

Safety first, always

At PPL, the safety of employees and the public is one of our core corporate values. Our objective is simple – zero accidents, zero impact on the public.

We're getting as close to meeting that objective as we ever have. In 2009, we posted an OSHA incidence rate of 1.65, based on a formula that compares employee injuries and illnesses with total hours worked. That represents one of the best safety performances in PPL's history, and an improvement over 2008's already low incidence rate of 1.71.

But our safety focus is on looking forward, not backward. Protecting employees and the public from hazards such as high voltages, high-pressure steam, aerial work and radioactive materials requires constant vigilance and attention. We have clear work rules, practices and procedures in place; expectations that are reinforced regularly

with all employees; and training that develops and reinforces safe work habits.

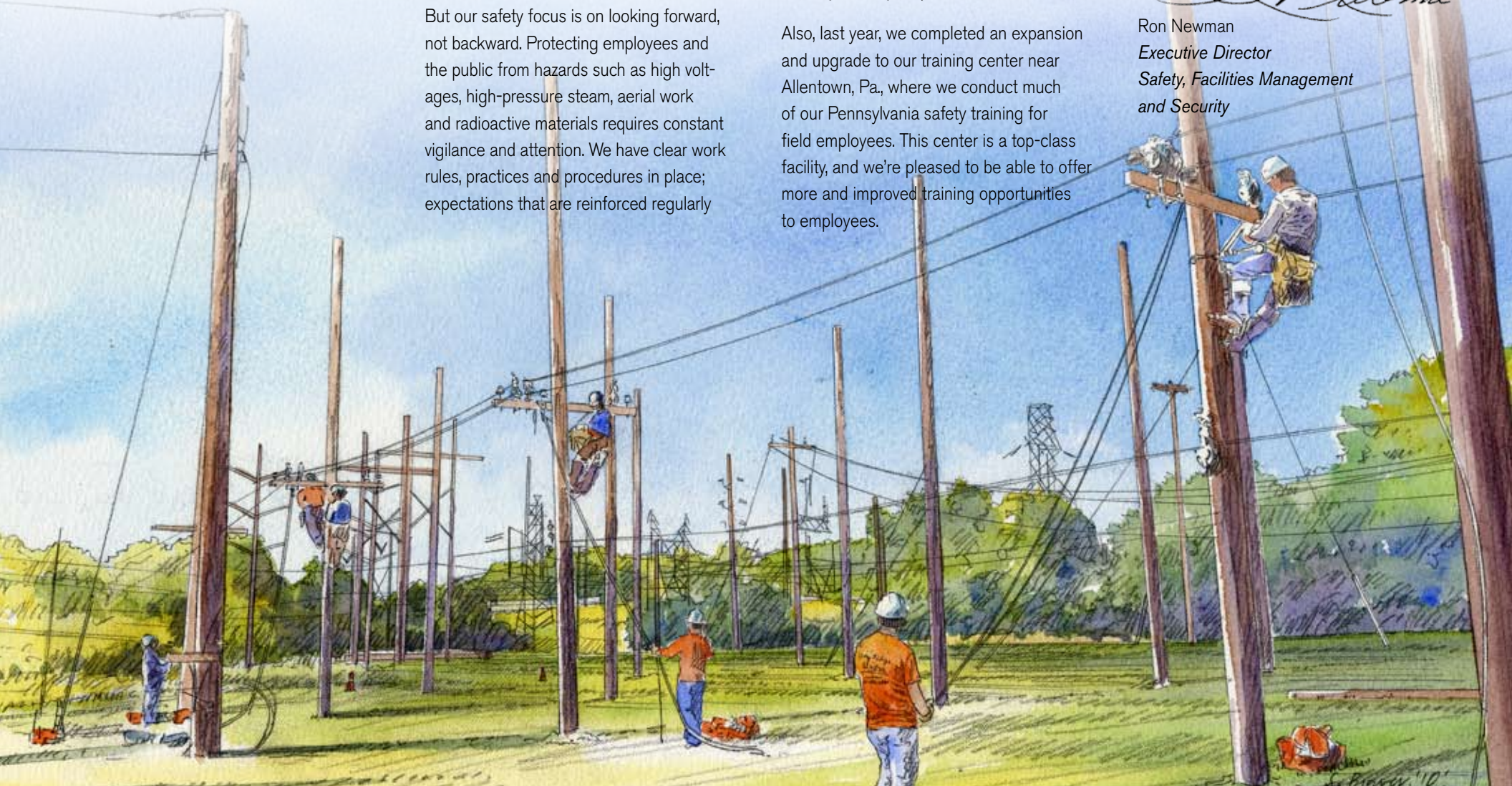
We continue to monitor leading safety indicators that help us identify possible hazards before they develop into serious risks. And we are promoting the wider use of human performance tools, which reduce the risk of incidents and injuries by requiring employees to analyze every step of their work.

Also, last year, we completed an expansion and upgrade to our training center near Allentown, Pa., where we conduct much of our Pennsylvania safety training for field employees. This center is a top-class facility, and we're pleased to be able to offer more and improved training opportunities to employees.

It's my job to make sure that every employee at every facility leaves work safe and healthy at the end of every day. I take that responsibility seriously, and so does everyone in my organization. Working together, we can reach our goal of a workplace with no incidents or injuries.



Ron Newman
*Executive Director
Safety, Facilities Management
and Security*



Energy trade group presents PPL with safety honors



PPL's strong safety performance earned the company two awards from the Energy Association of Pennsylvania trade group in 2009.

PPL was the only company to win more than one award in 2009. PPL was honored with a Safety Achievement Award, which is presented to companies with exceptionally low incidence rates over 100,000 hours or more of work. The company also received a Motor Vehicle Fleet Safety Improvement Award, recognizing a significant reduction in motor vehicle accidents in 2008 compared with 2007.

The association represents the interests of the state's regulated electric and natural gas energy distribution companies. However, the awards recognize PPL's companywide safety results, not just the performance of PPL Electric Utilities.

The last time PPL received safety recognition from the association was in 2007, when the company received an award honoring a sharp year-over-year decline in safety incidents.

SAFETY	2009
Total hours worked <ul style="list-style-type: none"> PPL Mechanical contracting companies U.K. 	12,244,812 3,971,113 3,794,868
Workdays per year <ul style="list-style-type: none"> PPL Mechanical contracting companies U.K. 	252 252 222
Injury rate (per 1,000 employees) <ul style="list-style-type: none"> PPL Mechanical contracting companies U.K. (accidents reportable to the U.K. HSE) 	1.65 2.67 2.16
Work related fatalities <ul style="list-style-type: none"> PPL Mechanical contracting companies U.K. 	0 0 0

PPL recognized by National Safety Council

Jim Miller, chairman, president and chief executive officer, is one of 10 American CEOs who were recognized for their dedication to safety and health programs.

Miller is included on the National Safety Council's annual list of CEOs Who "Get It." The list recognizes corporate leaders from all industries who understand the importance of engaging employees in a strong, effective safety program.

During Miller's tenure as CEO, PPL has changed its safety program to focus on leading indicators — items that help predict safety issues before they develop into serious problems. The company has also adopted a software system that streamlines the process of reporting, reviewing and responding to safety events.

PPL continuously reinforces its commitment to the Occupational Safety and Health Administration's Voluntary Protection Program, which recognizes work sites whose safety policies and procedures exceed federal requirements. More than a dozen PPL work locations have earned VPP Star certification, and some have been recertified more than once. VPP work sites have significantly lower injury rates than facilities not involved in the program.

In recent years, PPL has posted some of the lowest OSHA-recordable incidence rates in its history, a sign that its emphasis on safety is paying dividends.

“ PPL has consistently demonstrated an outstanding commitment to workplace safety. Over the years, our contractors have worked on numerous PPL projects that were completed with zero injuries — a true sign that PPL leadership goes the extra mile in creating a safe and healthy workplace. ”

- Steve Lindauer, CEO, The Association of Union Constructors (TAUC) and Impartial Secretary/CEO, National Maintenance Agreements Policy Committee, Inc. (NMAPC)

1 million injury-free work hours

More than 1 million work hours without a recordable injury is a feat worth recognizing. And in November 2009, PPL and one of its mechanical services and contracting companies got their due for that flawless performance.

PPL, McCarl's Inc. and the Central Pennsylvania Building Trades Council jointly received a Gold Star Zero Injury Safety Award at a ceremony in Washington, D.C. The award honors each party's contribution to more than 1 million injury-free hours worked at PPL's Brunner Island power plant over the past few years.

PPL relies on its mechanical services subsidiaries for a variety of work at its power plants.

McCarl's also received two Certificates of Merit related to its work at an American Electric Power plant in Ohio and a Reliant Energy plant in Pennsylvania. Those awards recognize 50,000 to 200,000 hours worked without injury.

The Zero Injury Safety Awards, given by the National Maintenance Agreements Policy Committee, honor companies, union contractors and craft personnel who work together to forge strong safety cultures resulting in injury-free work sites.

The Gold Star given to the contractors at Brunner Island is the highest possible award in the Zero Injury Safety Awards program.



WPD focuses on safety and training

At Western Power Distribution, PPL's electricity distribution subsidiary in the United Kingdom, the combined safety and training team is overseen by a lead manager who is an integral part of the network operations management team.

Safety

After the company set a record in 2008 for the lowest number of accidents in its history, numbers rose slightly in 2009. WPD finished the year in line with the 2007 level of 49. The number of more serious lost-time accidents fell from four to three.

During the year, the company launched a new initiative to promote the use of eye protection at home, as well as at work.

As part of European Health and Safety Week, all staff received a presentation from WPD's safety and training manager called "Think Cheese." The presentation demonstrated how safety risks should always be managed by using multiple layers of risk control – the "slices of cheese."

In April 2009, WPD hosted the U.K. Energy Networks' National Safety, Health and Environment Conference in Bath. This prestigious event was attended by more than 200 managers and union safety

representatives from the U.K. power industry, as well as many senior representatives from government and the U.K. health and safety executive. The keynote speech was delivered by Robert Symons, chief executive of WPD, who emphasized the importance of clear, firm and focused safety leadership.

WPD also has been working with the U.K.'s health and safety executive to rewrite and update national guidance on the dangers of overhead lines and how to avoid them.

Training

During 2009, 28 new apprentices joined WPD for their 16-week induction period. Also during the year, 40 apprentices completed their studies and became qualified craftsmen – a record number of finishers for the second year running.

In addition to these apprentices, 108 new overhead line trainees joined WPD in continuation of plans to address work requirements under new U.K. legislation and the U.K. regulator's distribution price control review for 2010 through 2015. A new satellite facility has been established to accommodate the training of these employees.



WPD continues to provide training to other U.K. electricity distribution companies such as E.ON, EDF and Scottish Power, as well as other external organizations such as the U.K.'s health and safety executive, Bermuda Light Electric Company, British Antarctic Survey, Jersey Electricity and the Manx Electricity Authority.