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PPL CORP

FORM 8-K
(Current report filing)

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Address	TWO N NINTH ST ALLENTOWN, PA 181011179
Telephone	6107745151
CIK	0000922224
Symbol	PPL
SIC Code	4911 - Electric Services
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 3, 2012

Commission File Number	Registrant; State of Incorporation; Address and Telephone Number	IRS Employer Identification No.
1-11459	**PPL Corporation** (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 - Financial Information

Item 2.02 Results of Operations and Financial Condition

On May 4, 2012, PPL Corporation ("PPL") issued a press release announcing its financial results for the quarter ended March 31, 2012 and other business matters. A copy of the press release is furnished as Exhibit 99.1.

Section 7 - Regulation FD

Item 7.01 Regulation FD Disclosure

On May 4, 2012, at 9:00 a.m. (Eastern Time), members of PPL's senior management will hold a teleconference and webcast with financial analysts to discuss PPL's financial results for the quarter ended March 31, 2012 and other business matters. A copy of the slides to be used during the webcast is furnished as Exhibit 99.2. The event will be available live, in audio format, along with the slides, on PPL's Internet Web site: www.pplweb.com. The webcast will be available for replay on PPL's Web site for 30 days.

On May 3, 2012, PPL's wholly owned subsidiary, LG&E and KU Energy LLC, issued a press release announcing approval by the Kentucky Public Service Commission for Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") to construct a new 640MW natural gas combined-cycle generating plant at LG&E's and KU's existing Cane Run plant site and to purchase an existing 495MW natural gas peaking plant from Bluegrass Generation Company, L.L.C. A copy of the press release is furnished as Exhibit 99.3.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 - Press Release, dated May 4, 2012, announcing PPL's financial results for the quarter ended March 31, 2012, and other business matters.

99.2 - Slides to be used on the May 4, 2012 webcast among members of PPL's senior management and financial analysts.

99.3 - Press Release, dated May 3, 2012, announcing approval by the Kentucky Public Service Commission of certain generation acquisition and construction projects of Louisville Gas and Electric Company and Kentucky Utilities Company.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Vincent Sorgi
Vincent Sorgi
Vice President and Controller

Dated: May 4, 2012

Exhibit 99.1

Contacts: For news media – George E. Biechler, 610-774-5997
For financial analysts – Joseph P. Bergstein, 610-774-5609

PPL Reports First-Quarter Earnings

- First-quarter earnings increase over prior year
- Per share earnings from ongoing operations down on higher shares outstanding
- Company on track to achieve ongoing earnings forecast for 2012

ALLENTOWN, Pa. (May 4, 2012) — PPL Corporation (NYSE: PPL) on Friday (5/4) announced first-quarter 2012 reported earnings of $541 million, or $0.93 per share, up from $401 million, or $0.82 per share, a year ago.

Excluding special items, PPL's earnings from ongoing operations for the quarter were $409 million, or $0.70 per share, compared with $407 million, or $0.84 per share, a year ago.

PPL's first-quarter earnings from ongoing operations reflect dilution of $0.14 per share as a result of the April 2011 common stock issuance to fund the acquisition that substantially expanded PPL's regulated utility operations in the United Kingdom.

"Our first-quarter results keep us solidly on track to achieve our earnings forecast for 2012," said William H. Spence, PPL's chairman, president and chief executive officer. "They were in line with our expectations, despite lower electricity sales due to extraordinarily mild winter weather in the eastern U.S."

"The successful execution of our Midlands integration plan in the U.K. is driving cost savings and operational improvements, demonstrating again the value of our expansion into diverse markets and the attainment of a more predictable earnings profile. At the same time, our competitive supply segment is successfully navigating through challenging commodity markets," Spence said.

PPL reaffirmed its 2012 forecast of $2.15 to $2.45 per share in earnings from ongoing operations. Its 2012 forecast of reported earnings is $2.38 to $2.68 per share, reflecting special items recorded through the first quarter of 2012.

First-Quarter 2012 Earnings Details

PPL's reported earnings for the first quarter of 2012 included net special item credits of $0.23 per share, reflecting a credit of $0.26 per share in adjusted energy-related economic activity. Included in this energy-related economic activity is a credit of $0.17 per share, representing the change in fair value during the first quarter of 2012 for transactions that were previously recorded as cash flow hedges at Dec. 31, 2011. These transactions will be recognized in PPL's earnings from ongoing operations in 2012 and 2013 as the transactions settle.

Reported earnings are calculated in accordance with U.S. generally accepted accounting principles (GAAP). Earnings from ongoing operations is a non-GAAP financial measure that is adjusted for special items. Special items include the impact of adjusted energy-related economic activity (principally changes in fair value of economic hedges and the ineffective portion of qualifying cash flow hedges), acquisition-related adjustments, as well as other impacts fully detailed at the end of this news release.

(Dollars in millions, except for per share amounts)

	1 st Quarter 2012	1 st Quarter 2011	% Change
Reported Earnings	$541	$401	+35%
Reported Earnings Per Share	$0.93	$0.82	+13%
Earnings from Ongoing Operations	$409	$407	-
Per Share Earnings from Ongoing Operations	$0.70	$0.84	-17%

(See the tables at the end of this news release for details as to the reconciliation of earnings from ongoing operations to reported earnings.)

First-Quarter 2012 Earnings by Business Segment

The following chart shows PPL's earnings by business segment for the first quarter of 2012, compared with the same period of 2011.

	1 st Quarter	
	2012	2011
	(per share)	
Earnings from Ongoing Operations		
Kentucky Regulated	$ 0.06	$ 0.15
U.K. Regulated	0.31	0.16
Pennsylvania Regulated	0.06	0.11
Supply	0.27	0.42
Total	$ 0.70	$ 0.84
Special Items		
Kentucky Regulated	$ 0.01	$ -
U.K. Regulated	(0.03)	(0.05)
Pennsylvania Regulated	-	-
Supply	0.25	0.03
Total	$ 0.23	$ (0.02)
Reported Earnings		
Kentucky Regulated	$ 0.07	$ 0.15
U.K. Regulated	0.28	0.11
Pennsylvania Regulated	0.06	0.11
Supply	0.52	0.45
Total	$ 0.93	$ 0.82

(For more details and a breakout of special items by segment, see the reconciliation tables at the end of this news release.)

Key Factors Impacting Business Segment Earnings from Ongoing Operations

Kentucky Regulated Segment

PPL's Kentucky regulated segment primarily consists of the regulated electricity and natural gas operations of Louisville Gas and Electric Company and Kentucky Utilities Company.

Segment earnings from ongoing operations in the first quarter of 2012 declined by $0.09 per share compared with a year ago. This decline was primarily due to lower retail volumes as a result of extraordinarily mild winter weather, higher operation and maintenance expense, higher depreciation, and dilution of $0.01 per share.

U.K. Regulated Segment

PPL's U.K. regulated segment consists of the regulated electricity delivery operations of Western Power Distribution, serving Southwest and Central England and South Wales. This segment, formerly known as the international regulated segment, has been renamed to more specifically denote the U.K. focus.

Segment earnings from ongoing operations in the first quarter of 2012 rose by $0.15 per share compared with a year ago. This increase was primarily due to the strong operating results of the Midlands businesses, which were not included in the 2011 results. Also contributing to segment earnings were higher operating results at WPD's legacy delivery operations due to higher delivery revenues, partially offset by higher pension expense. These net positive results were partially offset by higher U.S. income taxes and dilution of $0.06 per share.

Pennsylvania Regulated Segment

PPL's Pennsylvania regulated segment consists of the regulated electricity delivery operations of PPL Electric Utilities.

Segment earnings from ongoing operations in the first quarter of 2012 declined by $0.05 per share compared with a year ago. This decline was primarily due to lower retail volumes as a result of extraordinarily mild winter weather, higher operation and maintenance expense, higher depreciation, and dilution of $0.01 per share.

Supply Segment

PPL's supply segment consists primarily of the competitive domestic electricity generation and the energy marketing operations of PPL Energy Supply.

Segment earnings from ongoing operations in the first quarter of 2012 declined by $0.15 per share compared with a year ago. This decline was primarily due to lower Eastern energy margins as a result of lower energy and capacity prices, which were partially offset by higher nuclear generation. Also contributing to the decline were higher operation and maintenance expense, higher depreciation, and dilution of $0.06 cents per share. These net negative earnings drivers were partially offset by lower income taxes.

2012 Earnings from Ongoing Operations Forecast by Business Segment

Earnings (per share)	2012 (Forecast) midpoint	2011 (Actual)
Kentucky Regulated	$0.33	$0.40
U.K. Regulated	1.07	0.87
Pennsylvania Regulated	0.20	0.31
Supply	0.70	1.15
Total	$2.30	$2.73

PPL expects lower earnings in 2012 compared with 2011, primarily due to lower energy margins in the supply segment, partially offset by a full year of earnings from the Midlands businesses. These projected earnings also reflect dilution of $0.13 per share associated with PPL's April 2011 issuance of common stock to finance the Midlands acquisition.

Kentucky Regulated Segment

PPL projects lower segment earnings in 2012 compared with 2011, primarily driven by higher operation and maintenance expense and higher depreciation, which are expected to be partially offset by higher margins. Dilution for 2012 is expected to be $0.02 per share.

U.K. Regulated Segment
PPL projects higher segment earnings in 2012 compared with 2011, primarily driven by four additional months of earnings from the Midlands businesses and higher electricity delivery revenue. Partially offsetting these positive earnings drivers are higher income taxes, higher operation and maintenance expense, higher depreciation, higher financing costs and a less favorable currency exchange rate. Dilution for 2012 is expected to be $0.06 per share.

Pennsylvania Regulated Segment
PPL expects lower segment earnings in 2012 compared with 2011, primarily driven by higher operation and maintenance expense, higher depreciation, and lower distribution revenue, which are expected to be partially offset by higher transmission revenue and lower financing costs. Dilution for 2012 is expected to be $0.01 per share.

Supply Segment
PPL expects lower segment earnings in 2012 compared with 2011. The decrease is primarily driven by lower energy margins as a result of lower energy and capacity prices and higher fuel costs, higher operation and maintenance expense, and higher depreciation, which are expected to be partially offset by higher baseload generation. Dilution for 2012 is expected to be $0.04 per share.

PPL Corporation, headquartered in Allentown, Pa., owns or controls about 19,000 megawatts of generating capacity in the United States, sells energy in key U.S. markets, and delivers electricity and natural gas to about 10 million customers in the United States and the United Kingdom. More information is available at www.pplweb.com .

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(*Note: All references to earnings per share in the text and tables of this news release are stated in terms of diluted earnings per share.*)

Conference Call and Webcast

PPL invites interested parties to listen to a live Internet webcast of management's teleconference with financial analysts about first-quarter 2012 financial results at 9 a.m. EDT Friday, May 4. The meeting is available online live, in audio format, along with slides of the presentation, on PPL's website: www.pplweb.com. The webcast will be available for replay on the PPL website for 30 days. Interested individuals also can access the live conference call via telephone at 702-696-4769 (ID#74989631).

"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 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.

Statements contained in this news release, 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; 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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Note to Editors: Visit PPL's media website at www.pplnewsroom.com for additional news and background about PPL Corporation and its subsidiaries.

PPL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED FINANCIAL INFORMATION (a)

Condensed Consolidated Balance Sheets (Unaudited)
(Millions of Dollars)

	March 31, 2012	December 31, 2011
Assets		
Cash and cash equivalents	$ 1,103	$ 1,202
Price risk management assets - current	3,230	2,548
Other current assets	2,729	2,676
Investments	768	718
Property, Plant and Equipment		
Regulated utility plant	23,544	22,994
Less: Accumulated depreciation	3,701	3,534
Regulated utility plant, net	19,843	19,460
Non-regulated property, plant and equipment	11,915	11,809
Less: Accumulated depreciation	5,758	5,676
Non-regulated property, plant and equipment, net	6,157	6,133
Construction work in progress	1,706	1,673
Property, Plant and Equipment, net	27,706	27,266
Regulatory assets	1,334	1,349
Goodwill and other intangibles	5,225	5,179
Price risk management assets - noncurrent	1,186	920
Other noncurrent assets	801	790
Total Assets	$ 44,082	$ 42,648
Liabilities and Equity		
Short-term debt	$ 674	$ 578
Price risk management liabilities - current	2,149	1,570
Other current liabilities	3,065	3,107
Long-term debt	18,076	17,993
Deferred income taxes and investment tax credits	3,884	3,611
Price risk management liabilities - noncurrent	1,074	840
Accrued pension obligations	1,105	1,299
Regulatory liabilities	1,009	1,010
Other noncurrent liabilities	1,511	1,544
Common stock and additional paid in capital	6,868	6,819
Earnings reinvested	5,129	4,797
Accumulated other comprehensive loss	(730)	(788)
Noncontrolling interests	268	268
Total Liabilities and Equity	$ 44,082	$ 42,648

(a) The Financial Statements in this news release have been condensed and summarized for purposes of this presentation. Please refer to PPL Corporation's periodic filings with the Securities and Exchange Commission for full financial statements, including note disclosure.

PPL CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Income (Unaudited)
(Millions of Dollars, Except Share Data)

	3 Months Ended March 31,	
	2012 (a)	**2011 (a)**
Operating Revenues		
Utility	$ 1,714	$ 1,536
Unregulated retail electric and gas (b)	223	147
Wholesale energy marketing		
Realized	1,208	1,038
Unrealized economic activity (b)	852	57
Net energy trading margins	8	11
Energy-related businesses	107	121
Total Operating Revenues	4,112	2,910
Operating Expenses		
Operation		
Fuel (b)	424	475
Energy purchases		
Realized	883	671
Unrealized economic activity (b)	591	(18)
Other operation and maintenance	706	583
Depreciation	264	208
Taxes, other than income	91	73
Energy-related businesses	102	113
Total Operating Expenses	3,061	2,105
Operating Income	1,051	805
Other Income (Expense) - net	(17)	(5)
Other-Than-Temporary Impairments		1
Interest Expense	230	174
Income from Continuing Operations Before Income Taxes	804	625
Income Taxes	259	223
Income from Continuing Operations After Income Taxes	545	402
Income (Loss) from Discontinued Operations (net of income taxes)		3
Net Income	545	405
Net Income Attributable to Noncontrolling Interests	4	4
Net Income Attributable to PPL Corporation	$ 541	$ 401
Amounts Attributable to PPL Corporation:		
Income from Continuing Operations After Income Taxes	$ 541	$ 398
Income (Loss) from Discontinued Operations (net of income taxes)		3
Net Income	$ 541	$ 401
Earnings Per Share of Common Stock - Basic		
Net Income Available to PPL Corporation Common Shareowners	$ 0.93	$ 0.82
Earnings Per Share of Common Stock - Diluted (c)		
Earnings from Ongoing Operations	$ 0.70	$ 0.84
Special Items	0.23	(0.02)
Net Income Available to PPL Corporation Common Shareowners	$ 0.93	$ 0.82
Weighted-Average Shares of Common Stock Outstanding (in thousands)		
Basic	579,041	484,138
Diluted	579,527	484,345

(a) The results of operations for 2012 are not comparable with 2011 due to the April 2011 acquisition of WPD Midlands.
(b) Includes activity from energy-related contracts to hedge future cash flows that were not eligible for hedge accounting, or for which hedge accounting was not elected.
(c) Earnings in 2012 and 2011 were impacted by several special items, as described in the text and tables of this news release. Earnings from ongoing operations exclude the impact of these special items.

PPL CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows (Unaudited)
(Millions of Dollars)

	3 Months Ended March 31,	
	2012 (a)	**2011 (a)**
Cash Flows from Operating Activities		
Net income	$ 545	$ 405
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	264	208
Amortization	55	47
Defined benefit plans - expense	42	39
Deferred income taxes and investment tax credits	257	204
Unrealized (gains) losses on derivatives, and other hedging activities	(235)	(96)
Change in current assets and current liabilities		
Counterparty collateral	65	(195)
Other	(50)	5
Defined benefit plans - funding	(208)	(438)
Other operating activities	(7)	17
Net cash provided by operating activities	728	196
Cash Flows from Investing Activities		
Expenditures for property, plant and equipment	(682)	(428)
Proceeds from the sale of certain non-core generation facilities		381
Purchases of nuclear plant decommissioning trust investments	(38)	(79)
Proceeds from the sale of nuclear plant decommissioning trust investments	34	75
Proceeds from the sale of other investments	16	163
Net (increase) decrease in restricted cash and cash equivalents	(22)	(7)
Other investing activities	(19)	(7)
Net cash provided by (used in) investing activities	(711)	98
Cash Flows from Financing Activities		
Issuance of common stock	16	16
Payment of common stock dividends	(203)	(170)
Net increase (decrease) in short-term debt	93	187
Other financing activities	(30)	(20)
Net cash provided by (used in) financing activities	(124)	13
Effect of Exchange Rates on Cash and Cash Equivalents	8	13
Net Increase (Decrease) in Cash and Cash Equivalents	(99)	320
Cash and Cash Equivalents at Beginning of Period	1,202	925
Cash and Cash Equivalents at End of Period	$ 1,103	$ 1,245

(a) The cash flows for 2012 are not comparable with 2011 due to the April 2011 acquisition of WPD Midlands.

Key Indicators (Unaudited)

Financial	12 Months Ended March 31, 2012	12 Months Ended March 31, 2011
Dividends declared per share	$ 1.41	$ 1.40
Book value per share (a)	$ 19.44	$ 17.60
Market price per share (a)	$ 28.26	$ 25.30
Dividend yield (a)	5.0%	5.5%
Dividend payout ratio (b)	50%	59%
Dividend payout ratio - earnings from ongoing operations (b)(c)	54%	46%
Price/earnings ratio (a)(b)	10.0	10.7
Price/earnings ratio - earnings from ongoing operations (a)(b)(c)	10.8	8.3
Return on average common equity	15.35%	14.10%
Return on average common equity - earnings from ongoing operations (c)	14.19%	18.24%

(a) End of period.
(b) Based on diluted earnings per share.
(c) Calculated using earnings from ongoing operations, which excludes the impact of special items, as described in the text and tables of this news release.

Operating - Domestic & International Electricity Sales (Unaudited)

(GWh)	3 Months Ended March 31, 2012	3 Months Ended March 31, 2011	Percent Change
Domestic Retail Delivered (a)			
PPL Electric Utilities	9,761	10,473	(6.8%)
LKE	7,505	7,932	(5.4%)
Total	17,266	18,405	(6.2%)
Domestic Retail Supplied (b)			
PPL EnergyPlus	2,702	1,945	38.9%
LKE	7,505	7,932	(5.4%)
Total	10,207	9,877	3.3%
International Delivered			
United Kingdom (c)	21,423	7,546	183.9%
Domestic Wholesale			
PPL EnergyPlus - East	12,418	14,125	(12.1%)
PPL EnergyPlus - West	1,918	2,508	(23.5%)
LKE (d)	589	949	(37.9%)
Total	14,925	17,582	(15.1%)

(a) Represents GWh delivered and billed to retail customers.
(b) Represents GWh supplied by PPL EnergyPlus to PPL Electric Utilities as PLR, and to other retail customers in Pennsylvania, New Jersey, Montana and Maryland. Also includes GWh supplied by LKE to retail customers in Kentucky, Virginia and Tennessee.
(c) 2012 includes 14,303 GWh delivered by WPD Midlands, whereas no amounts are included for the 2011 period as the acquisition occurred April 1, 2011. Sales volumes for WPD operations are reported on a one-month lag.
(d) Represents FERC regulated municipal and unregulated off-system sales.

Reconciliation of Segment Earnings from Ongoing Operations to Reported Earnings
(After Tax)
(Unaudited)

1st Quarter 2012	(millions of dollars)				
	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 adjustments:					
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

	(per share - diluted)				
	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

Reconciliation of Segment Earnings from Ongoing Operations to Reported Earnings
(After Tax)
(Unaudited)

1st Quarter 2011	(millions of dollars)				
	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

	(per share - diluted)				
	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

Exhibit 99.2

1 st 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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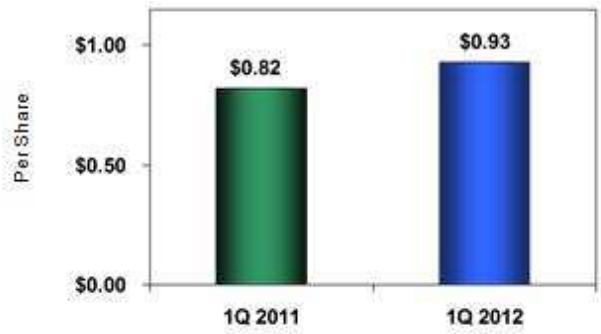
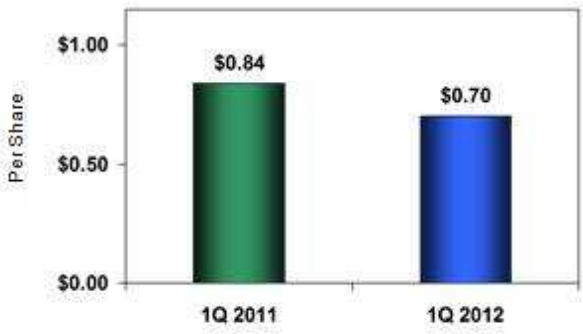
First Quarter Earnings Results

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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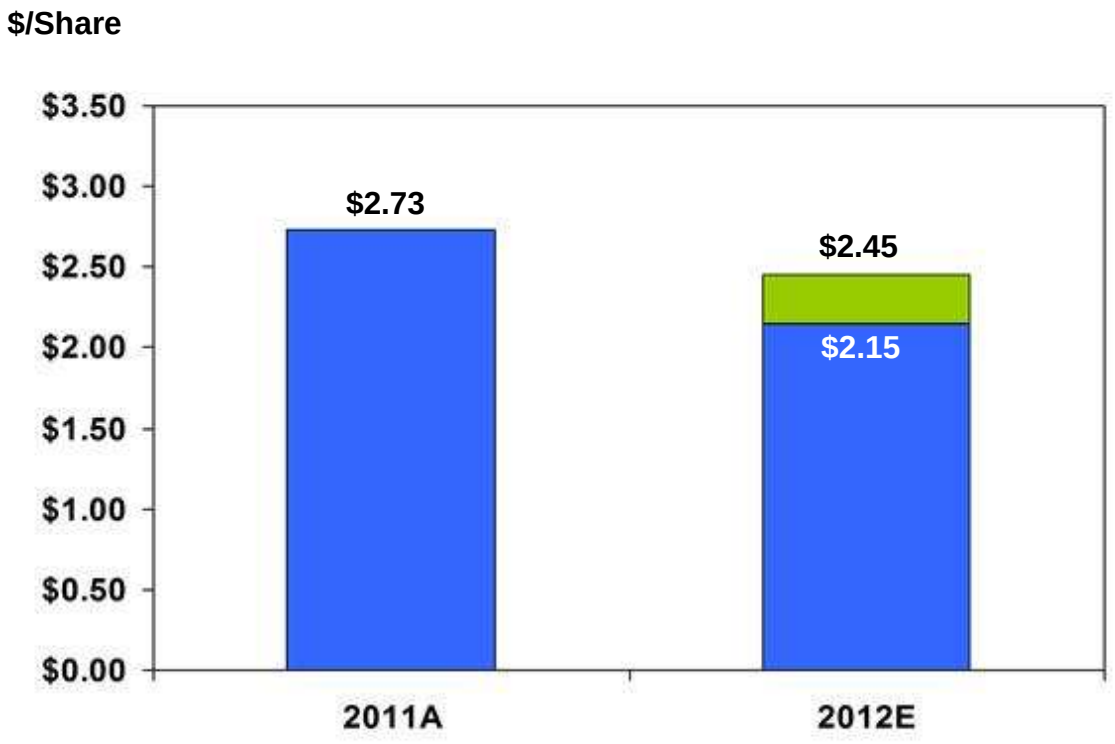
Reaffirmed 2012 Ongoing Earnings Forecast



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

	1 st 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

	1 st 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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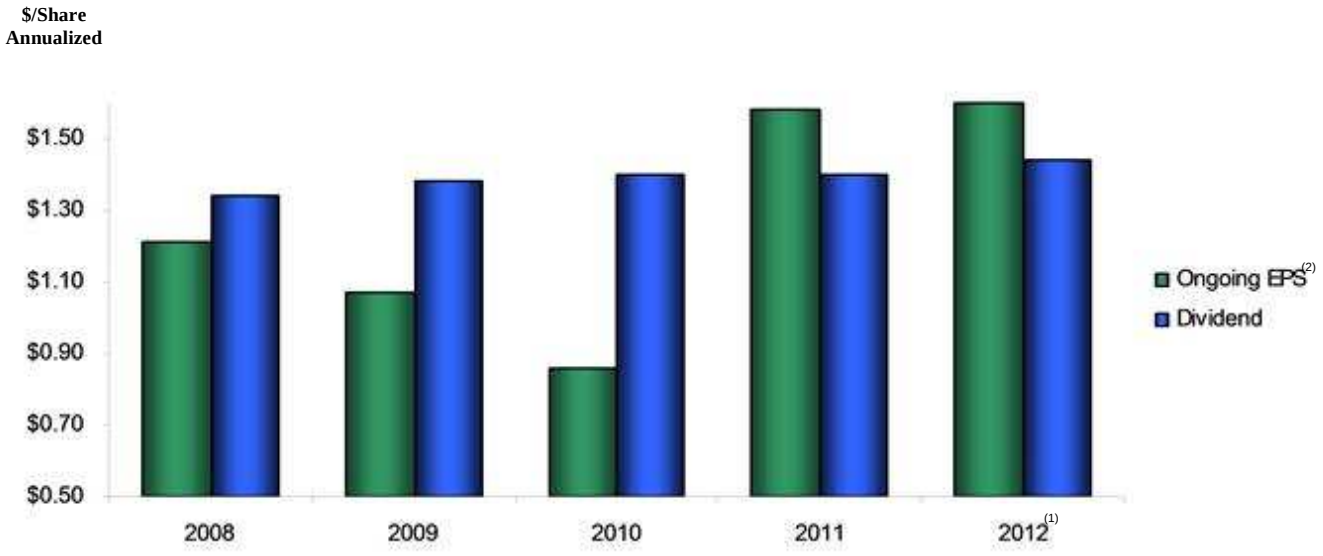
Dividend Profile

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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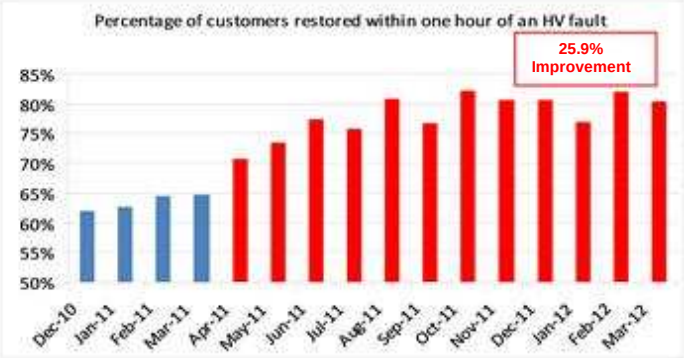
Midlands Integration - Improved Network Performance

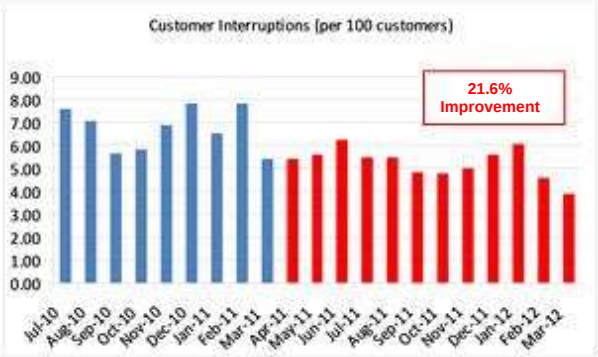
Target 60



Customer Minutes Lost

18 Hour Standard

Customer Interruptions (per 100 customers)



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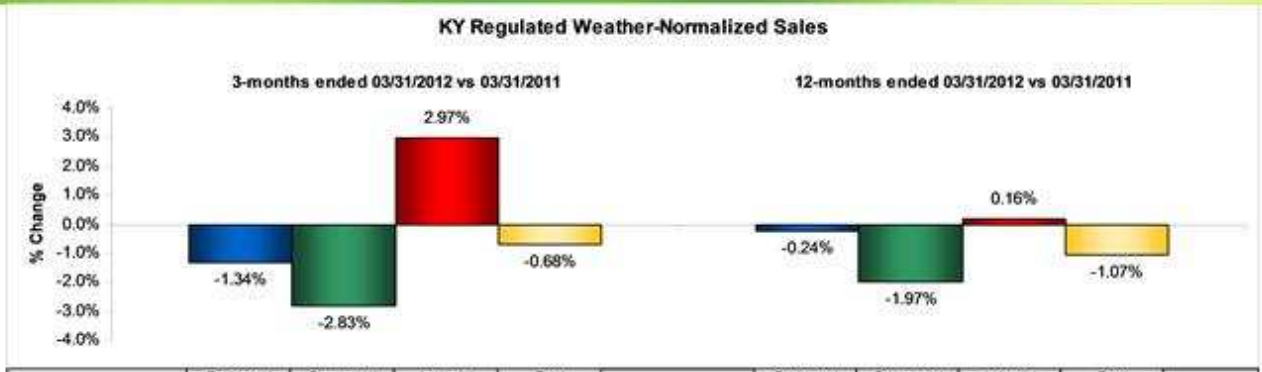
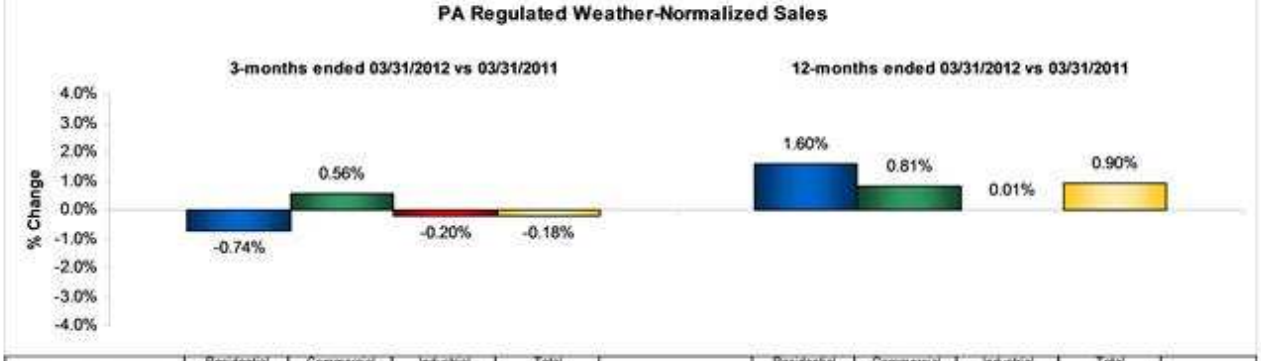
Regulated Volume Variances



	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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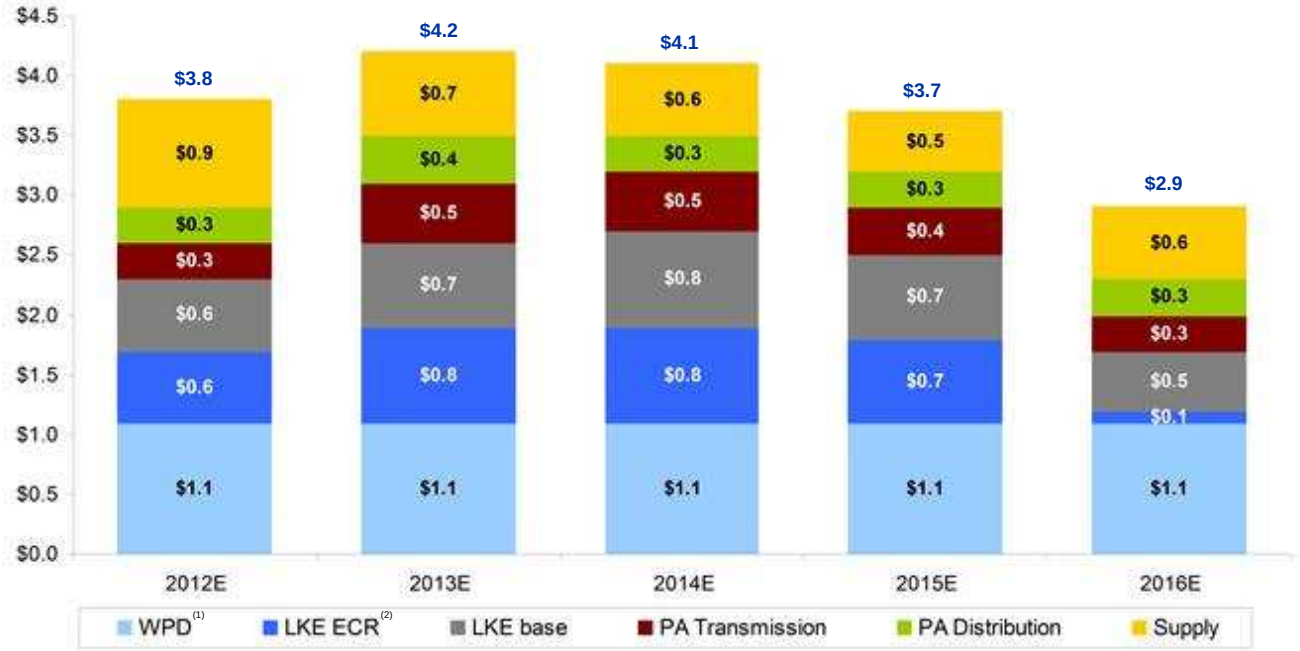
Capital Expenditures

($ 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.

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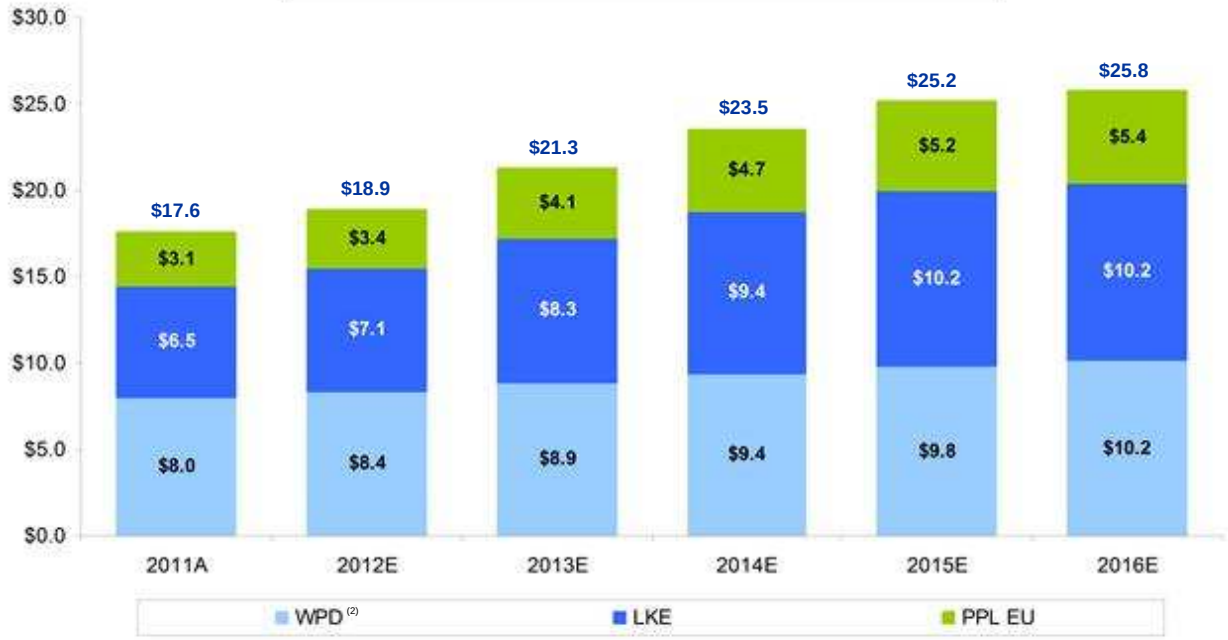
Projected Regulated Rate Base Growth

($ 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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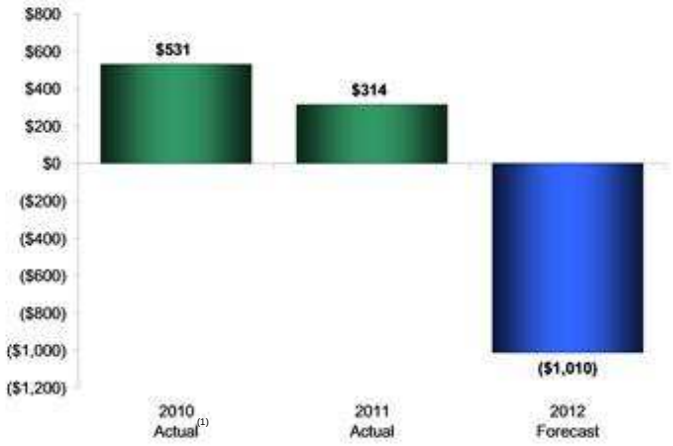
Free Cash Flow before Dividends

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 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.

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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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Exhibit 99.3

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KPSC Approves New Natural Gas Generation at LG&E and KU
Project Expected to Begin This Year; 250 Construction Jobs Anticipated At Peak

LOUISVILLE, Ky. (May 3, 2012) – The Kentucky Public Service Commission today approved plans for Louisville Gas and Electric Company and Kentucky Utilities Company to build and buy new natural gas generation to meet the energy needs of their customers.

As a result of stricter federal Environmental Protection Agency regulations, several of the utilities' older, coal-fired units — representing more than 13 percent of the utilities' coal fleet — must be retired by 2016.

Today's ruling is a key milestone in the process. Subject to receipt of other permits, LG&E and KU plan to build the 640-megawatt, natural gas combined-cycle (NGCC), generating unit at the existing Cane Run site in southwestern Louisville.

The ruling also moves the utilities a step closer to the purchase of three additional simple-cycle natural gas combustion turbines from Bluegrass Generation Company located in LaGrange. The purchase of the Bluegrass units, which will provide up to 495 megawatts of peak generation supply, is still subject to Federal Energy Regulatory Commission approval.

"With this regulatory approval, we can begin focusing on this significant investment in our system. We worked diligently to develop a least-cost solution to meet the federal regulatory mandates and we're pleased that the KPSC has approved the plan," said Lonnie Bellar, vice president of State Regulation and Rates for LG&E and KU.

The NGCC is expected to cost approximately $583 million and the Bluegrass plant is expected to cost approximately $110 million. Recovery of the additional costs is not part of today's ruling, but will be included in future rate proceedings.

Cane Run and Green River coal units will need to remain operational until the replacement generation and associated transmission projects are completed. Construction of the NGCC is expected to begin this year and be complete in 2015. At the peak of the construction phase, approximately 250 jobs are expected to be created.

Louisville Gas and Electric Company and Kentucky Utilities Company, part of the PPL Corporation (NYSE: PPL) family of companies, are regulated utilities that serve a total of 1.2 million customers and have consistently ranked among the best companies for customer service in the United States. LG&E serves 321,000 natural gas and 397,000 electric customers in Louisville and 16 surrounding counties. Kentucky Utilities serves 546,000 customers in 77 Kentucky counties and five counties in Virginia. More information is available at www.lge-ku.com and www.pplweb.com .

Certain statements contained in this news release, including statements with respect to future earnings, cash flow and business conditions, are "forward-looking statements" within the meaning of the federal securities laws. Although PPL Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company believe 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; competition; accounting requirements; operating performance and costs of plants and other facilities; political, regulatory or economic developments and conditions; disposition proceeds; and regulatory approvals. Any such forward-looking statements should be considered in light of such factors and in conjunction with PPL Corporation's, Louisville Gas and Electric Compan'sy and Kentucky Utilities Company's Form 10-K's and other reports on file with the Securities and Exchange Commission.

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