related to repairs				(0.07)	
Synfuel tax adjustment					(0.04)
Montana basin seepage litigation					(0.01)
Total Special Items			(0.96)	(0.87)	0.45
Reported Earnings per share of common stock	$ 2.60	$ 2.40	$ 2.17	$ 1.08	$ 2.47

Note: Amounts are based on diluted shares outstanding.

[a] Reflects the dilution associated with the June 2010 issuance of common stock.

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Reconciliation of Year-to-Date Operating Income to Unregulated Gross Energy Margins

(Millions of Dollars)

	Year Ended December 31,			
	2010	2009	Change	Per Share Diluted (after-tax) (a)
Eastern U.S., pre-tax	$ 2,428	$ 1,406	$ 1,022	$ 1.56
Western U.S., pre-tax	342	325	17	0.03
Unregulated gross energy margins, pre-tax	$ 2,770	$ 1,731	$ 1,039	$ 1.59

	Year Ended December 31,	
	2010	2009
Operating Income	$ 1,866	$ 896
Adjustments:		
Utility	(3,668)	(3,902)
Energy-related businesses, net	(26)	(27)
Other operation and maintenance	1,756	1,418
Amortization of recoverable transition costs	-	304
Depreciation	556	455
Taxes, other than income	238	280
Revenue adjustments (b)	920	2,217
Expense adjustments (b)	1,128	90
Unregulated gross energy margins	$ 2,770	$ 1,731

(a) Excludes dilution associated with the June 2010 issuance of common stock.

(b) See additional information on the following slide.

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Reconciliation of Year-to-Date Operating Income to Unregulated Gross Energy Margins

(Millions of Dollars)

	Year Ended December 31, 2010	Year Ended December 31, 2009
Revenue adjustments		
Exclude the impact from the Supply segment's energy-related economic activity	$ 483	$ 274
Include PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	320	1,806
Include gains from the sale of emission allowances/RECs	-	2
Include revenue from Supply segment discontinued operations	117	135
Total revenue adjustments	$ 920	$ 2,217
Expense adjustments		
Exclude fuel and energy purchases from the Kentucky Regulated segment	$ (207)	
Exclude the impact from the Supply segment's energy-related economic activity	63	$ (109)
Exclude external PLR energy purchases	(1,072)	(44)
Include expenses from Supply segment discontinued operations	33	22
Include ancillary charges	24	19
Include gross receipts tax	15	-
Other	16	22
Total expense adjustments	$ (1,128)	$ (90)

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,399
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,505)
Sale of Assets	84	161	381
Other Investing Activities – Net	(71)	(20)	0
Free Cash Flow before Dividends	$ 600	$ 531	$ 275

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Forward-Looking Information Statement

Statements contained in this news release, including statements with respect to future events and their timing, including statements concerning the acquisition by PPL Corporation of E.ON U.S. LLC and its subsidiaries Louisville Gas and Electric Company and Kentucky Utilities Company (collectively, the “Kentucky Entities”), the expected results of operations of any of the Kentucky Entities or PPL Corporation both before or following PPL Corporation’s acquisition of the Kentucky Entities, as well as statements as to future earnings, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, the Kentucky Entities and either of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, the Kentucky Entities and either of their subsidiaries; the outcome of litigation against PPL Corporation, the Kentucky Entities and either of their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, the Kentucky Entities and either of their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, the Kentucky Entities and each of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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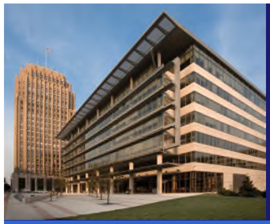

Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Costs and charges related to the acquisition of E.ON U.S.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, load-following and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Also included in this special item are the ineffective portion of qualifying cash flow hedges and the premium amortization associated with options classified as economic activity. These items are included in ongoing earnings over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors since it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Acquisition of Central Networks

Strategic and Immediately Accretive Transaction

PPL Corporation
March 2, 2011

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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Agenda

Introduction	Jim Miller *Chairman, President & CEO, PPL*
Business Overview	Robert Symons *CEO, WPD*
Transaction Overview	Paul Farr *Executive Vice President & CFO, PPL*
Concluding Remarks	Jim Miller *Chairman, President & CEO, PPL*

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Transaction Overview

Transaction

- Purchase price of £4.0 billion ($6.4 billion); £3.5 billion ($5.6 billion) cash and £500 million ($800 million) assumed debt
  - $1.70 – $1.90 billion of PPL common stock
  - $750 – $950 million of convertible equity units
  - $2.95 – $3.25 billion (£1.85 – £2.03 billion) of unsecured debt
- Acquisition of Central Networks East plc and Central Networks West plc (together Central Networks)
- Central Networks is the second largest Distribution Network Operator (“DNO”) in the U.K., serving 5 million customers
- Contiguous with PPL’s WPD operations

Regulatory Approvals

- No regulatory approvals required

Timing

- The transaction is expected to close in early April 2011

Note: Based on assumed exchange rate of $1.60 / GBP.

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Highly Strategic Transaction

- PPL achieves a highly regulated business mix
  - Project 75% of EBITDA from regulated businesses by 2013
- U.K. electric distribution networks compare favorably to FERC-regulated independent transmission
  - Regulator-approved 5-year forward-looking revenues based on pre-approved capital expenditure plan
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Opportunity to leverage WPD’s best-in-class management
  - Experience with rapid and successful integration of an acquired network
  - Highly confident in ability to achieve synergy targets
  - Creates largest U.K. electric distribution network operator by asset base

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Compelling for Shareholders

- Delivers immediate and significant benefits to PPL shareholders
- Immediately and significantly accretive (1)
  - 2011 – $0.10 - $0.15 per share
  - 2012 – $0.23 - $0.27 per share
  - 2013 – $0.32 - $0.38 per share
- Strong value for shareholders
  - Attractive valuation
  - Unique ability to create and retain synergies
  - Provides future dividend flexibility
- Enhances quality of future earnings
  - Post-transaction, approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag
- Able to complete the acquisition on an expedited timeline

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(1) Accretion includes effects of equity to fund the acquisition; assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

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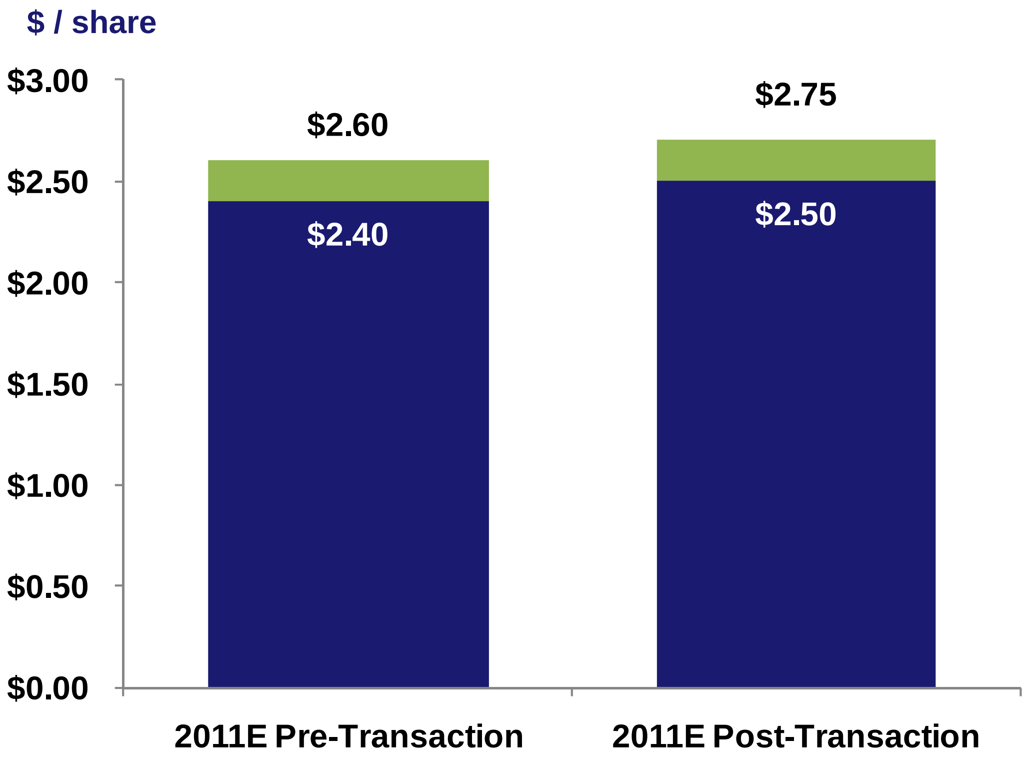
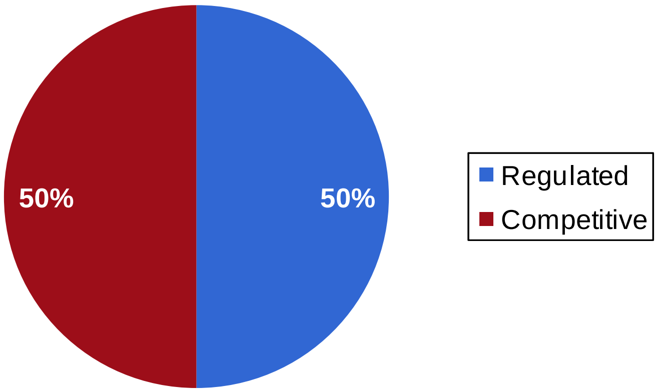
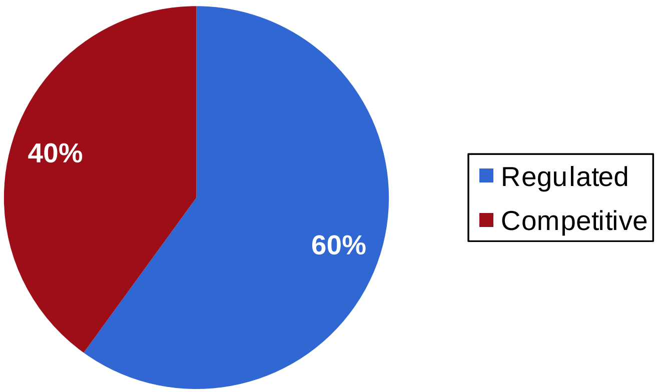
Increasing 2011 Earnings Guidance



2011E Pre-Transaction(1)



2011E Post-Transaction(1)



Note: Excludes special items related to the transaction, does not reflect final determination of purchase accounting and assumes transaction close in early April 2011 (performance and shares on partial year basis).

(1) Based on midpoint of guidance range.

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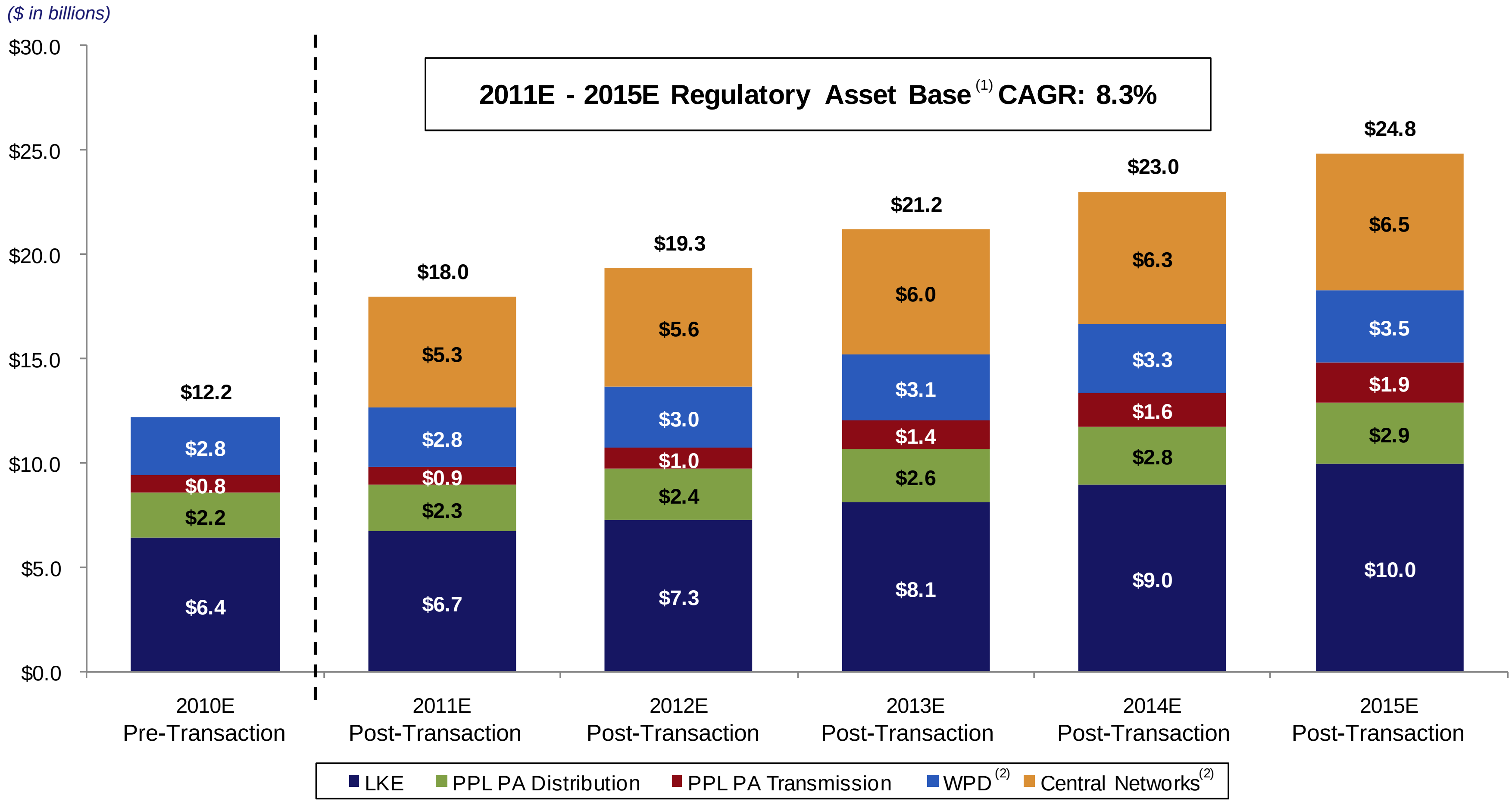
Increased Scale with Attractive Growth



(1) Represents capitalization for LKE since LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD and Central Networks.

(2) Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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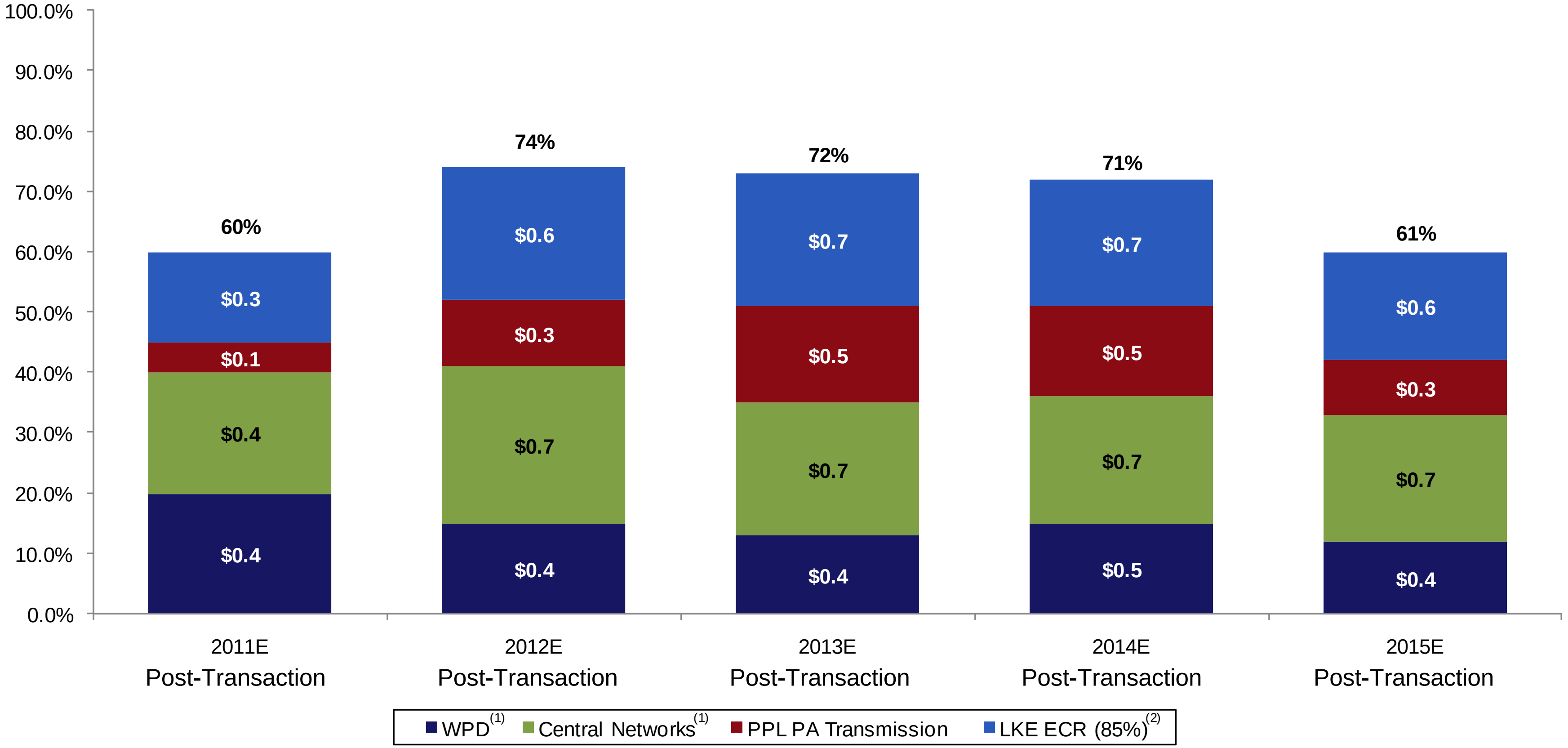
Real-Time Recovery of Majority of Regulated Capex Spending

Approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag



Note: $ in billions.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

(2) Assumes approximately 85% of Environmental Capex of LKE runs through the ECR mechanism.

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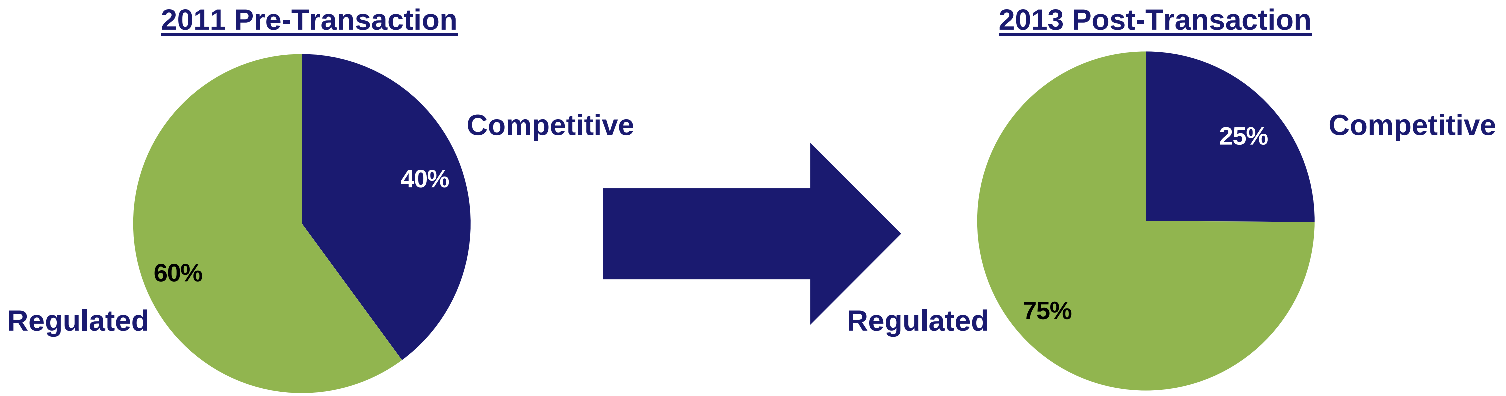
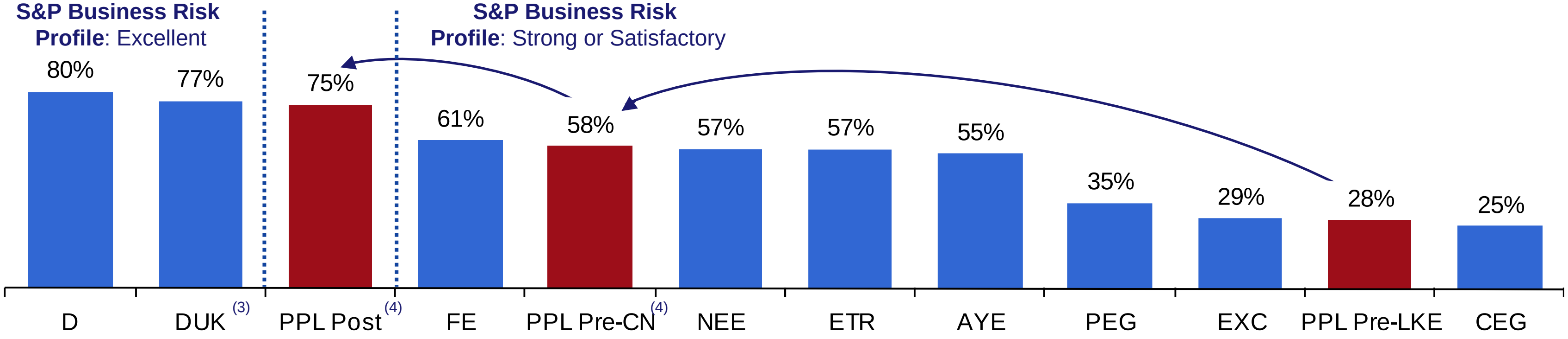
Predominantly Regulated Business Mix

EBITDA Projection (1)



Regulated Cash Flow (2)



(1) *Approximate projections.*

(2) *“Does The Shale Gas Glut Pose A Threat To U.S. Integrated Power Merchants’ Credit Quality?” Standard & Poor’s, October 22, 2010.*

(3) *Based on EBIT estimate from company presentation.*

(4) *PPL estimates; CN pre-transaction figure based on 2011 FFO; post-transaction figure based on 2013 FFO for the combined entity, which includes full realization of synergies.*

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International Regulated Overview

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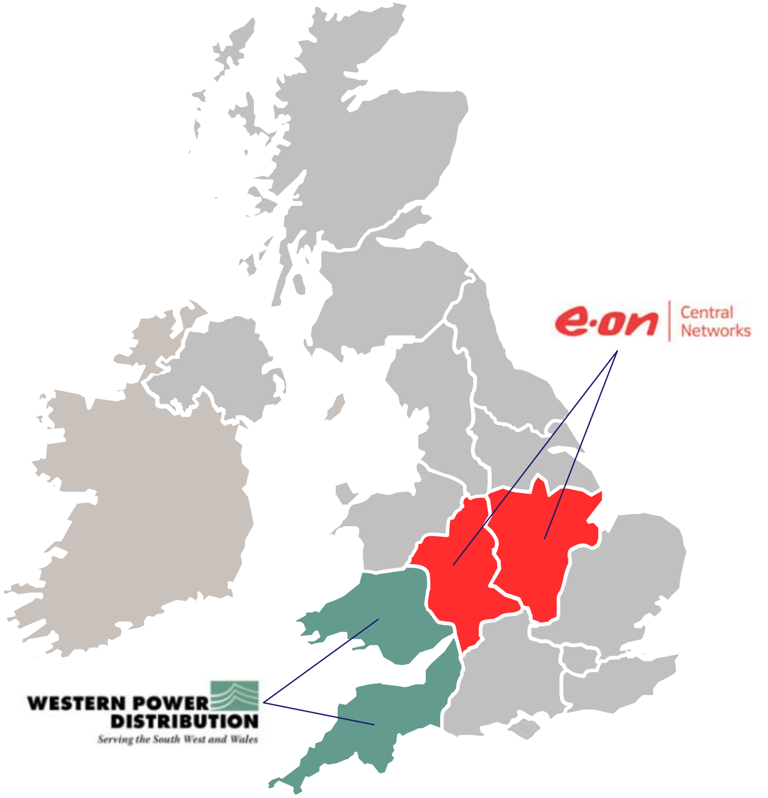
U.K. Networks Overview

($ in billions)

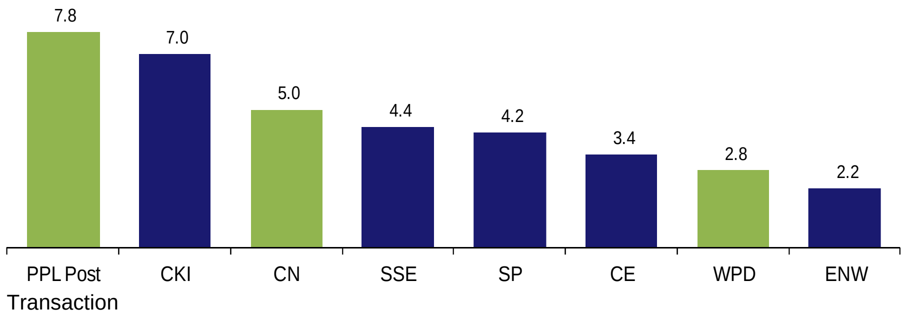
	WPD	Central Networks	Combined
RAV(1)	$2.8	$5.0	$7.8
Utility customers (m)	2.6	5.0	7.6
Network miles	~52,000	~83,000	~135,000

Service Territory



($ in billions)

Regulated Asset Value(1)



Note: Based on $1.60 / GBP exchange rate.

(1) Figures as per Office for Gas and Electric Markets ("Ofgem") final proposals, adjusted for inflation, year-end 3/31/2011.

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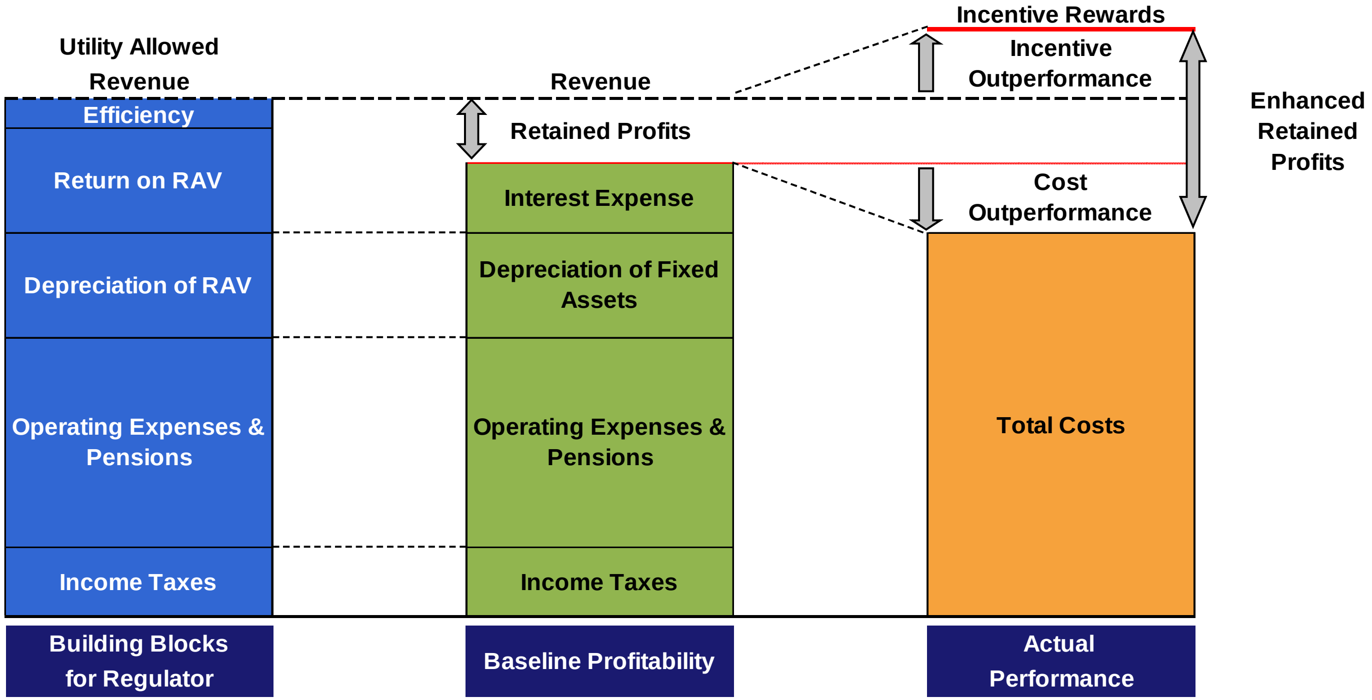
Performance Incentive-Based U.K. Electricity Distribution Regulation

- The U.K.'s Office of Gas and Electricity Markets (Ofgem) determines rates for a 5-year period on the basis of:
  - Efficiently incurred operating costs
  - A 5-year forward assessment and funding of capital expenditures
  - A return on and a return of capital through depreciation of the regulated asset value
  - Incentive revenue geared to outperformance



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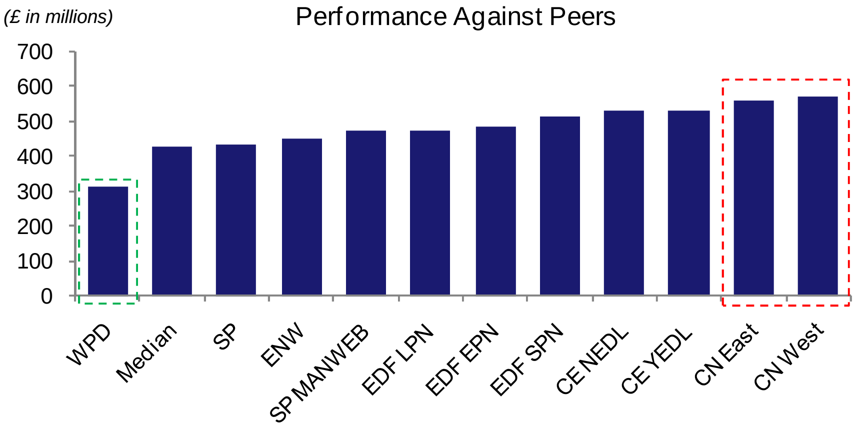
WPD: Best-in-Class U.K. Performance

- Best reliability among 14 distribution companies
- Highest incentive payments for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $250m efficiency allowance in DPCR5
- 6 years with no customer complaints to regulator
- Awarded the U.K. Customer Excellence Standard (18 consecutive years of recognition)

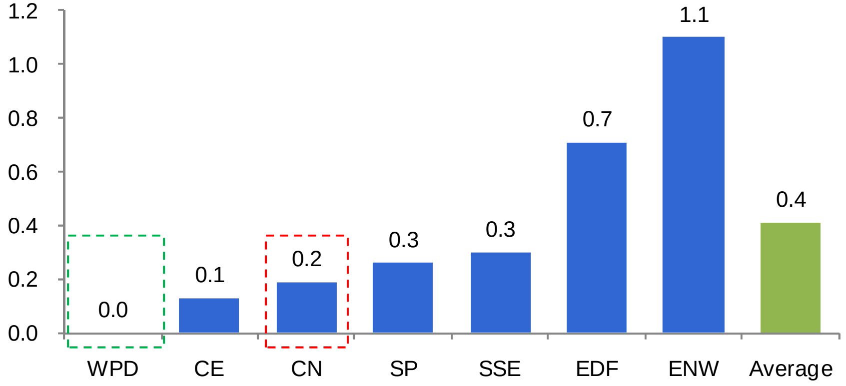
Capex Efficiency in DPCR5 [1]

Performance Against Peers



Customer Complaints [2]

Complaints to Ombudsman per 100,000 customers



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(1) Ofgem data extrapolated to WPD spend volume.
(2) Ombudsman management information.

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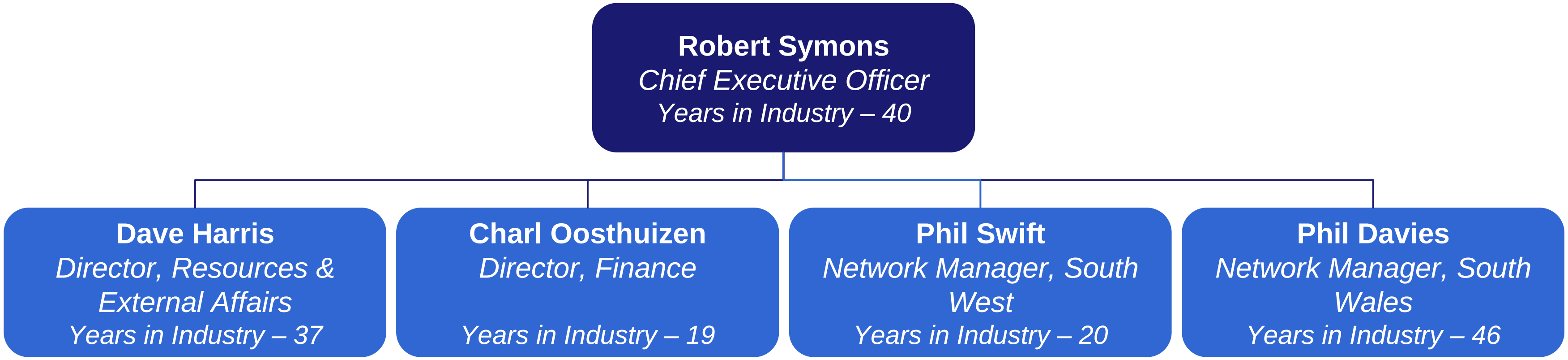
Management’s Record of Delivery

- The same management team brought about the successful merger of South Wales and South West within the same timeframes
- Synergies are a direct parallel to the South Wales transaction
- Assessment of efficiencies lie within known boundaries



Robert Symons
Chief Executive Officer
Years in Industry – 40

Dave Harris
Director, Resources & External Affairs
Years in Industry – 37

Charl Oosthuizen
Director, Finance
Years in Industry – 19

Phil Swift
Network Manager, South West
Years in Industry – 20

Phil Davies
Network Manager, South Wales
Years in Industry – 46

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WPD is the Best-In-Class Operator

U.K. Electric Distribution Network Operator Rankings

	Base RORE (1)	Operational Costs	Allowed Totex	Customer Service: Customer Interruptions	Customer Service: Customer Minutes Lost	Overall Average Rank (2)
WPD	1	2	2	3	1	**1**
SSE	2	1	1	5	4	**2**
ENW	5	4	4	1	2	**3**
MidAmerican	3	3	3	6	6	**4**
Scottish Power	6	6	6	2	3	**5**
Central Networks	4	7	5	7	5	**6**
CKI	7	5	7	4	7	**7**

Source: Ofgem.
(1) Return on Regulated Equity.
(2) Based on average across all categories.

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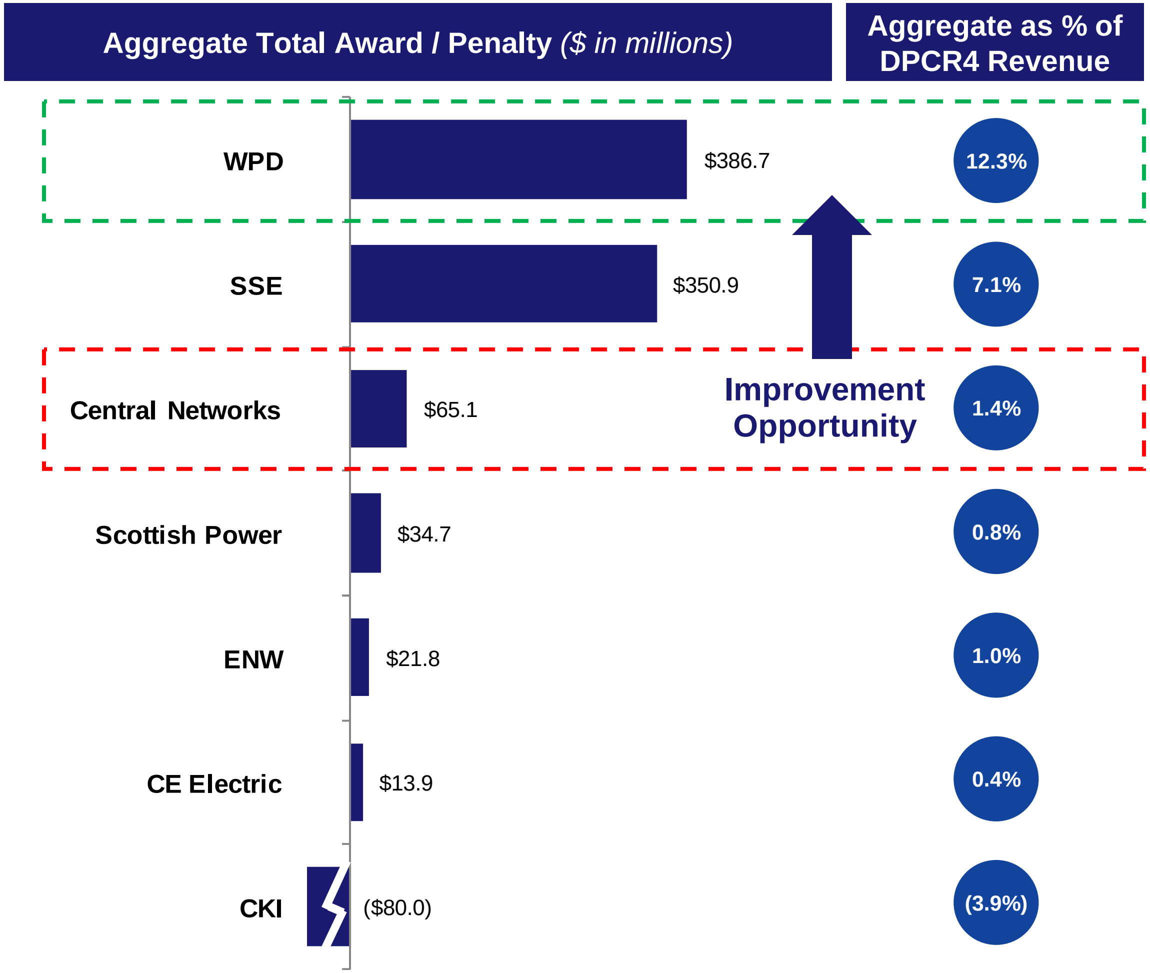
WPD Performance Rewards Top in Industry

WPD Rewards

$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*

🟧 *Rewards secured for DPCR5*



Aggregate Total Award / Penalty *($ in millions)*

Aggregate as % of DPCR4 Revenue

Source: Ofgem data.
Note: Figures based on assumed exchange rate of $1.60 / GBP.

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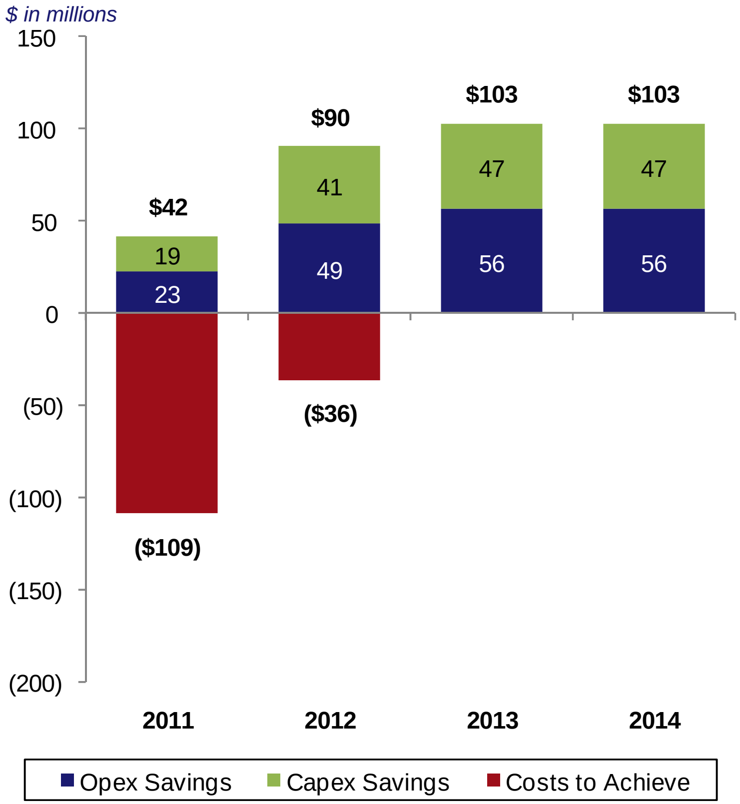
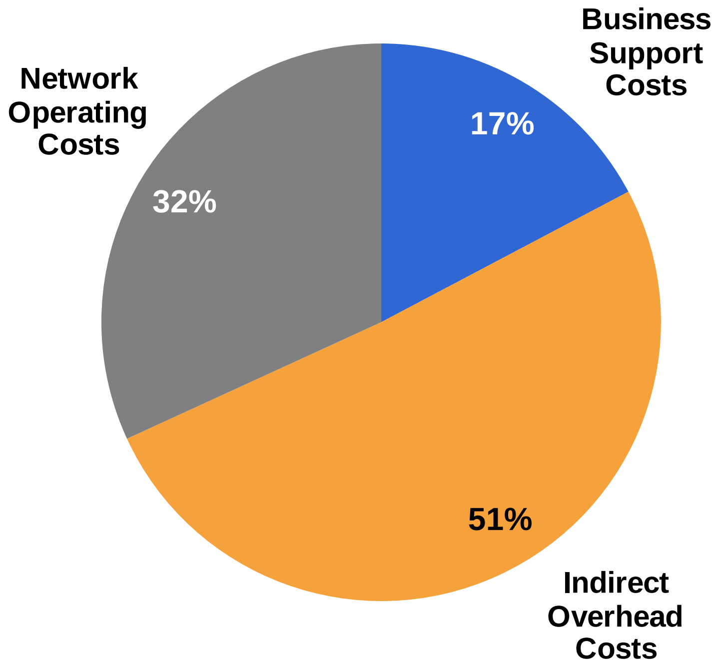
Significant Synergy Opportunity

100% Synergies retained through end of current rate period (1); 47% in following rate period (2)

Estimated Annual Pre-Tax Synergies



Opex Synergies by Category



Note: *Figures based on assumed exchange rate of $1.60 / GBP.*
(1) *Ends in March 2015.*
(2) *Expected to end in March 2023.*

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Transaction Overview and Timing

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Transaction Financing / Structure

Timing

- Expected to close early April 2011

Committed Acquisition Facility

- Committed acquisition facility from Bank of America Merrill Lynch and Credit Suisse
  - Expected to be drawn in full at closing to fund acquisition
  - Plan to complete equity capital offering in the second quarter of 2011 after finalizing U.S. GAAP financials

Permanent Financing

- $1.70 – $1.90 billion of PPL common stock
- $750 – $950 million of convertible equity units
- $2.25 – $2.45 billion (£1.41 – £1.53 billion) of unsecured debt at Central Networks operating entities
- $700 – $800 million (£438 – £500 million) of senior unsecured debt at a U.K. holding company above Central Networks

Note: Based on assumed exchange rate of $1.60 / GBP.

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Financial Impact

Earnings

- Immediately and significantly accretive (1)
    - 2011 – $0.10 - $0.15 per share
    - 2012 – $0.23 - $0.27 per share
    - 2013 – $0.32 - $0.38 per share
- Significantly greater earnings accretion expected as efficiencies and financial benefits of the transaction are fully realized
- Able to retain synergies in full through March 2015 and 47% through March 2023

Credit

- Low business risk and design of financing plan maintain investment grade credit profile
- Expecting Baa1 / BBB ratings at Central Networks operating entities
- Financing plan has been discussed with rating agencies

---

(1) Accretion includes effects of equity to fund the acquisition; assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

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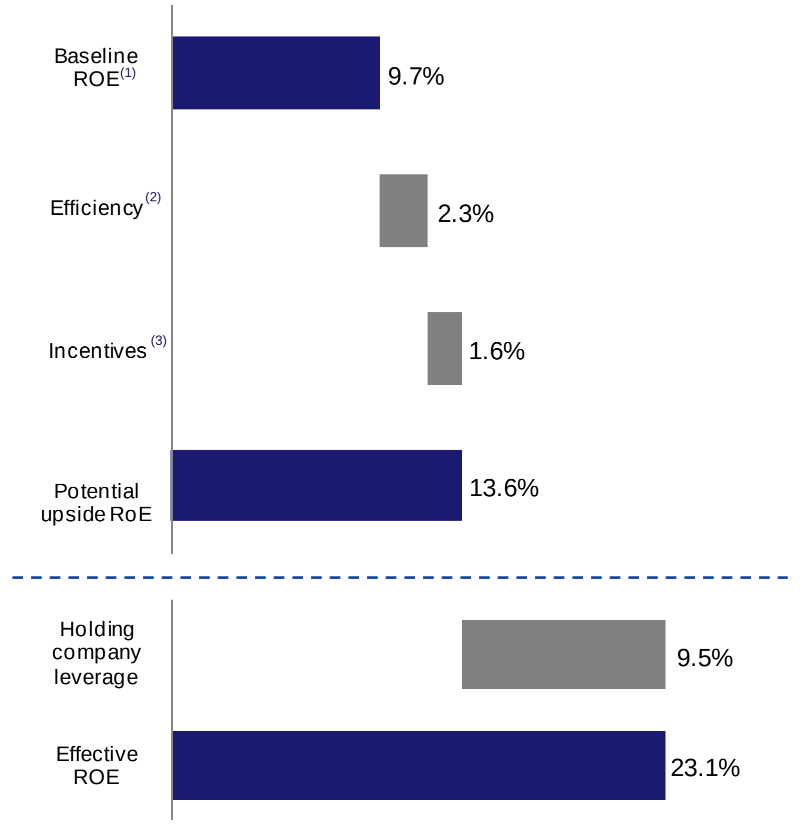
Favorable U.K. Regulatory Framework

	U.K. Electric Distribution Network	FERC-Regulated Independent Transmission
Regulatory construct		
Form of regulation	Rate of return and incentive / performance based	Rate of return based with RoE incentives
Rate setting mechanism	Forward looking	Forward looking
Frequency of rate setting	Every 5 years	Annual formula-rate filing
Recovery lag	None	Minimal
Volumetric risk	None	Minimal
Rates of return		
Nominal RoE at Utility Level	10% - 14% subject to performance Adjusted for inflation on a rolling basis	11% - 14% including RoE incentives
RoE adders / incentives	Ability to achieve sustained higher returns through: Cost outperformance Performance incentives	RTO membership Independent status Project complexity No performance incentives
Holding company leverage	Low 20% holding company effective RoE	Low 20% holding company effective RoE

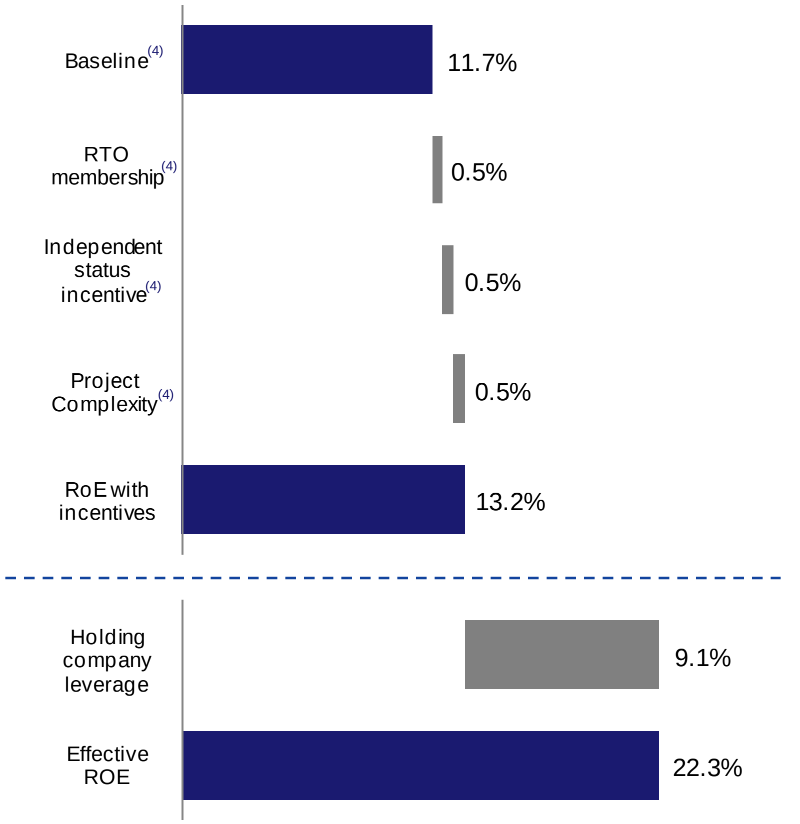
U.K. regulation compares favorably to FERC-regulated independent transmission

Estimated Equity Returns for an Efficient U.K. Operator vs. FERC

U.K. Electric Distribution Network Operator Example



FERC-Regulated Independent Transmission Example



(1) *Assumes 3% of inflation per annum; inflation adjustment figured off of HM Treasury publication on a rolling basis*
(2) *Based on efficiency levels achieved by SSE and WPD. § 4.10 of DPCR5 Final Proposals decision document dated 12/7/2009.*
(3) *Mid-point of Ofgem's estimate of incentives upside. § 4.11 of DPCR5 Final Proposals decision document dated 12/7/2009.*
(4) *Source: FERC.*

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Significant Growth in International Regulated Earnings

($ in millions)	**2011E**	**2012E**	**2013E**
International Regulated Segment (Pre-Transaction) (1)			
Revenue	$800 - $890	$840 - $930	$910 - $1,010
Net Income	$210 - $230	$190 - $210	$220 - $250
Addition of Central Networks (2)	**4/1 - 12/31/2011**		
Revenue	$800 - $890	$1,250 - $1,380	$1,320 - $1,450
Net Income (3)	$220 - $250	$305 - $335	$380 - $420
Post-Transaction Revenue	**$1,600 - $1,780**	**$2,090 - $2,310**	**$2,230 - $2,460**
Post-Transaction Net Income (3)	**$430 - $480**	**$495 - $545**	**$600 - $670**

Note: Figures based on assumed exchange rate of $1.60 / GBP.

(1) PPL business plan allocates certain corporate expenses to International Regulated Segment; future allocation of expenses may increase but will have no impact on consolidated earnings.

(2) PPL business plan assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

(3) Excludes special transaction-related expenses in the years ending December 2011 and 2012.

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Concluding Remarks

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Concluding Remarks

- Immediately accretive to earnings and valuation
  - Significant achievable synergies
- Complementary business in highly favorable regulatory framework
  - U.K. regulation compares favorably to FERC-regulated independent transmission
- Leverages PPL’s best-in-class U.K. management team
  - Highly confident in ability to successfully integrate and achieve synergy targets
- Achieves highly regulated business mix
  - Project 75% of EBITDA from regulated businesses by 2013
- Further strengthens business risk profile
- Enhances quality of future earnings

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Appendix

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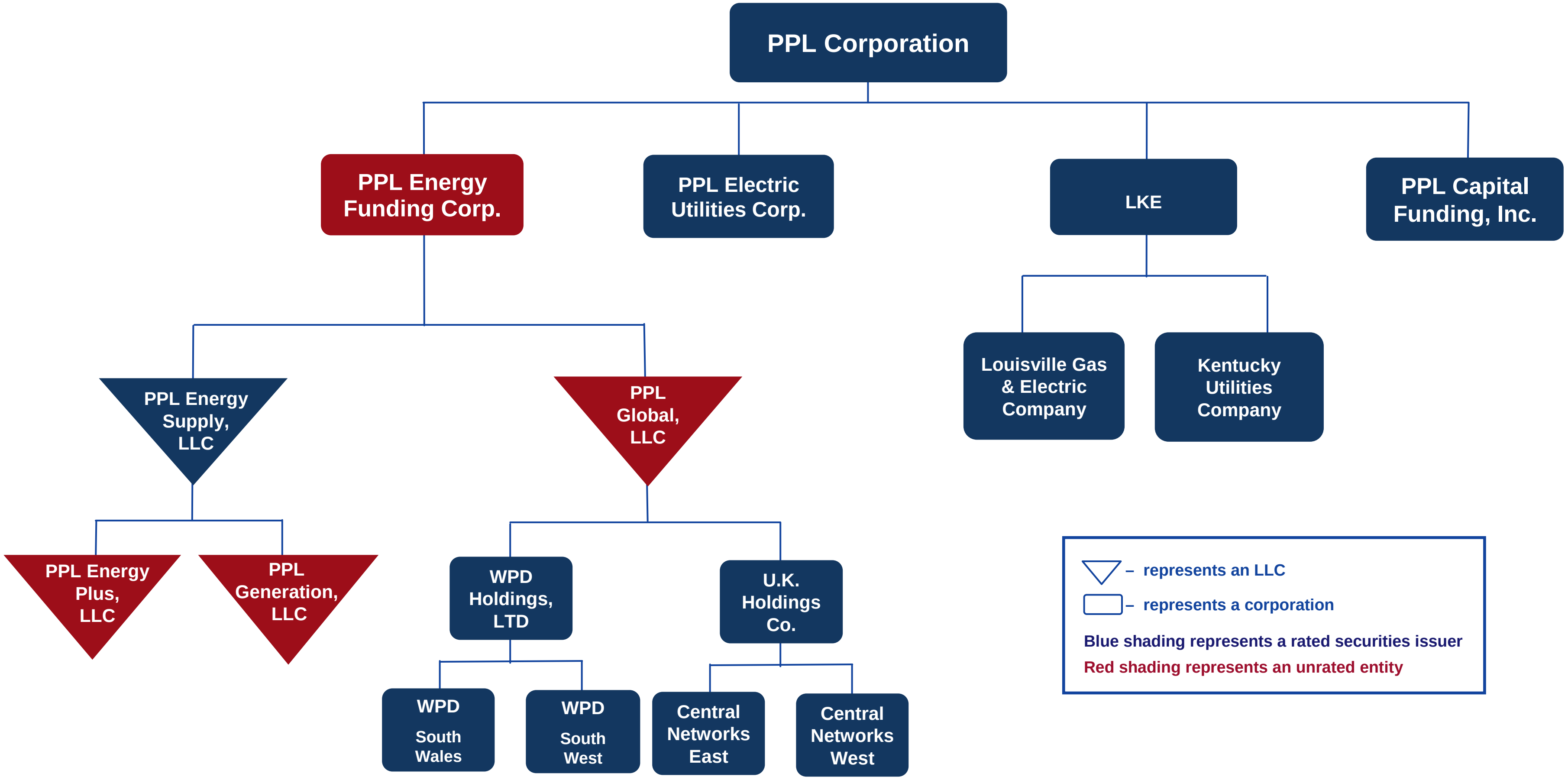
Pro Forma Corporate Structure



PPL Corporation

PPL Energy Funding Corp.

PPL Energy Supply, LLC

PPL Energy Plus, LLC

PPL Generation, LLC

PPL Global, LLC

WPD Holdings, LTD

WPD South Wales

WPD South West

U.K. Holdings Co.

Central Networks East

Central Networks West

PPL Electric Utilities Corp.

LKE

Louisville Gas & Electric Company

Kentucky Utilities Company

PPL Capital Funding, Inc.

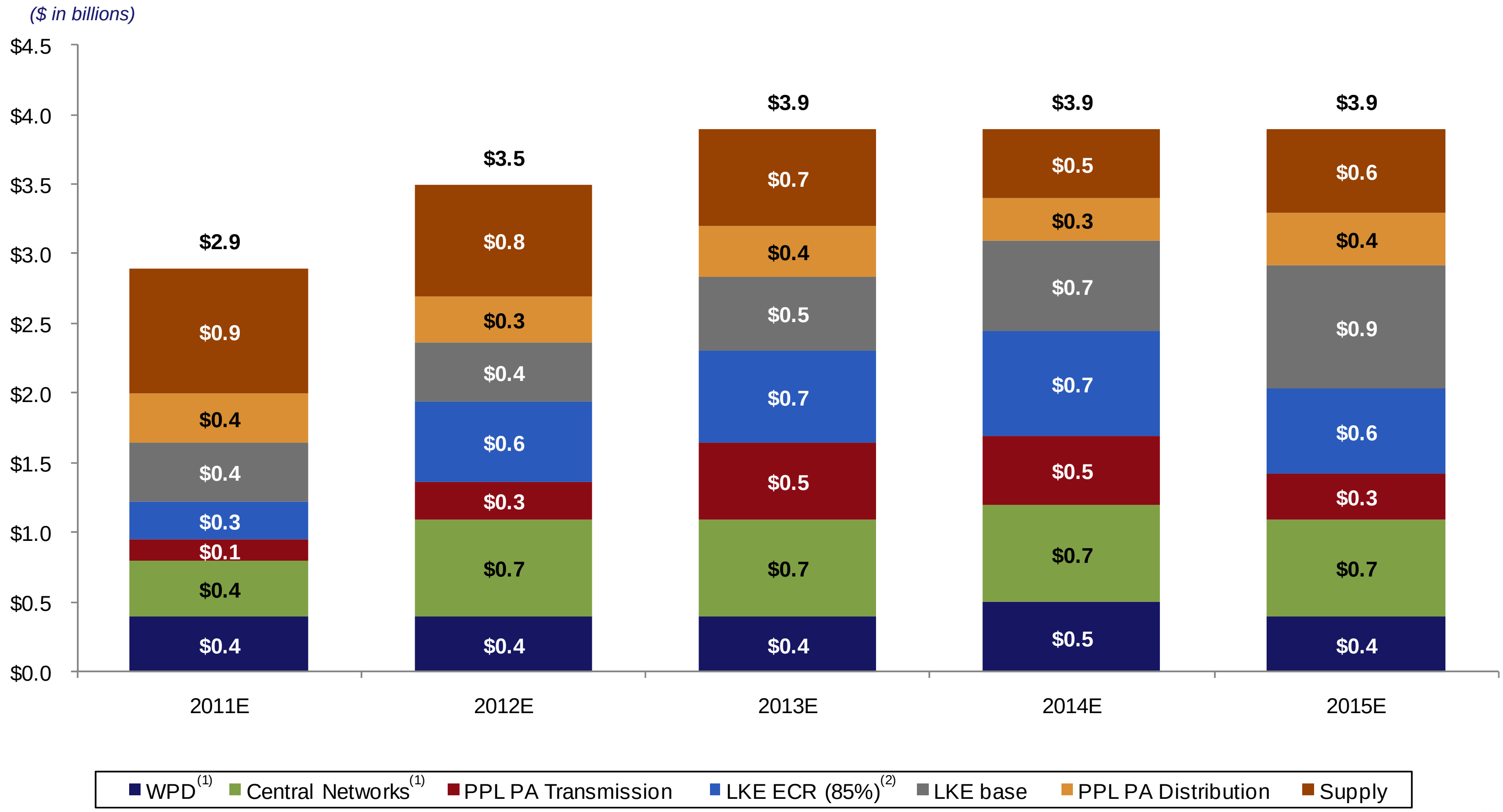
▽ – represents an LLC

▭ – represents a corporation

Blue shading represents a rated securities issuer

Red shading represents an unrated entity

Capital Expenditures by Segment



(1) Figures based on assumed exchange rate of $1.60 / GBP.

(2) Assumes approximately 85% of Environmental Capex of LKE runs through the ECR mechanism.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition ("Acquisition") by PPL Corporation of Central Networks East plc and Central Networks West plc (Collectively, "Central Networks"), the expected results of operations of Central Networks or PPL Corporation both before or following PPL Corporation's acquisition of Central Networks, as well as statements as to future earnings, the timing or extent of realizing synergistic and other benefits from the Acquisition, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions, including their effect on permanent financing of the Acquisition, and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, Central Networks and of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, Central Networks and their subsidiaries; the outcome of litigation against PPL Corporation, Central Networks and their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, Central Networks and their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, Central Networks and of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Morgan Stanley Conference

PPL Corporation
March 10, 2011

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Agenda

Introduction	Jim Miller *Chairman, President & CEO, PPL*
Business Overview	Robert Symons *CEO, WPD*
Transaction Overview	Paul Farr *Executive Vice President & CFO, PPL*
Concluding Remarks	Jim Miller *Chairman, President & CEO, PPL*

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Transaction Overview

Transaction	▪ Purchase price of £4.0 billion ($6.4 billion); £3.5 billion ($5.6 billion) cash and £500 million ($800 million) assumed debt
	  ▪ $1.70 – $1.90 billion of PPL common stock
	  ▪ $750 – $950 million of convertible equity units
	  ▪ $2.95 – $3.25 billion (£1.85 – £2.03 billion) of unsecured debt
	▪ Acquisition of Central Networks East plc and Central Networks West plc (together Central Networks)
	▪ Central Networks is the second largest Distribution Network Operator (“DNO”) in the U.K., serving 5 million customers
	▪ Contiguous with PPL’s WPD operations

Regulatory Approvals	▪ No regulatory approvals required
Timing	▪ The transaction is expected to close in early April 2011

Note: Based on assumed exchange rate of $1.60 / GBP.

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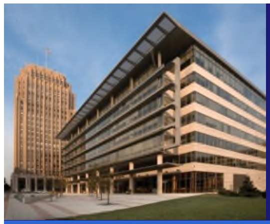

Highly Strategic Transaction

- PPL achieves a highly regulated business mix
  - Project 75% of EBITDA from regulated businesses by 2013
- U.K. electric distribution networks compare favorably to FERC-regulated independent transmission
  - Regulator-approved 5-year forward-looking revenues based on pre-approved capital expenditure plan
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Opportunity to leverage WPD’s best-in-class management
  - Experience with rapid and successful integration of an acquired network
  - Highly confident in ability to achieve synergy targets
  - Creates largest U.K. electric distribution network operator by asset base

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Compelling for Shareholders

- Delivers immediate and significant benefits to PPL shareholders
- Immediately and significantly accretive (1)
  - 2011 – $0.10 - $0.15 per share
  - 2012 – $0.23 - $0.27 per share
  - 2013 – $0.32 - $0.38 per share
- Strong value for shareholders
  - Attractive valuation
  - Unique ability to create and retain synergies
  - Provides future dividend flexibility
- Enhances quality of future earnings
  - Post-transaction, approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag
- Able to complete the acquisition on an expedited timeline

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(1) *Accretion includes effects of equity to fund the acquisition; assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).*

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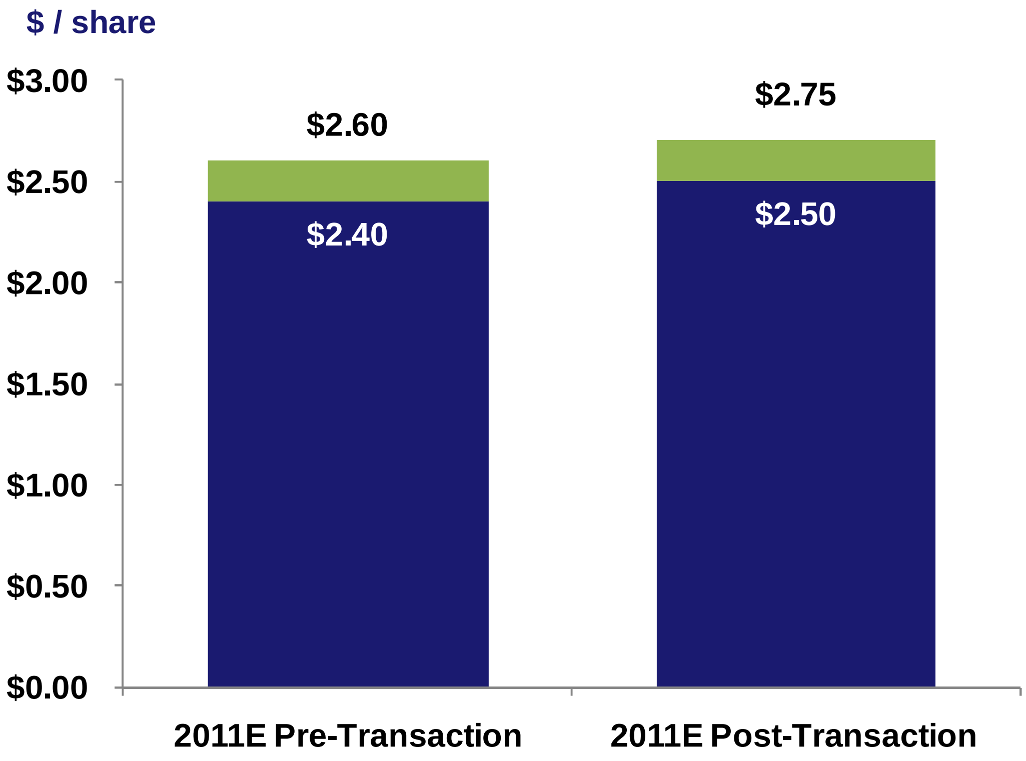
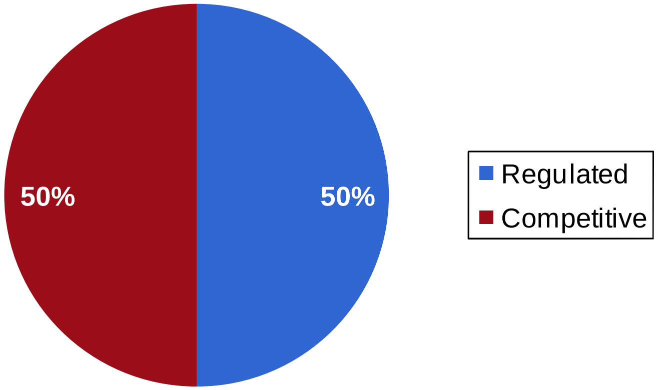
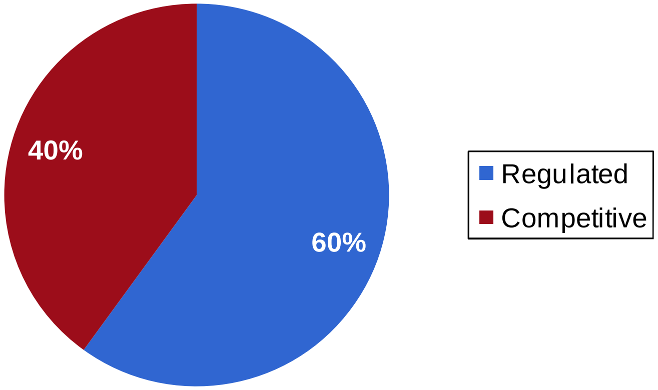
Increasing 2011 Earnings Guidance



2011E Pre-Transaction[1]



2011E Post-Transaction[1]



Note: Excludes special items related to the transaction, does not reflect final determination of purchase accounting and assumes transaction close in early April 2011 (performance and shares on partial year basis).

(1) Based on midpoint of guidance range.

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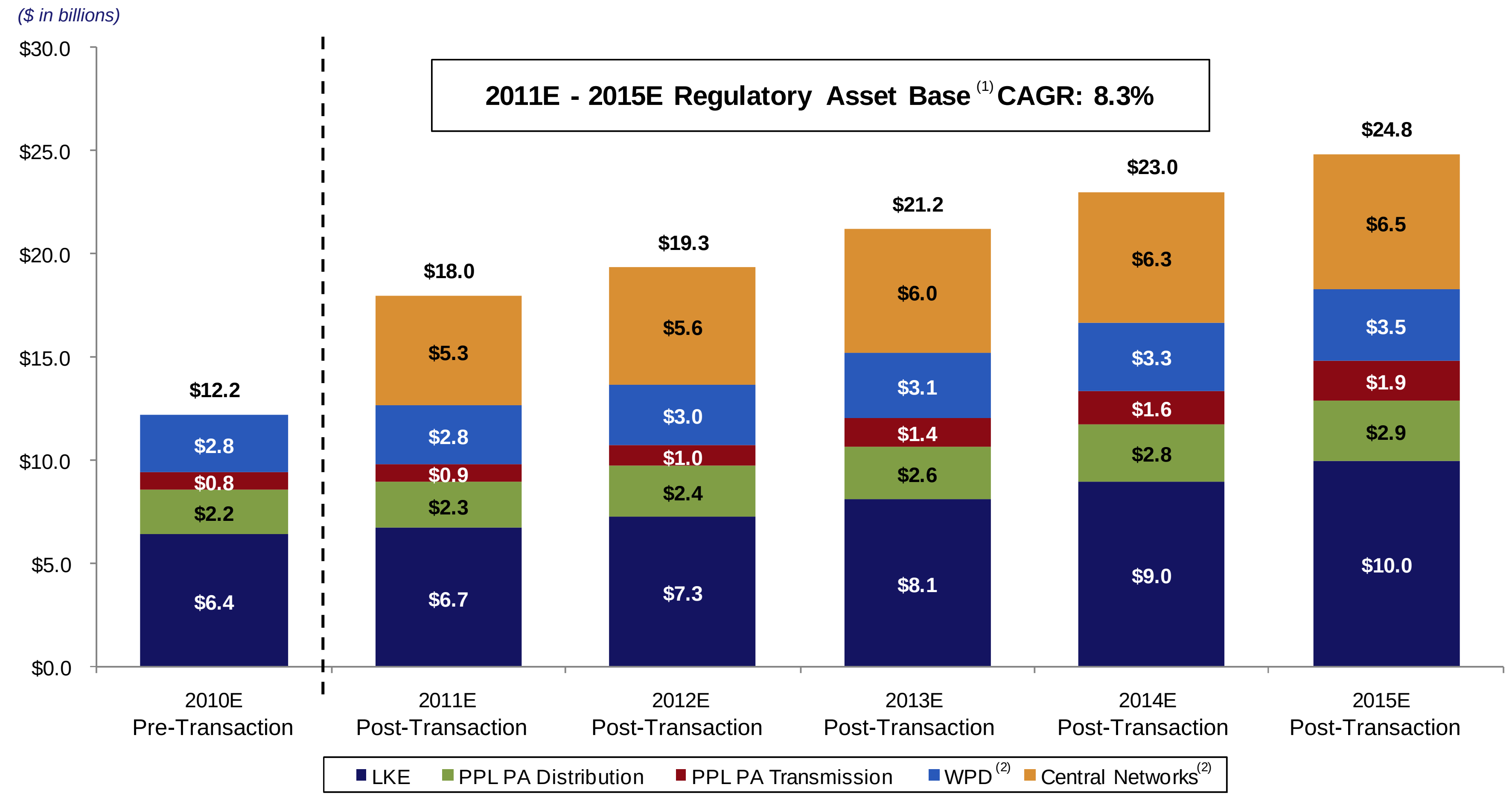
Increased Scale with Attractive Growth



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(2) *Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.*

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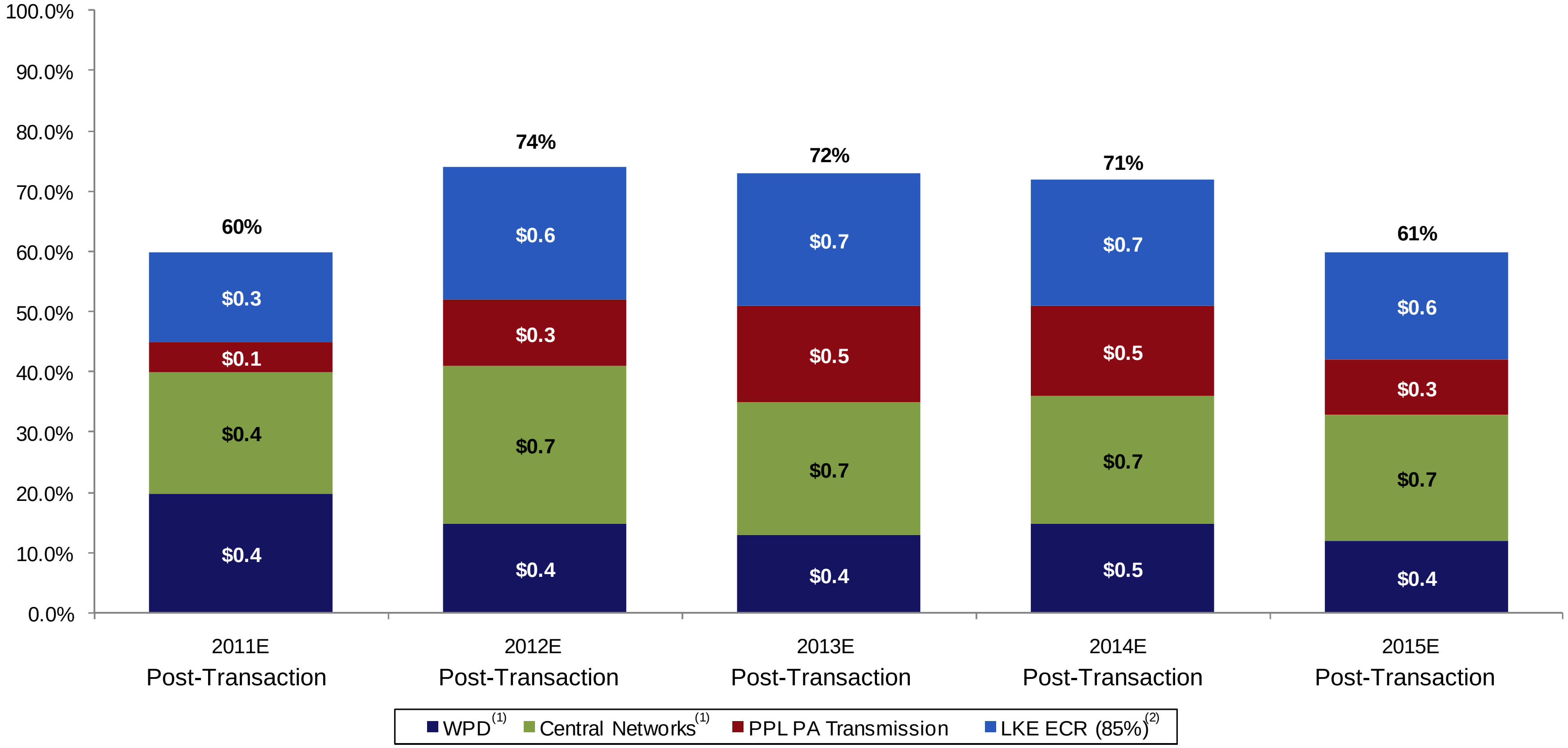
Real-Time Recovery of Majority of Regulated Capex Spending

Approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag



Note: $ in billions.

(1) Figures based on assumed exchange rate of $1.60 / GBP.

(2) Assumes approximately 85% of Environmental Capex of LKE runs through the ECR mechanism.

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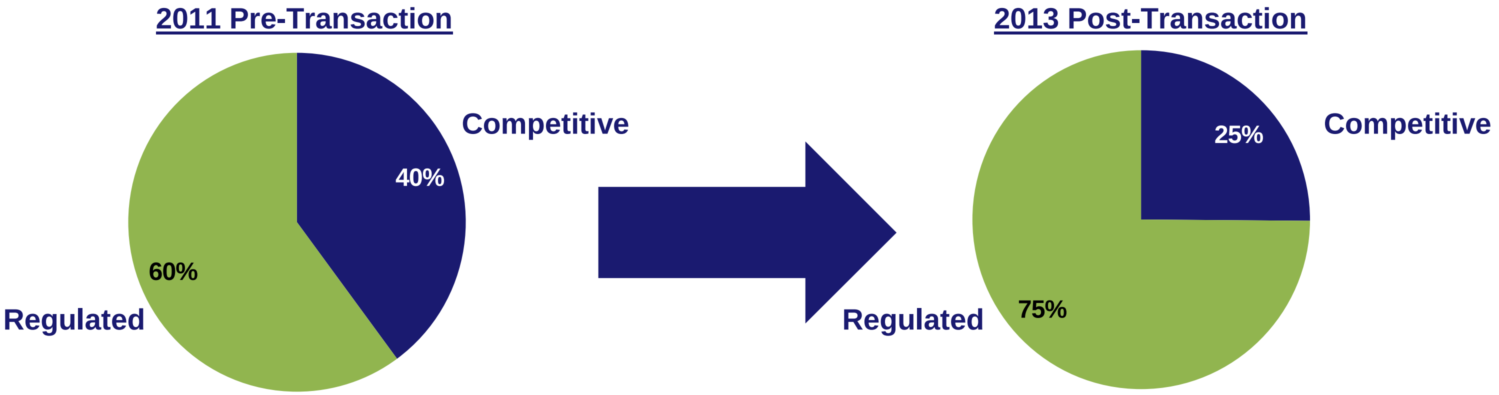
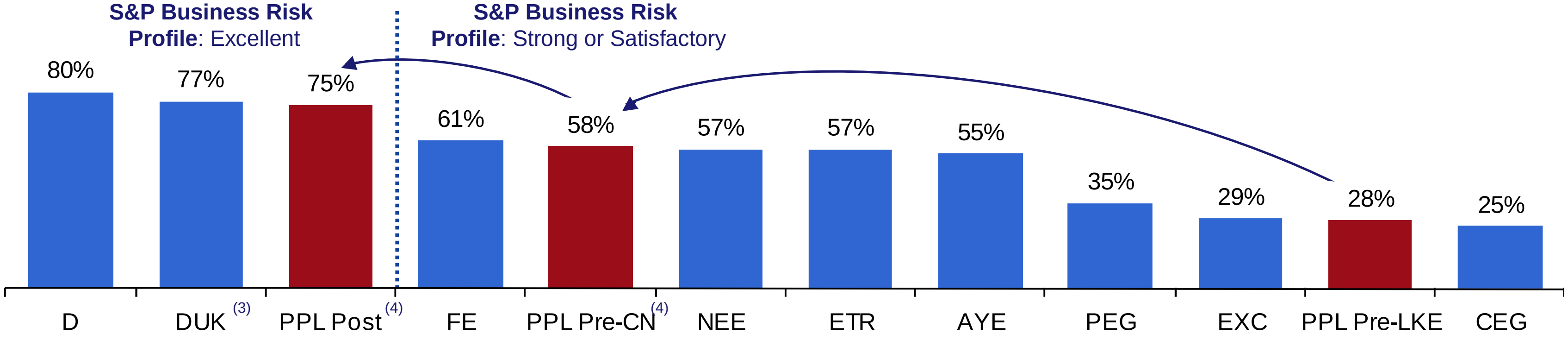
Predominantly Regulated Business Mix

EBITDA Projection (1)



Regulated Cash Flow (2)



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(1) *Approximate projections.*

(2) *"Does The Shale Gas Glut Pose A Threat To U.S. Integrated Power Merchants' Credit Quality?" Standard & Poor's, October 22, 2010.*

(3) *Based on EBIT estimate from company presentation.*

(4) *PPL estimates; CN pre-transaction figure based on 2011 FFO; post-transaction figure based on 2013 FFO for the combined entity, which includes full realization of synergies.*

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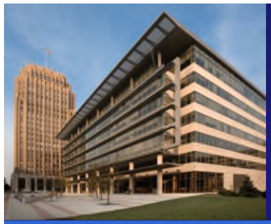

International Regulated Overview

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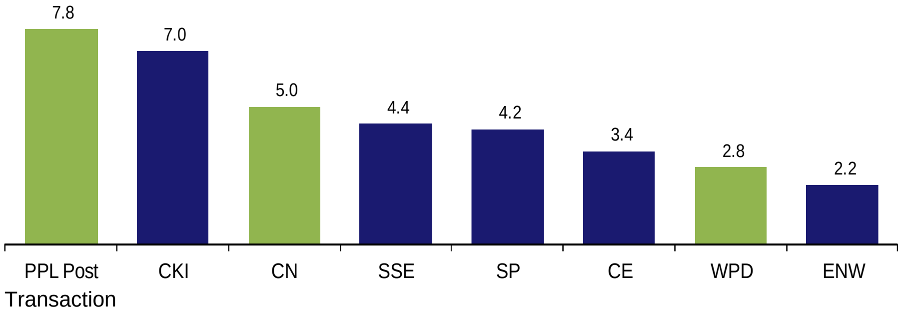
U.K. Networks Overview

($ in billions)

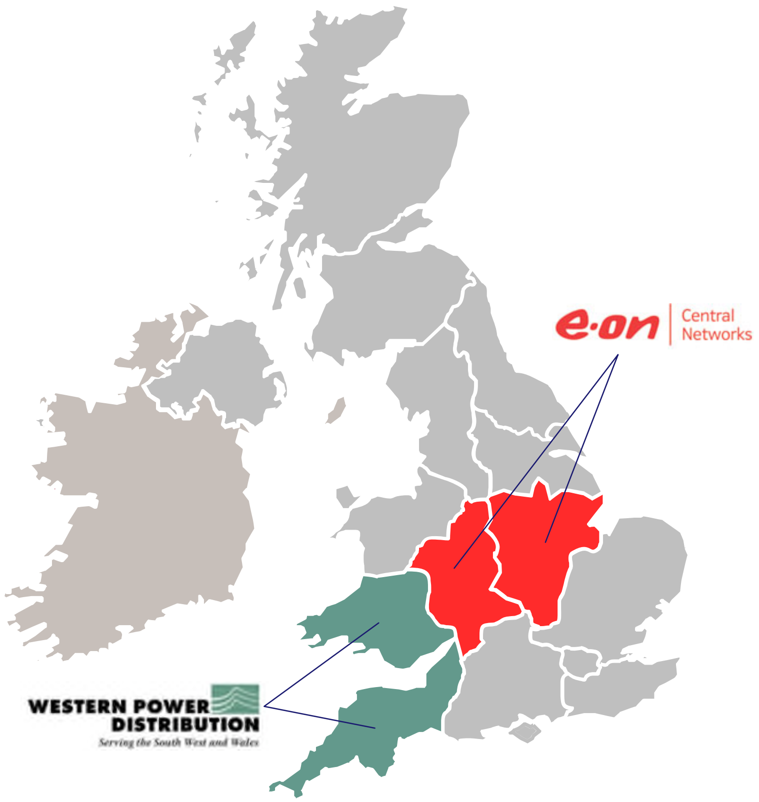
	WPD	Central Networks	Combined
RAV(1)	$2.8	$5.0	$7.8
Utility customers (m)	2.6	5.0	7.6
Network miles	~52,000	~83,000	~135,000

($ in billions)

Regulated Asset Value(1)



Service Territory



Note: Based on $1.60 / GBP exchange rate.
(1) Figures as per Office for Gas and Electric Markets ("Ofgem") final proposals, adjusted for inflation, year-end 3/31/2011.

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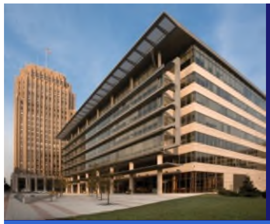
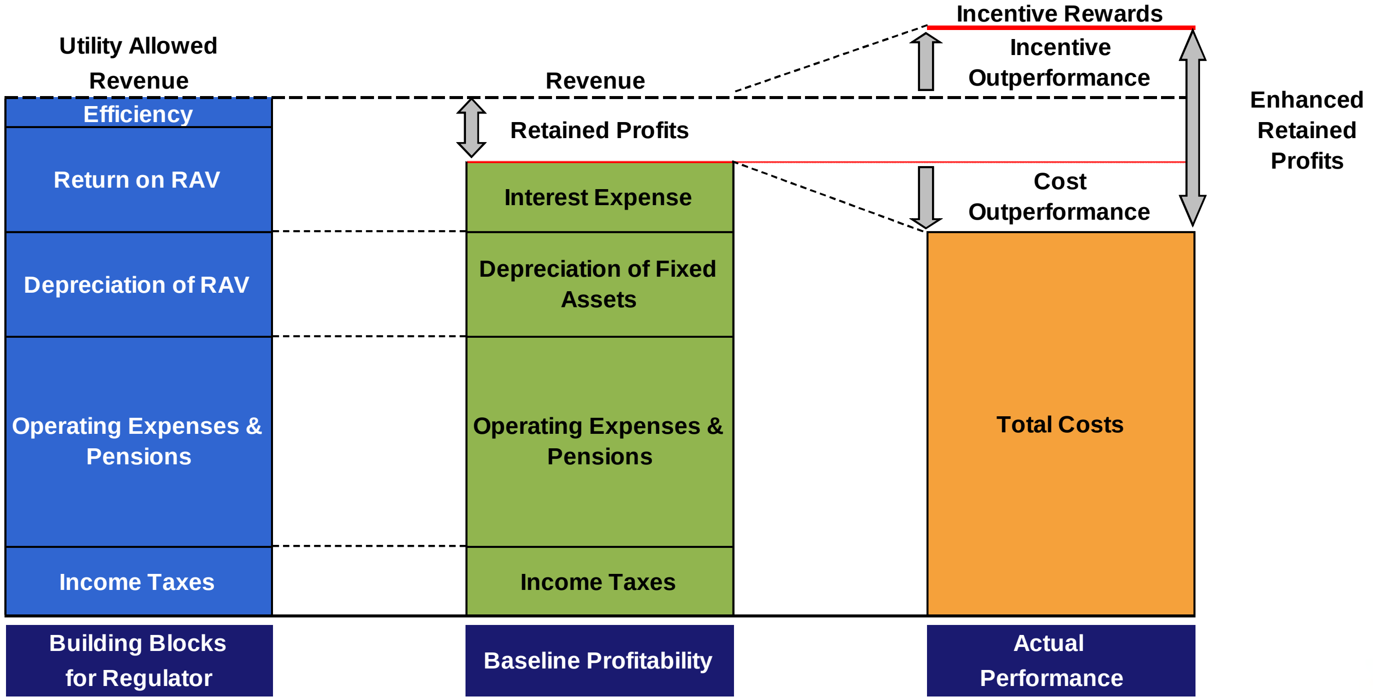
Performance Incentive-Based U.K. Electricity Distribution Regulation



- The U.K.'s Office of Gas and Electricity Markets (Ofgem) determines rates for a 5-year period on the basis of:
  - Efficiently incurred operating costs
  - A 5-year forward assessment and funding of capital expenditures
  - A return on and a return of capital through depreciation of the regulated asset value
  - Incentive revenue geared to outperformance

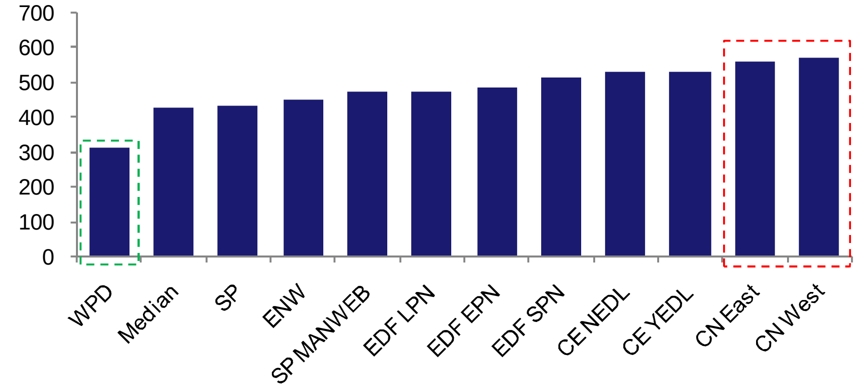


WPD: Best-in-Class U.K. Performance

- Best reliability among 14 distribution companies
- Highest incentive payments for surpassing regulatory targets
- Most capital efficient in sector
- Awarded $250m efficiency allowance in DPCR5
- 6 years with no customer complaints to regulator
- Awarded the U.K. Customer Excellence Standard (18 consecutive years of recognition)

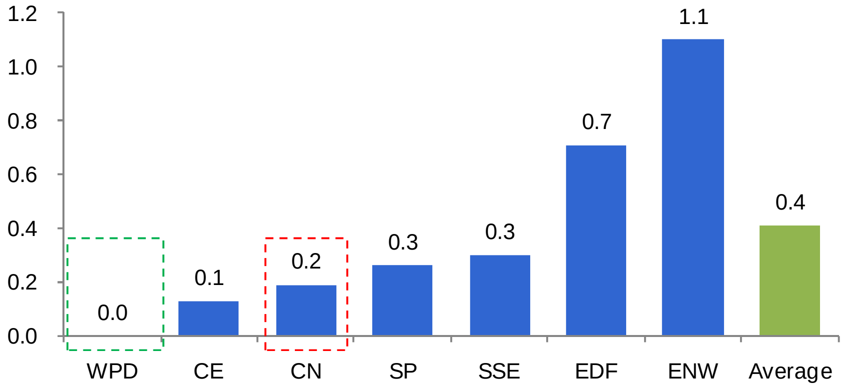
Capex Efficiency in DPCR5 (1)

Performance Against Peers



Customer Complaints (2)

Complaints to Ombudsman per 100,000 customers



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(1) *Ofgem data extrapolated to WPD spend volume.*
(2) *Ombudsman management information.*

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Management's Record of Delivery

- The same management team brought about the successful merger of South Wales and South West within the same timeframes
- Synergies are a direct parallel to the South Wales transaction
- Assessment of efficiencies lie within known boundaries

Robert Symons
Chief Executive Officer
Years in Industry – 40

Dave Harris
Director, Resources & External Affairs
Years in Industry – 37

Charl Oosthuizen
Director, Finance
Years in Industry – 19

Phil Swift
Network Manager, South West
Years in Industry – 20

Phil Davies
Network Manager, South Wales
Years in Industry – 46

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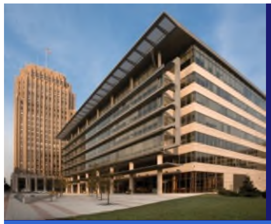

WPD is the Best-In-Class Operator

U.K. Electric Distribution Network Operator Rankings

	Base RORE [1]	Operational Costs	Allowed Totex	Customer Service: Customer Interruptions	Customer Service: Customer Minutes Lost	Overall Average Rank [2]
WPD	1	2	2	3	1	**1**
SSE	2	1	1	5	4	**2**
ENW	5	4	4	1	2	**3**
MidAmerican	3	3	3	6	6	**4**
Scottish Power	6	6	6	2	3	**5**
Central Networks	4	7	5	7	5	**6**
CKI	7	5	7	4	7	**7**

Source: Ofgem.

(1) Return on Regulated Equity.

(2) Based on average across all categories.

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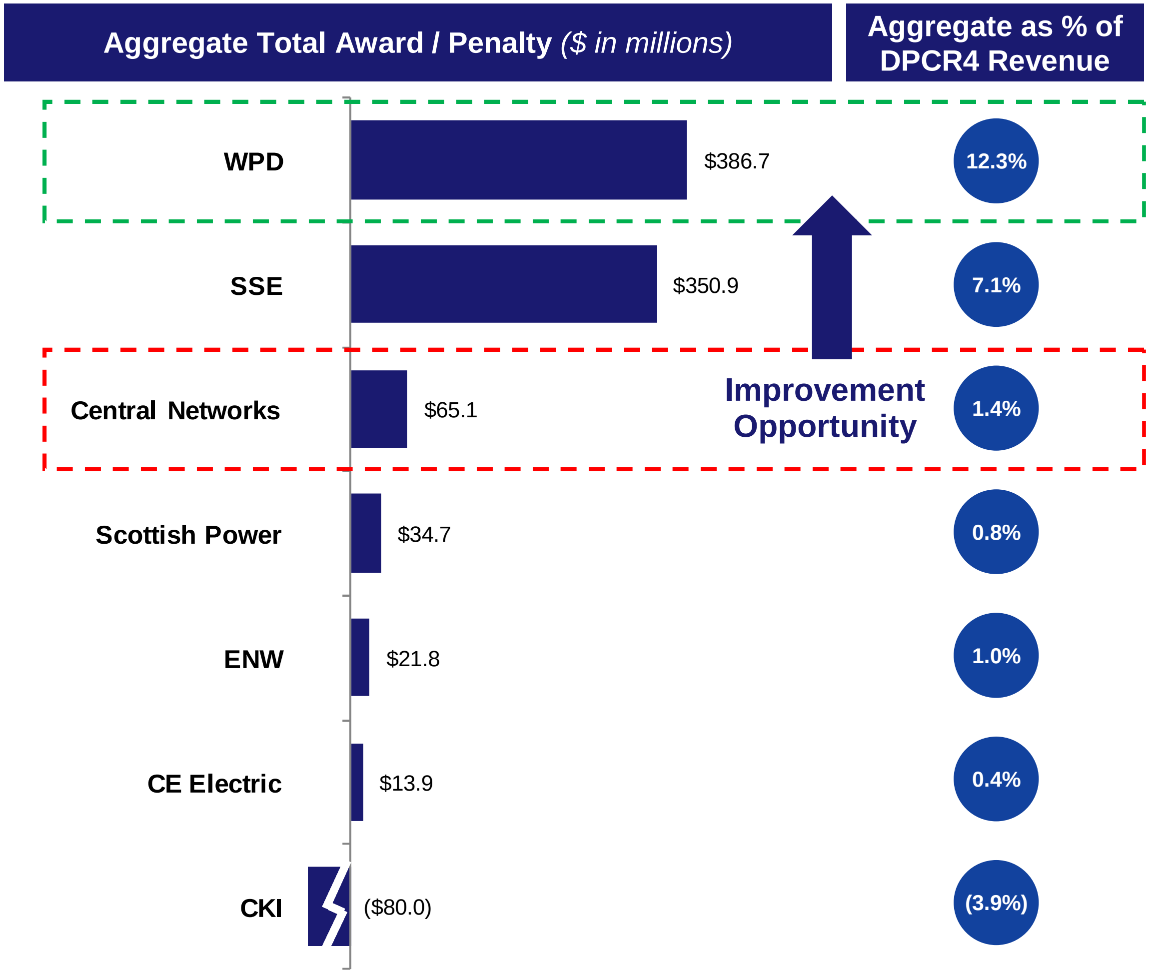
WPD Performance Rewards Top in Industry

WPD Rewards

$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*

🟧 *Rewards secured for DPCR5*



Aggregate Total Award / Penalty *($ in millions)*

Aggregate as % of DPCR4 Revenue

Source: Ofgem data.
Note: Figures based on assumed exchange rate of $1.60 / GBP.

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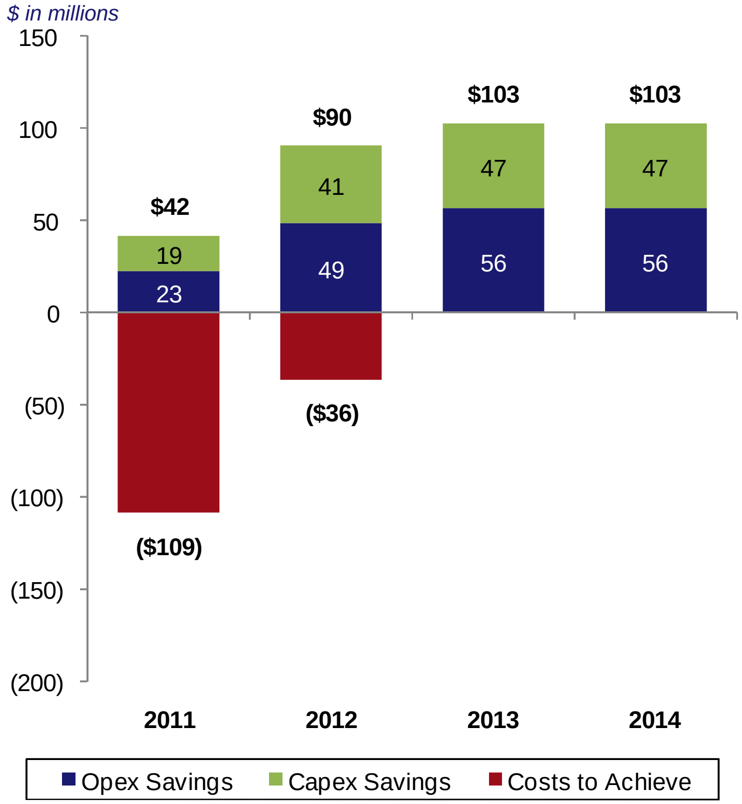
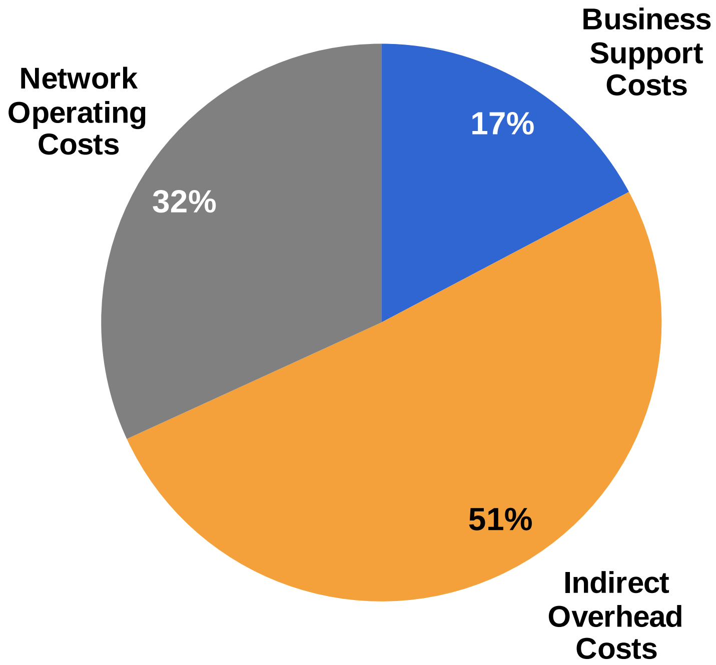
Significant Synergy Opportunity

100% Synergies retained through end of current rate period (1); 47% in following rate period (2)

Estimated Annual Pre-Tax Synergies



Opex Synergies by Category



Note: *Figures based on assumed exchange rate of $1.60 / GBP.*
(1) *Ends in March 2015.*
(2) *Expected to end in March 2023.*

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Transaction Overview and Timing

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Transaction Financing / Structure

Timing

- Expected to close early April 2011

Committed Acquisition Facility

- Committed acquisition facility from Bank of America Merrill Lynch and Credit Suisse
  - Expected to be drawn in full at closing to fund acquisition
  - Plan to complete equity capital offering in the second quarter of 2011 after finalizing U.S. GAAP financials

Permanent Financing

- $1.70 – $1.90 billion of PPL common stock
- $750 – $950 million of convertible equity units
- $2.25 – $2.45 billion (£1.41 – £1.53 billion) of unsecured debt at Central Networks operating entities
- $700 – $800 million (£438 – £500 million) of senior unsecured debt at a U.K. holding company above Central Networks

Note: Based on assumed exchange rate of $1.60 / GBP.

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Financial Impact

Earnings

- Immediately and significantly accretive (1)
  - 2011 – $0.10 - $0.15 per share
  - 2012 – $0.23 - $0.27 per share
  - 2013 – $0.32 - $0.38 per share
- Significantly greater earnings accretion expected as efficiencies and financial benefits of the transaction are fully realized
- Able to retain synergies in full through March 2015 and 47% through March 2023

Credit

- Low business risk and design of financing plan maintain investment grade credit profile
- Expecting Baa1 / BBB ratings at Central Networks operating entities
- Financing plan has been discussed with rating agencies

---

(1) Accretion includes effects of equity to fund the acquisition; assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

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Favorable U.K. Regulatory Framework

	U.K. Electric Distribution Network	FERC-Regulated Independent Transmission
Regulatory construct		
Form of regulation	■ Rate of return and incentive / performance based	■ Rate of return based with RoE incentives
Rate setting mechanism	■ Forward looking	■ Forward looking
Frequency of rate setting	■ Every 5 years	■ Annual formula-rate filing
Recovery lag	■ None	■ Minimal
Volumetric risk	■ None	■ Minimal
Rates of return		
Nominal RoE at Utility Level	■ 10% - 14% subject to performance ■ Adjusted for inflation on a rolling basis	■ 11% - 14% including RoE incentives
RoE adders / incentives	■ Ability to achieve sustained higher returns through: ■ Cost outperformance ■ Performance incentives	■ RTO membership ■ Independent status ■ Project complexity ■ No performance incentives
Holding company leverage	■ Low 20% holding company effective RoE	■ Low 20% holding company effective RoE

U.K. regulation compares favorably to FERC-regulated independent transmission

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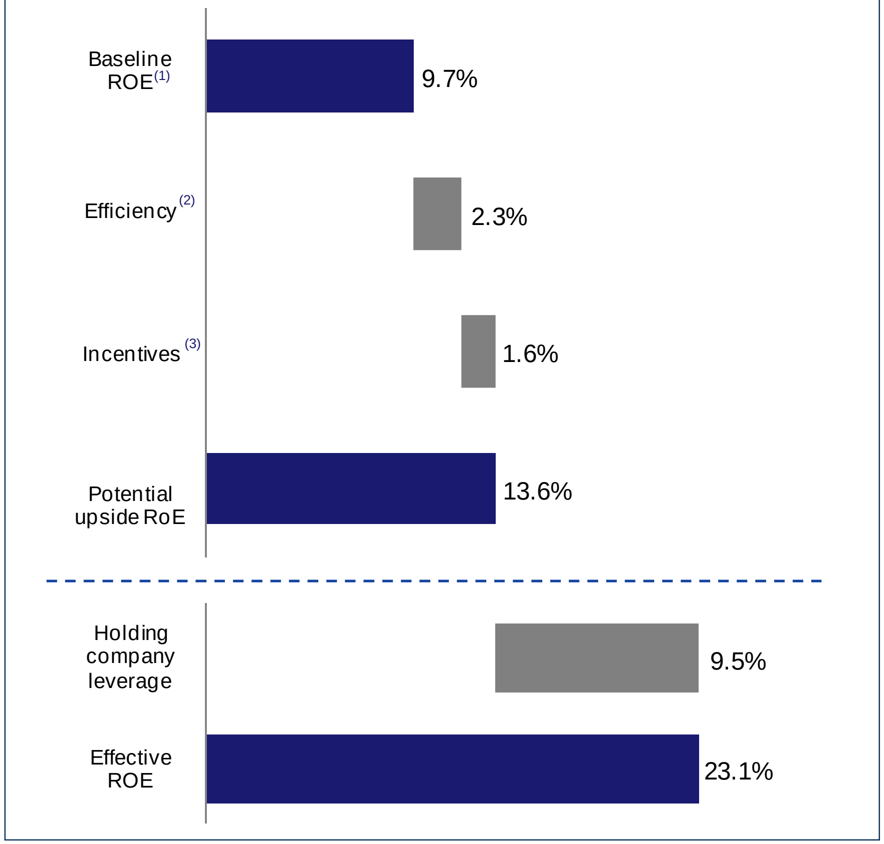
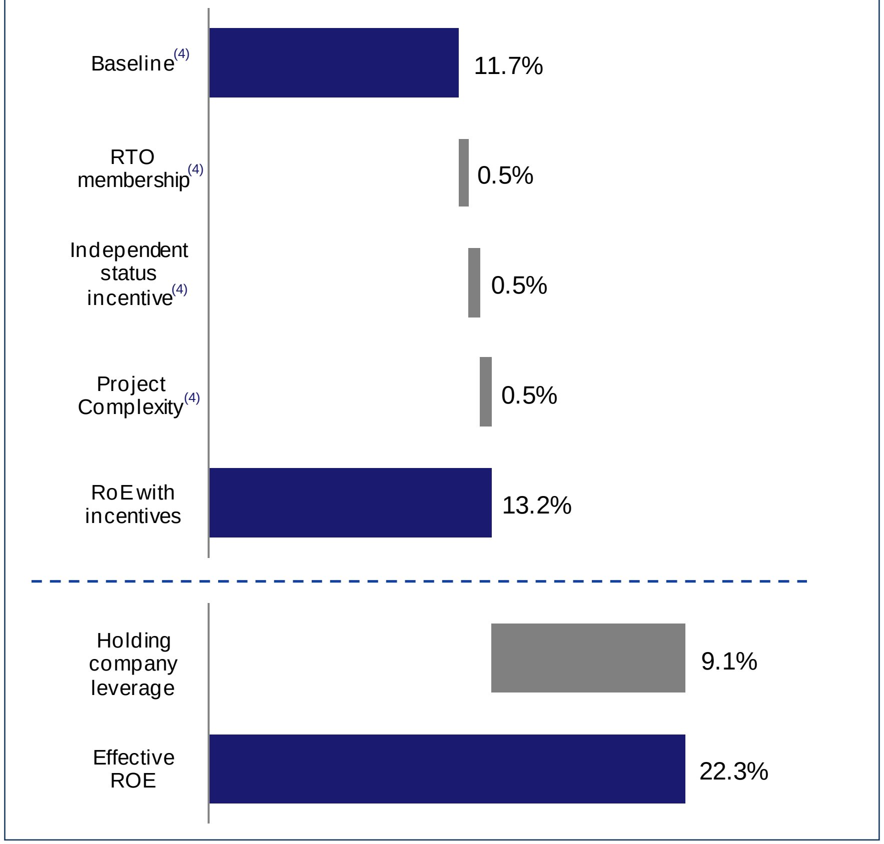
Estimated Equity Returns for an Efficient U.K. Operator vs. FERC

U.K. Electric Distribution Network Operator Example



FERC-Regulated Independent Transmission Example



(1) Assumes 3% of inflation per annum; inflation adjustment figured off of HM Treasury publication on a rolling basis

(2) Based on efficiency levels achieved by SSE and WPD. § 4.10 of DPCR5 Final Proposals decision document dated 12/7/2009.

(3) Mid-point of Ofgem's estimate of incentives upside. § 4.11 of DPCR5 Final Proposals decision document dated 12/7/2009.

(4) Source: FERC.

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Significant Growth in International Regulated Earnings

($ in millions)	**2011E**	**2012E**	**2013E**
International Regulated Segment (Pre-Transaction) (1)			
Revenue	$800 - $890	$840 - $930	$910 - $1,010
Net Income	$210 - $230	$190 - $210	$220 - $250
Addition of Central Networks (2)	**4/1 - 12/31/2011**		
Revenue	$800 - $890	$1,250 - $1,380	$1,320 - $1,450
Net Income (3)	$220 - $250	$305 - $335	$380 - $420
Post-Transaction Revenue	**$1,600 - $1,780**	**$2,090 - $2,310**	**$2,230 - $2,460**
Post-Transaction Net Income (3)	**$430 - $480**	**$495 - $545**	**$600 - $670**

Note: Figures based on assumed exchange rate of $1.60 / GBP.

(1) PPL business plan allocates certain corporate expenses to International Regulated Segment; future allocation of expenses may increase but will have no impact on consolidated earnings.

(2) PPL business plan assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

(3) Excludes special transaction-related expenses in the years ending December 2011 and 2012.

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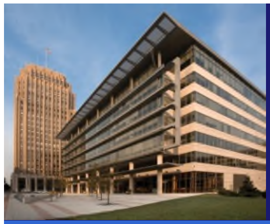

Concluding Remarks

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Concluding Remarks

- Immediately accretive to earnings and valuation
  - Significant achievable synergies
- Complementary business in highly favorable regulatory framework
  - U.K. regulation compares favorably to FERC-regulated independent transmission
- Leverages PPL's best-in-class U.K. management team
  - Highly confident in ability to successfully integrate and achieve synergy targets
- Achieves highly regulated business mix
  - Project 75% of EBITDA from regulated businesses by 2013
- Further strengthens business risk profile
- Enhances quality of future earnings

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Appendix

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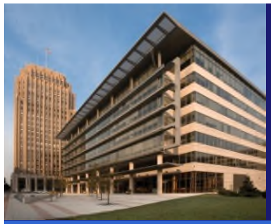
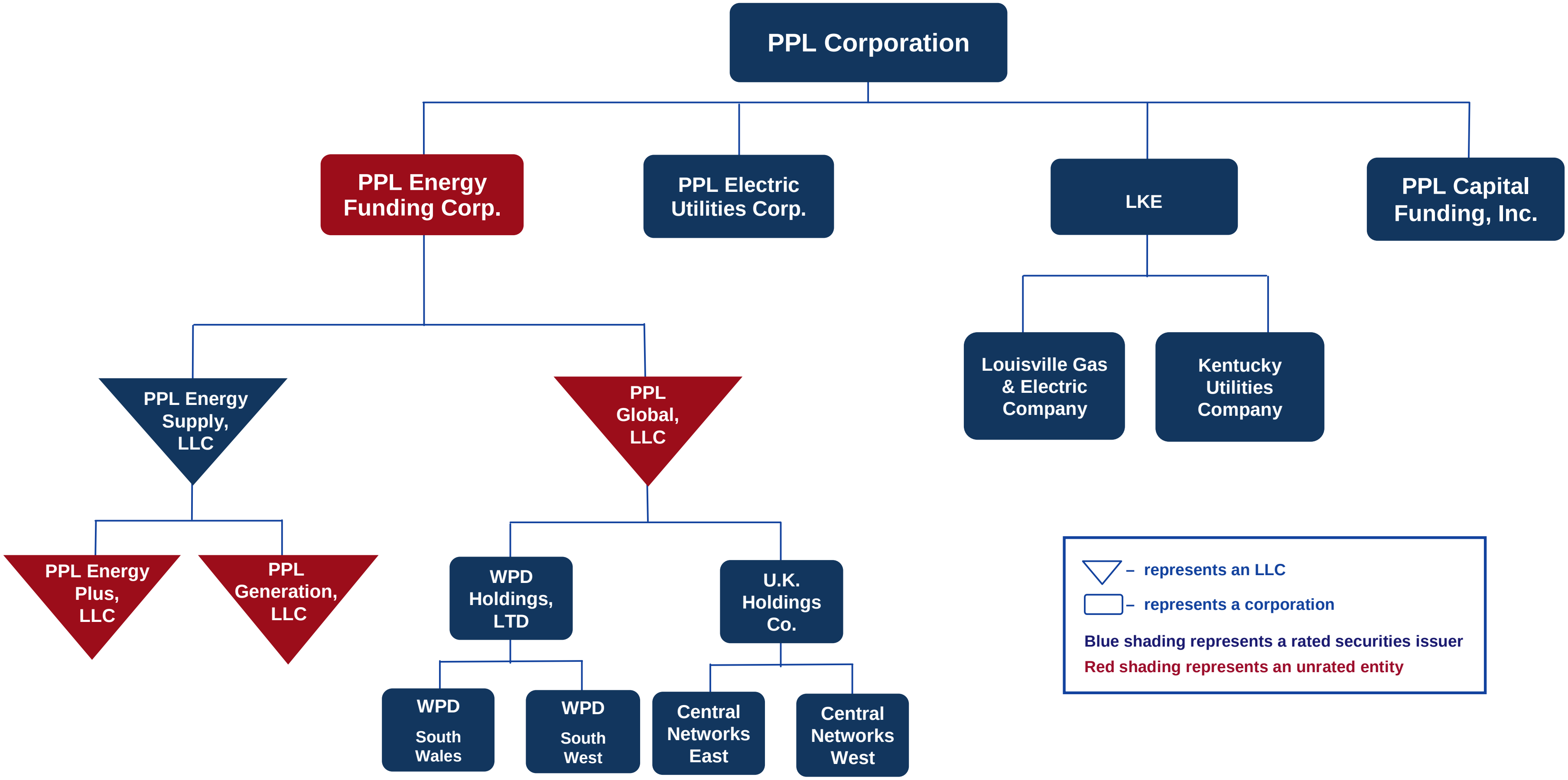


Pro Forma Corporate Structure



- PPL Corporation
  - PPL Energy Funding Corp.
    - PPL Energy Supply, LLC
      - PPL Energy Plus, LLC
      - PPL Generation, LLC
    - PPL Global, LLC
      - WPD Holdings, LTD
        - WPD South Wales
        - WPD South West
      - U.K. Holdings Co.
        - Central Networks East
        - Central Networks West
  - PPL Electric Utilities Corp.
  - LKE
    - Louisville Gas & Electric Company
    - Kentucky Utilities Company
  - PPL Capital Funding, Inc.

▽ – represents an LLC

▭ – represents a corporation

Blue shading represents a rated securities issuer

Red shading represents an unrated entity

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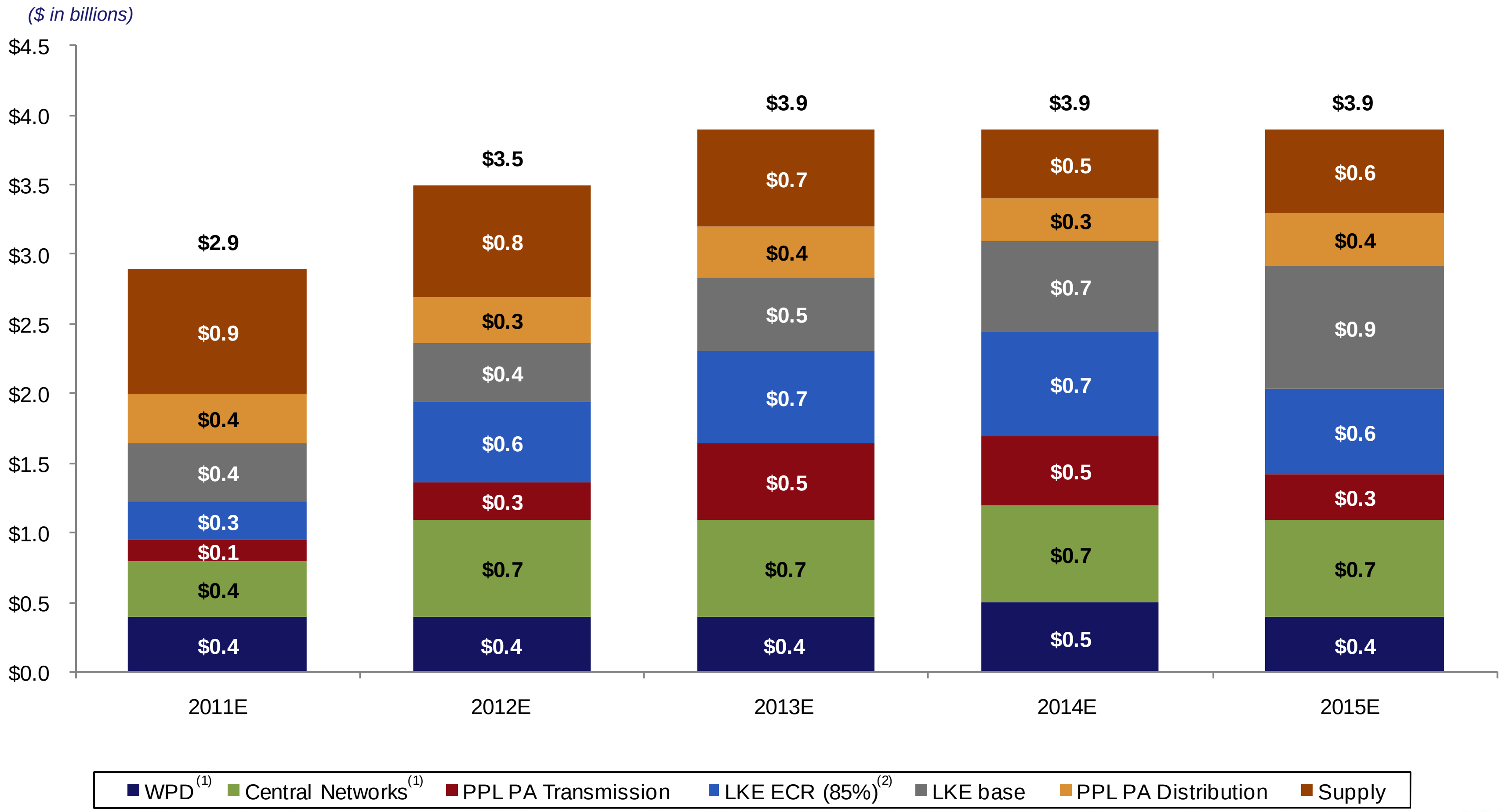
Capital Expenditures by Segment



	2011E	2012E	2013E	2014E	2015E
Supply	$0.9	$0.8	$0.7	$0.5	$0.6
PPL PA Distribution	$0.4	$0.3	$0.4	$0.3	$0.4
LKE base	$0.4	$0.4	$0.5	$0.7	$0.9
LKE ECR (85%)(2)	$0.3	$0.6	$0.7	$0.7	$0.6
PPL PA Transmission	$0.1	$0.3	$0.5	$0.5	$0.3
Central Networks(1)	$0.4	$0.7	$0.7	$0.7	$0.7
WPD(1)	$0.4	$0.4	$0.4	$0.5	$0.4
Total	$2.9	$3.5	$3.9	$3.9	$3.9

(1) *Figures based on assumed exchange rate of $1.60 / GBP.*
(2) *Assumes approximately 85% of Environmental Capex of LKE runs through the ECR mechanism.*

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition (“Acquisition”) by PPL Corporation of Central Networks East plc and Central Networks West plc (Collectively, “Central Networks”), the expected results of operations of Central Networks or PPL Corporation both before or following PPL Corporation’s acquisition of Central Networks, as well as statements as to future earnings, the timing or extent of realizing synergistic and other benefits from the Acquisition, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions, including their effect on permanent financing of the Acquisition, and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, Central Networks and of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, Central Networks and their subsidiaries; the outcome of litigation against PPL Corporation, Central Networks and their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, Central Networks and their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, Central Networks and of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Morgan Stanley Conference

PPL Corporation
March 10, 2011

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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Transaction Overview

Transaction

- Purchase price of £4.0 billion ($6.4 billion); £3.5 billion ($5.6 billion) cash and £500 million ($800 million) assumed debt
  - $1.70 – $1.90 billion of PPL common stock
  - $750 – $950 million of convertible equity units
  - $2.95 – $3.25 billion (£1.85 – £2.03 billion) of unsecured debt
- Acquisition of Central Networks East plc and Central Networks West plc (together Central Networks)
- Central Networks is the second largest Distribution Network Operator ("DNO") in the U.K., serving 5 million customers
- Contiguous with PPL's WPD operations

Regulatory Approvals

- No regulatory approvals required

Timing

- The transaction is expected to close in early April 2011

Note: Based on assumed exchange rate of $1.60 / GBP.

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Highly Strategic Transaction

- PPL achieves a highly regulated business mix
  - Project 75% of EBITDA from regulated businesses by 2013
- U.K. electric distribution networks compare favorably to FERC-regulated independent transmission
  - Regulator-approved 5-year forward-looking revenues based on pre-approved capital expenditure plan
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Opportunity to leverage WPD’s best-in-class management
  - Experience with rapid and successful integration of an acquired network
  - Highly confident in ability to achieve synergy targets
  - Creates largest U.K. electric distribution network operator by asset base

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Compelling for Shareholders

- Delivers immediate and significant benefits to PPL shareholders
- Immediately and significantly accretive (1)
  - 2011 – $0.10 - $0.15 per share
  - 2012 – $0.23 - $0.27 per share
  - 2013 – $0.32 - $0.38 per share
- Strong value for shareholders
  - Attractive valuation
  - Unique ability to create and retain synergies
  - Provides future dividend flexibility
- Enhances quality of future earnings
  - Post-transaction, approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag
- Able to complete the acquisition on an expedited timeline

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(1) Accretion includes effects of equity to fund the acquisition; assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

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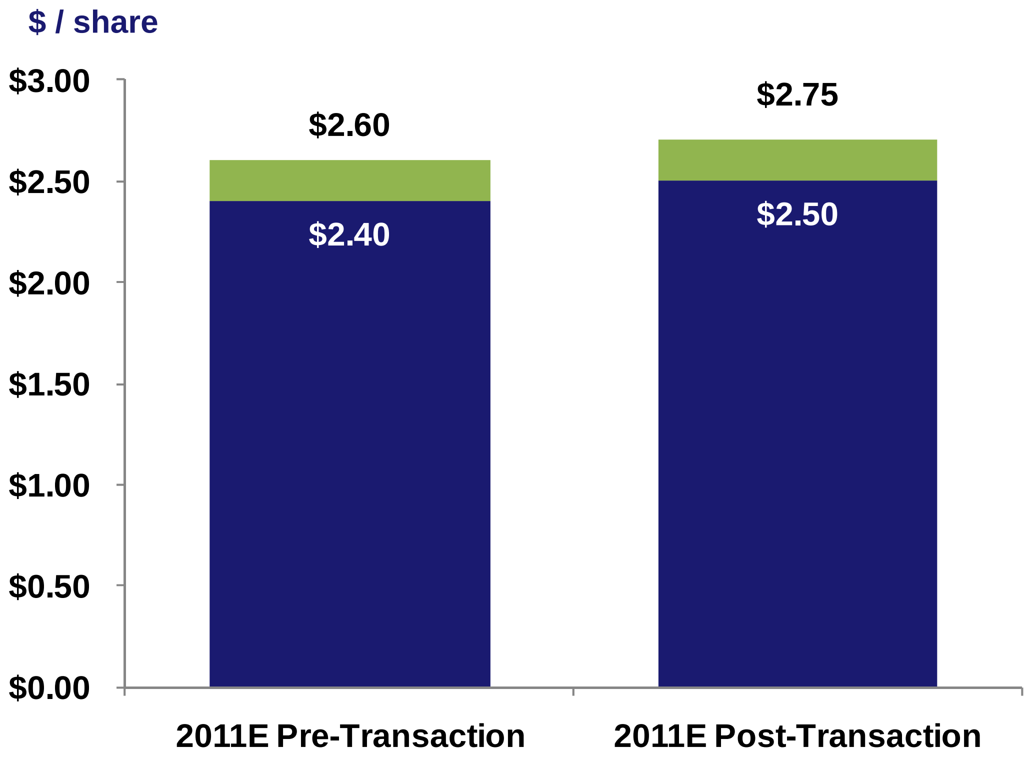
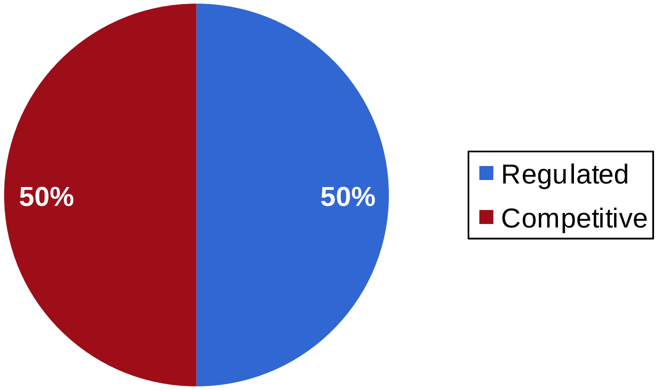
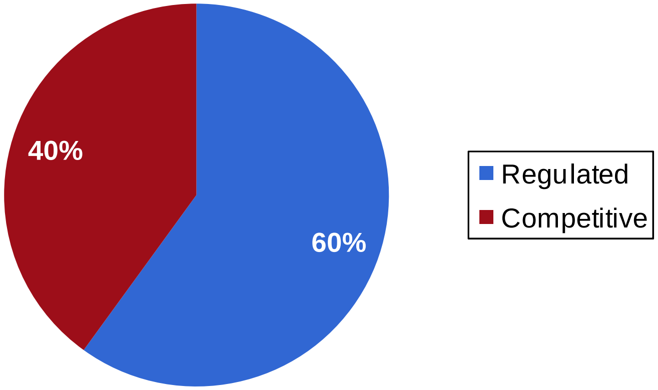
Increasing 2011 Earnings Guidance



2011E Pre-Transaction(1)



2011E Post-Transaction(1)



Note: Excludes special items related to the transaction, does not reflect final determination of purchase accounting and assumes transaction close in early April 2011 (performance and shares on partial year basis).

(1) Based on midpoint of guidance range.

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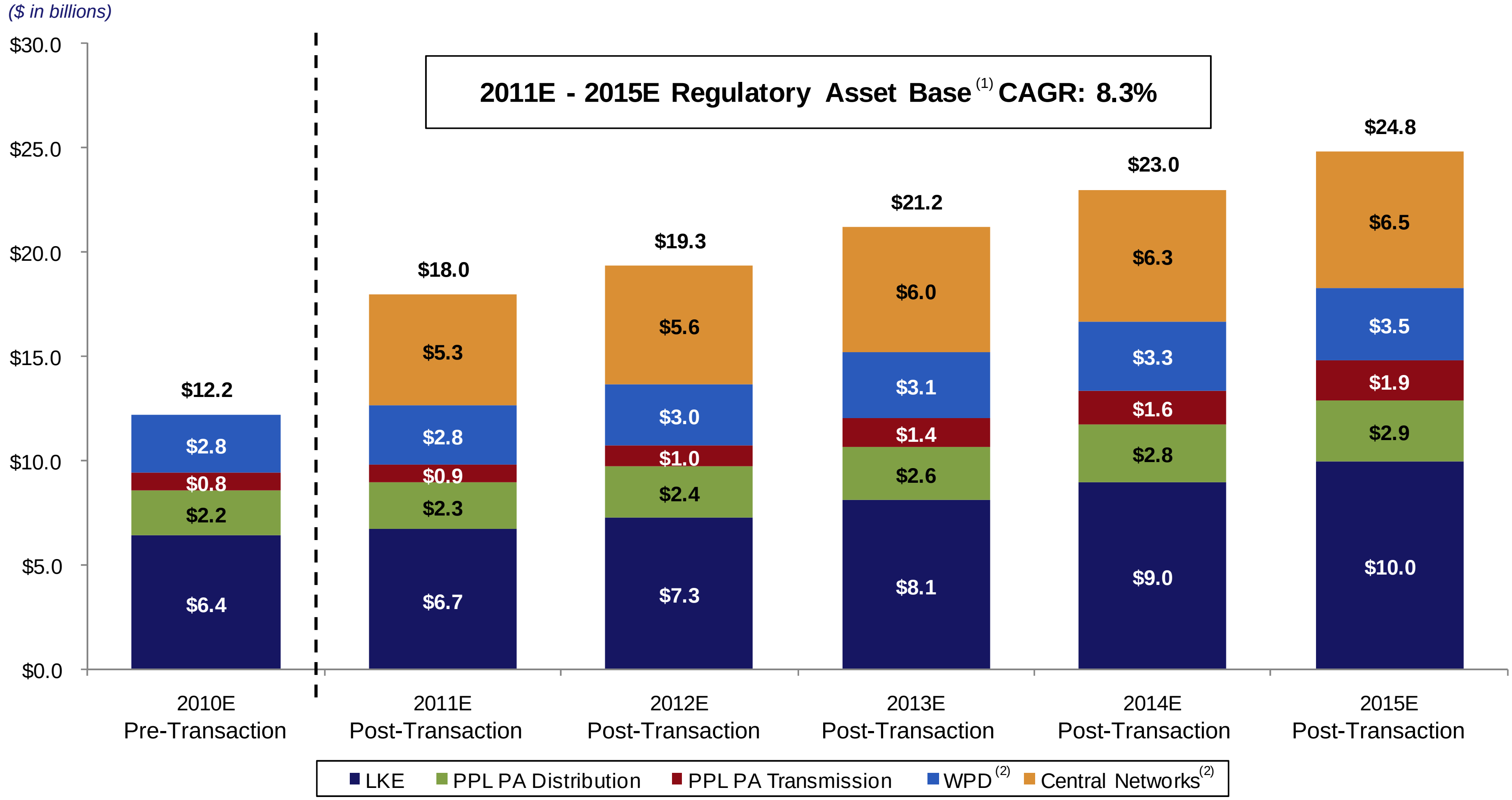
Increased Scale with Attractive Growth



(1) Represents capitalization for LKE since LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD and Central Networks.

(2) Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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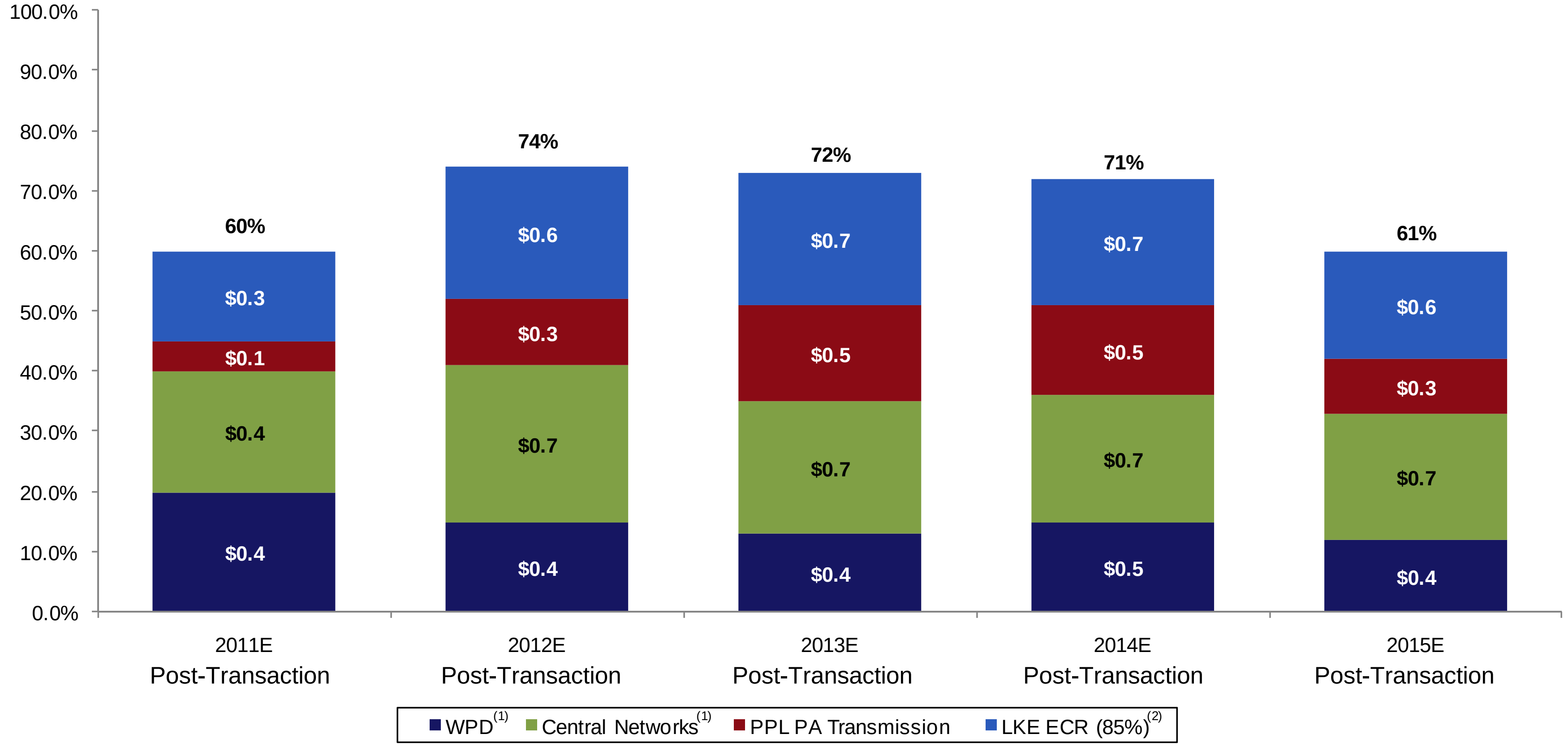
Real-Time Recovery of Majority of Regulated Capex Spending

Approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag



Note: $ in billions.

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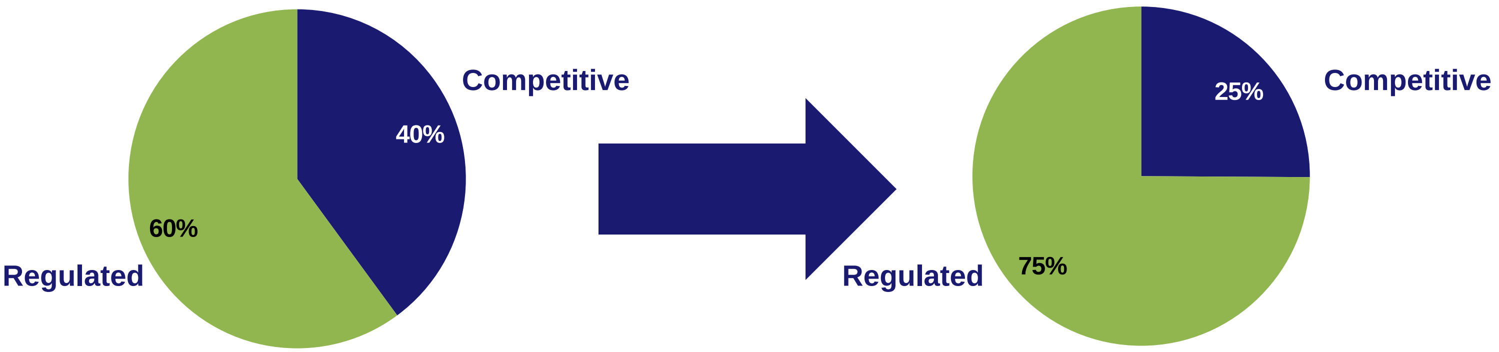
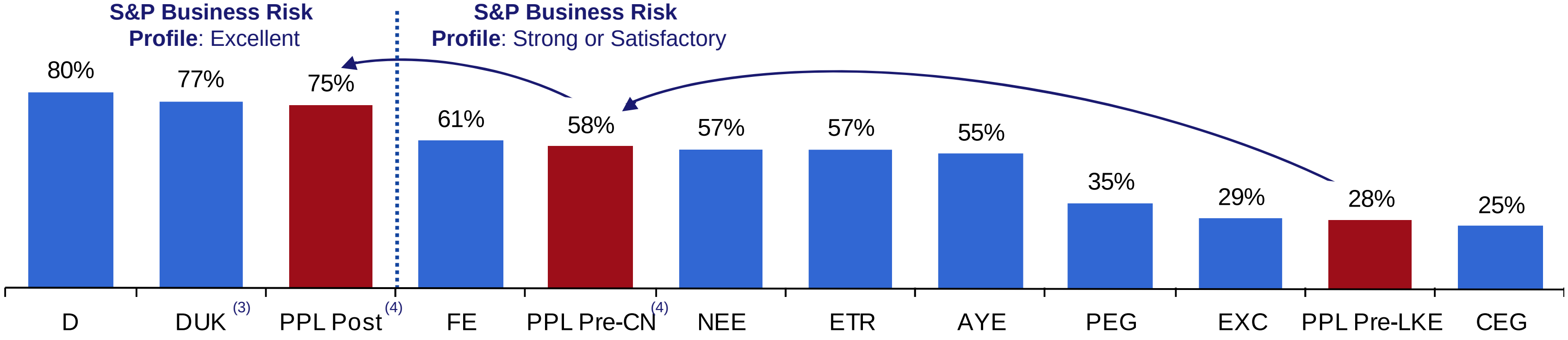
Predominantly Regulated Business Mix

EBITDA Projection (1)


2011 Pre-Transaction

2013 Post-Transaction

Regulated Cash Flow (2)



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(1) Approximate projections.

(2) "Does The Shale Gas Glut Pose A Threat To U.S. Integrated Power Merchants' Credit Quality?" Standard & Poor's, October 22, 2010.

(3) Based on EBIT estimate from company presentation.

(4) PPL estimates; CN pre-transaction figure based on 2011 FFO; post-transaction figure based on 2013 FFO for the combined entity, which includes full realization of synergies.

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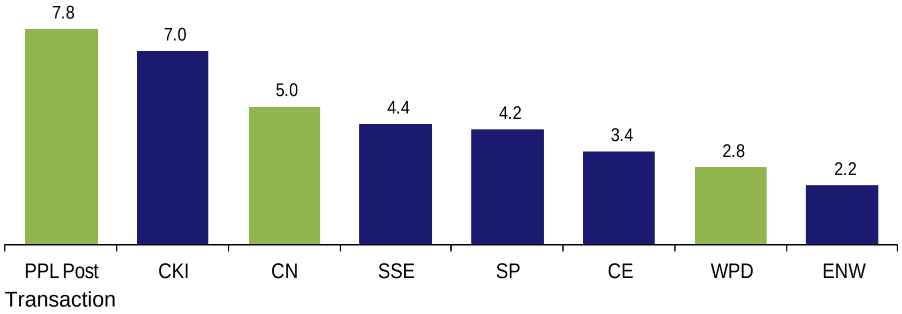
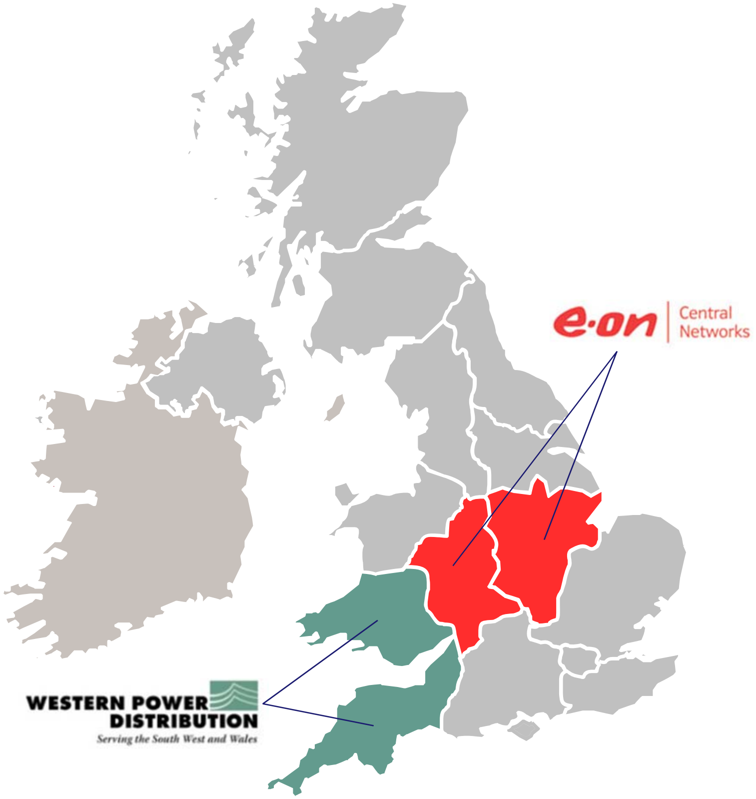
Regulated Asset Value(1)



Service Territory



Note: Based on $1.60 / GBP exchange rate.

(1) Figures as per Office for Gas and Electric Markets ("Ofgem") final proposals, adjusted for inflation, year-end 3/31/2011.

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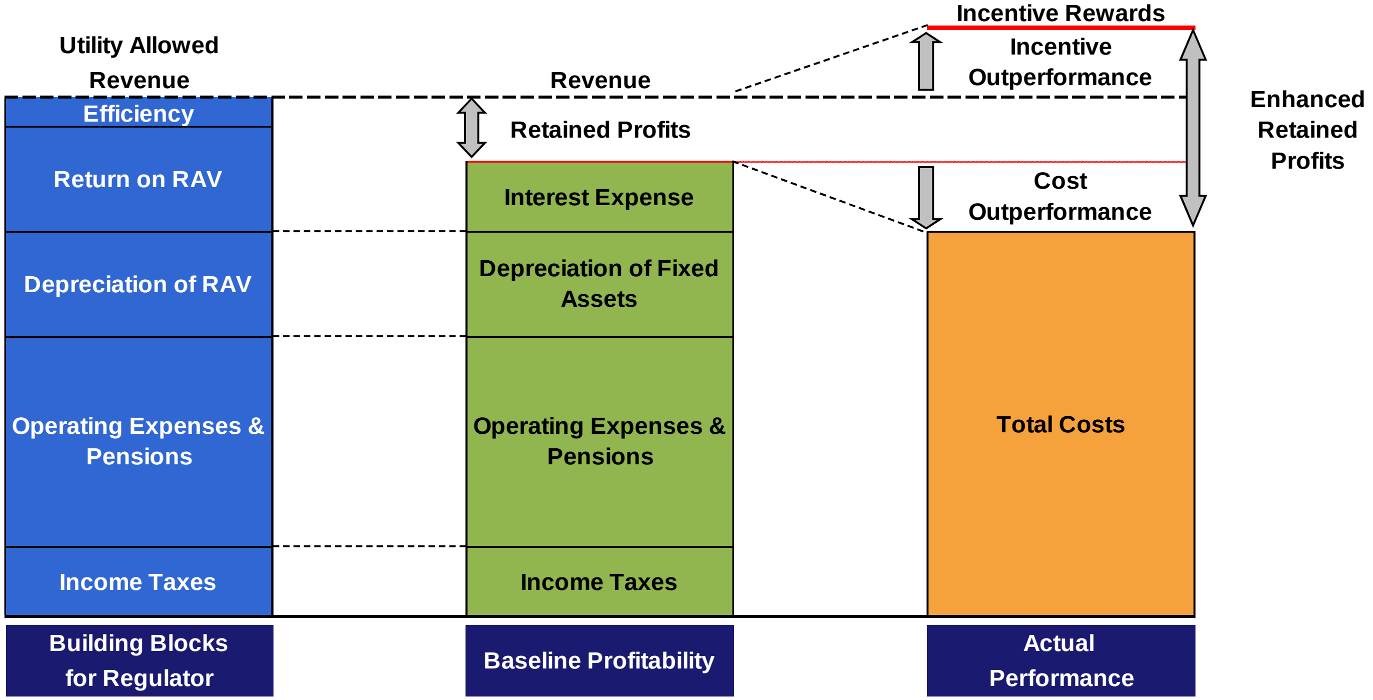

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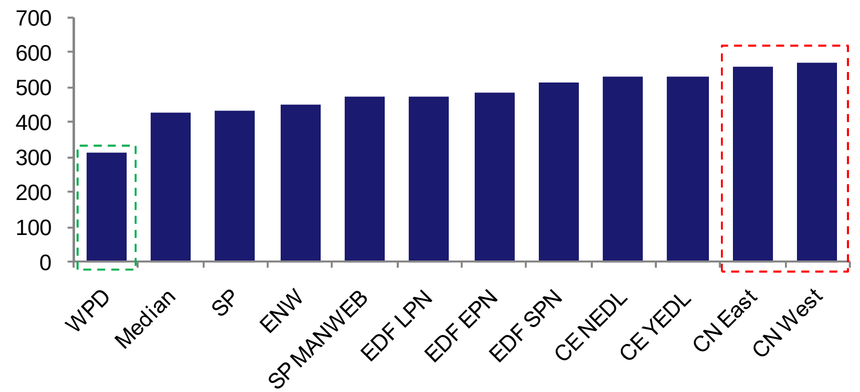
- Awarded $250m efficiency allowance in DPCR5
- 6 years with no customer complaints to regulator
- Awarded the U.K. Customer Excellence Standard (18 consecutive years of recognition)

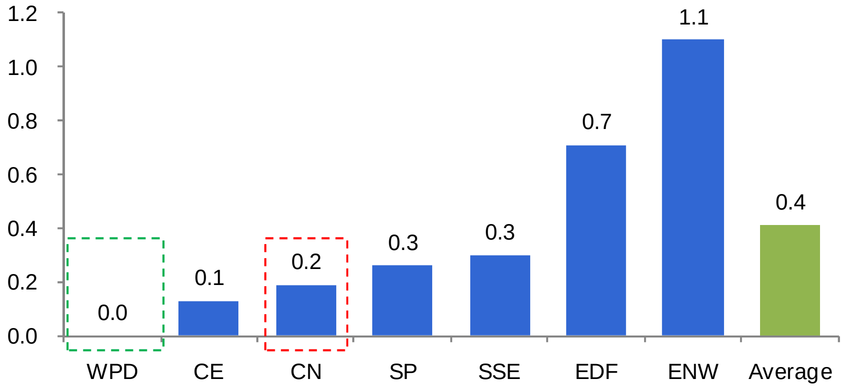
Capex Efficiency in DPCR5 (1)

Performance Against Peers



Customer Complaints (2)

Complaints to Ombudsman per 100,000 customers



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(1) *Ofgem data extrapolated to WPD spend volume.*
(2) *Ombudsman management information.*

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Management's Record of Delivery

- The same management team brought about the successful merger of South Wales and South West within the same timeframes
- Synergies are a direct parallel to the South Wales transaction
- Assessment of efficiencies lie within known boundaries

Robert Symons
Chief Executive Officer
Years in Industry – 40

Dave Harris
Director, Resources & External Affairs
Years in Industry – 37

Charl Oosthuizen
Director, Finance
Years in Industry – 19

Phil Swift
Network Manager, South West
Years in Industry – 20

Phil Davies
Network Manager, South Wales
Years in Industry – 46

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WPD is the Best-In-Class Operator

U.K. Electric Distribution Network Operator Rankings

				Customer Service		
	Base RORE [(1)]	Operational Costs	Allowed Totex	Customer Interruptions	Customer Minutes Lost	Overall Average Rank [(2)]
WPD	1	2	2	3	1	**1**
SSE	2	1	1	5	4	**2**
ENW	5	4	4	1	2	**3**
MidAmerican	3	3	3	6	6	**4**
Scottish Power	6	6	6	2	3	**5**
Central Networks	4	7	5	7	5	**6**
CKI	7	5	7	4	7	**7**

Source: Ofgem.
(1) Return on Regulated Equity.
(2) Based on average across all categories.

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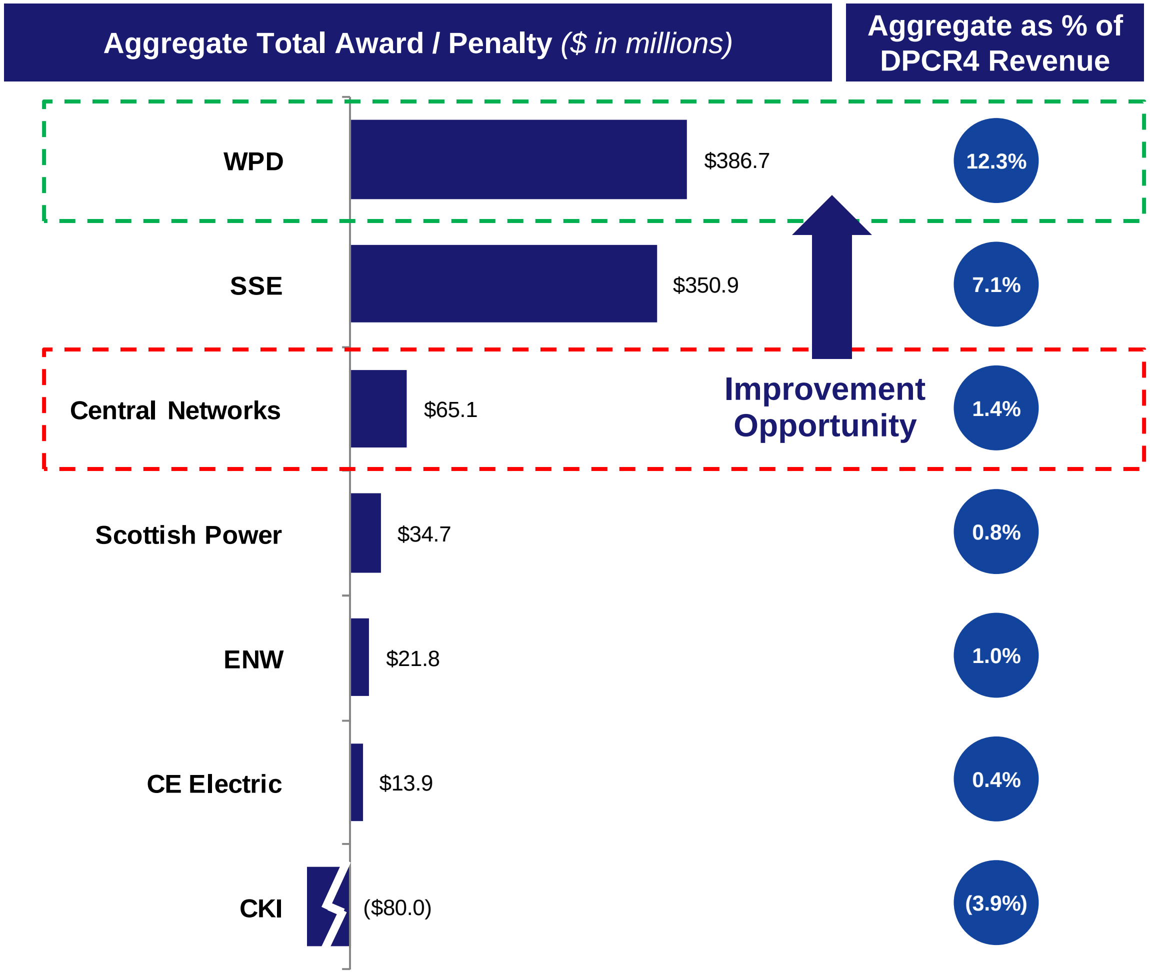
WPD Performance Rewards Top in Industry

WPD Rewards

$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*

🟧 *Rewards secured for DPCR5*



Source: Ofgem data.
Note: Figures based on assumed exchange rate of $1.60 / GBP.

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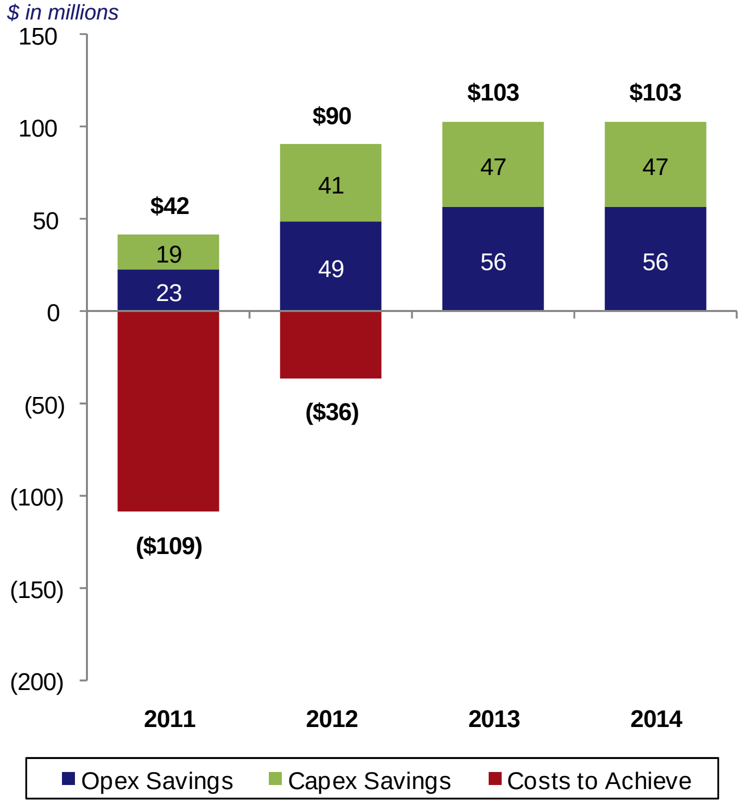
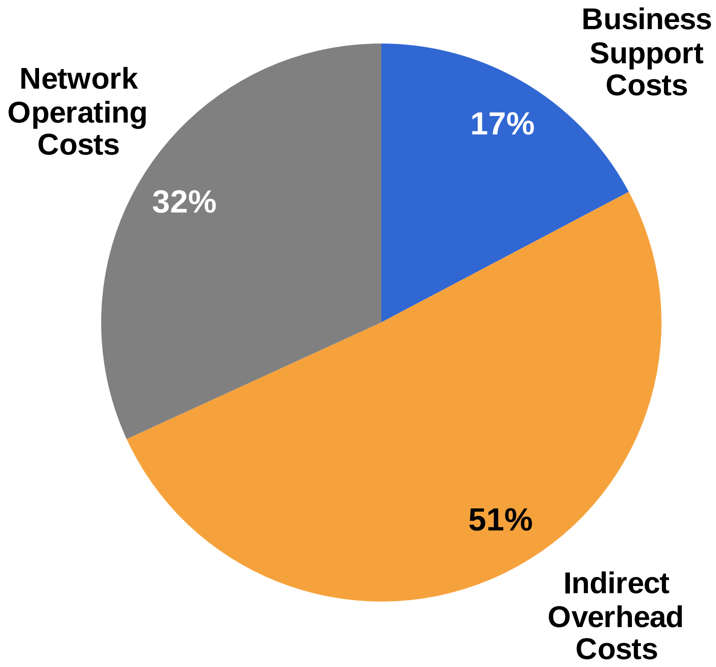
Significant Synergy Opportunity

100% Synergies retained through end of current rate period (1); 47% in following rate period (2)

Estimated Annual Pre-Tax Synergies



Opex Synergies by Category



Note: Figures based on assumed exchange rate of $1.60 / GBP.
(1) Ends in March 2015.
(2) Expected to end in March 2023.

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Transaction Overview and Timing

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Transaction Financing / Structure

Timing

- Expected to close early April 2011

Committed Acquisition Facility

- Committed acquisition facility from Bank of America Merrill Lynch and Credit Suisse
    - Expected to be drawn in full at closing to fund acquisition
    - Plan to complete equity capital offering in the second quarter of 2011 after finalizing U.S. GAAP financials

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Permanent Financing

- $1.70 – $1.90 billion of PPL common stock
- $750 – $950 million of convertible equity units
- $2.25 – $2.45 billion (£1.41 – £1.53 billion) of unsecured debt at Central Networks operating entities
- $700 – $800 million (£438 – £500 million) of senior unsecured debt at a U.K. holding company above Central Networks

Note: Based on assumed exchange rate of $1.60 / GBP.

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Financial Impact

Earnings

- Immediately and significantly accretive (1)
  - 2011 – $0.10 - $0.15 per share
  - 2012 – $0.23 - $0.27 per share
  - 2013 – $0.32 - $0.38 per share
- Significantly greater earnings accretion expected as efficiencies and financial benefits of the transaction are fully realized
- Able to retain synergies in full through March 2015 and 47% through March 2023

Credit

- Low business risk and design of financing plan maintain investment grade credit profile
- Expecting Baa1 / BBB ratings at Central Networks operating entities
- Financing plan has been discussed with rating agencies

---

(1) Accretion includes effects of equity to fund the acquisition; assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

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Favorable U.K. Regulatory Framework

	U.K. Electric Distribution Network	FERC-Regulated Independent Transmission
Regulatory construct		
Form of regulation	Rate of return and incentive / performance based	Rate of return based with RoE incentives
Rate setting mechanism	Forward looking	Forward looking
Frequency of rate setting	Every 5 years	Annual formula-rate filing
Recovery lag	None	Minimal
Volumetric risk	None	Minimal
Rates of return		
Nominal RoE at Utility Level	10% - 14% subject to performance Adjusted for inflation on a rolling basis	11% - 14% including RoE incentives
RoE adders / incentives	Ability to achieve sustained higher returns through: – Cost outperformance – Performance incentives	RTO membership Independent status Project complexity No performance incentives
Holding company leverage	Low 20% holding company effective RoE	Low 20% holding company effective RoE

U.K. regulation compares favorably to FERC-regulated independent transmission

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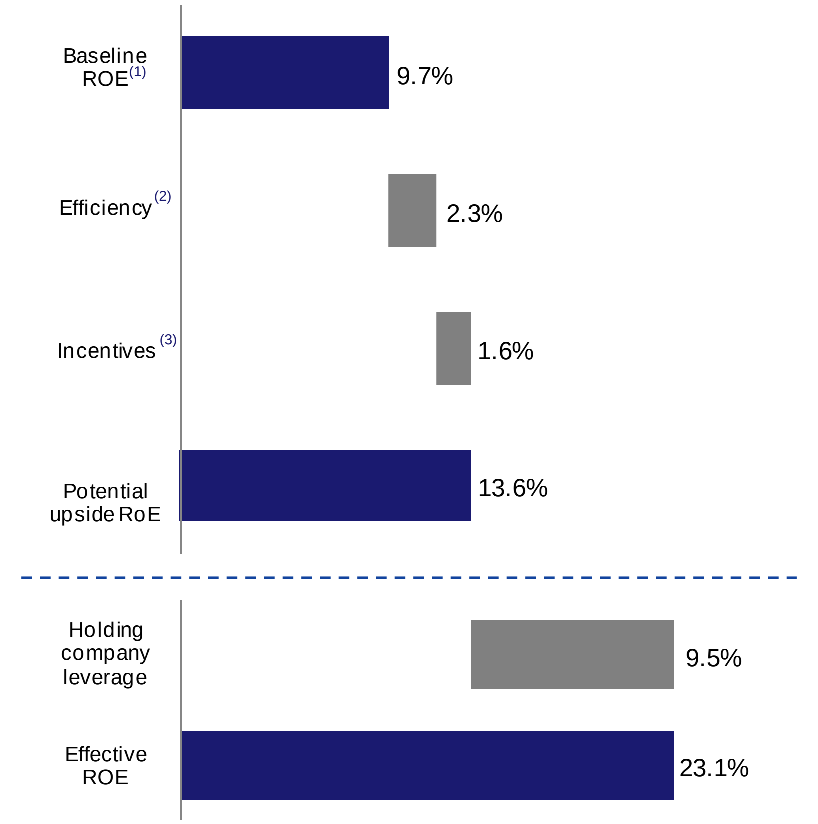
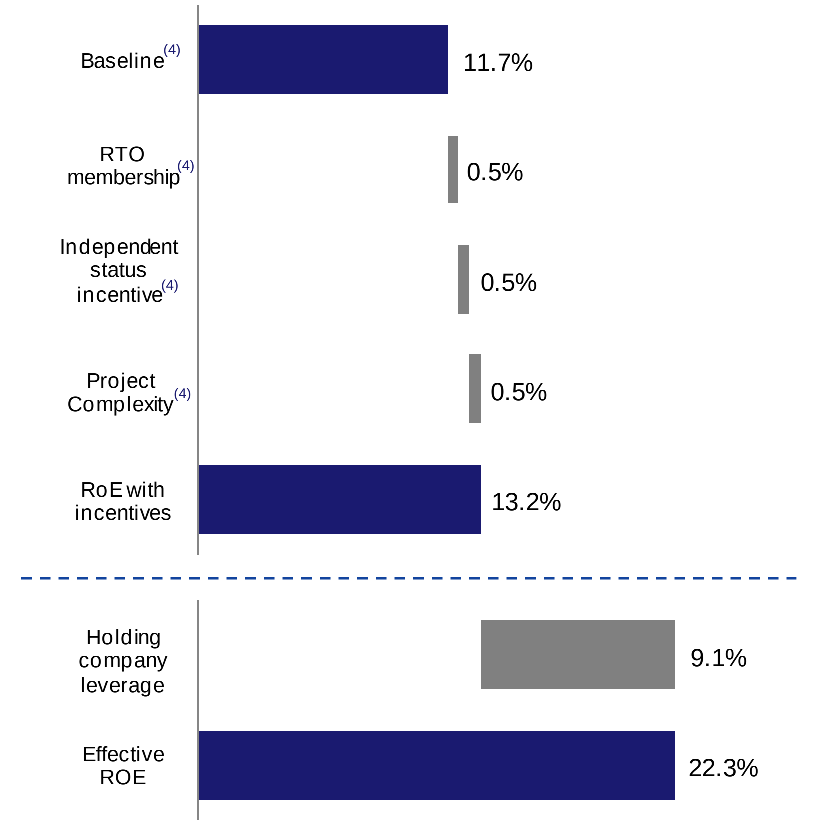
Estimated Equity Returns for an Efficient U.K. Operator vs. FERC

U.K. Electric Distribution Network Operator Example



FERC-Regulated Independent Transmission Example



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(1) *Assumes 3% of inflation per annum; inflation adjustment figured off of HM Treasury publication on a rolling basis*

(2) *Based on efficiency levels achieved by SSE and WPD. 4.10 of DPCR5 Final Proposals decision document dated 12/7/2009.*

(3) *Mid-point of Ofgem's estimate of incentives upside. 4.11 of DPCR5 Final Proposals decision document dated 12/7/2009.*

(4) *Source: FERC.*

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Significant Growth in International Regulated Earnings

($ in millions)	**2011E**	**2012E**	**2013E**
International Regulated Segment (Pre-Transaction) (1)			
Revenue	$800 - $890	$840 - $930	$910 - $1,010
Net Income	$210 - $230	$190 - $210	$220 - $250
Addition of Central Networks (2)	**4/1 - 12/31/2011**		
Revenue	$800 - $890	$1,250 - $1,380	$1,320 - $1,450
Net Income (3)	$220 - $250	$305 - $335	$380 - $420
Post-Transaction Revenue	**$1,600 - $1,780**	**$2,090 - $2,310**	**$2,230 - $2,460**
Post-Transaction Net Income (3)	**$430 - $480**	**$495 - $545**	**$600 - $670**

Note: Figures based on assumed exchange rate of $1.60 / GBP.

(1) PPL business plan allocates certain corporate expenses to International Regulated Segment; future allocation of expenses may increase but will have no impact on consolidated earnings.

(2) PPL business plan assumes transaction close in early April 2011 (performance and shares on partial year basis for 2011).

(3) Excludes special transaction-related expenses in the years ending December 2011 and 2012.

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Concluding Remarks

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Concluding Remarks

- Immediately accretive to earnings and valuation
  - Significant achievable synergies
- Complementary business in highly favorable regulatory framework
  - U.K. regulation compares favorably to FERC-regulated independent transmission
- Leverages PPL's best-in-class U.K. management team
  - Highly confident in ability to successfully integrate and achieve synergy targets
- Achieves highly regulated business mix
  - Project 75% of EBITDA from regulated businesses by 2013
- Further strengthens business risk profile
- Enhances quality of future earnings

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Appendix

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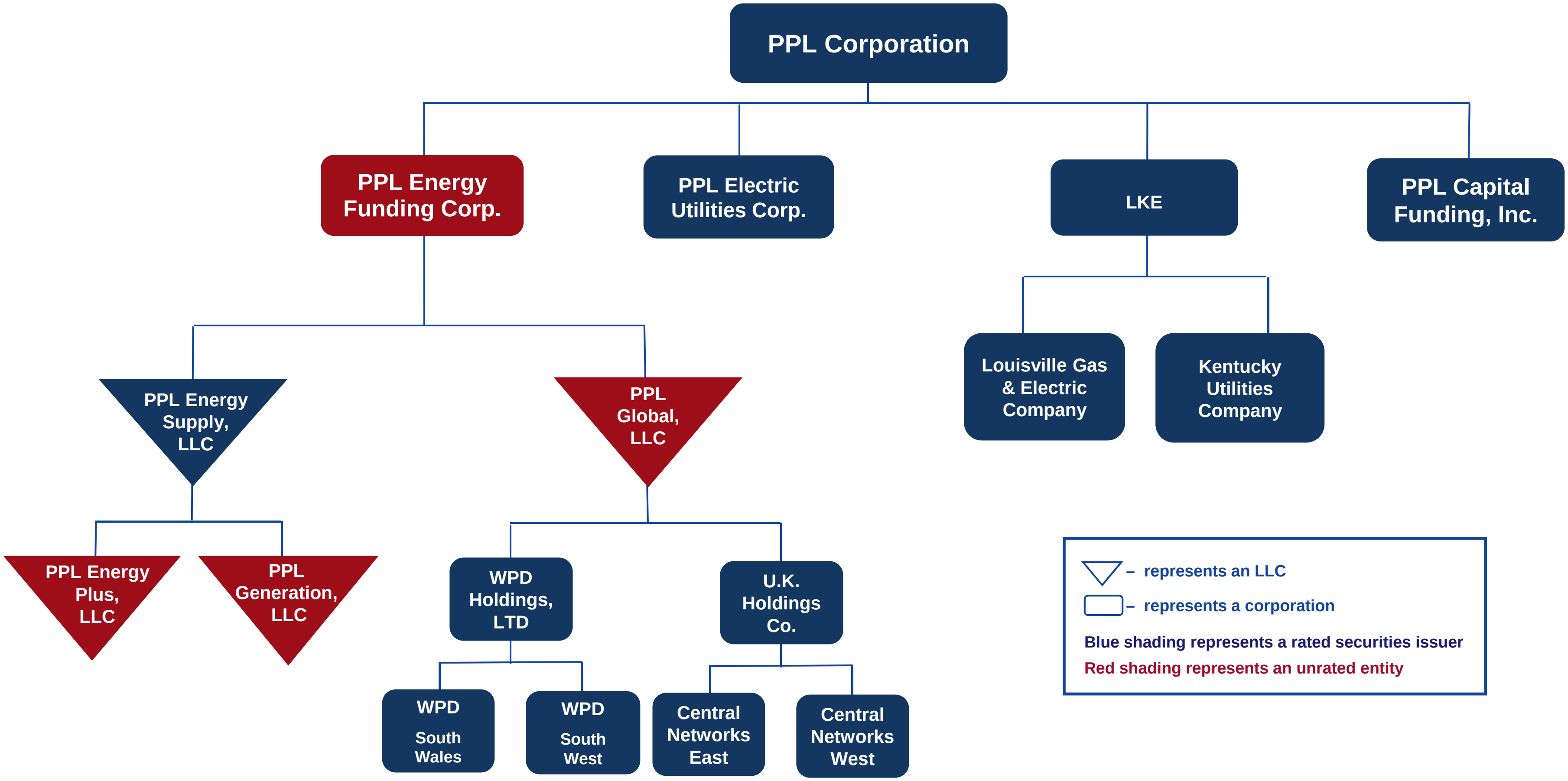
Pro Forma Corporate Structure



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PPL Energy Funding Corp.

PPL Electric Utilities Corp.

LKE

PPL Capital Funding, Inc.

PPL Energy Supply, LLC

PPL Global, LLC

Louisville Gas & Electric Company

Kentucky Utilities Company

PPL Energy Plus, LLC

PPL Generation, LLC

WPD Holdings, LTD

U.K. Holdings Co.

WPD South Wales

WPD South West

Central Networks East

Central Networks West

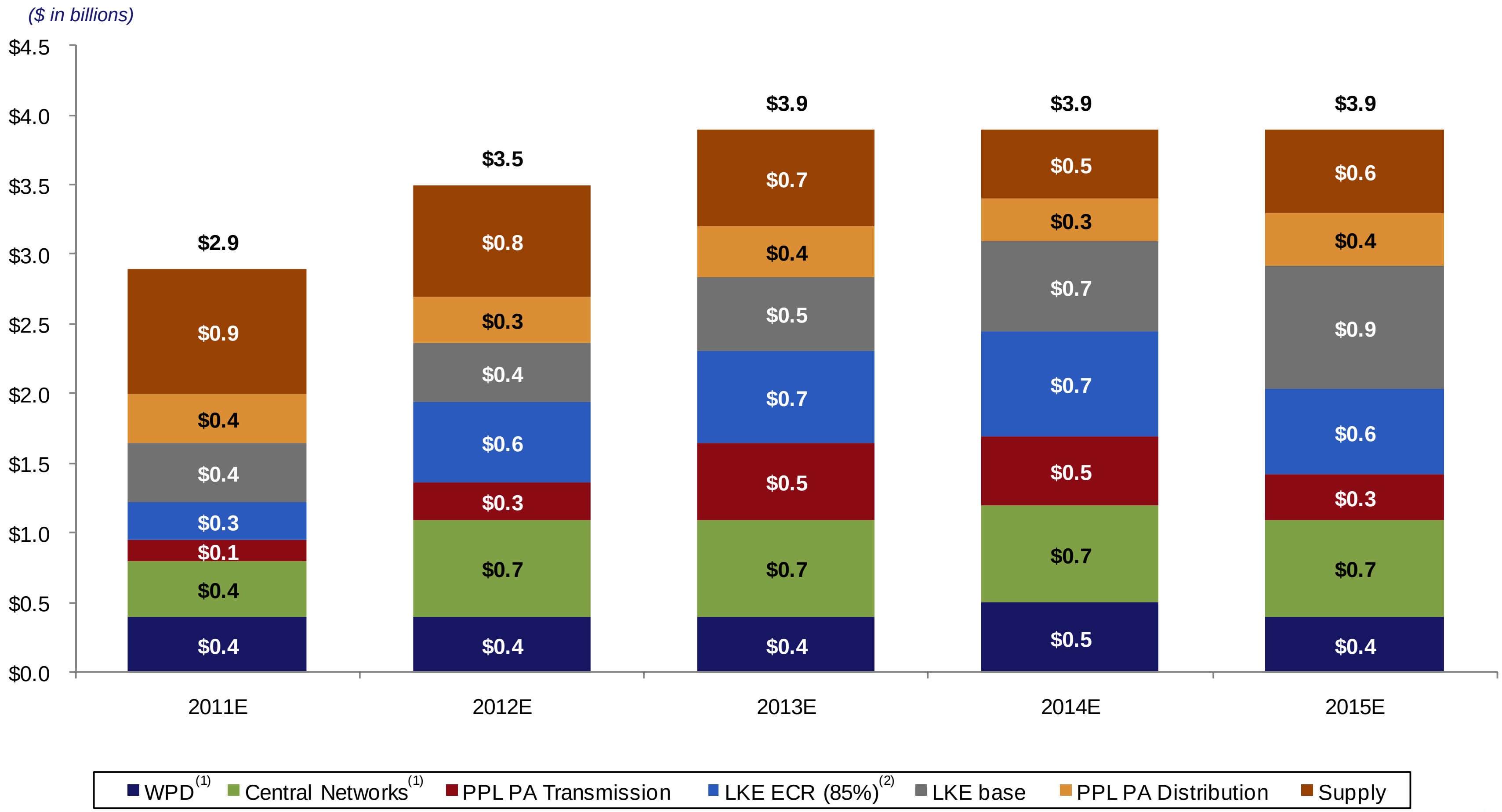
▽ – represents an LLC

▭ – represents a corporation

Blue shading represents a rated securities issuer

Red shading represents an unrated entity

Capital Expenditures by Segment



(1) *Figures based on assumed exchange rate of $1.60 / GBP.*

(2) *Assumes approximately 85% of Environmental Capex of LKE runs through the ECR mechanism.*

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future events and their timing, including the acquisition ("Acquisition") by PPL Corporation of Central Networks East plc and Central Networks West plc (Collectively, "Central Networks"), the expected results of operations of Central Networks or PPL Corporation both before or following PPL Corporation's acquisition of Central Networks, as well as statements as to future earnings, the timing or extent of realizing synergistic and other benefits from the Acquisition, energy prices, margins and sales, growth, revenues, expenses, cash flow, credit profile, ratings, financing, asset disposition, marketing performance, hedging, regulation, corporate strategy and generating capacity and performance, 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 expectations, assumptions and statements are subject to 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: capital market conditions, including their effect on permanent financing of the Acquisition, and decisions regarding capital structure; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; stock price performance; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for energy, capacity and fuel; weather conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, Central Networks and of their subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset acquisitions and dispositions; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; the impact of state, federal or foreign investigations applicable to PPL Corporation, Central Networks and their subsidiaries; the outcome of litigation against PPL Corporation, Central Networks and their subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation, Central Networks and their subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax or environmental legislation or regulation; and the commitments and liabilities of PPL Corporation, Central Networks and of their subsidiaries. Any such forward-looking statements should be considered in light of such important 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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1st Quarter Earnings Call
May 5, 2011

PPL Corporation

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Agenda

First Quarter 2011 Earnings and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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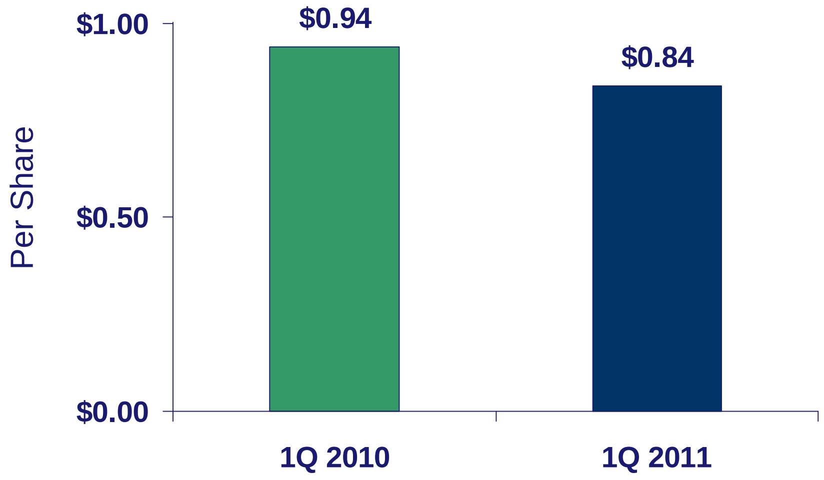
Strong Earnings Results

First Quarter
Reported Earnings



First Quarter
Earnings from Ongoing Operations

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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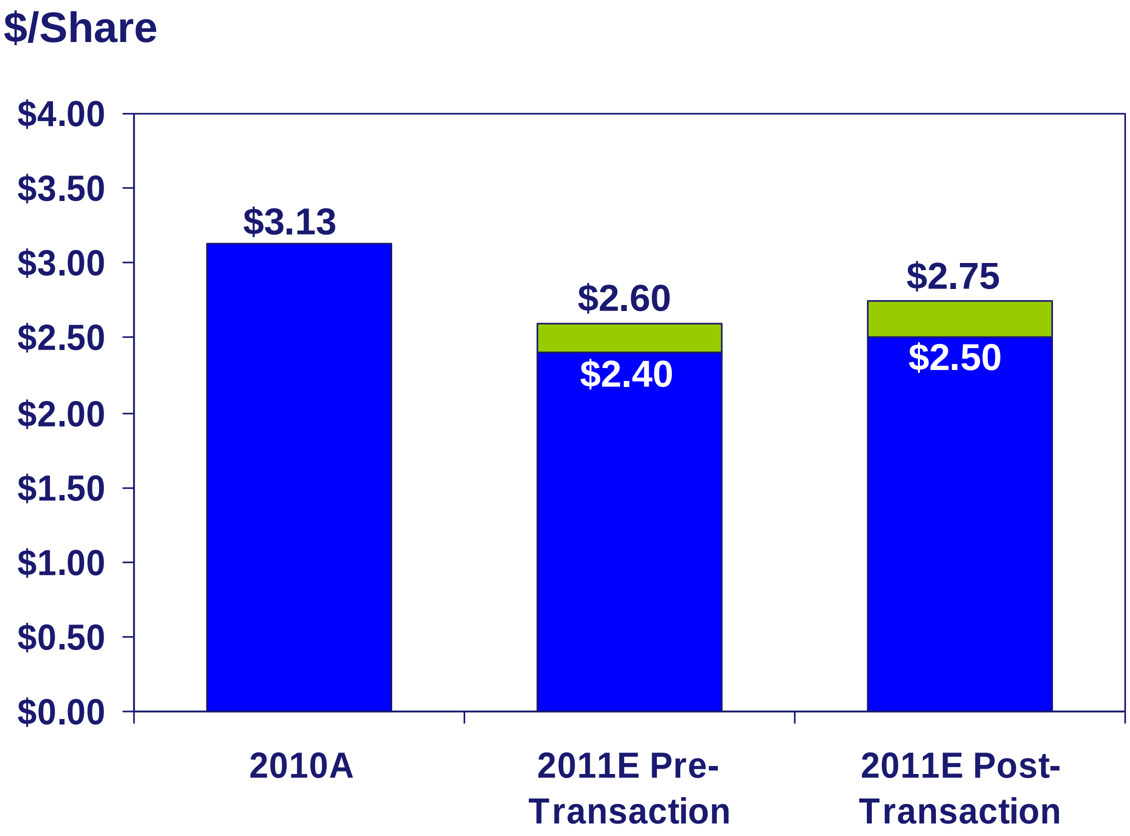
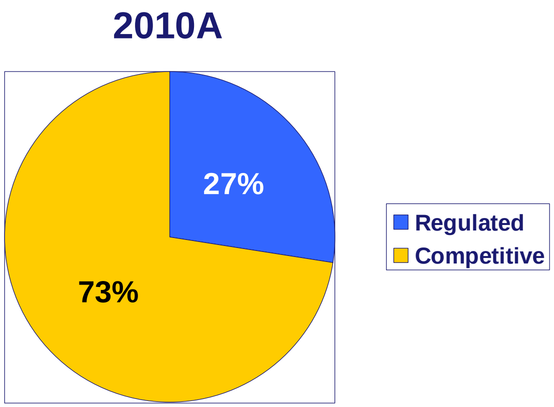
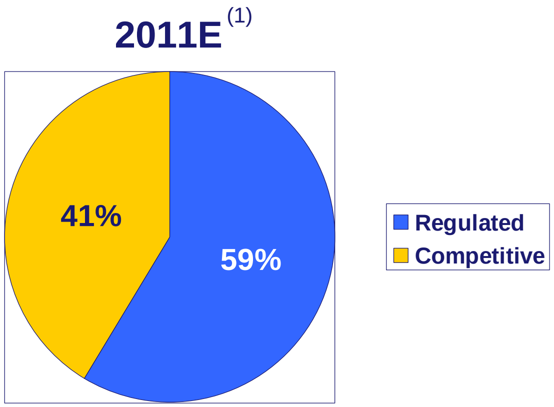
2011 Earnings from Ongoing Operations Forecast







(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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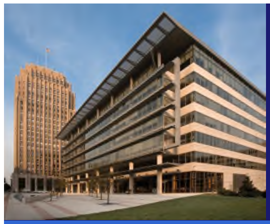

Ongoing Earnings Overview

	Q1 2011	Q1 2010	Change
Kentucky Regulated	$0.15	$ -	$0.15
International Regulated	0.16	0.20	(0.04)
Pennsylvania Regulated	0.11	0.10	0.01
Supply	0.42	0.64	(0.22)
Total	$0.84	$0.94	($0.10)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Regulated Segment Earnings Drivers

		1st Quarter
2010 EPS – Ongoing Earnings		$0.20
Delivery Revenue	0.03	
Financing	(0.02)	
Income Taxes & Other	(0.01)	
Dilution	(0.04)	
Total		(0.04)
2011 EPS – Ongoing Earnings		$0.16

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Regulated Segment Earnings Drivers

		1st Quarter
2010 EPS – Ongoing Earnings		$0.10
Electric Delivery Margins	0.04	
O&M	(0.02)	
Income Taxes & Other	0.02	
Dilution	(0.03)	
Total		0.01
2011 EPS – Ongoing Earnings		$0.11

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	1st Quarter	
2010 EPS – Ongoing Earnings		$0.64
Margins – East	(0.11)	
O&M	-	
Income Taxes & Other	0.01	
Dilution	(0.12)	
Total		(0.22)
2011 EPS – Ongoing Earnings		$0.42

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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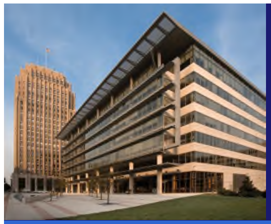
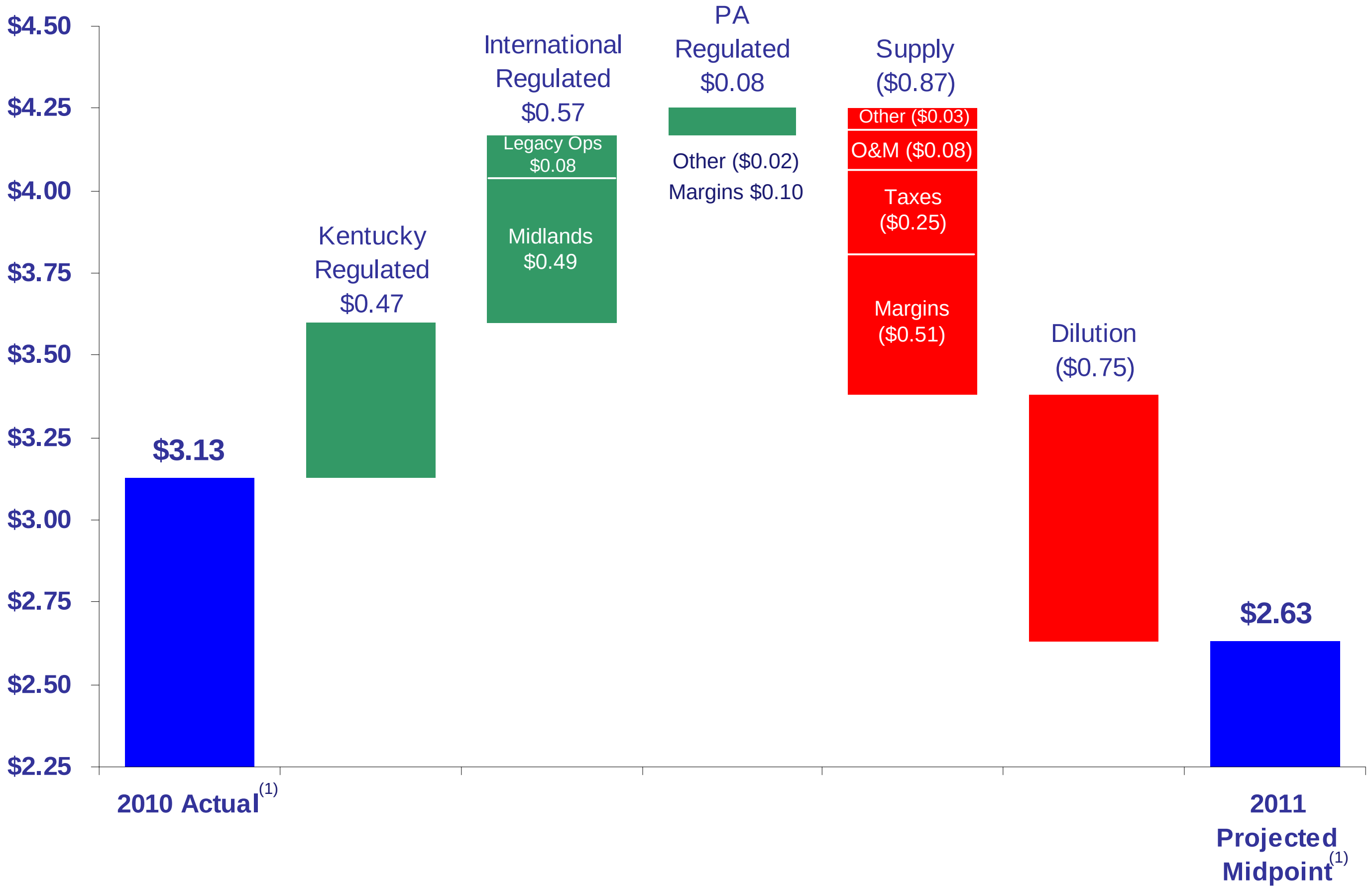


2010 to 2011 Earnings Walk

Earnings Per Share



(1) Earnings from ongoing operations.

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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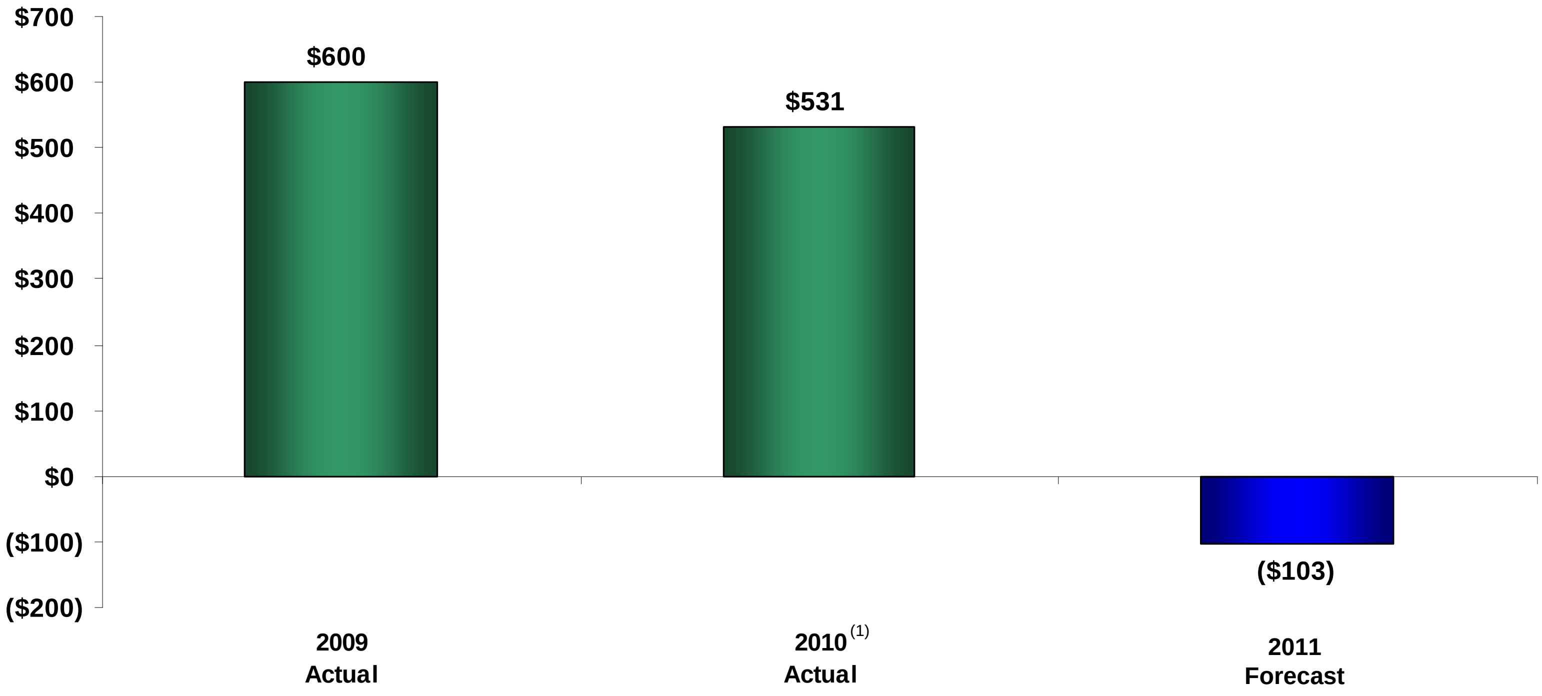
Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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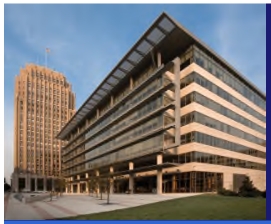
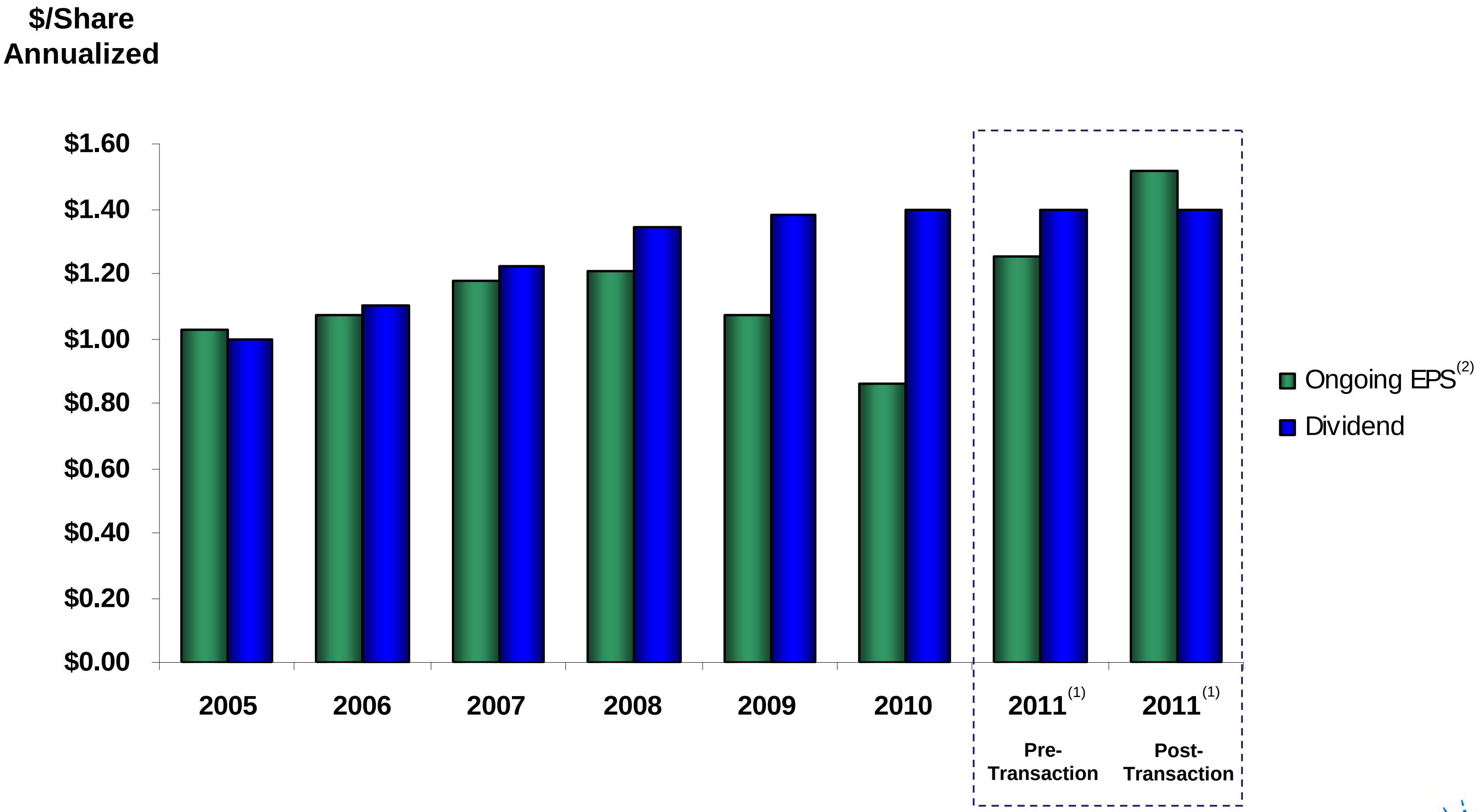


Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) *Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.*

(2) *From only regulated segments.*

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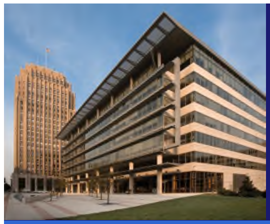

Operational Review

Kentucky Regulated

- Filed Integrated Resource Plan (IRP) with Kentucky PSC on 4/21
- Filed rate case in Virginia on 4/1

Pennsylvania Regulated

- Earned 9th J.D. Power and Associates Award for customer satisfaction by business customers

International Regulated Segment

- Completed acquisition of WPD Midlands (formerly Central Networks)
- Integration proceeding as planned

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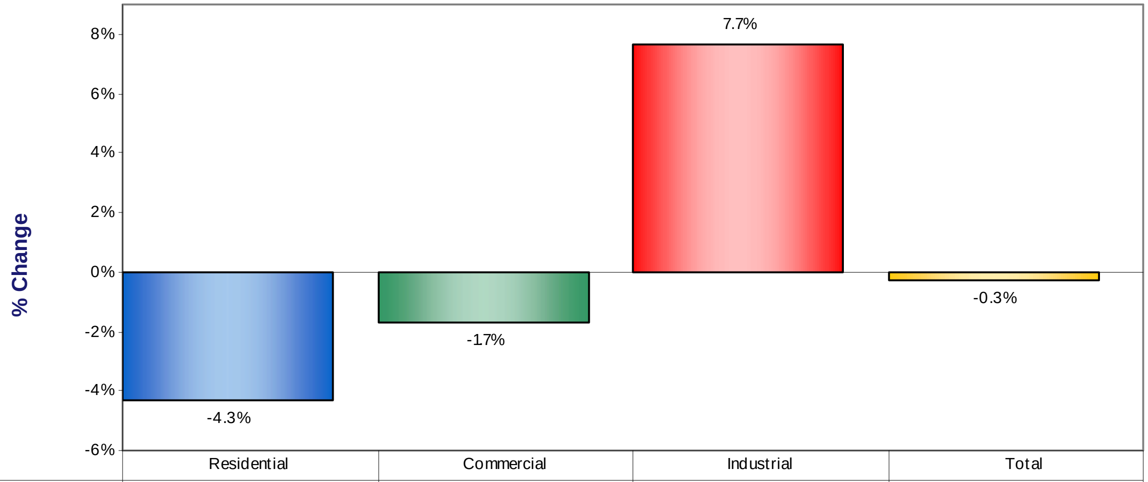
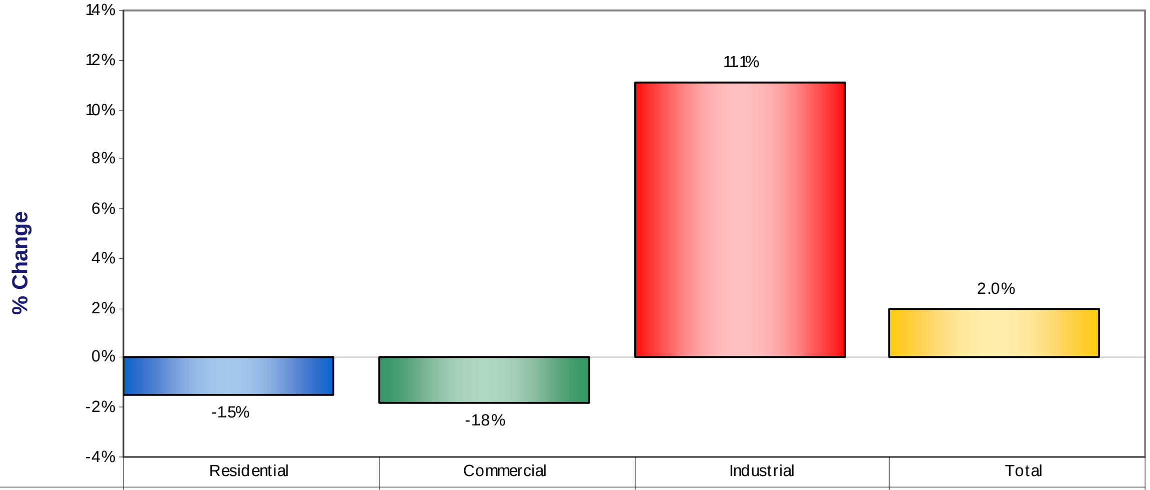
Kentucky Regulated Volume Variances

3-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-4.3%	-1.7%	7.7%	-0.3%
Actual	-10.2%	-3.8%	7.5%	-3.4%

12-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-1.5%	-1.8%	11.1%	2.0%
Actual	4.2%	1.2%	11.5%	4.9%

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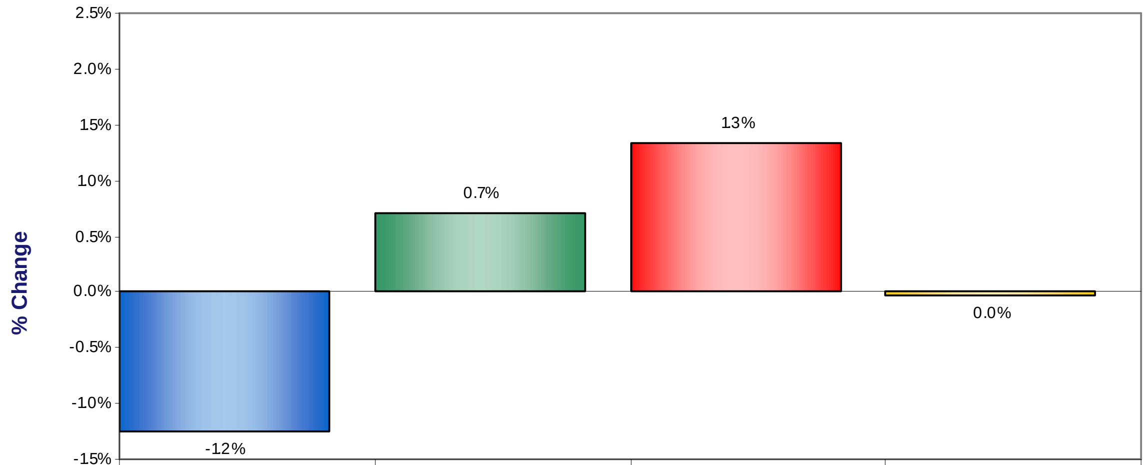
Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

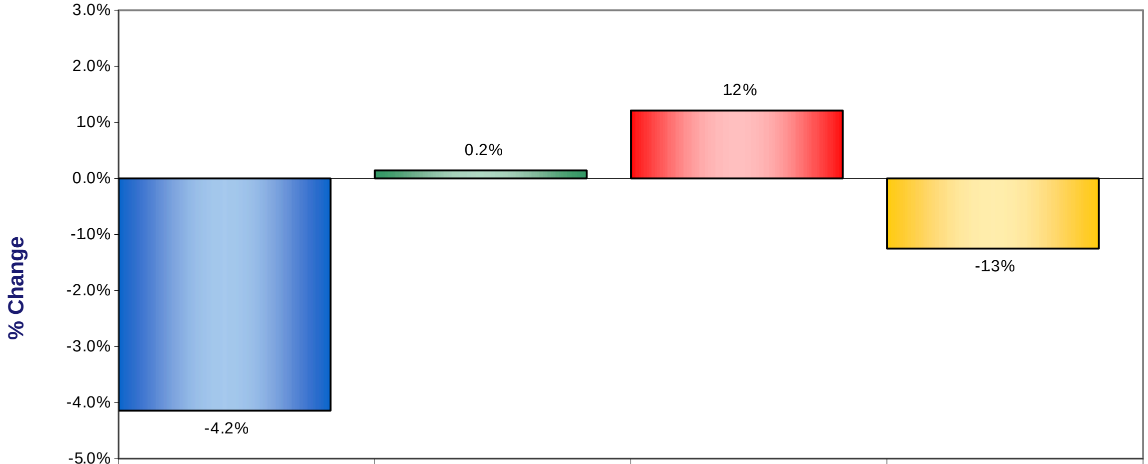
PA Regulated Volume Variances

3-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-12%	0.7%	13%	0.0%
Actual	19%	2.0%	13%	18%

12-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-4.2%	0.2%	12%	-13%
Actual	19%	2.6%	12%	2.0%

Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

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Enhancing Value Through Active Hedging

	2011(4)	2012
Baseload		
Expected Generation(1) (Million MWhs)	**50.7**	**54.7**
East	42.5	46.2
West	8.2	8.5
Current Hedges (%)	**99%**	**86%**
East	100%	84%
West	97%	94%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$57	$55-56
West	$54	$53-54
Current Coal Hedges (%)	**99%**	**96%**
East	99%	94%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$73-74	$76-80
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	7.1	6.2
Current Hedges (%)	58%	26%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of March 31, 2011

(1) Represents expected sales based on current business plan assumptions. Amounts do not reflect the impact of the Susquehanna turbine blade inspection/replacement outages.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of March 31, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 power prices at the 5th and 95th percentile confidence levels.

(4) Includes three months of actual results.

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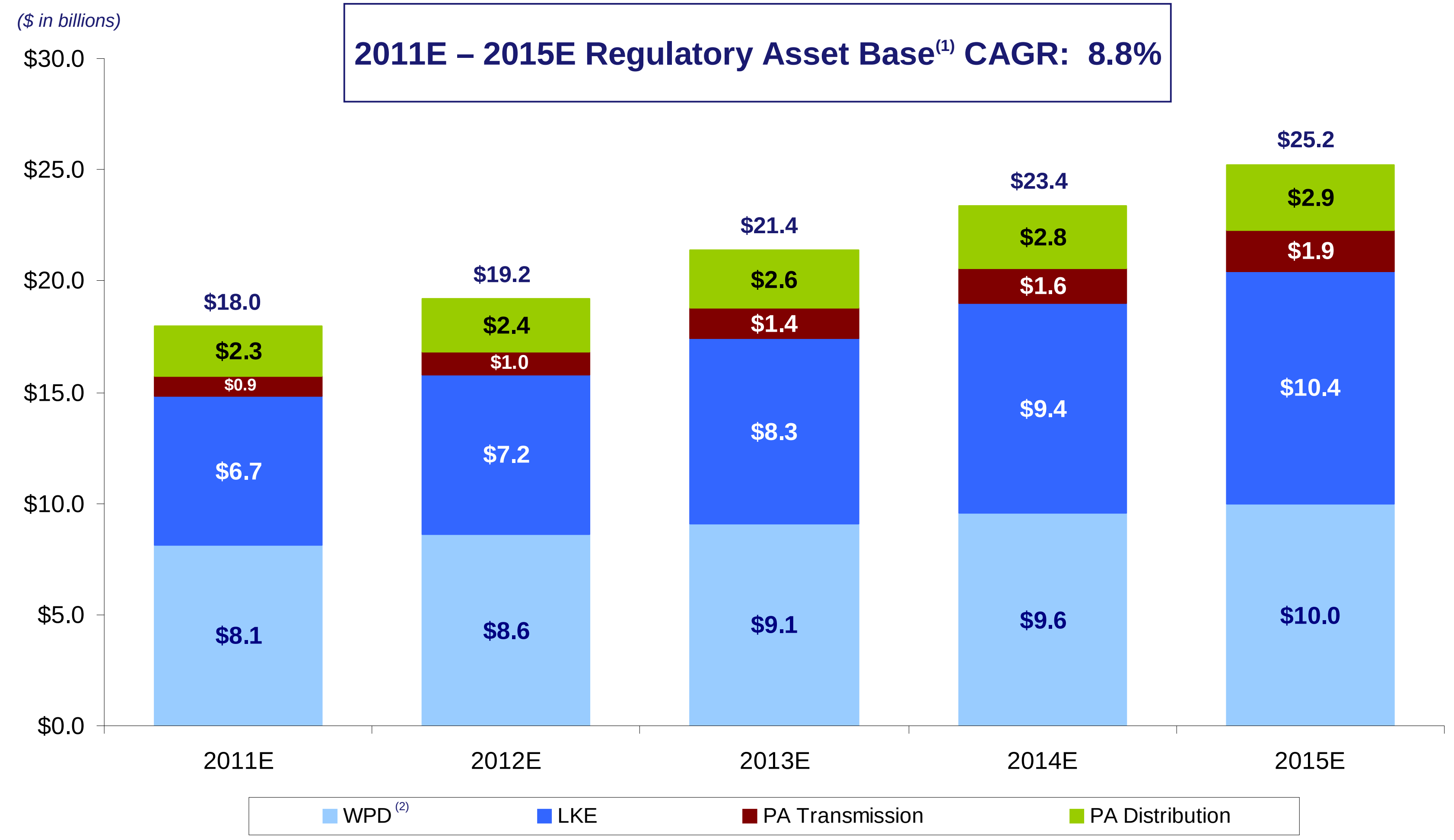
Appendix

Regulated Rate Base Growth



(1) *Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.*

(2) *Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.*

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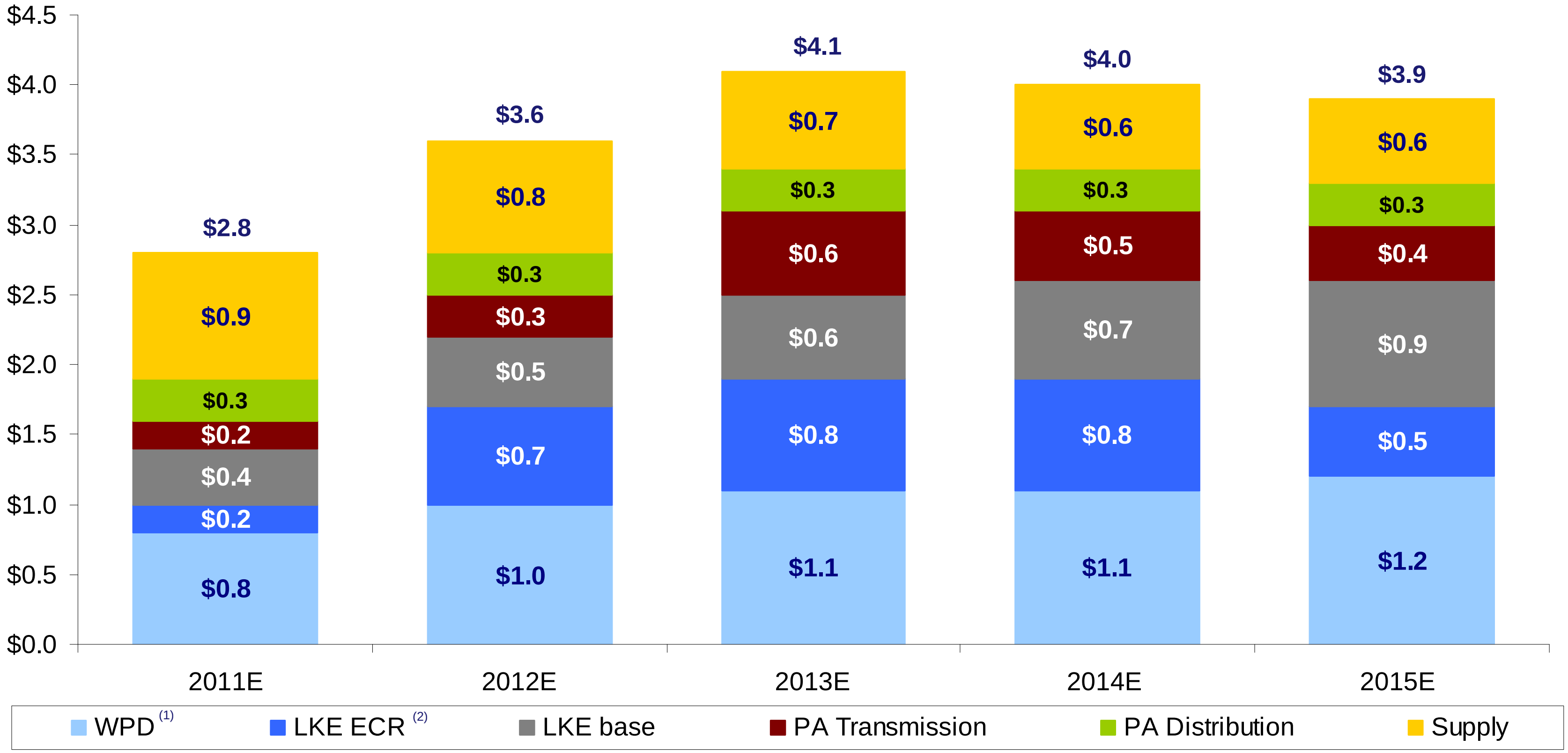
Capital Expenditures

($ in billions)



(1) *Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.*

(2) *Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.*

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Market Prices

	2011	2012
ELECTRIC		
PJM		
On-Peak	$52	$54
Off-Peak	$37	$40
ATC(1)	$44	$46
Mid-Columbia		
On-Peak	$30	$39
Off-Peak	$21	$29
ATC(1)	$26	$35
GAS(2)		
NYMEX	$4.57	$5.06
TZ6NNY	$5.07	$5.83
PJM MARKET		
HEAT RATE(3)	10.2	10.6
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63
EQA	88.3%	89.8%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 3/31/2011.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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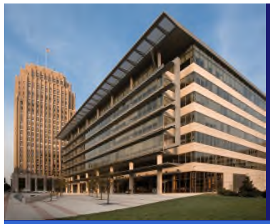

Debt Maturities

(Millions)

	2011	2012	2013	2014	2015
PPL Capital Funding	$0	$0	$0 (1)	$0	$0
LG&E and KU Energy (Holding Co LKE)	2	0	0	0	400
Louisville Gas & Electric	0	0	0	0	250
Kentucky Utilities	0	0	0	0	250
PPL Electric Utilities	0	0	400	10 (2)	100
PPL Energy Supply	500	0	737	300	300 (3)
WPD	0	0	0	0	0
Total	$502	$0	$1,137	$310	$1,300

Note: As of March 31, 2011

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(3) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$145	$700	$2,155
	3-Year Bilateral Credit Facility	Mar-2013	200	102	0	98
			$3,200	$247	$700	$2,253
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$198	$0	$202
WPD	5-year Syndicated Credit Facility	Jan-2013	£150	£0	£113	£37
	3-year Syndicated Credit Facility	Jul-2012	210	0	0	210
	Uncommitted Credit Facilities		63	3	0	60
			£423	£3	£113	£307

Note: As of March 31, 2011

- PPL Domestic facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 10% of the total committed capacity.
- The above does not reflect a Senior Bridge Term Loan Credit Agreement entered into in March 2011, under which PPL Capital Funding and PPL WEM Holdings plc borrowed an aggregate of £3.6 billion in April 2011 to fund the acquisition of Central Networks. To date, £2.4 billion was repaid.
- In April 2011, WPD (East Midlands) and WPD (West Midlands) each entered into a £300 million 5-year Syndicated Credit Facility.
- In April 2011, Kentucky Utilities entered into a new $198 million letter of credit facility that will be used to issue letters of credit to support outstanding tax exempt bonds. In May 2011, letters of credit totaling $198 million were issued under the new facility, replacing letters of credit issued under KU’s Syndicated Credit Facility at March 31, 2011.

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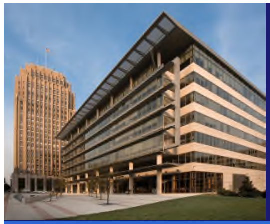

Shares Outstanding

Average Common Shares Outstanding (1)

(in millions)

As of:

March 31, 2011	485 (A)
December 31, 2011	557 (E)
December 31, 2012	582 (E)

---

(1) Projected average common shares outstanding include common stock issued for the acquisition of WPD Midlands, projected shares issued to satisfy DRIP and compensation-related stock requirements, and the issuance of common stock to satisfy the conversion of the PPL Capital Funding equity units in 2013. These projections do not include common stock issued to fund future growth.

(A) Actual for quarter ended March 31, 2011.

(E) Estimate for average shares outstanding for the year indicated.

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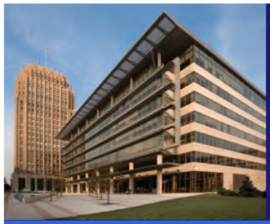

Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions)

Quarter Ending March 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 75	$ 75	$ 52	$ 205	$ 407
Special Items:					
Energy-related economic activity				17	17
Foreign currency-related economic hedges		(1)			(1)
Sales of assets				(1)	(1)
Impairments				(2)	(2)
Central Networks acquisition-related costs:					
Bridge Facility costs		(5)			(5)
Other acquisition-related costs		(10)			(10)
Foreign currency-related economic hedges		(4)			(4)
Total Special Items		(20)		14	(6)
Reported Earnings*	$ 75	$ 55	$ 52	$ 219	$ 401

Quarter Ending March 31, 2010	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 76	$ 37	$ 244	$ 357
Special Items:				
Energy-related economic activity			(65)	(65)
Impairments			(2)	(2)
Other:				
Montana hydroelectric litigation			(32)	(32)
Health Care Reform - tax impact			(8)	(8)
Total Special Items			(107)	(107)
Reported Earnings*	$ 76	$ 37	$ 137	$ 250

* Represents net income attributable to PPL Corporation

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Quarter Ending March 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.15	$ 0.16	$ 0.11	$ 0.42	$ 0.84
Special Items:					
Energy-related economic activity				0.03	0.03
Central Networks acquisition-related costs:					
Bridge Facility costs		(0.02)			(0.02)
Other acquisition-related costs		(0.02)			(0.02)
Foreign currency-related economic hedges		(0.01)			(0.01)
Total Special Items		(0.05)		0.03	(0.02)
Reported Earnings	$ 0.15	$ 0.11	$ 0.11	$ 0.45	$ 0.82

Quarter Ending March 31, 2010	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.20	$ 0.10	$ 0.64	$ 0.94
Special Items:				
Energy-related economic activity			(0.16)	(0.16)
Impairments			(0.01)	(0.01)
Other:				
Montana hydroelectric litigation			(0.09)	(0.09)
Health Care Reform - tax impact			(0.02)	(0.02)
Total Special Items			(0.28)	(0.28)
Reported Earnings	$ 0.20	$ 0.10	$ 0.36	$ 0.66

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High 2011	Low 2011	2010	2009
Earnings from Ongoing Operations per share of common stock	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.03	0.03	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Impacts from emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
Central Networks acquisition-related costs:				
Bridge Facility costs	(0.02)	(0.02)		
Other acquisition-related costs	(0.02)	(0.02)		
Foreign currency-related economic hedges	(0.01)	(0.01)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
Bridge Facility costs			(0.12)	
Discontinued cash flow hedges & ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health Care Reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.02)	(0.02)	(0.96)	(0.87)
Reported Earnings per share of common stock	$ 2.73	$ 2.48	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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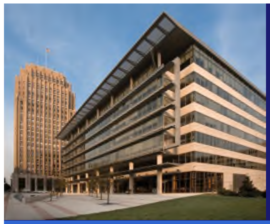

Reconciliation of First Quarter Operating Income to Pennsylvania Gross Delivery Margins

(Millions)

	Three Months Ended March 31,			
	2011	2010	Change	Per Share Diluted (after-tax) (a)
Pennsylvania gross delivery margins, pre-tax	$ 250	$ 221	$ 29	0.04 ¢

	Three Months Ended March 31,	
	2011	2010
Operating Income	$ 805	$ 476
Adjustments:		
Unregulated retail electric and gas	(147)	(104)
Wholesale energy marketing	(1,095)	(1,783)
Net energy trading margins	(11)	(11)
Energy-related businesses, net	(8)	(6)
Fuel	475	230
Other operation and maintenance	583	444
Depreciation	208	124
Taxes, other than income	73	72
Revenue adjustments (b)	(988)	(318)
Expense adjustments (b)	355	1,097
Pennsylvania gross delivery margins	$ 250	$ 221

(a) Per share amount based on the weighted average shares outstanding for the three months ended March 31, 2010.

(b) The components of these adjustments are detailed on the next slide.

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Reconciliation of First Quarter Operating Income to Pennsylvania Gross Delivery Margins

(Millions)

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010
Revenue adjustments		
Exclude utilities revenue, included in LKE Gross Electric and Gas Margins	$ (766)	
Exclude WPD utility revenue	(216)	$ (203)
Exclude PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	(6)	(115)
Total revenue adjustments	$ (988)	$ (318)
Expense adjustments		
Exclude energy purchases, included in Unregulated Gross Energy Margins	$ (296)	$ (1,163)
Exclude energy purchases, included in LKE Gross Electric and Gas Margins	(107)	
Include gross receipts tax	33	45
Include Act 129	15	18
Other		3
Total expense adjustments	$ (355)	$ (1,097)

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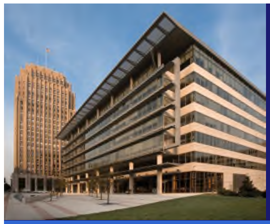

Reconciliation of First Quarter Operating Income to Unregulated Gross Energy Margins

(Millions)

	Three Months Ended March 31,			
	2011	**2010**	**Change**	**Per Share Diluted (after-tax) (a)**
Non-trading:				
Eastern U.S.	$ 578	$ 649	$ (71)	(0.11) ¢
Western U.S.	82	83	(1)	
Net energy trading	11	11		
Unregulated gross energy margins, pre-tax	$ 671	$ 743	$ (72)	(0.11) ¢

	Three Months Ended March 31,	
	2011	**2010**
Operating Income	$ 805	$ 476
Adjustments:		
Utility	(1,536)	(1,014)
Energy-related businesses, net	(8)	(6)
Other operation and maintenance	583	444
Depreciation	208	124
Taxes, other than income	73	72
Revenue adjustments (b)	(52)	(300)
Expense adjustments (b)	598	947
Unregulated gross energy margins	$ 671	$ 743

(a) Per share amount based on the weighted average shares outstanding for the three months ended March 31, 2010.

(b) The components of these adjustments are detailed on the next slide.

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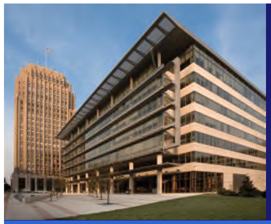

Reconciliation of First Quarter Operating Income to Unregulated Gross Energy Margins

(Millions)

	Three Months Ended March 31,	
	2011	**2010**
Revenue adjustments		
Exclude the impact from energy-related economic activity	$ (77)	$ (447)
Include PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus	6	115
Include gains from sale of emission allowances\RECs		1
Include revenue from certain discontinued operations	19	31
Total revenue adjustments	$ (52)	$ (300)
Expense adjustments		
Exclude fuel and energy purchases, included in Kentucky Gross Electric and Gas Margins	$ (322)	
Exclude the impact from energy-related economic activity	(48)	$ (557)
Exclude external PLR energy purchases	(250)	(409)
Include expenses from certain discontinued operations	7	6
Include ancillary charges	4	7
Include gross receipts tax	7	3
Other	4	3
Total expense adjustments	$ (598)	$ (947)

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,200
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,837)
Sale of Assets	84	161	382
Other Investing Activities – Net	(71)	(20)	152
Free Cash Flow before Dividends	$ 600	$ 531	$ (103)

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our plants, including the current outage at Unit 2 of our Susquehanna nuclear plant to inspect and repair turbine blades, and the timing and outcome of any similar outage for inspections at Unit 1 of the Susquehanna plant; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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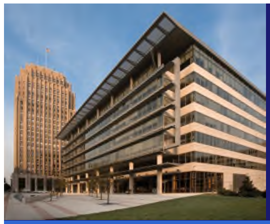

Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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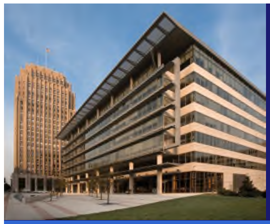
Deutsche Bank Conference

PPL Corporation
May 11, 2011



Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Investment Highlights

- Predominantly rate-regulated business mix with significant growth prospects
  - Operations in constructive jurisdictions
  - Approximately two-thirds of regulated capital expenditures earn real-time or near real-time returns
  - ~ 9% compound annual growth in rate base from 2011 to 2015
  - Expect 75% of 2013 EBITDA from regulated businesses

- Highly attractive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
    - No significant exposure to currently proposed environmental regulations
  - Multiple drivers of significant upside
    - Increasing natural gas prices
    - Increasing heat rates
    - Environmental regulation

- Business Risk Profile rated “Excellent” by S&P
  - Stable ratings outlooks

- Secure dividend with strong platform for future growth

PPL has a highly attractive and differentiated position in the electric industry

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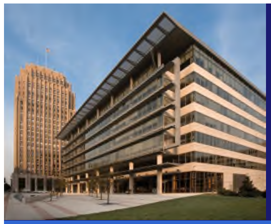

Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
- Strong operating performance – regulated and competitive
- Strong carbon and other environmental position
- Excellent cost-management
- Knowledgeable, dedicated employees

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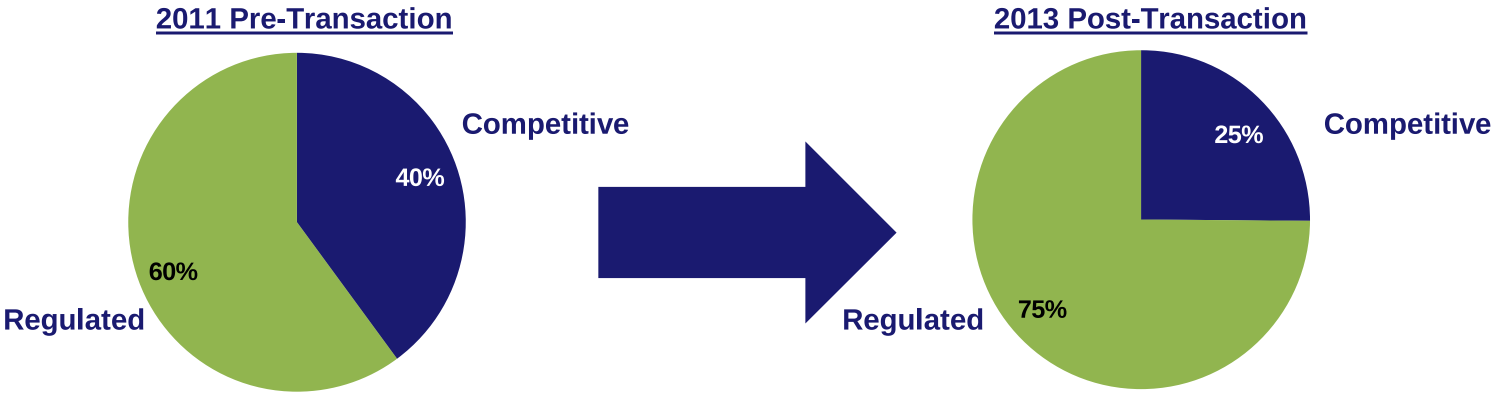
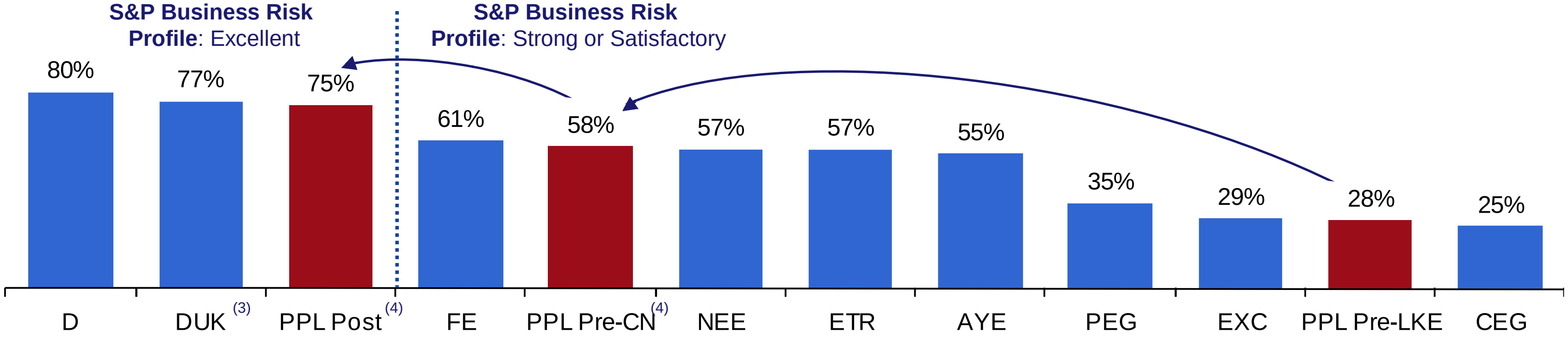
Predominantly Regulated Business Mix

EBITDA Projection (1)



Regulated Cash Flow (2)



(1) *Approximate projections.*

(2) *"Does The Shale Gas Glut Pose A Threat To U.S. Integrated Power Merchants' Credit Quality?" Standard & Poor's, October 22, 2010.*

(3) *Based on EBIT estimate from company presentation.*

(4) *PPL estimates; CN pre-transaction figure based on 2011 FFO; post-transaction figure based on 2013 FFO for the combined entity, which includes full realization of expected synergies.*

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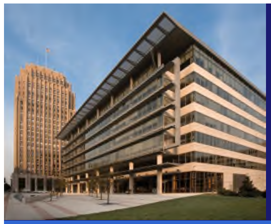
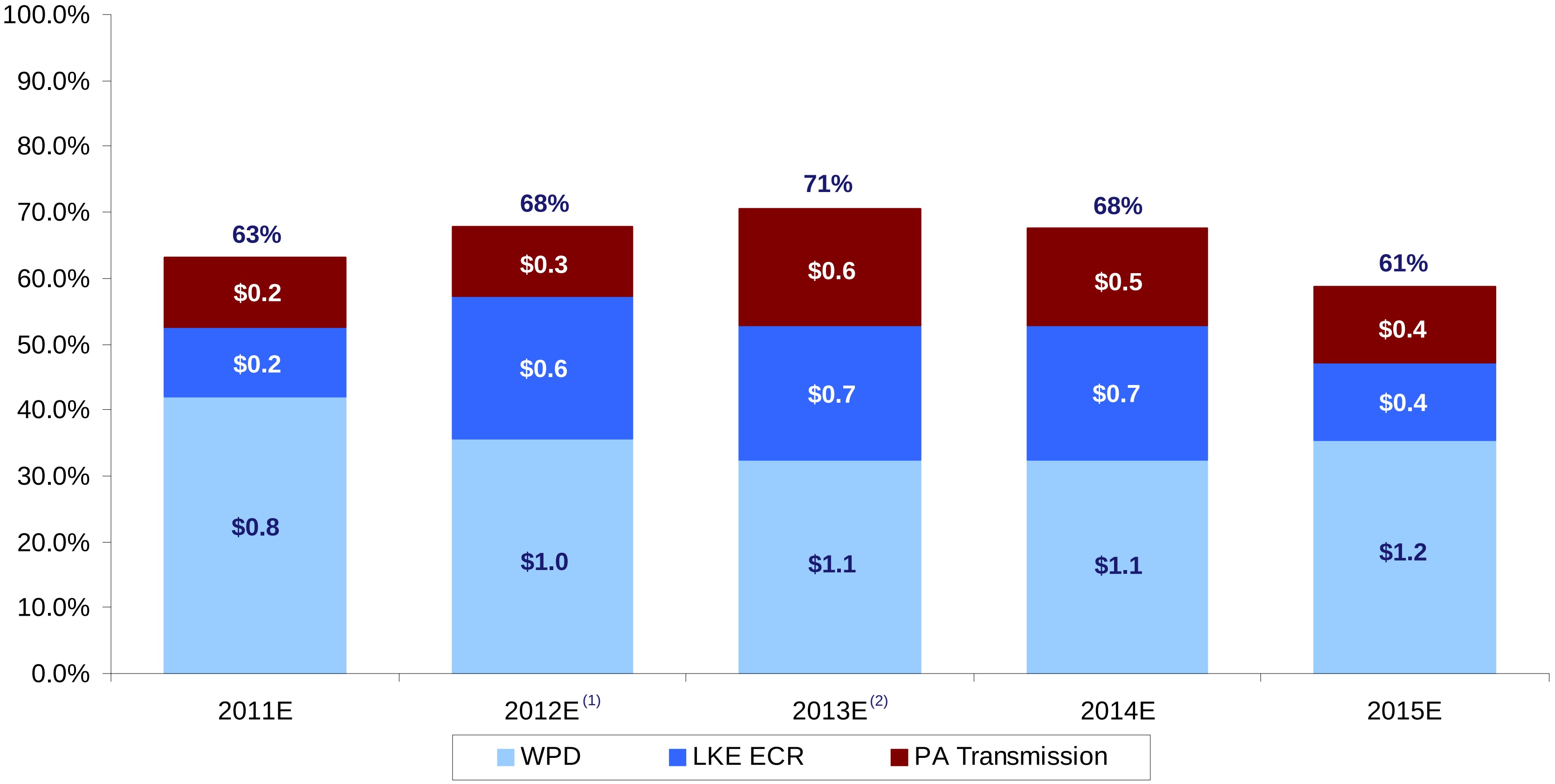


Real-Time Recovery of Majority of Regulated Capex Spending

Approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag



Note: $ in billions.
(1) Figures based on assumed exchange rate of $1.60 / GBP. Includes capex for WPD Midlands.
(2) Assumes approximately 85% of timely returns via ECR mechanism based on historical experience.

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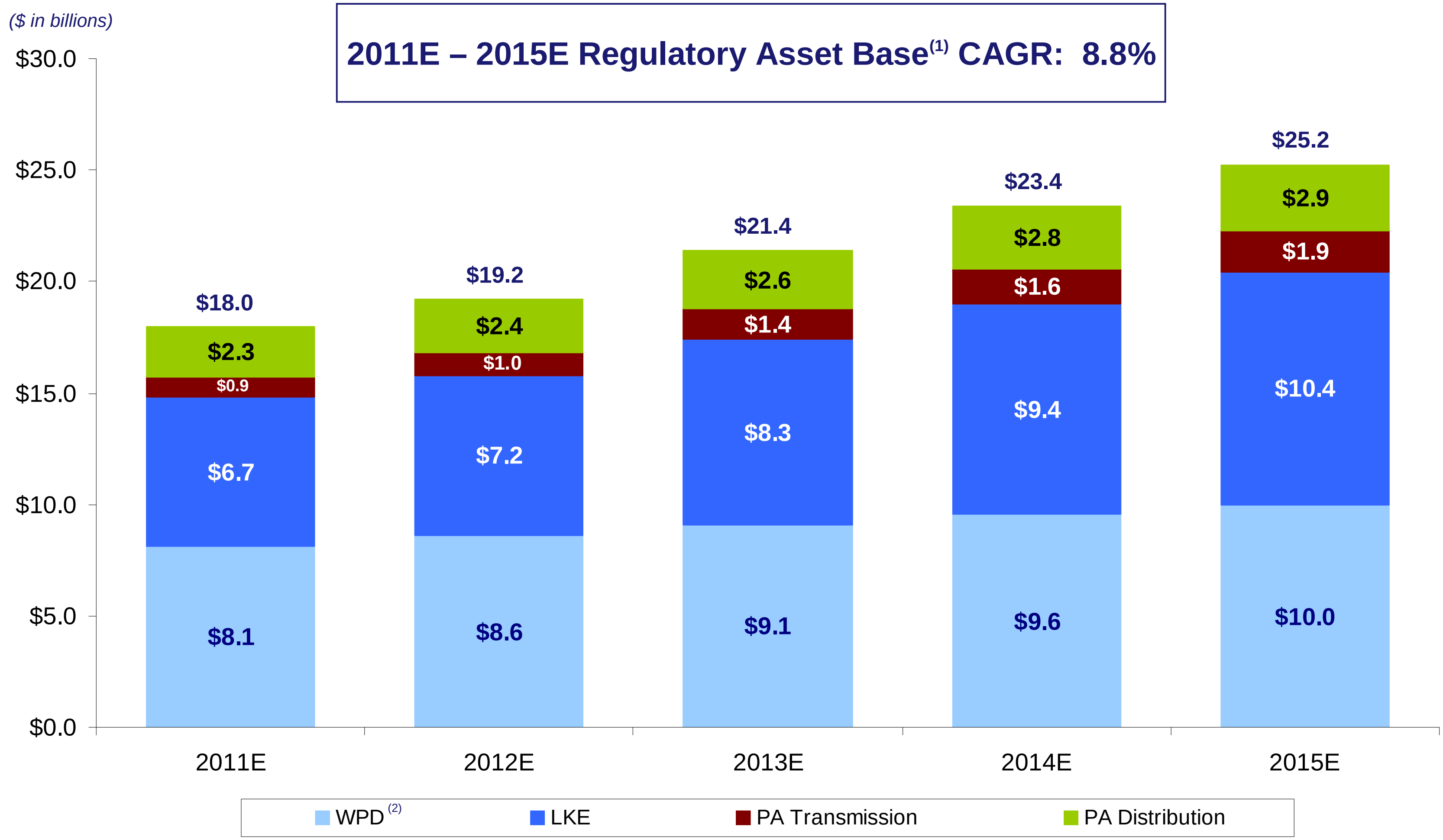
Regulated Rate Base Growth



2011E – 2015E Regulatory Asset Base[1] CAGR: 8.8%

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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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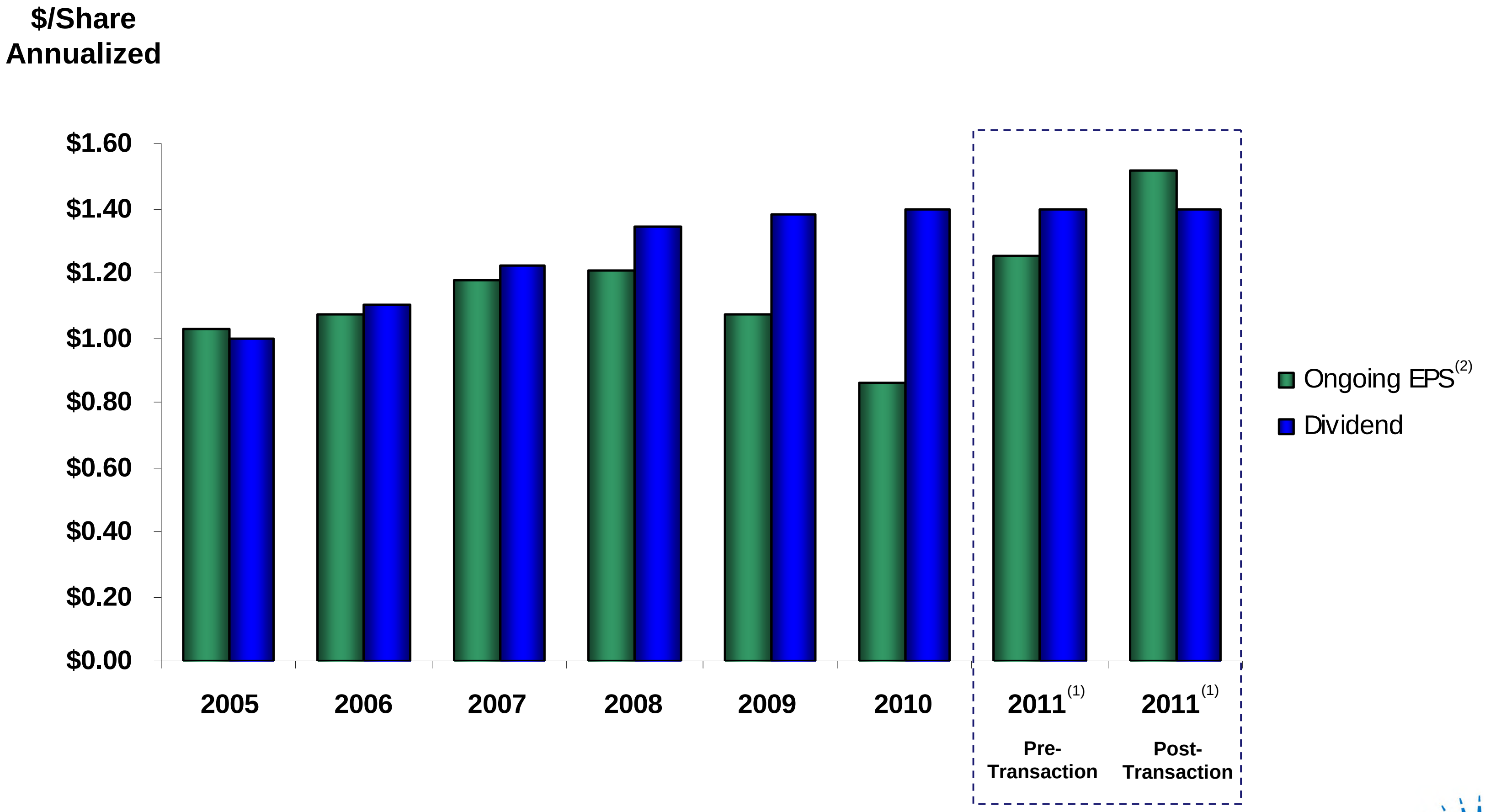
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) *Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.*

(2) *From only regulated segments.*

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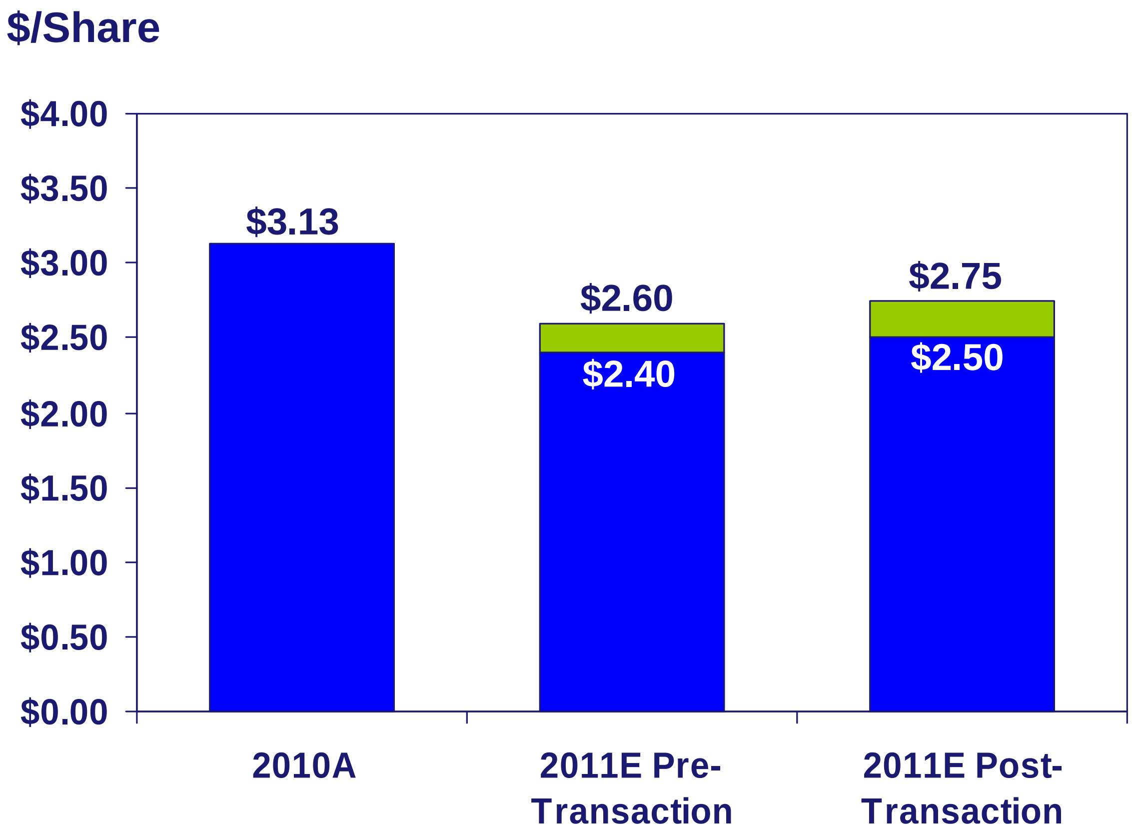
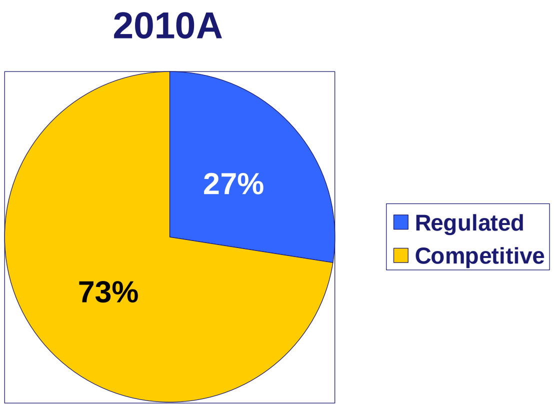
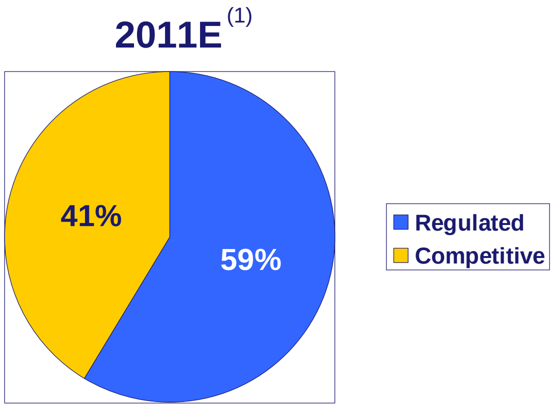
Appendix

2011 Earnings from Ongoing Operations Forecast







(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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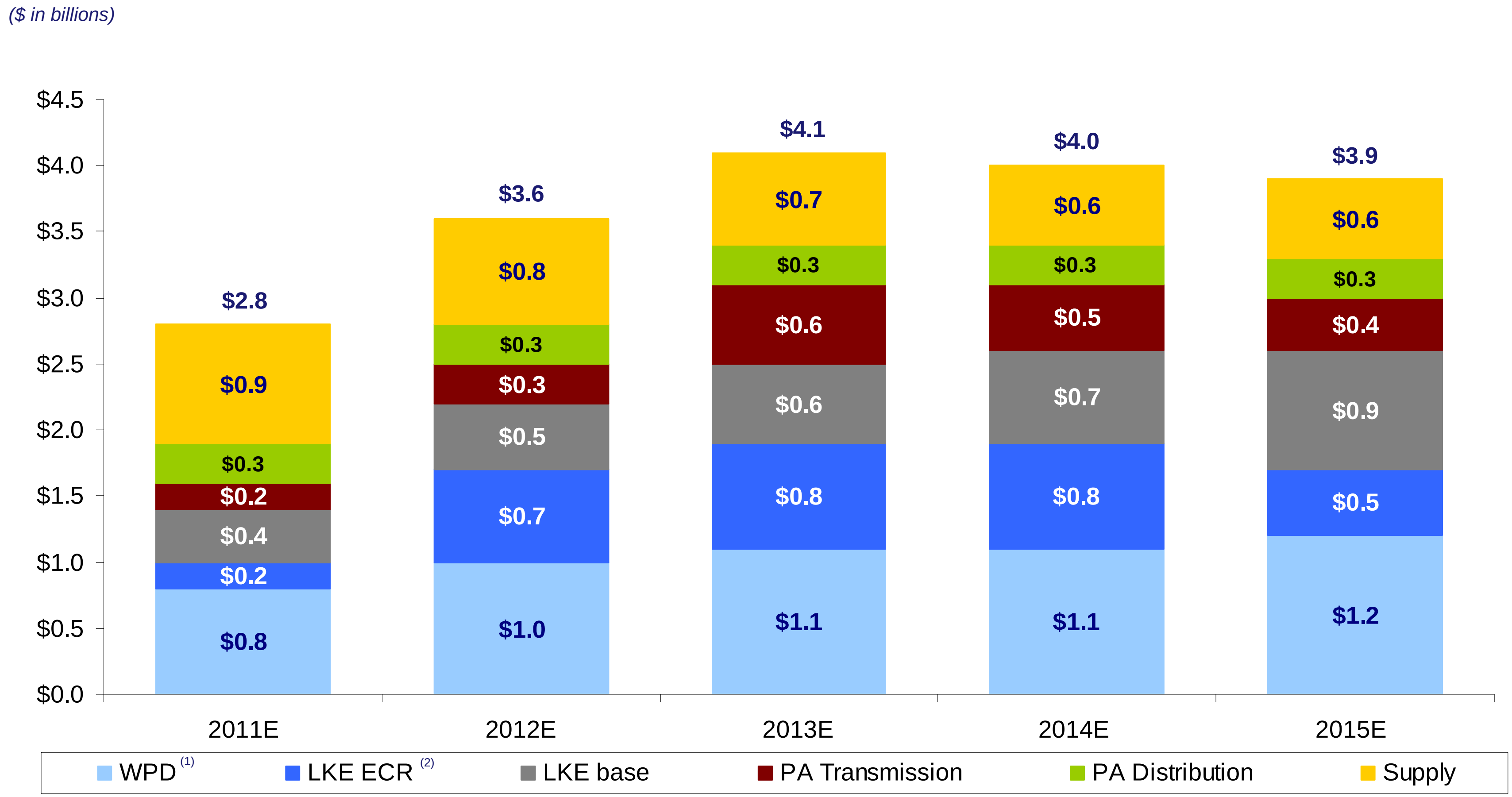
Capital Expenditures



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.

(2) Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.

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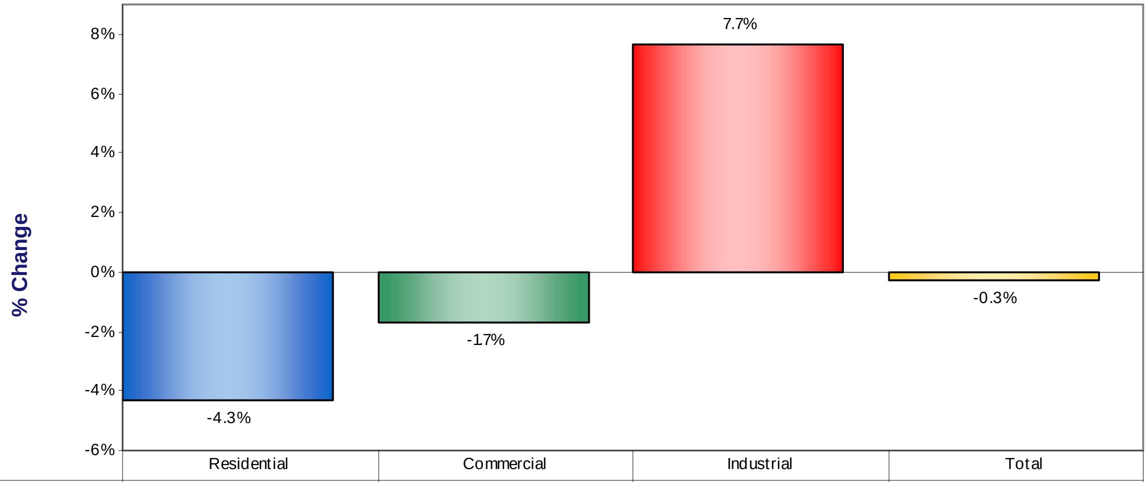
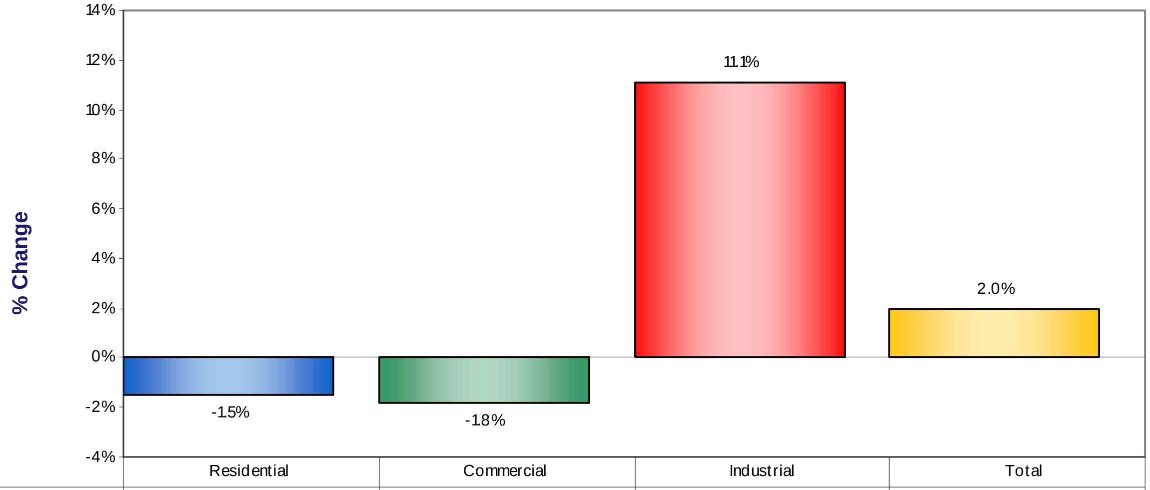
Kentucky Regulated Volume Variances

3-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-4.3%	-1.7%	7.7%	-0.3%
Actual	-10.2%	-3.8%	7.5%	-3.4%

12-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-1.5%	-1.8%	11.1%	2.0%
Actual	4.2%	1.2%	11.5%	4.9%

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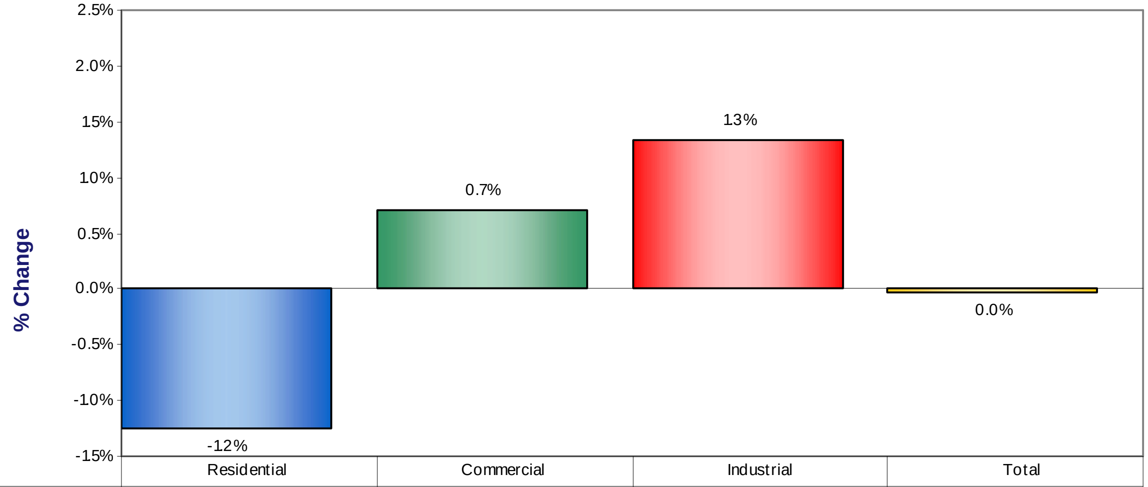
Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

PA Regulated Volume Variances

3-months Ended 3/31 2011 vs 2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-12%	0.7%	13%	0.0%
Actual	19%	2.0%	13%	18%

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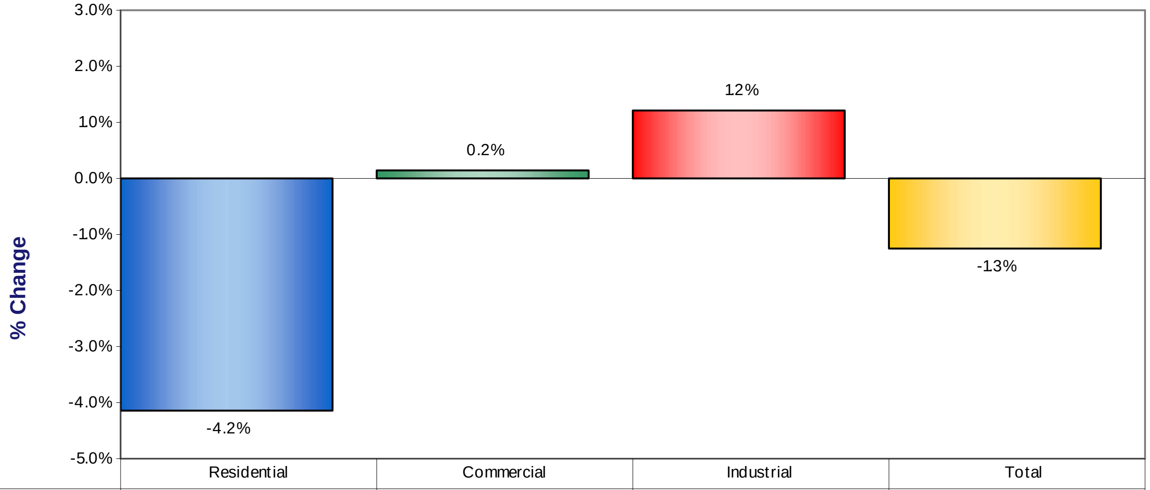

	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-4.2%	0.2%	12%	-13%
Actual	19%	2.6%	12%	2.0%

Note: Total includes Residential, Commercial and Industrial customer classes as well as "Other", which is not depicted on the charts above.

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Enhancing Value Through Active Hedging

	2011[4]	2012
Baseload		
Expected Generation[1] (Million MWhs)	**50.7**	**54.7**
East	42.5	46.2
West	8.2	8.5
Current Hedges (%)	**99%**	**86%**
East	100%	84%
West	97%	94%
Average Hedged Price (Energy Only) ($/MWh)[2] [3]		
East	$57	$55-56
West	$54	$53-54
Current Coal Hedges (%)	**99%**	**96%**
East	99%	94%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$73-74	$76-80
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation[1] (Million MWhs)	7.1	6.2
Current Hedges (%)	58%	26%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of March 31, 2011

(1) Represents expected sales based on current business plan assumptions. Amounts do not reflect the impact of the Susquehanna turbine blade inspection/replacement outages.

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(4) Includes three months of actual results.

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Market Prices

	2011	2012
ELECTRIC		
PJM		
On-Peak	$52	$54
Off-Peak	$37	$40
ATC(1)	$44	$46
Mid-Columbia		
On-Peak	$30	$39
Off-Peak	$21	$29
ATC(1)	$26	$35
GAS(2)		
NYMEX	$4.57	$5.06
TZ6NNY	$5.07	$5.83
PJM MARKET		
HEAT RATE(3)	10.2	10.6
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63
EQA	88.3%	89.8%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 3/31/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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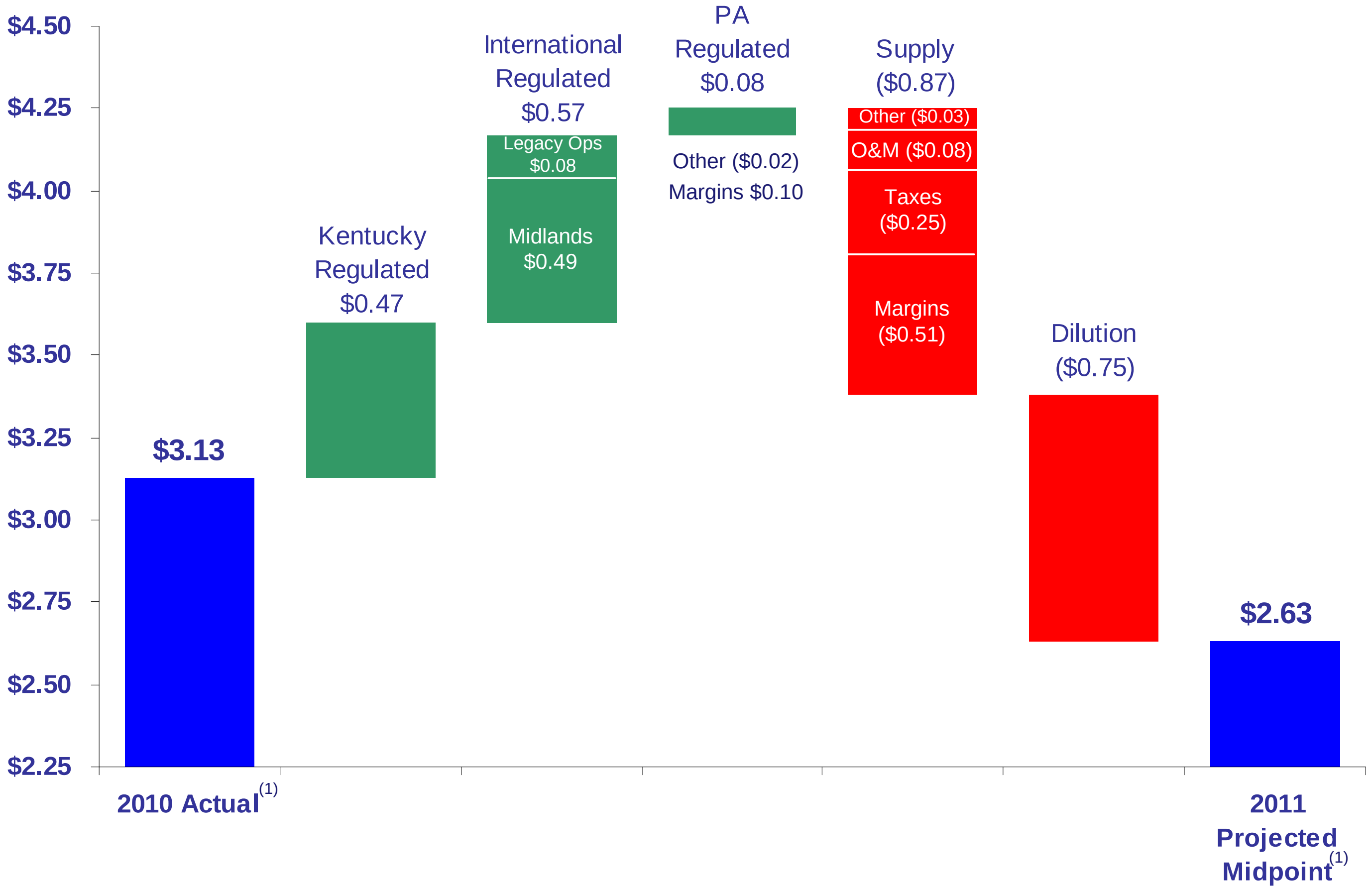
2010 to 2011 Earnings Walk

Earnings Per Share



(1) Earnings from ongoing operations.

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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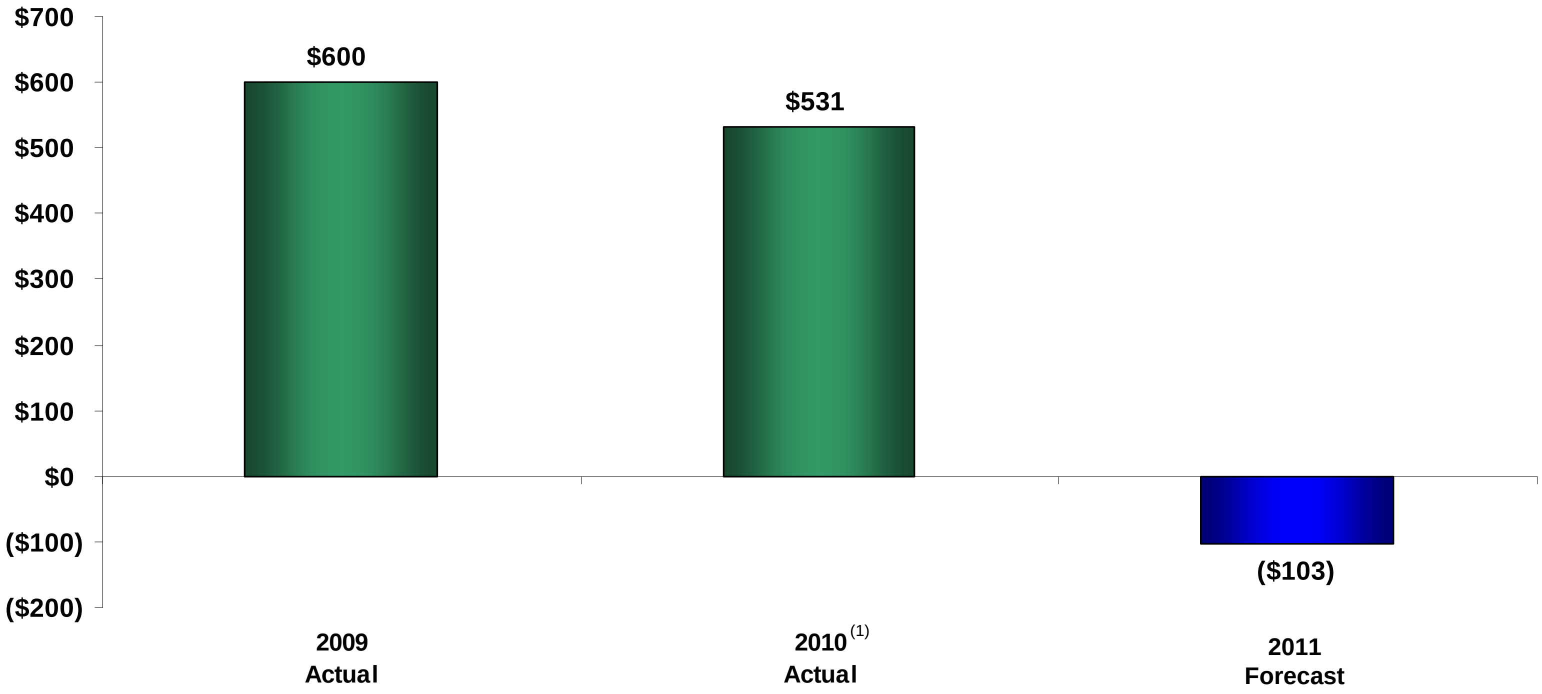
Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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Shares Outstanding

Average Common Shares Outstanding (1)

(in millions)

As of:

March 31, 2011	485 (A)
December 31, 2011	557 (E)
December 31, 2012	582 (E)

---

(1) Projected average common shares outstanding include common stock issued for the acquisition of WPD Midlands and projected shares issued to satisfy DRIP and compensation-related stock requirements. These projections do not include common stock issued to fund future growth.

(A) Actual for quarter ended March 31, 2011.

(E) Estimate for average shares outstanding for the year indicated.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,200
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,837)
Sale of Assets	84	161	382
Other Investing Activities – Net	(71)	(20)	152
Free Cash Flow before Dividends	$ 600	$ 531	$ (103)

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High	Low		
	2011	2011	2010	2009
Earnings from Ongoing Operations per share of common stock	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.03	0.03	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Impacts from emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
Central Networks acquisition-related costs:				
Bridge Facility costs	(0.02)	(0.02)		
Other acquisition-related costs	(0.02)	(0.02)		
Foreign currency-related economic hedges	(0.01)	(0.01)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
Bridge Facility costs			(0.12)	
Discontinued cash flow hedges & ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health Care Reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.02)	(0.02)	(0.96)	(0.87)
Reported Earnings per share of common stock	$ 2.73	$ 2.48	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our plants, including the current outage at Unit 2 of our Susquehanna nuclear plant to inspect and repair turbine blades, and the timing and outcome of any similar outage for inspections at Unit 1 of the Susquehanna plant; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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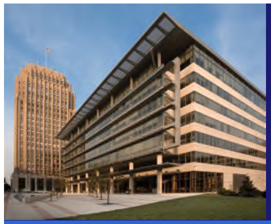

Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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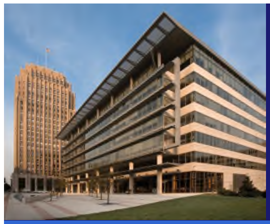
EEI Annual Finance Meeting

PPL Corporation
May 25, 2011



Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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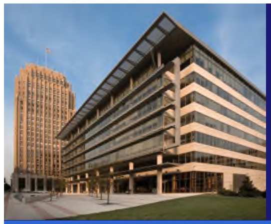

Investment Highlights

- Predominantly rate-regulated business mix with significant growth prospects
  - Operations in constructive jurisdictions
  - Approximately two-thirds of regulated capital expenditures earn real-time or near real-time returns
  - ~ 9% compound annual growth in rate base from 2011 to 2015
  - Expect 75% of 2013 EBITDA from regulated businesses
- Highly attractive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
    - No significant exposure to currently proposed environmental regulations
  - Multiple drivers of significant upside
    - Increasing natural gas prices
    - Increasing heat rates
    - Environmental regulation
- Business Risk Profile rated “Excellent” by S&P
  - Stable ratings outlooks
- Secure dividend with strong platform for future growth

PPL has a highly attractive and differentiated position in the electric industry

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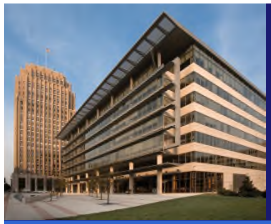

Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
- Strong operating performance – regulated and competitive
- Strong carbon and other environmental position
- Excellent cost-management
- Knowledgeable, dedicated employees

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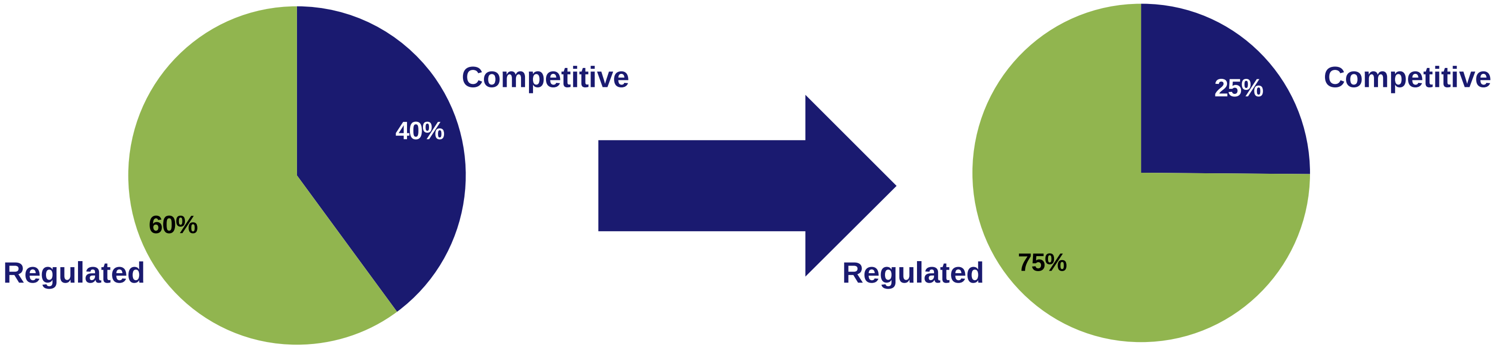
Predominantly Regulated Business Mix

EBITDA Projection (1)

2011 Pre-Transaction

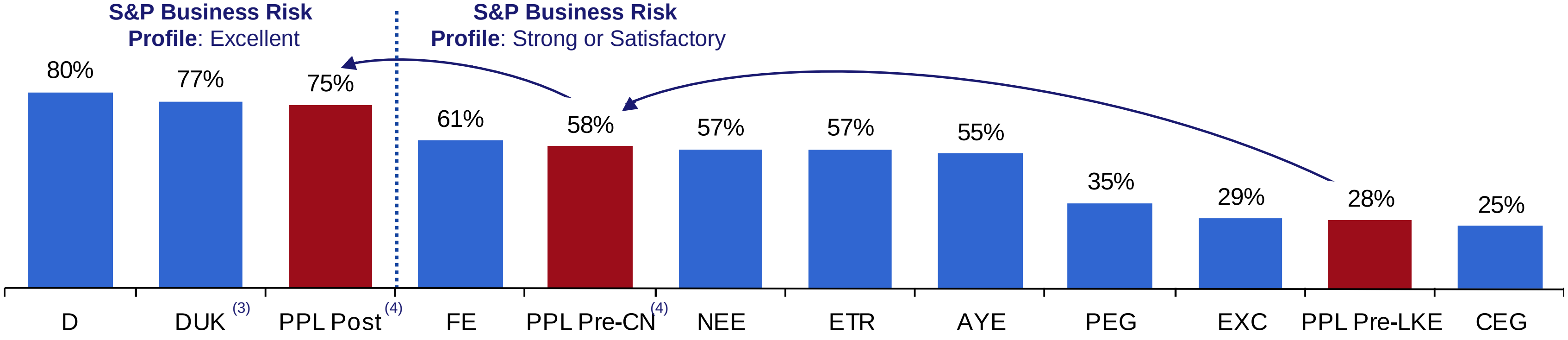
2013 Post-Transaction



Regulated Cash Flow (2)

S&P Business Risk Profile: Excellent

S&P Business Risk Profile: Strong or Satisfactory



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(1) *Approximate projections.*

(2) *"Does The Shale Gas Glut Pose A Threat To U.S. Integrated Power Merchants' Credit Quality?" Standard & Poor's, October 22, 2010.*

(3) *Based on EBIT estimate from company presentation.*

(4) *PPL estimates; CN pre-transaction figure based on 2011 FFO; post-transaction figure based on 2013 FFO for the combined entity, which includes full realization of expected synergies.*

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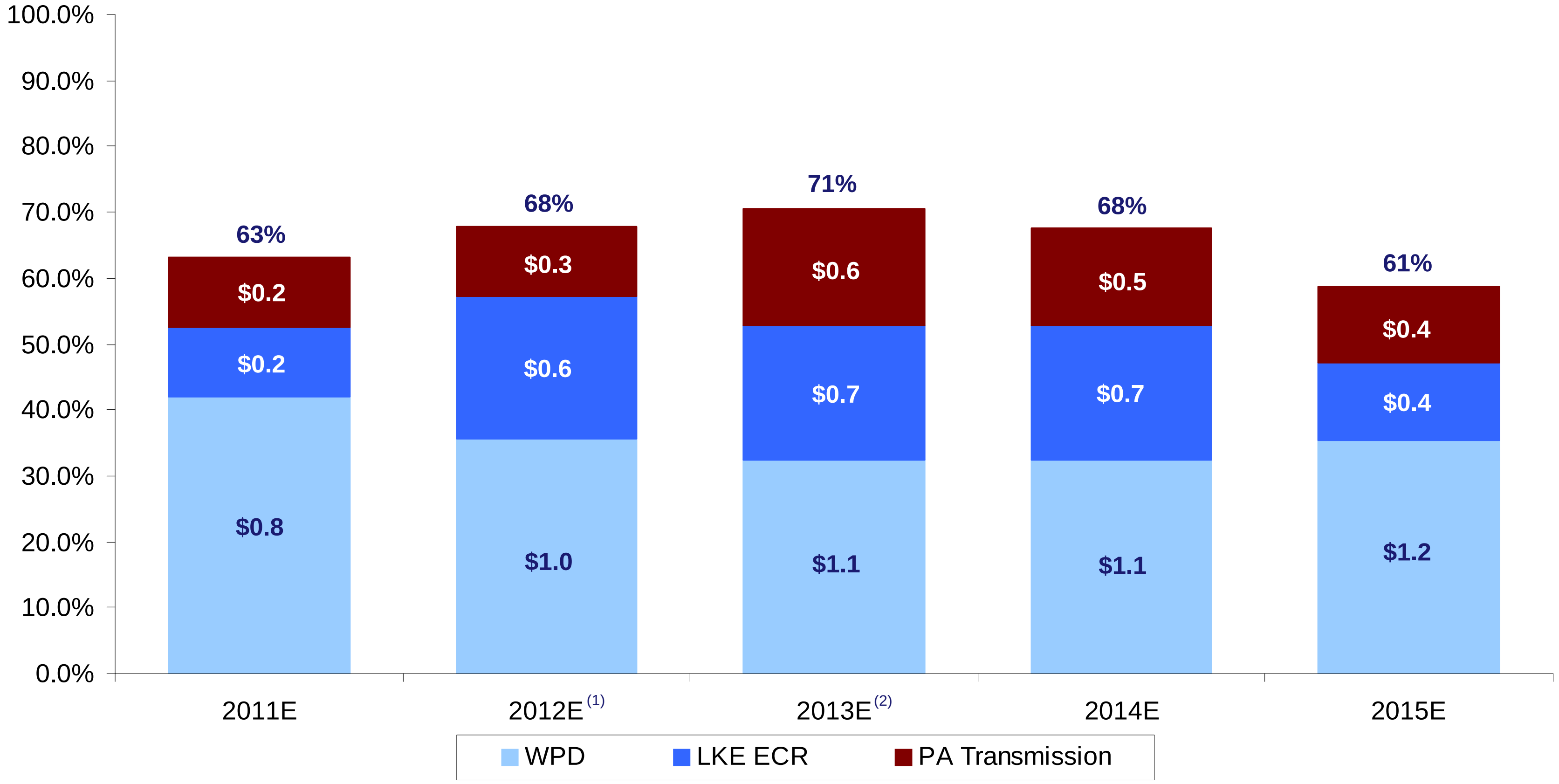
Real-Time Recovery of Majority of Regulated Capex Spending

Approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag



Note: $ in billions.
(1) Figures based on assumed exchange rate of $1.60 / GBP. Includes capex for WPD Midlands.
(2) Assumes approximately 85% of timely returns via ECR mechanism based on historical experience.

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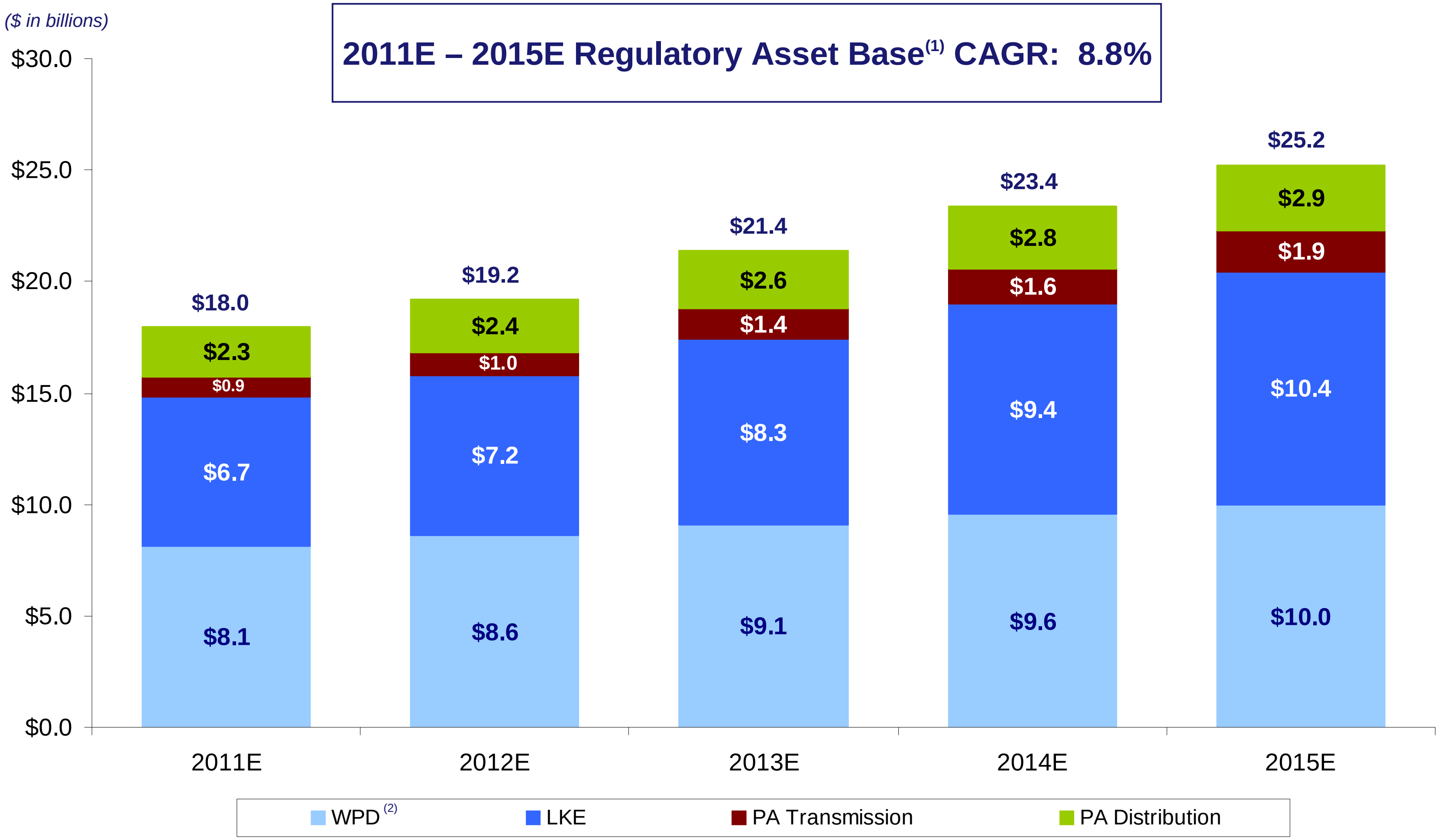
Regulated Rate Base Growth

2011E – 2015E Regulatory Asset Base[1] CAGR: 8.8%



(1) *Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.*

(2) *Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.*

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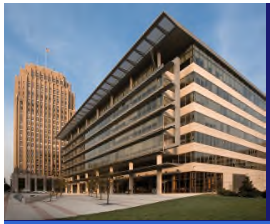
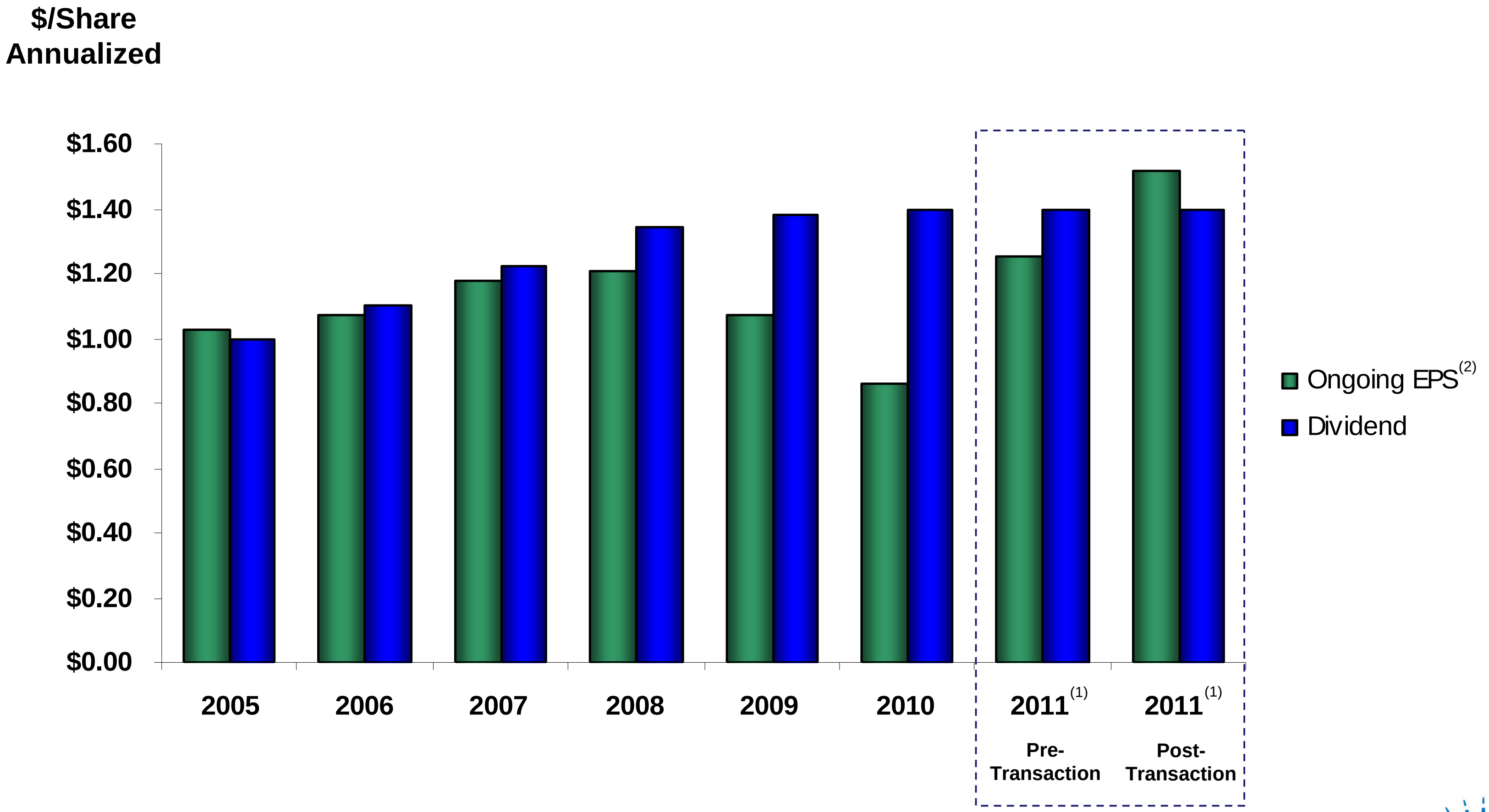


Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



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(1) *Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.*

(2) *From only regulated segments.*

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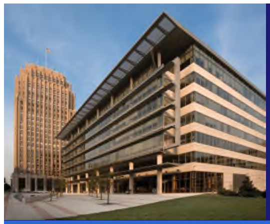
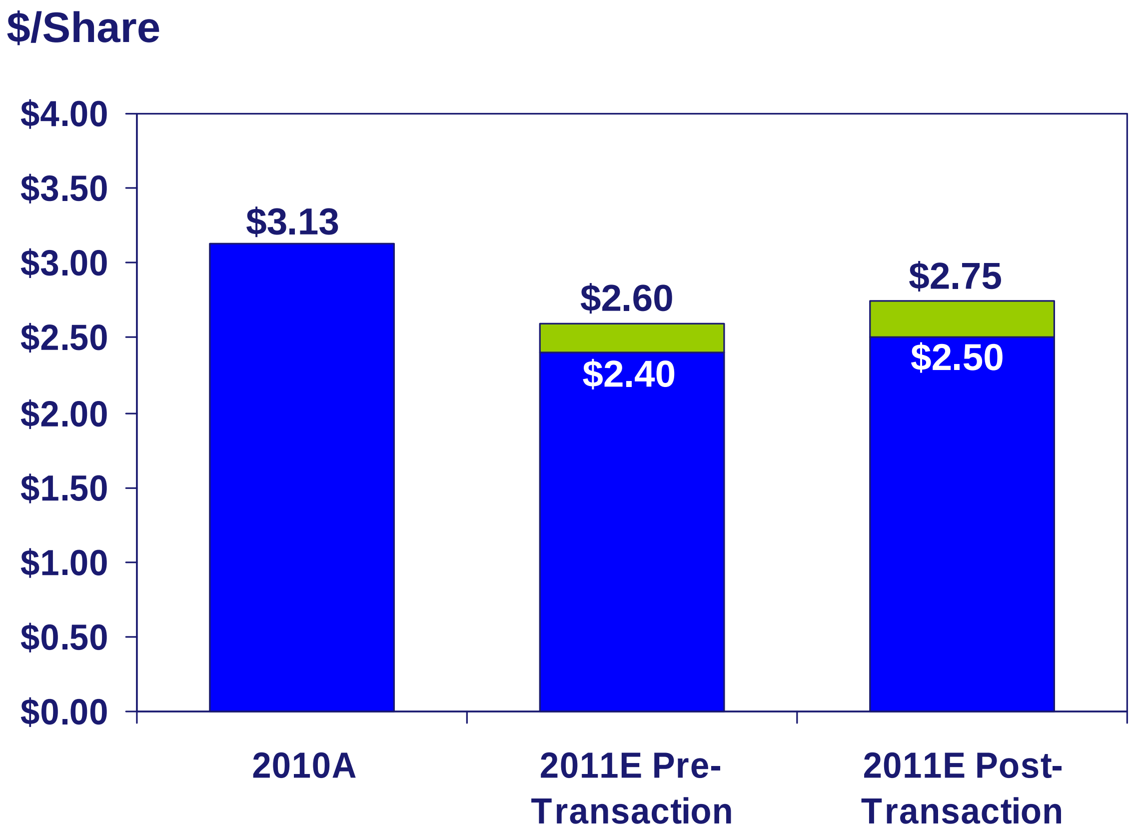
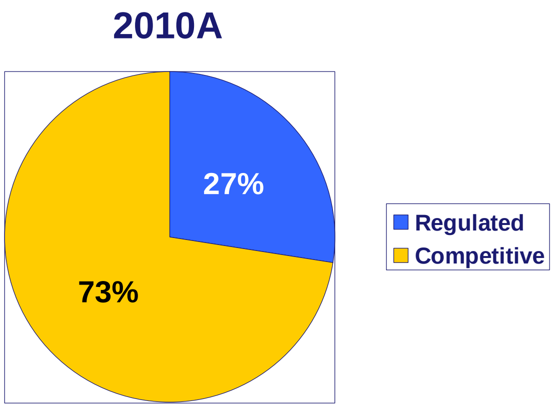
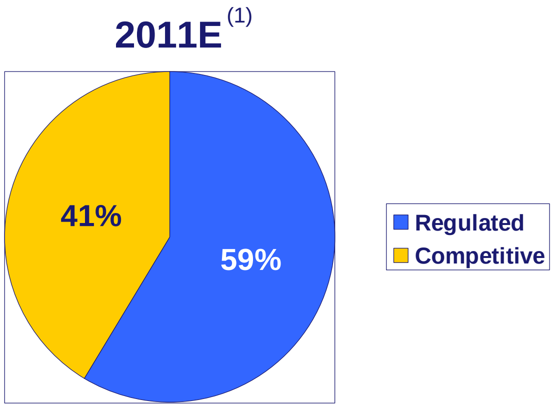
Appendix



2011 Earnings from Ongoing Operations Forecast







(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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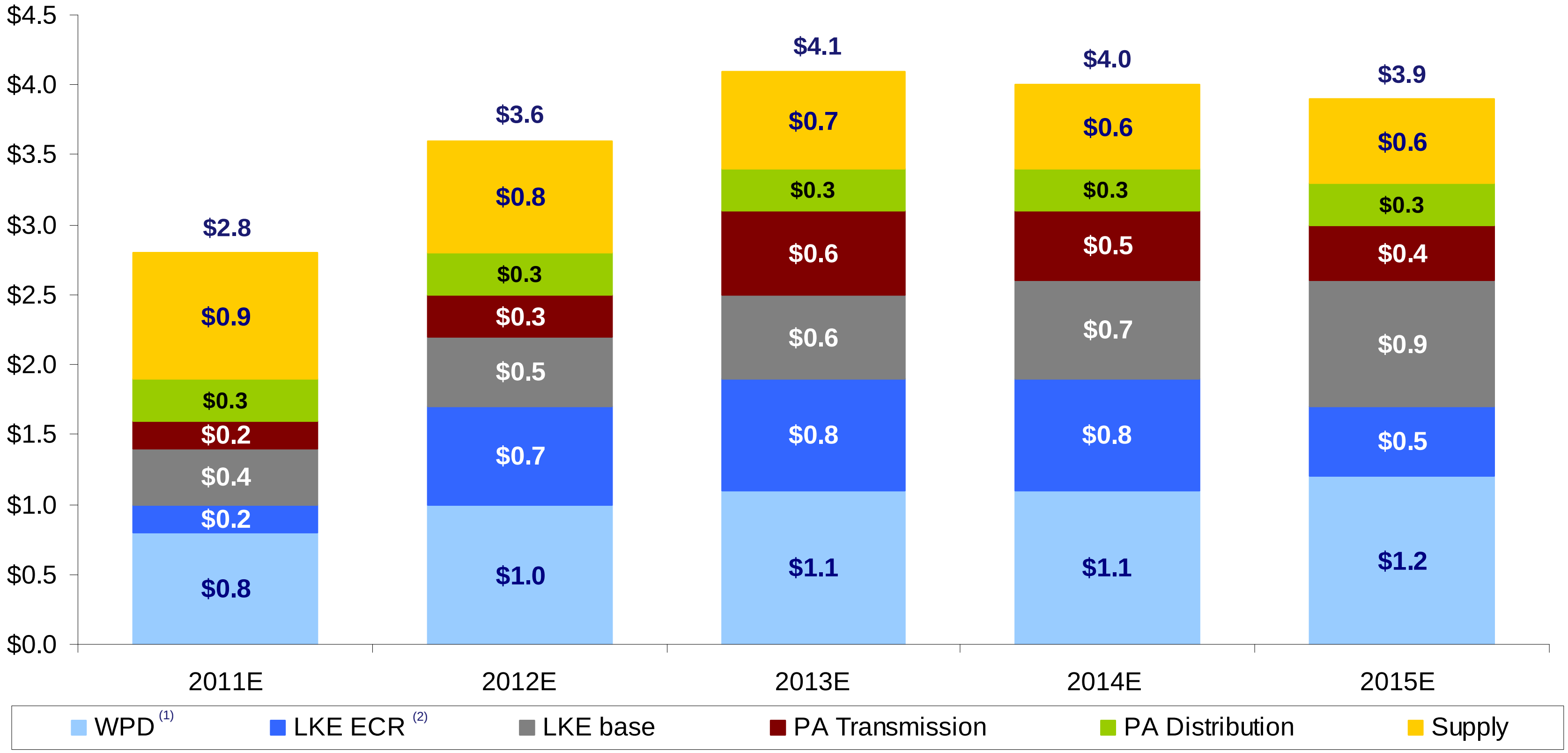
Capital Expenditures

($ in billions)



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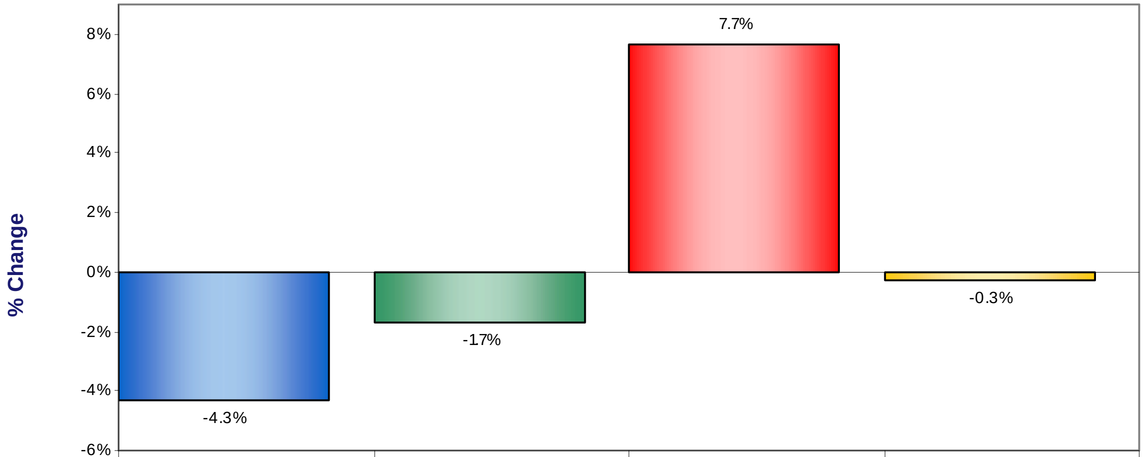

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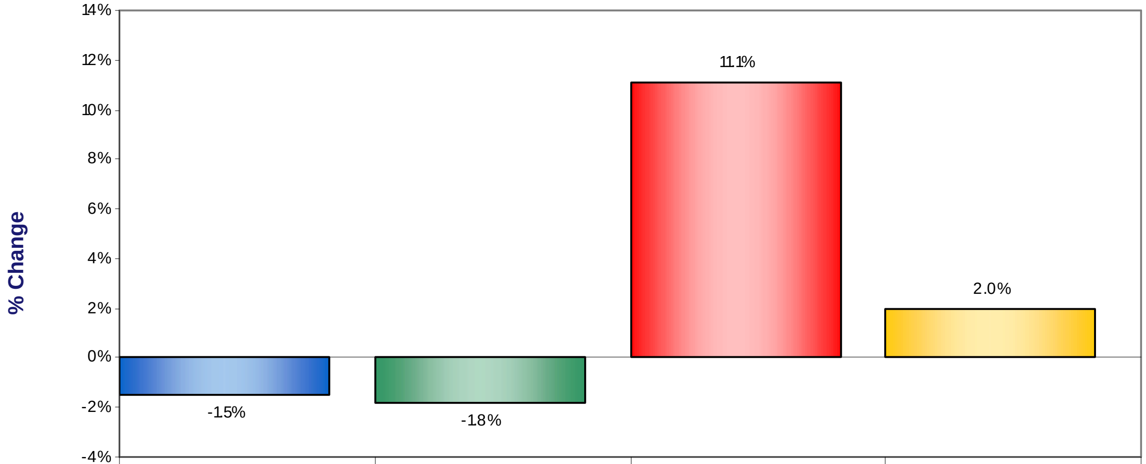

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Weather-Normalized (charted)	-1.5%	-1.8%	11.1%	2.0%
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PA Regulated Volume Variances

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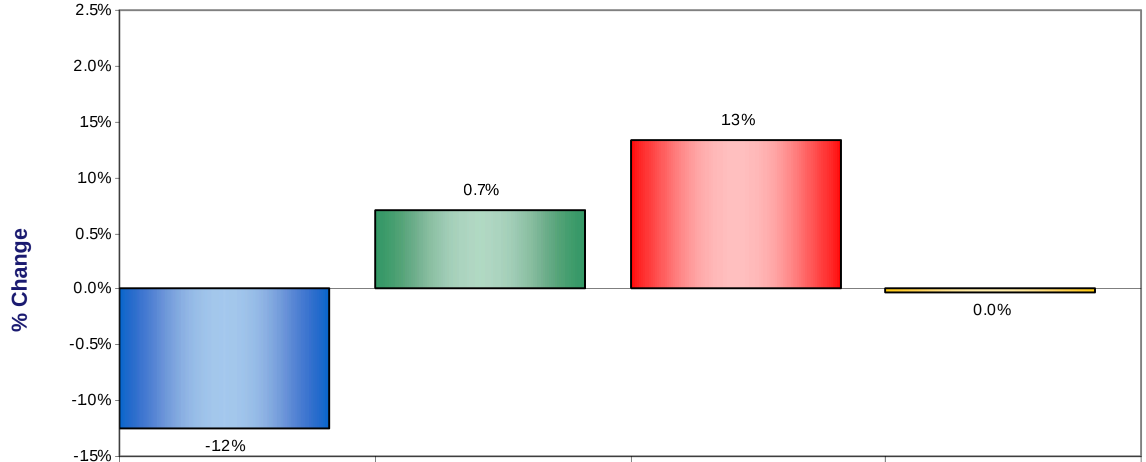

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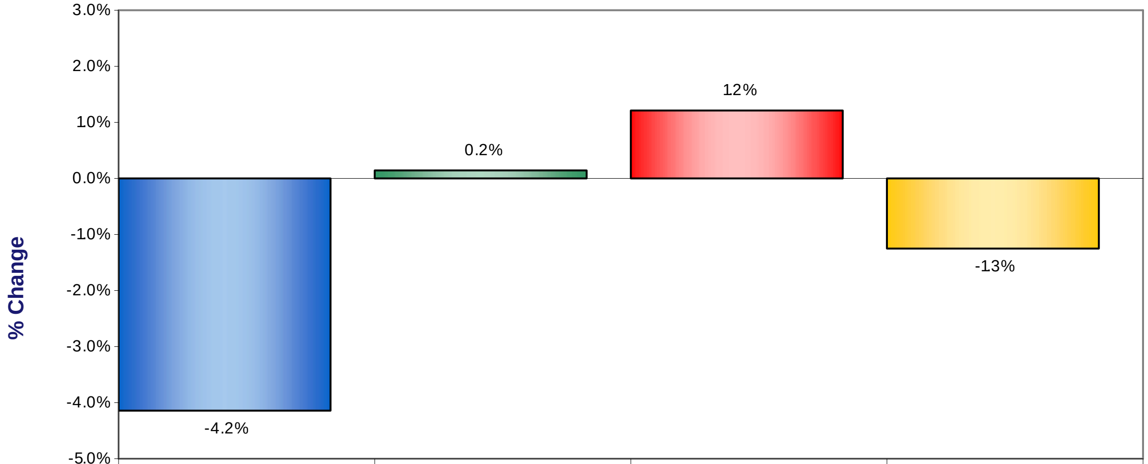

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Mid-Columbia		
On-Peak	$30	$39
Off-Peak	$21	$29
ATC(1)	$26	$35
GAS(2)		
NYMEX	$4.57	$5.06
TZ6NNY	$5.07	$5.83
PJM MARKET		
HEAT RATE(3)	10.2	10.6
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63
EQA	88.3%	89.8%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 3/31/2011.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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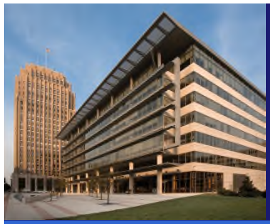
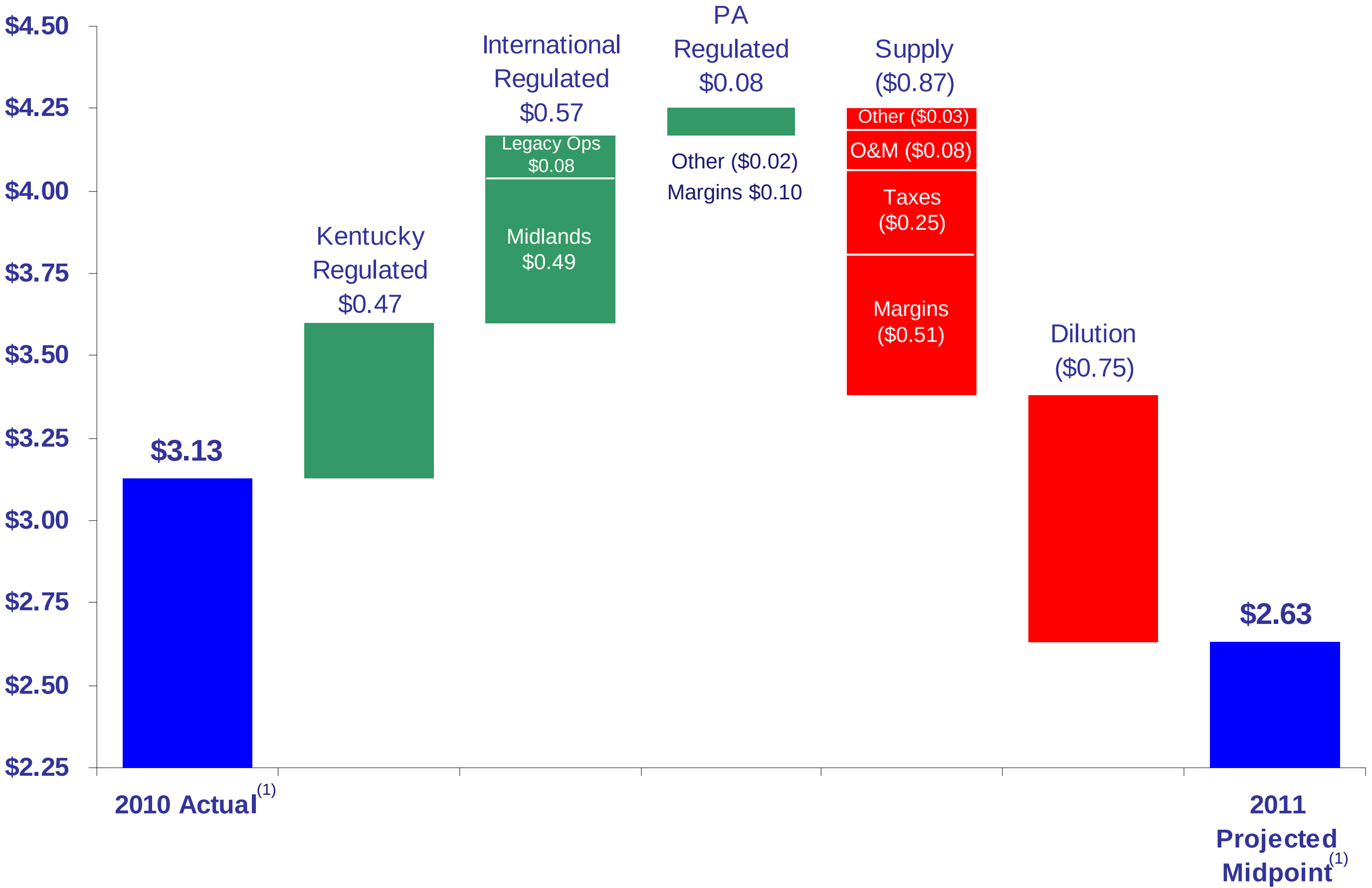
2010 to 2011 Earnings Walk



Earnings Per Share



(1) Earnings from ongoing operations.

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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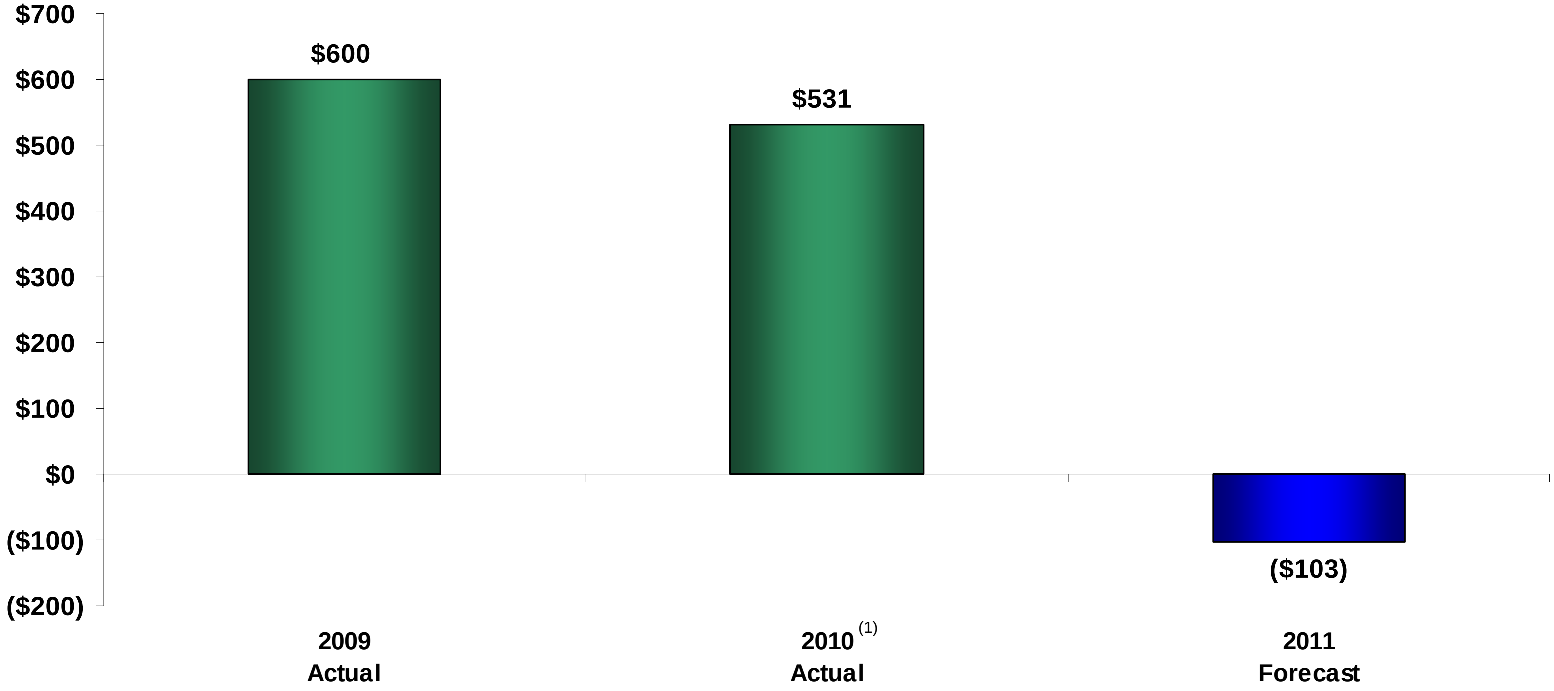
Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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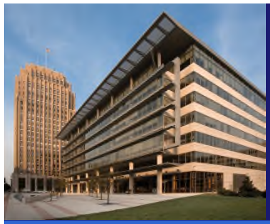

Shares Outstanding

Average Common Shares Outstanding (1)

(in millions)

As of:

March 31, 2011	485 (A)
December 31, 2011	557 (E)
December 31, 2012	582 (E)

---

(1) Projected average common shares outstanding include common stock issued for the acquisition of WPD Midlands and projected shares issued to satisfy DRIP and compensation-related stock requirements. These projections do not include common stock issued to fund future growth.

(A) Actual for quarter ended March 31, 2011.

(E) Estimate for average shares outstanding for the year indicated.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,200
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,837)
Sale of Assets	84	161	382
Other Investing Activities – Net	(71)	(20)	152
Free Cash Flow before Dividends	$ 600	$ 531	$ (103)

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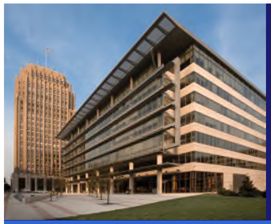

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High 2011	Low 2011	2010	2009
Earnings from Ongoing Operations per share of common stock	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.03	0.03	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Impacts from emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
Central Networks acquisition-related costs:				
Bridge Facility costs	(0.02)	(0.02)		
Other acquisition-related costs	(0.02)	(0.02)		
Foreign currency-related economic hedges	(0.01)	(0.01)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
Bridge Facility costs			(0.12)	
Discontinued cash flow hedges & ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health Care Reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.02)	(0.02)	(0.96)	(0.87)
Reported Earnings per share of common stock	$ 2.73	$ 2.48	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our plants, including the current outage at Unit 2 of our Susquehanna nuclear plant to inspect and repair turbine blades, and the timing and outcome of any similar outage for inspections at Unit 1 of the Susquehanna plant; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation’s ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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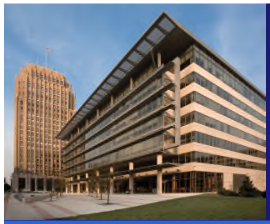
2nd Quarter Earnings Call
August 5, 2011

PPL Corporation



Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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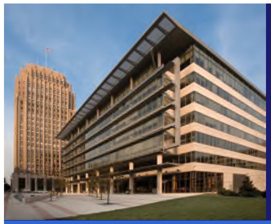

Agenda

Second Quarter 2011 Earnings and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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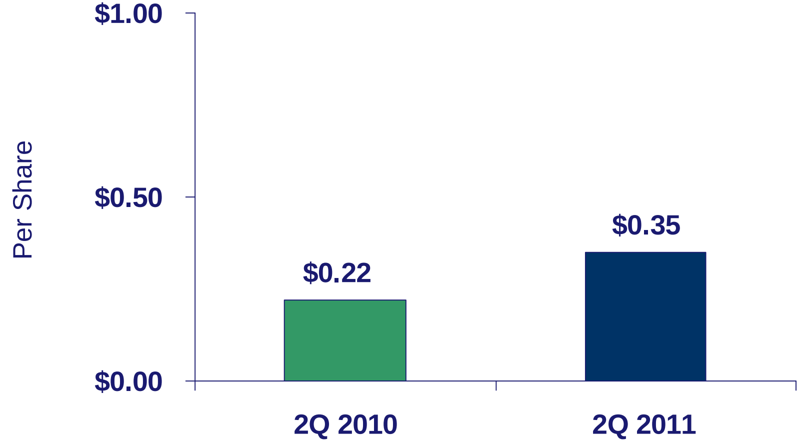
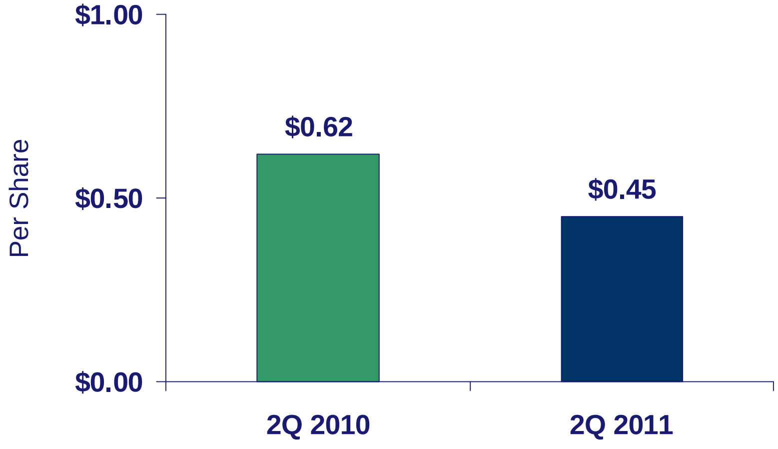
Earnings Results

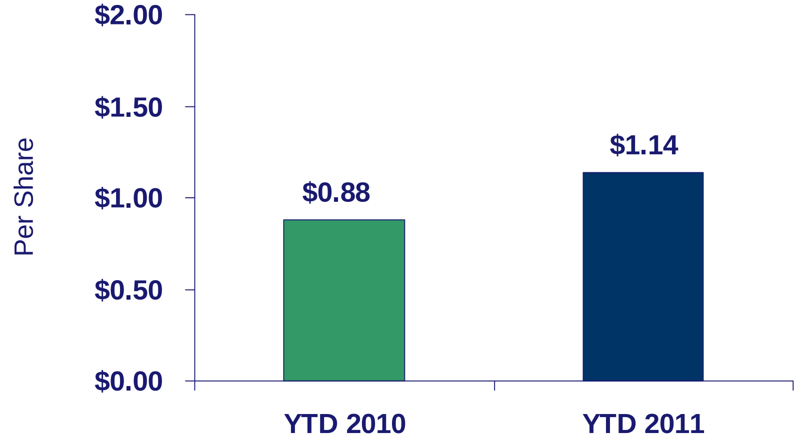
Second Quarter Reported Earnings



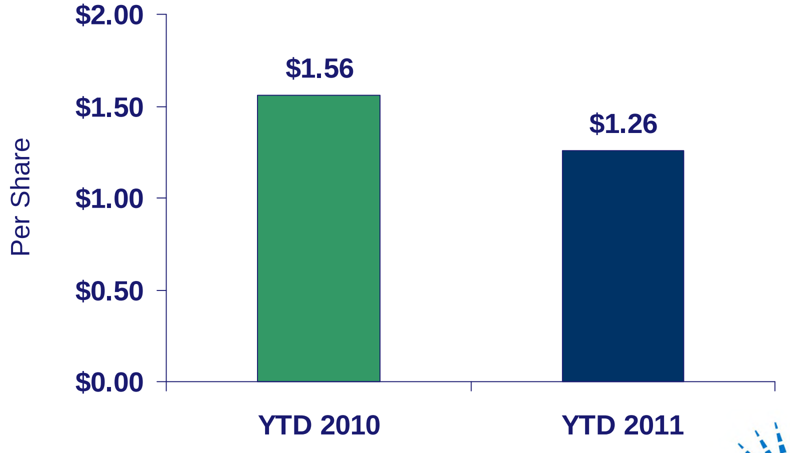
Second Quarter Earnings from Ongoing Operations



Year-to-Date Reported Earnings



Year-to-Date Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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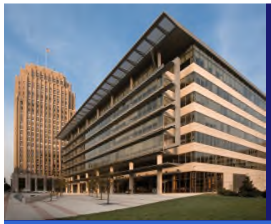
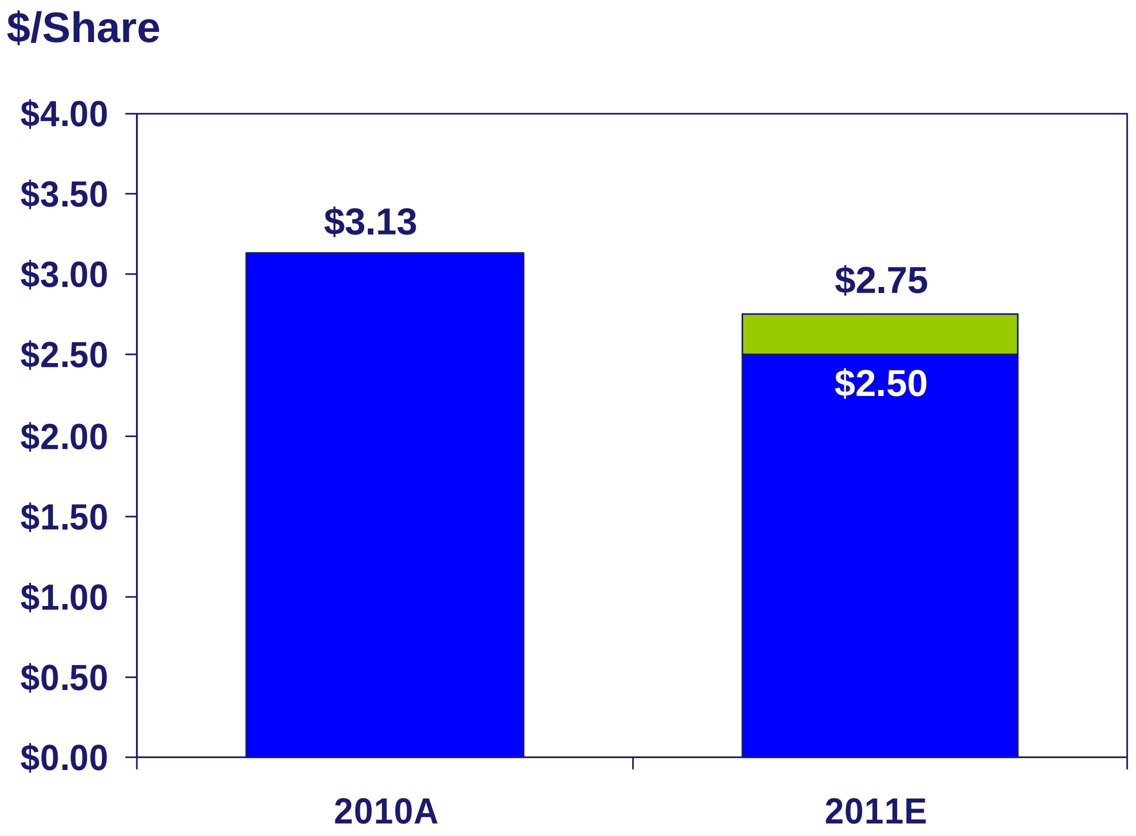
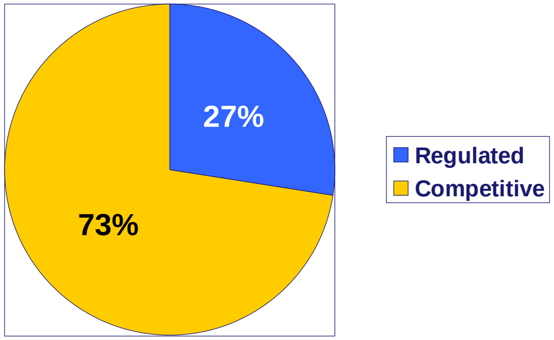


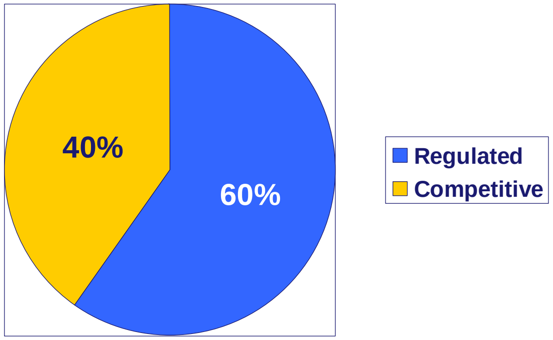
2011 Earnings from Ongoing Operations Forecast



2010A



2011E (1)



(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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Ongoing Earnings Overview

	Q2 2011	Q2 2010	Change
Kentucky Regulated	$0.06	$ -	$0.06
International Regulated	0.21	0.15	0.06
Pennsylvania Regulated	0.06	0.04	0.02
Supply	0.12	0.43	(0.31)
Total	$0.45	$0.62	($0.17)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Regulated Segment Earnings Drivers

		2nd Quarter
2010 EPS – Ongoing Earnings		$0.15
Delivery Revenue	0.03	
Financing	(0.01)	
Income Taxes & Other	(0.02)	
Midlands	0.16	
Dilution	(0.10)	
Total		0.06
2011 EPS – Ongoing Earnings		$0.21

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Regulated Segment Earnings Drivers

		2nd Quarter
2010 EPS – Ongoing Earnings		$0.04
Electric Delivery Margins	0.03	
O&M	0.01	
Income taxes & other	0.01	
Dilution	(0.03)	
Total		0.02
2011 EPS – Ongoing Earnings		$0.06

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	2nd Quarter	
2010 EPS – Ongoing Earnings		$0.43
Margins – East	(0.20)	
O&M	(0.06)	
Discontinued Operations	0.01	
Dilution	(0.06)	
Total		(0.31)
2011 EPS – Ongoing Earnings		$0.12

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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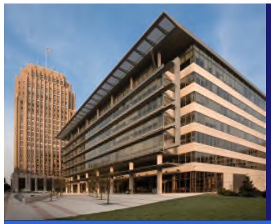
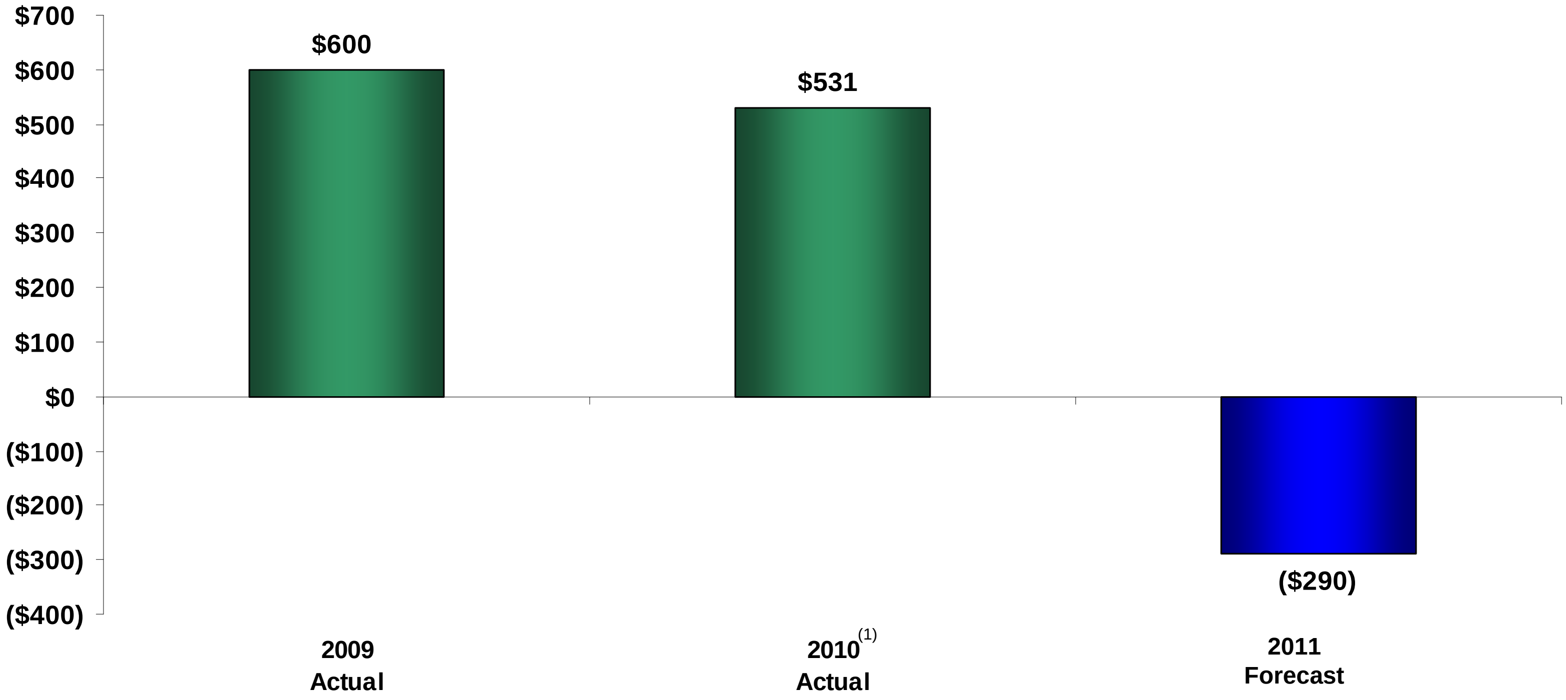


Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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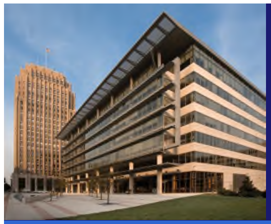
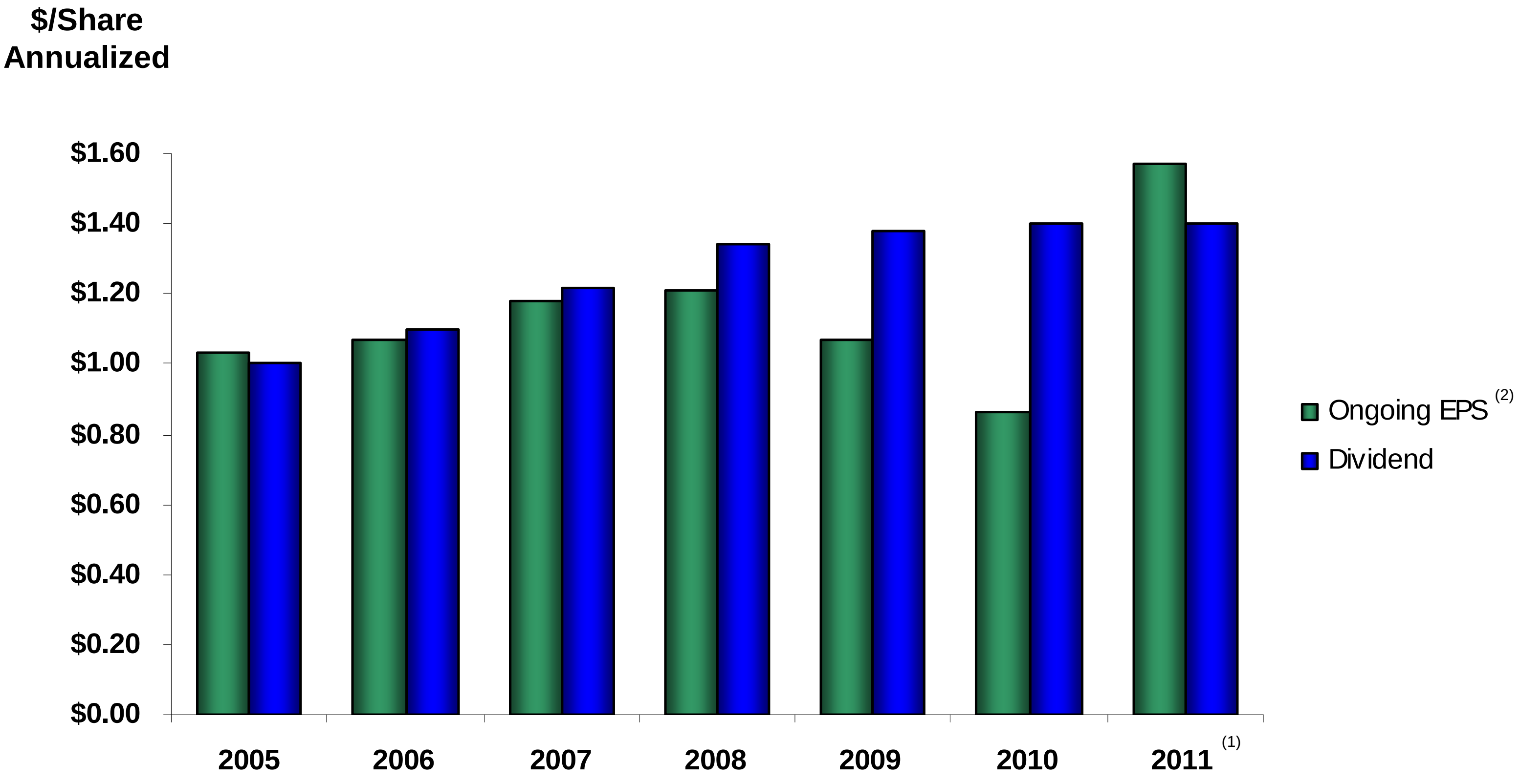


Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



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(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Operational Review

Kentucky Regulated Segment

- Environmental Cost Recovery (ECR) filing with Kentucky PSC
  - Filed in June 2011
  - Discovery phase in process
  - PSC order to be received by year-end 2011

Supply Segment

- Susquehanna Units 1 & 2 return to service after turbine blade replacement
- Generation fleet well-positioned post final EPA regulations

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Operational Review (continued)

International Regulated Segment

- Synergy plan for Midlands integration on track
- Organizational structure and Reorganization plan have been determined
- Transition from a functional structure to a regional structure under way and will result in:
  - Smaller support structure
  - Elimination of duplicate work
  - Implementation of more efficient procedures

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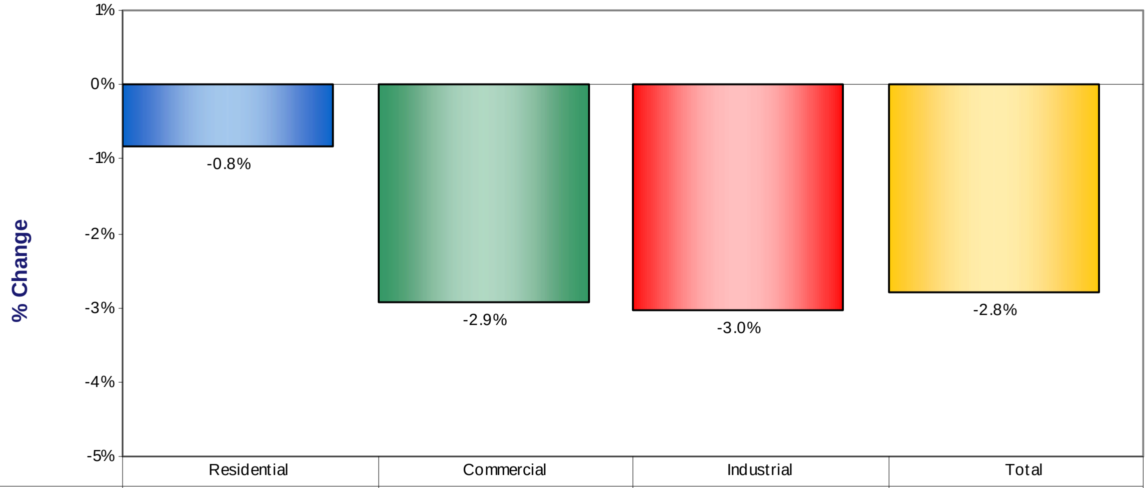
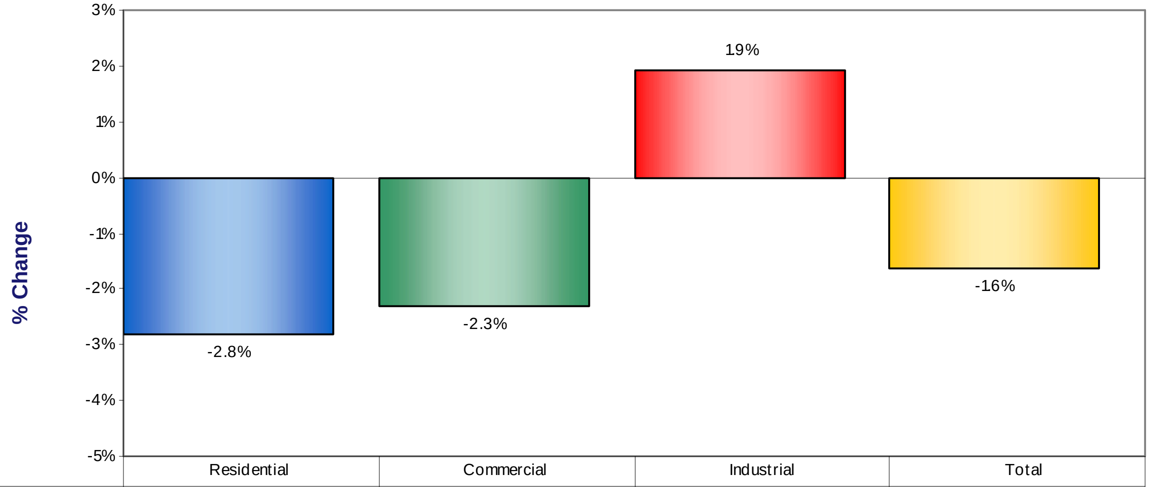
Kentucky Regulated Volume Variances

3-months Ended 6/30/2011 vs. 06/30/2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-0.8%	-2.9%	-3.0%	-2.8%
Actual	-6.3%	-7.0%	-3.8%	-6.0%

12-months Ended 6/30/2011 vs. 06/30/2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-2.8%	-2.3%	19%	-16%
Actual	-8.5%	-5.4%	14%	-4.7%

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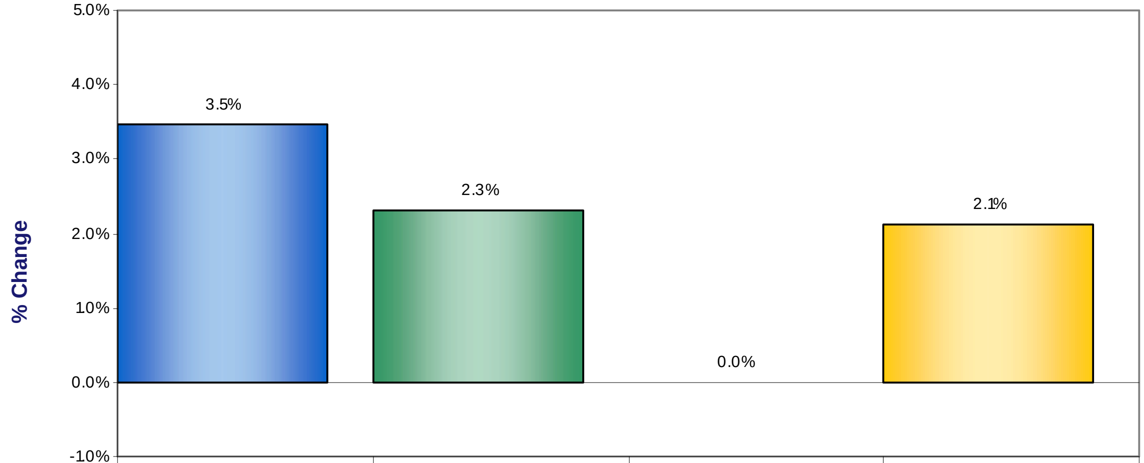
Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

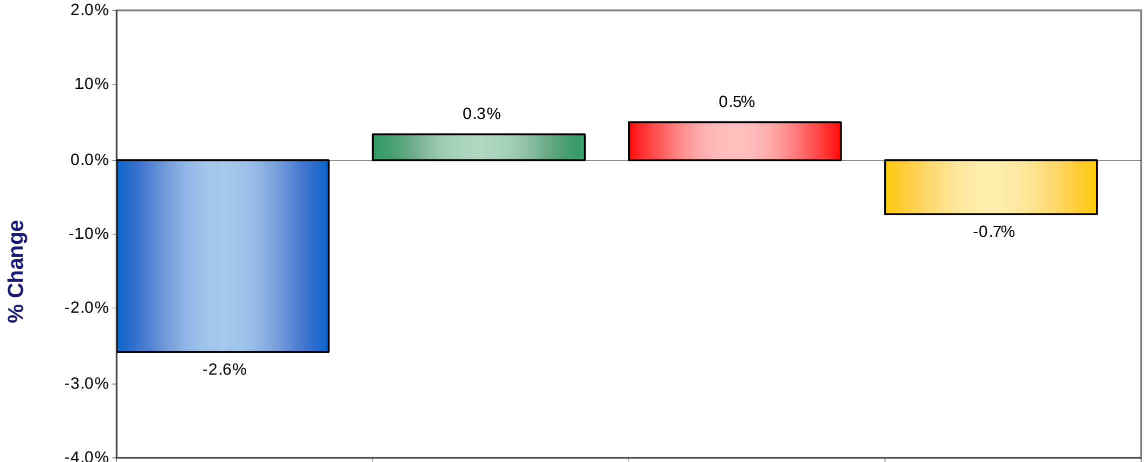
PA Regulated Volume Variances

3-months Ended 6/30/2011 vs. 06/30/2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	3.5%	2.3%	0.0%	2.1%
Actual	7.5%	3.6%	0.0%	4.0%

12-months Ended 6/30/2011 vs. 06/30/2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-2.6%	0.3%	0.5%	-0.7%
Actual	4.3%	2.8%	0.5%	2.9%

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Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

Enhancing Value Through Active Hedging

	2011(4)	2012	2013
Baseload			
Expected Generation(1) (Million MWhs)	**47.9**	**54.7**	**54.4**
East	40.1	46.2	46.0
West	7.8	8.5	8.4
Current Hedges (%)	**98%**	**97%**	**69%**
East	99%	98%	69%
West	97%	95%	72%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)			
East	$57	$54-55	$53-56
West	$54	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**88%**
East	100%	95%	91%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$23-27	$23-29	$23-30
Intermediate/Peaking			
Expected Generation(1) (Million MWhs)	7.6	6.2	6.3
Current Hedges (%)	87%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of June 30, 2011

(1) Represents expected sales based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of June 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes six months of actual results.

(5) Transportation contract in negotiation.

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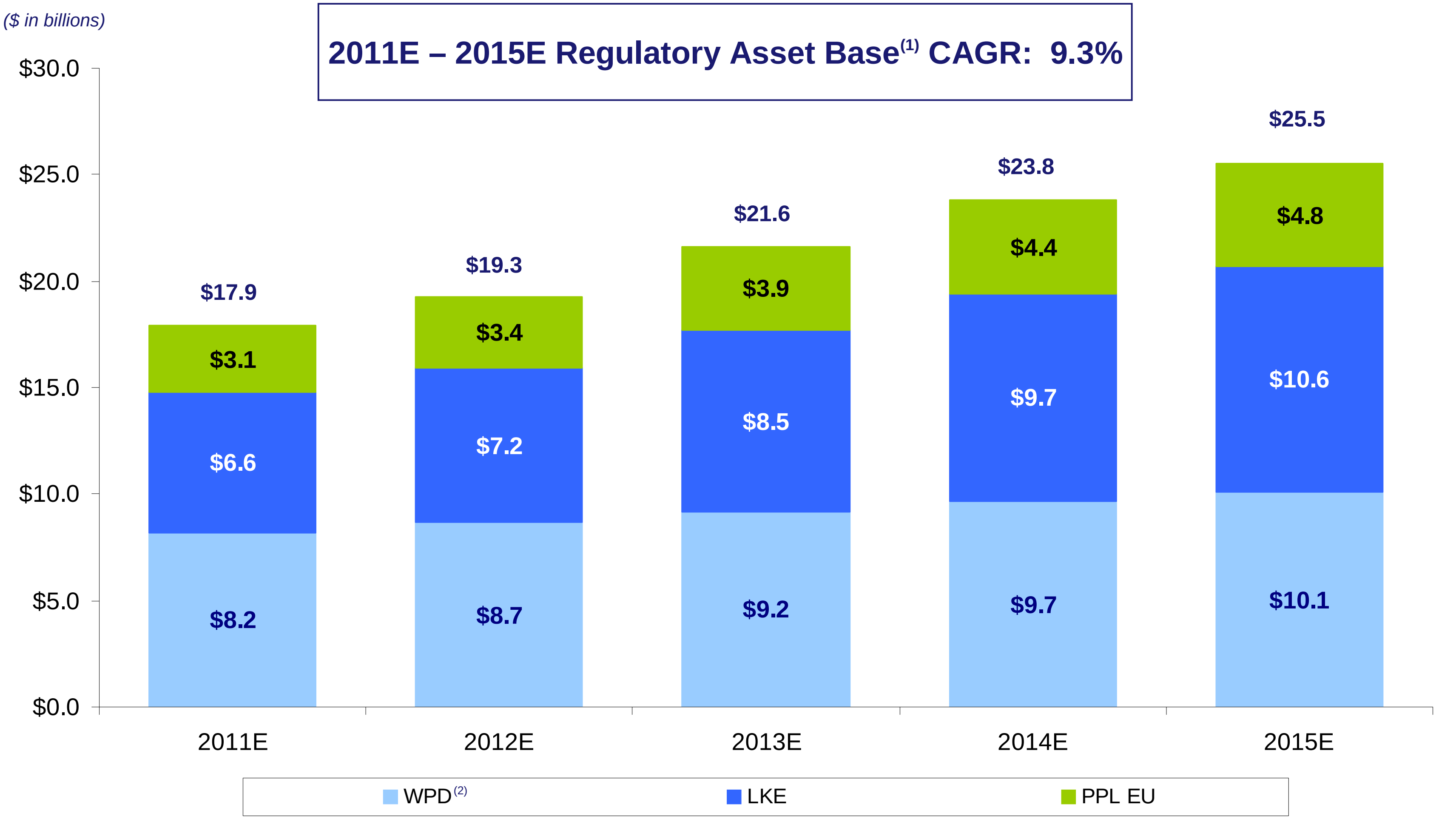
Appendix

Regulated Rate Base Growth



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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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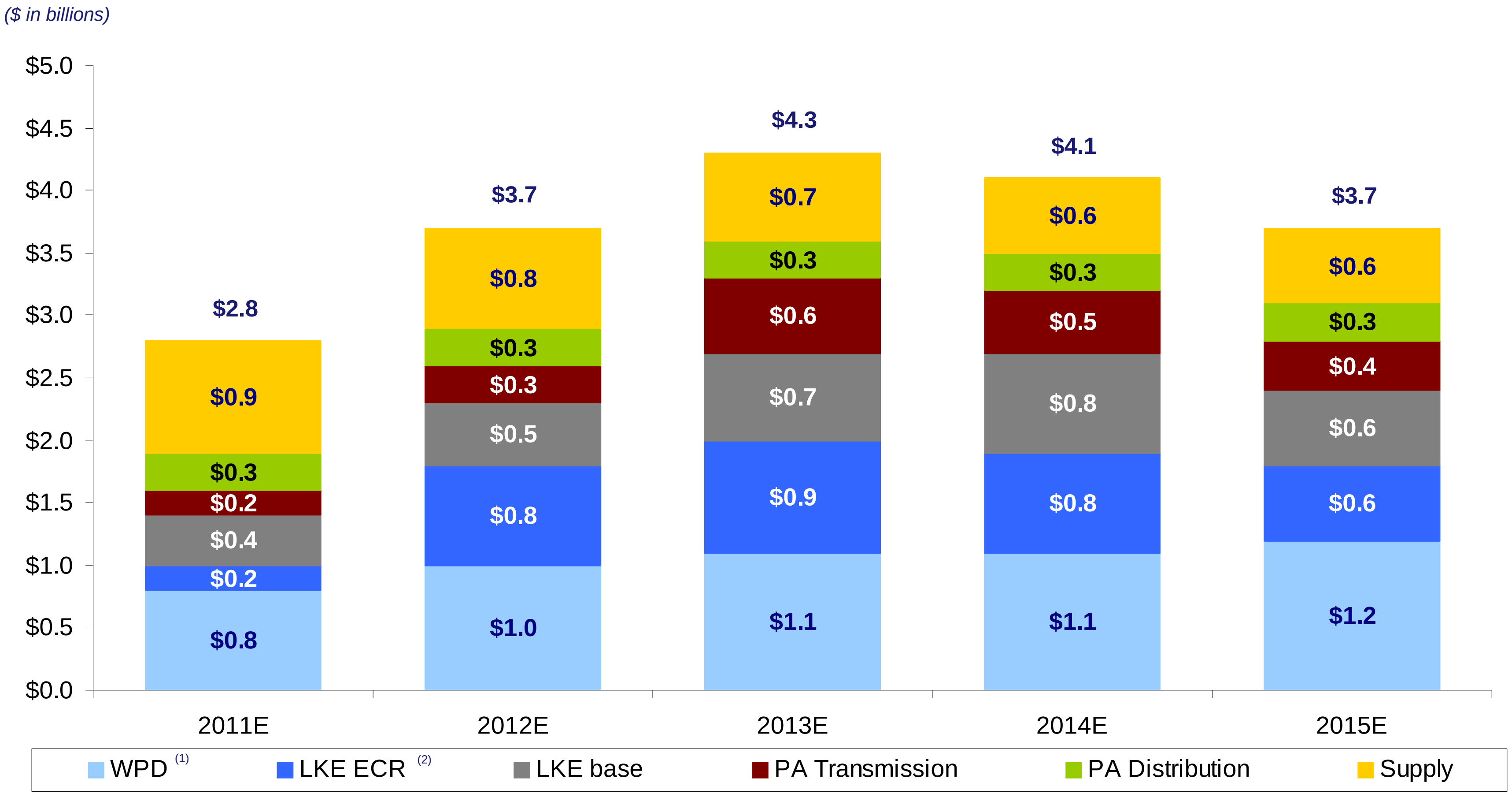
Capital Expenditures



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.

(2) Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.

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Market Prices

	Balance of 2011	2012	2013
ELECTRIC			
PJM			
On-Peak	$54	$54	$55
Off-Peak	$38	$39	$41
ATC(1)	$46	$46	$48
Mid-Columbia			
On-Peak	$38	$39	$44
Off-Peak	$26	$28	$31
ATC(1)	$31	$34	$38
GAS(2)			
NYMEX	$4.47	$4.84	$5.16
TZ6NNY	$4.98	$5.57	$5.88
PJM MARKET			
HEAT RATE(3)	10.9	9.6	9.4
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63	$187.49
EQA	91.0%	89.8%	91.3%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 6/30/2011.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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Debt Maturities

(Millions)

	2011	2012	2013	2014	2015
PPL Capital Funding	$0	$0	$0 (1)	$0 (3)	$0
LG&E and KU Energy (Holding Co LKE)	2	0	0	0	400
Louisville Gas & Electric	0	0	0	0	250
Kentucky Utilities	0	0	0	0	250
PPL Electric Utilities	0	0	400 (2)	10 (4)	100
PPL Energy Supply	500	0	737	300	300 (5)
WPD	0	0	0	0	0
Total	$502	$0	$1,137	$310	$1,300

Note: As of June 30, 2011

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Bonds were redeemed at make-whole redemption price in July 2011.

(3) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(4) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(5) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$122	$250	$2,628
	Letter of Credit Facility	Mar-2013	200	55	0	145
			$3,200	$177	$250	$2,773
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£113	£37
	WPD (South West) Syndicated Credit Facility	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		113	3	0	110
			£1,073	£144	£113	£816

Note: As of June 30, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.
- In July 2011, PPL Electric Utilities extended the expiration date of its Asset-backed Credit Facility to July 2012.

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Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Quarter Ending June 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 31	$ 118	$ 36	$ 68		$ 253
Special Items:						
Energy-related economic activity				(3)		(3)
Foreign currency-related economic hedges		1				1
Sales of assets:						
Non-core generation facilities				(2)		(2)
WPD Midlands acquisition-related costs:						
2011 Bridge Facility costs		(25)				(25)
Foreign currency loss on 2011 Bridge Facility		(39)				(39)
Net hedge gains		43				43
Hedge ineffectiveness		(9)				(9)
U.K. stamp duty tax		(21)				(21)
Other acquisition-related costs		(30)				(30)
Other:						
Montana hydroelectric litigation				(1)		(1)
Litigation settlement - spent nuclear fuel storage				29		29
Total Special Items		(80)		23		(57)
Reported Earnings*	$ 31	$ 38	$ 36	$ 91		$ 196

Quarter Ending June 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 59	$ 16	$ 164		$ 239
Special Items:					
Energy-related economic activity			(54)		(54)
Foreign currency-related economic hedges	(1)				(1)
Sales of assets:					
Sundance indemnification			1		1
Impairments:					
Emission allowances			(5)		(5)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(75)		(75)
2010 Bridge Facility costs				$ (13)	(13)
Other acquisition-related costs				(6)	(6)
Other:					
Montana hydroelectric litigation			(1)		(1)
Total Special Items	(1)		(134)	(19)	(154)
Reported Earnings*	$ 58	$ 16	$ 30	$ (19)	$ 85

* Represents net income attributable to PPL Corporation

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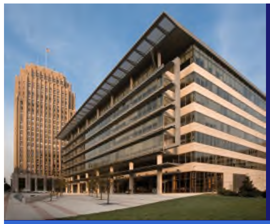

Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Quarter Ending June 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.06	$ 0.21	$ 0.06	$ 0.12		$ 0.45
Special Items:						
Energy-related economic activity				(0.01)		(0.01)
WPD Midlands acquisition-related costs:						
2011 Bridge Facility costs		(0.04)				(0.04)
Foreign currency loss on 2011 Bridge Facility		(0.07)				(0.07)
Net hedge gains		0.08				0.08
Hedge ineffectiveness		(0.02)				(0.02)
U.K. stamp duty tax		(0.04)				(0.04)
Other acquisition-related costs		(0.05)				(0.05)
Other:						
Litigation settlement - spent nuclear fuel storage				0.05		0.05
Total Special Items		(0.14)		0.04		(0.10)
Reported Earnings	$ 0.06	$ 0.07	$ 0.06	$ 0.16		$ 0.35

Quarter Ending June 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.15	$ 0.04	$ 0.43		$ 0.62
Special Items:					
Energy-related economic activity			(0.14)		(0.14)
Impairments:					
Emission allowances			(0.01)		(0.01)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(0.20)		(0.20)
2010 Bridge Facility costs				$ (0.03)	(0.03)
Other acquisition-related costs				(0.02)	(0.02)
Total Special Items			(0.35)	(0.05)	(0.40)
Reported Earnings	$ 0.15	$ 0.04	$ 0.08	$ (0.05)	$ 0.22

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date June 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 106	$ 193	$ 88	$ 273		$ 660
Special Items:						
Energy-related economic activity				14		14
Sales of assets						
Non-core generation facilities				(3)		(3)
Impairments						
Emission allowances				(1)		(1)
Renewable energy credits				(2)		(2)
Adjustments - nuclear decommissioning trust investments				1		1
WPD Midlands acquisition-related costs:						
2011 Bridge Facility costs		(30)				(30)
Foreign currency loss on 2011 Bridge Facility		(39)				(39)
Net hedge gains		39				39
Hedge ineffectiveness		(9)				(9)
U.K. stamp duty tax		(21)				(21)
Other acquisition-related costs		(40)				(40)
Other:						
Montana hydroelectric litigation				(1)		(1)
Litigation settlement - spent nuclear fuel storage				29		29
Total Special Items		(100)		37		(63)
Reported Earnings*	$ 106	$ 93	$ 88	$ 310		$ 597

Year-to-Date June 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 135	$ 53	$ 408		$ 596
Special Items:					
Energy-related economic activity			(119)		(119)
Foreign currency-related economic hedges	(1)				(1)
Sales of assets:					
Sundance indemnification			1		1
Impairments					
Emission allowance			(7)		(7)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(75)		(75)
2010 Bridge Facility costs				$ (13)	(13)
Other acquisition-related costs				(6)	(6)
Other:					
Montana hydroelectric litigation			(33)		(33)
Health care reform - tax impact			(8)		(8)
Total Special Items	(1)		(241)	(19)	(261)
Reported Earnings*	$ 134	$ 53	$ 167	$ (19)	$ 335

* Represents net income attributable to PPL Corporation

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date June 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.20	$ 0.37	$ 0.17	$ 0.52		$ 1.26
Special Items:						
Energy-related economic activity				0.01		0.01
WPD Midlands acquisition-related costs:						
2011 Bridge Facility costs		(0.06)				(0.06)
Foreign currency loss on 2011 Bridge Facility		(0.07)				(0.07)
Net hedge gains		0.08				0.08
Hedge ineffectiveness		(0.02)				(0.02)
U.K. stamp duty tax		(0.04)				(0.04)
Other acquisition-related costs		(0.08)				(0.08)
Other:						
Litigation settlement - spent nuclear fuel storage				0.06		0.06
Total Special Items		(0.19)		0.07		(0.12)
Reported Earnings	$ 0.20	$ 0.18	$ 0.17	$ 0.59		$ 1.14

Year-to-Date June 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.35	$ 0.14	$ 1.07		$ 1.56
Special Items:					
Energy-related economic activity			(0.30)		(0.30)
Impairments:					
Emission allowances			(0.02)		(0.02)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(0.20)		(0.20)
2010 Bridge Facility costs				$ (0.03)	(0.03)
Other acquisition-related costs				(0.02)	(0.02)
Other:					
Montana hydroelectric litigation			(0.09)		(0.09)
Health care reform - tax impact			(0.02)		(0.02)
Total Special Items			(0.63)	(0.05)	(0.68)
Reported Earnings	$ 0.35	$ 0.14	$ 0.44	$ (0.05)	$ 0.88

Note: Per share amounts are based on diluted shares outstanding.

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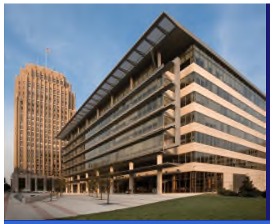

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High 2011	Low 2011	2010	2009
Earnings from Ongoing Operations	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.01	0.01	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs	(0.06)	(0.06)		
Foreign currency loss on 2011 Bridge Facility	(0.07)	(0.07)		
Net hedge gains	0.08	0.08		
Hedge ineffectiveness	(0.02)	(0.02)		
U.K. stamp duty tax	(0.04)	(0.04)		
Other acquisition-related costs	(0.08)	(0.08)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
2010 Bridge Facility costs			(0.12)	
Discontinued cash flow hedges and ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health care reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Litigation settlement - spent nuclear fuel storage	0.06	0.06		
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.12)	(0.12)	(0.96)	(0.87)
Reported Earnings	$ 2.63	$ 2.38	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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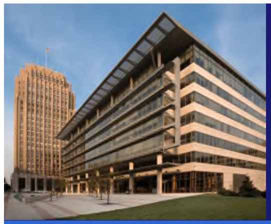

Gross Margins Summary

(Millions of Dollars)	Three Months Ended June 30,			
	2011	2010	Change	Per Share Diluted (after-tax) (a)
KY Gross Margins	$ 360		$ 360	$ 0.55
PA Gross Delivery Margins by Component				
Distribution	$ 173	$ 157	$ 16	$ 0.03
Transmission	45	42	3	-
Total	$ 218	$ 199	$ 19	$ 0.03
Unregulated Gross Energy Margins by Region				
Non-trading				
Eastern U.S.	$ 395	$ 528	$ (133)	$ (0.20)
Western U.S.	88	88	-	-
Net energy trading	10	5	5	-
Total	$ 493	$ 621	$ (128)	$ (0.20)

(a) Excludes dilution which is primarily associated with the June 2010 and April 2011 issuances of common stock.

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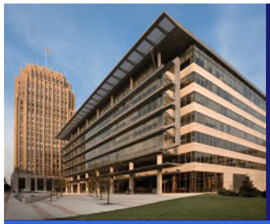

Reconciliation of Second Quarter Operating Income to Margins

(Millions of Dollars)	Three Months Ended June 30, 2011					Three Months Ended June 30, 2010				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)
Operating Revenues										
Utility	$ 639	$ 436		$ 409 (c)	$ 1,484		$ 520		$ 172 (c)	$ 692
PLR intersegment Utility revenue (expense) (d)		(4)	$ 4				(64)	$ 64		
Unregulated retail electric and gas			180	1 (e)	181			103	(2) (e)	101
Wholesale energy marketing										
Realized			716	16 (e)	732			1,219	12 (e)	1,231
Unrealized economic activity				(44) (e)	(44)				(666) (e)	(666)
Net energy trading margins			10		10			5		5
Energy-related businesses				126	126				110	110
Total Operating Revenues	639	432	910	508	2,489		456	1,391	(374)	1,473
Operating Expenses										
Fuel	206		250	(42) (f)	414			252	6	258
Energy purchases										
Realized	40	169	150	75 (g)	434		209	529	(1) (g)	737
Unrealized economic activity				(109) (g)	(109)				(445) (g)	(445)
Other operation and maintenance	21	29	9	664	723		23	6	390	419
Depreciation	12			225	237				125	125
Taxes, other than income		20	7	48	75		27	4	22	53
Energy-related businesses				120	120				100	100
Intercompany eliminations		(4)	1	3			(2)		2	
Total Operating Expenses	279	214	417	984	1,894		257	791	199	1,247
Discontinued operations								21	(21) (h)	
Total	$ 360	$ 218	$ 493	$ (476)	$ 595		$ 199	$ 621	$ (594)	$ 226

Note: see next slide for footnotes

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Margins footnotes

a) Represents amounts that are excluded from Margins.

b) As reported on the Statement of Income.

c) Represents WPD's utility revenue.

d) Primarily related to PLR supply sold by PPL EnergyPlus to PPL Electric.

e) Represents revenue associated with energy-related economic activity. This activity is described in the "Commodity Price Risk (Non-trading) - Economic Activity" section of Note 14 to the Financial Statements in the Form 10-Q for the Quarter Ended June 30, 2011. The three months ended June 30, 2011 includes a pre-tax gain of $6 million related to the amortization of option premiums and a pre-tax realized gain of $10 million related to the monetization of certain full-requirement sales contracts. In addition, the three months ended June 30, 2010 includes a pre-tax gain of $12 million related to the amortization of option premiums.

f) Primarily relates to the $50 million spent nuclear fuel litigation settlement and economic activity related to fuel.

g) Represents expenses associated with energy-related economic activity. This activity is described in the "Commodity Price Risk (Non-trading) - Economic Activity" section of Note 14 to the Financial Statements in the Form 10-Q for the Quarter Ended June 30, 2011. The three months ended June 30, 2011 includes a pre-tax loss of $76 million related to the monetization of certain full-requirement sales contracts. In addition, the three months ended June 30, 2010 includes a pre-tax loss of $1 million related to the amortization of option premiums.

h) Represents the net of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statements of Income.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	2010	2011
Cash from Operations	$1,852	$2,034	$2,020
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,805)
Sale of Assets	84	161	384
Other Investing Activities – Net	(71)	(20)	111
Free Cash Flow before Dividends	$ 600	$ 531	$ (290)

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation’s ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:
- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

“Free cash flow before dividends” is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company’s ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments associated with environmental regulations and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR related energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." In addition, PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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Barclays Capital Conference
September 8, 2011

PPL Corporation

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Investment Highlights

- Predominantly rate-regulated business mix with significant growth prospects
  - Operations in constructive jurisdictions
  - Approximately two-thirds of regulated capital expenditures earn real-time or near real-time returns
  - ~ 9% compound annual growth in rate base from 2011 to 2015
  - Expect 75% of 2013 EBITDA from regulated businesses

- Highly attractive competitive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
    - No significant exposure to currently proposed environmental regulations
  - Multiple drivers of significant upside
    - Increasing natural gas prices
    - Increasing heat rates
    - Environmental regulation

- Business Risk Profile rated "Excellent" by S&P
  - Stable ratings outlooks

- Secure dividend with strong platform for future growth

PPL has a highly attractive and differentiated position in the electric industry

ppl™

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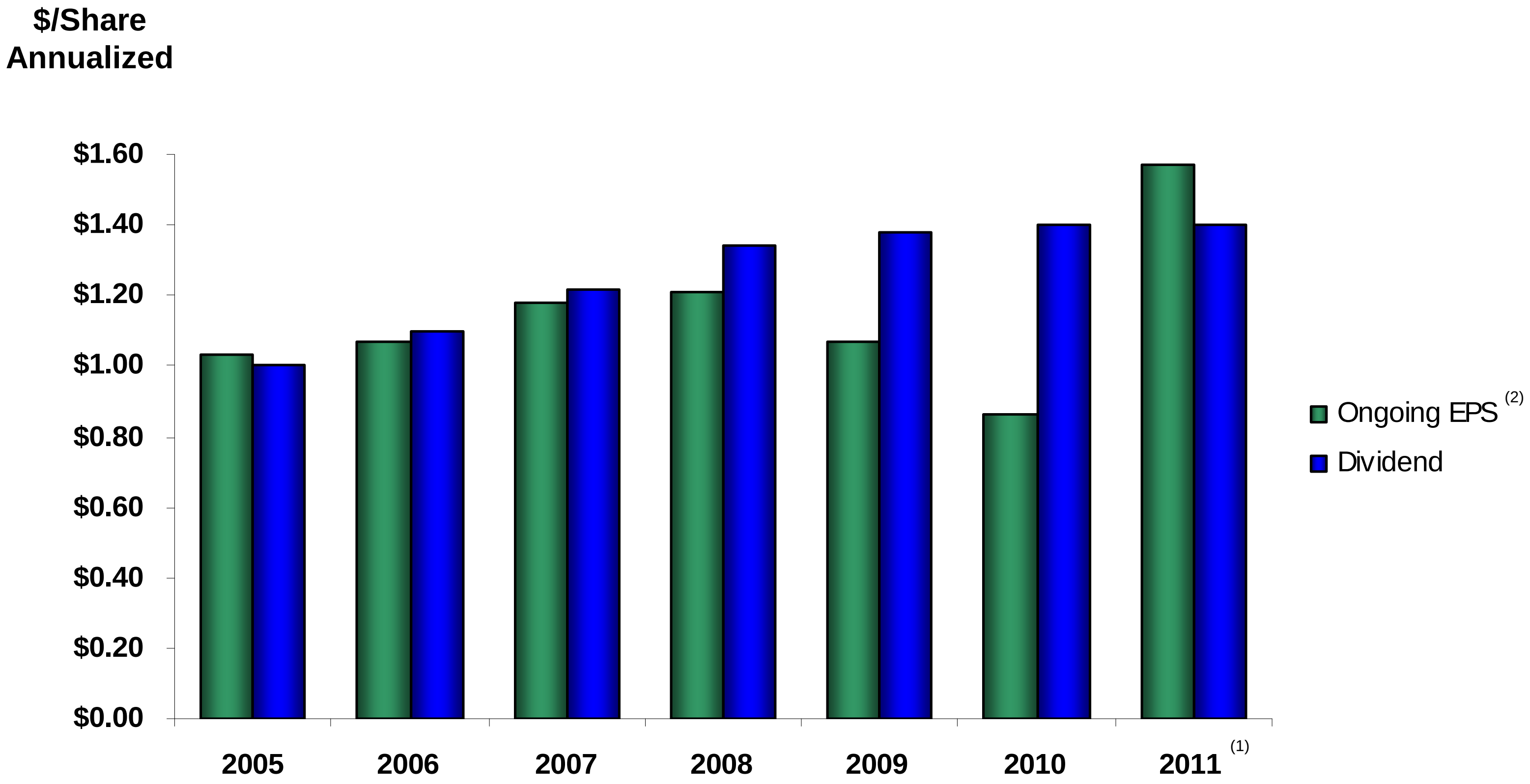
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 4th quarter declaration. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
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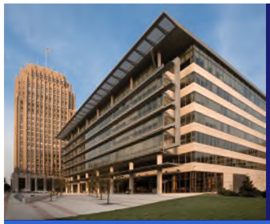

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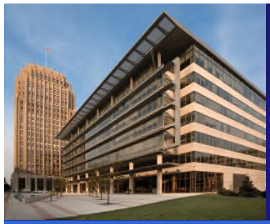

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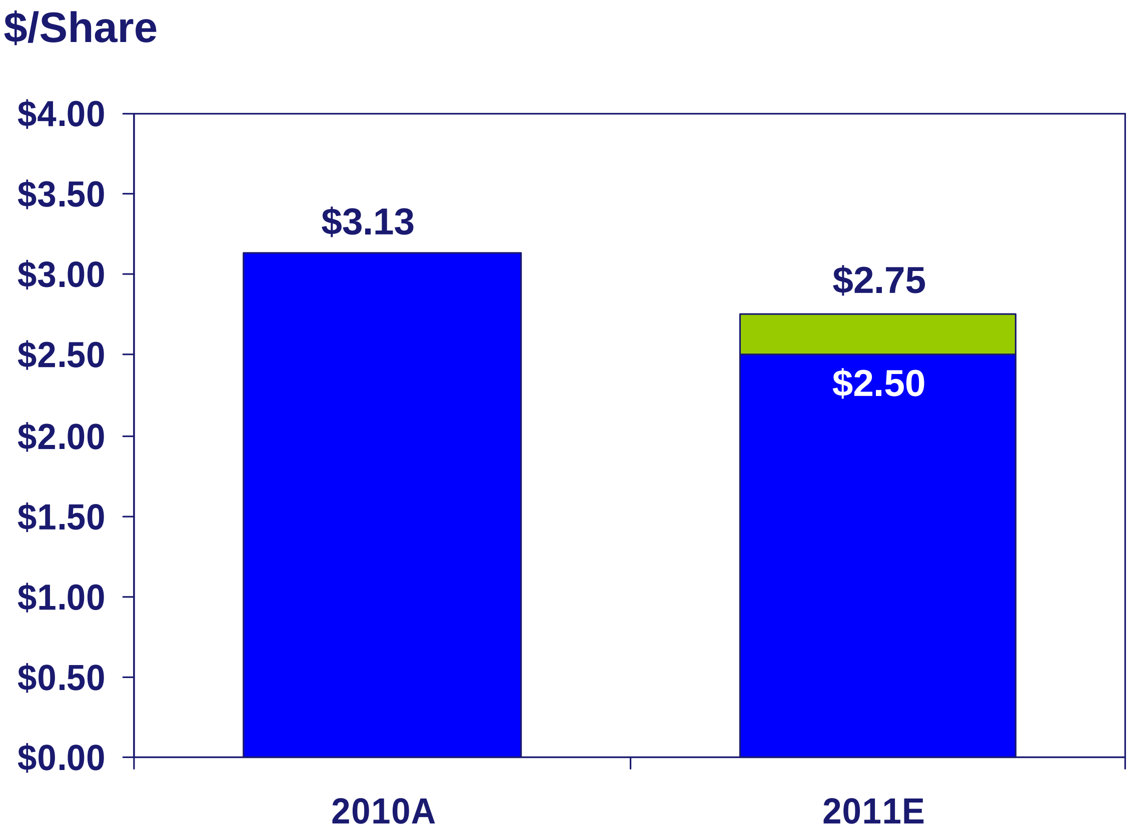
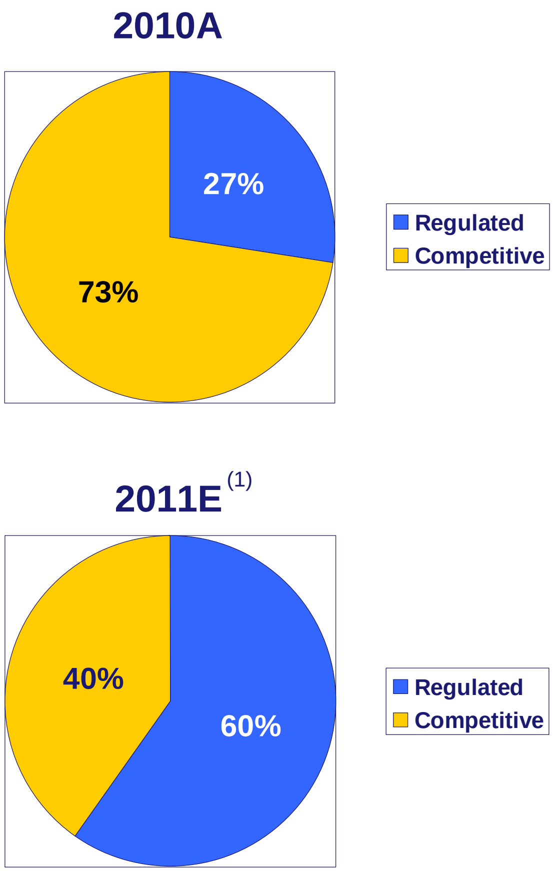
Appendix

2011 Earnings from Ongoing Operations Forecast





(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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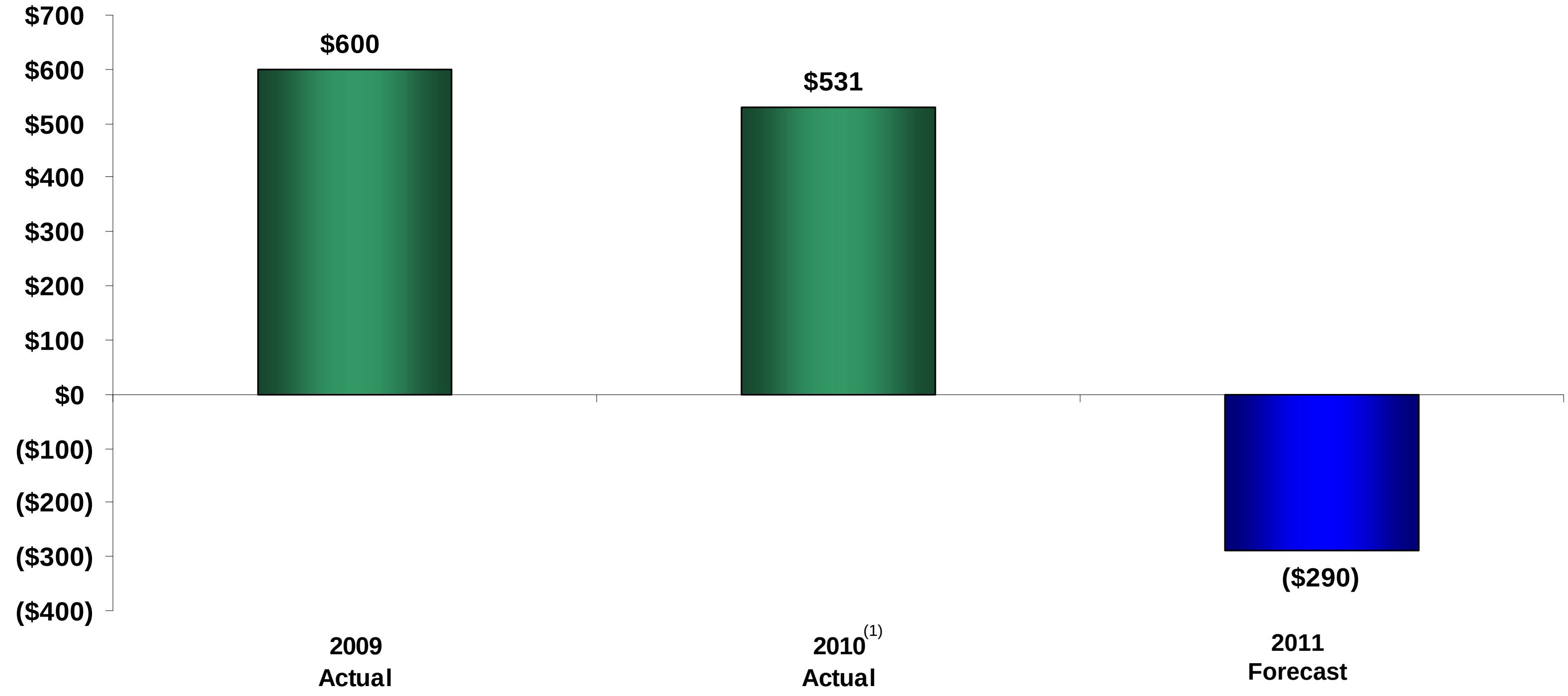
Free Cash Flow before Dividends

Millions of Dollars



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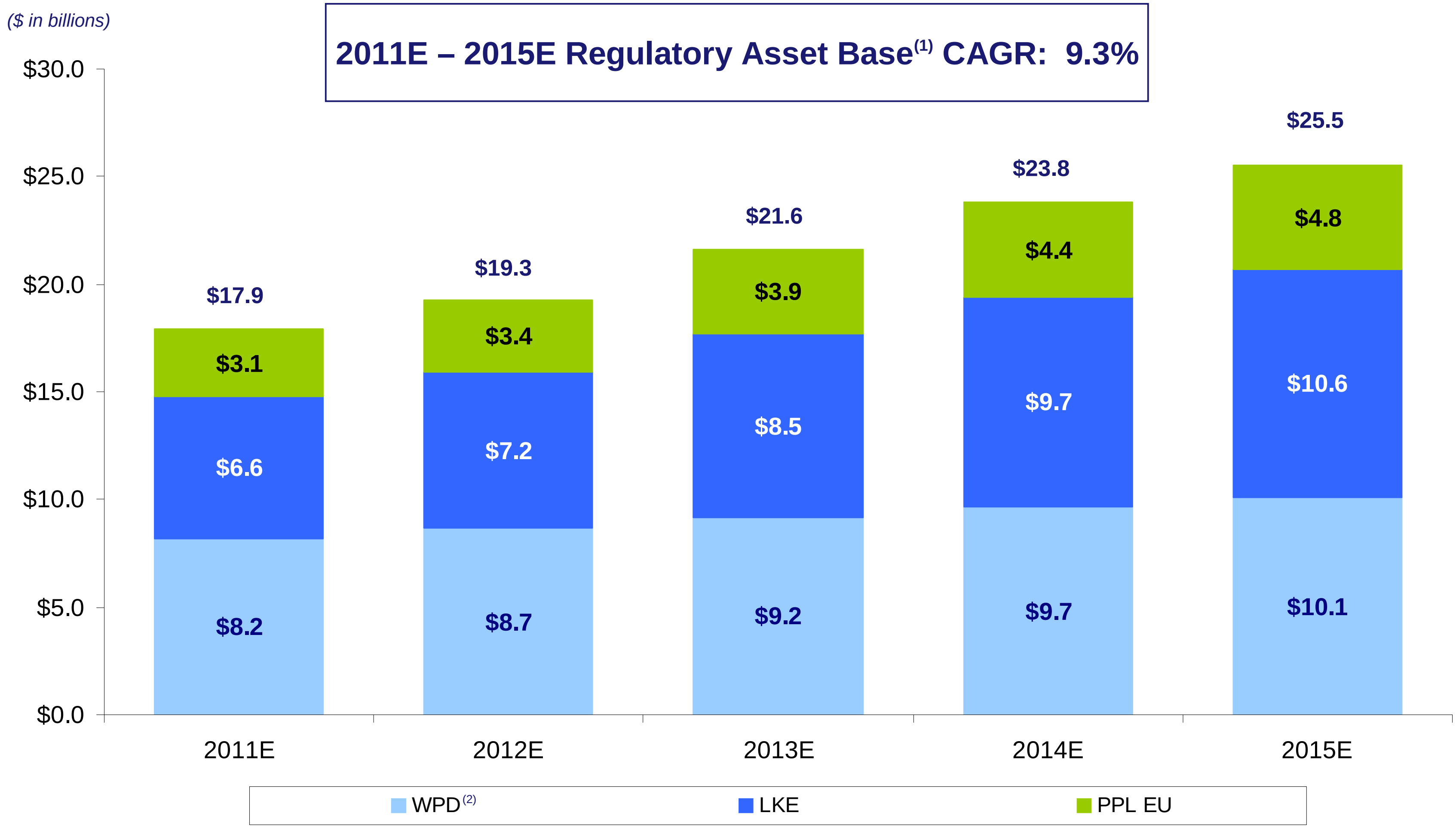
Regulated Rate Base Growth



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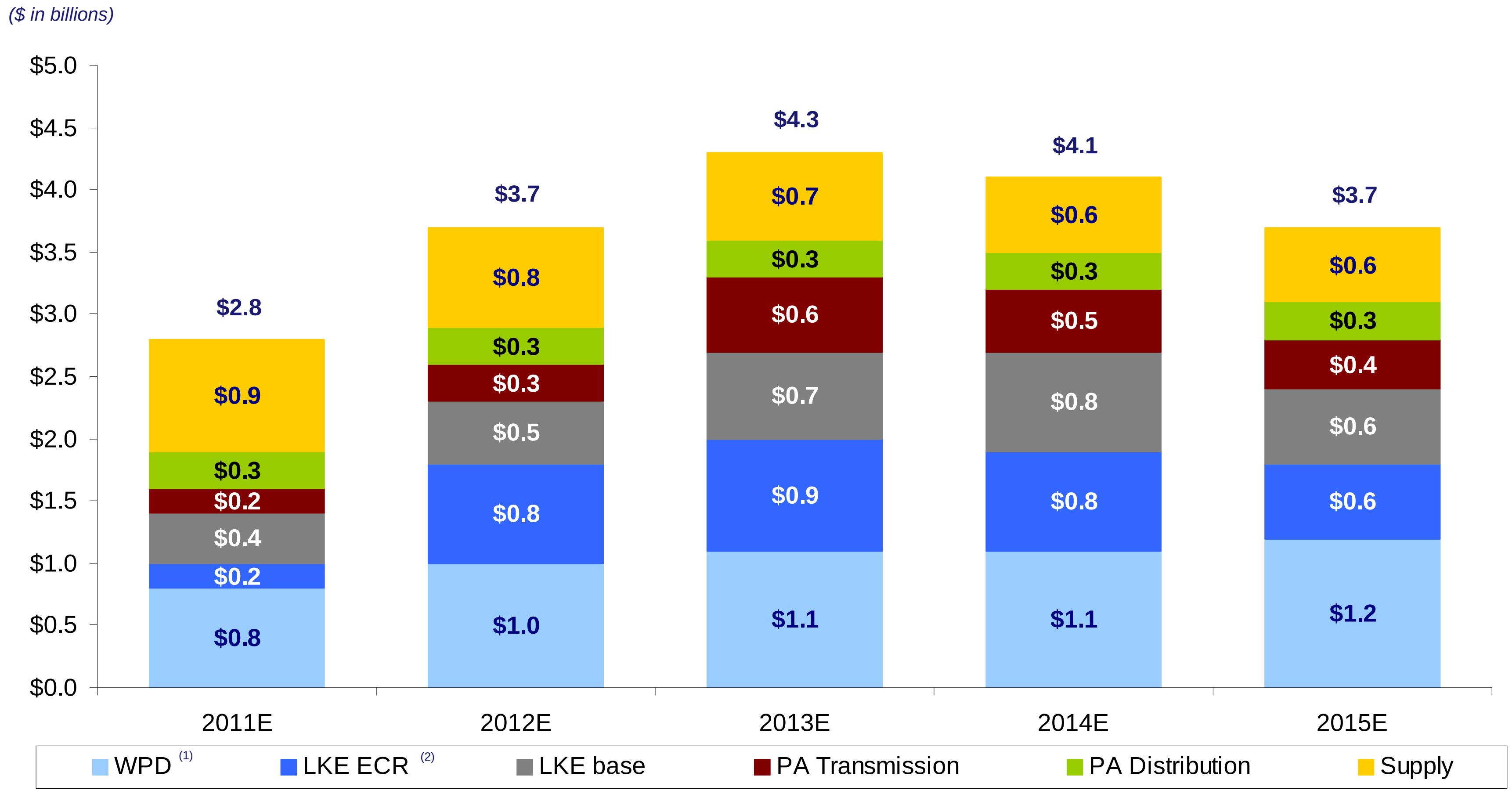
Capital Expenditures



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Enhancing Value Through Active Hedging

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Market Prices

	Balance of 2011	2012	2013
ELECTRIC			
PJM			
On-Peak	$54	$54	$55
Off-Peak	$38	$39	$41
ATC(1)	$46	$46	$48
Mid-Columbia			
On-Peak	$38	$39	$44
Off-Peak	$26	$28	$31
ATC(1)	$31	$34	$38
GAS(2)			
NYMEX	$4.47	$4.84	$5.16
TZ6NNY	$4.98	$5.57	$5.88
PJM MARKET			
HEAT RATE(3)	10.9	9.6	9.4
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63	$187.49
EQA	91.0%	89.8%	91.3%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 6/30/2011.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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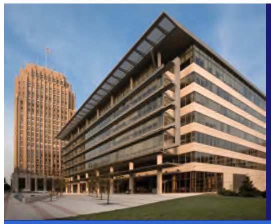

Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High 2011	Low 2011	2010	2009
Earnings from Ongoing Operations	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.01	0.01	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs	(0.06)	(0.06)		
Foreign currency loss on 2011 Bridge Facility	(0.07)	(0.07)		
Net hedge gains	0.08	0.08		
Hedge ineffectiveness	(0.02)	(0.02)		
U.K. stamp duty tax	(0.04)	(0.04)		
Other acquisition-related costs	(0.08)	(0.08)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
2010 Bridge Facility costs			(0.12)	
Discontinued cash flow hedges and ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health care reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Litigation settlement - spent nuclear fuel storage	0.06	0.06		
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.12)	(0.12)	(0.96)	(0.87)
Reported Earnings	$ 2.63	$ 2.38	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	2010	2011
Cash from Operations	$1,852	$2,034	$2,020
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,805)
Sale of Assets	84	161	384
Other Investing Activities – Net	(71)	(20)	111
Free Cash Flow before Dividends	$ 600	$ 531	$ (290)

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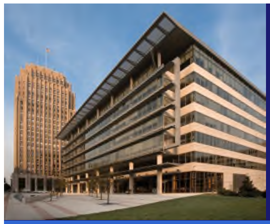

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:
- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Jefferies Mid-Atlantic Corporate Access Day
September 9, 2011

PPL Corporation

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Investment Highlights

- Predominantly rate-regulated business mix with significant growth prospects
  - Operations in constructive jurisdictions
  - Approximately two-thirds of regulated capital expenditures earn real-time or near real-time returns
  - ~ 9% compound annual growth in rate base from 2011 to 2015
  - Expect 75% of 2013 EBITDA from regulated businesses

- Highly attractive competitive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
    - No significant exposure to currently proposed environmental regulations
  - Multiple drivers of significant upside
    - Increasing natural gas prices
    - Increasing heat rates
    - Environmental regulation

- Business Risk Profile rated “Excellent” by S&P
  - Stable ratings outlooks

- Secure dividend with strong platform for future growth

PPL has a highly attractive and differentiated position in the electric industry

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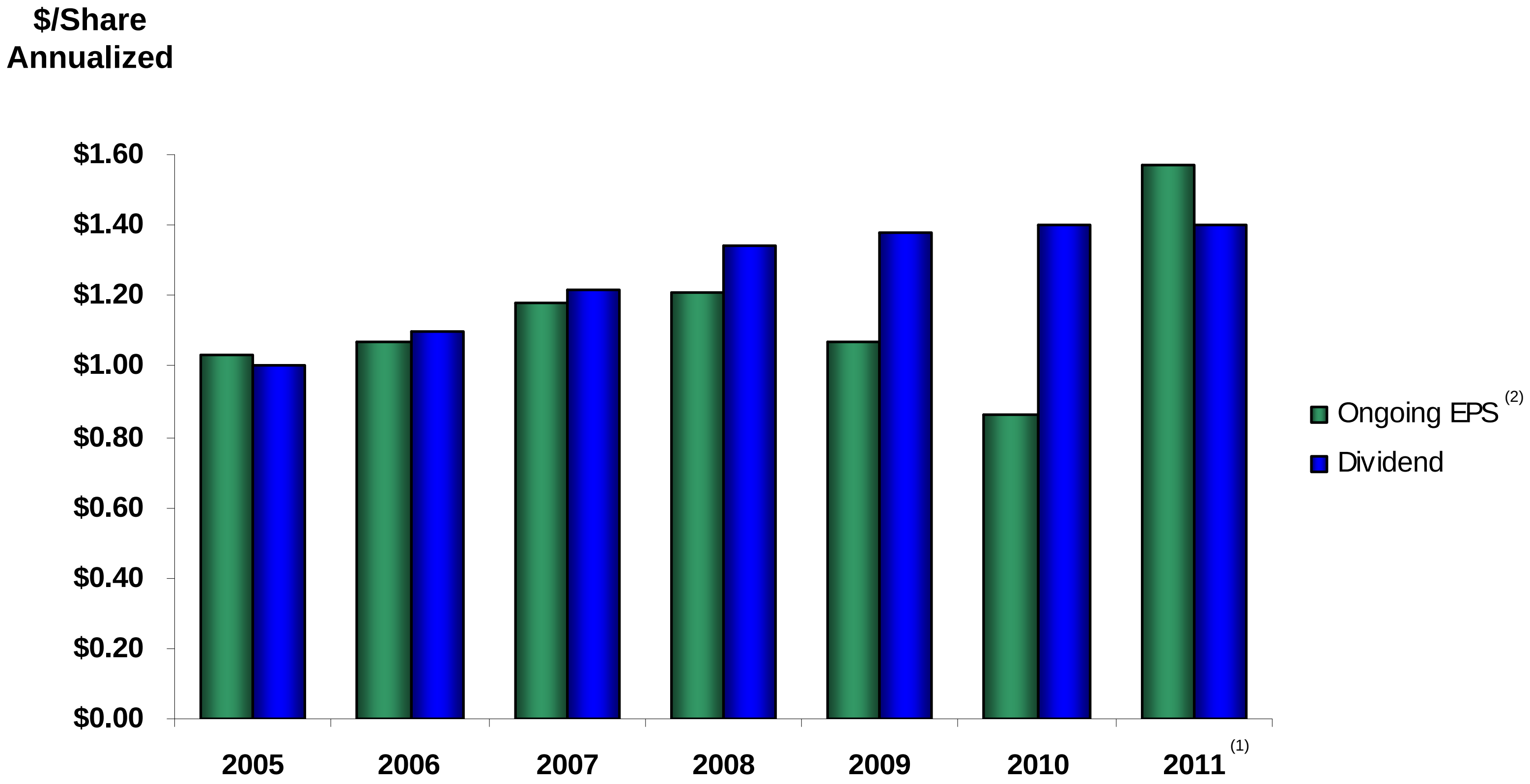
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) *Ongoing EPS based on mid-point of forecast. Annualized dividend based on 4th quarter declaration. Actual dividends to be determined by Board of Directors.*

(2) *From only regulated segments.*

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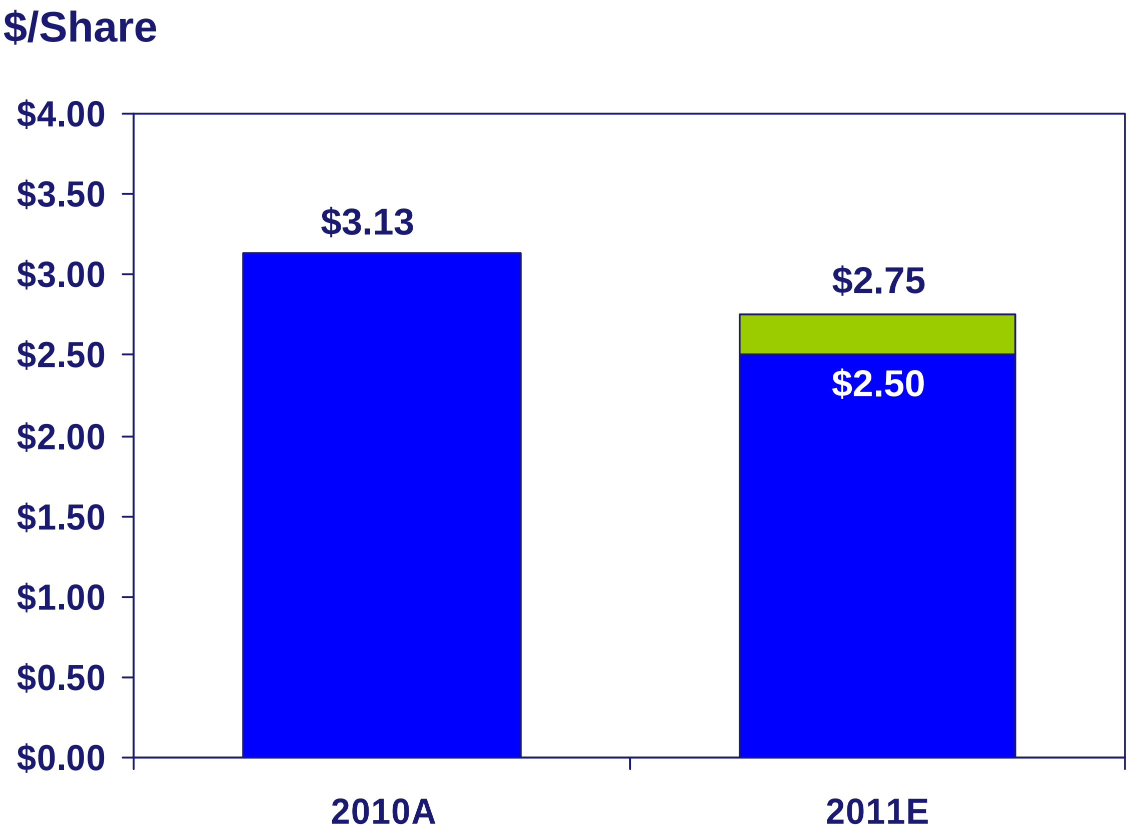

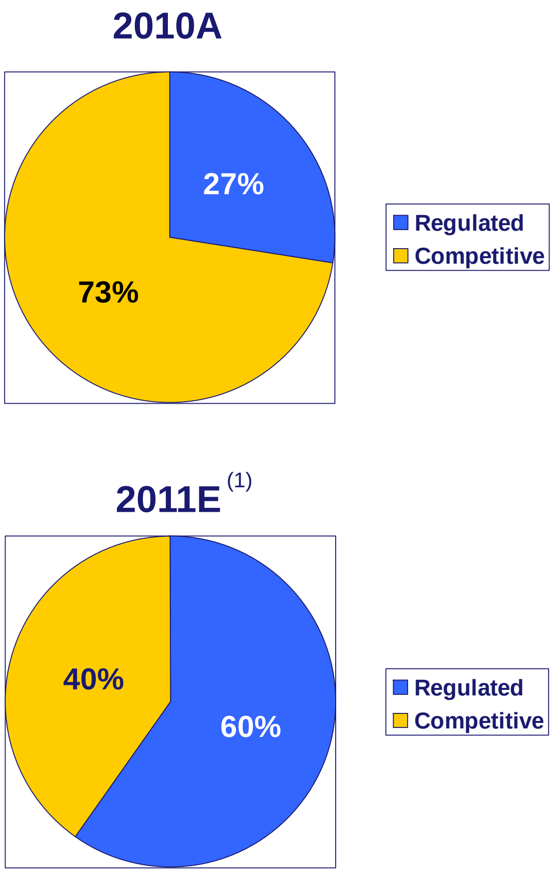

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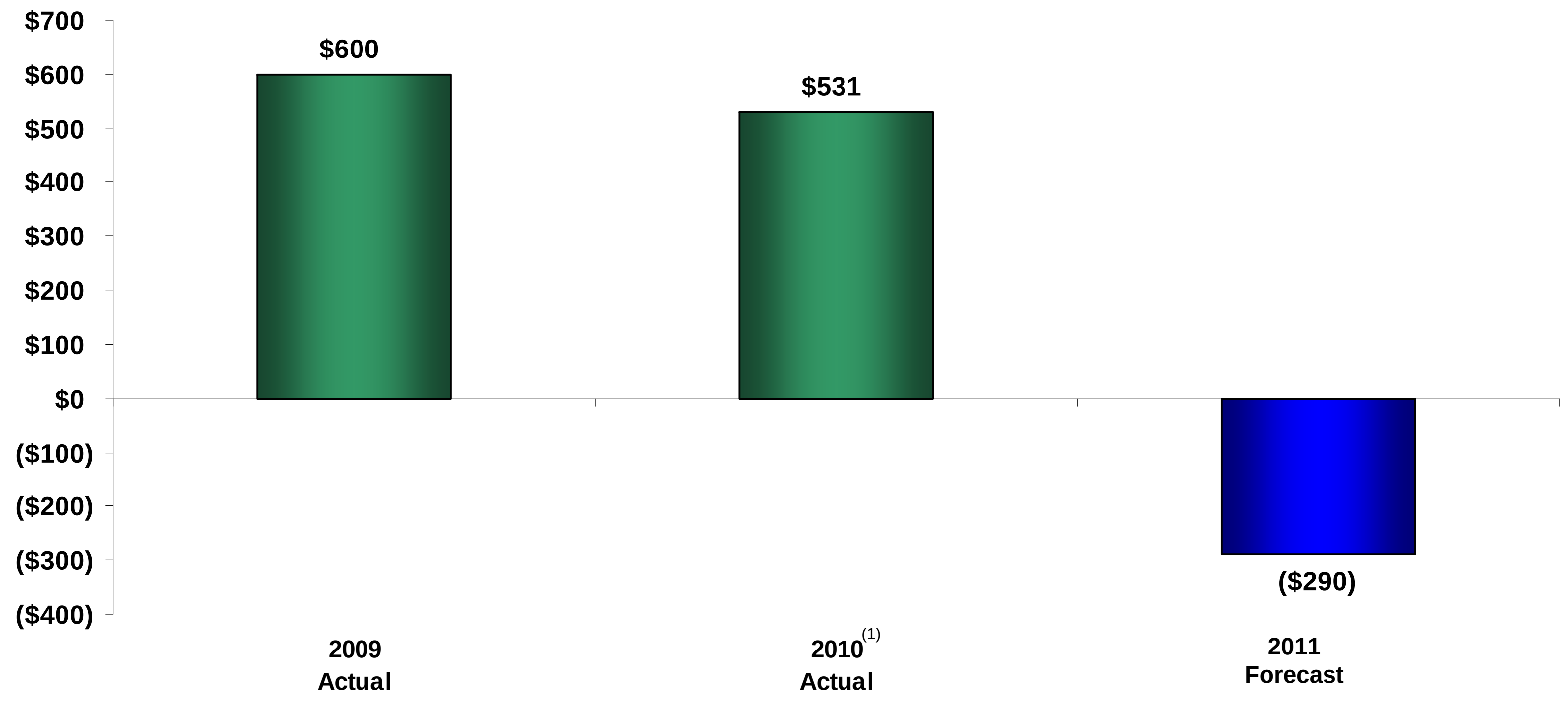

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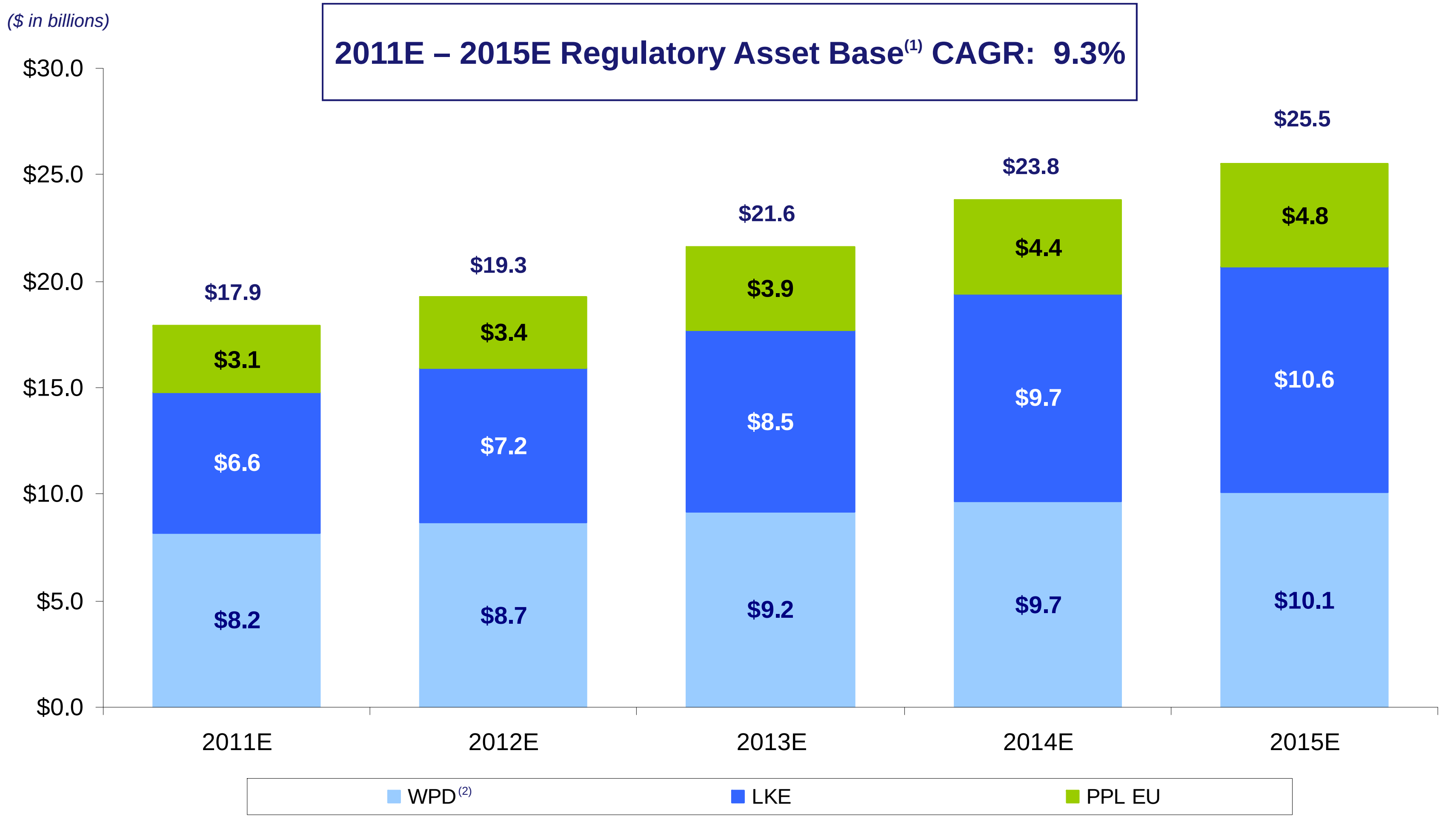
Regulated Rate Base Growth

2011E – 2015E Regulatory Asset Base[1] CAGR: 9.3%



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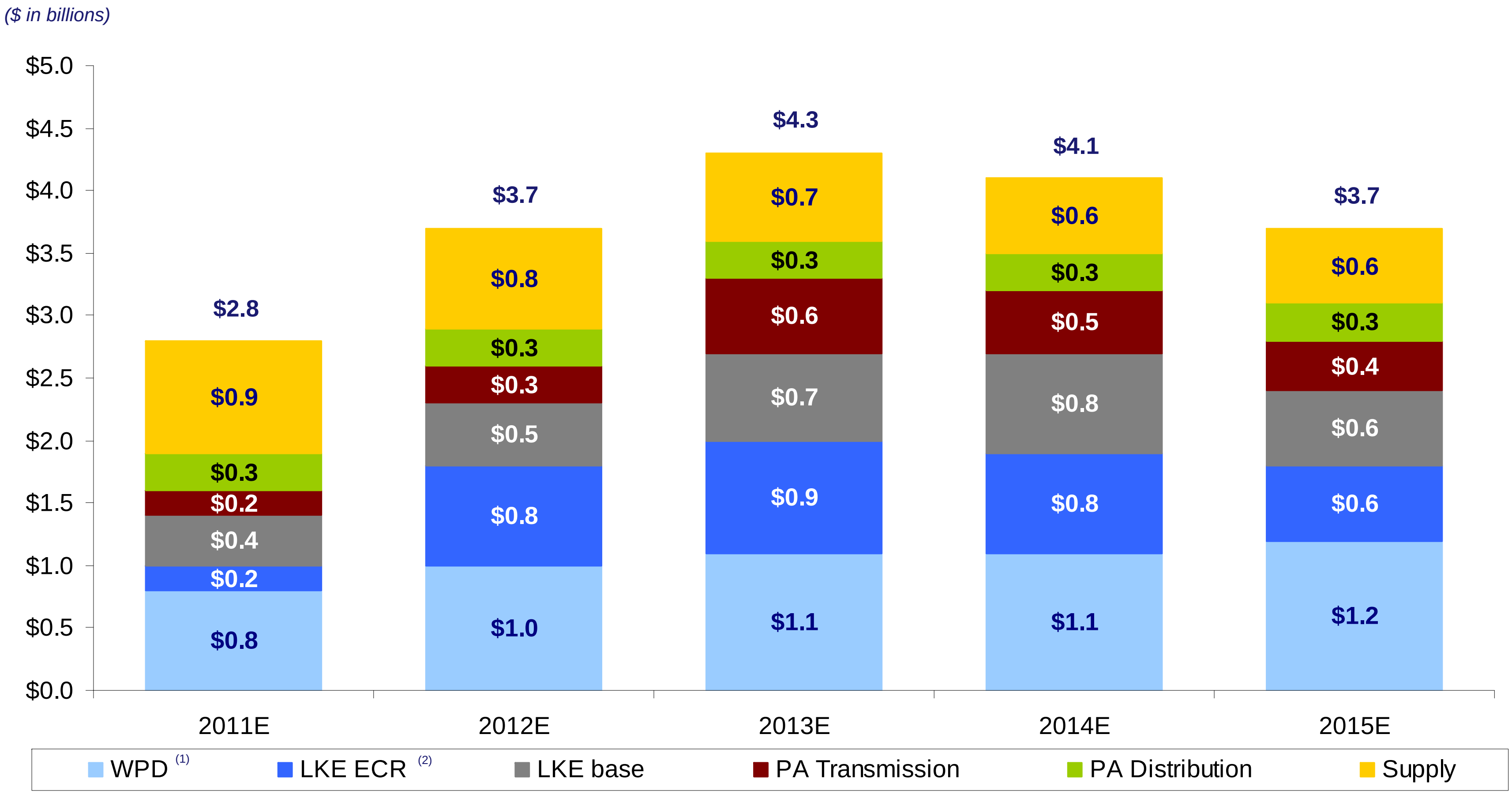

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PJM			
On-Peak	$54	$54	$55
Off-Peak	$38	$39	$41
ATC(1)	$46	$46	$48
Mid-Columbia			
On-Peak	$38	$39	$44
Off-Peak	$26	$28	$31
ATC(1)	$31	$34	$38
GAS(2)			
NYMEX	$4.47	$4.84	$5.16
TZ6NNY	$4.98	$5.57	$5.88
PJM MARKET			
HEAT RATE(3)	10.9	9.6	9.4
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63	$187.49
EQA	91.0%	89.8%	91.3%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 6/30/2011.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High	Low		
	2011	2011	2010	2009
Earnings from Ongoing Operations	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.01	0.01	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs	(0.06)	(0.06)		
Foreign currency loss on 2011 Bridge Facility	(0.07)	(0.07)		
Net hedge gains	0.08	0.08		
Hedge ineffectiveness	(0.02)	(0.02)		
U.K. stamp duty tax	(0.04)	(0.04)		
Other acquisition-related costs	(0.08)	(0.08)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
2010 Bridge Facility costs			(0.12)	
Discontinued cash flow hedges and ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health care reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Litigation settlement - spent nuclear fuel storage	0.06	0.06		
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.12)	(0.12)	(0.96)	(0.87)
Reported Earnings	$ 2.63	$ 2.38	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,020
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,805)
Sale of Assets	84	161	384
Other Investing Activities – Net	(71)	(20)	111
Free Cash Flow before Dividends	$ 600	$ 531	$ (290)

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- *Energy-related economic activity (as discussed below).*
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Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

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Bank of America Merrill Lynch 2011 Power and Gas Leaders Conference

September 20, 2011

PPL Corporation

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Investment Highlights

- Predominantly rate-regulated business mix with significant growth prospects
  - Operations in constructive jurisdictions
  - Approximately two-thirds of regulated capital expenditures earn real-time or near real-time returns
  - ~ 9% compound annual growth in rate base from 2011 to 2015
  - Expect 75% of 2013 EBITDA from regulated businesses

- Highly attractive competitive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
    - No significant exposure to currently proposed environmental regulations
  - Multiple drivers of significant upside
    - Increasing natural gas prices
    - Increasing heat rates
    - Environmental regulation

- Business Risk Profile rated “Excellent” by S&P
  - Stable ratings outlooks

- Secure dividend with strong platform for future growth

PPL has a highly attractive and differentiated position in the electric industry

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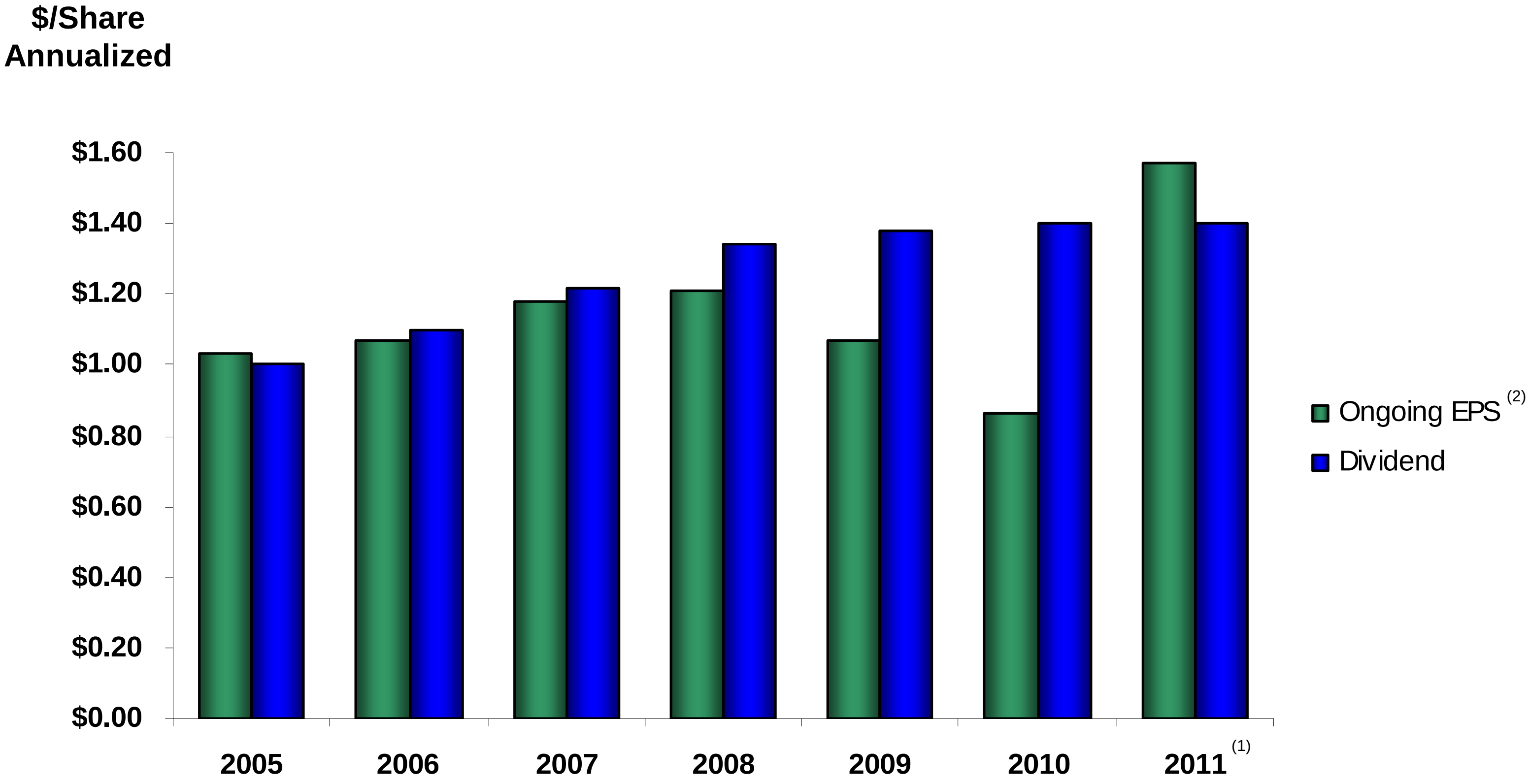
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) *Ongoing EPS based on mid-point of forecast. Annualized dividend based on 4th quarter declaration. Actual dividends to be determined by Board of Directors.*

(2) *From only regulated segments.*

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Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
- Strong operating performance – regulated and competitive
- Strong environmental position by competitive generation fleet
- Excellent cost-management
- Knowledgeable, dedicated employees

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International: Midlands Integration Update

- Synergy plan for Midlands integration on track
- Road shows completed for 3,900 Midlands staff setting out WPD background values and approach to integration – 36 presentations over 9 days
- 85% of union members from the four unions voted to move to single set of WPD terms and conditions
- Transition from a functional structure to a regional structure under way and will result in:
  - Smaller support structure
  - Elimination of duplicate work
  - Implementation of more efficient procedures
- All IT, policy and business processes to be changed to WPD model; December 1st switchover to WPD IT systems

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Kentucky: 2011 ECR Plan - Summary

- Total Capital Expenditures - $2,500M
  - LG&E – capital projects totaling $1,392M
    - Mill Creek Air Compliance - $1,268M
      - FGD upgrade/replacement, Baghouse Systems, SCR Turn-downs
    - Trimble County Unit 1 Air Compliance - $124M
      - Baghouse System
  - KU – capital projects totaling $1,114M
    - Ghent Air Compliance - $712M
      - Baghouse Systems, SCR Turn-downs
    - Brown Air Compliance - $344M
      - Baghouse Systems
    - Brown Landfill - $59M
      - Conversion of Main Ash Pond to Landfill
- Plan also seeks recovery of O&M associated with all projects
  - LG&E O&M expense $55M in 2016
  - KU O&M expense $87M in 2016

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Pennsylvania: Susquehanna-Roseland Transmission Line

- Positive momentum on approval process for Susquehanna-Roseland line:
    - Favorable Commonwealth Court decision in Pennsylvania.
    - Working with National Park Service (NPS) to eliminate any further delay in Environmental Impact Statement process.
    - Expecting NPS Record of Decision in October 2012.
    - Continuing other permitting activities to be ready for construction.
- Optimistic about in-service date in the spring of 2015.

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Pennsylvania: Alternative Rate Making

- HB1294 voted out of Consumer Affairs Committee
- Expected to be considered by House of Representatives in fall
- Bill provides for the recovery of a broad range of capital projects geared toward improving and maintaining safety and reliability

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Supply: Market Fundamentals

- Coal Retirements in PJM
  - In light of multiple EPA regulations, 7 – 17 GWs of PJM coal-fired capacity is at-risk for retirement by 2019.
    - Bulk of the units have an average age over 50 years, are under 500 MWs, and have capacity factors around 30%.
    - Nearly half of the units expected to be retired are located in western PJM.
- Price Impact
  - Anticipate an increase in PJM West Hub prices
    - Actual increase difficult to predict currently as:
      - The allowance market is not yet functioning, creating uncertainty in allowance prices.
      - Retrofit costs and operational adjustments are not fully incorporated.
      - Heat rates will likely expand as coal-fired generation either retires or backs down.
- PPL Impact
  - **PJM Fleet** – Our proactive approach has positioned PPL to capture anticipated increases in PJM pricing while having minimal impacts on operations.

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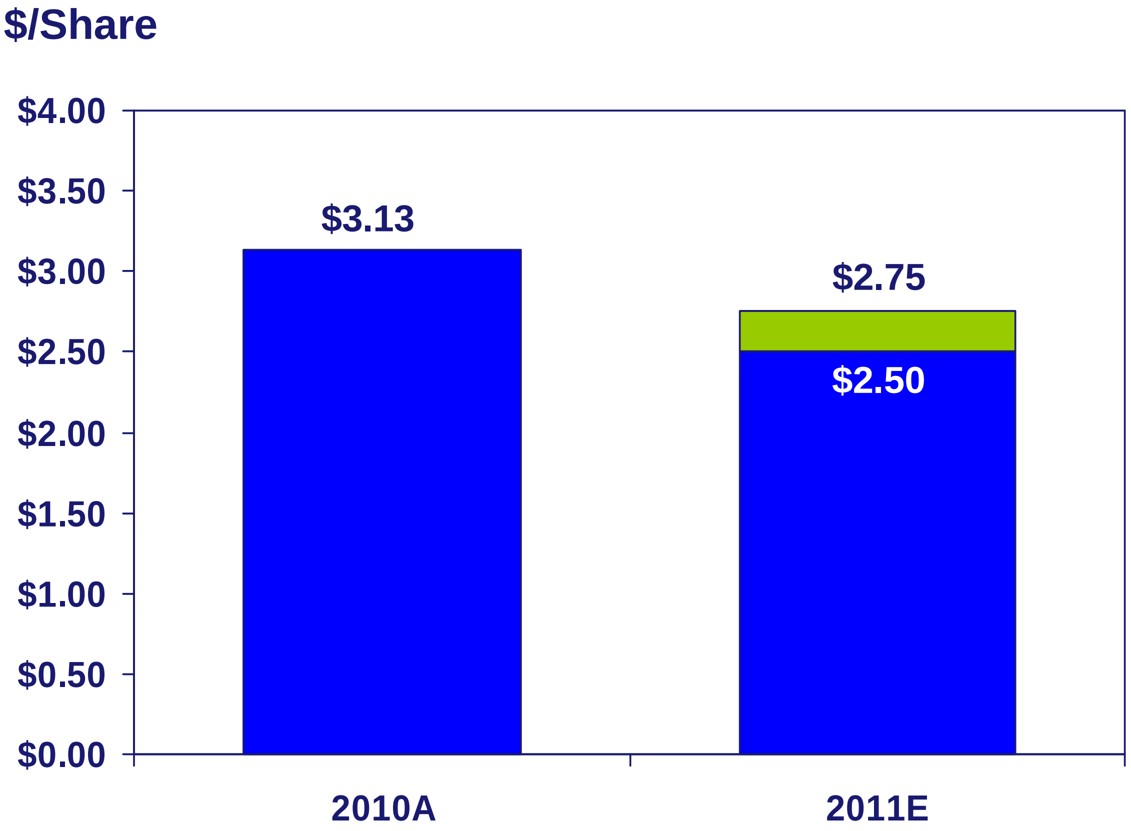
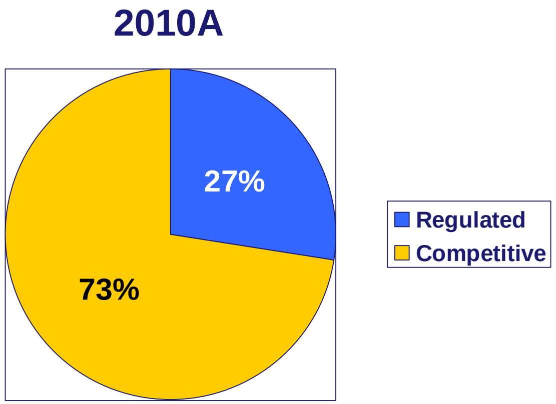
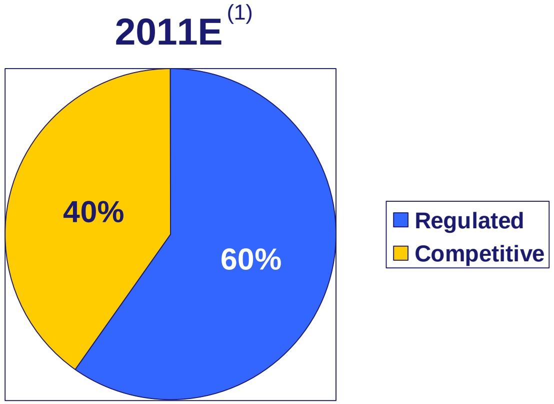
Appendix

2011 Earnings from Ongoing Operations Forecast







(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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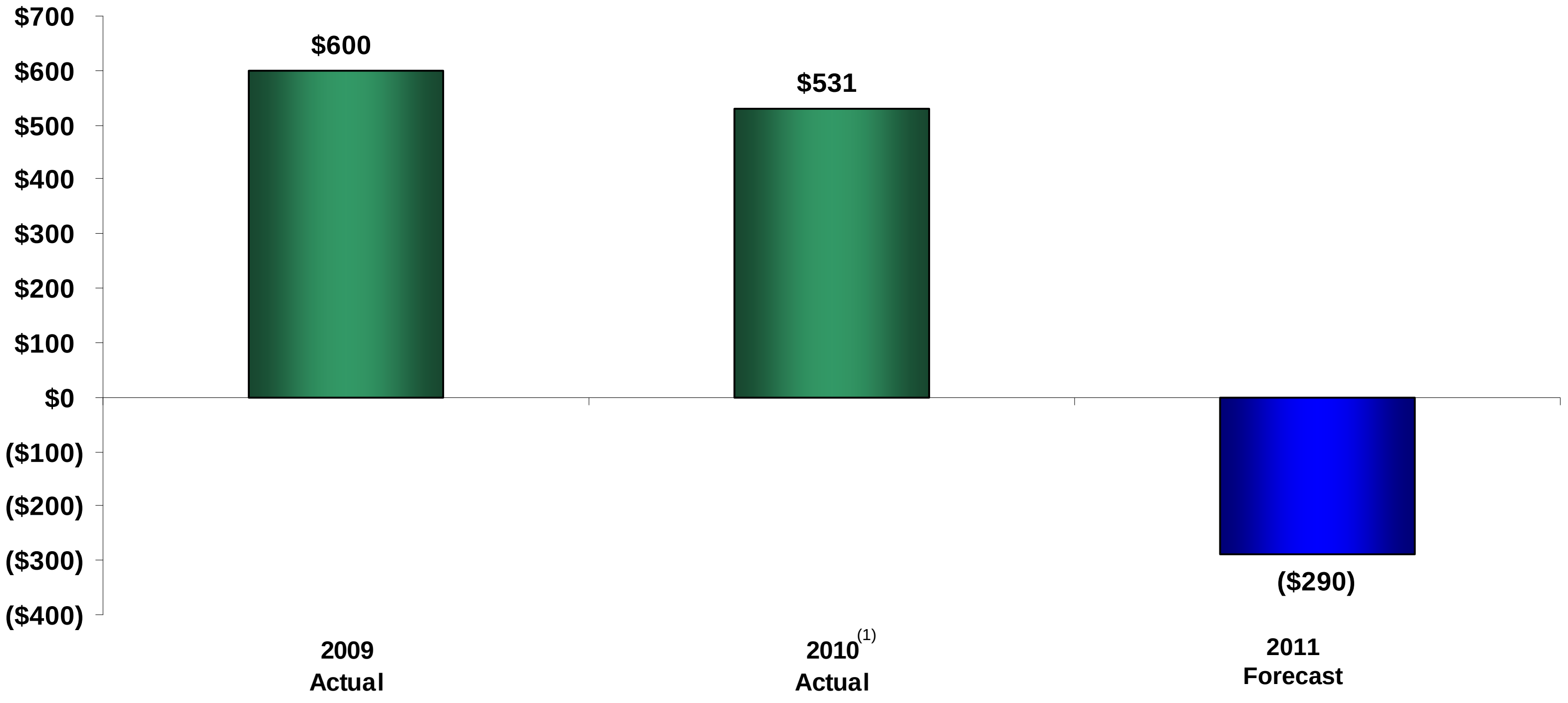
Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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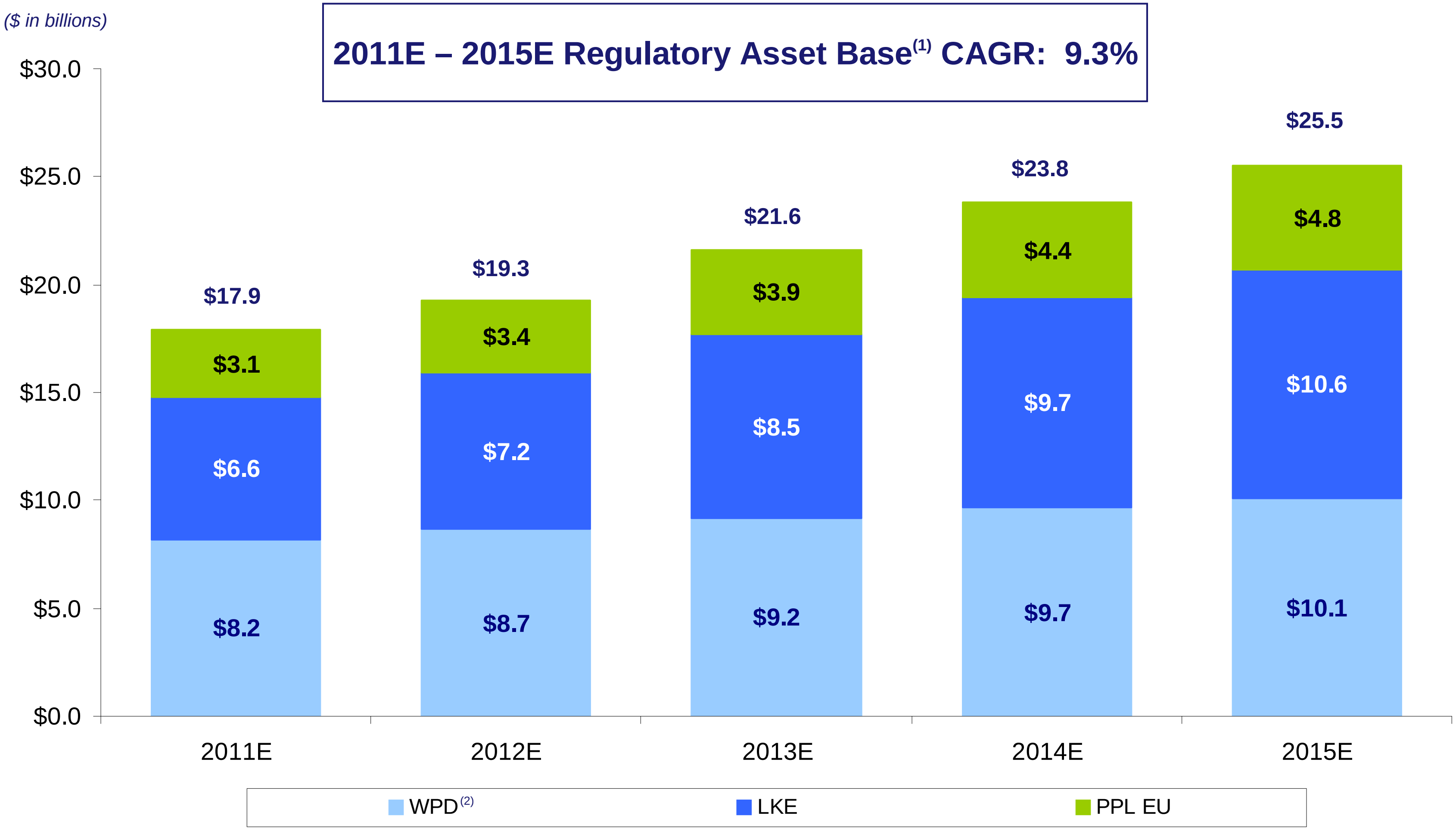
Regulated Rate Base Growth



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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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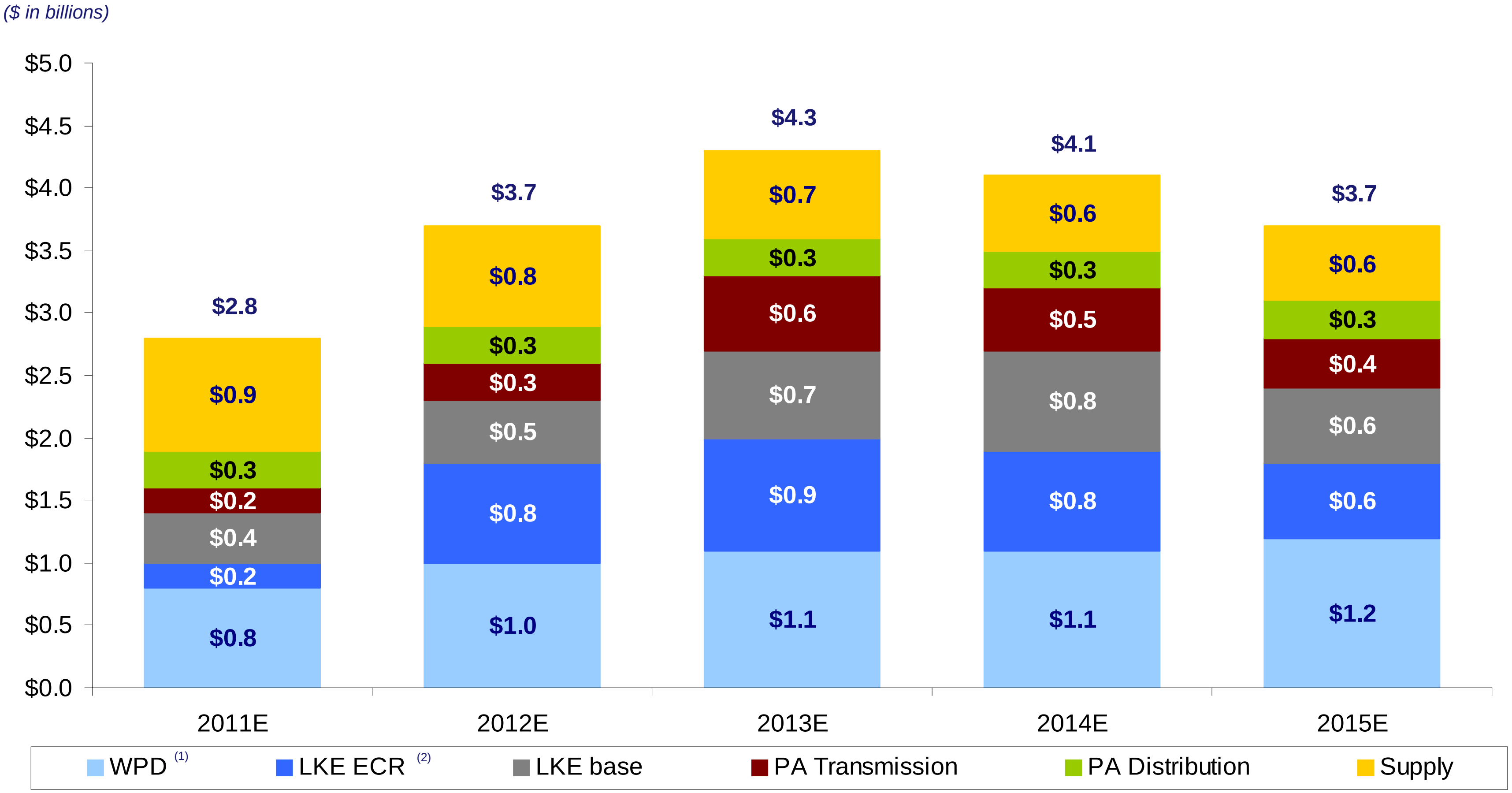
Capital Expenditures



(1) *Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.*

(2) *Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.*

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2011 ECR Plan - Procedural Schedule

- **July 16 – Filed Application for ECR Plan**
- **Discovery began in July; LG&E and KU filed responses to data requests between July 25 and August 10**
- **Early September**
  - Public Meetings to be held in Louisville, Lexington, Henderson and Corbin areas
- **September 1**
  - LG&E and KU to file responses to 2nd Round of data requests of PSC Staff and Interveners
- **September 16**
  - Intervener testimony to be filed
- **September 30**
  - Data requests issued to Interveners
- **October 13**
  - Intervener responses to be filed
- **October 24**
  - Rebuttal testimony to be filed
- **November 9-10 (tentative)**
  - Public Hearing at PSC in Frankfort
- **December 16**
  - Statutory deadline to issue final Order

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Enhancing Value Through Active Hedging

	2011[4]	2012	2013
Baseload			
Expected Generation[1] (Million MWhs)	**47.9**	**54.7**	**54.4**
East	40.1	46.2	46.0
West	7.8	8.5	8.4
Current Hedges (%)	**98%**	**97%**	**69%**
East	99%	98%	69%
West	97%	95%	72%
Average Hedged Price (Energy Only) ($/MWh)[2] [3]			
East	$57	$54-55	$53-56
West	$54	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**88%**
East	100%	95%	91%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$23-27	$23-29	$23-30
Intermediate/Peaking			
Expected Generation[1] (Million MWhs)	7.6	6.2	6.3
Current Hedges (%)	87%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of June 30, 2011

(1) Represents expected sales based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of June 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes six months of actual results.

(5) Transportation contract in negotiation.

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Market Prices

	Balance of 2011	2012	2013
ELECTRIC			
PJM			
On-Peak	$54	$54	$55
Off-Peak	$38	$39	$41
ATC(1)	$46	$46	$48
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(Per Share)

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	High 2011	Low 2011	2010	2009
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Jefferies Mid-West Road Show
September 28-30, 2011

PPL Corporation

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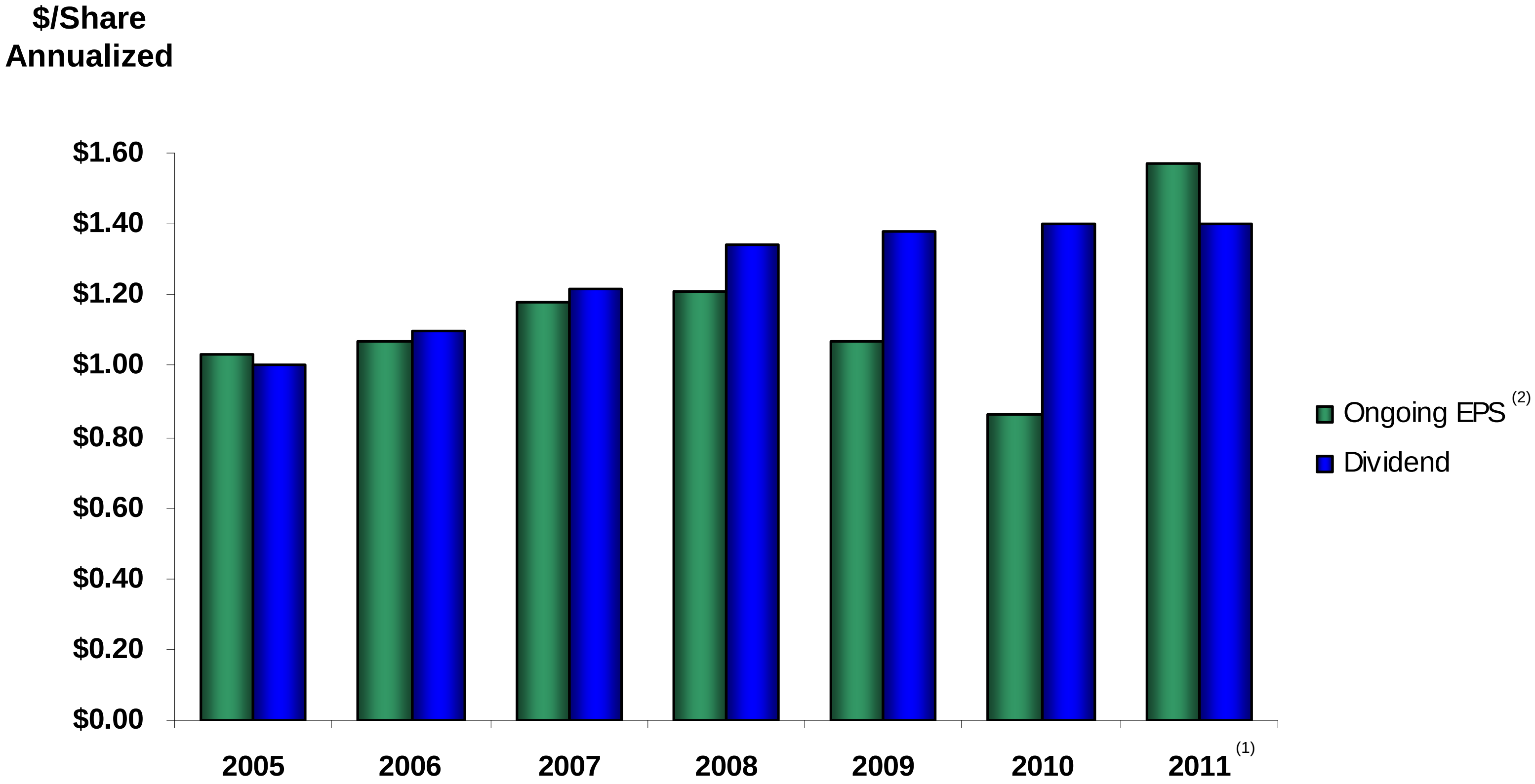
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) *Ongoing EPS based on mid-point of forecast. Annualized dividend based on 4th quarter declaration. Actual dividends to be determined by Board of Directors.*

(2) *From only regulated segments.*

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Our Strengths

- Strong regulatory relationships
- Best in class reliability, customer service
- Strong operating performance – regulated and competitive
- Strong environmental position by competitive generation fleet
- Excellent cost-management
- Knowledgeable, dedicated employees

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International: Midlands Integration Update

- Synergy plan for Midlands integration on track
- Road shows completed for 3,900 Midlands staff setting out WPD background values and approach to integration – 36 presentations over 9 days
- 85% of union members from the four unions voted to move to single set of WPD terms and conditions
- Transition from a functional structure to a regional structure under way and will result in:
  - Smaller support structure
  - Elimination of duplicate work
  - Implementation of more efficient procedures
- All IT, policy and business processes to be changed to WPD model; December 1st switchover to WPD IT systems

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Kentucky: 2011 ECR Plan - Summary

- Total Capital Expenditures - $2,500M
  - LG&E – capital projects totaling $1,392M
    - Mill Creek Air Compliance - $1,268M
      - FGD upgrade/replacement, Baghouse Systems, SCR Turn-downs
    - Trimble County Unit 1 Air Compliance - $124M
      - Baghouse System
  - KU – capital projects totaling $1,114M
    - Ghent Air Compliance - $712M
      - Baghouse Systems, SCR Turn-downs
    - Brown Air Compliance - $344M
      - Baghouse Systems
    - Brown Landfill - $59M
      - Conversion of Main Ash Pond to Landfill
- Plan also seeks recovery of O&M associated with all projects
  - LG&E O&M expense $55M in 2016
  - KU O&M expense $87M in 2016

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Pennsylvania: Susquehanna-Roseland Transmission Line

- Positive momentum on approval process for Susquehanna-Roseland line:
  - Favorable Commonwealth Court decision in Pennsylvania.
  - Working with National Park Service (NPS) to eliminate any further delay in Environmental Impact Statement process.
  - Expecting NPS Record of Decision in October 2012.
  - Continuing other permitting activities to be ready for construction.
- Optimistic about in-service date in the spring of 2015.

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Pennsylvania: Alternative Rate Making

- HB1294 voted out of Consumer Affairs Committee
- Expected to be considered by House of Representatives in fall
- Bill provides for the recovery of a broad range of capital projects geared toward improving and maintaining safety and reliability

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Supply: Market Fundamentals

- Coal Retirements in PJM
  - In light of multiple EPA regulations, 7 – 17 GWs of PJM coal-fired capacity is at-risk for retirement by 2019.
    - Bulk of the units have an average age over 50 years, are under 500 MWs, and have capacity factors around 30%.
    - Nearly half of the units expected to be retired are located in western PJM.
- Price Impact
  - Anticipate an increase in PJM West Hub prices
    - Actual increase difficult to predict currently as:
      - The allowance market is not yet functioning, creating uncertainty in allowance prices.
      - Retrofit costs and operational adjustments are not fully incorporated.
      - Heat rates will likely expand as coal-fired generation either retires or backs down.
- PPL Impact
  - **PJM Fleet** – Our proactive approach has positioned PPL to capture anticipated increases in PJM pricing while having minimal impacts on operations.

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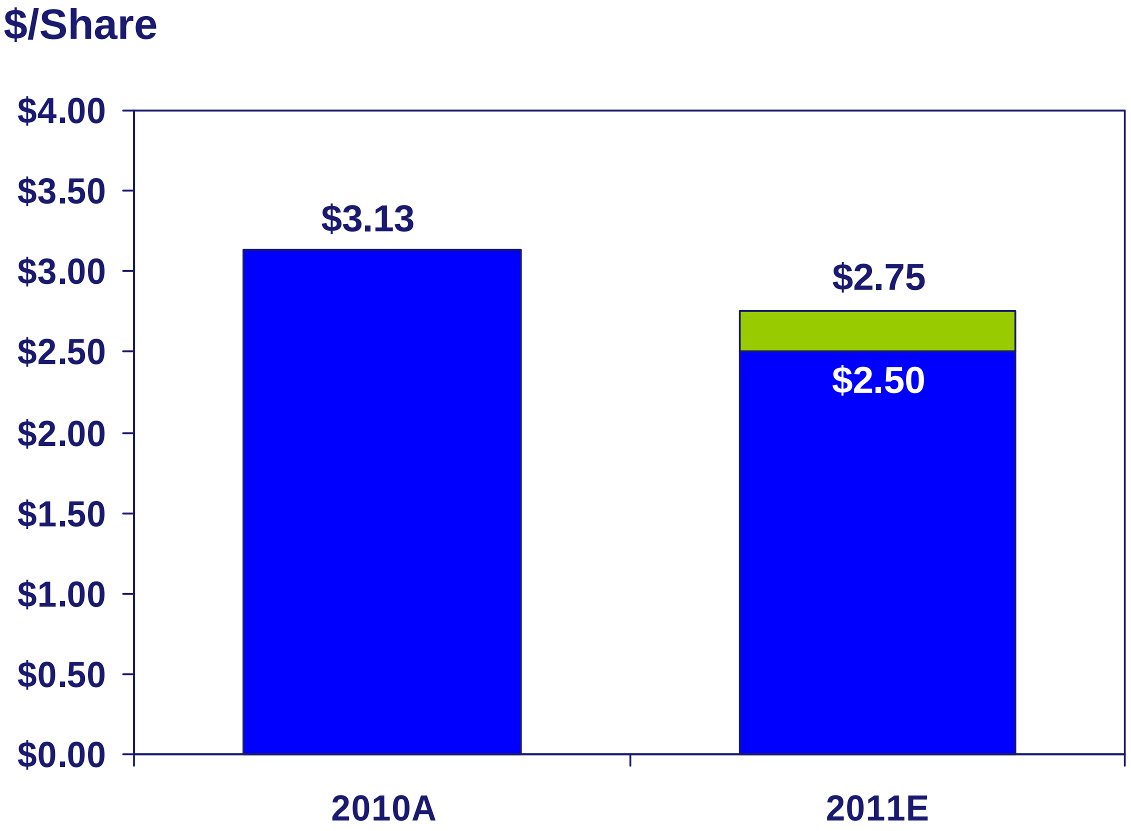
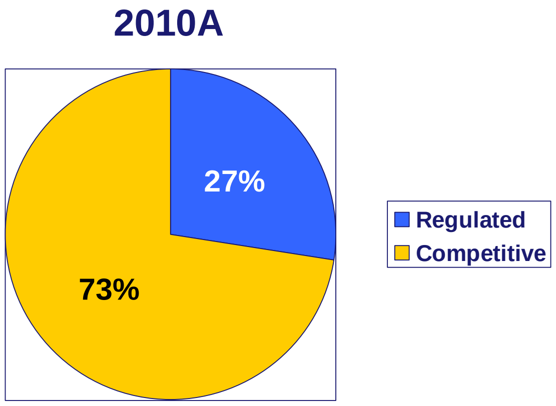
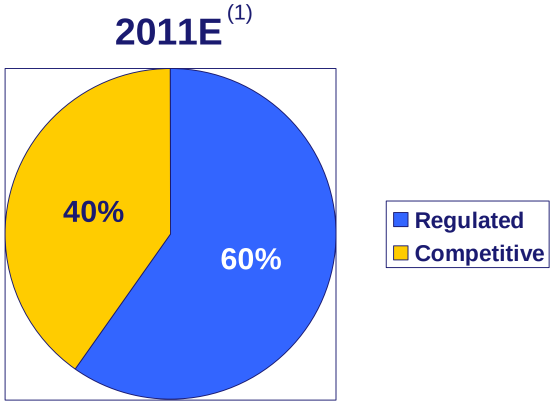
Appendix

2011 Earnings from Ongoing Operations Forecast







(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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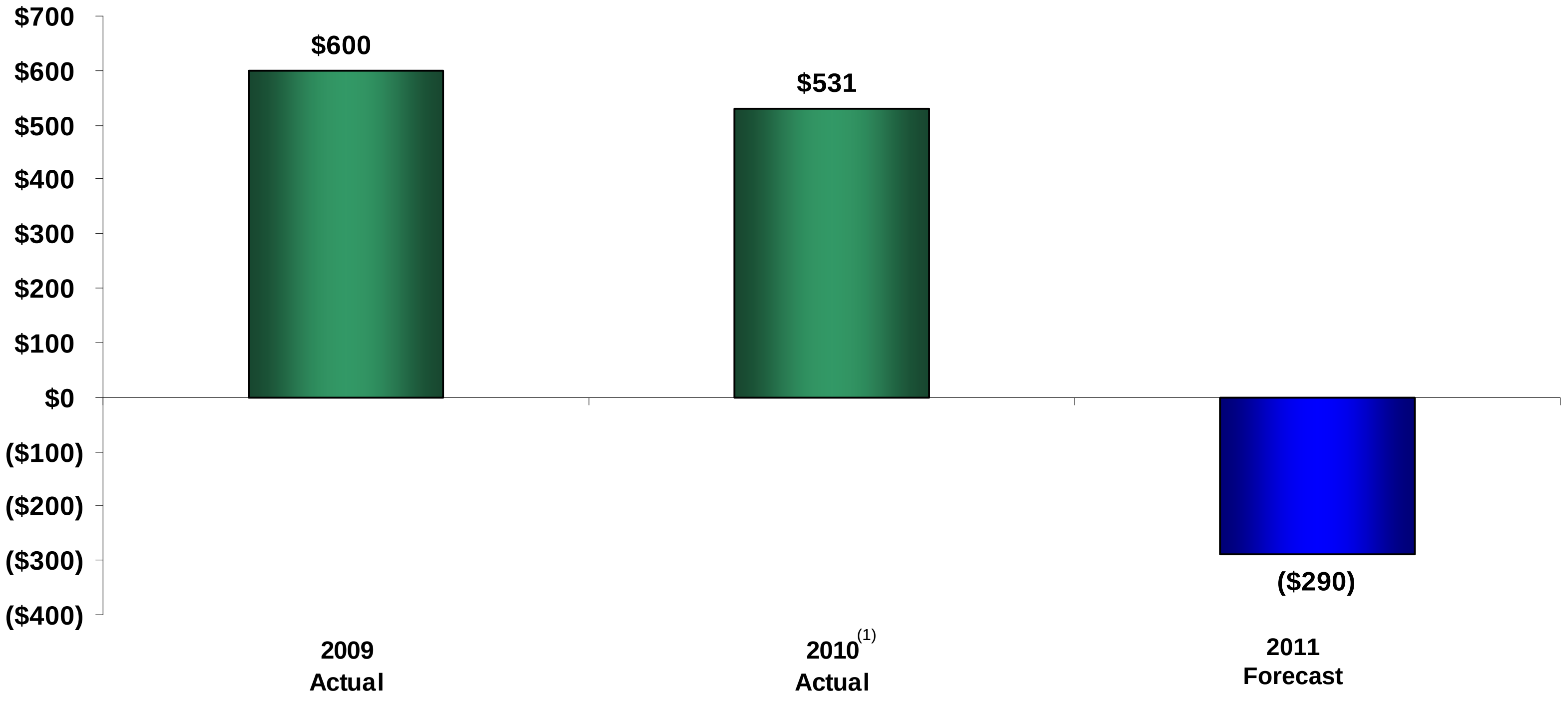
Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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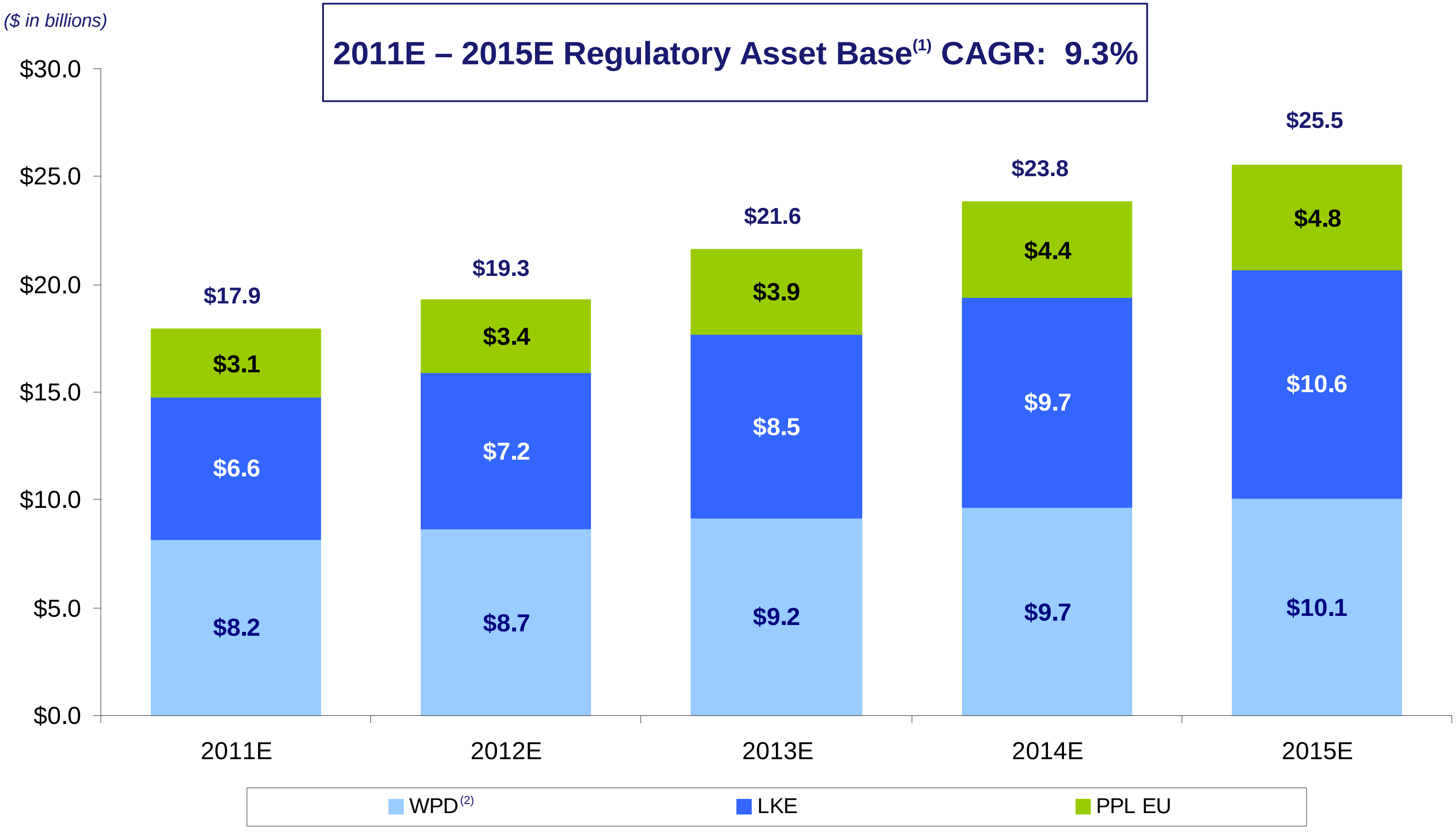
Regulated Rate Base Growth

2011E – 2015E Regulatory Asset Base[1] CAGR: 9.3%



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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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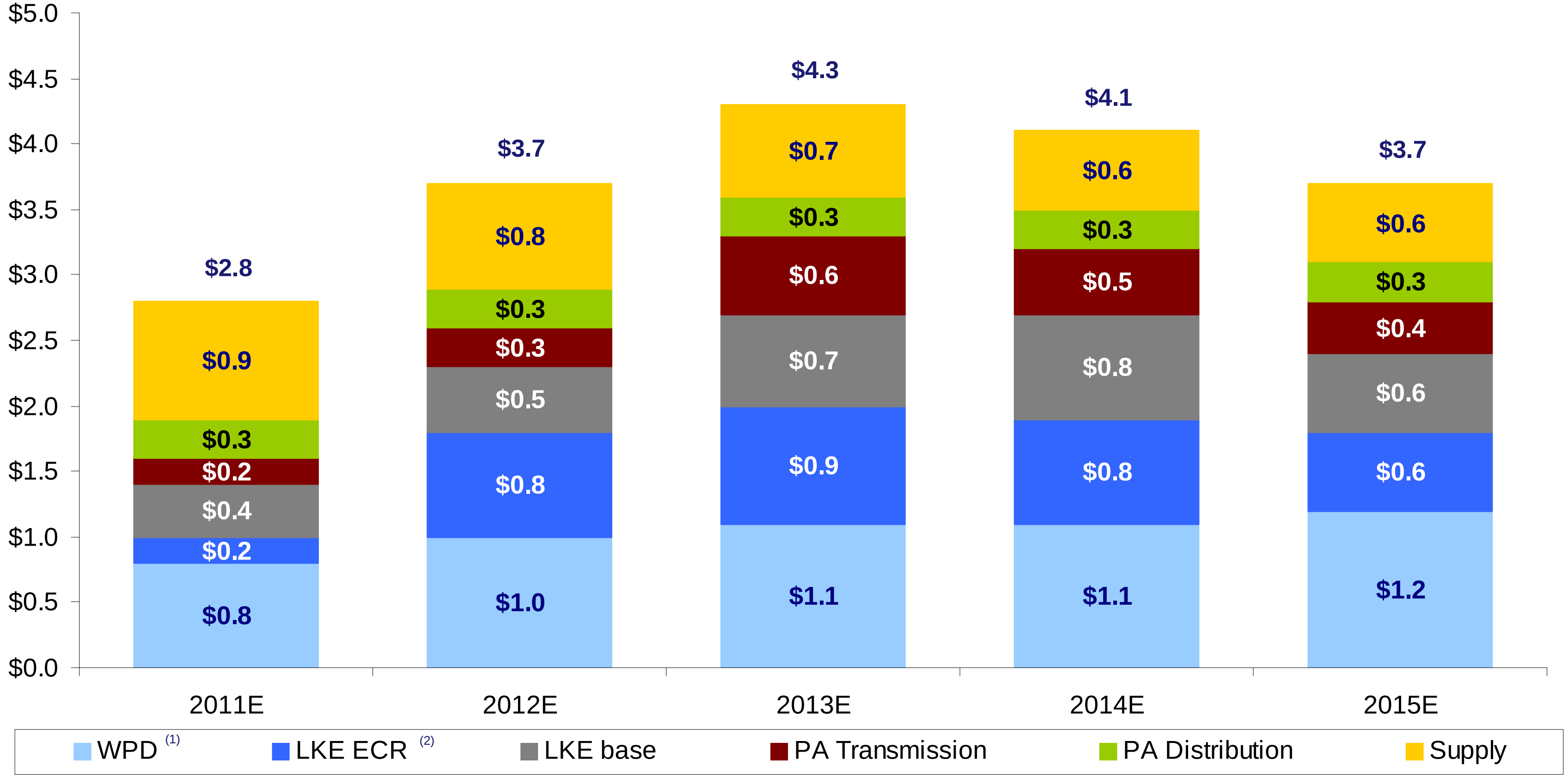
Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.

(2) Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.

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2011 ECR Plan - Procedural Schedule

- **July 16 – Filed Application for ECR Plan**
- **Discovery began in July; LG&E and KU filed responses to data requests between July 25 and August 10**
- **Early September**
  - Public Meetings to be held in Louisville, Lexington, Henderson and Corbin areas
- **September 1**
  - LG&E and KU to file responses to 2nd Round of data requests of PSC Staff and Interveners
- **September 16**
  - Intervener testimony to be filed
- **September 30**
  - Data requests issued to Interveners
- **October 13**
  - Intervener responses to be filed
- **October 24**
  - Rebuttal testimony to be filed
- **November 9-10 (tentative)**
  - Public Hearing at PSC in Frankfort
- **December 16**
  - Statutory deadline to issue final Order

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Enhancing Value Through Active Hedging

	2011(4)	2012	2013
Baseload			
Expected Generation(1) (Million MWhs)	**47.9**	**54.7**	**54.4**
East	40.1	46.2	46.0
West	7.8	8.5	8.4
Current Hedges (%)	**98%**	**97%**	**69%**
East	99%	98%	69%
West	97%	95%	72%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)			
East	$57	$54-55	$53-56
West	$54	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**88%**
East	100%	95%	91%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$23-27	$23-29	$23-30
Intermediate/Peaking			
Expected Generation(1) (Million MWhs)	7.6	6.2	6.3
Current Hedges (%)	87%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of June 30, 2011
(1) Represents expected sales based on current business plan assumptions.
(2) The 2011 average hedge energy prices are based on the fixed price swaps as of June 30, 2011; the prior collars have all been converted to fixed swaps.
(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.
(4) Includes six months of actual results.
(5) Transportation contract in negotiation.

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Market Prices

	Balance of 2011	2012	2013
ELECTRIC			
PJM			
On-Peak	$54	$54	$55
Off-Peak	$38	$39	$41
ATC(1)	$46	$46	$48
Mid-Columbia			
On-Peak	$38	$39	$44
Off-Peak	$26	$28	$31
ATC(1)	$31	$34	$38
GAS(2)			
NYMEX	$4.47	$4.84	$5.16
TZ6NNY	$4.98	$5.57	$5.88
PJM MARKET			
HEAT RATE(3)	10.9	9.6	9.4
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63	$187.49
EQA	91.0%	89.8%	91.3%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 6/30/2011.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High 2011	Low 2011	2010	2009
Earnings from Ongoing Operations	$ 2.75	$ 2.50	$ 3.13	$ 1.95
Special Items:				
Energy-related economic activity	0.01	0.01	(0.27)	(0.59)
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Emission allowances			(0.02)	(0.05)
Other asset impairments				(0.01)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs	(0.06)	(0.06)		
Foreign currency loss on 2011 Bridge Facility	(0.07)	(0.07)		
Net hedge gains	0.08	0.08		
Hedge ineffectiveness	(0.02)	(0.02)		
U.K. stamp duty tax	(0.04)	(0.04)		
Other acquisition-related costs	(0.08)	(0.08)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Anticipated sale of certain non-core generation facilities			(0.14)	
2010 Bridge Facility costs			(0.12)	
Discontinued cash flow hedges and ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health care reform - tax impact			(0.02)	
Change in U.K. tax rate			0.04	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Litigation settlement - spent nuclear fuel storage	0.06	0.06		
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.12)	(0.12)	(0.96)	(0.87)
Reported Earnings	$ 2.63	$ 2.38	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	2010	2011
Cash from Operations	$1,852	$2,034	$2,020
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,805)
Sale of Assets	84	161	384
Other Investing Activities – Net	(71)	(20)	111
Free Cash Flow before Dividends	$ 600	$ 531	$ (290)

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Consolidated Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

"Free cash flow before dividends" is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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3rd Quarter Earnings Call
November 3, 2011

PPL Corporation

Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Agenda

Third Quarter 2011 Earnings and Outlook	J. H. Miller
Segment Results and Financial Overview	P. A. Farr
Operational Review	W. H. Spence
Q&A	

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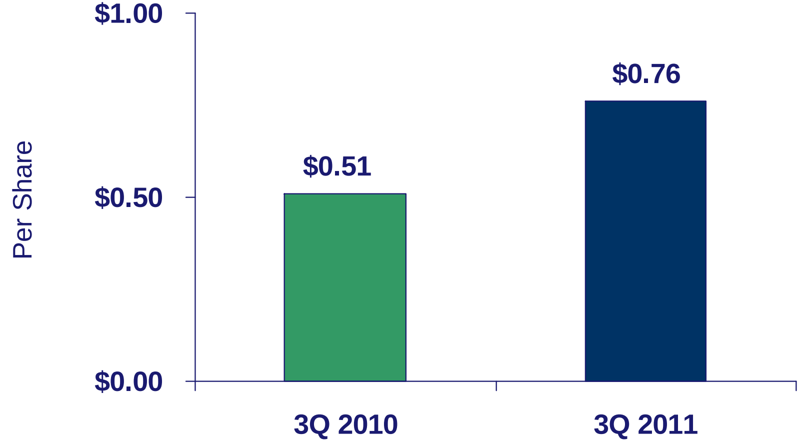
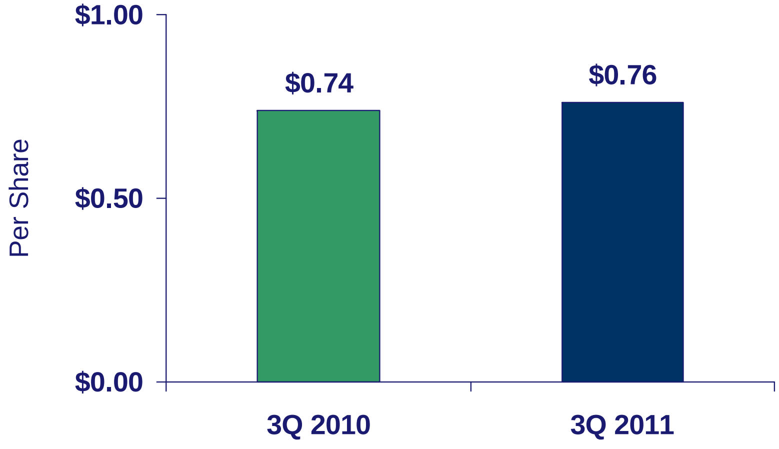
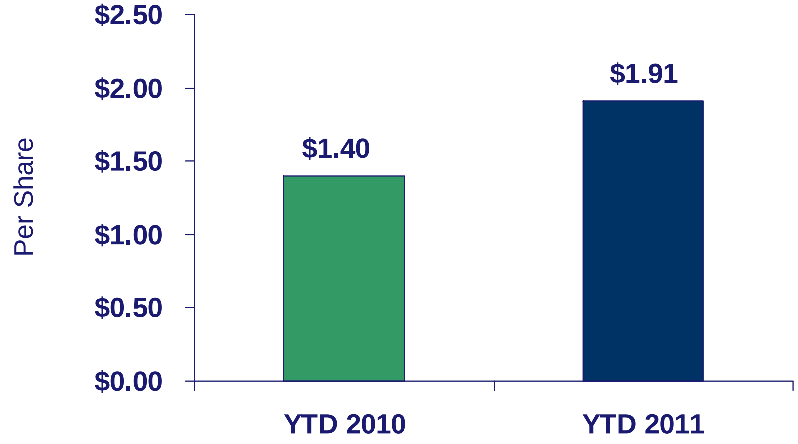
Earnings Results



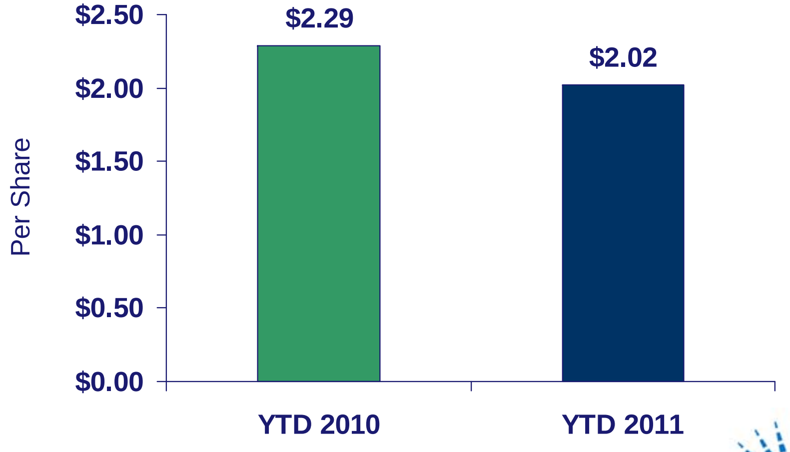
Third Quarter
Reported Earnings



Third Quarter
Earnings from Ongoing Operations



Year-to-Date
Reported Earnings



Year-to-Date
Earnings from Ongoing Operations

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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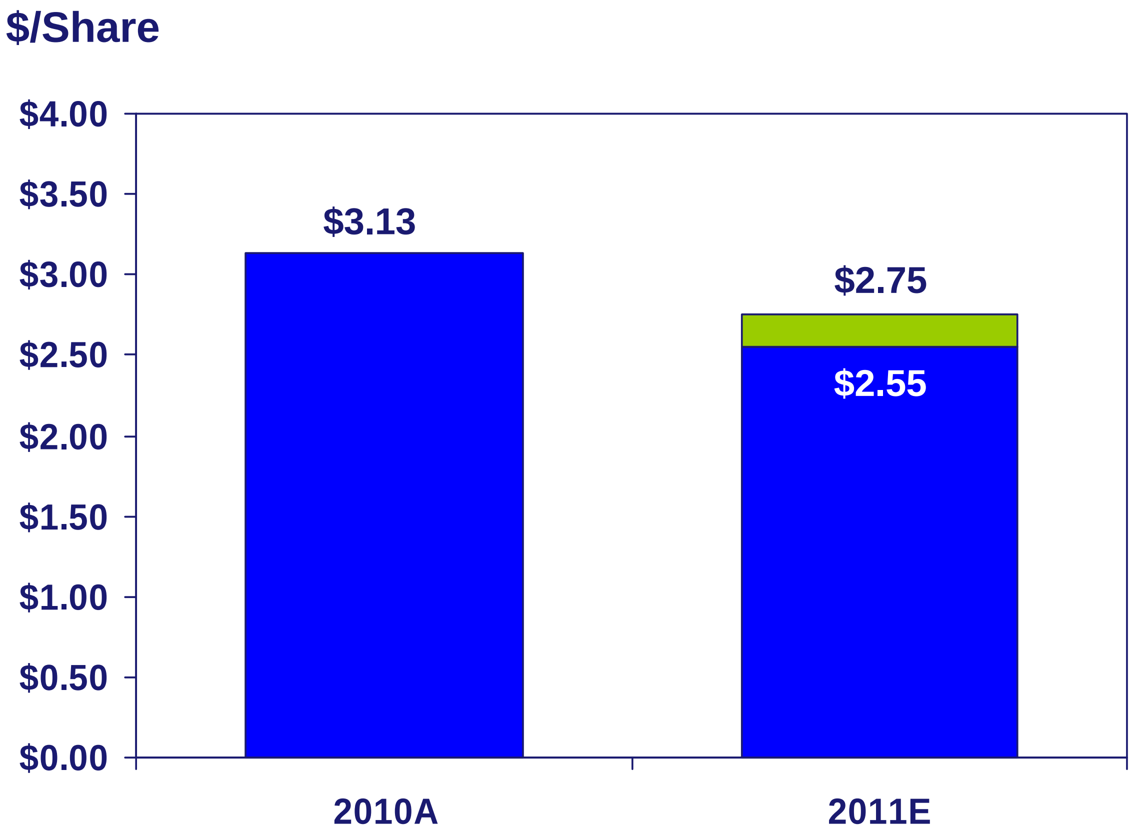
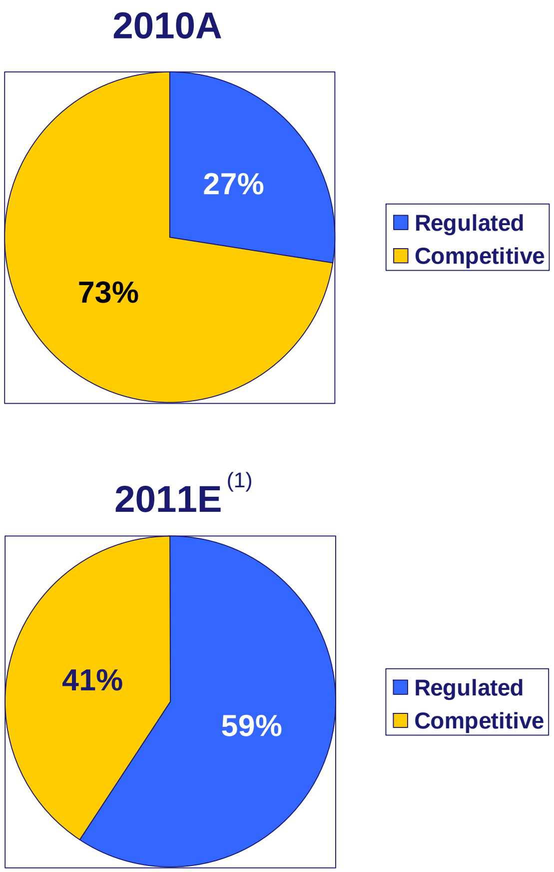
Increased 2011 Earnings from Ongoing Operations Forecast





(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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Ongoing Earnings Overview

	Q3 2011	Q3 2010	Change
Kentucky Regulated	$0.13	$ -	$0.13
International Regulated	0.22	0.12	0.10
Pennsylvania Regulated	0.05	0.08	(0.03)
Supply	0.36	0.54	(0.18)
Total	$0.76	$0.74	$0.02

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Regulated Segment Earnings Drivers

		3rd Quarter
2010 EPS – Ongoing Earnings		$0.12
Delivery Revenue	0.03	
O&M	(0.01)	
Income Taxes & Other	(0.03)	
Midlands	0.15	
Dilution	(0.04)	
Total		0.10
2011 EPS – Ongoing Earnings		$0.22

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Pennsylvania Regulated Segment Earnings Drivers

	3rd Quarter	
2010 EPS – Ongoing Earnings		$0.08
Electric Delivery Margins	0.01	
O&M	(0.02)	
Income taxes & other	(0.01)	
Dilution	(0.01)	
Total		(0.03)
2011 EPS – Ongoing Earnings		$0.05

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

	3rd Quarter	
2010 EPS – Ongoing Earnings		$0.54
Margins – East	(0.08)	
Income taxes & other	(0.03)	
Dilution	(0.07)	
Total		(0.18)
2011 EPS – Ongoing Earnings		$0.36

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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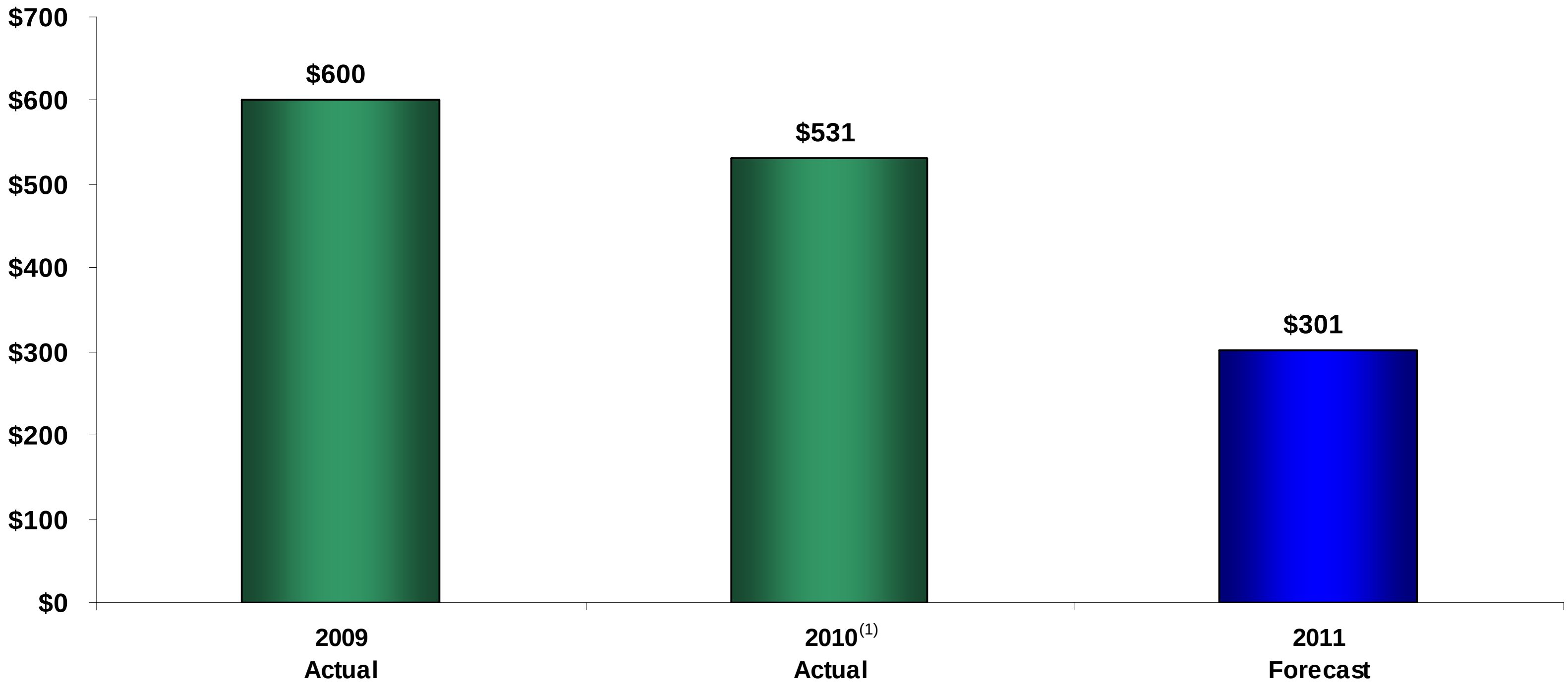
Free Cash Flow before Dividends

Millions of Dollars



(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

Note: See Appendix for reconciliation of free cash flow before dividends to cash from operations.

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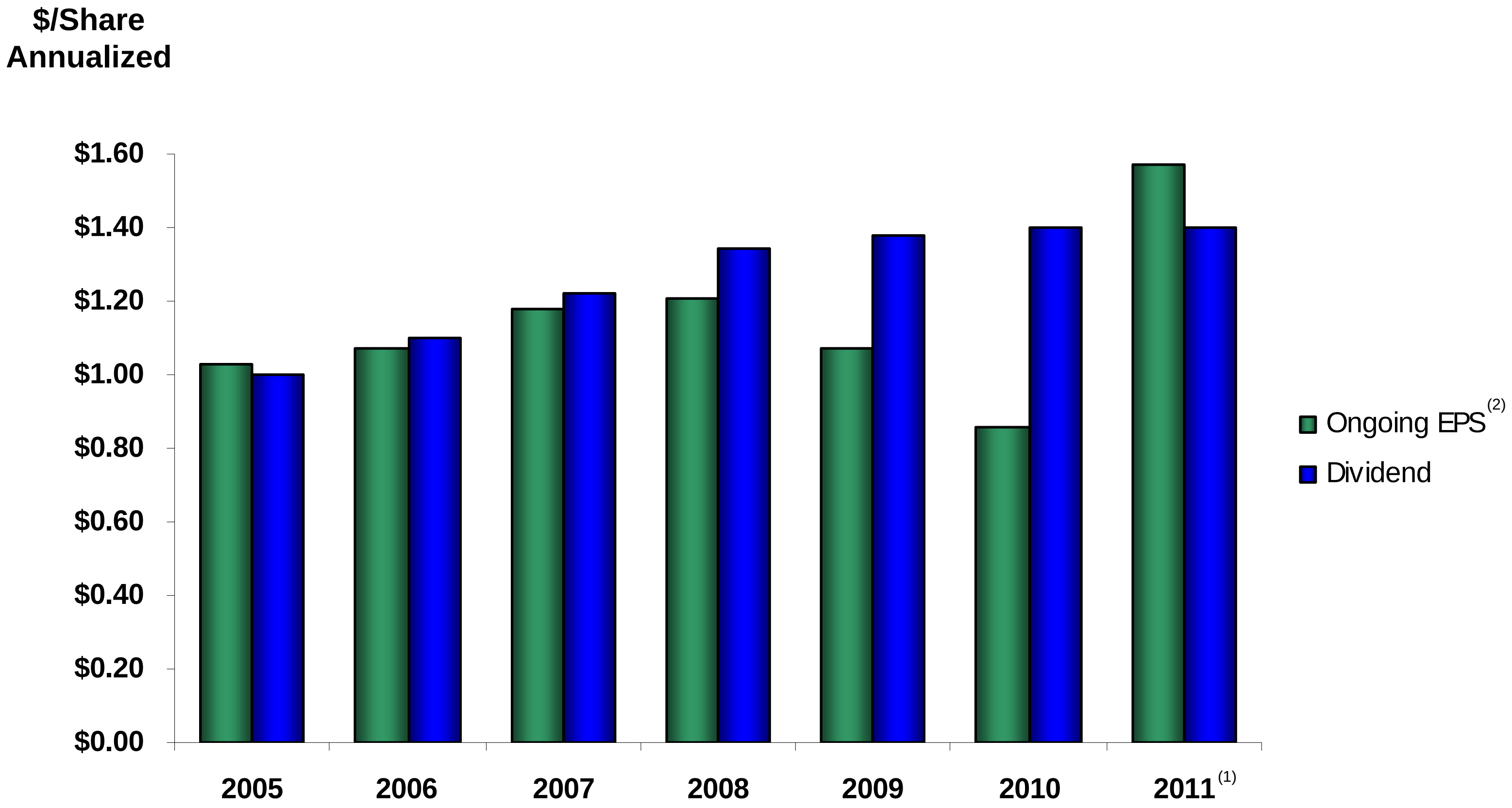
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 3rd quarter declaration. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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International – Modeling Parameters

	Revenues (£)	• Regulated Revenues escalate 5.5% annually plus inflation through end of current price control period plus incentives; Energy-related business revenues are flat
–	***Operation and Maintenance (£)***	• Operation and Maintenance expense (excluding pension expense) escalates at inflation after incorporating efficiencies from WPD Midlands
–	***Pension Expense (£)***	• Pension expense increases from £20 million in 2011 to £50 million by 2013 and then reduces beyond
–	***Depreciation Expense (£)***	• Depreciation expense escalates at about 7% per annum
–	***Real Estate Taxes plus Energy-related Business Expense (£)***	• Real Estate taxes and Energy-related Business expense are flat
–	***Interest Expense (£)***	• Interest Expense primarily fixed except for £365 million of index-linked debt escalating at inflation, plus PPL-issued 2011 Equity Units
–	***Income Taxes (£)***	• Effective tax rate of about 24% per annum
X	***Foreign Currency Assumption***	• Assumed $/£ foreign currency exchange rate
=	***International Regulated Net Income***	

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Operational Review

Pennsylvania Regulated Segment

- HB 1294
  - Passed PA House of Representatives on Oct. 4 by a vote of 183 to 18
  - Currently under review in the Senate’s Consumer Protection and Professional Licensure Committee

- Susquehanna-Roseland
  - Named to federal Rapid Response Team for Transmission on Oct. 5
  - Expected in-service date in the spring of 2015

- Hurricane Irene
  - 2nd worst storm PPL Electric Utilities experienced in the past 20 years
  - Nearly 430,000 interruptions - 95% restored within 3 days

Kentucky Regulated Segment

- Filed Certificate of Public Convenience with KPSC on Sept. 15 requesting:
  - Retirements at Cane Run, Tyrone, & Green River
  - Approval to build 640MW combined cycle gas unit
  - Approval to purchase an additional 495MWs of combustion turbines

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Operational Review (continued)

International Regulated Segment

- Synergy plan for Midlands integration remains on track
- Organizational structure and Reorganization plan have been finalized
  - Total cost of $102 million pre-tax
- Transition from a functional structure to a regional structure under way:
  - New structure issued and first round of training completed
  - Staff allocated new roles
  - Redundancy notices sent
- Regional structure will result in:
  - Smaller support structure
  - Elimination of duplicate work
  - Implementation of more efficient procedures

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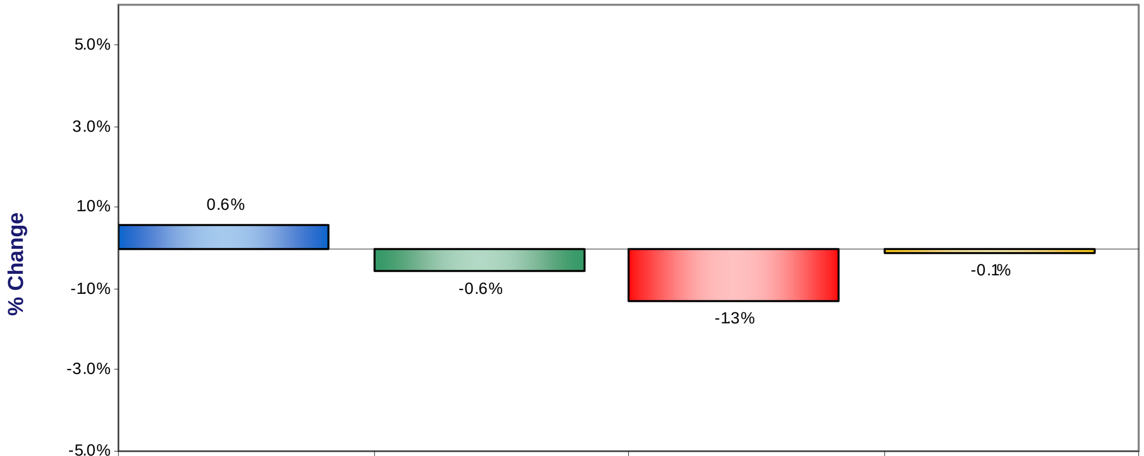
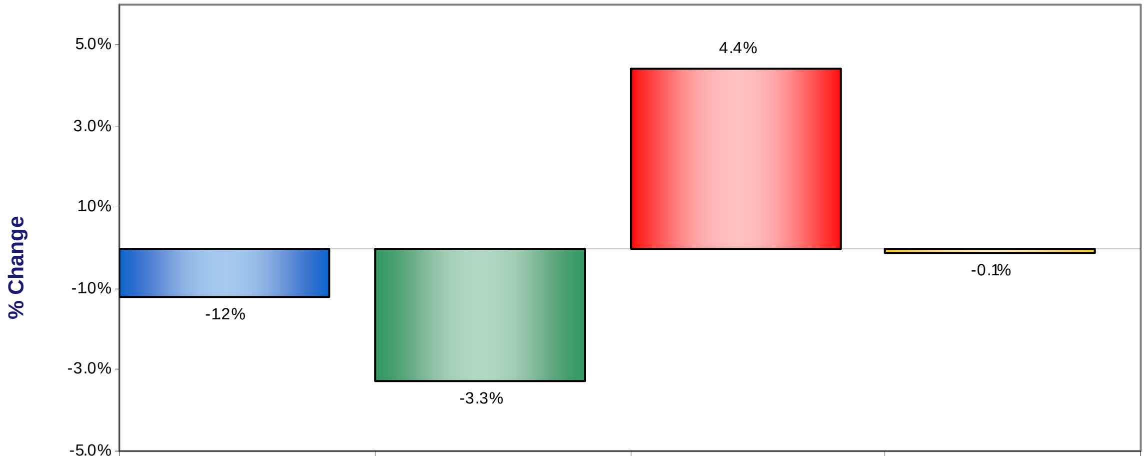
Kentucky Regulated Volume Variances

3-months Ended 09/30/2011 vs. 09/30/2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	0.6%	-0.6%	-13%	-0.1%
Actual	-4.3%	-2.6%	-15%	-2.8%

12-months Ended 09/30/2011 vs. 09/30/2010



	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-12%	-3.3%	4.4%	-0.1%
Actual	-5.1%	-3.4%	15%	-2.7%

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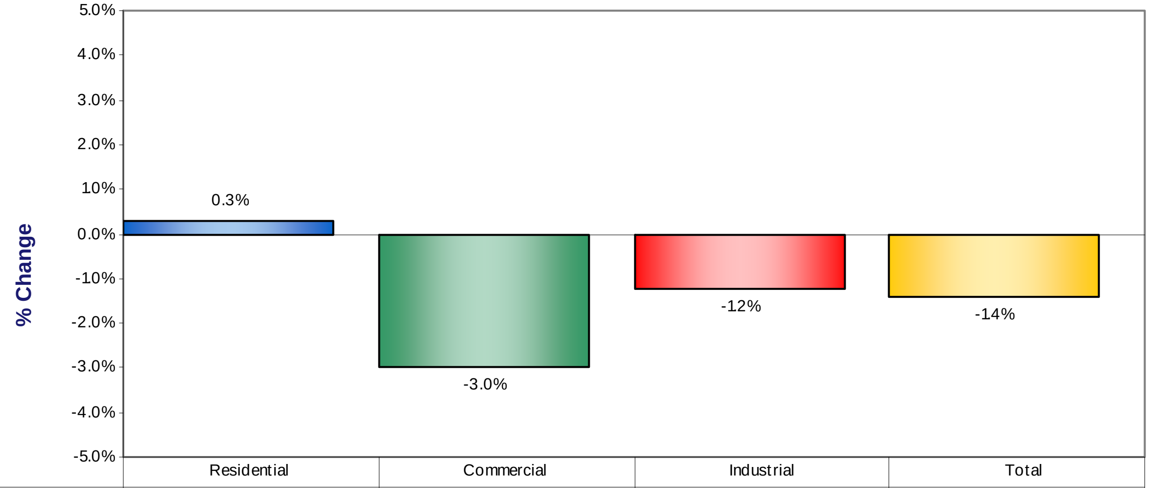
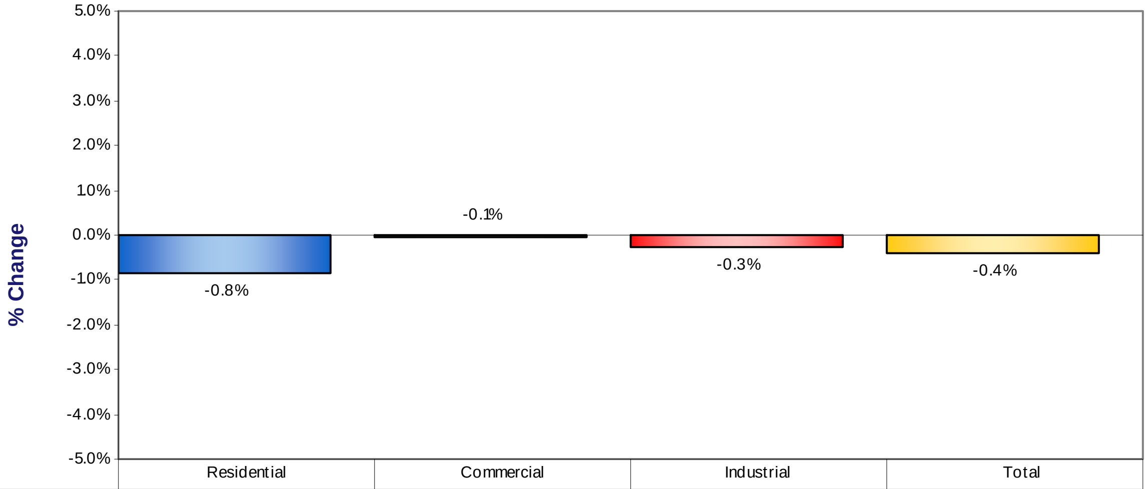
Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

PA Regulated Volume Variances


3-months Ended 09/30/2011 vs. 09/30/2010

	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	0.3%	-3.0%	-12%	-14%
Actual	-3.0%	-3.2%	-12%	-2.7%


12-months Ended 09/30/2011 vs. 09/30/2010

	Residential	Commercial	Industrial	Total
Weather-Normalized (charted)	-0.8%	-0.1%	-0.3%	-0.4%
Actual	1.1%	0.5%	-0.3%	0.5%

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Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

Enhancing Value Through Active Hedging

	2011[4]	2012	2013
Baseload			
Expected Generation[1] (Million MWhs)	**47.0**	**54.7**	**54.4**
East	39.5	46.2	46.0
West	7.5	8.5	8.4
Current Hedges (%)	**100%**	**91%**	**72%**
East	100%	90%	72%
West	100%	96%	75%
Average Hedged Price (Energy Only) ($/MWh)[2] [3]			
East	$57	$54-55	$53-56
West	$55	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**89%**
East	100%	95%	93%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$24-26	$23-29	$23-30
Intermediate/Peaking			
Expected Generation[1] (Million MWhs)	8.0	6.2	6.3
Current Hedges (%)	100%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of September 30, 2011

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of September 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes nine months of actual results.

(5) Transportation contract in negotiation.

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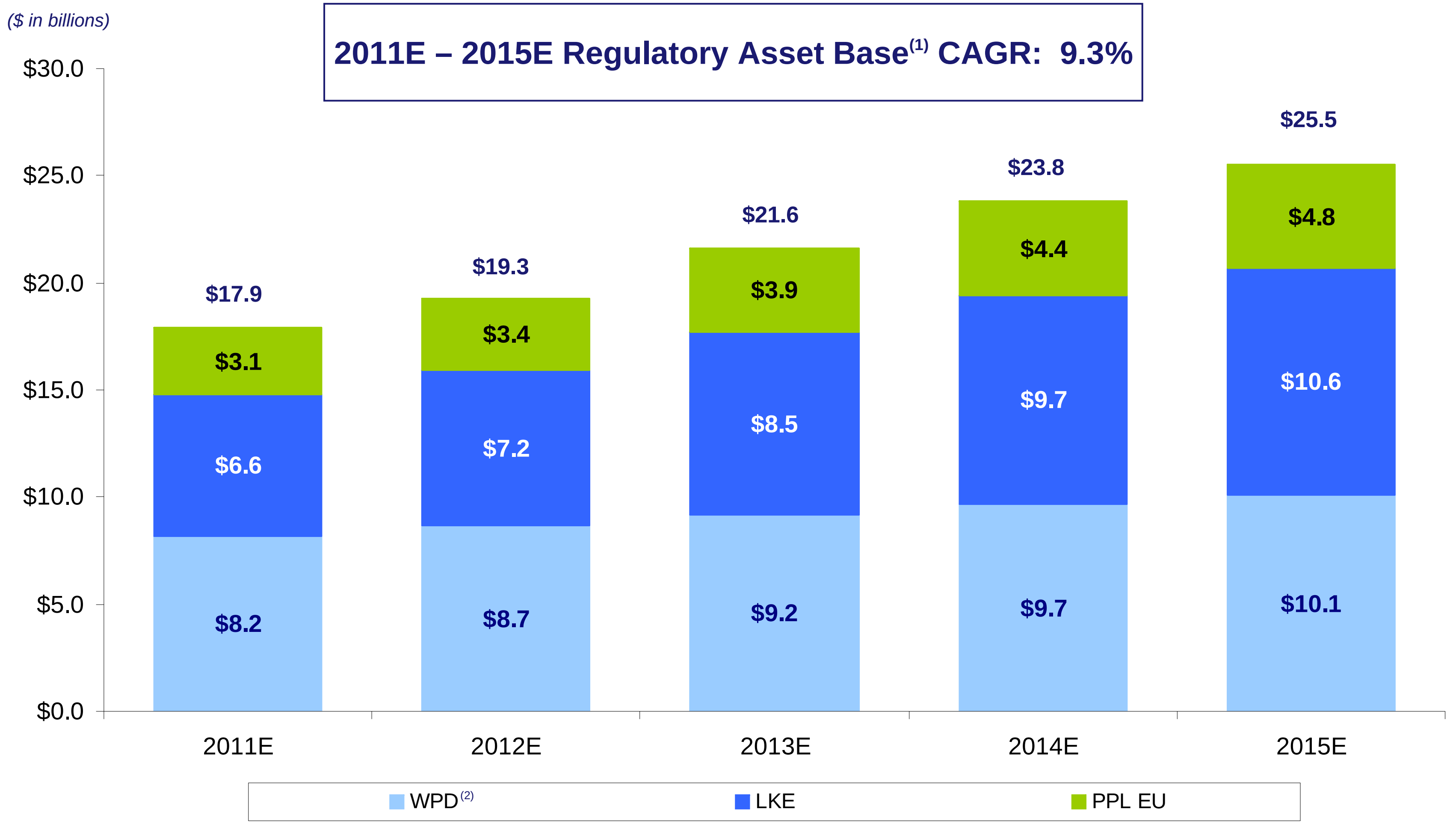
Appendix

Regulated Rate Base Growth

2011E – 2015E Regulatory Asset Base[(1)] CAGR: 9.3%



	2011E	2012E	2013E	2014E	2015E
PPL EU	$3.1	$3.4	$3.9	$4.4	$4.8
LKE	$6.6	$7.2	$8.5	$9.7	$10.6
WPD(2)	$8.2	$8.7	$9.2	$9.7	$10.1
Total	$17.9	$19.3	$21.6	$23.8	$25.5

---

(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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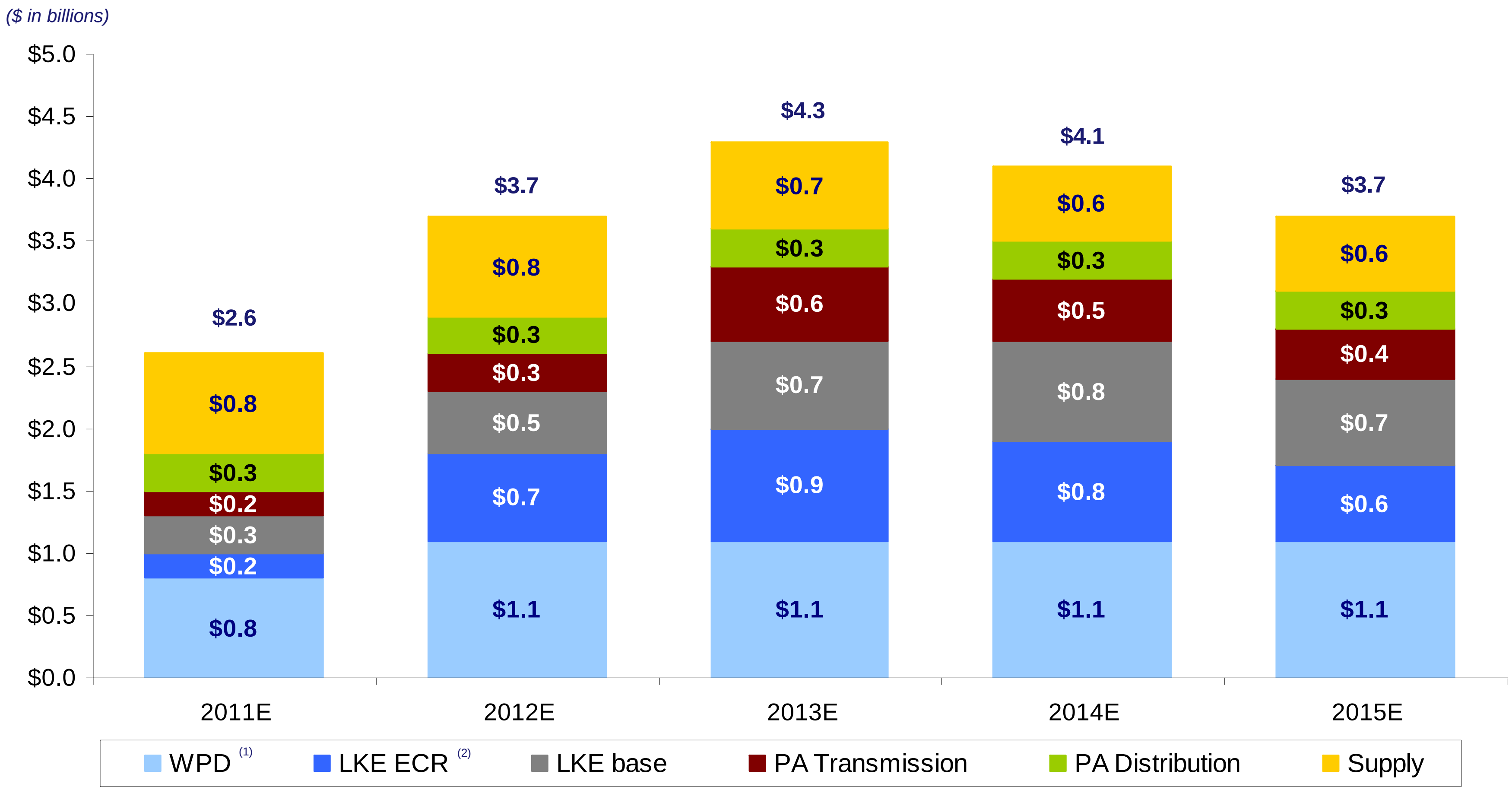
Capital Expenditures



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.
(2) Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.

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Market Prices

	Balance of 2011	2012	2013
ELECTRIC			
PJM			
On-Peak	$46	$52	$56
Off-Peak	$36	$39	$42
ATC(1)	$41	$45	$48
Mid-Columbia			
On-Peak	$33	$33	$41
Off-Peak	$29	$24	$30
ATC(1)	$31	$29	$36
GAS(2)			
NYMEX	$3.80	$4.24	$4.80
TZ6NNY	$4.55	$4.99	$5.48
PJM MARKET			
HEAT RATE(3)	10.2	10.5	10.2
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63	$187.49
EQA	88.6%	89.8%	91.3%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 9/30/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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Debt Maturities

(Millions)

	2011	2012	2013	2014	2015
PPL Capital Funding	$0	$0	$0 (2)	$0 (3)	$0
LG&E and KU Energy (Holding Co LKE)	2 (1)	0	0	0	400
Louisville Gas & Electric	0	0	0	0	250
Kentucky Utilities	0	0	0	0	250
PPL Electric Utilities	0	0	0	10 (4)	100
PPL Energy Supply	500 (1)	0	737	300	300 (5)
WPD	0	0	0	0	0
Total	$502	$0	$737	$310	$1,300

Note: As of September 30, 2011

(1) Notes were repaid at maturity in November 2011.

(2) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(3) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(4) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(5) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014 (1)	$3,000	$132	$250	$2,618
	Letter of Credit Facility	Mar-2013	200	76	0	124
			$3,200	$208	$250	$2,742
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014 (1)	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014 (1)	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014 (1)	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£111	£39
	WPD (South West) Syndicated Credit Facility	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		81	3	0	78
			£1,041	£144	£111	£786

Note: As of September 30, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In October 2011, PPL Energy Supply, PPL Electric Utilities, Louisville Gas & Electric and Kentucky Utilities each amended its respective syndicated credit facility, which included extending the expiration dates to October 2016.

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Reconciliation of Third Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Quarter Ending September 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 78	$ 125	$ 28	$ 208		$ 439
Special Items:						
Adjusted energy-related economic activity, net	1			(10)		(9)
Foreign currency-related economic hedges		8				8
Impairments:						
Adjustments - nuclear decommissioning trust investments				(1)		(1)
WPD Midlands acquisition-related costs:						
Separation costs		(64)				(64)
Other:						
Montana hydroelectric litigation				(1)		(1)
LKE discontinued operations	(1)					(1)
Litigation settlement - spent nuclear fuel storage				4		4
Change in U.K. tax rate		69				69
Total Special Items		13		(8)		5
Reported Earnings*	$ 78	$ 138	$ 28	$ 200		$ 444

Quarter Ending September 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 63	$ 36	$ 260	$ (1)	$ 358
Special Items:					
Adjusted energy-related economic activity, net			4		4
Foreign currency-related economic hedges	(1)				(1)
Impairments:					
Emission allowances			(2)		(2)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(27)		(27)
Sale of certain non-core generation facilities			(62)		(62)
Discontinued cash flow hedges and ineffectiveness			(19)		(19)
2010 Bridge Facility costs				(31)	(31)
Other acquisition-related costs				(2)	(2)
Other:					
Montana hydroelectric litigation			(1)		(1)
Change in U.K. tax rate	19				19
U.S. Tax Court ruling (U.K. Windfall Profits Tax)	12				12
Total Special Items	30		(107)	(33)	(110)
Reported Earnings*	$ 93	$ 36	$ 153	$ (34)	$ 248

* Represents net income attributable to PPL Corporation

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Reconciliation of Third Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Quarter Ending September 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.13	$ 0.22	$ 0.05	$ 0.36		$ 0.76
Special Items:						
Adjusted energy-related economic activity, net				(0.03)		(0.03)
Foreign currency-related economic hedges		0.02				0.02
WPD Midlands acquisition-related costs:						
Separation costs		(0.12)				(0.12)
Other:						
Litigation settlement - spent nuclear fuel storage				0.01		0.01
Change in U.K. tax rate		0.12				0.12
Total Special Items		0.02		(0.02)		
Reported Earnings	$ 0.13	$ 0.24	$ 0.05	$ 0.34		$ 0.76

Quarter Ending September 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.12	$ 0.08	$ 0.54		$ 0.74
Special Items:					
Adjusted energy-related economic activity, net			0.01		0.01
Impairments:					
Emission allowances			(0.01)		(0.01)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(0.06)		(0.06)
Sale of certain non-core generation facilities			(0.13)		(0.13)
Discontinued cash flow hedges and ineffectiveness			(0.04)		(0.04)
2010 Bridge Facility costs				$ (0.06)	(0.06)
Other acquisition-related costs				(0.01)	(0.01)
Other:					
Change in U.K. tax rate	0.04				0.04
U.S. Tax Court ruling (U.K. Windfall Profits Tax)	0.03				0.03
Total Special Items	0.07		(0.23)	(0.07)	(0.23)
Reported Earnings	$ 0.19	$ 0.08	$ 0.31	$ (0.07)	$ 0.51

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date September 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 184	$ 318	$ 116	$ 481		$ 1,099
Special Items:						
Adjusted energy-related economic activity, net	1			4		5
Foreign currency-related economic hedges		8				8
Impairments:						
Emission allowances				(1)		(1)
Renewable energy credits				(3)		(3)
WPD Midlands acquisition-related costs:						
2011 Bridge Facility costs		(30)				(30)
Foreign currency loss on 2011 Bridge Facility		(38)				(38)
Net hedge gains		38				38
Hedge ineffectiveness		(9)				(9)
U.K. stamp duty tax		(21)				(21)
Separation costs		(68)				(68)
Other acquisition-related costs		(36)				(36)
LKE acquisition-related costs:						
Sale of certain non-core generation facilities				(2)		(2)
Other:						
Montana hydroelectric litigation				(2)		(2)
LKE discontinued operations	(1)					(1)
Litigation settlement - spent nuclear fuel storage				33		33
Change in U.K. tax rate		69				69
Total Special Items		(87)		29		(58)
Reported Earnings*	$ 184	$ 231	$ 116	$ 510		$ 1,041

Year-to-Date September 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 198	$ 89	$ 668	$ (1)	$ 954
Special Items:					
Adjusted energy-related economic activity, net			(115)		(115)
Foreign currency-related economic hedges	(2)				(2)
Sales of assets:					
Sundance indemnification			1		1
Impairments:					
Emission allowance			(9)		(9)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(102)		(102)
Sale of certain non-core generation facilities			(62)		(62)
Discontinued cash flow hedges and ineffectiveness			(19)		(19)
2010 Bridge Facility costs				(44)	(44)
Other acquisition-related costs				(8)	(8)
Other:					
Montana hydroelectric litigation			(34)		(34)
Change in U.K. tax rate	19				19
U.S. Tax Court ruling (U.K. Windfall Profits Tax)	12				12
Health care reform - tax impact			(8)		(8)
Total Special Items	29		(348)	(52)	(371)
Reported Earnings*	$ 227	$ 89	$ 320	$ (53)	$ 583

* Represents net income attributable to PPL Corporation

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date September 30, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.34	$ 0.58	$ 0.21	$ 0.89		$ 2.02
Special Items:						
Foreign currency-related economic hedges		0.01				0.01
Impairments:						
Renewable energy credits				(0.01)		(0.01)
WPD Midlands acquisition-related costs:						
2011 Bridge Facility costs		(0.05)				(0.05)
Foreign currency loss on 2011 Bridge Facility		(0.07)				(0.07)
Net hedge gains		0.07				0.07
Hedge ineffectiveness		(0.02)				(0.02)
U.K. stamp duty tax		(0.04)				(0.04)
Separation costs		(0.13)				(0.13)
Other acquisition-related costs		(0.06)				(0.06)
Other:						
Litigation settlement - spent nuclear fuel storage				0.06		0.06
Change in U.K. tax rate		0.13				0.13
Total Special Items		(0.16)		0.05		(0.11)
Reported Earnings	$ 0.34	$ 0.42	$ 0.21	$ 0.94		$ 1.91

Year-to-Date September 30, 2010	International Regulated	Pennsylvania Regulated	Supply	Unallocated Costs	Total
Earnings from Ongoing Operations	$ 0.48	$ 0.21	$ 1.60		$ 2.29
Special Items:					
Adjusted energy-related economic activity, net			(0.27)		(0.27)
Impairments:					
Emission allowances			(0.02)		(0.02)
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts			(0.24)		(0.24)
Sale of certain non-core generation facilities			(0.15)		(0.15)
Discontinued cash flow hedges and ineffectiveness			(0.05)		(0.05)
2010 Bridge Facility costs				$ (0.11)	(0.11)
Other acquisition-related costs				(0.02)	(0.02)
Other:					
Montana hydroelectric litigation			(0.08)		(0.08)
Change in U.K. tax rate	0.04				0.04
U.S. Tax Court ruling (U.K. Windfall Profits Tax)	0.03				0.03
Health care reform - tax impact			(0.02)		(0.02)
Total Special Items	0.07		(0.83)	(0.13)	(0.89)
Reported Earnings	$ 0.55	$ 0.21	$ 0.77	$ (0.13)	$ 1.40

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High	Low		
	2011	2011	2010	2009
Earnings from Ongoing Operations	$ 2.75	$ 2.55	$ 3.13	$ 1.95
Special Items:				
Adjusted energy-related economic activity, net			(0.27)	(0.59)
Foreign currency-related economic hedges	0.01	0.01		
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Emission allowances			(0.02)	(0.05)
Renewable energy credits	(0.01)	(0.01)		
Other asset impairments				(0.01)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs	(0.05)	(0.05)		
Foreign currency loss on 2011 Bridge Facility	(0.07)	(0.07)		
Net hedge gains	0.07	0.07		
Hedge ineffectiveness	(0.02)	(0.02)		
U.K. stamp duty tax	(0.04)	(0.04)		
Separation costs	(0.13)	(0.13)		
Other acquisition-related costs	(0.06)	(0.06)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Sale of certain non-core generation facilities			(0.14)	
2010 Bridge Facility costs			(0.12)	
Discontinued cash flow hedges and ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health care reform - tax impact			(0.02)	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Litigation settlement - spent nuclear fuel storage	0.06	0.06		
Change in U.K. tax rate	0.13	0.13	0.04	
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.11)	(0.11)	(0.96)	(0.87)
Reported Earnings	$ 2.64	$ 2.44	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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Gross Margins Summary

(Millions of Dollars)	Three Months Ended September 30,			
	2011	2010	Change	Per Share Diluted (after-tax) (a)
KY Gross Margins	$ 419		$ 419	$ 0.50
PA Gross Delivery Margins by Component				
Distribution	$ 179	$ 170	$ 9	$ 0.01
Transmission	46	47	(1)	-
Total	$ 225	$ 217	$ 8	$ 0.01
Unregulated Gross Energy Margins by Region				
Non-trading				
Eastern U.S.	$ 530	$ 611	$ (81)	$ (0.10)
Western U.S.	92	88	4	-
Net energy trading	(7)	(20)	13	0.02
Total	$ 615	$ 679	$ (64)	$ (0.08)

(a) Excludes dilution which is primarily associated with the April 2011 issuance of common stock.

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Reconciliation of Third Quarter Operating Income to Margins

(Millions of Dollars)	Three Months Ended September 30, 2011					Three Months Ended September 30, 2010				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)
Operating Revenues										
Utility	$ 734	$ 454		$ 487 (c)	$ 1,675		$ 570		$ 162 (c)	$ 732
PLR intersegment Utility revenue (expense) (d)		(5)	$ 5				(71)	$ 71		
Unregulated retail electric and gas			186	3	189			108	8	116
Wholesale energy marketing										
Realized			897	10 (e)	907			916	276 (e)	1,192
Unrealized economic activity				216 (f)	216				52 (f)	52
Net energy trading margins			(7)		(7)			(20)		(20)
Energy-related businesses				140	140				107	107
Total Operating Revenues	734	449	1,081	856	3,120		499	1,075	605	2,179
Operating Expenses										
Fuel	245		338	20 (g)	603			340	(18) (g)	322
Energy purchases										
Realized	32	171	119	40 (e)	362		229	68	89 (e)	386
Unrealized economic activity				176 (f)	176				300 (f)	300
Other operation and maintenance	26	30		679	735		25	7	334	366
Depreciation	12			240	252				127	127
Taxes, other than income		24	8	58	90		29	2	25	56
Energy-related businesses				135	135				100	100
Intercompany eliminations		(1)	1				(1)	1		
Total Operating Expenses	315	224	466	1,348	2,353		282	418	957	1,657
Discontinued operations								22	(22) (h)	
Total	$ 419	$ 225	$ 615	$ (492)	$ 767		$ 217	$ 679	$ (374)	$ 522

Note: see next slide for footnotes

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Margins Footnotes

a) Represents amounts that are excluded from Margins.
b) As reported on the Statement of Income.
c) Primarily represents WPD's utility revenue.
d) Primarily related to PLR supply sold by PPL EnergyPlus to PPL Electric.
e) Represents energy-related economic activity as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 14 to the Financial Statements in the Form 10-Q for the Quarter Ended September 30, 2011. For the three months ended September 30, 2011, "Wholesale energy marketing - Realized" and "Energy purchases - Realized" include a net pre-tax gain of $6 million related to the amortization of option premiums and a net pre-tax loss of $40 million related to the monetization of certain full-requirement sales contracts. The three months ended September 30, 2010 include a net pre-tax gain of $21 million related to the amortization of option premiums and a net pre-tax gain of $161 million related to the monetization of certain full-requirement sales contracts.
f) Represents energy-related economic activity as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 14 to the Financial Statements in the Form 10-Q for the Quarter Ended September 30, 2011.
g) 2011 includes a credit for the spent nuclear fuel storage litigation settlement recorded in the three months ended September 30, 2011 of $6 million and economic activity related to fuel. 2010 includes economic activity related to fuel.
h) Represents the net of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statements of Income.

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PPL Corporation Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of Dollars)

	2009	**2010**	**2011**
Cash from Operations	$1,852	$2,034	$2,500
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,265)	(1,644)	(2,650)
Sale of Assets	84	161	381
Other Investing Activities – Net	(71)	(20)	70
Free Cash Flow before Dividends	$ 600	$ 531	$ 301

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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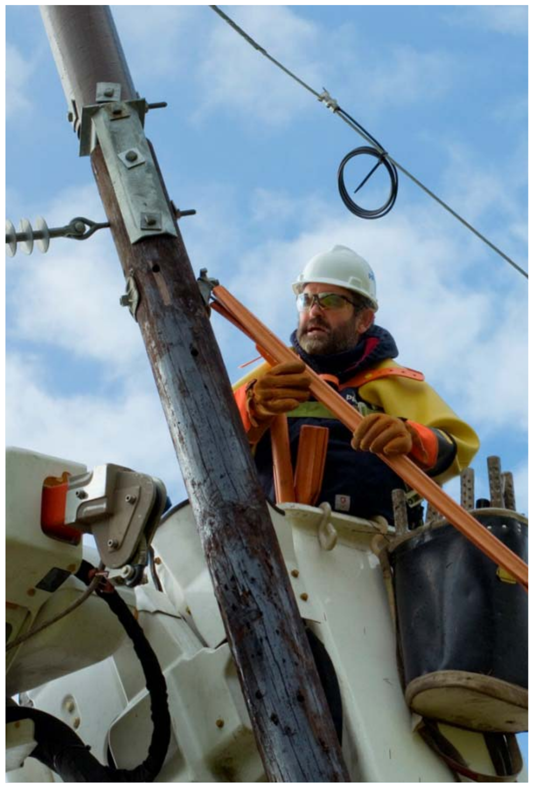
EEI Financial Conference

Orlando, FL
November 6 – 9, 2011



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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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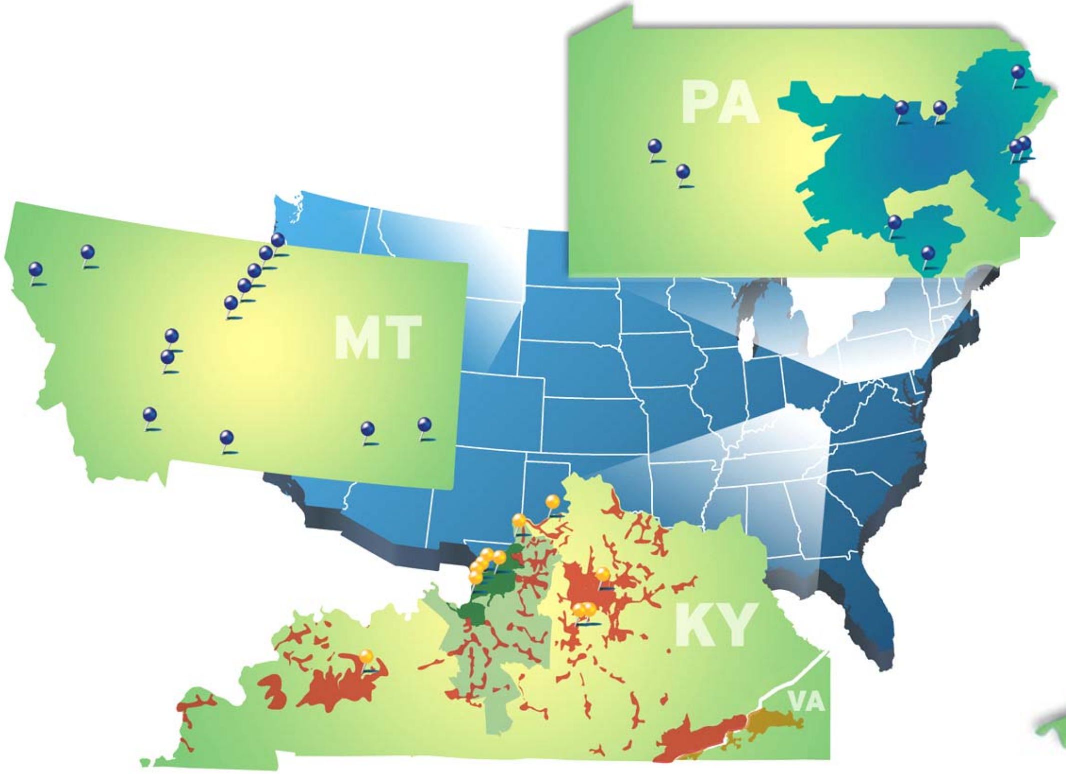
PPL Delivery and Generation Assets



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Delivery territories:
- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric

Generation assets:

● Competitive power plants
● Regulated power plants

United Kingdom delivery territories:

● WPD (South Wales)
● WPD (South West)
● WPD (West Midlands)
● WPD (East Midlands)

Investment Highlights

- Predominantly rate-regulated business mix with significant growth prospects
  - Operations in constructive jurisdictions
  - Approximately two-thirds of regulated capital expenditures earn real-time or near real-time returns
  - ~ 9% compound annual growth in rate base from 2011 to 2015
  - Expect 75% of 2013 EBITDA from regulated businesses

- Highly attractive competitive generation fleet
  - Competitively positioned nuclear, hydro and efficient coal
    - Complemented by flexible dispatch gas fired units
    - No significant exposure to currently proposed environmental regulations
  - Multiple drivers of significant upside
    - Increasing natural gas prices
    - Increasing heat rates
    - Environmental regulation

- Business Risk Profile rated “Excellent” by S&P
  - Stable ratings outlooks

- Secure dividend with strong platform for future growth

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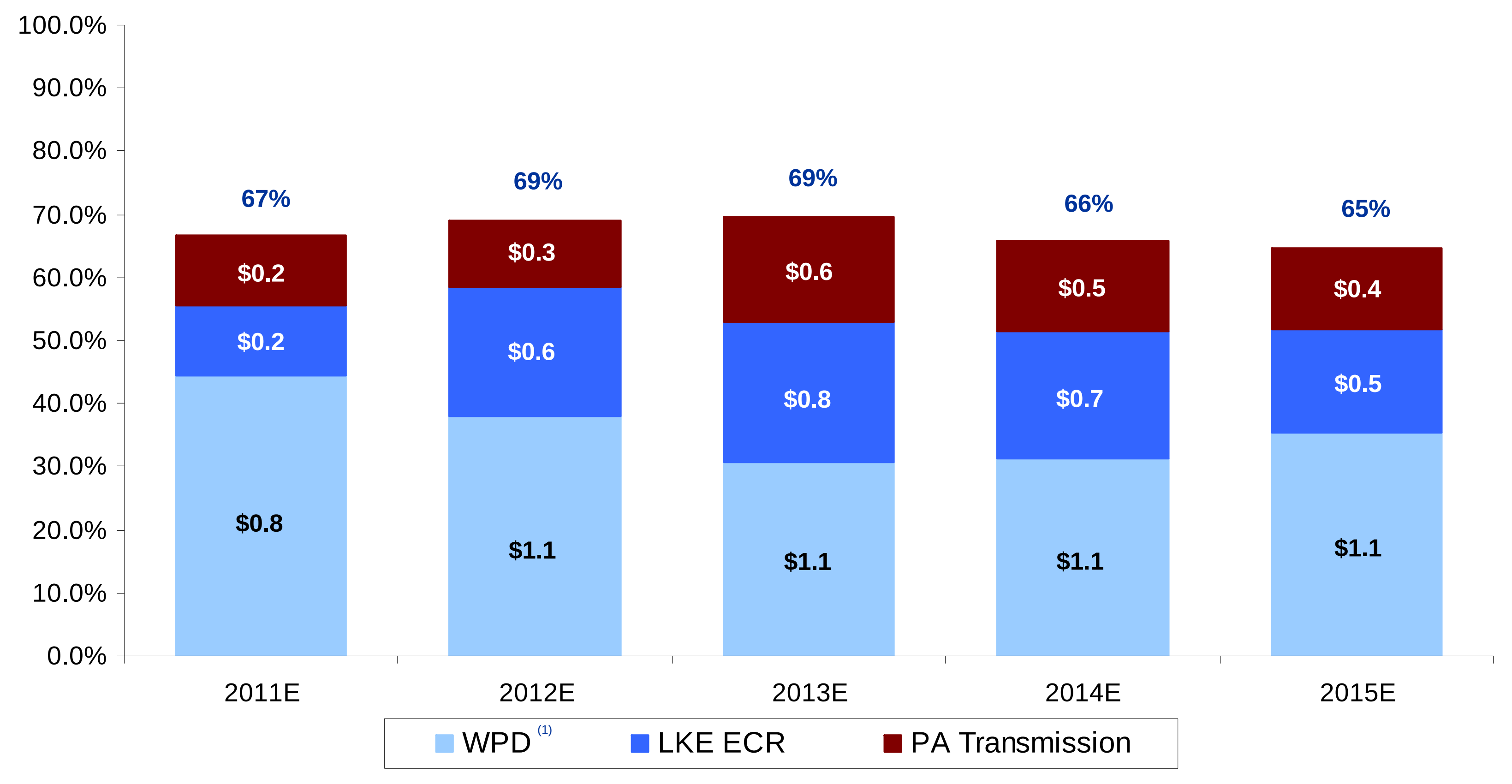
Real-Time Recovery of Regulated Capex Spending

Approximately two-thirds of regulated capital expenditures earn returns subject to minimal or no regulatory lag



Note: $ in billions.

(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.

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Midlands Integration

- Goal: Improved Performance...
    - Safety
    - Network performance
    - Contact center
    - Complaint handling

...resulting in cost efficiencies and potential long-term revenue bonuses

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Midlands Integration – Actions to Date

- Road shows completed for 3,900 Midlands staff setting out WPD background values and approach to integration – 36 presentations over 9 days
- Organizational design completed
- 85% of union staff voted to move to single set of WPD labor contract terms
- Staff allocated new roles
- Redundancy notices sent
- Systems integration on track

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Midlands Integration – Improved Safety

	2010/11 (April to Sep 2010)	2011/12 (April to Sep 2011)
Lost Time Accidents	9	1
Non Lost Time Accidents	52	50

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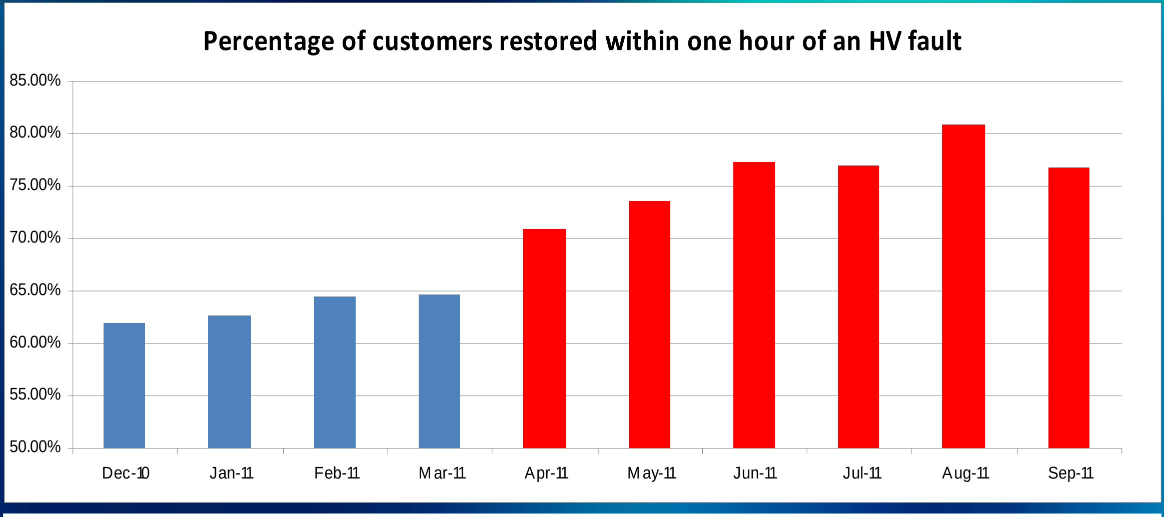
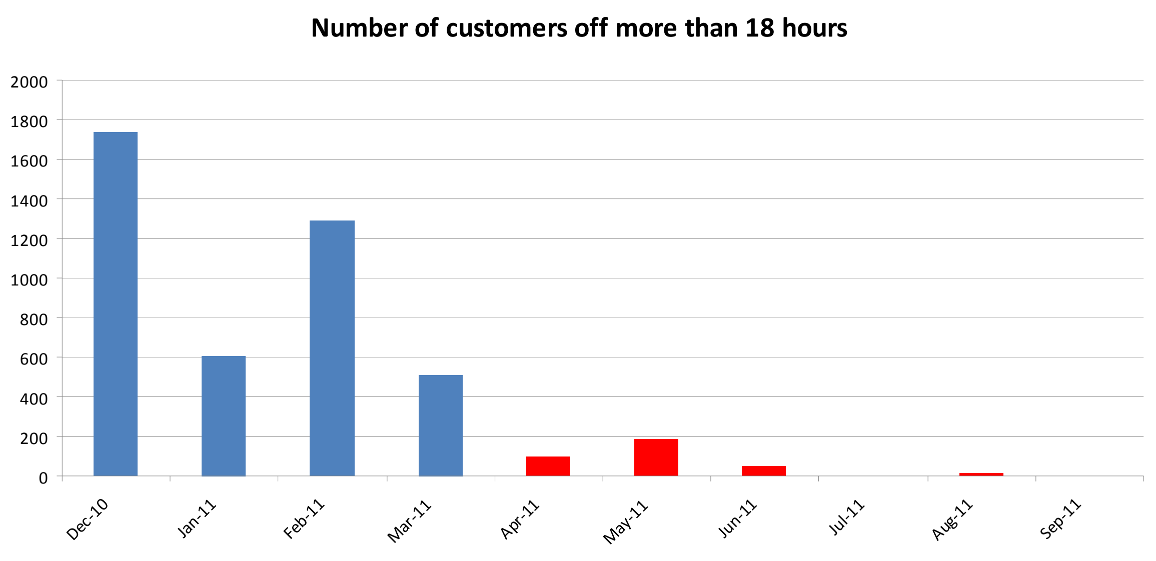
Midlands Integration – Improved Network Performance

- Target 60:



Percentage of customers restored within one hour of an HV fault

- 18 Hour Standard:



Number of customers off more than 18 hours

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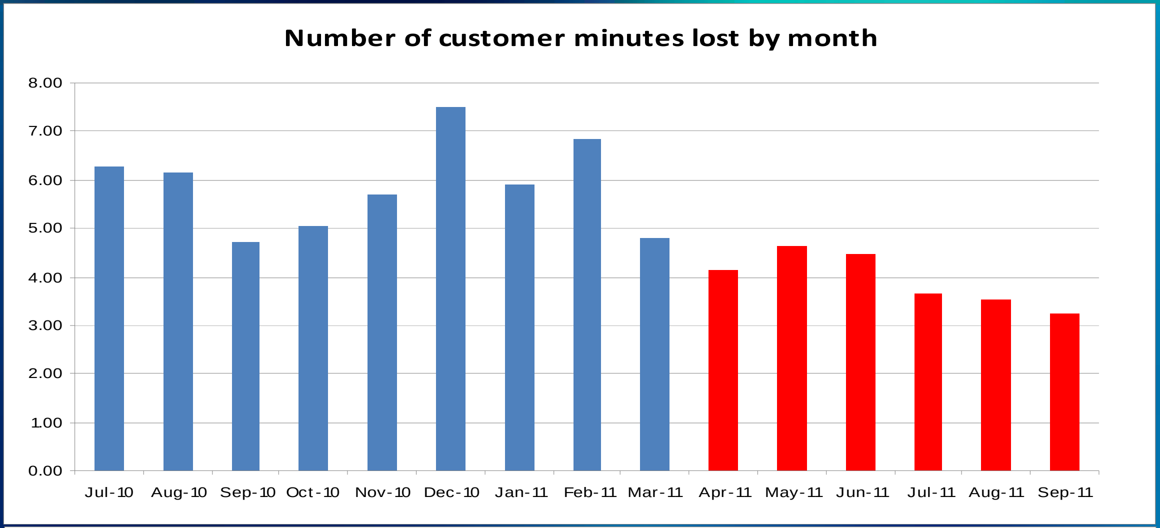
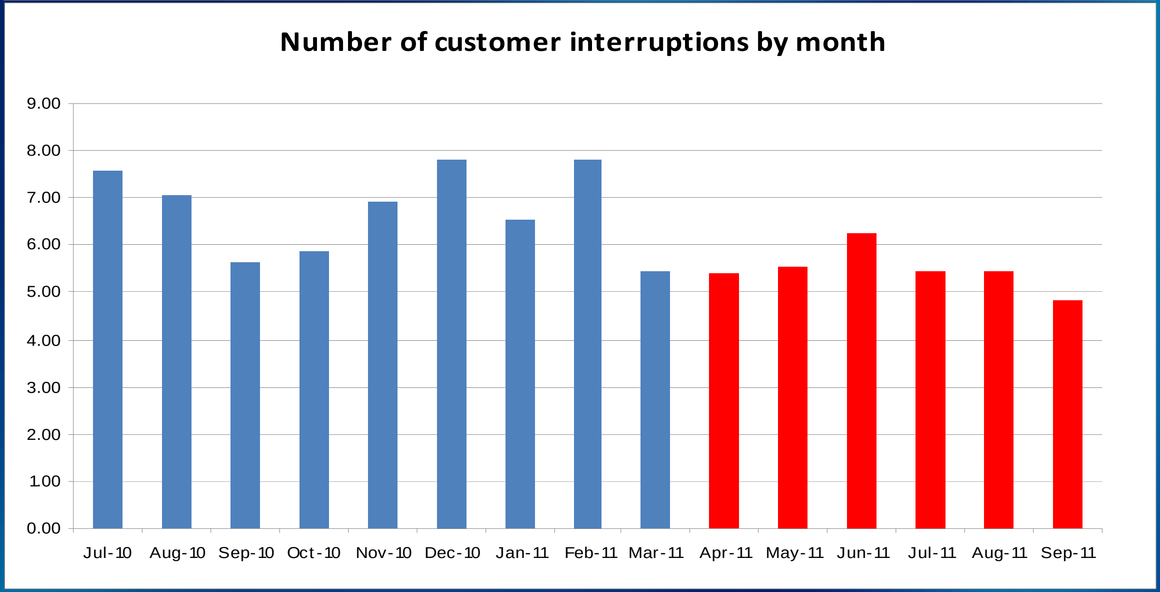
Midlands Integration – Improved Network Performance (cont'd)

- Customer Minutes Lost:


Number of customer minutes lost by month

- Customer Interruptions:


Number of customer interruptions by month

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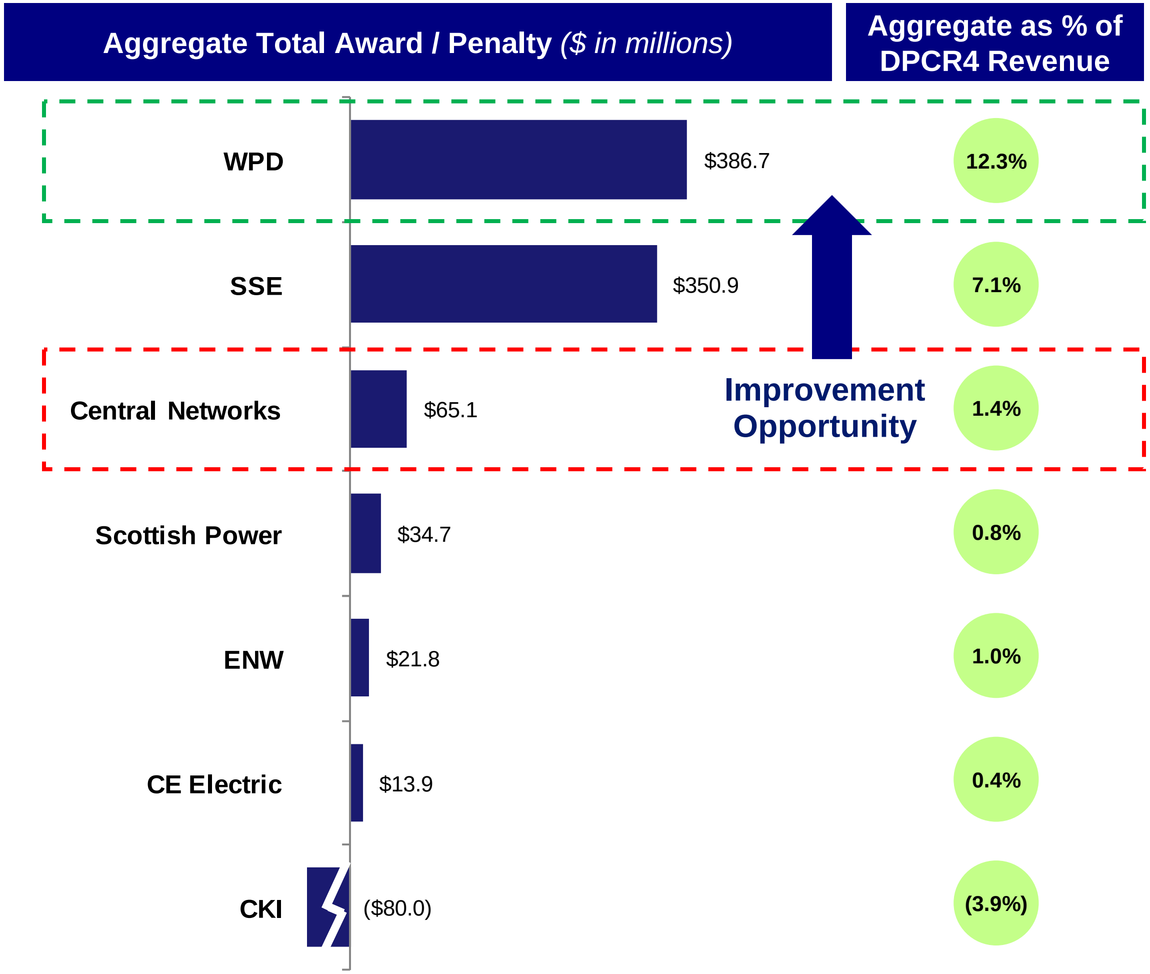
WPD Performance Rewards Top in Industry

WPD Rewards

$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*

🟧 *Rewards secured for DPCR5*



Improvement Opportunity

Source: Ofgem data.
Note: Figures based on assumed exchange rate of $1.60 / GBP.

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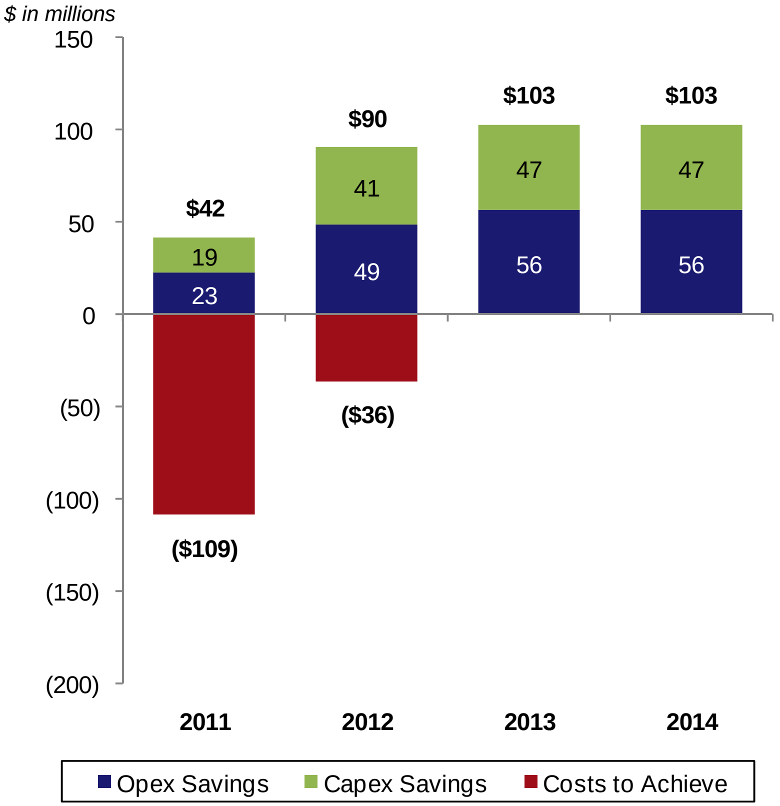
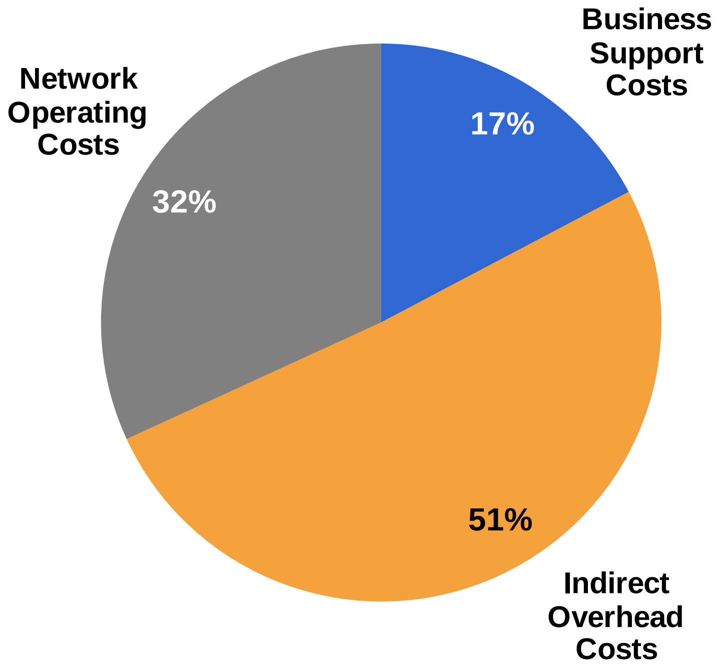
Significant Synergy Opportunity

100% Synergies retained through end of current rate period (1); 47% in following rate period (2)

Estimated Annual Pre-Tax Synergies



Opex Synergies by Category



Note: Figures based on assumed exchange rate of $1.60 / GBP.
(1) Ends in March 2015.
(2) Expected to end in March 2023.

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Kentucky Regulated

- Environmental Cost Recovery (ECR) Mechanism
  - ECR allows real-time return of and on environmental investment (including CWIP) and recovery of environmental expenses associated with coal-fired generation
  - Total Capital Expenditure Plan – $2.5 Billion
    - LG&E – $1.4 Billion
    - KU – $1.1 Billion
    - No impact from EPA's recent modifications to CSAPR allocations
  - KPSC ruling expected in mid-December

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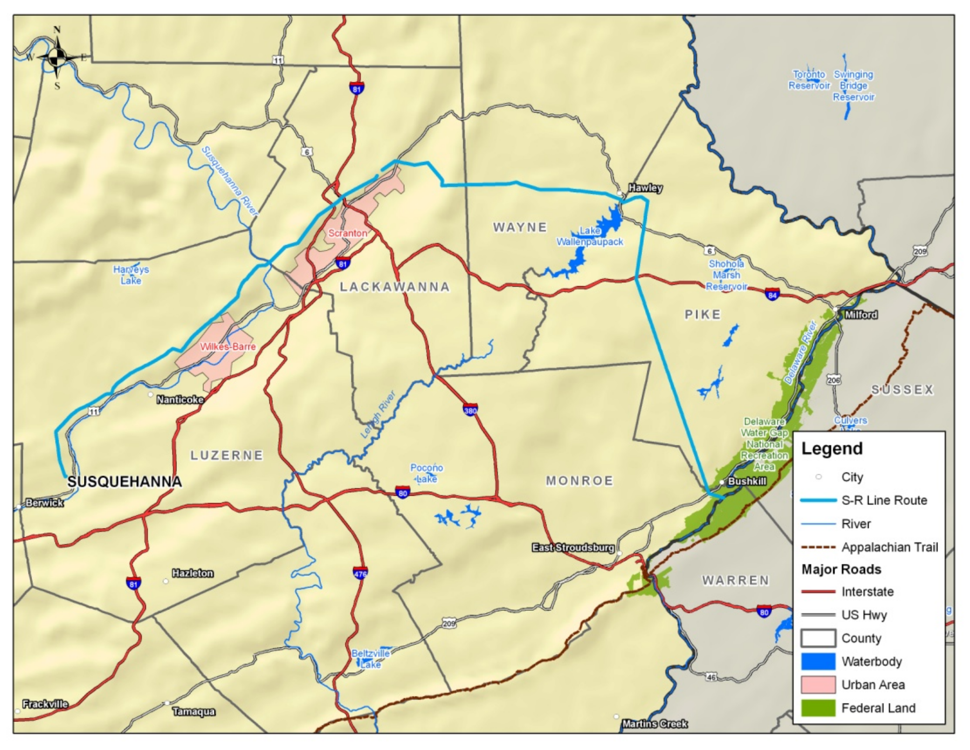
Pennsylvania Regulated - Transmission

- Susquehanna-Roseland Transmission Line



- PPL Electric to build Pennsylvania portion of the 150-mile Susquehanna to Roseland, NJ 500 kV transmission line. New Jersey portion of the line to be built by PSEG
- Already approved by both PA and NJ state utility commissions
- ROE of 12.93%
- Currently under review by National Park Service
- Expected in-service date in the spring of 2015

Named to initial list of projects for federal Rapid Response Team for Transmission

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Pennsylvania Regulated - Distribution

- House Bill 1294 – Alternative Ratemaking
  - Bill provides for timely recovery of costs for a broad range of capital projects geared toward improving and maintaining safety and reliability
  - Passed House on Oct. 4
  - Currently being reviewed by the Consumer Protection and Professional Licensure Committee (Senate)

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Supply Market Fundamentals

- Coal Retirements in PJM
  - 7 – 17 GWs of PJM coal-fired capacity at-risk for retirement by 2019.
    - Most at an average age of 50 years, are under 500 MWs, and have capacity factors around 30%
    - ~ 50% located in western PJM
- Price Impact
  - Anticipate an increase in PJM West Hub prices
    - Actual increase difficult to predict currently as:
      - The allowance market is not yet functioning
      - Retrofit costs and operational adjustments are not fully incorporated
      - Heat rates will likely expand as coal-fired generation either retires or backs down
- PPL Impact
  - PJM Fleet – Well-positioned to capture anticipated increases in PJM pricing while having minimal impacts on operations.

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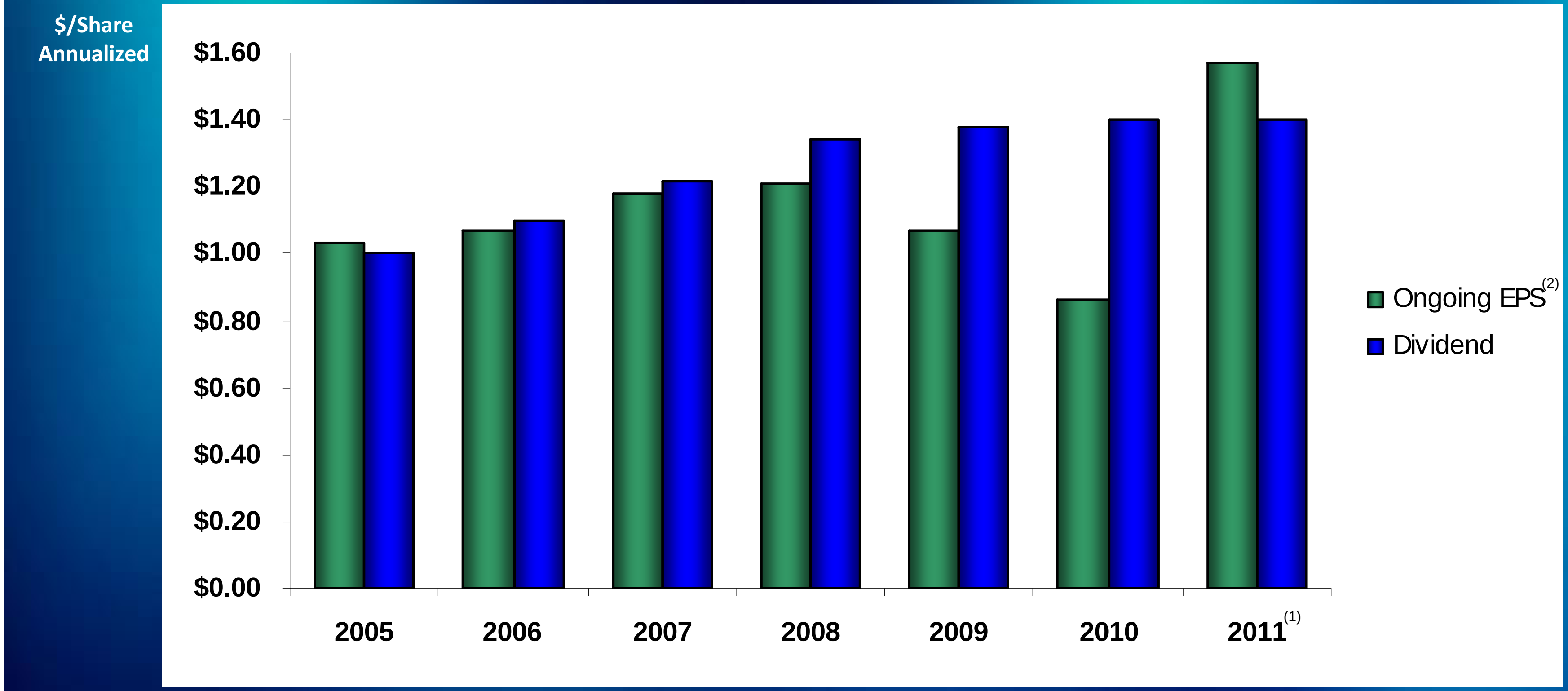
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 3rd quarter declaration. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Appendix

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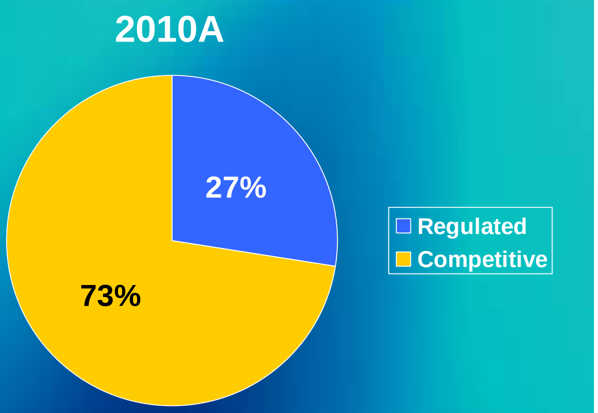
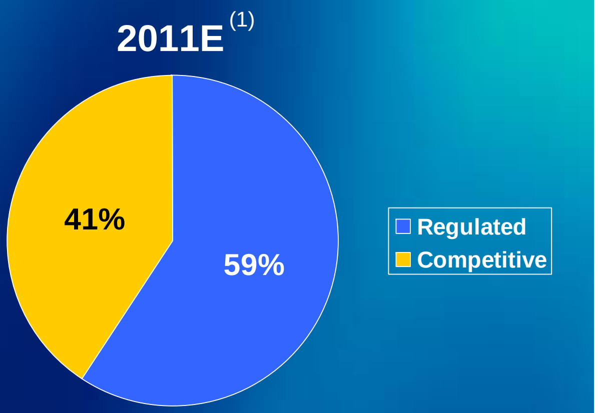
Increased 2011 Earnings from Ongoing Operations Forecast





(1) Based on mid-point of forecasted earnings range.

Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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International – Modeling Parameters

	Revenues (£)	Regulated Revenues escalate 5.5% annually plus inflation through end of current price control period plus incentives; Energy-related business revenues are flat
–	***Operation and Maintenance (£)***	Operation and Maintenance expense (excluding pension expense) escalates at inflation after incorporating efficiencies from WPD Midlands
–	***Pension Expense (£)***	Pension expense increases from £20 million in 2011 to £50 million by 2013 and then reduces beyond
–	***Depreciation Expense (£)***	Depreciation expense escalates at about 7% per annum
–	***Real Estate Taxes plus Energy-related Business Expense (£)***	Real Estate taxes and Energy-related Business expense are flat
–	***Interest Expense (£)***	Interest Expense primarily fixed except for £365 million of index-linked debt escalating at inflation, plus PPL-issued 2011 Equity Units
–	***Income Taxes (£)***	Effective tax rate of about 24% per annum
X	***Foreign Currency Assumption***	Assumed $/£ foreign currency exchange rate
=	***International Regulated Net Income***	

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WPD – Annual Revenue Performance Bonuses

- WPD has earned over $100 million in annual performance awards over the past 7-year regulatory period, excluding Central Networks historical performance

WPD South West & South Wales			
Regulatory Year (ending 3/31)	**Total Awards, £**	**% of Revenue**	**Total $**
2004/05	£6.1	1.6%	$11.3
2005/06	£9.5	2.3%	$17.1
2006/07	£6.7	1.6%	$13.4
2007/08	£8.0	1.8%	$15.1
2008/09	£11.8	2.8%	$16.7
2009/10	£12.1	2.6%	$18.3
2010/11	£7.2	1.5%	$11.4
Total:	**£61.3**	**2.0%**	**$103.3**

Central Networks (pre-acquisition)			
Regulatory Year (ending 3/31)	**Total Awards, £**	**% of Revenue**	**Total $**
2004/05	-£0.5	-	-$0.9
2005/06	£7.5	-	$13.5
2006/07	-£5.4	-	-$10.7
2007/08	-£1.7	-0.3%	-$3.3
2008/09	£8.2	1.3%	$11.7
2009/10	£7.9	1.2%	$11.9
2010/11	£11.6	1.6%	$18.5
Total:	**£27.6**	**1.0%**	**$40.8**

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Enhancing Value Through Active Hedging

	2011(4)	2012	2013
Baseload			
Expected Generation(1) (Million MWhs)	**47.0**	**54.7**	**54.4**
East	39.5	46.2	46.0
West	7.5	8.5	8.4
Current Hedges (%)	**100%**	**91%**	**72%**
East	100%	90%	72%
West	100%	96%	75%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)			
East	$57	$54-55	$53-56
West	$55	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**89%**
East	100%	95%	93%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$24-26	$23-29	$23-30
Intermediate/Peaking			
Expected Generation(1) (Million MWhs)	8.0	6.2	6.3
Current Hedges (%)	100%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of September 30, 2011

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of September 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes nine months of actual results.

(5) Transportation contract in negotiation.

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Market Prices

	Balance of 2011	2012	2013
ELECTRIC			
PJM			
On-Peak	$46	$52	$56
Off-Peak	$36	$39	$42
ATC(1)	$41	$45	$48
Mid-Columbia			
On-Peak	$33	$33	$41
Off-Peak	$29	$24	$30
ATC(1)	$31	$29	$36
GAS(2)			
NYMEX	$3.80	$4.24	$4.80
TZ6NNY	$4.55	$4.99	$5.48
PJM MARKET			
HEAT RATE(3)	10.2	10.5	10.2
CAPACITY PRICES *(Per MWD)*	$136.79	$123.63	$187.49
EQA	88.6%	89.8%	91.3%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 9/30/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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Supply Hydro Expansion

- Construction Progress
  - Holtwood Hydro Expansion Project (PA)

  - Rainbow Hydro Project (MT)

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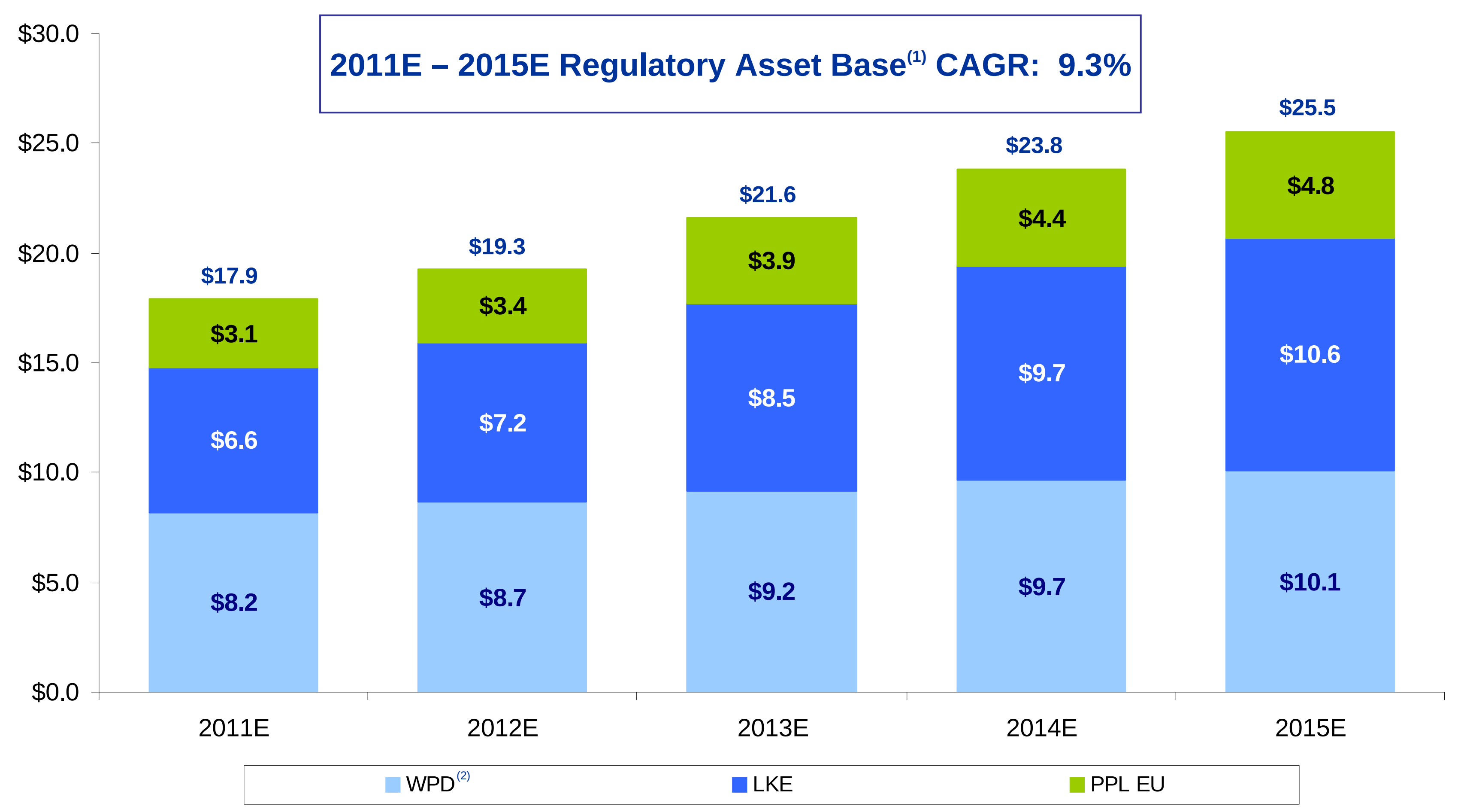
Regulated Rate Base Growth

($ in billions)



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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP and are as of year-end December 31.

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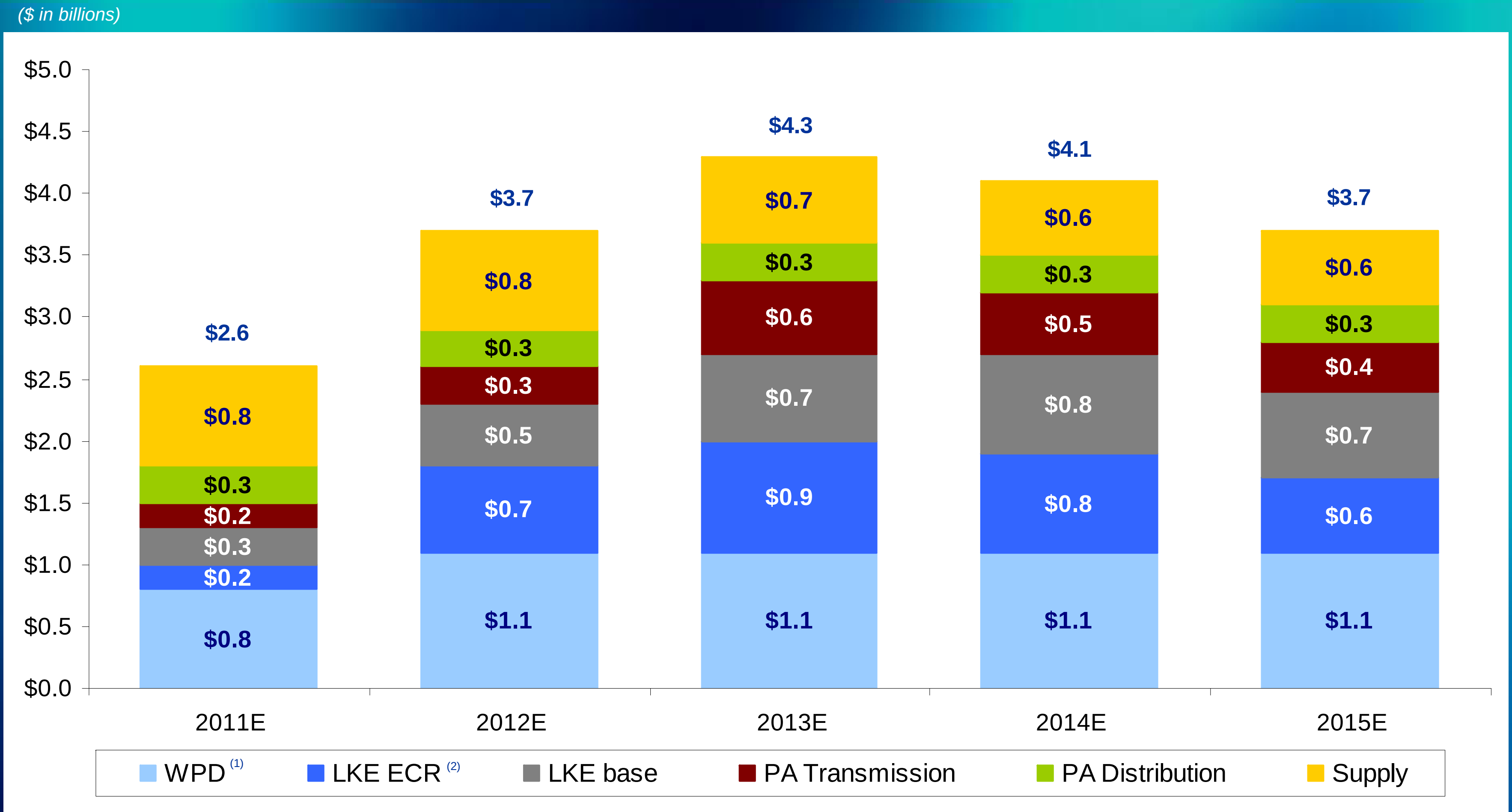
Capital Expenditures



(1) *Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.60 / GBP.*

(2) *Expect approximately 85% to receive timely returns via ECR mechanism based on historical experience.*

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Debt Maturities

(Millions)

	2011	2012	2013	2014	2015
PPL Capital Funding	$0	$0	$0 (2)	$0 (3)	$0
LG&E and KU Energy (Holding Co LKE)	2 (1)	0	0	0	400
Louisville Gas & Electric	0	0	0	0	250
Kentucky Utilities	0	0	0	0	250
PPL Electric Utilities	0	0	0	10 (4)	100
PPL Energy Supply	500 (1)	0	737	300	300 (5)
WPD	0	0	0	0	0
Total	$502	$0	$737	$310	$1,300

Note: As of September 30, 2011

(1) Notes were repaid at maturity in November 2011.

(2) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(3) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(4) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(5) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014 (1)	$3,000	$132	$250	$2,618
	Letter of Credit Facility	Mar-2013	200	76	0	124
			$3,200	$208	$250	$2,742
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014 (1)	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014 (1)	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014 (1)	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£111	£39
	WPD (South West) Syndicated Credit Facility	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		81	3	0	78
			£1,041	£144	£111	£786

Note: As of September 30, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In October 2011, PPL Energy Supply, PPL Electric Utilities, Louisville Gas & Electric and Kentucky Utilities each amended its respective syndicated credit facility, which included extending the expiration dates to October 2016.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share)

	Forecast		Actual	
	High 2011	Low 2011	2010	2009
Earnings from Ongoing Operations	$ 2.75	$ 2.55	$ 3.13	$ 1.95
Special Items:				
Adjusted energy-related economic activity, net			(0.27)	(0.59)
Foreign currency-related economic hedges	0.01	0.01		
Sales of assets:				
Maine hydroelectric generation business			0.03	0.06
Long Island generation business				(0.09)
Latin American businesses				(0.07)
Interest in Wyman Unit 4				(0.01)
Impairments:				
Emission allowances			(0.02)	(0.05)
Renewable energy credits	(0.01)	(0.01)		
Other asset impairments				(0.01)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs	(0.05)	(0.05)		
Foreign currency loss on 2011 Bridge Facility	(0.07)	(0.07)		
Net hedge gains	0.07	0.07		
Hedge ineffectiveness	(0.02)	(0.02)		
U.K. stamp duty tax	(0.04)	(0.04)		
Separation costs	(0.13)	(0.13)		
Other acquisition-related costs	(0.06)	(0.06)		
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts			(0.29)	
Sale of certain non-core generation facilities			(0.14)	
2010 Bridge Facility costs			(0.12)	
Discontinued cash flow hedges and ineffectiveness			(0.06)	
Reduction of credit facility			(0.01)	
Other acquisition-related costs			(0.05)	
Workforce reductions				(0.03)
Other:				
Montana hydroelectric litigation			(0.08)	(0.01)
Health care reform - tax impact			(0.02)	
U.S. Tax Court ruling (U.K. Windfall Profits Tax)			0.03	
Litigation settlement - spent nuclear fuel storage	0.06	0.06		
Change in U.K. tax rate	0.13	0.13	0.04	
Change in tax accounting method related to repairs				(0.07)
Total Special Items	(0.11)	(0.11)	(0.96)	(0.87)
Reported Earnings	$ 2.64	$ 2.44	$ 2.17	$ 1.08

Note: Per share amounts are based on diluted shares outstanding.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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4th Quarter Earnings Call

PPL Corporation
February 10, 2012

Revised February 27, 2012

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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Agenda

2011 Earnings Results	J. H. Miller
2011 Operational Overview and 2012 Earnings Forecast	W. H. Spence
2011 Segment Results and Financial Overview	P. A. Farr
Q&A	

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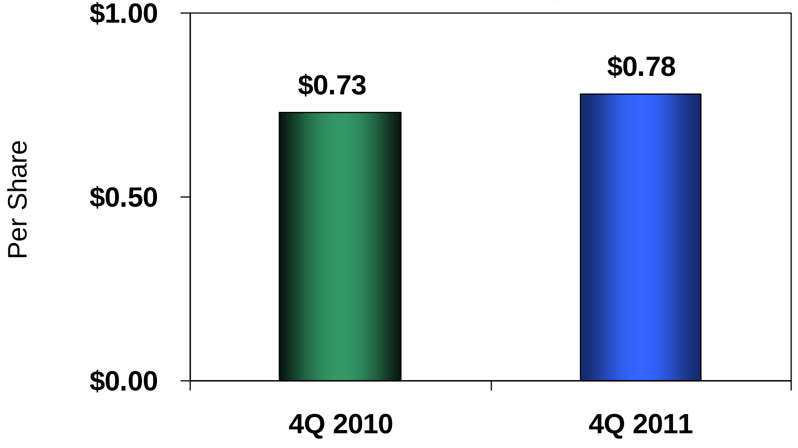
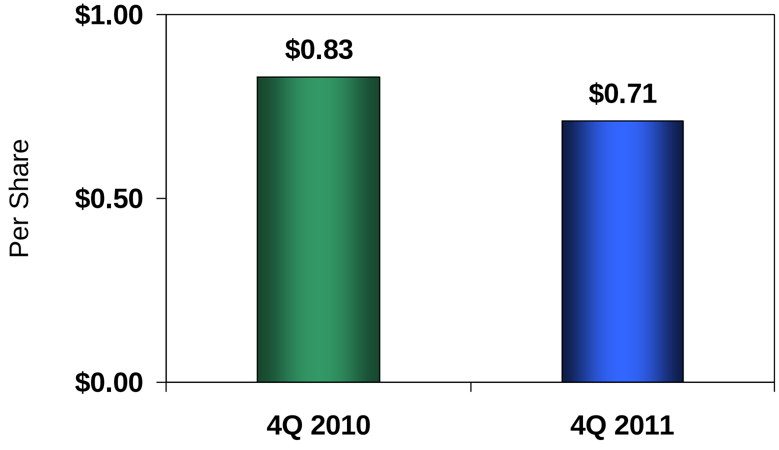
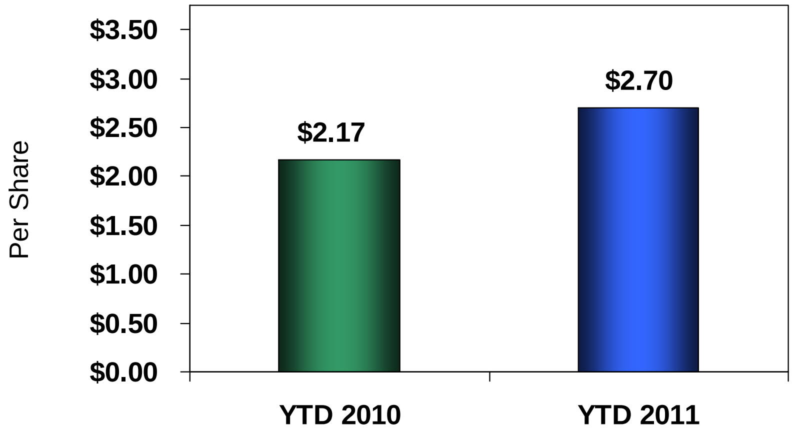
Earnings Results



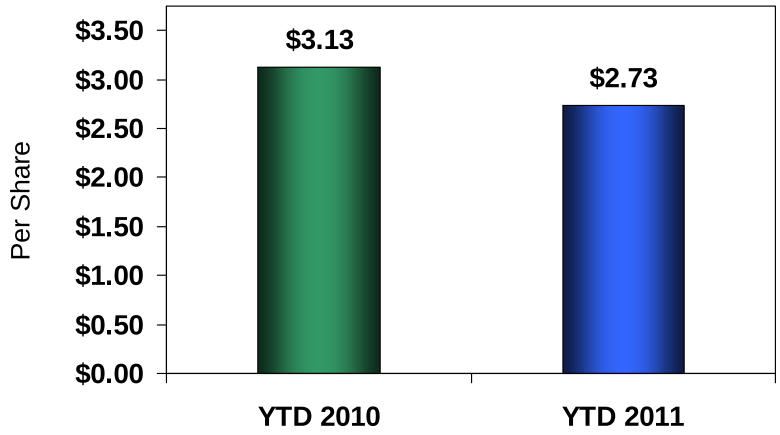
Fourth Quarter Reported Earnings



Fourth Quarter Earnings from Ongoing Operations



Year-to-Date Reported Earnings



Year-to-Date Earnings from Ongoing Operations

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

Revised February 27, 2012

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
  - Approximately 70% of projected 2012 EPS from regulated businesses
  - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
  - Business Risk Profile rated “Excellent” by S&P
  - Secure dividend with strong platform for continued growth

- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
  - Strong baseload footprint in PJM complemented by flexible gas-fired units
  - No major exposure to currently proposed environmental regulations

- Strong management team with track record of execution
  - UK team already showing meaningful improvement in Midlands operations
  - ECR approval received in Kentucky
  - Successfully hedging competitive generation and locking in margins in a challenging market

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2011 Operational Review

- Midlands Integration
- Kentucky ECR approval
- Pennsylvania storm restorations
- Overcame Susquehanna outages
- Supply rail contract negotiation

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International Regulated Segment Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service

- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues

- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service

- Projected rate base CAGR of 9.6% through 2016

- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
  - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
  - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery

- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 21.7% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.0% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and is before the Governor for approval
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation(1) (Million MWhs)	**53.7**	**53.1**
East	45.5	44.8
West	8.2	8.3
Current Hedges (%)	**95-99%**	**80-84%**
East	94-98%	80-84%
West (4)	98-102%	82-86%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-52
West (4)	$50-52	$47-50
Current Coal Hedges (%)	**98%**	**89%**
East	98%	93%
West	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$75-78	$82-86
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	6.9	7.0
Current Hedges (%)	49%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of January 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of January 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes contract with Southern Montana Electric Generation and Transmission Cooperative, Inc., which filed for bankruptcy protection on October 21, 2011.

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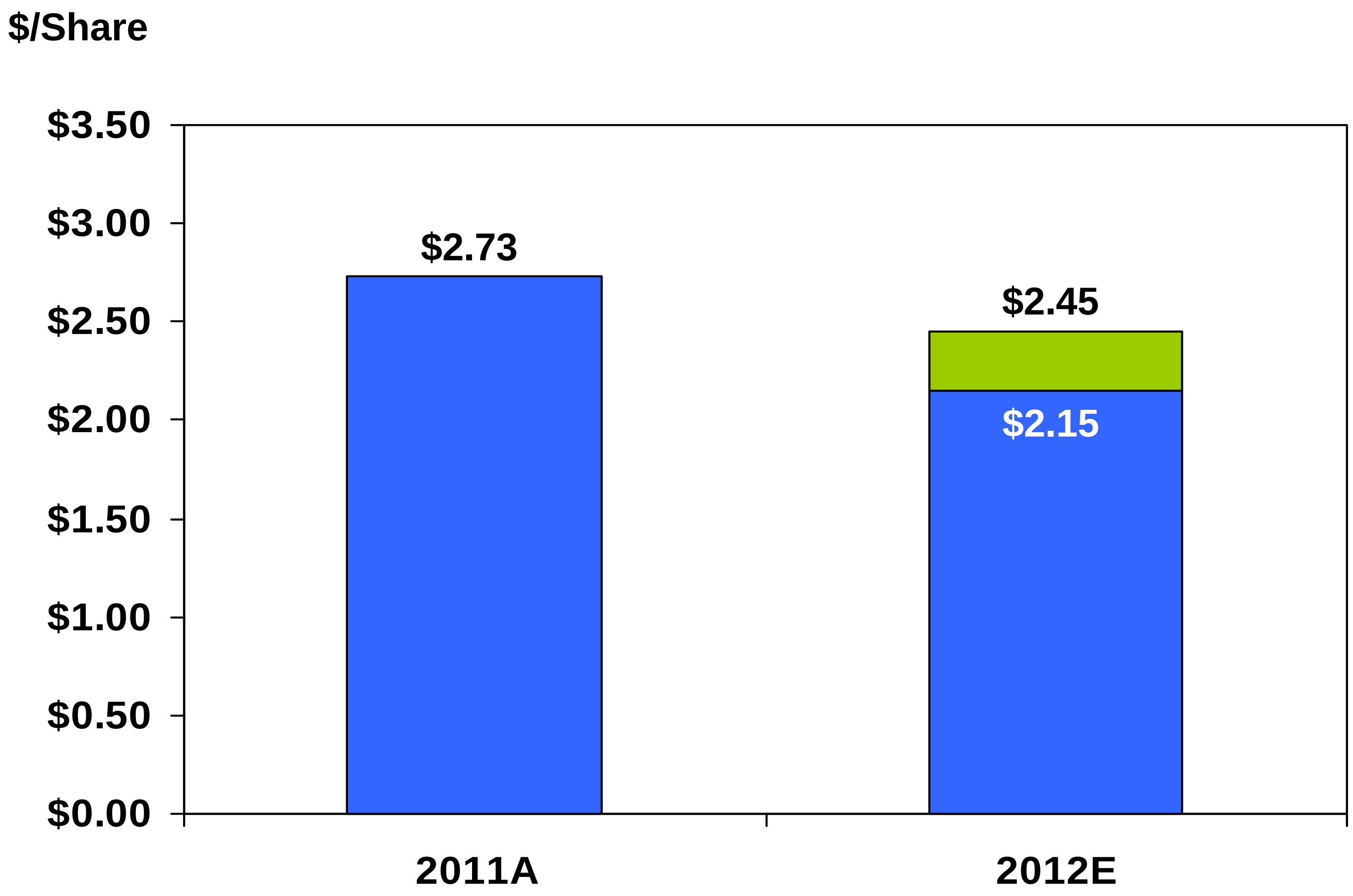
2012 Earnings Forecast



Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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Ongoing Earnings Overview

	Q4 2011	Q4 2010	Change
Kentucky Regulated	$0.06	$0.07	($0.01)
International Regulated	0.28	0.07	0.21
Pennsylvania Regulated	0.10	0.05	0.05
Supply	0.27	0.64	(0.37)
Total	$0.71	$0.83	($0.12)

	2011	2010	Change
Kentucky Regulated	$0.40	$0.06	$0.34
International Regulated	0.87	0.53	0.34
Pennsylvania Regulated	0.31	0.27	0.04
Supply	1.15	2.27	(1.12)
Total	$2.73	$3.13	($0.40)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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International Regulated Segment Earnings Drivers

		2011
2010 EPS – Ongoing Earnings		$0.53
Midlands[1]	0.50	
Delivery revenue	0.13	
O&M	(0.02)	
Income taxes & other	(0.06)	
Effect of exchange rates	0.03	
Dilution	(0.24)	
Total		0.34
2011 EPS – Ongoing Earnings		$0.87

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Includes interest expense from the 2011 equity units and Bridge Facility borrowings.

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Pennsylvania Regulated Segment Earnings Drivers

	2011	
2010 EPS – Ongoing Earnings		$0.27
Electric Delivery Margins	0.09	
O&M	0.01	
Income taxes & other	0.03	
Dilution	(0.09)	
Total		0.04
2011 EPS – Ongoing Earnings		$0.31

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

		2011
2010 EPS – Ongoing Earnings		$2.27
Margins	(0.55)	
O&M	(0.09)	
Income taxes & other	(0.17)	
Dilution	(0.31)	
Total		(1.12)
2011 EPS – Ongoing Earnings		$1.15

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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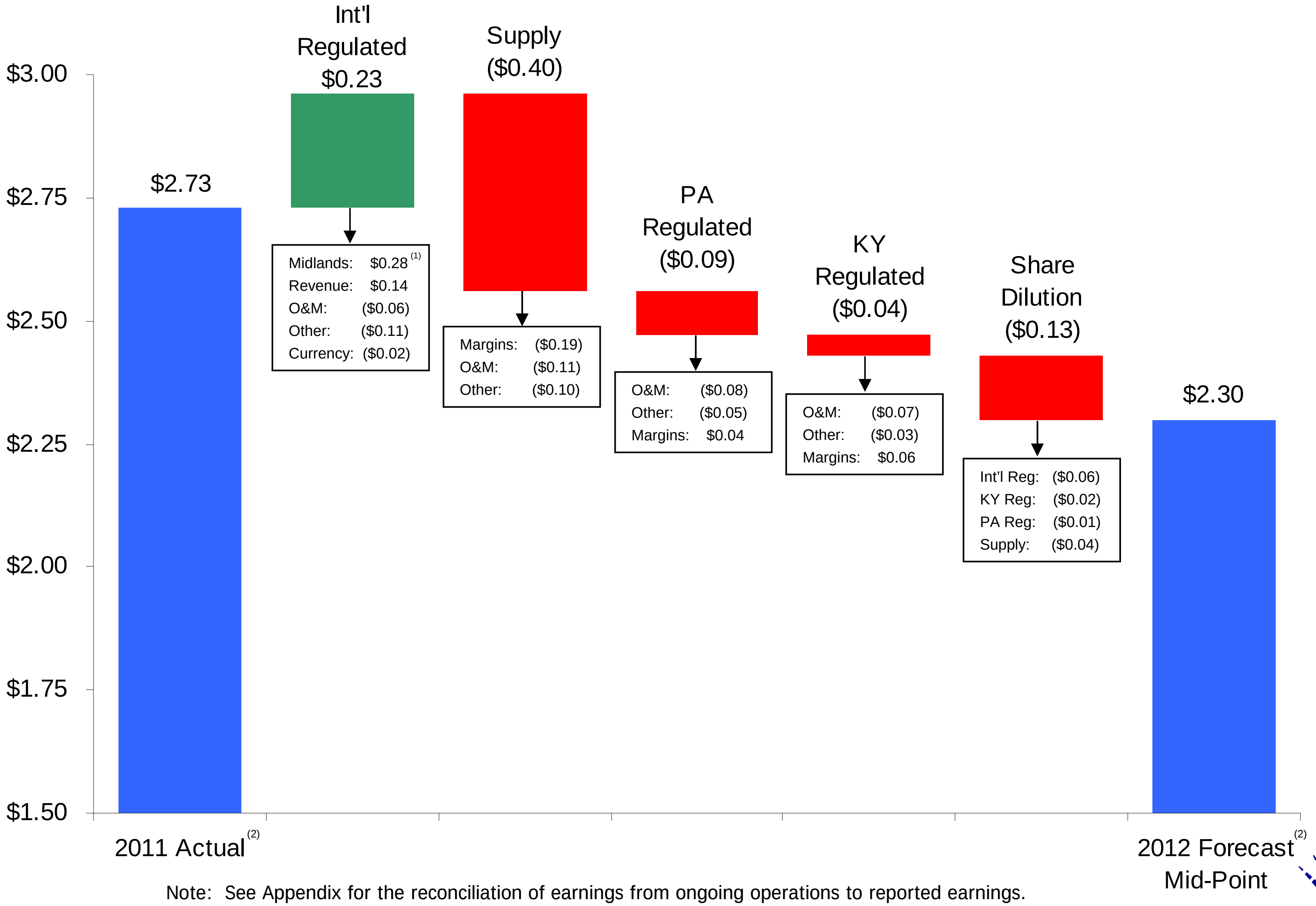
2011A to 2012E Earnings Walk



Midlands: $0.28 [1]
Revenue: $0.14
O&M: ($0.06)
Other: ($0.11)
Currency: ($0.02)

Margins: ($0.19)
O&M: ($0.11)
Other: ($0.10)

O&M: ($0.08)
Other: ($0.05)
Margins: $0.04

O&M: ($0.07)
Other: ($0.03)
Margins: $0.06

Int'l Reg: ($0.06)
KY Reg: ($0.02)
PA Reg: ($0.01)
Supply: ($0.04)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.
(1) 4 months of Midlands operating results, net of interest expense associated with equity units
(2) Earnings from ongoing operations.

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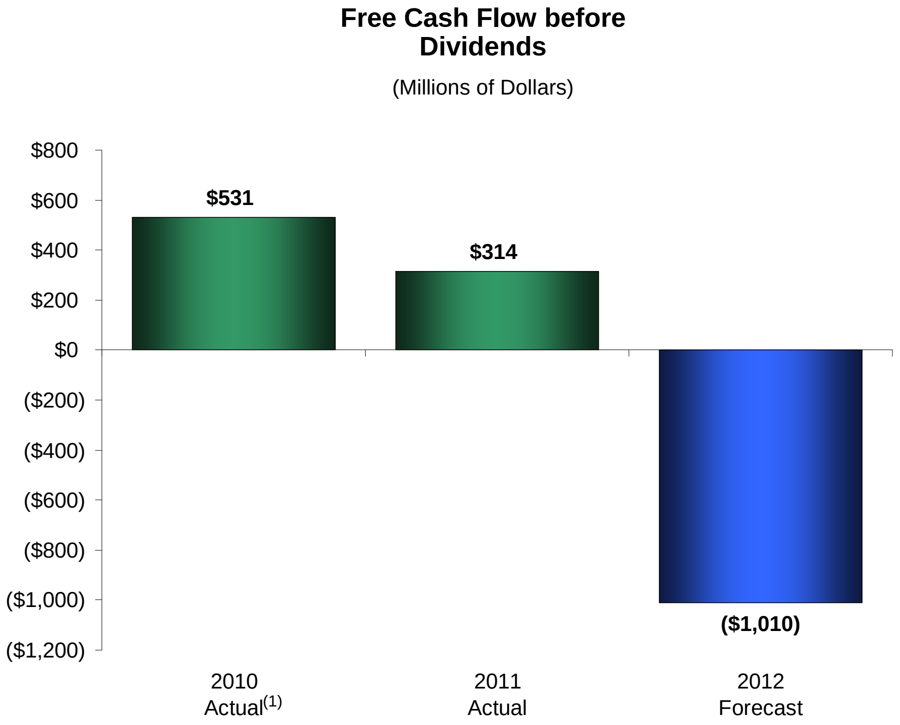
Free Cash Flow before Dividends



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

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(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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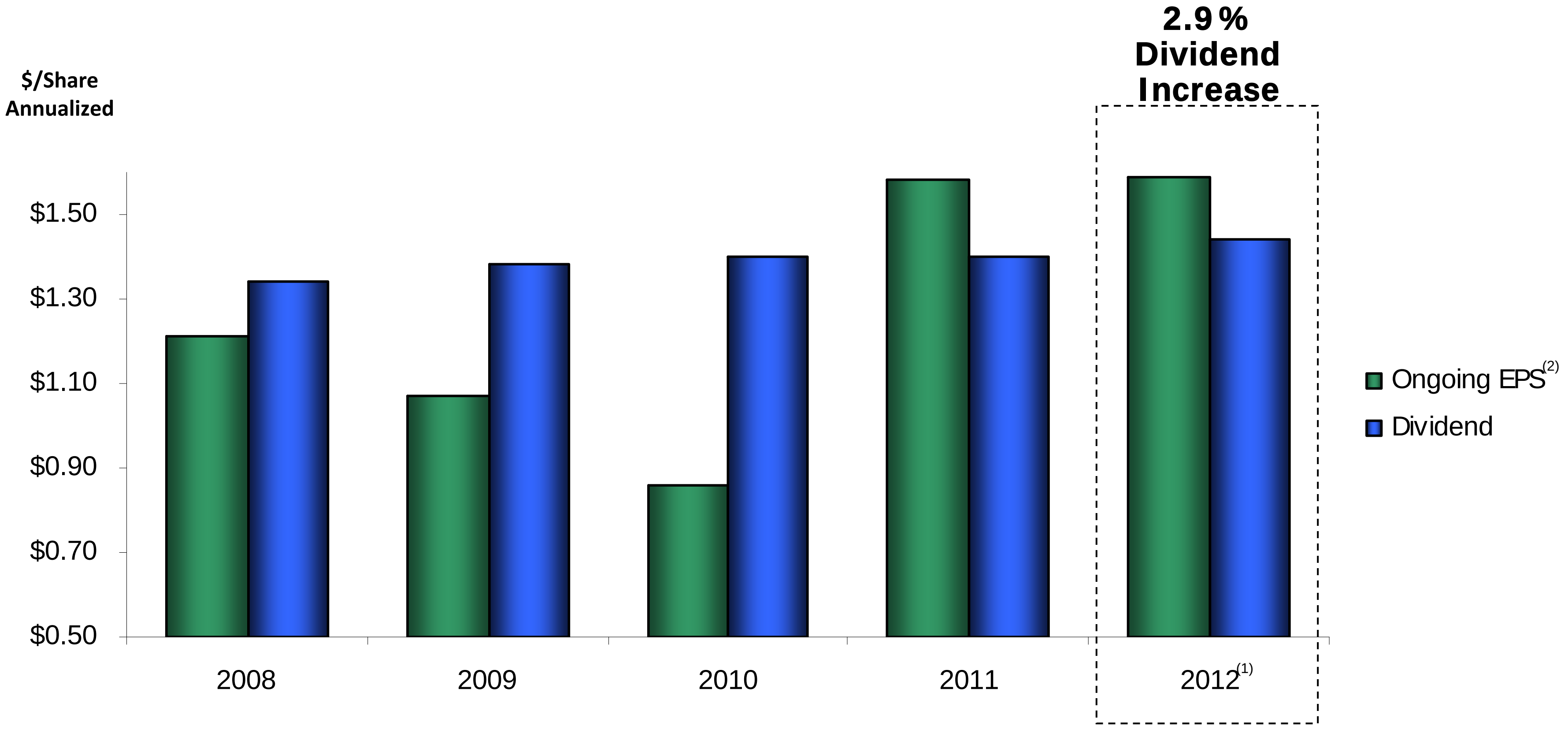
Continued Dividend Increases

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 2/10/2012 announced increase. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Appendix

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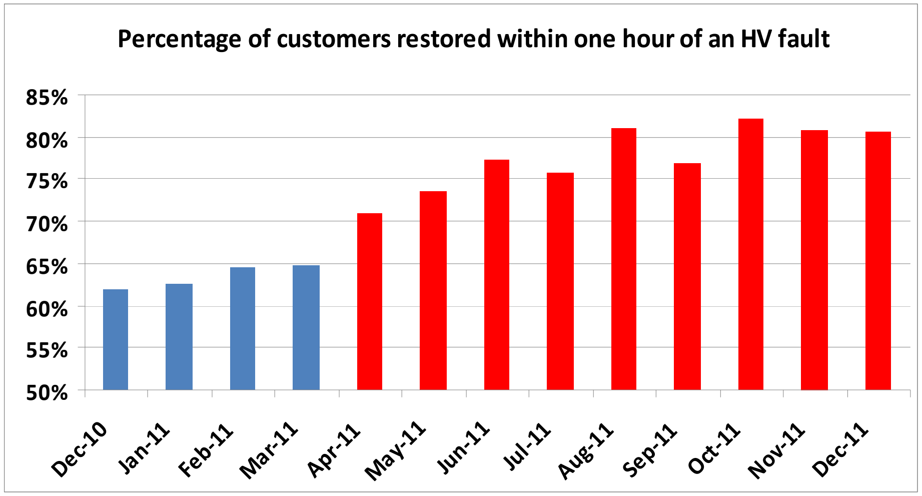
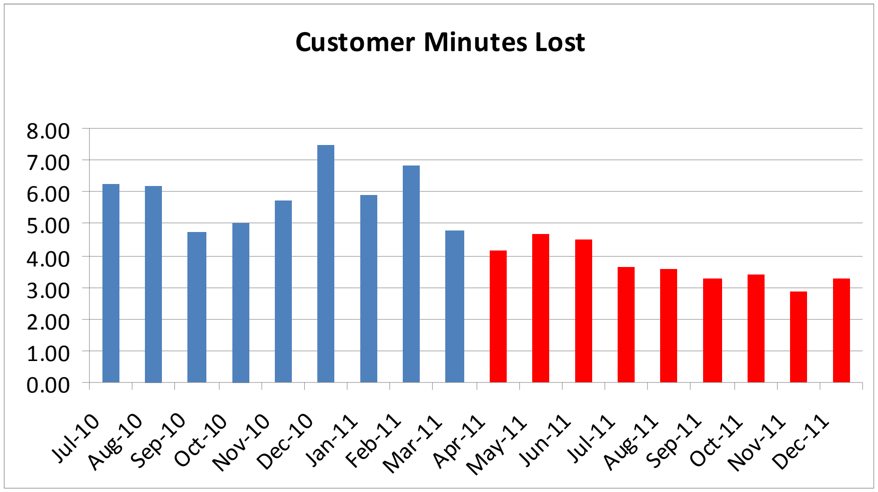
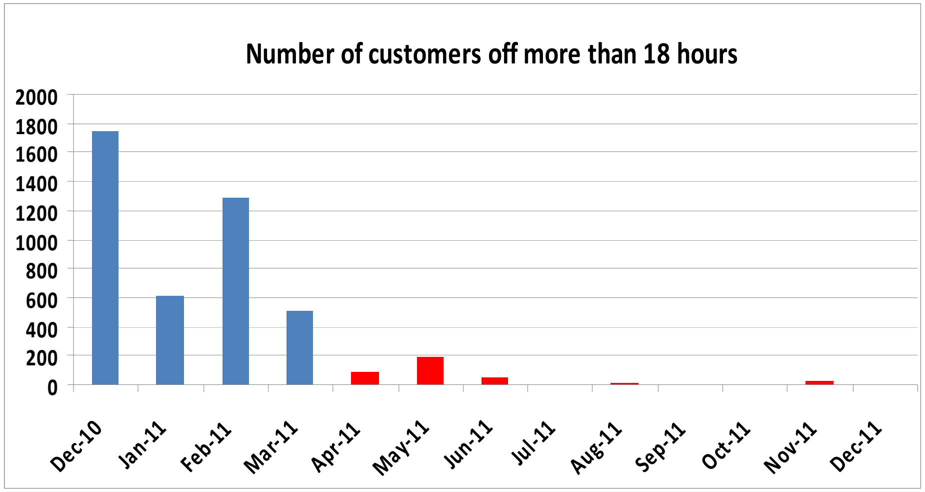
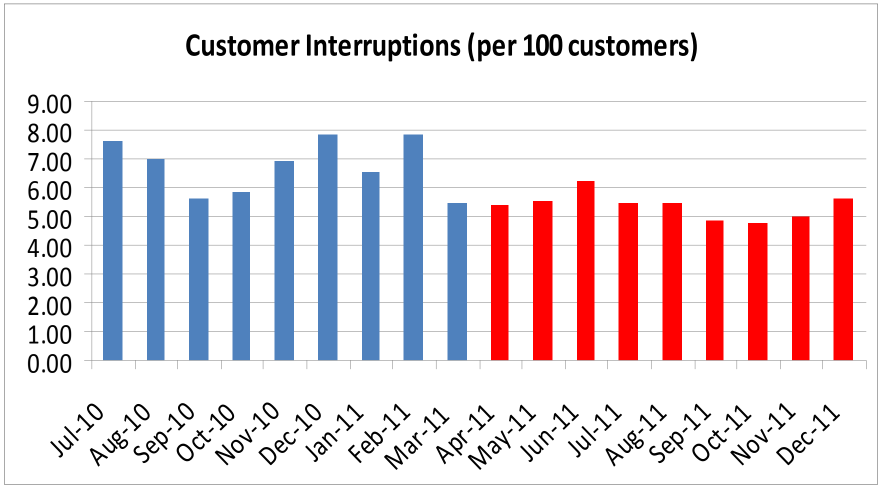
Midlands Integration – Improved Network Performance


Percentage of customers restored within one hour of an HV fault


Customer Minutes Lost


Number of customers off more than 18 hours


Customer Interruptions (per 100 customers)

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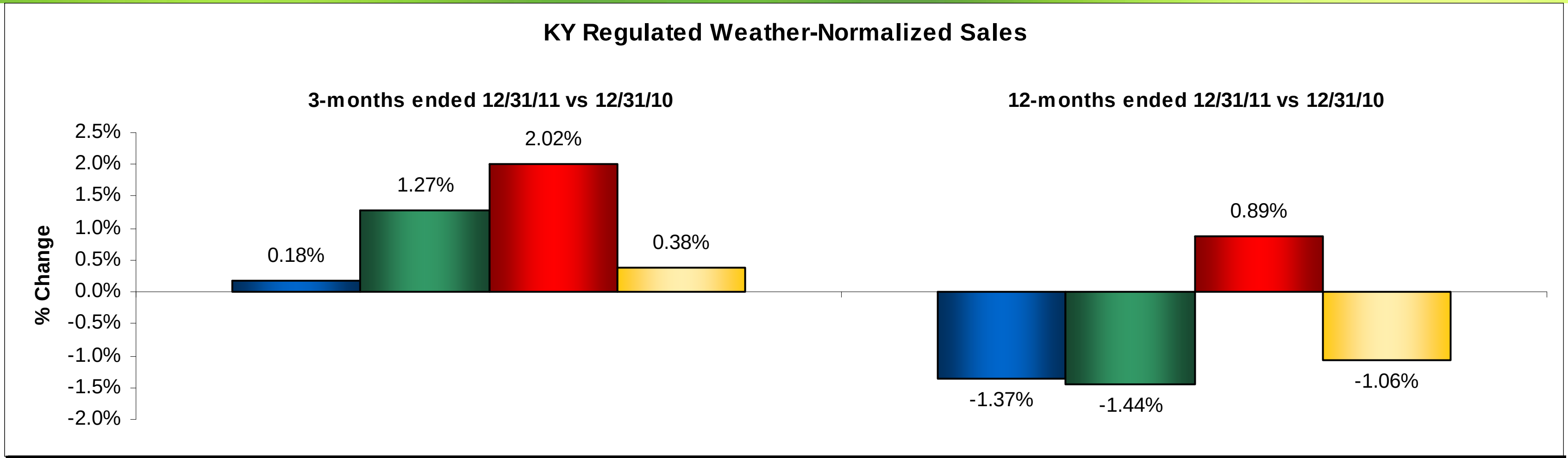
Regulated Volume Variances

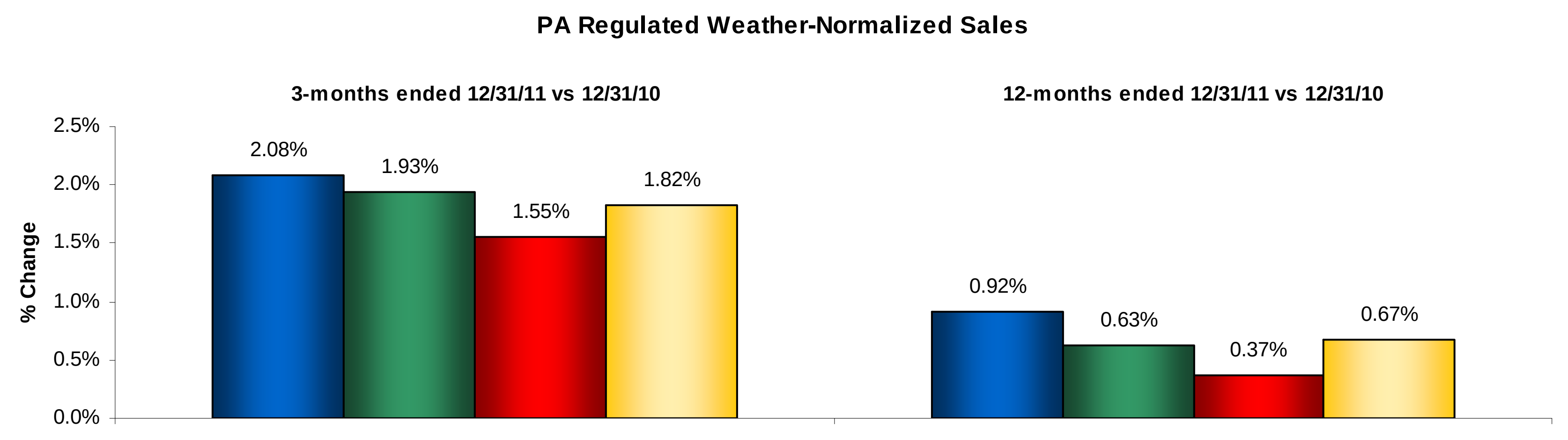


KY Regulated Weather-Normalized Sales

3-months ended 12/31/11 vs 12/31/10

12-months ended 12/31/11 vs 12/31/10

	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	0.18%	1.27%	2.02%	0.38%		-1.37%	-1.44%	0.89%	-1.06%	
Actual	-12.40%	-3.34%	1.74%	-5.17%		-8.19%	-4.16%	0.74%	-4.30%	



PA Regulated Weather-Normalized Sales

3-months ended 12/31/11 vs 12/31/10

12-months ended 12/31/11 vs 12/31/10

	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	2.08%	1.93%	1.55%	1.82%		0.92%	0.63%	0.37%	0.67%	
Actual	-1.40%	1.09%	1.55%	0.22%		1.06%	0.74%	0.37%	0.76%	

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Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$43
Off-Peak	$28	$31
ATC(1)	$33	$37
Mid-Columbia		
On-Peak	$26	$32
Off-Peak	$20	$25
ATC(1)	$24	$29
GAS(2)		
NYMEX	$2.86	$3.56
TZ6NNY	$3.13	$3.87
PJM MARKET		
HEAT RATE(3)	12.5	11.1
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	88%	90%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 12/31/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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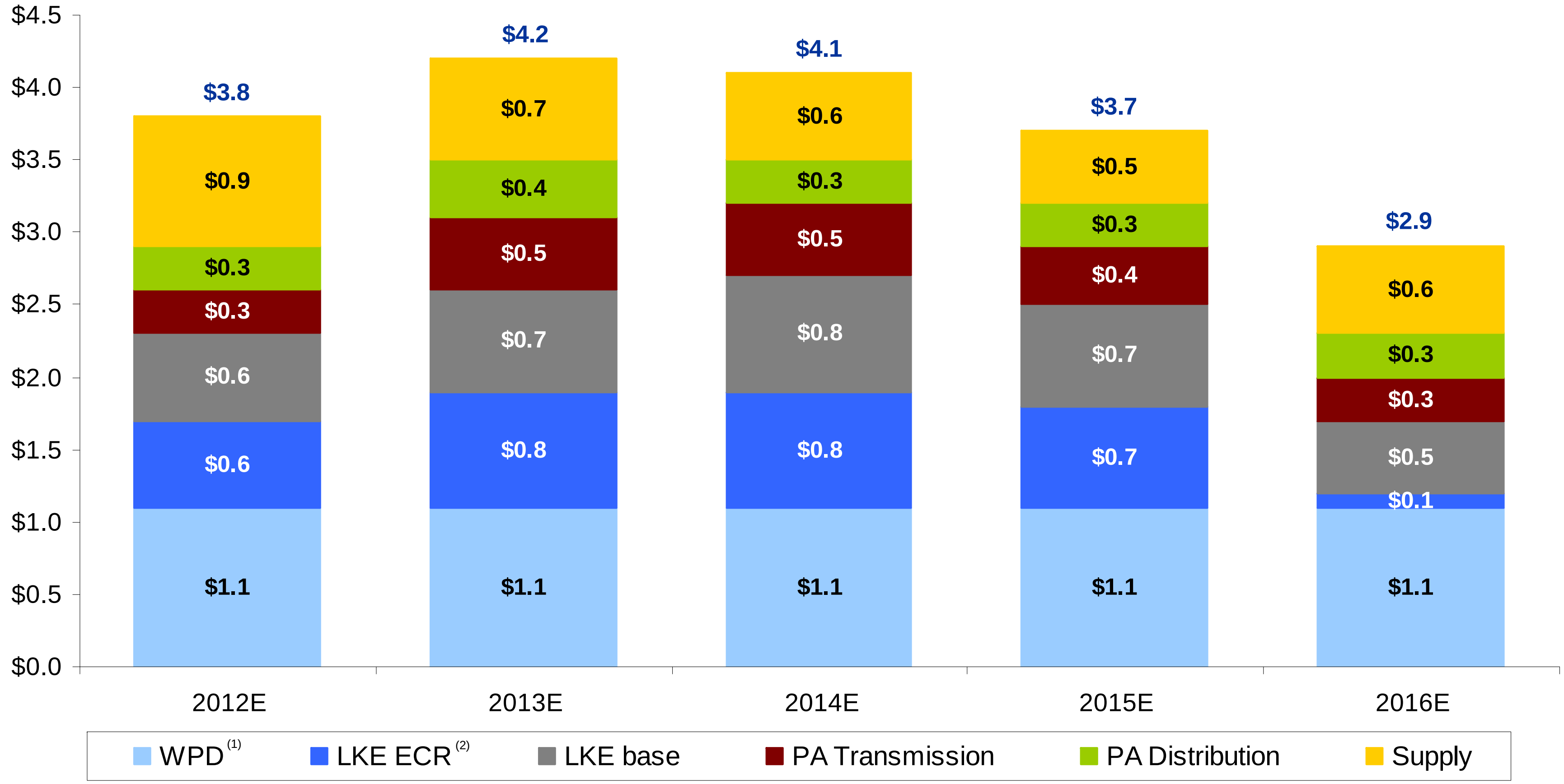
Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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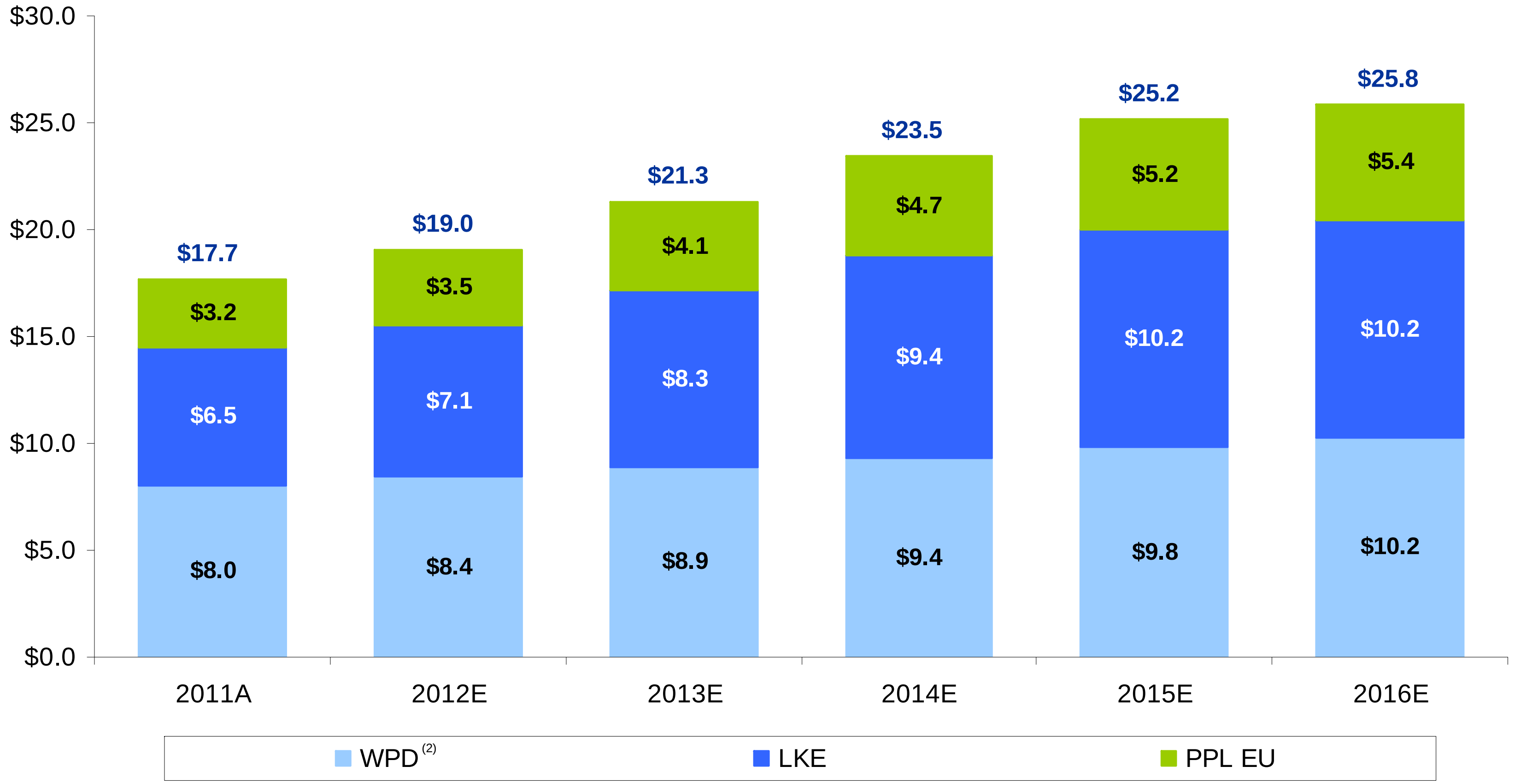
Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[(1)] CAGR: 7.8%



	2011A	2012E	2013E	2014E	2015E	2016E
WPD[(2)]	$8.0	$8.4	$8.9	$9.4	$9.8	$10.2
LKE	$6.5	$7.1	$8.3	$9.4	$10.2	$10.2
PPL EU	$3.2	$3.5	$4.1	$4.7	$5.2	$5.4
Total	$17.7	$19.0	$21.3	$23.5	$25.2	$25.8

(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of December 31, 2011

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backup (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$541	$0	$2,459
	Letter of Credit Facility	Mar-2013	200	89	0	111
			$3,200	$630	$0	$2,570
PPL Electric Utilities	Syndicated Credit Facility	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£111	£39
	WPD (South West) Syndicated Credit Facility(1)	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,033	£144	£111	£778

Note: As of December 31, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In January 2012, WPD (South West) entered into a £245 million syndicated credit facility to replace its existing £210 million syndicated credit facility.

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Reconciliation of Fourth Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Quarter Ending December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Other	Total
Earnings from Ongoing Operations	$ 36	$ 164	$ 58	$ 152		$ 410
Special Items:						
Adjusted energy-related economic activity, net				69		69
Foreign currency-related economic hedges		(3)				(3)
WPD Midlands acquisition-related costs:						
Separation benefits		(7)				(7)
Other acquisition-related costs		(21)				(21)
Other:						
Montana hydroelectric litigation				47		47
Windfall profits tax litigation		(39)				(39)
Counterparty bankruptcy				(6)		(6)
Wholesale supply cost reimbursement				4		4
Total Special Items		(70)		114		44
Reported Earnings*	$ 36	$ 94	$ 58	$ 266		$ 454

Quarter Ending December 31, 2010	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Other (a)	Total
Earnings from Ongoing Operations	$ 36	$ 32	$ 26	$ 311	$ (1)	$ 404
Special Items:						
Adjusted energy-related economic activity, net	(1)			(6)		(7)
Foreign currency-related economic hedges		3				3
Sales of assets:						
Maine hydroelectric generation business				15		15
Impairments:						
Emission allowances				(1)		(1)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(23)		(23)
Sale of certain non-core generation facilities				(2)		(2)
Discontinued cash flow hedges and ineffectiveness				(9)		(9)
Reduction of credit facility				(6)		(6)
2010 Bridge Facility costs					(8)	(8)
Other acquisition-related costs					(14)	(14)
Other:						
LKE discontinued operations	2					2
Change in U.K. tax rate		(1)				(1)
Montana basin seepage litigation				2		2
Total Special Items	1	2		(30)	(22)	(49)
Reported Earnings*	$ 37	$ 34	$ 26	$ 281	$ (23)	$ 355

* Represents net income attributable to PPL Corporation

(a) Includes certain costs incurred prior to the November 1, 2010 acquisition of LKE.

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Reconciliation of Fourth Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Quarter Ending December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Other	Total
Earnings from Ongoing Operations	$ 0.06	$ 0.28	$ 0.10	$ 0.27		$ 0.71
Special Items:						
Adjusted energy-related economic activity, net				0.11		0.11
WPD Midlands acquisition-related costs:						
Separation benefits		(0.01)				(0.01)
Other acquisition-related costs		(0.04)				(0.04)
Other:						
Montana hydroelectric litigation				0.08		0.08
Windfall profits tax litigation		(0.07)				(0.07)
Counterparty bankruptcy				(0.01)		(0.01)
Wholesale supply cost reimbursement				0.01		0.01
Total Special Items		(0.12)		0.19		0.07
Reported Earnings	$ 0.06	$ 0.16	$ 0.10	$ 0.46		$ 0.78

Quarter Ending December 31, 2010	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Other	Total
Earnings from Ongoing Operations	$ 0.07	$ 0.07	$ 0.05	$ 0.64		$ 0.83
Special Items:						
Adjusted energy-related economic activity, net				(0.01)		(0.01)
Sales of assets:						
Maine hydroelectric generation business				0.03		0.03
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(0.05)		(0.05)
Discontinued cash flow hedges and ineffectiveness				(0.02)		(0.02)
Reduction of credit facility				(0.01)		(0.01)
2010 Bridge Facility costs					$ (0.01)	(0.01)
Other acquisition-related costs					(0.03)	(0.03)
Total Special Items				(0.06)	(0.04)	(0.10)
Reported Earnings	$ 0.07	$ 0.07	$ 0.05	$ 0.58	$ (0.04)	$ 0.73

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 220	$ 482	$ 173	$ 634	$ 1,509
Special Items:					
Adjusted energy-related economic activity, net	1			72	73
Foreign currency-related economic hedges		5			5
Impairments:					
Emission allowances				(1)	(1)
Renewable energy credits				(3)	(3)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(30)			(30)
Foreign currency loss on 2011 Bridge Facility		(38)			(38)
Net hedge gains		38			38
Hedge ineffectiveness		(9)			(9)
U.K. stamp duty tax		(21)			(21)
Separation benefits		(75)			(75)
Other acquisition-related costs		(57)			(57)
LKE acquisition-related costs:					
Sale of certain non-core generation facilities				(2)	(2)
Other:					
Montana hydroelectric litigation				45	45
Litigation settlement - spent nuclear fuel storage				33	33
Change in U.K. tax rate		69			69
Windfall profits tax litigation		(39)			(39)
Counterparty bankruptcy				(6)	(6)
Wholesale supply cost reimbursement				4	4
Total Special Items	1	(157)		142	(14)
Reported Earnings*	$ 221	$ 325	$ 173	$ 776	$ 1,495

* Represents net income attributable to PPL Corporation

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date December 31, 2010	Kentucky Regulated (a)	International Regulated	Pennsylvania Regulated	Supply	Other (b)	Total
Earnings from Ongoing Operations	$ 25	$ 230	$ 115	$ 990	$ (2)	$ 1,358
Special Items:						
Adjusted energy-related economic activity, net	(1)			(121)		(122)
Foreign currency-related economic hedges		1				1
Sales of assets:						
Maine hydroelectric generation business				15		15
Sundance indemnification				1		1
Impairments:						
Emission allowances				(10)		(10)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(125)		(125)
Sale of certain non-core generation facilities				(64)		(64)
Discontinued cash flow hedges and ineffectiveness				(28)		(28)
Reduction of credit facility				(6)		(6)
2010 Bridge Facility costs					(52)	(52)
Other acquisition-related costs					(22)	(22)
Other:						
Montana hydroelectric litigation				(34)		(34)
LKE discontinued operations	2					2
Change in U.K. tax rate		18				18
Windfall profits tax litigation		12				12
Health care reform - tax impact				(8)		(8)
Montana basin seepage litigation				2		2
Total Special Items	1	31		(378)	(74)	(420)
Reported Earnings*	$ 26	$ 261	$ 115	$ 612	$ (76)	$ 938

* Represents net income attributable to PPL Corporation

(a) The Kentucky Regulated segment includes $21 million of interest expense (after tax) on the 2010 equity units, which were issued in June 2010 to partially fund the LKE acquisition. Of this amount, $11 million (after tax) was included in the Supply segment in the third quarter, which was reallocated from the Supply segment to the Kentucky Regulated segment for the year-to-date presentation.

(b) Includes certain costs incurred prior to the November 1, 2010 acquisition of LKE.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.40	$ 0.87	$ 0.31	$ 1.15	$ 2.73
Special Items:					
Adjusted energy-related economic activity, net				0.12	0.12
Foreign currency-related economic hedges		0.01			0.01
Impairments:					
Renewable energy credits				(0.01)	(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(0.05)			(0.05)
Foreign currency loss on 2011 Bridge Facility		(0.07)			(0.07)
Net hedge gains		0.07			0.07
Hedge ineffectiveness		(0.02)			(0.02)
U.K. stamp duty tax		(0.04)			(0.04)
Separation benefits		(0.13)			(0.13)
Other acquisition-related costs		(0.10)			(0.10)
Other:					
Montana hydroelectric litigation				0.08	0.08
Litigation settlement - spent nuclear fuel storage				0.06	0.06
Change in U.K. tax rate		0.12			0.12
Windfall profits tax litigation		(0.07)			(0.07)
Counterparty bankruptcy				(0.01)	(0.01)
Wholesale supply cost reimbursement				0.01	0.01
Total Special Items		(0.28)		0.25	(0.03)
Reported Earnings	$ 0.40	$ 0.59	$ 0.31	$ 1.40	$ 2.70

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date December 31, 2010	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Other	Total
Earnings from Ongoing Operations	$ 0.06	$ 0.53	$ 0.27	$ 2.27		$ 3.13
Special Items:						
Adjusted energy-related economic activity, net				(0.27)		(0.27)
Sales of Assets:						
Maine hydroelectric generation business				0.03		0.03
Impairments:						
Emission allowances				(0.02)		(0.02)
LKE acquisition-related costs:						
Monetization of certain full-requirement sales contracts				(0.29)		(0.29)
Sale of certain non-core generation facilities				(0.14)		(0.14)
Discontinued cash flow hedges and ineffectiveness				(0.06)		(0.06)
Reduction of credit facility				(0.01)		(0.01)
2010 Bridge Facility costs					$ (0.12)	(0.12)
Other acquisition-related costs					(0.05)	(0.05)
Other:						
Montana hydroelectric litigation				(0.08)		(0.08)
Change in U.K. tax rate		0.04				0.04
Windfall profits tax litigation		0.03				0.03
Health care reform - tax impact				(0.02)		(0.02)
Total Special Items		0.07		(0.86)	(0.17)	(0.96)
Reported Earnings	$ 0.06	$ 0.60	$ 0.27	$ 1.41	$ (0.17)	$ 2.17

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)	Forecast		Actual		
	High 2012	Low 2012	2011	2010	2009
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$2.73	$3.13	$1.95
Special Items:					
Adjusted energy-related economic activity, net			0.12	(0.27)	(0.59)
Sales of assets:					
Maine hydroelectric generation business				0.03	0.06
Long Island generation business					(0.09)
Latin American businesses					(0.07)
Interest in Wyman Unit 4					(0.01)
Foreign currency-related economic hedges			0.01		
Impairments:					
Emission allowances				(0.02)	(0.05)
Renewable energy credits			(0.01)		
Other asset impairments					(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs			(0.05)		
Foreign currency loss on 2011 Bridge Facility			(0.07)		
Net hedge gains			0.07		
Hedge ineffectiveness			(0.02)		
U.K. stamp duty tax			(0.04)		
Separation benefits			(0.13)		
Other acquisition-related costs			(0.10)		
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts				(0.29)	
Sale of certain non-core generation facilities				(0.14)	
Discontinued cash flow hedges and ineffectiveness				(0.06)	
Reduction of credit facility				(0.01)	
2010 Bridge Facility costs				(0.12)	
Other acquisition-related costs				(0.05)	
Workforce reduction					(0.03)
Other:					
Montana hydroelectric litigation			0.08	(0.08)	(0.01)
Health care reform - tax impact				(0.02)	
Litigation settlement - spent nuclear fuel storage			0.06		
Change in U.K. tax rate			0.12	0.04	
Change in tax accounting method related to repairs					(0.07)
Windfall profits tax litigation			(0.07)	0.03	
Counterparty bankruptcy			(0.01)		
Wholesale supply cost reimbursement			0.01		
Total Special Items			(0.03)	(0.96)	(0.87)
Reported Earnings	$ 2.45	$ 2.15	$2.70	$2.17	$1.08

Note: Per share amounts are based on diluted shares outstanding.

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Gross Margins Summary

(Millions of Dollars)	Twelve Months Ended December 31, 2011	2010	Change	Per Share Diluted (after-tax) (a)
KY Gross Margins	$ 1,548	**$** -	$ 1,548	$ 2.12
PA Gross Delivery Margins by Component				
Distribution	$ 741	$ 679	$ 62	$ 0.08
Transmission	180	176	4	0.01
Total	$ 921	$ 855	$ 66	$ 0.09
Unregulated Gross Energy Margins by Region				
Non-trading				
Eastern U.S.	$ 2,018	$ 2,429	$ (411)	$ (0.56)
Western U.S.	349	339	10	0.01
Net energy trading	(2)	2	(4)	-
Total	$ 2,365	$ 2,770	$ (405)	$ (0.55)

(a) Excludes dilution which is primarily associated with the April 2011 issuance of common stock.

(b) For the two-month period in 2010 subsequent to the acquisition of LKE, KY Gross Margins were not used to measure the financial performance of LKE.

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Reconciliation of Year-to-Date Operating Income to Margins

(Millions of Dollars)	Twelve Months Ended December 31, 2011					Twelve Months Ended December 31, 2010				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)	Kentucky Gross Margins (c)	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)
Operating Revenues										
Utility	$ 2,791	$ 1,881		$ 1,620 (d)	$ 6,292		$ 2,448		$ 1,220 (d)	$ 3,668
PLR intersegment Utility revenue (expense) (e)		(26)	$ 26				(320)	$ 320		
Unregulated retail electric and gas			696	30	726			414	1	415
Wholesale energy marketing										
Realized			3,745	62 (f)	3,807			4,511	321 (f)	4,832
Unrealized economic activity				1,407 (g)	1,407				(805) (g)	(805)
Net energy trading margins			(2)		(2)			2		2
Energy-related businesses				507	507				409	409
Total Operating Revenues	2,791	1,855	4,465	3,626	12,737		2,128	5,247	1,146	8,521
Operating Expenses										
Fuel	866		1,151	(71) (h)	1,946			1,132	103 (h)	1,235
Energy purchases										
Realized	238	738	912	242 (f)	2,130		1,075	1,389	309 (f)	2,773
Unrealized economic activity				1,123 (g)	1,123				(286) (g)	(286)
Other operation and maintenance	90	108	16	2,453	2,667		76	23	1,657	1,756
Depreciation	49			911	960				556	556
Taxes, other than income		99	30	197	326		129	14	95	238
Energy-related businesses				484	484				383	383
Intercompany eliminations		(11)	3	8			(7)	3	4	
Total Operating Expenses	1,243	934	2,112	5,347	9,636		1,273	2,561	2,821	6,655
Discontinued operations			12	(12) (i)				84	(84) (i)	
Total	$ 1,548	$ 921	$ 2,365	$ (1,733)	$ 3,101		$ 855	$ 2,770	$ (1,759)	$ 1,866

Note: See next slide for footnotes

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Margins Footnotes

a) Represents amounts that are excluded from Margins.
b) As reported on the Statement of Income.
c) Kentucky Gross Margins were not used to measure the financial performance of LKE for the two-month period subsequent to the acquisition in 2010.
d) Primarily represents WPD's utility revenue. 2010 also includes LKE's utility revenues.
e) Primarily related to PLR supply sold by PPL EnergyPlus to PPL Electric.
f) Represents energy-related economic activity as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 19 to the Financial Statements. For 2011, "Wholesale energy marketing – Realized" and "Energy purchases - Realized" include a net pre-tax gain of $19 million related to the amortization of option premiums and a net pre-tax loss of $216 million related to the monetization of certain full-requirement sales contracts. 2010 includes a net pre-tax gain of $32 million related to the amortization of option premiums and a net pre-tax gain of $37 million related to the monetization of certain full-requirement sales contracts. 2009 includes a net pre-tax loss of $54 million related to the amortization of option premiums.
g) Represents energy-related economic activity as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 19 to the Financial Statements.
h) Includes economic activity related to fuel. 2011 includes credits of $57 million for the spent nuclear fuel litigation settlement.
i) Represents the net of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statements of Income.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:
- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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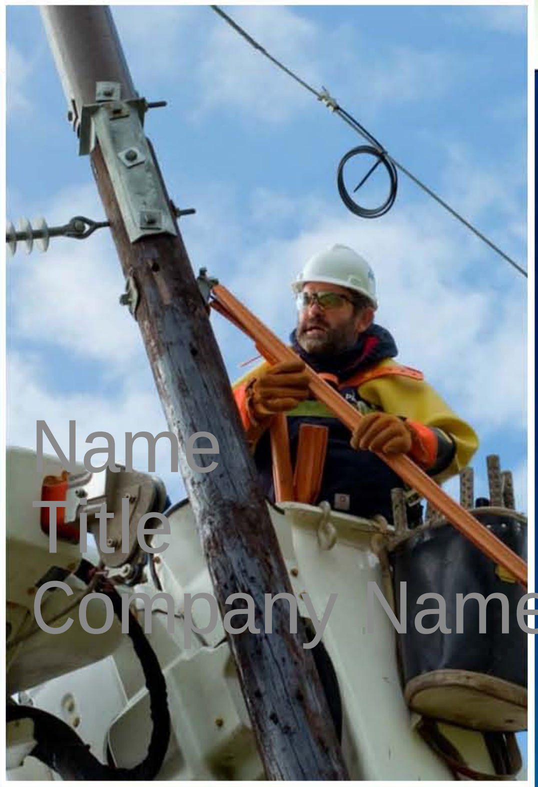
UBS 2012 Natural Gas, Electric Power, MLP, and Coal Conference

March 1, 2012



Name
Title
Company Name

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
  - Approximately 70% of projected 2012 EPS from regulated businesses
  - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
  - Business Risk Profile rated “Excellent” by S&P
  - Secure dividend with strong platform for continued growth

- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
  - Strong baseload footprint in PJM complemented by flexible gas-fired units
  - No major exposure to currently proposed environmental regulations

- Strong management team with track record of execution
  - UK team already showing meaningful improvement in Midlands operations
  - ECR approval received in Kentucky
  - Successfully hedging competitive generation and locking in margins in a challenging market

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International Regulated Segment Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service

- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues

- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment
Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service
- Projected rate base CAGR of 9.6% through 2016
- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
    - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
    - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery
- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 21.7% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.0% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and approved by the Governor
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment
Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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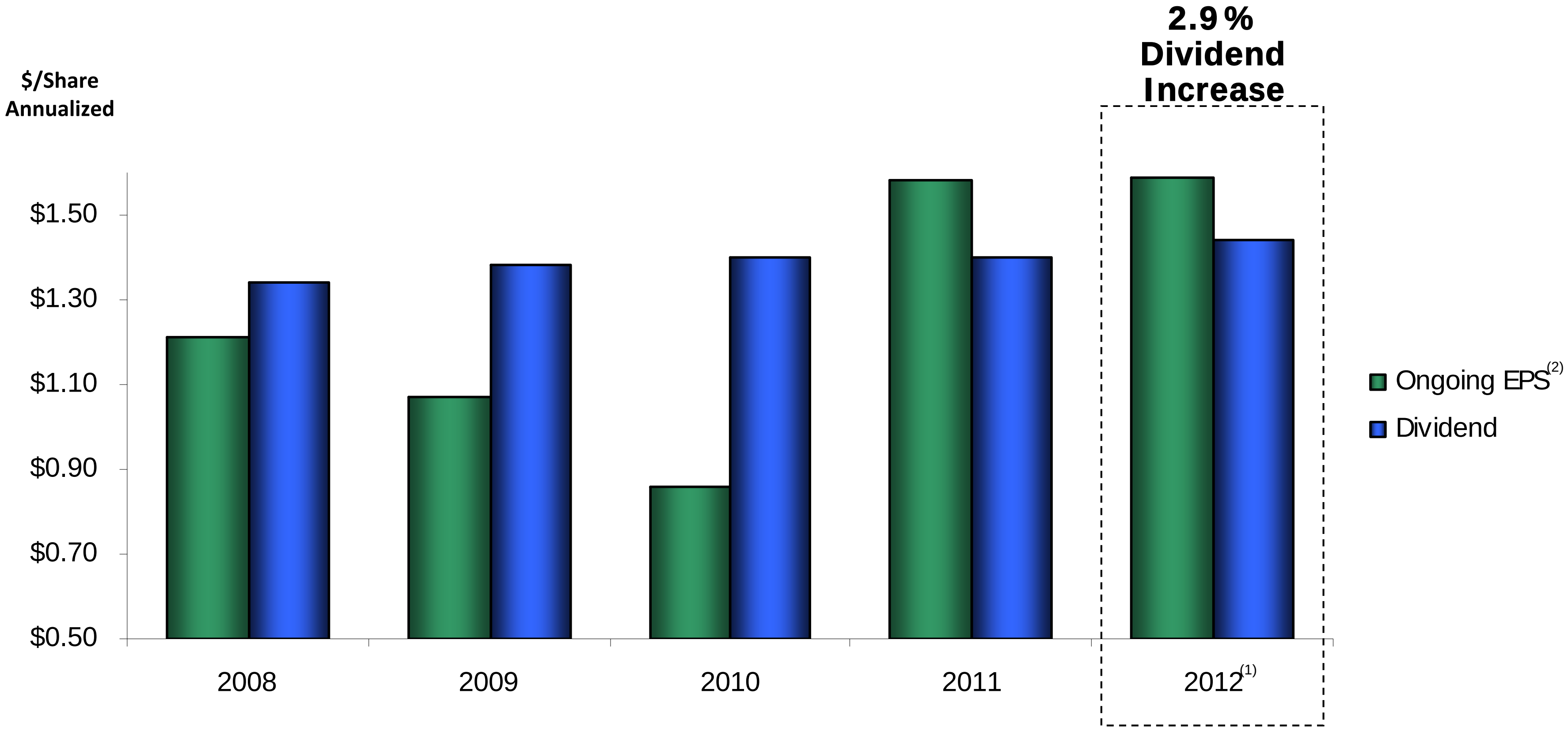
Continued Dividend Increases

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 2/10/2012 announced increase. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Appendix

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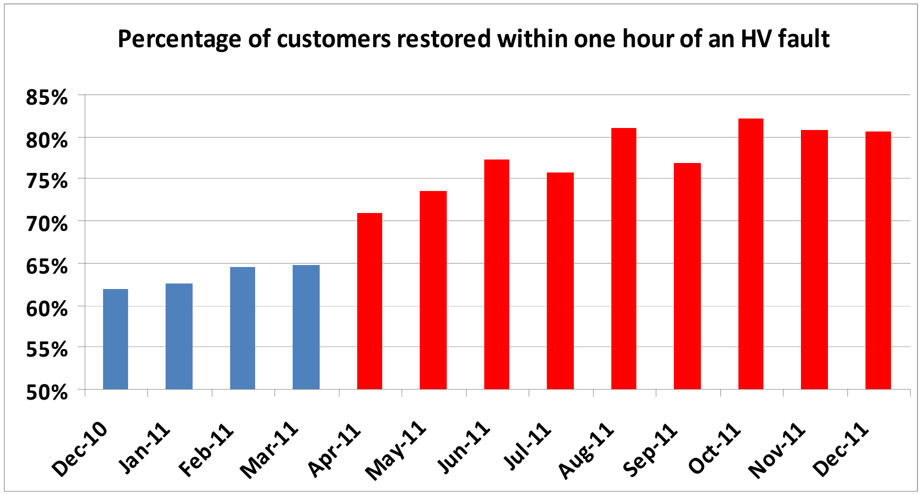
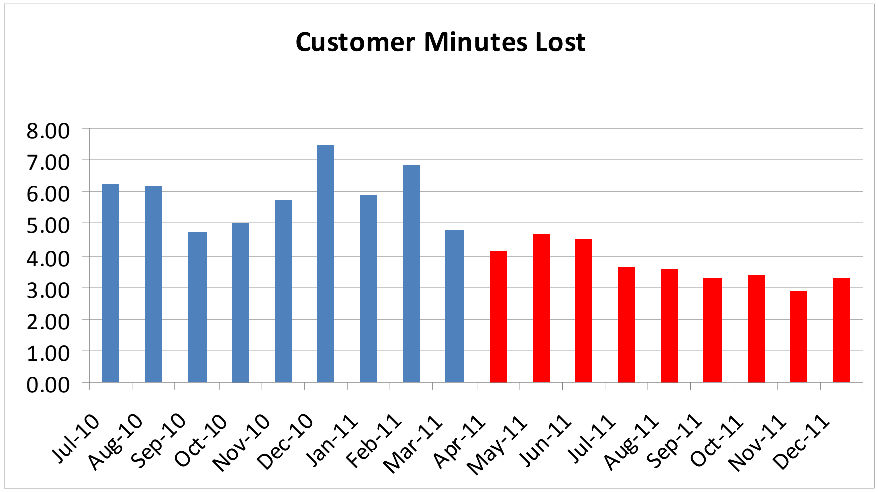
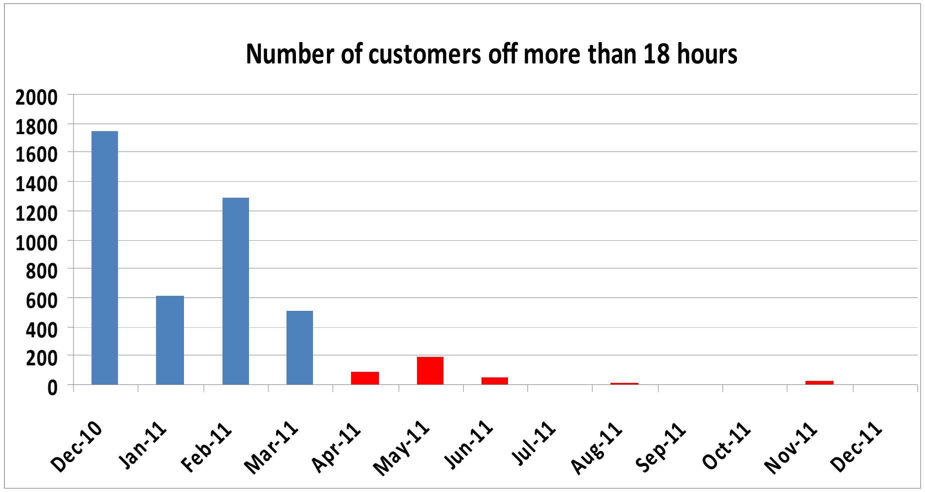
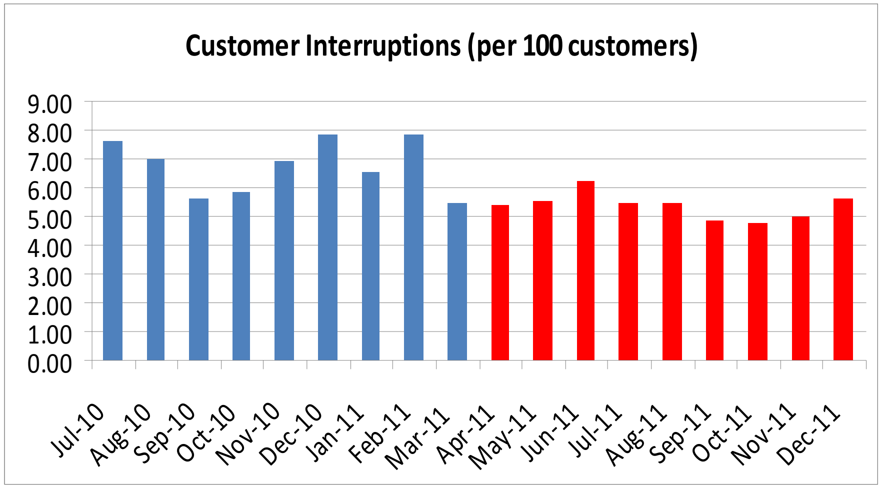
Midlands Integration – Improved Network Performance









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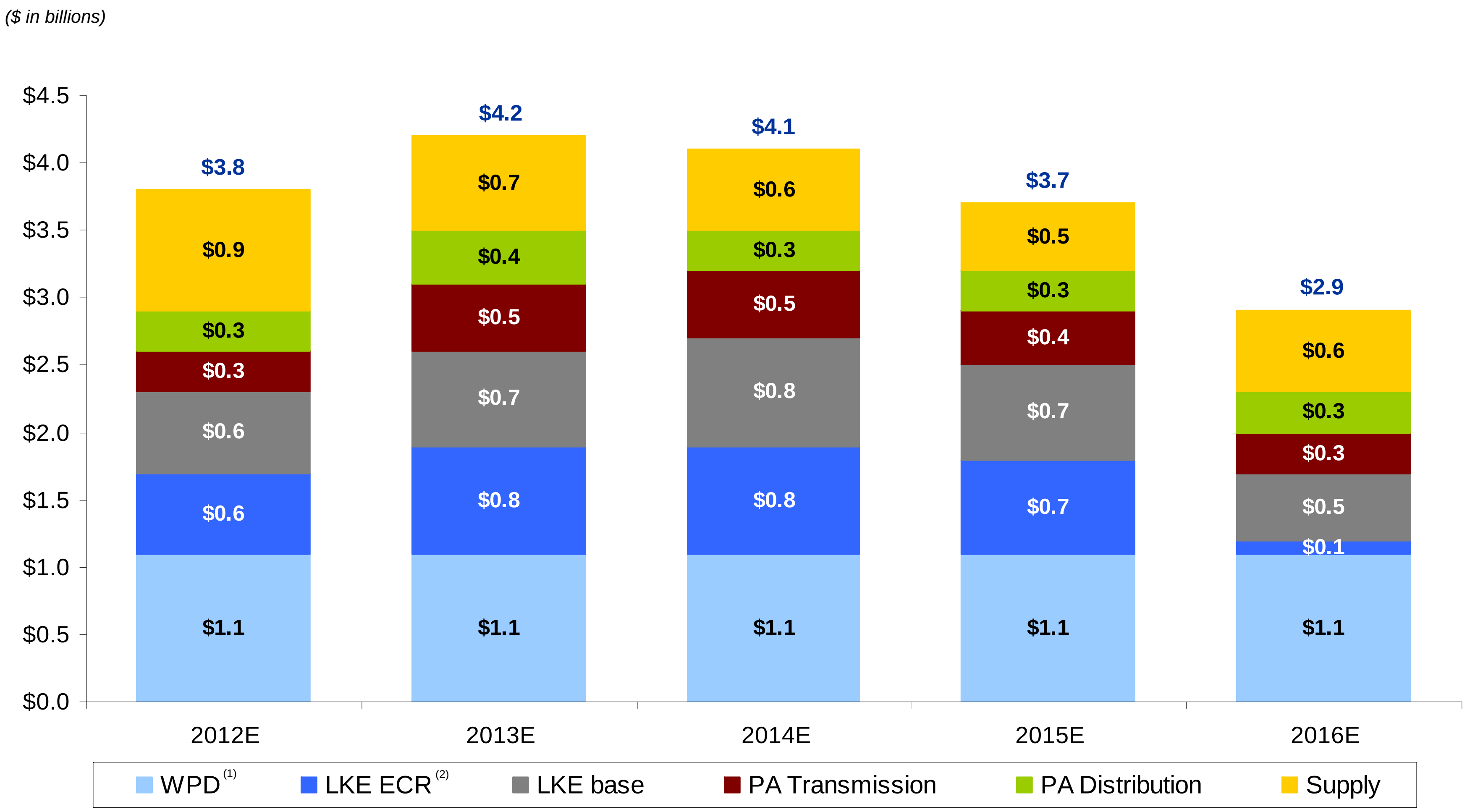
Capital Expenditures



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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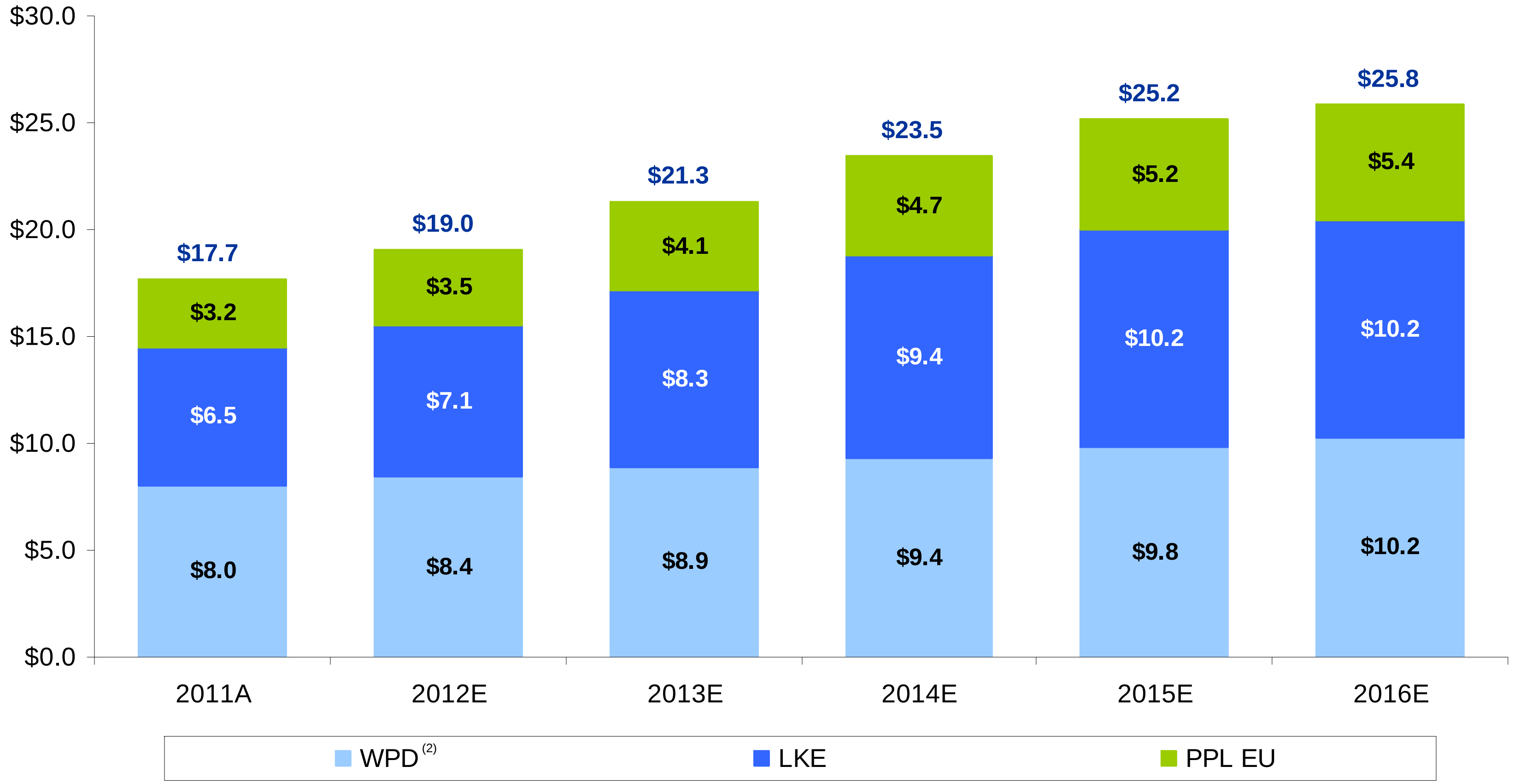
Regulated Rate Base Growth

2012E – 2016E Regulatory Asset Base[1] CAGR: 7.8%

($ in billions)



(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation[1] (Million MWhs)	**53.7**	**53.1**
East	45.5	44.8
West	8.2	8.3
Current Hedges (%)	**95-99%**	**80-84%**
East	94-98%	80-84%
West (4)	98-102%	82-86%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-52
West (4)	$50-52	$47-50
Current Coal Hedges (%)	**98%**	**89%**
East	98%	93%
West	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$75-78	$82-86
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	6.9	7.0
Current Hedges (%)	49%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of January 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of January 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes contract with Southern Montana Electric Generation and Transmission Cooperative, Inc., which filed for bankruptcy protection on October 21, 2011.

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Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$43
Off-Peak	$28	$31
ATC(1)	$33	$37
Mid-Columbia		
On-Peak	$26	$32
Off-Peak	$20	$25
ATC(1)	$24	$29
GAS(2)		
NYMEX	$2.86	$3.56
TZ6NNY	$3.13	$3.87
PJM MARKET		
HEAT RATE(3)	12.5	11.1
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	88%	90%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 12/31/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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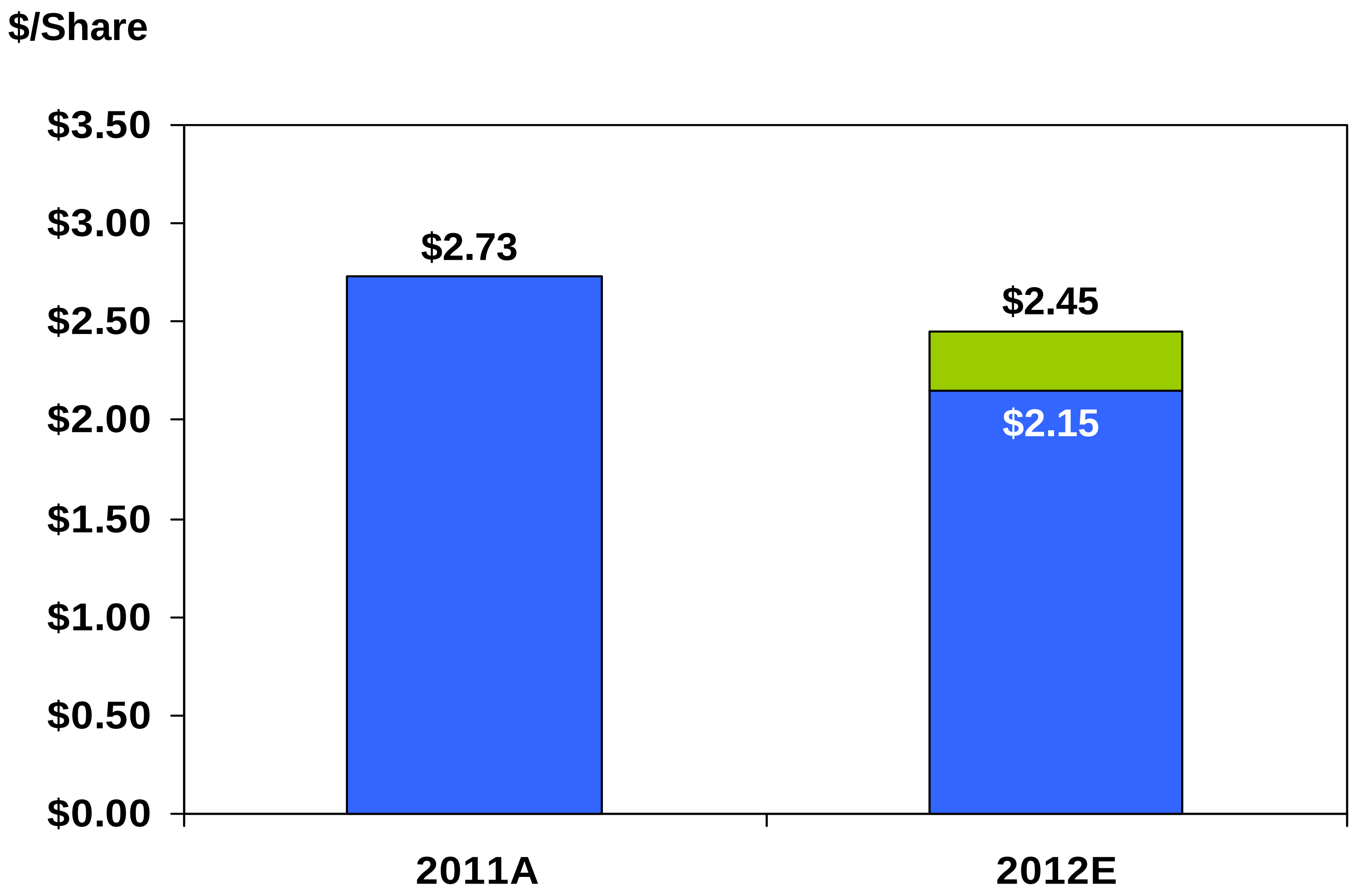
2012 Earnings Forecast



Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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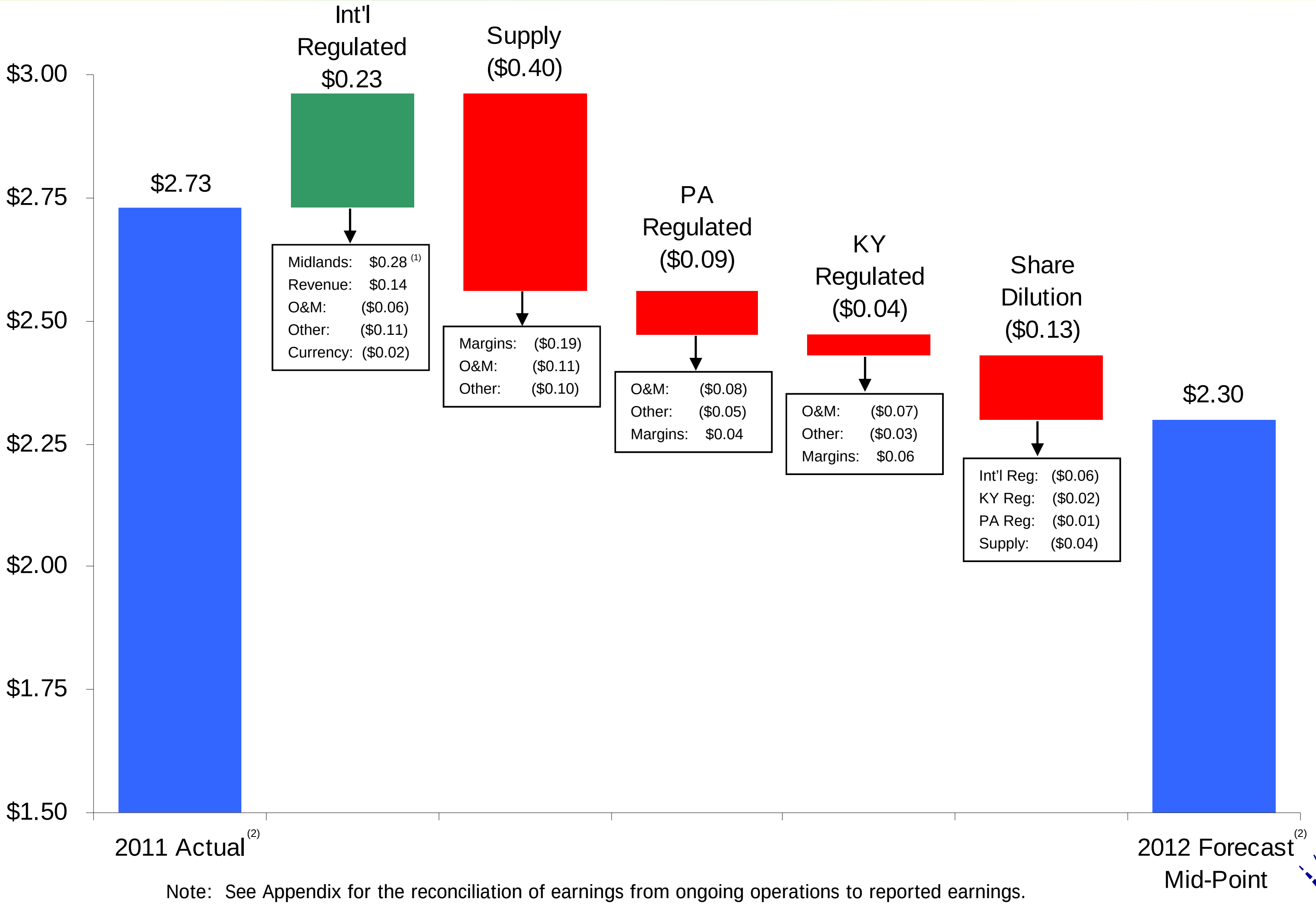
2011A to 2012E Earnings Walk



Midlands: $0.28 (1)
Revenue: $0.14
O&M: ($0.06)
Other: ($0.11)
Currency: ($0.02)

Margins: ($0.19)
O&M: ($0.11)
Other: ($0.10)

O&M: ($0.08)
Other: ($0.05)
Margins: $0.04

O&M: ($0.07)
Other: ($0.03)
Margins: $0.06

Int'l Reg: ($0.06)
KY Reg: ($0.02)
PA Reg: ($0.01)
Supply: ($0.04)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) 4 months of Midlands operating results, net of interest expense associated with equity units

(2) Earnings from ongoing operations.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of December 31, 2011

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL’s 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL’s 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backup (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$541	$0	$2,459
	Letter of Credit Facility	Mar-2013	200	89	0	111
			$3,200	$630	$0	$2,570
PPL Electric Utilities	Syndicated Credit Facility	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£111	£39
	WPD (South West) Syndicated Credit Facility(1)	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,033	£144	£111	£778

Note: As of December 31, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In January 2012, WPD (South West) entered into a £245 million syndicated credit facility to replace its existing £210 million syndicated credit facility.

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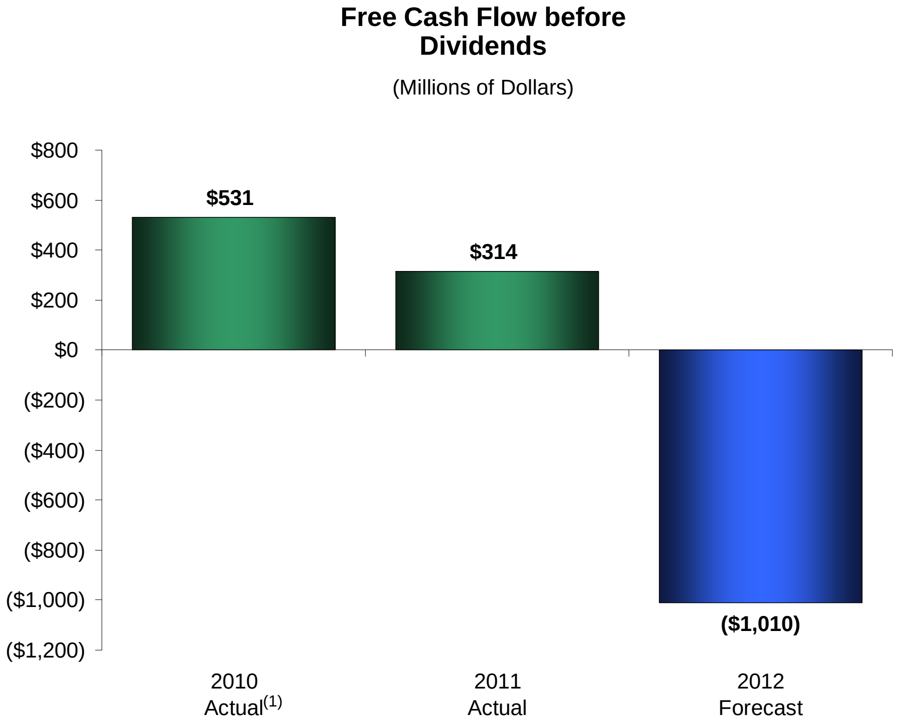
Free Cash Flow before Dividends



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

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(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 220	$ 482	$ 173	$ 634	$ 1,509
Special Items:					
Adjusted energy-related economic activity, net	1			72	73
Foreign currency-related economic hedges		5			5
Impairments:					
Emission allowances				(1)	(1)
Renewable energy credits				(3)	(3)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(30)			(30)
Foreign currency loss on 2011 Bridge Facility		(38)			(38)
Net hedge gains		38			38
Hedge ineffectiveness		(9)			(9)
U.K. stamp duty tax		(21)			(21)
Separation benefits		(75)			(75)
Other acquisition-related costs		(57)			(57)
LKE acquisition-related costs:					
Sale of certain non-core generation facilities				(2)	(2)
Other:					
Montana hydroelectric litigation				45	45
Litigation settlement - spent nuclear fuel storage				33	33
Change in U.K. tax rate		69			69
Windfall profits tax litigation		(39)			(39)
Counterparty bankruptcy				(6)	(6)
Wholesale supply cost reimbursement				4	4
Total Special Items	1	(157)		142	(14)
Reported Earnings*	$ 221	$ 325	$ 173	$ 776	$ 1,495

* Represents net income attributable to PPL Corporation

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.40	$ 0.87	$ 0.31	$ 1.15	$ 2.73
Special Items:					
Adjusted energy-related economic activity, net				0.12	0.12
Foreign currency-related economic hedges		0.01			0.01
Impairments:					
Renewable energy credits				(0.01)	(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(0.05)			(0.05)
Foreign currency loss on 2011 Bridge Facility		(0.07)			(0.07)
Net hedge gains		0.07			0.07
Hedge ineffectiveness		(0.02)			(0.02)
U.K. stamp duty tax		(0.04)			(0.04)
Separation benefits		(0.13)			(0.13)
Other acquisition-related costs		(0.10)			(0.10)
Other:					
Montana hydroelectric litigation				0.08	0.08
Litigation settlement - spent nuclear fuel storage				0.06	0.06
Change in U.K. tax rate		0.12			0.12
Windfall profits tax litigation		(0.07)			(0.07)
Counterparty bankruptcy				(0.01)	(0.01)
Wholesale supply cost reimbursement				0.01	0.01
Total Special Items		(0.28)		0.25	(0.03)
Reported Earnings	$ 0.40	$ 0.59	$ 0.31	$ 1.40	$ 2.70

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)	Forecast		Actual		
	High 2012	Low 2012	2011	2010	2009
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$2.73	$3.13	$1.95
Special Items:					
Adjusted energy-related economic activity, net			0.12	(0.27)	(0.59)
Sales of assets:					
Maine hydroelectric generation business				0.03	0.06
Long Island generation business					(0.09)
Latin American businesses					(0.07)
Interest in Wyman Unit 4					(0.01)
Foreign currency-related economic hedges			0.01		
Impairments:					
Emission allowances				(0.02)	(0.05)
Renewable energy credits			(0.01)		
Other asset impairments					(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs			(0.05)		
Foreign currency loss on 2011 Bridge Facility			(0.07)		
Net hedge gains			0.07		
Hedge ineffectiveness			(0.02)		
U.K. stamp duty tax			(0.04)		
Separation benefits			(0.13)		
Other acquisition-related costs			(0.10)		
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts				(0.29)	
Sale of certain non-core generation facilities				(0.14)	
Discontinued cash flow hedges and ineffectiveness				(0.06)	
Reduction of credit facility				(0.01)	
2010 Bridge Facility costs				(0.12)	
Other acquisition-related costs				(0.05)	
Workforce reduction					(0.03)
Other:					
Montana hydroelectric litigation			0.08	(0.08)	(0.01)
Health care reform - tax impact				(0.02)	
Litigation settlement - spent nuclear fuel storage			0.06		
Change in U.K. tax rate			0.12	0.04	
Change in tax accounting method related to repairs					(0.07)
Windfall profits tax litigation			(0.07)	0.03	
Counterparty bankruptcy			(0.01)		
Wholesale supply cost reimbursement			0.01		
Total Special Items			(0.03)	(0.96)	(0.87)
Reported Earnings	$ 2.45	$ 2.15	$2.70	$2.17	$1.08

Note: Per share amounts are based on diluted shares outstanding.

Revised February 27, 2012

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

EEI International Utility Conference

March 11-13, 2012

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
    - Approximately 70% of projected 2012 EPS from regulated businesses
    - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
    - Business Risk Profile rated “Excellent” by S&P
    - Secure dividend with strong platform for continued growth

- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
    - Strong baseload footprint in PJM complemented by flexible gas-fired units
    - No major exposure to currently proposed environmental regulations

- Strong management team with track record of execution
    - UK team already showing meaningful improvement in Midlands operations
    - ECR approval received in Kentucky
    - Successfully hedging competitive generation and locking in margins in a challenging market

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International Regulated Segment Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service

- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues

- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service

- Projected rate base CAGR of 9.6% through 2016

- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
  - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
  - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery

- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 21.7% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.0% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and approved by the Governor
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment
Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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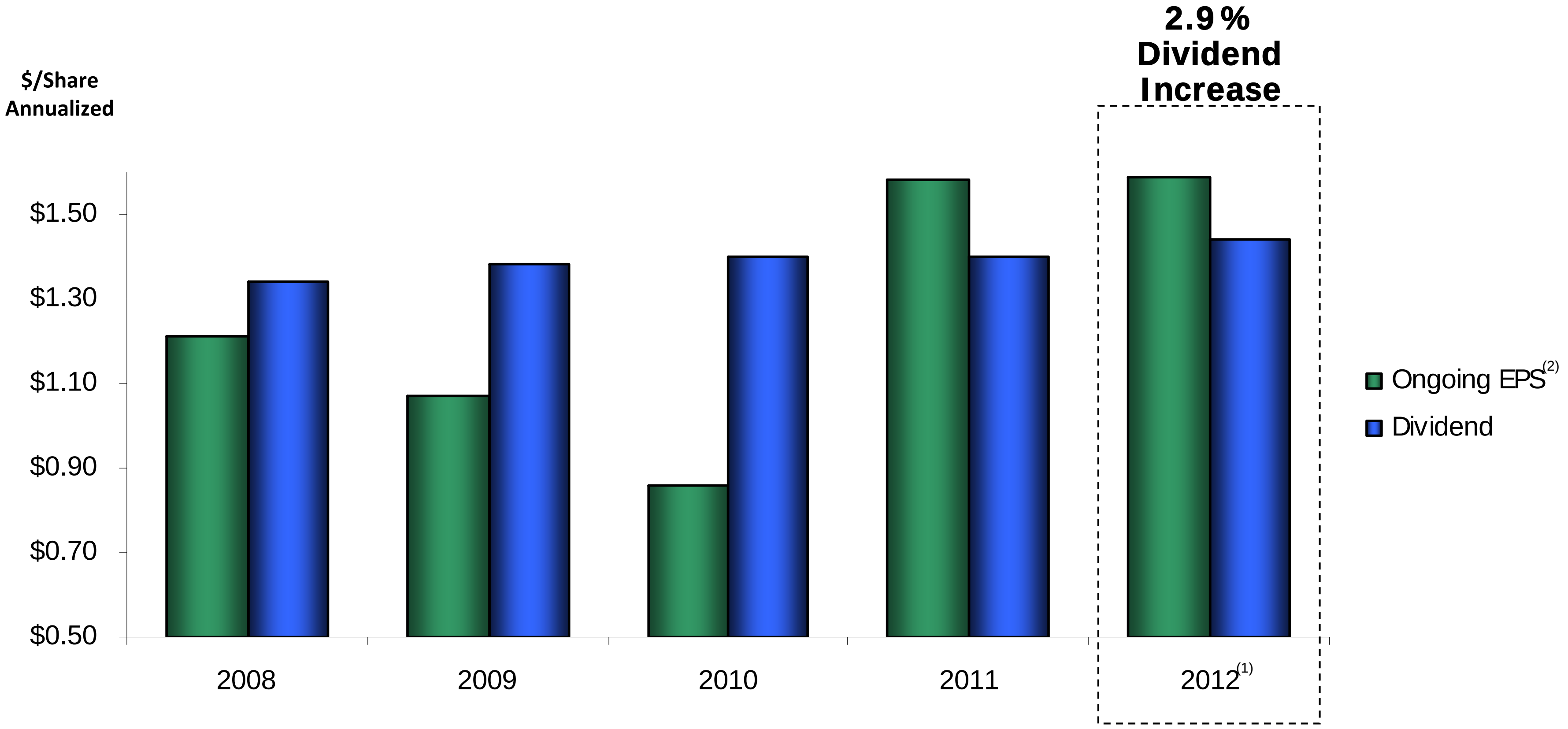
Continued Dividend Increases

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 2/10/2012 announced increase. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Appendix

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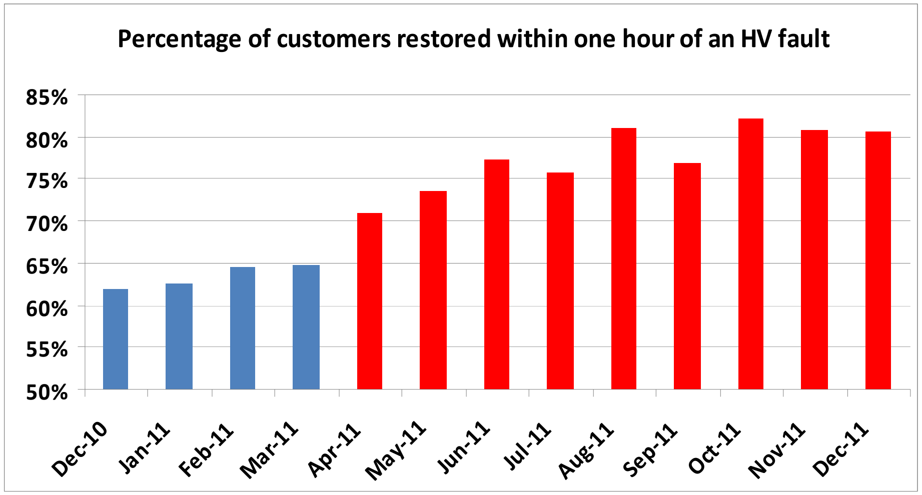
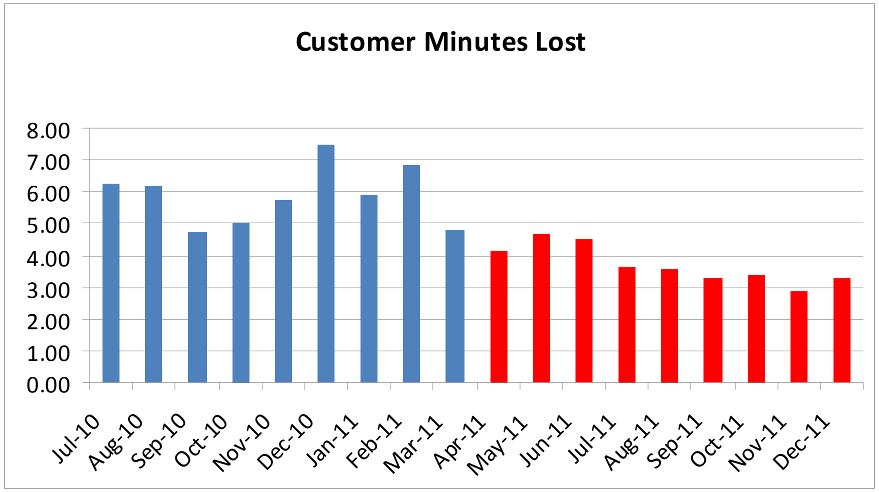
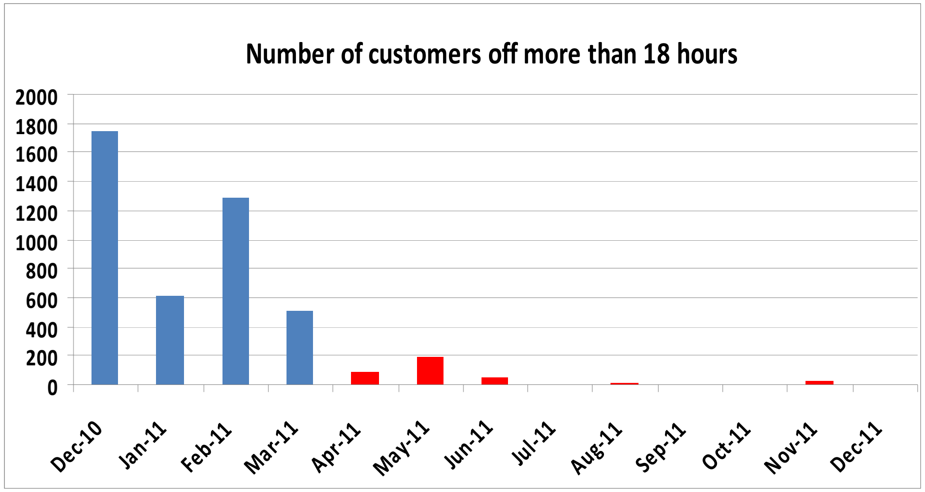
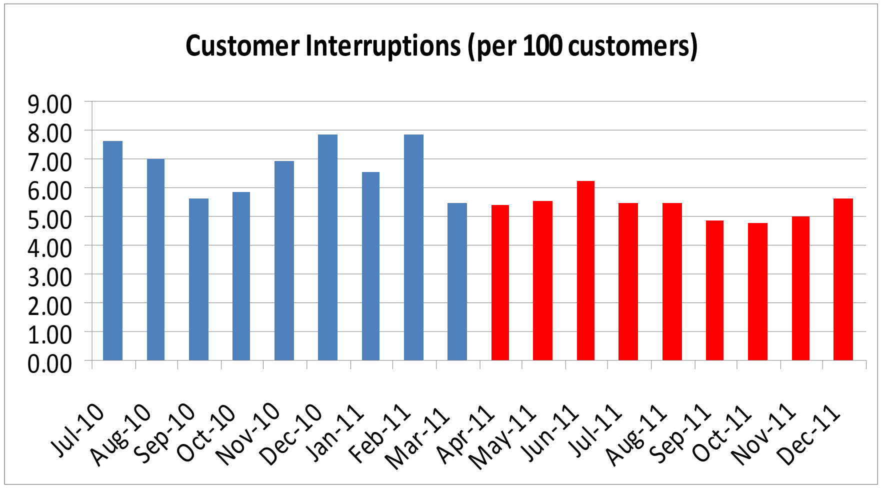
Midlands Integration – Improved Network Performance


Percentage of customers restored within one hour of an HV fault


Customer Minutes Lost


Number of customers off more than 18 hours


Customer Interruptions (per 100 customers)

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U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

Provisional Timing	**Milestone**
September 2012	Publication of Strategy Consolation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consolation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory consolation on new license conditions
April 1, 2015	**Price control commences**

Source: Ofgem Press Release dated February 6, 2012

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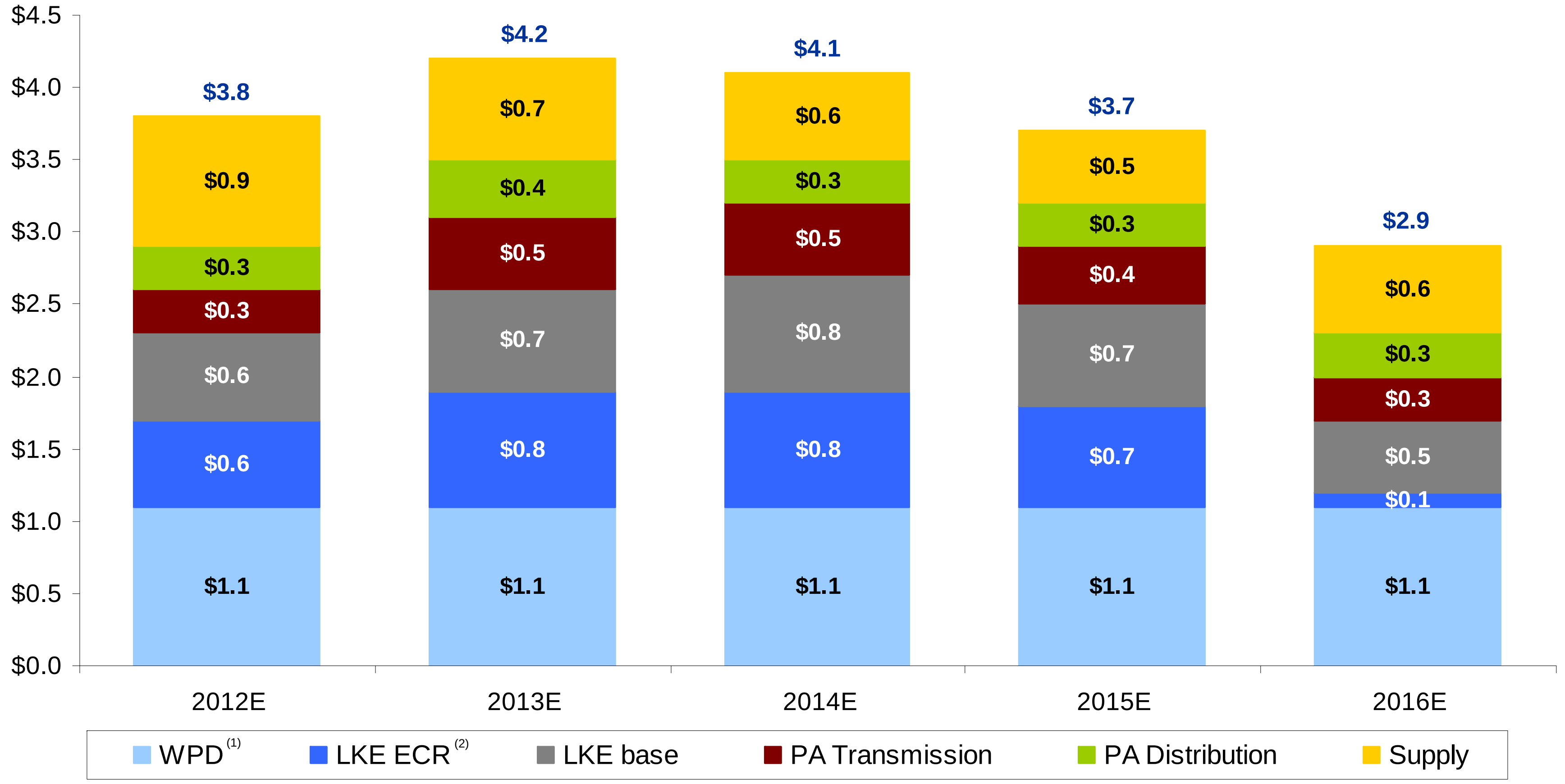
Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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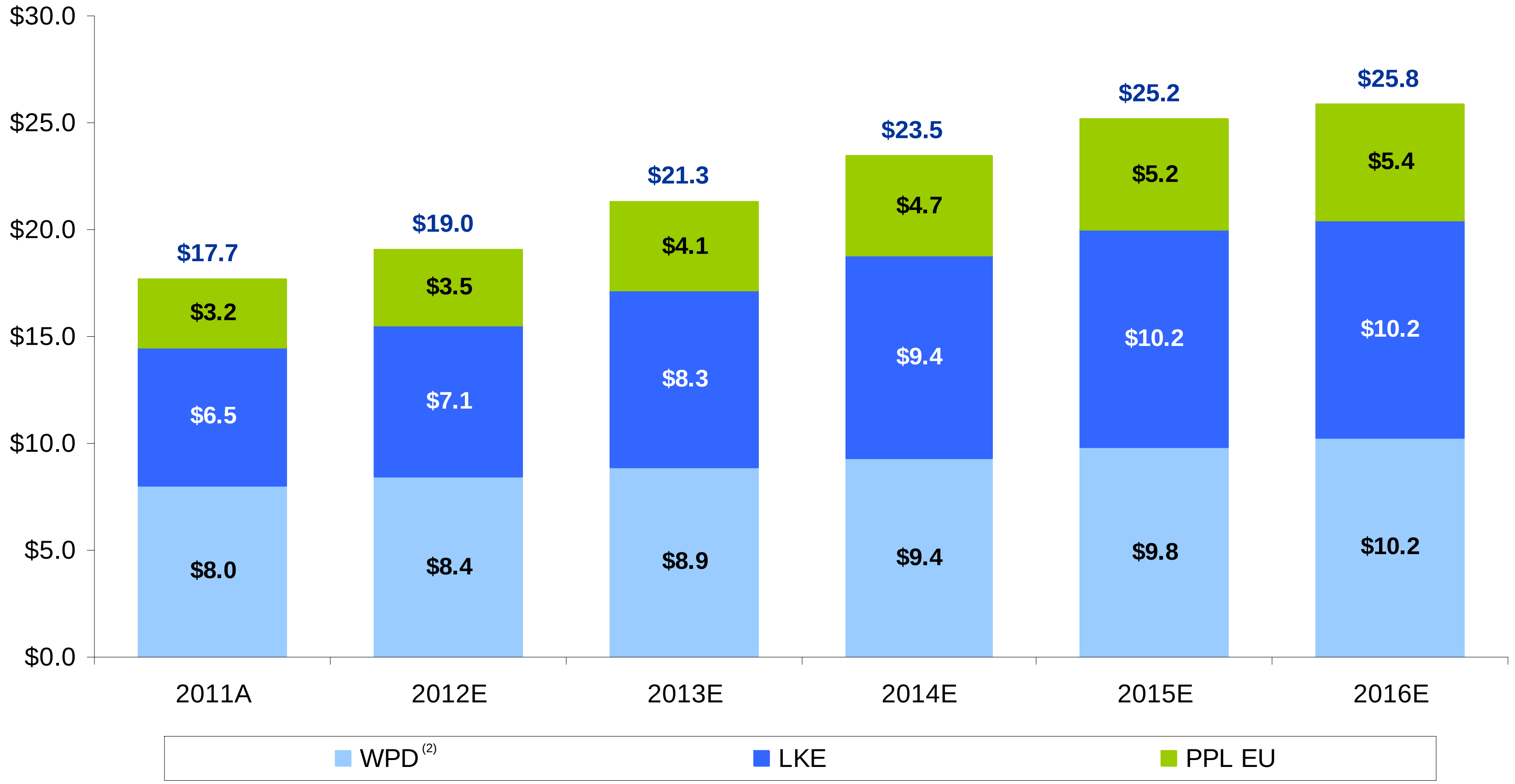
Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[1] CAGR: 7.8%



(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation(1) (Million MWhs)	**53.7**	**53.1**
East	45.5	44.8
West	8.2	8.3
Current Hedges (%)	**95-99%**	**80-84%**
East	94-98%	80-84%
West (4)	98-102%	82-86%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-52
West (4)	$50-52	$47-50
Current Coal Hedges (%)	**98%**	**89%**
East	98%	93%
West	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$75-78	$82-86
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	6.9	7.0
Current Hedges (%)	49%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of January 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of January 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes contract with Southern Montana Electric Generation and Transmission Cooperative, Inc., which filed for bankruptcy protection on October 21, 2011.

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Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$43
Off-Peak	$28	$31
ATC(1)	$33	$37
Mid-Columbia		
On-Peak	$26	$32
Off-Peak	$20	$25
ATC(1)	$24	$29
GAS(2)		
NYMEX	$2.86	$3.56
TZ6NNY	$3.13	$3.87
PJM MARKET		
HEAT RATE(3)	12.5	11.1
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	88%	90%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 12/31/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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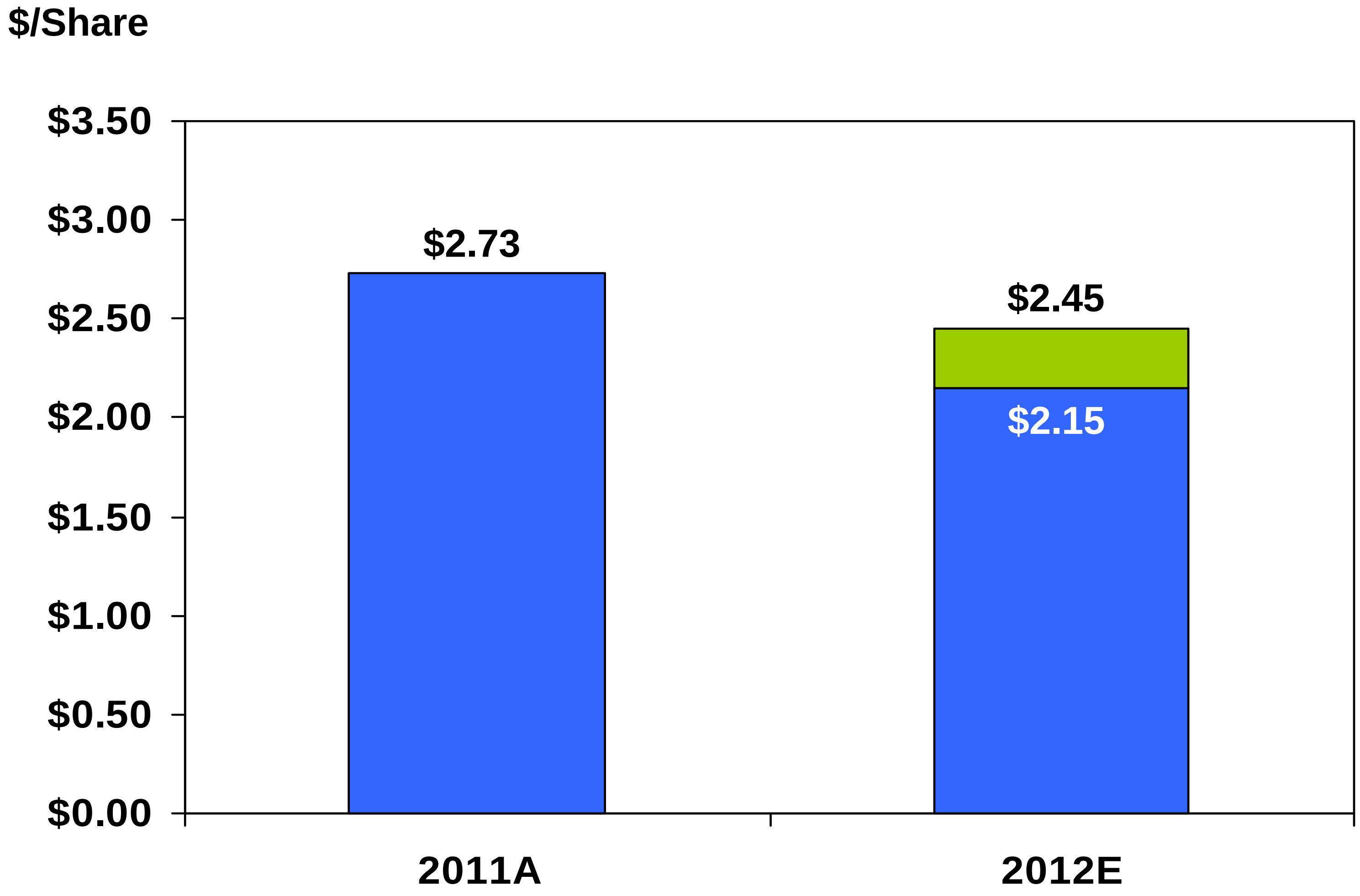
2012 Earnings Forecast



Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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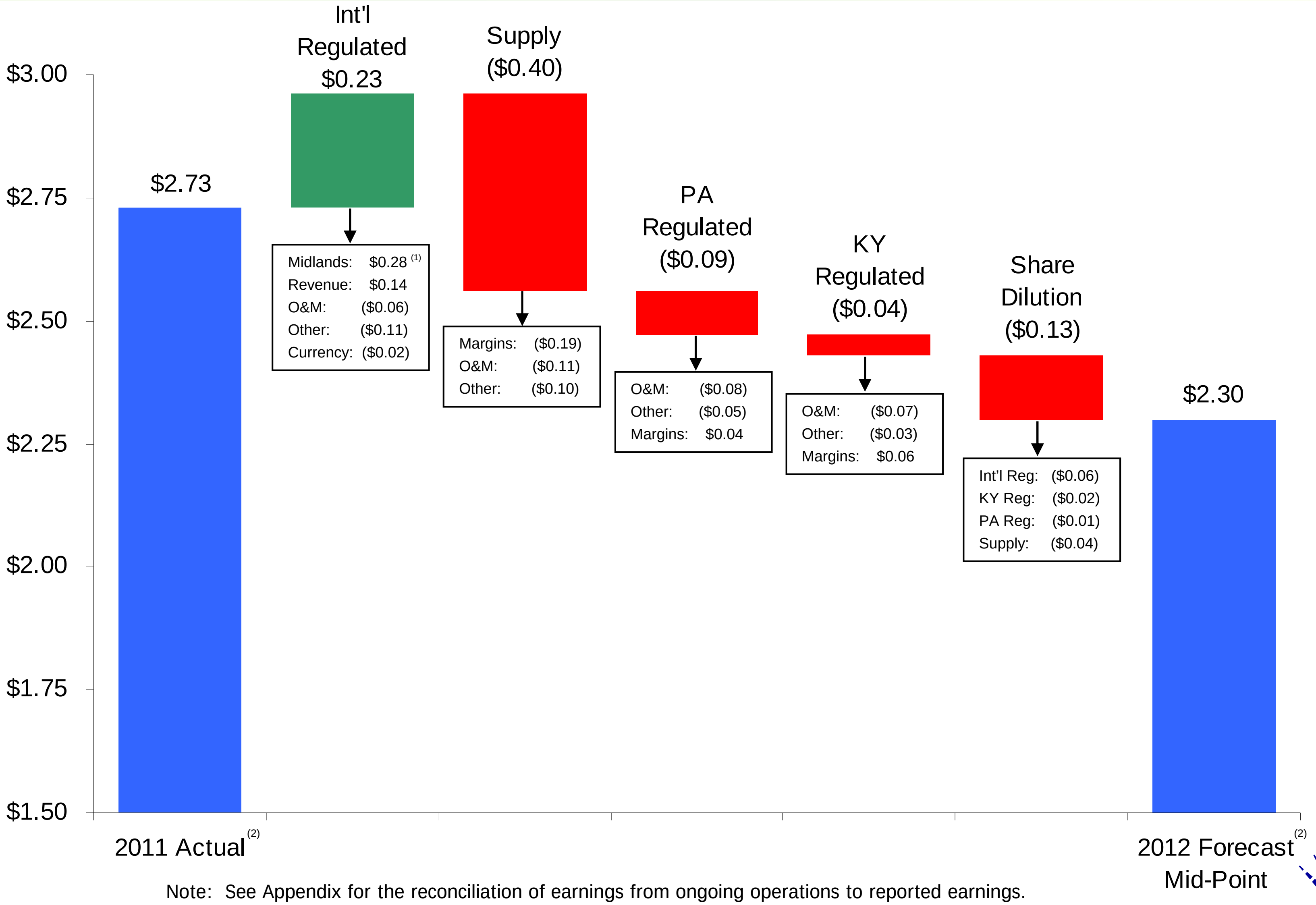
2011A to 2012E Earnings Walk



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.
(1) 4 months of Midlands operating results, net of interest expense associated with equity units
(2) Earnings from ongoing operations.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of December 31, 2011

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backup (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$541	$0	$2,459
	Letter of Credit Facility	Mar-2013	200	89	0	111
			$3,200	$630	$0	$2,570
PPL Electric Utilities	Syndicated Credit Facility	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£111	£39
	WPD (South West) Syndicated Credit Facility(1)	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,033	£144	£111	£778

Note: As of December 31, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In January 2012, WPD (South West) entered into a £245 million syndicated credit facility to replace its existing £210 million syndicated credit facility.

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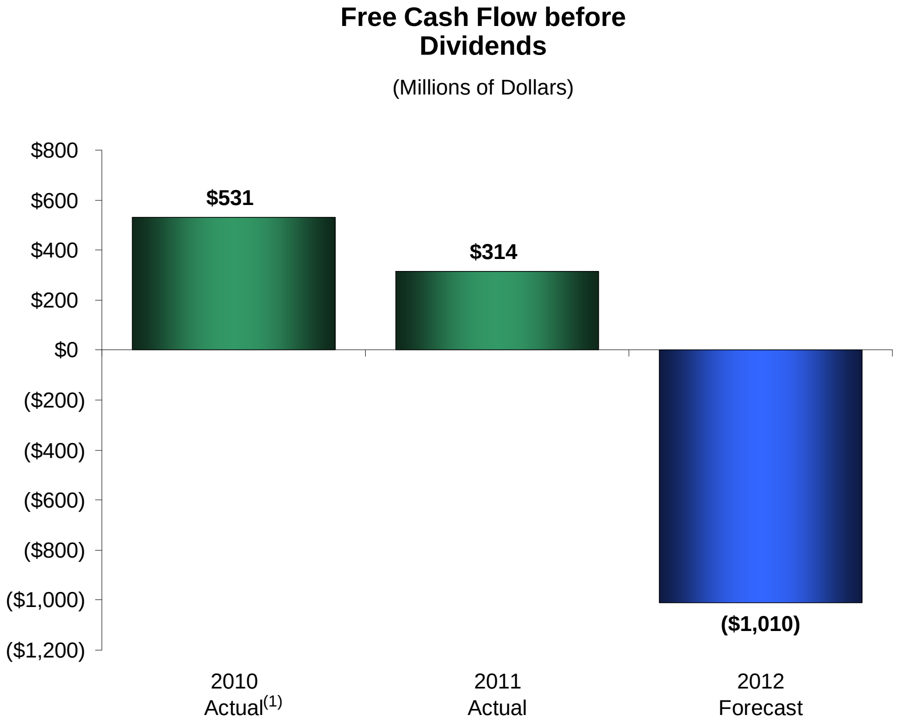
Free Cash Flow before Dividends



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

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(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 220	$ 482	$ 173	$ 634	$ 1,509
Special Items:					
Adjusted energy-related economic activity, net	1			72	73
Foreign currency-related economic hedges		5			5
Impairments:					
Emission allowances				(1)	(1)
Renewable energy credits				(3)	(3)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(30)			(30)
Foreign currency loss on 2011 Bridge Facility		(38)			(38)
Net hedge gains		38			38
Hedge ineffectiveness		(9)			(9)
U.K. stamp duty tax		(21)			(21)
Separation benefits		(75)			(75)
Other acquisition-related costs		(57)			(57)
LKE acquisition-related costs:					
Sale of certain non-core generation facilities				(2)	(2)
Other:					
Montana hydroelectric litigation				45	45
Litigation settlement - spent nuclear fuel storage				33	33
Change in U.K. tax rate		69			69
Windfall profits tax litigation		(39)			(39)
Counterparty bankruptcy				(6)	(6)
Wholesale supply cost reimbursement				4	4
Total Special Items	1	(157)		142	(14)
Reported Earnings*	$ 221	$ 325	$ 173	$ 776	$ 1,495

* Represents net income attributable to PPL Corporation

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.40	$ 0.87	$ 0.31	$ 1.15	$ 2.73
Special Items:					
Adjusted energy-related economic activity, net				0.12	0.12
Foreign currency-related economic hedges		0.01			0.01
Impairments:					
Renewable energy credits				(0.01)	(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(0.05)			(0.05)
Foreign currency loss on 2011 Bridge Facility		(0.07)			(0.07)
Net hedge gains		0.07			0.07
Hedge ineffectiveness		(0.02)			(0.02)
U.K. stamp duty tax		(0.04)			(0.04)
Separation benefits		(0.13)			(0.13)
Other acquisition-related costs		(0.10)			(0.10)
Other:					
Montana hydroelectric litigation				0.08	0.08
Litigation settlement - spent nuclear fuel storage				0.06	0.06
Change in U.K. tax rate		0.12			0.12
Windfall profits tax litigation		(0.07)			(0.07)
Counterparty bankruptcy				(0.01)	(0.01)
Wholesale supply cost reimbursement				0.01	0.01
Total Special Items		(0.28)		0.25	(0.03)
Reported Earnings	$ 0.40	$ 0.59	$ 0.31	$ 1.40	$ 2.70

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)	Forecast		Actual		
	High 2012	Low 2012	2011	2010	2009
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$2.73	$3.13	$1.95
Special Items:					
Adjusted energy-related economic activity, net			0.12	(0.27)	(0.59)
Sales of assets:					
Maine hydroelectric generation business				0.03	0.06
Long Island generation business					(0.09)
Latin American businesses					(0.07)
Interest in Wyman Unit 4					(0.01)
Foreign currency-related economic hedges			0.01		
Impairments:					
Emission allowances				(0.02)	(0.05)
Renewable energy credits			(0.01)		
Other asset impairments					(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs			(0.05)		
Foreign currency loss on 2011 Bridge Facility			(0.07)		
Net hedge gains			0.07		
Hedge ineffectiveness			(0.02)		
U.K. stamp duty tax			(0.04)		
Separation benefits			(0.13)		
Other acquisition-related costs			(0.10)		
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts				(0.29)	
Sale of certain non-core generation facilities				(0.14)	
Discontinued cash flow hedges and ineffectiveness				(0.06)	
Reduction of credit facility				(0.01)	
2010 Bridge Facility costs				(0.12)	
Other acquisition-related costs				(0.05)	
Workforce reduction					(0.03)
Other:					
Montana hydroelectric litigation			0.08	(0.08)	(0.01)
Health care reform - tax impact				(0.02)	
Litigation settlement - spent nuclear fuel storage			0.06		
Change in U.K. tax rate			0.12	0.04	
Change in tax accounting method related to repairs					(0.07)
Windfall profits tax litigation			(0.07)	0.03	
Counterparty bankruptcy			(0.01)		
Wholesale supply cost reimbursement			0.01		
Total Special Items			(0.03)	(0.96)	(0.87)
Reported Earnings	$ 2.45	$ 2.15	$2.70	$2.17	$1.08

Note: Per share amounts are based on diluted shares outstanding.

Revised February 27, 2012

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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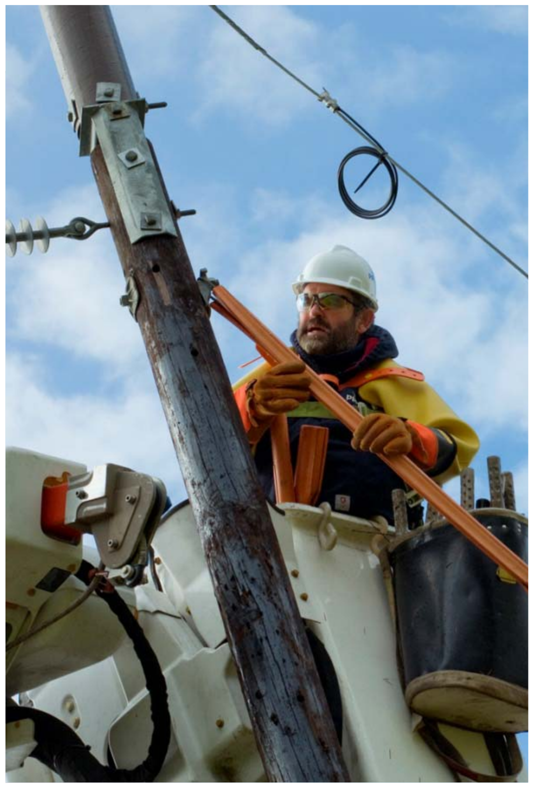
Barclays Capital Select Series 2012
US Utilities – Exploring the Power Grid

March 14, 2012



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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
  - Approximately 70% of projected 2012 EPS from regulated businesses
  - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
  - Business Risk Profile rated “Excellent” by S&P
  - Secure dividend with strong platform for continued growth
- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
  - Strong baseload footprint in PJM complemented by flexible gas-fired units
  - No major exposure to currently proposed environmental regulations
- Strong management team with track record of execution
  - UK team already showing meaningful improvement in Midlands operations
  - ECR approval received in Kentucky
  - Successfully hedging competitive generation and locking in margins in a challenging market

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International Regulated Segment Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service

- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues

- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service
- Projected rate base CAGR of 9.6% through 2016
- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
  - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
  - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery
- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 21.7% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.0% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and approved by the Governor
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment
Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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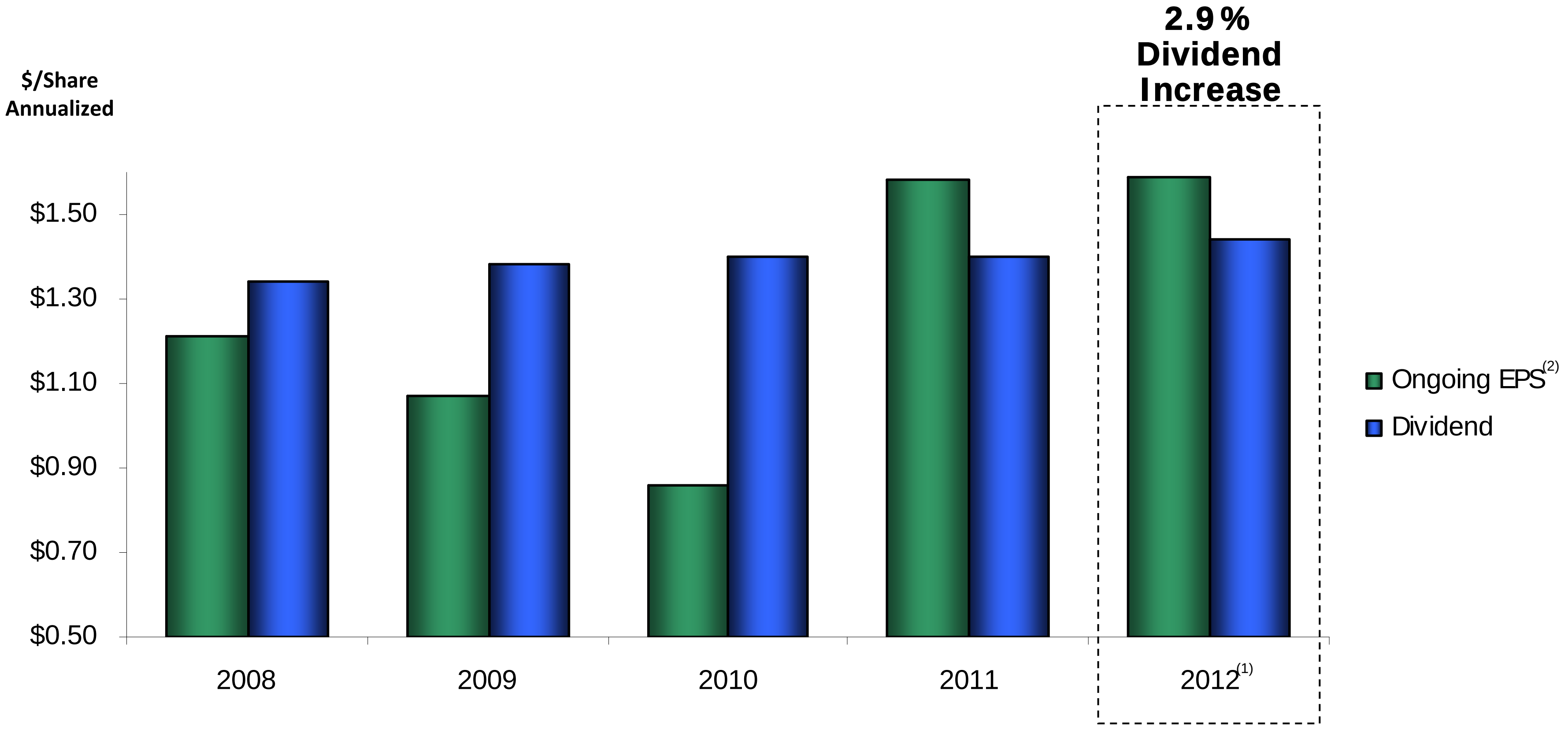
Continued Dividend Increases

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 2/10/2012 announced increase. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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Appendix

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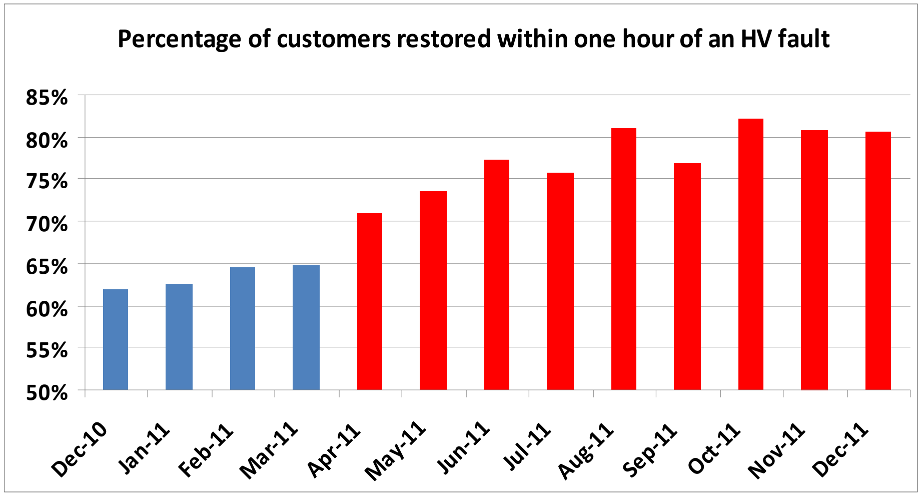
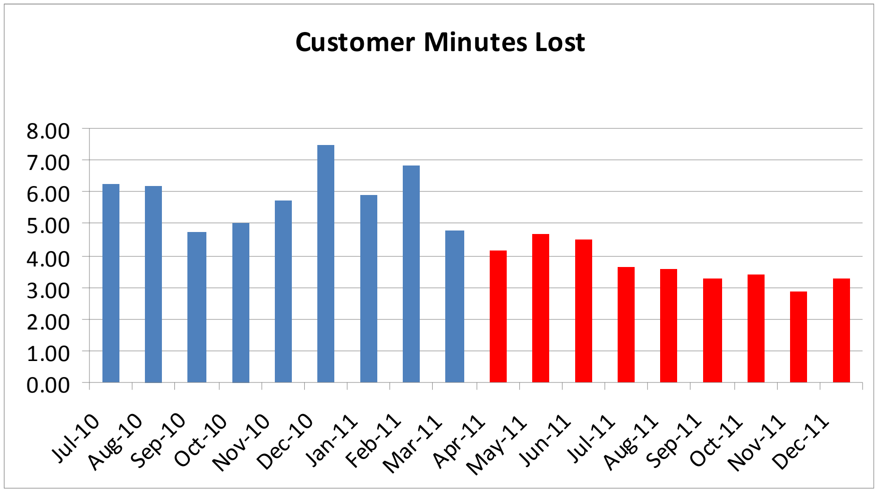
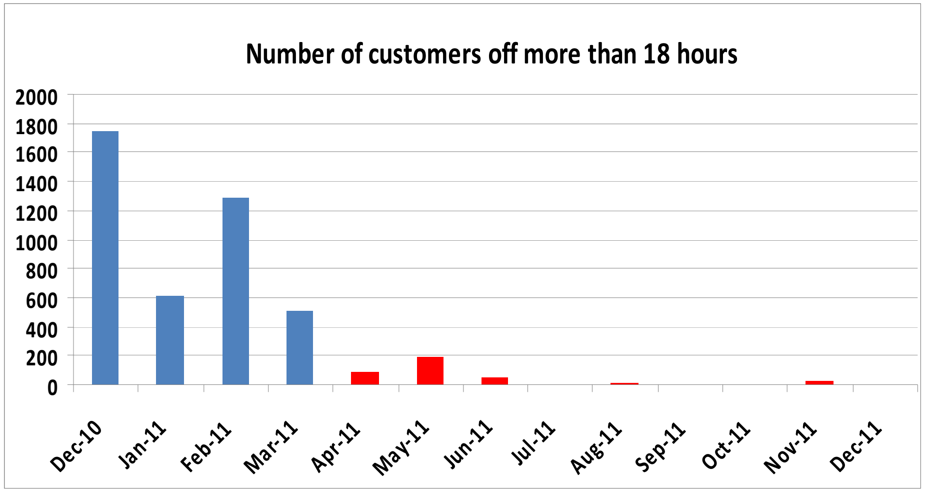
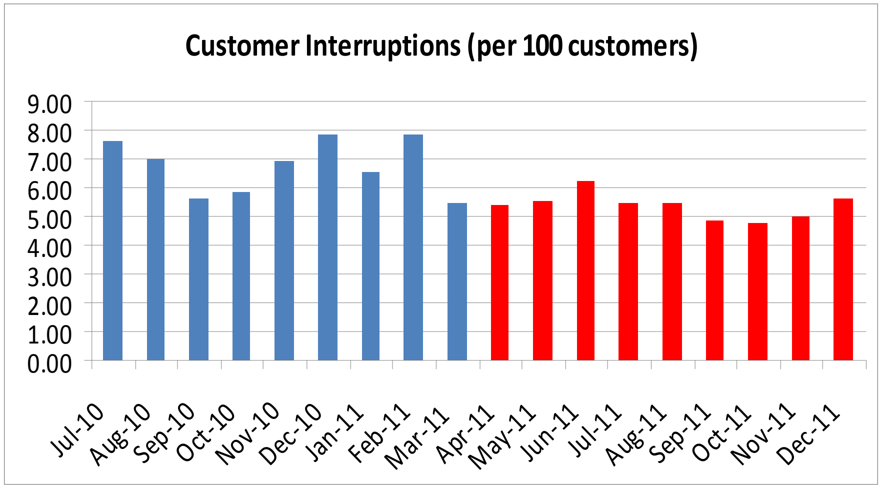
Midlands Integration – Improved Network Performance









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U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

Provisional Timing	Milestone
September 2012	Publication of Strategy Consolation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consolation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory consolation on new license conditions
April 1, 2015	**Price control commences**

Source: Ofgem Press Release dated February 6, 2012

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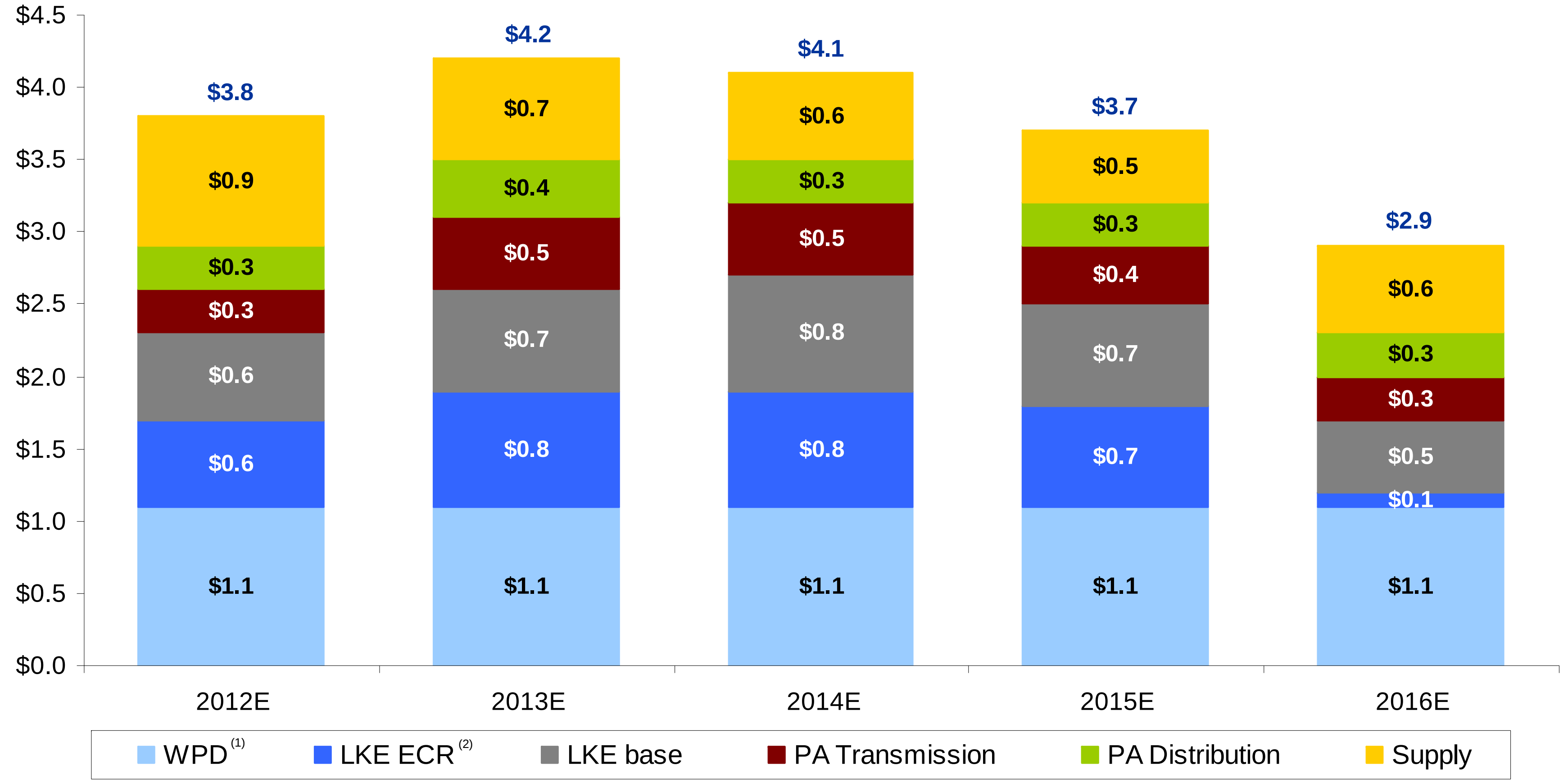
Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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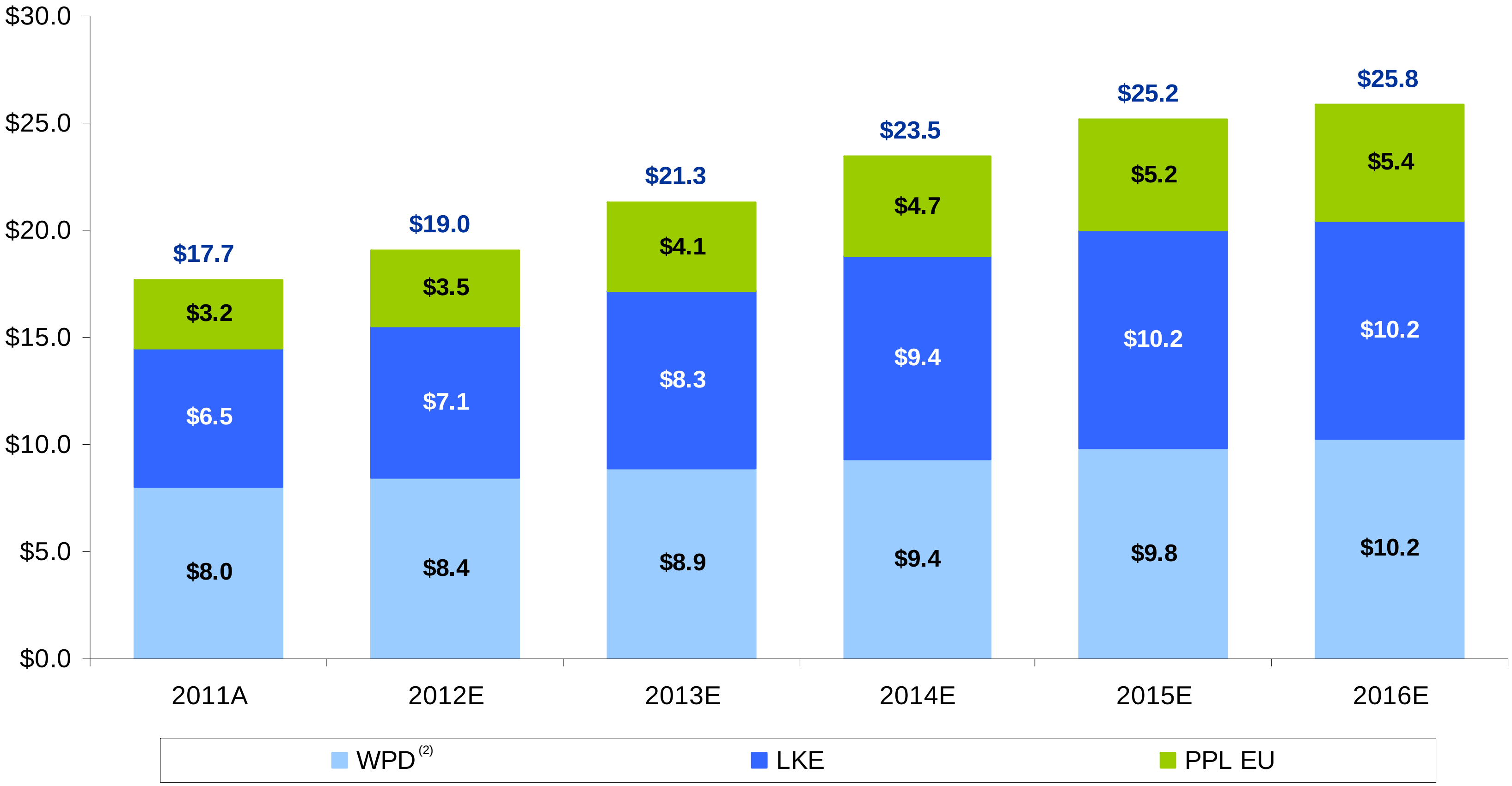
Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[(1)] CAGR: 7.8%



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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation[1] (Million MWhs)	**53.7**	**53.1**
East	45.5	44.8
West	8.2	8.3
Current Hedges (%)	**95-99%**	**80-84%**
East	94-98%	80-84%
West [4]	98-102%	82-86%
Average Hedged Price (Energy Only) ($/MWh)[2] [3]		
East	$54-55	$49-52
West [4]	$50-52	$47-50
Current Coal Hedges (%)	**98%**	**89%**
East	98%	93%
West	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$75-78	$82-86
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation[1] (Million MWhs)	6.9	7.0
Current Hedges (%)	49%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of January 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of January 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes contract with Southern Montana Electric Generation and Transmission Cooperative, Inc., which filed for bankruptcy protection on October 21, 2011.

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Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$43
Off-Peak	$28	$31
ATC(1)	$33	$37
Mid-Columbia		
On-Peak	$26	$32
Off-Peak	$20	$25
ATC(1)	$24	$29
GAS(2)		
NYMEX	$2.86	$3.56
TZ6NNY	$3.13	$3.87
PJM MARKET		
HEAT RATE(3)	12.5	11.1
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	88%	90%

---

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 12/31/2011.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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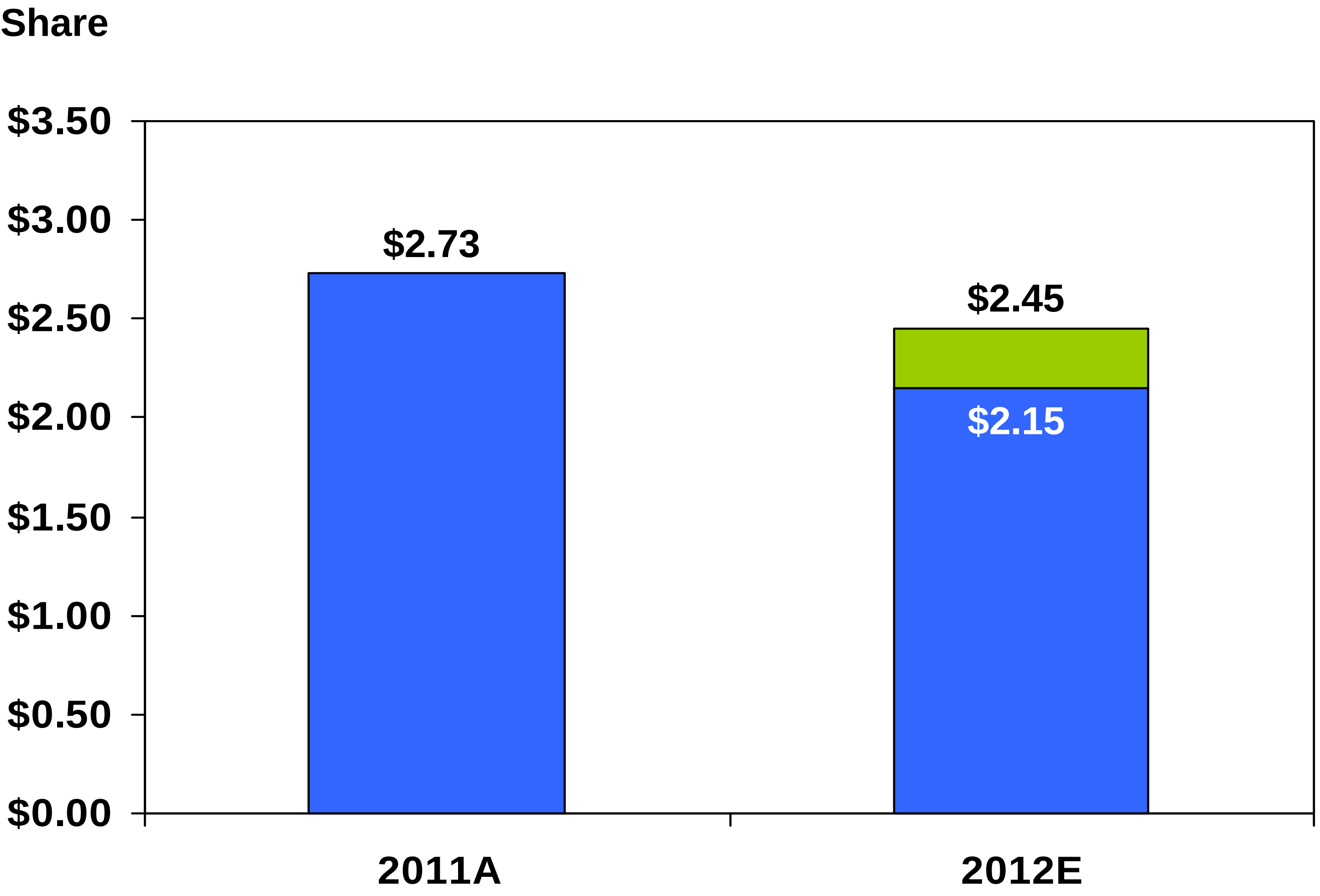
2012 Earnings Forecast



Note: See appendix for reconciliation of earnings from ongoing operations to reported earnings.

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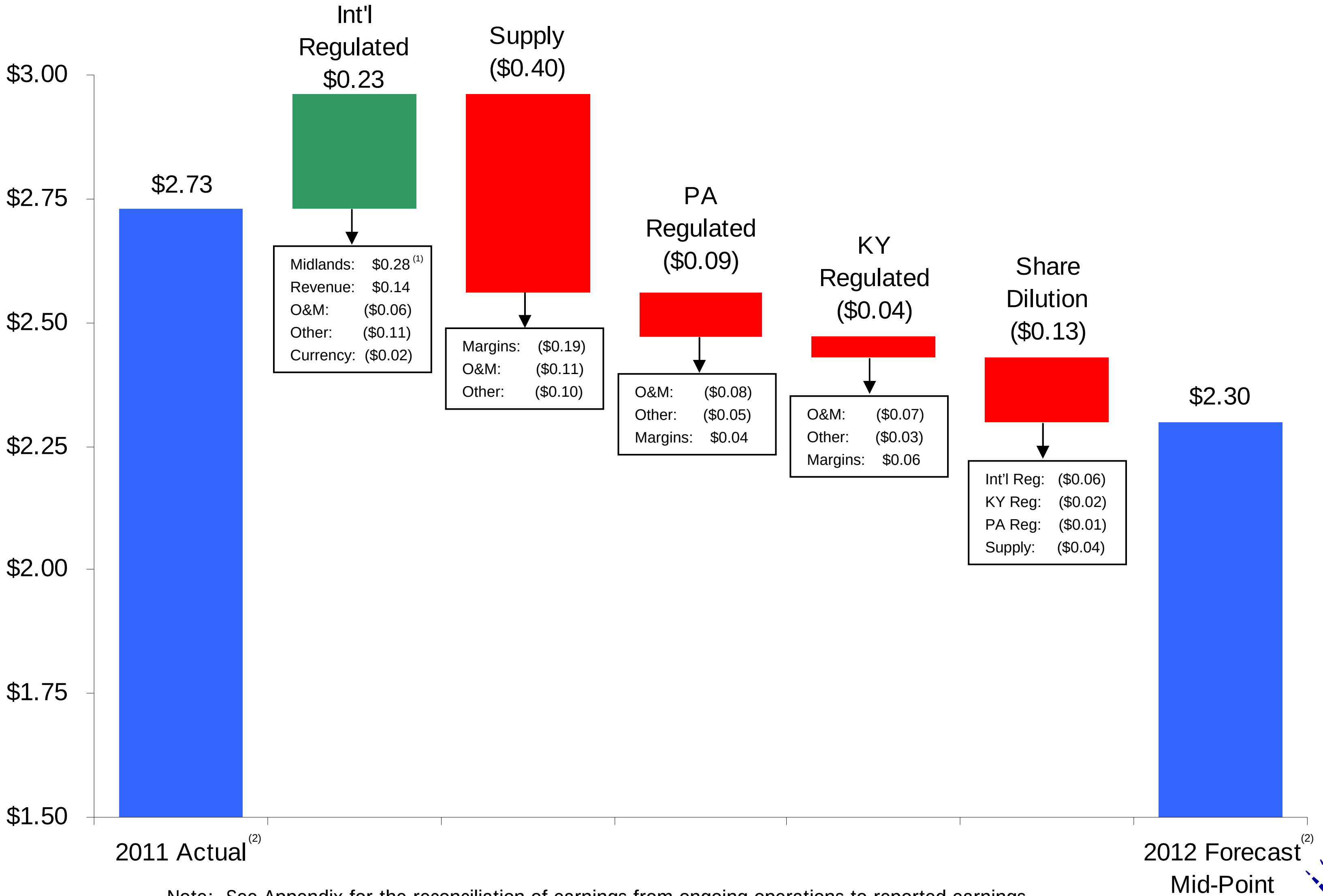
2011A to 2012E Earnings Walk



Midlands: $0.28 (1)
Revenue: $0.14
O&M: ($0.06)
Other: ($0.11)
Currency: ($0.02)

Margins: ($0.19)
O&M: ($0.11)
Other: ($0.10)

O&M: ($0.08)
Other: ($0.05)
Margins: $0.04

O&M: ($0.07)
Other: ($0.03)
Margins: $0.06

Int'l Reg: ($0.06)
KY Reg: ($0.02)
PA Reg: ($0.01)
Supply: ($0.04)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.
(1) 4 months of Midlands operating results, net of interest expense associated with equity units
(2) Earnings from ongoing operations.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of December 31, 2011

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backup (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$541	$0	$2,459
	Letter of Credit Facility	Mar-2013	200	89	0	111
			$3,200	$630	$0	$2,570
PPL Electric Utilities	Syndicated Credit Facility	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£111	£39
	WPD (South West) Syndicated Credit Facility(1)	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,033	£144	£111	£778

Note: As of December 31, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In January 2012, WPD (South West) entered into a £245 million syndicated credit facility to replace its existing £210 million syndicated credit facility.

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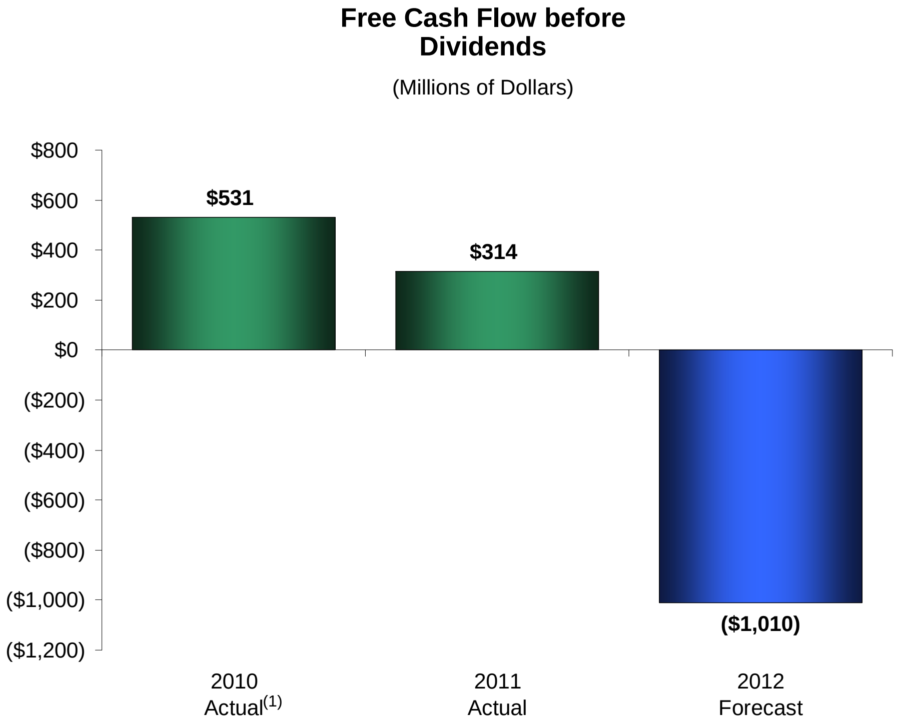
Free Cash Flow before Dividends



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

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(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 220	$ 482	$ 173	$ 634	$ 1,509
Special Items:					
Adjusted energy-related economic activity, net	1			72	73
Foreign currency-related economic hedges		5			5
Impairments:					
Emission allowances				(1)	(1)
Renewable energy credits				(3)	(3)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(30)			(30)
Foreign currency loss on 2011 Bridge Facility		(38)			(38)
Net hedge gains		38			38
Hedge ineffectiveness		(9)			(9)
U.K. stamp duty tax		(21)			(21)
Separation benefits		(75)			(75)
Other acquisition-related costs		(57)			(57)
LKE acquisition-related costs:					
Sale of certain non-core generation facilities				(2)	(2)
Other:					
Montana hydroelectric litigation				45	45
Litigation settlement - spent nuclear fuel storage				33	33
Change in U.K. tax rate		69			69
Windfall profits tax litigation		(39)			(39)
Counterparty bankruptcy				(6)	(6)
Wholesale supply cost reimbursement				4	4
Total Special Items	1	(157)		142	(14)
Reported Earnings*	$ 221	$ 325	$ 173	$ 776	$ 1,495

* Represents net income attributable to PPL Corporation

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share)

Year-to-Date December 31, 2011	Kentucky Regulated	International Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.40	$ 0.87	$ 0.31	$ 1.15	$ 2.73
Special Items:					
Adjusted energy-related economic activity, net				0.12	0.12
Foreign currency-related economic hedges		0.01			0.01
Impairments:					
Renewable energy credits				(0.01)	(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs		(0.05)			(0.05)
Foreign currency loss on 2011 Bridge Facility		(0.07)			(0.07)
Net hedge gains		0.07			0.07
Hedge ineffectiveness		(0.02)			(0.02)
U.K. stamp duty tax		(0.04)			(0.04)
Separation benefits		(0.13)			(0.13)
Other acquisition-related costs		(0.10)			(0.10)
Other:					
Montana hydroelectric litigation				0.08	0.08
Litigation settlement - spent nuclear fuel storage				0.06	0.06
Change in U.K. tax rate		0.12			0.12
Windfall profits tax litigation		(0.07)			(0.07)
Counterparty bankruptcy				(0.01)	(0.01)
Wholesale supply cost reimbursement				0.01	0.01
Total Special Items		(0.28)		0.25	(0.03)
Reported Earnings	$ 0.40	$ 0.59	$ 0.31	$ 1.40	$ 2.70

Note: Per share amounts are based on diluted shares outstanding.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share)	Forecast		Actual		
	High 2012	Low 2012	2011	2010	2009
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$2.73	$3.13	$1.95
Special Items:					
Adjusted energy-related economic activity, net			0.12	(0.27)	(0.59)
Sales of assets:					
Maine hydroelectric generation business				0.03	0.06
Long Island generation business					(0.09)
Latin American businesses					(0.07)
Interest in Wyman Unit 4					(0.01)
Foreign currency-related economic hedges			0.01		
Impairments:					
Emission allowances				(0.02)	(0.05)
Renewable energy credits			(0.01)		
Other asset impairments					(0.01)
WPD Midlands acquisition-related costs:					
2011 Bridge Facility costs			(0.05)		
Foreign currency loss on 2011 Bridge Facility			(0.07)		
Net hedge gains			0.07		
Hedge ineffectiveness			(0.02)		
U.K. stamp duty tax			(0.04)		
Separation benefits			(0.13)		
Other acquisition-related costs			(0.10)		
LKE acquisition-related costs:					
Monetization of certain full-requirement sales contracts				(0.29)	
Sale of certain non-core generation facilities				(0.14)	
Discontinued cash flow hedges and ineffectiveness				(0.06)	
Reduction of credit facility				(0.01)	
2010 Bridge Facility costs				(0.12)	
Other acquisition-related costs				(0.05)	
Workforce reduction					(0.03)
Other:					
Montana hydroelectric litigation			0.08	(0.08)	(0.01)
Health care reform - tax impact				(0.02)	
Litigation settlement - spent nuclear fuel storage			0.06		
Change in U.K. tax rate			0.12	0.04	
Change in tax accounting method related to repairs					(0.07)
Windfall profits tax litigation			(0.07)	0.03	
Counterparty bankruptcy			(0.01)		
Wholesale supply cost reimbursement			0.01		
Total Special Items			(0.03)	(0.96)	(0.87)
Reported Earnings	$ 2.45	$ 2.15	$2.70	$2.17	$1.08

Note: Per share amounts are based on diluted shares outstanding.

Revised February 27, 2012

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:
- *Energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related costs and charges.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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1st Quarter Earnings Call

PPL Corporation
May 4, 2012

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

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Agenda

First Quarter Earnings Results, Operational Overview and 2012 Earnings Forecast	W. H. Spence
Segment Results and Financial Overview	P. A. Farr
Q&A	

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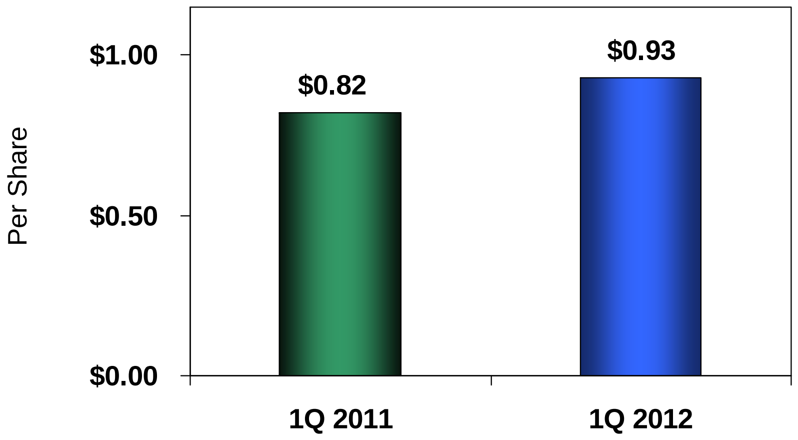
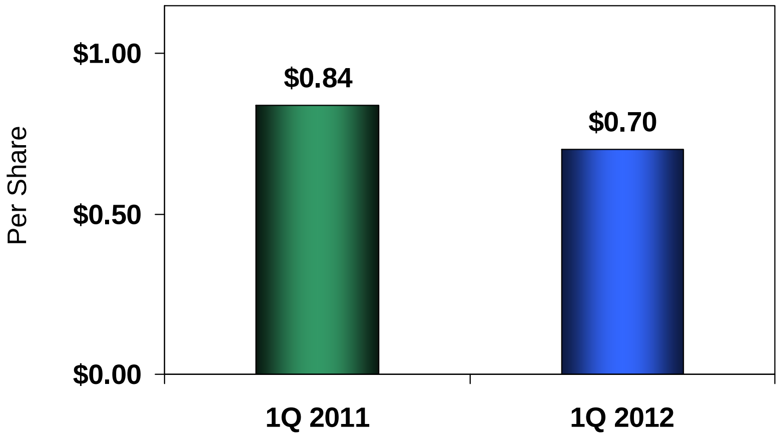
First Quarter Earnings Results



First Quarter
Reported Earnings



First Quarter
Earnings from Ongoing Operations

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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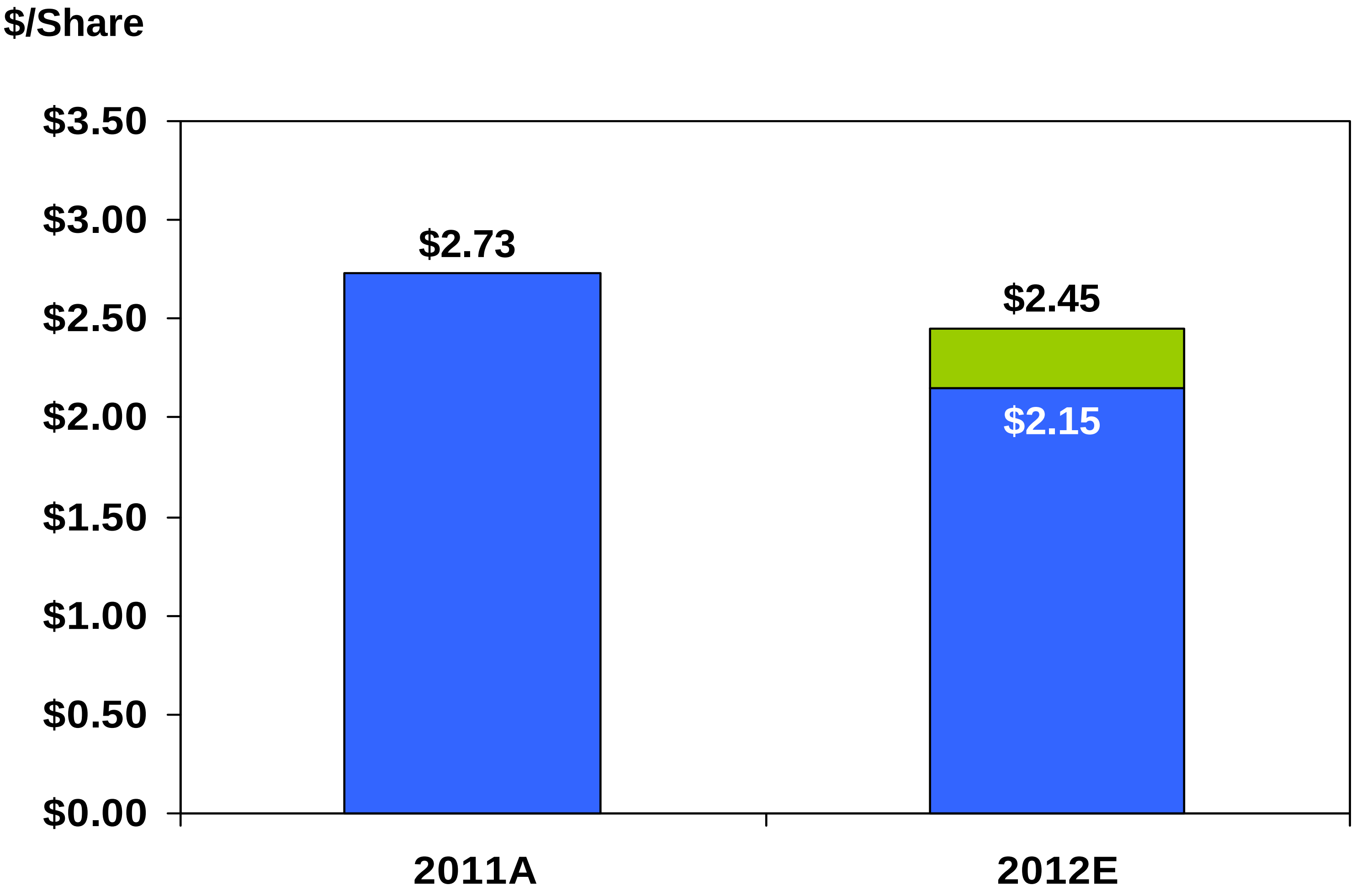
Reaffirmed 2012 Ongoing Earnings Forecast



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Operational Overview

- Midlands integration achieving operational improvements and synergy savings
- Susquehanna-Roseland transmission line preferred route selected by National Park Service
  - Final approval expected in October 2012
- Ironwood acquisition completed
- Susquehanna turbine blade update
- PPL Electric Utilities filed distribution rate case

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PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

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Ongoing Earnings Overview

	Q1 2012	Q1 2011	Change
Kentucky Regulated	$0.06	$0.15	($0.09)
U.K. Regulated	0.31	0.16	0.15
Pennsylvania Regulated	0.06	0.11	(0.05)
Supply	0.27	0.42	(0.15)
Total	$0.70	$0.84	($0.14)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Kentucky Regulated Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.15
Electric Delivery Margins	(0.04)	
O&M	(0.03)	
Depreciation	(0.01)	
Dilution	(0.01)	
Total		(0.09)
2012 EPS – Ongoing Earnings		$0.06

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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U.K. Regulated Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.16
Midlands(1)	0.24	
Delivery revenue	0.02	
O&M	(0.03)	
Income taxes & other	(0.02)	
Dilution	(0.06)	
Total		0.15
2012 EPS – Ongoing Earnings		$0.31

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Includes interest expense from the 2011 equity units.

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Pennsylvania Regulated Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.11
Electric Delivery Margins	(0.02)	
O&M	(0.01)	
Depreciation	(0.01)	
Dilution	(0.01)	
Total		(0.05)
2012 EPS – Ongoing Earnings		$0.06

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.42
Margins	(0.10)	
O&M	(0.01)	
Income taxes & other	0.02	
Dilution	(0.06)	
Total		(0.15)
2012 EPS – Ongoing Earnings		$0.27

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Appendix

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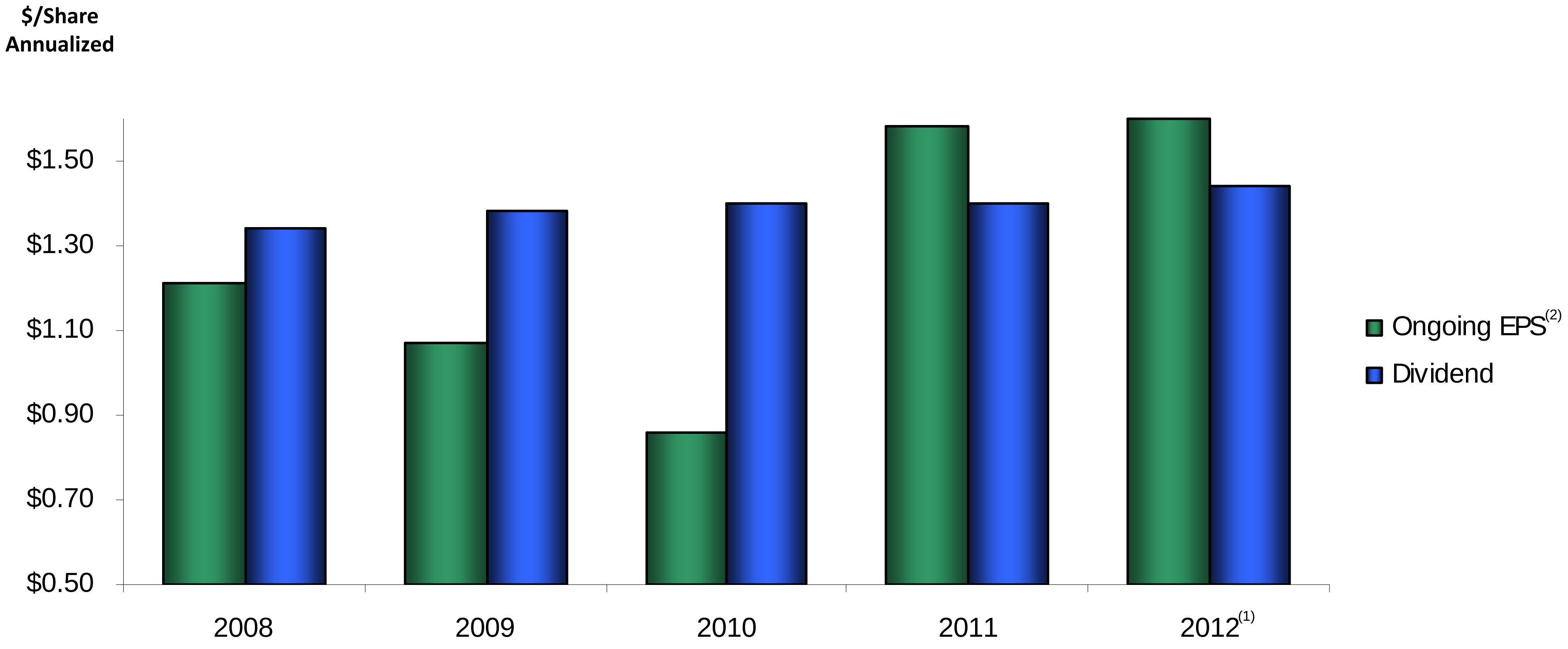
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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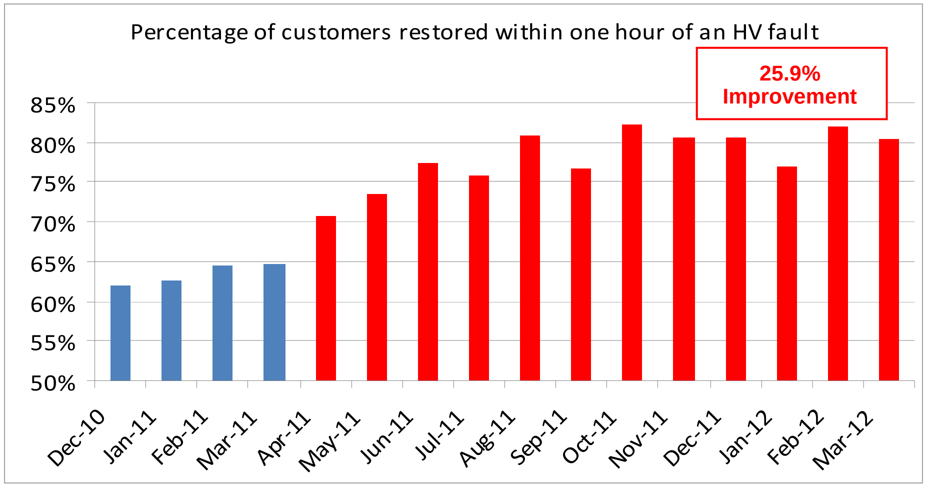
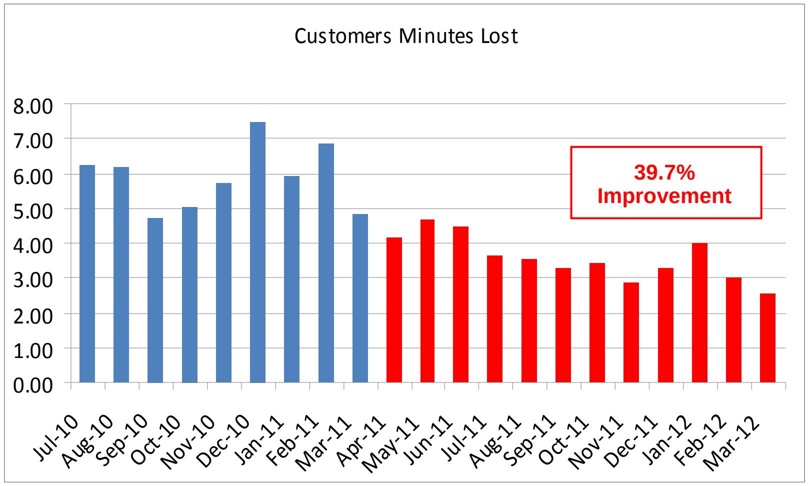
Midlands Integration – Improved Network Performance

Target 60



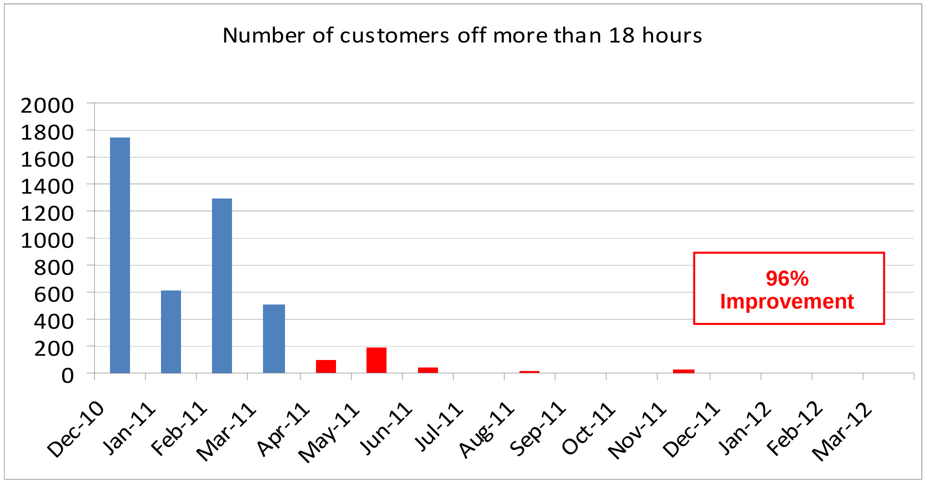
25.9% Improvement

Customer Minutes Lost



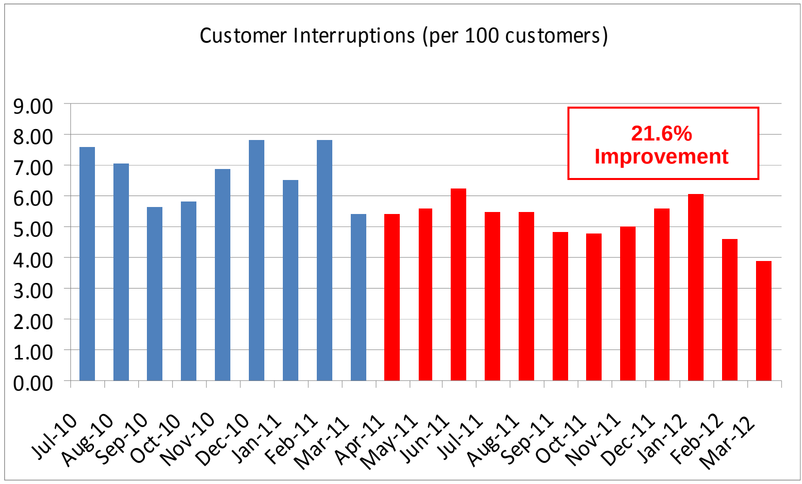
39.7% Improvement

18 Hour Standard



96% Improvement

Customer Interruptions (per 100 customers)



21.6% Improvement

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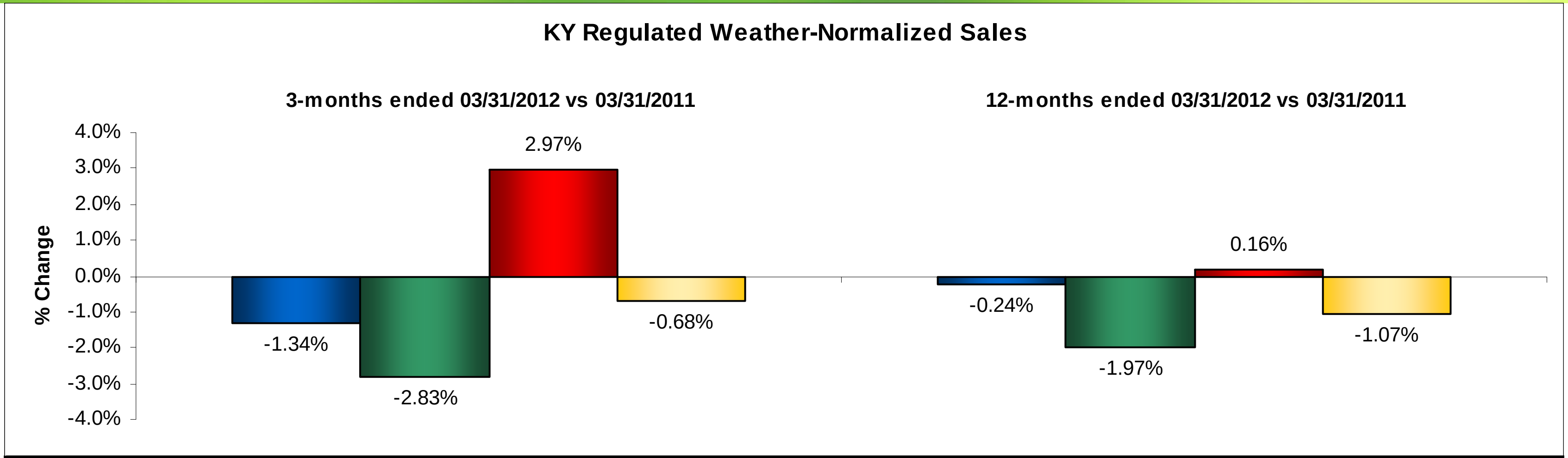
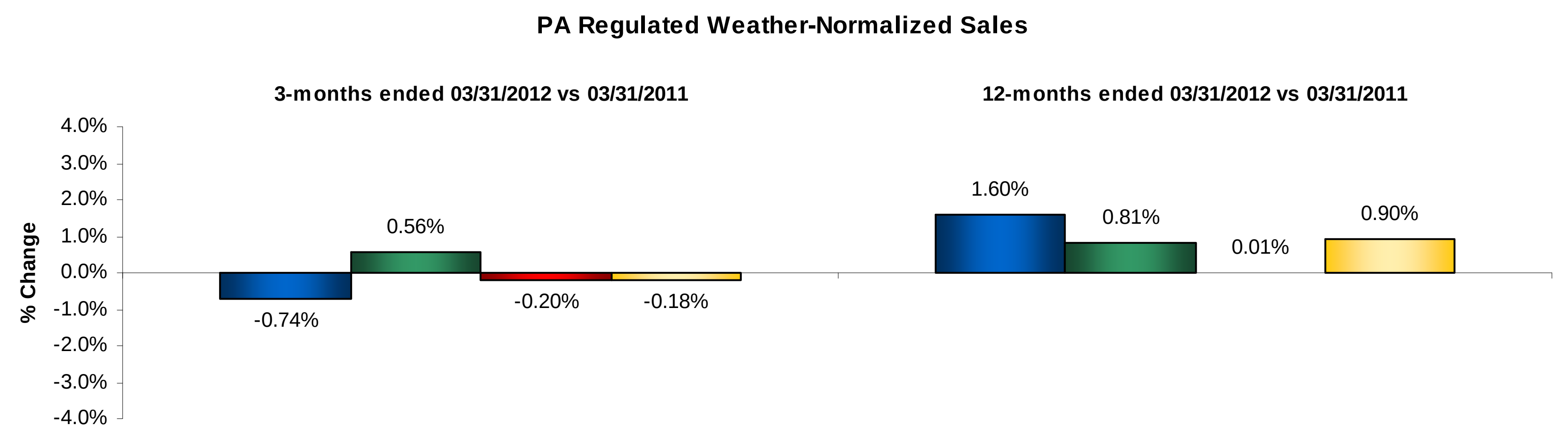
Regulated Volume Variances



	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	-1.34%	-2.83%	2.97%	-0.68%		-0.24%	-1.97%	0.16%	-1.07%	
Actual	-12.03%	-5.70%	2.92%	-5.38%		-8.60%	-4.62%	-0.20%	-4.79%	



	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	-0.74%	0.56%	-0.20%	-0.18%		1.60%	0.81%	0.01%	0.90%	
Actual	-11.89%	-3.96%	-0.20%	-6.80%		-3.50%	-0.78%	0.01%	-1.66%	

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Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation[1] (Million MWhs)	**51.5**	**53.1**
East	43.5	44.8
West	8.0	8.3
Current Hedges (%)	**94-98%**	**79-83%**
East	96-100%	82-86%
West	82-86%	65-69%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-51
West	$50-52	$46-49
Current Coal Hedges (%)	**100%**	**97%**
East	100%	96%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$76-79	$80-88
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	7.6	7.0
Current Hedges (%)	58%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of March 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of March 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

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Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$44
Off-Peak	$27	$32
ATC(1)	$32	$37
Mid-Columbia		
On-Peak	$23	$31
Off-Peak	$14	$23
ATC(1)	$19	$27
GAS(2)		
NYMEX	$2.50	$3.47
TZ6NNY	$2.71	$3.76
PJM MARKET		
HEAT RATE(3)	14.2	11.7
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	87%	90%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 3/30/2012.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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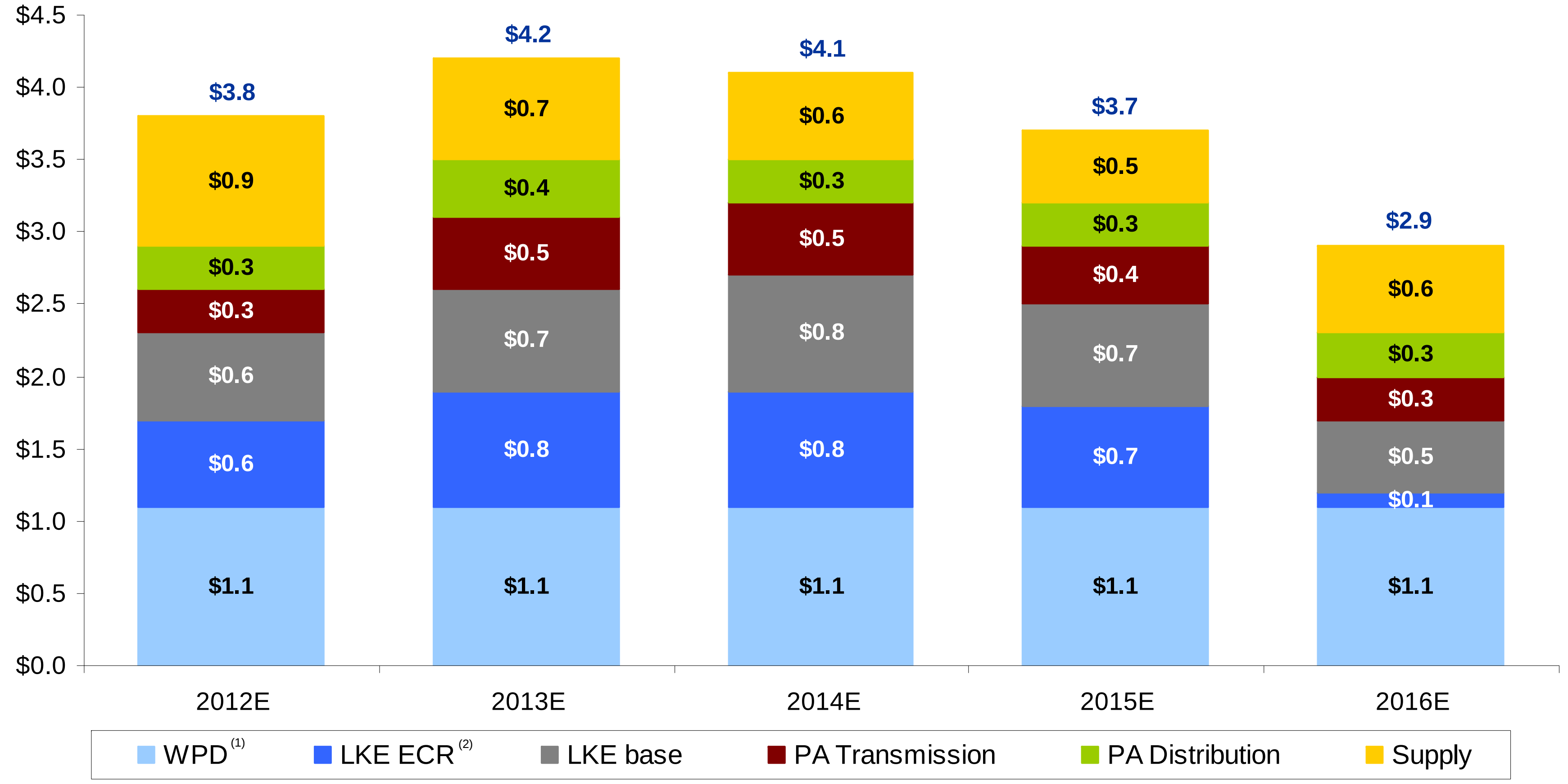
Capital Expenditures

($ in billions)



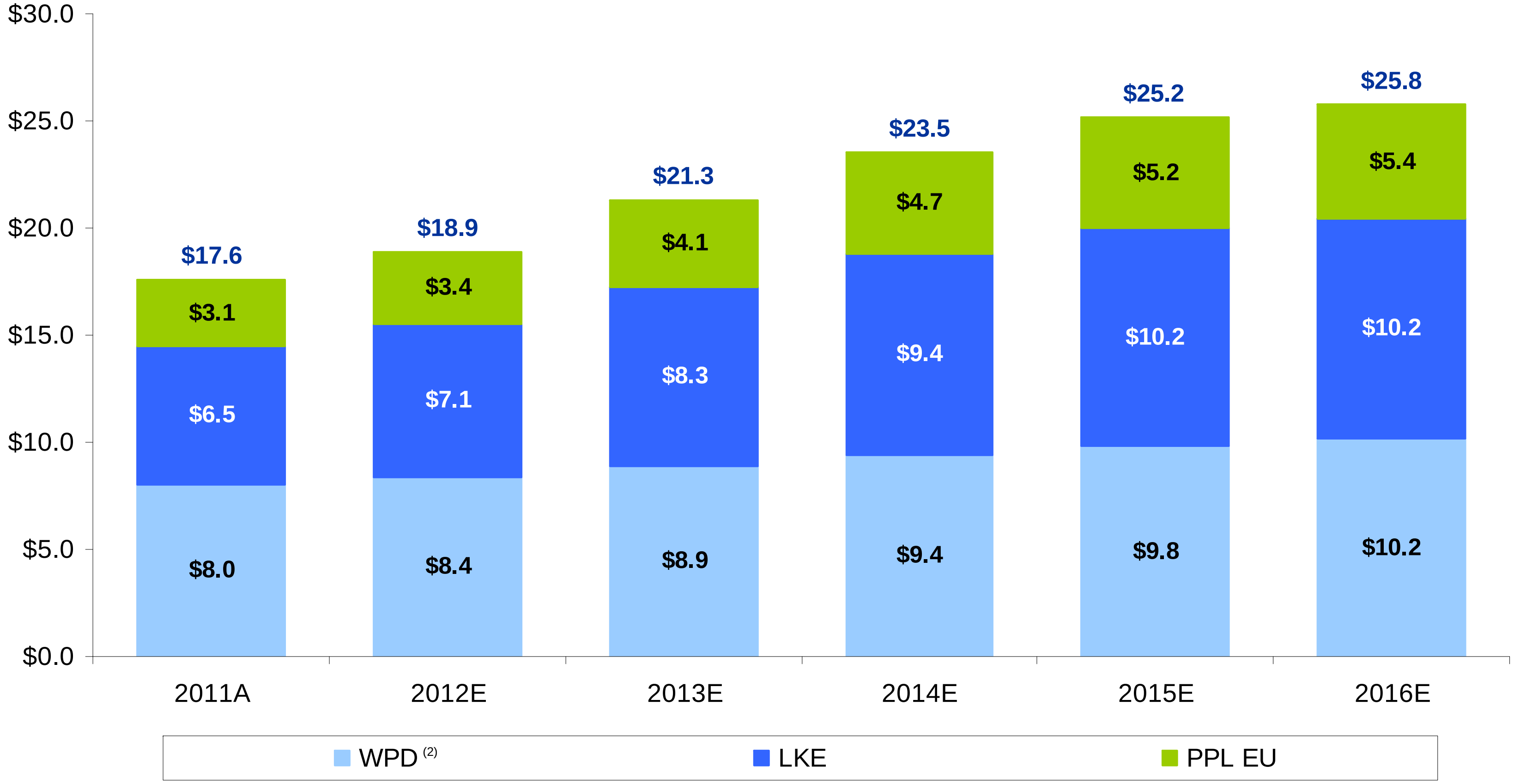
(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.

(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

Projected Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[(1)] CAGR: 7.9%



(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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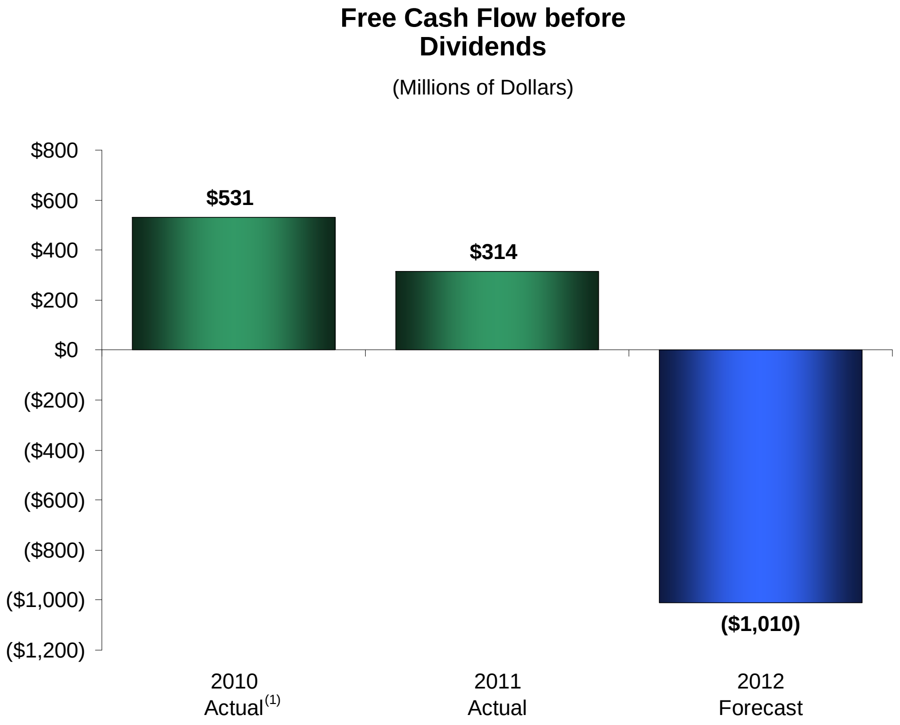
Free Cash Flow before Dividends



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

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(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of March 31, 2012

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$3,200	$778	$0	$2,422
PPL Electric Utilities	Syndicated Credit Facility (1)	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Quarter Ending March 31, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 38	$ 183	$ 33	$ 155	$ 409
Special Items:					
Adjusted energy-related economic activity, net				150	150
Foreign currency-related economic hedges		(14)			(14)
Impairments:					
Adjustments - nuclear decommissioning trust investments				1	1
Acquisition-related adjusments:					
WPD Midlands separation benefits		(4)			(4)
LKE net operating loss carryforward and other tax related adjustments	4				4
Other:					
Counterparty bankruptcy				(6)	(6)
Ash basin leak remediation adjustment				1	1
Total Special Items	4	(18)		146	132
Reported Earnings*	$ 42	$ 165	$ 33	$ 301	$ 541

Quarter Ending March 31, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 75	$ 75	$ 52	$ 205	$ 407
Special Items:					
Adjusted energy-related economic activity, net				17	17
Foreign currency-related economic hedges		(1)			(1)
Impairments:					
Emission allowances				(1)	(1)
Renewable energy credits				(2)	(2)
Adjustments - nuclear decommissioning trust investments				1	1
Acquisition-related adjustments:					
WPD Midlands:					
2011 Bridge Facility costs		(5)			(5)
Foreign currency loss on 2011 Bridge Facility		(4)			(4)
Other acquisition-related costs		(10)			(10)
LKE:					
Sale of certain non-core generation facilities				(1)	(1)
Total Special Items		(20)		14	(6)
Reported Earnings*	$ 75	$ 55	$ 52	$ 219	$ 401

* Represents net income attributable to PPL Corporation

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

Quarter Ending March 31, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.06	$ 0.31	$ 0.06	$ 0.27	$ 0.70
Special Items:					
Adjusted energy-related economic activity, net				0.26	0.26
Foreign currency-related economic hedges		(0.02)			(0.02)
Acquisition-related adjustments:					
WPD Midlands separation benefits		(0.01)			(0.01)
LKE net operating loss carryforward and other tax related adjustments	0.01				0.01
Other:					
Counterparty bankruptcy				(0.01)	(0.01)
Total Special Items	0.01	(0.03)		0.25	0.23
Reported Earnings	$ 0.07	$ 0.28	$ 0.06	$ 0.52	$ 0.93

Quarter Ending March 31, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.15	$ 0.16	$ 0.11	$ 0.42	$ 0.84
Special Items:					
Adjusted energy-related economic activity, net				0.03	0.03
Acquisition-related adjustments:					
WPD Midlands:					
2011 Bridge Facility costs		(0.02)			(0.02)
Foreign currency loss on 2011 Bridge Facility		(0.01)			(0.01)
Other acquisition-related costs		(0.02)			(0.02)
Total Special Items		(0.05)		0.03	(0.02)
Reported Earnings	$ 0.15	$ 0.11	$ 0.11	$ 0.45	$ 0.82

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

	Forecast		Actual	
	High 2012	Low 2012	2011	2010
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$ 2.73	$ 3.13
Special Items:				
Adjusted energy-related economic activity, net	0.26	0.26	0.12	(0.27)
Foreign currency-related economic hedges	(0.02)	(0.02)	0.01	
Sales of assets:				
Maine hydroelectric generation business				0.03
Impairments:				
Emission allowances				(0.02)
Renewable energy credits			(0.01)	
Acquisition-related adjustments:				
WPD Midlands:				
2011 Bridge Facility costs			(0.05)	
Foreign currency loss on 2011 Bridge Facility			(0.07)	
Net hedge gains			0.07	
Hedge ineffectiveness			(0.02)	
U.K. stamp duty tax			(0.04)	
Separation benefits	(0.01)	(0.01)	(0.13)	
Other acquisition-related costs			(0.10)	
LKE:				
Monetization of certain full-requirement sales contracts				(0.29)
Sale of certain non-core generation facilities				(0.14)
Discontinued cash flow hedges and ineffectiveness				(0.06)
Reduction of credit facility				(0.01)
2010 Bridge Facility costs				(0.12)
Other acquisition-related costs				(0.05)
Net operating loss carryforward and other tax related adjustments	0.01	0.01		
Other:				
Montana hydroelectric litigation			0.08	(0.08)
Health care reform - tax impact				(0.02)
Litigation settlement - spent nuclear fuel storage			0.06	
Change in U.K. tax rate			0.12	0.04
Windfall profits tax litigation			(0.07)	0.03
Counterparty bankruptcy	(0.01)	(0.01)	(0.01)	
Wholesale supply cost reimbursement			0.01	
Total Special Items	0.23	0.23	(0.03)	(0.96)
Reported Earnings	$ 2.68	$ 2.38	$ 2.70	$ 2.17

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Gross Margins Summary

(Millions of Dollars)	Three Months Ended March 31,			
	2012	2011	Change	Per Share Diluted (after-tax) (a)
KY Gross Margins	$ 383	$ 411	$ (28)	$ (0.04)
PA Gross Delivery Margins by Component				
Distribution	$ 189	$ 208	$ (19)	$ (0.02)
Transmission	48	42	6	-
Total	$ 237	$ 250	$ (13)	$ (0.02)
Unregulated Gross Energy Margins by Region				
Non-trading				
Eastern U.S.	$ 489	$ 578	$ (89)	$ (0.10)
Western U.S.	87	82	5	-
Net energy trading	8	11	(3)	-
Total	$ 584	$ 671	$ (87)	$ (0.10)

(a) Excludes dilution which is primarily associated with the April 2011 issuance of common stock.

Reconciliation of First Quarter Operating Income to Margins

(Millions of Dollars)	Three Months Ended March 31, 2012					Three Months Ended March 31, 2011				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other	Operating Income	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other	Operating Income
Operating Revenues										
Utility	$ 705	$ 457		$ 552	$ 1,714	$ 766	$ 554		$ 216	$ 1,536
PLR intersegment utility revenue (expense)		(21)	$ 21				(6)	$ 6		
Unregulated retail electric and gas			214	9	223			143	4	147
Wholesale energy marketing										
Realized			1,204	4	1,208			1,022	16	1,038
Unrealized economic activity				852	852				57	57
Net energy trading margins			8		8			11		11
Energy-related businesses				107	107				121	121
Total Operating Revenues	705	436	1,447	1,524	4,112	766	548	1,182	414	2,910
Operating Expenses										
Fuel	213		214	(3)	424	215		284	(24)	475
Energy purchases										
Realized	74	153	636	20	883	107	251	227	86	671
Unrealized economic activity				591	591				(18)	(18)
Other operation and maintenance	22	22	4	658	706	21	18	4	540	583
Depreciation	13			251	264	12			196	208
Taxes, other than income		25	8	58	91		33	7	33	73
Energy-related businesses				102	102				113	113
Intercompany eliminations		(1)	1				(4)	1	3	
Total Operating Expenses	322	199	863	1,677	3,061	355	298	523	929	2,105
Discontinued operations								12	(12) (a)	
Total	$ 383	$ 237	$ 584	$ (153)	$ 1,051	$ 411	$ 250	$ 671	$ (527)	$ 805

(a) Represents the net amount of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statement of Income.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

“Earnings from ongoing operations” should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that “earnings from ongoing operations,” although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management’s view of PPL’s fundamental earnings performance as another criterion in making investment decisions. PPL’s management also uses “earnings from ongoing operations” in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

“Earnings from ongoing operations” is adjusted for the impact of special items. Special items include:

- *Adjusted energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company’s nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related adjustments.*
- *Other charges or credits that are, in management’s view, not reflective of the company’s ongoing operations.*

Adjusted energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL’s generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL’s underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation’s periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance-" expense, which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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ISI Energy Conference

May 7-9, 2012

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
  - Approximately 70% of projected 2012 EPS from regulated businesses
  - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
  - Business Risk Profile rated “Excellent” by S&P
  - Secure dividend with strong platform for continued growth

- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
  - Strong baseload footprint in PJM complemented by flexible gas-fired units
  - No major exposure to currently proposed environmental regulations

- Strong management team with track record of execution
  - UK team already showing meaningful improvement in Midlands operations
  - ECR approval received in Kentucky
  - Successfully hedging competitive generation and locking in margins in a challenging market

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U.K. Regulated Segment Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service

- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues

- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service
- Projected rate base CAGR of 9.6% through 2016
- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
  - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
  - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery
- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 22.3% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.5% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and approved by the Governor
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment
Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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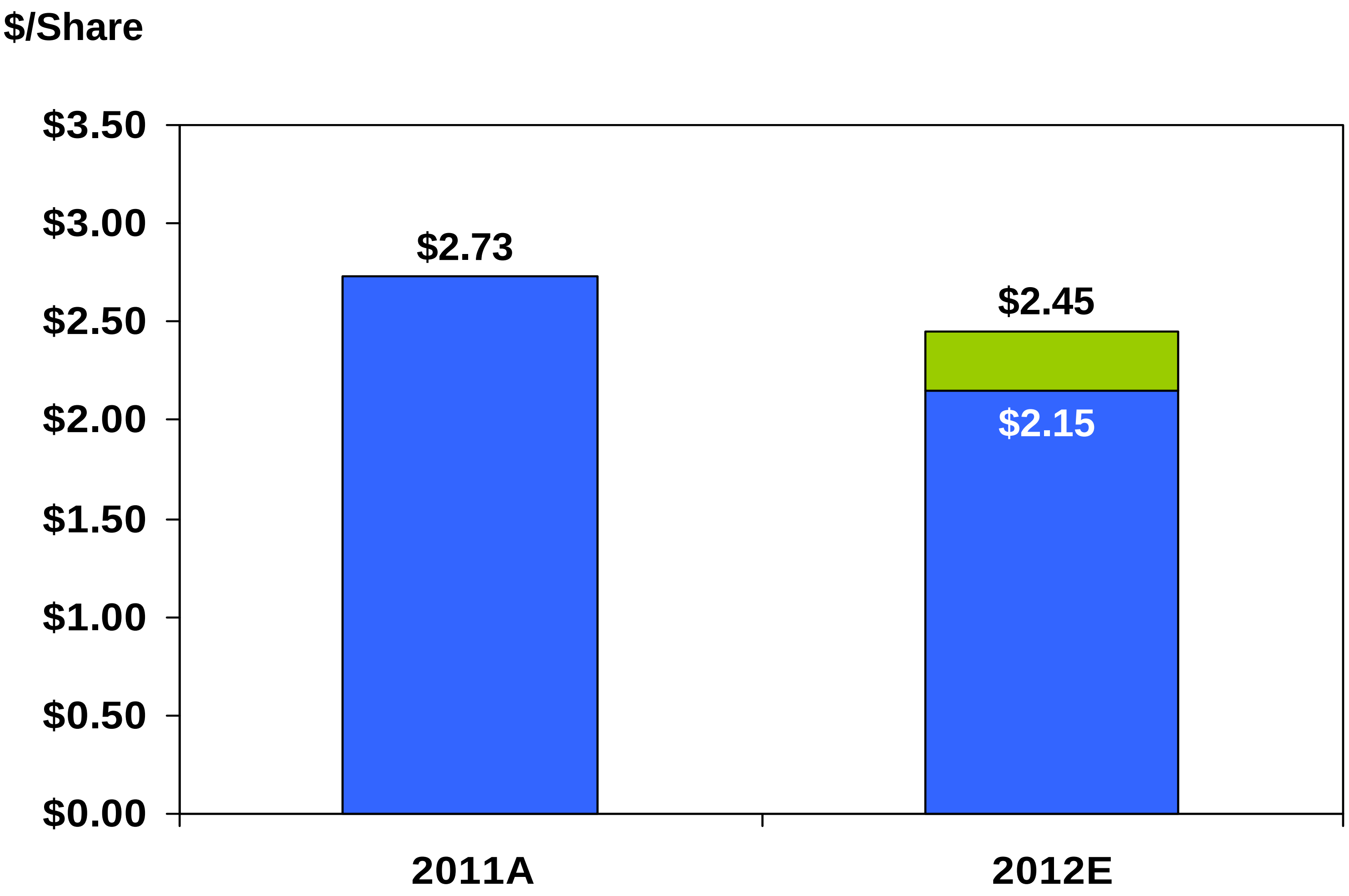
Reaffirmed 2012 Ongoing Earnings Forecast



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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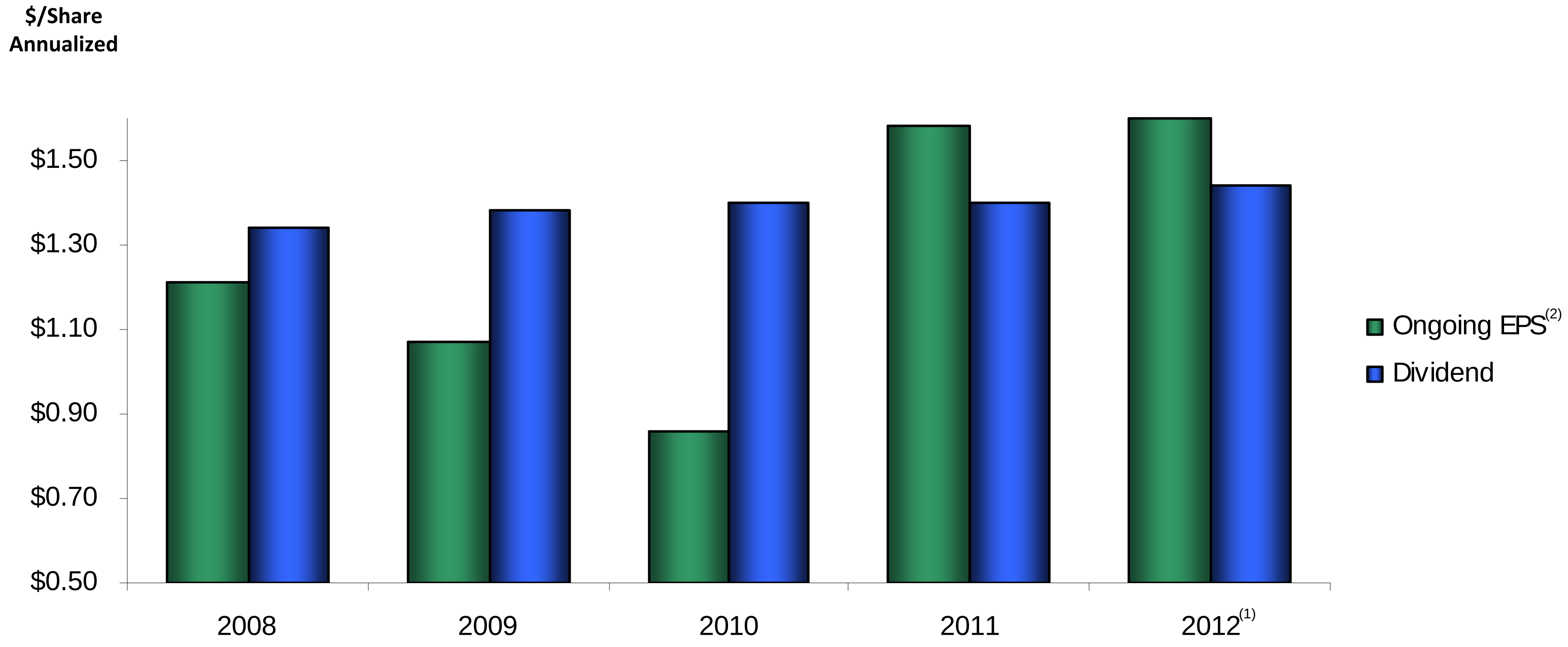
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.
(2) From only regulated segments.

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Appendix

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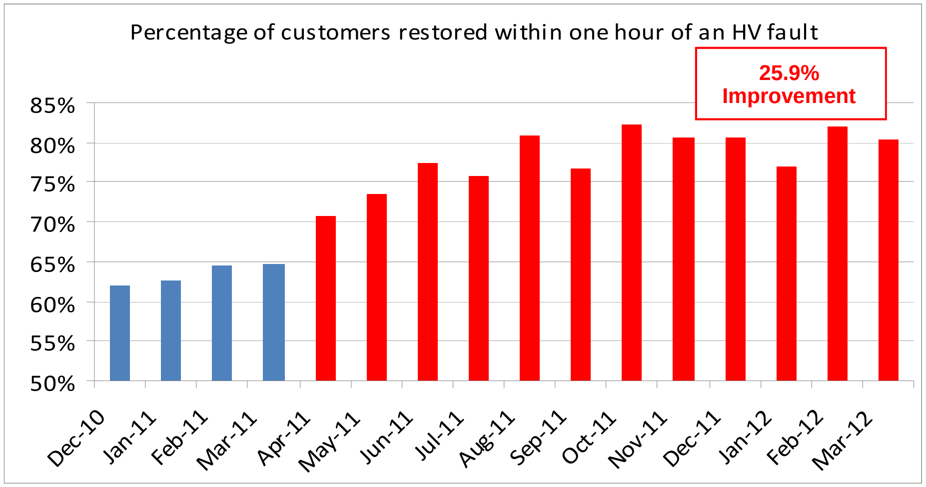
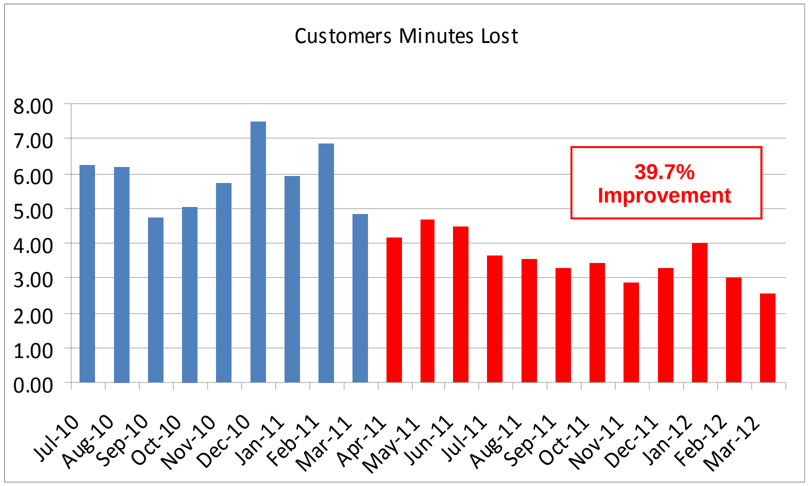
Midlands Integration – Improved Network Performance

Target 60



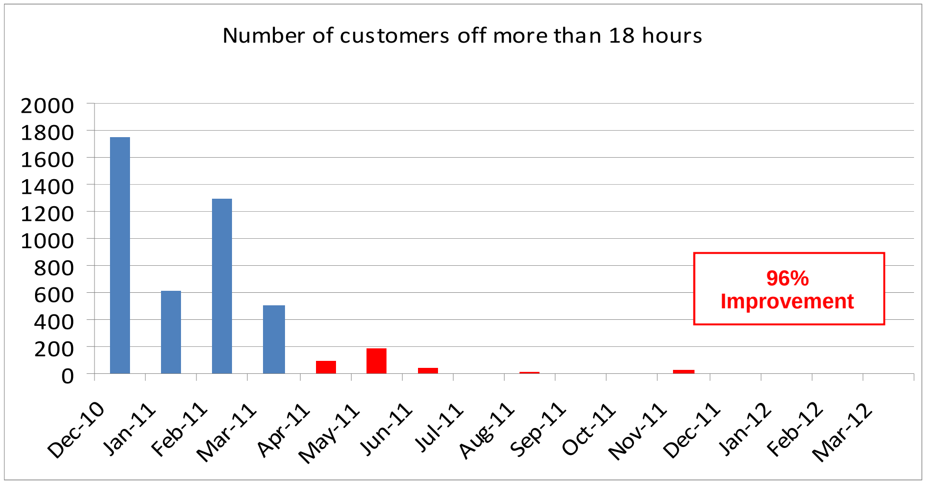
25.9% Improvement

Customer Minutes Lost



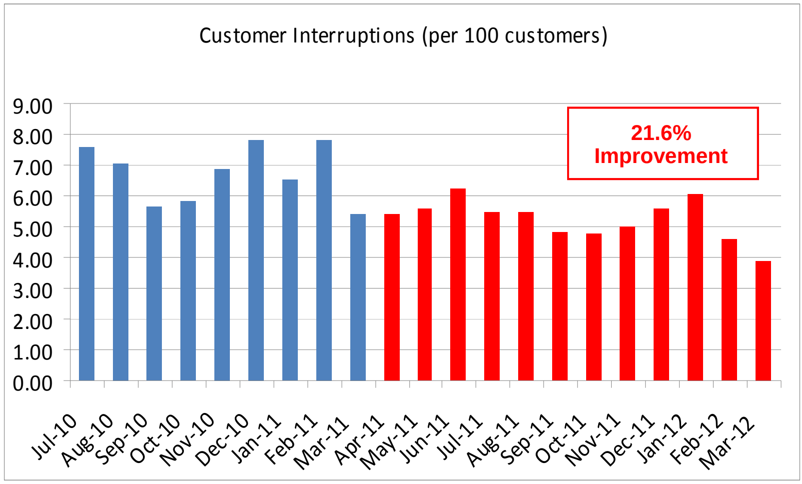
39.7% Improvement

18 Hour Standard



96% Improvement

Customer Interruptions (per 100 customers)



21.6% Improvement

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PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

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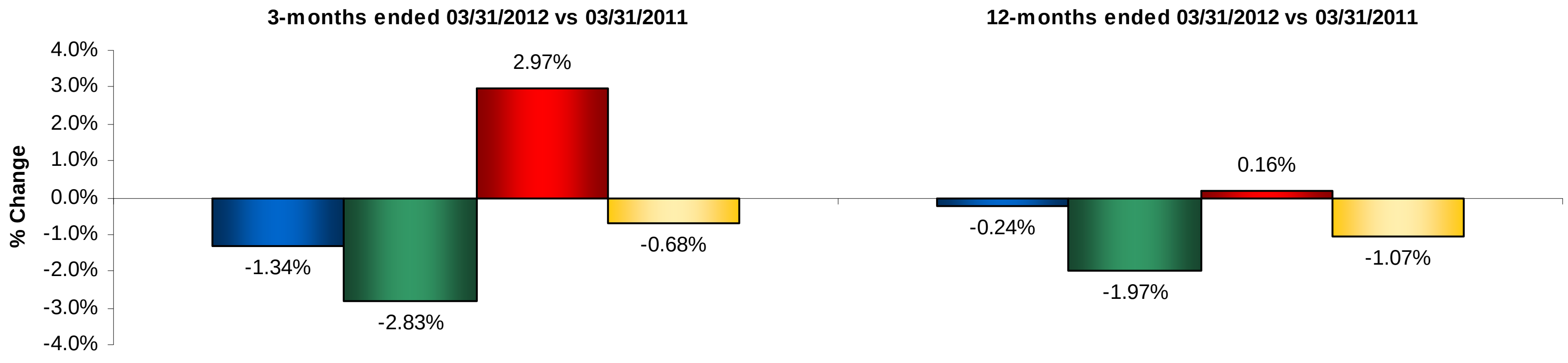
Regulated Volume Variances

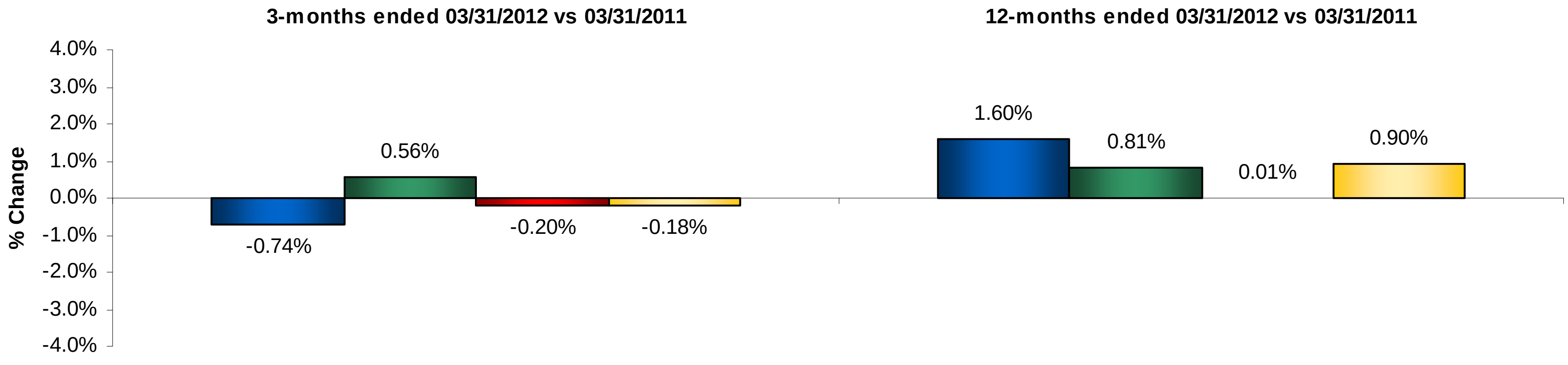
KY Regulated Weather-Normalized Sales


3-months ended 03/31/2012 vs 03/31/2011

12-months ended 03/31/2012 vs 03/31/2011

	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	-1.34%	-2.83%	2.97%	-0.68%		-0.24%	-1.97%	0.16%	-1.07%	
Actual	-12.03%	-5.70%	2.92%	-5.38%		-8.60%	-4.62%	-0.20%	-4.79%	

PA Regulated Weather-Normalized Sales


3-months ended 03/31/2012 vs 03/31/2011

12-months ended 03/31/2012 vs 03/31/2011

	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	-0.74%	0.56%	-0.20%	-0.18%		1.60%	0.81%	0.01%	0.90%	
Actual	-11.89%	-3.96%	-0.20%	-6.80%		-3.50%	-0.78%	0.01%	-1.66%	

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Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation(1) (Million MWhs)	**51.5**	**53.1**
East	43.5	44.8
West	8.0	8.3
Current Hedges (%)	**94-98%**	**79-83%**
East	96-100%	82-86%
West	82-86%	65-69%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-51
West	$50-52	$46-49
Current Coal Hedges (%)	**100%**	**97%**
East	100%	96%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$76-79	$80-88
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	7.6	7.0
Current Hedges (%)	58%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of March 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of March 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

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Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$44
Off-Peak	$27	$32
ATC(1)	$32	$37
Mid-Columbia		
On-Peak	$23	$31
Off-Peak	$14	$23
ATC(1)	$19	$27
GAS(2)		
NYMEX	$2.50	$3.47
TZ6NNY	$2.71	$3.76
PJM MARKET		
HEAT RATE(3)	14.2	11.7
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	87%	90%

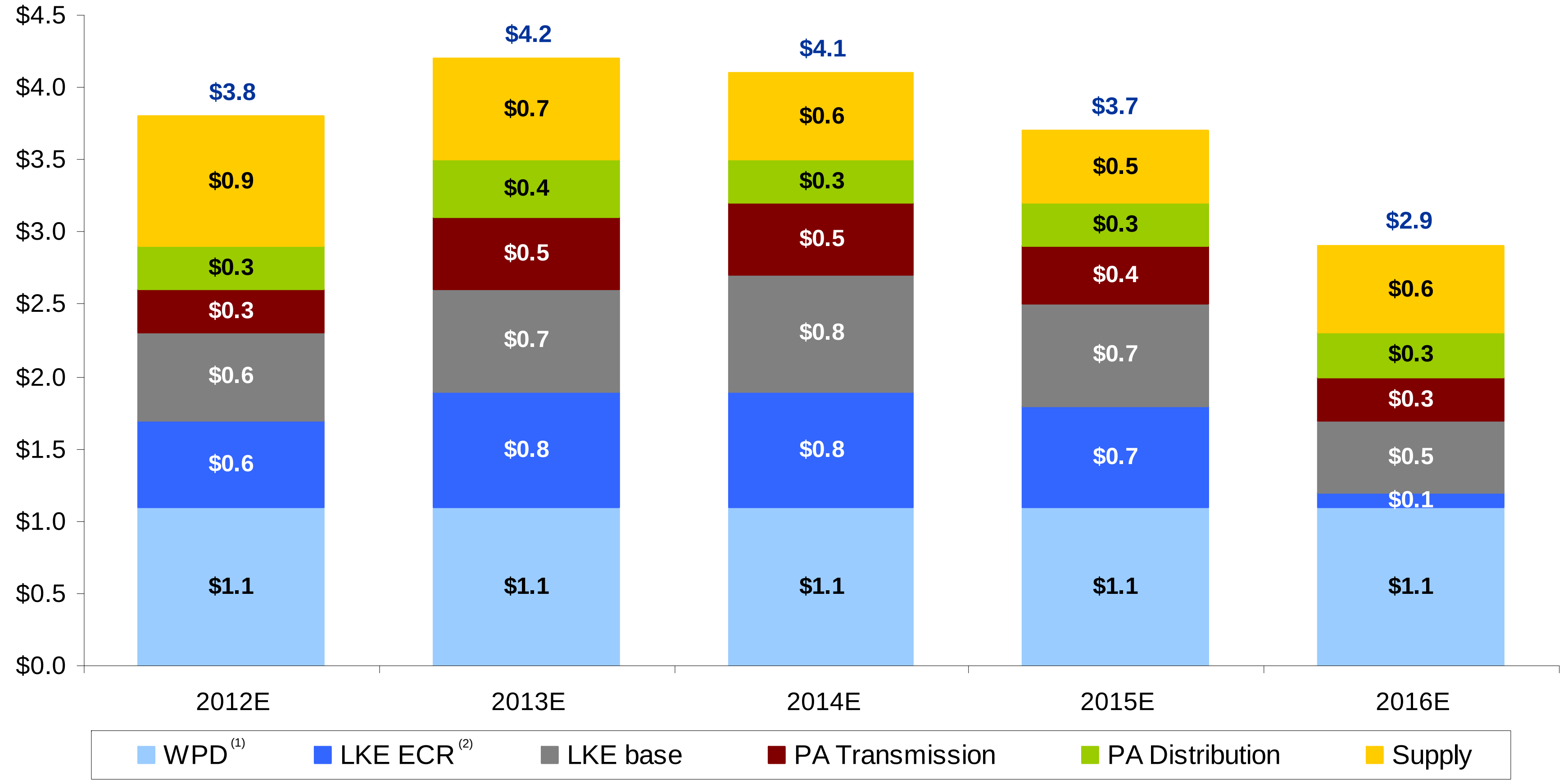
(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 3/30/2012.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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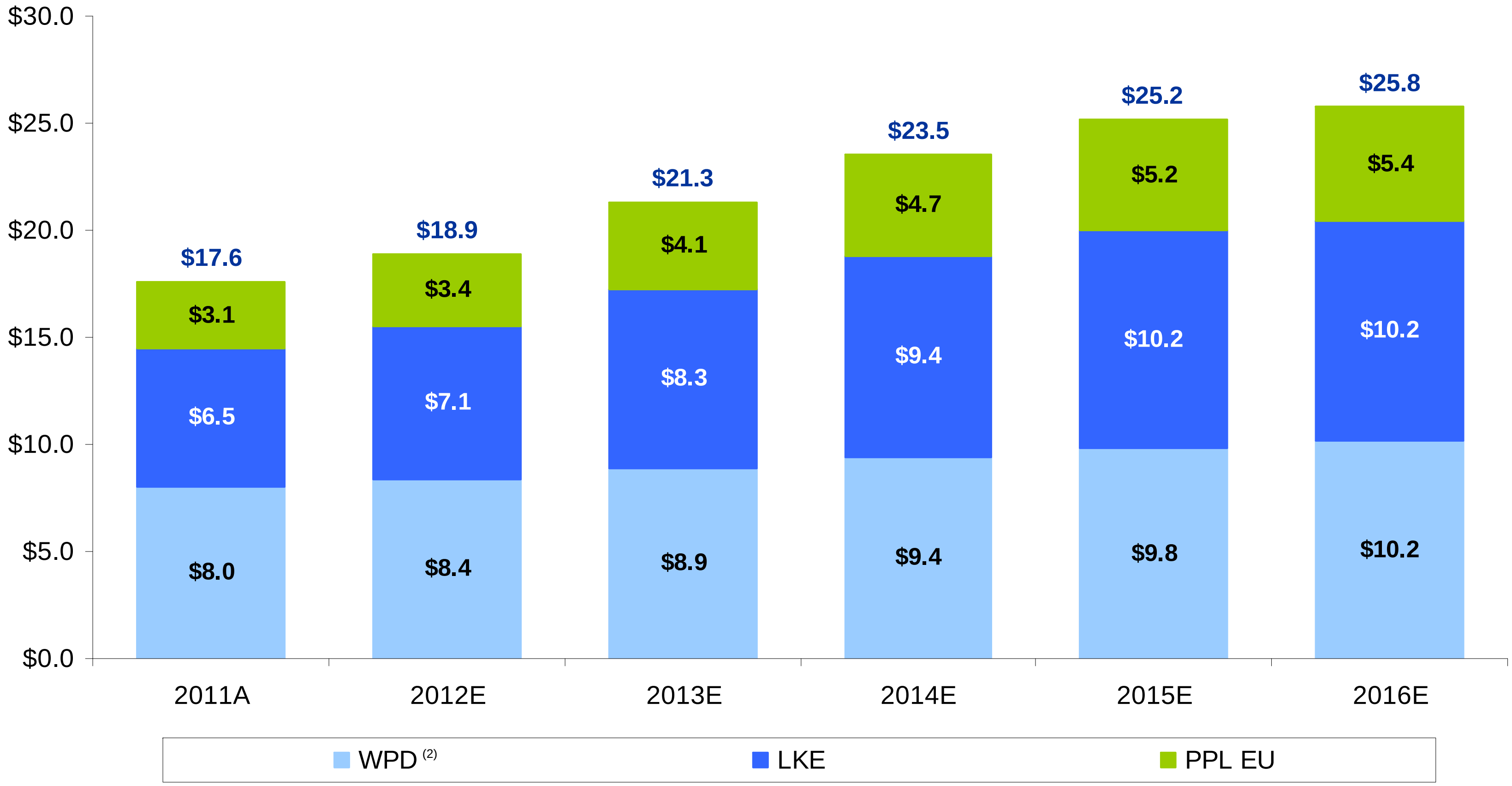
Projected Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[1] CAGR: 7.9%



(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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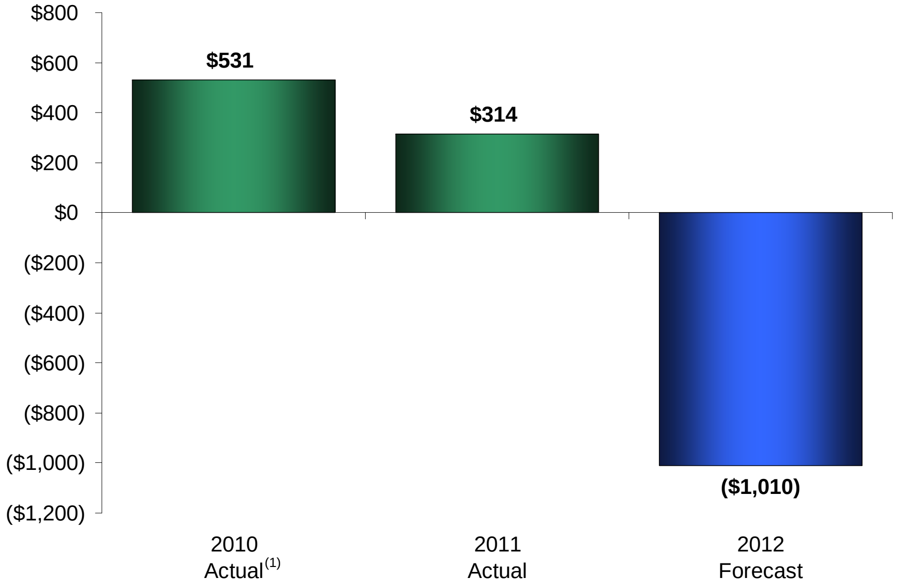
Free Cash Flow before Dividends

Free Cash Flow before Dividends

(Millions of Dollars)



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

---

(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of March 31, 2012

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$3,200	$778	$0	$2,422
PPL Electric Utilities	Syndicated Credit Facility (1)	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

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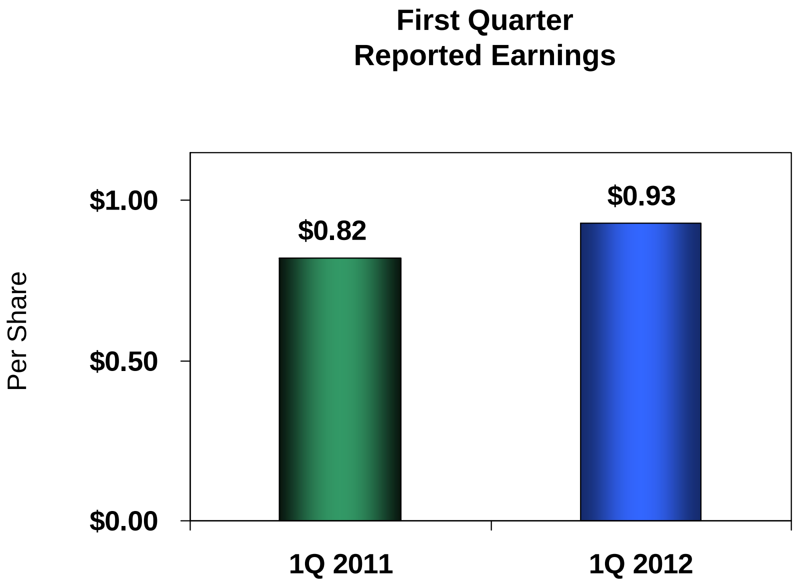
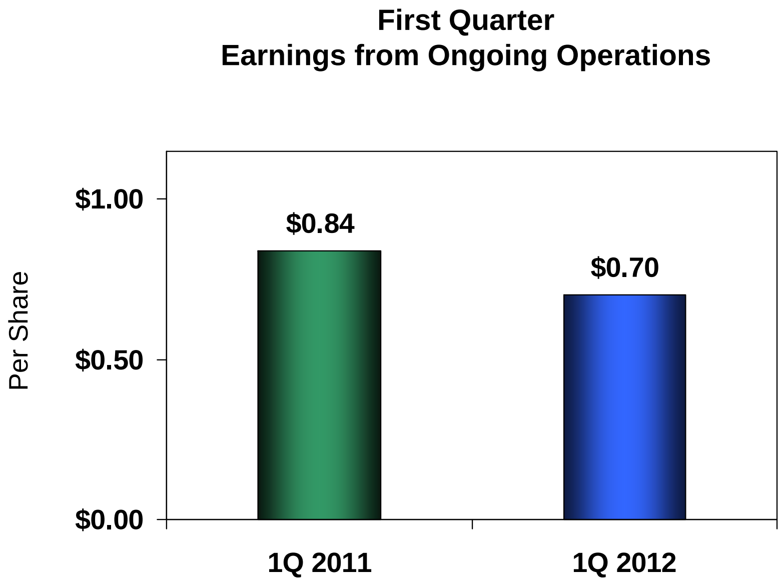
First Quarter Earnings Results





Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Ongoing Earnings Overview

	Q1 2012	Q1 2011	Change
Kentucky Regulated	$0.06	$0.15	($0.09)
U.K. Regulated	0.31	0.16	0.15
Pennsylvania Regulated	0.06	0.11	(0.05)
Supply	0.27	0.42	(0.15)
Total	$0.70	$0.84	($0.14)

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Kentucky Regulated Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.15
Electric Delivery Margins	(0.04)	
O&M	(0.03)	
Depreciation	(0.01)	
Dilution	(0.01)	
Total		(0.09)
2012 EPS – Ongoing Earnings		$0.06

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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U.K. Regulated Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.16
Midlands(1)	0.24	
Delivery revenue	0.02	
O&M	(0.03)	
Income taxes & other	(0.02)	
Dilution	(0.06)	
Total		0.15
2012 EPS – Ongoing Earnings		$0.31

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.
(1) Includes interest expense from the 2011 equity units.

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Pennsylvania Regulated Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.11
Electric Delivery Margins	(0.02)	
O&M	(0.01)	
Depreciation	(0.01)	
Dilution	(0.01)	
Total		(0.05)
2012 EPS – Ongoing Earnings		$0.06

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

		1st Quarter
2011 EPS – Ongoing Earnings		$0.42
Margins	(0.10)	
O&M	(0.01)	
Income taxes & other	0.02	
Dilution	(0.06)	
Total		(0.15)
2012 EPS – Ongoing Earnings		$0.27

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Quarter Ending March 31, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	
Earnings from Ongoing Operations	$ 38	$ 183	$ 33	$
Special Items:				
Adjusted energy-related economic activity, net				
Foreign currency-related economic hedges		(14)		
Impairments:				
Adjustments - nuclear decommissioning trust investments				
Acquisition-related adjusments:				
WPD Midlands separation benefits		(4)		
LKE net operating loss carryforward and other tax related adjustments	4			
Other:				
Counterparty bankruptcy				
Ash basin leak remediation adjustment				
Total Special Items	4	(18)		
Reported Earnings*	$ 42	$ 165	$ 33	$

Quarter Ending March 31, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	
Earnings from Ongoing Operations	$ 75	$ 75	$ 52	$
Special Items:				
Adjusted energy-related economic activity, net				
Foreign currency-related economic hedges		(1)		
Impairments:				
Emission allowances				
Renewable energy credits				
Adjustments - nuclear decommissioning trust investments				
Acquisition-related adjustments:				
WPD Midlands:				
2011 Bridge Facility costs		(5)		
Foreign currency loss on 2011 Bridge Facility		(4)		
Other acquisition-related costs		(10)		
LKE:				
Sale of certain non-core generation facilities				
Total Special Items		(20)		
Reported Earnings*	$ 75	$ 55	$ 52	$

* Represents net income attributable to PPL Corporation

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Reconciliation of First Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

Quarter Ending March 31, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.06	$ 0.31	$ 0.06	$ 0.27	$ 0.70
Special Items:					
Adjusted energy-related economic activity, net				0.26	0.26
Foreign currency-related economic hedges		(0.02)			(0.02)
Acquisition-related adjustments:					
WPD Midlands separation benefits		(0.01)			(0.01)
LKE net operating loss carryforward and other tax related adjustments	0.01				0.01
Other:					
Counterparty bankruptcy				(0.01)	(0.01)
Total Special Items	0.01	(0.03)		0.25	0.23
Reported Earnings	$ 0.07	$ 0.28	$ 0.06	$ 0.52	$ 0.93

Quarter Ending March 31, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.15	$ 0.16	$ 0.11	$ 0.42	$ 0.84
Special Items:					
Adjusted energy-related economic activity, net				0.03	0.03
Acquisition-related adjustments:					
WPD Midlands:					
2011 Bridge Facility costs		(0.02)			(0.02)
Foreign currency loss on 2011 Bridge Facility		(0.01)			(0.01)
Other acquisition-related costs		(0.02)			(0.02)
Total Special Items		(0.05)		0.03	(0.02)
Reported Earnings	$ 0.15	$ 0.11	$ 0.11	$ 0.45	$ 0.82

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

	Forecast		Actual	
	High 2012	Low 2012	2011	2010
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$ 2.73	$ 3.13
Special Items:				
Adjusted energy-related economic activity, net	0.26	0.26	0.12	(0.27)
Foreign currency-related economic hedges	(0.02)	(0.02)	0.01	
Sales of assets:				
Maine hydroelectric generation business				0.03
Impairments:				
Emission allowances				(0.02)
Renewable energy credits			(0.01)	
Acquisition-related adjustments:				
<u>WPD Midlands:</u>				
2011 Bridge Facility costs			(0.05)	
Foreign currency loss on 2011 Bridge Facility			(0.07)	
Net hedge gains			0.07	
Hedge ineffectiveness			(0.02)	
U.K. stamp duty tax			(0.04)	
Separation benefits	(0.01)	(0.01)	(0.13)	
Other acquisition-related costs			(0.10)	
<u>LKE:</u>				
Monetization of certain full-requirement sales contracts				(0.29)
Sale of certain non-core generation facilities				(0.14)
Discontinued cash flow hedges and ineffectiveness				(0.06)
Reduction of credit facility				(0.01)
2010 Bridge Facility costs				(0.12)
Other acquisition-related costs				(0.05)
Net operating loss carryforward and other tax related adjustments	0.01	0.01		
Other:				
Montana hydroelectric litigation			0.08	(0.08)
Health care reform - tax impact				(0.02)
Litigation settlement - spent nuclear fuel storage			0.06	
Change in U.K. tax rate			0.12	0.04
Windfall profits tax litigation			(0.07)	0.03
Counterparty bankruptcy	(0.01)	(0.01)	(0.01)	
Wholesale supply cost reimbursement			0.01	
Total Special Items	0.23	0.23	(0.03)	(0.96)
Reported Earnings	$ 2.68	$ 2.38	$ 2.70	$ 2.17

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Gross Margins Summary

(Millions of Dollars)	Three Months Ended March 31, 2012	2011	Change	Per Share Diluted (after-tax) (a)
KY Gross Margins	$ 383	$ 411	$ (28)	$ (0.04)
PA Gross Delivery Margins by Component				
Distribution	$ 189	$ 208	$ (19)	$ (0.02)
Transmission	48	42	6	-
Total	$ 237	$ 250	$ (13)	$ (0.02)
Unregulated Gross Energy Margins by Region				
Non-trading				
Eastern U.S.	$ 489	$ 578	$ (89)	$ (0.10)
Western U.S.	87	82	5	-
Net energy trading	8	11	(3)	-
Total	$ 584	$ 671	$ (87)	$ (0.10)

(a) Excludes dilution which is primarily associated with the April 2011 issuance of common stock.

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Reconciliation of First Quarter Operating Income to Margins

(Millions of Dollars)	Three Months Ended March 31, 2012					Three Months Ended March 31, 2011				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other	Operating Income	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other	Operating Income
Operating Revenues										
Utility	$ 705	$ 457		$ 552	$ 1,714	$ 766	$ 554		$ 216	$ 1,536
PLR intersegment utility revenue (expense)		(21)	$ 21				(6)	$ 6		
Unregulated retail electric and gas			214	9	223			143	4	147
Wholesale energy marketing										
Realized			1,204	4	1,208			1,022	16	1,038
Unrealized economic activity				852	852				57	57
Net energy trading margins			8		8			11		11
Energy-related businesses				107	107				121	121
Total Operating Revenues	705	436	1,447	1,524	4,112	766	548	1,182	414	2,910
Operating Expenses										
Fuel	213		214	(3)	424	215		284	(24)	475
Energy purchases										
Realized	74	153	636	20	883	107	251	227	86	671
Unrealized economic activity				591	591				(18)	(18)
Other operation and maintenance	22	22	4	658	706	21	18	4	540	583
Depreciation	13			251	264	12			196	208
Taxes, other than income		25	8	58	91		33	7	33	73
Energy-related businesses				102	102				113	113
Intercompany eliminations		(1)	1				(4)	1	3	
Total Operating Expenses	322	199	863	1,677	3,061	355	298	523	929	2,105
Discontinued operations								12	(12) (a)	
Total	$ 383	$ 237	$ 584	$ (153)	$ 1,051	$ 411	$ 250	$ 671	$ (527)	$ 805

(a) Represents the net amount of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statement of Income.

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Adjusted energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related adjustments.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Adjusted energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance-" expense, which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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EEI Annual Finance Meeting

May 23, 2012

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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
  - Approximately 70% of projected 2012 EPS from regulated businesses
  - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
  - Business Risk Profile rated “Excellent” by S&P
  - Secure dividend with strong platform for continued growth

- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
  - Strong baseload footprint in PJM complemented by flexible gas-fired units
  - No major exposure to currently proposed environmental regulations

- Strong management team with track record of execution
  - UK team already showing meaningful improvement in Midlands operations
  - ECR approval received in Kentucky
  - Successfully hedging competitive generation and locking in margins in a challenging market

ppl™

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U.K. Regulated Segment
Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service

- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues

- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service

- Projected rate base CAGR of 9.6% through 2016

- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
    - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
    - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery

- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 22.3% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.5% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and approved by the Governor
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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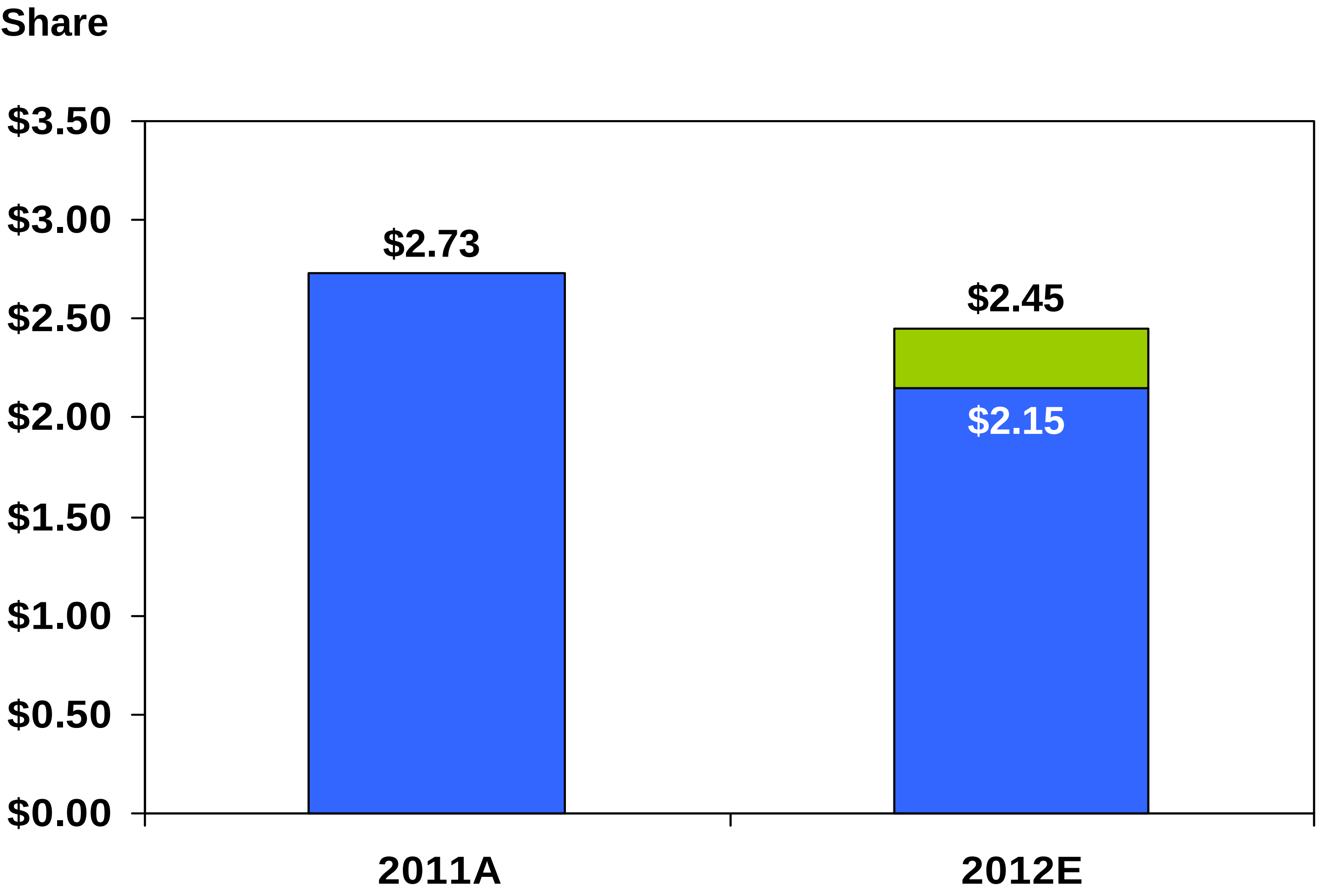
Reaffirmed 2012 Ongoing Earnings Forecast



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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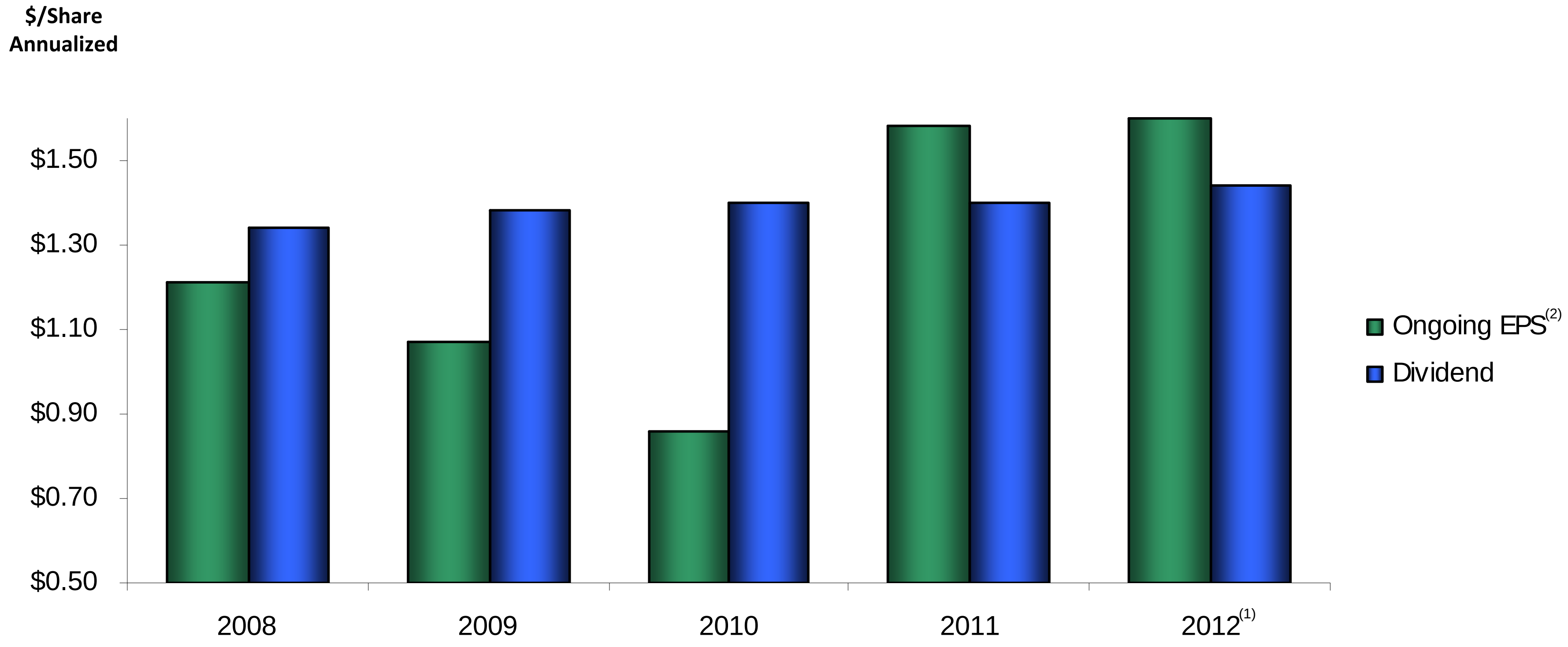
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.
(2) From only regulated segments.

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Appendix

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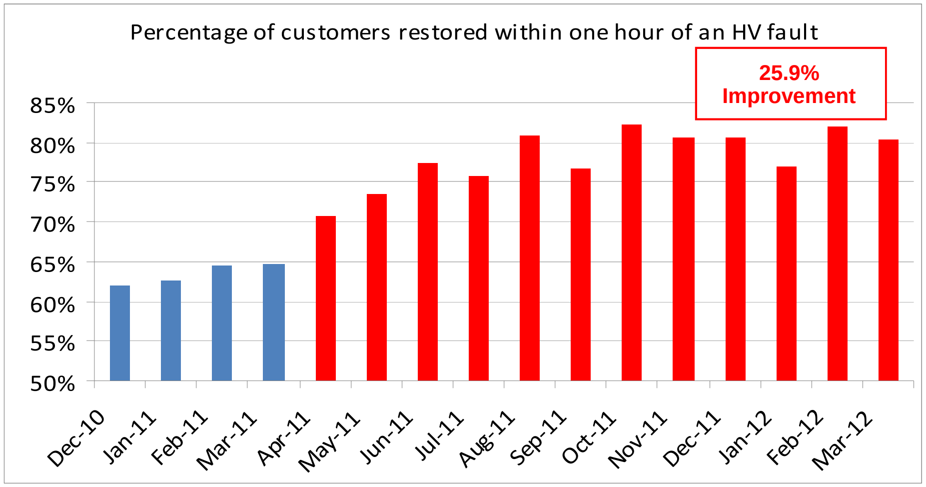
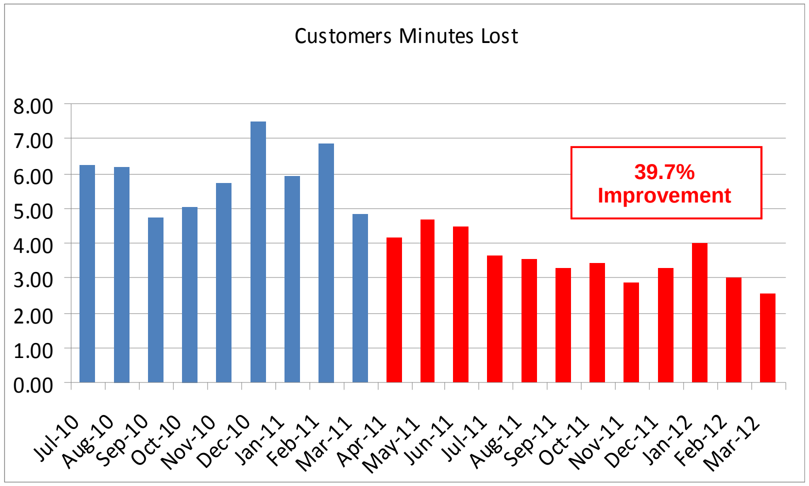
Midlands Integration – Improved Network Performance

Target 60



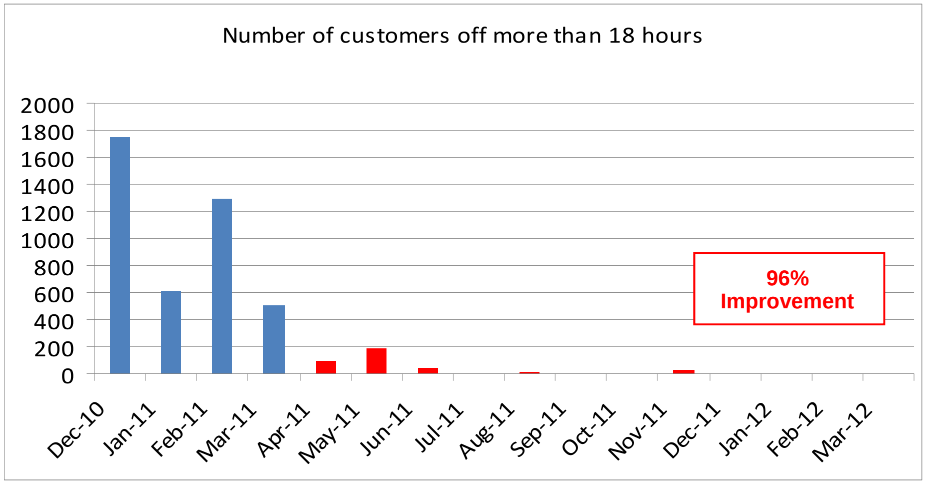
25.9% Improvement

Customer Minutes Lost



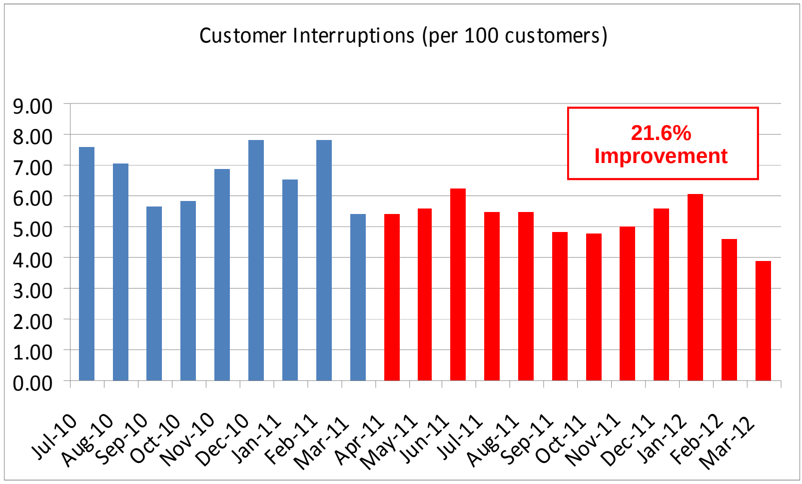
39.7% Improvement

18 Hour Standard



96% Improvement

Customer Interruptions (per 100 customers)



21.6% Improvement

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U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

Provisional Timing	**Milestone**
September 2012	Publication of Strategy Consolation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consolation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory consolation on new license conditions
April 1, 2015	**Price control commences**

Source: Ofgem Press Release dated February 6, 2012

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PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

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Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation[1] (Million MWhs)	**51.5**	**53.1**
East	43.5	44.8
West	8.0	8.3
Current Hedges (%)	**94-98%**	**79-83%**
East	96-100%	82-86%
West	82-86%	65-69%
Average Hedged Price (Energy Only) ($/MWh)[2] [3]		
East	$54-55	$49-51
West	$50-52	$46-49
Current Coal Hedges (%)	**100%**	**97%**
East	100%	96%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$76-79	$80-88
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation[1] (Million MWhs)	7.6	7.0
Current Hedges (%)	58%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of March 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of March 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$39	$44
Off-Peak	$27	$32
ATC(1)	$32	$37
Mid-Columbia		
On-Peak	$23	$31
Off-Peak	$14	$23
ATC(1)	$19	$27
GAS(2)		
NYMEX	$2.50	$3.47
TZ6NNY	$2.71	$3.76
PJM MARKET		
HEAT RATE(3)	14.2	11.7
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	87%	90%

(1) 24-hour average.
(2) NYMEX and TZ6NNY forward gas prices on 3/30/2012.
(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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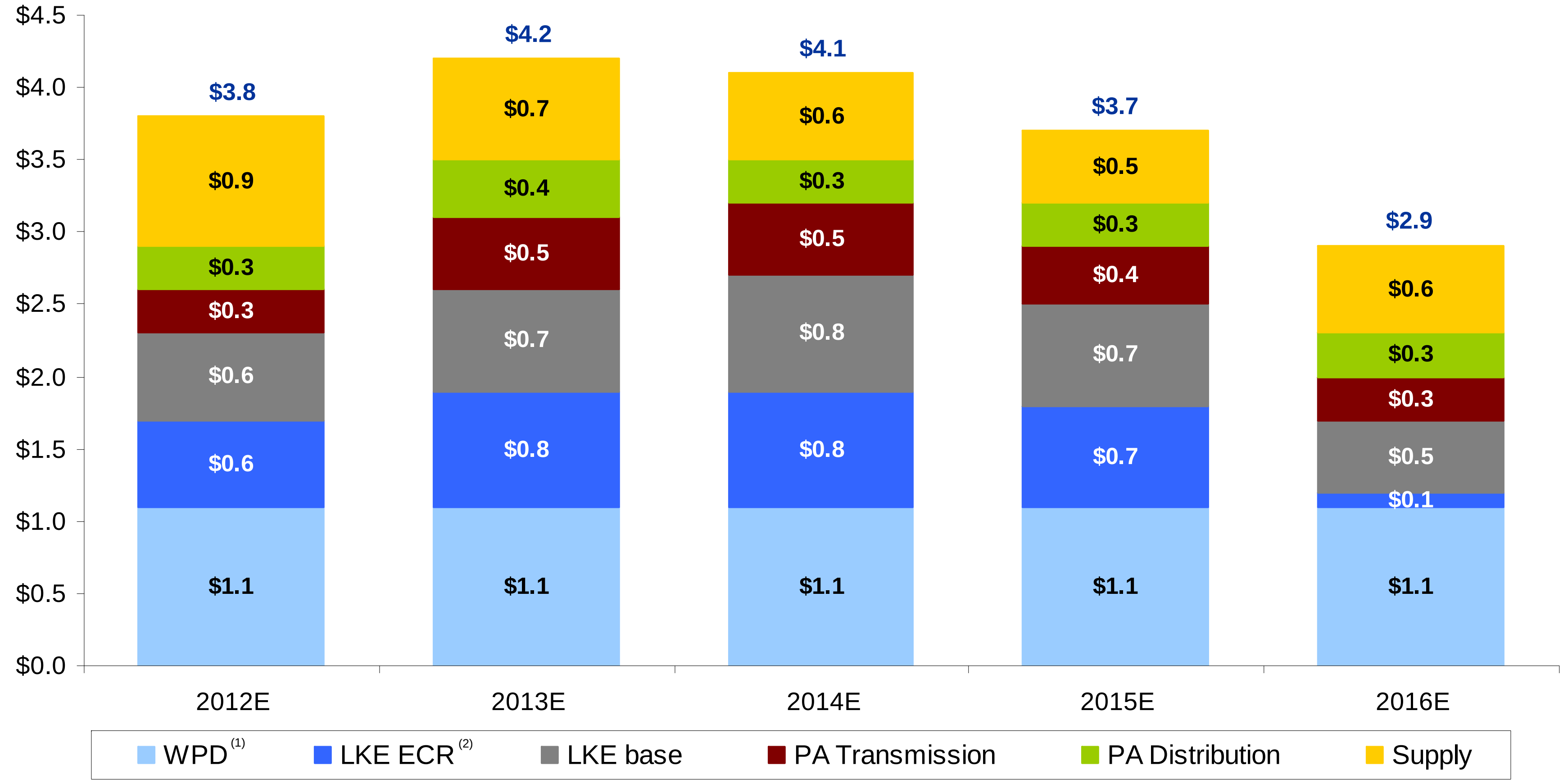
Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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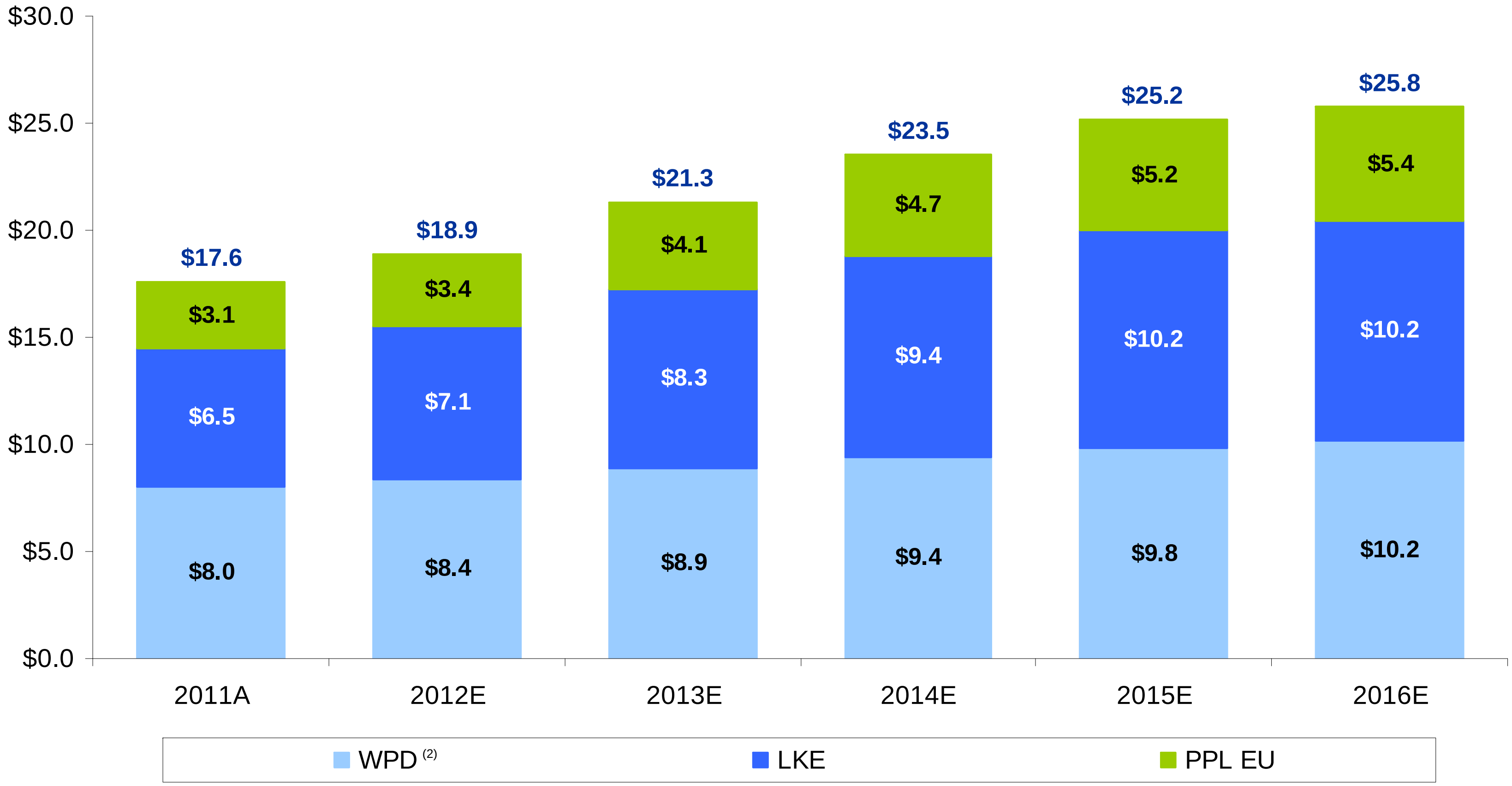
Projected Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[1] CAGR: 7.9%



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(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.

(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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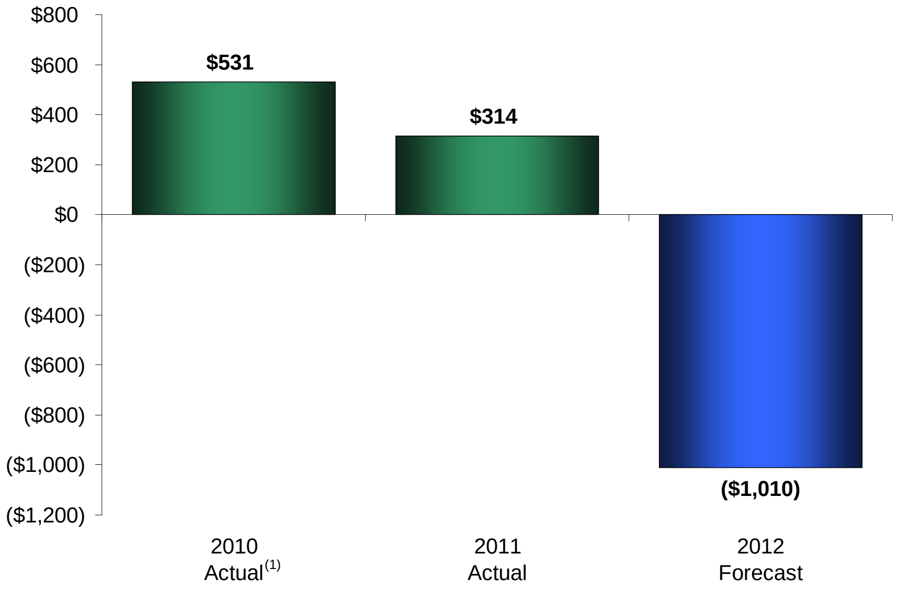
Free Cash Flow before Dividends

Free Cash Flow before Dividends

(Millions of Dollars)



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

---

(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of March 31, 2012

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$3,200	$778	$0	$2,422
PPL Electric Utilities	Syndicated Credit Facility (1)	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

	Forecast		Actual	
	High 2012	Low 2012	2011	2010
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$ 2.73	$ 3.13
Special Items:				
Adjusted energy-related economic activity, net	0.26	0.26	0.12	(0.27)
Foreign currency-related economic hedges	(0.02)	(0.02)	0.01	
Sales of assets:				
Maine hydroelectric generation business				0.03
Impairments:				
Emission allowances				(0.02)
Renewable energy credits			(0.01)	
Acquisition-related adjustments:				
WPD Midlands:				
2011 Bridge Facility costs			(0.05)	
Foreign currency loss on 2011 Bridge Facility			(0.07)	
Net hedge gains			0.07	
Hedge ineffectiveness			(0.02)	
U.K. stamp duty tax			(0.04)	
Separation benefits	(0.01)	(0.01)	(0.13)	
Other acquisition-related costs			(0.10)	
LKE:				
Monetization of certain full-requirement sales contracts				(0.29)
Sale of certain non-core generation facilities				(0.14)
Discontinued cash flow hedges and ineffectiveness				(0.06)
Reduction of credit facility				(0.01)
2010 Bridge Facility costs				(0.12)
Other acquisition-related costs				(0.05)
Net operating loss carryforward and other tax related adjustments	0.01	0.01		
Other:				
Montana hydroelectric litigation			0.08	(0.08)
Health care reform - tax impact				(0.02)
Litigation settlement - spent nuclear fuel storage			0.06	
Change in U.K. tax rate			0.12	0.04
Windfall profits tax litigation			(0.07)	0.03
Counterparty bankruptcy	(0.01)	(0.01)	(0.01)	
Wholesale supply cost reimbursement			0.01	
Total Special Items	0.23	0.23	(0.03)	(0.96)
Reported Earnings	$ 2.68	$ 2.38	$ 2.70	$ 2.17

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:
- *Adjusted energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related adjustments.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Adjusted energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance-" expense, which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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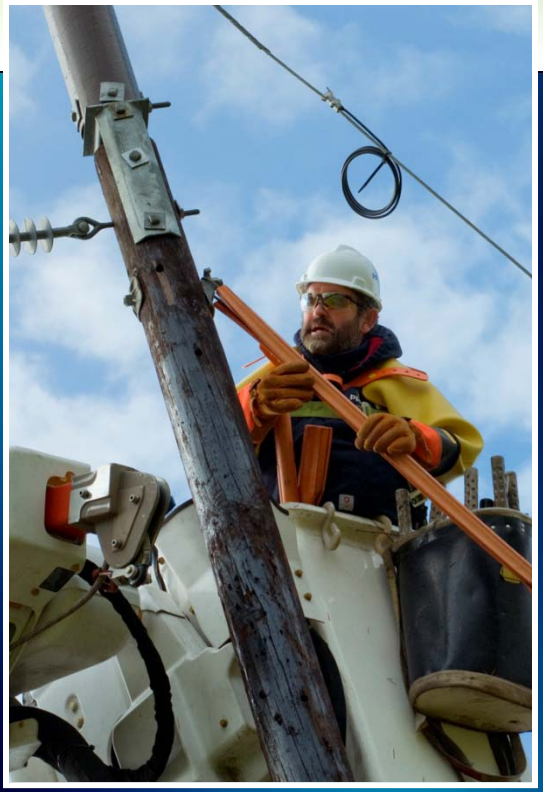
RBC Global Energy and Power Conference

June 4-5, 2012



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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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PPL Well-Positioned for Future Success

- Increased mix of rate-regulated earnings provides stability in weak economic environment
  - Approximately 70% of projected 2012 EPS from regulated businesses
  - Substantial organic growth in rate base: ~8% CAGR from 2012-2016
  - Business Risk Profile rated “Excellent” by S&P
  - Secure dividend with strong platform for continued growth

- Highly attractive competitive generation fleet with diverse fuel mix allows for significant upside when power markets recover
  - Strong baseload footprint in PJM complemented by flexible gas-fired units
  - No major exposure to currently proposed environmental regulations

- Strong management team with track record of execution
  - UK team already showing meaningful improvement in Midlands operations
  - ECR approval received in Kentucky
  - Successfully hedging competitive generation and locking in margins in a challenging market

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U.K. Regulated Segment Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved 5-year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service and reliability
  - Over $380 million in incentive revenues earned over past 7 years
    - Highest percentage of bonus revenue among peers
- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in 9 months
    - Strong potential to earn additional incentive revenues
- Consistent pattern of dividend repatriation to U.S. parent

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Kentucky Regulated Segment Investment Highlights

- Efficient, well-run utility focused on safety, reliability and customer service

- Projected rate base CAGR of 9.6% through 2016

- Constructive regulatory environment that provides a timely return on a substantial amount of planned capex over the next 5 years
    - Environmental Cost Recovery (ECR): ~$2.3 billion plan approved by the KPSC with a 10.1% ROE; ~$500 million remaining under prior plan at 10.63% ROE – virtually no regulatory lag
    - Other supportive recovery mechanisms include Construction Work In Process, Fuel Adjustment Clause, Gas Supply Clause Adjustment and Demand Side Management recovery

- Very competitive retail rates that attract energy-intensive businesses

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Pennsylvania Regulated Segment Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
  - CAGR of 22.3% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
  - ROE of 11.68% earned through FERC Formula Rate Mechanism
  - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.5% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill passed state legislature and approved by the Governor
  - Intended to provide for more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability

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Supply Segment Investment Highlights

- Very well-positioned competitive generation
  - PJM assets:
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop base load unit availability
  - Montana assets:
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Substantially in compliance with new emissions standards without further major investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial and residential customer classes

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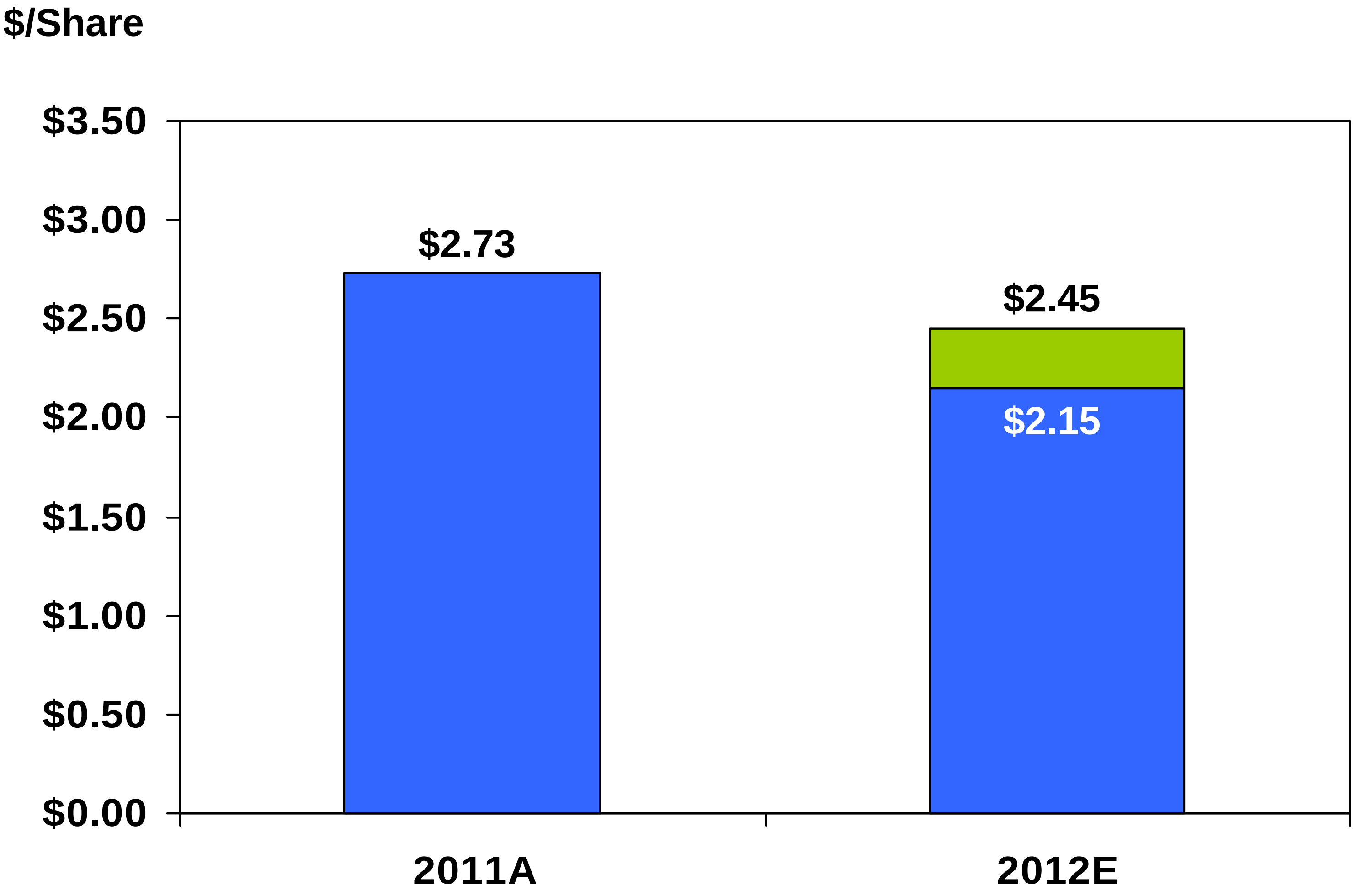
Reaffirmed 2012 Ongoing Earnings Forecast



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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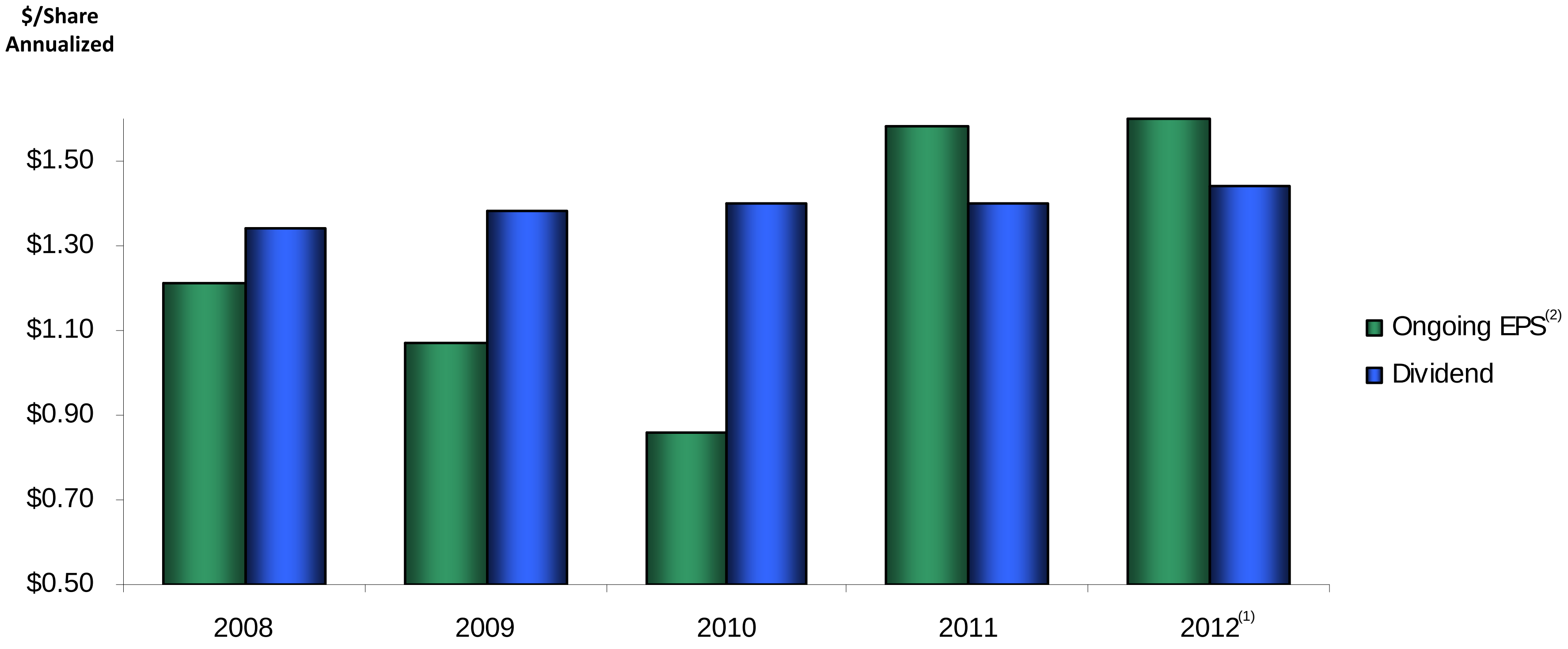
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 1st quarter declaration. Actual dividends to be determined by Board of Directors.
(2) From only regulated segments.

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Appendix

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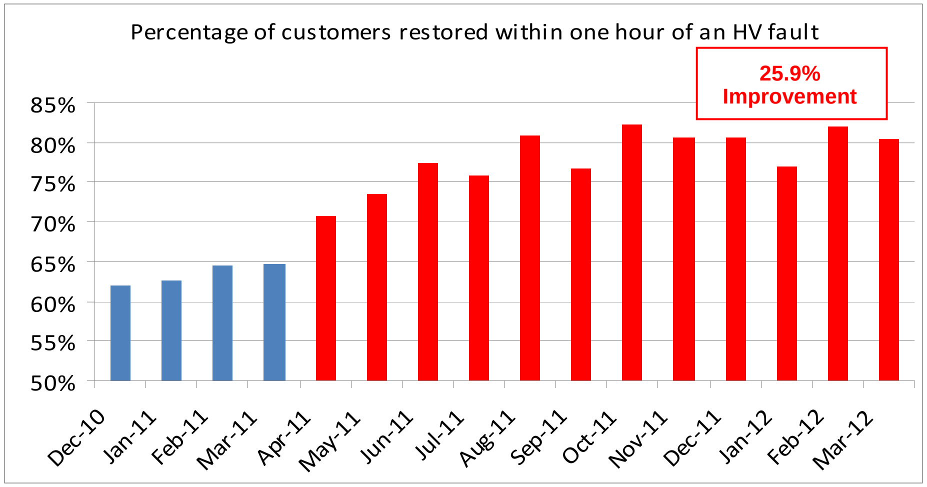
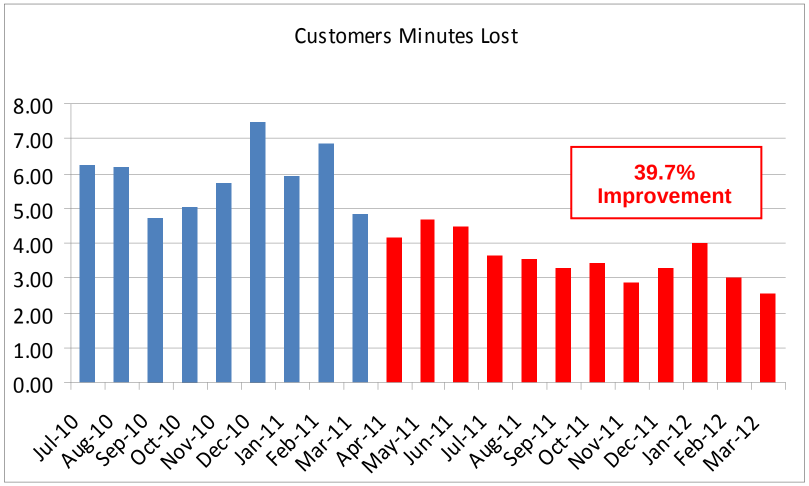
Midlands Integration – Improved Network Performance

Target 60



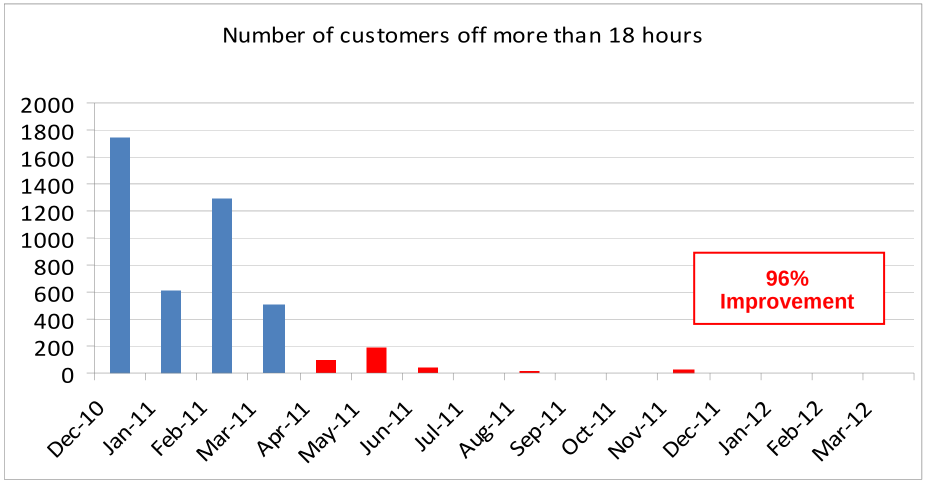
25.9% Improvement

Customer Minutes Lost



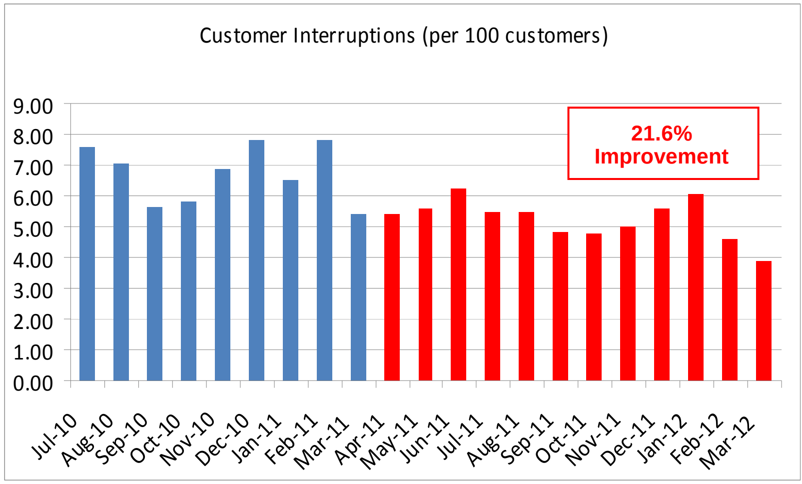
39.7% Improvement

18 Hour Standard



96% Improvement

Customer Interruptions (per 100 customers)



21.6% Improvement

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U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

Provisional Timing	**Milestone**
September 2012	Publication of Strategy Consultation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consultation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory consultation on new license conditions
April 1, 2015	**Price control commences**

Source: Ofgem Press Release dated February 6, 2012

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PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

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Enhancing Value Through Active Hedging

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(2) NYMEX and TZ6NNY forward gas prices on 3/30/2012.
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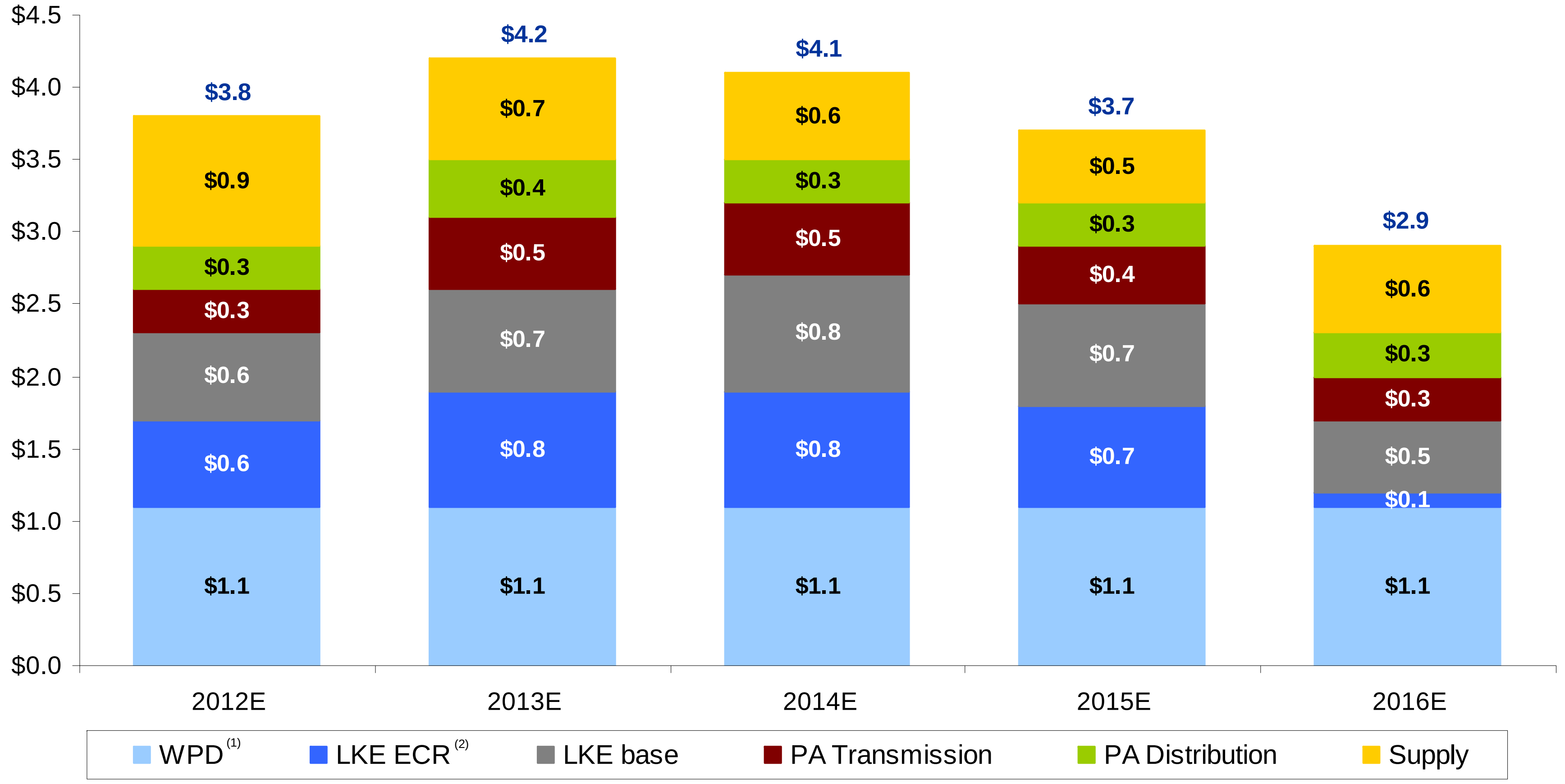
Capital Expenditures

($ in billions)



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.
(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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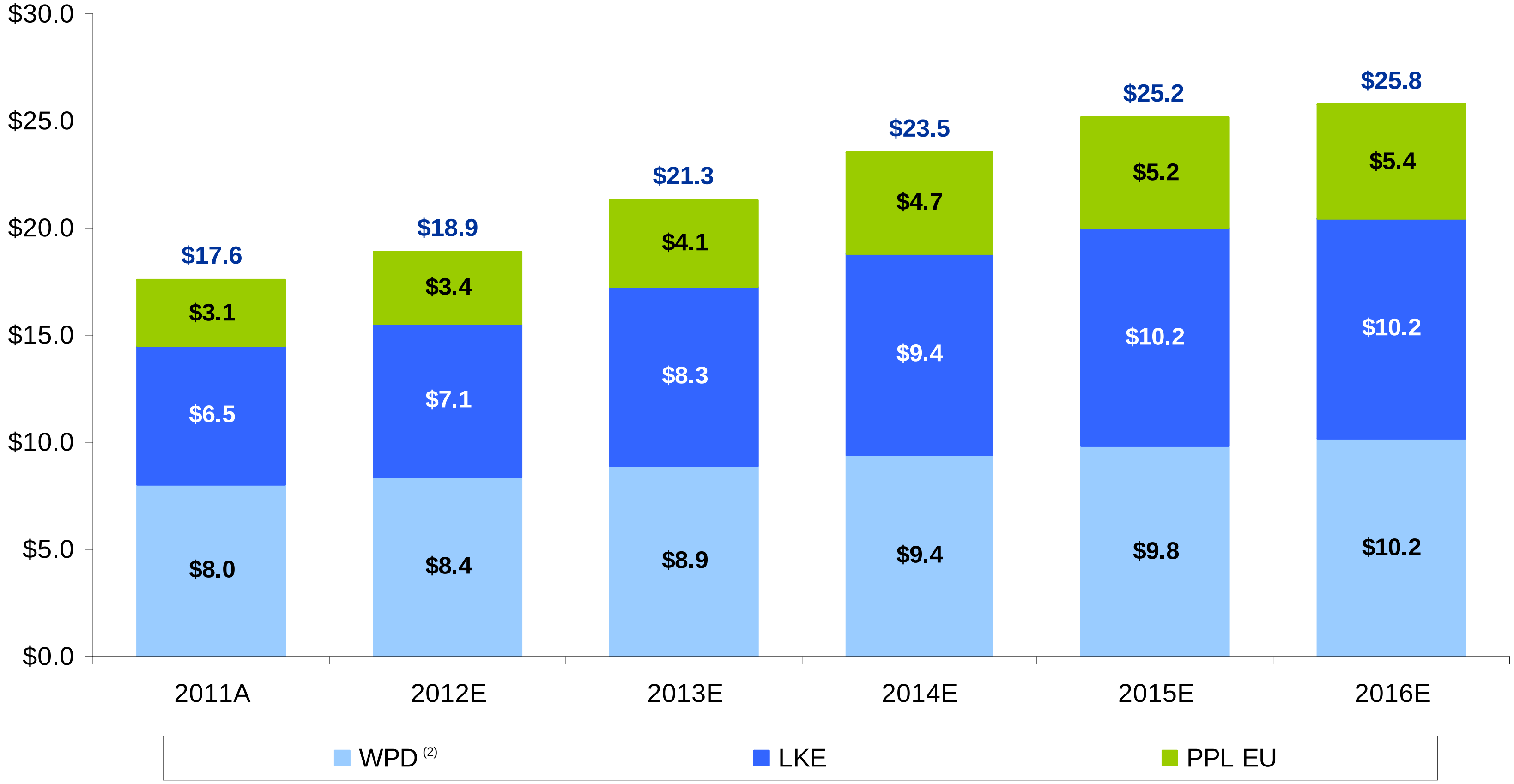
Projected Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base[(1)] CAGR: 7.9%



(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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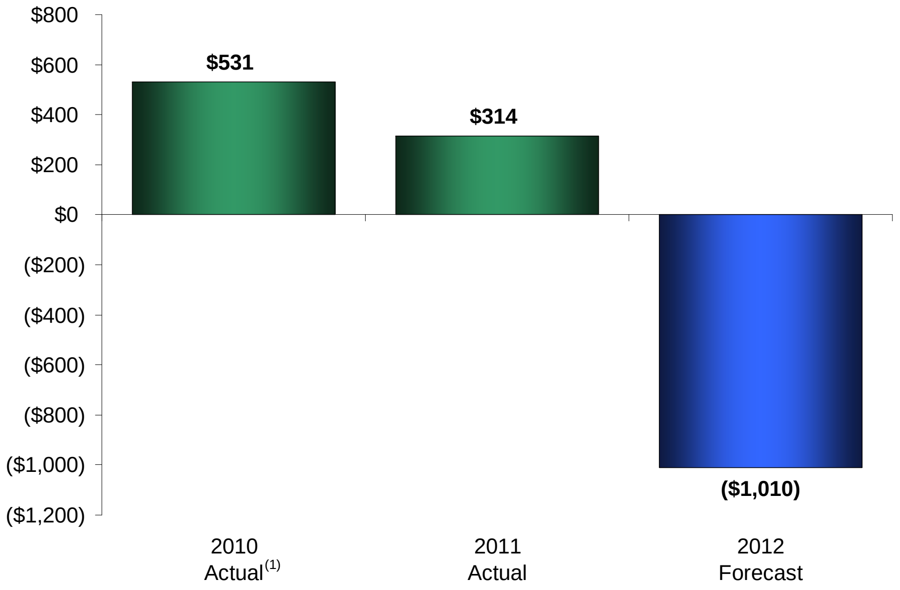
Free Cash Flow before Dividends

Free Cash Flow before Dividends

(Millions of Dollars)



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0	$0 (1)	$0 (2)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (3)	100	0
PPL Energy Supply	0	737	300	300 (4)	350
WPD	0	0	0	0	460
Total	$0	$737	$310	$1,300	$810

Note: As of March 31, 2012

(1) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(2) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(3) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(4) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$3,200	$778	$0	$2,422
PPL Electric Utilities	Syndicated Credit Facility (1)	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.

(1) In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

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Reconciliation of PPL’s Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

	Forecast		Actual	
	High 2012	Low 2012	2011	2010
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$ 2.73	$ 3.13
Special Items:				
Adjusted energy-related economic activity, net	0.26	0.26	0.12	(0.27)
Foreign currency-related economic hedges	(0.02)	(0.02)	0.01	
Sales of assets:				
Maine hydroelectric generation business				0.03
Impairments:				
Emission allowances				(0.02)
Renewable energy credits			(0.01)	
Acquisition-related adjustments:				
WPD Midlands:				
2011 Bridge Facility costs			(0.05)	
Foreign currency loss on 2011 Bridge Facility			(0.07)	
Net hedge gains			0.07	
Hedge ineffectiveness			(0.02)	
U.K. stamp duty tax			(0.04)	
Separation benefits	(0.01)	(0.01)	(0.13)	
Other acquisition-related costs			(0.10)	
LKE:				
Monetization of certain full-requirement sales contracts				(0.29)
Sale of certain non-core generation facilities				(0.14)
Discontinued cash flow hedges and ineffectiveness				(0.06)
Reduction of credit facility				(0.01)
2010 Bridge Facility costs				(0.12)
Other acquisition-related costs				(0.05)
Net operating loss carryforward and other tax related adjustments	0.01	0.01		
Other:				
Montana hydroelectric litigation			0.08	(0.08)
Health care reform - tax impact				(0.02)
Litigation settlement - spent nuclear fuel storage			0.06	
Change in U.K. tax rate			0.12	0.04
Windfall profits tax litigation			(0.07)	0.03
Counterparty bankruptcy	(0.01)	(0.01)	(0.01)	
Wholesale supply cost reimbursement			0.01	
Total Special Items	0.23	0.23	(0.03)	(0.96)
Reported Earnings	$ 2.68	$ 2.38	$ 2.70	$ 2.17

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation’s ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations" should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:
- *Adjusted energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related adjustments.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Adjusted energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance-" expense, which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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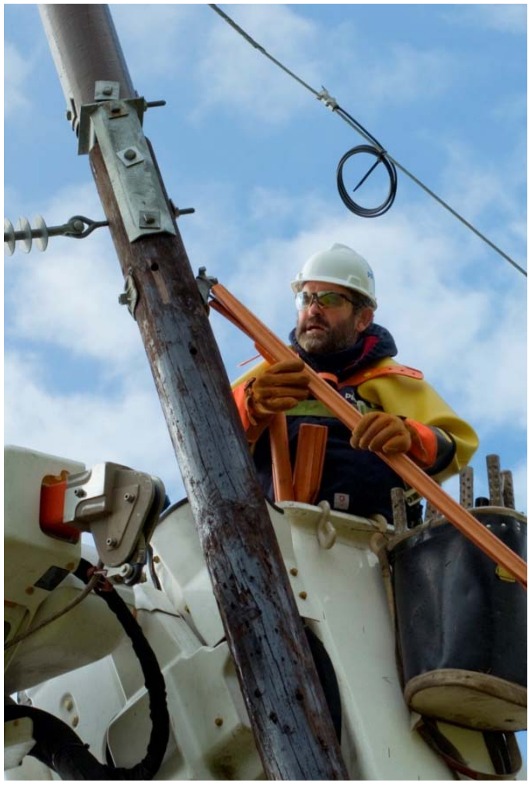
2nd Quarter Earnings Call

PPL Corporation
August 8, 2012



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Cautionary Statements and Factors That May Affect Future Results

Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company's SEC filings.

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Agenda

Second Quarter Earnings Results, Operational Overview and 2012 Earnings Forecast	W. H. Spence
Segment Results and Financial Overview	P. A. Farr
Q&A	

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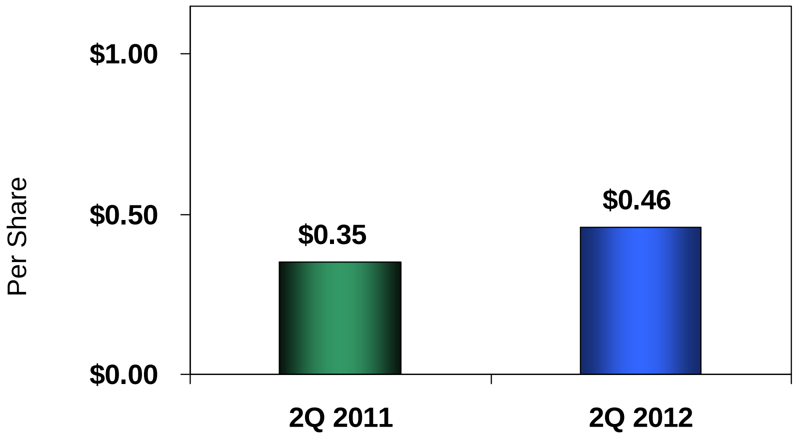
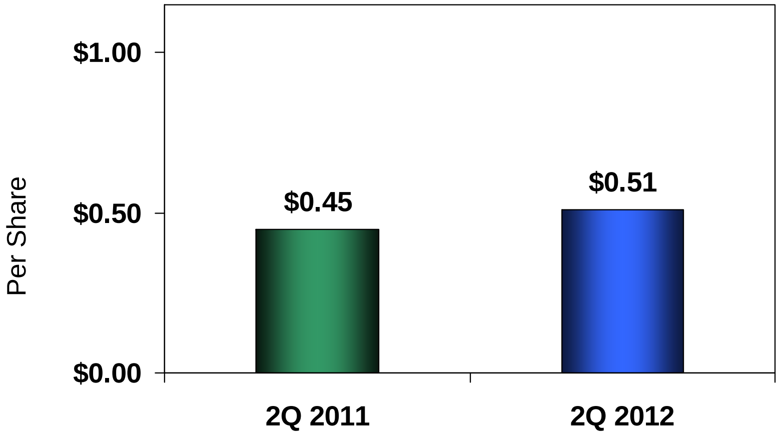
Earnings Results

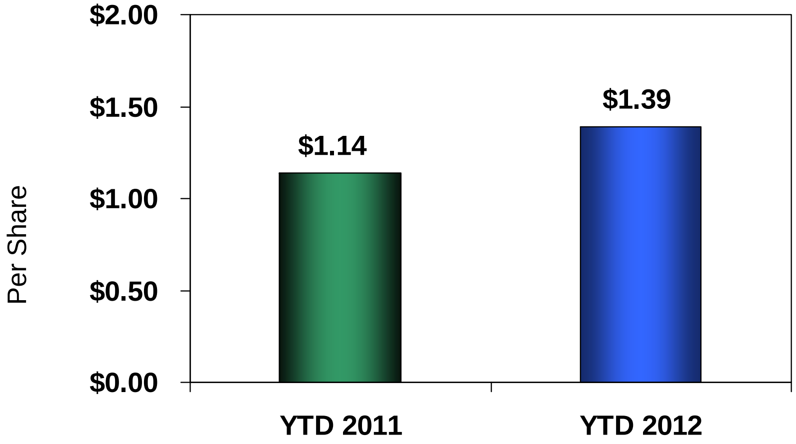
Second Quarter
Reported Earnings



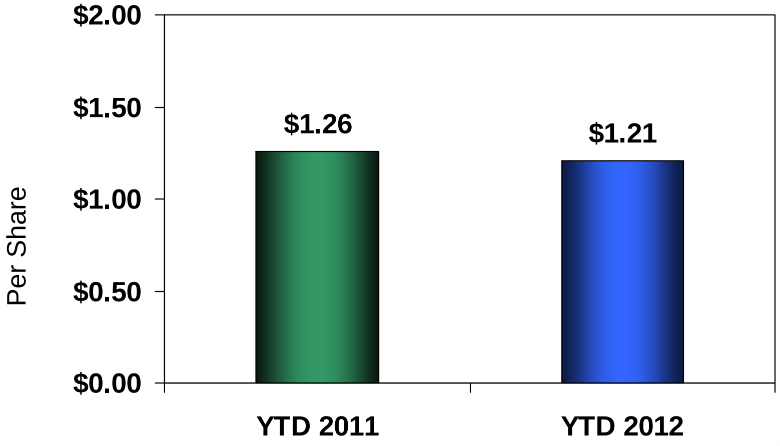
Second Quarter
Earnings from Ongoing Operations



Year-to-Date
Reported Earnings



Year-to-Date
Earnings from Ongoing Operations



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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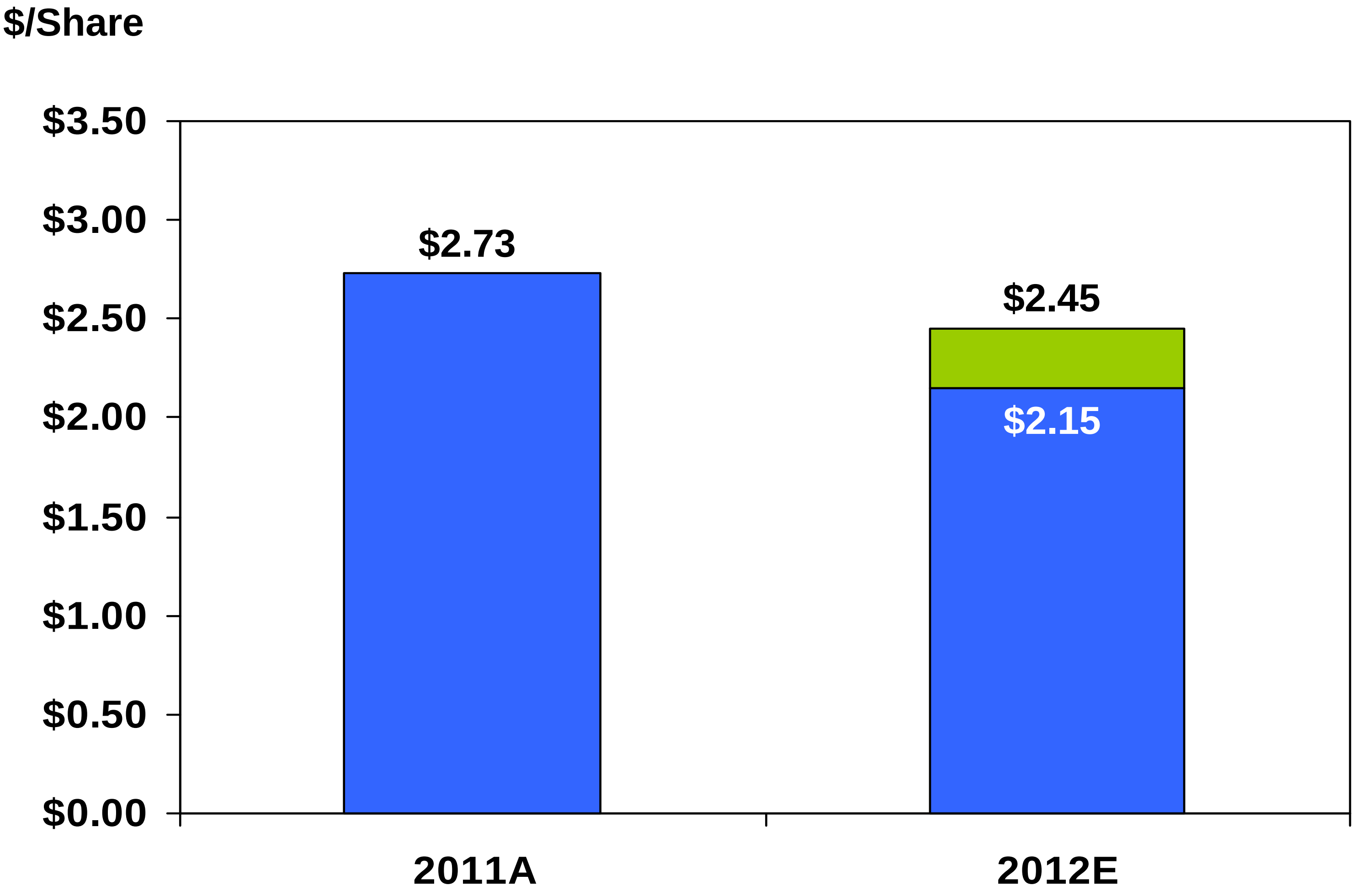
Reaffirmed 2012 Ongoing Earnings Forecast



Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Operational Overview

- All four WPD distribution companies awarded Customer Service Excellence Standard
- PPL Electric Utilities awarded its 18th J.D. Power award
  - Ranked highest among large electric utilities in the eastern U.S.
- Positive outlook regarding Susquehanna turbine blades
  - Inspection found no cracks on Unit #2 blades
  - Additional diagnostic equipment installed to validate suspected root causes
- Rate cases filed for LG&E and KU

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Ongoing Earnings Overview

	Q2 2012	Q2 2011	Change
Kentucky Regulated	$0.07	$0.06	$0.01
U.K. Regulated	0.31	0.21	0.10
Pennsylvania Regulated	0.05	0.06	(0.01)
Supply	0.08	0.12	(0.04)
Total	$0.51	$0.45	$0.06

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Kentucky Regulated Segment Earnings Drivers

	2nd Quarter	
2011 EPS – Ongoing Earnings		$0.06
Gross Margins	0.01	
Total		0.01
2012 EPS – Ongoing Earnings		$0.07

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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U.K. Regulated Segment Earnings Drivers

	2nd Quarter	
2011 EPS – Ongoing Earnings		$0.21
Midlands[1]	0.10	
Delivery revenue	0.02	
O&M	(0.01)	
Financing	0.01	
Effect of exchange rates	(0.01)	
Dilution	(0.01)	
Total		0.10
2012 EPS – Ongoing Earnings		$0.31

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

(1) Includes additional month of operations, performance improvement and interest expense from the 2011 equity units.

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Pennsylvania Regulated Segment Earnings Drivers

		2nd Quarter
2011 EPS – Ongoing Earnings		$0.06
O&M	(0.02)	
Income taxes & other	0.01	
Total		(0.01)
2012 EPS – Ongoing Earnings		$0.05

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Supply Segment Earnings Drivers

		2nd Quarter
2011 EPS – Ongoing Earnings		$0.12
East energy margins	0.01	
West energy margins	(0.01)	
O&M	(0.01)	
Income taxes & other	(0.02)	
Dilution	(0.01)	
Total		(0.04)
2012 EPS – Ongoing Earnings		$0.08

Note: See Appendix for the reconciliation of earnings from ongoing operations to reported earnings.

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Appendix

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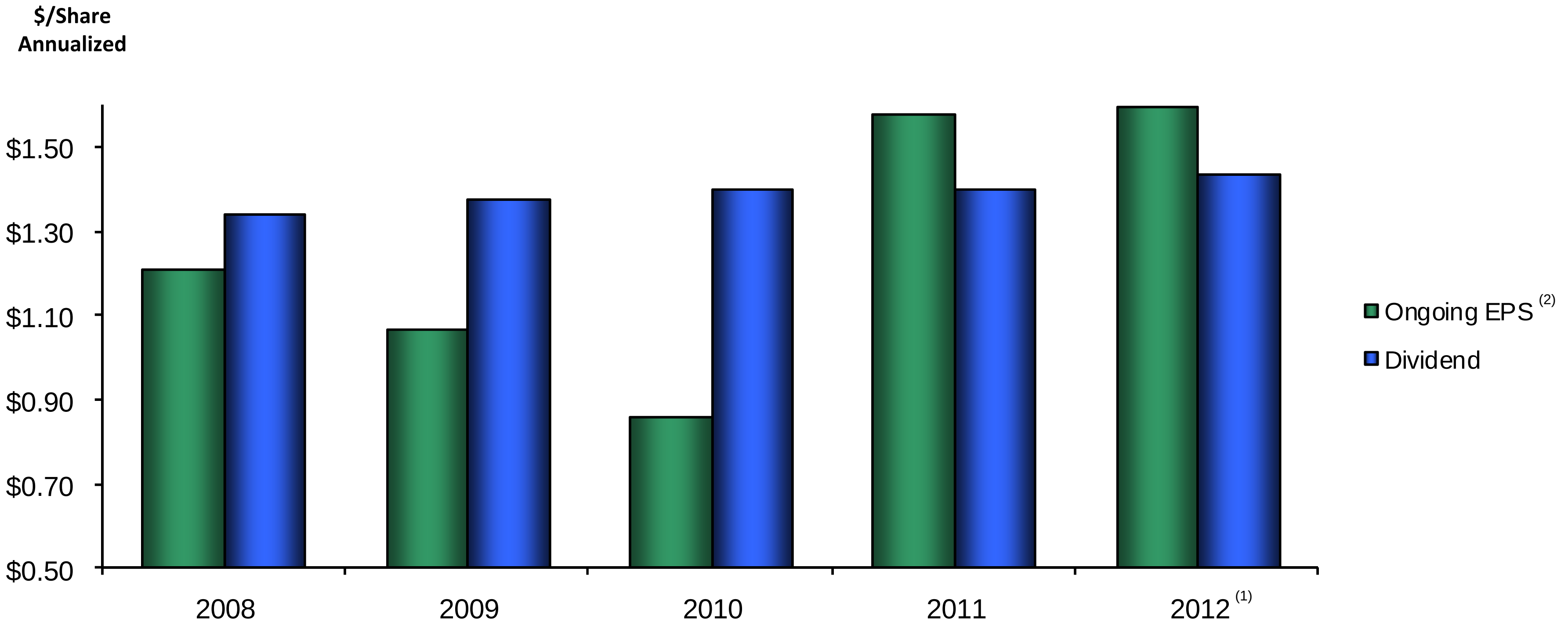
Dividend Profile

A significantly more rate-regulated business mix provides strong support for current dividend and a platform for future growth



(1) Ongoing EPS based on mid-point of forecast. Annualized dividend based on 2nd quarter declaration. Actual dividends to be determined by Board of Directors.

(2) From only regulated segments.

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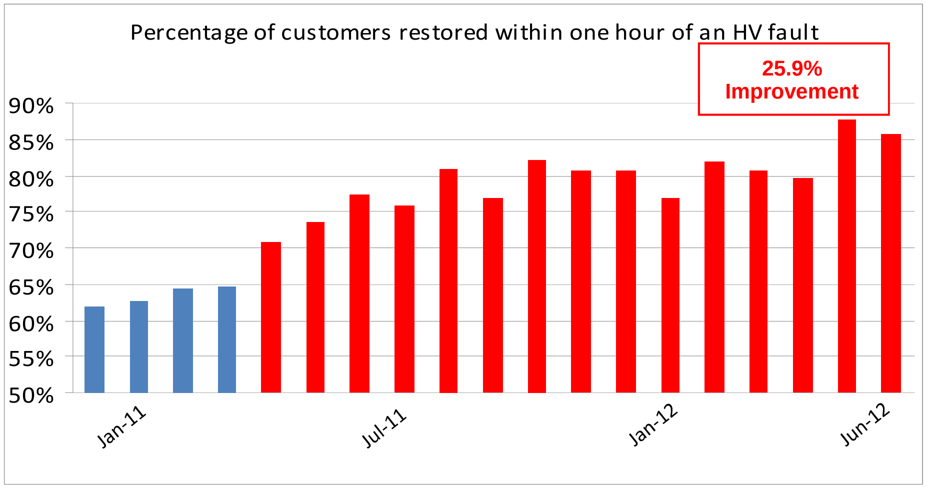
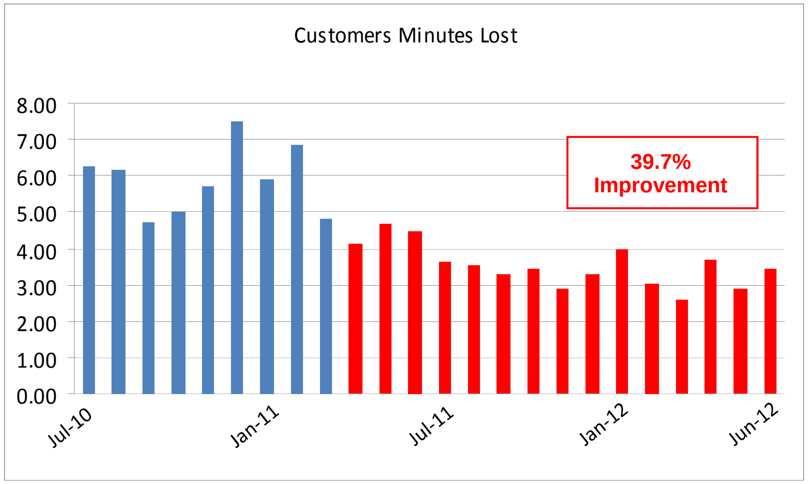
Midlands Integration – Improved Network Performance

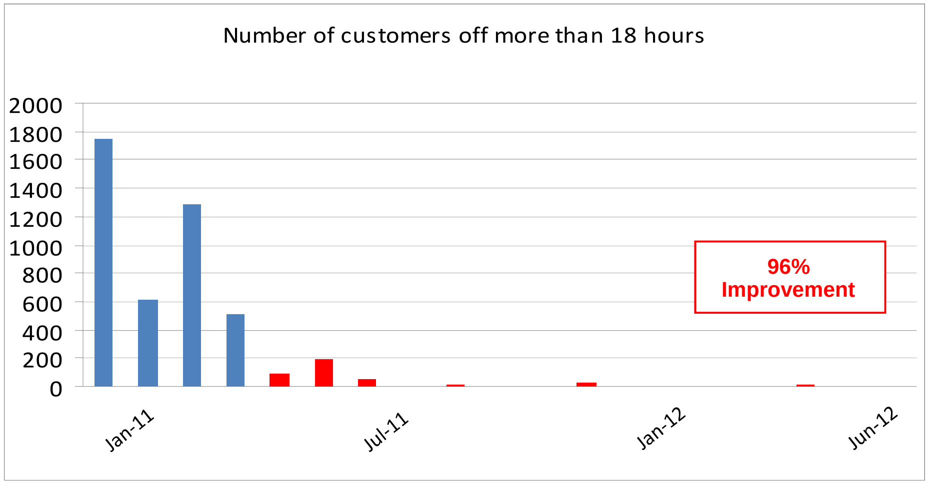
Target 60



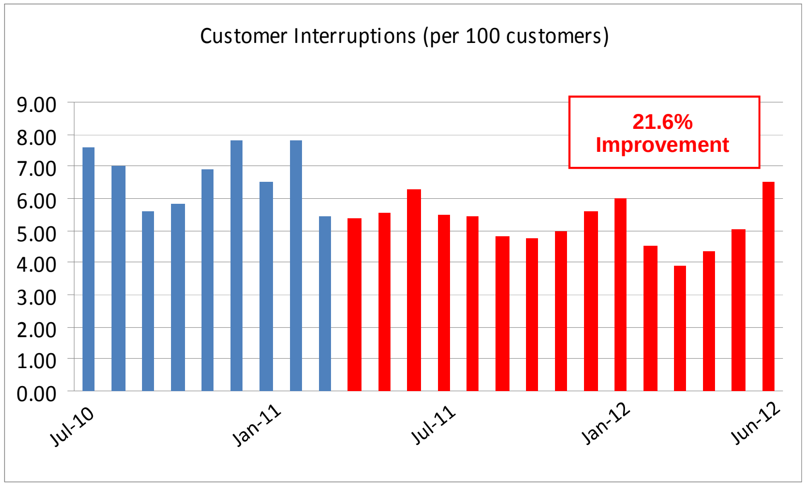
Customer Minutes Lost



18 Hour Standard



Customer Interruptions (per 100 customers)



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U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

Provisional Timing	**Milestone**
September 2012	Publication of Strategy Consultation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consultation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory consultation on new license conditions
April 1, 2015	**Price control commences**

Source: Ofgem Press Release dated February 6, 2012

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LG&E and KU Rate Case Facts

	LG&E		**KU**
	Electric	Gas	Electric
Revenue Increase Requested	$62.1 million	$17.2 million	$82.4 million
Test Year	12-months ended 3/31/2012	12-months ended 3/31/2012	12-months ended 3/31/2012
Requested ROE	11.00%	11.00%	11.00%
Rate Base	$1.97 billion	$0.52 billion	$3.98 billion
Common Equity Ratio	55.64%	55.64%	53.74%
1% Change in ROE =	~$15 million in revenue	~$8 million in revenue	~$18 million in revenue
Docket No.	2012-00222	2012-00222	2012-00221

Complete filings available at www.lge-ku.com/regulatory.asp

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LG&E and KU Rate Case Schedules

✓	1st Request for information received	July 31, 2012
	LG&E and KU responses filed	August 14, 2012
	Supplemental request for information received	August 28, 2012
	LG&E and KU responses filed	September 12, 2012
	Intervenor testimony filed	September 25, 2012
	Request to intervenors submitted	October 9, 2012
	Intervenor responses filed	October 22, 2012
	LG&E/KU rebuttal testimony filed	November 5, 2012
	Public meetings across the state	TBD
	Public hearing in Frankfort	TBD
	Order issued (tentative)	December 28, 2012
	New rates effective	January 2013

✓ Completed

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PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

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PPL Electric Utilities Distribution Rate Case Schedule

✓	Direct testimony of other parties	June 22, 2012
✓	Rebuttal testimony	July 16, 2012
✓	Sur-rebuttal testimony	August 1, 2012
	Evidentiary hearings	August 6, 7, 9 and 10, 2012
	Close of record	August 10, 2012
	Main briefs	August 29, 2012
	Reply briefs	September 14, 2012
	Recommended Decision	October 2012
	Order issued (tentative)	Mid-December 2012
	New rates effective	January 2013

✓ Completed

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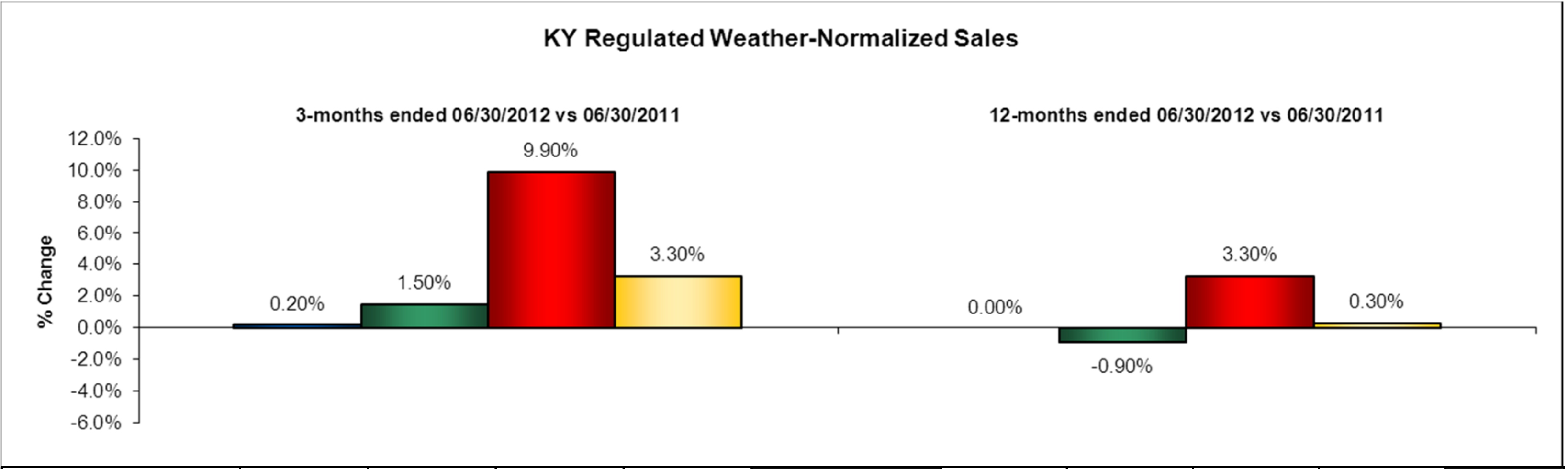
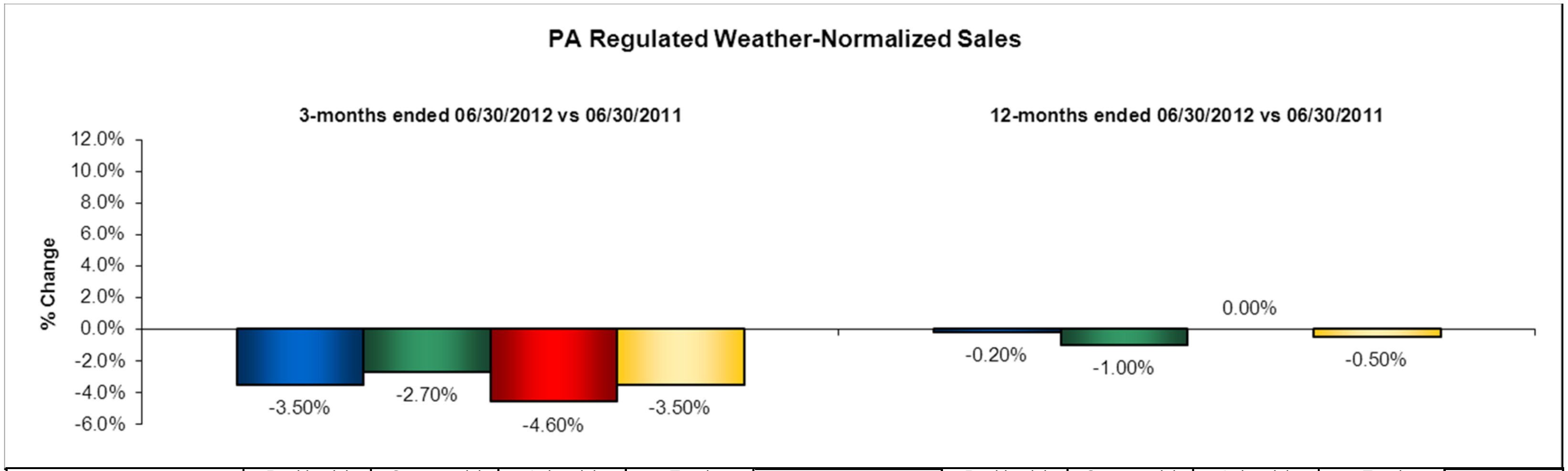
Regulated Volume Variances



	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	0.20%	150%	9.90%	3.30%		0.00%	-0.90%	3.30%	0.30%	
Actual	3.10%	2.00%	9.90%	4.30%		-6.60%	-2.40%	3.20%	-2.40%	



	Residential	Commercial	Industrial	Total		Residential	Commercial	Industrial	Total	
Weather-Normalized (charted)	-3.50%	-2.70%	-4.60%	-3.50%		-0.20%	-100%	0.00%	-0.50%	
Actual	-4.50%	-3.10%	-4.60%	-3.90%		-6.80%	-2.70%	0.00%	-3.70%	

Note: Total includes Residential, Commercial and Industrial customer classes as well as “Other”, which is not depicted on the charts above.

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Enhancing Value Through Active Hedging

	2012	2013
Baseload		
Expected Generation[1] (Million MWhs)	**45.3**	**49.7**
East	38.3	41.5
West	7.0	8.2
Current Hedges (%)	**96-100%**	**92-96%**
East	98-102%	98-102%
West	90-94%	65-69%
Average Hedged Price (Energy Only) ($/MWh)[2]		
East	$57-58	$48-49
West	$56-57	$46-49
Current Coal Hedges (%)	**108%**	**106%**
East	110%	109%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$75-77	$80-83
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation[1] (Million MWhs)	9.2	8.7
Current Hedges (%)	72%	5%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of June 30, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.
(2) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

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Market Prices

	Balance of 2012	2013
ELECTRIC		
PJM		
On-Peak	$42	$43
Off-Peak	$27	$30
ATC(1)	$34	$36
Mid-Columbia		
On-Peak	$27	$33
Off-Peak	$20	$24
ATC(1)	$24	$29
GAS(2)		
NYMEX	$2.96	$3.58
TZ6NNY	$3.16	$3.89
PJM MARKET		
HEAT RATE(3)	13.2	11.1
CAPACITY PRICES *(Per MWD)*	$123.63	$187.49
EQA	89%	90%

(1) 24-hour average.

(2) NYMEX and TZ6NNY forward gas prices on 6/30/2012.

(3) Market Heat Rate = PJM on-peak power price divided by TZ6NNY gas price.

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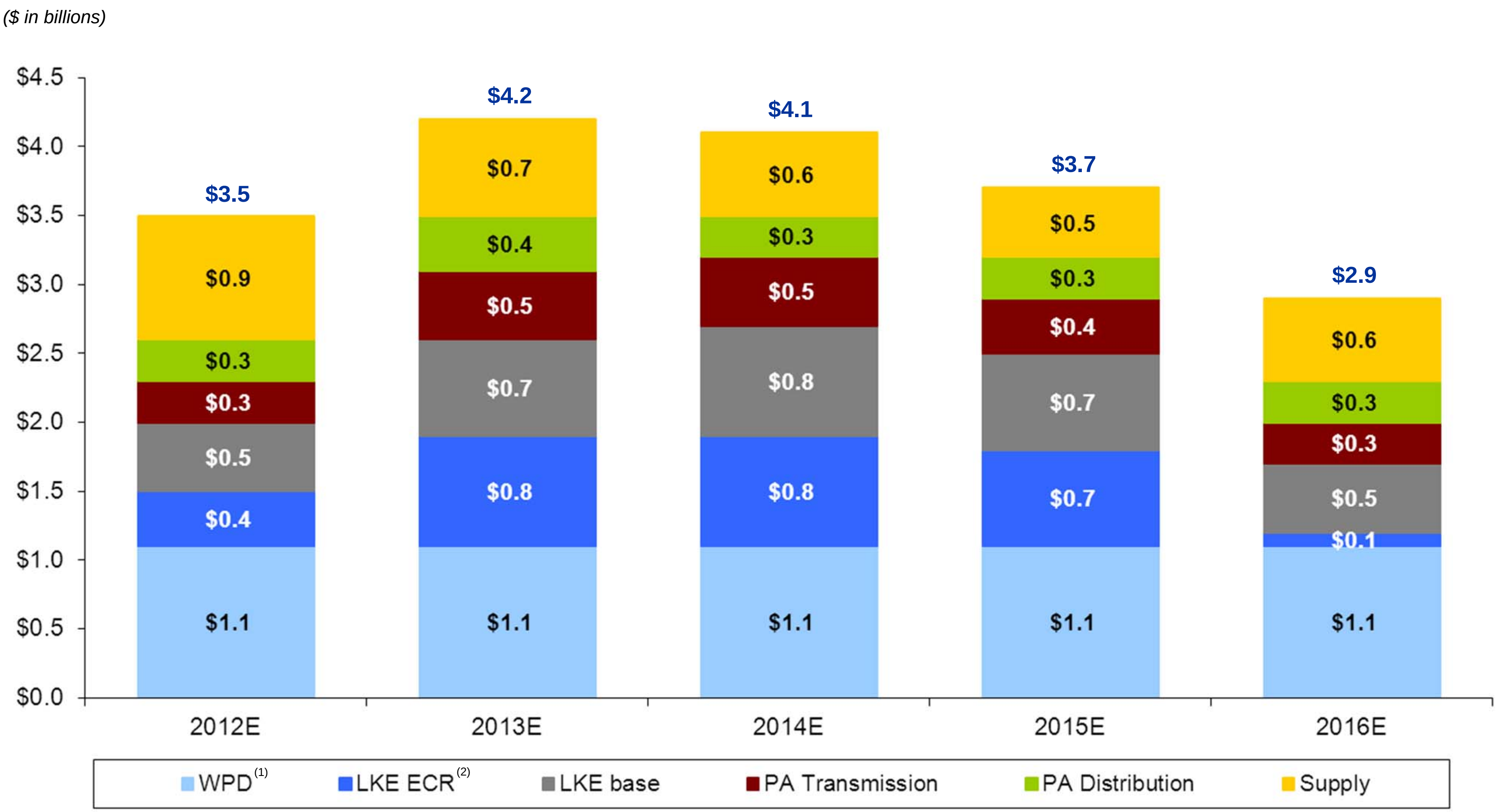
Capital Expenditures



(1) Includes capex for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP.

(2) Expect between 80% and 90% to receive timely returns via ECR mechanism based on historical experience and future projections.

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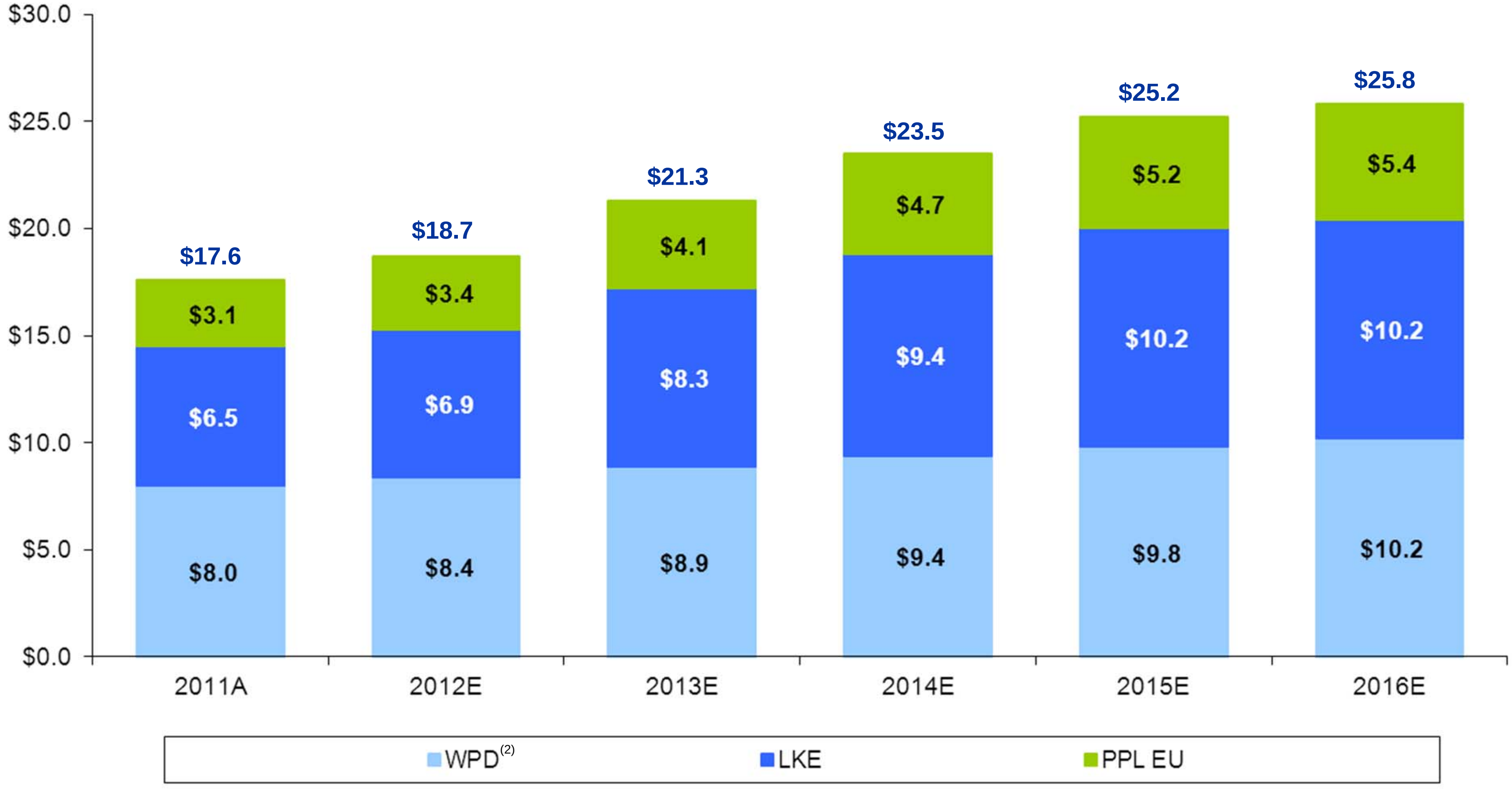
Projected Regulated Rate Base Growth

($ in billions)

2012E – 2016E Regulatory Asset Base(1) CAGR: 7.9%



(1) Represents capitalization for LKE, as LG&E and KU rate constructs are based on capitalization. Represents Regulatory Asset Value (RAV) for WPD.
(2) Includes RAV for WPD Midlands. Figures based on assumed exchange rate of $1.57 / GBP and are as of year-end December 31.

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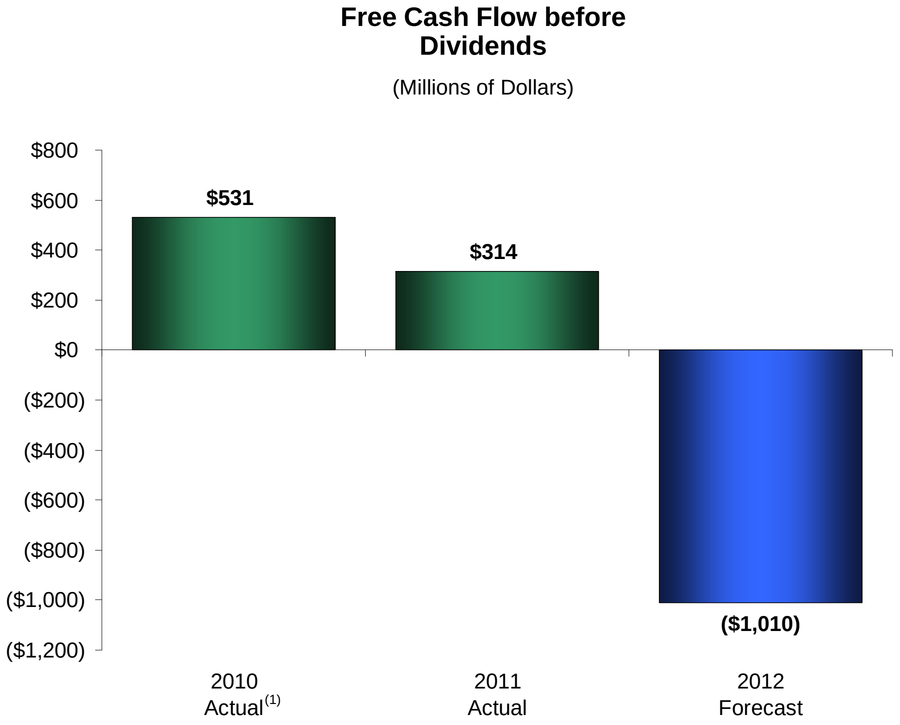
Free Cash Flow before Dividends



Reconciliation of Cash from Operations to Free Cash Flow before Dividends

(Millions of dollars)

	2010A	2011A	2012E
Cash from Operations	$ 2,034	$ 2,507	$ 2,800
Increase (Decrease) in cash due to:			
Capital Expenditures	(1,644)	(2,555)	(3,840)
Sale of Assets	161	381	
Other Investing Activities - Net	(20)	(19)	30
Free Cash Flow before Dividends	$ 531	$ 314	$ (1,010)

(1) 2010 Free Cash Flow includes two months of the results of the Kentucky Regulated segment.

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Debt Maturities

(Millions)

	2012	2013	2014	2015	2016
PPL Capital Funding	$0 (1)	$0 (2)	$0 (3)	$0	$0
LG&E and KU Energy (Holding Co LKE)	0	0	0	400	0
Louisville Gas & Electric	0	0	0	250	0
Kentucky Utilities	0	0	0	250	0
PPL Electric Utilities	0	0	10 (4)	100	0
PPL Energy Supply	6	751	318	317 (5)	368
WPD	0	0	0	0	460
Total	$6	$751	$328	$1,317	$828

Note: As of June 30, 2012

(1) Excludes $99 million of senior notes due 2047, for which PPL Capital Funding gave notice in July 2012 of its election to redeem at par in August 2012.

(2) Excludes $1.15 billion of junior subordinated notes due 2018 that are a component of PPL's 2010 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2013 is not successful.

(3) Excludes $978 million of junior subordinated notes due 2019 that are a component of PPL's 2011 Equity Units and may be put back to PPL Capital Funding if the remarketing in 2014 is not successful.

(4) Bonds defeased in substance in 2008 by depositing sufficient funds with the trustee.

(5) Represents REset Put Securities due 2035 that are required to be put by the holders in October 2015 either for (a) purchase and remarketing by a remarketing dealer or (b) repurchase by PPL Energy Supply.

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Liquidity Profile

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply (1)	Syndicated Credit Facility	Oct-2016	$3,000	$662	$0	$2,338
	Letter of Credit Facility	Mar-2013	200	128	0	72
			$3,200	$790	$0	$2,410
PPL Electric Utilities	Syndicated Credit Facility	Oct-2016	$300	$196	$0	$104
	Asset-backed Credit Facility (2)	Jul-2012	150	0	0	150
			$450	$196	$0	$254
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	0	0	300
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	0	0	300
	Uncommitted Credit Facilities		84	4	0	80
			£1,079	£4	£110	£965

Note: As of June 30, 2012

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 16% of the total committed capacity for WPD’s facilities.

(1) In July 2012, PPL Energy Supply entered into a $100 million uncommitted letter of credit facility agreement with BBVA that expires in July 2015.

(2) In July 2012, PPL Electric Utilities reduced the capacity of the asset-backed credit facility to $100 million and extended the expiration date to September 24, 2012.

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Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Quarter Ending June 30, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 39	$ 180	$ 29	$ 50	$ 298
Special Items:					
Adjusted energy-related economic activity, net				(32)	(32)
Foreign currency-related economic hedges		16			16
Acquisition-related adjusments:					
WPD Midlands					
Separation benefits		(4)			(4)
Other acquisition-related adjustments		4			4
Other:					
LKE discontinued operations	(5)				(5)
Wholesale supply cost reimbursement				1	1
Coal contract modification payments				(7)	(7)
Total Special Items	(5)	16		(38)	(27)
Reported Earnings*	$ 34	$ 196	$ 29	$ 12	$ 271

Quarter Ending June 30, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 31	$ 118	$ 36	$ 68	$ 253
Special Items:					
Adjusted energy-related economic activity, net				(3)	(3)
Foreign currency-related economic hedges		1			1
Acquisition-related adjusments:					
WPD Midlands					
2011 Bridge Facility costs		(25)			(25)
Foreign currency loss on 2011 Bridge Facility		(39)			(39)
Net hedge gains		43			43
Hedge ineffectiveness		(9)			(9)
U.K. stamp duty tax		(21)			(21)
Separation benefits		(4)			(4)
Other acquisition-related adjustments		(26)			(26)
LKE					
Sale of certain non-core generation facilities				(2)	(2)
Other:					
Montana hydroelectric litigation				(1)	(1)
Litigation settlement - spent nuclear fuel storage				29	29
Total Special Items		(80)		23	(57)
Reported Earnings*	$ 31	$ 38	$ 36	$ 91	$ 196

* Represents net income attributable to PPL Corporation

Reconciliation of Second Quarter Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

Quarter Ending June 30, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.07	$ 0.31	$ 0.05	$ 0.08	$ 0.51
Special Items:					
Adjusted energy-related economic activity, net				(0.05)	(0.05)
Foreign currency-related economic hedges		0.02			0.02
Acquisition-related adjustments:					
WPD Midlands					
Separation benefits		(0.01)			(0.01)
Other acquisition-related adjustments		0.01			0.01
Other:					
LKE discontinued operations	(0.01)				(0.01)
Coal contract modification payments				(0.01)	(0.01)
Total Special Items	(0.01)	0.02		(0.06)	(0.05)
Reported Earnings	$ 0.06	$ 0.33	$ 0.05	$ 0.02	$ 0.46

Quarter Ending June 30, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.06	$ 0.21	$ 0.06	$ 0.12	$ 0.45
Special Items:					
Adjusted energy-related economic activity, net				(0.01)	(0.01)
Acquisition-related adjustments:					
WPD Midlands					
2011 Bridge Facility costs		(0.04)			(0.04)
Foreign currency loss on 2011 Bridge Facility		(0.07)			(0.07)
Net hedge gains		0.08			0.08
Hedge ineffectiveness		(0.02)			(0.02)
U.K. stamp duty tax		(0.04)			(0.04)
Separation benefits		(0.01)			(0.01)
Other acquisition-related adjustments		(0.04)			(0.04)
Other:					
Litigation settlement - spent nuclear fuel storage				0.05	0.05
Total Special Items		(0.14)		0.04	(0.10)
Reported Earnings	$ 0.06	$ 0.07	$ 0.06	$ 0.16	$ 0.35

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Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Millions of Dollars, After-Tax)

Year-to-date June 30, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 77	$ 363	$ 62	$ 205	$ 707
Special Items:					
Adjusted energy-related economic activity, net				118	118
Foreign currency-related economic hedges		2			2
Impairments:					
Adjustments - nuclear decommissioning trust investments				1	1
Acquisition-related adjusments:					
WPD Midlands					
Separation benefits		(8)			(8)
Other acquisition-related adjustments		4			4
LKE					
Net operating loss carryforward and other tax related adjustments	4				4
Other:					
LKE discontinued operations	(5)				(5)
Counterparty bankruptcy				(6)	(6)
Wholesale supply cost reimbursement				1	1
Ash basin leak remediation adjustment				1	1
Coal contract modification payments				(7)	(7)
Total Special Items	(1)	(2)		108	105
Reported Earnings*	$ 76	$ 361	$ 62	$ 313	$ 812

Year-to-date June 30, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 106	$ 193	$ 88	$ 273	$ 660
Special Items:					
Adjusted energy-related economic activity, net				14	14
Impairments:					
Emission allowances				(1)	(1)
Renewable energy credits				(2)	(2)
Adjustments - nuclear decommissioning trust investments				1	1
Acquisition-related adjustments:					
WPD Midlands					
2011 Bridge Facility costs		(30)			(30)
Foreign currency loss on 2011 Bridge Facility		(39)			(39)
Net hedge gains		39			39
Hedge ineffectiveness		(9)			(9)
U.K. stamp duty tax		(21)			(21)
Separation benefits		(4)			(4)
Other acquisition-related adjustments		(36)			(36)
LKE					
Sale of certain non-core generation facilities				(3)	(3)
Other:					
Montana hydroelectric litigation				(1)	(1)
Litigation settlement - spent nuclear fuel storage				29	29
Total Special Items		(100)		37	(63)
Reported Earnings*	$ 106	$ 93	$ 88	$ 310	$ 597

* Represents net income attributable to PPL Corporation

Reconciliation of Year-to-Date Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

Year-to-date June 30, 2012	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.13	$ 0.62	$ 0.11	$ 0.35	$ 1.21
Special Items:					
Adjusted energy-related economic activity, net				0.20	0.20
Acquisition-related adjustments:					
WPD Midlands					
Separation benefits		(0.01)			(0.01)
Other acquisition-related adjustments		0.01			0.01
LKE					
Net operating loss carryforward and other tax related adjustments	0.01				0.01
Other:					
LKE discontinued operations	(0.01)				(0.01)
Counterparty bankruptcy				(0.01)	(0.01)
Coal contract modification payments				(0.01)	(0.01)
Total Special Items				0.18	0.18
Reported Earnings	$ 0.13	$ 0.62	$ 0.11	$ 0.53	$ 1.39

Year-to-date June 30, 2011	Kentucky Regulated	U.K. Regulated	Pennsylvania Regulated	Supply	Total
Earnings from Ongoing Operations	$ 0.20	$ 0.37	$ 0.17	$ 0.52	$ 1.26
Special Items:					
Adjusted energy-related economic activity, net				0.01	0.01
Acquisition-related adjustments:					
WPD Midlands					
2011 Bridge Facility costs		(0.06)			(0.06)
Foreign currency loss on 2011 Bridge Facility		(0.07)			(0.07)
Net hedge gains		0.08			0.08
Hedge ineffectiveness		(0.02)			(0.02)
U.K. stamp duty tax		(0.04)			(0.04)
Separation benefits		(0.01)			(0.01)
Other acquisition-related adjustments		(0.07)			(0.07)
Other:					
Litigation settlement - spent nuclear fuel storage				0.06	0.06
Total Special Items		(0.19)		0.07	(0.12)
Reported Earnings	$ 0.20	$ 0.18	$ 0.17	$ 0.59	$ 1.14

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Reconciliation of PPL's Earnings from Ongoing Operations to Reported Earnings

(Per Share - Diluted)

	Forecast		Actual	
	High 2012	Low 2012	2011	2010
Earnings from Ongoing Operations	$ 2.45	$ 2.15	$ 2.73	$ 3.13
Special Items:				
Adjusted energy-related economic activity, net	0.20	0.20	0.12	(0.27)
Foreign currency-related economic hedges			0.01	
Sales of assets:				
Maine hydroelectric generation business				0.03
Impairments:				
Emission allowances				(0.02)
Renewable energy credits			(0.01)	
Acquisition-related adjustments:				
WPD Midlands				
2011 Bridge Facility costs			(0.05)	
Foreign currency loss on 2011 Bridge Facility			(0.07)	
Net hedge gains			0.07	
Hedge ineffectiveness			(0.02)	
U.K. stamp duty tax			(0.04)	
Separation benefits	(0.01)	(0.01)	(0.13)	
Other acquisition-related adjustments	0.01	0.01	(0.10)	
LKE				
Monetization of certain full-requirement sales contracts				(0.29)
Sale of certain non-core generation facilities				(0.14)
Discontinued cash flow hedges and ineffectiveness				(0.06)
Reduction of credit facility				(0.01)
2010 Bridge Facility costs				(0.12)
Other acquisition-related adjustments				(0.05)
Net operating loss carryforward and other tax related adjustments	0.01	0.01		
Other:				
Montana hydroelectric litigation			0.08	(0.08)
LKE discontinued operations	(0.01)	(0.01)		
Health care reform - tax impact				(0.02)
Litigation settlement - spent nuclear fuel storage			0.06	
Change in U.K. tax rate			0.12	0.04
Windfall profits tax litigation			(0.07)	0.03
Counterparty bankruptcy	(0.01)	(0.01)	(0.01)	
Wholesale supply cost reimbursement			0.01	
Coal contract modification payments	(0.01)	(0.01)		
Total Special Items	0.18	0.18	(0.03)	(0.96)
Reported Earnings	$ 2.63	$ 2.33	$ 2.70	$ 2.17

Gross Margins Summary

(Millions of Dollars)	Three Months Ended June 30,			
	2012	2011	Change	Per Share Diluted (after-tax) (a)
KY Gross Margins	$ 372	$ 360	$ 12	$ 0.01
PA Gross Delivery Margins by Component				
Distribution	$ 170	$ 173	$ (3)	$ -
Transmission	51	45	6	-
Total	$ 221	$ 218	$ 3	$ -
Unregulated Gross Energy Margins by Region				
Non-trading				
Eastern U.S.	$ 407	$ 395	$ 12	$ 0.01
Western U.S.	76	88	(12)	(0.01)
Net energy trading	10	10	-	-
Total	$ 493	$ 493	$ -	$ -

(a) Excludes dilution which is primarily associated with the April 2011 issuance of common stock.

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Reconciliation of Second Quarter Operating Income to Margins

(Millions of Dollars)	Three Months Ended June 30, 2012					Three Months Ended June 30, 2011				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other	Operating Income	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other	Operating Income
Operating Revenues										
Utility	$ 658	$ 403		$ 544	$ 1,605	$ 639	$ 436		$ 409	$ 1,484
PLR intersegment utility revenue (expense)		(17)	$ 17				(4)	$ 4		
Unregulated retail electric and gas			192	(13)	179			180	1	181
Wholesale energy marketing										
Realized			1,075	8	1,083			716	16	732
Unrealized economic activity				(458)	(458)				(44)	(44)
Net energy trading margins			10		10			10		10
Energy-related businesses				130	130				126	126
Total Operating Revenues	658	386	1,294	211	2,549	639	432	910	508	2,489
Operating Expenses										
Fuel	215		170	26	411	206		250	(42)	414
Energy purchases										
Realized	34	120	617	16	787	40	169	150	75	434
Unrealized economic activity				(442)	(442)				(109)	(109)
Other operation and maintenance	24	26	7	683	740	21	29	9	664	723
Depreciation	13			258	271	12			225	237
Taxes, other than income		20	7	60	87		20	7	48	75
Energy-related businesses				124	124				120	120
Intercompany eliminations		(1)		1			(4)	1	3	
Total Operating Expenses	286	165	801	726	1,978	279	214	417	984	1,894
Total	$ 372	$ 221	$ 493	$ (515)	$ 571	$ 360	$ 218	$ 493	$ (476)	$ 595

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Definitions of Non-GAAP Financial Measures

"Earnings from ongoing operations," also referred to as "ongoing earnings," should not be considered as an alternative to reported earnings, or net income attributable to PPL, which is an indicator of operating performance determined in accordance with generally accepted accounting principles (GAAP). PPL believes that "earnings from ongoing operations," although a non-GAAP financial measure, is also useful and meaningful to investors because it provides management's view of PPL's fundamental earnings performance as another criterion in making investment decisions. PPL's management also uses "earnings from ongoing operations" in measuring certain corporate performance goals. Other companies may use different measures to present financial performance.

"Earnings from ongoing operations" is adjusted for the impact of special items. Special items include:

- *Adjusted energy-related economic activity (as discussed below).*
- *Foreign currency-related economic hedges.*
- *Gains and losses on sales of assets not in the ordinary course of business.*
- *Impairment charges (including impairments of securities in the company's nuclear decommissioning trust funds).*
- *Workforce reduction and other restructuring impacts.*
- *Acquisition-related adjustments.*
- *Other charges or credits that are, in management's view, not reflective of the company's ongoing operations.*

Adjusted energy-related economic activity includes the changes in fair value of positions used economically to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in earnings from ongoing operations over the delivery period of the item that was hedged or upon realization. Management believes that adjusting for such amounts provides a better matching of earnings from ongoing operations to the actual amounts settled for PPL's underlying hedged assets. Please refer to the Notes to the Financial Statements and MD&A in PPL Corporation's periodic filings with the Securities and Exchange Commission for additional information on energy-related economic activity.

Free cash flow before dividends is derived by deducting capital expenditures and other investing activities-net, from cash flow from operations. Free cash flow before dividends should not be considered as an alternative to cash flow from operations, which is determined in accordance with GAAP. PPL believes that free cash flow before dividends, although a non-GAAP measure, is an important measure to both management and investors, as it is an indicator of the company's ability to sustain operations and growth without additional outside financing beyond the requirement to fund maturing debt obligations. Other companies may calculate free cash flow before dividends in a different manner.

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Definitions of Non-GAAP Financial Measures

"Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" and "Depreciation." These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.

"Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.

"Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment utility revenue (expense)." PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's adjusted energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

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Presentation to Standard and Poor's

September 23, 2010

Agenda

- Executive Summary (Including 6/30 YTD Results)

- Utility Review
  - 2010 Performance Outlook
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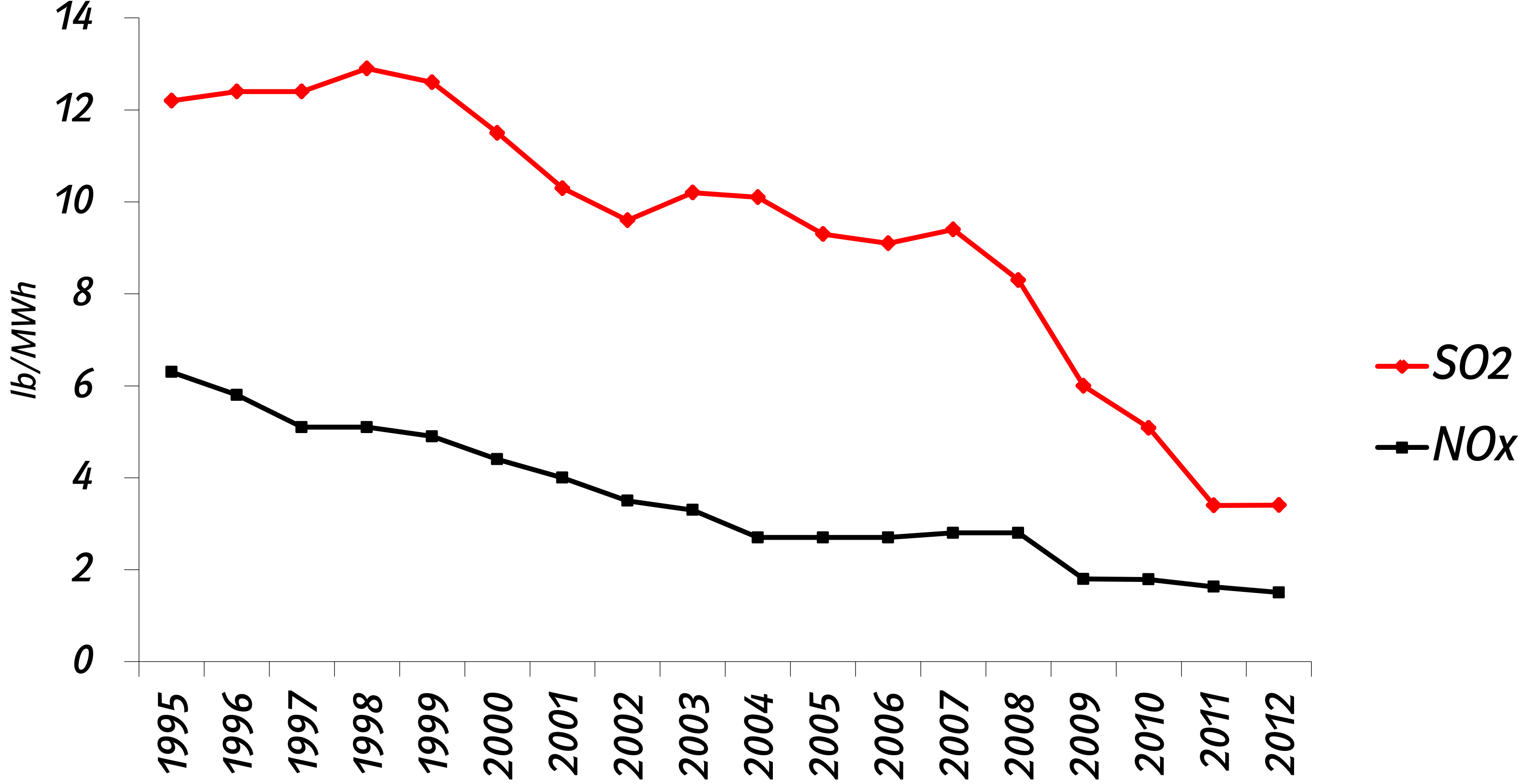

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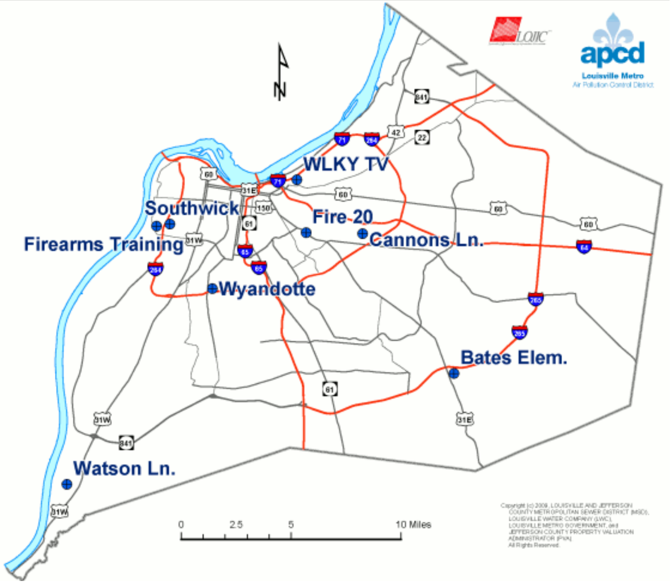

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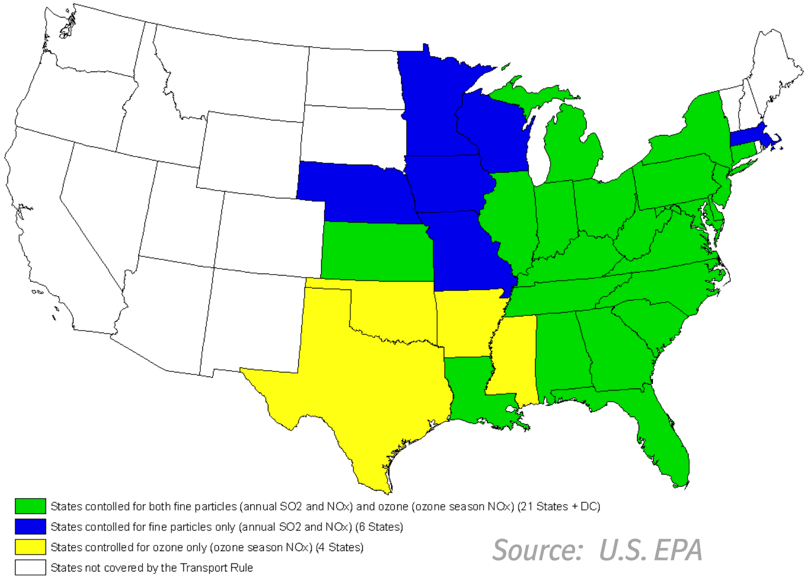

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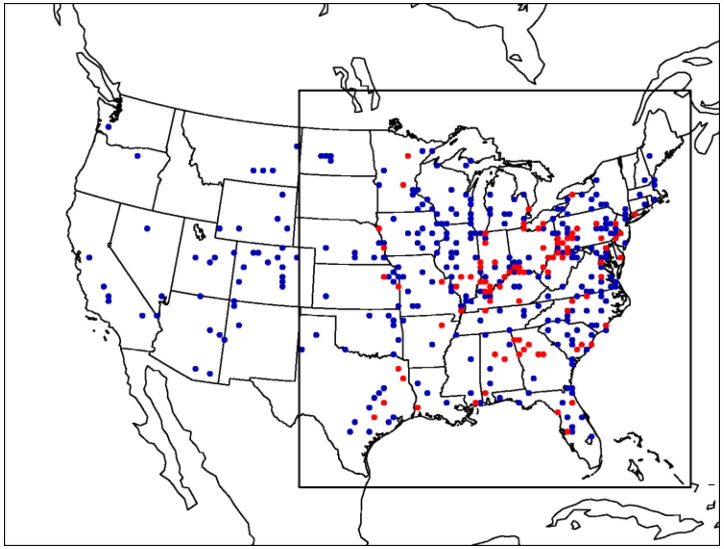

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e·on | U.S.

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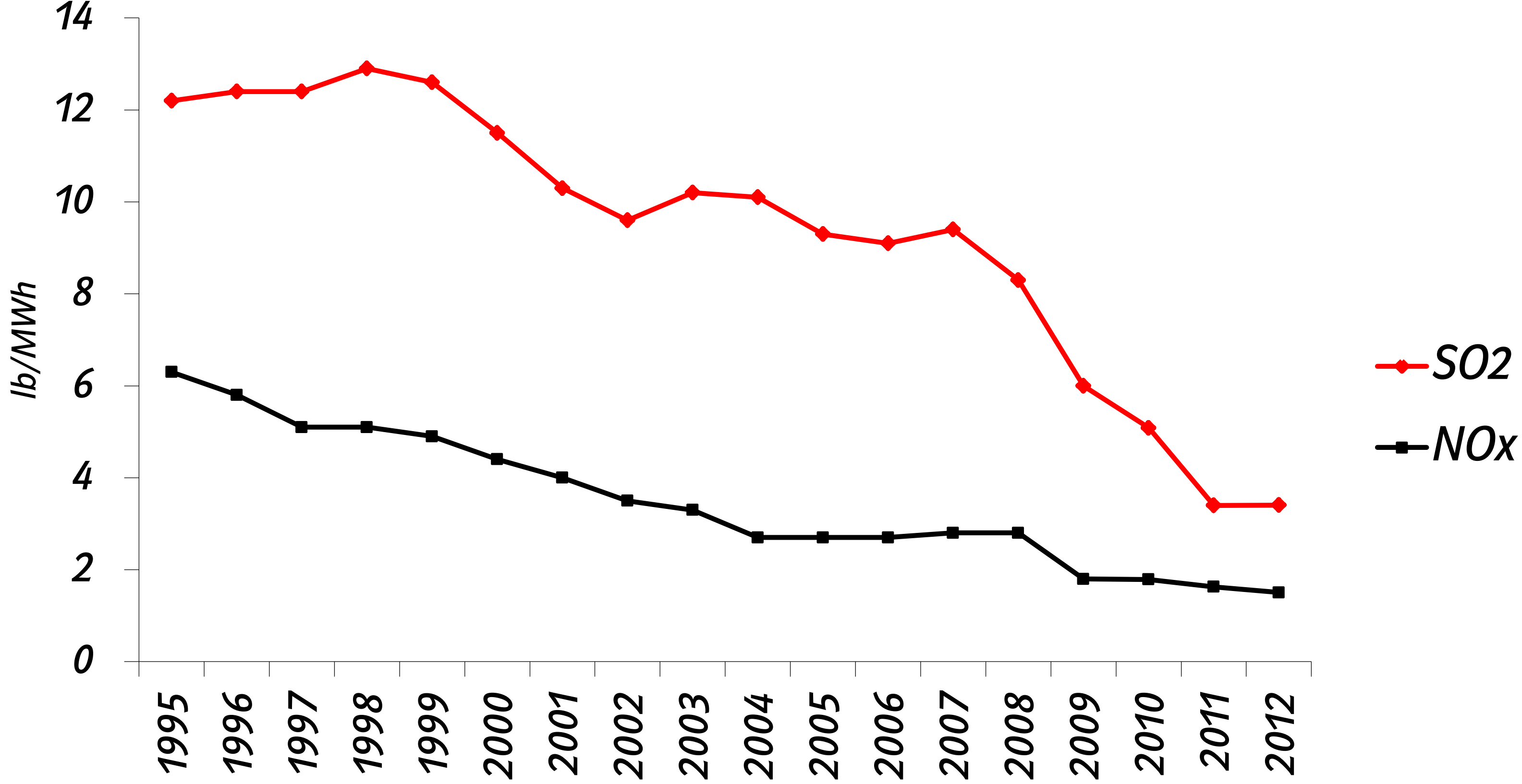

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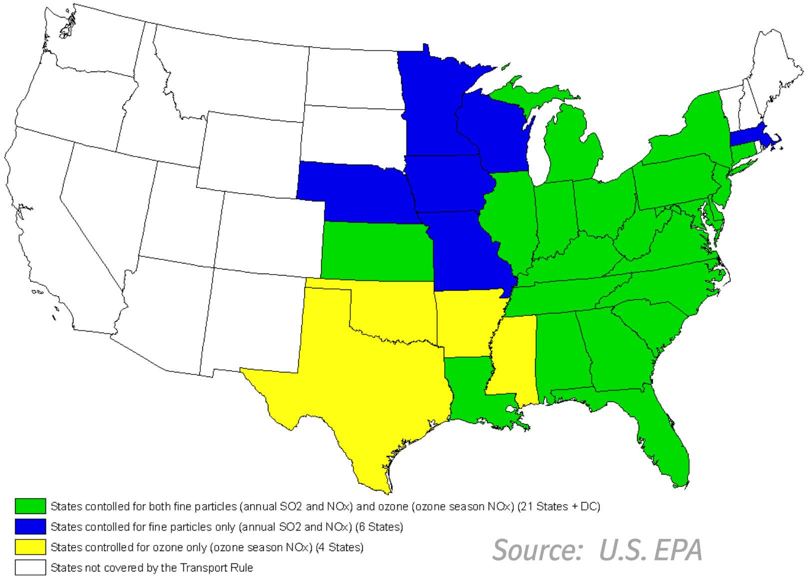

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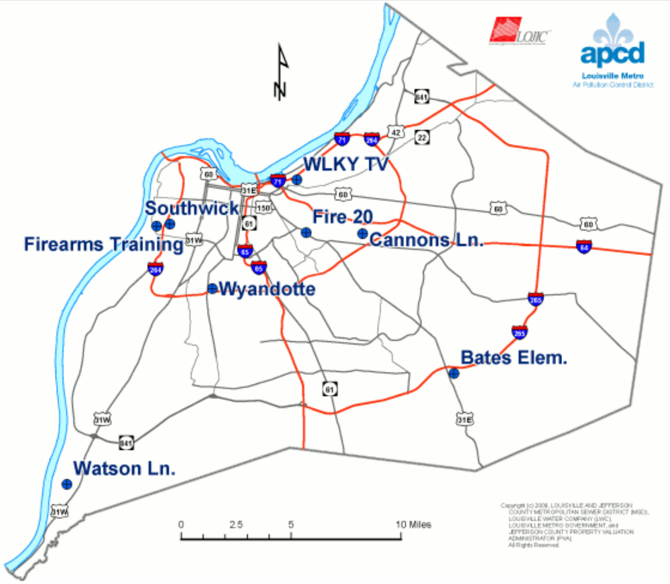

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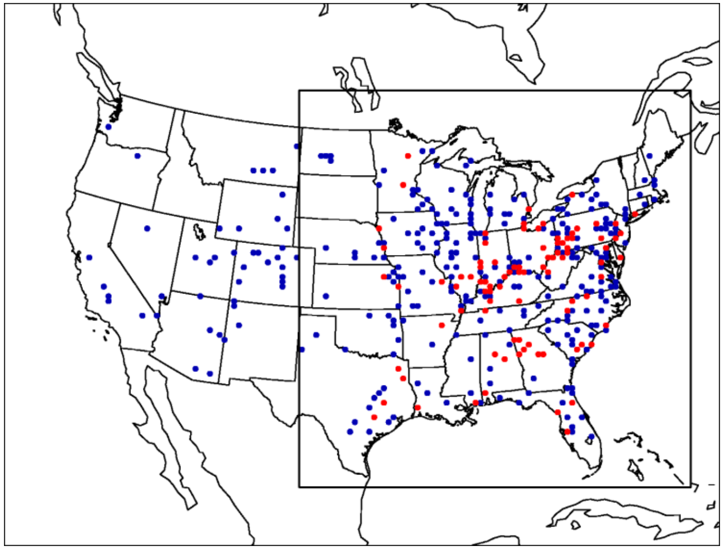

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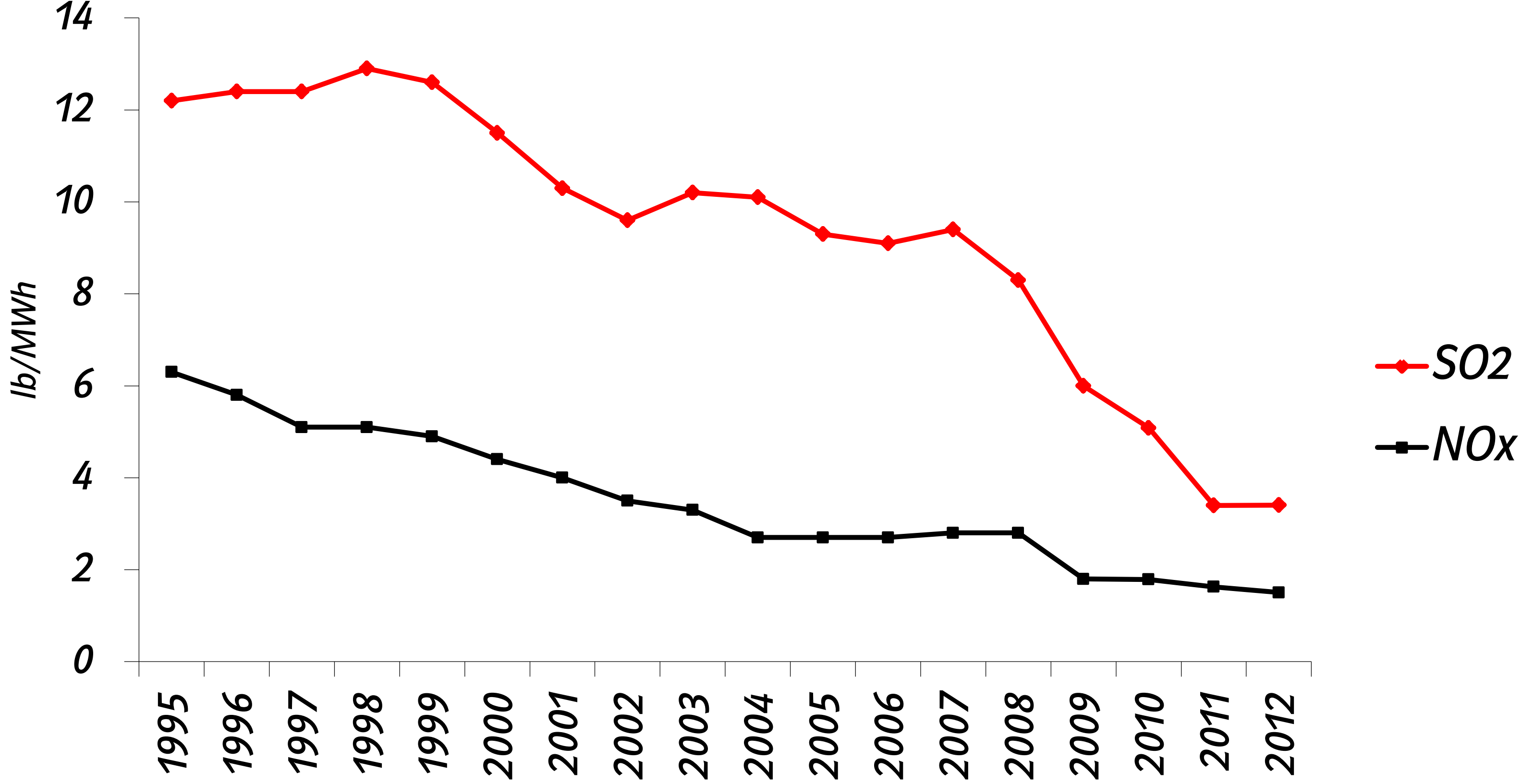

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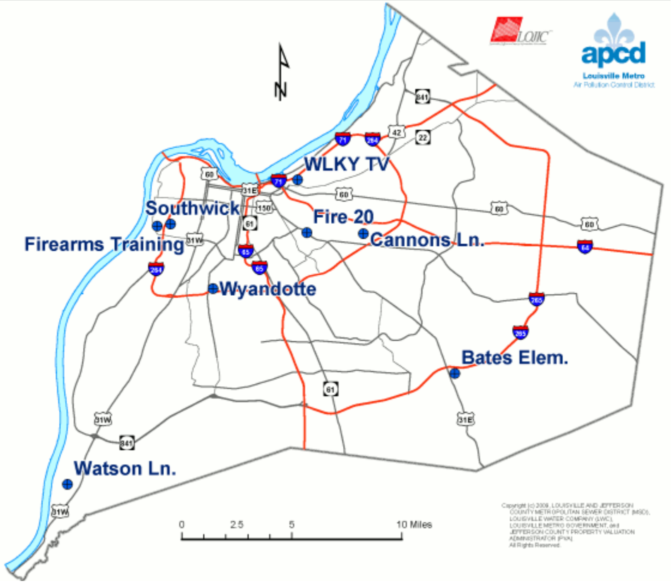

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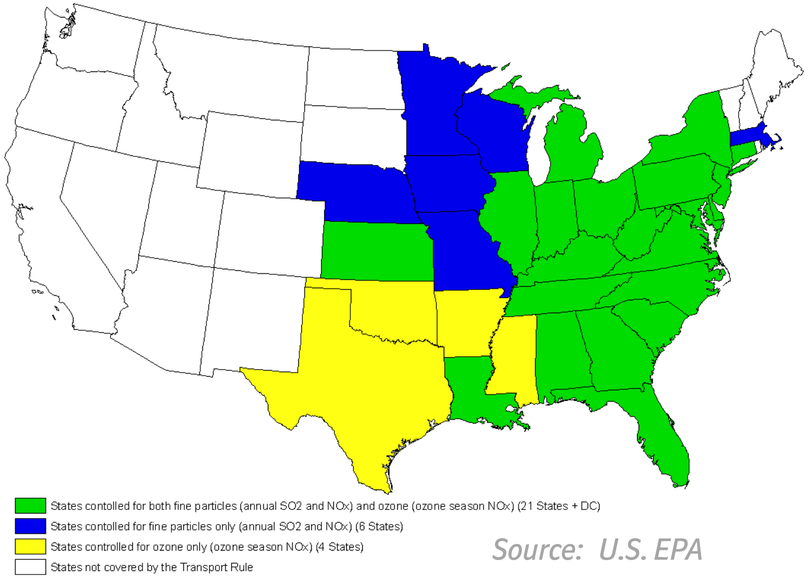

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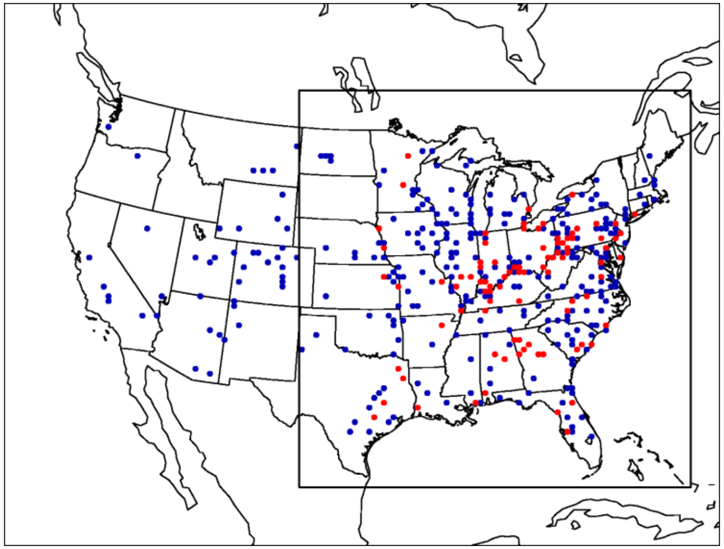

Source: U.S. EPA

- **CO_2** *Best Available Control Technology (BACT) – EPA will require implementation of BACT despite the consensus that no control technology is currently available.*

New coal combustion products and water regulations

- *Coal Combustion Products* **(CCP)** *– Despite past EPA determinations that CCPs do not pose any significant human health or environmental risks, EPA is considering designation of CCPs as a "hazardous waste" subject to extensive requirements or modifying current "non-hazardous" rules with more stringent requirements. Both approaches will increase costs.*

- *Water quality – EPA is revising cooling water withdrawal and water discharge guidelines and standards.*

Short compliance timelines likely once final rules are issued

- National Ambient Air Quality Standards **(NAAQS)** for NO_x and SO_2 –
  Issued: February - June 2010; Compliance: January - June 2017

- Clean Air Transport Rule **(CATR)** –
  Projected Final Rule: June 2011; Compliance: January 2012 & January 2014

- Maximum Achievable Control Technology **(MACT)** for Hazardous Air Pollutants (HAP) –
  Projected Final Rule: November 2011; Compliance: January 2015

- Carbon Dioxide **(CO_2)** Best Available Control Technology (BACT) –
  Issued: May 2010; Compliance: January 2011

- Coal Combustion Products **(CCP)** –
  Alternatives Proposed: May 2010; Projected Final Rule: uncertain;
  Compliance: within 5 years of final rule

- Water quality – Water withdrawal
  Projected Issue date: December 2010; Water Discharge Projected Issue date: 2012;
  Compliance: Uncertain

What is the Company doing?

- *Evaluating multiple compliance alternatives*
- *Participating in* industry *efforts to advocate more reasonable regulations and timelines*
- *Communicating our concerns directly with EPA on proposed regulations*
- *Educating elected officials, regulators and customers on the effect of the federal regulations will have on their electric bill*

WKE Unwind Update

WKE Unwind Update

Information redacted pursuant to August 14, 2012 Response.

Ratings Requests

Ratings Requests

- *Rate new taxable first mortgage bonds at LG&E and KU.*
- *Rate new unsecured debt to be issued by E.ON U.S.*
- *Provide ratings for tax-exempt bonds to be reissued in mid October by LG&E.*
- *Provide ratings for existing tax-exempt bonds that will have first mortgage bond lien collateral added.*
- *Provide ratings for KU tax-exempt debt that is enhanced with letters of credit when replacement L/C's are issued within one-month post-closing.*

PPL Corporation
Rating Agency Review
Standard & Poors

August 4, 2011

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Today’s Agenda

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PPL Mission, Strategic Goals, and Strategic Objectives

Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners

Strategic Goals

- Achieve stable, long-term income growth in rate-regulated electric utility businesses through efficient operations and strong customer and regulatory relationships
- Achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings

Strategic Objectives (Execution)

- Own and operate high-quality electric utility businesses in the U.S. and the U.K.
- Continue to rebalance regulated/ competitive business mix by growing rate-regulated electric utility businesses
- Own and operate low-cost generating fleet in select regions of the U.S.
- Maintain a disciplined marketing program, backed by comprehensive risk management, to match generating capacity to fixed priced contracts

Key Financial Objectives

- Maintain stable investment-grade ratings
- Provide total returns to investors that meet or exceed expectations

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PPL Corporation
Business and Financial Overview

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PPL’s Strengths

PPL’s strengths have a positive impact on credit….

- PPL is well positioned as a top tier “Hybrid Utility” with significant regulated growth opportunities
- PPL operates in progressive regulatory arenas that allow for timely recovery of capital
- Our Supply business has scale in an efficient market with significant upside potential
- We have a proven record of execution on both strategic and operational fronts

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Update on Key Business Events – YTD 2011

- In January, new distribution rates became effective for all PPL Electric Utilities' customers
- In January, Trimble County 2 coal-fired power plant went into service (KU and LG&E own 75%)
- In January, PPL contributed $432 million to its pension plans
- In March, PPL completed the sale of its interests in the University Park and Wallingford gas-fired generating stations and its 49% interest in the Safe Harbor hydro facility
- On April 1, PPL completed its acquisition of the Central Networks electric distribution business in central England from E.ON AG for approximately $6.5 billion

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Update on Key Business Events – YTD 2011 (Contd.)

- On April 5, SSES Unit 2 shutdown for its scheduled outage for refueling and generation uprate
  - Defects in certain low pressure turbine blades were found during a planned inspection of the Unit 2 turbine.
    - Replacement of the blades was required which was outside the original scope of the outage
    - As a result, the Unit 2 outage was extended about 6 weeks returning to service on June 29

- On May 16, Unit 1 was shut down to inspect its turbine blades
  - The inspection revealed turbine blade damage identical to that found in Unit 2
  - Turbine blades were replaced and the unit returned to service on June 24

- After-tax impact to 2011 earnings is estimated to be about $60 - $65 million

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Update on Key Business Events – YTD 2011 (Contd.)

- In May, PPL Susquehanna, LLC (“SSES”) and the Department of Energy reached a $50 million settlement for costs incurred for temporary onsite storage of spent nuclear fuel through 2009 and for reimbursement of allowed costs through December 2013

- In May, LG&E and KU notified the Kentucky Public Service Commission of their intent to file Environmental Cost Recovery (“ECR”) plans for $2.5 billion of upgrades to their coal-fired plants to comply with new and pending U.S. EPA regulations

- In June, the U.S. Supreme Court agreed to hear PPL Montana’s appeal to a state Supreme Court ruling that PPL Montana must pay rent for using riverbeds where the Company’s hydroelectric dams are located

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2011 Earnings Forecast

PPL forecasts ongoing earnings per share between $2.50 and $2.75 in 2011

- The largest positive drivers of the earnings is a full-year of earnings from our Kentucky Regulated segment and a partial year of earnings from our newly acquired U.K. businesses
- Offsetting these benefits:
    - Lower wholesale energy margins
    - Dilution of $0.75 per share associated with the June 2010 and April 2011 common stock issuances to acquire our new businesses

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2011 Update – Components of Free Cash Flow

(Millions of Dollars)

	PPL Corporation	PPL Corporation and Eliminations	PPL Electric Utilities	PPL Energy Supply	UK	LKE Consolidated
Net Income	$ 1,257	$ (127)	$ 151	$ 619	$ 341	$ 273
Depreciation & Amortization	1,169	4	220	375	233	337
Deferred Income Taxes	569	16	27	189	13	324
Pension Funding	(530)	(55)	(98)	(127)	(81)	(170)
Other (1)	53	(156)	60	(195)	296	48
Parent Financing Adjustments	-	-	-	-	-	-
Cash from Operations	**2,518**	**(318)**	**359**	**862**	**802**	**813**
Capital Expenditures	(2,905)	(53)	(456)	(855)	(826)	(714)
Other Investing Activities (2)	(5,541)	7	3	(20)	(5,692)	161
Asset Sales	382	0	1	381	0	-
Free Cash Flow before Dividends	**(5,546)**	**(365)**	**(93)**	**368**	**(5,716)**	**260**
Common/Preferred Dividends Paid	(760)	-	(101)	(372)	(70)	(217)
Free Cash Flow after Dividends	**$ (6,306)**	**$ (365)**	**$ (194)**	**$ (4)**	**$ (5,785)**	**$ 43**

(1) Includes changes in working capital

(2) Includes sales of marketable securities, change in restricted cash, and acquisitions

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2011 Update – Capital Markets Activity

(Millions of Dollars)

	PPL Corporation	PPL Corporation and Eliminations	PPL Electric Utilities	PPL Energy Supply	UK	LKE Consolidated
Free Cash Flow after Dividends	**$ (6,306)**	**$ (365)**	**$ (194)**	**$ (4)**	**$ (5,785)**	**$ 43**
Less Security Maturities:						
Total Maturities - Long Term Debt	$ 1,150	$ -	$ 400	$ 750	$ -	$ -
Total Maturities - Preferred Stock	-	-	-	-	-	-
Repurchase of Common Stock	-	-	-	-	-	-
Intercompany Equity Transfers	(0)	3,667	-	(863)	(2,929)	125
Other	(219)	(329)	65	48	(4)	1
Total Financing Requirements	**$ 7,237**	**$ 3,703**	**$ 658**	**$ (61)**	**$ 2,853**	**$ 83**
Financing Activity:						
Debt Issuances	$ 5,528	$ 978	$ 700	$ 400	$ 3,200	$ 250
Issue of Preferred Stock	-	-	-	-	-	-
Issue of Common Stock	2,317	2,317	-	-	0	-
Change in Intercompany Debt	(0)	713	(150)	(458)	4	(109)
Use of/(Increase in) Cash on Hand	(674)	(304)	108	47	(351)	(174)
Change in Short-term Debt	66	-	-	(50)	0	116
Total Financing Sources	**$ 7,237**	**$ 3,703**	**$ 658**	**$ (61)**	**$ 2,853**	**$ 83**

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2011 Update – Liquidity

Our plans call for extending the domestic syndicated credit facilities out to 2016 at substantially lower costs

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$122	$250	$2,628
	Secured Trading Facility	Sep-15	800	0	0	800
	Letter of Credit Facility	Mar-2013	200	55	0	145
			$4,000	$177	$250	$3,573
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£113	£37
	WPD (South West) Syndicated Credit Facility	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		113	3	0	110
			£1,073	£144	£113	£816

Note: As of June 30, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.
- In July 2011, PPL Electric Utilities extended the expiration date of its Asset-backed Credit Facility to July 2012.

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Overview of PPL Corporation's Preliminary 2012 – 2015 Business Plan

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Cash from Operations (1)

Beyond 2012, rate-regulated businesses are PPL’s primary source of cash from operations

Information redacted pursuant to August 15, 2012 Response.

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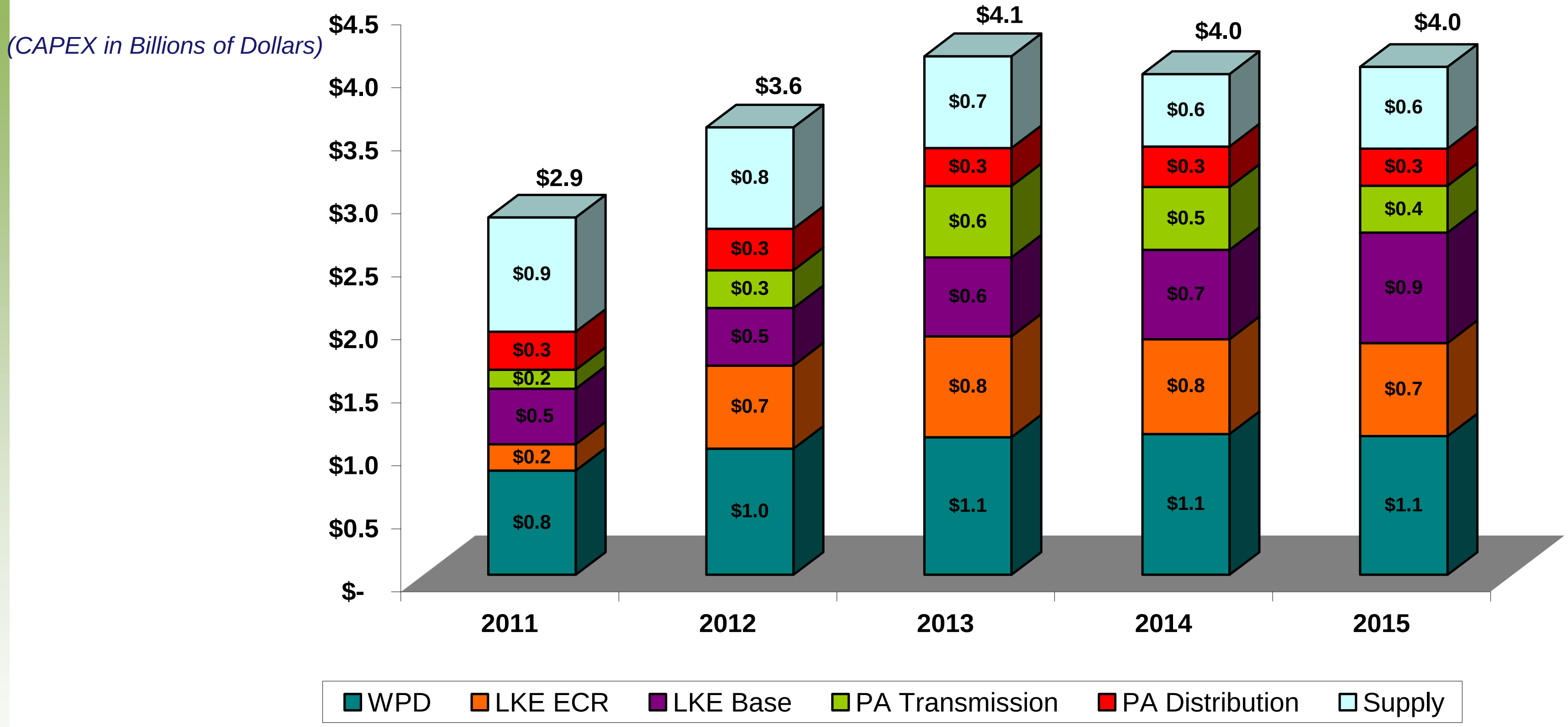
Investing in the Business

Investment in rate-regulated businesses drives rate base growth… Over 60% of the rate-regulated Capex is subject to near time recovery



(1)

	2011	2012	2013	2014	2015
Regulated Rate Base	$18.0	$19.2	$21.4	$23.4	$25.2

CAGR
2012 – 2015
9.5%

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Sources and Uses

Cash from operations is the primary funding source for new investment opportunities

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PPL Rate-Regulated Utility Businesses

Business Overview

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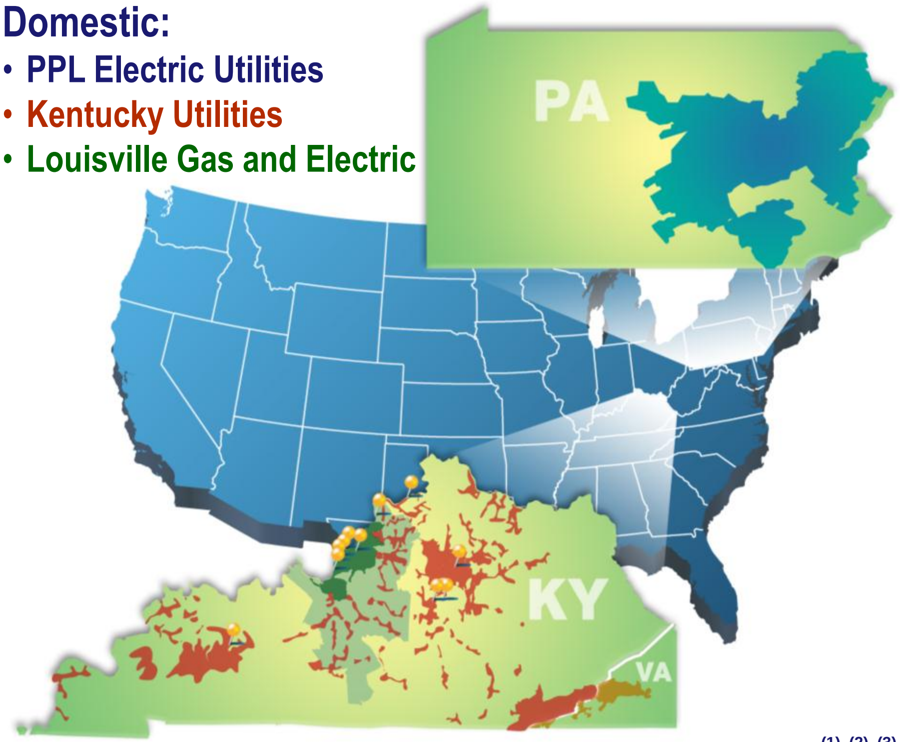
Diverse Source of Stable Cash Flows

Domestic:
- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric



International:
- WPD South Wales
- WPD South West
- WPD West Midlands
- WPD East Midlands

	No. of Customers	Rate Base[(1), (2), (3)]	Authorized Return
PPL Electric - Distribution	1,400,000	$2,164	10.7% [(4)]
PPL Electric - Transmission		$797	11.68% - 12.93%
Kentucky Utilities	544,000	$3,926	10.25%
LG&E	715,000	$2,453	10.25%
WPD South Wales	1,100,000	$1,173	12.50%
WPD South West	1,500,000	$1,623	12.40%
WPD West Midlands	2,500,000	$2,394	10.40%
WPD East Midlands	2,600,000	$2,466	10.40%

(1) Millions of Dollars
(2) As of 12/31/2010
(3) Conversion of £1.60
(4) The result of the last litigated rate case with the PA PUC

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Kentucky Business Overview

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Ratemaking

	Kentucky General Rates	Virginia General Rates	FERC Formula Rate Resets	Environmental
Purpose	Recovery of jurisdictional operating expenses and return on equity investment not covered by other KPSC rate mechanisms	Recovery of operating expenses and return on equity investment to serve KU VA customers	Recovery of operating expenses and return on equity investment to serve KU full-requirements KY municipal customers (G&T only)	Recovery of operating expenses and return on equity investment of approved environmental compliance plans for coal-fired generation
Approx % of Capitalization	74%	3%	5%	18%
Last Rate Change	8/1/10	12/1/09	7/1/11	Monthly
Last Awarded ROE	10% - 10.5%	10.5%	11%	10.63%
Statutory timeframe for proceeding	10 months from filing, but utility may put rates in subject to refund after 6 months	9 months from filing	Filed annually; 60 day review period	6 months to approve Plan
Typical Regulatory Lag	9 months	1 year	1 year	2 months

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Summary of ECR Filing

Millions of Dollars

LG&E

	Projected Year of Spend						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Mill Creek FGD's	$ 4	$ 128	$ 225	$ 183	$ 105	$ -	$ 645
Mill Creek Baghouses	6	85	188	187	149	8	623
Trimble County Baghouse	-	-	23	38	58	5	124
Total LG&E	$ 10	$ 213	$ 436	$ 408	$ 312	$ 13	$ 1,392

The impact of the above expenditures on LG&E's electric customer using 1,000kWh per month is an increase of $1.96 per month, or 2.3% in 2012, and an estimated average annual increase of 3.6% over the 2011-2016 period.

KU

	Projected Year of Spend						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Brown Landfill	$ 8	$ 27	$ 24	$ -	$ -	$ -	$ 59
Brown Baghouses	5	66	125	111	36	-	343
Ghent Baghouses	5	97	198	230	169	13	712
Total KU	$ 18	$ 190	$ 347	$ 341	$ 205	$ 13	$ 1,114

The impact of the above expenditures on KU's electric customer using 1,000kWh per month is an increase of $1.13 per month, or 1.5% in 2012, and an estimated average annual increase of 2.3% over the 2011-2016 period.

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ECR Filing Schedule

All supplemental requests for information to KU/LG&E filed	08/08/11
KU/LG&E responses to supplemental requests for information due	08/22/11
Intervenor testimony filed	09/06/11
KU/LG&E send requests for information to Intervenors	09/20/11
Intervenors’ responses to requests for information	10/03/11
Rebuttal testimony, if any, to be filed	10/14/11
Last day for KU/LG&E to publish notice of hearing	TBD
Public hearing	TBD

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Update on Trimble County Unit 2

- 760 MW coal-fired generating station with ownership as follows:
  - 60.75% KU
  - 14.25% LG&E
  - 25% Third parties
- LKE took care, custody and control with limited exceptions in January 2011
- Contractor paid liquidated damages of approximately $19 million to LKE in January 2011
- Remaining burner issues to be resolved
  - Could include payment of additional liquidated damages

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KU 2011 Virginia Retail Rate Case

- Rate Case Profile:

Filed revenue increase	$9.3 million
Percentage increase	13.8%
Return on equity	11.0%

- Procedural Schedule:
  - Discovery continues into August 2011
  - Staff testimony due August 19, 2011
  - Tentative Settlement Conference on August 24, 2011
  - Rebuttal testimony due September 2, 2011
  - Public comments due by September 6, 2011
  - Hearing set September 13, 2011
  - New rates effective January 2012

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Customer Service Audit

- Required by 2010 Kentucky Public Service Commission (“KPSC”) Rate Case Orders

- Study nearly complete – report in draft stage

- Preliminary responses
  - New call center in Morganfield, KY
  - 54 new call center employees across the state
  - 7 new billing integrity positions
  - Continued commitment to superior customer service

- 2011 JD Power Results
  - KU and LG&E ranked 3rd and 4th in Mid-size Midwest Segment

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PPL Electric Utilities Business Overview

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Ratemaking

	PPL Base Distribution	PPL Transmission FERC Formula Rate	Generation Supply Charge (GSC) and Transmission Service Charge (TSC)
Purpose	Recovery of PA jurisdictional operating expenses and return on investment associated with distribution plant under retail tariff	Recovery of FERC jurisdictional operating expenses and return on investment in transmission plant under PJM OATT	Recovery of expenses associated with default service pursuant to PUC-approved procurement plans, pricing methodologies, and reconciliation methodologies
Approx % of Capitalization	76%	24%	0%
Last Rate Change	1/1/11	6/1/11	6/1/11 for GSC 6/1/11 for TSC
Last Awarded ROE	10.7% (last litigated ROE - 1/1/05)	11.68% plus 125 basis points for Susquehanna-Roseland	N/A
Statutory timeframe for proceeding	Practice within statutory timeframe has been 9 months from filing to effective date of new rates	Filed annually; 180 day review period	2 weeks
Typical Regulatory Lag	12 months (assuming annual filings)	5 months	None (subject to reconciliation)

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Regulatory Update - Distribution

Issue	Description/Impact	Status
Alternative Rate Making	Method to support timely cost recovery, reduce regulatory lag, and improve cash flow. This legislation would support PPL Electric Utilities' replacement of aging infrastructure.	HB 1294 - Legislative language pending approval by Pennsylvania General Assembly
Act 129 Post 2013	Current requirements expire May 2013. PUC required to address future requirements by November 2013. PPL Electric Utilities cannot commit to future programs under the current schedule which does not allow for seamless transition to meet potential future requirements.	The PA PUC is considering an appropriate approach to identifying future requirements.
Decoupling	Method to recover fixed costs independently from customer consumption. This mechanism is effective in recovering a utility's fixed costs in an environment where customer usage is declining. It would have minimal impact on PPL Electric Utilities if it plans to increase the frequency of rate cases.	Decoupling is an option under HB 1294 and PPL Electric Utilities is continuing to evaluate its options under this legislation
Retail Markets Investigation	Rate caps have expired for all electric distribution companies ("EDC's") in Pennsylvania. Shopping levels vary significantly among the various EDC's customers. The PA PUC is concerned that retail market structure may be inhibiting competition. PPL Electric Utilities does not expect this proceeding to adversely affect its earnings or cash flow.	PA PUC has opened an investigation of retail competition in Pennsylvania with an emphasis on default service issues. The investigation probably will not be completed before year-end 2011.
2012 Distribution Rate Case	Under traditional ratemaking, increases in capital and operating costs tend to reduce actual returns below returns allowed in the most recent base rate case.	PPL Electric Utilities is currently planning to file for a base rate increase in 2012 with rates effective 2013.

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Regulatory Update - Transmission

Issue	Description/Impact	Status
Transmission Formula Rates	PPL Electric Utilities has implemented a FERC-approved formula rate for timely recovery of its transmission-related capital and operating costs.	A formal challenge to 2010 rates is pending related to the allocation between transmission and distribution and the ROE. There has been no formal challenge filed against 2011 rates which is currently in the discovery phase.
Susquehanna-Roseland Line	PJM directed PPL Electric Utilities and PSE&G to construct a new 500kV transmission line between the Susquehanna nuclear station and the Roseland substation in New Jersey with an in-service date of mid-2012.	The PA PUC approved the project and PA Commonwealth Court affirmed its decision. NJ BPU has also approved the project. The U.S. National Park Service is conducting an environmental impact study for the portion of the line through the National Park. The projected in-service has been delayed until mid-2015.

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U.K. Business Overview

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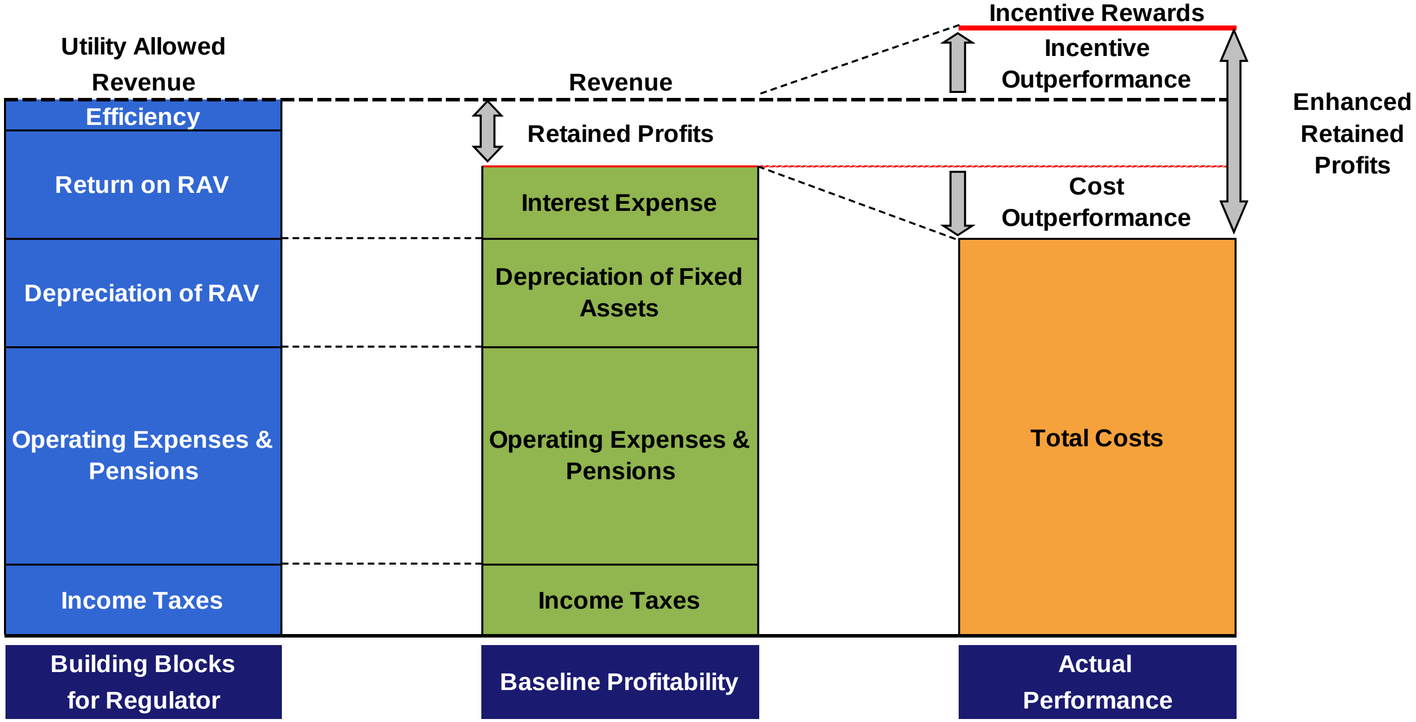
U.K. Regulatory Model

- The U.K.'s Office of Gas and Electricity Markets ("Ofgem") determines revenues for a 5-year period (8-year period in the next price review) on the basis of:
  - Efficiently incurred operating costs (comparative basis);
  - A 5-year forward assessment and funding of capital expenditures;
  - A return on and a return of capital through depreciation of the regulated asset value; and
  - Incentive revenue geared to customer service outperformance



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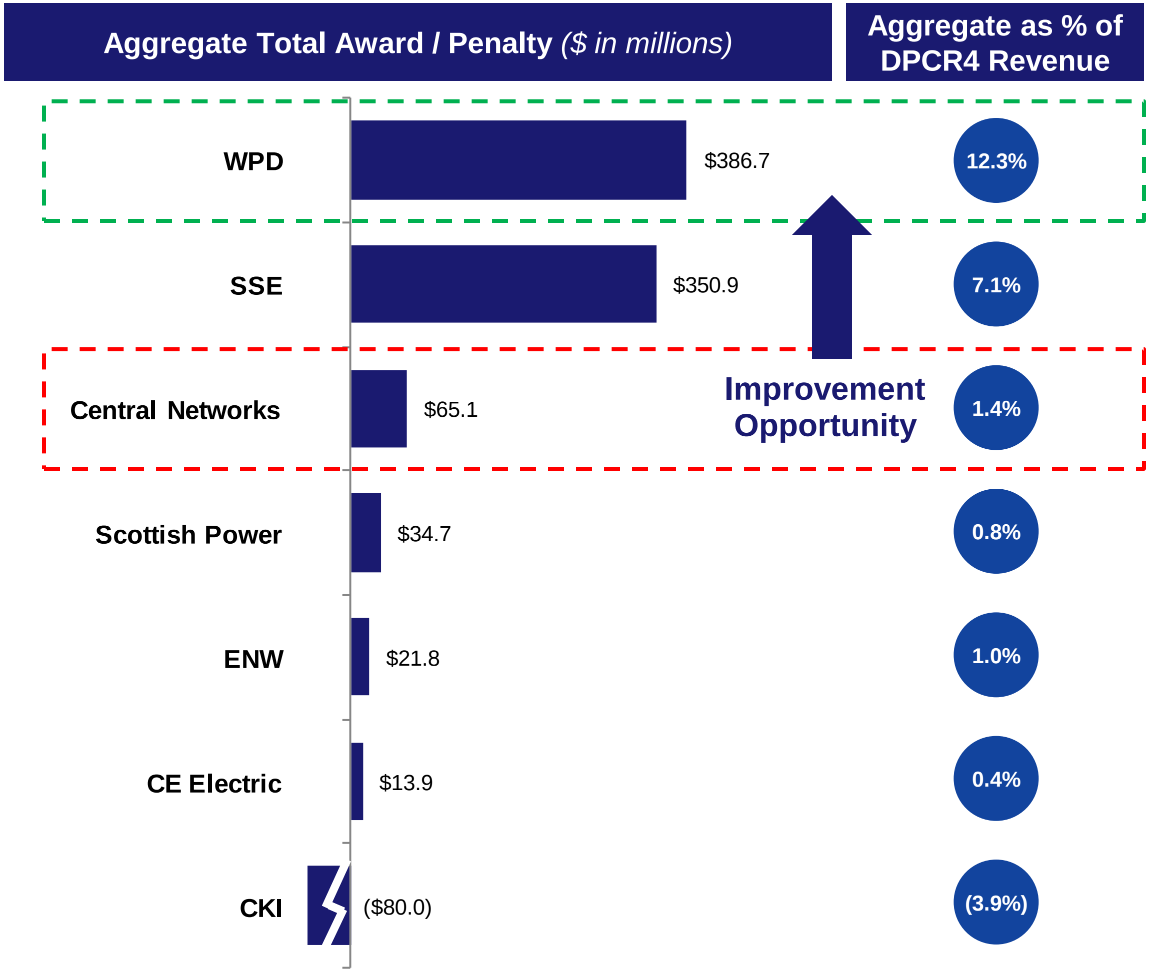
WPD Performance Rewards Top in Industry

WPD Rewards

$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*
🟧 *Rewards secured for DPCR5*



Source: Ofgem data
Note: Figures based on assumed exchange rate of $1.60 / GBP.

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Integration Update

- Permanent Refinancing completed May 2011
  - $2.3bn common stock; $978m equity units; $960m HoldCo bonds; £1.4bn OpCo bonds; £100m of Index-linked Notes
  - Acquisition Bridge Loan repaid May 2011; ahead of plan
- Road shows completed for 3,900 Midlands staff setting out WPD background values and approach to integration – 36 presentations over 9 days
- 85% of union members from the four unions voted to move to single set of WPD terms and conditions
  - Moved from three union contracts to one union contract
- New organization structure presented to workforce
  - Geographically-based versus current centralized model
  - Three Network Service Managers appointed; 18 Distribution Managers appointed; 89 Team Managers appointed
  - 600 to 800 positions identified as redundant
  - Redundancy consultation started with mid-Sept. completion date; individuals to leave in Q1 2012
- All IT, policy and working methods to be changed to WPD model; December 1st system switchover to WPD IT systems

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PPL’s Competitive Supply Business

Business Overview

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Key Business and Value Drivers

- Diverse, efficient generating fleet with the ability to meet proposed EPA regulations without substantial increase in capital or operating cost
- Ability to control spending and optimize operations in a low commodity business cycle
- Near-term capacity additions to our low cost, carbon-free nuclear and hydro facilities
- Hedging strategy that reduces near-term cash flow volatility and risk
- Improved supply/demand fundamentals

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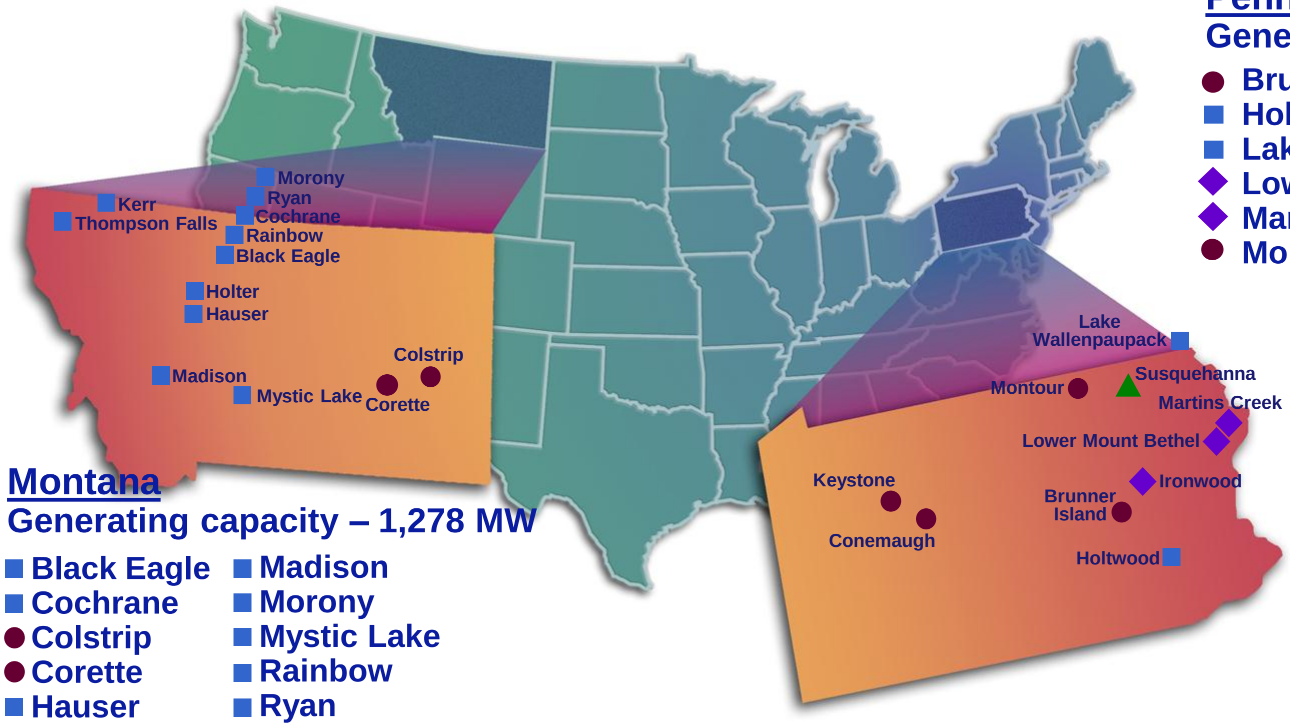
Diverse Generation Portfolio



Pennsylvania

Generating capacity – 9,482 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,278 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

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Efficient Generation Portfolio

Our generating assets are extremely well-positioned on the dispatch curve and had a utilization factor on our baseload generation of about 93% in 2010

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Actively Managing Environmental Uncertainty

Control Device Addresses		Low Nox Burners NO_x	SCR/SNCR NO_x	Scrubbers SO_2	Closed Cycle Cooling Tower Water Intake	Dry Handling/Disposal/Beneficial Use Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✓	✔	✓	**(3)**	✓
	Unit 2	✓	✔	✓	**(3)**	✓
	Unit 3	✓	✔	✓	**(3)**	✓
Montour	Unit 1	✓	✓	✓	✓	✓
	Unit 2	✓	✓	✓	✓	✓
Colstrip	Unit 1 & 2	✔	**(1)**	✓	✓	**(2)**
	Unit 3 & 4	✓	**(1)**	✓	✓	**(2)**
Keystone	Unit 1 & 2	✓	✓	✓	✓	✓
Conemaugh	Unit 1 & 2	✓	✔	✓	✓	✓

✓= Installed

✔ = Under Consideration

PPL's proactive approach to environmental compliance has made the EPA's pending regulations manageable

(1) At this time we believe that SCR/SNCRs are not required at Colstrip to meet the proposed NO_x emission units.

(2) PPL has begun to assess dry handling/disposal of CCRs at Colstrip.

(3) If required, once through cooling towers could be converted to closed cycle.

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Operating in a Down Commodity Cycle

- **Controlling Capital**
  - Reducing capital spending by over $500 million over the 5 year plan
- **Optimizing Operation**
  - Continued strong performance of our units including top quartile achievements in net capacity factor and equivalent availability factor
  - Operating at minimums during low priced off-peak periods
  - Analyzing fuel options

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Reducing Risk Through Hedging

Mark-to-Market Value of Power Hedges

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Hedging Program

	2011[4]	2012	2013
Baseload			
Expected Generation[1] (Million MWhs)	**47.9**	**54.7**	**54.4**
East	40.1	46.2	46.0
West	7.8	8.5	8.4
Current Hedges (%)	**99%**	**97%**	**69%**
East	99%	98%	69%
West	97%	95%	72%
Average Hedged Price (Energy Only) ($/MWh)[2] [3]			
East	$57	$54-55	$53-56
West	$54	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**88%**
East	100%	95%	91%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$23-27	$23-29	$23-30
Intermediate/Peaking			
Expected Generation[1] (Million MWhs)	7.6	6.2	6.3
Current Hedges (%)	87%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of June 30, 2011

(1) Represents expected sales based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of June 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes six months of actual results.

(5) Transportation contract in negotiation.

Hedging Strategy

PPL EnergyPlus continues to operate its business based on a sound risk management program

- The objective is to provide the appropriate level of near-term cash flow and earnings certainty to support credit ratings and investor expectations, well within Supply's current credit liquidity capacity (currently $3.6 billion),
- Our current hedging targets extend 3 years and consist of:
  - Band 1 – 1st year of plan: 90-100% (2012)
  - Band 2 – 2nd year of plan: 60-90% (2013)
  - Band 3 – 3rd year of plan: 0-30% (2014)

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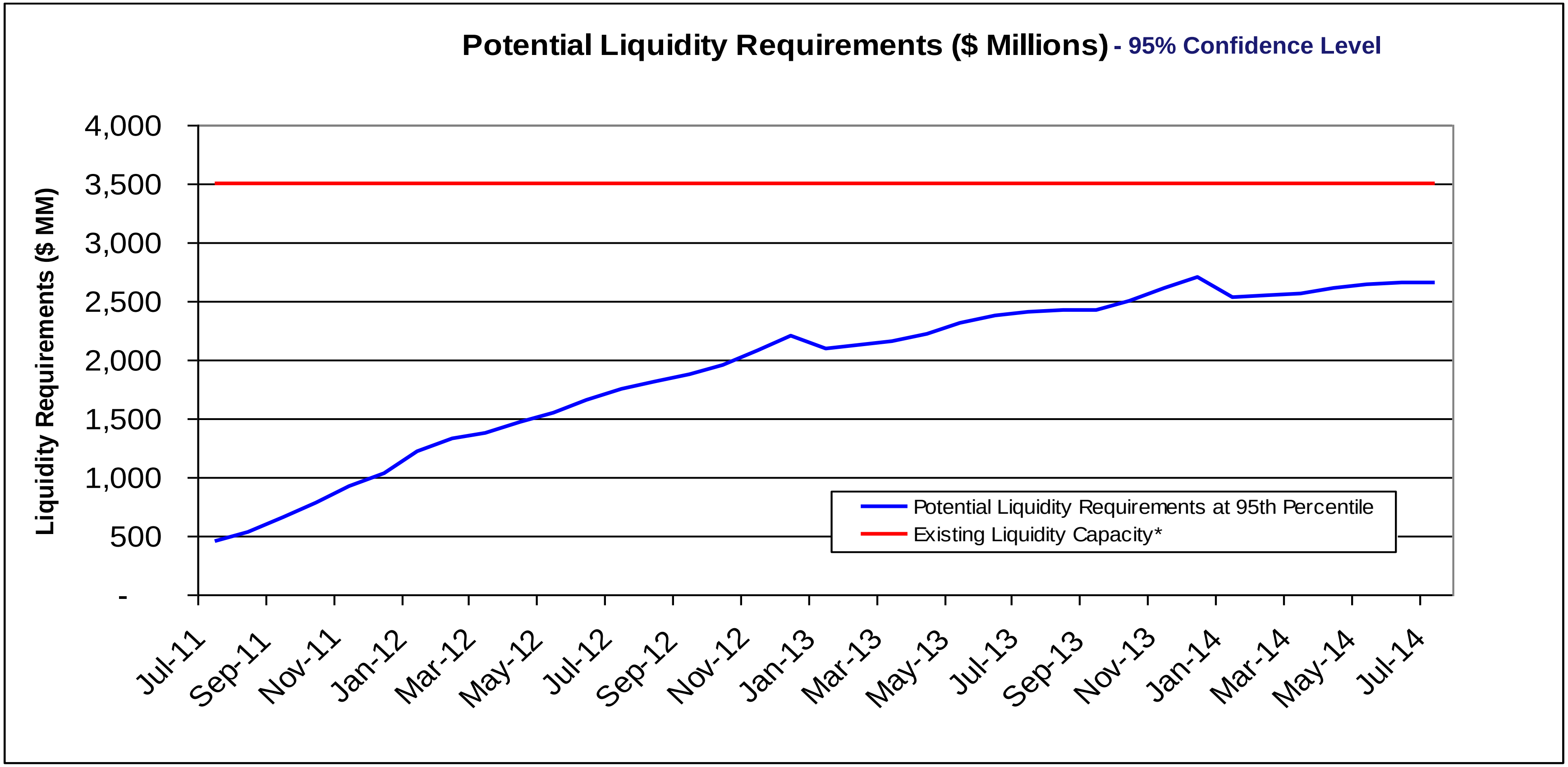
Liquidity Requirements

Based on our current hedging strategy, PPL Energy Supply has sufficient liquidity capacity to sustain over a 50% immediate increase in 2012 and 2013 forward energy prices.



* The Existing Liquidity Capacity of $3.5 billion excludes $800 million of secured trading facility.

** Based on 6/30/2011's forward curves and assumed hedged separately.

*** Includes $300 million of working capital for CAPEX and other general corporate purposes

PPL Corporation Financial Metrics

PPL Corporation

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LKE

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Kentucky Utilities

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LG & E

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PPL Electric Utilities

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U.K.

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PPL Energy Supply

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Appendix A:

Financial Metrics Details

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LKE

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Kentucky Utilities

[redacted]

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LG&E

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PPL Electric Utilities

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PPL Energy Supply

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Appendix B:

Components of Free Cash Flow 2012-2015

Capital Markets Activity Summary 2012-2015

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2012 Components of Free Cash Flow

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2012 Capital Markets Activity Summary

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2013 Components of Free Cash Flow

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2013 Capital Markets Activity Summary

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2014 Components of Free Cash Flow

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2014 Capital Markets Activity Summary

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2015 Components of Free Cash Flow

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2015 Capital Markets Activity Summary

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Appendix C:

Other

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Risk Management Program – VaR

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Counterparty Credit Risk

Strict adherence to a formalized credit risk policy limits our exposure to counterparty credit risk. The policy establishes maximum credit exposure for all levels of credit quality.

- Approximately 80% of PPL’s net credit exposure is with investment-grade counterparties (1)

Rating	% of Net Exposure
A- or better	28.90%
BBB- or better	50.87%
Below Inv. Grade	0.87%
Not Rated	19.35%

- Credit personnel are located on the marketing floor
  - Overnight mark-to-market of all credit positions
- Over the past five years, credit defaults have been $3.0 million, or 0.32% of net credit exposure

(1) As of June 30, 2011

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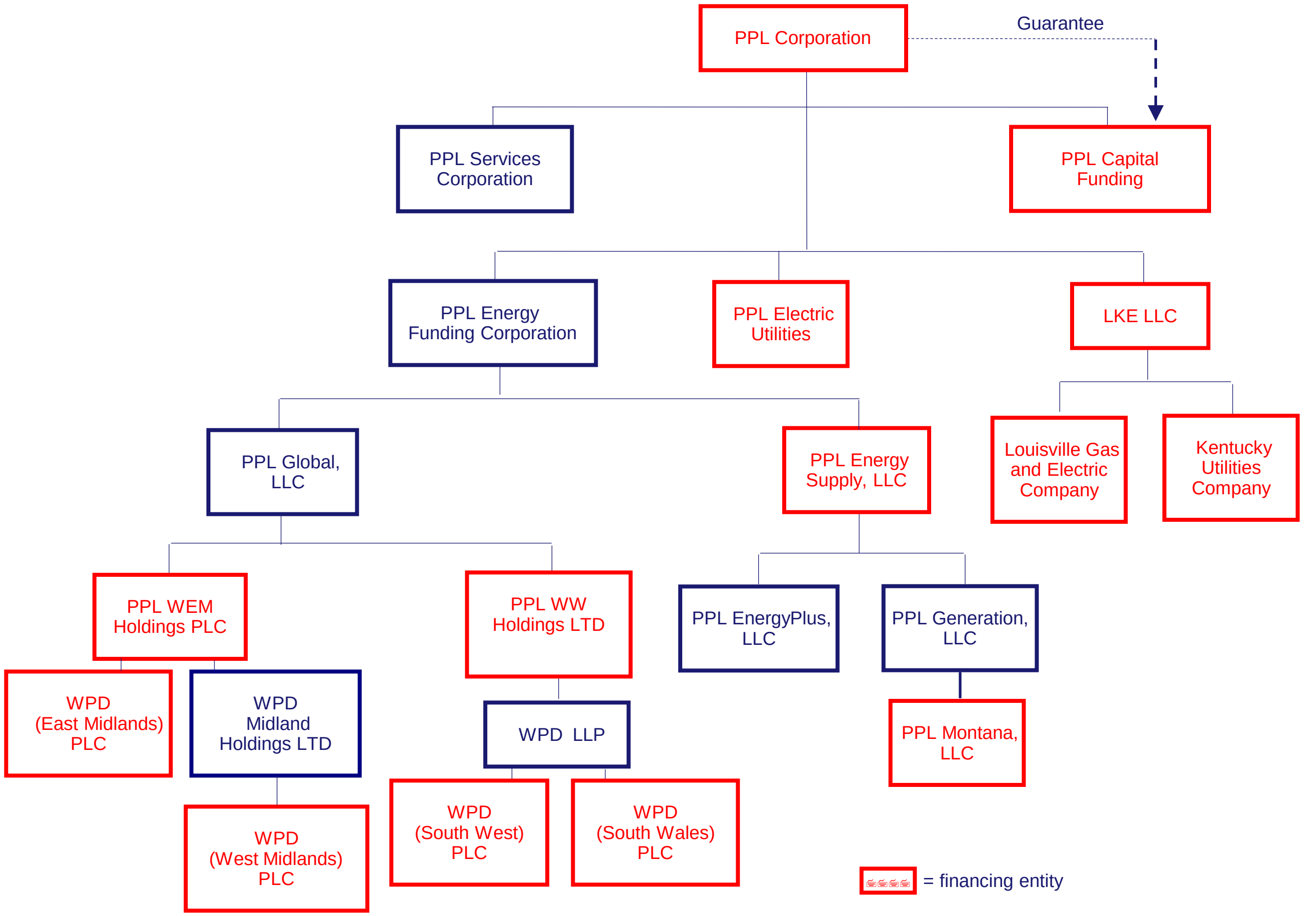
PPL Corporate Structure – Financing Entities



PPL Corporation

Guarantee

PPL Services Corporation

PPL Capital Funding

PPL Energy Funding Corporation

PPL Electric Utilities

LKE LLC

PPL Global, LLC

PPL Energy Supply, LLC

Louisville Gas and Electric Company

Kentucky Utilities Company

PPL WEM Holdings PLC

PPL WW Holdings LTD

PPL EnergyPlus, LLC

PPL Generation, LLC

WPD (East Midlands) PLC

WPD Midland Holdings LTD

WPD LLP

PPL Montana, LLC

WPD (West Midlands) PLC

WPD (South West) PLC

WPD (South Wales) PLC

🟥 = financing entity

PPL Financing Entities

- PPL Corporation
  - Common Stock
- PPL Capital Funding, Inc.
  - Senior Unsecured Notes
  - Junior Subordinated Notes
- PPL Electric Utilities Corporation
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Commercial Paper Program (with supporting Bank Lines)
  - Tax Exempt Bonds
  - Credit Facilities
  - Preference Stock
- PPL Energy Supply, LLC
  - Senior Unsecured Notes
  - Tax Exempt Bonds
  - Credit Facilities
- PPL Montana, LLC
  - Pass-Through certificates
- PPL WW Holdings, LTD and PPL WEM Holdings PLC
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (South West) and WPD (South Wales)
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (East Midlands) and WPD (West Midlands)
  - Senior Unsecured Debt
  - Credit Facilities
- LG&E and KU Energy LLC (LKE)
  - Senior Unsecured Debt
  - Medium Term Note
- Louisville Gas & Electric and Kentucky Utilities
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Tax Exempt Bonds
  - Credit Facilities

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Dividend Cash Flow to PPL Corporation

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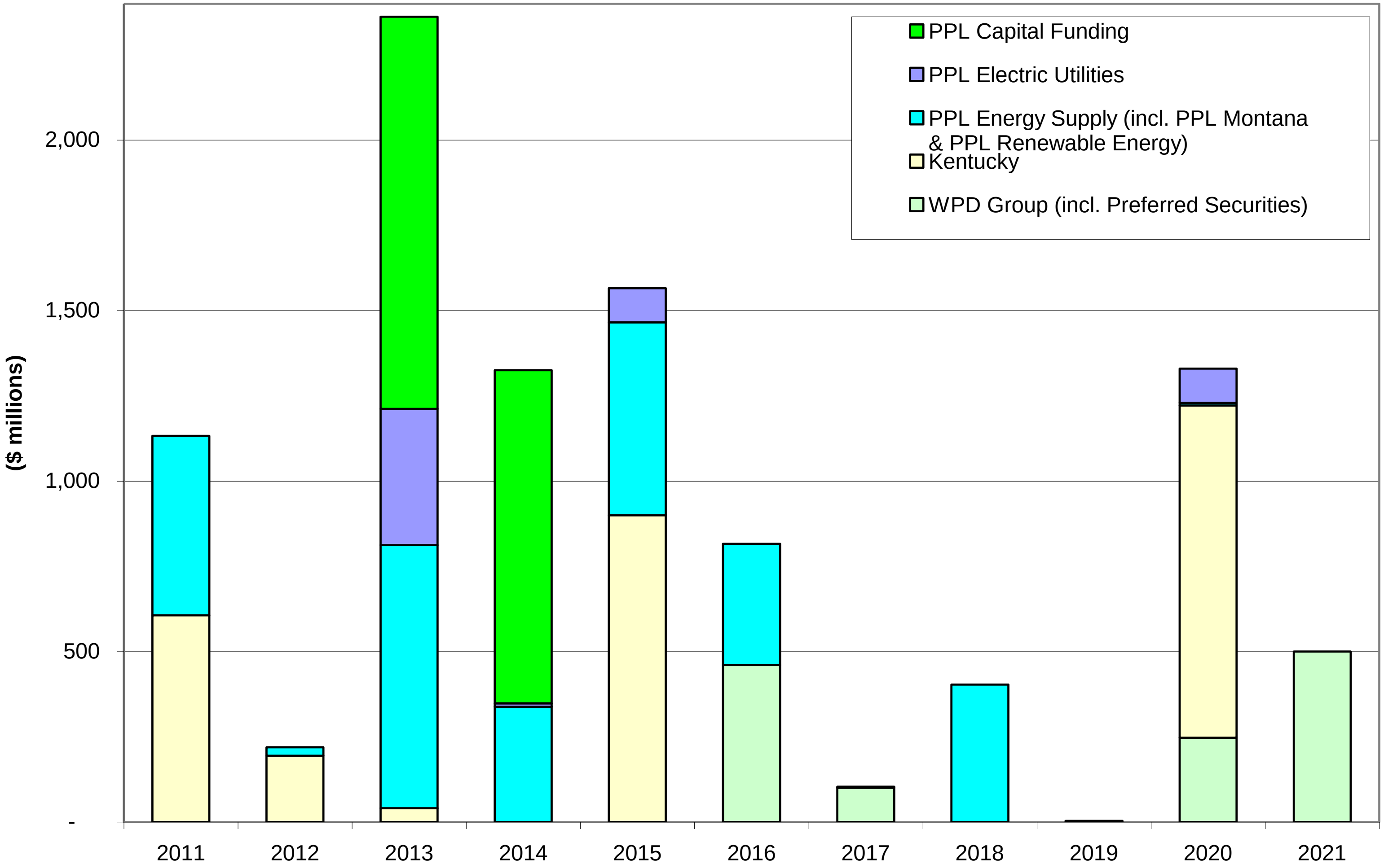
Security Maturities

PPL Corporation Maturity Distribution 2011 – 2020

As of June 30, 2011



2011 Update – Domestic Pension Plans

PPL has continued to reduce the risk profile of its pension plan

- We have changed the asset allocation to reduce interest rate risk by more closely matching the duration of the assets to the liabilities
- The management of LKE's pension assets had been outsourced to Mercer. Beginning January 2011, we will manage LKE's pension assets in house and develop a risk reduction strategy similar to PPL's plans

	Typical Corporate Pension Plan Allocation (1)	**PPL 2007 Allocation**	**PPL 2011 - 2012 Target Allocation (2)**
Domestic Equities	42%	52%	11%
International Equities	13%	16%	14%
Alternative Investments & Cash	13%	6%	17%
Medium Duration Fixed Income	27%	7%	15%
Long Duration Fixed Income	5%	19%	43%
	100%	100%	100%

(1) Source: Trust Universe Comparison Service

(2) In addition, we plan to increase our interest rate swap portfolio from $248 million at December 31, 2010, to $357 million over the next two years.

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2011 Update – Domestic Pension Plans

PPL has reduced the volatility of its funded status by increasing its hedge ratios

	December 31, 2007	December 31, 2010	Target 2011 - 2012
% Liability Hedged	14%	39%	61%
Hedge Contribution from:			
Long Duration Fixed Income	14%	15%	28%
Treasury Strips	0%	15%	20%
Interest Rate Swaps	0%	9%	13%
	14%	39%	61%

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2011 Update – Domestic Pension Plans

Impact on Funded Status with 1% Change in Interest Rates

(millions of dollars)

			Change in Value	
	Value	Duration (years)	2007 Portfolio	2011 - 2012 Target Portfolio
Liabilities	$2,700	12.4	$357	$335
Hedging Assets				
2007 Portfolio	415 [1]	10.6	44	
2012 Target	1,311	14.8		194
Change in Funded Status			$291	$141

[1] Includes $357 million notional value of interest rate swaps

The 2011 target strategy reduces funded status volatility by $150 million over the 2007 portfolio

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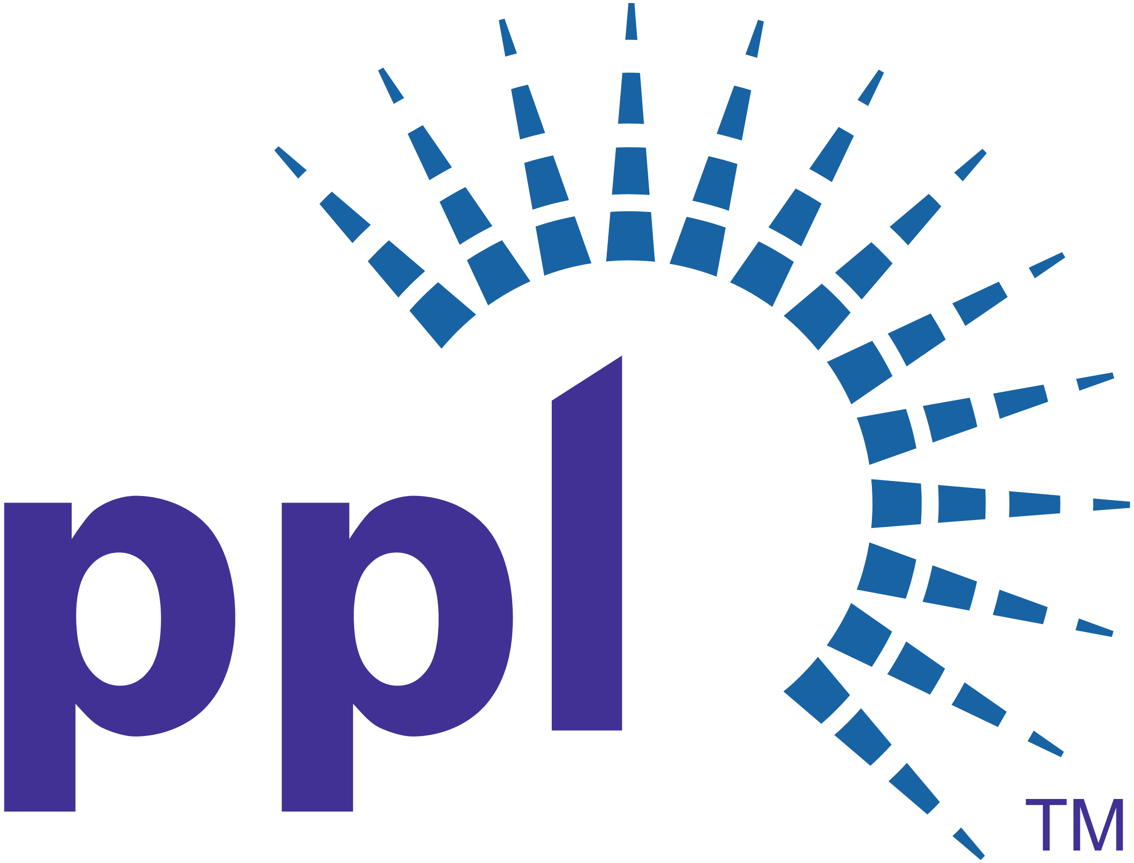

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PPL Corporation
Rating Agency Review
Moody's

August 4, 2011

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important 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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Today’s Agenda

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PPL Mission, Strategic Goals, and Strategic Objectives

Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners

Strategic Goals

- Achieve stable, long-term income growth in rate-regulated electric utility businesses through efficient operations and strong customer and regulatory relationships
- Achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings

Strategic Objectives (Execution)

- Own and operate high-quality electric utility businesses in the U.S. and the U.K.
- Continue to rebalance regulated/competitive business mix by growing rate-regulated electric utility businesses
- Own and operate low-cost generating fleet in select regions of the U.S.
- Maintain a disciplined marketing program, backed by comprehensive risk management, to match generating capacity to fixed priced contracts

Key Financial Objectives

- Maintain stable investment-grade ratings
- Provide total returns to investors that meet or exceed expectations

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PPL Corporation

Business and Financial Overview

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PPL’s Strengths

PPL’s strengths have a positive impact on credit….

- PPL is well positioned as a top tier “Hybrid Utility” with significant regulated growth opportunities
- PPL operates in progressive regulatory arenas that allow for timely recovery of capital
- Our Supply business has scale in an efficient market with significant upside potential
- We have a proven record of execution on both strategic and operational fronts

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Update on Key Business Events – YTD 2011

- In January, new distribution rates became effective for all PPL Electric Utilities’ customers
- In January, Trimble County 2 coal-fired power plant went into service (KU and LG&E own 75%)
- In January, PPL contributed $432 million to its pension plans
- In March, PPL completed the sale of its interests in the University Park and Wallingford gas-fired generating stations and its 49% interest in the Safe Harbor hydro facility
- On April 1, PPL completed its acquisition of the Central Networks electric distribution business in central England from E.ON AG for approximately $6.5 billion

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Update on Key Business Events – YTD 2011 (Contd.)

- On April 5, SSES Unit 2 shutdown for its scheduled outage for refueling and generation uprate
    - Defects in certain low pressure turbine blades were found during a planned inspection of the Unit 2 turbine.
        - Replacement of the blades was required which was outside the original scope of the outage
        - As a result, the Unit 2 outage was extended about 6 weeks returning to service on June 29
- On May 16, Unit 1 was shut down to inspect its turbine blades
    - The inspection revealed turbine blade damage identical to that found in Unit 2
    - Turbine blades were replaced and the unit returned to service on June 24
- After-tax impact to 2011 earnings is estimated to be about $60 - $65 million

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Update on Key Business Events – YTD 2011 (Contd.)

- In May, PPL Susquehanna, LLC (“SSES”) and the Department of Energy reached a $50 million settlement for costs incurred for temporary onsite storage of spent nuclear fuel through 2009 and for reimbursement of allowed costs through December 2013

- In May, LG&E and KU notified the Kentucky Public Service Commission of their intent to file Environmental Cost Recovery (“ECR”) plans for $2.5 billion of upgrades to their coal-fired plants to comply with new and pending U.S. EPA regulations

- In June, the U.S. Supreme Court agreed to hear PPL Montana’s appeal to a state Supreme Court ruling that PPL Montana must pay rent for using riverbeds where the Company’s hydroelectric dams are located

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2011 Earnings Forecast

PPL forecasts ongoing earnings per share between $2.50 and $2.75 in 2011

- The largest positive drivers of the earnings is a full-year of earnings from our Kentucky Regulated segment and a partial year of earnings from our newly acquired U.K. businesses
- Offsetting these benefits:
    - Lower wholesale energy margins
    - Dilution of $0.75 per share associated with the June 2010 and April 2011 common stock issuances to acquire our new businesses

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2011 Update – Components of Free Cash Flow

(Millions of Dollars)

	PPL Corporation	PPL Corporation and Eliminations	PPL Electric Utilities	PPL Energy Supply	UK	LKE Consolidated
Net Income	$ 1,257	$ (127)	$ 151	$ 619	$ 341	$ 273
Depreciation & Amortization	1,169	4	220	375	233	337
Deferred Income Taxes	569	16	27	189	13	324
Pension Funding	(530)	(55)	(98)	(127)	(81)	(170)
Other (1)	53	(156)	60	(195)	296	48
Parent Financing Adjustments	-	-	-	-	-	-
Cash from Operations	**2,518**	**(318)**	**359**	**862**	**802**	**813**
Capital Expenditures	(2,905)	(53)	(456)	(855)	(826)	(714)
Other Investing Activities (2)	(5,541)	7	3	(20)	(5,692)	161
Asset Sales	382	0	1	381	0	-
Free Cash Flow before Dividends	**(5,546)**	**(365)**	**(93)**	**368**	**(5,716)**	**260**
Common/Preferred Dividends Paid	(760)	-	(101)	(372)	(70)	(217)
Free Cash Flow after Dividends	**$ (6,306)**	**$ (365)**	**$ (194)**	**$ (4)**	**$ (5,785)**	**$ 43**

(1) Includes changes in working capital

(2) Includes sales of marketable securities, change in restricted cash, and acquisitions

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2011 Update – Capital Markets Activity

(Millions of Dollars)

	PPL Corporation	PPL Corporation and Eliminations	PPL Electric Utilities	PPL Energy Supply	UK	LKE Consolidated
Free Cash Flow after Dividends	**$ (6,306)**	**$ (365)**	**$ (194)**	**$ (4)**	**$ (5,785)**	**$ 43**
Less Security Maturities:						
Total Maturities - Long Term Debt	$ 1,150	$ -	$ 400	$ 750	$ -	$ -
Total Maturities - Preferred Stock	-	-	-	-	-	-
Repurchase of Common Stock	-	-	-	-	-	-
Intercompany Equity Transfers	(0)	3,667	-	(863)	(2,929)	125
Other	(219)	(329)	65	48	(4)	1
Total Financing Requirements	**$ 7,237**	**$ 3,703**	**$ 658**	**$ (61)**	**$ 2,853**	**$ 83**
Financing Activity:						
Debt Issuances	$ 5,528	$ 978	$ 700	$ 400	$ 3,200	$ 250
Issue of Preferred Stock	-	-	-	-	-	-
Issue of Common Stock	2,317	2,317	-	-	0	-
Change in Intercompany Debt	(0)	713	(150)	(458)	4	(109)
Use of/(Increase in) Cash on Hand	(674)	(304)	108	47	(351)	(174)
Change in Short-term Debt	66	-	-	(50)	0	116
Total Financing Sources	**$ 7,237**	**$ 3,703**	**$ 658**	**$ (61)**	**$ 2,853**	**$ 83**

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2011 Update – Liquidity

Our plans call for extending the domestic syndicated credit facilities out to 2016 at substantially lower costs

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$122	$250	$2,628
	Secured Trading Facility	Sep-15	800	0	0	800
	Letter of Credit Facility	Mar-2013	200	55	0	145
			$4,000	$177	$250	$3,573
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£113	£37
	WPD (South West) Syndicated Credit Facility	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		113	3	0	110
			£1,073	£144	£113	£816

Note: As of June 30, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD’s facilities.
- In July 2011, PPL Electric Utilities extended the expiration date of its Asset-backed Credit Facility to July 2012.

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Overview of PPL Corporation's Preliminary 2012 – 2015 Business Plan

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Cash from Operations (1)

Beyond 2012, rate-regulated businesses are PPL’s primary source of cash from operations

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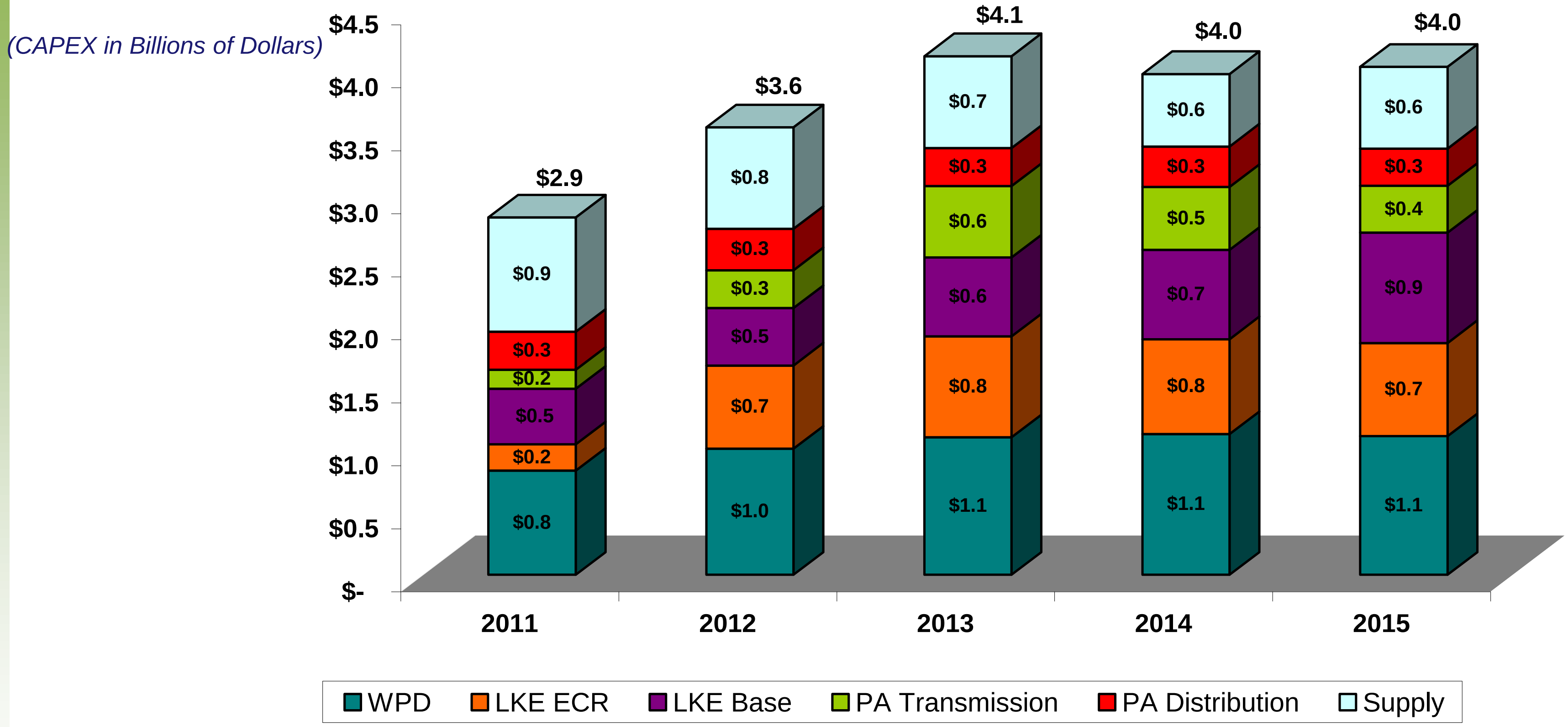
Investing in the Business

Investment in rate-regulated businesses drives rate base growth… Over 60% of the rate-regulated Capex is subject to near time recovery



	2011 (1)	2012	2013	2014	2015
Regulated Rate Base	$18.0	$19.2	$21.4	$23.4	$25.2

CAGR
2012 – 2015
9.5%

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Sources and Uses

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PPL Rate-Regulated Utility Businesses

Business Overview

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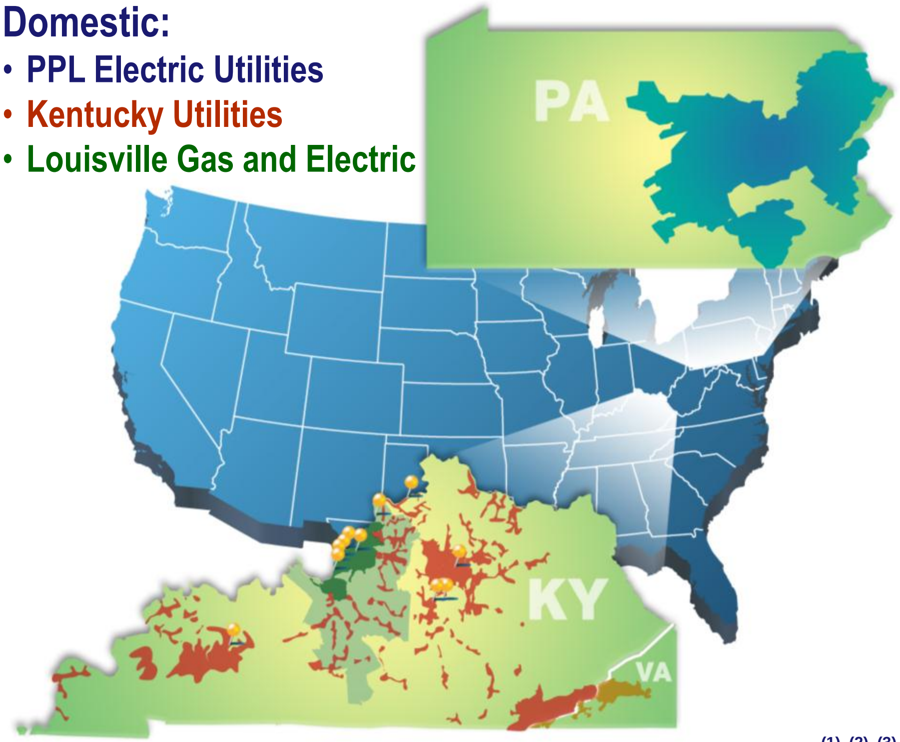
Diverse Source of Stable Cash Flows

Domestic:

- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric



International:

- WPD South Wales
- WPD South West
- WPD West Midlands
- WPD East Midlands

	No. of Customers	Rate Base(1), (2), (3)	Authorized Return
PPL Electric - Distribution	1,400,000	$2,164	10.7% (4)
PPL Electric - Transmission		$797	11.68% - 12.93%
Kentucky Utilities	544,000	$3,926	10.25%
LG&E	715,000	$2,453	10.25%
WPD South Wales	1,100,000	$1,173	12.50%
WPD South West	1,500,000	$1,623	12.40%
WPD West Midlands	2,500,000	$2,394	10.40%
WPD East Midlands	2,600,000	$2,466	10.40%

(1) Millions of Dollars
(2) As of 12/31/2010
(3) Conversion of £1.60
(4) The result of the last litigated rate case with the PA PUC

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Kentucky Business Overview

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Ratemaking

	Kentucky General Rates	Virginia General Rates	FERC Formula Rate Resets	Environmental
Purpose	Recovery of jurisdictional operating expenses and return on equity investment not covered by other KPSC rate mechanisms	Recovery of operating expenses and return on equity investment to serve KU VA customers	Recovery of operating expenses and return on equity investment to serve KU full-requirements KY municipal customers (G&T only)	Recovery of operating expenses and return on equity investment of approved environmental compliance plans for coal-fired generation
Approx % of Capitalization	74%	3%	5%	18%
Last Rate Change	8/1/10	12/1/09	7/1/11	Monthly
Last Awarded ROE	10% - 10.5%	10.5%	11%	10.63%
Statutory timeframe for proceeding	10 months from filing, but utility may put rates in subject to refund after 6 months	9 months from filing	Filed annually; 60 day review period	6 months to approve Plan
Typical Regulatory Lag	9 months	1 year	1 year	2 months

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Summary of ECR Filing

Millions of Dollars

LG&E

	Projected Year of Spend						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Mill Creek FGD's	$ 4	$ 128	$ 225	$ 183	$ 105	$ -	$ 645
Mill Creek Baghouses	6	85	188	187	149	8	623
Trimble County Baghouse	-	-	23	38	58	5	124
Total LG&E	$ 10	$ 213	$ 436	$ 408	$ 312	$ 13	$ 1,392

The impact of the above expenditures on LG&E's electric customer using 1,000kWh per month is an increase of $1.96 per month, or 2.3% in 2012, and an estimated average annual increase of 3.6% over the 2011-2016 period.

KU

	Projected Year of Spend						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Brown Landfill	$ 8	$ 27	$ 24	$ -	$ -	$ -	$ 59
Brown Baghouses	5	66	125	111	36	-	343
Ghent Baghouses	5	97	198	230	169	13	712
Total KU	$ 18	$ 190	$ 347	$ 341	$ 205	$ 13	$ 1,114

The impact of the above expenditures on KU's electric customer using 1,000kWh per month is an increase of $1.13 per month, or 1.5% in 2012, and an estimated average annual increase of 2.3% over the 2011-2016 period.

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ECR Filing Schedule

All supplemental requests for information to KU/LG&E filed	08/08/11
KU/LG&E responses to supplemental requests for information due	08/22/11
Intervenor testimony filed	09/06/11
KU/LG&E send requests for information to Intervenors	09/20/11
Intervenors’ responses to requests for information	10/03/11
Rebuttal testimony, if any, to be filed	10/14/11
Last day for KU/LG&E to publish notice of hearing	TBD
Public hearing	TBD

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Update on Trimble County Unit 2

- 760 MW coal-fired generating station with ownership as follows:
  - 60.75% KU
  - 14.25% LG&E
  - 25% Third parties

- LKE took care, custody and control with limited exceptions in January 2011

- Contractor paid liquidated damages of approximately $19 million to LKE in January 2011

- Remaining burner issues to be resolved
  - Could include payment of additional liquidated damages

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KU 2011 Virginia Retail Rate Case

- Rate Case Profile:

Filed revenue increase	$9.3 million
Percentage increase	13.8%
Return on equity	11.0%

- Procedural Schedule:
  - Discovery continues into August 2011
  - Staff testimony due August 19, 2011
  - Tentative Settlement Conference on August 24, 2011
  - Rebuttal testimony due September 2, 2011
  - Public comments due by September 6, 2011
  - Hearing set September 13, 2011
  - New rates effective January 2012

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Customer Service Audit

- Required by 2010 Kentucky Public Service Commission (“KPSC”) Rate Case Orders

- Study nearly complete – report in draft stage

- Preliminary responses
  - New call center in Morganfield, KY
  - 54 new call center employees across the state
  - 7 new billing integrity positions
  - Continued commitment to superior customer service

- 2011 JD Power Results
  - KU and LG&E ranked 3rd and 4th in Mid-size Midwest Segment

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PPL Electric Utilities Business Overview

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Ratemaking

	PPL Base Distribution	PPL Transmission FERC Formula Rate	Generation Supply Charge (GSC) and Transmission Service Charge (TSC)
Purpose	Recovery of PA jurisdictional operating expenses and return on investment associated with distribution plant under retail tariff	Recovery of FERC jurisdictional operating expenses and return on investment in transmission plant under PJM OATT	Recovery of expenses associated with default service pursuant to PUC-approved procurement plans, pricing methodologies, and reconciliation methodologies
Approx % of Capitalization	76%	24%	0%
Last Rate Change	1/1/11	6/1/11	6/1/11 for GSC 6/1/11 for TSC
Last Awarded ROE	10.7% (last litigated ROE - 1/1/05)	11.68% plus 125 basis points for Susquehanna-Roseland	N/A
Statutory timeframe for proceeding	Practice within statutory timeframe has been 9 months from filing to effective date of new rates	Filed annually; 180 day review period	2 weeks
Typical Regulatory Lag	12 months (assuming annual filings)	5 months	None (subject to reconciliation)

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Regulatory Update - Distribution

Issue	Description/Impact	Status
Alternative Rate Making	Method to support timely cost recovery, reduce regulatory lag, and improve cash flow. This legislation would support PPL Electric Utilities' replacement of aging infrastructure.	HB 1294 - Legislative language pending approval by Pennsylvania General Assembly
Act 129 Post 2013	Current requirements expire May 2013. PUC required to address future requirements by November 2013. PPL Electric Utilities cannot commit to future programs under the current schedule which does not allow for seamless transition to meet potential future requirements.	The PA PUC is considering an appropriate approach to identifying future requirements.
Decoupling	Method to recover fixed costs independently from customer consumption. This mechanism is effective in recovering a utility's fixed costs in an environment where customer usage is declining. It would have minimal impact on PPL Electric Utilities if it plans to increase the frequency of rate cases.	Decoupling is an option under HB 1294 and PPL Electric Utilities is continuing to evaluate its options under this legislation
Retail Markets Investigation	Rate caps have expired for all electric distribution companies ("EDC's") in Pennsylvania. Shopping levels vary significantly among the various EDC's customers. The PA PUC is concerned that retail market structure may be inhibiting competition. PPL Electric Utilities does not expect this proceeding to adversely affect its earnings or cash flow.	PA PUC has opened an investigation of retail competition in Pennsylvania with an emphasis on default service issues. The investigation probably will not be completed before year-end 2011.
2012 Distribution Rate Case	Under traditional ratemaking, increases in capital and operating costs tend to reduce actual returns below returns allowed in the most recent base rate case.	PPL Electric Utilities is currently planning to file for a base rate increase in 2012 with rates effective 2013.

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Regulatory Update - Transmission

Issue	Description/Impact	Status
Transmission Formula Rates	PPL Electric Utilities has implemented a FERC-approved formula rate for timely recovery of its transmission-related capital and operating costs.	A formal challenge to 2010 rates is pending related to the allocation between transmission and distribution and the ROE. There has been no formal challenge filed against 2011 rates which is currently in the discovery phase.
Susquehanna-Roseland Line	PJM directed PPL Electric Utilities and PSE&G to construct a new 500kV transmission line between the Susquehanna nuclear station and the Roseland substation in New Jersey with an in-service date of mid-2012.	The PA PUC approved the project and PA Commonwealth Court affirmed its decision. NJ BPU has also approved the project. The U.S. National Park Service is conducting an environmental impact study for the portion of the line through the National Park. The projected in-service has been delayed until mid-2015.

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U.K. Business Overview

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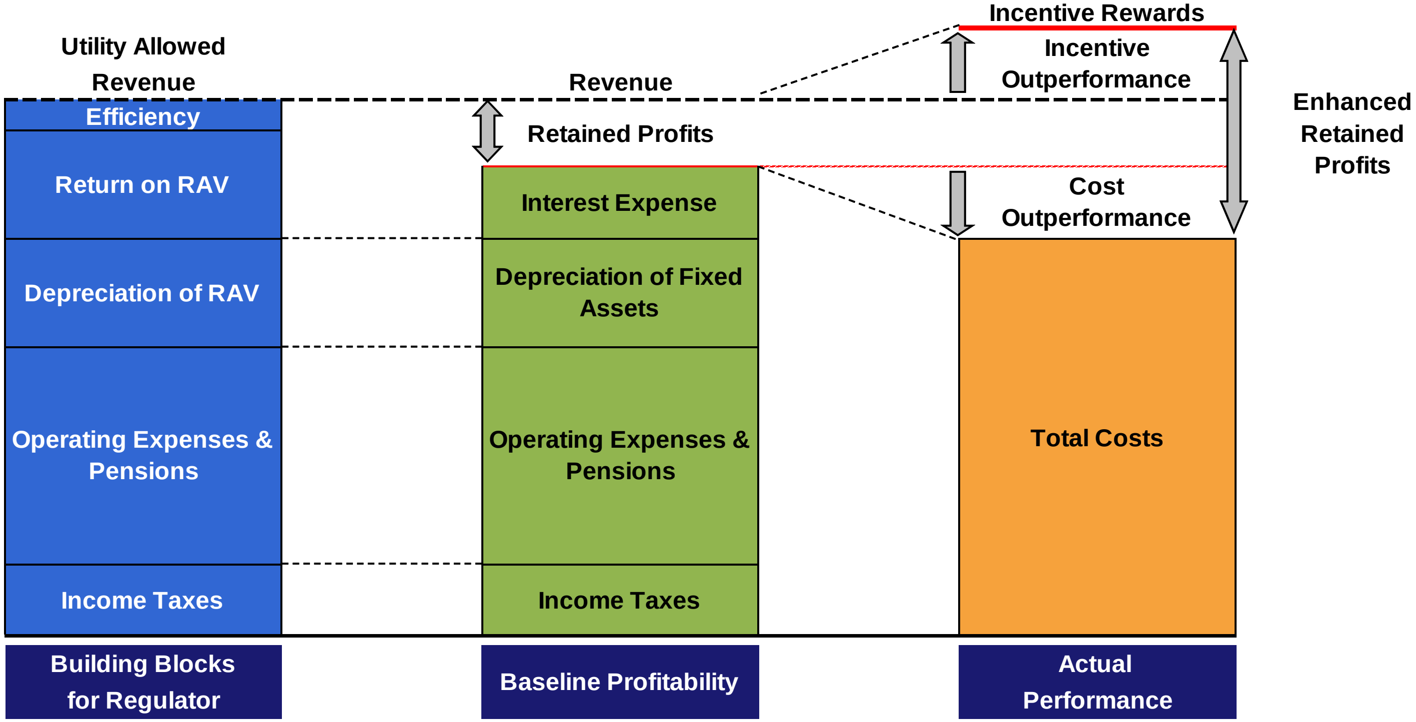
U.K. Regulatory Model

- The U.K.'s Office of Gas and Electricity Markets ("Ofgem") determines revenues for a 5-year period (8-year period in the next price review) on the basis of:
  - Efficiently incurred operating costs (comparative basis);
  - A 5-year forward assessment and funding of capital expenditures;
  - A return on and a return of capital through depreciation of the regulated asset value; and
  - Incentive revenue geared to customer service outperformance



WPD Performance Rewards Top in Industry

WPD Rewards

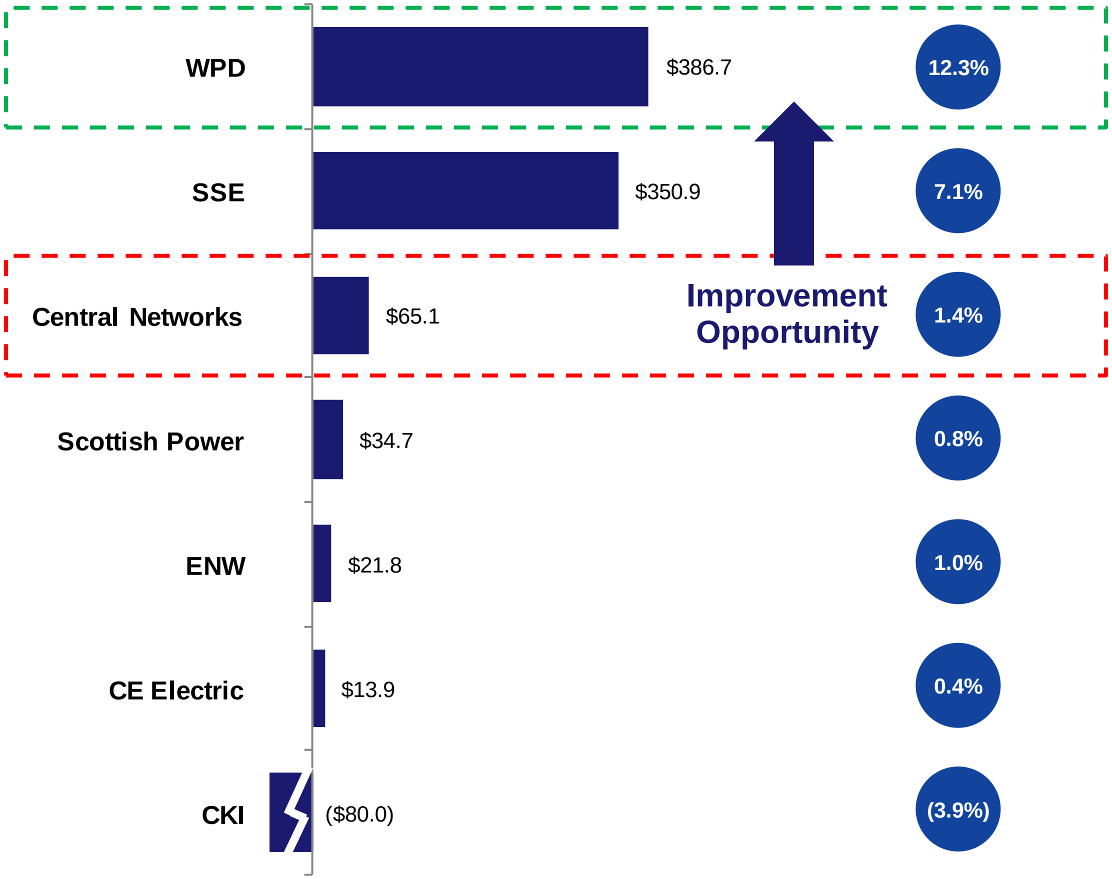
$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*

🟧 *Rewards secured for DPCR5*

Aggregate Total Award / Penalty *($ in millions)*

Aggregate as % of DPCR4 Revenue



Source: Ofgem data
Note: Figures based on assumed exchange rate of $1.60 / GBP.

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Integration Update

- Permanent Refinancing completed May 2011
  - $2.3bn common stock; $978m equity units; $960m HoldCo bonds; £1.4bn OpCo bonds; £100m of Index-linked Notes
  - Acquisition Bridge Loan repaid May 2011; ahead of plan
- Road shows completed for 3,900 Midlands staff setting out WPD background values and approach to integration – 36 presentations over 9 days
- 85% of union members from the four unions voted to move to single set of WPD terms and conditions
  - Moved from three union contracts to one union contract
- New organization structure presented to workforce
  - Geographically-based versus current centralized model
  - Three Network Service Managers appointed; 18 Distribution Managers appointed; 89 Team Managers appointed
  - 600 to 800 positions identified as redundant
  - Redundancy consultation started with mid-Sept. completion date; individuals to leave in Q1 2012
- All IT, policy and working methods to be changed to WPD model; December 1st system switchover to WPD IT systems

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PPL’s Competitive Supply Business

Business Overview

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Key Business and Value Drivers

- Diverse, efficient generating fleet with the ability to meet proposed EPA regulations without substantial increase in capital or operating cost
- Ability to control spending and optimize operations in a low commodity business cycle
- Near-term capacity additions to our low cost, carbon-free nuclear and hydro facilities
- Hedging strategy that reduces near-term cash flow volatility and risk
- Improved supply/demand fundamentals

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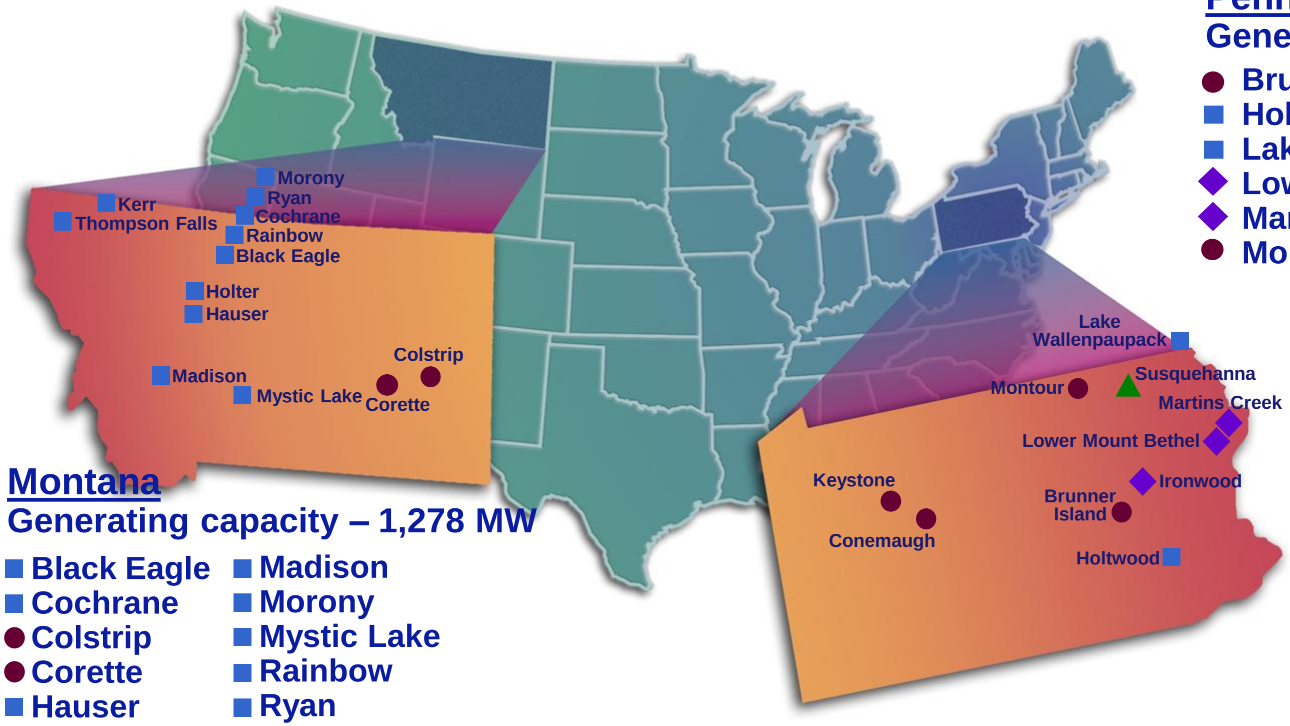
Diverse Generation Portfolio



Pennsylvania

Generating capacity – 9,482 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,278 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

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Efficient Generation Portfolio

Our generating assets are extremely well-positioned on the dispatch curve and had a utilization factor on our baseload generation of about 93% in 2010

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Actively Managing Environmental Uncertainty

Control Device Addresses		Low Nox Burners NO_x	SCR/SNCR NO_x	Scrubbers SO_2	Closed Cycle Cooling Tower Water Intake	Dry Handling/Disposal/Beneficial Use Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✔	✓	✔	(3)	✔
	Unit 2	✔	✓	✔	(3)	✔
	Unit 3	✔	✓	✔	(3)	✔
Montour	Unit 1	✔	✔	✔	✔	✔
	Unit 2	✔	✔	✔	✔	✔
Colstrip	Unit 1 & 2	✓	(1)	✔	✔	(2)
	Unit 3 & 4	✔	(1)	✔	✔	(2)
Keystone	Unit 1 & 2	✔	✔	✔	✔	✔
Conemaugh	Unit 1 & 2	✔	✓	✔	✔	✔

✔= Installed

✓ = Under Consideration

PPL's proactive approach to environmental compliance has made the EPA's pending regulations manageable

(1) At this time we believe that SCR/SNCRs are not required at Colstrip to meet the proposed NO_x emission units.
(2) PPL has begun to assess dry handling/disposal of CCRs at Colstrip.
(3) If required, once through cooling towers could be converted to closed cycle.

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Operating in a Down Commodity Cycle

- **Controlling Capital**
  - Reducing capital spending by over $500 million over the 5 year plan
- **Optimizing Operation**
  - Continued strong performance of our units including top quartile achievements in net capacity factor and equivalent availability factor
  - Operating at minimums during low priced off-peak periods
  - Analyzing fuel options

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Reducing Risk Through Hedging

Mark-to-Market Value of Power Hedges

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Hedging Program

	2011(4)	2012	2013
Baseload			
Expected Generation(1) (Million MWhs)	**47.9**	**54.7**	**54.4**
East	40.1	46.2	46.0
West	7.8	8.5	8.4
Current Hedges (%)	**99%**	**97%**	**69%**
East	99%	98%	69%
West	97%	95%	72%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)			
East	$57	$54-55	$53-56
West	$54	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**88%**
East	100%	95%	91%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$23-27	$23-29	$23-30
Intermediate/Peaking			
Expected Generation(1) (Million MWhs)	7.6	6.2	6.3
Current Hedges (%)	87%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of June 30, 2011

(1) Represents expected sales based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of June 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes six months of actual results.

(5) Transportation contract in negotiation.

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Hedging Strategy

PPL EnergyPlus continues to operate its business based on a sound risk management program

- The objective is to provide the appropriate level of near-term cash flow and earnings certainty to support credit ratings and investor expectations, well within Supply's current credit liquidity capacity (currently $3.6 billion),
- Our current hedging targets extend 3 years and consist of:
  - Band 1 – 1st year of plan: 90-100% (2012)
  - Band 2 – 2nd year of plan: 60-90% (2013)
  - Band 3 – 3rd year of plan: 0-30% (2014)

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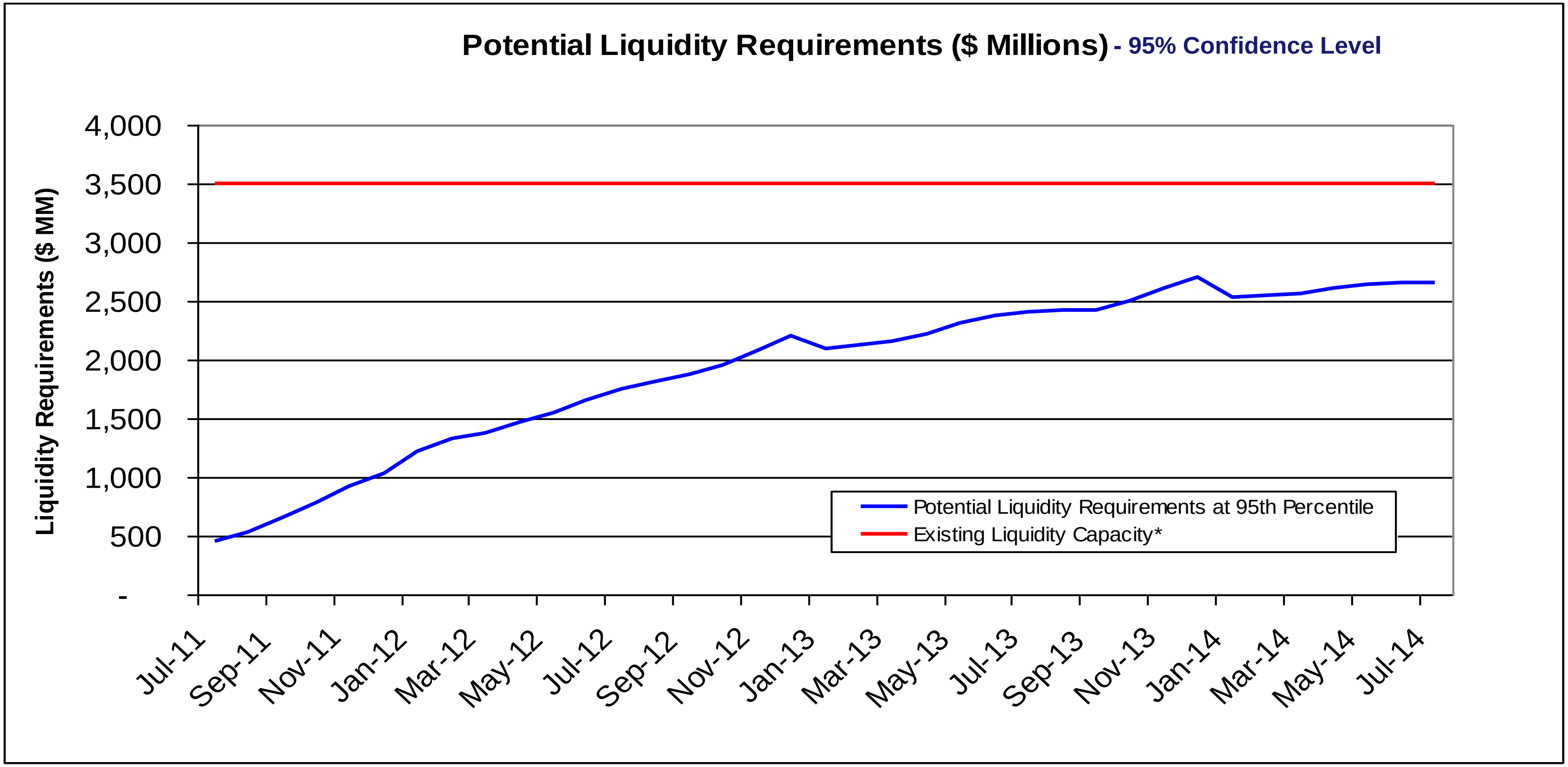
Liquidity Requirements

Based on our current hedging strategy, PPL Energy Supply has sufficient liquidity capacity to sustain over a 50% immediate increase in 2012 and 2013 forward energy prices.



* The Existing Liquidity Capacity of $3.5 billion excludes $800 million of secured trading facility.

** Based on 6/30/2011’s forward curves and assumed hedged separately.

*** Includes $300 million of working capital for CAPEX and other general corporate purposes

PPL Corporation Financial Metrics

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LKE

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Kentucky Utilities

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LG & E

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Appendix A:

Financial Metrics Details

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LKE

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Appendix B:

Components of Free Cash Flow 2012-2015

Capital Markets Activity Summary 2012-2015

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2012 Components of Free Cash Flow

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2012 Capital Markets Activity Summary

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2013 Components of Free Cash Flow

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2013 Capital Markets Activity Summary

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2014 Components of Free Cash Flow

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2014 Capital Markets Activity Summary

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2015 Components of Free Cash Flow

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2015 Capital Markets Activity Summary

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Appendix C:

Other

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Risk Management Program – VaR

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Counterparty Credit Risk

Strict adherence to a formalized credit risk policy limits our exposure to counterparty credit risk. The policy establishes maximum credit exposure for all levels of credit quality.

- Approximately 80% of PPL's net credit exposure is with investment-grade counterparties (1)

Rating	% of Net Exposure
A3 or better	28.90%
Baa3 or better	50.87%
Below Inv. Grade	0.87%
Not Rated	19.35%

- Credit personnel are located on the marketing floor
  - Overnight mark-to-market of all credit positions
- Over the past five years, credit defaults have been $3.0 million, or 0.32% of net credit exposure

(1) As of June 30, 2011

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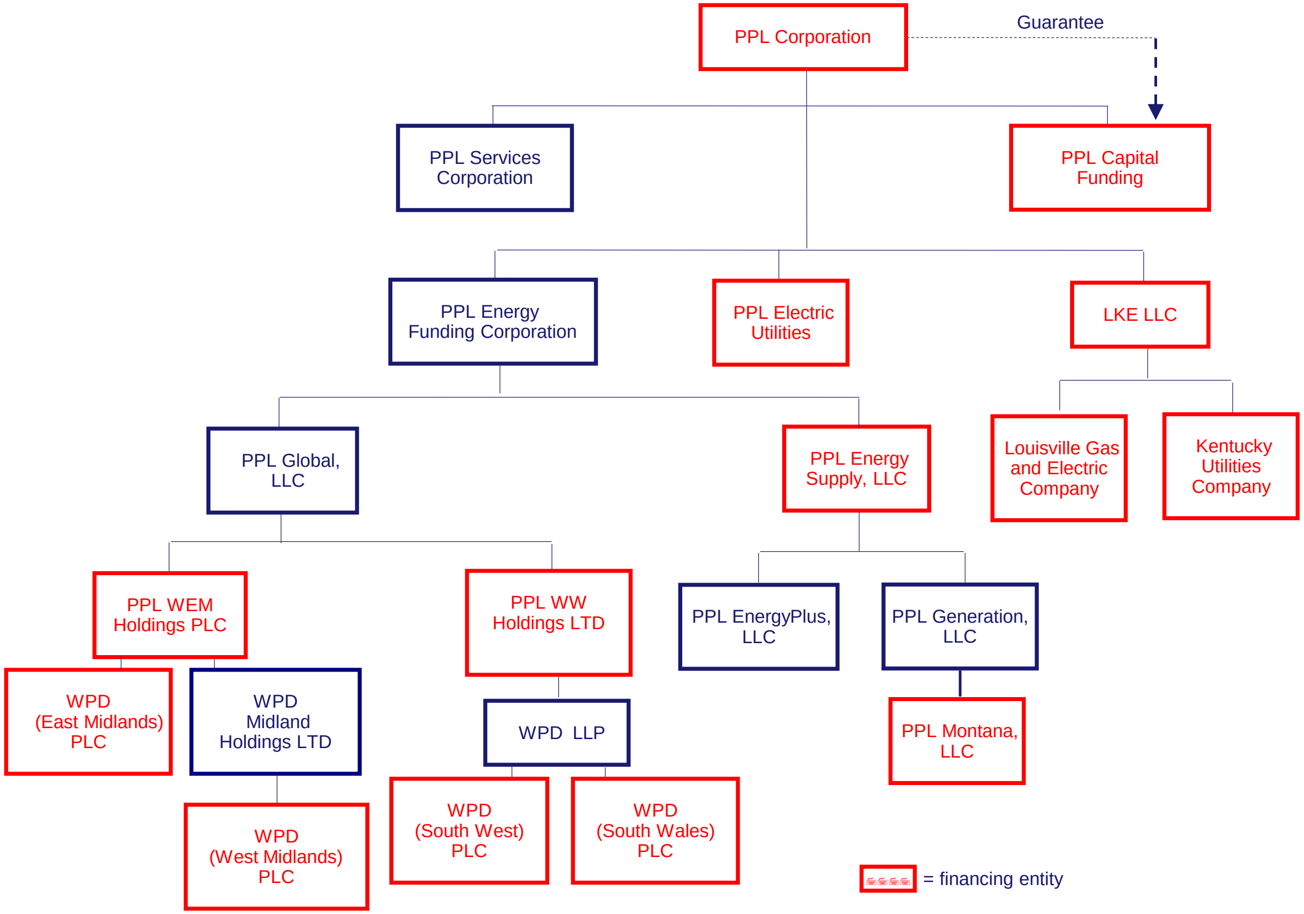
PPL Corporate Structure – Financing Entities



PPL Corporation

Guarantee

PPL Services Corporation

PPL Capital Funding

PPL Energy Funding Corporation

PPL Electric Utilities

LKE LLC

PPL Global, LLC

PPL Energy Supply, LLC

Louisville Gas and Electric Company

Kentucky Utilities Company

PPL WEM Holdings PLC

PPL WW Holdings LTD

PPL EnergyPlus, LLC

PPL Generation, LLC

WPD (East Midlands) PLC

WPD Midland Holdings LTD

WPD LLP

PPL Montana, LLC

WPD (West Midlands) PLC

WPD (South West) PLC

WPD (South Wales) PLC

🟥 = financing entity

PPL Financing Entities

- PPL Corporation
  - Common Stock
- PPL Capital Funding, Inc.
  - Senior Unsecured Notes
  - Junior Subordinated Notes
- PPL Electric Utilities Corporation
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Commercial Paper Program (with supporting Bank Lines)
  - Tax Exempt Bonds
  - Credit Facilities
  - Preference Stock
- PPL Energy Supply, LLC
  - Senior Unsecured Notes
  - Tax Exempt Bonds
  - Credit Facilities
- PPL Montana, LLC
  - Pass-Through certificates
- PPL WW Holdings, LTD and PPL WEM Holdings PLC
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (South West) and WPD (South Wales)
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (East Midlands) and WPD (West Midlands)
  - Senior Unsecured Debt
  - Credit Facilities
- LG&E and KU Energy LLC (LKE)
  - Senior Unsecured Debt
  - Medium Term Note
- Louisville Gas & Electric and Kentucky Utilities
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Tax Exempt Bonds
  - Credit Facilities

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Dividend Cash Flow to PPL Corporation

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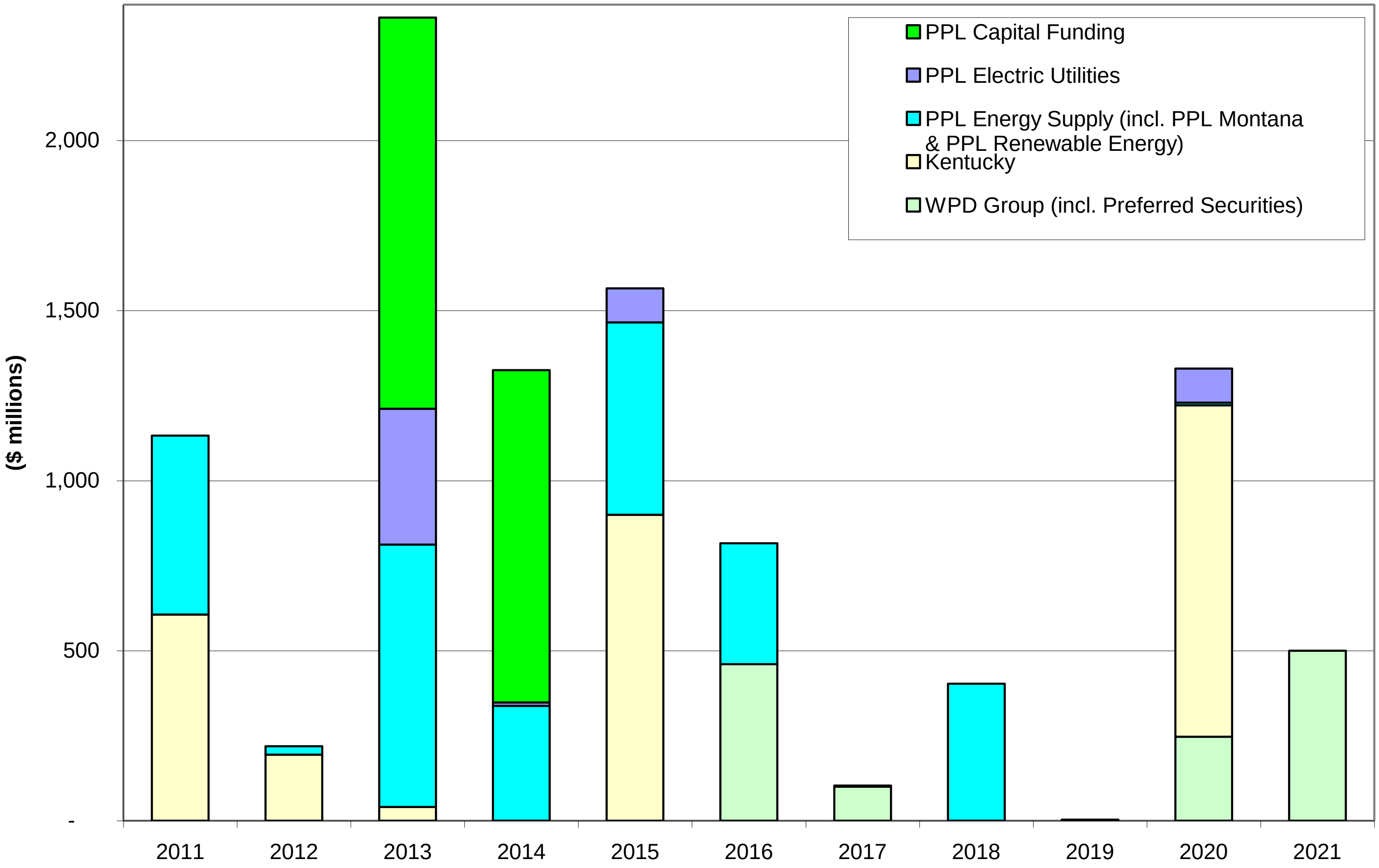
Security Maturities

PPL Corporation Maturity Distribution 2011 – 2020

As of June 30, 2011



2011 Update – Domestic Pension Plans

PPL has continued to reduce the risk profile of its pension plan

- We have changed the asset allocation to reduce interest rate risk by more closely matching the duration of the assets to the liabilities
- The management of LKE's pension assets had been outsourced to Mercer. Beginning January 2011, we will manage LKE's pension assets in house and develop a risk reduction strategy similar to PPL's plans

	Typical Corporate Pension Plan Allocation [1]	**PPL 2007 Allocation**	**PPL 2011 - 2012 Target Allocation** [2]
Domestic Equities	42%	52%	11%
International Equities	13%	16%	14%
Alternative Investments & Cash	13%	6%	17%
Medium Duration Fixed Income	27%	7%	15%
Long Duration Fixed Income	5%	19%	43%
	100%	100%	100%

(1) Source: Trust Universe Comparison Service

(2) In addition, we plan to increase our interest rate swap portfolio from $248 million at December 31, 2010, to $357 million over the next two years.

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2011 Update – Domestic Pension Plans

PPL has reduced the volatility of its funded status by increasing its hedge ratios

	December 31, 2007	December 31, 2010	Target 2011 - 2012
% Liability Hedged	14%	39%	61%
Hedge Contribution from:			
Long Duration Fixed Income	14%	15%	28%
Treasury Strips	0%	15%	20%
Interest Rate Swaps	0%	9%	13%
	14%	39%	61%

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2011 Update – Domestic Pension Plans

Impact on Funded Status with 1% Change in Interest Rates

(millions of dollars)

			Change in Value	
	Value	Duration (years)	2007 Portfolio	2011 - 2012 Target Portfolio
Liabilities	$2,700	12.4	$357	$335
Hedging Assets				
2007 Portfolio	415 (1)	10.6	44	
2012 Target	1,311	14.8		194
Change in Funded Status			$291	$141

(1) Includes $357 million notional value of interest rate swaps

The 2011 target strategy reduces funded status volatility by $150 million over the 2007 portfolio

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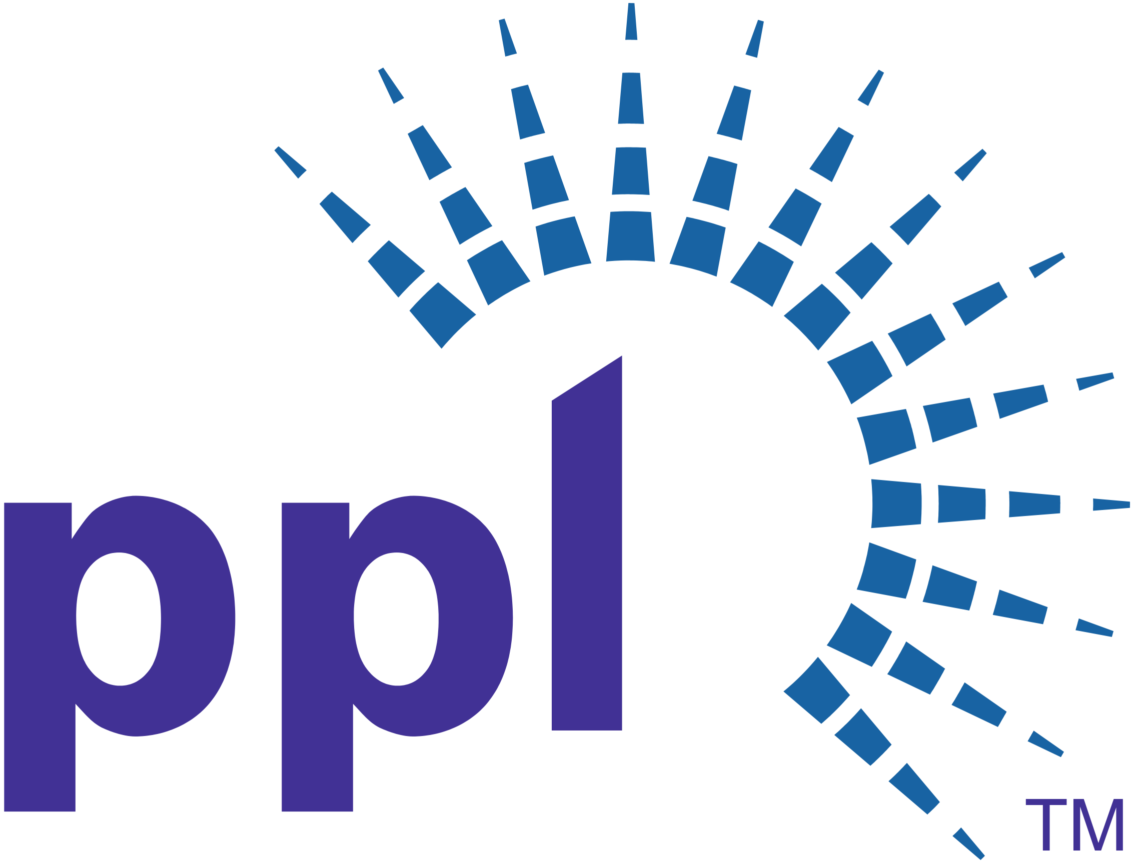

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PPL Corporation
Rating Agency Review
Fitch

August 5, 2011

Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Today’s Agenda

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PPL Mission, Strategic Goals, and Strategic Objectives

Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners

Strategic Goals

- Achieve stable, long-term income growth in rate-regulated electric utility businesses through efficient operations and strong customer and regulatory relationships
- Achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings

Strategic Objectives (Execution)

- Own and operate high-quality electric utility businesses in the U.S. and the U.K.
- Continue to rebalance regulated/ competitive business mix by growing rate-regulated electric utility businesses
- Own and operate low-cost generating fleet in select regions of the U.S.
- Maintain a disciplined marketing program, backed by comprehensive risk management, to match generating capacity to fixed priced contracts

Key Financial Objectives

- Maintain stable investment-grade ratings
- Provide total returns to investors that meet or exceed expectations

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PPL Corporation

Business and Financial Overview

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PPL’s Strengths

PPL’s strengths have a positive impact on credit….

- PPL is well positioned as a top tier “Hybrid Utility” with significant regulated growth opportunities
- PPL operates in progressive regulatory arenas that allow for timely recovery of capital
- Our Supply business has scale in an efficient market with significant upside potential
- We have a proven record of execution on both strategic and operational fronts

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Update on Key Business Events – YTD 2011

- In January, new distribution rates became effective for all PPL Electric Utilities' customers
- In January, Trimble County 2 coal-fired power plant went into service (KU and LG&E own 75%)
- In January, PPL contributed $432 million to its pension plans
- In March, PPL completed the sale of its interests in the University Park and Wallingford gas-fired generating stations and its 49% interest in the Safe Harbor hydro facility
- On April 1, PPL completed its acquisition of the Central Networks electric distribution business in central England from E.ON AG for approximately $6.5 billion

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Update on Key Business Events – YTD 2011 (Contd.)

- On April 5, SSES Unit 2 shutdown for its scheduled outage for refueling and generation uprate
  - Defects in certain low pressure turbine blades were found during a planned inspection of the Unit 2 turbine.
    - Replacement of the blades was required which was outside the original scope of the outage
    - As a result, the Unit 2 outage was extended about 6 weeks returning to service on June 29

- On May 16, Unit 1 was shut down to inspect its turbine blades
  - The inspection revealed turbine blade damage identical to that found in Unit 2
  - Turbine blades were replaced and the unit returned to service on June 24

- After-tax impact to 2011 earnings is estimated to be about $60 - $65 million

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Update on Key Business Events – YTD 2011 (Contd.)

- In May, PPL Susquehanna, LLC ("SSES") and the Department of Energy reached a $50 million settlement for costs incurred for temporary onsite storage of spent nuclear fuel through 2009 and for reimbursement of allowed costs through December 2013

- In May, LG&E and KU notified the Kentucky Public Service Commission of their intent to file Environmental Cost Recovery ("ECR") plans for $2.5 billion of upgrades to their coal-fired plants to comply with new and pending U.S. EPA regulations

- In June, the U.S. Supreme Court agreed to hear PPL Montana's appeal to a state Supreme Court ruling that PPL Montana must pay rent for using riverbeds where the Company's hydroelectric dams are located

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2011 Earnings Forecast

PPL forecasts ongoing earnings per share between $2.50 and $2.75 in 2011

- The largest positive drivers of the earnings is a full-year of earnings from our Kentucky Regulated segment and a partial year of earnings from our newly acquired U.K. businesses
- Offsetting these benefits:
  - Lower wholesale energy margins
  - Dilution of $0.75 per share associated with the June 2010 and April 2011 common stock issuances to acquire our new businesses

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2011 Update – Components of Free Cash Flow

(Millions of Dollars)

	PPL Corporation	PPL Corporation and Eliminations	PPL Electric Utilities	PPL Energy Supply	UK	LKE Consolidated
Net Income	$ 1,257	$ (127)	$ 151	$ 619	$ 341	$ 273
Depreciation & Amortization	1,169	4	220	375	233	337
Deferred Income Taxes	569	16	27	189	13	324
Pension Funding	(530)	(55)	(98)	(127)	(81)	(170)
Other (1)	53	(156)	60	(195)	296	48
Parent Financing Adjustments	-	-	-	-	-	-
Cash from Operations	**2,518**	**(318)**	**359**	**862**	**802**	**813**
Capital Expenditures	(2,905)	(53)	(456)	(855)	(826)	(714)
Other Investing Activities (2)	(5,541)	7	3	(20)	(5,692)	161
Asset Sales	382	0	1	381	0	-
Free Cash Flow before Dividends	**(5,546)**	**(365)**	**(93)**	**368**	**(5,716)**	**260**
Common/Preferred Dividends Paid	(760)	-	(101)	(372)	(70)	(217)
Free Cash Flow after Dividends	**$ (6,306)**	**$ (365)**	**$ (194)**	**$ (4)**	**$ (5,785)**	**$ 43**

(1) Includes changes in working capital

(2) Includes sales of marketable securities, change in restricted cash, and acquisitions

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2011 Update – Capital Markets Activity

(Millions of Dollars)

	PPL Corporation	PPL Corporation and Eliminations	PPL Electric Utilities	PPL Energy Supply	UK	LKE Consolidated
Free Cash Flow after Dividends	**$ (6,306)**	**$ (365)**	**$ (194)**	**$ (4)**	**$ (5,785)**	**$ 43**
Less Security Maturities:						
Total Maturities - Long Term Debt	$ 1,150	$ -	$ 400	$ 750	$ -	$ -
Total Maturities - Preferred Stock	-	-	-	-	-	-
Repurchase of Common Stock	-	-	-	-	-	-
Intercompany Equity Transfers	(0)	3,667	-	(863)	(2,929)	125
Other	(219)	(329)	65	48	(4)	1
Total Financing Requirements	**$ 7,237**	**$ 3,703**	**$ 658**	**$ (61)**	**$ 2,853**	**$ 83**
Financing Activity:						
Debt Issuances	$ 5,528	$ 978	$ 700	$ 400	$ 3,200	$ 250
Issue of Preferred Stock	-	-	-	-	-	-
Issue of Common Stock	2,317	2,317	-	-	0	-
Change in Intercompany Debt	(0)	713	(150)	(458)	4	(109)
Use of/(Increase in) Cash on Hand	(674)	(304)	108	47	(351)	(174)
Change in Short-term Debt	66	-	-	(50)	0	116
Total Financing Sources	**$ 7,237**	**$ 3,703**	**$ 658**	**$ (61)**	**$ 2,853**	**$ 83**

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2011 Update – Liquidity

Our plans call for extending the domestic syndicated credit facilities out to 2016 at substantially lower costs

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Dec-2014	$3,000	$122	$250	$2,628
	Secured Trading Facility	Sep-15	800	0	0	800
	Letter of Credit Facility	Mar-2013	200	55	0	145
			$4,000	$177	$250	$3,573
PPL Electric Utilities	Syndicated Credit Facility	Dec-2014	$200	$13	$0	$187
	Asset-backed Credit Facility	Jul-2011	150	0	0	150
			$350	$13	$0	$337
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Dec-2014	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£113	£37
	WPD (South West) Syndicated Credit Facility	Jul-2012	210	0	0	210
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		113	3	0	110
			£1,073	£144	£113	£816

Note: As of June 30, 2011

- Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities and 17% of the total committed capacity for WPD's facilities.
- In July 2011, PPL Electric Utilities extended the expiration date of its Asset-backed Credit Facility to July 2012.

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Overview of PPL Corporation's Preliminary 2012 – 2015 Business Plan

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Cash from Operations (1)

Information redacted pursuant to August 15, 2012 Response.

Beyond 2012, rate-regulated businesses are PPL's primary source of cash from operations

Information redacted pursuant to August 14, 2012 Response.

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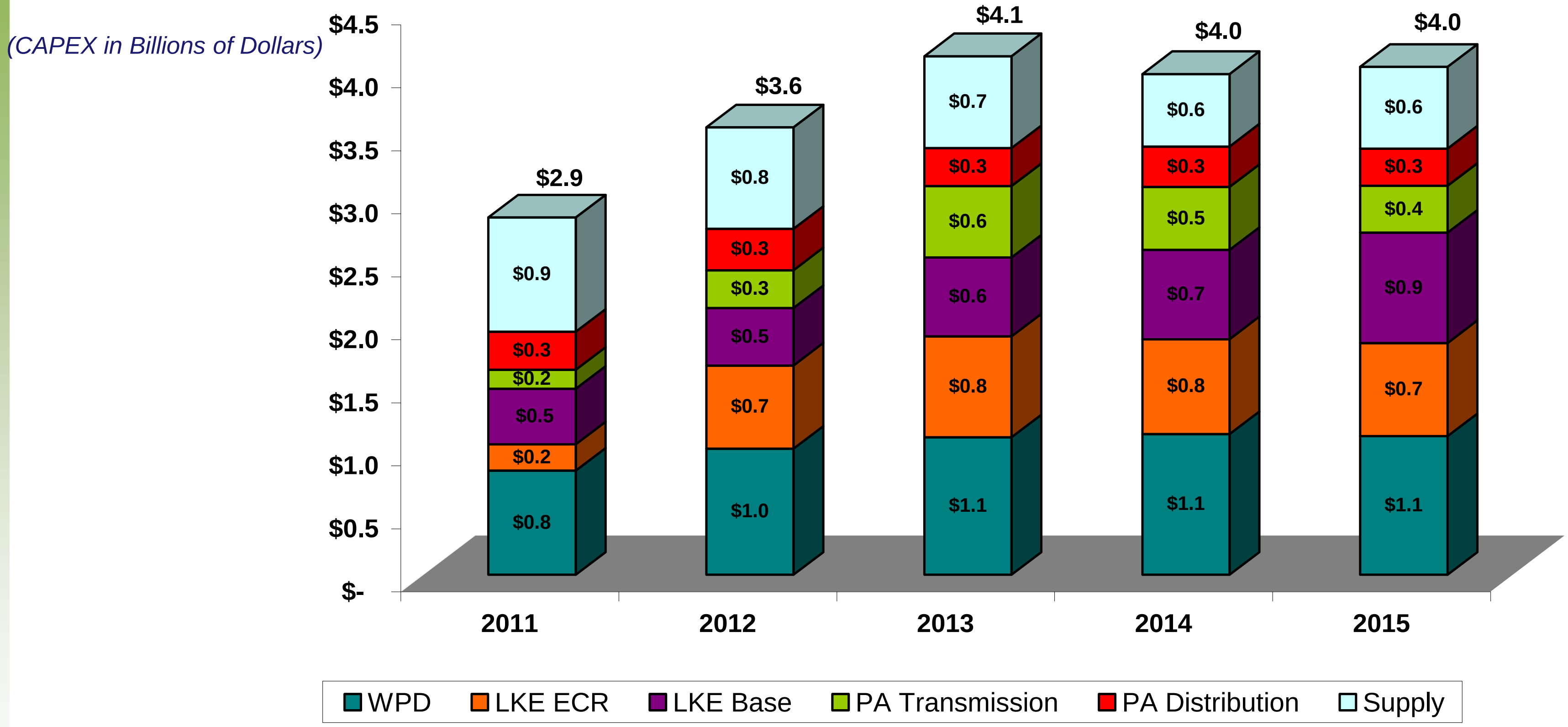
Investing in the Business

Investment in rate-regulated businesses drives rate base growth… Over 60% of the rate-regulated Capex is subject to near time recovery



	2011 (1)	2012	2013	2014	2015	CAGR 2012 – 2015
Regulated Rate Base	$18.0	$19.2	$21.4	$23.4	$25.2	9.5%

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Sources and Uses

Cash from operations is the primary funding source for new investment opportunities

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PPL Rate-Regulated Utility Businesses

Business Overview

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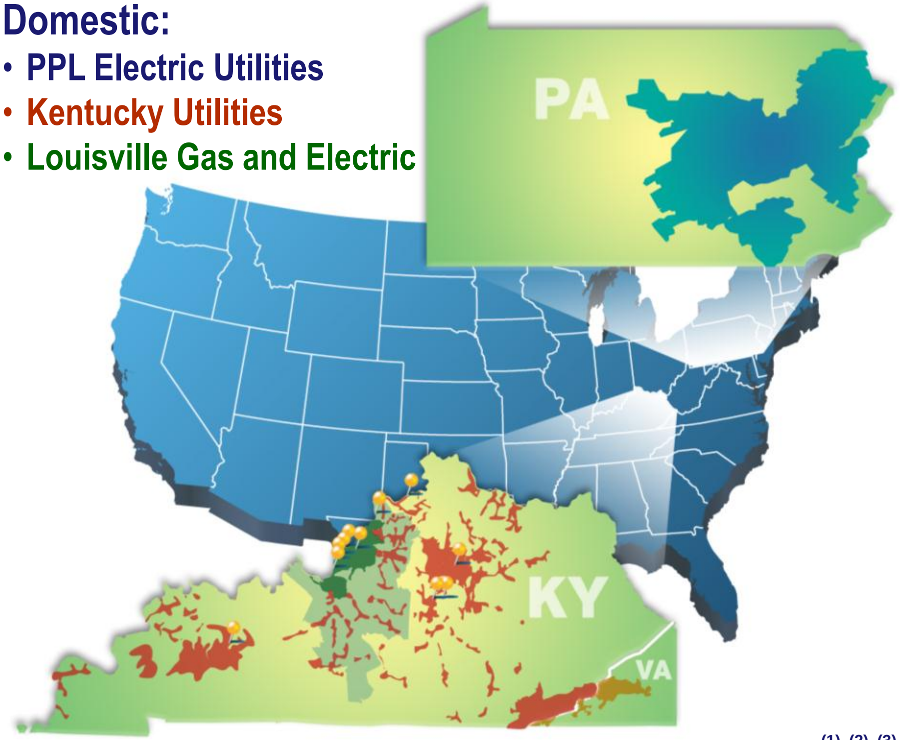
Diverse Source of Stable Cash Flows

Domestic:

- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric



International:

- WPD South Wales
- WPD South West
- WPD West Midlands
- WPD East Midlands

	No. of Customers	Rate Base(1), (2), (3)	Authorized Return
PPL Electric - Distribution	1,400,000	$2,164	10.7% (4)
PPL Electric - Transmission		$797	11.68% - 12.93%
Kentucky Utilities	544,000	$3,926	10.25%
LG&E	715,000	$2,453	10.25%
WPD South Wales	1,100,000	$1,173	12.50%
WPD South West	1,500,000	$1,623	12.40%
WPD West Midlands	2,500,000	$2,394	10.40%
WPD East Midlands	2,600,000	$2,466	10.40%

(1) Millions of Dollars
(2) As of 12/31/2010
(3) Conversion of £1.60
(4) The result of the last litigated rate case with the PA PUC

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Kentucky Business Overview

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Ratemaking

	Kentucky General Rates	Virginia General Rates	FERC Formula Rate Resets	Environmental
Purpose	Recovery of jurisdictional operating expenses and return on equity investment not covered by other KPSC rate mechanisms	Recovery of operating expenses and return on equity investment to serve KU VA customers	Recovery of operating expenses and return on equity investment to serve KU full-requirements KY municipal customers (G&T only)	Recovery of operating expenses and return on equity investment of approved environmental compliance plans for coal-fired generation
Approx % of Capitalization	74%	3%	5%	18%
Last Rate Change	8/1/10	12/1/09	7/1/11	Monthly
Last Awarded ROE	10% - 10.5%	10.5%	11%	10.63%
Statutory timeframe for proceeding	10 months from filing, but utility may put rates in subject to refund after 6 months	9 months from filing	Filed annually; 60 day review period	6 months to approve Plan
Typical Regulatory Lag	9 months	1 year	1 year	2 months

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Summary of ECR Filing

Millions of Dollars

LG&E

	Projected Year of Spend						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Mill Creek FGD's	$ 4	$ 128	$ 225	$ 183	$ 105	$ -	$ 645
Mill Creek Baghouses	6	85	188	187	149	8	623
Trimble County Baghouse	-	-	23	38	58	5	124
Total LG&E	$ 10	$ 213	$ 436	$ 408	$ 312	$ 13	$ 1,392

The impact of the above expenditures on LG&E's electric customer using 1,000kWh per month is an increase of $1.96 per month, or 2.3% in 2012, and an estimated average annual increase of 3.6% over the 2011-2016 period.

KU

	Projected Year of Spend						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Brown Landfill	$ 8	$ 27	$ 24	$ -	$ -	$ -	$ 59
Brown Baghouses	5	66	125	111	36	-	343
Ghent Baghouses	5	97	198	230	169	13	712
Total KU	$ 18	$ 190	$ 347	$ 341	$ 205	$ 13	$ 1,114

The impact of the above expenditures on KU's electric customer using 1,000kWh per month is an increase of $1.13 per month, or 1.5% in 2012, and an estimated average annual increase of 2.3% over the 2011-2016 period.

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ECR Filing Schedule

All supplemental requests for information to KU/LG&E filed	08/08/11
KU/LG&E responses to supplemental requests for information due	08/22/11
Intervenor testimony filed	09/06/11
KU/LG&E send requests for information to Intervenors	09/20/11
Intervenors' responses to requests for information	10/03/11
Rebuttal testimony, if any, to be filed	10/14/11
Last day for KU/LG&E to publish notice of hearing	TBD
Public hearing	TBD

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Update on Trimble County Unit 2

- 760 MW coal-fired generating station with ownership as follows:
  - 60.75% KU
  - 14.25% LG&E
  - 25% Third parties
- LKE took care, custody and control with limited exceptions in January 2011
- Contractor paid liquidated damages of approximately $19 million to LKE in January 2011
- Remaining burner issues to be resolved
  - Could include payment of additional liquidated damages

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KU 2011 Virginia Retail Rate Case

- Rate Case Profile:

Filed revenue increase	$9.3 million
Percentage increase	13.8%
Return on equity	11.0%

- Procedural Schedule:
  - Discovery continues into August 2011
  - Staff testimony due August 19, 2011
  - Tentative Settlement Conference on August 24, 2011
  - Rebuttal testimony due September 2, 2011
  - Public comments due by September 6, 2011
  - Hearing set September 13, 2011
  - New rates effective January 2012

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Customer Service Audit

- Required by 2010 Kentucky Public Service Commission (“KPSC”) Rate Case Orders

- Study nearly complete – report in draft stage

- Preliminary responses
  - New call center in Morganfield, KY
  - 54 new call center employees across the state
  - 7 new billing integrity positions
  - Continued commitment to superior customer service

- 2011 JD Power Results
  - KU and LG&E ranked 3rd and 4th in Mid-size Midwest Segment

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PPL Electric Utilities Business Overview

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Ratemaking

	PPL Base Distribution	PPL Transmission FERC Formula Rate	Generation Supply Charge (GSC) and Transmission Service Charge (TSC)
Purpose	Recovery of PA jurisdictional operating expenses and return on investment associated with distribution plant under retail tariff	Recovery of FERC jurisdictional operating expenses and return on investment in transmission plant under PJM OATT	Recovery of expenses associated with default service pursuant to PUC-approved procurement plans, pricing methodologies, and reconciliation methodologies
Approx % of Capitalization	76%	24%	0%
Last Rate Change	1/1/11	6/1/11	6/1/11 for GSC 6/1/11 for TSC
Last Awarded ROE	10.7% (last litigated ROE - 1/1/05)	11.68% plus 125 basis points for Susquehanna-Roseland	N/A
Statutory timeframe for proceeding	Practice within statutory timeframe has been 9 months from filing to effective date of new rates	Filed annually; 180 day review period	2 weeks
Typical Regulatory Lag	12 months (assuming annual filings)	5 months	None (subject to reconciliation)

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Regulatory Update - Distribution

Issue	Description/Impact	Status
Alternative Rate Making	Method to support timely cost recovery, reduce regulatory lag, and improve cash flow. This legislation would support PPL Electric Utilities' replacement of aging infrastructure.	HB 1294 - Legislative language pending approval by Pennsylvania General Assembly
Act 129 Post 2013	Current requirements expire May 2013. PUC required to address future requirements by November 2013. PPL Electric Utilities cannot commit to future programs under the current schedule which does not allow for seamless transition to meet potential future requirements.	The PA PUC is considering an appropriate approach to identifying future requirements.
Decoupling	Method to recover fixed costs independently from customer consumption. This mechanism is effective in recovering a utility's fixed costs in an environment where customer usage is declining. It would have minimal impact on PPL Electric Utilities if it plans to increase the frequency of rate cases.	Decoupling is an option under HB 1294 and PPL Electric Utilities is continuing to evaluate its options under this legislation
Retail Markets Investigation	Rate caps have expired for all electric distribution companies ("EDC's") in Pennsylvania. Shopping levels vary significantly among the various EDC's customers. The PA PUC is concerned that retail market structure may be inhibiting competition. PPL Electric Utilities does not expect this proceeding to adversely affect its earnings or cash flow.	PA PUC has opened an investigation of retail competition in Pennsylvania with an emphasis on default service issues. The investigation probably will not be completed before year-end 2011.
2012 Distribution Rate Case	Under traditional ratemaking, increases in capital and operating costs tend to reduce actual returns below returns allowed in the most recent base rate case.	PPL Electric Utilities is currently planning to file for a base rate increase in 2012 with rates effective 2013.

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Regulatory Update - Transmission

Issue	Description/Impact	Status
Transmission Formula Rates	PPL Electric Utilities has implemented a FERC-approved formula rate for timely recovery of its transmission-related capital and operating costs.	A formal challenge to 2010 rates is pending related to the allocation between transmission and distribution and the ROE. There has been no formal challenge filed against 2011 rates which is currently in the discovery phase.
Susquehanna-Roseland Line	PJM directed PPL Electric Utilities and PSE&G to construct a new 500kV transmission line between the Susquehanna nuclear station and the Roseland substation in New Jersey with an in-service date of mid-2012.	The PA PUC approved the project and PA Commonwealth Court affirmed its decision. NJ BPU has also approved the project. The U.S. National Park Service is conducting an environmental impact study for the portion of the line through the National Park. The projected in-service has been delayed until mid-2015.

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U.K. Business Overview

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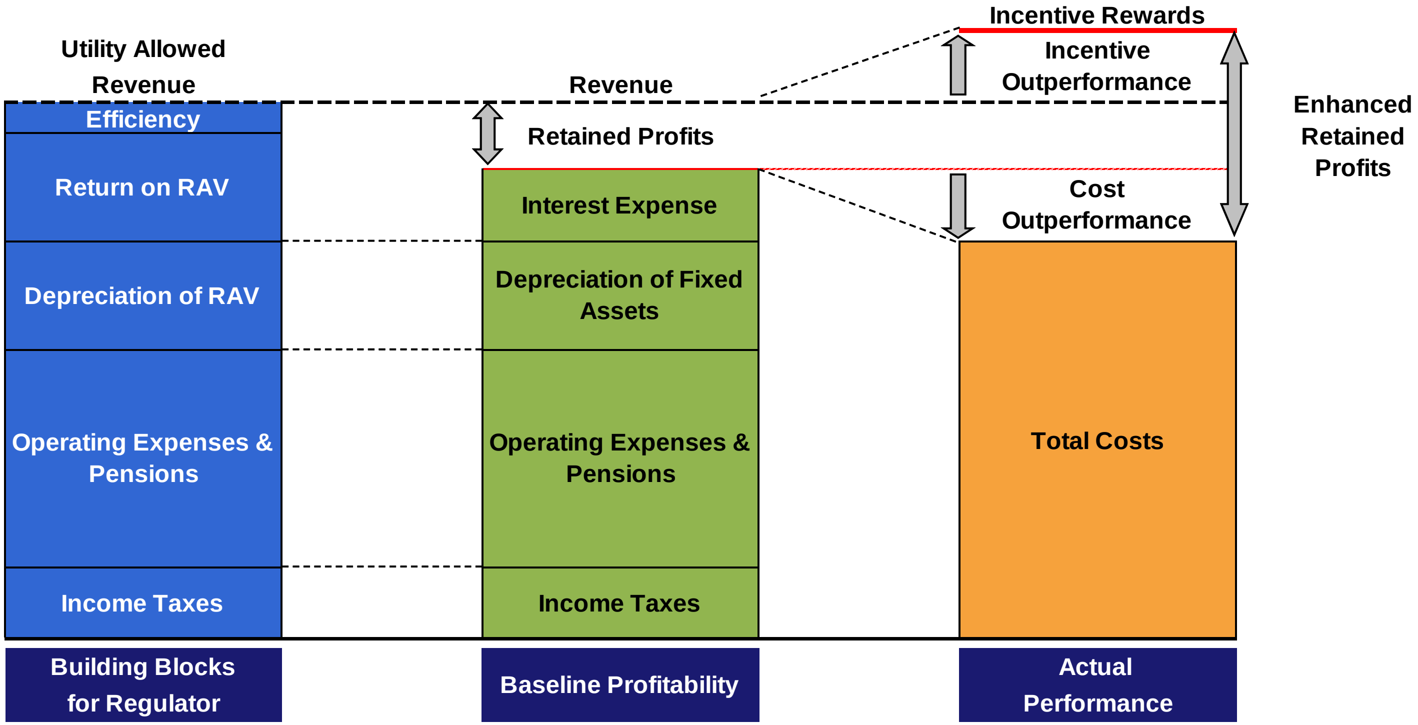
U.K. Regulatory Model

- The U.K.'s Office of Gas and Electricity Markets ("Ofgem") determines revenues for a 5-year period (8-year period in the next price review) on the basis of:
    - Efficiently incurred operating costs (comparative basis);
    - A 5-year forward assessment and funding of capital expenditures;
    - A return on and a return of capital through depreciation of the regulated asset value; and
    - Incentive revenue geared to customer service outperformance



Utility Allowed Revenue

Efficiency

Return on RAV

Depreciation of RAV

Operating Expenses & Pensions

Income Taxes

Building Blocks for Regulator

Revenue

Retained Profits

Interest Expense

Depreciation of Fixed Assets

Operating Expenses & Pensions

Income Taxes

Baseline Profitability

Incentive Rewards

Incentive Outperformance

Cost Outperformance

Total Costs

Actual Performance

Enhanced Retained Profits

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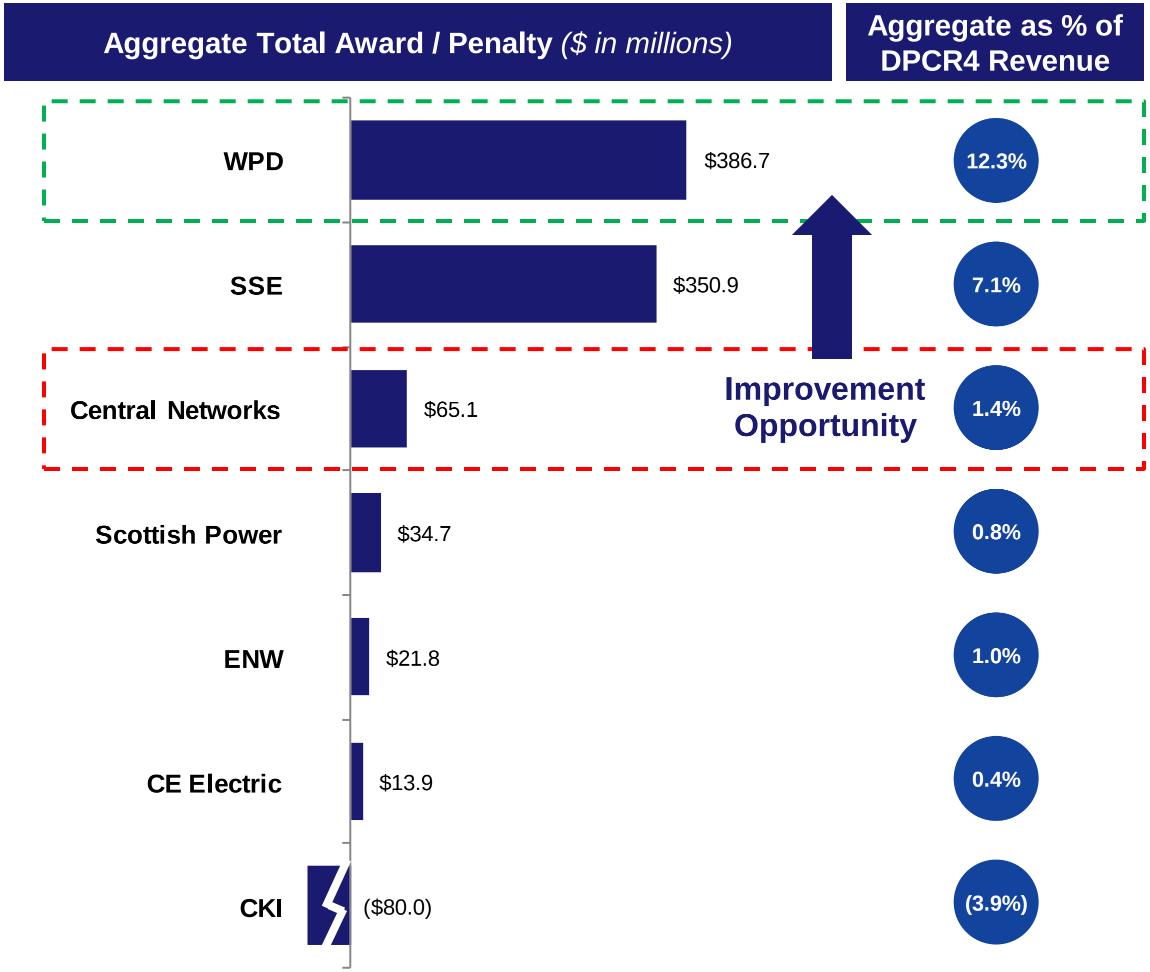
WPD Performance Rewards Top in Industry

WPD Rewards

$18.7	*Customer Minutes Lost ("CML") Targets tougher than benchmark*
29.0	*Supply restoration best practice*
3.0	*Telephone & Discretionary*
26.7	*Customers Interrupted*
51.2	*Annual CML Incentives*
3.9	*Associated Interest*
$132.5	**Total DPCR4**
$80.6	*CML Targets tougher than benchmark*
51.0	*Forecasting Accuracy (Information Quality Incentive ("IQI"))*
110.4	*Capital Cost Efficiency (pre-IQI)*
12.2	*Operating Cost Efficiency*
$254.2	**Total DPCR5**
$386.7	**Total DPCR4 & DPCR5**

🟩 *Rewards during DPCR4*

🟧 *Rewards secured for DPCR5*



Source: Ofgem data

Note: Figures based on assumed exchange rate of $1.60 / GBP.

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Integration Update

- Permanent Refinancing completed May 2011
  - $2.3bn common stock; $978m equity units; $960m HoldCo bonds; £1.4bn OpCo bonds; £100m of Index-linked Notes
  - Acquisition Bridge Loan repaid May 2011; ahead of plan
- Road shows completed for 3,900 Midlands staff setting out WPD background values and approach to integration – 36 presentations over 9 days
- 85% of union members from the four unions voted to move to single set of WPD terms and conditions
  - Moved from three union contracts to one union contract
- New organization structure presented to workforce
  - Geographically-based versus current centralized model
  - Three Network Service Managers appointed; 18 Distribution Managers appointed; 89 Team Managers appointed
  - 600 to 800 positions identified as redundant
  - Redundancy consultation started with mid-Sept. completion date; individuals to leave in Q1 2012
- All IT, policy and working methods to be changed to WPD model; December 1st system switchover to WPD IT systems

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PPL’s Competitive Supply Business

Business Overview

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Key Business and Value Drivers

- Diverse, efficient generating fleet with the ability to meet proposed EPA regulations without substantial increase in capital or operating cost
- Ability to control spending and optimize operations in a low commodity business cycle
- Near-term capacity additions to our low cost, carbon-free nuclear and hydro facilities
- Hedging strategy that reduces near-term cash flow volatility and risk
- Improved supply/demand fundamentals

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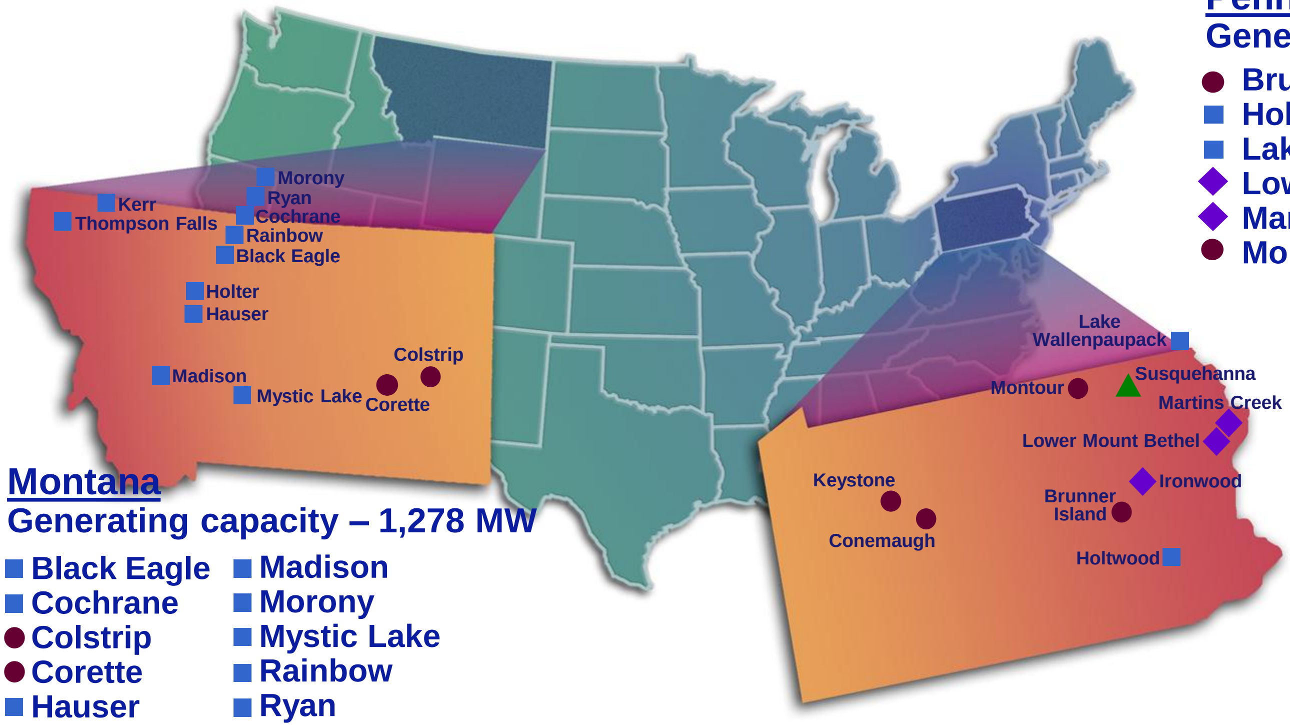
Diverse Generation Portfolio



Pennsylvania

Generating capacity – 9,482 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,278 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

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Efficient Generation Portfolio

Our generating assets are extremely well-positioned on the dispatch curve and had a utilization factor on our baseload generation of about 93% in 2010

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Actively Managing Environmental Uncertainty

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower	Dry Handling/Disposal/Beneficial Use
Addresses		NO_x	NO_x	SO_2	Water Intake	Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✔	✓	✔	**(3)**	✔
	Unit 2	✔	✓	✔	**(3)**	✔
	Unit 3	✔	✓	✔	**(3)**	✔
Montour	Unit 1	✔	✔	✔	✔	✔
	Unit 2	✔	✔	✔	✔	✔
Colstrip	Unit 1 & 2	✓	**(1)**	✔	✔	**(2)**
	Unit 3 & 4	✔	**(1)**	✔	✔	**(2)**
Keystone	Unit 1 & 2	✔	✔	✔	✔	✔
Conemaugh	Unit 1 & 2	✔	✓	✔	✔	✔

✔= Installed

✓ = Under Consideration

PPL's proactive approach to environmental compliance has made the EPA's pending regulations manageable

---

(1) At this time we believe that SCR/SNCRs are not required at Colstrip to meet the proposed NO_x emission units.

(2) PPL has begun to assess dry handling/disposal of CCRs at Colstrip.

(3) If required, once through cooling towers could be converted to closed cycle.

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Operating in a Down Commodity Cycle

- **Controlling Capital**
  - Reducing capital spending by over $500 million over the 5 year plan
- **Optimizing Operation**
  - Continued strong performance of our units including top quartile achievements in net capacity factor and equivalent availability factor
  - Operating at minimums during low priced off-peak periods
  - Analyzing fuel options

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Reducing Risk Through Hedging

Mark-to-Market Value of Power Hedges

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Hedging Program

	2011(4)	2012	2013
Baseload			
Expected Generation(1) (Million MWhs)	**47.9**	**54.7**	**54.4**
East	40.1	46.2	46.0
West	7.8	8.5	8.4
Current Hedges (%)	**99%**	**97%**	**69%**
East	99%	98%	69%
West	97%	95%	72%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)			
East	$57	$54-55	$53-56
West	$54	$53-54	$50-51
Current Coal Hedges (%)	**100%**	**96%**	**88%**
East	100%	95%	91%
West	100%	100%	79%
Average Hedged Consumed Coal Price (Delivered $/Ton)			
East	$73-74	$76-80	(5)
West	$23-27	$23-29	$23-30
Intermediate/Peaking			
Expected Generation(1) (Million MWhs)	7.6	6.2	6.3
Current Hedges (%)	87%	32%	19%

Capacity revenues are expected to be $430 million, $385 million and $590 million for 2011, 2012 and 2013, respectively.

As of June 30, 2011

(1) Represents expected sales based on current business plan assumptions.

(2) The 2011 average hedge energy prices are based on the fixed price swaps as of June 30, 2011; the prior collars have all been converted to fixed swaps.

(3) The 2012 and 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2012 and 2013 power prices at the 5th and 95th percentile confidence levels.

(4) Includes six months of actual results.

(5) Transportation contract in negotiation.

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Hedging Strategy

PPL EnergyPlus continues to operate its business based on a sound risk management program

- The objective is to provide the appropriate level of near-term cash flow and earnings certainty to support credit ratings and investor expectations, well within Supply's current credit liquidity capacity (currently $3.6 billion),
- Our current hedging targets extend 3 years and consist of:
    - Band 1 – 1st year of plan: 90-100% (2012)
    - Band 2 – 2nd year of plan: 60-90% (2013)
    - Band 3 – 3rd year of plan: 0-30% (2014)

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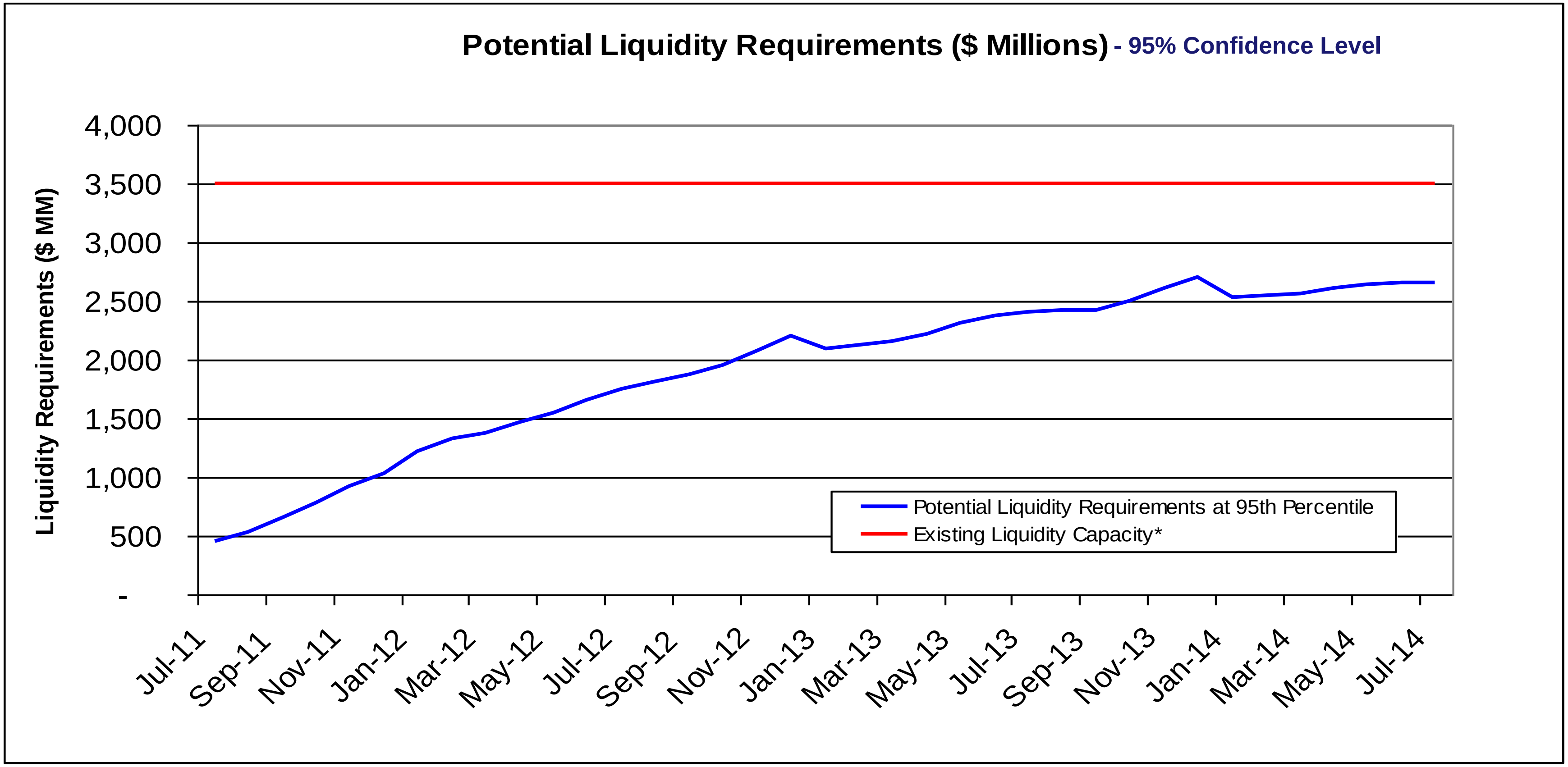
Liquidity Requirements

Based on our current hedging strategy, PPL Energy Supply has sufficient liquidity capacity to sustain over a 50% immediate increase in 2012 and 2013 forward energy prices.



* The Existing Liquidity Capacity of $3.5 billion excludes $800 million of secured trading facility.

** Based on 6/30/2011's forward curves and assumed hedged separately.

*** Includes $300 million of working capital for CAPEX and other general corporate purposes

PPL Corporation Financial Metrics

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PPL Corporation

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LKE

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Kentucky Utilities

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LG & E

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PPL Electric Utilities

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Appendix A:

Financial Metrics Details

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[redacted]

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Kentucky Utilities

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LG&E

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PPL Electric Utilities

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Appendix B:

Components of Free Cash Flow 2012-2015

Capital Markets Activity Summary 2012-2015

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2012 Components of Free Cash Flow

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2012 Capital Markets Activity Summary

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2013 Components of Free Cash Flow

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2013 Capital Markets Activity Summary

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2014 Components of Free Cash Flow

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2014 Capital Markets Activity Summary

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2015 Components of Free Cash Flow

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2015 Capital Markets Activity Summary

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Appendix C:

Other

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Risk Management Program – VaR

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Counterparty Credit Risk

Strict adherence to a formalized credit risk policy limits our exposure to counterparty credit risk. The policy establishes maximum credit exposure for all levels of credit quality.

- Approximately 80% of PPL's net credit exposure is with investment-grade counterparties (1)

Rating	% of Net Exposure
A3 or better	28.90%
Baa3 or better	50.87%
Below Inv. Grade	0.87%
Not Rated	19.35%

- Credit personnel are located on the marketing floor
  - Overnight mark-to-market of all credit positions
- Over the past five years, credit defaults have been $3.0 million, or 0.32% of net credit exposure

(1) As of June 30, 2011

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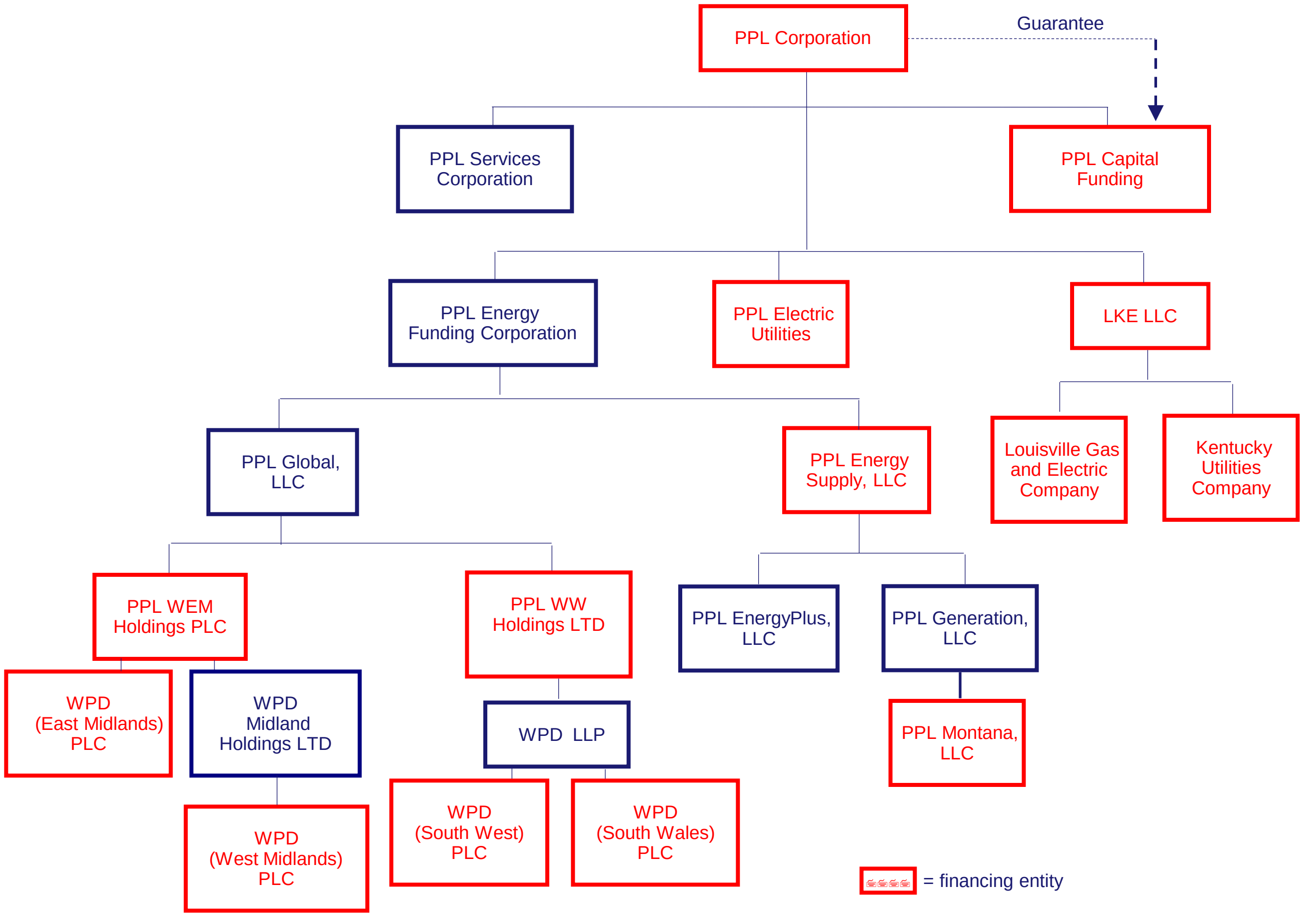
PPL Corporate Structure – Financing Entities



PPL Corporation

Guarantee

PPL Services Corporation

PPL Capital Funding

PPL Energy Funding Corporation

PPL Electric Utilities

LKE LLC

PPL Global, LLC

PPL Energy Supply, LLC

Louisville Gas and Electric Company

Kentucky Utilities Company

PPL WEM Holdings PLC

PPL WW Holdings LTD

PPL EnergyPlus, LLC

PPL Generation, LLC

WPD (East Midlands) PLC

WPD Midland Holdings LTD

WPD LLP

PPL Montana, LLC

WPD (West Midlands) PLC

WPD (South West) PLC

WPD (South Wales) PLC

🟥 = financing entity

PPL Financing Entities

- PPL Corporation
  - Common Stock
- PPL Capital Funding, Inc.
  - Senior Unsecured Notes
  - Junior Subordinated Notes
- PPL Electric Utilities Corporation
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Commercial Paper Program (with supporting Bank Lines)
  - Tax Exempt Bonds
  - Credit Facilities
  - Preference Stock
- PPL Energy Supply, LLC
  - Senior Unsecured Notes
  - Tax Exempt Bonds
  - Credit Facilities
- PPL Montana, LLC
  - Pass-Through certificates
- PPL WW Holdings, LTD and PPL WEM Holdings PLC
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (South West) and WPD (South Wales)
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (East Midlands) and WPD (West Midlands)
  - Senior Unsecured Debt
  - Credit Facilities
- LG&E and KU Energy LLC (LKE)
  - Senior Unsecured Debt
  - Medium Term Note
- Louisville Gas & Electric and Kentucky Utilities
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Tax Exempt Bonds
  - Credit Facilities

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Dividend Cash Flow to PPL Corporation

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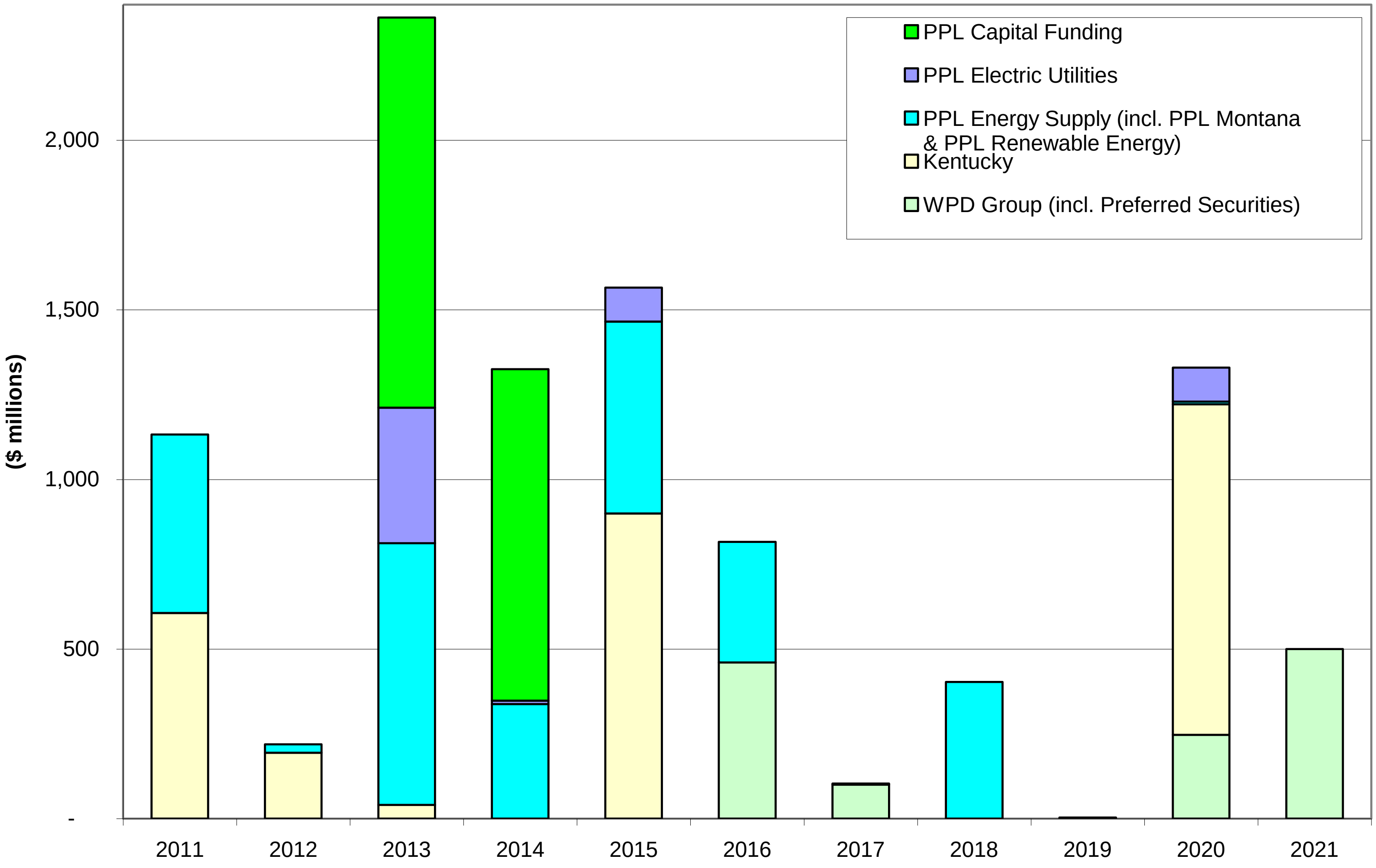
Security Maturities

PPL Corporation Maturity Distribution 2011 – 2020

As of June 30, 2011



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2011 Update – Domestic Pension Plans

PPL has continued to reduce the risk profile of its pension plan

- We have changed the asset allocation to reduce interest rate risk by more closely matching the duration of the assets to the liabilities
- The management of LKE’s pension assets had been outsourced to Mercer. Beginning January 2011, we will manage LKE’s pension assets in house and develop a risk reduction strategy similar to PPL’s plans

	Typical Corporate Pension Plan Allocation (1)	**PPL 2007 Allocation**	**PPL 2011 - 2012 Target Allocation** (2)
Domestic Equities	42%	52%	11%
International Equities	13%	16%	14%
Alternative Investments & Cash	13%	6%	17%
Medium Duration Fixed Income	27%	7%	15%
Long Duration Fixed Income	5%	19%	43%
	100%	100%	100%

(1) Source: Trust Universe Comparison Service

(2) In addition, we plan to increase our interest rate swap portfolio from $248 million at December 31, 2010, to $357 million over the next two years.

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2011 Update – Domestic Pension Plans

PPL has reduced the volatility of its funded status by increasing its hedge ratios

	December 31, 2007	December 31, 2010	Target 2011 - 2012
% Liability Hedged	14%	39%	61%
Hedge Contribution from:			
Long Duration Fixed Income	14%	15%	28%
Treasury Strips	0%	15%	20%
Interest Rate Swaps	0%	9%	13%
	14%	39%	61%

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2011 Update – Domestic Pension Plans

Impact on Funded Status with 1% Change in Interest Rates

(millions of dollars)

			Change in Value	
	Value	Duration (years)	2007 Portfolio	2011 - 2012 Target Portfolio
Liabilities	$2,700	12.4	$357	$335
Hedging Assets				
2007 Portfolio	415 [(1)]	10.6	44	
2012 Target	1,311	14.8		194
Change in Funded Status			$291	$141

---

(1) Includes $357 million notional value of interest rate swaps

The 2011 target strategy reduces funded status volatility by $150 million over the 2007 portfolio

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PPL Corporation
Rating Agency Review
Fitch

June 7, 2012

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Today’s Agenda

PPL Corporation
Business and Financial Overview

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PPL's Strengths

PPL's strengths have a positive impact on credit….

- PPL's consolidated credit profile reflects its significantly more rate-regulated business mix
  - Through recent acquisitions, PPL has been successfully transformed from a largely commodity driven operation to a significantly more rate-regulated platform
  - Over 70% of consolidated earnings will be derived by more predictable, rate regulated businesses with above average regulatory profiles
- PPL's regulated utility businesses are well positioned to deliver our projected financial performance
  - PPL owns and operates multiple utilities in diversified regulatory jurisdictions
  - Compounded annual rate base growth over the next five years expected to be nearly 8%
  - Kentucky utilities operate with an approved environmental cost recovery ("ECR") mechanism that permits near real-time recovery of $2.8 billion in already approved environmental costs
  - Pennsylvania utility operates with near real-time recovery of capital expenditures for transmission investments and portions of distribution investments (beginning in 2013)
  - WPD has fully integrated the Midlands operations
    - Cash cost savings from Midlands operations higher than original projection
    - Significant customer performance improvements will result in additional future incentive revenues

PPL's Strengths (continued)

- PPL's competitive supply business owns well located and low cost plants that are substantially hedged through 2013
  - Strong baseload footprint in PJM is complemented by flexible gas-fired units, with diverse fuel mix across PPL's competitive generation fleet
  - Plants are substantially in compliance with new emission standards

- PPL's business lines demonstrate consistent operational capabilities
  - New U.K. regulated assets are performing significantly ahead of the performance achieved under the previous owners and in line with our high expectations
  - PPL Energy Supply continues to reduce spending as required during the ongoing down commodity cycle which impacts our competitive supply business

- PPL has demonstrated its commitment to issue common stock when deemed appropriate

Update on Key Business Events – YTD 2012

LKE

- During the first quarter, Kentucky utilities experienced lower electricity sales due to extraordinarily mild weather
- May 3 - the Kentucky Public Service Commission (“KPSC”) approved a proposal to build a 640 MW combined-cycle gas plant at the existing Cane Run station as well as purchase the 495 MW Bluegrass Generation simple cycle plant to replace coal fired units that will retire as a result of EPA regulations
    - FERC provided conditional approval of the Bluegrass Generation purchase on May 4
- June 1 - LG&E and KU provided notice of intent to file base rate cases with the KPSC
    - New rates will be effective January 1, 2013

Update on Key Business Events – YTD 2012 (continued)

U.K.

- In February - WPD conducted stakeholder workshops as part of the initial steps for the next price control review (RIIO-ED1)(1)
- In March - WPD South West and South Wales were identified as the best overall performing companies for the 2010/2011 regulatory year
- During the first quarter, PPL completed the WPD Midlands integration activities with full switchover to WPD's legacy systems and business processes
- In PPL’s first full year of ownership, WPD Midlands companies surpassed customer performance and financial targets
  - Bonus revenues increased by $50 million over bonus levels in prior year’s determination

(1) Refer to slide 29 for RIIO timeline.

Update on Key Business Events – YTD 2012 (continued)

PPL Electric Utilities

- February 16 - the alternative rate making bill, which was strongly supported by PPL, was signed into law by Governor Tom Corbett as Act 11 of 2012
- March 29 - the National Park Service approved the route preferred by PPL Electric Utilities and PSE&G for the Susquehanna-Roseland Transmission Line
- March 30 - PPL Electric Utilities requested that the PA PUC approve a distribution base rate increase of $104.6 million or approximately 2.9%
- During the first quarter, PPL Electric Utilities experienced lower electricity sales due to extraordinarily mild weather

Update on Key Business Events – YTD 2012 (continued)

Energy Supply

- February 22 - the U.S. Supreme Court unanimously overturned a Montana state Supreme Court decision requiring PPL Montana to pay $89 million in rent for the use of riverbeds
- March 27 - the Montana Bankruptcy Court issued an order approving PPL's request to terminate the Southern Montana Generation and Transmission Cooperative contract effective April 1
- March 31 - Susquehanna Unit 1 began a planned refueling and maintenance outage
  - One row of turbine blades was replaced due to cracks that were similar to, but less extensive than, damage discovered and repaired in 2011
  - Unit 2 was shutdown on May 30 to inspect turbine blades
  - Impact not expected to be material to 2012 financial results
- April 13 - PPL Energy Supply completed the acquisition of AES Ironwood, LLC and AES Prescott, LLC, which together own and operate the 705 MW gas-fired power plant located in central Pennsylvania

Update on Key Business Events – YTD 2012 (continued)

Key Financing Events

- April 13 - PPL closed a common stock offering of $280 million in conjunction with a forward sales agreement
- April 19 - PPL Electric Utilities gave notice to redeem all of its 2.5 million outstanding shares of its 6.25% Preferecnce Stock effective June 18

Key PPL Executive Management Changes

- February 29 - PPL announced David DeCampli as president of PPL Energy Supply, LLC and PPL Generation, LLC
- February 29 - PPL announced Gregory Dudkin to replace DeCampli as president of PPL Electric Utilities
- March 23 - Bill Spence was elected Chairman of the Board effective April 1, replacing Jim Miller who retired March 31
- May 17 - PPL announced Mark Wilten as VP-Finance and Treasurer, replacing Jim Abel who retired on March 31

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2012 Earnings Forecast

PPL forecasts ongoing earnings per share between $2.15 and $2.45 in 2012

- The largest positive earnings driver is a full-year of earnings from the acquired Midlands businesses
- Primarily offset by
  - Lower wholesale energy margins
  - Dilution of $0.13 per share associated with the April 2011 common stock issuance to finance the Midlands acquisition

2012 Update – Components of Free Cash Flow

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2012 Update – Capital Markets Activity

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2012 Update – Liquidity

Strong liquidity position(1)…

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Secured Trading Facility	Sept-2016	800	0	0	800
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$4,000	$778	$0	$3,222
PPL Electric Utilities	Syndicated Credit Facility (2)	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

(1) Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities, and 17% of the total committed capacity for WPD's facilities.

(2) In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

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Overview of PPL Corporation’s 2012 – 2016 Business Plan

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Cash from Operations (1)

Rate-regulated businesses are PPL's primary source of cash from operations

[redacted]

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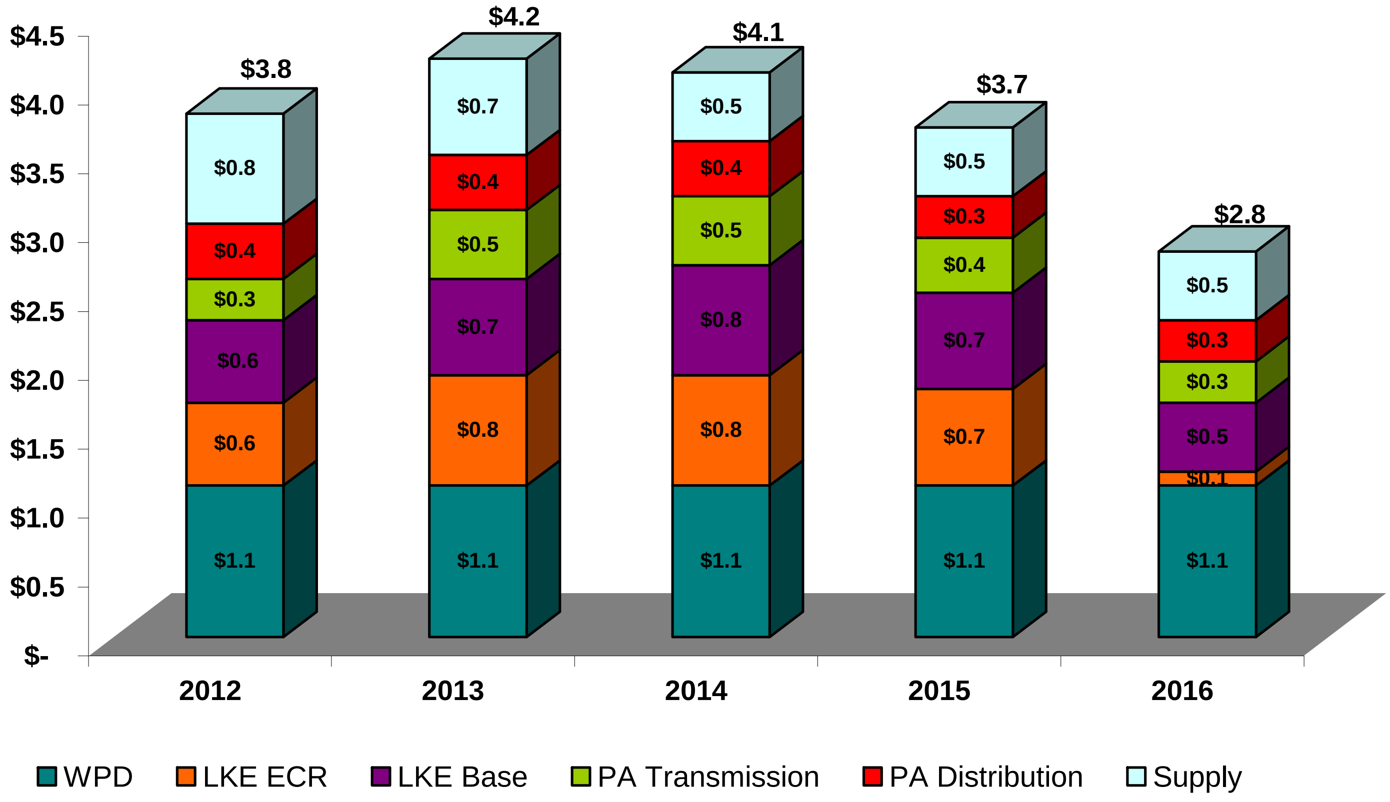
(1) Excludes PPL Corporation, PPL Capital Funding, and Corporate & Eliminations

Investing in the Business

Investment in rate-regulated businesses drives rate base growth. Over 50% of the rate-regulated capex is subject to near real-time recovery.

(Capex in Billions of Dollars)



	2012	2013	2014	2015	2016	CAGR 2012 – 2016
Regulated Rate Base	$19.0	$21.3	$23.5	$25.2	$25.8	**8.0%**

Sources and Uses

Cash from operations is the primary funding source for new investment opportunities

[redacted]

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PPL Rate-Regulated Utility Businesses
LKE Overview

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LKE Investment Highlights

- Efficient, well-run utility focused on safety, reliability, and customer service
- Projected rate base CAGR of 9.6% through 2016
- Constructive regulatory environment that provides a timely return on a substantial amount ($2.8 billion) of planned capex over the next 5 years
  - Utilizes ECR and other supportive recovery mechanisms including Construction Work In Progress, Fuel Adjustment Clause, Gas Supply Clause Adjustment, and Demand Side Management recovery
- Very competitive retail rates that attract energy-intensive businesses

Summary of ECR Settlement Agreement

- ECR approved by the KPSC in December 2011, including $500 million that remains from prior authorization
- LG&E will invest approximately $1.4 billion from 2012 – 2016
  - Scrubbers at Mill Creek
  - Baghouses at all Mill Creek units and Trimble County Unit 1
- KU will invest approximately $900 million from 2012 – 2016
  - Baghouses at all Ghent Units and Brown Unit 3
  - Conversion of Brown coal ash pond to dry storage landfill
  - Baghouses at Brown Units 1 and 2 - decision to invest deferred
- KPSC confirmed existing 10.63% ROE on projects remaining from earlier ECR plans
- KPSC authorized 10.10% ROE for approved projects in 2011 ECR proceedings

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Summary of ECR Contracts

- Mill Creek scrubbers
  - Equipment Purchase Agreement awarded in April 2012
  - Engineering, Procurement and Construction contract expected to be awarded in July 2012

- Baghouses at Mill Creek, Ghent, Brown, and Trimble County
  - Equipment Purchase Agreements expected to be awarded for all baghouses in June 2012
  - Engineering, Procurement and Construction contract expected to be awarded as follows:
    - Mill Creek – July 2012
    - Ghent – September 2012
    - Brown – December 2012
    - Trimble County – Fall 2013

- Brown landfill construction contract expected to be awarded in December 2012

New Capacity Additions

- KPSC order approving the Certificate of Public Convenience and Necessity filing for the following projects was received on May 3, 2012
  - Construction of 640 MW natural gas combined cycle at existing Cane Run plant site
    - Expected costs of approximately $580 million
    - Contract to be awarded in July 2012 for construction 2012 - 2016
    - Ownership = 78% KU, 22% LG&E
  - Purchase of the 495 MW Bluegrass CT facility
    - Purchase price of $110 million
    - Ownership = 31% KU, 69% LG&E
    - FERC conditional approval on May 4, 2012
      - Evaluating mitigation measures to meet FERC conditions
- Formal requests for recovery of costs associated with both projects are expected to be included in future base rate proceedings
- Retirement of six coal-fired generating units representing 797 MW of combined summer capacity is anticipated by the end of 2015

Kentucky Base Rate Case Facts

	KU	LG&E Electric	LG&E Gas
Revenue Increase Requested	$82.5 million	$62.1 million	$17.2 million
Test Year	Yr end 3/31/12	Yr end 3/31/12	Yr end 3/31/12
Requested ROE	11.0%	11.0%	11.0%
Total Capitalization	$3.98 billion	$1.97 billion	$523 million
Equity / Capitalization	53.74%	55.64%	55.64%
1% Change in ROE =	~$28 million in revenue	~$18 million in revenue	~$5 million in revenue

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Kentucky Base Rate Case Procedural Schedule

- Notice of intent filed with the KPSC - June 1, 2012
- Application to be filed - June 29, 2012
- Tentative hearing date - mid November 2012
- Order issued (tentative) - December 28, 2012
- New rates effective - January 1, 2013

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PPL Rate-Regulated Utility Businesses
U.K. Overview

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U.K. Investment Highlights

- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved five year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service, and reliability
  - Highest percentage of bonus revenue among peers

	WPD South West & South Wales			**WPD Midlands**		
Regulatoy Year (ending 3/31)	**Total Awards, £**	**% of Revenue**	**Total $**	**Total Awards, £**	**% of Revenue**	**Total $**
2006/07	£6.7	1.6%	$13.4	-£5.4	-0.8%	-$10.7
2007/08	£8.0	1.8%	$15.1	-£1.7	-0.3%	-$3.3
2008/09	£11.8	2.8%	$16.7	£8.2	1.3%	$11.7
2009/10	£12.1	2.6%	$18.3	£7.9	1.2%	$11.9
2010/11	£7.2	1.5%	$11.4	£11.6	1.6%	$18.5
2011/12	£9.4	1.8%	$14.7	£44.0	5.6%	$69.0
Total	**£55.2**	**2.0%**	**$89.6**	**£64.6**	**1.6%**	**$97.1**

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in nine months
    - Strong potential to earn additional incentive revenues
- Consistent pattern of dividend repatriation to U.S. parent

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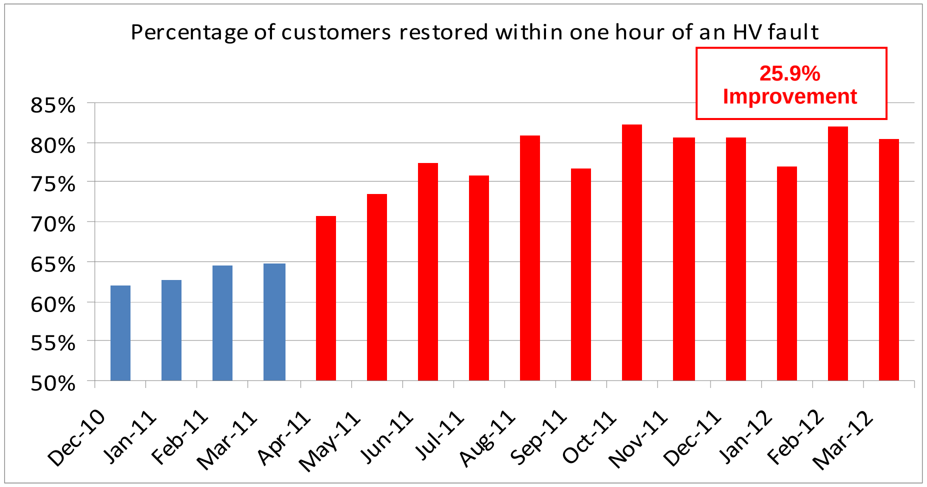
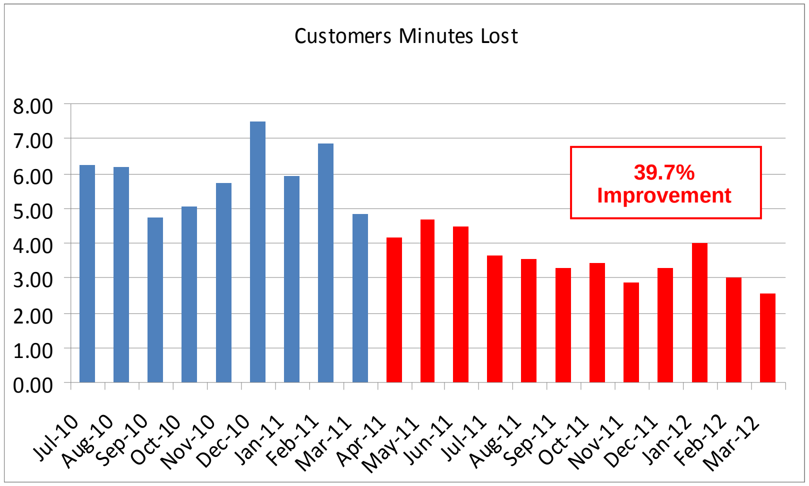
Improvements Made - Network Performance

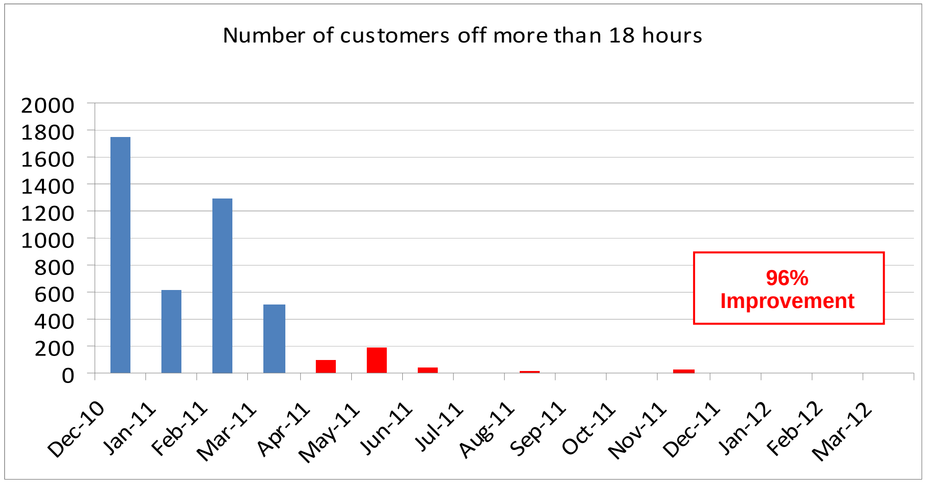
Target 60



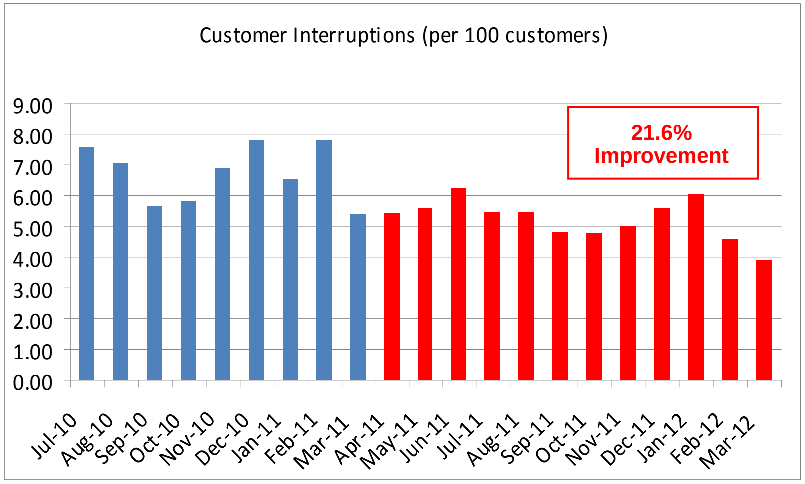
Customer Minutes Lost



18 Hour Standard



Customer Interruptions (per 100 customers)



Dramatically improving network performance while exceeding our original cost savings projections

U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

September 2012	Publication of Strategy Consultation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consultation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory disposition on new license conditions
April 1, 2015	Price control commences

PPL Rate-Regulated Utility Businesses
PPL Electric Utilities Overview

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PPL Electric Utilities Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
    - CAGR of 22.3% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
    - ROE of 11.68% earned through FERC Formula Rate Mechanism
    - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.5% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill provides more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability
    - Expect filing in January 2013

PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

PPL Electric Utilities Distribution Rate Case Procedural Schedule

- Rate case filed March 30, 2012
- Providing information to all stakeholders throughout year (building evidentiary record)
- Public hearings in June/July
- Hearing with Administrative Law Judge in August/September
- Recommended decision in mid-October
- Final PUC decision in December
- New rates take effect January 1, 2013

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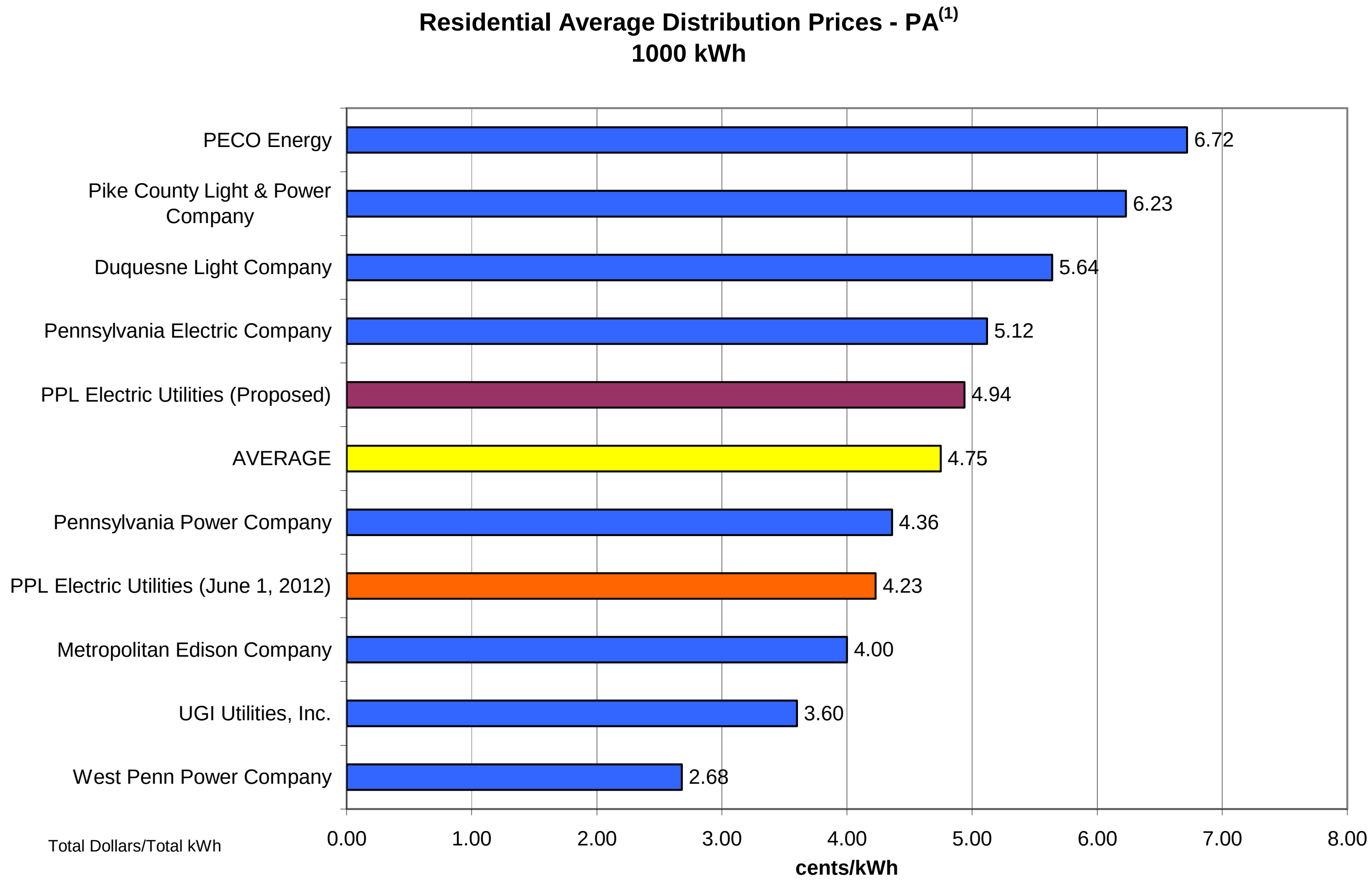
Residential Distribution Pricing Comparison

After the 2012 rate case, PPL Electric's residential distribution rates will remain in line with other Pennsylvania electric utilities



(1) Source for non PPL EU data is EEI Typical Bills and Average Rates Report, Winter 2012 (rates effective January 1, 2012)

PPL's Competitive Supply Business Overview

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Competitive Supply Investment Highlights

- Very well-positioned competitive generation
  - PJM assets
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop baseload unit availability
  - Montana assets
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Current and proposed environmental regulations have minimal impact due to prior environmental upgrade investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial, and residential customer classes

Actively Managing Environmental Uncertainty

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower (2)	Dry Handling/Disposal/Beneficial Use
Addresses		NO_x	NO_x	SO_2	Water Intake	Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✔	NR	✔	(3)	✔
	Unit 2	✔	NR	✔	(3)	✔
	Unit 3	✔	NR	✔	(3)	✔
Montour	Unit 1	✔	✔	✔	✔	✔
	Unit 2	✔	✔	✔	✔	✔
Colstrip	Unit 1 & 2	✓	(1)	✔	✔	(3)
	Unit 3 & 4	✔	NR	✔	✔	(3)
Keystone	Unit 1 & 2	✔	✔	✔	✔	✔
Conemaugh	Unit 1 & 2	✔	✓	✔	✔	✔

✔ Installed

✓ Under Consideration

NR Not required under current or proposed regulations

PPL’s proactive approach to environmental compliance has made the EPA’s pending regulations manageable

(1) The proposed Regional Haze FIP for Montana would require SNCRs for Colstrip 1 & 2 by 2017.
(2) Potential exposure based on proposed regulations to intake structure modifications, including at sites with closed-cycle cooling.
(3) PPL has begun to assess dry handling/disposal of CCRs at Colstrip. Pending CCR regulations could require additional controls.

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Operating in a Down Commodity Cycle

- Managing Capital and O&M
  - Reduced our five year capital spend by more than $700 million through the last two planning cycles
- Continuing a disciplined forward hedging process
  - Balance protecting cash flows and providing for upside
- Optimizing Operation
  - Continued strong performance of our units including top quartile achievements in net capacity factor and availability
  - Efficient coal unit operations
    - Cycling coal units down during low price periods
    - Buying power in the market at prices below production cost to meet above market energy sales
    - Deferring and buying out of contracted coal deliveries
  - Flexible gas-fired unit operations
    - Increased ownership of combined-cycle gas generation
    - Operating gas-fired units in low-gas price environment to capture market opportunity
  - Renegotiated a long-term coal delivery contract that will provide stable coal transportation costs for several years
  - Performing heat rate improvements to reduce fuel costs

Risk Management Program – VaR

[redacted]

Information redacted pursuant to August 14, 2012 Response.

Reducing Risk Through Hedging

[redacted]

Information redacted pursuant to August 14, 2012 Response.

- Protecting the total portfolio value by utilizing a disciplined hedge strategy for baseload assets
- Optimizing fleet value through strategies surrounding intermediate and peaking generation

Hedging Program

	2012	2013
Baseload		
Expected Generation(1) (Million MWhs)	**51.5**	**53.1**
East	43.5	44.8
West	8.0	8.3
Current Hedges (%)	**94-98%**	**79-83%**
East	96-100%	82-86%
West	82-86%	65-69%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-51
West	$50-52	$46-49
Current Coal Hedges (%)	**100%**	**97%**
East	100%	96%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$76-79	$80-88
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	7.6	7.0
Current Hedges (%)	58%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of March 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of March 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

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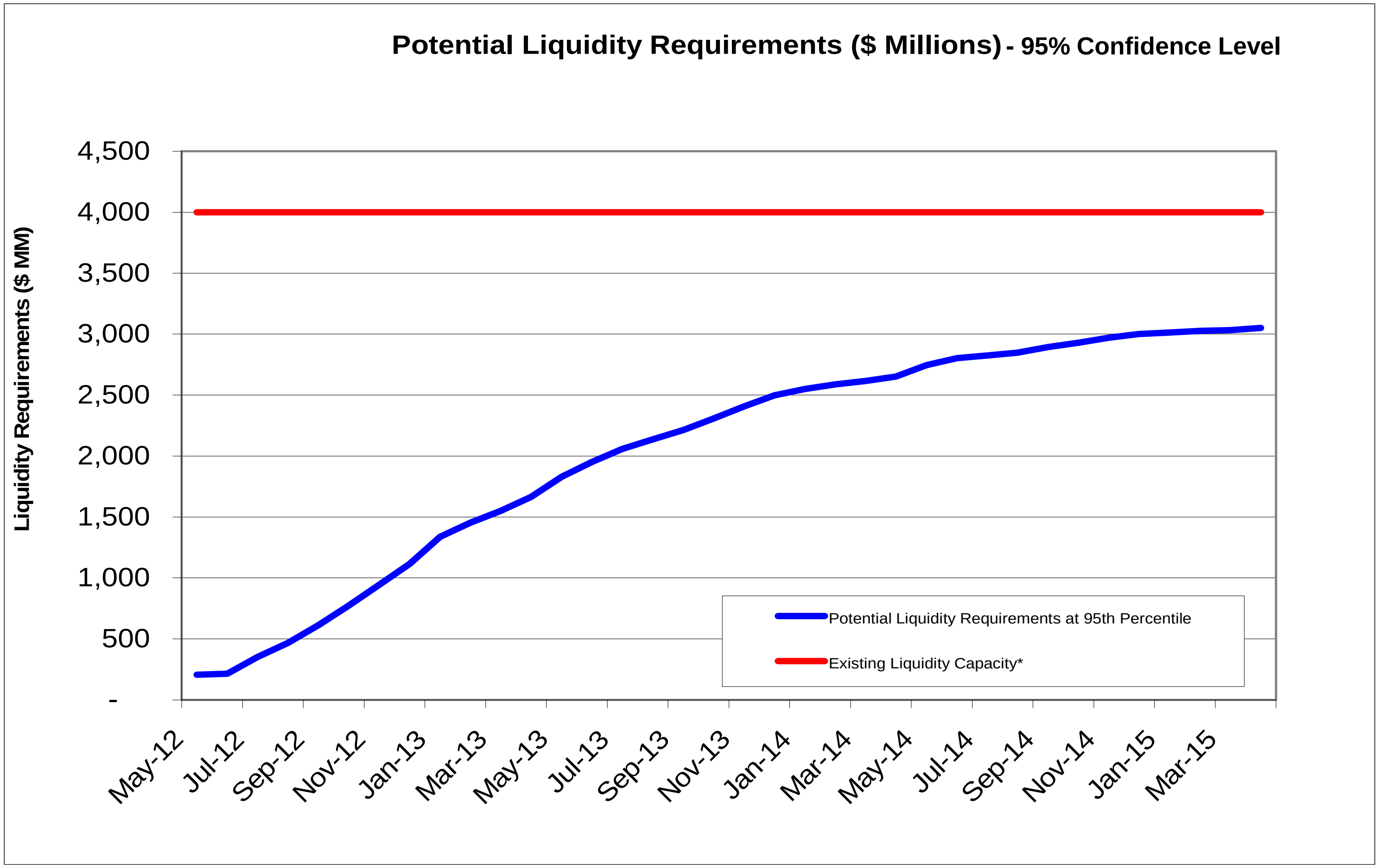
Liquidity Requirements

Based on our current hedging strategy, PPL Energy Supply has sufficient liquidity capacity to sustain over a 50% immediate increase in 2012 and 2013 forward energy prices.



Note: The Existing Liquidity Capacity of $4.0 billion includes $800 million of secured trading facility.

PPL Corporation Financial Metrics

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PPL Corporation

[redacted]

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LKE

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Kentucky Utilities

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LG&E

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PPL Electric Utilities

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PPL Energy Supply

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Appendix A:

Financial Metrics Details

PPL Corporation

[redacted]

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LKE

[redacted]

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Kentucky Utilities

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LG&E

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PPL Electric Utilities

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PPL Energy Supply

[redacted]

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Appendix B:

Components of Free Cash Flow 2013-2016

Capital Markets Activity Summary 2013-2016

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2013 Components of Free Cash Flow

Information redacted pursuant to August 14, 2012 Response.

2013 Capital Markets Activity Summary

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2014 Components of Free Cash Flow

Information redacted pursuant to August 14, 2012 Response.

2014 Capital Markets Activity Summary

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2015 Components of Free Cash Flow

[redacted]

Information redacted pursuant to August 14, 2012 Response.

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2015 Capital Markets Activity Summary

[redacted]

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2016 Components of Free Cash Flow

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2016 Capital Markets Activity Summary

[redacted]

Information redacted pursuant to August 14, 2012 Response.

Appendix C:

Other

PPL Mission, Strategic Goals, and Strategic Objectives

Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners

Strategic Goals

- Achieve stable, long-term income growth in rate-regulated electric utility businesses through efficient operations and strong customer and regulatory relationships
- Achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings

Strategic Objectives (Execution)

- Own and operate high-quality electric utility businesses in the U.S. and the U.K.
- Continue organic growth of the rate-regulated electric utility businesses
- Own and operate low-cost generating fleet in select regions of the U.S.
- Maintain a disciplined marketing program, backed by comprehensive risk management, to match generating capacity to fixed priced contracts

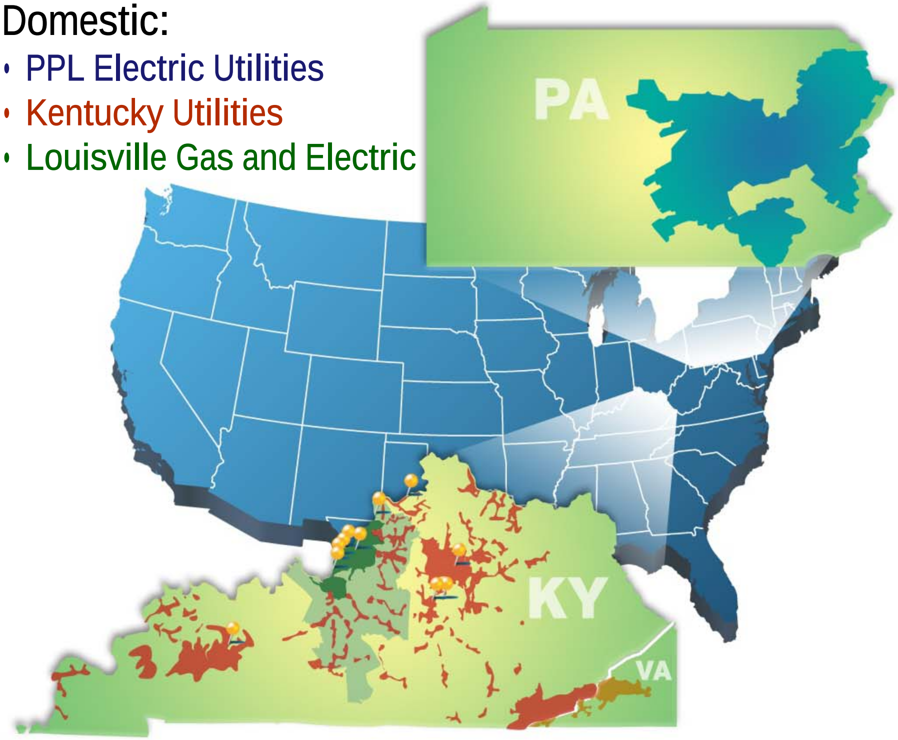
Key Financial Objectives

- Maintain stable investment-grade ratings
- Provide total returns to investors that meet or exceed expectations

Diverse Source of Stable Cash Flows

Domestic:

- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric



International:

- WPD South Wales
- WPD South West
- WPD West Midlands
- WPD East Midlands

	No. of Customers	Rate Base[(1),(2),(3)]	Authorized Return
PPL Electric - Distribution	1,400,000	$2.3	10.70%[(4)]
PPL Electric - Transmission		$0.9	11.68% - 12.93%
Kentucky Utilities	544,000	$4.0	10.00 - 10.50%
LG&E	715,000	$2.5	10.00 - 10.50%
WPD South Wales	1,100,000	$1.2	12.50%
WPD South West	1,500,000	$1.7	12.40%
WPD West Midlands	2,500,000	$2.6	10.40%
WPD East Midlands	2,600,000	$2.6	10.40%

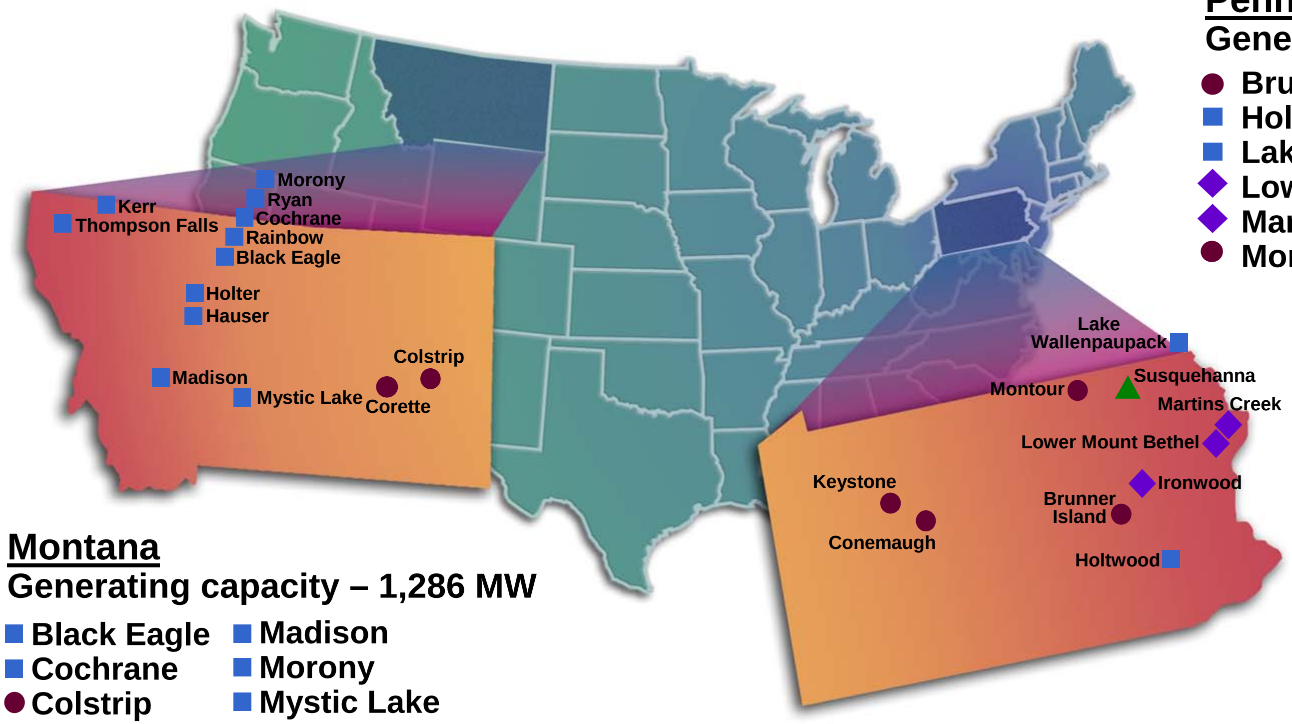
(1) Millions of Dollars

(2) As of 12/31/2011

(3) Conversion of £1.6016

(4) The result of the last litigated rate case with the PA PUC

Diverse Generation Portfolio [1]



Pennsylvania

Generating capacity – 9,214 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,286 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

---

(1) Capacity based on summer rating

Counterparty Credit Risk

Strict adherence to a formalized credit risk policy limits our exposure to counterparty credit risk. The policy establishes maximum credit exposure for all levels of credit quality.

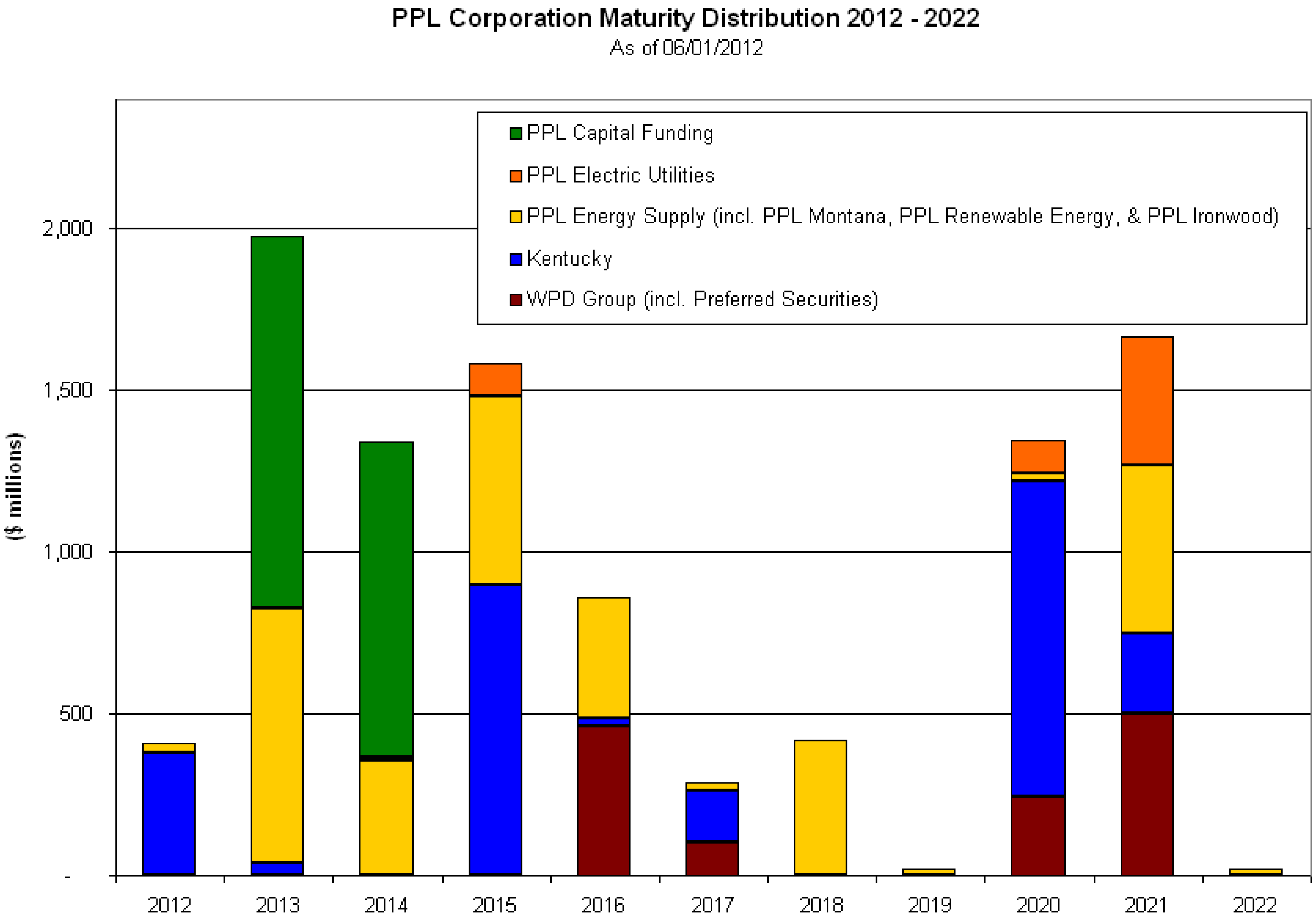
- Approximately 70% of PPL’s net credit exposure is with investment-grade counterparties (1)

Rating	% of Net Exposure
A- or better	34.84%
BBB- or better	36.17%
Below Inv. Grade	4.06%
Not Rated	24.93%

- Credit personnel are located on the marketing floor
  - Overnight mark-to-market of all credit positions
- Over the past five years, credit defaults have been $24.0 million, or 2.26% of net credit exposure

(1) As of April 30, 2012

Security Maturities



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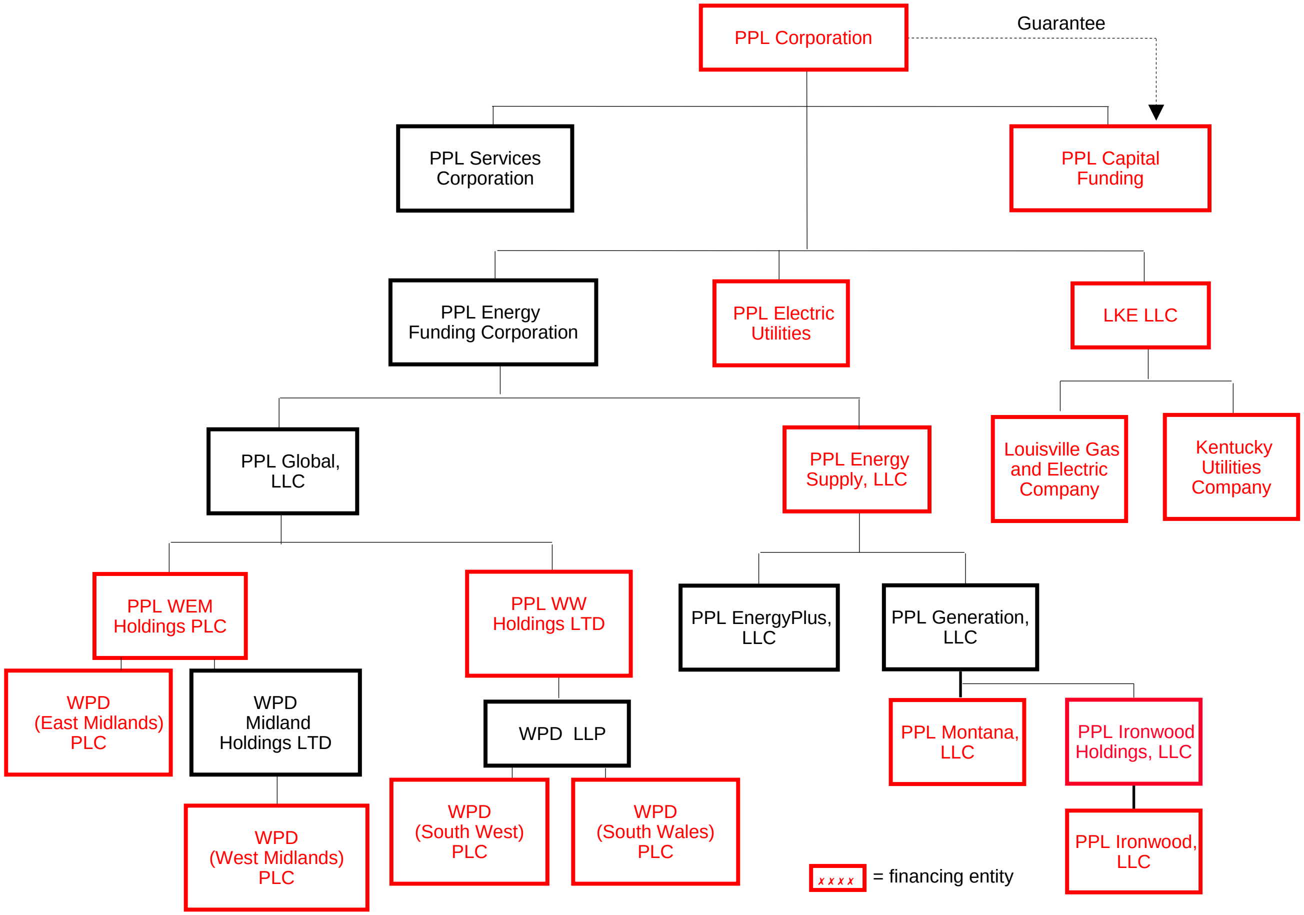
PPL Corporate Structure – Financing Entities



PPL Corporation

Guarantee

PPL Services Corporation

PPL Capital Funding

PPL Energy Funding Corporation

PPL Electric Utilities

LKE LLC

PPL Global, LLC

PPL Energy Supply, LLC

Louisville Gas and Electric Company

Kentucky Utilities Company

PPL WEM Holdings PLC

PPL WW Holdings LTD

PPL EnergyPlus, LLC

PPL Generation, LLC

WPD (East Midlands) PLC

WPD Midland Holdings LTD

WPD LLP

PPL Montana, LLC

PPL Ironwood Holdings, LLC

WPD (West Midlands) PLC

WPD (South West) PLC

WPD (South Wales) PLC

PPL Ironwood, LLC

xxxx = financing entity

PPL Financing Entities

- PPL Corporation
  - Common Stock
- PPL Capital Funding, Inc.
  - Senior Unsecured Notes
  - Junior Subordinated Notes
- PPL Electric Utilities Corporation
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Commercial Paper Program (with supporting
  - Bank Lines)
  - Tax Exempt Bonds
  - Credit Facilities
  - Preference Stock
- PPL Energy Supply, LLC
  - Senior Unsecured Notes
  - Tax Exempt Bonds
  - Credit Facilities
- PPL Montana, LLC
  - Pass-Through certificates
- PPL Ironwood, LLC
  - Senior Secured Bonds
  - Debt Service Reserve
- PPL WW Holdings, LTD and PPL WEM Holdings PLC
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (South West) and WPD (South Wales)
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (East Midlands) and WPD (West Midlands)
  - Senior Unsecured Debt
  - Credit Facilities
- LG&E and KU Energy LLC (LKE)
  - Senior Unsecured Debt
  - Medium Term Note
- Louisville Gas & Electric and Kentucky Utilities
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Tax Exempt Bonds
  - Credit Facilities

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PPL Corporation
Rating Agency Review
Moody's

June 7, 2012

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation’s ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Today’s Agenda

- Appendices

PPL Corporation
Business and Financial Overview

PPL’s Strengths

PPL’s strengths have a positive impact on credit….

- PPL’s consolidated credit profile reflects its significantly more rate-regulated business mix
  - Through recent acquisitions, PPL has been successfully transformed from a largely commodity driven operation to a significantly more rate-regulated platform
  - Over 70% of consolidated earnings will be derived by more predictable, rate regulated businesses with above average regulatory profiles
- PPL’s regulated utility businesses are well positioned to deliver our projected financial performance
  - PPL owns and operates multiple utilities in diversified regulatory jurisdictions
  - Compounded annual rate base growth over the next five years expected to be nearly 8%
  - Kentucky utilities operate with an approved environmental cost recovery (“ECR”) mechanism that permits near real-time recovery of $2.8 billion in already approved environmental costs
  - Pennsylvania utility operates with near real-time recovery of capital expenditures for transmission investments and portions of distribution investments (beginning in 2013)
  - WPD has fully integrated the Midlands operations
    - Cash cost savings from Midlands operations higher than original projection
    - Significant customer performance improvements will result in additional future incentive revenues

PPL's Strengths (continued)

- PPL's competitive supply business owns well located and low cost plants that are substantially hedged through 2013
    - Strong baseload footprint in PJM is complemented by flexible gas-fired units, with diverse fuel mix across PPL's competitive generation fleet
    - Plants are substantially in compliance with new emission standards
- PPL's business lines demonstrate consistent operational capabilities
    - New U.K. regulated assets are performing significantly ahead of the performance achieved under the previous owners and in line with our high expectations
    - PPL Energy Supply continues to reduce spending as required during the ongoing down commodity cycle which impacts our competitive supply business
- PPL has demonstrated its commitment to issue common stock when deemed appropriate

Update on Key Business Events – YTD 2012

LKE

- During the first quarter, Kentucky utilities experienced lower electricity sales due to extraordinarily mild weather
- May 3 - the Kentucky Public Service Commission (“KPSC”) approved a proposal to build a 640 MW combined-cycle gas plant at the existing Cane Run station as well as purchase the 495 MW Bluegrass Generation simple cycle plant to replace coal fired units that will retire as a result of EPA regulations
  - FERC provided conditional approval of the Bluegrass Generation purchase on May 4
- June 1 - LG&E and KU provided notice of intent to file base rate cases with the KPSC
  - New rates will be effective January 1, 2013

Update on Key Business Events – YTD 2012 (continued)

U.K.

- In February - WPD conducted stakeholder workshops as part of the initial steps for the next price control review (RIIO-ED1)(1)
- In March - WPD South West and South Wales were identified as the best overall performing companies for the 2010/2011 regulatory year
- During the first quarter, PPL completed the WPD Midlands integration activities with full switchover to WPD's legacy systems and business processes
- In PPL’s first full year of ownership, WPD Midlands companies surpassed customer performance and financial targets
  - Bonus revenues increased by $50 million over bonus levels in prior year’s determination

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(1) Refer to slide 29 for RIIO timeline.

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Update on Key Business Events – YTD 2012 (continued)

PPL Electric Utilities

- February 16 - the alternative rate making bill, which was strongly supported by PPL, was signed into law by Governor Tom Corbett as Act 11 of 2012
- March 29 - the National Park Service approved the route preferred by PPL Electric Utilities and PSE&G for the Susquehanna-Roseland Transmission Line
- March 30 - PPL Electric Utilities requested that the PA PUC approve a distribution base rate increase of $104.6 million or approximately 2.9%
- During the first quarter, PPL Electric Utilities experienced lower electricity sales due to extraordinarily mild weather

Update on Key Business Events – YTD 2012 (continued)

Energy Supply

- February 22 - the U.S. Supreme Court unanimously overturned a Montana state Supreme Court decision requiring PPL Montana to pay $89 million in rent for the use of riverbeds
- March 27 - the Montana Bankruptcy Court issued an order approving PPL's request to terminate the Southern Montana Generation and Transmission Cooperative contract effective April 1
- March 31 - Susquehanna Unit 1 began a planned refueling and maintenance outage
  - One row of turbine blades was replaced due to cracks that were similar to, but less extensive than, damage discovered and repaired in 2011
  - Unit 2 was shutdown on May 30 to inspect turbine blades
  - Impact not expected to be material to 2012 financial results
- April 13 - PPL Energy Supply completed the acquisition of AES Ironwood, LLC and AES Prescott, LLC, which together own and operate the 705 MW gas-fired power plant located in central Pennsylvania

Update on Key Business Events – YTD 2012 (continued)

Key Financing Events

- April 13 - PPL closed a common stock offering of $280 million in conjunction with a forward sales agreement
- April 19 - PPL Electric Utilities gave notice to redeem all of its 2.5 million outstanding shares of its 6.25% Preferecnce Stock effective June 18

Key PPL Executive Management Changes

- February 29 - PPL announced David DeCampli as president of PPL Energy Supply, LLC and PPL Generation, LLC
- February 29 - PPL announced Gregory Dudkin to replace DeCampli as president of PPL Electric Utilities
- March 23 - Bill Spence was elected Chairman of the Board effective April 1, replacing Jim Miller who retired March 31
- May 17 - PPL announced Mark Wilten as VP-Finance and Treasurer, replacing Jim Abel who retired on March 31

2012 Earnings Forecast

PPL forecasts ongoing earnings per share between $2.15 and $2.45 in 2012

- The largest positive earnings driver is a full-year of earnings from the acquired Midlands businesses
- Primarily offset by
  - Lower wholesale energy margins
  - Dilution of $0.13 per share associated with the April 2011 common stock issuance to finance the Midlands acquisition

2012 Update – Components of Free Cash Flow

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2012 Update – Capital Markets Activity

Information redacted pursuant to August 14, 2012 Response.

2012 Update – Liquidity

Strong liquidity position(1)…

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Secured Trading Facility	Sept-2016	800	0	0	800
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$4,000	$778	$0	$3,222
PPL Electric Utilities	Syndicated Credit Facility (2)	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

(1) Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities, and 17% of the total committed capacity for WPD's facilities.

(2) In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

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Overview of PPL Corporation’s 2012 – 2016 Business Plan

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Cash from Operations (1)

Rate-regulated businesses are PPL's primary source of cash from operations

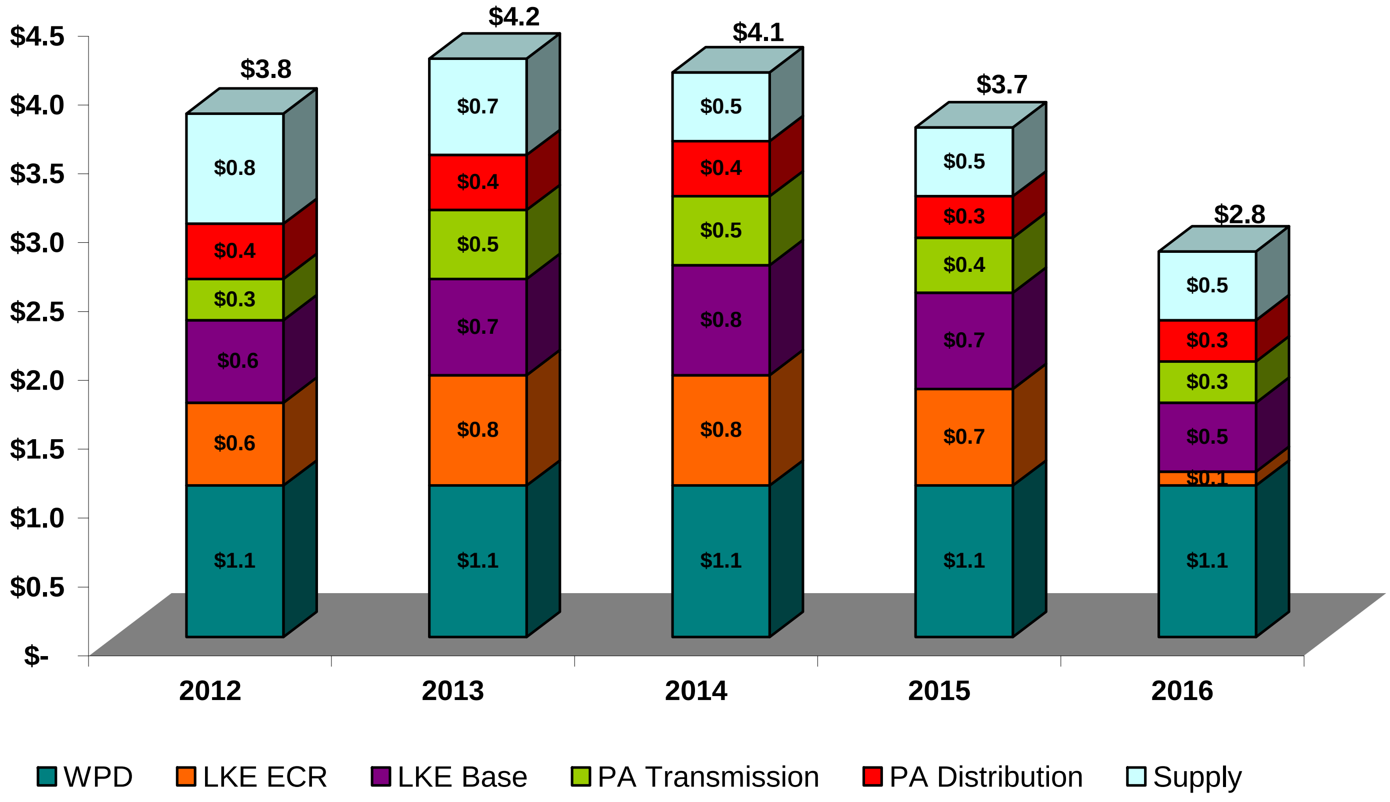
Information redacted pursuant to August 14, 2012 Response.

(1) Excludes PPL Corporation, PPL Capital Funding, and Corporate & Eliminations

Investing in the Business

Investment in rate-regulated businesses drives rate base growth. Over 50% of the rate-regulated capex is subject to near real-time recovery.

(Capex in Billions of Dollars)



	2012	2013	2014	2015	2016
Regulated Rate Base	$19.0	$21.3	$23.5	$25.2	$25.8

CAGR
2012 – 2016
8.0%

Sources and Uses

Cash from operations is the primary funding source for new investment opportunities

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PPL Rate-Regulated Utility Businesses
LKE Overview

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LKE Investment Highlights

- Efficient, well-run utility focused on safety, reliability, and customer service
- Projected rate base CAGR of 9.6% through 2016
- Constructive regulatory environment that provides a timely return on a substantial amount ($2.8 billion) of planned capex over the next 5 years
    - Utilizes ECR and other supportive recovery mechanisms including Construction Work In Progress, Fuel Adjustment Clause, Gas Supply Clause Adjustment, and Demand Side Management recovery
- Very competitive retail rates that attract energy-intensive businesses

Summary of ECR Settlement Agreement

- ECR approved by the KPSC in December 2011, including $500 million that remains from prior authorization
- LG&E will invest approximately $1.4 billion from 2012 – 2016
  - Scrubbers at Mill Creek
  - Baghouses at all Mill Creek units and Trimble County Unit 1
- KU will invest approximately $900 million from 2012 – 2016
  - Baghouses at all Ghent Units and Brown Unit 3
  - Conversion of Brown coal ash pond to dry storage landfill
  - Baghouses at Brown Units 1 and 2 - decision to invest deferred
- KPSC confirmed existing 10.63% ROE on projects remaining from earlier ECR plans
- KPSC authorized 10.10% ROE for approved projects in 2011 ECR proceedings

Summary of ECR Contracts

- Mill Creek scrubbers
  - Equipment Purchase Agreement awarded in April 2012
  - Engineering, Procurement and Construction contract expected to be awarded in July 2012

- Baghouses at Mill Creek, Ghent, Brown, and Trimble County
  - Equipment Purchase Agreements expected to be awarded for all baghouses in June 2012
  - Engineering, Procurement and Construction contract expected to be awarded as follows:
    - Mill Creek – July 2012
    - Ghent – September 2012
    - Brown – December 2012
    - Trimble County – Fall 2013

- Brown landfill construction contract expected to be awarded in December 2012

New Capacity Additions

- KPSC order approving the Certificate of Public Convenience and Necessity filing for the following projects was received on May 3, 2012
  - Construction of 640 MW natural gas combined cycle at existing Cane Run plant site
    - Expected costs of approximately $580 million
    - Contract to be awarded in July 2012 for construction 2012 - 2016
    - Ownership = 78% KU, 22% LG&E
  - Purchase of the 495 MW Bluegrass CT facility
    - Purchase price of $110 million
    - Ownership = 31% KU, 69% LG&E
    - FERC conditional approval on May 4, 2012
      - Evaluating mitigation measures to meet FERC conditions
- Formal requests for recovery of costs associated with both projects are expected to be included in future base rate proceedings
- Retirement of six coal-fired generating units representing 797 MW of combined summer capacity is anticipated by the end of 2015

Kentucky Base Rate Case Facts

	KU	LG&E Electric	LG&E Gas
Revenue Increase Requested	$82.5 million	$62.1 million	$17.2 million
Test Year	Yr end 3/31/12	Yr end 3/31/12	Yr end 3/31/12
Requested ROE	11.0%	11.0%	11.0%
Total Capitalization	$3.98 billion	$1.97 billion	$523 million
Equity / Capitalization	53.74%	55.64%	55.64%
1% Change in ROE =	~$28 million in revenue	~$18 million in revenue	~$5 million in revenue

Kentucky Base Rate Case Procedural Schedule

- Notice of intent filed with the KPSC - June 1, 2012
- Application to be filed - June 29, 2012
- Tentative hearing date - mid November 2012
- Order issued (tentative) - December 28, 2012
- New rates effective - January 1, 2013

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PPL Rate-Regulated Utility Businesses
U.K. Overview

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U.K. Investment Highlights

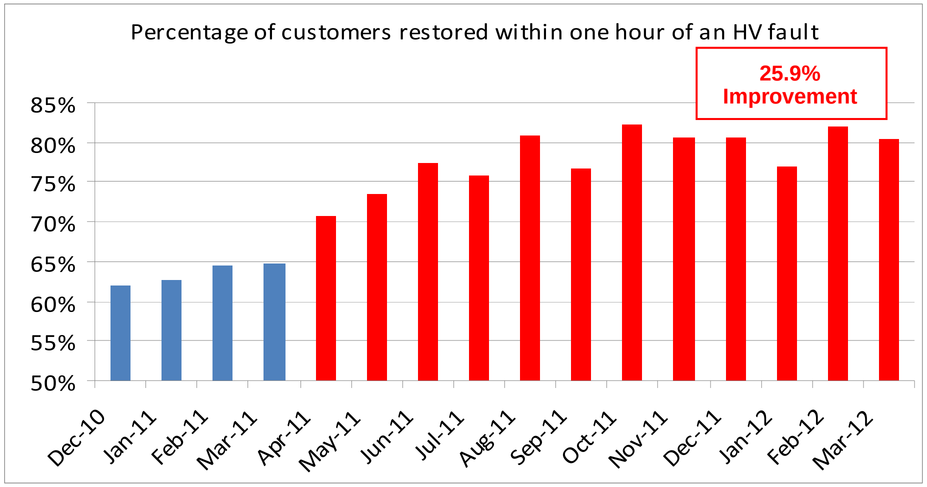
- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved five year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service, and reliability
  - Highest percentage of bonus revenue among peers

	WPD South West & South Wales			WPD Midlands		
Regulatoy Year (ending 3/31)	**Total Awards, £**	**% of Revenue**	**Total $**	**Total Awards, £**	**% of Revenue**	**Total $**
2006/07	£6.7	1.6%	$13.4	-£5.4	-0.8%	-$10.7
2007/08	£8.0	1.8%	$15.1	-£1.7	-0.3%	-$3.3
2008/09	£11.8	2.8%	$16.7	£8.2	1.3%	$11.7
2009/10	£12.1	2.6%	$18.3	£7.9	1.2%	$11.9
2010/11	£7.2	1.5%	$11.4	£11.6	1.6%	$18.5
2011/12	£9.4	1.8%	$14.7	£44.0	5.6%	$69.0
Total	**£55.2**	**2.0%**	**$89.6**	**£64.6**	**1.6%**	**$97.1**

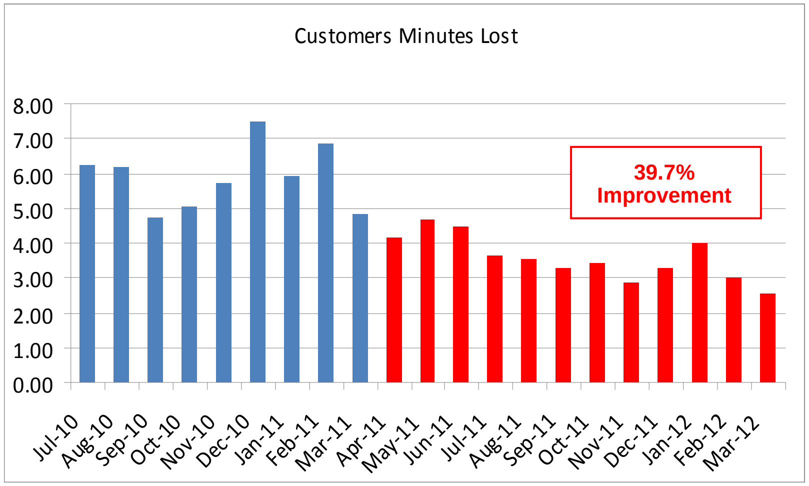
- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in nine months
    - Strong potential to earn additional incentive revenues
- Consistent pattern of dividend repatriation to U.S. parent

Improvements Made - Network Performance

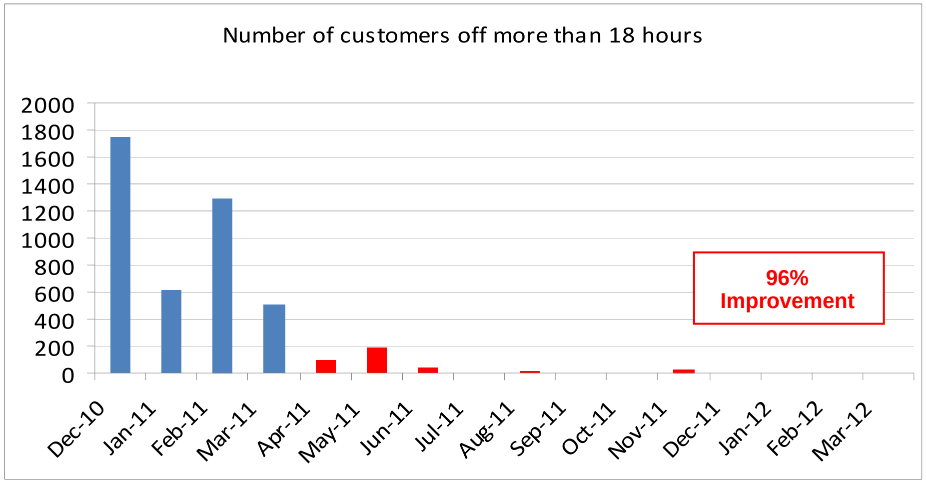
Target 60



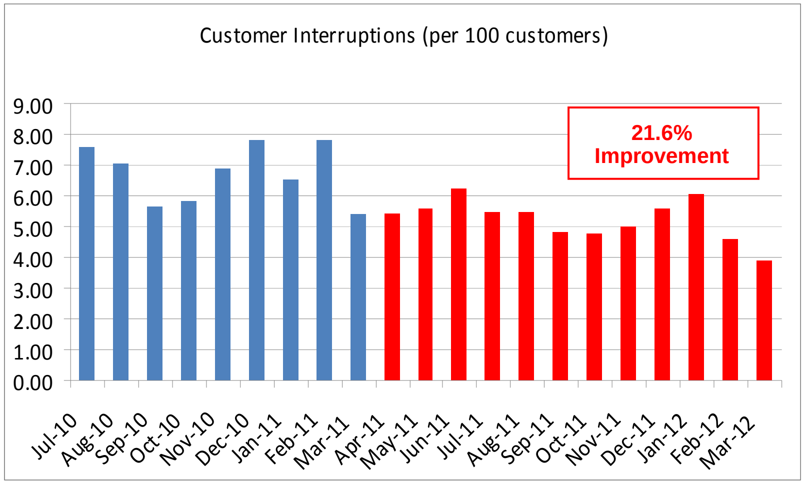
Customer Minutes Lost



18 Hour Standard



Customer Interruptions (per 100 customers)



Dramatically improving network performance while exceeding our original cost savings projections

U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

September 2012	Publication of Strategy Consultation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consultation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory disposition on new license conditions
April 1, 2015	Price control commences

PPL Rate-Regulated Utility Businesses
PPL Electric Utilities Overview

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PPL Electric Utilities Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
    - CAGR of 22.3% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
    - ROE of 11.68% earned through FERC Formula Rate Mechanism
    - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.5% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill provides more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability
    - Expect filing in January 2013

PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

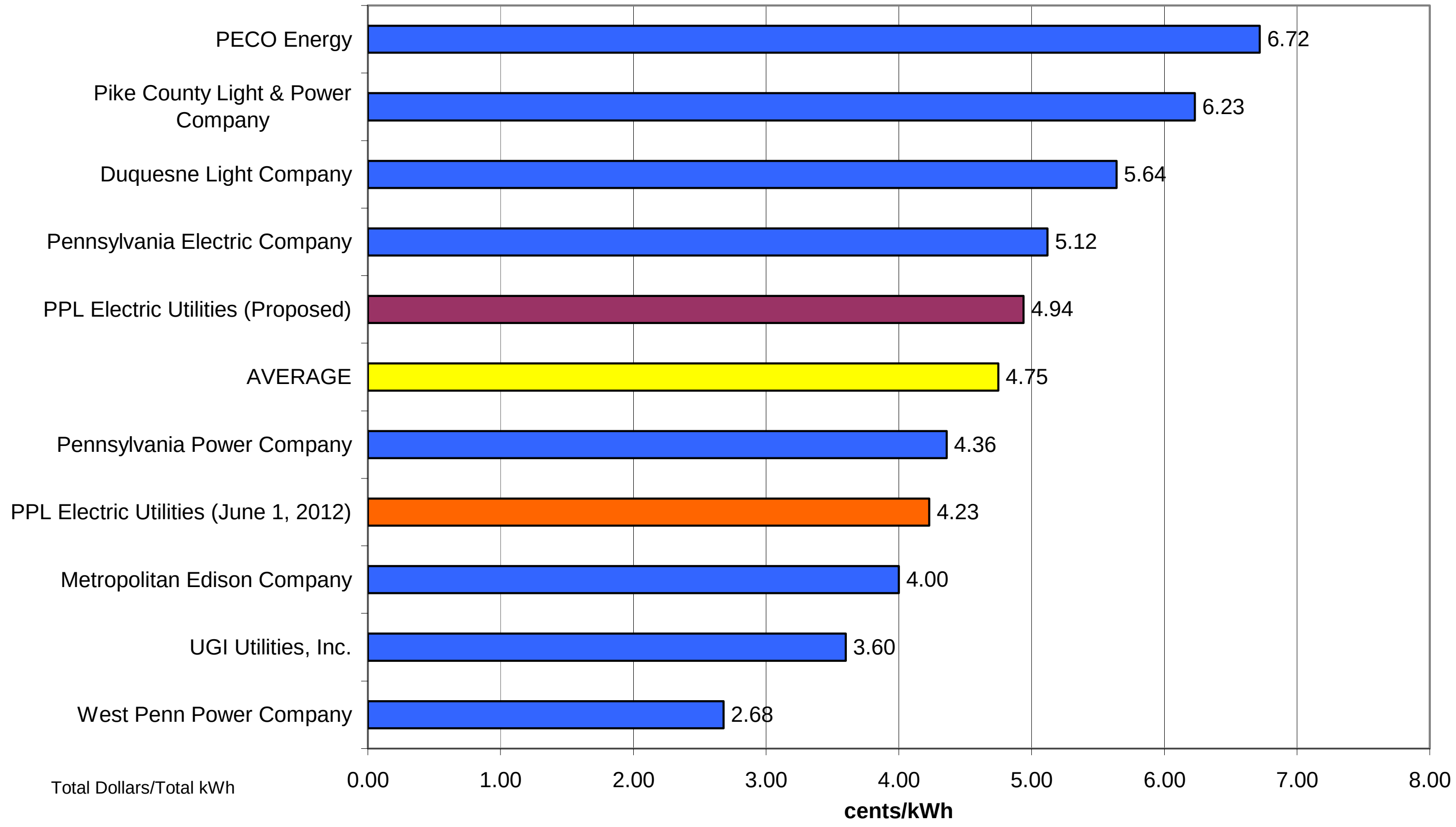
PPL Electric Utilities Distribution Rate Case Procedural Schedule

- Rate case filed March 30, 2012
- Providing information to all stakeholders throughout year (building evidentiary record)
- Public hearings in June/July
- Hearing with Administrative Law Judge in August/September
- Recommended decision in mid-October
- Final PUC decision in December
- New rates take effect January 1, 2013

Residential Distribution Pricing Comparison

After the 2012 rate case, PPL Electric's residential distribution rates will remain in line with other Pennsylvania electric utilities

Residential Average Distribution Prices - PA(1)
1000 kWh



(1) Source for non PPL EU data is EEI Typical Bills and Average Rates Report, Winter 2012 (rates effective January 1, 2012)

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PPL’s Competitive Supply Business Overview

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Competitive Supply Investment Highlights

- Very well-positioned competitive generation
  - PJM assets
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop baseload unit availability
  - Montana assets
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Current and proposed environmental regulations have minimal impact due to prior environmental upgrade investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial, and residential customer classes

Actively Managing Environmental Uncertainty

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower [(2)]	Dry Handling/Disposal/Beneficial Use
Addresses		NO_x	NO_x	SO_2	Water Intake	Coal Combustion Residuals (CCRs)
Brunner Island	Unit 1	✓	**NR**	✓	**(3)**	✓
	Unit 2	✓	**NR**	✓	**(3)**	✓
	Unit 3	✓	**NR**	✓	**(3)**	✓
Montour	Unit 1	✓	✓	✓	✓	✓
	Unit 2	✓	✓	✓	✓	✓
Colstrip	Unit 1 & 2	✔	**(1)**	✓	✓	**(3)**
	Unit 3 & 4	✓	**NR**	✓	✓	**(3)**
Keystone	Unit 1 & 2	✓	✓	✓	✓	✓
Conemaugh	Unit 1 & 2	✓	✔	✓	✓	✓

✓ Installed

✔ Under Consideration

NR Not required under current or proposed regulations

PPL's proactive approach to environmental compliance has made the EPA's pending regulations manageable

(1) The proposed Regional Haze FIP for Montana would require SNCRs for Colstrip 1 & 2 by 2017.
(2) Potential exposure based on proposed regulations to intake structure modifications, including at sites with closed-cycle cooling.
(3) PPL has begun to assess dry handling/disposal of CCRs at Colstrip. Pending CCR regulations could require additional controls.

Operating in a Down Commodity Cycle

- Managing Capital and O&M
    - Reduced our five year capital spend by more than $700 million through the last two planning cycles
- Continuing a disciplined forward hedging process
    - Balance protecting cash flows and providing for upside
- Optimizing Operation
    - Continued strong performance of our units including top quartile achievements in net capacity factor and availability
    - Efficient coal unit operations
        - Cycling coal units down during low price periods
        - Buying power in the market at prices below production cost to meet above market energy sales
        - Deferring and buying out of contracted coal deliveries
    - Flexible gas-fired unit operations
        - Increased ownership of combined-cycle gas generation
        - Operating gas-fired units in low-gas price environment to capture market opportunity
    - Renegotiated a long-term coal delivery contract that will provide stable coal transportation costs for several years
    - Performing heat rate improvements to reduce fuel costs

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Risk Management Program – VaR

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Reducing Risk Through Hedging

[redacted]

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- Protecting the total portfolio value by utilizing a disciplined hedge strategy for baseload assets
- Optimizing fleet value through strategies surrounding intermediate and peaking generation

Hedging Program

	2012	2013
Baseload		
Expected Generation(1) (Million MWhs)	**51.5**	**53.1**
East	43.5	44.8
West	8.0	8.3
Current Hedges (%)	**94-98%**	**79-83%**
East	96-100%	82-86%
West	82-86%	65-69%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-51
West	$50-52	$46-49
Current Coal Hedges (%)	**100%**	**97%**
East	100%	96%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$76-79	$80-88
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	7.6	7.0
Current Hedges (%)	58%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of March 31, 2012

(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of March 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

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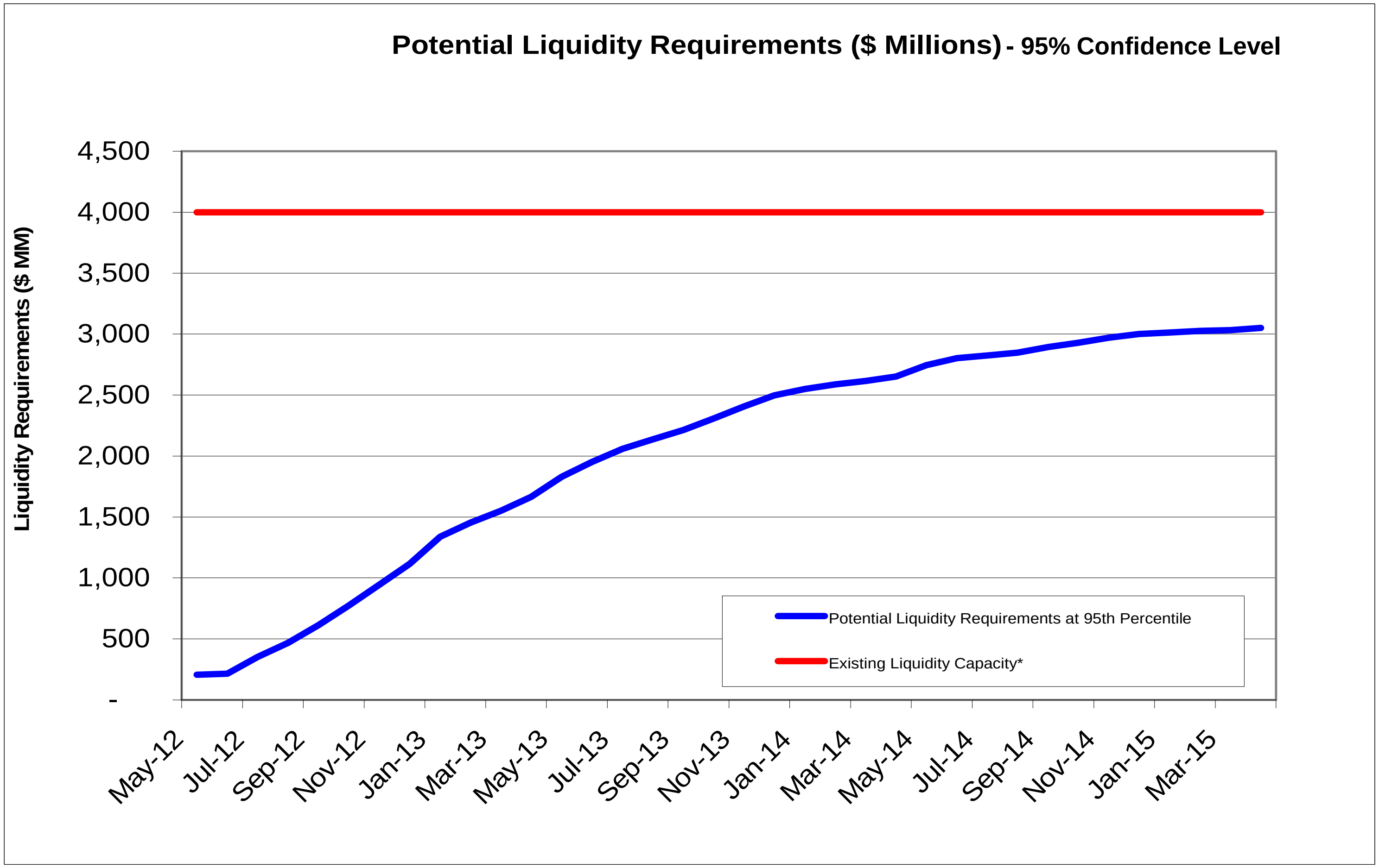
Liquidity Requirements

Based on our current hedging strategy, PPL Energy Supply has sufficient liquidity capacity to sustain over a 50% immediate increase in 2012 and 2013 forward energy prices.



Note: The Existing Liquidity Capacity of $4.0 billion includes $800 million of secured trading facility.

PPL Corporation Financial Metrics

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PPL Corporation

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LKE

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Kentucky Utilities

[redacted]

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LG&E

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PPL Electric Utilities

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PPL Energy Supply

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Appendix A:

Financial Metrics Details

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LKE

[redacted]

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Kentucky Utilities

[redacted]

Information redacted pursuant to August 14, 2012 Response.

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LG&E

[redacted]

Information redacted pursuant to August 14, 2012 Response.

PPL Electric Utilities

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PPL Energy Supply

[redacted]

Information redacted pursuant to August 14, 2012 Response.

Appendix B:

Components of Free Cash Flow 2013-2016

Capital Markets Activity Summary 2013-2016

2013 Components of Free Cash Flow

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2013 Capital Markets Activity Summary

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2014 Components of Free Cash Flow

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2014 Capital Markets Activity Summary

Information redacted pursuant to August 14, 2012 Response.

2015 Components of Free Cash Flow

Information redacted pursuant to August 14, 2012 Response.

2015 Capital Markets Activity Summary

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2016 Components of Free Cash Flow

Information redacted pursuant to August 14, 2012 Response.

2016 Capital Markets Activity Summary

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Appendix C:

Other

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PPL Mission, Strategic Goals, and Strategic Objectives

Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners

Strategic Goals

- Achieve stable, long-term income growth in rate-regulated electric utility businesses through efficient operations and strong customer and regulatory relationships
- Achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings

Strategic Objectives (Execution)

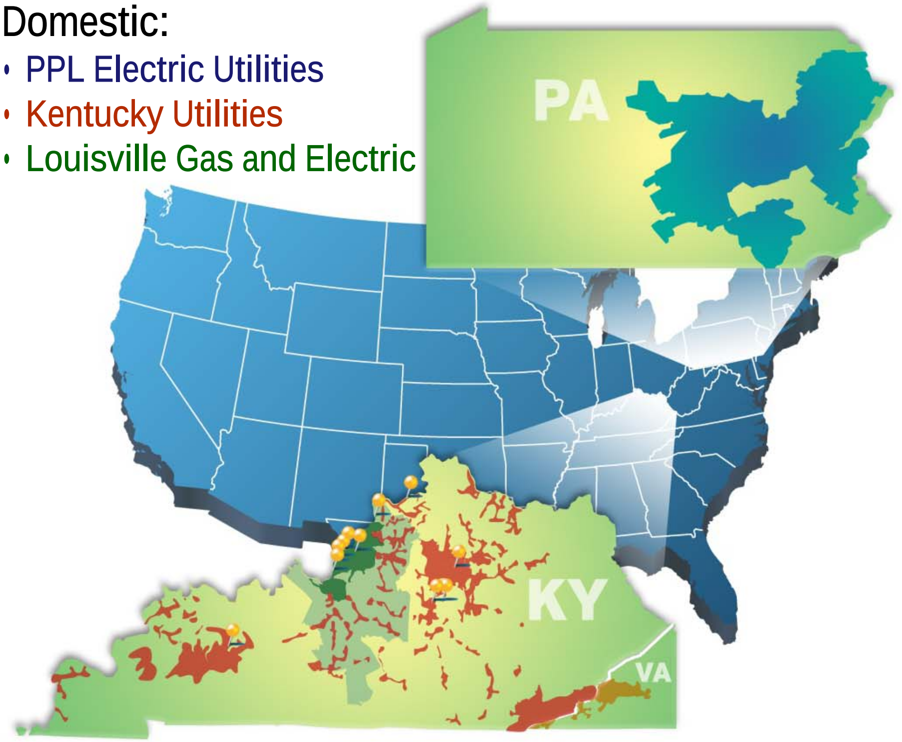
- Own and operate high-quality electric utility businesses in the U.S. and the U.K.
- Continue organic growth of the rate-regulated electric utility businesses
- Own and operate low-cost generating fleet in select regions of the U.S.
- Maintain a disciplined marketing program, backed by comprehensive risk management, to match generating capacity to fixed priced contracts

Key Financial Objectives

- Maintain stable investment-grade ratings
- Provide total returns to investors that meet or exceed expectations

Diverse Source of Stable Cash Flows

Domestic:
- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric

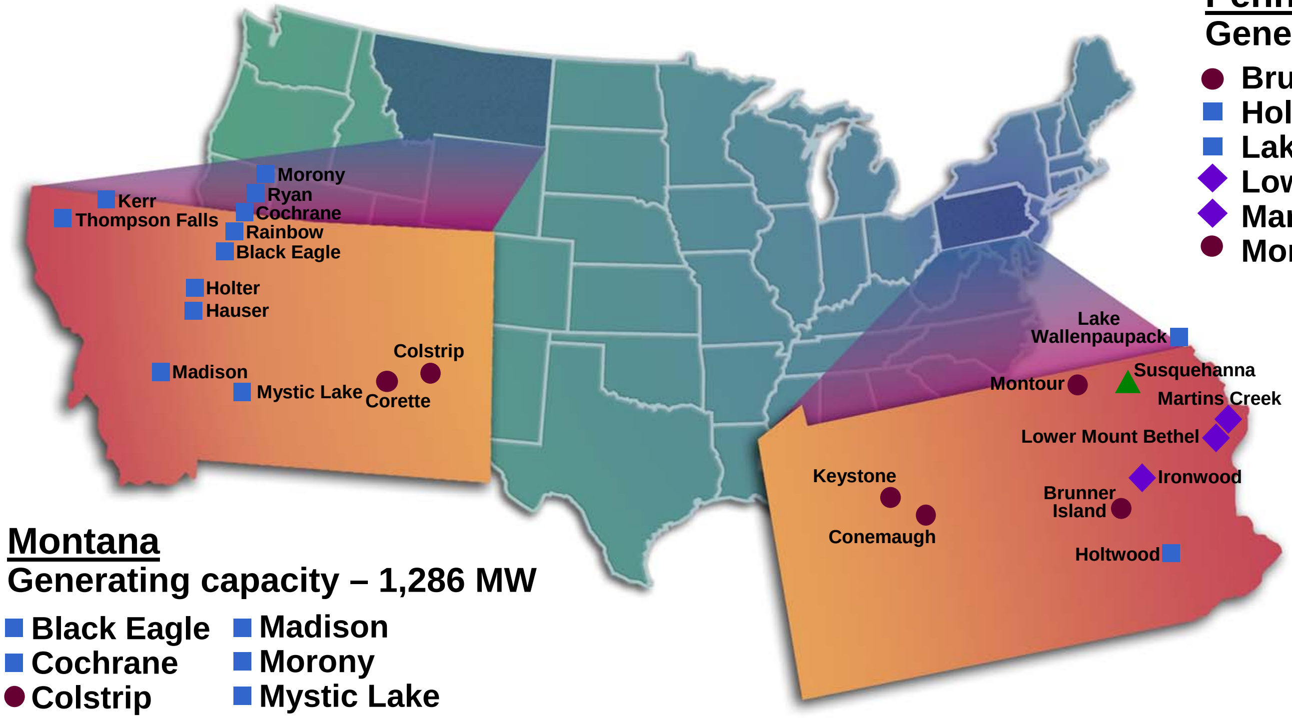


International:
- WPD South Wales
- WPD South West
- WPD West Midlands
- WPD East Midlands

	No. of Customers	Rate Base(1),(2),(3)	Authorized Return
PPL Electric - Distribution	1,400,000	$2.3	10.70%(4)
PPL Electric - Transmission		$0.9	11.68% - 12.93%
Kentucky Utilities	544,000	$4.0	10.00 - 10.50%
LG&E	715,000	$2.5	10.00 - 10.50%
WPD South Wales	1,100,000	$1.2	12.50%
WPD South West	1,500,000	$1.7	12.40%
WPD West Midlands	2,500,000	$2.6	10.40%
WPD East Midlands	2,600,000	$2.6	10.40%

(1) Millions of Dollars
(2) As of 12/31/2011
(3) Conversion of £1.6016
(4) The result of the last litigated rate case with the PA PUC

Diverse Generation Portfolio (1)



Pennsylvania

Generating capacity – 9,214 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,286 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

(1) Capacity based on summer rating

Counterparty Credit Risk

Strict adherence to a formalized credit risk policy limits our exposure to counterparty credit risk. The policy establishes maximum credit exposure for all levels of credit quality.

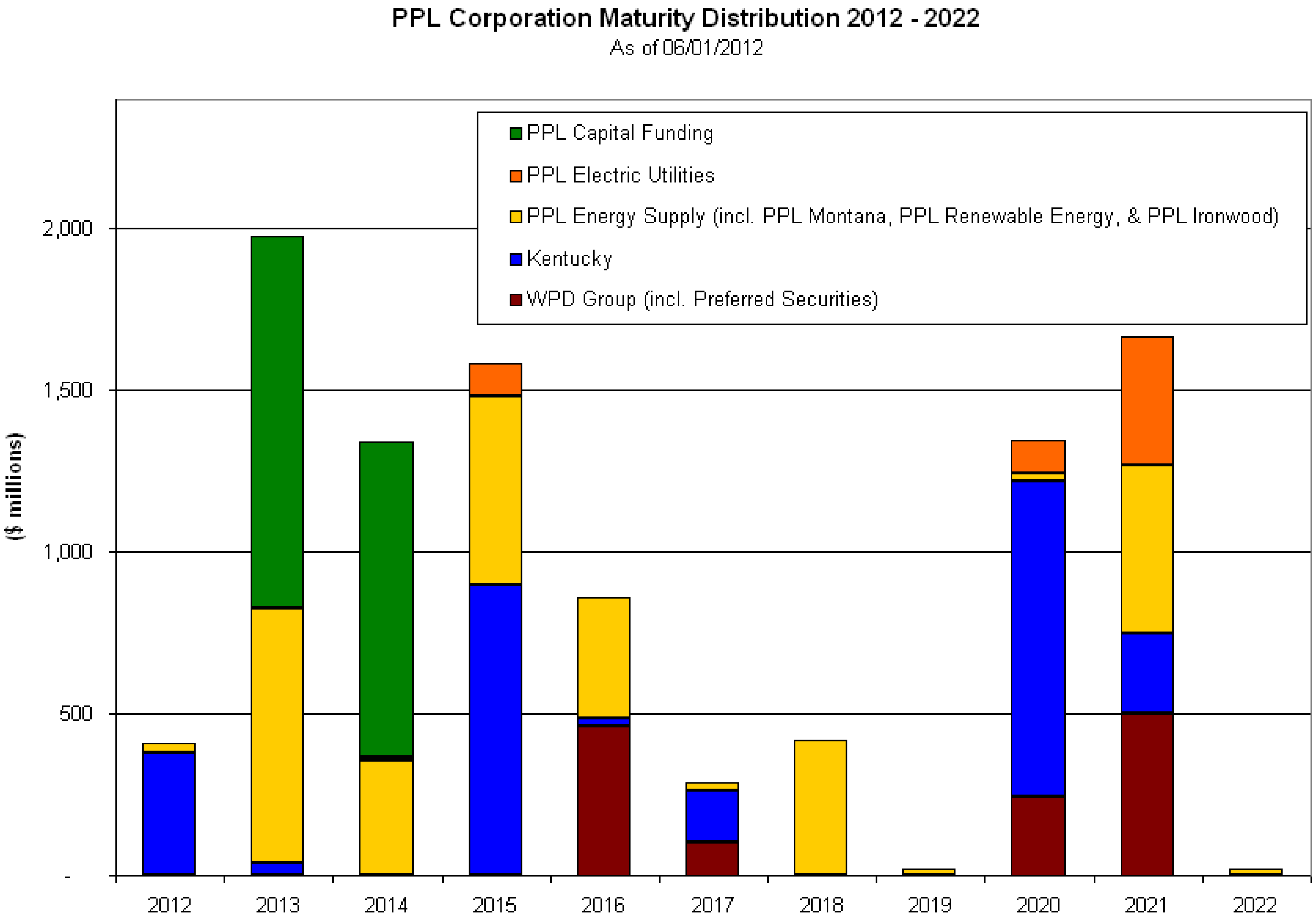
- Approximately 70% of PPL's net credit exposure is with investment-grade counterparties (1)

Rating	% of Net Exposure
A- or better	34.84%
BBB- or better	36.17%
Below Inv. Grade	4.06%
Not Rated	24.93%

- Credit personnel are located on the marketing floor
  - Overnight mark-to-market of all credit positions
- Over the past five years, credit defaults have been $24.0 million, or 2.26% of net credit exposure

(1) As of April 30, 2012

Security Maturities



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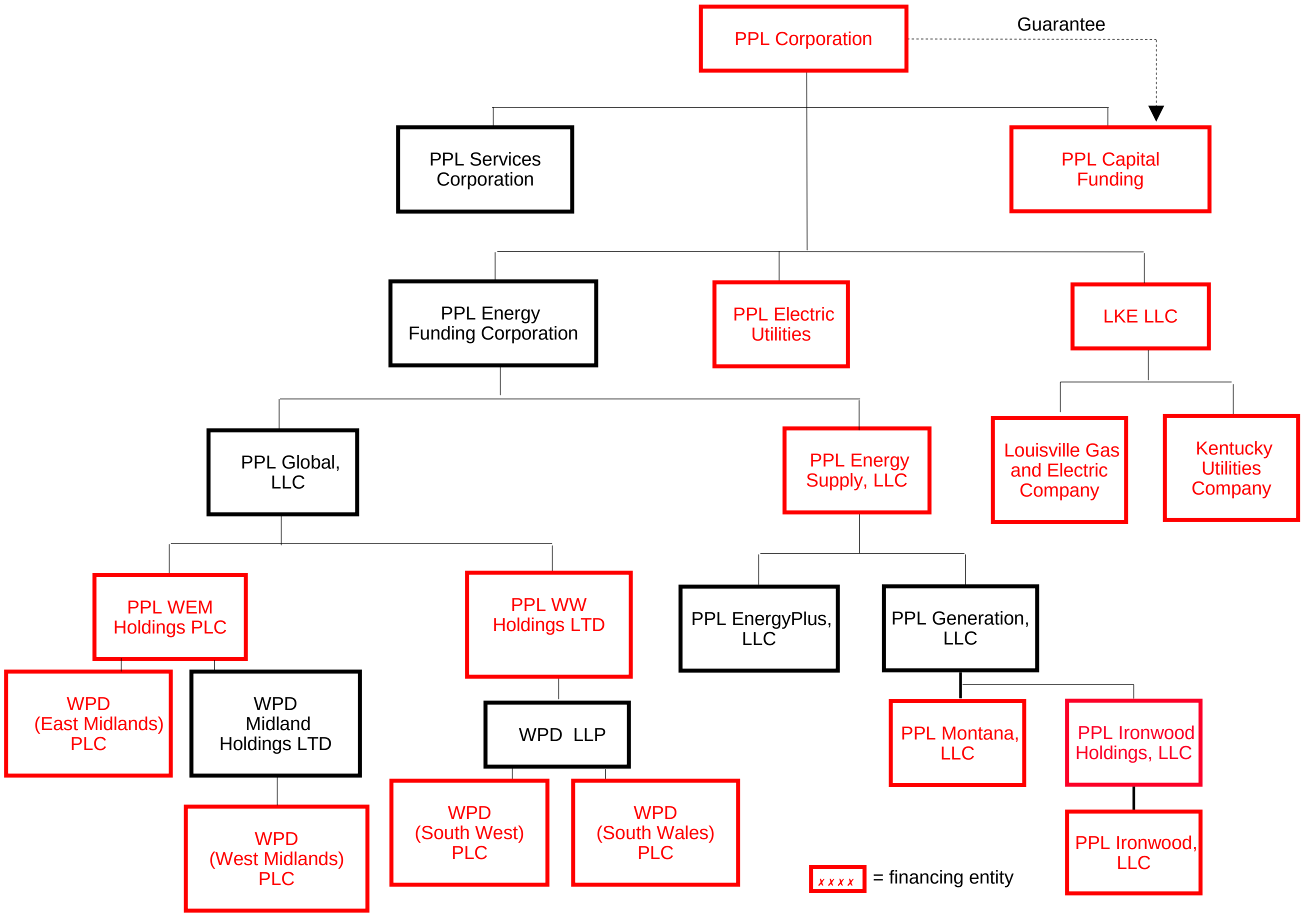
PPL Corporate Structure – Financing Entities



PPL Corporation

Guarantee

PPL Services Corporation

PPL Capital Funding

PPL Energy Funding Corporation

PPL Electric Utilities

LKE LLC

PPL Global, LLC

PPL Energy Supply, LLC

Louisville Gas and Electric Company

Kentucky Utilities Company

PPL WEM Holdings PLC

PPL WW Holdings LTD

PPL EnergyPlus, LLC

PPL Generation, LLC

WPD (East Midlands) PLC

WPD Midland Holdings LTD

WPD LLP

PPL Montana, LLC

PPL Ironwood Holdings, LLC

WPD (West Midlands) PLC

WPD (South West) PLC

WPD (South Wales) PLC

PPL Ironwood, LLC

xxxx = financing entity

PPL Financing Entities

- PPL Corporation
    - Common Stock
- PPL Capital Funding, Inc.
    - Senior Unsecured Notes
    - Junior Subordinated Notes
- PPL Electric Utilities Corporation
    - First Mortgage Bonds
    - Senior Secured Bonds
    - Commercial Paper Program (with supporting
    - Bank Lines)
    - Tax Exempt Bonds
    - Credit Facilities
    - Preference Stock
- PPL Energy Supply, LLC
    - Senior Unsecured Notes
    - Tax Exempt Bonds
    - Credit Facilities
- PPL Montana, LLC
    - Pass-Through certificates
- PPL Ironwood, LLC
    - Senior Secured Bonds
    - Debt Service Reserve
- PPL WW Holdings, LTD and PPL WEM Holdings PLC
    - Senior Unsecured Debt
    - Credit Facilities
- WPD (South West) and WPD (South Wales)
    - Senior Unsecured Debt
    - Credit Facilities
- WPD (East Midlands) and WPD (West Midlands)
    - Senior Unsecured Debt
    - Credit Facilities
- LG&E and KU Energy LLC (LKE)
    - Senior Unsecured Debt
    - Medium Term Note
- Louisville Gas & Electric and Kentucky Utilities
    - First Mortgage Bonds
    - Senior Secured Bonds
    - Tax Exempt Bonds
    - Credit Facilities

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PPL Corporation
Rating Agency Review
Moody's

June 7, 2012

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Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, financing, regulation and corporate strategy 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 are subject to 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 conditions affecting customer energy usage and operating costs; competition in power markets; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation, its subsidiaries and customers; new accounting requirements or new interpretations or applications of existing requirements; operating performance of plants and other facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance, including environmental capital expenditures and emission allowance and other expenses; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions, and PPL Corporation's ability to realize the expected benefits from acquired businesses, including the 2010 acquisition of Louisville Gas and Electric Company and Kentucky Utilities Company and the 2011 acquisition of the Central Networks electricity distribution businesses in the U.K.; any impact of hurricanes or other severe weather on our business, including any impact on fuel prices; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual terrorism or war or other hostilities; foreign exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Today's Agenda

- Appendices

PPL Corporation

Business and Financial Overview

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PPL’s Strengths

PPL’s strengths have a positive impact on credit….

- PPL’s consolidated credit profile reflects its significantly more rate-regulated business mix
  - Through recent acquisitions, PPL has been successfully transformed from a largely commodity driven operation to a significantly more rate-regulated platform
  - Over 70% of consolidated earnings will be derived by more predictable, rate regulated businesses with above average regulatory profiles
- PPL’s regulated utility businesses are well positioned to deliver our projected financial performance
  - PPL owns and operates multiple utilities in diversified regulatory jurisdictions
  - Compounded annual rate base growth over the next five years expected to be nearly 8%
  - Kentucky utilities operate with an approved environmental cost recovery (“ECR”) mechanism that permits near real-time recovery of $2.8 billion in already approved environmental costs
  - Pennsylvania utility operates with near real-time recovery of capital expenditures for transmission investments and portions of distribution investments (beginning in 2013)
  - WPD has fully integrated the Midlands operations
    - Cash cost savings from Midlands operations higher than original projection
    - Significant customer performance improvements will result in additional future incentive revenues

PPL's Strengths (continued)

- PPL's competitive supply business owns well located and low cost plants that are substantially hedged through 2013
    - Strong baseload footprint in PJM is complemented by flexible gas-fired units, with diverse fuel mix across PPL's competitive generation fleet
    - Plants are substantially in compliance with new emission standards
- PPL's business lines demonstrate consistent operational capabilities
    - New U.K. regulated assets are performing significantly ahead of the performance achieved under the previous owners and in line with our high expectations
    - PPL Energy Supply continues to reduce spending as required during the ongoing down commodity cycle which impacts our competitive supply business
- PPL has demonstrated its commitment to issue common stock when deemed appropriate

Update on Key Business Events – YTD 2012

LKE

- During the first quarter, Kentucky utilities experienced lower electricity sales due to extraordinarily mild weather
- May 3 - the Kentucky Public Service Commission (“KPSC”) approved a proposal to build a 640 MW combined-cycle gas plant at the existing Cane Run station as well as purchase the 495 MW Bluegrass Generation simple cycle plant to replace coal fired units that will retire as a result of EPA regulations
  - FERC provided conditional approval of the Bluegrass Generation purchase on May 4
- June 1 - LG&E and KU provided notice of intent to file base rate cases with the KPSC
  - New rates will be effective January 1, 2013

Update on Key Business Events – YTD 2012 (continued)

U.K.

- In February - WPD conducted stakeholder workshops as part of the initial steps for the next price control review (RIIO-ED1)(1)
- In March - WPD South West and South Wales were identified as the best overall performing companies for the 2010/2011 regulatory year
- During the first quarter, PPL completed the WPD Midlands integration activities with full switchover to WPD's legacy systems and business processes
- In PPL's first full year of ownership, WPD Midlands companies surpassed customer performance and financial targets
  - Bonus revenues increased by $50 million over bonus levels in prior year's determination

(1) Refer to slide 29 for RIIO timeline.

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Update on Key Business Events – YTD 2012 (continued)

PPL Electric Utilities

- February 16 - the alternative rate making bill, which was strongly supported by PPL, was signed into law by Governor Tom Corbett as Act 11 of 2012
- March 29 - the National Park Service approved the route preferred by PPL Electric Utilities and PSE&G for the Susquehanna-Roseland Transmission Line
- March 30 - PPL Electric Utilities requested that the PA PUC approve a distribution base rate increase of $104.6 million or approximately 2.9%
- During the first quarter, PPL Electric Utilities experienced lower electricity sales due to extraordinarily mild weather

Update on Key Business Events – YTD 2012 (continued)

Energy Supply

- February 22 - the U.S. Supreme Court unanimously overturned a Montana state Supreme Court decision requiring PPL Montana to pay $89 million in rent for the use of riverbeds
- March 27 - the Montana Bankruptcy Court issued an order approving PPL's request to terminate the Southern Montana Generation and Transmission Cooperative contract effective April 1
- March 31 - Susquehanna Unit 1 began a planned refueling and maintenance outage
  - One row of turbine blades was replaced due to cracks that were similar to, but less extensive than, damage discovered and repaired in 2011
  - Unit 2 was shutdown on May 30 to inspect turbine blades
  - Impact not expected to be material to 2012 financial results
- April 13 - PPL Energy Supply completed the acquisition of AES Ironwood, LLC and AES Prescott, LLC, which together own and operate the 705 MW gas-fired power plant located in central Pennsylvania

Update on Key Business Events – YTD 2012 (continued)

Key Financing Events

- April 13 - PPL closed a common stock offering of $280 million in conjunction with a forward sales agreement
- April 19 - PPL Electric Utilities gave notice to redeem all of its 2.5 million outstanding shares of its 6.25% Preferecnce Stock effective June 18

Key PPL Executive Management Changes

- February 29 - PPL announced David DeCampli as president of PPL Energy Supply, LLC and PPL Generation, LLC
- February 29 - PPL announced Gregory Dudkin to replace DeCampli as president of PPL Electric Utilities
- March 23 - Bill Spence was elected Chairman of the Board effective April 1, replacing Jim Miller who retired March 31
- May 17 - PPL announced Mark Wilten as VP-Finance and Treasurer, replacing Jim Abel who retired on March 31

2012 Earnings Forecast

PPL forecasts ongoing earnings per share between $2.15 and $2.45 in 2012

- The largest positive earnings driver is a full-year of earnings from the acquired Midlands businesses
- Primarily offset by
    - Lower wholesale energy margins
    - Dilution of $0.13 per share associated with the April 2011 common stock issuance to finance the Midlands acquisition

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2012 Update – Components of Free Cash Flow

Information redacted pursuant to August 14, 2012 Response.

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2012 Update – Capital Markets Activity

[redacted]

Information redacted pursuant to August 14, 2012 Response.

2012 Update – Liquidity

Strong liquidity position[1]…

Institution	Facility	Expiration Date	Total Facility (Millions)	Letters of Credit Outstanding & Commercial Paper Backstop (Millions)	Drawn (Millions)	Availability (Millions)
PPL Energy Supply	Syndicated Credit Facility	Oct-2016	$3,000	$634	$0	$2,366
	Secured Trading Facility	Sept-2016	800	0	0	800
	Letter of Credit Facility	Mar-2013	200	144	0	56
			$4,000	$778	$0	$3,222
PPL Electric Utilities	Syndicated Credit Facility [2]	Oct-2016	$200	$1	$0	$199
	Asset-backed Credit Facility	Jul-2012	150	0	0	150
			$350	$1	$0	$349
Louisville Gas & Electric	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
Kentucky Utilities	Syndicated Credit Facility	Oct-2016	$400	$0	$0	$400
	Letter of Credit Facility	Apr-2014	198	198	0	0
			$598	$198	$0	$400
WPD	PPL WW Syndicated Credit Facility	Jan-2013	£150	£0	£110	£40
	WPD (South West) Syndicated Credit Facility	Jan-2017	245	0	0	245
	WPD (East Midlands) Syndicated Credit Facility	Apr-2016	300	70	0	230
	WPD (West Midlands) Syndicated Credit Facility	Apr-2016	300	71	0	229
	Uncommitted Credit Facilities		73	3	0	70
			£1,068	£144	£110	£814

Note: As of March 31, 2012

[1] Credit facilities consist of a diverse bank group, with no bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity for the domestic facilities, and 17% of the total committed capacity for WPD's facilities.

[2] In April 2012, PPL Electric Utilities increased the capacity of its syndicated credit facility from $200 million to $300 million.

Overview of PPL Corporation's 2012 – 2016 Business Plan

Cash from Operations (1)

Rate-regulated businesses are PPL’s primary source of cash from operations

[redacted]

Information redacted pursuant to August 14, 2012 Response.

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(1) Excludes PPL Corporation, PPL Capital Funding, and Corporate & Eliminations

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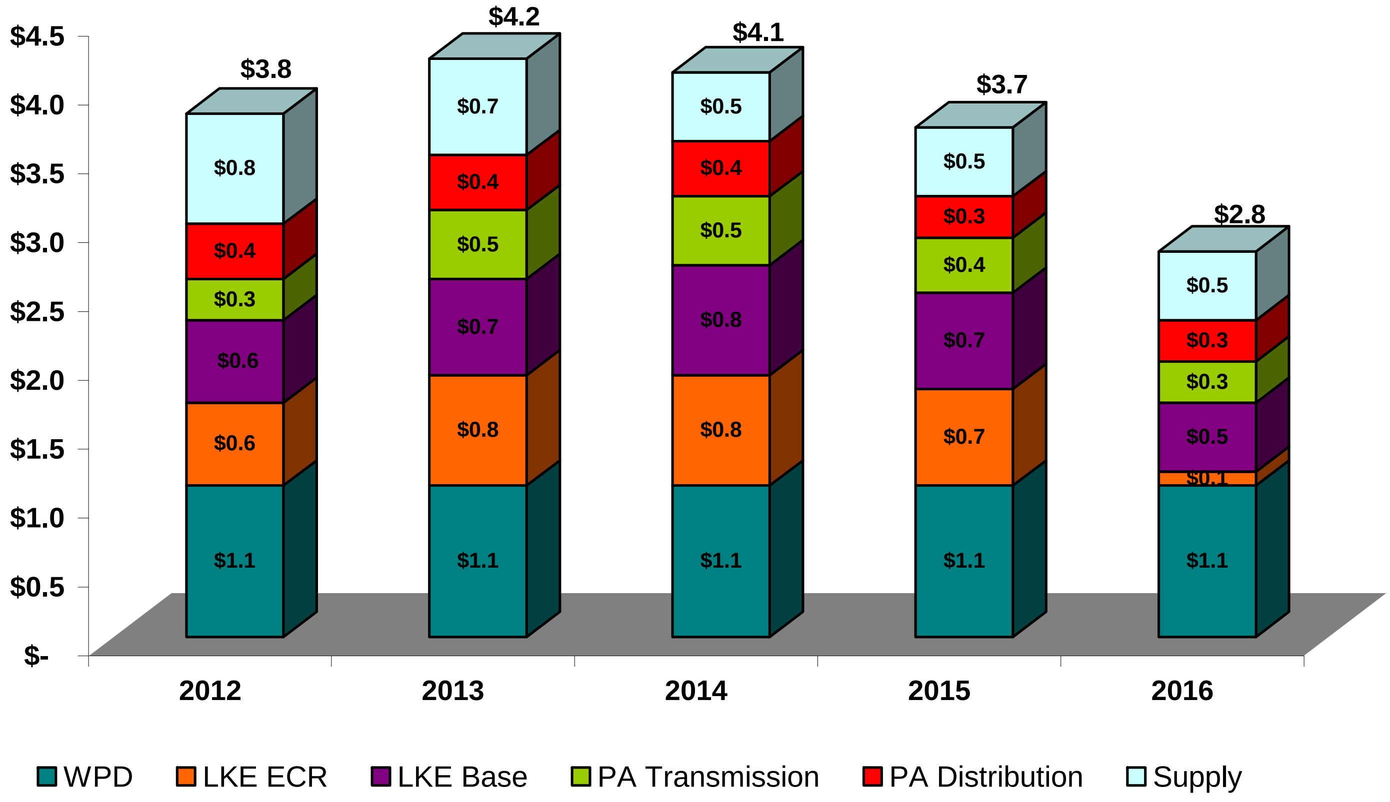
Investing in the Business

Investment in rate-regulated businesses drives rate base growth. Over 50% of the rate-regulated capex is subject to near real-time recovery.

(Capex in Billions of Dollars)



	2012	2013	2014	2015	2016	CAGR 2012 – 2016
Regulated Rate Base	$19.0	$21.3	$23.5	$25.2	$25.8	**8.0%**

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Sources and Uses

Cash from operations is the primary funding source for new investment opportunities

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PPL Rate-Regulated Utility Businesses
LKE Overview

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LKE Investment Highlights

- Efficient, well-run utility focused on safety, reliability, and customer service
- Projected rate base CAGR of 9.6% through 2016
- Constructive regulatory environment that provides a timely return on a substantial amount ($2.8 billion) of planned capex over the next 5 years
    - Utilizes ECR and other supportive recovery mechanisms including Construction Work In Progress, Fuel Adjustment Clause, Gas Supply Clause Adjustment, and Demand Side Management recovery
- Very competitive retail rates that attract energy-intensive businesses

Summary of ECR Settlement Agreement

- ECR approved by the KPSC in December 2011, including $500 million that remains from prior authorization
- LG&E will invest approximately $1.4 billion from 2012 – 2016
    - Scrubbers at Mill Creek
    - Baghouses at all Mill Creek units and Trimble County Unit 1
- KU will invest approximately $900 million from 2012 – 2016
    - Baghouses at all Ghent Units and Brown Unit 3
    - Conversion of Brown coal ash pond to dry storage landfill
    - Baghouses at Brown Units 1 and 2 - decision to invest deferred
- KPSC confirmed existing 10.63% ROE on projects remaining from earlier ECR plans
- KPSC authorized 10.10% ROE for approved projects in 2011 ECR proceedings

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Summary of ECR Contracts

- Mill Creek scrubbers
    - Equipment Purchase Agreement awarded in April 2012
    - Engineering, Procurement and Construction contract expected to be awarded in July 2012

- Baghouses at Mill Creek, Ghent, Brown, and Trimble County
    - Equipment Purchase Agreements expected to be awarded for all baghouses in June 2012
    - Engineering, Procurement and Construction contract expected to be awarded as follows:
        - Mill Creek – July 2012
        - Ghent – September 2012
        - Brown – December 2012
        - Trimble County – Fall 2013

- Brown landfill construction contract expected to be awarded in December 2012

New Capacity Additions

- KPSC order approving the Certificate of Public Convenience and Necessity filing for the following projects was received on May 3, 2012
  - Construction of 640 MW natural gas combined cycle at existing Cane Run plant site
    - Expected costs of approximately $580 million
    - Contract to be awarded in July 2012 for construction 2012 - 2016
    - Ownership = 78% KU, 22% LG&E
  - Purchase of the 495 MW Bluegrass CT facility
    - Purchase price of $110 million
    - Ownership = 31% KU, 69% LG&E
    - FERC conditional approval on May 4, 2012
      - Evaluating mitigation measures to meet FERC conditions
- Formal requests for recovery of costs associated with both projects are expected to be included in future base rate proceedings
- Retirement of six coal-fired generating units representing 797 MW of combined summer capacity is anticipated by the end of 2015

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Kentucky Base Rate Case Facts

	KU	LG&E Electric	LG&E Gas
Revenue Increase Requested	$82.5 million	$62.1 million	$17.2 million
Test Year	Yr end 3/31/12	Yr end 3/31/12	Yr end 3/31/12
Requested ROE	11.0%	11.0%	11.0%
Total Capitalization	$3.98 billion	$1.97 billion	$523 million
Equity / Capitalization	53.74%	55.64%	55.64%
1% Change in ROE =	~$28 million in revenue	~$18 million in revenue	~$5 million in revenue

Kentucky Base Rate Case Procedural Schedule

- Notice of intent filed with the KPSC - June 1, 2012
- Application to be filed - June 29, 2012
- Tentative hearing date - mid November 2012
- Order issued (tentative) - December 28, 2012
- New rates effective - January 1, 2013

PPL Rate-Regulated Utility Businesses
U.K. Overview

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U.K. Investment Highlights

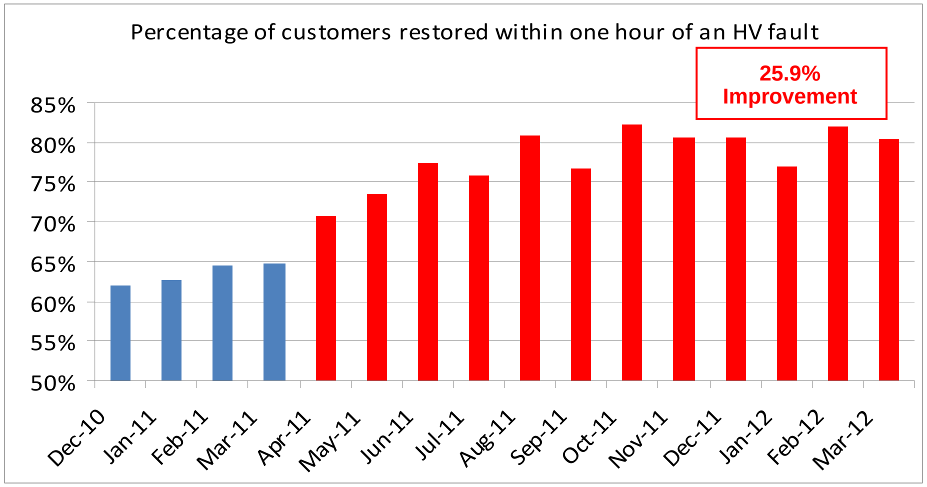
- Highly attractive rate-regulated business with significant growth prospects
  - Regulator-approved five year forward-looking revenues based on future business plan, including capital expenditures and O&M plus adjustments for inflation
  - Real-time return of and return on capital investment – no lag
  - No volumetric risk
  - Additional incentives for operational efficiency and high-quality service
- Top performing electricity distribution business in the U.K.
  - Leader in capital and operating cost efficiency, customer service, and reliability
  - Highest percentage of bonus revenue among peers

	WPD South West & South Wales			WPD Midlands		
Regulatoy Year (ending 3/31)	**Total Awards, £**	**% of Revenue**	**Total $**	**Total Awards, £**	**% of Revenue**	**Total $**
2006/07	£6.7	1.6%	$13.4	-£5.4	-0.8%	-$10.7
2007/08	£8.0	1.8%	$15.1	-£1.7	-0.3%	-$3.3
2008/09	£11.8	2.8%	$16.7	£8.2	1.3%	$11.7
2009/10	£12.1	2.6%	$18.3	£7.9	1.2%	$11.9
2010/11	£7.2	1.5%	$11.4	£11.6	1.6%	$18.5
2011/12	£9.4	1.8%	$14.7	£44.0	5.6%	$69.0
Total	**£55.2**	**2.0%**	**$89.6**	**£64.6**	**1.6%**	**$97.1**

- Best-in-class U.K. management team
  - Experienced team with record of delivering results
  - Completely transformed acquired Midlands operation in nine months
    - Strong potential to earn additional incentive revenues
- Consistent pattern of dividend repatriation to U.S. parent

Improvements Made - Network Performance

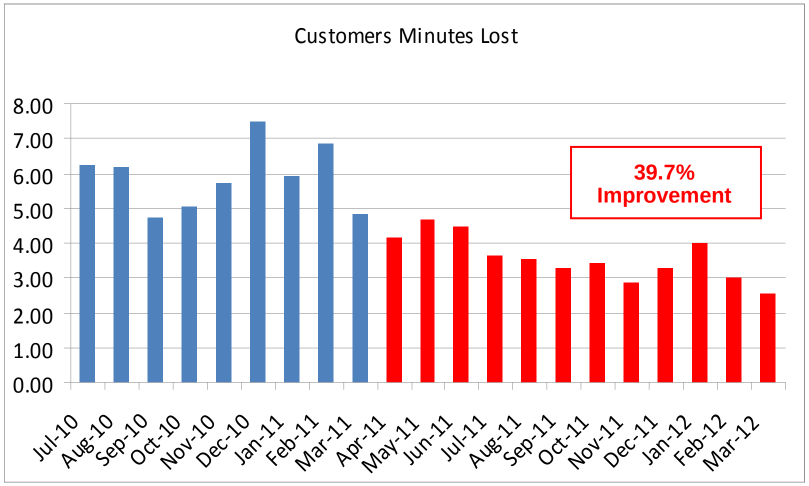
Target 60



Percentage of customers restored within one hour of an HV fault

25.9%
Improvement

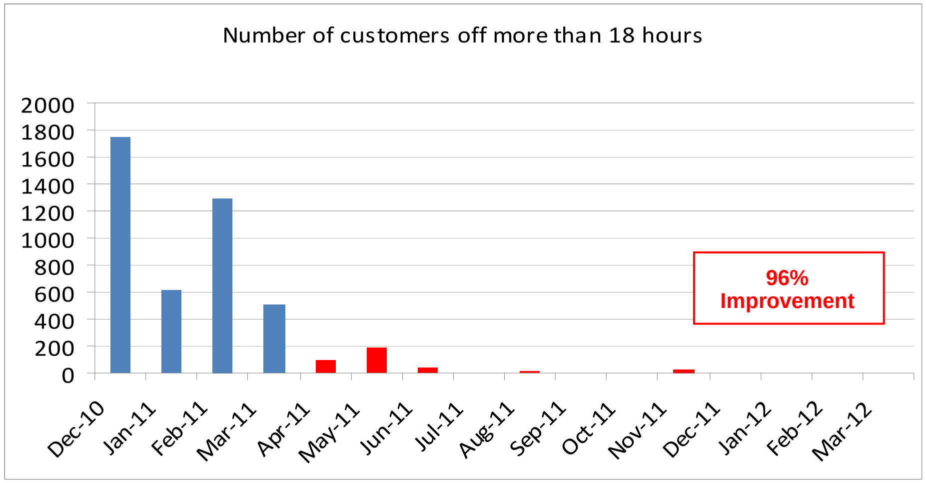
Customer Minutes Lost



Customers Minutes Lost

39.7%
Improvement

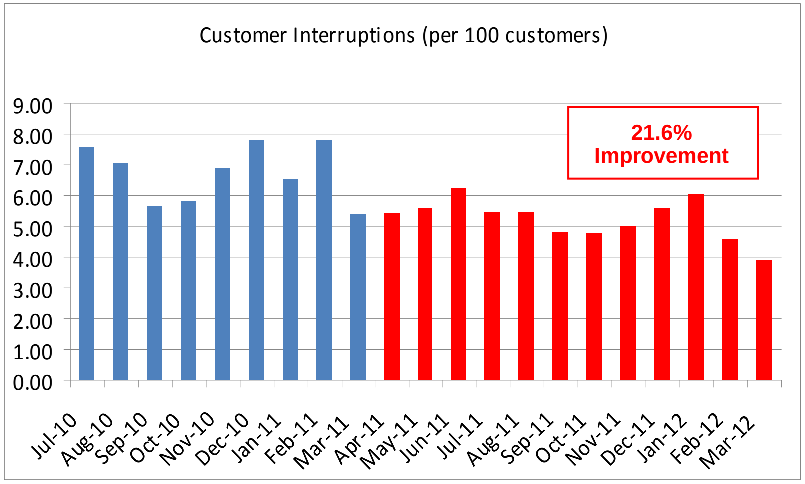
18 Hour Standard



Number of customers off more than 18 hours

96%
Improvement

Customer Interruptions (per 100 customers)



Customer Interruptions (per 100 customers)

21.6%
Improvement

Dramatically improving network performance while exceeding our original cost savings projections

U.K. Electricity Distribution Price Control Review

RIIO-ED1 Tentative Schedule

September 2012	Publication of Strategy Consultation
February 2013	Publication of Strategy Decision
End May 2013	DNOs submit business plans
September 2013	Publication of Initial Assessment of companies business plans
November 2013	Publication of Fast Track Proposals (Initial Proposals)
March 2014	Publication of Fast Track Decision (Initial Proposals)
June 2014	Publication of Initial Proposals Consultation for non fast tracked companies
November 2014	Publication of Final Proposals for non fast tracked companies
December 2014	Issue statutory disposition on new license conditions
April 1, 2015	Price control commences

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PPL Rate-Regulated Utility Businesses
PPL Electric Utilities Overview

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PPL Electric Utilities Investment Highlights

- Significant growth in transmission portion of business which earns a favorable rate of return on a near real-time basis
    - CAGR of 22.3% in transmission rate base through 2016 driven by initiatives to improve aging infrastructure and Susquehanna-Roseland Project
    - ROE of 11.68% earned through FERC Formula Rate Mechanism
    - Susquehanna-Roseland Project earns an incentive 12.93% ROE and earns a return on construction work-in-progress

- Projected CAGR of 6.5% in distribution rate base through 2016 driven by initiatives to improve aging infrastructure

- Alternative ratemaking bill provides more timely recovery of eligible distribution plant costs that improve and maintain safety and reliability
    - Expect filing in January 2013

PPL Electric Utilities Distribution Rate Case Facts

Distribution Revenue Increase Requested	$104.6 million
Test Year	2012
Requested ROE	11.25%
2012 Distribution Rate Base	$2.42 billion
2012 Common Equity Ratio	51.03%
1% Change in ROE =	~$23 million in revenue
Docket No.	R-2012-2290597

Complete filing available at www.pplelectric.com/rateinfo

PPL Electric Utilities Distribution Rate Case Procedural Schedule

- Rate case filed March 30, 2012
- Providing information to all stakeholders throughout year (building evidentiary record)
- Public hearings in June/July
- Hearing with Administrative Law Judge in August/September
- Recommended decision in mid-October
- Final PUC decision in December
- New rates take effect January 1, 2013

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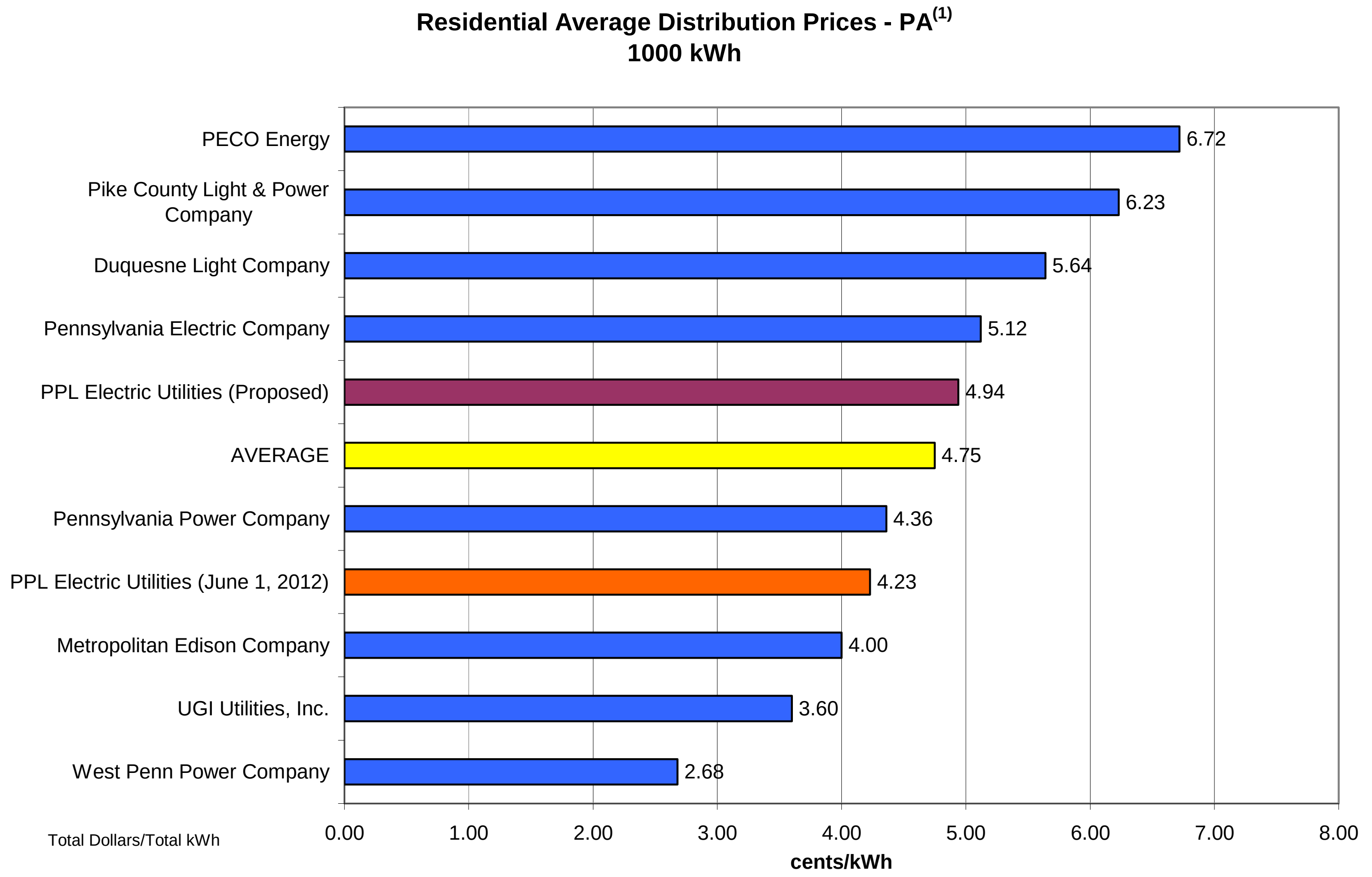
Residential Distribution Pricing Comparison

After the 2012 rate case, PPL Electric's residential distribution rates will remain in line with other Pennsylvania electric utilities



[1] Source for non PPL EU data is EEI Typical Bills and Average Rates Report, Winter 2012 (rates effective January 1, 2012)

PPL’s Competitive Supply Business Overview

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Competitive Supply Investment Highlights

- Very well-positioned competitive generation
  - PJM assets
    - Low marginal cost nuclear and hydro facilities
    - Efficient supercritical coal units with fuel switching optionality
    - Attractive gas-fired assets that capture market opportunity and back-stop baseload unit availability
  - Montana assets
    - Low marginal cost coal and hydro units that are critical to infrastructure supporting load in the Northwest
    - Considerable upside from potential expansion of export capability to Alberta and the Dakotas in support of rapidly growing unconventional oil production activities
- Current and proposed environmental regulations have minimal impact due to prior environmental upgrade investments
- Generation fleet will benefit from multiple factors
  - Tightening reserve margins
    - Forced retirement of less efficient stations due to tightening emissions standards
    - Firming of demand driven by general economic recovery
  - General firming of natural gas prices
- Among the strongest forward hedge profiles in industry
- Wholesale generation increasingly augmented by growing competitive retail activities across commercial, industrial, and residential customer classes

Actively Managing Environmental Uncertainty

Control Device		Low Nox Burners	SCR/SNCR	Scrubbers	Closed Cycle Cooling Tower (2)	Dry Handling/Disposal/Beneficial Use
Addresses		**NO_x**	**NO_x**	**SO_2**	**Water Intake**	**Coal Combustion Residuals (CCRs)**
Brunner Island	Unit 1	✓	**NR**	✓	**(3)**	✓
	Unit 2	✓	**NR**	✓	**(3)**	✓
	Unit 3	✓	**NR**	✓	**(3)**	✓
Montour	Unit 1	✓	✓	✓	✓	✓
	Unit 2	✓	✓	✓	✓	✓
Colstrip	Unit 1 & 2	✔	**(1)**	✓	✓	**(3)**
	Unit 3 & 4	✓	**NR**	✓	✓	**(3)**
Keystone	Unit 1 & 2	✓	✓	✓	✓	✓
Conemaugh	Unit 1 & 2	✓	✔	✓	✓	✓

✓ Installed

✔ Under Consideration

NR Not required under current or proposed regulations

PPL’s proactive approach to environmental compliance has made the EPA’s pending regulations manageable

(1) The proposed Regional Haze FIP for Montana would require SNCRs for Colstrip 1 & 2 by 2017.
(2) Potential exposure based on proposed regulations to intake structure modifications, including at sites with closed-cycle cooling.
(3) PPL has begun to assess dry handling/disposal of CCRs at Colstrip. Pending CCR regulations could require additional controls.

Operating in a Down Commodity Cycle

- Managing Capital and O&M
  - Reduced our five year capital spend by more than $700 million through the last two planning cycles
- Continuing a disciplined forward hedging process
  - Balance protecting cash flows and providing for upside
- Optimizing Operation
  - Continued strong performance of our units including top quartile achievements in net capacity factor and availability
  - Efficient coal unit operations
    - Cycling coal units down during low price periods
    - Buying power in the market at prices below production cost to meet above market energy sales
    - Deferring and buying out of contracted coal deliveries
  - Flexible gas-fired unit operations
    - Increased ownership of combined-cycle gas generation
    - Operating gas-fired units in low-gas price environment to capture market opportunity
  - Renegotiated a long-term coal delivery contract that will provide stable coal transportation costs for several years
  - Performing heat rate improvements to reduce fuel costs

Risk Management Program – VaR

[redacted]

Information redacted pursuant to August 14, 2012 Response.

Reducing Risk Through Hedging

Information redacted pursuant to August 14, 2012 Response.

- Protecting the total portfolio value by utilizing a disciplined hedge strategy for baseload assets

- Optimizing fleet value through strategies surrounding intermediate and peaking generation

Hedging Program

	2012	2013
Baseload		
Expected Generation(1) (Million MWhs)	**51.5**	**53.1**
East	43.5	44.8
West	8.0	8.3
Current Hedges (%)	**94-98%**	**79-83%**
East	96-100%	82-86%
West	82-86%	65-69%
Average Hedged Price (Energy Only) ($/MWh)(2) (3)		
East	$54-55	$49-51
West	$50-52	$46-49
Current Coal Hedges (%)	**100%**	**97%**
East	100%	96%
West	100%	100%
Average Hedged Consumed Coal Price (Delivered $/Ton)		
East	$76-79	$80-88
West	$23-28	$23-29
Intermediate/Peaking		
Expected Generation(1) (Million MWhs)	7.6	7.0
Current Hedges (%)	58%	6%

Capacity revenues are expected to be $385 million and $590 million for 2012 and 2013, respectively.

As of March 31, 2012

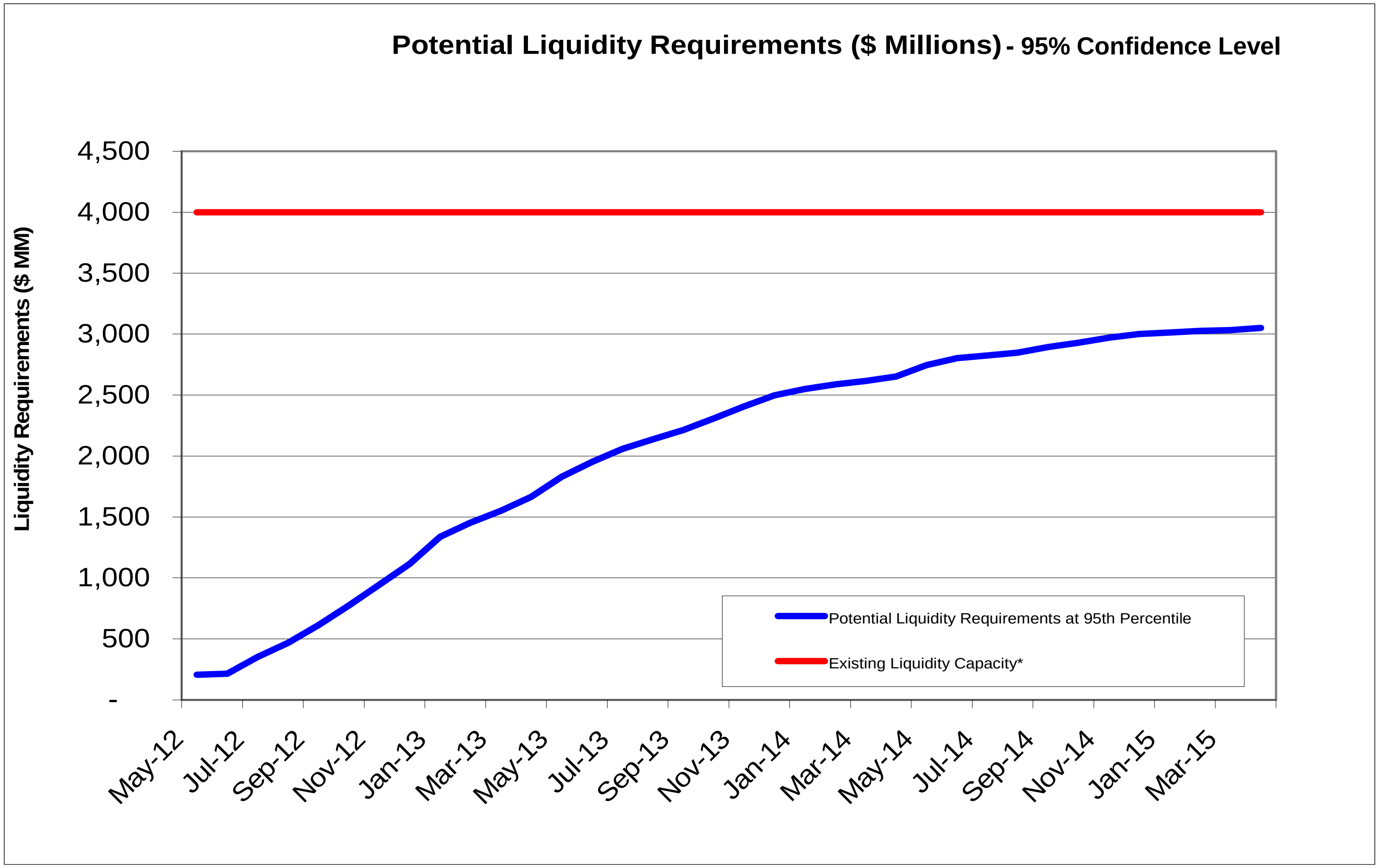
(1) Represents expected sales of Supply segment based on current business plan assumptions.

(2) The 2012 average hedge energy prices are based on the fixed price swaps as of March 31, 2012; the prior collars have all been converted to fixed swaps.

(3) The 2013 ranges of average energy prices for existing hedges were estimated by determining the impact on the existing collars resulting from 2013 power prices at the 5th and 95th percentile confidence levels.

Liquidity Requirements

Based on our current hedging strategy, PPL Energy Supply has sufficient liquidity capacity to sustain over a 50% immediate increase in 2012 and 2013 forward energy prices.



Note: The Existing Liquidity Capacity of $4.0 billion includes $800 million of secured trading facility.

PPL Corporation Financial Metrics

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[redacted]

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LKE

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Kentucky Utilities

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LG&E

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PPL Electric Utilities

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PPL Energy Supply

[redacted]

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Appendix A:

Financial Metrics Details

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[redacted]

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LKE

Information redacted pursuant to August 14, 2012 Response.

Kentucky Utilities

[redacted]

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LG&E

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PPL Electric Utilities

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PPL Energy Supply

[redacted]

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Appendix B:

Components of Free Cash Flow 2013-2016

Capital Markets Activity Summary 2013-2016

2013 Components of Free Cash Flow

[redacted]

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2013 Capital Markets Activity Summary

[redacted]

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2014 Components of Free Cash Flow

[redacted]

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2014 Capital Markets Activity Summary

[redacted]

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2015 Components of Free Cash Flow

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2015 Capital Markets Activity Summary

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2016 Components of Free Cash Flow

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2016 Capital Markets Activity Summary

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Appendix C:

Other

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PPL Mission, Strategic Goals, and Strategic Objectives

Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners

Strategic Goals

- Achieve stable, long-term income growth in rate-regulated electric utility businesses through efficient operations and strong customer and regulatory relationships
- Achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings

Strategic Objectives (Execution)

- Own and operate high-quality electric utility businesses in the U.S. and the U.K.
- Continue organic growth of the rate-regulated electric utility businesses
- Own and operate low-cost generating fleet in select regions of the U.S.
- Maintain a disciplined marketing program, backed by comprehensive risk management, to match generating capacity to fixed priced contracts

Key Financial Objectives

- Maintain stable investment-grade ratings
- Provide total returns to investors that meet or exceed expectations

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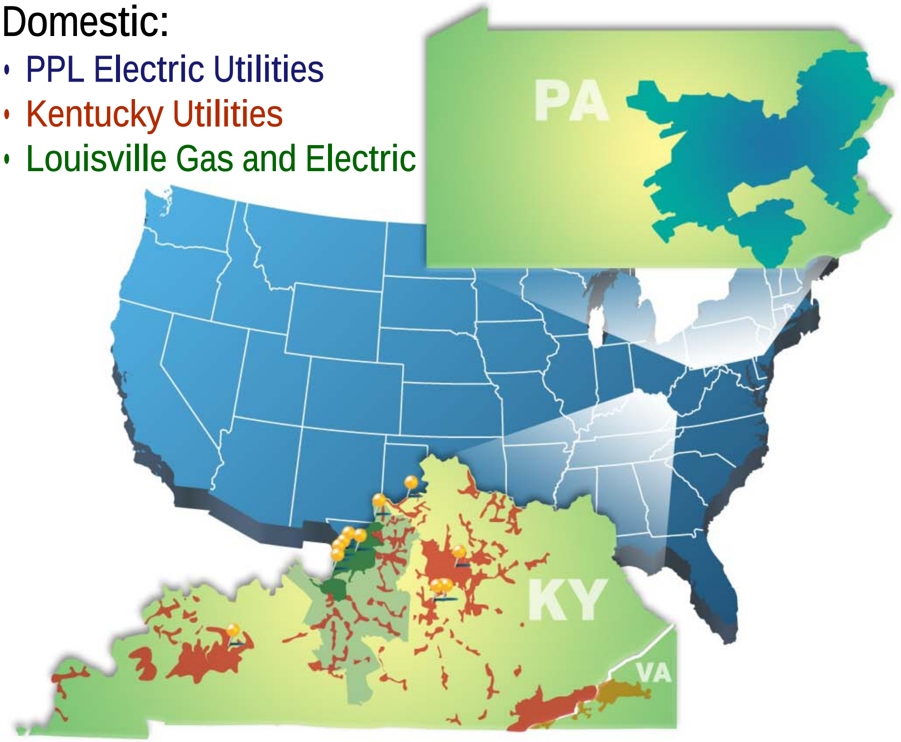
Diverse Source of Stable Cash Flows

Domestic:

- PPL Electric Utilities
- Kentucky Utilities
- Louisville Gas and Electric



International:

- WPD South Wales
- WPD South West
- WPD West Midlands
- WPD East Midlands

	No. of Customers	Rate Base(1),(2),(3)	Authorized Return
PPL Electric - Distribution	1,400,000	$2.3	10.70%(4)
PPL Electric - Transmission		$0.9	11.68% - 12.93%
Kentucky Utilities	544,000	$4.0	10.00 - 10.50%
LG&E	715,000	$2.5	10.00 - 10.50%
WPD South Wales	1,100,000	$1.2	12.50%
WPD South West	1,500,000	$1.7	12.40%
WPD West Midlands	2,500,000	$2.6	10.40%
WPD East Midlands	2,600,000	$2.6	10.40%

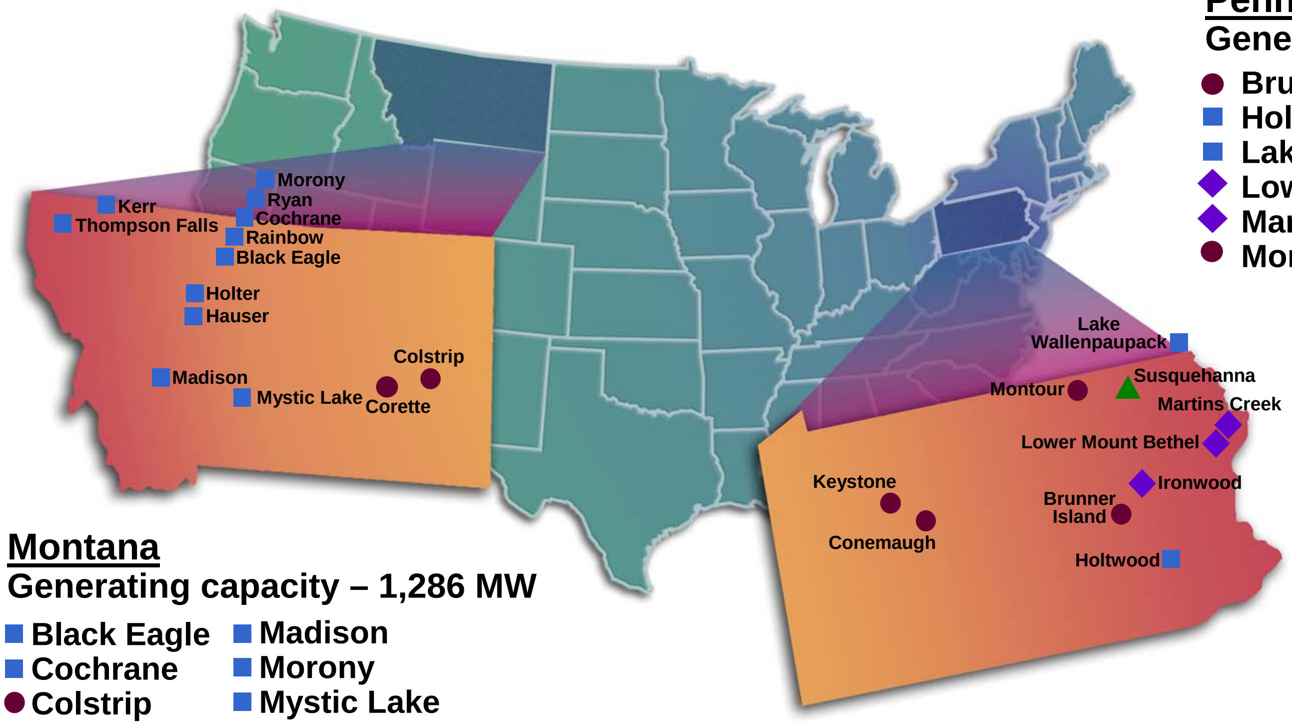
(1) Millions of Dollars

(2) As of 12/31/2011

(3) Conversion of £1.6016

(4) The result of the last litigated rate case with the PA PUC

Diverse Generation Portfolio (1)



Pennsylvania

Generating capacity – 9,214 MW

- ● Brunner Island
- ■ Holtwood
- ■ Lake Wallenpaupack
- ◆ Lower Mount Bethel
- ◆ Martins Creek
- ● Montour
- ▲ Susquehanna
- ● Conemaugh
- ● Keystone
- ◆ Ironwood
- ◆ Renewable

Other generating stations

◆ Renewable NJ, NH, VT – 9 MW

Montana

Generating capacity – 1,286 MW

- ■ Black Eagle
- ■ Cochrane
- ● Colstrip
- ● Corette
- ■ Hauser
- ■ Holter
- ■ Kerr
- ■ Madison
- ■ Morony
- ■ Mystic Lake
- ■ Rainbow
- ■ Ryan
- ■ Thompson Falls

Key

- ■ Hydro
- ● Coal
- ▲ Nuclear
- ◆ Gas/Oil
- ◆ Renewables

(1) Capacity based on summer rating

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Counterparty Credit Risk

Strict adherence to a formalized credit risk policy limits our exposure to counterparty credit risk. The policy establishes maximum credit exposure for all levels of credit quality.

- Approximately 70% of PPL’s net credit exposure is with investment-grade counterparties (1)

Rating	% of Net Exposure
A- or better	34.84%
BBB- or better	36.17%
Below Inv. Grade	4.06%
Not Rated	24.93%

- Credit personnel are located on the marketing floor
  - Overnight mark-to-market of all credit positions
- Over the past five years, credit defaults have been $24.0 million, or 2.26% of net credit exposure

(1) As of April 30, 2012

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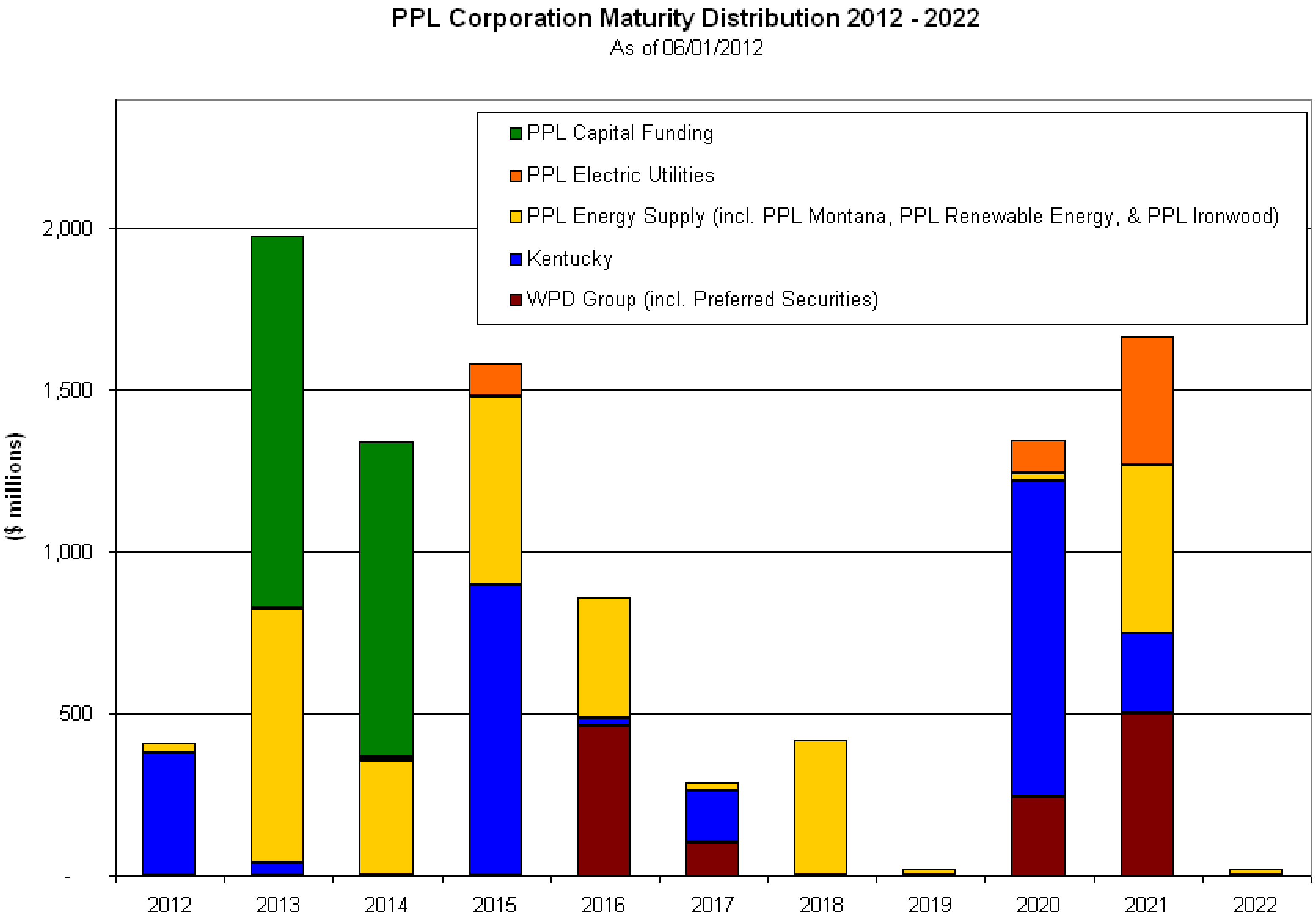
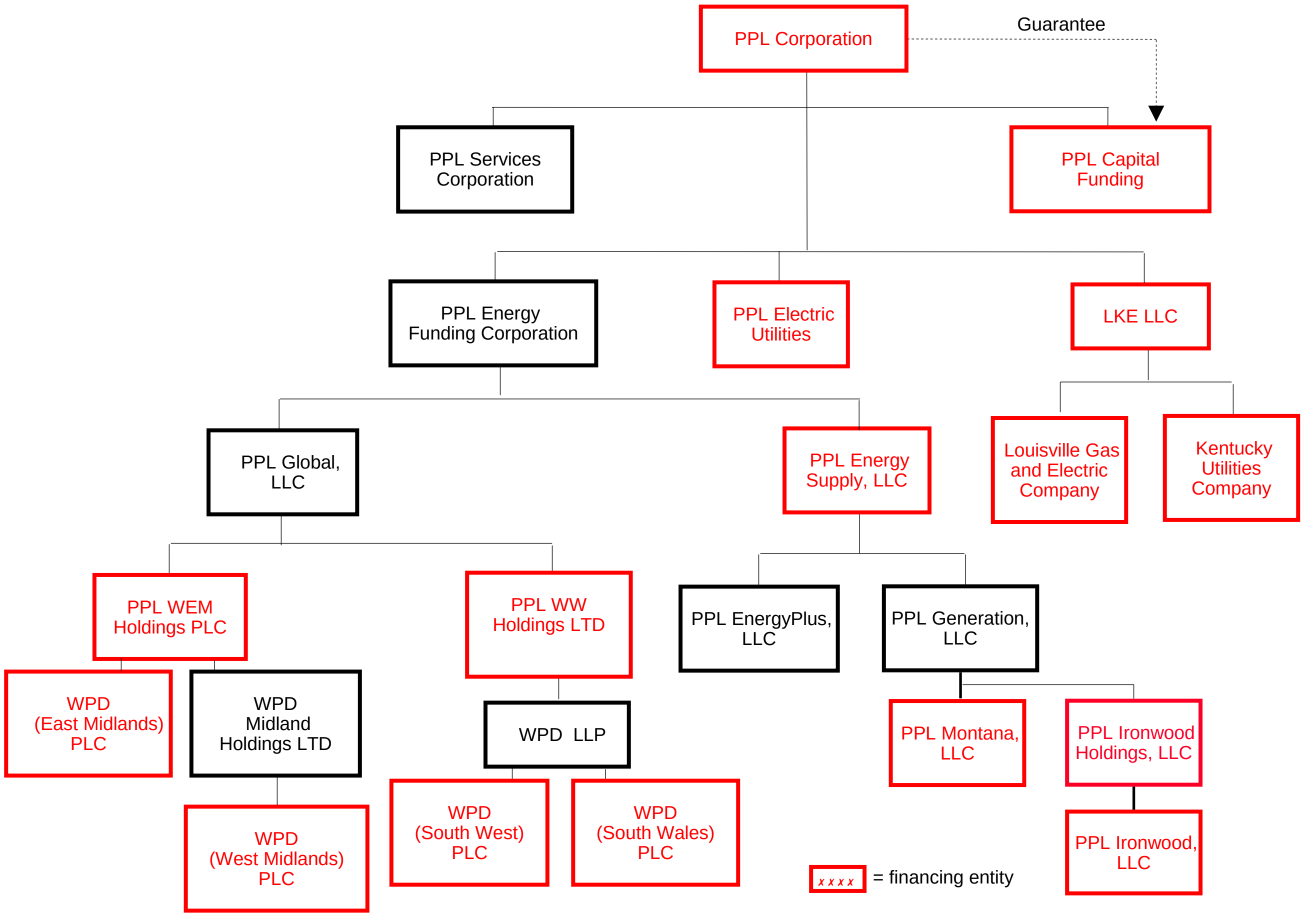
Security Maturities



PPL Corporate Structure – Financing Entities


PPL Corporation

Guarantee

PPL Services Corporation

PPL Capital Funding

PPL Energy Funding Corporation

PPL Electric Utilities

LKE LLC

PPL Global, LLC

PPL Energy Supply, LLC

Louisville Gas and Electric Company

Kentucky Utilities Company

PPL WEM Holdings PLC

PPL WW Holdings LTD

PPL EnergyPlus, LLC

PPL Generation, LLC

WPD (East Midlands) PLC

WPD Midland Holdings LTD

WPD LLP

PPL Montana, LLC

PPL Ironwood Holdings, LLC

WPD (West Midlands) PLC

WPD (South West) PLC

WPD (South Wales) PLC

x x x x = financing entity

PPL Ironwood, LLC

PPL Financing Entities

- PPL Corporation
  - Common Stock
- PPL Capital Funding, Inc.
  - Senior Unsecured Notes
  - Junior Subordinated Notes
- PPL Electric Utilities Corporation
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Commercial Paper Program (with supporting
  - Bank Lines)
  - Tax Exempt Bonds
  - Credit Facilities
  - Preference Stock
- PPL Energy Supply, LLC
  - Senior Unsecured Notes
  - Tax Exempt Bonds
  - Credit Facilities
- PPL Montana, LLC
  - Pass-Through certificates
- PPL Ironwood, LLC
  - Senior Secured Bonds
  - Debt Service Reserve
- PPL WW Holdings, LTD and PPL WEM Holdings PLC
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (South West) and WPD (South Wales)
  - Senior Unsecured Debt
  - Credit Facilities
- WPD (East Midlands) and WPD (West Midlands)
  - Senior Unsecured Debt
  - Credit Facilities
- LG&E and KU Energy LLC (LKE)
  - Senior Unsecured Debt
  - Medium Term Note
- Louisville Gas & Electric and Kentucky Utilities
  - First Mortgage Bonds
  - Senior Secured Bonds
  - Tax Exempt Bonds
  - Credit Facilities

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Presentation to S&P

Update on the Acquisition of E.ON U.S.,LLC

September 23, 2010

Proprietary & Confidential

Objectives of Meeting

- PPL Corporation ("PPL") has several objectives for this meeting:
  - To provide an update on:
    - The pending acquisition of E.ON U.S., LLC (E.ON U.S.)
    - PPL, PPL Energy Supply, and PPL Electric Utilities ("PPL Electric")
    - The year-to-date performance of E.ON U.S., including the outcome of its rate cases, and the potential impact of pending environmental regulation
  - To understand your process for the assignment and communication of credit ratings for the upcoming debt issuances of PPL's Kentucky holding company (currently E.ON U.S.) and its two utilities - Louisville Gas & Electric ("LG&E") and Kentucky Utilities ("KU")
  - To understand S&P's response related to the application of the mortgage lien to the Pollution Control Revenue Bonds at the Kentucky operating companies just prior to PPL's acquisition of E.ON U.S.

Update - E.ON U.S. Acquisition

- Significant progress has been made toward the closing of the acquisition of E.ON U.S., which is expected to occur on either November 1st or December 1st
  - In late June, PPL raised approximately $3.5 billion in net proceeds through the sale of common stock and equity units to finance a major portion of the acquisition
  - In June, PPL arranged for 2 new $400 million four-year syndicated credit facilities for LG&E and KU to become effective at closing
  - An integration team, comprised of employees from both companies, has been working to ensure a smooth transition of operations at the close
  - All required regulatory and financing filings have been completed, which include the Kentucky Public Service Commission ("PSC"), the regulators in Virginia and Tennessee, and the FERC
  - The Federal Trade Commission and the U.S. Department of Justice have granted early termination for both of the notices that were required under the Hart-Scott-Rodino Act

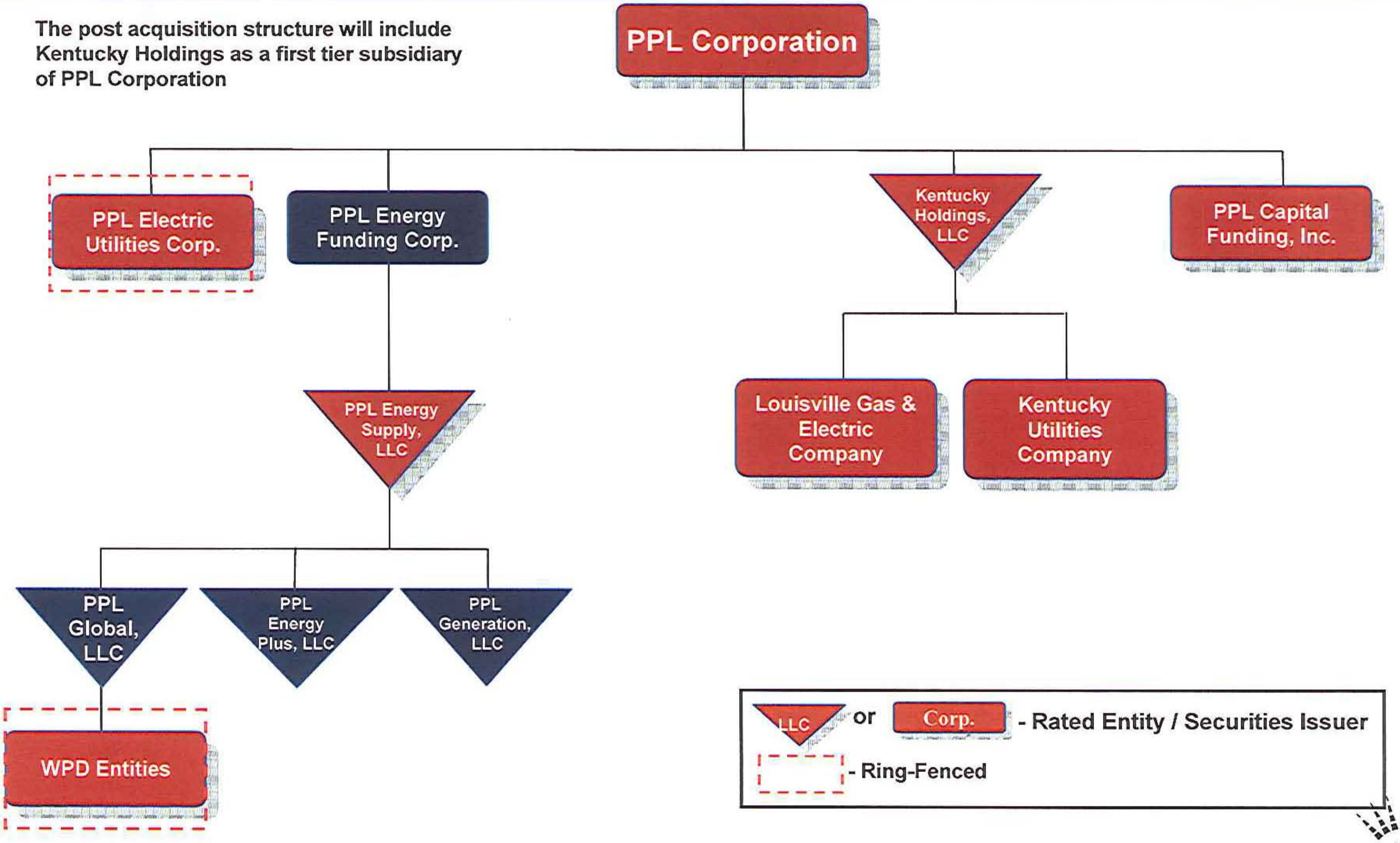
Update - E.ON U.S. Acquisition (Contd.)

- In late July, the Kentucky PSC approved $189 million in rate increases for LG&E and Kentucky Utilities which were effective August 1, 2010
- In early September, PPL reached a settlement agreement with all intervening parties in its Kentucky application to acquire E.ON U.S.
  - Kentucky PSC is expected to make a final decision on the change of control and financing applications by September 30th
  - Approvals by the Virginia and Tennessee regulators are expected in October
  - On September 15th, PPL and E.ON U.S.:
    - Reached a settlement with two parties who had raised issues related to FERC approval of the acquisition
    - Asked FERC to approve the acquisition by October 15th
- If FERC approves the acquisition by October 15th, and all other needed approvals are received by that time, PPL and E.ON U.S. may be able to complete the transaction by November 1st

The Transaction

Post Acquisition Pro Forma Structure

The post acquisition structure will include Kentucky Holdings as a first tier subsidiary of PPL Corporation



PPL Corporation

PPL Electric Utilities Corp.

PPL Energy Funding Corp.

PPL Energy Supply, LLC

PPL Global, LLC

WPD Entities

PPL Energy Plus, LLC

PPL Generation, LLC

Kentucky Holdings, LLC

Louisville Gas & Electric Company

Kentucky Utilities Company

PPL Capital Funding, Inc.

LLC or Corp. - Rated Entity / Securities Issuer

- Ring-Fenced

Sources of Acquisition Financing

Sources of Acquisition Financings
($ in Millions)

Net Common Stock Proceeds	$ 2,409
Net Proceeds from Equity Unit Securities	1,116
Net Pollution Control Revenue Bonds (Assumed)	762 (1)
E.ON U.S. Capital MTN's (Assumed)	2
Cash on hand	325
Draws under PPL Energy Supply's credit facilities	3,011
Total owed to E.ON AG at closing	7,625
Less: Net Debt Assumed	(764)
Net Proceeds to E.ON AG	$ 6,861

(1) Consists of $925 million of Pollution Control Revenue Bonds ("PCRB") less $163 million of PCRBs that are currently being held for future remarketing

ppl

Permanent Financing

Sources for Payment of Credit Facility Draws
($ in Millions)

Kentucky Holdings- Unsecured Debt	$ 875
Louisville Gas & Electric- First Mortgage Bonds	535
Kentucky Utilities- First Mortgage Bonds	1,550
Remarketing of Pollution Control Revenue Bonds currently held as assets	163
	3,123
Projected payment of credit facility draws	3,011
Partial replacement of cash utilized	$ 112

- A draft of the mortgage agreements have been filed with the regulators
  - Asset pledge of 1.5X outstanding first mortgage bonds
- Financings initially issued as 144A securities with registration rights (within 270 days)
  - Work to prepare the required offering documents is underway
- To mitigate interest rate risk, PPL plans to hedge up to $2.3 billion of the $2.9 billion of debt to be issued
  - As of August 31st, $2.1 billion has been hedged

Projected Capitalization Structures at 12/31/2010 (1)

(Millions of $)	Total	% of Total
PPL Corporation		
Debt	$ 11,957	55.4%
Equity Unit Securities	1,150	5.3%
Preference Stock	250	1.2%
Common Equity	8,213	38.1%
Total	$ 21,570	100.0%
Kentucky Holdings Consolidated		
Debt	$ 3,888	51.0%
Common Equity	3,737	49.0%
Total	$ 7,625	100.0%
Louisville Gas & Electric		
Debt	$ 1,109	41.2%
Common Equity	1,582 (2)	58.8% (2)
Total	$ 2,691	100.0%
Kentucky Utilities		
Debt	$ 1,904	41.2%
Common Equity	2,720 (3)	58.8% (3)
Total	$ 4,624	100.0%

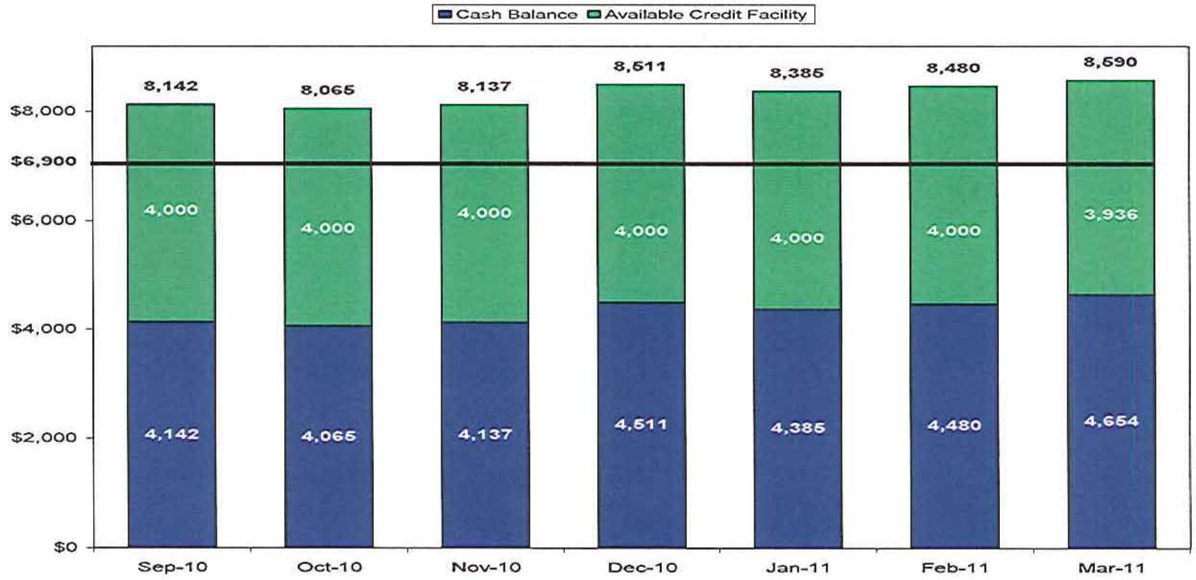
(1) GAAP Basis

(2) Of this amount, $292 million represents goodwill, which is not recoverable for regulatory purposes. As a result, the regulatory capitalization structure contains 53.8% equity.

(3) Of this amount, $510 million represents goodwill, which is not recoverable for regulatory purposes. As a result, the regulatory capitalization structure contains 53.7% equity.

Projected Liquidity Position

- PPL plans to draw on PPL Energy Supply's credit facilities at closing
  - Approximately one week before closing, PPL will replace its existing $3.2 billion credit facility with a new $4.0 billion 4-year facility which is currently in escrow (1)
    - PPL will draw approximately $3.0 billion under this facility for the closing
  - PPL will issue permanent financing within 2 weeks after closing
  - The following graph shows PPL Energy Supply's current projected liquidity position (Millions of $) for the next 7 months compared to the net funds of $6.9 billion required at closing.



	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
Excess Liquidity	1,242	1,165	1,237	1,611	1,485	1,580	

(1) See Appendix for a detailed summary of PPL Corporation's credit facilities

PPL Corporation

Update - PPL and PPL Energy Supply

- PPL remains on target to achieve its 2010 earnings guidance
- Projected energy margins for 2011 and 2012 have contracted somewhat as a result of:
  - The loss of a positive locational premium (basis) for our PJM assets primarily driven by lower load, low gas prices and reinforcements to the transmission system
  - Higher expected coal transportation costs
  - Low energy and capacity prices
  - Depressed forward dark spreads
- As we finalize our 2011 business plan, PPL will address these adverse earnings drivers through reductions in discretionary O&M and capital expenditures, and increased equity issuances

Update- PPL Electric

- PPL Electric is on track to meet its 2010 projected earnings and cash flows
- In August PPL Electric filed with the Pennsylvania PUC (PAPUC) a settlement agreement approved by all parties to the rate proceeding, including the state's Office of Consumer Advocate and the PAPUC's Office of Trial Staff
  - Approval by the Administrative Law Judge is expected by the end of October
  - Approval by the PAPUC is expected in mid-December
- Preliminary estimates show that PPL Electric will earn an ROE of about 9.5% in 2011

	Per March 2010 Rate Proposal	Per August 2010 Settlement Agreement	
Annual base electric rate increase	$114.7 million	$77.5 million	
ROE	11.75%	9.80%	(1)

(1) Implied ROE based on the annual revenue increase and terms to the settlement

Appendix

Domestic Credit Facilities Profile

Entity	Facility	CURRENT Expiration Date	CURRENT Total Facilities [(1)]	POST ACQUISITION Expiration Date	POST ACQUISITION Total Facilities
($ in millions)					
PPL Energy Supply	Multi-year Credit Facility	Jun-12	$3,225	Dec-14	$4,000
	3-year Bilateral Credit Facility	Mar-13	200	Mar-13	200
	5-year Structured Credit Facility	Mar-11	300		0
	364-day Credit Facility	Sep-10	400		0
	Secured Trading Facility	Feb-15	0	Sep-15	800
			4,125		5,000
PPL Electric Utilities	Multi-year Credit Facility	May-12	190	Dec-14	200
	Asset-backed Credit Facility	Jul-10	150	Jul-11	150
			340		350
Louisville Gas & Electric	Multi-year Credit Facility	Jul-12	125	Dec-14	400
Kentucky Utilities	Multi-year Credit Facility	Jul-12	35	Dec-14	400
Total Domestic Credit Facilities			$4,625		$6,150

(1) As of August 31, 2010

Overview of the Acquired Utilities

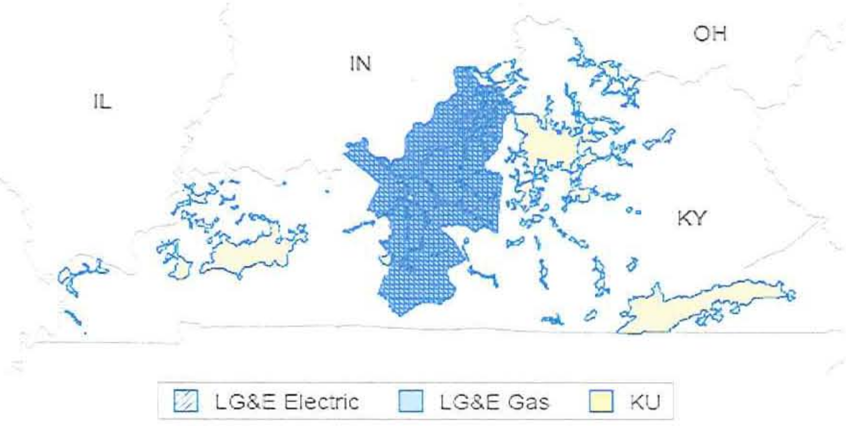
- **E.ON U.S. is the only IOU (1) to rank in the top quartile in all five of the key operating benchmark categories**

Utility Area	**Metric**	**E.ON U.S. 2008 Performance**	**Rank out of IOU Holding companies**
Generation	Non-fuel O&M / MWh Produced	$4.78	4th - Top Decile
Transmission	Cash Cost / Transmission Mile	$10,702	6th - Top Decile
Distribution	Cash Cost / Customer	$189.00	16th - Second Decile
Retail	O&M Cost / Customer	$41.51	11th - Second Decile
Corporate A&G	A&G Cost / MWh Sold	$3.23	7th - Top Decile

Rate Base and Customers (2)

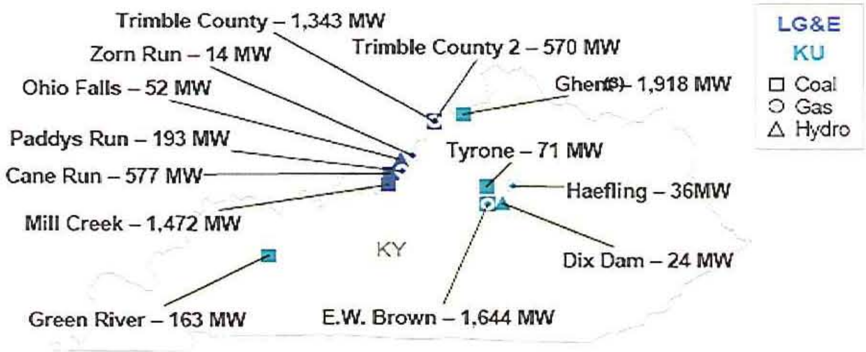
	LG&E	KU	Midwest Avg.
Customers			
Electric	396,000	545,000	-
Gas	321,000	-	-
Rate Base	$2.4bn	$3.3bn	-
Electric Retail Avg. Rates (cents/kWh)	6.68	6.56	9.58

Utility Service Area



Generation Portfolio – 8,077 MW

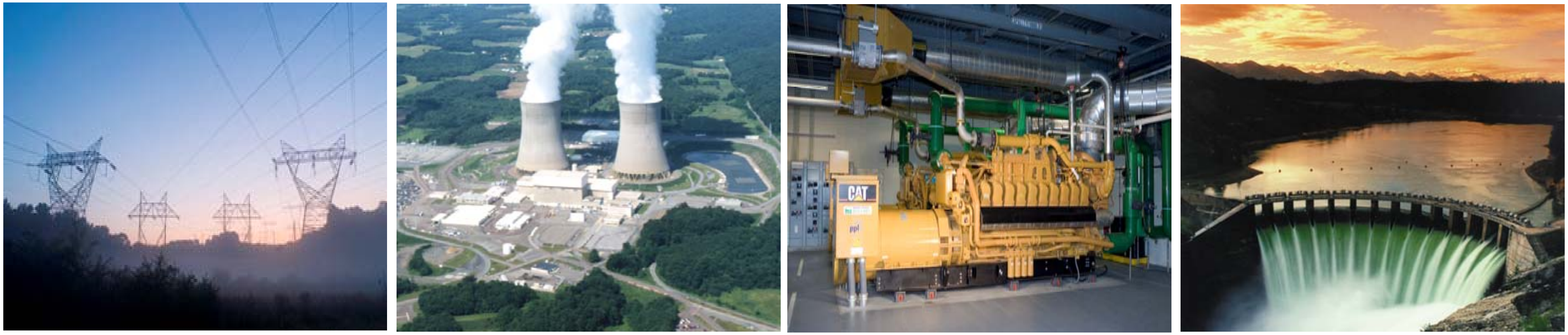
Coal: 5,837 MW; **Gas:** 2,164 MW; **Hydro:** 76 MW



(1) Based on 52 U.S. electric IOU holdings companies

(2) Figures as of 2008

(3) In-service summer 2010



Presentation to Moody's

Update on the Acquisition of E.ON U.S.,LLC

September 23, 2010

Proprietary & Confidential

Objectives of Meeting

- PPL Corporation (“PPL”) has several objectives for this meeting:
  - To provide an update on:
    - The pending acquisition of E.ON U.S., LLC (E.ON U.S.)
    - PPL, PPL Energy Supply, and PPL Electric Utilities (“PPL Electric”)
    - The year-to-date performance of E.ON U.S., including the outcome of its rate cases, and the potential impact of pending environmental regulation
  - To understand your process for the assignment and communication of credit ratings for the upcoming debt issuances of PPL’s Kentucky holding company (currently E.ON U.S.) and its two utilities - Louisville Gas & Electric (“LG&E”) and Kentucky Utilities (“KU”)
  - To understand Moody’s response related to two specific items:
    - The methodology Moody’s will use post acquisition in assigning ratings to PPL (i.e., PPL Capital Funding) given the significant improvement in the diversity and stability of cash flows
    - The application of the mortgage lien to the Pollution Control Revenue Bonds at the Kentucky operating companies just prior to PPL’s acquisition of E.ON U.S.

Update - E.ON U.S. Acquisition

- Significant progress has been made toward the closing of the acquisition of E.ON U.S., which is expected to occur on either November 1st or December 1st
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  - The Federal Trade Commission and the U.S. Department of Justice have granted early termination for both of the notices that were required under the Hart-Scott-Rodino Act

(1) In September, PPL notified the Equity Units Trustee of our non-revocable election to maintain the subordination provisions of the Notes to be remarketed in a Final Remarketing.

Update - E.ON U.S. Acquisition (Contd.)

- In late July, the Kentucky PSC approved $189 million in rate increases for LG&E and Kentucky Utilities which were effective August 1, 2010
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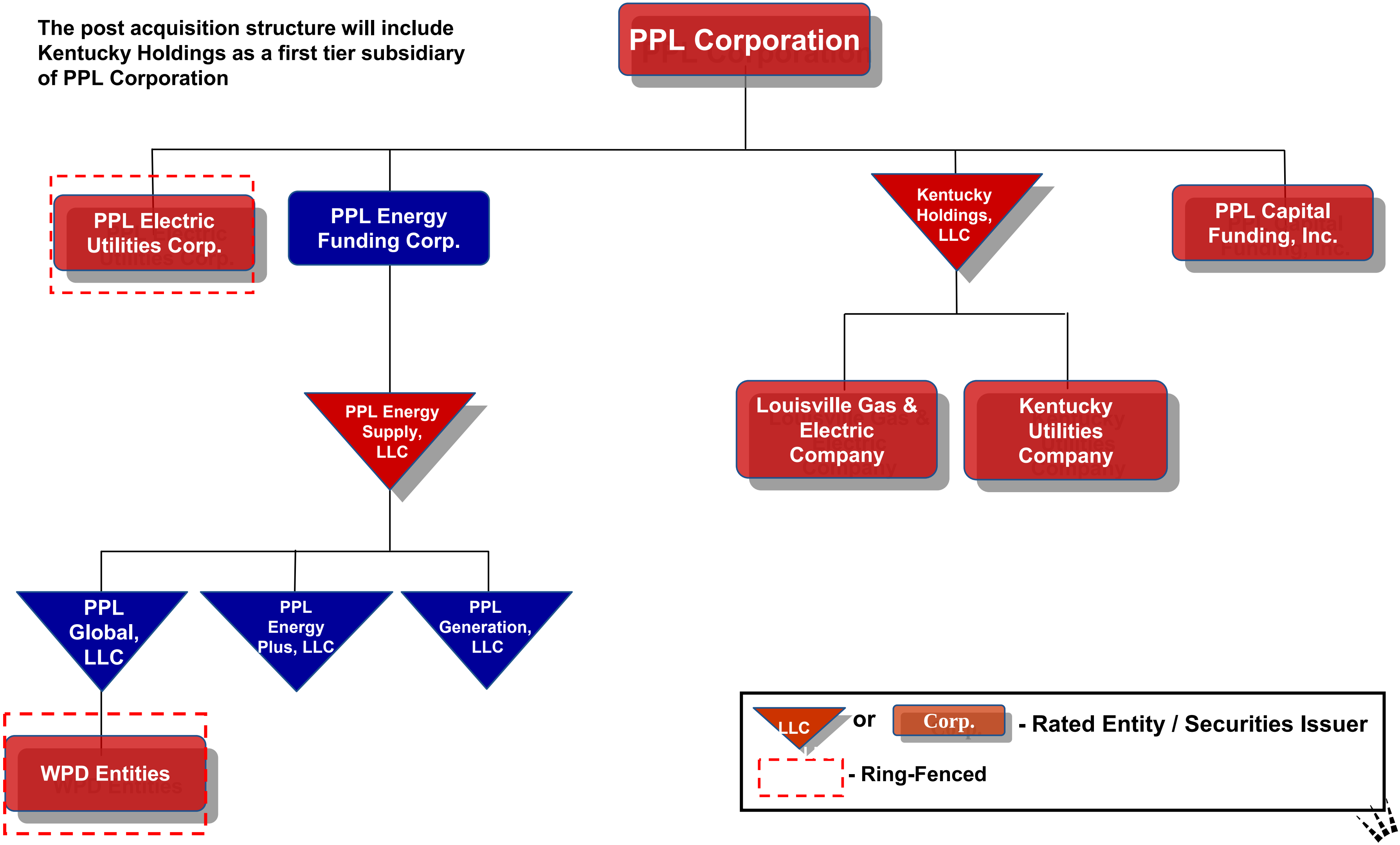
PPL Corporation

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LLC or Corp. - Rated Entity / Securities Issuer

- Ring-Fenced

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Sources of Acquisition Financings
($ in Millions)

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Less: Net Debt Assumed	(764)
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  - PPL will issue permanent financing within 2 weeks after closing
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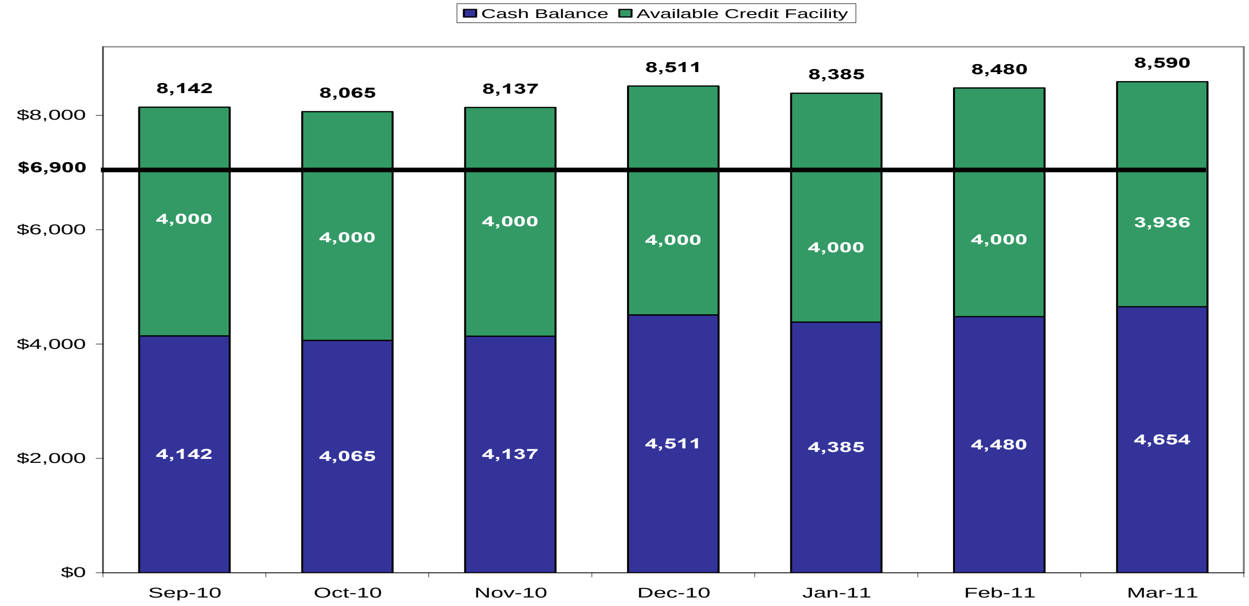

Excess Liquidity	**1,242**	**1,165**	**1,237**	**1,611**	**1,485**	**1,580**

(1) See Appendix for a detailed summary of PPL Corporation's credit facilities

PPL Corporation

Update - PPL and PPL Energy Supply

- PPL remains on target to achieve its 2010 earnings guidance
- Projected energy margins for 2011 and 2012 have contracted somewhat as a result of:
  - The loss of a positive locational premium (basis) for our PJM assets primarily driven by lower load, low gas prices and reinforcements to the transmission system
  - Higher expected coal transportation costs
  - Lower energy prices
  - Depressed forward dark spreads
- As we finalize our 2011 business plan, PPL will address these adverse earnings drivers through reductions in discretionary O&M and capital expenditures, and increased equity issuances

Update- PPL Electric

- PPL Electric is on track to meet its 2010 projected earnings and cash flows
- In August PPL Electric filed with the Pennsylvania PUC (PAPUC) a settlement agreement approved by all parties to the rate proceeding, including the state's Office of Consumer Advocate and the PAPUC's Office of Trial Staff
  - Approval by the Administrative Law Judge is expected by the end of October
  - Approval by the PAPUC is expected in mid-December
- Preliminary estimates show that PPL Electric will earn an ROE of about 9.5% in 2011

	Per March 2010 Rate Proposal	Per August 2010 Settlement Agreement	
Annual base electric rate increase	$114.7 million	$77.5 million	
ROE	11.75%	9.80%	(1)

(1) Implied ROE based on the annual revenue increase and terms to the settlement

Appendix

Domestic Credit Facilities Profile

		CURRENT		POST ACQUISITION	
Entity	Facility	Expiration Date	Total Facilities [1]	Expiration Date	Total Facilities
($ in millions)					
PPL Energy Supply	Multi-year Credit Facility	Jun-12	$3,225	Dec-14	$4,000
	3-year Bilateral Credit Facility	Mar-13	200	Mar-13	200
	5-year Structured Credit Facility	Mar-11	300		0
	364-day Credit Facility	Sep-10	400		0
	Secured Trading Facility	Feb-15	0	Sep-15	800
			4,125		5,000
PPL Electric Utilities	Multi-year Credit Facility	May-12	190	Dec-14	200
	Asset-backed Credit Facility	Jul-10	150	Jul-11	150
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Kentucky Utilities	Multi-year Credit Facility	Jul-12	35	Dec-14	400
Total Domestic Credit Facilities			$4,625		$6,150

(1) As of August 31, 2010

Overview of the Acquired Utilities

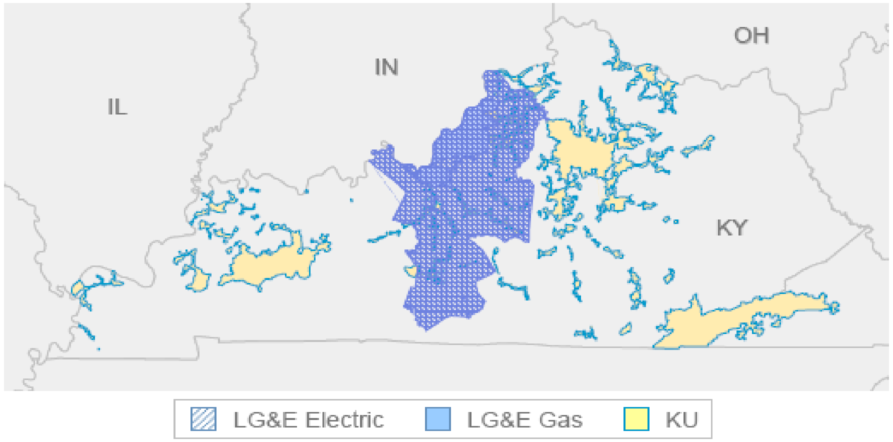
- **E.ON U.S. is the only IOU (1) to rank in the top quartile in all five of the key operating benchmark categories**

Utility Area	Metric	E.ON U.S. 2008 Performance	Rank out of IOU Holding companies
Generation	Non-fuel O&M / MWh Produced	$4.78	4th - Top Decile
Transmission	Cash Cost / Transmission Mile	$10,702	6th - Top Decile
Distribution	Cash Cost / Customer	$189.00	16th - Second Decile
Retail	O&M Cost / Customer	$41.51	11th - Second Decile
Corporate A&G	A&G Cost / MWh Sold	$3.23	7th - Top Decile

Rate Base and Customers (2)

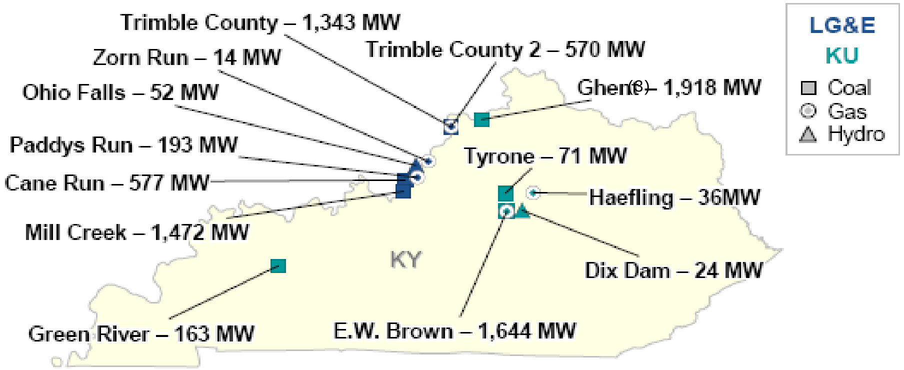
	LG&E	KU	Midwest Avg.
Customers			
Electric	396,000	545,000	-
Gas	321,000	-	-
Rate Base	$2.4bn	$3.3bn	-
Electric Retail Avg. Rates (cents/kWh)	6.68	6.56	9.58

Utility Service Area



Generation Portfolio – 8,077 MW

Coal: 5,837 MW; **Gas:** 2,164 MW; **Hydro:** 76 MW



(1) Based on 52 U.S. electric IOU holdings companies

(2) Figures as of 2008

(3) In-service summer 2010

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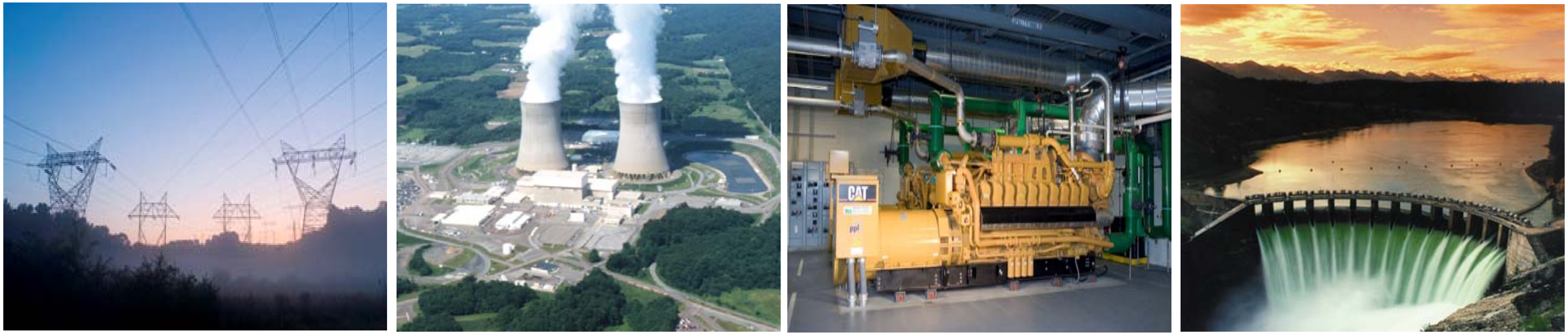


Presentation to Fitch

Update on the Acquisition of E.ON U.S.,LLC

September 24, 2010

Proprietary & Confidential

Objectives of Meeting

- PPL Corporation ("PPL") has several objectives for this meeting:
  - To provide an update on:
    - The pending acquisition of E.ON U.S., LLC (E.ON U.S.)
    - PPL, PPL Energy Supply, and PPL Electric Utilities ("PPL Electric")
    - The year-to-date performance of E.ON U.S., including the outcome of its rate cases, and the potential impact of pending environmental regulation
  - To understand your process for the assignment and communication of credit ratings for the upcoming debt issuances of PPL's Kentucky holding company (currently E.ON U.S.) and its two utilities - Louisville Gas & Electric ("LG&E") and Kentucky Utilities ("KU")
  - To understand Fitch's response related to the application of the mortgage lien to the Pollution Control Revenue Bonds at the Kentucky operating companies just prior to PPL's acquisition of E.ON U.S.

Update - E.ON U.S. Acquisition

- Significant progress has been made toward the closing of the acquisition of E.ON U.S., which is expected to occur on either November 1st or December 1st
  - In late June, PPL raised approximately $3.5 billion in net proceeds through the sale of common stock and equity units to finance a major portion of the acquisition
  - In June, PPL arranged for 2 new $400 million four-year syndicated credit facilities for LG&E and KU to become effective at closing
  - An integration team, comprised of employees from both companies, has been working to ensure a smooth transition of operations at the close
  - All required regulatory and financing filings have been completed, which include the Kentucky Public Service Commission (“PSC”), the regulators in Virginia and Tennessee, and the FERC
  - The Federal Trade Commission and the U.S. Department of Justice have granted early termination for both of the notices that were required under the Hart-Scott-Rodino Act

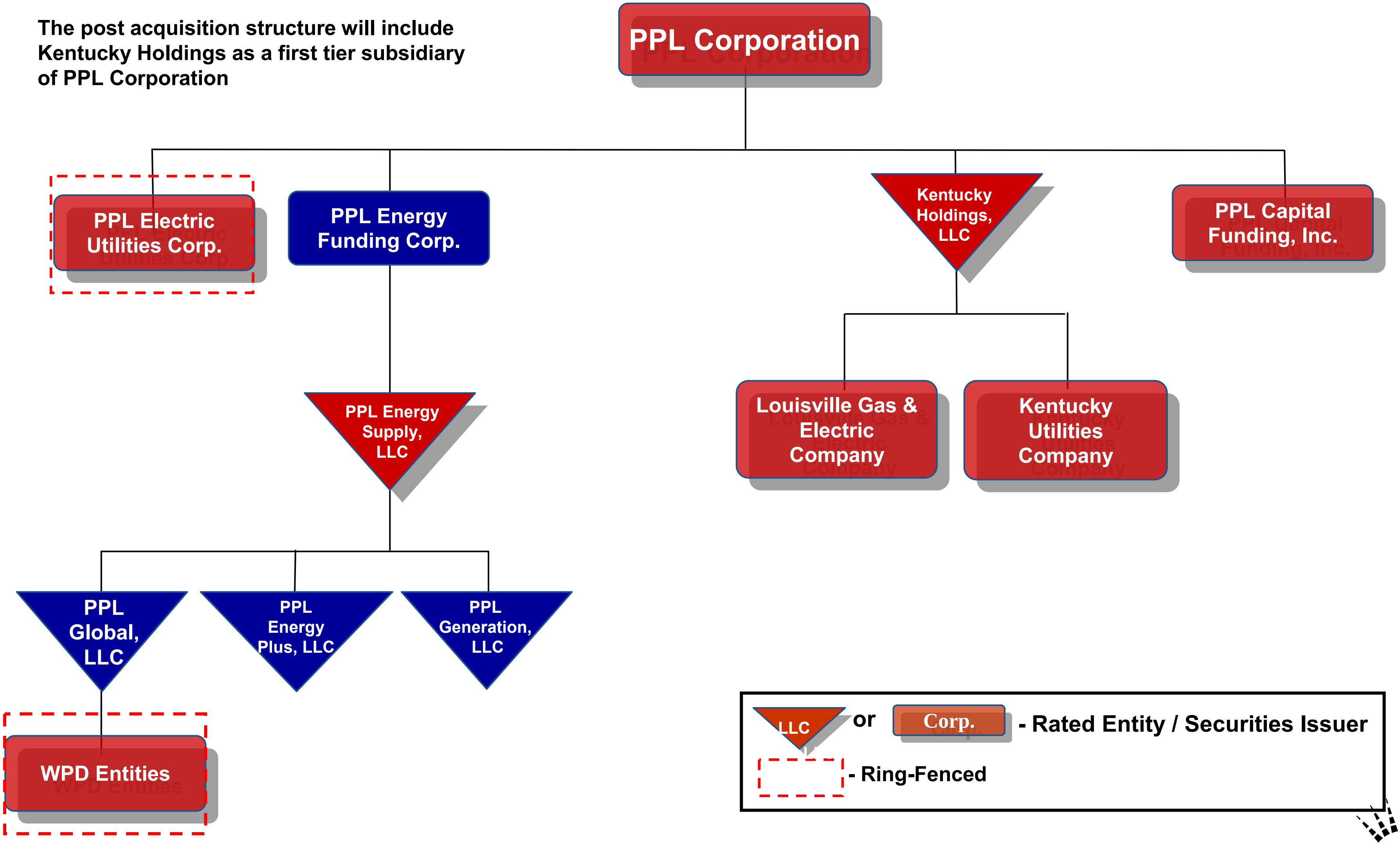
Update - E.ON U.S. Acquisition (Contd.)

- In late July, the Kentucky PSC approved $189 million in rate increases for LG&E and Kentucky Utilities which were effective August 1, 2010
- In early September, PPL reached a settlement agreement with all intervening parties in its Kentucky application to acquire E.ON U.S.
  - Kentucky PSC is expected to make a final decision on the change of control and financing applications by September 30th
  - Approvals by the Virginia and Tennessee regulators are expected in October
  - On September 15th, PPL and E.ON U.S.:
    - Reached a settlement with two parties who had raised issues related to FERC approval of the acquisition
    - Asked FERC to approve the acquisition by October 15th
- If FERC approves the acquisition by October 15th, and all other needed approvals are received by that time, PPL and E.ON U.S. may be able to complete the transaction by November 1st

The Transaction

Post Acquisition Pro Forma Structure

The post acquisition structure will include Kentucky Holdings as a first tier subsidiary of PPL Corporation



- PPL Corporation
  - PPL Electric Utilities Corp.
  - PPL Energy Funding Corp.
    - PPL Energy Supply, LLC
      - PPL Global, LLC
        - WPD Entities
      - PPL Energy Plus, LLC
      - PPL Generation, LLC
  - Kentucky Holdings, LLC
    - Louisville Gas & Electric Company
    - Kentucky Utilities Company
  - PPL Capital Funding, Inc.

LLC or Corp. - Rated Entity / Securities Issuer

⬚ - Ring-Fenced

Sources of Acquisition Financing

Sources of Acquisition Financings
($ in Millions)

Net Common Stock Proceeds	$ 2,409	
Net Proceeds from Equity Unit Securities	1,116	
Net Pollution Control Revenue Bonds (Assumed)	762	(1)
E.ON U.S. Capital MTN's (Assumed)	2	
Cash on hand	325	
Draws under PPL Energy Supply's credit facilities	3,011	
Total owed to E.ON AG at closing	7,625	
Less: Net Debt Assumed	(764)	
Net Proceeds to E.ON AG	$ 6,861	

(1) Consists of $925 million of Pollution Control Revenue Bonds ("PCRB") less $163 million of PCRBs that are currently being held for future remarketing

Permanent Financing

Sources for Payment of Credit Facility Draws

($ in Millions)

Kentucky Holdings- Unsecured Debt	$ 875
Louisville Gas & Electric- First Mortgage Bonds	535
Kentucky Utilities- First Mortgage Bonds	1,550
Remarketing of Pollution Control Revenue Bonds currently held as assets	163
	3,123
Projected payment of credit facility draws	3,011
Partial replacement of cash utilized	$ 112

- A draft of the mortgage agreements have been filed with the regulators
  - Asset pledge of 1.5X outstanding first mortgage bonds
- Financings initially issued as 144A securities with registration rights (within 270 days)
  - Work to prepare the required offering documents is underway
- To mitigate interest rate risk, PPL plans to hedge up to $2.3 billion of the $2.9 billion of debt to be issued
  - As of August 31st, $2.1 billion has been hedged

Projected Capitalization Structures at 12/31/2010 (1)

(Millions of $)	Total	% of Total
PPL Corporation		
Debt	$ 11,957	55.4%
Equity Unit Securities	1,150	5.3%
Preference Stock	250	1.2%
Common Equity	8,213	38.1%
Total	$ 21,570	100.0%
Kentucky Holdings Consolidated		
Debt	$ 3,888	51.0%
Common Equity	3,737	49.0%
Total	$ 7,625	100.0%
Louisville Gas & Electric		
Debt	$ 1,109	41.2%
Common Equity	1,582 (2)	58.8% (2)
Total	$ 2,691	100.0%
Kentucky Utilities		
Debt	$ 1,904	41.2%
Common Equity	2,720 (3)	58.8% (3)
Total	$ 4,624	100.0%

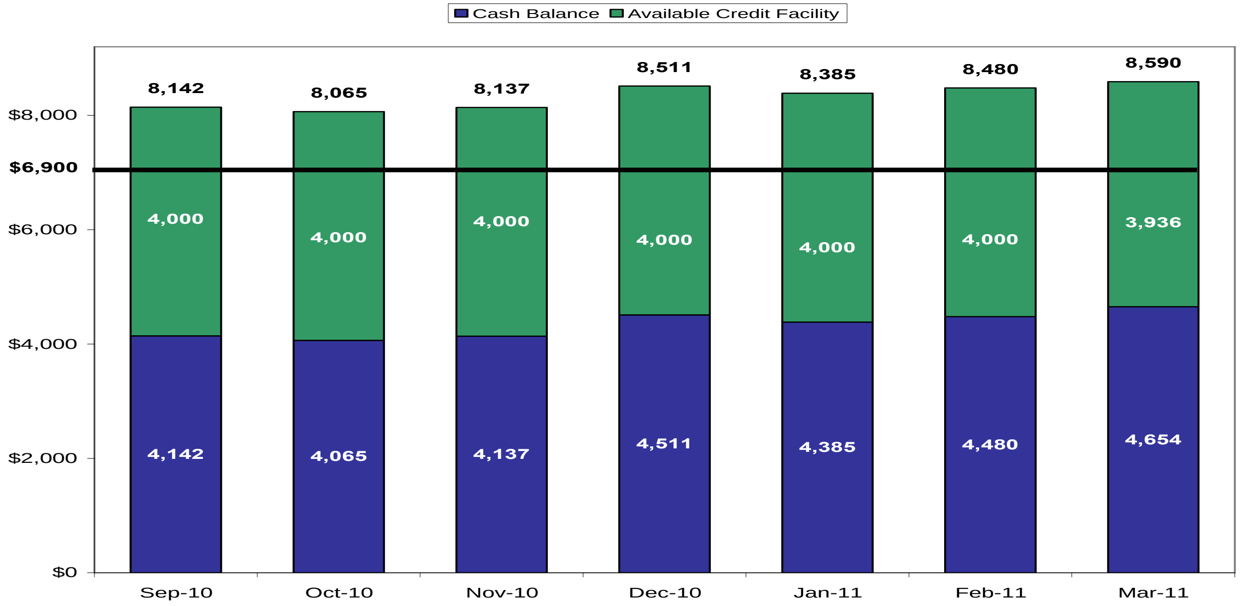
(1) GAAP Basis

(2) Of this amount, $292 million represents goodwill, which is not recoverable for regulatory purposes. As a result, the regulatory capitalization structure contains 53.8% equity.

(3) Of this amount, $510 million represents goodwill, which is not recoverable for regulatory purposes. As a result, the regulatory capitalization structure contains 53.7% equity.

Projected Liquidity Position

- PPL plans to draw on PPL Energy Supply’s credit facilities at closing
  - Approximately one week before closing, PPL will replace its existing $3.2 billion credit facility with a new $4.0 billion 4-year facility which is currently in escrow (1)
    - PPL will draw approximately $3.0 billion under this facility for the closing
  - PPL will issue permanent financing within 2 weeks after closing
  - The following graph shows PPL Energy Supply’s current projected liquidity position (Millions of $) for the next 7 months compared to the net funds of $6.9 billion required at closing.



Excess Liquidity	1,242	1,165	1,237	1,611	1,485	1,580

(1) See Appendix for a detailed summary of PPL Corporation’s credit facilities

PPL Corporation

Update - PPL and PPL Energy Supply

- PPL remains on target to achieve its 2010 earnings guidance
- Projected energy margins for 2011 and 2012 have contracted somewhat as a result of:
  - The loss of a positive locational premium (basis) for our PJM assets primarily driven by lower load, low gas prices and reinforcements to the transmission system
  - Higher expected coal transportation costs
  - Lower energy prices
  - Depressed forward dark spreads
- As we finalize our 2011 business plan, PPL will address these adverse earnings drivers through reductions in discretionary O&M and capital expenditures, and increased equity issuances

Update- PPL Electric

- PPL Electric is on track to meet its 2010 projected earnings and cash flows
- In August PPL Electric filed with the Pennsylvania PUC (PAPUC) a settlement agreement approved by all parties to the rate proceeding, including the state's Office of Consumer Advocate and the PAPUC's Office of Trial Staff
  - Approval by the Administrative Law Judge is expected by the end of October
  - Approval by the PAPUC is expected in mid-December
- Preliminary estimates show that PPL Electric will earn an ROE of about 9.5% in 2011

	Per March 2010 Rate Proposal	**Per August 2010 Settlement Agreement**	
Annual base electric rate increase	$114.7 million	$77.5 million	
ROE	11.75%	9.80%	(1)

(1) Implied ROE based on the annual revenue increase and terms to the settlement

Appendix

Domestic Credit Facilities Profile

		CURRENT		POST ACQUISITION	
Entity	**Facility**	**Expiration Date**	**Total Facilities** (1)	**Expiration Date**	**Total Facilities**
($ in millions)					
PPL Energy Supply	Multi-year Credit Facility	Jun-12	$3,225	Dec-14	$4,000
	3-year Bilateral Credit Facility	Mar-13	200	Mar-13	200
	5-year Structured Credit Facility	Mar-11	300		0
	364-day Credit Facility	Sep-10	400		0
	Secured Trading Facility	Feb-15	0	Sep-15	800
			4,125		5,000
PPL Electric Utilities	Multi-year Credit Facility	May-12	190	Dec-14	200
	Asset-backed Credit Facility	Jul-10	150	Jul-11	150
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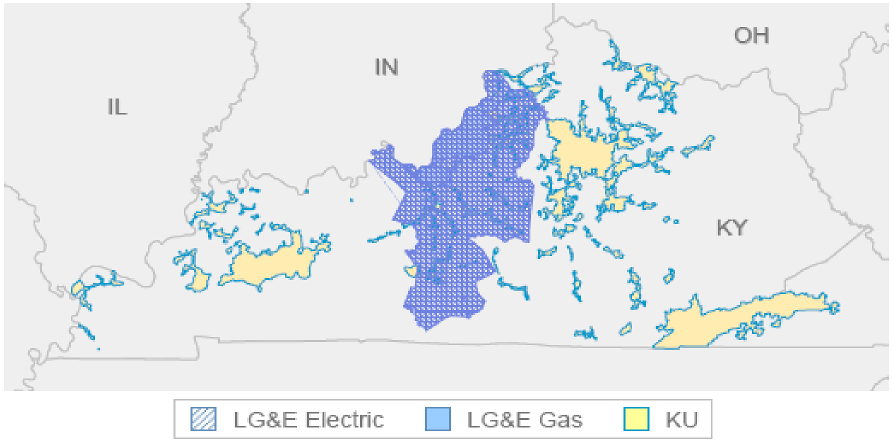

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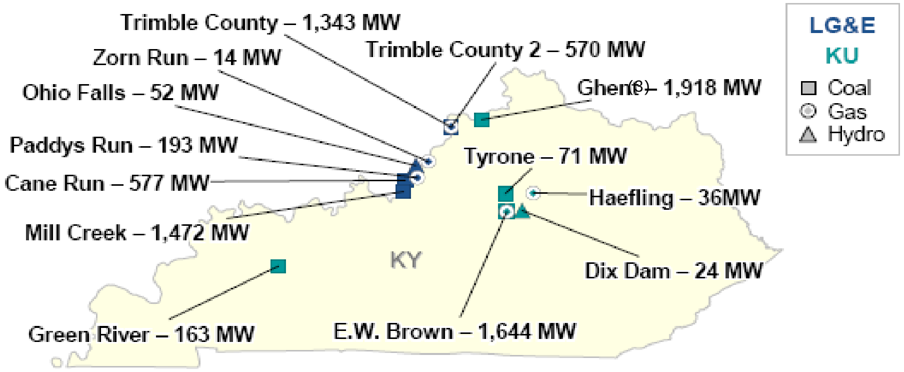

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