

INDEPENDENCE GUIDELINES

To be considered an "independent" director, the Board of Directors must affirmatively determine that the director has no material relationship with PPL Corporation or its consolidated subsidiaries ("PPL"), other than as a director. For purposes of these guidelines, the term "immediate family member" has the meaning ascribed to it by Section 303A.02 of the NYSE's Listed Company Manual. An "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home.

1. A director is not independent from PPL if:
 - (a) the director is or has been an employee of PPL within the last three years; or
 - (b) an immediate family member of the director is or has been an executive officer of PPL within the last three years; or
 - (c) the director has received, or has an immediate family member who has received, during any 12-month period within the last three years, more than \$120,000 in direct compensation from PPL (other than director's fees and pension or other forms of deferred compensation for prior service with PPL); or
 - (d) (1) the director or an immediate family member of the director is a current partner of the firm that is PPL's independent registered public accounting firm; (2) the director is a current employee of such firm; (3) the director has an immediate family member who is a current employee of such firm and personally works on PPL's audit; or (4) the director or an immediate family member of the director was within the last three years a partner or employee of such firm and personally worked on PPL's audit within that time; or
 - (e) the director or an immediate family member of the director is, or was within the last three years, employed as an executive officer of another company where any of PPL's present executive officers at the same time serves or served on the other company's compensation committee; or
 - (f) the director is a current employee, or an immediate family member of the director is a current executive officer, of a company that has made payments to, or received payments from, PPL for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues.

2. The Board of Directors views business transactions between PPL and a director's employer, or the employer of the director's immediate family member, not involving more than 2% of the employer's consolidated gross revenues in any fiscal year, as not impairing the director's independence.
3. If a director is considered independent pursuant to the standards set forth above, the director also will be deemed to be independent for purposes of being a member of PPL's Audit Committee if:
 - (a) the director does not directly or indirectly, including through a spouse, a minor child or stepchild or a child or stepchild sharing a home with the director, receive any consulting, advisory or other compensatory fee from PPL except in such person's capacity as a director; and
 - (b) the director is not an "affiliated person" of PPL, meaning that the director does not directly or indirectly (through one or more intermediaries) control, is not controlled by or is not under common control with PPL, all within the meaning of applicable securities laws; and
 - (c) the director has no relationship to PPL that interferes with the exercise of their independence from management and PPL.