

# Evolve







## Contents

Message from the Chairman ---	3
About PPL -----	4
Our Environment -----	6
Our People -----	10
Our Communities-----	15
Appendices -----	18



## About the Report

PPL Corporation's 2014 Stakeholder Report provides an overview of our company's actions in support of its core values of corporate citizenship, integrity and openness, customer focus, performance excellence, employee commitment and diversity, and safety and health. Through the actions summarized in this report we are upholding a commitment to provide reliable, safe, competitively priced energy to our customers and competitive returns to shareowners. Providing world-class service in a cost-effective way, with an abiding sense of environmental and social responsibility, creates value for PPL shareowners, provides good jobs and improves the quality of life in the places we do business. This report provides information on PPL's 2014 financial, environmental and social performance and is generally based on reporting guidelines established by the Global Reporting Initiative (GRI). Our report addresses, in a balanced way, the financial, environmental and social impacts of our company's business operations.

Statements contained in this report concerning future events are "forward-looking statements" within the meaning of the federal securities laws. Although PPL Corporation believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, these statements involve a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. Any such forward-looking statements should be considered in light of such uncertainties and assumptions and in conjunction with PPL Corporation's Form 10-K and other of its reports on file with the Securities and Exchange Commission.



## Message from the Chairman



“While we continue to evolve, the values at the heart of our business are unchanged.”

Times change. Companies change.

Nowhere is that truer than at PPL. Over the past two decades, PPL has transformed at a pace like none other in its history. It has expanded from a regional utility to one of the 10 largest utility companies in the United States.

And it has grown from a regional Pennsylvania power producer to a geographically diverse corporation with more than 10 million customers on two continents.

Today, PPL continues to evolve.

As announced in June 2014, we are spinning off PPL Energy Supply, our competitive generation subsidiary, and combining it with the competitive generation business of Riverstone Holdings LLC to form Talen Energy Corporation, a new, stand-alone, publicly traded, independent power producer. The spinoff will give investors clearer choices and unlock value for our shareowners.

Emerging from the transaction, PPL Corporation will be composed solely of high-performing, award-winning regulated utilities in the United Kingdom and the United States. Both PPL Corporation and Talen Energy will be poised for growth and success.

At the same time, with nearly \$18 billion in infrastructure investment planned over the next five years, we're rebuilding and modernizing our electricity distribution and transmission systems to make them even more reliable

and efficient. We're adding new technology that enables us to respond more quickly when storms strike and that supports the continued expansion of distributed generation.

We're upgrading environmental controls at our power plants, completing Kentucky's first combined-cycle, natural-gas-fired generation unit and breaking ground on its first large-scale utility solar project. In addition, we're participating in Kentucky's first megawatt-scale carbon capture pilot and exploring opportunities to enable widespread adoption of low-carbon technologies by customers in the United Kingdom.

As we work to implement these wide-scale projects, our teams are guided by environmental and sustainable principles at every stage of the project life cycle, from planning to commissioning.

We are working hand in hand with our customers on energy-saving initiatives that help customers reduce consumption and use energy wisely. In Pennsylvania, extensive initiatives to increase energy efficiency have saved more than 1.6 billion kilowatt-hours per year of electricity.

Within our PPL team, we're hiring and developing diverse talent, attracting a mix of candidates that, together, bring both mature industry knowledge and new, innovative ideas that will continue to transform and improve PPL and the services we provide. We're providing challenging, rewarding and family-sustaining jobs to thousands of employees. And,

with the recent formation of the PPL Foundation, we're ensuring that PPL's legacy of philanthropic support for education, community revitalization, workforce development and other worthy initiatives will remain strong for years to come.

While we continue to evolve, the values at the heart of our business are unchanged.

We're driven each day by a quiet determination to ensure that every single one of our customers has the electricity they count on to power their lives. We're driven to deliver on our commitment not only to them, but to our shareowners. And we're committed to operating responsibly, honestly and ethically in all we do.

The pages of this report highlight that commitment – a commitment shared by more than 17,000 PPL employees. I am honored to work with them each day and inspired by their commitment. We appreciate the important role we play in powering the quality of life our customers enjoy. As their needs evolve, we evolve.

We thank you for your interest in PPL.

Sincerely,

William H. Spence  
Chairman, President and  
Chief Executive Officer





## About PPL

As one of the largest investor-owned companies in the U.S. utility sector, PPL Corporation delivers on its promises to customers, investors, employees and the communities we serve.

The PPL family of companies delivers electricity and natural gas to more than 10 million customers in the United States and United Kingdom and has about 18,000 megawatts of generation capacity. In June 2014, PPL announced an agreement to combine its competitive generation business with the competitive generation business of Riverstone Holdings LLC to form Talen Energy Corporation, an independent power producer.

For shareowners, our stable earnings, secure dividend, solid management and high-quality assets represent an excellent opportunity for those looking to invest in the utility sector.

For employees, the PPL family of companies offers the potential to grow in a wide range of exciting career opportunities.

We are committed to providing essential energy services in extraordinary ways and we deliver.

And we are a positive force in the cities and towns where we do business, providing support for programs that create jobs, donating millions to charitable organizations that improve the quality of life, and encouraging the generosity of employees who volunteer freely to help others.

PPL Corporation is steadfast in our commitment to the values and guiding principles that drive the success of our organization while still being future-focused. As market, industry and customer needs evolve, we evolve.

## Vision

Empowering economic vitality and quality of life.

## Mission

To provide reliable, safe, competitively priced energy to our customers and best-in-sector returns to our shareowners.

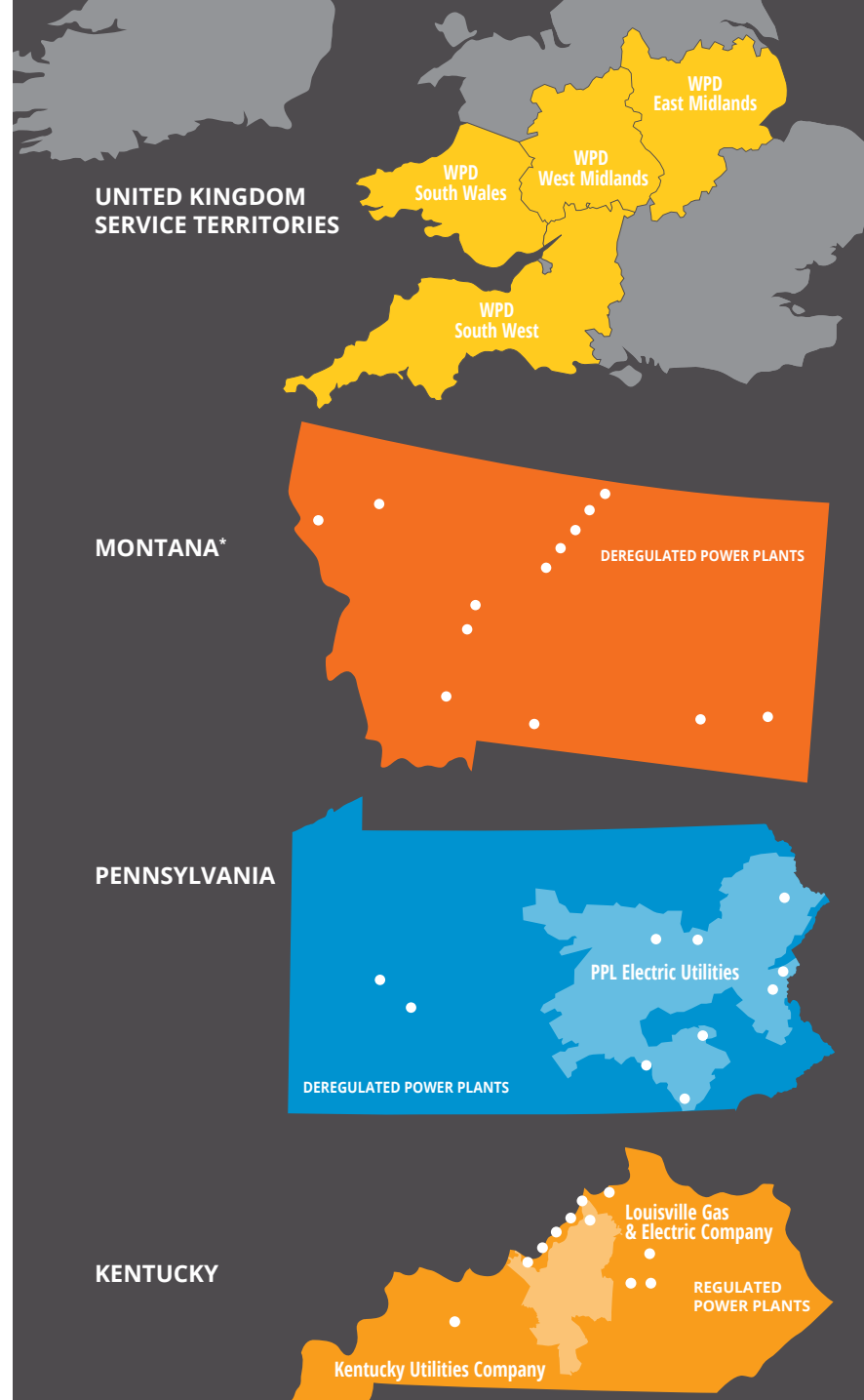
## Values

- Safety and Health
- Customer Focus
- Employee Commitment and Diversity
- Integrity and Openness
- Performance Excellence
- Corporate Citizenship

## At a Glance

- \$11.5 billion in annual revenue
- Total assets of \$48.9 billion
- More than 10 million utility customers in the U.S. and U.K.
- 17,000 employees
- About 18,000 megawatts of generation capacity in the U.S.
- 38 J.D. Power awards for customer satisfaction

*For more information about PPL, see Appendices beginning on page 18.*



*\*In November 2014, PPL Montana completed the sale of 11 hydroelectric power plants to NorthWestern Energy. PPL Montana maintains ownership of two remaining coal-fired power plants.*



A photograph of a cornfield at sunset. The sun is low on the horizon, creating a warm orange glow. A power line tower is visible in the background, silhouetted against the sky. The foreground is filled with large, green corn leaves.

## Our Environment

As markets, customers, and the generation and delivery of energy evolve, PPL remains true to its commitment to conduct business in an environmentally responsible manner. We proactively take measures to upgrade environmental controls, reduce energy consumption and create sustainable workplaces and communities.

As environmental needs and regulations evolve, PPL is poised to evolve with them.



## NOTABLE ACHIEVEMENTS

- **Energy Efficiency in Pennsylvania -**  
Our extensive energy-saving programs have already saved more than 1.6 billion kilowatt-hours of electricity a year, enough to power more than 129,000 average homes for a year and offsetting greenhouse gas emissions at levels equivalent to removing 211,000 passenger vehicles from the road. PPL Electric Utilities' Phase 2 E-power® programs run from June 2013 through May 2016. In 2014, energy efficiency programs saved customers more than 200 million kilowatt-hours of electricity, enough to power more than 16,000 homes for a year.
- **Smart Grid Technology Investment -**  
In 2014, PPL companies invested more than \$35 million in smart grid technology that strengthens electric service reliability and improves grid efficiency. Installation of this technology can also help the company better integrate smaller customer-based distributed generation facilities as the popularity of wind, solar and other intermittent power sources grows.



*See Appendix E on page 25 for complete environmental data.*

## Environmental Responsibility

From the rolling hills of the United Kingdom to the valleys of Pennsylvania to the mountains of Kentucky, PPL Corporation and its subsidiaries are committed to operating in an environmentally responsible manner.

Over the past decade, we have invested more than \$5 billion in environmental upgrades at PPL power plants, more than \$1 billion in carbon-free generation projects and about \$500 million in programs to incent and encourage energy efficiency.

Our long-term environmental strategies will help position PPL Corporation and its subsidiary companies to successfully navigate the future landscape of regulatory and environmental changes.





## NOTABLE ACHIEVEMENTS

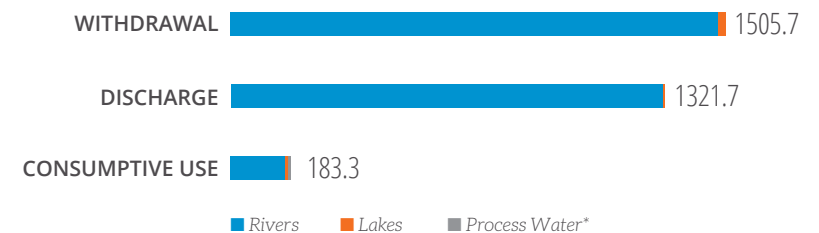
- **Natural Gas Innovation in Kentucky** - Louisville Gas and Electric is completing construction on the first natural-gas-fired power plant at our Cane Run facility. The efficient combined-cycle natural gas generating unit is expected to replace retiring coal-fired generation and add 640 megawatts of cleaner-burning electric generating capacity to our Kentucky generation portfolio in 2015.
- **Committed to Renewable Power** - We've purchased more than 3.7 billion kilowatt-hours of renewable power for consumption by PPL Electric Utilities customers who have not chosen a competitive electricity supplier. From June 2014 to May 2015, alternative power sources will comprise 11 percent of the power we buy for customers.

## Conserving Water Resources

PPL's subsidiary companies' thermal power plants are located on large rivers. Although large amounts of water are needed for plant operations, we use this water responsibly, and at a minimum we comply with all permitting requirements, regulations and standards to maintain adequate supplies and to protect water quality. The amount of water withdrawn and subsequently discharged, or returned to the source, is only a small fraction (generally less than 1 percent) of river flow. As a result, impacts to these rivers are very small.

In addition, we currently provide make-up water from reservoirs to offset some of what we consume, and, in Pennsylvania, we pay consumptive use fees to both the Susquehanna River Basin Commission and the Delaware River Basin Commission. These fees help to cover the costs of reservoir projects and storage space, designed to benefit all users and maintain adequate river levels during low-flow periods.

2014 PPL Power Plant Water Use  
in million gallons/day



*Pennsylvania water withdrawal is primarily taken from either the Susquehanna River or Delaware River. Montana water withdrawals are taken from the Yellowstone River. Kentucky water withdrawals are taken from the Ohio River or tributaries of the Ohio River Basin.*

*\*Process water via PPL internal storage capabilities, such as reservoir make up and storage ponds.*





## Emissions Control

PPL has a long-standing commitment to conduct all of our business activities in ways that preserve and promote a safe and healthy environment as we carry out our mission to provide reliable, competitively priced electricity to more than 10 million customers in the United States and United Kingdom.

We will remain future-focused and adjust our business as rules requiring greenhouse gas reductions are finalized and federal or state implementation plans are defined.

Moreover, PPL will continue to pursue opportunities to improve its operations while balancing environmental benefits, consumer costs and the need to maintain a strong, reliable electricity supply.

## NOTABLE ACHIEVEMENTS

- **10-Megawatt Solar Energy Project** - We have obtained approval to build Kentucky's first utility-scale solar energy facility. The \$36 million facility will be capable of producing 10 megawatts, enough energy to power about 1,250 homes per year.
- **Low Carbon Future** - In 2014, WPD completed the LV Templates for a Low Carbon Future project, to develop an understanding of how low voltage (LV) electricity networks can best cope with the future, low-carbon world. The outcomes will help WPD and the other UK electricity network operators in their efforts to develop the smart grids of the future. LV Templates is the first of the large UK innovation initiatives, selected for funding by Ofgem's Low Carbon Network Fund (LCNF), completed. To learn more about WPD's LCNF projects, visit [westernpowerinnovation.co.uk](http://westernpowerinnovation.co.uk).



# Our People

As great companies evolve, so do the teams of skilled and dedicated workers that contribute to that growth. PPL is supported by more than 17,000 talented employees, focused on providing safe, reliable, affordable electricity to our customers. PPL, in turn, is committed to providing employees with a diverse and engaging workplace, rife with opportunities that foster innovation and personal success.

As the needs of our employees evolve, PPL is poised to evolve with them.







## NOTABLE ACHIEVEMENTS

- In 2014, Louisville Gas & Electric received the Excellence in Practice Award from the Association of Talent Development. The award recognizes LG&E's achievements in developing talent and providing learning opportunities that have demonstrated clear and measurable results of achieving organizational goals and are clearly aligned with other performance improvement initiatives.

*See a list of awards for the PPL family of companies in Appendix C on page 23.*

## Evolving with our Employees

For more than 90 years, our employees have helped to make PPL and its subsidiaries a successful company, a strong community partner and a desirable place to work. Our employees are unwavering in their commitment to satisfy customers, improve service and deliver value for shareowners. We are resolute in our commitment to making PPL a desirable place to work.

PPL has a critical focus on recruiting and retaining world-class talent in the U.S. and the U.K. We recognize that our people drive PPL's success, and we're focused on providing them with the tools and skills they need to succeed. In 2014, more than 50 percent of our workforce had 10 years of service or more with the corporation – a testament to the inclusive and rewarding environment at PPL.

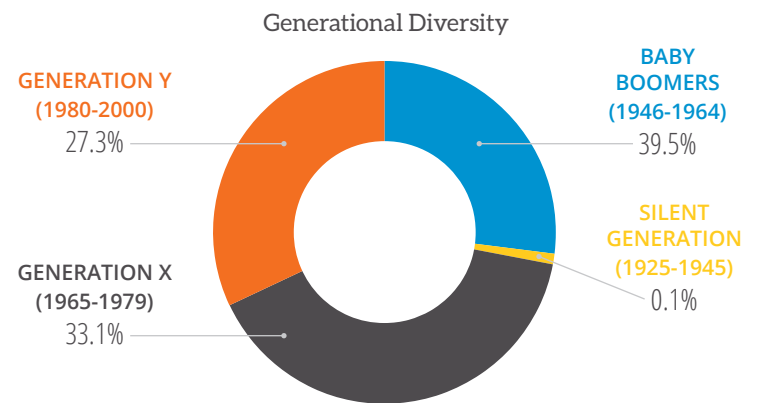




## Diversity

The PPL family of companies is committed to nurturing a strong pipeline of talented employees from a diverse mix of educational and social backgrounds. We foster an atmosphere that brings together the best individuals with a deep history in the energy industry and new ideas for improving the services we provide.

*See Appendix F, page 31 for complete People and Diversity Data.*



*\*Full-time active employees as of Dec. 31, 2014, for Pennsylvania, Kentucky, Montana, and the U.K. Excludes mechanical contracting companies.*

## Safety First

PPL employees take accountability for results and are committed to the continual evolution of our performance and culture.

One of PPL's primary goals is to provide and maintain a work environment that promotes the health and safety of our employees and the communities where we work and live.

No job is too important or so urgent that precautions, laws or regulations concerning health and safety can be bypassed. Our goal is very simple: zero accidents or incidents adversely affecting employees, contractors or the public.

Employees own the concept of health and safety at a grass-roots level, and that commitment to health and safety enables employees to hold one another accountable while sharing good practices.

2014	TOTAL HOURS WORKED	# OF LOST DAY CASES	LOST TIME INCIDENT RATE (LTIR) <sup>†</sup>	TOTAL CASE INCIDENT RATE (TCIR) <sup>**</sup>	WORK RELATED FATALITIES
<b>PPL Domestic*</b>	19,229,084	23	0.24	1.23	0
<b>Mechanical Contractors</b>	4,360,709	3	0.14	2.29	0
<b>UK</b>	10,413,583	5	0.077	0.0137	0
<b>TOTAL</b>	34,003,376	31	0.18	1.51	0

*\*The term "PPL Domestic," as used in this report, includes data from PPL businesses in Kentucky, Montana and Pennsylvania except PPL Energy Services mechanical contracting companies. The total numbers in this chart are inclusive of all PPL subsidiaries.*

*† LTIR is the number of lost time recordable cases per 100 full-time workers in a one-year period.*

*\*\*TCIR is the generally accepted measure used to report workplace injuries and/or illnesses across an industry. Defined as the number of work-related injuries and/or illnesses incurred by 100 full-time workers during one-year period.*





## NOTABLE ACHIEVEMENTS

- LG&E and KU employees achieved the lowest recordable rate in LG&E and KU's history of 1.03 versus the previous company low of 1.09 in 2009.
- LG&E and KU's Maysville Operations employees received the Edison Electric Institute Safety Achievement Award for working 274,190 hours without a lost-time incident.
- LG&E and KU's Project Engineering employees received the Edison Electric Institute Safety Achievement Award for working 585,335 hours without a recordable injury.
- PPL's General Office facility was recertified in 2014 as an OSHA VPP STAR worksite for another five years. PPL was cited for best practice in employee involvement and the ergonomics program.
- PPL Montana's Colstrip plant marked its ninth year using the VPP model to manage its safety and health process. The safety management system has provided the framework for continued improvement.
- WPD's total number of reported accidents fell 5 percent to the lowest ever level of accidents reported in the combined South West, South Wales and Midlands areas.







## Our Communities

As the communities where we live and work evolve, PPL companies remain actively engaged in helping them grow and thrive. Philanthropy and volunteerism are part of our culture. We demonstrate that through support for human services initiatives that improve people's lives and programs that focus on areas like education, the environment and community development.

As the needs of our communities evolve, PPL is poised to evolve with them.

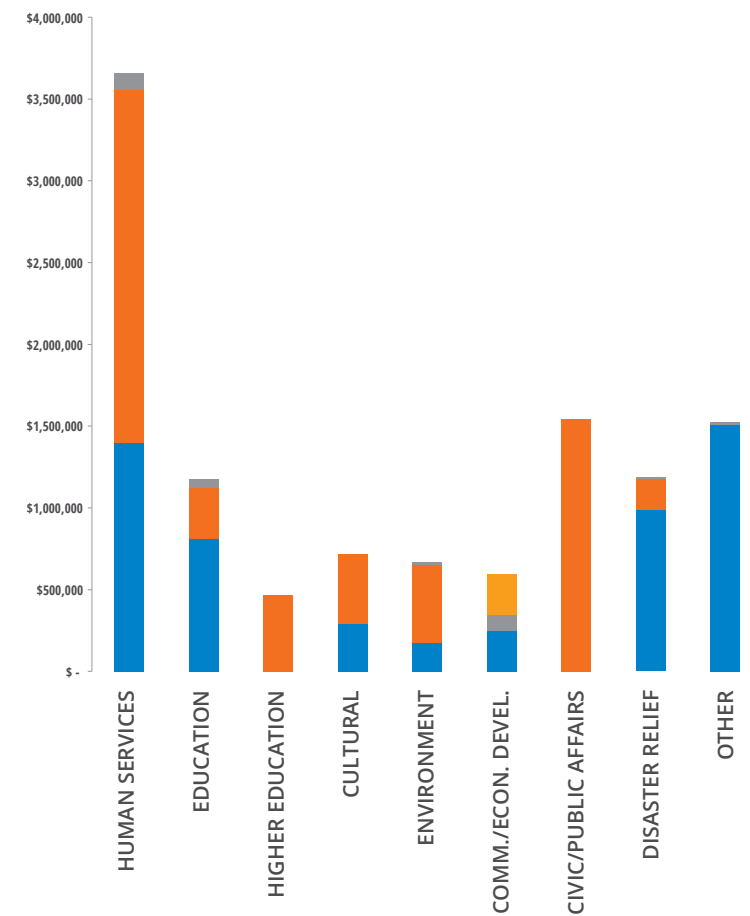




## Empowering Communities

PPL companies were actively engaged in our communities in 2014 – whether it was through our plant advisory committees, economic development opportunities, strong support of United Way, or the hundreds of volunteer opportunities in which our employees participated in Kentucky, Montana, Pennsylvania and the United Kingdom.

Our company supports community and economic development through grants, scholarships, marketing efforts and assistance in business development. Our award-winning efforts have been recognized by industry publications and economic development groups throughout our service territories.



Charitable Giving by Key Areas in millions of dollars

◆ Pennsylvania ◆ Kentucky ◆ UK ◆ Montana



## NOTABLE ACHIEVEMENTS

The power to make a difference begins with PPL employees. PPL's subsidiary companies encourage their employees to volunteer their time in their local communities.

- In 2014, PPL employees and retirees in Montana and Pennsylvania raised more than \$2.5 million for the United Way to support a wide range of nonprofit organizations.
- Louisville Gas & Electric and Kentucky Utilities' Power of One campaign is an annual employee giving program that supports nonprofit organizations throughout our service territory. Employees have a chance to impact their local communities by contributing to the employee giving campaign and/or by participating in fundraising events. In 2014, employees raised more than \$1.6 million to benefit local charitable organizations.

*See Appendix G, page 33 for complete Community and Charitable Giving information.*



# Appendices

A. Corporate Governance & Risk Factors	19
B. Financial & Operating Highlights	22
C. Company Awards	23
D. Infrastructure Investment Highlights	24
E. Environmental Commitment & Data	25
F. People and Diversity Information	31
G. Community and Charitable Giving Information	33
H. Public Policy and Customer Satisfaction	37



## APPENDIX A: Corporate Governance

### Corporate Governance Structure

The Board of Directors is responsible for overseeing, advising and monitoring the company on behalf of PPL's shareowners. We are committed to sound corporate governance practices that promote the effective functioning of the Board, its committees and the Company.

### How to Contact Our Board

Anyone wishing to make their concerns known to PPL's Board or independent directors may contact the PPL lead director, John W. Conway, or the Board or independent directors as a group by writing to the lead director or the Board of Directors in care of the Corporate Secretary's Office at:

PPL Corporation  
Two North Ninth Street  
GENTW15  
Allentown, PA 18101

To learn more about PPL's corporate governance guidelines, a full list of our Board of Directors, policies, and additional information, visit [www.pplweb.com/investors/corporate-governance/](http://www.pplweb.com/investors/corporate-governance/)





## APPENDIX A: Risk Factors

PPL Corporation and its subsidiaries face various risks associated with their businesses. Our businesses, financial condition, cash flows or results of operations could be materially adversely affected by any of these risks. In addition, our Form 10-K also contains forward-looking and other statements about our businesses that are subject to numerous risks and uncertainties. Below is information on some of the risks, uncertainties and factors that could impact our businesses and financial results as they relate to this report.

To review the full list and explanation of risk factors that could impact our businesses and financial results, please refer to PPL Corporation's 2014 Form 10-K: [pplweb.investorroom.com/financial-highlights](http://pplweb.investorroom.com/financial-highlights)

*Increases in electricity prices and/or a weak economy, can lead to changes in legislative and regulatory policy, including the promotion of energy efficiency, conservation and self-generation, which may adversely impact our business.*

Energy consumption is significantly impacted by overall levels of economic activity and costs of energy supplies. Economic downturns or periods of high energy supply costs can lead to changes in or the development of legislative and regulatory policy

designed to promote reductions in energy consumption and increased energy efficiency and self-generation by customers. This focus on conservation, energy efficiency and self-generation may result in a decline in electricity demand, which could in turn adversely affect our business.

*Our businesses are subject to physical, market and economic risks relating to potential effects of climate change.*

Climate change may produce changes in weather or other environmental conditions, including temperature or precipitation levels, and thus may impact consumer demand for electricity. In addition, the potential physical effects of climate change, such as increased frequency and severity of storms, floods, and other climatic events, could disrupt our operations and cause us to incur significant costs in preparing for or responding to these effects. These or other meteorological changes could lead to increased operating costs, capital expenses or power purchase costs. Greenhouse gas regulation could increase the cost of electricity, particularly power generated by fossil fuels, and such increases could have a depressive effect on regional economies. Reduced economic and consumer activity in our service areas – both generally and specific to certain industries and consumers accustomed to previously lower cost power – could reduce demand for the power we generate, market and deliver. Also,

demand for our energy-related services could be similarly lowered by consumers' preferences or market factors favoring energy efficiency, low-carbon power sources or reduced electricity usage.

*Our costs to comply with existing and new environmental and worker health and safety laws are expected to continue to be significant, and we plan to incur significant capital expenditures for pollution control improvements that could adversely affect our profitability and liquidity or cause the continued operation of certain generation facilities to be uneconomic.*

Our business is subject to extensive federal, state and local statutes, rules and regulations relating to environmental protection and worker health and safety. Numerous governmental authorities, such as the EPA and analogous state agencies, have the power to enforce compliance with these laws and regulations and the permits issued under them, oftentimes requiring difficult and costly response actions. These laws and regulations may impose numerous obligations that are applicable to our operations, including the acquisition of permits to conduct regulated activities, the incurrence of capital or operating expenditures to limit or prevent releases of hazardous materials from our operations, the

imposition of specific standards addressing worker protection, and the imposition of substantial liabilities and remedial obligations for pollution or contamination resulting from our operations. To comply with existing and future environmental requirements and as a result of voluntary pollution control measures we may take, we have spent and expect to spend substantial amounts in the future on environmental control and compliance. Failure to comply with these laws, regulations and permits may result in joint and several, strict liability for administrative, civil and/or criminal penalties, the imposition of remedial obligations, and the issuance of injunctions limiting or preventing some or all of our operations. Private parties may also have the right to pursue legal actions to enforce compliance, as well as to seek damages for non-compliance, with environmental laws, regulations and permits or for personal injury or property damage.

*The proposed spinoff of PPL Energy Supply and the combination with RJS Power are contingent upon the satisfaction of a number of conditions and may present situations that could have an adverse effect on us.*

The proposed spinoff of PPL Energy Supply and the subsequent combination with RJS Power to form Talen Energy are complex transactions, subject to various conditions, and may be affected by unanticipated develop-

ments or changes in market conditions. On November 5, 2014, Talen Energy filed a registration statement with the SEC containing detailed information regarding Talen Energy. Completion of the proposed spinoff of PPL Energy Supply and subsequent combination with RJS Power will be contingent upon a number of factors, including registration of Talen Energy common stock by the SEC, obtaining certain regulatory approvals, and meeting credit capacity limits.

A complete list of risk factors relating to the PPL Energy Supply spinoff can be accessed in PPL Corporation's 2014 Form 10-K at: [pplweb.investorroom.com/financial-highlights](http://pplweb.investorroom.com/financial-highlights)

*We are subject to certain risks associated with nuclear generation, including the risk that our Susquehanna nuclear plant could become subject to increased security or safety requirements that would increase capital and operating expenditures, uncertainties regarding spent nuclear fuel, and uncertainties associated with decommissioning our plant at the end of its licensed life.*

Nuclear generation accounted for about 32 percent of PPL Energy Supply's 2014 competitive power generation output. The risks of nuclear generation generally include the potential harmful effects on the environment and human health, limitations on the amounts and

## Risk Factors (continued)

types of insurances commercially available for nuclear operations, and uncertainties with respect to the technological and financial aspects of decommissioning nuclear plants at the end of their licensed lives.

The NRC has broad authority under federal law to impose licensing requirement, including security, safety and employee-related requirements for the operation of nuclear generation facilities. In the event of noncompliance, the NRC has authority to impose fines or shut down a unit, or both, depending upon its assessment of the severity of the situation, until compliance is achieved.

A complete list of risk factors relating to PPL's supply segment can be accessed in PPL Corporation's 2014 Form 10-K at: [pplweb.investorroom.com/financial-highlights](http://pplweb.investorroom.com/financial-highlights)







## APPENDIX B: Financial & Operating Highlights

For the year ended Dec. 31, 2014

### FINANCIAL

Operating revenues (millions)	<b>\$11,499</b>
Net income attributable to PPL shareowners (millions)	<b>1,737</b>
Earnings from ongoing operations (millions) (a)	<b>1,629</b>
Earnings per share - Basic	<b>2.64</b>
Earnings per share - Diluted	<b>2.61</b>
Earnings per share - Diluted - ongoing operations (b)	<b>2.45</b>
Dividends declared per share	<b>1.49</b>
Total assets (millions) (c)	<b>48,864</b>
Book value per share (c)	<b>20.47</b>
Market price per share (c)	<b>36.33</b>
Dividend yield (c)	<b>4.1%</b>
Dividend payout ratio (d)	<b>57%</b>
Dividend payout ratio - ongoing operations (b)(d)	<b>61%</b>
Market price/book value ratio (c)	<b>178%</b>
Price/earnings ratio (d)	<b>13.9</b>
Price/earnings ratio - ongoing operations (b)(d)	<b>14.8</b>
Ratio of earnings to fixed charges (e)	<b>3.1</b>
Return on average common equity	<b>13.0%</b>
Return on average common equity - ongoing operations (b)	<b>12.2%</b>

### OPERATING

Domestic - Electric energy supplied - retail (GWh)	<b>46,368</b>
Domestic - Electric energy supplied - wholesale (GWh)	<b>57,355</b>
Domestic - Electric energy delivered - retail (GWh)	<b>68,569</b>
U.K. - Electric energy delivered (GWh)	<b>75,813</b>
System capacity controlled or owned (megawatts) (c)	<b>17,983</b>
Number of electric customers (millions) (c)	<b>10.1</b>

(a) "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 shareowners, which is an indicator of operating performance determined in accordance with U.S. 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. See "Reconciliation of Net Income Attributable to PPL Shareowners to Earnings from Ongoing Operations" on page 226 of our annual 10-K filing.

(b) Calculated using earnings from ongoing operations.

(c) End of period.

(d) Calculated using diluted earnings per share.

(e) Computed using earnings and fixed charges of PPL and its subsidiaries. Fixed charges consist of interest on short- and long-term debt, amortization of debt discount, expense and premium - net, other interest charges and the estimated interest component of operating rentals.



## APPENDIX C: 2014 Company Awards

### Louisville Gas and Electric and Kentucky Utilities Awards

- Edison Electric Institute (EEI) - Supplier Diversity Award
- Energy Central – Knowledge, Innovation, Technology and Excellence (KITE) Award
- CIO Magazine – CIO 100 Award
- Association for Talent Development – Excellence in Practice Award
- Lexington Environmental Commission – Environmental Award
- Electric Power Research Institute (EPRI) – Environmental Sector Technology Transfer Award
- Southeastern Electric Exchange's Top Performance in Fleet Safety Award
- Kentucky Governor's Safety Award – Project Engineering Group
- Kentucky Governor's Safety Award – E.W. Brown Generating Station
- Edison Electric Safety Achievement Award – Project Engineering Group
- American Gas Association (AGA) – Safety Achievement Award – Gas and Electric Distribution and Customer Services

### Western Power Distribution Awards

- Utility Week Magazine's 2014 Utility of the Year Achievement Award
- 'Outstanding' BREEAM award for the Spilsby depot in Lincolnshire
- Gloucestershire Wildlife Trust's Nature Works Business Award for Education
- Minimizing Disruption – Working in Partnership Award from the National Joint Utility Group

### PPL Electric Utilities Awards

- J.D. Power Award for Customer Satisfaction
- The Electric Power Research Institute - Power Delivery and Utilization Technology Transfer Award







## APPENDIX D: 2014 Infrastructure Investment Highlights

### LG&E and KU Energy infrastructure projects

BR3 Fabric Filter	➤ \$92M
Ghent Unit 1-4 Fabric Filters	➤ \$650.7M
Brown Landfill	➤ \$98.1M
Brown Solar Facility	➤ \$35M
Transmission Pole Replacements	➤ \$23.1M
Ohio Falls Rehabilitations	➤ \$139M
Mill Creek Unit 1-4 FGD's Fab. Filter	➤ \$951.7M
TC1 Fabric Filter	➤ \$114.4M
Kenzig Road Breaker Station	➤ \$25.1M
Lou Upgrades-Midtown 4th Xfrmr	➤ \$14.5M

### WPD Infrastructure Projects

South Derbyshire Grid Refurbishment	➤ \$11.9M
Gloucester Substation	➤ \$13.4M
Low Carbon Networks Fund (LCNF) Initiative in 2014	➤ \$17.1M

### PPL Electric Utilities Infrastructure Projects

Susquehanna-Roseland	➤ \$217.8M
NE Pocono	➤ \$122.3M
Breiningsville Substation	➤ \$34.8M
Smart Grid	➤ \$18.2M
Fairview Rebuild	➤ \$14.7M
Sunbury GIS	➤ \$10.9M
Lake Naomi – Jackson 69kV Line	➤ \$10.6M
Carlisle – West Carlisle Underground Transmission Line	➤ \$10.4M
Jenkins – Stanton Rebuild	➤ \$10.1M

### PPL Energy Supply

Montour Unit 1 – Replace Intr & Rear Reheat Pendant	➤ \$14M
---	---------



## APPENDIX E: Our Commitment to Environmental Responsibility

A commitment to corporate citizenship is essential to a successful – and sustainable – business. By any measure of sustainability, PPL and its subsidiaries have met the test for nearly a century. From Allentown, Pa., to Louisville, Ky., and from Billings, Mont., to Bristol, England, PPL is committed to providing energy responsibly, generating electricity from a diversity of fuel sources and operating our business in an environmentally responsible manner, considering the needs of present and future generations. Our long-term environmental strategies will help position PPL and its subsidiary companies to successfully navigate the future environmental challenges we face. In 2014, our companies made investments in new, highly efficient power generation units and infrastructure projects, announced plans to retire coal-fired generating facilities that will improve our emissions profile in two states, and worked toward bold carbon dioxide reduction goals in the U.K.





## Statement on climate change

PPL Corporation conducts its business in an environmentally responsible manner.

PPL has a long-standing commitment to carry out all of our business activities in ways that preserve and promote a clean, safe and healthy environment as we carry out our mission to provide reliable, competitively priced electricity to our customers. We serve more than 10 million customers in the United States and United Kingdom.

While public policy discussions concerning the best way to approach greenhouse gas emissions have been ongoing, PPL companies have undertaken a variety of actions that have reduced our carbon footprint.

As crucial decisions about the best ways to limit greenhouse gas emissions are being made, we believe certain principles must be addressed. Policies should:

- Involve all sectors of the economy
- Recognize all means of avoiding, reducing and offsetting emissions
- Set achievable reduction targets based on proven technologies
- Mitigate the financial impact of increased electricity costs on consumers
- Preserve the diversity of fuel sources used to produce electricity

# Energy Efficiency Data

PPL Corporation, through its subsidiaries, has a number of energy efficiency and conservation programs in place to help our customers learn about and save energy. They can also save money through rebates and discounts for making wise investments in energy efficiency.

## PPL Electric Utilities

In the first phase of PPL Electric Utilities' E-power® programs that ran from late 2009 through May 2013, about 300,000 customers – almost 25 percent of all PPL Electric Utilities' customers – participated in at least one program and:

- Saved more than 1.6 billion kilowatt-hours per year of electricity, enough to power more than 129,000 average homes for a year and reduce customers' energy costs by approximately \$160 million per year.
- Reduced greenhouse gases equivalent to the emissions from nearly 211,000 passenger vehicles a year.
- Recycled nearly 55,000 appliances.
- Installed nearly 10 million compact fluorescent light bulbs purchased at discounts at hundreds of retailers in central and eastern Pennsylvania.
- Received more than \$137 million in rebates and incentives.

PPL Electric Utilities' Phase 2 E-power® programs run from June 2013 through May 2016 and are on target to save customers an additional 700 million kilowatt-hours per year of electricity, enough to power more than 56,000 homes for a year.

Through 2014, about 250,000 customers participated in one of PPL Electric Utilities' energy efficiency programs:

- Saved more than 200 million kilowatt-hours of electricity, enough to power more than 16,000 homes for a year.
- Recycled nearly 12,000 refrigerators.
- Installed almost 2 million LED and CFL light bulbs.

*\*As of June 1, 2014, PPL discontinued use of CFL light bulbs.*





# Energy Efficiency Data

## Louisville Gas and Electric and Kentucky Utilities

In Kentucky, the LG&E and KU energy efficiency portfolio offers programs and financial incentives to help residential and commercial customers better manage their energy usage and to help offset customers' costs for various energy-efficient products and services. By participating in the utilities' programs, customers have been able to achieve a significant energy demand reduction of about 340 megawatts since the portfolio's inception nearly eight years ago. For context, one megawatt of generation running around the clock is enough to power about 720 homes.

Programs and services that LG&E and KU offered in 2014 included: residential conservation/home energy performance; residential low income weatherization; residential high efficiency lighting; residential HVAC test and tune up; residential new construction; residential load management; residential incentives; residential refrigerator removal; residential smart energy profile; commercial conservation incentives; and commercial load management.

*In 2014, these programs achieved the energy and demand savings shown in the table below.*

Program Name	MWh	MW
Residential conservation/home energy performance	3,449	0.8
Residential low income weatherization	4,342	0.4
Residential high efficiency lighting	37,019	3
Residential HVAC test and tune up	436	0.2
Residential new construction	5,806	2
Residential load management	N/A	12
Residential incentives	24,632	5
Residential refrigerator removal	7,918	0.9
Residential smart energy profile	41,474	12
Commercial conservation/incentives	42,556	16





## Energy Efficiency Data

### **Western Power Distribution**

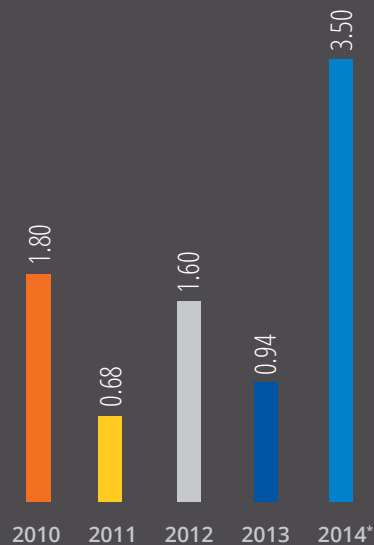
In 2014, WPD launched phase 3 of its 'Community Chest' grant program. Working with energy charity Centre for Sustainable Energy, the program was designed to provide grant funding to community halls and venues, enabling simple but effective energy saving measures that would improve the overall energy efficiency of the building. Measures include roof insulation, cavity wall insulation, energy-efficient lighting, thermostatic heating controls and draught proofing.

In 2014, £50,000 (about \$74,000) was allocated to the fund and the maximum award per application was £1,000 (about \$1,500). A total of 59 awards were made during phase 3.

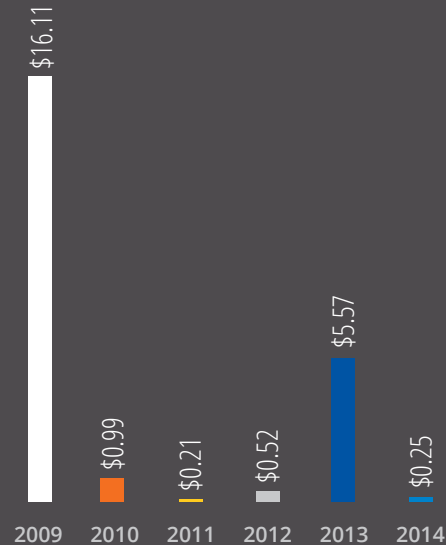


# Environmental Data

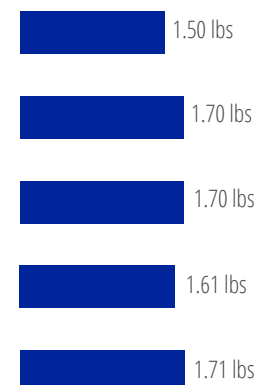
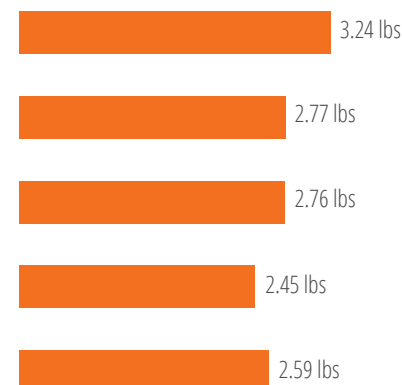
**Total Hazardous Waste Disposal**  
in hundreds of tons



**Penalties Paid**  
in hundred thousands



\*Increase reported due to routine system maintenance to baghouse filters at Brunner Island power plant in York Haven, Pennsylvania.



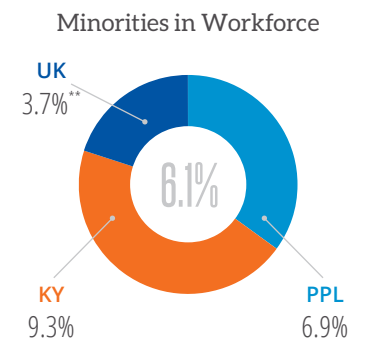
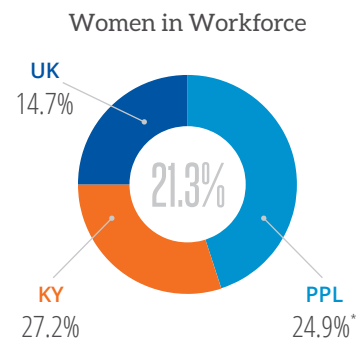
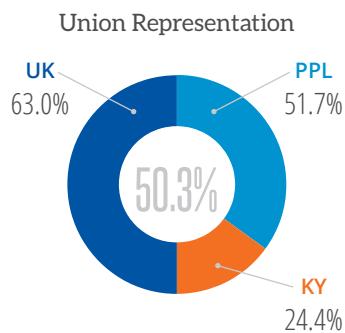
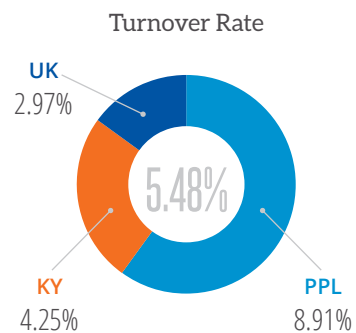
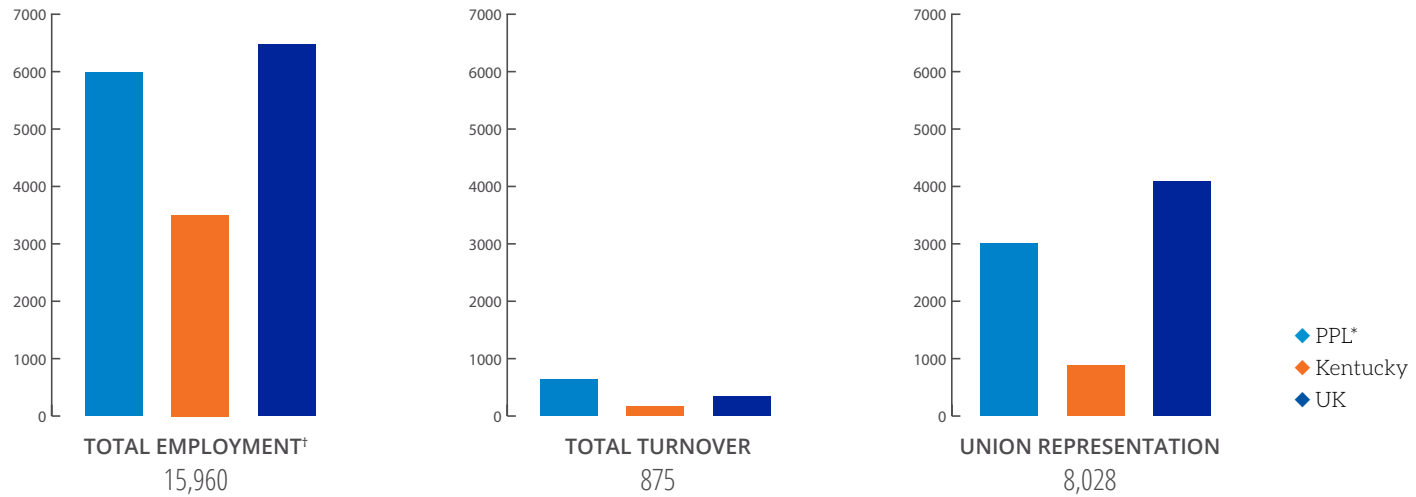
◆ **Carbon Dioxide Emissions** in tons per megawatt-hour

◆ **Sulfur Dioxide Emissions** in pounds per megawatt-hour

◆ **Nitrogen Oxide Emissions** in pounds per megawatt-hour

## APPENDIX F: People & Diversity

At the heart of any successful enterprise is a group of dedicated, talented, well-trained people. Our employees are focused on satisfying customers, delivering value for shareowners and continuous improvement.



\*Includes PPL Electric Utilities, PPL Generation and its subsidiaries, PPL EnergyPlus, PPL Services. Excludes mechanical contracting companies.

\*\*These figures relate to known ethnic origin (i.e. where ethnic origin has been declared to the company).

<sup>†</sup>Excludes mechanical contracting subsidiaries, whose numbers tend to fluctuate due to the nature of their business. Additional exclusions include several employee classes (interns, rehired retiree, and employees on a leave of absence as of Dec. 31, 2014.)



# Supplier Diversity

## Supplier Diversity - A Good Business Policy

The value PPL places on diversity in its employees, communities and customers carries over to the people from whom the company purchases goods and services.

PPL's Supplier Diversity Program is our commitment to purchase goods and services at competitive prices, while enhancing the opportunities for business owners of diverse backgrounds to succeed.

### *Who Qualifies for the Supplier Diversity Program?*

Below are summary descriptions of the types of businesses that qualify for the Supplier Diversity Program:

#### **Small Businesses:**

A small business is an organization, including its affiliates, that is independently owned and operated, and that qualifies as a small business under the U.S. Small Business Administration definitions.

#### **Women-Owned Small Businesses:**

A woman-owned small business must be at least 51 percent owned, operated and controlled by one or more women who are U.S. citizens and qualify as a woman-owned small business under Small Business Administration definitions.

#### **Disabled-Owned Small Businesses:**

A disabled-owned small business includes those businesses whose owners are disabled under the

definitions of the federal Americans with Disabilities Act. This definition also includes nonprofit agencies or programs that promote the interests of the disabled or agencies that have a work force of 51 percent or more disabled workers.

#### **HUBZone Small Businesses:**

A HUBZone (requires Small Business Administration certification) must be: (a) small, (b) located in an historically underutilized business zone (HUBZone), (c) majority owned and controlled by one or more U.S. citizens, and (d) at least 35 percent of its employees reside in a HUBZone.

#### **Small Disadvantaged Businesses:**

A small disadvantaged business must be at least 51 percent owned and controlled by a socially and economically disadvantaged individual or individuals under Small Business Administration definitions.

#### **Veteran-Owned Small Businesses:**

A veteran-owned small business must be at least 51 percent owned by one or more veterans, and its management and daily business operations must be controlled by one or more veterans.

#### **Service-Disabled Veteran-Owned Small Businesses:**

A service-disabled veteran-owned small business must be at least 51 percent owned by one or more service-disabled veterans, and its management and daily business operations must be controlled by one or more service-disabled veterans.



## 2014 Supplier Statistics

In 2014, PPL received goods and services from 2,461 suppliers based in Pennsylvania and Montana. This represents approximately 50 percent of the total number of suppliers utilized by the Company. The dollars spent with these suppliers represents approximately 43 percent of the dollars spent in 2014 via contracts and purchase orders.

In addition, approximately 51 percent of the total purchasing (credit) card spend was spent with suppliers in Pennsylvania and Montana in 2014.

Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) received goods and services from 1253 suppliers based in Kentucky and Virginia. This represents approximately 40 percent of the total number of suppliers utilized by the Company in these states.



## APPENDIX G: Community & Charitable Giving

PPL companies were actively engaged in our communities in 2014 – whether it was through our plant advisory committees, economic development opportunities, strong support of United Way, or the hundreds of volunteer opportunities in which our employees participated in Kentucky, Montana, Pennsylvania and the United Kingdom.

Our company supports community and economic development through grants, scholarships, marketing efforts and assistance in business development efforts. Our award-winning efforts have been recognized by industry publications and economic development groups throughout our service territories.

### **United Way**

PPL Corporation is also a proud supporter of United Way. In 2014, PPL employees and retirees in Montana and Pennsylvania raised more than \$2.5 million for the United Way to support a wide range of nonprofit organizations.

Employees also lent a hand in Kentucky, Montana and Pennsylvania in their local communities as part of the United Way's annual Day of Caring event. Employees volunteered at area nonprofits and performed a variety of tasks such as painting, landscaping, cleaning, and delivering essentials to families in need.



# Ambassadors to Our Community

The power to make a difference begins with PPL employees. PPL's subsidiary companies encourage their employees to volunteer their time in their local communities.

Through initiatives and programs that focus on areas like education, the environment and community development, volunteerism is part of our culture and duty to our neighbors.

Being a PPL employee means being a strong corporate citizen. We are proud of this long-standing tradition, and whether it's at the local school, community center or soup kitchen, PPL employees will be there and ready to help.

## HIGHLIGHTS:

- Employees from eight Louisville-area LG&E and KU facilities came together and collected more than 400 coats and other winter items to the inaugural Wear It Forward, Coats for Kids program. The Wear it Forward program was created through a partnership by the Jefferson County Public Schools and the 15th District Parent-Teacher Association. Participating LG&E locations included Auburndale Operations Center, Broadway Office Complex, Cane Run Station, East Operations Center, LG&E Center, Mill Creek Station, Ohio Falls Station and South Service Center. All contributions to the program

combined to collect nearly 7,500 winter items to be distributed to the district's students who need them.

- PPL Montana's Community Fund awarded a combined \$200,000 in grants to 29 nonprofit organizations across the state to support programs that help those in need, strengthen local communities and preserve the region's rich heritage.
- LG&E and KU partnered with numerous organizations such as Salvation Army, Volunteers of America, youth and resource centers, schools and community centers to provide toys, coats, shoes, school supplies and other necessities for children and families throughout the company's service territory.
- PPL awarded \$4.6 million in funding to hundreds of nonprofit organizations in Pennsylvania such as Big Brothers Big Sisters, Habitat for Humanity, local shelters, hospitals, community centers and food banks.
- More than 100 PPL employees formed 23 teams for the Bowl for Kids' Sake event; employees raised more than \$21,000 for Big Brothers Big Sisters of the Lehigh Valley. The mentoring organization matches youth with adult role models, and Bowl for Kids' Sake is its primary fundraiser in the Lehigh Valley.



- During the year, WPD worked with seven Wildlife Trusts to provide over 4,000 children with an environmental/educational hands-on experience. A forest school leader and bushcraft instructor was also enlisted by WPD to run 14 mini-woodland workshops in South Wales. A range of groups benefited, including schools, Brownies, youngsters with disabilities and disadvantaged children.
- As part of its continuing support for the UK charity Action on Hearing Loss, WPD was involved in a series

of "Hear to Meet" sessions aimed at providing those over 50 with a range of advice and guidance on hearing loss. Nine separate sessions were organized and the free service provided information and support on all aspects of deafness, hearing loss and tinnitus.

- WPD supported the Leicester Young Achiever Awards for the third year running. The awards recognize inspirational individuals between the ages of 14 to 25 and aim to reward those who have achieved success against

the odds despite – and not because of – their background or personal circumstances.

- LG&E and KU partnered with the American Red Cross in the "Pillowcase Project." Red Cross volunteers and "Sammy the Pillowcase" guided students through an interactive presentation about the importance of being prepared for natural disasters. The program has gained the attention of the Federal Emergency Management Agency and has benefited 12,500 elementary students in 33 schools across the region.



## Powering Education

PPL strongly believes that education is the key to a successful future. Our company and employees are proud to support a number of initiatives with the gifts of time and funding. Some of these programs and initiatives include:

- More than \$1 million in early childhood education support through PPL's Educational Improvement Tax Credit (EITC) funding was awarded to 50 organizations in Pennsylvania.
- More than 200 safety/education events took place during the year, reaching more than 30,000 school-children. These included school visits and crucial crew and lifeskills initiatives across all WPD regions.
- LG&E and KU engineering employees established an engineering club at Blake Elementary School in Louisville this past school year. They developed a detailed step-by-step plan for the after-school club that has been sparking interest in STEM basics and engineering careers among students, and has gained kudos from parents and the faculty. The Blake Elementary Engineering Club meets monthly and features an LG&E and KU guest speaker who describes his or her job responsibilities at the company, and a volunteer-guided hands-on activity using engineering principles.





## Low-Income Assistance

PPL is committed to helping our customers understand how to use energy wisely and lending a hand to those who may be struggling to pay their energy bills. We provide a number of different options for relief programs for customers with limited incomes.

### \$72M

The **OnTrack** program is a special payment plan for PPL Electric Utilities' low-income customers that offers reduced monthly payments, protection from shutoffs, debt forgiveness, and referrals to other assistance programs.

*OnTrack is funded through residential customer rates in Pennsylvania.*

### \$180,000

**LG&E's Home Energy Assistance (HEA)** program helps low-income customers by providing an energy assistance subsidy that makes energy more affordable and reduces the incidence of disconnects. LG&E partners with low-income community organizations to administer the program.

*LG&E's Home Energy Assistance Program is funded through customer rates and corporate contributions in Kentucky.*

### \$15.4M

**The Winter Relief Assistance Program (WRAP)** helps PPL Electric Utilities' low-income customers reduce their electricity bills. This free program offers energy education, energy-efficient appliances and home weatherization services such as attic insulation and air sealing.

*Winter Relief WRAP Assistance Program is funded through residential customer rates in Pennsylvania.*

### \$307,500

**The KU Home Energy Assistance (HEA)** program helps low-income customers by providing an energy assistance subsidy that makes energy more affordable and reduces the incidence of disconnects. KU partners with low-income community organizations to administer the program.

*KU's Home Energy Assistance Program is funded through customer rates and corporate contributions in Kentucky.*

### \$211,991

**LG&E WinterHelp Program**, a low-income heating assistance program, was started in 1983. Assistance funds contributed by LG&E and its customers are forwarded to a Community WinterHelp Program Administrator at a partnering nonprofit organization that administers funds to low-income families.

*LG&E's WinterHelp Program is funded through customer contributions and corporate contributions in Kentucky.*

### \$120,000

**Project Warm** is an independent, nonprofit organization that provides free weatherization services for people who meet income eligibility guidelines, including both homeowners and renters. LG&E partners with Project Warm each fall for the "Project Warm Blitz." Teams of employee volunteers weatherize homes of the elderly, disabled and low income throughout LG&E's service territory.

*Project Warm is funded through corporate contributions in Kentucky.*

### \$1.4M

**Operation HELP** provides emergency financial aid to PPL Electric Utilities' residential customers to help pay energy bills for low-income families with financial hardships.

*Operation HELP is funded through corporate contributions; PPL companies' employee and retiree contributions; and PPL Electric Utilities customer contributions in Pennsylvania.*

### \$119,772

**KU WinterCare Program**, a low-income heating assistance program, was started in 1983 in cooperation with the Lexington, Ky., Community Action Agency. Funds are donated by Kentucky Utilities and its customers and distributed by community action agencies throughout KU's service territory to families in need.

*KU's WinterCare Program is funded through customer contributions and corporate contributions in Kentucky.*

### \$412,500

**LG&E Ministry Utility Grant** is a low-income emergency utility assistance fund that is administered by Association of Community Ministries (15 community ministry organizations).

*LG&E Ministry Utility Grant is funded through corporate contributions in Kentucky.*

### \$90,942

**EnergyShare of Montana** is a statewide nonprofit energy assistance program that helps low-income families who may have a hard time paying their heating bills during the winter.

*EnergyShare is funded through corporate contributions by PPL Montana and through customer rates in Montana.*

### \$17,996

**Old Dominion Power's WinterShare Energy Assistance Fund** was created in 2011, giving customers the ability to make contributions to help low-income families pay their electric bills in KU's Virginia service territory. Donations are accepted and encouraged year-round. Customers can contribute through a one-time donation or a series of recurring monthly donations. These donations will be matched at levels that are reviewed annually by ODP. A third-party vendor partners with local community agencies and organizations to provide emergency utility assistance for our Virginia customers.

*Old Dominion WinterShare is funded through customer contributions and corporate contributions in Virginia.*



## APPENDIX H: Public Policy & Customer Satisfaction

### Public Policy Engagement

Laws and policies enacted at the federal and state levels can have a significant impact on PPL and our customers, employees and shareowners. PPL actively encourages public policy that furthers our ability to provide reliable, competitively priced electricity and gas to our customers and to function efficiently, safely and economically. Our active participation in the public policy arena is appropriate to ensure that public officials are informed about key issues that affect the interests of our customers, employees, shareowners and the communities we serve.

### Compliance

PPL takes very seriously the need to conduct all aspects of our business in compliance with all applicable laws and regulations and consistent with the company's values.

PPL reports all corporate lobbying-related activities and expenditures to appropriate state and federal agencies. Information on PPL's current lobbying activities can be found in lobbying reports filed with the U.S. House, U.S. Senate, Kentucky Legislative Ethics Commission, Pennsylvania Department of State, Maryland State Ethics Commission, Montana Commissioner of Political Practices, New Jersey Election Law Enforcement Commission and New York State Joint Commission on Public Ethics.

### Trade Associations

PPL belongs to various trade associations that engage generally in education and advocacy efforts on a number of industry issues. For example, PPL is a member of the Edison Electric Institute, the Nuclear Energy Institute, the Electric Power Supply Association, the COMPETE Coalition, the PJM Power Providers Group and the Campaign for Home Energy Assistance, as well as several state-level trade associations.

PPL reports dues or payments to trade associations not deductible under Section 162(e)(1) of the Internal Revenue Code in its lobbying filings, as required by state and federal laws. In 2014, these amounts totaled \$651,766.

### Political Action Committees (PACs)

PPL Corporation and its affiliates are prohibited from making contributions to candidates and political parties, including in-kind contributions, under federal law and under the laws of various states. Specifically, the laws of the following states in which PPL has operations prohibit such contributions: Pennsylvania, Kentucky, Montana and New Jersey. Even in those states where corporate contributions are allowed, it is not our practice to use corporate dollars to support candidates or political parties. Additionally, PPL Corporation does not currently make independent political expenditures in connection with campaigns or to influence ballot measures.

PPL has established federal and state PACs through which employees may participate in the political process. People for Good Government (PGG) and the LG&E-KU Political Awareness and Civil Education Committee (PACE) are PACs that encourage active interest and participation in the political process by employees, retirees and shareowners. These nonpartisan, voluntary PACs are organized and operated separately from PPL Corporation, as required by law. They are guided by steering committees and allocations committees made up of employees from across the company.

PGG and PACE report all PAC contributions in campaign finance reports filed with the Federal Election Commission, Pennsylvania Bureau of Commissions, Elections and Legislation and Kentucky Registry of Election Finance. Contributions to candidates and political parties in Maryland and Montana are made from the federal PGG account, and therefore, are included in the federal filings.



# 2014 Customer Satisfaction Results

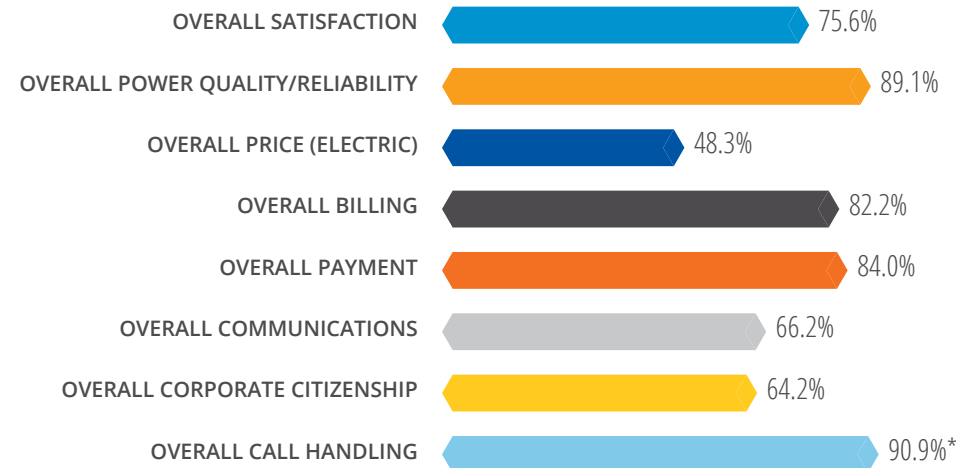
## PPL Electric Utilities - **RESIDENTIAL** (% Very Satisfied - 8, 9, 10 on a 10pt scale)



## PPL Electric Utilities - **BUSINESS** (% Very Satisfied - 8, 9, 10 on a 10pt scale)



## LG&E AND KU ENERGY - **RESIDENTIAL** (% Very Satisfied - 8, 9, 10 on a 10pt scale)



Notes: Business customers are not included in the Customer Satisfaction Study.  
 \*Overall Call Handling is not included in the Customer Satisfaction Study.  
 This question is asked in the Residential and Business Phone Transaction Studies for internal purposes. Overall Satisfaction and Factor Group are reported as Top 2 Box (9, 10 on 10 pt scale).

Adherence to laws, standards and codes for marketing and advertising:  
 PPL Corporation and its subsidiaries will advertise their products and services in a fair and accurate manner. We will not create, approve or disseminate any advertising material that we know or suspect to be false, deceptive or misleading. Advertising should be truthful and adequately substantiated. PPL also has a media and social media policy.