

LARGE FILING SEPERATOR SHEET

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OHIO EDISON COMPANY
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
THE TOLEDO EDISON COMPANY

VOLUME 5

Standard Filing Requirements

Schedules S-4.1 & S-4.2

**CASE No. 07-551-EL-AIR
SCHEDULE S-4.2**

Management Policies, Practices, and Organization

SFR Reference: (e)(iv) Management Information Systems

2. Strategic and Long-Range Planning

The strategy of the IT Department is to work collaboratively with the Company's business units and vendor strategic partners to continuously update our technology road maps and maximize our investment by bringing the greatest value to the Company. The IT Department focuses on projects and initiatives that add value to its customers and provides secure and reliable systems, hardware, networks, facilities and processes while continually improving productivity. These efforts are executed in line with the overall strategic plan that supports the Company's business, thus ensuring that business unit value through technology is consistent with the overall technology environment that enables the Company to achieve its goals and enables business units to achieve their strategic objectives.

The IT Department participates in the Company's long-range planning process led by the Integrated Business Planning group. The IT Business Plan addresses the following areas: Strategic Alignment, Risk Analysis, IT Strategy, IT Governance and Strategic Objectives & Initiatives. The IT Business Plan is updated at least annually and is adjusted as the business environment changes. Information contained in the IT Business Plan represents a five-year look at our key strategies, projects and objectives.

The IT Department has a continuous Strategy Process that serves two functions. The first is to work with the Company's business units to identify technology needs and to provide solutions that support business unit efforts in achieving long-term goals. The second is to identify new enterprise technologies that will benefit the entire organization. The Strategy Process also includes updates to the Enterprise Technology Road Map and the Key Events Timeline.

3. Organizational Structure

The IT Department is led by a Vice President and Chief Information Officer who reports to the Senior Vice President of Strategic Planning and Operations. The Chief Information Officer and IT Directors comprise the IT Leadership Team.

The Company utilizes a centralized organizational model for the IT Department.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

IT Department decisions are made at two distinct levels: strategic and operational. Strategic decisions involve the business unit and the IT Department, while operational decisions are made by the IT Department. The operational decisions ensure a safe and reliable computing environment while meeting all requirements for mandated compliance and promoting IT best practices. Enterprise strategic decisions are made by the IT Governance Committee with input from the individual business unit and IT Steering Committees. IT strategic decisions are made by the IT Leadership Team. Operationally the IT business unit support managers' work with the business unit leadership in less formal settings. To maintain operational consistency there are two teams that review application and architecture changes.

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These committees and teams are held accountable for their decisions through the KPI's that are established and updated annually.

At the highest strategic level, the IT Governance Committee provides: guidance on IT principles that impact business units, direction on the development of technology strategies, guidance on IT investments for the organization, and an understanding of how business units and IT can focus on leveraging and investing in technologies across the enterprise. This Committee meets bi-monthly and consists of the Vice President Information Technology, Corporate Security and Chief Information Officer and eight business unit vice presidents who represent the major business unit areas.

Also at the strategic level, the leadership of the business units meets regularly with the IT Department Directors in Steering Committee meetings to provide the following: oversight and governance of the business unit applications, vision and direction for the business unit - IT initiatives, prioritization of projects, issue resolution and risk mitigation. Capital funding decisions are escalated to the senior leadership of the business unit for approval before entering the corporate capital review process.

The IT Leadership Team meets weekly. When decisions are required to support the business of IT the IT Leadership Team acts as its own Steering Committee. The IT Leadership Team addresses enterprise applications, infrastructure, network and IT strategic decisions.

Operationally the IT Department Business Support Managers meet regularly with the business unit to discuss the status of projects, enhancements, initiatives and escalated break-fix concerns. They establish the priority of the day-to-day work requests and ensure that resources are assigned to the highest value work in a given time period.

The Architecture Review Board develops standards for data, applications, infrastructure and networks. This group meets quarterly to review exception requests and to prepare recommendations for new standards. The IT Leadership Team approves the new standards.

The Application Design Review (ADR) team provides a process to have multiple IT domain principles evaluate application changes when non-standard technology is used or when it is a new application/technology. The ADR approves requests and offers mitigating strategies for exceptions to maintain the integrity of the system architecture. The ADR monitors compliance to the exceptions.

5. Controlling Process

The IT Department is responsible to meet the Sarbanes-Oxley requirements for the IT General Controls and the Entity Level Controls specific to IT services. The controls are audited at least annually by the Internal Audit Group and by the external auditors. The IT Department is also responsible to comply, as applicable, with the Entity Level Controls of other departments such as Human Resources, Internal Auditing and Integrated Business Planning.

IT Security is a centralized function within the IT Department that develops, communicates and implements IT Security Policies. They also monitor IT Security compliance.

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The Company utilizes a systematic approach to implementing new technologies in the environment. The Application Development Methodology (ADM) consists of five phases: (1) Define Project, (2) Requirements Analysis, (3) Design, Construct and Test, (4) Implementation and (5) Post-Implementation. There are controls within the ADM that must be met before an application/technology will be allowed to move into a production environment.

The IT Change Management team follows a defined protocol to make changes in the production environment. Changes are reviewed, discussed and approved before being scheduled. This allows for communication with the impacted business unit to mitigate risks from an interruption of service.

An IT incident management system is used to respond quickly to problems with an IT asset. Once an incident has been received from an employee or an automated IT monitoring system, an incident ticket is generated. The incident will remain open until it is resolved and closed.

Disaster Recovery plans are in place for critical applications. These plans are reviewed and updated on a regular schedule with the business unit owners. The IT Department maintains its own Business Continuity Plan as part of the enterprise Business Continuity Plan process.

The performance of the IT Department relative to achieving their KPI's is evaluated on a quarterly basis. The measurement criteria is determined as part of the objectives. The Directors report their achievement status to the Vice President Information Technology, Corporate Security and Chief Information Officer. Group objectives are then reported to the Senior Vice President of Strategic Planning and Operations.

6. Internal and External Communications***Internal Communications - Within IT***

The Vice President Information Technology, Corporate Security and Chief Information Officer holds quarterly broadcasts with the entire IT Department in order to deliver a consistent message to the staff that are in many locations. This is one of the forums for change leadership relative to active initiatives. Other topics may include organizational updates, status of KPI's, strategy updates and open questions.

The Vice President Information Technology, Corporate Security and Chief Information Officer holds a quarterly expanded staff meeting for directors and managers. These meetings serve as a communication forum across the multiple disciplines within IT.

A weekly IT Bulletin is published via email to the IT Department staff. The IT Bulletin contains summary information on a variety of topics of interest to the IT Department employee.

An IT Community is located on the FirstPlace intranet site. The content contains IT Operational Information, IT Organizational Performance, IT Strategic Information, IT Projects and Initiatives, Professional Enrichment and IT Organizational Information.

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Internal Communications - Within the Company

Annually the Vice President Information Technology, Corporate Security and Chief Information Officer makes a presentation to the Board of Directors. The presentation reviews risks and mitigating strategies about the IT Department operations and strategies.

Information that needs to be communicated to the corporate enterprise staff is done through the processes and mediums provided by the Communications Department. The IT Security portal community gives access to all employees so they can view the policies and standards that are applicable to them.

The Cyber Security Forum meets regularly to expose senior management to the issues that surround a secure network and the specific challenges that the Company encounters. Cyber Security training is provided for staff that connects to the network.

External Communications - Outside IT

The IT Department is engaged with its primary vendors to leverage support for the products that we have with them. The IT Department participates in the User Groups sponsored by various vendors. By special arrangement the IT Department will agree to be a reference for the vendors' products.

Industry Partners provide a research service and educational opportunities. IT Department participation with these industry partners dialogs and activities improve our position as an IT organization in pursuit of best practices.

**CASE No. 07-551-EL-AIR
SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (e)(v) Insurance

(v) Insurance**1. Policy and Goal Setting**

The Company's policy with regard to insurance risk management is to continually identify, measure, and evaluate exposures to loss. If such exposure cannot be eliminated or materially reduced, and the risk associated with such exposure could substantially impair assets, insurance coverage is obtained based on sound economic considerations and commercial availability. It is the Company's policy to purchase insurance which will meet contract requirements, as well as applicable laws and regulations.

2. Strategic and Long-Range Planning

The strategic and long-range planning is developed and implemented by the Manager, Insurance Risk Management under the leadership of the Vice President, Corporate Risk and Chief Risk Officer. The goal is to avoid financial loss through the systematic elimination of risk and the prudent use of insurance. Long-range strategies are an on-going function of Insurance Risk Management and are reviewed as appropriate by the Senior Vice President and Chief Financial Officer.

3. Organizational Structure

Insurance Risk Management is a section in the Corporate Risk Department. The personnel performing the insurance risk management function are dedicated exclusively to it and report to the Vice President, Corporate Risk and Chief Risk Officer, who in turn reports to the Senior Vice President and Chief Financial Officer.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

The Insurance Risk Management section develops recommendations for attaining the policy and goals. Recommendations for acquiring, revising, or terminating all types of insurance are based on business judgment, corporate and industry loss experience, loss control inspections, requirements of certain contracts, applicable laws, costs and deductibles, and regulatory requirements. The recommendations are reviewed by the Vice President, Corporate Risk and Chief Risk Officer and submitted to the Senior Vice President and Chief Financial Officer for approval. If approved, implementation is carried out by the Insurance Risk Management section.

5. Controlling Process

Company guidelines require that all occurrences of loss and significant changes to loss exposure be reported to Insurance Risk Management so that insurance claims or coverage modifications may be made. The Insurance Risk Management section utilizes written, oral and electronic communications to inform key employees about the corporate insurance program and about their responsibilities for reporting losses. Insurance Risk Management

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SFR Reference: (e)(v) Insurance

maintains summaries of property values, insurance coverage, costs, loss experience and other components of the Company's insurance program.

Exposure to loss in all areas and operations of the Company are examined by Insurance Risk Management personnel and/or representatives of outside inspection or insurance organizations to ascertain where and how existing exposure can be reduced and whether or not specific risks are properly insured. Insurance coverage includes physical damage, public liability, fidelity, fiduciary liability, directors and officers, outage, workers' compensation, and nuclear property and liability. Required surety bonds are also placed by Insurance Risk Management.

6. Internal and External Communications

Internal insurance communications consists of regular meetings with the Vice President, Corporate Risk and Chief Risk Officer and the Senior Vice President and Chief Financial Officer, monthly activity reports, quarterly insurance coverage summaries, periodic presentations to the Finance Committee of the Board of Directors, and FirstPlace intranet site postings.

External communications consists of regular contact with consultants, insurance brokers, and other utility insurance risk management professionals. Such outside contacts are maintained through participation in meetings conducted by Nuclear Electric Insurance Limited, Associated Electric & Gas Insurance Services, Energy Insurance Mutual, Factory Mutual, EEI and other similar organizations.

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SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (e)(vi) Land Management

(vi) Land Management**1. Policy and Goal Setting**

The Real Estate and Facilities Department is responsible for land management policies and goals. Policy making and goal setting occur at the department level with guidance and direction from the Department Director and the managers.

The Real Estate and Facilities Department maintains a five year business plan that documents the most critical goals of the Department. The Department Director meets with the Manager, Real Estate Services and the Manager, Facilities Services annually to revise the goals of the Department. The Department Director and the Vice President, Corporate Secretary and Chief Ethics Officer then propose KPI's that measure attainment of the goals.

The Real Estate and Facilities Department goal setting process is evaluated based on the following criteria:

- Do Department goals support the corporate goals/objectives;
- Do goals support the Department's objective of providing real estate services to the Company for the acquisition, leasing, management and disposition of facilities, and to maintain the land and land rights necessary for the efficient operation of the Company;
- Do goals support the Department's objective of providing timely service within budgetary requirements; and
- Are appropriate KPI's and measurements established to evaluate success.

2. Strategic and Long-Range Planning

The strategic plan of the Real Estate and Facilities Department is set forth in its business plan which contains initiatives that support the Department's vision, goals, and KPI's. The Department Director and managers review the progress of these KPI's on a quarterly basis and make course corrections in strategy as needed. The business plan initiatives are typically set for a 12 to 24 month time period.

The strategy includes plans to acquire, lease, manage, and dispose of facilities, land and land rights to meet the goals of the Company.

The long-range plans of The Real Estate and Facilities Department involve a strategic collaboration with a variety of sectors within the Company. The Department directly partners with the Engineering group and the Energy Delivery group to assess future needs. Long-range plans typically include an assessment and plan for, facility needs, substation sites, and acquisitions of rights of way.

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3. Organizational Structure

The Director, Real Estate & Facilities reports directly to the Vice President, Corporate Secretary and Chief Ethics Officer.

The Real Estate & Facilities Department is divided into two sections; the Real Estate Services Section and the Facilities Services Section. Each Section has a manager and each manager has supervisors and staff reporting to them.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

Routine, day-to-day decisions are normally made by the employees performing the jobs, who are most knowledgeable about the particular situation. Supervisory oversight assists employees in decision making and helps to ensure that decisions are consistent with the standard practices exemplified in approved form documents. Less routine operational decisions are made by the responsible supervisors and managers. Unusual events are reviewed with the Director, Real Estate & Facilities who, when appropriate, reviews the matter with the Vice President, Corporate Secretary and Chief Ethics Officer.

5. Controlling Process

The Real Estate and Facilities Department has a fairly detailed controlling process that ensures that decisions that are made are in the best interest of the Company. An example of this process pertaining to the purchase of land is as follows: The process begins with a request from a operating unit for the Real Estate and Facilities Department to negotiate an option agreement. The Real Estate and Facilities Department utilizes various internal and external resources to negotiate an option agreement that is most favorable to the Company. The Real Estate and Facilities Department then notifies the operating unit that an option agreement is in place. The completion of the option agreement triggers a due diligence period in which operating unit personnel investigate the property to ensure that it is suitable for the required purpose. The requesting operating unit notifies the Real Estate and Facilities Department when they have completed their due diligence and approves the site. The Real Estate and Facilities Department exercises the option and completes the transaction. The Director, Real Estate & Facilities signs all options and purchase agreements. In a transaction that involves the disposition of property the deed must be signed by two officers of the Company.

6. Internal and External Communications

Internal communications consists of calls, meetings and correspondence with the Company and other departments along with periodic project review meetings.

External communications consists of calls, contacts and correspondence with developers, real estate brokers, appraisers, title companies, private property owners, other utility companies and local, state and federal governmental agencies.

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SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (e)(vii) Records Management

(vii) Records Management**1. Policy and Goal Setting**

The Company's records retention policy provides guidance and criteria for the uniform implementation of an enterprise-wide, records management program. The program ensures that business records are appropriately retained for legal, regulatory, and business compliance, and when appropriate, properly dispositioned.

The policy is established and periodically reviewed as necessary based on government regulations, quality assurance requirements and Company objectives. Policy is found in FirstEnergy Business Practice- "Records Accuracy and Management," and Corporate Policy, "FirstEnergy Records Retention," and Enterprise Records Management retention schedules.

While the primary goal of records management is regulatory and policy compliance, secondary goals are utilized to drive process and service improvement. Enterprise Records Management goals are reviewed and updated as needed annually by the director and manager of these services. Goals are measurable and reported monthly.

2. Strategic and Long-Range Planning

Strategic and long-range planning are elements of a five-year business plan that is reviewed and updated annually. Enterprise Records Management strategy is to monitor and use industry best practice, government regulations, industry standards and internal requirements to ensure proper capture, storage, maintenance and disposition of records. The objective of long-range planning is to chart actions that provide for adequate facilities and systems.

3. Organizational Structure

The Company's records management responsibility is managed by the Records & Information Compliance Department. The Department is led by the Director of Records & Information Compliance, who reports to the Vice President, Corporate Secretary and Chief Ethics Officer. The Vice President, Corporate Secretary and Chief Ethics Officer reports to the Senior Vice President and General Counsel.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

Authority and responsibilities for decision making are defined in the FirstEnergy Business Practice Manual, "Records Accuracy and Management." The Records & Information Compliance Department is responsible for decisions regarding records management practices. The Legal Department provides guidance on the retention periods for business records and the legal hold process.

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SFR Reference: (e)(vii) Records Management

5. Controlling Process

Company procedures for retrieval, storage, protection and retention of records are founded in government regulations, industry standards and best practices. Periodic training of Company employees reinforces Company policies and procedures for records management.

The Company's records retention schedule controls the retention duration for each type of business record. Electric utility record retention periods are specified by PUCO Rule 4901:1-9-06, effective January 1, 1988. Nuclear power plant record retention periods are specified in various documents, including the American National Standard Institute N45.2.9-1974, the American Nuclear Insurers ("ANI"), the Nuclear Regulatory Commission ("NRC"), and the American Society of Mechanical Engineers Code. The schedule of records and periods of retention contained in the FERC regulations are used as a supplementary guide.

The Legal Department controls the legal hold process and the Records & Information Compliance Department manages the process to suspend and preserve business records relevant to the respective legal holds.

6. Internal and External Communications

Internal communications such as retention policy practices, destruction notification, destruction suspension, and record retrievals are communicated by the Records & Information Compliance Department. All legal holds are communicated by the Legal Department.

All external communications are handled by the Communications Department. External communications are received by various agencies such as the PUCO, FERC, the NRC, ANI and communications with other utilities.

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Management Policies, Practices, and Organization

SFR Reference: (f)(i) Salary and Benefits Administration

f. HUMAN RESOURCES

(i) Salary and Benefits Administration

1. Policy and Goal Setting

The Benefits Department is responsible for designing, implementing and maintaining comprehensive benefit programs that are competitive with comparable utilities and local industries and doing so in a manner that is cost effective. It is the goal of the Benefits Department to develop plan designs that provide a total benefits package which is both market-competitive and sustainable. Providing competitive benefits is essential to attract and retain high caliber talent.

Benefit programs, plans and policies are designed to provide flexible, affordable health care options that allow for balance in work and family life. Summary Plan Descriptions are developed to outline policies related to the standard procedures and administration of the benefit plans.

The goal of the Compensation Department is to attract, motivate, retain and reward employees whose performance, contribution and behaviors help drive the Company's success. The foundation of this philosophy is to pay employees commensurate with their performance in base and variable pay programs. These programs provide the basis for sound, consistent and competitive compensation administration across the Company.

Overall, compensation programs, plans and policies are designed to provide the Company the flexibility to accommodate the individual needs of all employees. The goal of the policies is to encourage desired performance, contributions, behaviors and results. It is also the Company's policy to deliver rewards in a nondiscriminatory manner, to provide compensation plans that can be easily understood and administered by management, and to foster equity and consistency in its compensation programs.

The base pay compensation program is designed to achieve individual base pay levels that represent a proper balance between an employee's internal value and the external market. The Compensation Department is responsible for developing, implementing and administering all compensation programs and auditing results to ensure compliance with all legal and regulatory standards. In addition, the Compensation Department is responsible for evaluating market rates, establishing merit budgets and administering both the merit review and Incentive Compensation Plan processes. Regional management, along with the Compensation Department, is responsible for ongoing pay management and ensuring that salaries are managed on a nondiscriminatory basis.

Executive compensation & benefits policies and practices are established by the Board of Directors and administered by the Compensation and Benefits Departments of Human Resources. The effectiveness of the benefits and compensation programs can be determined by the Company's retention levels and ability to attract new talent. Management and the Compensation/Benefits Committees review the compensation

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programs on an annual basis to ensure they continue to align with Company goals and that the Company remains competitive in the market.

2. Strategic and Long-Range Planning

Long-range benefits administration strategies are developed to encompass a forward looking 3-5 year window. Annual benefit plan design and health care initiative reviews are conducted to ensure that long-range plans are fluid enough to absorb shifts in the market and to align with any changes in business goals. Benefit plan design strategies focus on cost effectiveness and target national trends to ensure the Company's benefits remain competitive. Extensive research is conducted to explore what comparable electrical utility companies are providing and how the Company plan designs compare. The Company partners with coalitions of local businesses in order to maximize our leverage when accepting bids from vendors for administration of benefit programs such as prescription, dental and vision. In addition, benefits staff members review and analyze detailed utilization and eligibility reports in order to collect data that will assist in decision-making processes.

The long-range salary administration strategy is to provide a competitive total compensation package to employees. The Compensation Department establishes the value of non-union jobs through an accepted compensation method referred to as market pricing. Market pricing incorporates the comparison of Company jobs to similar jobs with other electrical utilities and, where applicable, to similar jobs with companies in other industries who have similar demographics and revenue size. This comparison is done on a regular basis to ensure the Company's standard pay rates remain competitive. The Company endeavors to provide compensation at the median or 50th percentile market rate, with the opportunity to earn above-median compensation for strong Company and/or individual performance.

The Compensation Department is also responsible for base pay compensation planning and the development of the annual Employee Incentive Compensation Plan. The Incentive Compensation Plan provides incentive awards to employees whose contributions support the successful achievement of Corporate Financial and Operational KPI's.

The long-term incentive program rewards executives for achievement of Company goals which ultimately result in an increased stock price. The program provides executives with award opportunities based on the long-term performance of the Company. This program is equity-based to align the long-term interests of executives with those of shareholders. Similar to the short-term incentive program, the Compensation Committee annually reviews executives' long-term incentive opportunities to ensure competitiveness with the Company's target market and makes any adjustments as appropriate, generally during the first quarter.

The Company also employs independent benefits and compensation consultants and internal consultants to analyze our plan designs and advise on regulatory/legal matters. The Benefits and Compensation Committees rely on the consultants to review executive compensation practices, plan designs, implementation plans and trends at other organizations to ensure the Company is paying a competitive total compensation package.

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The review encompasses benefits, base pay, annual incentives, long-term incentives, and perquisites.

3. Organizational Structure

The Benefits Department has the following reporting structure: Benefits staff, Supervisor of Benefits Administration, Supervisor of Human Resource Service Center, Supervisor of Compliance, Benefits Consultant, Manager of Employee Benefits & Compliance, Director of Human Resources, Vice President of Human Resources, Senior Vice President of Human Resources.

The Compensation Department has the following reporting structure: Compensation staff, Supervisor of Compensation, Manager of Employee/Executive Compensation & Payroll, Director of Compensation and Retirement Programs, Senior Vice President of Human Resources.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

The Benefits and Compensation staff make decisions within policy guidelines. Benefits team members make decisions on a daily basis within standard program parameters. Decision making that may not fall into standard operating procedures are escalated to the Supervisor level first and up the chain of command as the need arises. Major benefit plan or design decisions must be approved by the Benefits Steering Committee, which consists of Executive Officers. Changes made to the Benefits Human Resources Information System program are consistently tracked and evaluated to ensure validity and accuracy.

Daily operational decisions on compensation departmental matters are routinely made by the Supervisor of Compensation. Recommendations for changes to policies and procedures for the salary administration process are developed by the Compensation staff. These recommendations are reviewed and approved by the Supervisor of Compensation, Manager of Employee/Executive Compensation & Payroll, and final approval by the Director of Compensation and Retirement Programs and/or Senior Vice President of Human Resources. Recommendations involving executives are presented by the Director of Compensation and Retirement Programs and/or the Senior Vice President of Human Resources to the Compensation Committee of the Board of Directors for appropriate action.

5. Controlling Process

- Human Resources Service Center maintains benefit election and eligibility data via the Human Resources Information Systems. This team is responsible for processing routine changes to the system as needed within standard operating procedures/guidelines
- Department Professional Human Resources Representatives are assigned to specific insurance carriers and act as a liaison between the Company and the insurance carrier

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SFR Reference: (f)(i) Salary and Benefits Administration

to assist with escalated benefit billing/claims issues as well as to ensure insurance carriers are administering programs according to the terms of the contract

- Regularly scheduled meeting are conducted with vendors/carriers to discuss concerns and/or to implement changes
- Third party vendors are used to maintain day-to-day program administration
- Third party vendors are asked to assist with monitoring & auditing benefit program costs for delivery trends and insurance carrier performance
- Statistical data is collected from various sources (both internal and external) and reviewed to quantify key areas regarding performance indicators
- Continual review of benefit programs & plan designs to ensure adherence to performance standards and achievement of strategic goals
- Ensure compliance with financial reporting as it relates to the Sarbanes-Oxley Act
- Review protection of personal health information and legal obligations pertaining to the Health Insurance Portability and Accountability Act
- Preparing statistical data as needed for the Industrial Relations Department

Compensation:

- Developing, implementing and administering the total compensation program for the Company
- Facilitating external comparisons for non-union jobs, annual compensation planning and compensation practices to remain competitive in the industry while maintaining internal equity
- Coordinating and administering the Employee Incentive Compensation Plan and the Annual Merit Review Process
- Administering long-term incentive plan for executives and assisting in preparation for Compensation Committee meetings
- Preparing statistical data as requested for the Industrial Relations Department
- Consulting with management on all compensation practices, policies and procedures
- Maintaining the job titling and organizational reporting structure
- Administer Family Medical Leave, military time-off, leave of absences, vacation, holidays, Fair Labor Standards Act and all other regulatory required programs
- Ensure compliance with financial reporting as it relates to the Sarbanes-Oxley Act

6. Internal and External Communications

Face-to-face internal communications, phone conferences, email and Sametime sessions within the individual departments occur frequently during the work day. Communications to other departments generally occurs in person, via email, Sametime, or by phone in order to provide necessary services to other business units. Internal training occurs in person and via Sametime sessions as needed. Policy changes are generally communicated from the Director of Human Resources to Senior Management and department leadership. Topics affecting virtually all employees are communicated using various mediums, including Employee Update publications, meetings in person, and postings on the Company intranet site or mailings to employees' homes. The Benefits and Compensation Departments work with the Communications Department to develop the materials communicated through these mechanisms as needed.

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SFR Reference: (f)(i) Salary and Benefits Administration

External communication consists of phone conversations and in-person meetings with counterparts in other utilities and Human Resources consulting firms. Written external communications occur in the form of questionnaires, surveys and meetings. Members of both departments attend classes, workshops, seminars, training, conferences, and professional association meetings to stay informed of applicable laws and best practices as they apply to benefits and compensation.

**CASE No. 07-551-EL-AIR
SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (f)(ii) Recruiting and Selection

(ii) Recruiting and Selection**1. Policy and Goal Setting**

It is the Company's policy to recruit, select, and employ the best qualified candidates available for job openings. All candidates must meet specific requirements to be considered for openings and advancement opportunities.

The Company's Equal Employment Opportunity/Affirmative Action Policy reaffirms the Company's commitment to provide equal employment opportunities for employees and applicants in all terms and conditions of employment and to take affirmative action to employ and advance in employment qualified individuals in accordance with the Company's affirmative action programs. It is the responsibility of Human Resources to provide qualified candidates to fill employment requisitions and to monitor our program on a continuous basis. Quarterly reports are sent to Human Resources showing all employment activity that occurred during that period, such as new hires, terminations, and promotions. This information includes a snapshot of the workforce which shows the race and gender information of all applicants. This information is compared to our goals and our progress is tracked.

The Human Resources Department is responsible for directing the overall company Equal Employment Opportunity/Affirmative Action Program, which includes developing policy letters, identifying problem areas, assisting managers in resolving problems, providing internal/external communications, evaluating recruiting programs and serving as a liaison with community, governmental and professional agencies. Furthermore, the Human Resources Department is responsible for informing candidates of the Company's Equal Employment Opportunity/Affirmative Action Policy.

2. Strategic and Long-Range Planning

The Company's long-term strategic plans are to:

- Recruit the best qualified candidates in the most effective manner.
- Offer candidates an attractive opportunity that is challenging and competitively compensated.
- Foster active recruiting programs that maintain good college, community, and professional relationships.
- Maintain an effective recruitment and selection program for both the present and future staffing needs with special attention to Equal Employment Opportunity/Affirmative Action.
- Maintaining a Workforce Planning Team that reviews, identifies and develops strategies for future openings.
- Continue to administer a successful succession planning program which identifies employees with future supervisory/management potential.
- Continue to participate in professional and trade organizations and network those sources for leads on attractive recruiting pools.
- Continue to attend and participate in community or diversity events that may provide candidates for our positions.

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SFR Reference: (f)(ii) Recruiting and Selection

- Enhance the application process to ensure candidates provide the information that is the most useful for the Company to evaluate their candidacy.
- Use a proactive approach to reduce and control recruiting expenses by continuously evaluating the performance of our vendors.
- Upgrade the FE internet home page to make it more attractive to potential candidates.

Long-term recruitment planning is part of the annual budget and planning process. The strategies are developed by the Resourcing Department and submitted to the Director, Human Resources for approval. They are ultimately reviewed and approved by the Senior Vice President, Human Resources.

3. Organizational Structure

Recruiting is responsible for maintaining a centralized and standardized recruitment, selection, testing and placement processes. The Department is also responsible for administering the co-op education program and the internal job posting system.

The group is supervised by the Supervisor of Talent Acquisition, who directly reports to the Manager of Resourcing, who reports directly to the Director of Human Resources.

The Director reports to the Senior Vice President, Human Resources.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

Recommendations regarding the recruitment and selection process are developed by the Resourcing Department with input from the respective regional Human Resources Managers. All Human Resources representatives attend bi-monthly Resourcing and Compliance meetings to discuss any recommended changes. There are strategic discussions which involve input from all regions and plants as well as the corporate recruiting staff. Ultimately, the Director, Human Resources has the final decision making authority, subject to the approval of the Senior Vice President, Human Resources.

5. Controlling Process

Performance standards that have been set to determine goal accomplishments are:

- To successfully recruit internal and external candidates to fill positions in the most cost effective and efficient manner.
- Develop, conduct and attend recruitment programs through college campus recruiting, community events and professional networking events.

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SCHEDULE S-4.2**

Management Policies, Practices, and Organization

SFR Reference: (f)(ii) Recruiting and Selection

- Managing a cooperative and intern education program.
- Appropriate use of existing recruiting standards such as job specifications, pre-screening questions, behavioral based interviews, starting salaries and performance appraisals.
- Develop and maintain recruitment contacts with state, local and diverse organizations to assure an adequate source of candidates.
- Maintain applications and resumes in electronic format in order to identify candidates for available positions.
- Interviewing and testing applicants and employees in order to determine their suitability and capability for particular positions;
- Coordinate the internal and external job posting systems.

6. Internal and External Communications

Internal communications include weekly Recruiting meetings and bi-monthly Resourcing and Compliance meetings with all Human Resources personnel.

Other internal communications occur through the creation of cross functional teams to develop specific recommendations regarding issues. Communications on topics relevant to other divisions also occur in person daily. External communications with other departments are normally on a personal basis or by phone in order to provide the necessary services to the department.

Significant changes occurring within the respective divisions are reported at staff meetings. Topics which apply to the entire organization are communicated through corporate communication materials such as FirstPlace intranet site and/or the Employee Update newsletter. Human Resources collaborate with the Corporate Communication Department to develop the written communications.

External communications also consist of oral communications with counterparts in other utilities, questionnaires, surveys, and participation in professional association meetings, seminars and workshops as well as industry committee meetings. Members of the Department also maintain consistent contact with governmental agencies.

**CASE No. 07-551-EL-AIR
SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (f)(iii) Training and Career Development

(iii) Training and Career Development**1. Policy and Goal Setting**

Training and career development are means to develop both individual and organizational capabilities. It is the Company's policy to provide high quality and cost effective business and management skills training programs that support business objectives. The Company provides employees with the training they need to do their jobs safely and efficiently. A fully trained workforce is essential to providing customers with economical and reliable power. Talent Management, a department within the Human Resources Department, is one of seven training groups at the Company. Its course topics are designed to support employees across the Company and those areas that do not have their own training groups. Talent Management oversees and administers company-wide leadership and business skills training that are not business unit specific. Current statistics indicate that approximately 3,300 employees sign up for corporate training classes. Upon completion of a course, participants complete a survey to provide feedback on the class and instructor. This enables Talent Management to make adjustments to the content and delivery of the training.

Energy Delivery's Leadership Development and Employee Engagement Department is responsible for leading the strategic design and implementation of a comprehensive and integrated Leadership Development Program and championing employee engagement initiatives throughout ED&CS.

2. Strategic and Long-Range Planning

The Company is committed to providing development and career opportunities at all levels to its employees to ensure continued strong leadership for the Company's future. Attributes required for key leadership jobs (skills, knowledge, experience, and values) have been identified and employees are provided with development opportunities such as short-term assignments, challenging projects, job rotations and training. Examples include the Engineering Rotation Program, the Co-op/Intern Program, the Energy Delivery Excellence Project. Short (ready in 0 – 2 years) and longer-term (ready in 5 – 10 years) succession plans for key jobs have been established.

Developing leadership talent is a strategic imperative and as such, the Talent Management Department brings development programs into the Company to support leadership development efforts. This involves defining and centralizing leadership development, capturing current best practices, determining leadership development gaps, and developing a common leadership academy.

The Company partners with local community colleges and universities as well to offer technical training, offering opportunities for tuition assistance to those students who qualify for the Power Systems Institute (PSI) programs. These unique, two-year programs combine classroom learning with the hands-on training needed to open the door to opportunities as line or substation workers in the electric industry. Students earn associate degrees at the successful completion of the program. When they have finished their schooling, PSI

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Management Policies, Practices, and Organization

SFR Reference: (f)(iii) Training and Career Development

students are qualified to work on energized secondary power lines. After two more years of on-the-job training, these students rise to journeyman level, capable of performing all energized distribution work. The PSI program is the Company's primary supplier of new line and substation workers. Participating schools in Ohio are as follows: Lakeland Community College - Kirtland, OH; Owens Community College - Toledo, OH; Stark State College - Canton, OH; Youngstown State University - Youngstown, OH.

As part of the Energy Delivery Excellence Plan, a new Energy Delivery functional area has been created, Leadership Development and Employee Engagement. This new area is responsible for leading the strategic design and implementation of a comprehensive and integrated Leadership Development Program and championing employee engagement initiatives throughout ED&CS. Principal accountabilities include:

- Provide a strategic vision for Leadership Development to ensure that development is linked to business goals and objectives.
- Build ED&CS bench strength.
- Integrate existing processes, offerings and tools into a single program and make improvements based on internal feedback as well as external perspectives/benchmarks.
- Partner with ED&CS leadership to ensure sponsorship, engagement, and support for development.
- Interface with Talent Management and Human Resources business partners to ensure alignment of development efforts.
- Assist in the development and implementation of employee engagement initiatives throughout ED&CS.

3. Organizational Structure

Talent Management oversees and administers leadership and business skills training company wide. This function reports to the Senior Vice President of Human Resources.

The Leadership Development and Employee Engagement Department is led by a Director who reports to the Senior Vice President of ED&CS.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

The extent to which each functional area attends business skills training developed and offered by Talent Management resides with department supervisors and managers. Talent Management staff may recommend curriculum changes to the business skills courses which will be reviewed and approved by the Director of Talent Management. Any recommended changes to the leadership curriculum is reviewed and approved by the Senior Vice President of Human Resources and the Executive Council.

The Leadership Development and Employee Engagement Department makes recommendations regarding Energy Delivery leadership initiatives. Recommended strategies are reviewed and approved by the Senior Vice President of ED&CS and the Energy Delivery senior management team.

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SCHEDULE S-4.2**

Management Policies, Practices, and Organization

SFR Reference: (f)(iii) Training and Career Development

5. Controlling Process

The Talent Management Department manages the soft skills training offerings for the Company. Records of training are entered into SAP and become part of the employee's "Talent Profile." These records can be viewed by both the manager and the employee. All training includes a written course evaluation which is analyzed to ensure effectiveness and relevance of course offerings.

The Energy Delivery Leadership Academy provides training to new supervisors to build management and leadership skills. The initial training consists of a curriculum which culminates in a practical demonstration of skills. After successfully completing the skills demonstration, new supervisors move through a succession of courses over the next two years.

The Company also established the Power Systems Institute (PSI) in 2000, a two-year training program that serves as a primary supplier of talent to fill substation and line worker jobs. The Company has partnered with 10 colleges across the organization's service territory to deliver the PSI program. The PSI Program is accredited through local colleges and universities.

The Leadership Development and Employee Engagement Department is responsible for leading the strategic design and implementation of a comprehensive and integrated Leadership Development Program and championing employee engagement initiatives throughout ED&CS. This group is dedicated to creating, refining, and implementing processes, tools, and models to establish methods by which we develop and measure our people across ED&CS.

6. Internal and External Communications

Internal communications provided by Talent Management include: a course catalog available in hardcopy and via FirstPlace intranet site; and semi-annual informational sessions between the Human Resource representative and appropriate Company staff communicating new training and development programs.

Internal communications provided by Leadership Development include: a monthly update meeting before an Executive Steering Committee who oversees activities resulting from the Energy Delivery Excellence Plan; participation in monthly teleconference discussions between all Energy Delivery Human Resource business partners; and, periodic presentations at operations services directors' meetings.

It is the role of field human resource offices to counsel and guide their local supervisors and employees on training and career development options. Members of the local Human Resources and above mentioned departments maintain frequent external communication with their counterparts at other companies to stay current on industry-wide trends and practices and subscribe to a variety of talent management trade publications. Membership in professional organizations include: the Organization Development Network, American Society of Training and Development, Executive Development Roundtable, Learning and Development Roundtable, and Society for Human Resource Professionals.

**CASE No. 07-551-EL-AIR
SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (f)(iv) Performance Evaluation and Appraisal

(iv) Performance Evaluation and Appraisal**1. Policy and Goal Setting**

It is Company's policy to ensure consistent and fair application of our performance evaluation and appraisal process across all business units and to link performance with pay, so that strong performance is recognized and rewarded through our compensation process. The Company utilizes a formal and documented "performance management" process to provide a basis for setting clear objectives, ensuring individual development plans, and evaluating performance.

To support consistent application of the performance management process across all business units, the Company provides training and tools through its Talent Management Department to both supervisors and non-bargaining unit employees. Supervisors are taught how to establish objectives that are specific and measurable, how to integrate corporate behavioral competencies into performance plans and how to determine actionable and meaningful development plans for their subordinates. Finally, they are taught how to assess and provide feedback on both performance and behaviors using a six-point rating scale. Employees are taught how to write objectives, the importance of aligning individual objectives to business objectives and how to identify stretch development goals.

Employees receive formal, documented performance feedback and ratings biannually, at midyear and at year end. Checks and balances are in place to ensure that goals are met:

- Discussion and rating deadlines are communicated to all supervisors.
- Employees and supervisors must sign the performance evaluation form to acknowledge they have had a performance and development discussion.
- Completion of performance management discussions is tracked electronically. All supervisors must indicate in a database when they complete their discussions; otherwise their managers are notified automatically.

There is a process in place to ensure that ratings are equitable across all business units company-wide. Performance ratings are calibrated through local leadership reviews within business units; rating distributions are then reviewed and approved at the Executive Council.

2. Strategic and Long-Range Planning

Identifying and developing strong future leaders is critical to the company's continued success. To identify high-potential talent and future leaders, the Company looks at potential as well as performance. Talent Management is responsible for the Company's succession planning process, which focuses primarily on building strong succession pools for jobs that are essential to the delivery of business results.

As part of the succession planning process, individual business units hold Talent Talks to assess and identify top talent, emerging talent, high-performing females and high-performing minorities. During Talent Talks, the business units review their talent, name short-term and longer-term successors for key jobs, determine needed development for

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SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (f)(iv) Performance Evaluation and Appraisal

those individuals, and discuss performance and potential. Employees who have been identified as high potential or emerging talent are identified to receive accelerated development opportunities, such as stretch assignments, special projects, special training and mentoring.

3. Organizational Structure

Talent Management, a department within the Human Resources business unit, owns the performance management process. The employees in Talent Management are performance management subject matter experts and provide counsel to Human Resources representatives throughout the Company, so that such representatives are equipped to answer questions and provide guidance to the supervisors and employees.

The members of the Talent Management staff responsible for performance evaluations and appraisals report to the Director of Talent Management. The Director of Talent Management reports to the Senior Vice President of Human Resources.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making

Daily performance management decisions are made by department supervisors and managers in accordance with Company policies, programs, and procedures. New policies, or modifications to existing policies, are drafted by Talent Management and are reviewed and approved by the Senior Vice President of Human Resources.

5. Controlling Process

Performance Management consists of three phases: performance and development planning, mid-year evaluation, and year-end evaluation. At both mid-year and year end, the employee receives a rating based upon overall performance. The rating is based on a 6-point scale: Exceptional, Highly Effective, Effective, Partially Effective, Not Effective and No Rating/New to Position. Performance ratings have standard definitions to help maintain consistency with usage.

- *Performance planning:* All non-bargaining employees, jointly with their supervisors, establish specific, measurable, time-based objectives for the calendar year. They also agree upon a development plan for the employee's professional growth. These activities occur in the first quarter of the calendar year or upon hire.
- *Mid-year evaluation:* From June through August each year, all non-bargaining employees are evaluated on their contributions against their performance goals as well as their behavior. A mid-year evaluation is written by the supervisor and a discussion is held with the employee.

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Management Policies, Practices, and Organization

SFR Reference: (f)(iv) Performance Evaluation and Appraisal

- *Year-end evaluation:* All non-bargaining employees are evaluated against their performance objectives and their behaviors at year-end. An annual review is written by their supervisor and approved by the next level(s) of management. The review is personally discussed with the employee. There is a problem resolution procedure that can be utilized to appeal an annual review if the employee is dissatisfied with his or her rating.

6. Internal and External Communications

Internal communications include corporate newsletter (Employee Update) articles, the Company intranet site for supervisors, video releases, formal classroom training and timely email communication reminders for supervisors. These communications are intended to provide timelines, guidance and consistent messaging regarding performance planning and evaluation.

In addition, all Human Resources representatives attend semiannual expanded Human Resources meetings where the Company provides updates and training on company-wide practices and policies. Such Human Resources representatives are then, afterwards, responsible for application of corporate practices and policies.

Members of the Talent Management Department regularly communicate with their counterparts at other companies to stay current on external trends and practices. They also subscribe to various management publications and attend external conferences. Talent Management holds memberships in multiple professional organizations that address performance management, such as the Organization Development Network, American Society of Training and Development, Executive Development Roundtable, Learning and Development Roundtable, and Society for Human Resource Professionals.

**CASE No. 07-551-EL-AIR
SCHEDULE S-4.2****Management Policies, Practices, and Organization**SFR Reference: (f)(v) Work Force Productivity

(v) Work Force Productivity**1. Policy and Goal Setting**

Energy Delivery's Workforce Development Department is responsible for workforce planning and development for Energy Delivery's technical, craft, and customer service jobs as well as some professional and leadership positions. This includes developing staffing strategies based on demographic analysis, current and forecasted status of key and critical job needs, and career development. The overarching corporate objectives of which all policies of the work force productivity planning process must support are: Pursue continuous improvement in all aspects of the business and attain vital hire and safety goals.

2. Strategic and Long-Range Planning

The Workforce Development Department's long-range planning involves forecasting attrition and hiring for jobs that are difficult to fill and/or require significant learning curves, with a focus on the specialized craft jobs. This Department is responsible for executing a comprehensive workforce plan to ensure that these jobs are filled, internally through succession planning or externally. In addition, they are accountable for the development of technical, craft, and customer service training curriculums and course delivery. The Workforce Development department consists of three sections: Planning and Strategy; Operations Skills Training, and ED&CS Systems Training.

Planning and Strategy

The strategic and long-range plan for this section is to develop and execute staffing and development programs in the areas of: recruiting; training initiatives; development programs; staffing strategies and succession planning; and grants. Within the Planning and Strategy section are three teams that focus on Talent Management; Power Systems Institute ("PSI"); and Information Support Services (ISS). The PSI team focuses on staffing and development solutions to the current and future needs of ED&CS. The PSI team supports in the attrition needs of the Company by recruiting a pool of candidates for entry into the PSI degree program. Recruitment takes place through seven different arenas: high schools, vocational-technical schools, booth events, job fairs, college partners, media, and internal Company employees.

Operations Skills Training

The strategic and long-range plan for this section is to develop, deliver, and evaluate the training for new hires and incumbent employees in all operations departments necessary to ensure competent performance in all areas of the ED&CS business unit. The focus of this section is to provide the core skills in the areas of: Line, Substation, Dispatching, Engineering, Meter Services, Fleet, Network and Warehouse functions. Additionally, this section provides training programs to support regulatory/compliance and storm process

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Management Policies, Practices, and Organization

SFR Reference: (f)(v) Work Force Productivity

activities.

ED&CS Systems Training

While the strategic and long-range plan of the Operations Skills Training section is focused on supporting the building of skills within ED&CS, the strategic and long-range plan of the Systems Training section focuses on system training that supports key processes. The ED&CS Systems Training section integrates key business processes with adequate system knowledge to promote the focus on continuous improvement, optimal performance, and regulatory compliance, while pursuing continuous learning and personal development to enhance skills, knowledge and capabilities. The training objectives of this section deliver end-to-end process and system and user training that impacts customer satisfaction and drive results through employees meeting or exceeding individual performance expectations established by ED&CS business units.

3. Organizational Structure

The Workforce Development Department is led by the Director, Regulatory Workforce Development who reports to the Vice President of Energy Delivery who reports to the Senior Vice President ED&CS.

Please refer to the organization chart in the Supplemental Filing Requirements Section (B), item (10)(a).

4. Decision Making and Controlling Process

Workforce Development leads the development of staffing strategies and creates the curriculum for all technical, craft, and customer services jobs. All recommended strategies are presented to and approved by Energy Delivery leadership.

Energy Delivery's Workforce Development Department has the responsibility to oversee the technical, craft, and customer service programs to the extent that KPI's measure compliance. For example, Workforce Development's incentive compensation is tied to achieving a KPI for the number of vital hires. Additionally, internal customer surveys are conducted to assure the training provided meets the needs of the customer.

5. Internal and External Communications

Internal communications provided by Workforce Development include: a monthly status report to the Energy Delivery management team; regular attendance and periodic presentations at operations services directors' meetings; regular attendance and periodic presentations at managers' meetings of different functional areas.

External communications consists of reports as well as verbal and written communications with employees, customers, the general public, the media, educational institutions, and event and job fair coordinators.

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Management Policies, Practices, and Organization

SFR Reference: (g)Integrated Resource Planning

g. INTEGRATED RESOURCE PLANNING

**(Section waived pursuant to Commission Order in Case No. 07-551-EL-AIR, dated
May 30, 2007)**

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SCHEDULE S-4.2**

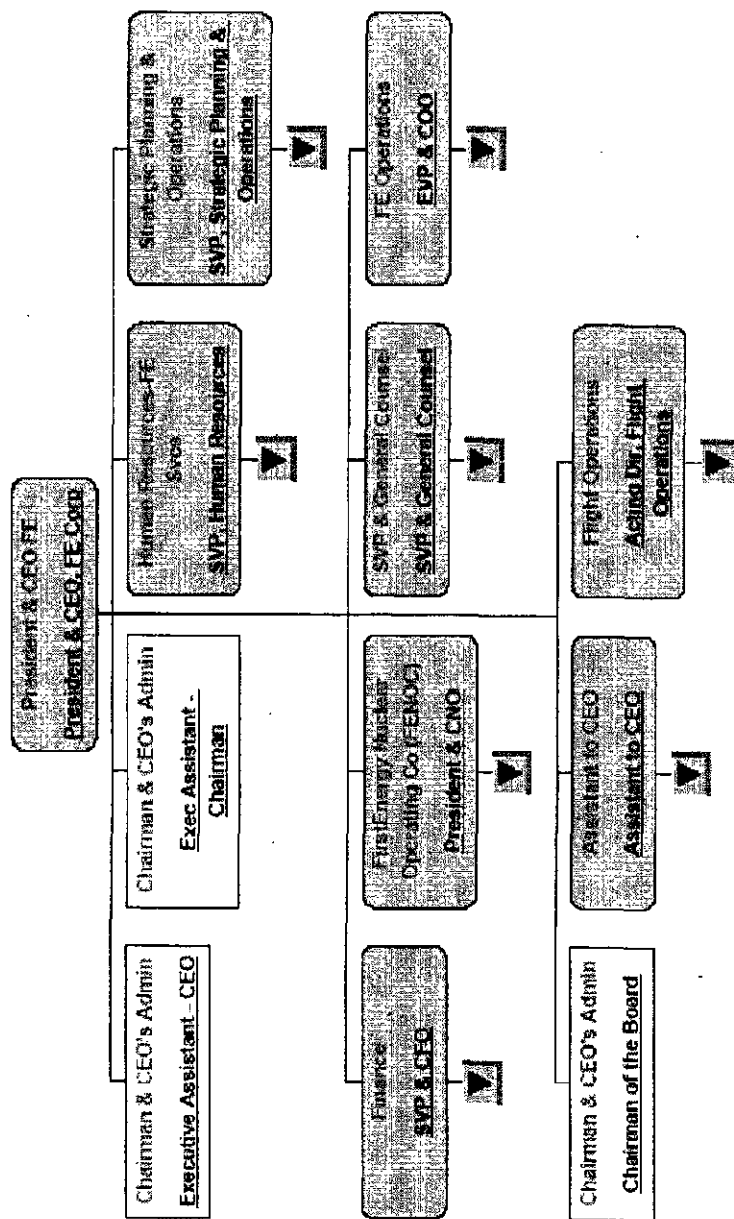
Management Policies, Practices, and Organization

SFR Reference: Appendix

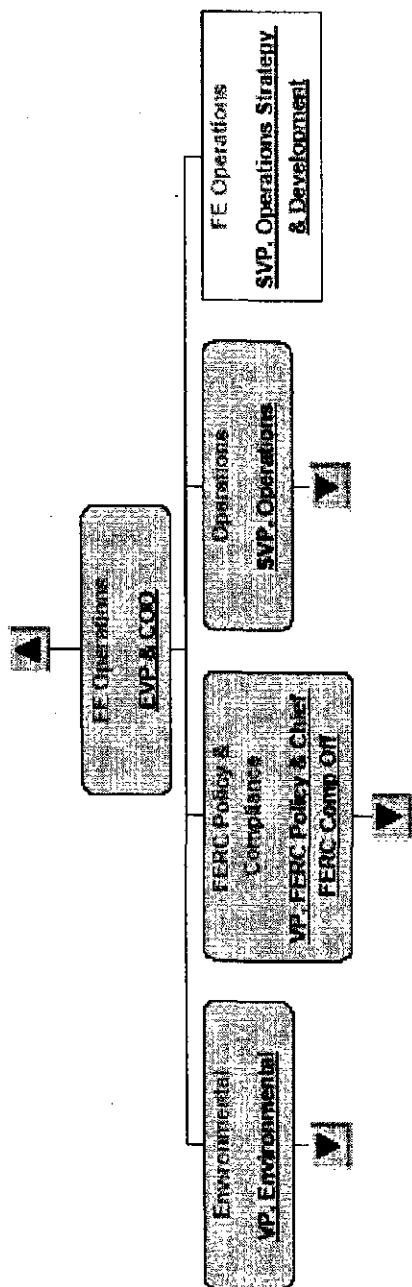
- (10) Appendix
 - a. Organization Charts, Diagrams, Flow-Charts
 - b. Performance Indicators and Quantitative Comparisons
 - c. Standards Of Performance
 - i. Criteria Established by the Company
 - ii. Generally Accepted Industry Standards
 - d. Prepared Direct Testimony of Applicant Utility Personnel or Other Expert Witnesses

10 (a)
Organization Charts, Diagrams, Flow-Charts

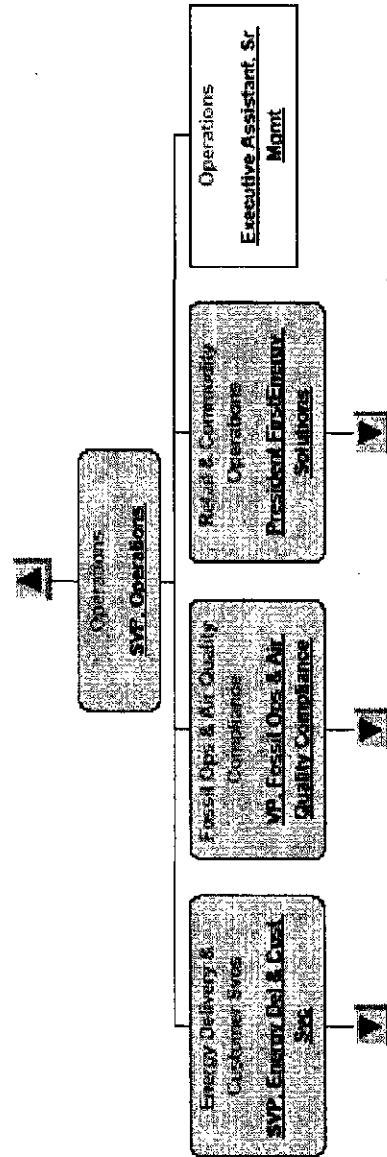
President & CEO FE **07/13/2007**



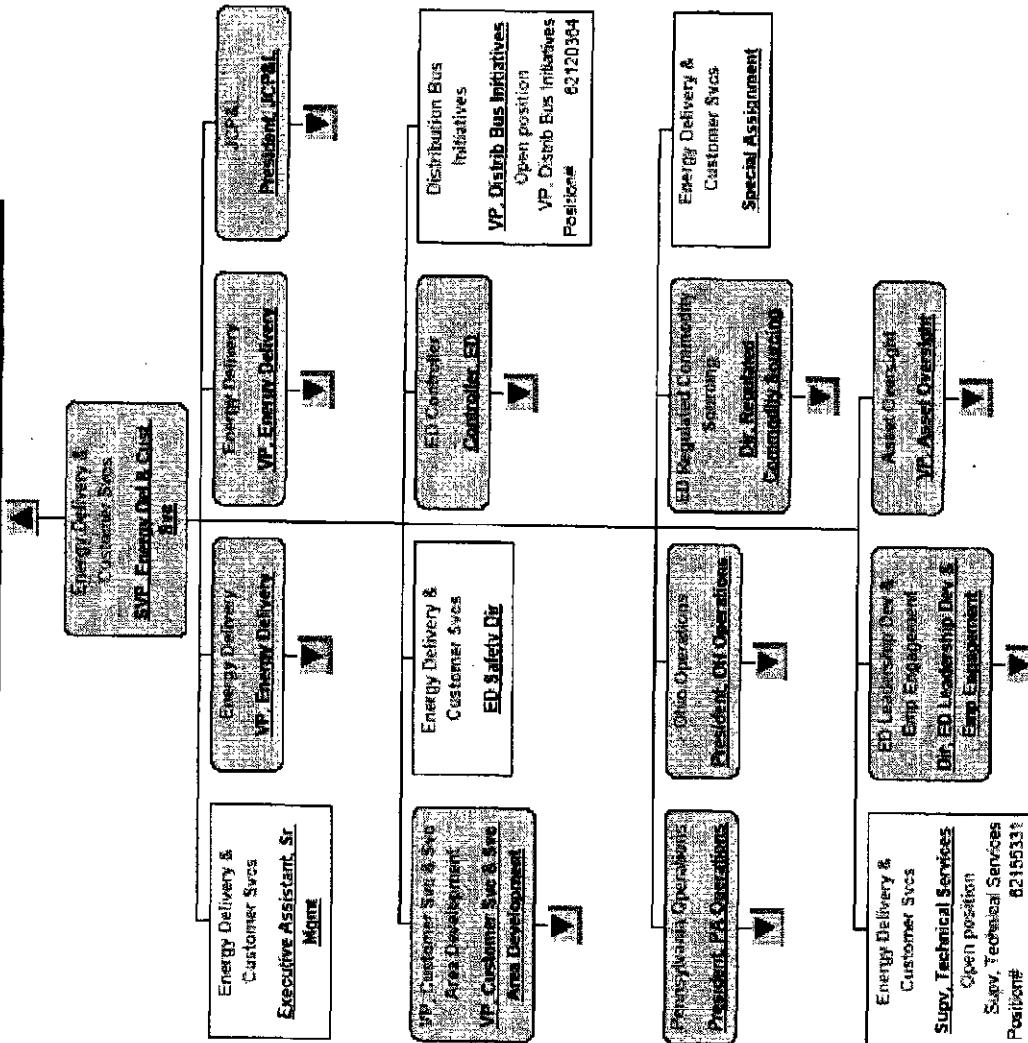
EVP - Operations



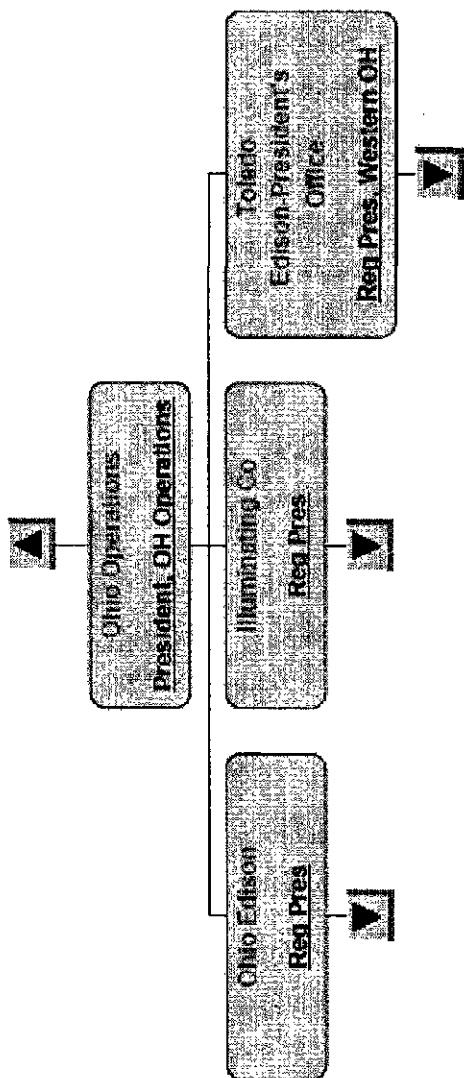
SVP - Operations



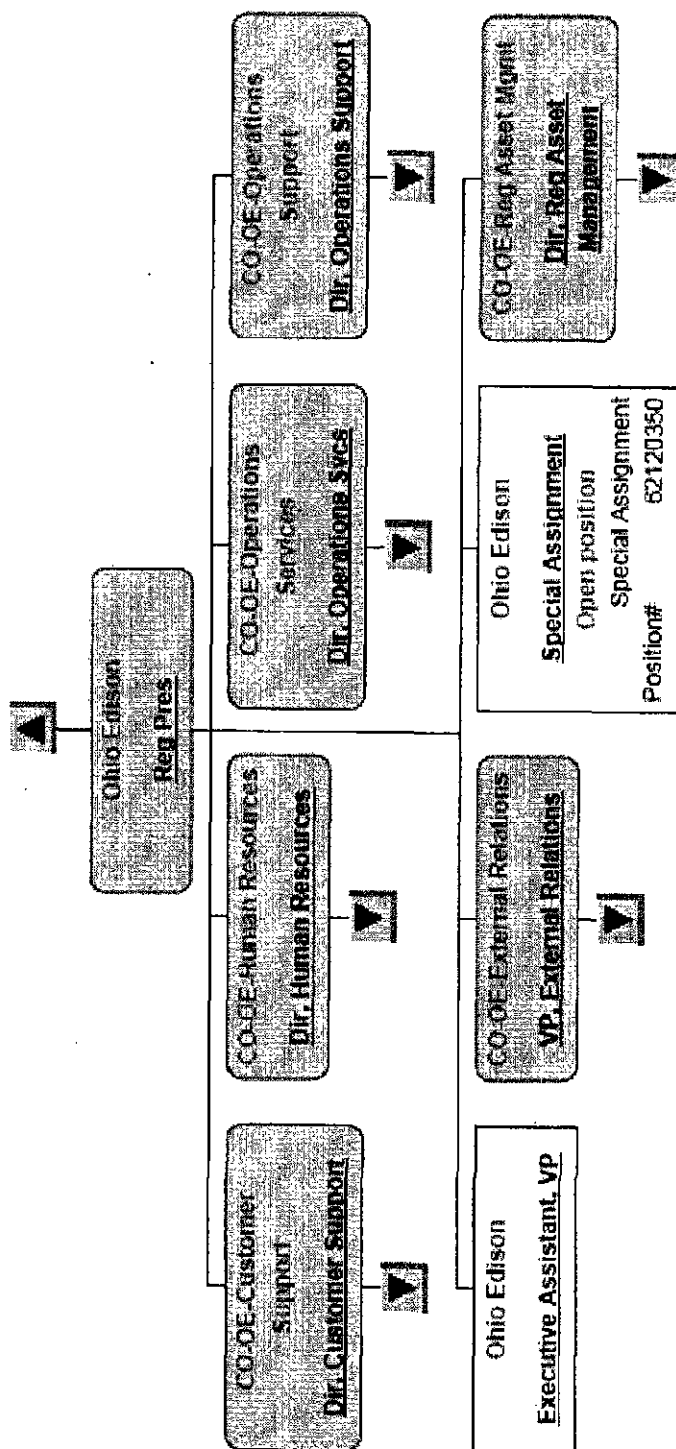
Energy Delivery & Customer Service



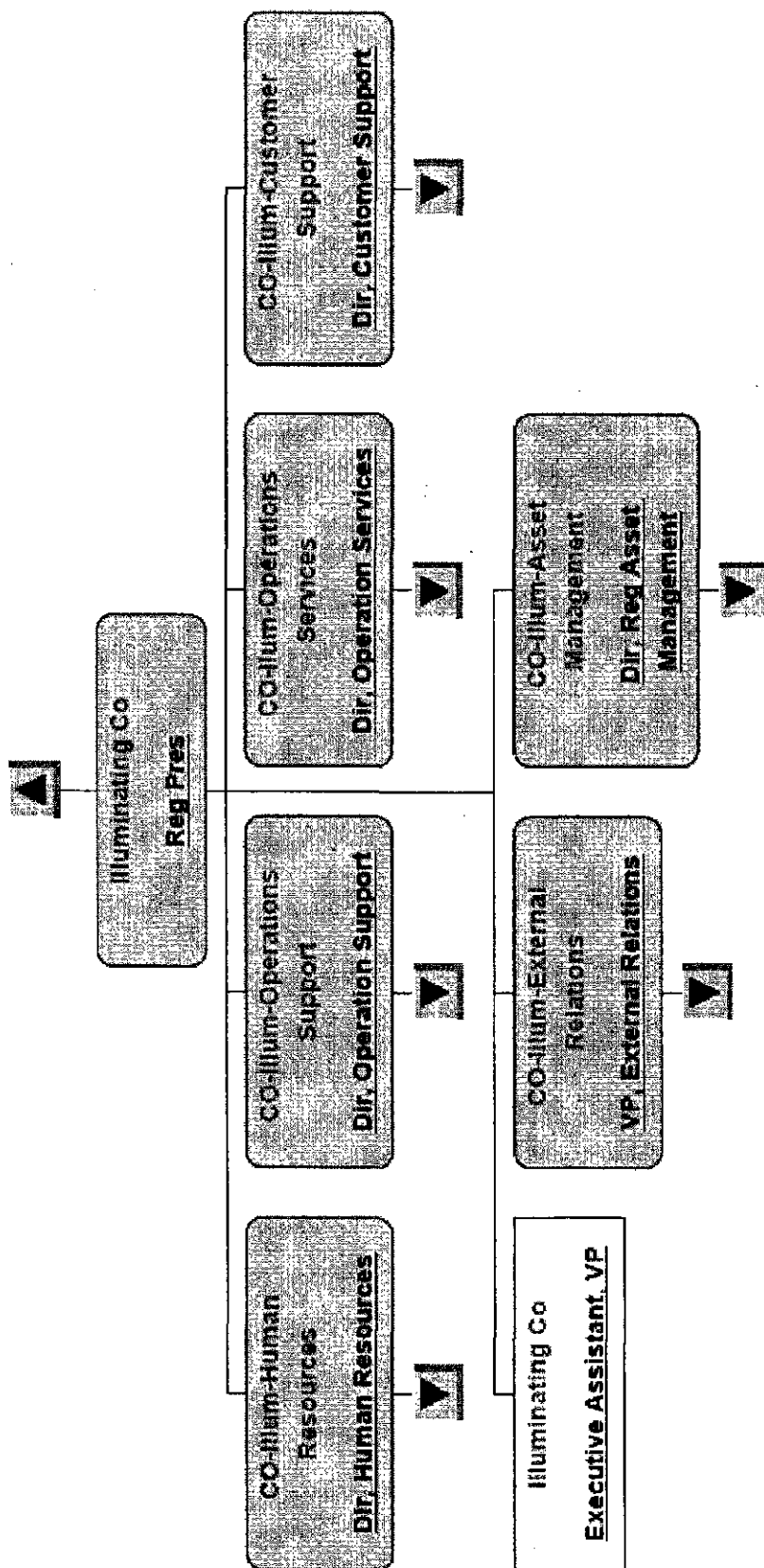
President, Ohio Operations

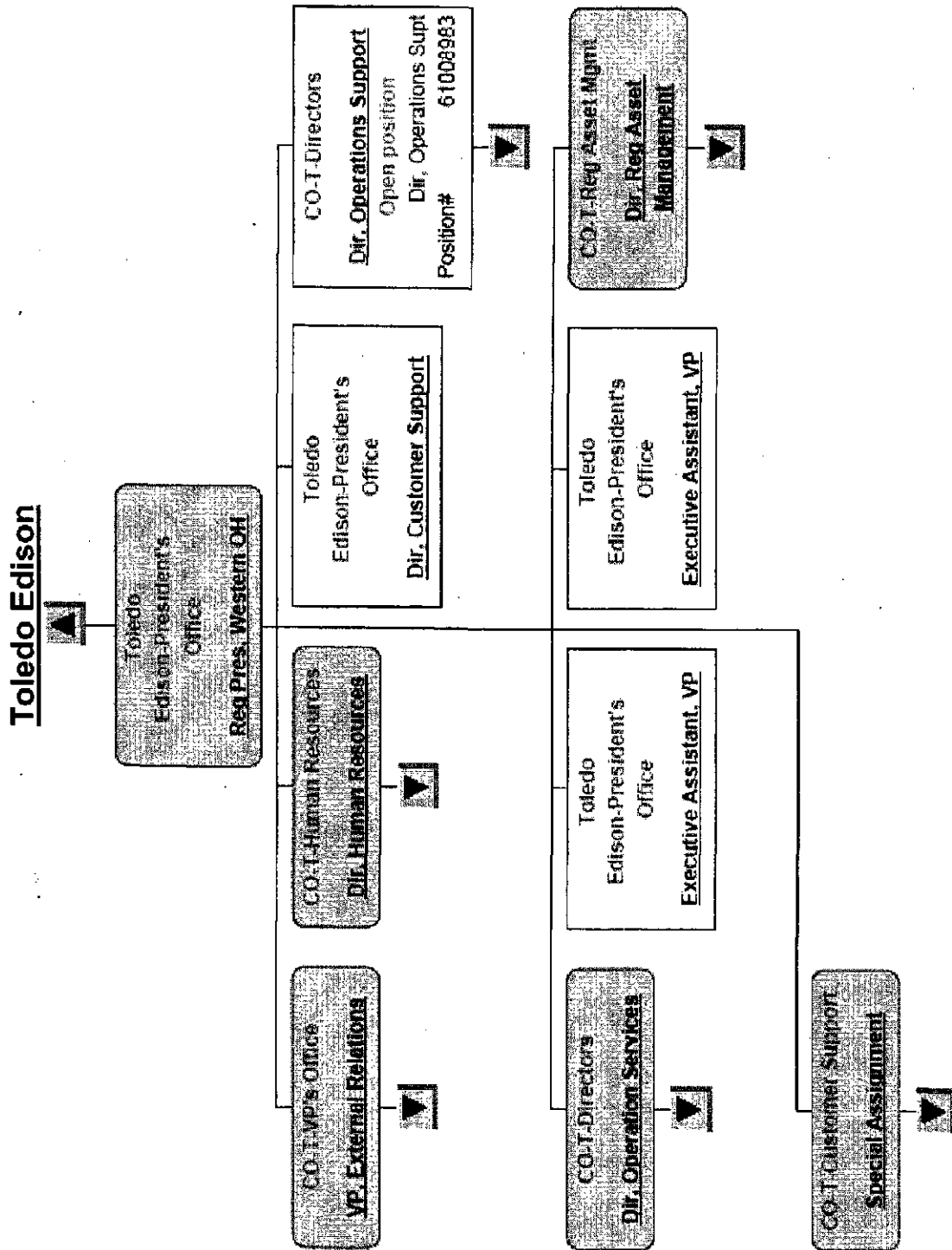


Ohio Edison

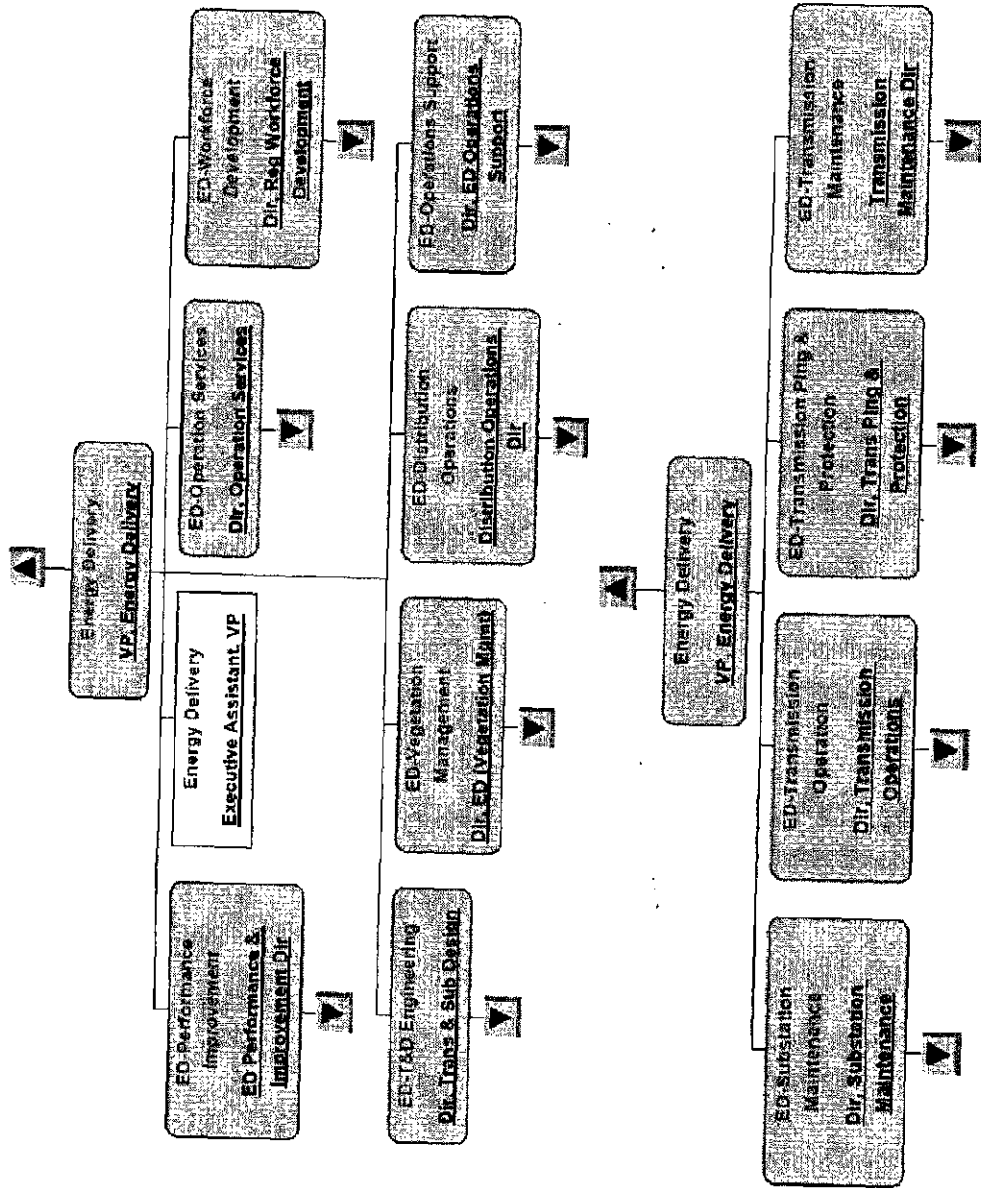


Cleveland Electric Illuminating

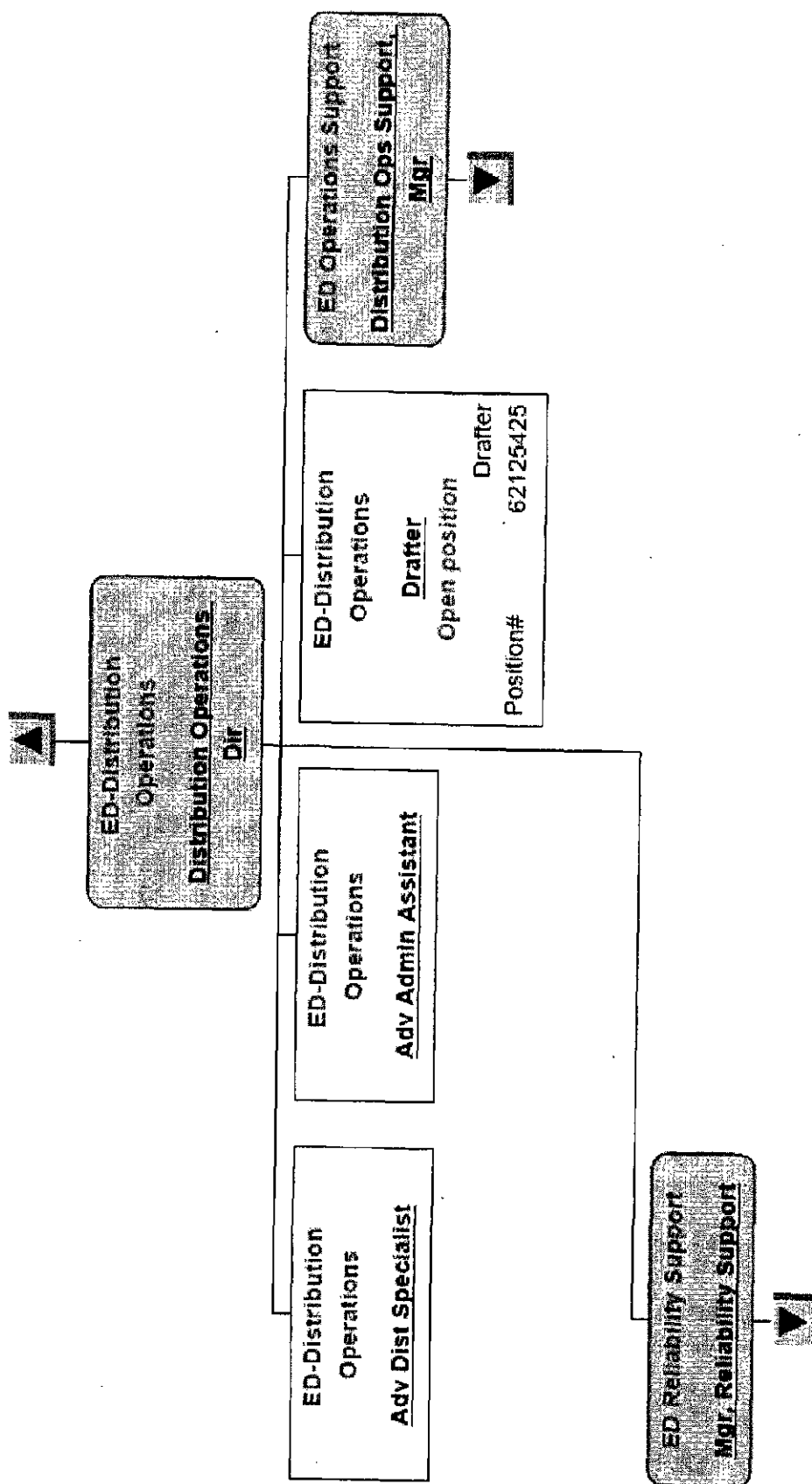




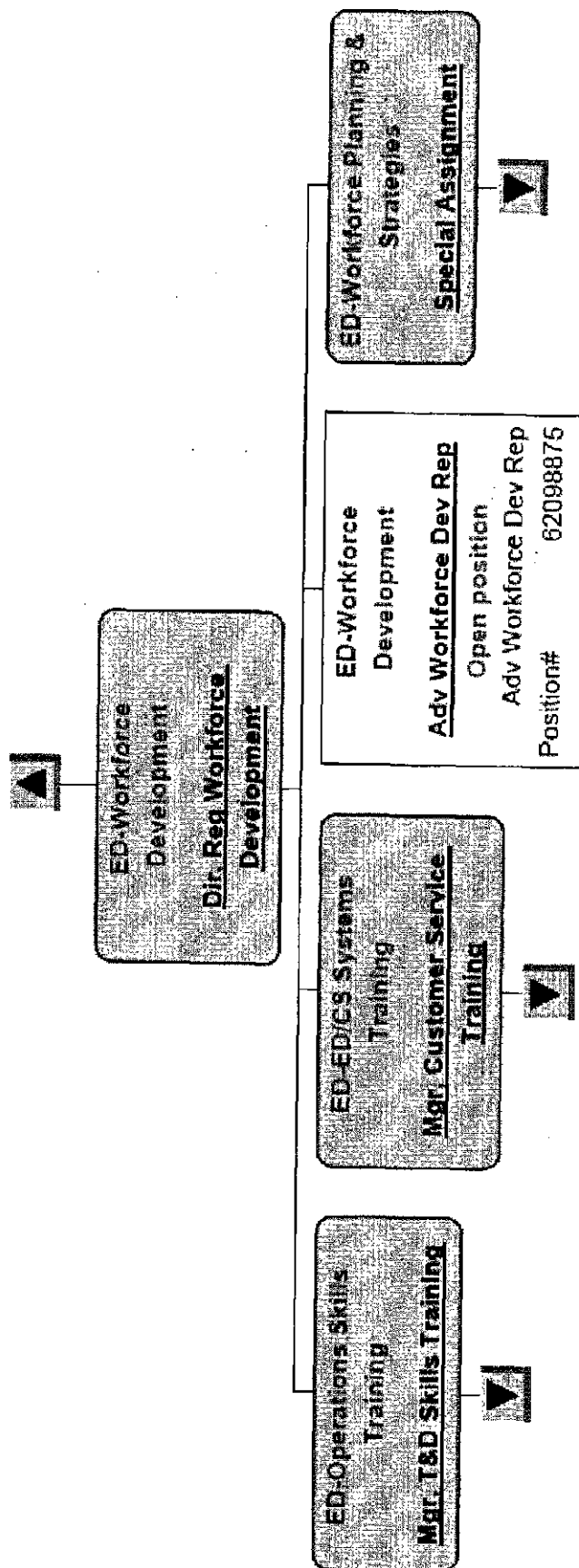
VP – Energy Delivery



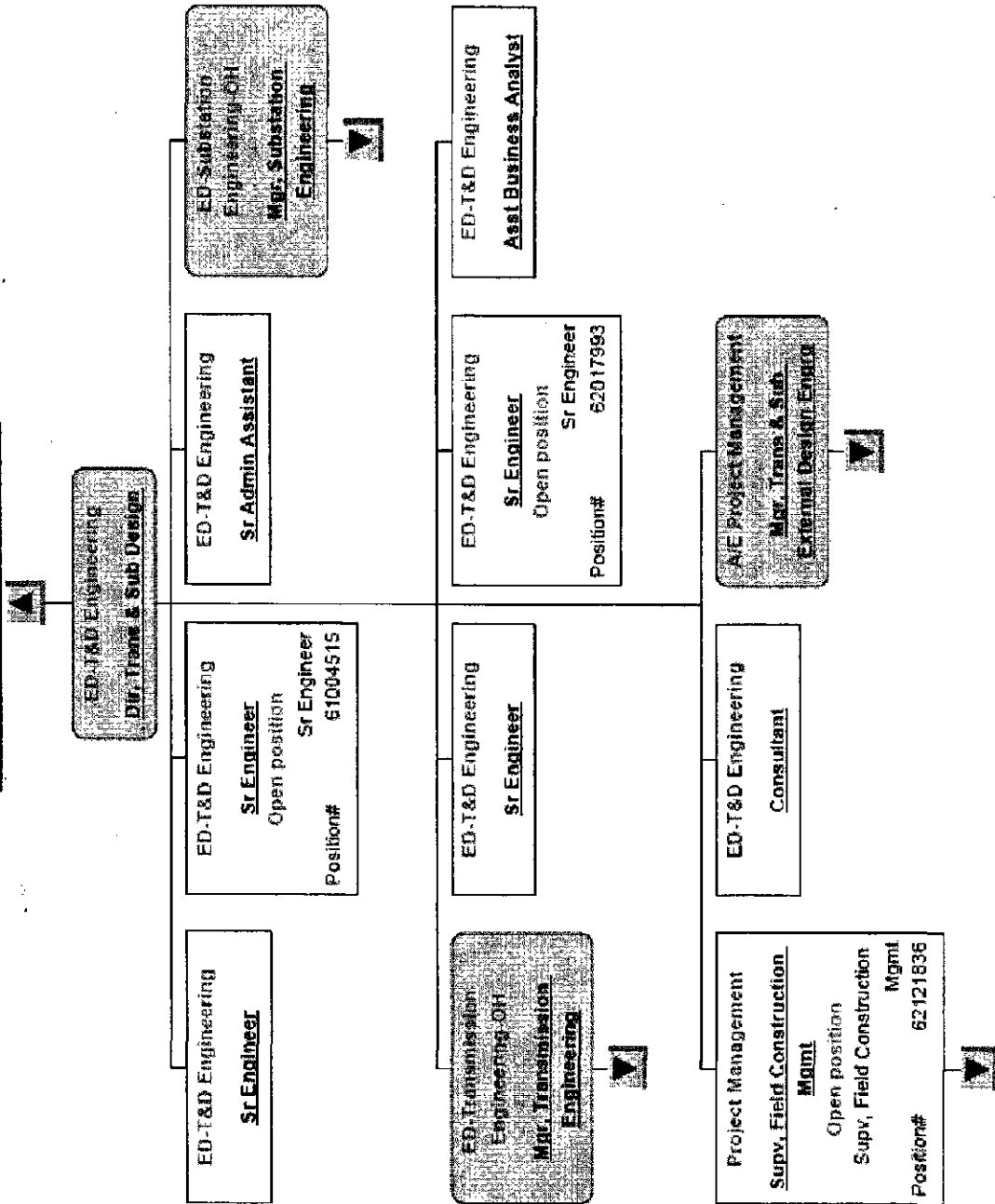
ED - Distribution Operations



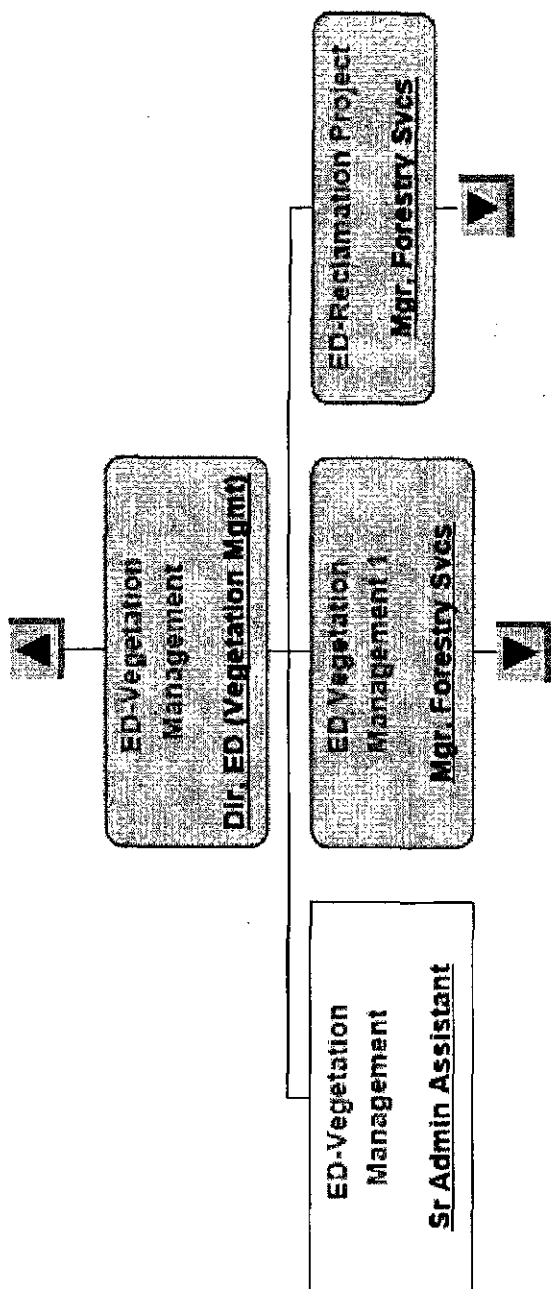
ED- Workforce Development



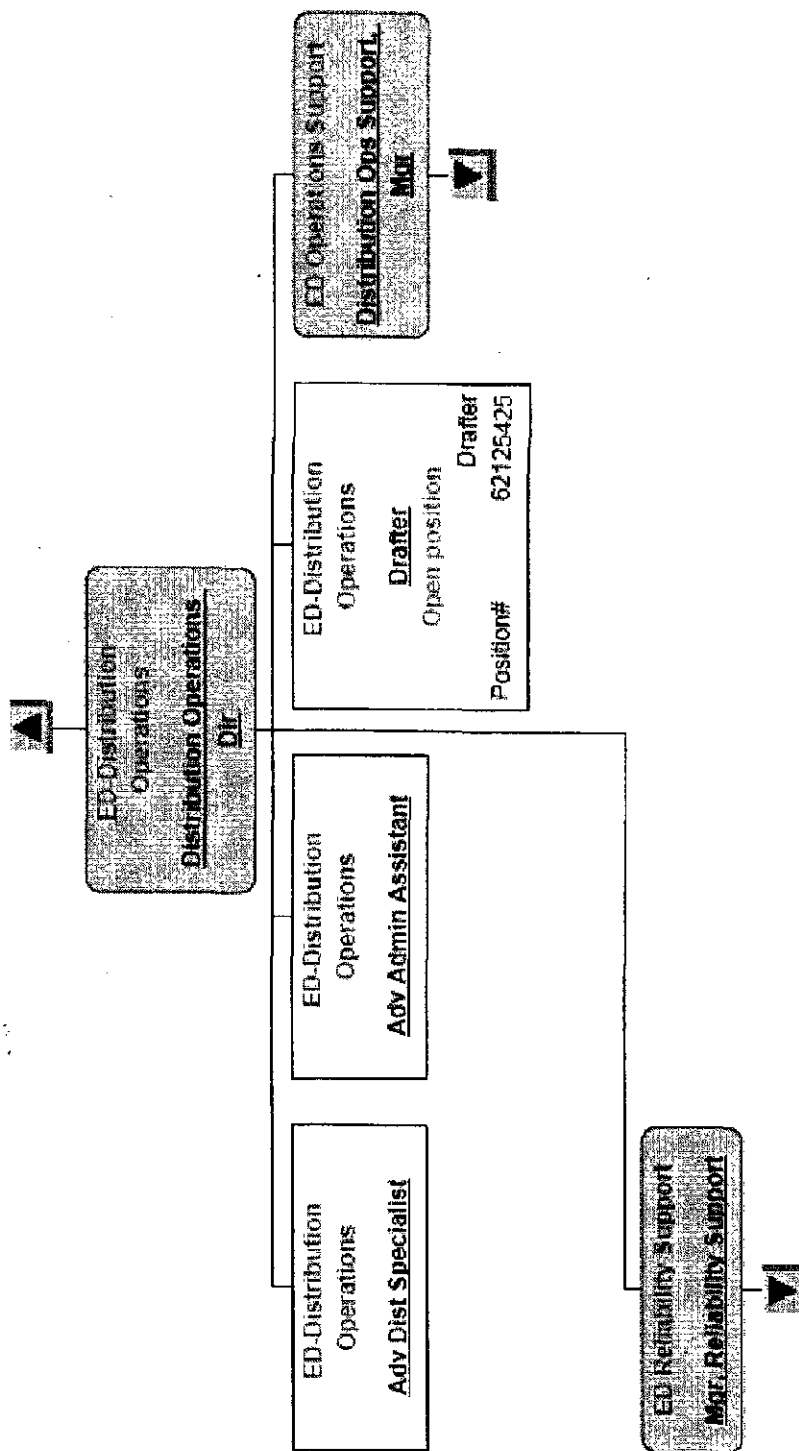
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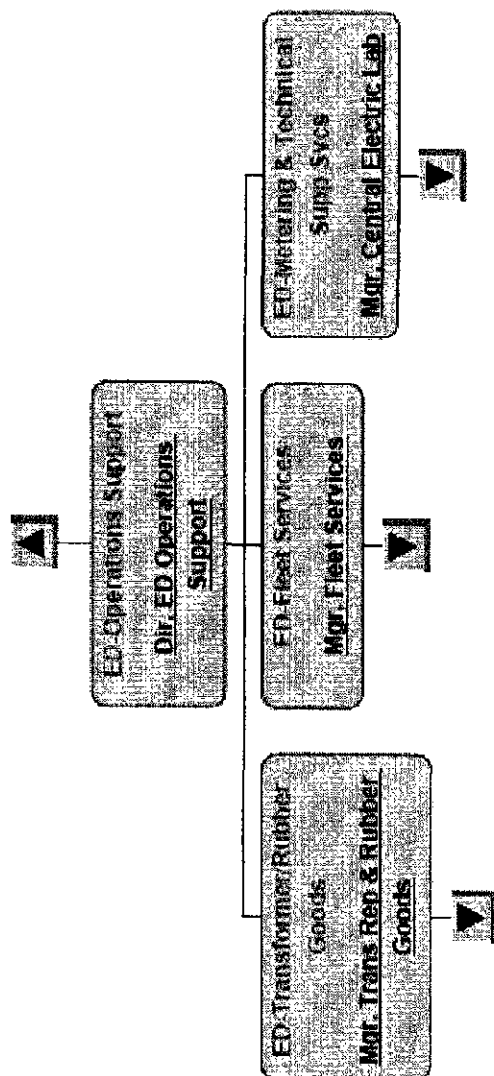
ED- Vegetation Management



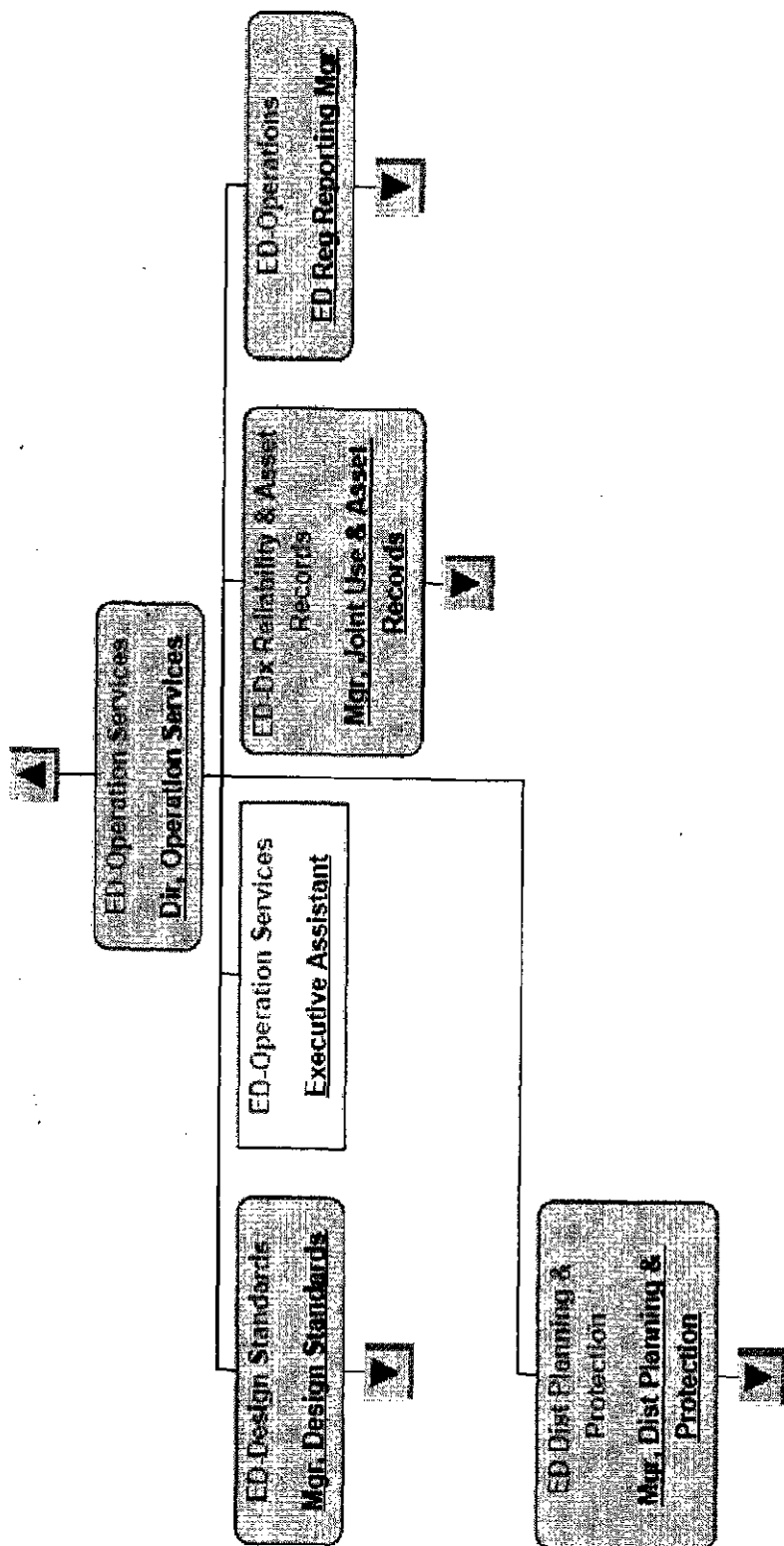
ED- Distribution Operations



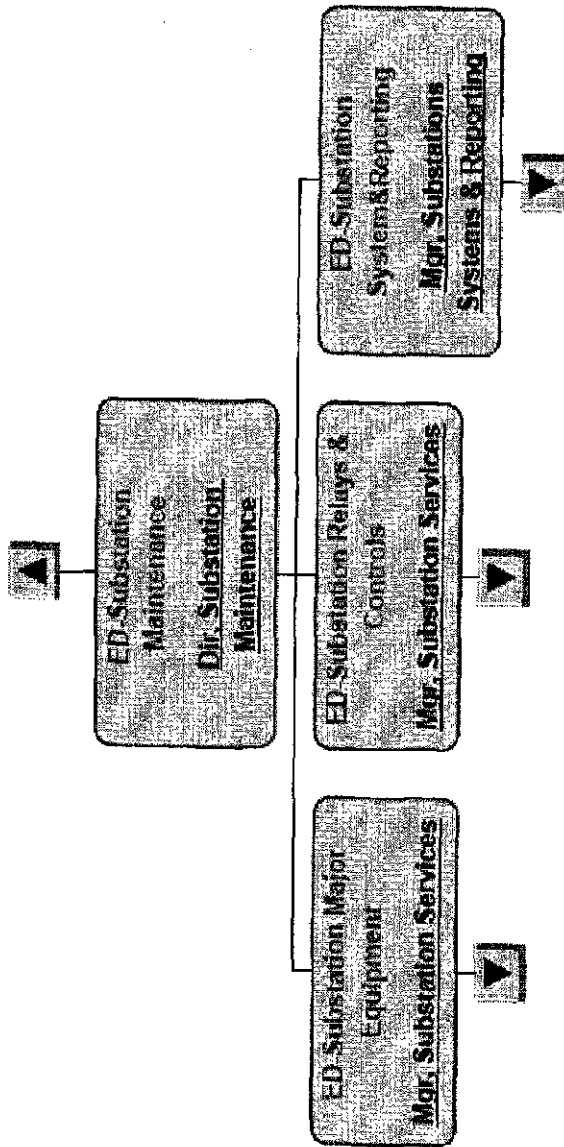
ED – Operations Support



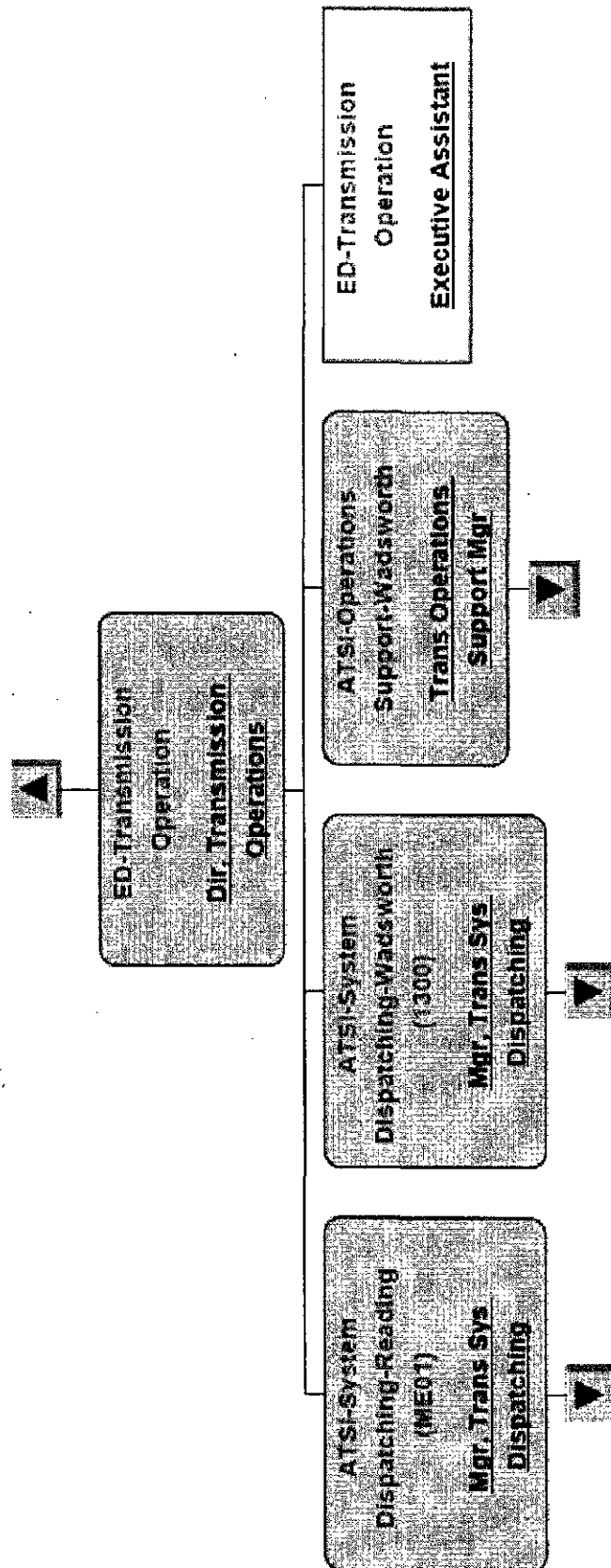
ED – Operation Services



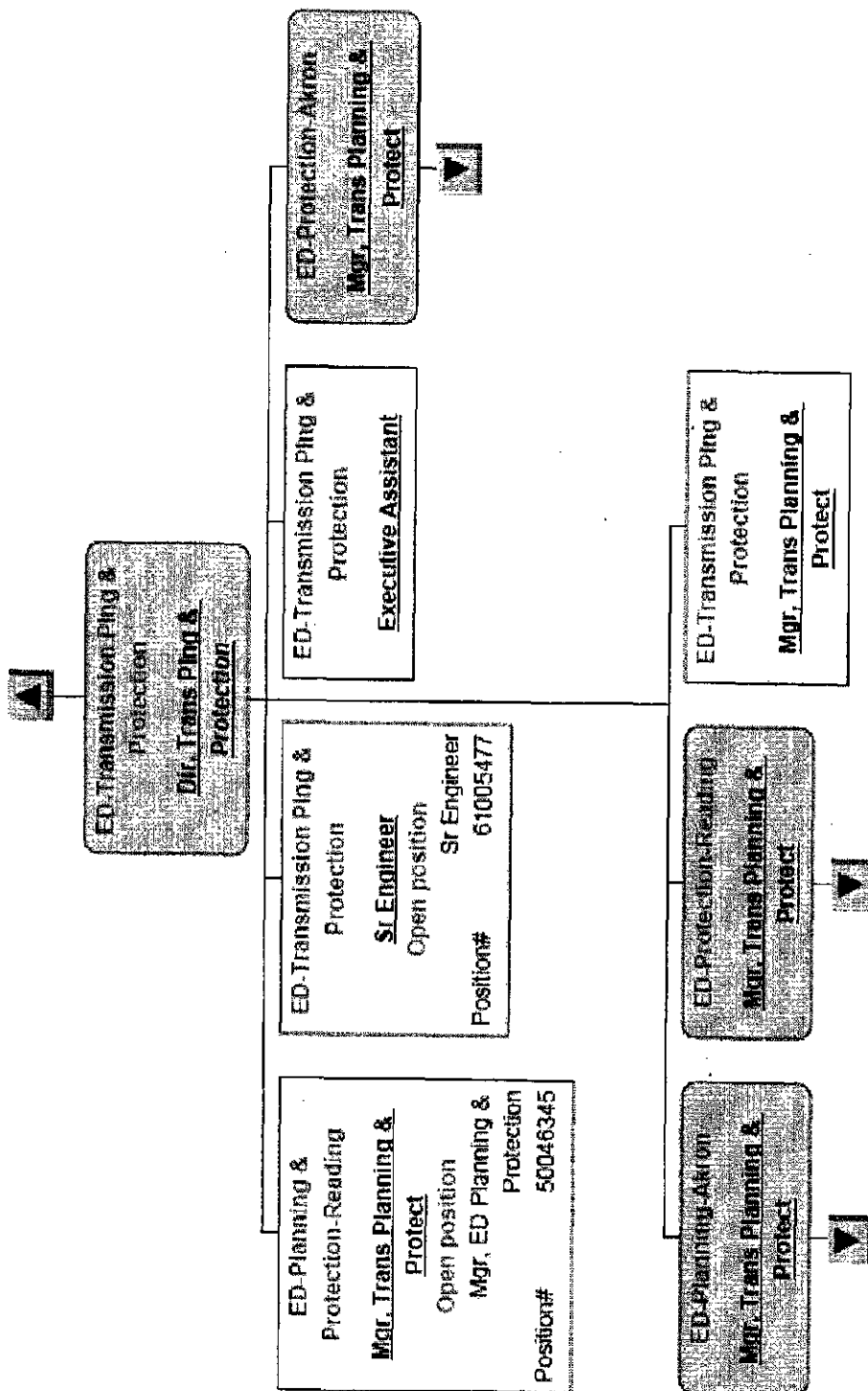
ED – Substation Maintenance



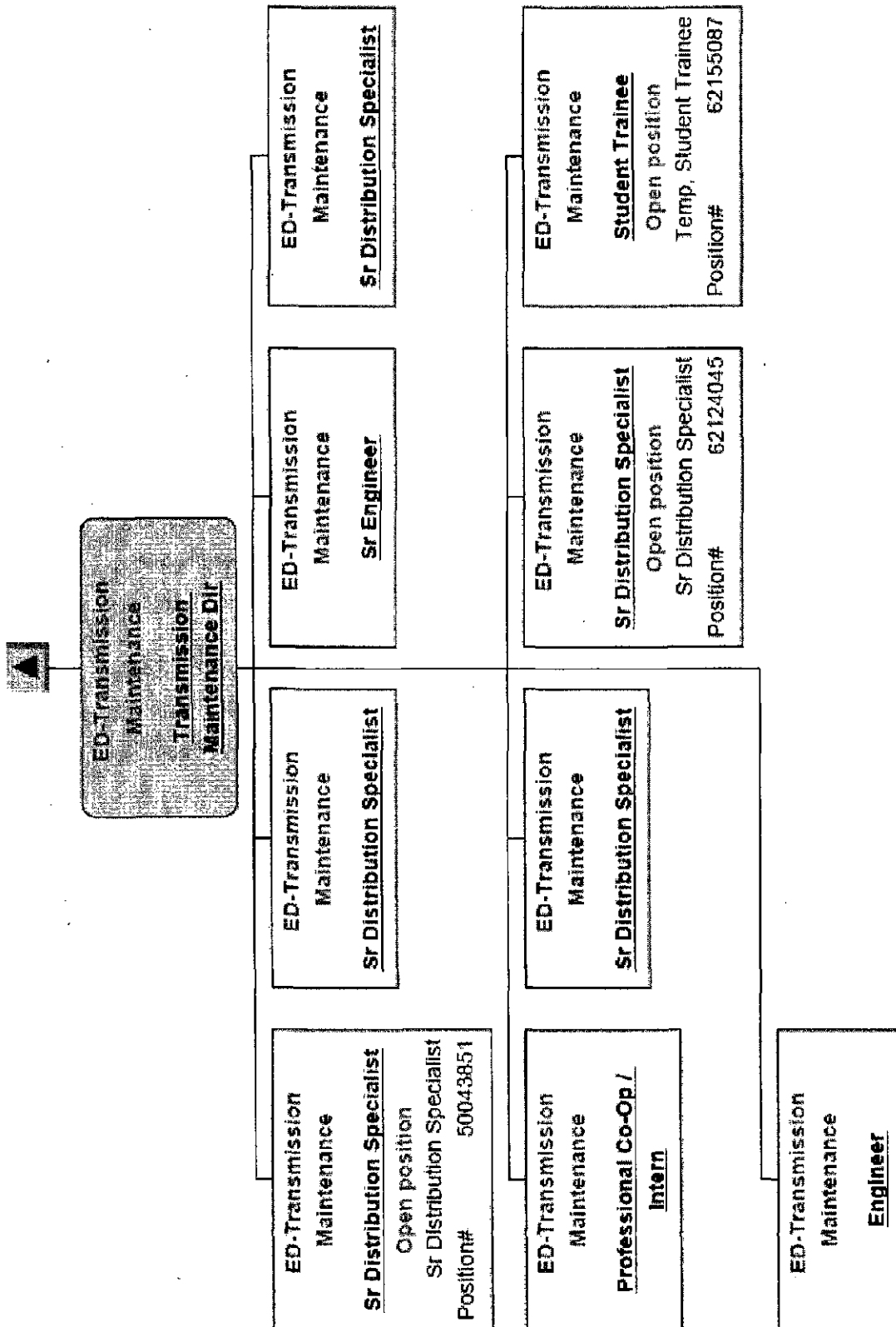
ED – Transmission Operations



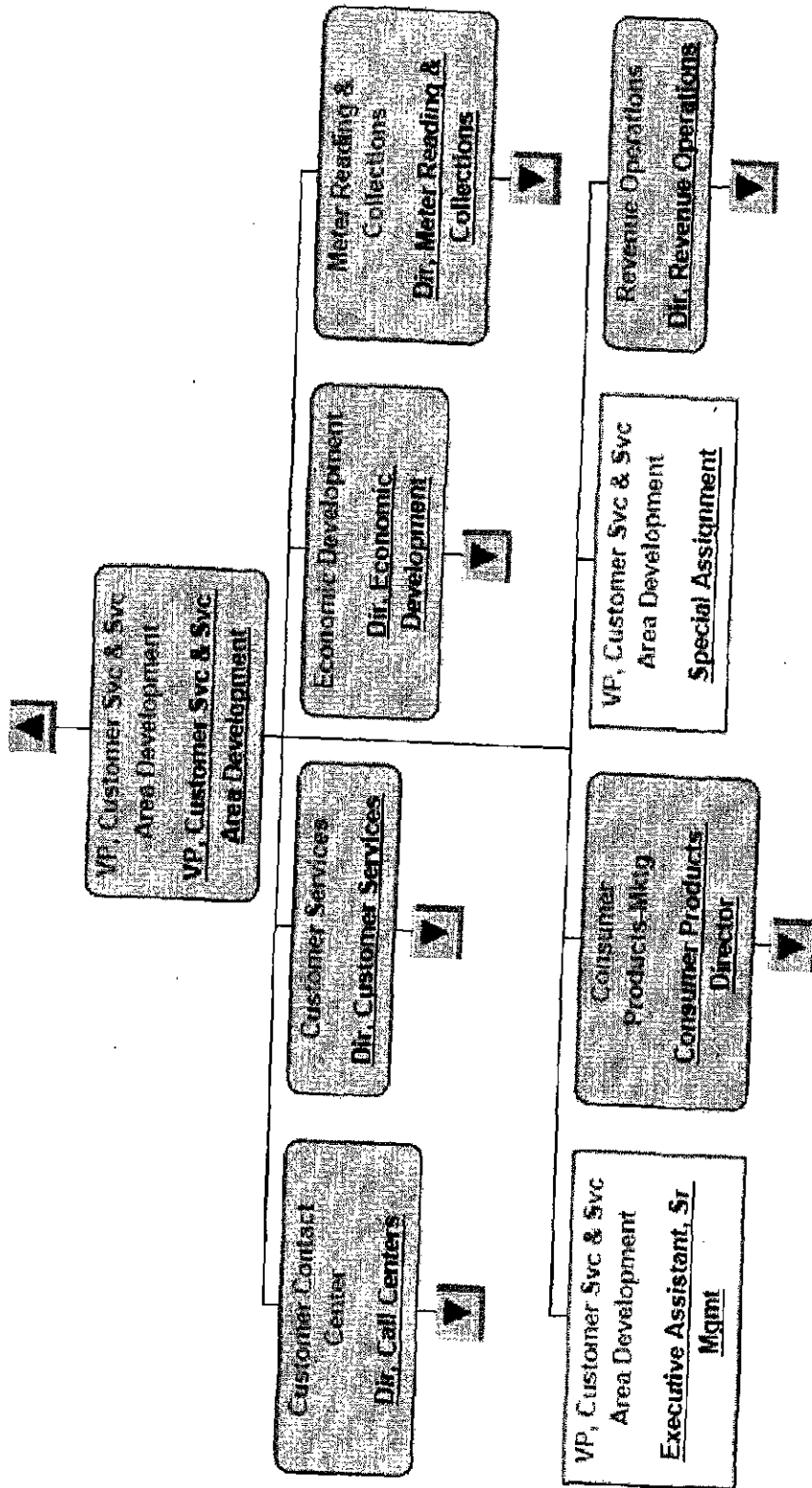
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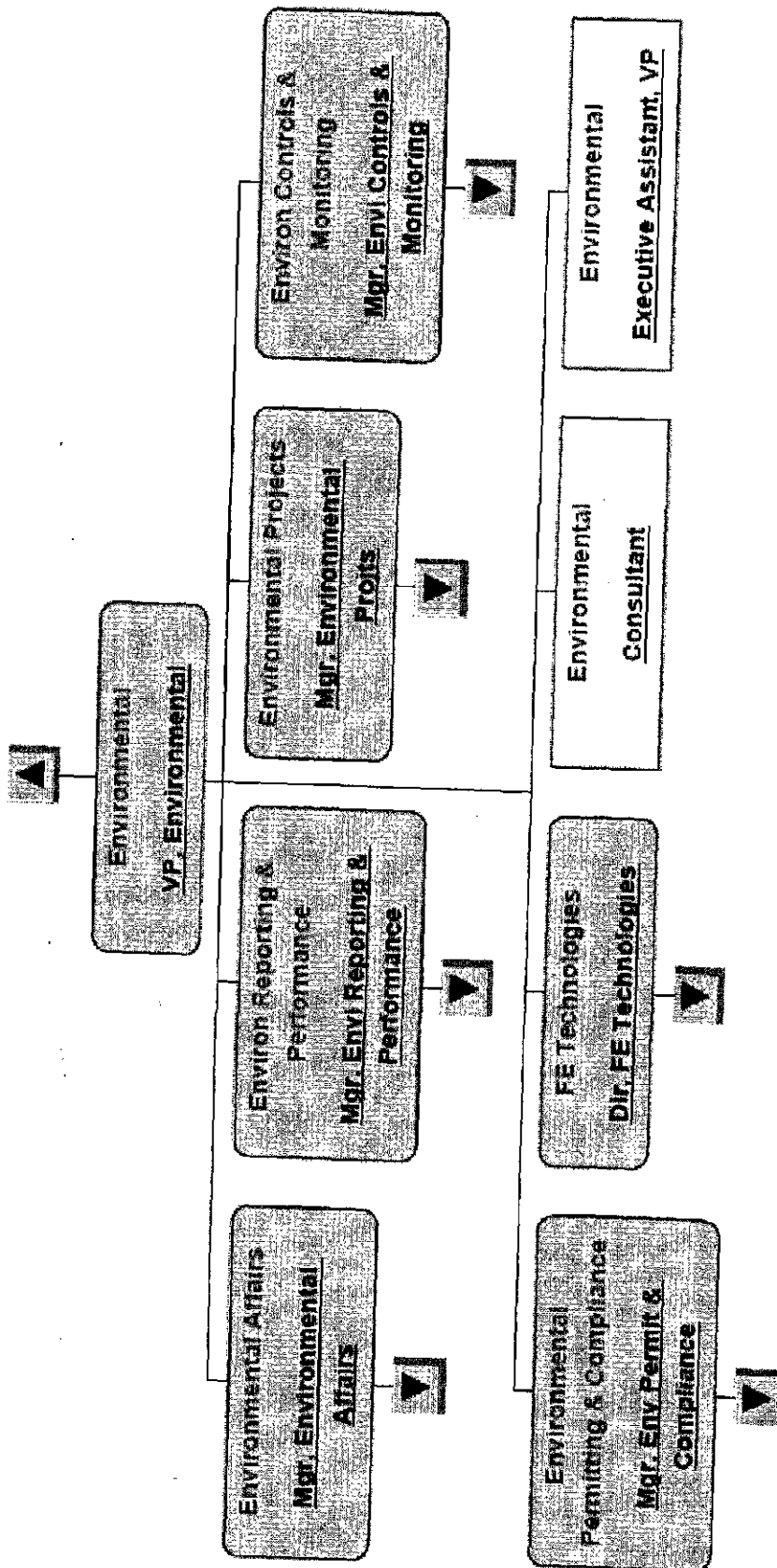
ED – Transmission Maintenance



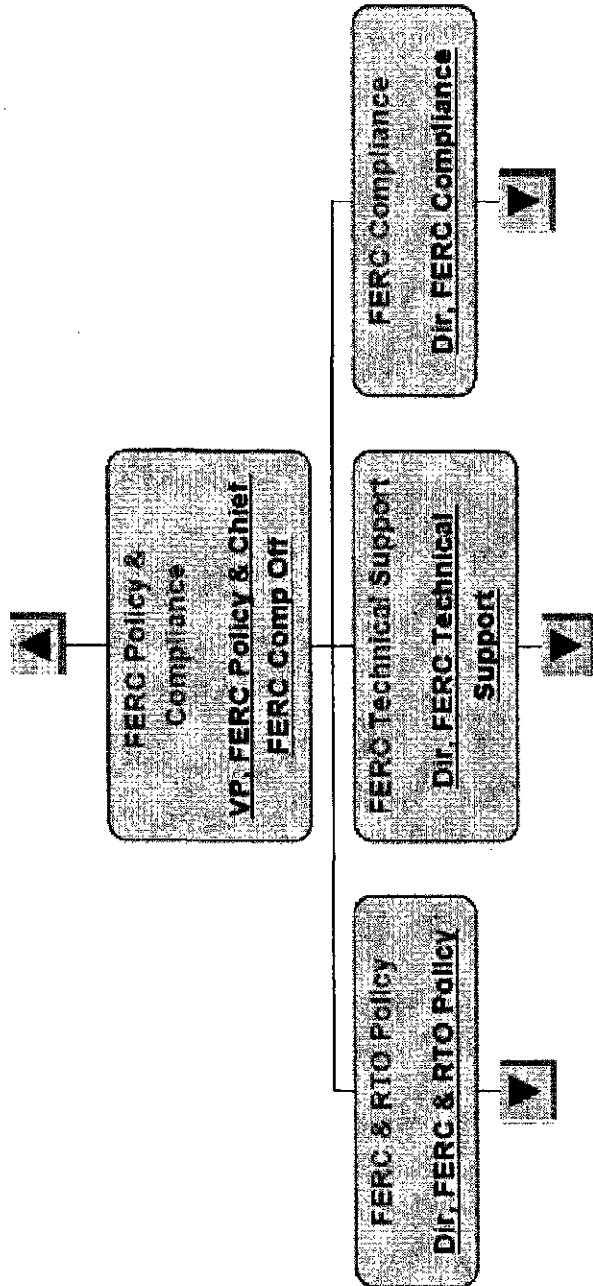
VP - CS & SAD



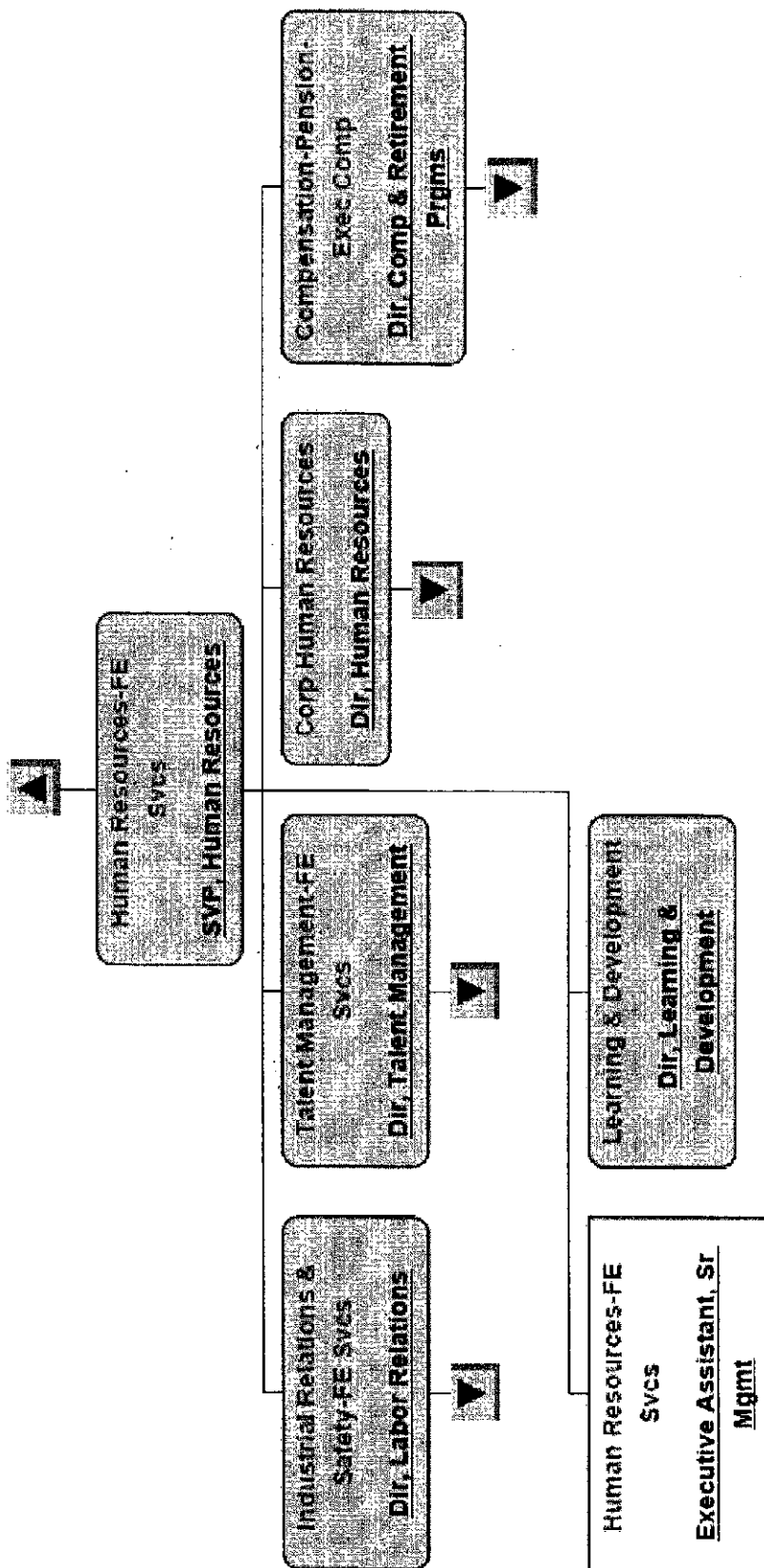
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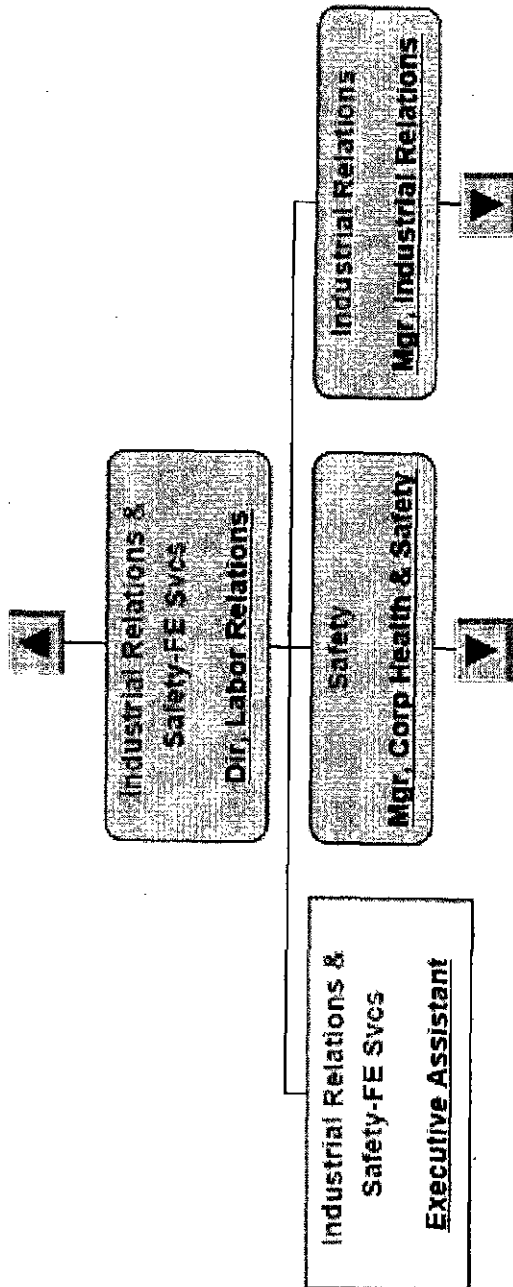
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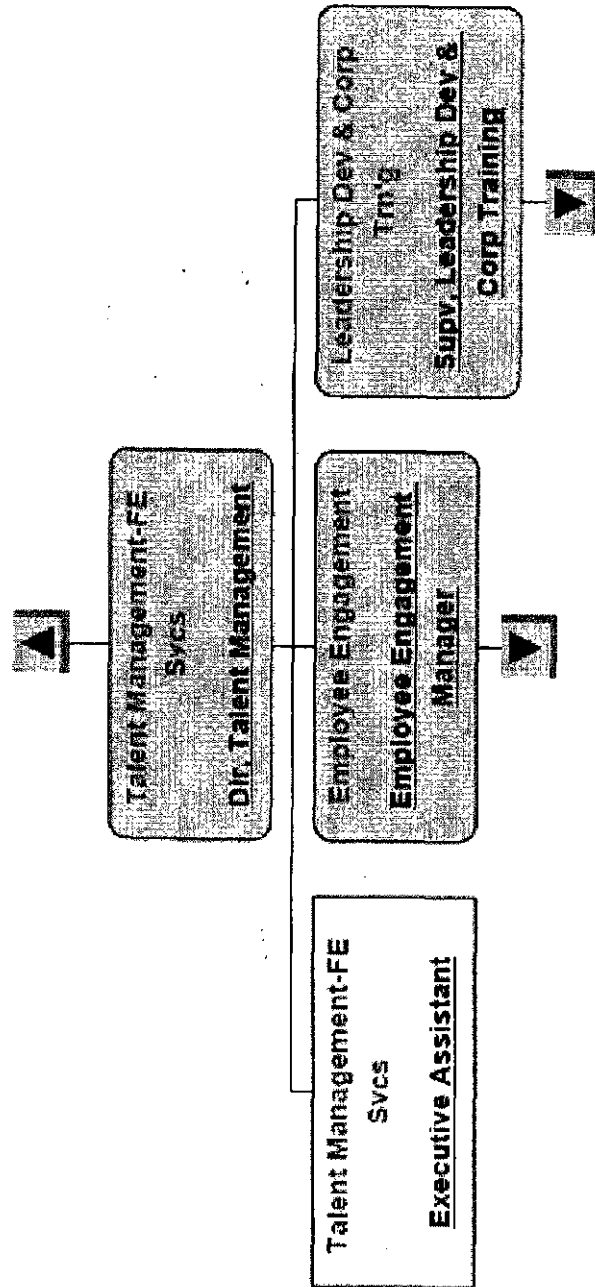
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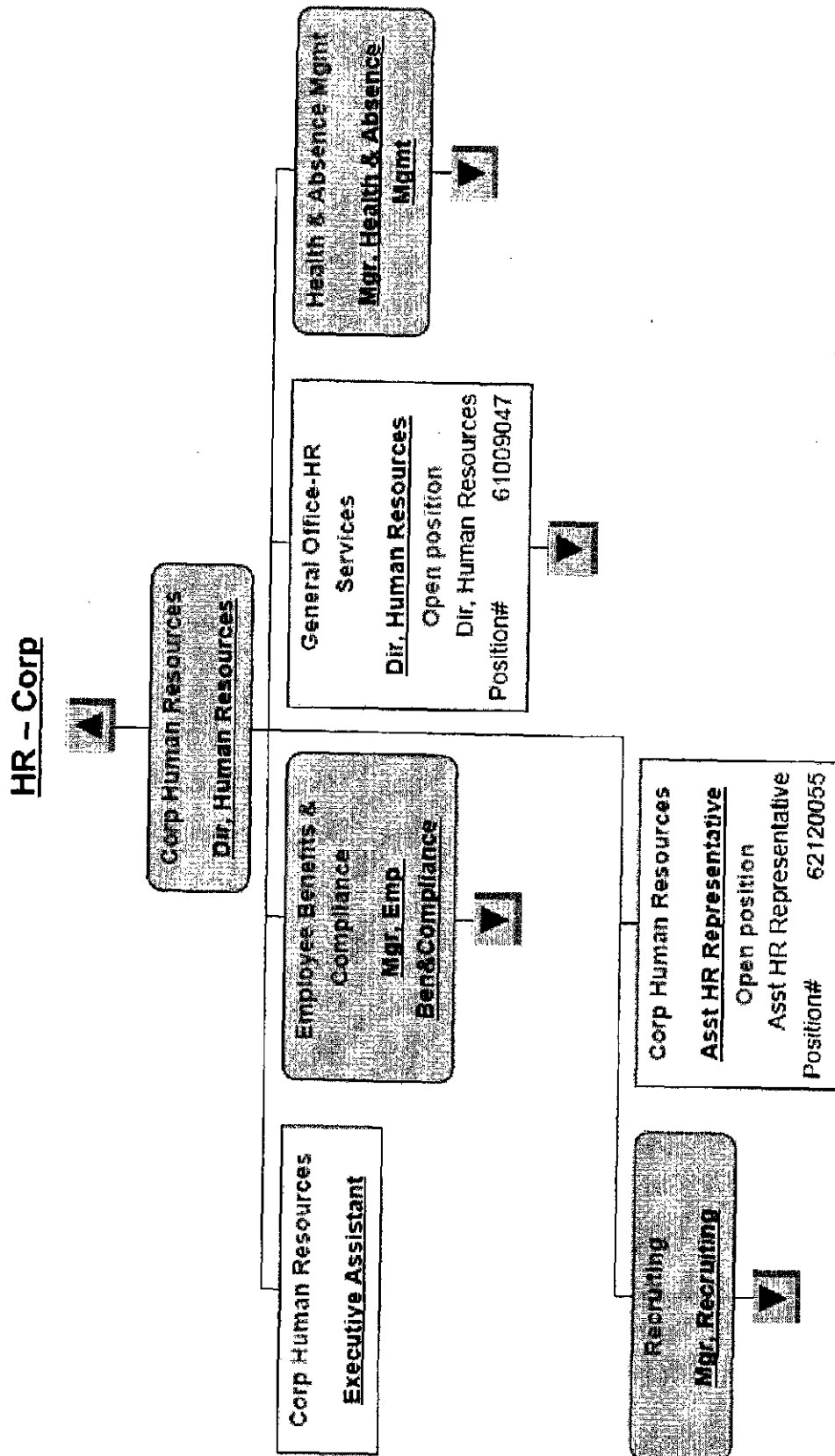


Industrial Relations & Safety

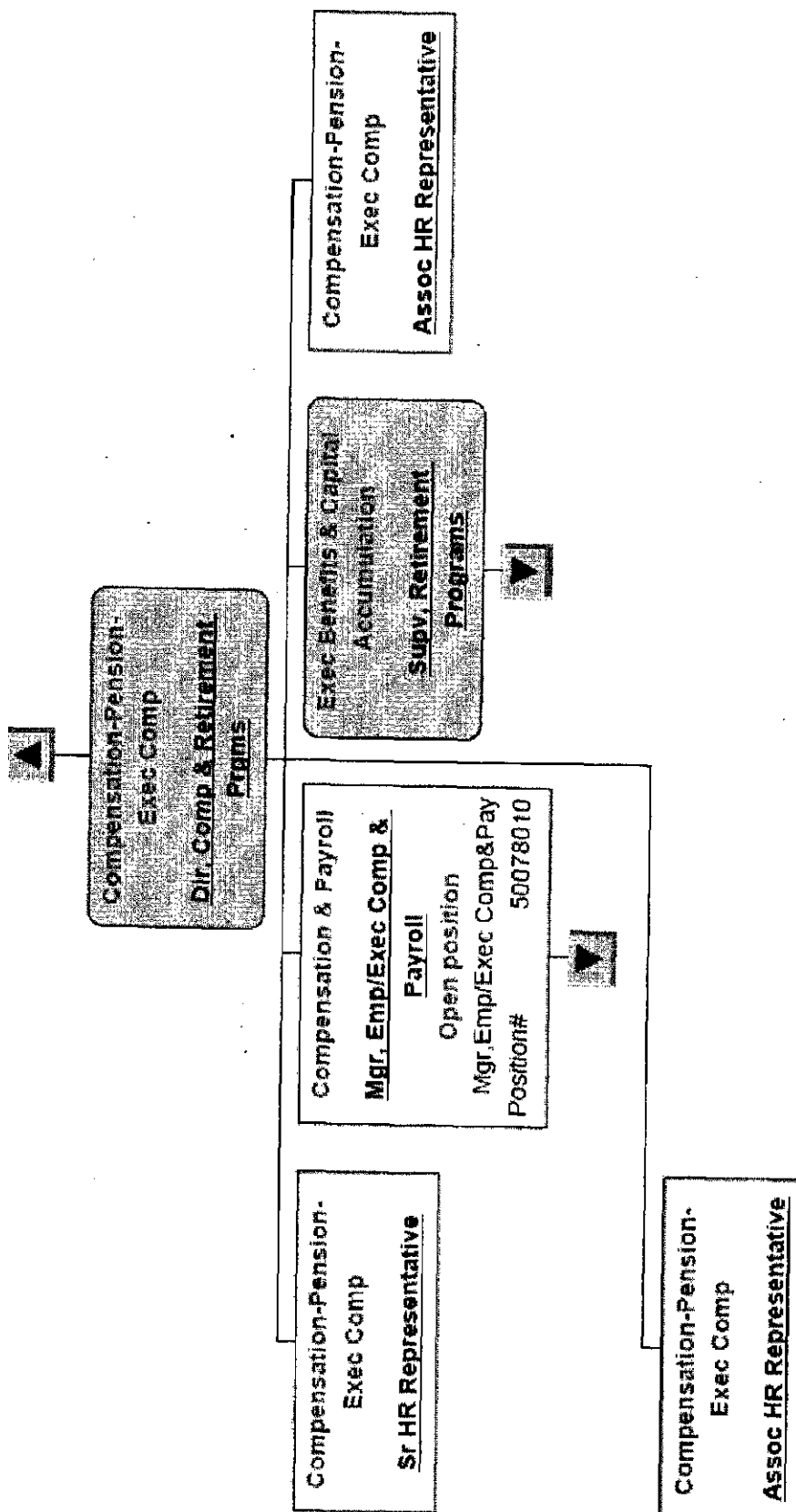


HR – Talent Management

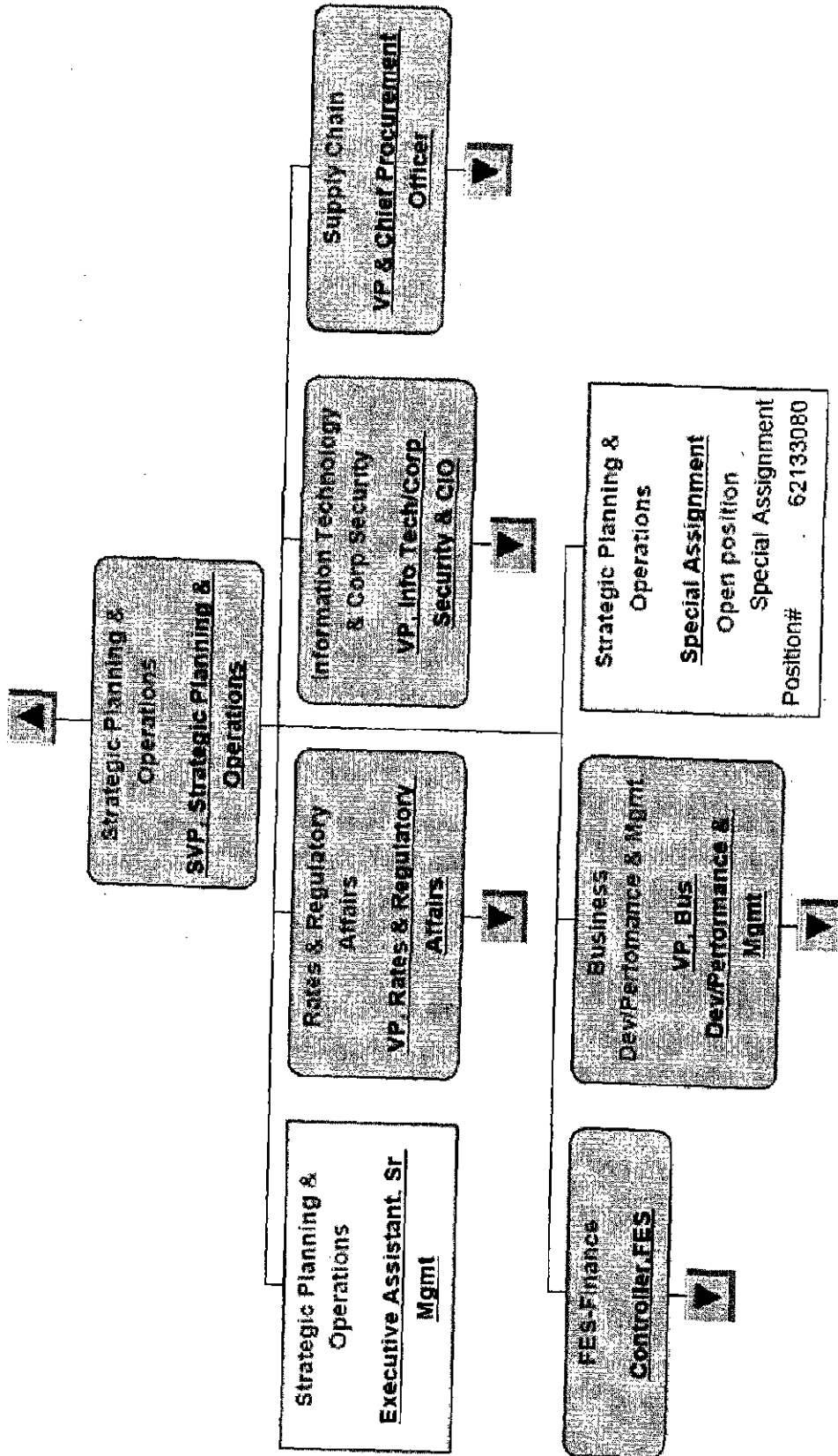




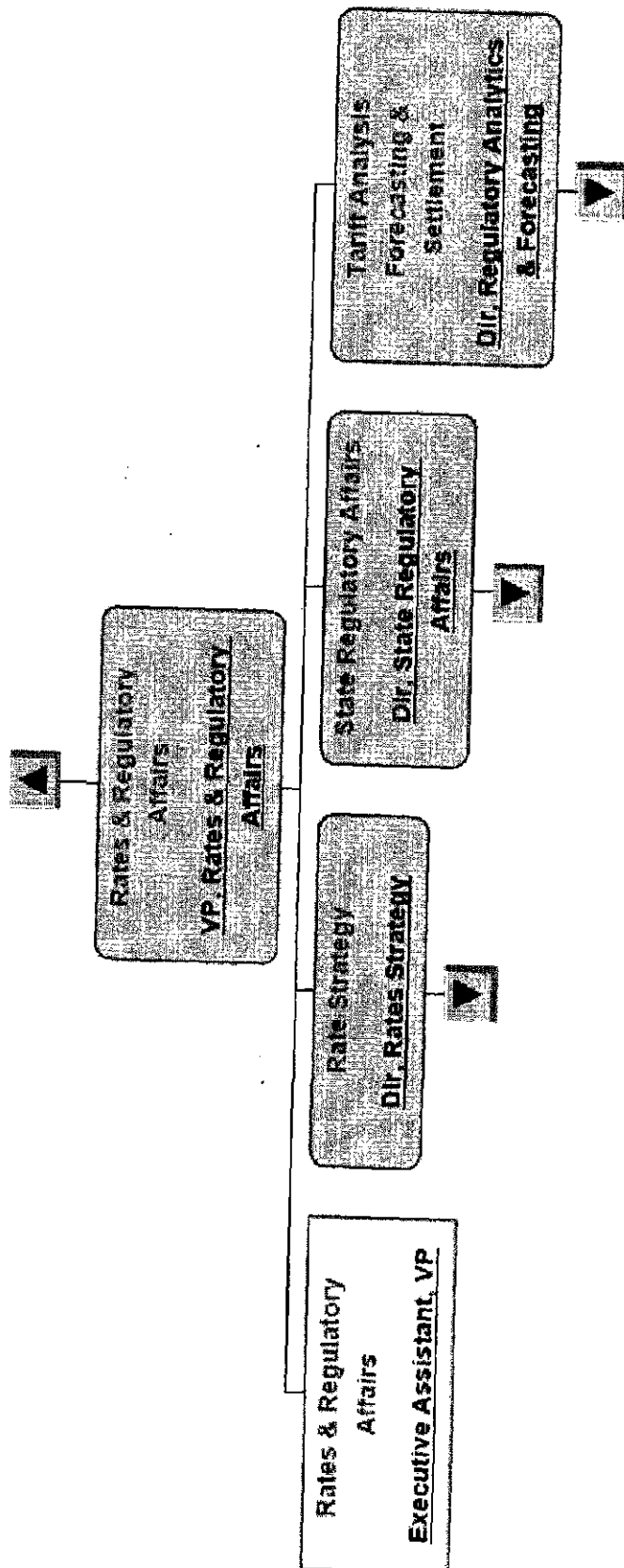
HR - Compensation



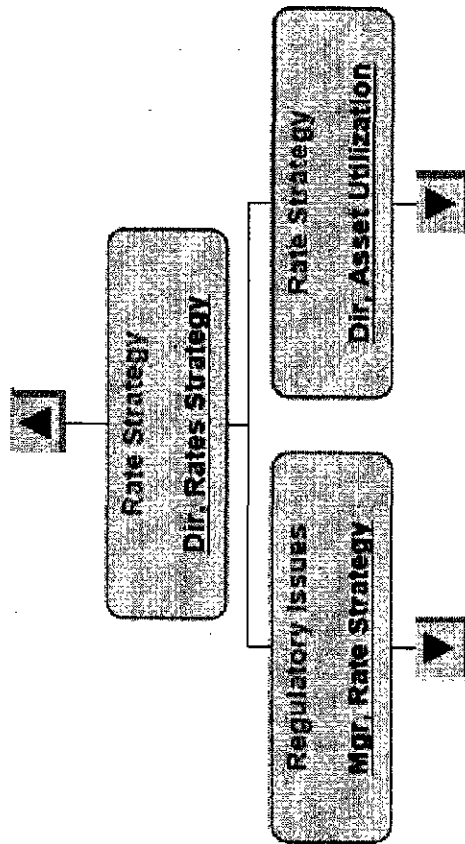
Strategic Planning & Operations



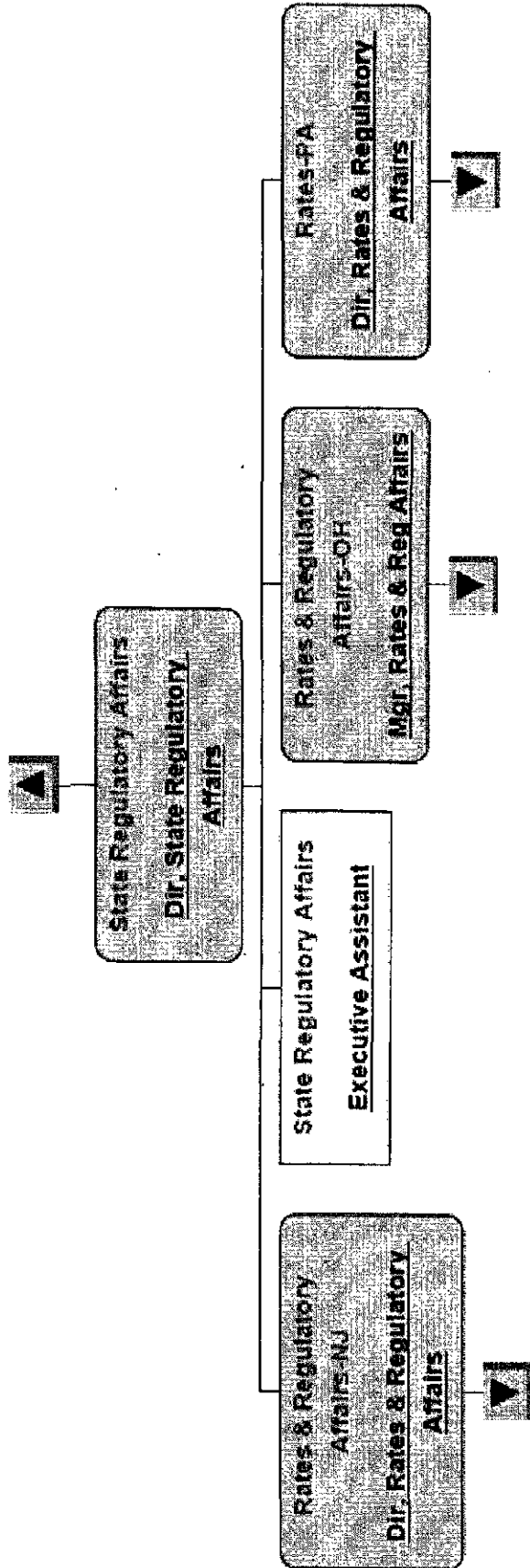
Rates & Regulatory Affairs



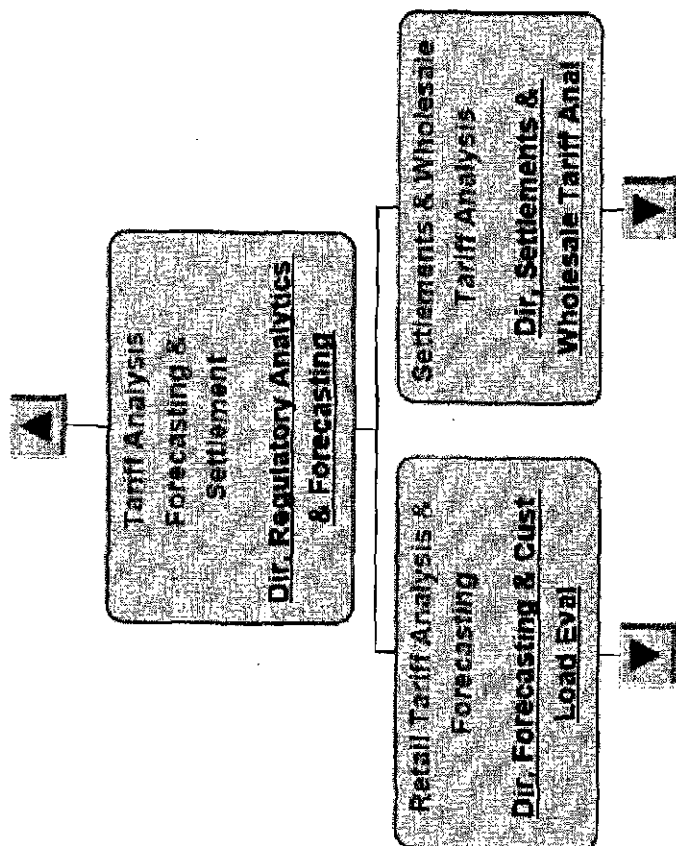
Rate Strategy



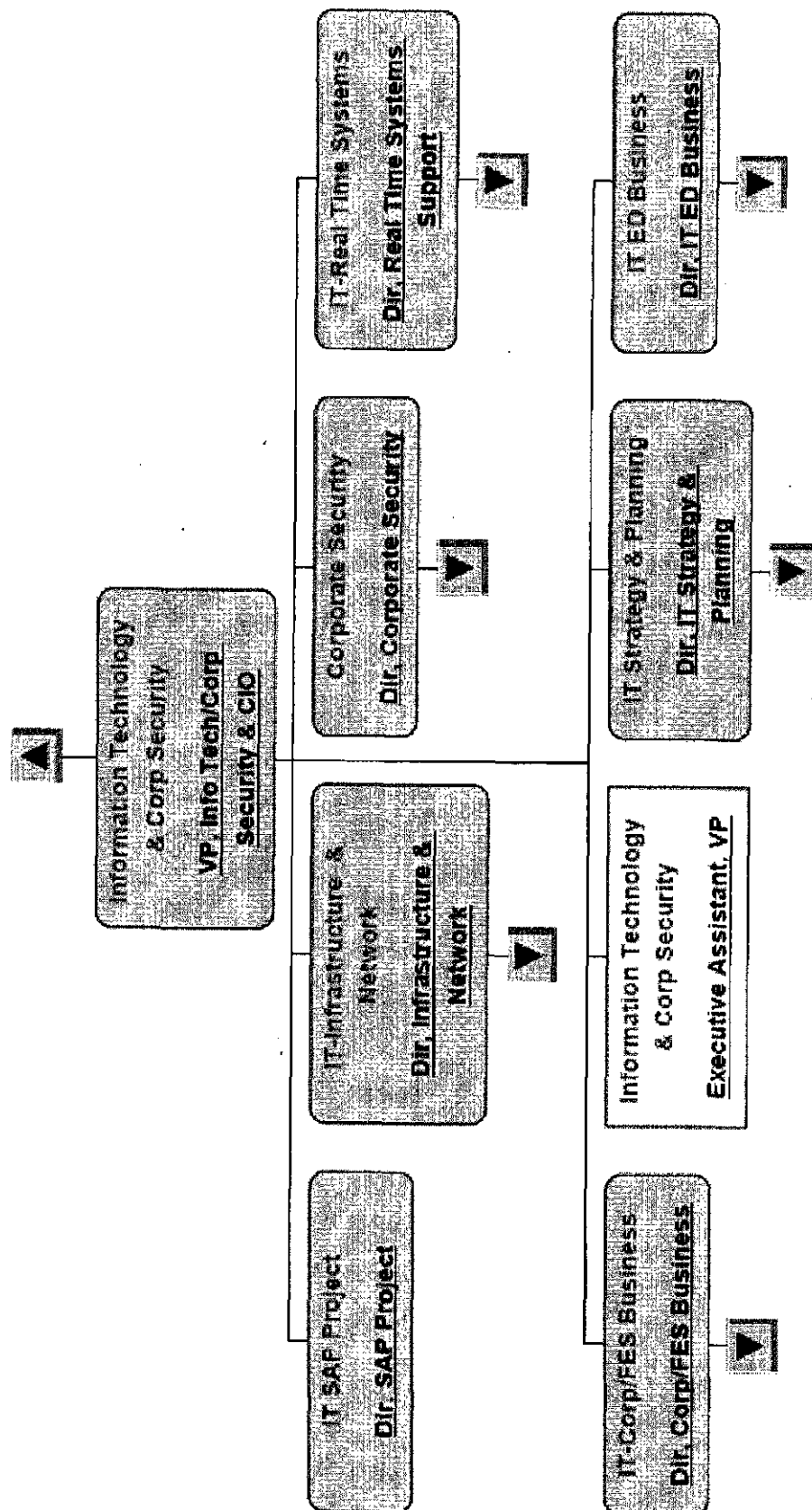
State Regulatory Affairs



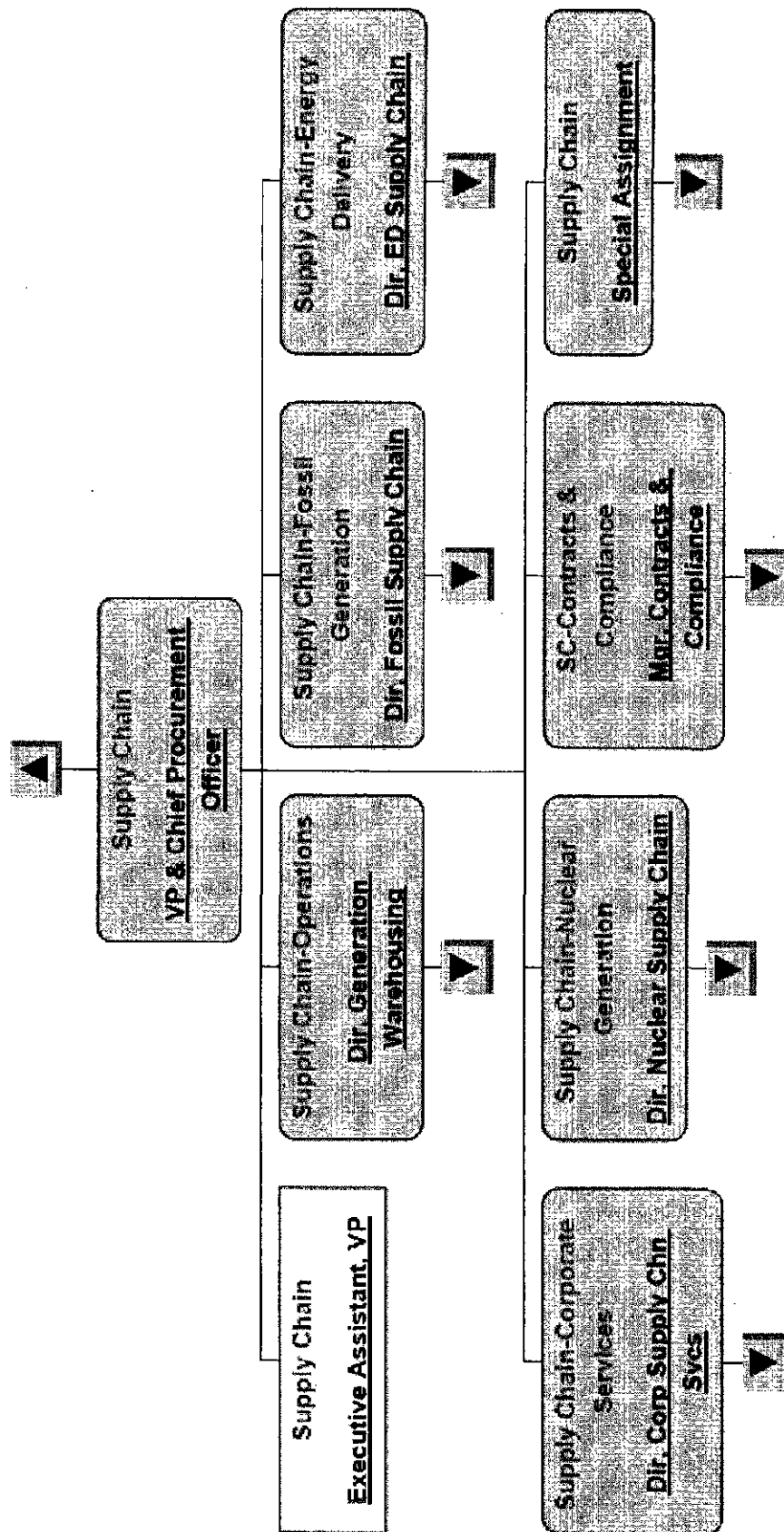
Tariff Analysis & Forecasting



VP - IT & Security

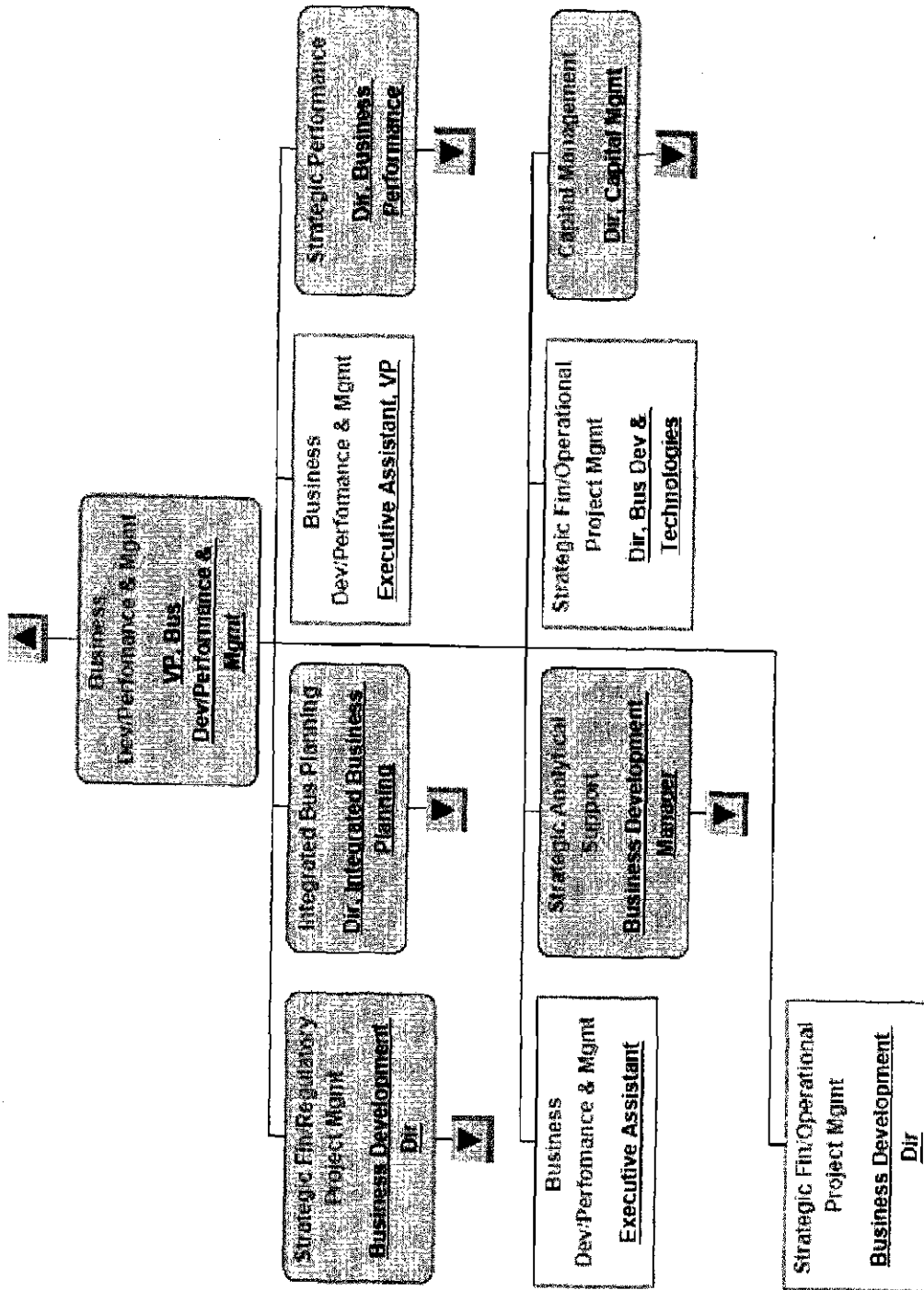


VP – Supply Chain

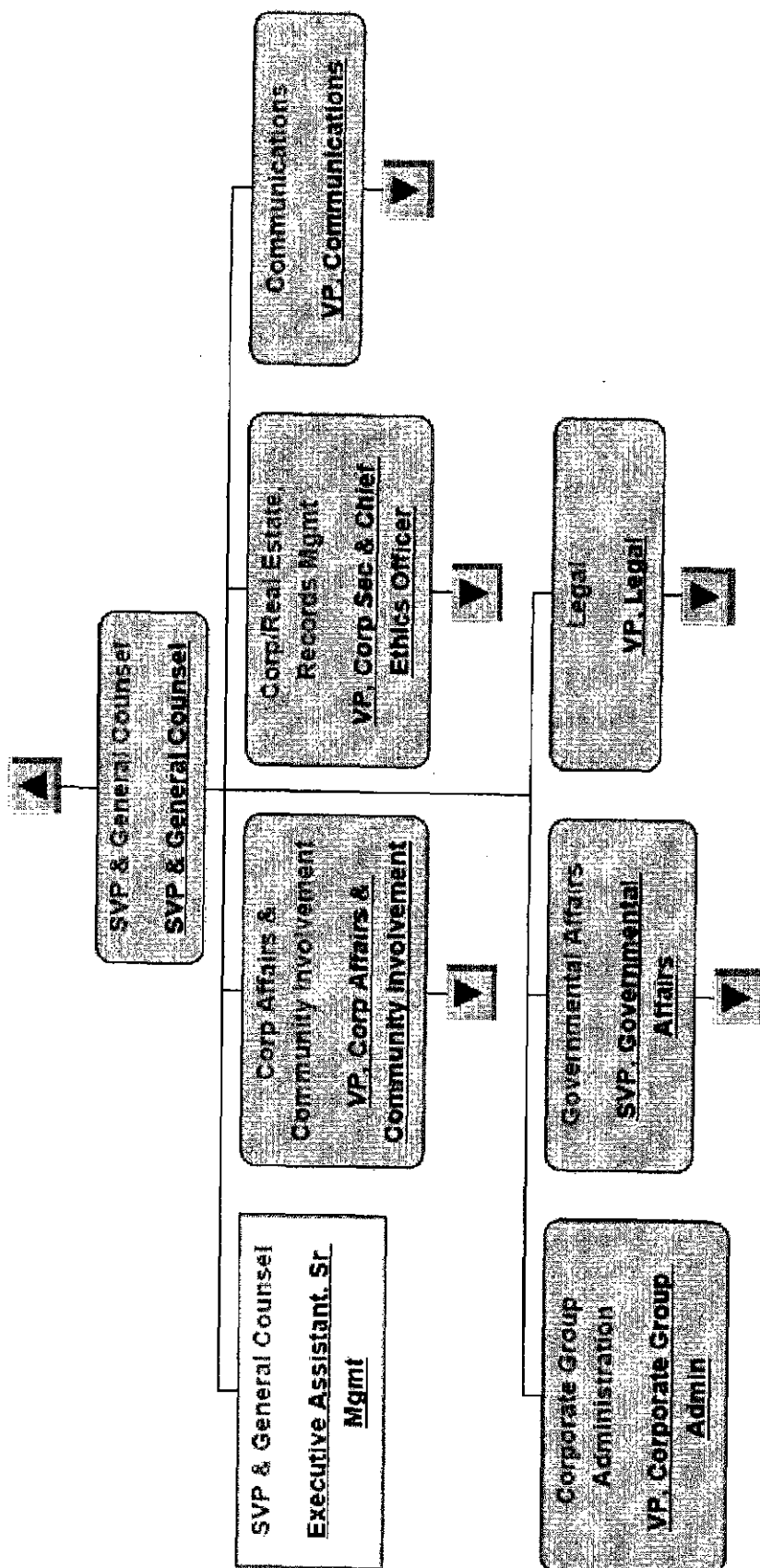


Business Development & Performance

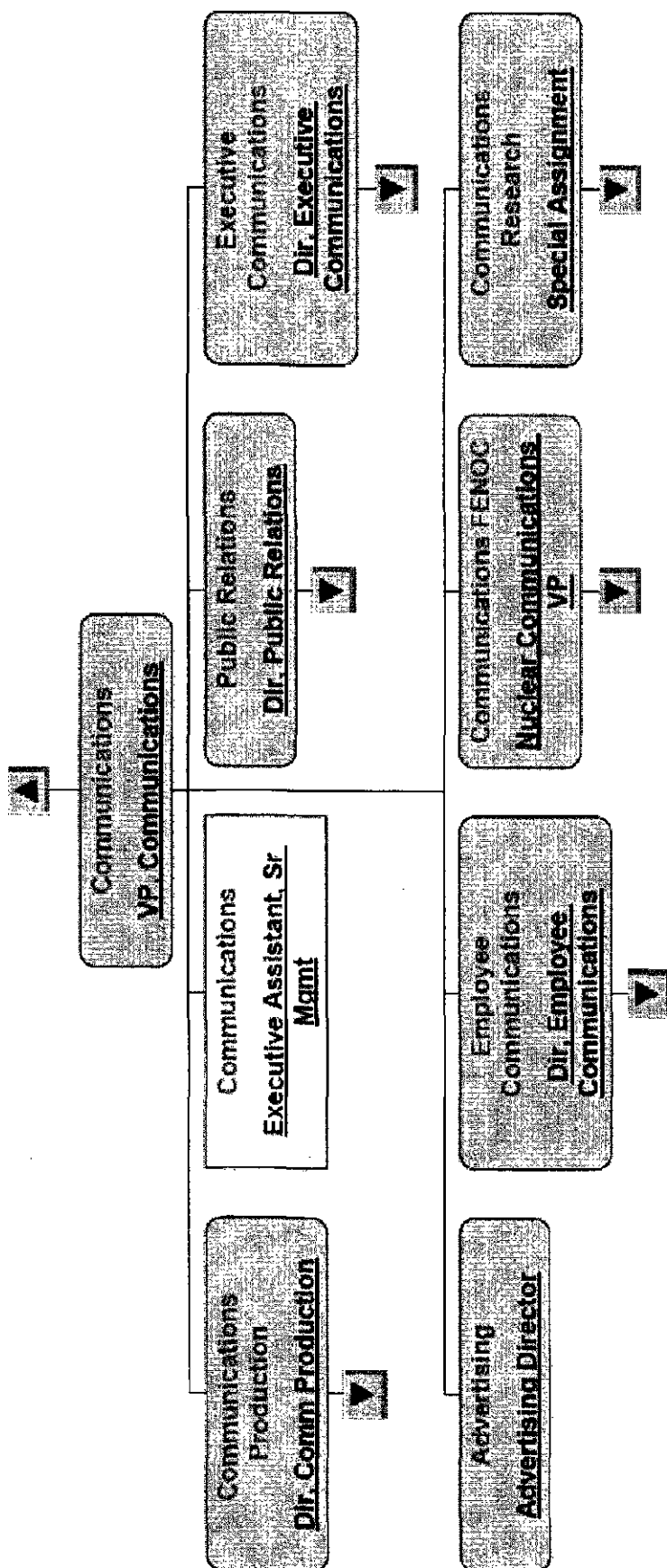
Appendix (10)(a) Organizational Charts



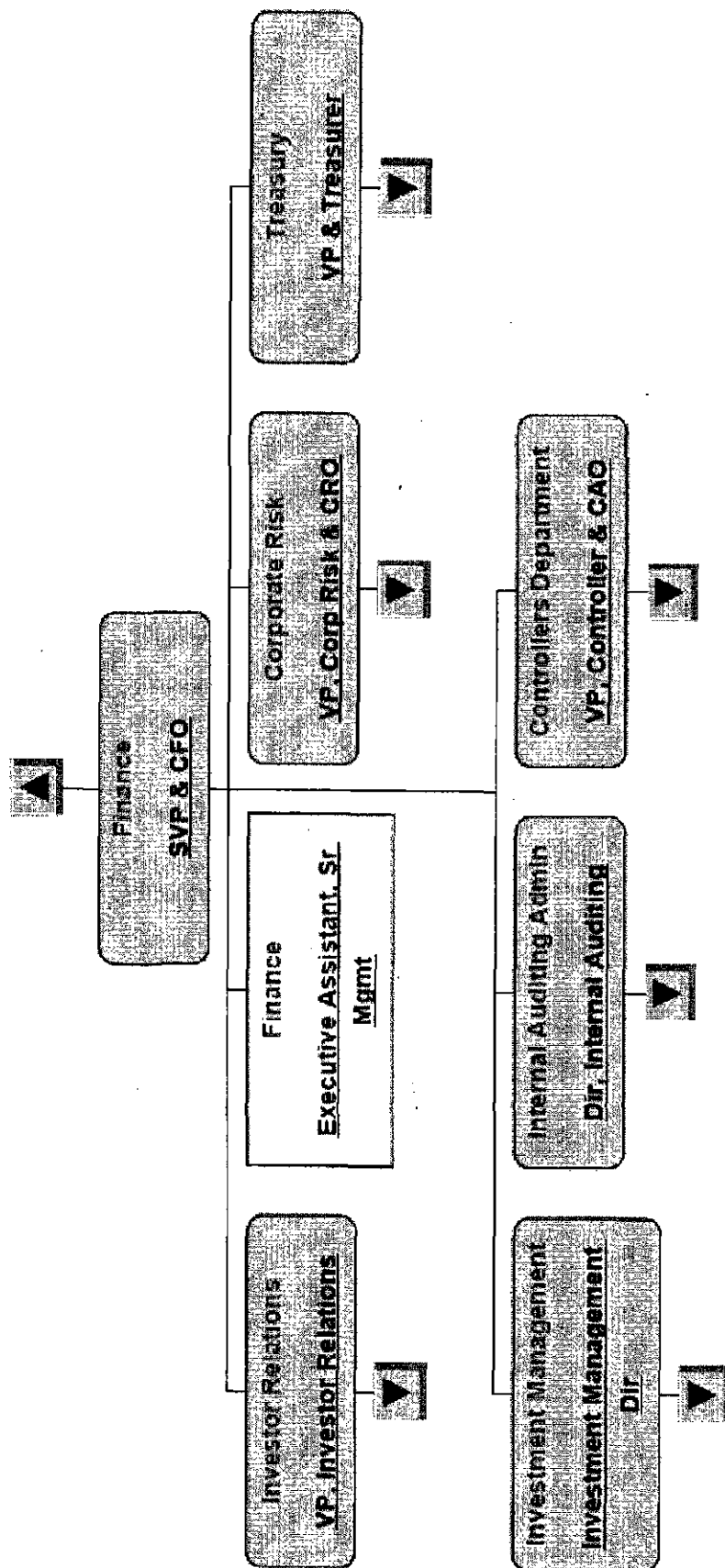
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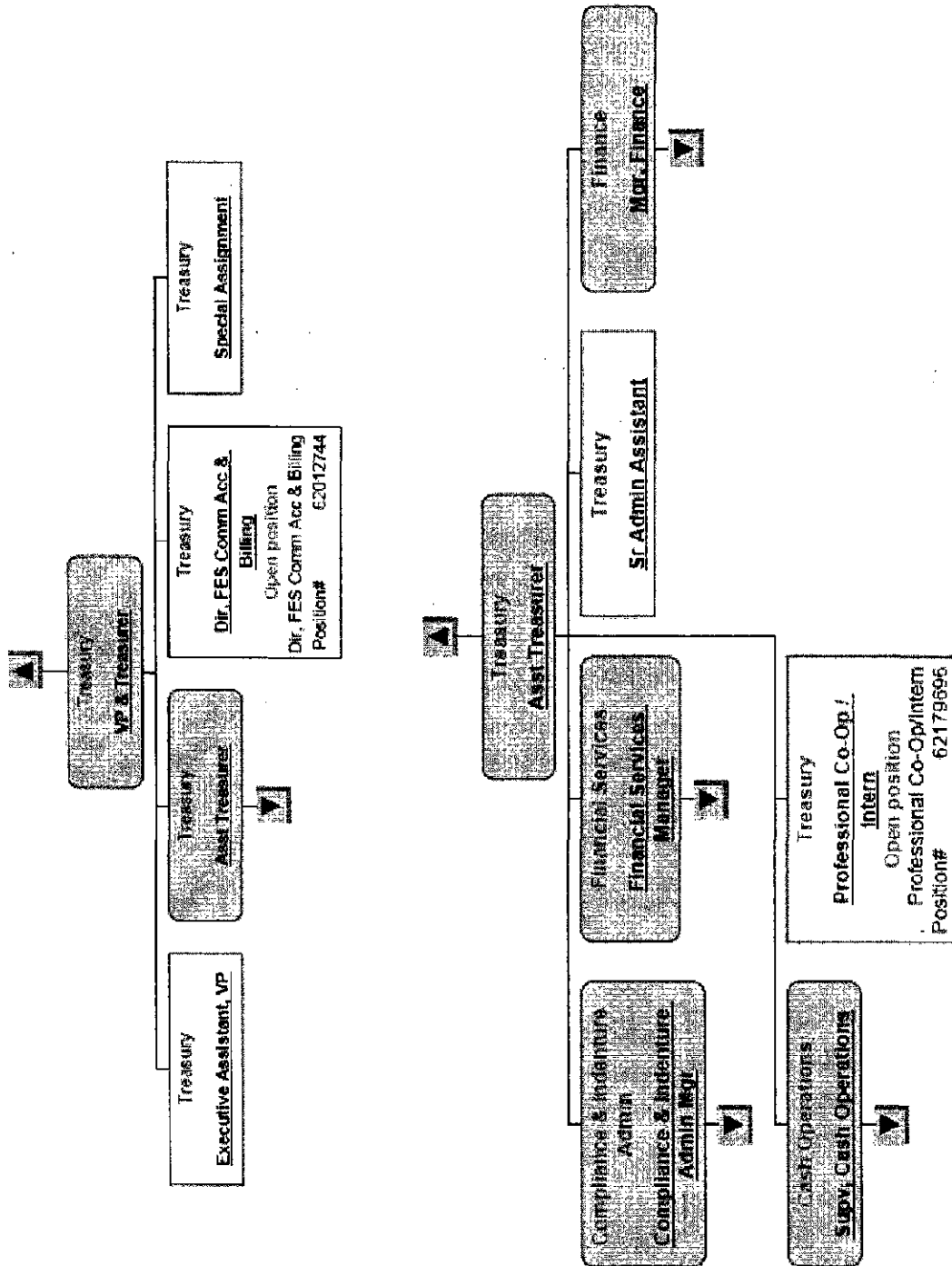


Communications



Finance





10(b)
Performance Indicators and Quantitative Comparisons

2006 Overview of KPIs and Incentive Compensation

KEY PERFORMANCE INDICATORS AND INCENTIVE COMPENSATION

Key Performance Indicators (KPIs) measure how well we are achieving our strategy in four key areas: financial, operations, customers, and employees.

Our KPI results drive short-term incentive compensation in the form of both cash payments and stock contributions to the Company Savings Plan.

However, no short-term incentive compensation will be paid if we do not earn enough to cover the common stock dividend and the requirements of our incentive compensation plans.

CORPORATE FINANCIAL KPIs—SYSTEM TARGET

Everyone who is eligible for annual incentive compensation has system target KPIs that ensure value is provided to our shareholders. Eligible employees will receive an incentive payment if we meet or exceed the threshold levels for these KPIs.

In 2006, *Earnings Per Share* and *Free Cash Flow from Operations* are our system targets.

SAFETY/OPERATIONAL AND BUSINESS UNIT KPIs

In addition to financial system target KPIs, employees eligible for short-term incentive compensation have a number of KPIs relating to safety, corporate operations and business unit performance. The number and weighting of these KPIs is determined by the business unit vice president, consistent with corporate guidelines. Eligible employees will receive an incentive payment if at least the threshold level for these KPIs is met.

CORPORATE KPIs — SAVINGS PLAN BONUS MATCH

To help employees' savings grow, a portion of their contributions to the Company's Savings Plan will be matched with FirstEnergy common stock. The Company will match each dollar of the first 6 percent of pay that eligible employees invest with 50 cents of FirstEnergy stock. The matching contribution can be increased by up to a maximum bonus match of 35 cents if certain Company performance goals are achieved.

The Company has established seven Savings Plan bonus match KPIs for 2006:

- *Customer Service Excellence*
- *Transmission Outage Frequency*
- *Distribution SAIDI*
- *MWH Generation*
- *Fleet Equivalent Forced Outage Rate*
- *Corporate Safety*
- *Workforce Hiring Plan*

For each quarter that the KPI is achieved, 1.50 cents of additional Company match can be credited to employees' accounts. If the KPI is achieved on an annual basis, the full six cents match can be credited to employees' accounts regardless of the quarterly results. The maximum annual matching contribution available to employees is 35 cents. However, with regard to the *Safety* KPI, in the event of a safety-related fatality, no matching contribution will be made for the quarter in which the fatality occurred, nor can this amount be made up at year end.

To be eligible for Savings Plan bonus matching contributions, an employee must have participated in the Savings Plan during the year in which the goals are achieved and be an active employee or on an authorized leave of absence as of December 31 of that year. If you are a union-represented employee, your eligibility for FirstEnergy Savings Plan matching contributions is determined by the terms of your collective bargaining agreement. The additional matching contribution will be credited to employees' accounts as soon as possible after the end of the year.

10(c)
Standards Of Performance

Dear Employees:

Our Business Practices describe the way we do business at FirstEnergy and set forth expectations for all employees. The Business Practices describe the business need, standards, authority and responsibility of each area of the Company, and provide guidance which should assist you in doing your job. These practices will help you understand our mission, organization and how you can contribute. While it replaces past manuals, such as the General Orders, it has been expanded to reflect the increasing intricacies of our organization and our industry.

This document should be used as a resource and a reference. It provides guidance for day-to-day activities as well as information on specific issues and questions. Electronic access to our Business Practices is available on Lotus Notes and the Internal Web site.

Good judgment should be used in applying these Business Practices. If you are unsure of what to do in a given situation, you should always check with your supervisor.

Thank you for taking the time to review our Business Practices and for ensuring that activities in your area are conducted in accordance with these guidelines.

Sincerely,

A handwritten signature in black ink, reading "Anthony J. Alexander". The signature is written in a cursive, flowing style.

Anthony J. Alexander
President and Chief Executive Officer

Business Practices Index

1.0 Introduction to Business Practices

- 1.1 President and Chief Executive Officer's Letter
- 1.2 Business Practices Index
- 1.3 Business Practices Overview

2.0 FirstEnergy Corp. Vision, Mission and Values

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- 2.2 FirstEnergy Mission Statement
- 2.3 FirstEnergy Core Values

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4.0 Human Resources and Workplace Standards

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- 10.3 Facilitating Payments
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- Human Resources Letters
- Corporate Policies

Business Practices Overview

FirstEnergy Business Practices	Business Practice #1.3
Subject: Business Practices Overview	Date: 11/9/04

Business Need

FirstEnergy employees are engaged in wide ranging work activities and as a result, expect and deserve guidance for issues that affect all employees generally on the way we will conduct our business. The Business Practices have been developed as a resource and reference on corporate policies and procedures and replace the General Orders, Corporate References, and rules from predecessor companies.

Authority and Responsibility

Our Business Practices are the defining standard for business conduct and accountability of all FirstEnergy employees. They describe the organization of the Company, delineate the responsibilities of various departments, state standards on matters of general interest and provide procedural direction. The President and CEO, and Senior Vice President and General Counsel must approve Business Practices. New Business Practices, revisions to existing Business Practices, and reference links to the Business Practices should be submitted to the Vice President, Corporate Affairs, by a member of Senior Management for consideration. All supervisors have responsibility for informing employees of the Business Practices. Employees are responsible for familiarizing themselves with the Business Practices, adhering to them as standard business behavior, and referencing them to resolve related procedural questions.

Scope

Business Practices apply to employees of FirstEnergy Corp. and any of its operating companies to which the Business Practices have been extended ("FirstEnergy Companies"). Such companies include the following:

FirstEnergy Corp.

American Transmission Systems, Incorporated

FirstEnergy Facilities Services Group, LLC
(Holding Company Staff Only)

FirstEnergy Generation Corp.

FirstEnergy Nuclear Operating Company

FirstEnergy Service Company

FirstEnergy Solutions Corp.

Jersey Central Power & Light Company

Metropolitan Edison Company

Ohio Edison Company

Pennsylvania Electric Company

Pennsylvania Power Company

The Cleveland Electric Illuminating Company

The Toledo Edison Company

All references to FirstEnergy and the Company throughout the Business Practices Manual include FirstEnergy companies, unless otherwise noted.

Additions or deletions to this list of participating companies may be made at any time at the discretion of the CEO, President or Corporate Secretary.

The Business Practices apply to FirstEnergy employees. The Business Practices address areas of interest across the Company for the good of employees and all with whom we do business. The Business Practices will be available through the FirstEnergy Internal Web for review by all employees and a limited number of hard copies will be available to those in remote locations to ensure universal access. The Business Practices will also reference department specific policies and procedures that give more detail and department specific direction, including those where there may be changes from year to year. Employees who violate Business Practices will be subject to appropriate disciplinary action up to and including termination of employment.

FirstEnergy Corporate Vision

FirstEnergy Business Practices	Business Practice #2.1
Subject: FirstEnergy Corporate Vision	Date: 01/30/2006

FirstEnergy Corporate Vision

FirstEnergy will be a leading regional energy provider, recognized for operational excellence, customer service and its commitment to safety; the choice for long-term growth, investment value and financial strength; and a company driven by the leadership, skills, diversity and character of its employees.

Authority and Responsibility

The Board of Directors, in concert with the CEO, Executive Council, and Senior Management Committee, will lead the Company in updating, communicating and implementing FirstEnergy's Strategic Vision.

Employees will promote FirstEnergy's Corporate Vision.

References

Corporate Profile

FirstEnergy Corp. is a diversified energy company headquartered in Akron, Ohio. Its subsidiaries and affiliates are involved in the generation, transmission and distribution of electricity, energy management and other energy-related services. Its seven electric utility operating companies comprise the nation's fifth largest investor-owned electric system, serving 4.5 million customers within 36,100 square miles of Ohio, Pennsylvania and New Jersey; and its generation subsidiaries own or operate nearly 14,000 megawatts of capacity. Our Corporate Vision is to become the leading retail energy and related services supplier in our region.

FirstEnergy also has expanded its Internet and telecommunications technologies to improve customer service, reduce costs and increase revenues. The Company is strategically positioning itself in e-commerce through its nationally recognized interactive Customer Care Web site. And, its FirstEnergy Telecom Services subsidiary builds, operates and controls telecommunications systems. FirstEnergy also has a minority ownership position in First Communications - a company that serves more than 60,000 customers with long-distance service, local phone service and advanced data solutions.

FirstEnergy's mailing address is:

FirstEnergy Corp.
76 South Main Street
Akron, Ohio 44308

Here's a brief look at FirstEnergy

4.5 million customers

36,100-square-mile service area in Ohio, Pennsylvania and New Jersey

\$12.4 billion in annual revenues and approximately \$31 billion in assets

13,387 megawatts of *generating capacity*

11,502 miles of transmission lines, and 84 interconnections with 13 electric systems

Strategic Location

FirstEnergy's service area is within a 500-mile radius of one-half of the U.S. population

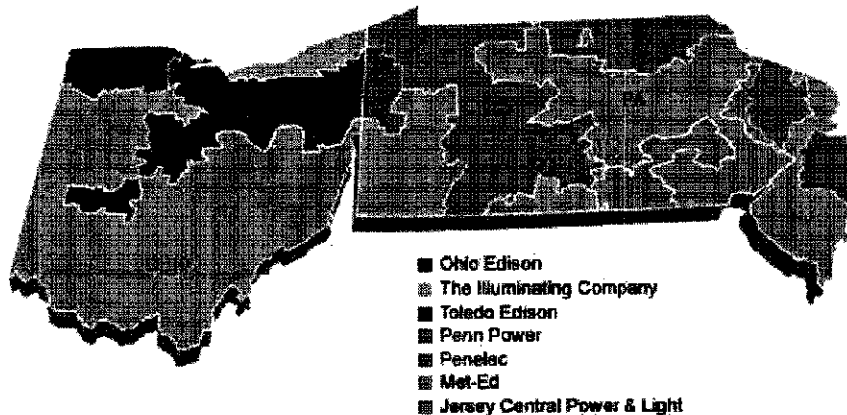
Strong Access to Wholesale Market

11,502 miles of transmission lines, and 84 interconnections with 13 electric systems -- opening sales opportunities throughout Michigan, Canada and the eastern U.S.

36,100-square-mile service area

Offering opportunities for more profitable sales.

Service Area Map



FirstEnergy Mission Statement

FirstEnergy Business Practices	
Subject: FirstEnergy Mission Statement	Business Practice #2.2 Date: 11/9/04

FirstEnergy Mission Statement

FirstEnergy will provide competitively priced, high-quality products and value-added services in the areas of:

- Energy sales and services
- Energy delivery
- Power supply
- Regulated and non-regulated supplemental services related to our core business

Authority and Responsibility

The Board of Directors, in concert with the Chairman and Senior Management Committee, will lead the Company in updating, communicating and implementing FirstEnergy's Mission Statement.

Employees will promote FirstEnergy's Mission Statement.

FirstEnergy Core Values

FirstEnergy Business Practices	Business Practice #2.3
Subject: FirstEnergy Core Values	Date: 11/9/04

FirstEnergy Core Values

FirstEnergy is committed to a set of core values that are fundamental to achieving its vision to provide superior value to customers and investors, and to provide a quality work environment for all employees. The FirstEnergy Core Values define what is important to our customers, stakeholders and employees:

- Safety
- Customer Service
- Diversity
- Positive Change
- Knowledge
- Open Communications
- Teamwork

Authority and Responsibility

The Chairman and Senior Management Committee will lead the Company in updating, communicating and implementing FirstEnergy's Core Values, for employees to promote.

Scope

FirstEnergy's Core Values apply to employees of FirstEnergy.

Organization

FirstEnergy Business Practices	Business Practice #3.1
Subject: Organization Overview	Date: 07/02/07

FirstEnergy Organization

FirstEnergy Corp., as a regional energy and related services supplier, is organized to deliver value to customers, shareholders, and employees.

Authority and Responsibility

Responsibility for the operations of the Company is shared among the officers of FirstEnergy and its subsidiary companies, departments, regions, and plants.

Organization

The Officers of FirstEnergy Corp. are:

Anthony J. Alexander, President and Chief Executive Officer
Richard R. Grigg , Executive Vice President and Chief Operating Officer
Richard H. Marsh, Senior Vice President and Chief Financial Officer
Leila L. Vespoli, Senior Vice President and General Counsel
Harvey L. Wagner, Vice President, Controller and Chief Accounting Officer
Rhonda S. Ferguson, Vice President, Corporate Secretary and Chief Ethics Officer
James F. Pearson, Vice President and Treasurer
Paulette R. Chatman, Assistant Controller
Jacqueline S. Cooper, Assistant Corporate Secretary
Jeffrey R. Kalata, Assistant Controller
Randy Scilla, Assistant Treasurer
Edward J. Udovich, Assistant Corporate Secretary

Management of the enterprise is led by the FirstEnergy Service Company Executive Council and Senior Management Committee.


Members of the Executive Council are:

Anthony J. Alexander, Lynn M. Cavalier, Mark T. Clark, Richard R. Grigg, Charles E. Jones, Joseph Hagan, Charles D. Lasky, Gary R. Leidich, David C. Luff, Richard H. Marsh, Guy L. Pipitone, Donald R. Schneider, Leila L. Vespoli, and Thomas M. Welsh.

Members of Senior Management Committee are:

Anthony J. Alexander
Richard R. Grigg
Lynn M. Cavalier
Mark T. Clark

Charles E. Jones
Gary R. Leidich
David C. Luff
Richard H. Marsh
Guy L. Pipitone
Leila L. Vespoli
Thomas M. Welsh
Tony C. Banks
David M. Blank
Mary Beth Carroll
Thomas A. Clark
Kathryn W. Dindo
Ralph J. DiNicola
Michael J. Dowling
Bradley S. Ewing
Rhonda S. Ferguson
Bennett L. Gaines
Joseph J. Hagan
Ali Jamshidi
Mark A. Julian
Charles D. Lasky
Nicholas J. Lizanich
Thomas C. Navin
Danny L. Pace
James F. Pearson
Robert P. Reffner
Alfred G. Roth
Donald R. Schneider
Ronald E. Seeholzer
Eugene J. Sitarz
Daniel V. Steen
Stanley F. Szwed
Bradford F. Tobin
Harvey L. Wagner
Arthur W. Yuan.



Regulatory Codes of Conduct

FirstEnergy Business Practices	Business Practice #3.2
Subject: Regulatory Codes of Conduct	Date: 11/9/04

Business Need

As part of the restructuring of the electric utility industry, state and federal regulatory agencies have adopted regulations governing how electric utilities and their employees must interact with affiliated and non-affiliated suppliers of competitive services and with customers in a competitive environment. Under the principals of corporate separation, we must ensure that the regulated side of FirstEnergy's business does not subsidize or otherwise benefit our competitive businesses. These regulations are generally referred to as *Regulatory Codes of Conduct*.

Key provisions of the *Regulatory Codes of Conduct* address the release by the utilities of proprietary customer information; non-discriminatory access to customer lists; non-discriminatory access to transmission and distribution information; confidentiality of information provided by competitive suppliers; prohibition from the tying or conditioning the provision of utility services to the purchase of services from a competitive affiliate; avoidance of subsidies; and the non-discriminatory provision of tariffed products and services.

Authority and Responsibility

FirstEnergy Management, with support from the Legal Department, is responsible for identifying those laws and regulations that affect our operations and for implementing work practices that prompt compliance and timely identification of any violations. Our Chief Ethics Officer - Vice President and Corporate Secretary David W. Whitehead - will ensure that the appropriate action is taken of reports of ethics and business conduct violations.


Scope

The policies related to *Regulatory Codes of Conduct* apply to employees of FirstEnergy.

References

FERC - ATSI Standards of Conduct
FERC - FE Solutions Market-Based Tariff
FERC - PFM Transmission Standards of Conduct
New Jersey - Affiliate Relations Standards - Summary
New Jersey - Affiliate Relations Standards - FAQs
New Jersey - Affiliate Relations Standards - State Regulation
New Jersey - Affiliate Relations Standards - Merger Settlement Agreement
New Jersey - JCP&L Compliance Plan
Ohio - Corporate Separation Rule - Summary

Ohio - Corporate Separation Rule - FAQs
Ohio - Corporate Separation Rule - State Regulation
Pennsylvania - Competitive Safeguards - Summary
Pennsylvania - Competitive Safeguards - FAQs
Pennsylvania - Competitive Safeguards - State Regulation
Pennsylvania - GENCO Code of Conduct - FAQs
Pennsylvania - GENCO Code of Conduct - State Regulation
Affiliate Transactions Business Practice #3.3
Corporate Policy 103 - FirstEnergy Corporate Compliance Program
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**



Affiliate Transactions

FirstEnergy Business Practices	Business Practice #3.3
Subject: Affiliate Transactions	Date: 11/9/04

Business Need

Transactions between affiliated companies in FirstEnergy are subject to regulation by the U.S. Securities and Exchange Commission (SEC), the Federal Energy Regulatory Commission (FERC), and applicable state public utility commissions (PUCs) in order to ensure that there is no undue subsidy or advantage from the regulated utilities to the competitive businesses. In addition, as a registered public utility holding company, FirstEnergy must comply with all requirements of the Public Utility Holding Company Act of 1935 (PUHCA), which extensively regulates the types of affiliate transactions, as well as the charges for such transactions, that are permitted.

PUHCA requires the maintenance of detailed books and records for the regulated and unregulated operations, which are subject to biannual audit by the SEC. Key provisions of the Regulatory Codes of Conduct are discussed in Business Practice #3.2.

Business Standards

FirstEnergy will comply with the provisions of the Regulatory Codes of Conduct, as well as PUHCA and other regulatory standards of the SEC and FERC.

Authority and Responsibility

Managers initiating affiliate transactions are primarily responsible for ensuring that the transactions are appropriately priced and billed in accordance with FirstEnergy's affiliate transaction policies as set forth in the Cost Allocation Manual. The controller of each affiliate company is responsible for properly recording affiliate transactions in which the Controller's company participates. The FirstEnergy Controller will provide assistance to managers in pricing and billing affiliate transactions. Managers are expected to consult with their affiliated counterparts and the Legal Department before entering into affiliate transactions. The FirstEnergy Controller is responsible for overseeing and coordinating FirstEnergy's affiliate transactions and, if necessary, is the arbiter with respect to FirstEnergy's affiliate pricing issues.

Managers are responsible for ensuring that products or services provided from the utilities to a competitive affiliate are also made available to non-affiliated entities at similar prices and that such transactions are posted where required by the Regulatory Codes of Conduct. Managers are responsible for ensuring that employees properly record their time

charged to utility and non-utility affiliates. Managers are responsible for ensuring that all aspects of the Regulatory Codes of Conduct are adhered to concerning access to information, confidentiality of customer and competitive supplier information, avoiding cross subsidization, and the non-discriminatory provision of tariffed products and services.

Scope

The policies related to affiliate transactions apply to employees of FirstEnergy.

References

FERC - ATSI Standards of Conduct
FERC - FE Solutions Market-Based Tariff
FERC - PJM Transmission Standards of Conduct
New Jersey - Affiliate Relations Standards - Summary
New Jersey - Affiliate Relations Standards - FAQs
New Jersey - Affiliate Relations Standards - State Regulation
New Jersey - Affiliate Relations Standards - Merger Settlement Agreement
New Jersey - JCP&L Compliance Plan
Ohio - Corporate Separation Rule - Summary
Ohio - Corporate Separation Rule - FAQs
Ohio - Corporate Separation Rule - State Regulation
Pennsylvania - Competitive Safeguards - Summary
Pennsylvania - Competitive Safeguards - FAQs
Pennsylvania - Competitive Safeguards - State Regulation
Pennsylvania - GENCO Code of Conduct - FAQs
Pennsylvania - GENCO Code of Conduct - State Regulation
Corporate Policy 301 - FirstEnergy Employee Concerns Line 1-800-683-3625
Regulatory Codes of Conduct Business Practice #3.2

Antitrust

FirstEnergy Business Practices	Business Practice #3.4
Subject: Antitrust	Date: 11/9/04

Business Need

Our commitment to antitrust compliance is a universal principle intended to promote fair competition and free enterprise by prohibiting activities that restrain or inhibit competition. The antitrust laws apply to such diverse activities as marketing, procurement, contracting, and mergers and acquisitions. These laws specifically prohibit agreements (including tacit or unspoken agreements):

- To fix, coordinate, or control prices and terms;
- To allocate or divide up customers, territories, or markets; and
- Not to compete, or to compete only in some limited fashion.

The antitrust laws also prohibit certain group boycotts and "tying" arrangements, in which a seller refuses to sell one product or service unless the buyer agrees to purchase another separate product or service.

Business Standards

FirstEnergy fully supports laws that prohibit restraints to trade, unfair practices or abuse of economic power. We will compete on the merits of efficiency, effectiveness, and customer satisfaction. The antitrust laws are particularly relevant when FirstEnergy employees attend trade shows or trade association meetings, because of the opportunity to interact with competitors or potential competitors. Certain topics should not be discussed in order to avoid possible violations of the antitrust laws. In particular, employees will not discuss pricing or pricing strategies; the allocation of customers, territories, or markets; agreements not to compete or to compete only in a limited fashion; agreements to regulate or limit production; and agreements to participate in group boycotts.

Authority and Responsibility

The Legal Department is responsible for developing, administering and disseminating policies related to antitrust laws. The Legal Department will determine what actions will be taken regarding potential antitrust violations.

Management at all levels is responsible for enforcement of antitrust policies. Employees will protect and maintain the confidentiality of FirstEnergy information in order to avoid antitrust violations. Employees should contact the Legal Department for guidance on antitrust issues.

Scope

The policies related to antitrust apply to employees of FirstEnergy.

References

Affiliate Transactions Business Practice

Confidential and Proprietary Information Business Practice

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Ethics; Business Conduct and Employee Concerns Line

FirstEnergy Business Practices	Business Practice #3.5
Subject: Ethics, Business Conduct and Employee Concerns Line	Date: 11/9/04

Business Need

The highest standards of business conduct and ethical behavior are the foundation for FirstEnergy achieving its vision.

Business Standards

Standards for ethical and legal behavior are set forth in FirstEnergy's Code of Business Conduct (Corporate Policy 101), supplemented by Conflict of Interest (Corporate Policy 201) and related Business Practices. All employees will be provided a work environment free of harassment, discrimination, and unlawful or unethical business activities. Employees will conduct themselves in accordance with all laws and the highest ethical standards when interacting with customers, suppliers, and other employees.

An Employee Concerns Line is provided to ensure that employees have the means to report potential violations and to provide an atmosphere for open communication of ethics and compliance issues. Any employee may use the Employee Concerns Line to report actual or suspected violations of FirstEnergy business conduct standards, including concerns regarding accounting or auditing matters, without fear of retribution and in confidence (Corporate Policy 301).

Authority and Responsibility

A designated member of the Senior Management Committee is the Chief Ethics Officer. The Chief Ethics Officer has the authority to resolve questions dealing with proper ethical conduct, including matters related to conflicts of interest. The Chief Ethics Officer's responsibilities include establishing procedures to monitor and oversee compliance with ethics and business conduct standards, ensuring that appropriate action is taken on reports of ethics and business conduct violations, developing training programs, and making appropriate changes to ethics and compliance policies to respond to violations and potential legal and/or regulatory changes.

FirstEnergy management, with assistance from the Legal Department, is responsible for identifying those laws and regulations that affect their operations and for implementing work practices that promote compliance and timely identification of any violations. If a potential violation of law or FirstEnergy's ethics and business conduct policies occurs, it must be communicated in a timely manner to the Chief Ethics Officer by local management or through the Employees Concerns Line. Employees are also encouraged to discuss problems or concerns with their supervisors. If they are unable to resolve the issue or if

employees are uncomfortable discussing the issue with them, employees should seek assistance from other channels such as: the Legal or Human Resources departments, the Chief Ethics Officer or the Employee Concerns Line. In order to comply with the Sarbanes-Oxley Act, reporting of significant potential violations must be reported to the Chief Ethics Officer so the Audit Committee of the Board of Directors is notified and the violation is properly resolved.


The Chief Ethics Officer will ensure that the appropriate action is taken on reports of ethics and business conduct violations.

Scope

The policies related to ethics and the Code of Business Conduct apply to employees of FirstEnergy. The Employee Concerns Line is available to all employees of FirstEnergy for assistance with ethics and compliance matters, reporting improper business conduct and conflicts of interest, reporting concerns regarding accounting or auditing matters and reporting potential instances of non-compliance.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct
Corporate Policy 102 - FirstEnergy Anti-Fraud Policy
Corporate Policy 103 - FirstEnergy Corporate Compliance Program
Human Resources Letter 104 - Employment of Individuals with Disabilities
Corporate Policy 201 - Conflicts of Interest
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**



Diversity and Nondiscrimination

FirstEnergy Business Practices	Business Practice #4.1
Subject: Diversity and Nondiscrimination	Date: 8/19/05

Business Need

FirstEnergy is committed to providing a diverse and inclusive work environment for our employees. We value the diversity of employees and their ideas to ensure we are meeting the needs of customers, business partners, suppliers, and shareholders.

Business Standards

We will provide equal employment opportunity to all qualified applicants and employees regardless of race, color, creed, religion, gender, national origin, nationality, age, disability, ancestry, marital status, affectional or sexual orientation, atypical hereditary cellular or blood trait, liability for military service, or veteran status (i.e., status as a special disabled veteran, veteran of the Vietnam era, or other eligible veteran.) FirstEnergy is committed to actions and policies to assure fair employment, including equal treatment in recruiting, hiring, training, compensation, promotions, demotions, transfers, terminations and disciplinary actions. We will also take affirmative measures to employ and advance qualified females, minorities, individuals with disabilities, special disabled veterans, veterans of the Vietnam era, and other eligible veterans.

Authority and Responsibility

The Human Resources Department is responsible for defining the equal employment opportunity, affirmative action, and diversity standards for FirstEnergy. Equal employment opportunity, affirmative action and diversity responsibilities include defining communication methods of the programs, advising management on equal employment opportunity, affirmative action and diversity issues, designing auditing and reporting systems, developing, distributing and modifying policies and procedures, and serving as a liaison with enforcement agencies.

The implementation of FirstEnergy's equal employment opportunity, affirmative action and diversity policies is the responsibility of every manager and supervisor. Every supervisor has a responsibility to provide each FirstEnergy employee with an equal opportunity to develop his or her skills and abilities in order to qualify for advancement.

Scope

The policies related to diversity and non-discrimination apply to employees of FirstEnergy.

References

Human Resources Letter 101 - Equal Employment Opportunity/Affirmative Action Policy

Human Resources Letter 104 - Employment of Individuals with Disabilities

Human Resources Letter 105 - Affirmative Action Program for Minorities and Women

Human Resources Letter 106 - Affirmative Action Program for Individuals with Disabilities, Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans

Human Resources Letter 107 - Internal Discrimination Compliant Procedure

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Harassment

FirstEnergy Business Practices	Business Practice #4.2
Subject: Harassment	Date: 8/19/05

Business Need

FirstEnergy is committed to providing an environment that is free from all forms of harassment.

Business Standards

We will provide and maintain a work environment that is free from all forms of unlawful discrimination including sexual harassment and harassment based on race, color, creed, religion, gender, national origin, nationality, age, disability, ancestry, marital status, affectional or sexual orientation, atypical hereditary cellular or blood trait, liability for military service, and veteran status (i.e., status as a special disabled veteran, veteran of the Vietnam era, or other eligible veteran). Any individual who believes that he or she has experienced or witnessed discriminatory harassment should report the situation as soon as possible to any of the following: the individual's immediate supervisor, a higher level supervisor in the individual's section or department, the local human resources representative, or the Compliance section of the Human Resources Department. No individual will be harassed, intimidated, or negatively impacted in any way as a result of filing a complaint or participating in an investigation of discrimination.

Authority and Responsibility

The Human Resources Department is responsible for defining the harassment policies for FirstEnergy. The Human Resources Department's responsibilities include defining communication methods of harassment policies, advising management on harassment issues; assisting with or investigating any reports of harassment through a thorough and confidential investigation; developing, distributing and modifying policies and procedures; and serving as a liaison with enforcement agencies.

All levels of management are responsible for ensuring compliance with harassment policies in their respective areas of operation. Any manager or supervisor who observes, has knowledge of, or receives any complaint concerning harassment will immediately contact the Human Resources Department.

Scope

This policy applies to employees of FirstEnergy companies and contractors, temporary workers, vendors, business partners, any person engaged by FirstEnergy, and visitors to FirstEnergy facilities and buildings.

References

Human Resources Letter 102 - Sexual Harassment Policy
Human Resources Letter 103 - Policy on Harassment based on Race, Color,
Religion, Gender, National Origin, Age, Disability, Ancestry, and Veteran
Status
Human Resources Letter 107 - Internal Discrimination Complaint Procedure
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Impairment and Substance Abuse

FirstEnergy Business Practices	Business Practice #4.3
Subject: Impairment and Substance Abuse	Date: 11/9/04

Business Need

FirstEnergy is committed to providing an alcohol-free and drug-free work environment for our employees, customers, suppliers and neighbors.

Business Standards

We are expected to perform our responsibilities in a professional manner in the workplace, while driving Company vehicles, or operating Company equipment, and while being free from the effects of drugs, alcohol or other substances that may hinder job performance or judgment. It is unacceptable to perform a job while under the influence of alcohol or drugs.

Authority and Responsibility

The Industrial Relations Department is responsible for defining the alcohol and drug policies for FirstEnergy. The Industrial Relations Department's responsibilities include: ensuring all employees are aware of the policies; coordinating the alcohol and drug testing programs; providing assistance through the Employee Assistance Program to employees who may have problems with alcohol or drugs; providing guidance to supervisors in handling employees with alcohol- or drug-related issues; and developing, distributing and editing policies and procedures.

When known or suspected unlawful involvement with controlled substances or with alcohol results in a determination that an employee should not remain on the job, the first-line supervisor will have the authority to suspend the employee from work pending investigation and review of the matter for appropriate disciplinary action.

Scope

The policies related to impairment and substance abuse apply to employees of FirstEnergy.

References

Human Resources & Industrial Relations Letter 302 - Guidelines for Supervisors on Referring Employees to the Employee Assistance Program
Human Resources & Industrial Relations Letter 303 - Company Position on Use or Possession of Alcohol and Drugs
Human Resources & Industrial Relations Letter 304 - Company Drug and Alcohol Testing Program
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Workplace Violence

FirstEnergy Business Practices	Business Practice #4.4
Subject: Workplace Violence	Date: 11/9/04

Business Need

FirstEnergy is committed to providing a safe and professional work environment for employees, customers, suppliers and neighbors.

Business Standards

We will not tolerate any acts or threats of physical violence in the workplace, including intimidation, harassment, and/or coercion. FirstEnergy does not allow weapons, legally permitted or not, or explosives on FirstEnergy property.

Authority and Responsibility

The Industrial Relations Department is responsible for defining the workplace violence policy for FirstEnergy. The Industrial Relations Department's responsibilities include developing, distributing and editing policies and procedures, ensuring all employees are aware of the workplace violence policy, and providing guidance to supervisors in investigating reports of workplace violence.

All FirstEnergy employees or visitors will report to management any known threats or witnessed acts that they believe to be threatening or violent behavior for investigation.

Scope

The policies related to workplace violence apply to employees of FirstEnergy. Contractors, temporary workers, vendors, business partners, any person engaged by the Company and visitors to FirstEnergy facilities and buildings must comply with all federal, state and local regulations and ordinances.

References

Human Resources and Industrial Relations Letter 412 - Position Regarding Violence in the Workplace
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Hiring Practices

FirstEnergy Business Practices	Business Practice #4.5
Subject: Hiring Practices	Date: 05/24/07

Business Need

FirstEnergy is committed to seek and employ the best-qualified persons available for all of its companies and locations.

Business Standards

We will provide equal employment opportunity to all qualified applicants and employees regardless of race, color, creed, religion, gender, national origin, nationality, age, disability, ancestry, marital status, affectional or sexual orientation, atypical hereditary cellular or blood trait, liability for military service, or veteran status (i.e., status as a special disabled veteran, veteran of the Vietnam era, or other eligible veteran). We will also take affirmative measures to employ and advance qualified females, minorities, individuals with disabilities, special disabled veterans, veterans of the Vietnam era, and other eligible veterans. We will follow company employment procedures in order to ensure compliance with applicable employment law and consistency within the FirstEnergy companies.

Authority and Responsibility

The Human Resources Department is responsible for defining employment relationships and the internal and external employment procedures for FirstEnergy. The Human Resources Department's employment responsibilities include defining communication methods of the policies; advising management on employment issues; developing forms and procedures for the maintenance of personnel files; designing auditing and reporting systems; and developing, distributing and modifying policies and procedures.

Review by the appropriate member of Executive Council is required for manager and above positions to ensure selections are based upon objective criteria and include a diverse pool of candidates. This review applies to candidates for existing, modified or new manager and above positions.

Scope

The policies related to hiring apply to applicants and employees of FirstEnergy.

References

Human Resources Letter 201 - Employment Relationships and Policy
Human Resources Letter 202 - Hiring Process
Human Resources Letter 502 - Job Pricing
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Health and Safety

FirstEnergy Business Practices	Business Practice #5.1
Subject: Health and Safety	Date: 11/9/04

Business Need

FirstEnergy is committed to providing a healthy and safe work environment for employees, customers, suppliers and neighbors.

Business Standards

We will all be aware of the safety issues and policies that affect our jobs. We will not perform a job unless we know how to do it safely and understand the hazards involved. We are all primarily responsible for our own safety.

Authority and Responsibility

The Industrial Relations Department is responsible for developing and communicating Health and Safety policies, programs and procedures for FirstEnergy. The Industrial Relations Department has the responsibility to assist management with conducting health and safety audits, and correcting any inconsistencies with FirstEnergy Health and Safety policies, programs and procedures. The Industrial Relations Department coordinates health and safety inspections by government agencies (such as Department of Transportation, Occupational Safety and Health Administration, Mine Safety and Health Administration, and Coast Guard at FirstEnergy locations), facilitates industrial hygiene assessments, and administers the FirstEnergy Health and Safety Program.

Members of supervision are accountable for the health and safety of the employees they supervise; and employees are accountable for following all FirstEnergy Health and Safety policies, programs and procedures.

Scope

This policy applies to employees of FirstEnergy. Contractors, temporary workers, vendors, business partners, any person engaged by the Company, and visitors to FirstEnergy facilities and buildings must comply with all federal, state and local regulations and ordinances.

References

Human Resources and Industrial Relations Letter 401 - Health and Safety Policy

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Environment

FirstEnergy Business Practices	Business Practice #5.2
Subject: Environment	Date: 11/9/04

Business Need

FirstEnergy takes appropriate actions to preserve and protect the natural environment, air quality, water, land, and other natural resources.

Business Standards

FirstEnergy will conduct its operations in a manner that will comply with applicable environmental laws, and meet the standards of good business practices concerning the control of emissions, discharges and waste, and the health, safety and general welfare of its employees and surrounding communities.

Authority and Responsibility

The Environmental Department is responsible for interpreting and communicating environmental regulatory requirements within FirstEnergy; coordinating employee environmental training; coordinating all communications with environmental agencies (i.e., permitting); maintaining corporate records relating to environmental matters; assessing the administration of waste disposal contracts; coordinating environmental emergency response operations and environmental remediations; conducting compliance verification and assistance programs; managing ash utilization and disposal contracts; and conducting assessments to identify and mitigate potential environmental and health risks.

All managers and supervisors will review and control operations in regard to compliance with environmental regulations and FirstEnergy environmental policies and procedures. Each organization, department and/or facility will develop and commit resources to implement environmental programs, procedures or other actions necessary to maintain compliance and achieve environmental business goals. Employees are accountable for following all FirstEnergy environmental policies, programs and procedures.

Scope

The environmental policies apply to employees of FirstEnergy. Contractors, temporary workers, vendors, business partners, any person engaged by FirstEnergy; and visitors to FirstEnergy facilities and buildings must comply with all federal, state and local regulations and ordinances.

References

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Contracts and Approvals

FirstEnergy Business Practices	Business Practice #6.1
Subject: Contracts and Approvals	Date: 11/9/04

Business Need

The Company's contract administration goals are: 1) to establish controls around entering into commitments; 2) to obtain appropriate service levels from qualified suppliers, vendors, contractors, and service providers; and 3) to work proactively to involve the Legal Department when entering into non-standard agreements. Contracts must be reviewed for compliance with applicable laws, regulations, our policies, Business Practices and Code of Business Conduct.

Business Standards

Standard contract agreements can be signed-off by an Officer of the Company. Non-standard agreements or proposed contract amendments require the Legal Department's involvement and approval prior to execution. Proposed contract amendments which could compromise the interests of FirstEnergy should be brought to the attention of the Legal Department. The Legal Department may engage outside counsel to assist in the review of contracts. Management cannot engage outside counsel without direct approval from the Legal Department.

The prospective suppliers, vendors, contractors and service providers with whom we wish to contract should meet the following minimum criteria:

- Be in good financial standing per submitted recent financial information;
- Meet product/service qualifications; and
- Agree to comply with Our Code of Business Conduct and applicable Business Practices.

FirstEnergy seeks vendors who will be the Company's long-term partners and who provide us with the best service and products at the lowest total cost. Therefore, the Legal Department and management should ensure that contracts do not include any side agreements that would compromise FirstEnergy's interests.

Mergers, acquisitions, joint ventures, or strategic alliance agreements should be reviewed in advance by the Legal Department.

Authority and Responsibility

The Legal Department is responsible for reviewing and approving non-standard contract terms and agreements in order to protect the interests of FirstEnergy.

The Legal Department is responsible for defining, implementing and administering FirstEnergy contract policies and defining approval and authorization procedures. No change or modification to a contract should occur without involvement by the Legal Department. The contract terms for prospective suppliers, vendors, contractors and service providers not covered under existing agreements will be negotiated by the Legal Department with the assistance of applicable subject matter experts. Management will be responsible for reviewing proposed contracts, terms, and agreements prior to forwarding them to the Legal Department. The contracts should reflect compliance with laws, regulations, and our Business Practices. Employees will enlist the assistance of the appropriate manager and the Legal Department before entering into contracts on behalf of FirstEnergy.

The Information Services Department, in coordination with other departments, is responsible for negotiating contracts for all computer equipment. The Information Services Department's responsibilities include managing vendor/contractor relationships for all FirstEnergy computer purchases.

The Fuel Supply Department will contract for fuels and manage vendor/contractor relationships regarding fuel.

The Corporate Department will maintain all executed contracts for permanent safekeeping. All employees will forward an executed copy of each contract to the Corporate Department after its execution.

Scope

The policies related to contracts apply to employees of FirstEnergy. Contracts are any form of written or verbal commitment that are binding to FirstEnergy and commit FirstEnergy resources.

References

FirstEnergy Corp. Accounting Bulletin M-3: Expenditure Approval Requirements
Corporate Policy 101 - FirstEnergy Code of Business Conduct
Corporate Policy 201 - Conflicts of Interest
Gifts and Gratuities Business Practice
Confidential and Proprietary Information Business Practice
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Levels of Approval

FirstEnergy Business Practices	Business Practice #6.1a
Subject: Levels of Approval	Date: 03/28/06

Business Need

The Finance Committee of the Board of Directors has approved a Governance Process for Resource Allocation at FirstEnergy. This governance process addresses the methodology for allocating capital to capital projects. It also defines the levels of approval for entering into (1) capital projects, (2) certain types of transactions impacting our balance sheet (primarily debt and equity transactions), (3) strategic investment and divestiture activities, and (4) contractual commitments, including commodity and non-commodity contracts. This Business Practice documents the approved 'Levels of Approval'.

Business Standards

Any commitment not included in the annual budgeting process (by written contract or otherwise) to engage in business activities involving capital spending, transactions impacting our balance sheet, strategic investments and divestitures, and other contractual commitments, as described in the FirstEnergy Corp. Levels of Approval, shall receive the approvals required in the FirstEnergy Corp. Levels of Approval. Management personnel are responsible for maintaining the documentation to substantiate that these levels of approval were followed.

Note that the Contractual Commitments related to Non-Commodity items addresses 'non-routine' materials, services, leases, and benefit plans items. Non-routine items are generally characterized as discretionary in nature and are not related to the routine ongoing operation and maintenance of our business, and the commitment might not have been included in the approved budgeting process. Projects approved under the capital spending guidelines are also excluded from this category.

Authority and Responsibility

All FirstEnergy Director level employees and above need to be aware of these levels of approval and follow the requirements appropriately. Management will be responsible for reviewing proposed transactions, contracts, terms, and agreements prior to authorizing them and requesting additional levels of approval. The CFO will serve as the 'gatekeeper' for transactions requiring Finance Committee or Board approval.

Management personnel are also responsible for identifying and amending all appropriate supporting policies and procedures within their respective business unit or support group to conform to these levels of approval.

Scope

This policy applies to all employees of FirstEnergy.

References

Governance and Approval Process
Business Practice 6.1 Contracts and Approvals
Business Practice 6.3 Procurement
FES Commodity Portfolio Risk Management Policy
Supply Chain Policy and Procedures - Policy 1 - Authority to
Commit/Procurement Commitment Policy (PCP)

Retaining Outside Counsel

FirstEnergy Business Practices	Business Practice #6.2
Subject: Retaining Outside Counsel	Date: 11/9/04

Business Need

FirstEnergy conducts segments of its business in a highly regulated environment. FirstEnergy's ability to effectively monitor compliance with all laws applicable to FirstEnergy is critical to the achievement of its business objectives.

Authority and Responsibility

The Legal Department is responsible for retaining outside counsel to represent FirstEnergy and all its subsidiaries on all legal matters.

All employees will contact the Legal Department regarding the necessity to retain outside counsel to address legal matters.

Scope

This business practice applies to employees of FirstEnergy and its subsidiaries.

References

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Procurement

FirstEnergy Business Practices	Business Practice #6.3
Subject: Procurement	Date: 11/9/04

Business Need

FirstEnergy must ensure that its procurement activities are effective, efficient and ethical. In the course of FirstEnergy's business, employees procure equipment, commodities, materials, supplies and services.

Business Standards

We seek to obtain the greatest value for each dollar spent consistent with maximum reliability, specified quality and required timeliness.

Authority and Responsibility

The Supply Chain Department is responsible for locating sources of materials and services, selecting suppliers, managing vendor/contractor relationships, and maintaining systems and programs to achieve purchasing and inventory management. The Supply Chain Department acts on requisitions prepared by authorized personnel, to place purchase orders and, when formal contracts are required, to contract with suppliers of equipment, commodities, materials, supplies and services. The Supply Chain Department is responsible for defining, implementing and administering FirstEnergy procurement policies and defining approval and authorizations procedures. The appropriate procurement personnel will coordinate all correspondence and contacts with suppliers with regard to purchase orders and contracts. No change or modification to a purchase order or contract should occur without involvement by appropriate procurement personnel. All requests for approval of new products, revisions of current products, resubmittal of old products, provisions of samples, etc. will be coordinated between the appropriate procurement and technical personnel. The Supply Chain Department is also responsible for evaluating inventory balances and management, and providing analytical services related to inventory (other than boiler fuel) and purchasing activities.

The Information Technology (IT) Business Services Department, in coordination with other departments, is responsible for purchasing all computer equipment. The IT Business Services Department's responsibilities include locating sources of materials and services, selecting suppliers, and managing vendor/contractor relationships for all FirstEnergy computer purchases.

The Fuel Supply Department will locate sources of boiler (not fleet) fuels and related transportation, place purchase orders or contract for fuels; institute appropriate procedures to be followed regarding receiving and shipping of fuels, sorbents, stabilizers and residual materials. It is also the responsibility of the Fuel Supply Department to manage vendor/contractor relationships regarding fuel.


Employees must obtain the appropriate level of approval from management required for expenditures that are not supported by an employee expense account, purchase order, lease agreement, or other similar executed contract.

Scope

The policies related to procurement apply to employees of the electric distribution companies, FirstEnergy Services, and FirstEnergy corporate departments. The object of the procurement process is to obtain the greatest value for each dollar spent and to establish contracts which are legally enforceable relationships between the buyer and the seller. Purchase orders, field purchase orders, blanket orders, continuing services contracts and other written agreements are all considered contracts which set forth the rights and responsibilities of all parties.

References

FirstEnergy Corp. Accounting Bulletin M-3: Expenditure Approval Requirements
Corporate Policy 101 - FirstEnergy Code of Business Conduct
Corporate Policy 201 - Conflicts of Interest
Travel Policy
Corporate Travel Card Policy
Purchasing Card Instruction
Gifts and Gratuities Business Practice
Confidential and Proprietary Information Business Practice
Corporate Policy 301 - FirstEnergy Employee Concerns Line 1-800-683-3625



Conflicts of Interest

FirstEnergy Business Practices	Business Practice #6.4
Subject: Conflicts of Interest	Date: 11/9/04

Business Need

When conducting FirstEnergy business, we will ensure that we are free from influence or the appearance of influence of any conflicting interests that could damage the reputation of FirstEnergy.

Business Standards

All employees will avoid situations in which personal interests are in conflict, or appear to be in conflict, with the interests of FirstEnergy or with their job responsibilities. Employees will not use knowledge gained through employment to make decisions that will lead to personal gain and that are contrary to the law or interests of FirstEnergy. Employees are expected to avoid placing personal interests ahead of FirstEnergy's when conducting business.

Authority and Responsibility

A designated member of the Senior Management Committee is the Ethics Officer. The Ethics Officer has the authority to resolve questions dealing with proper ethical conduct, including matters related to conflicts of interest. The Ethics Officer will oversee investigations into conflicts of interest.

Scope

Employees of FirstEnergy are to avoid situations in which personal interests conflict with the interests of FirstEnergy or with their job responsibilities.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct

Corporate Policy 201 - Conflicts of Interest

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Gifts and Gratuities

FirstEnergy Business Practices	Business Practice #6.5
Subject: Gifts and Gratuities	Date: 11/9/04

Business Need

Inappropriate gifts, gratuities or entertainment can be viewed as a means to improperly influence business relationships and can also give rise to conflicts of interest.

Business Standards

We or our immediate families will not use our employment with FirstEnergy to solicit any cash, gifts or free services from any FirstEnergy customer, vendor or contractor for our or our immediate family's personal benefit. Accepting or extending a gift, favor, service, or privilege, including travel and entertainment, from an existing or potential customer, vendor or contractor that is more than a nominal value or exceeds the level of standard business courtesies creates a conflict of interest. Accepting cash or gift certificates is prohibited.

Accepting or offering meals, beverages, or tickets to events, golf outings and other social events is acceptable as long as the cost is reasonable and attendance serves a customary business purpose such as networking. The acceptance or offering of invitations is not to be used as a business prerequisite.

Gifts or gratuities will not be accepted or extended if they could be reasonably considered to improperly influence FirstEnergy's business relationship with or create an obligation to a customer, vendor or contractor; violate laws, regulations or our Code of Business Conduct; constitute an unfair business inducement; or cause embarrassment or negative impact to FirstEnergy.

Authority and Responsibility

A designated member of the Senior Management Committee is the Ethics Officer. The Ethics Officer has the authority to set policies related to accepting gifts and gratuities. The Ethics Officer also has the authority to resolve questions regarding proper ethical conduct, including matters relating to gifts and gratuities.

If FirstEnergy employees have questions regarding the appropriateness of a gift, gratuity or invitation, address the concern with your immediate supervisor, the Legal or Human Resources departments, the Ethics Officer, or call the Employee Concerns Line.

Scope

The policies related to gifts and gratuities apply to employees of FirstEnergy.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct

Corporate Policy 201 - Conflicts of Interest

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Company Communications

FirstEnergy Business Practices	Business Practice #6.6
Subject: Company Communications	Date: 11/9/04

Business Need

From time to time, employees are requested to prepare information about FirstEnergy to: 1) appear in newspapers, trade publications, college periodicals or other publications; 2) be broadcast on radio or television, 3) present before meetings of technical societies, professional organizations, civic clubs and similar groups, or 4) appear on the Internet or Internal Web.

Business Standards

It is the policy of FirstEnergy to comply with all reasonable requests for general information about its operations and practices that may be beneficial to customers, employees, shareholders, or the general public, but do not disclose actual or potential competitive information.

Authority and Responsibility

The Communications Department has responsibility for responding to, coordinating the responses to, or reviewing the responses to any request for information representing FirstEnergy's position on any issue that will appear in the general news media, as well as for broad distribution among the public and our customers. In addition, the Communications Department is responsible for disseminating corporate information to employees through publications and newsletters.

FirstEnergy employees will not respond to inquiries or requests for corporate information from news media unless they are specifically authorized to do so. Any questions about our communications policies should be directed to the Vice President of Communications.

Scope

This business practice covers employees of FirstEnergy, contractors, temporary workers, business partners, vendors, or any person engaged by FirstEnergy and granted access to FirstEnergy information.

References

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Emergency Notification on Behalf of the Company

FirstEnergy Business Practices	Business Practice #6.7
Subject: Emergency Notification on Behalf of the Company	Date: 11/9/04

Business Standards

In the event of an emergency, FirstEnergy must follow a comprehensive procedure for communicating information to employees, customers, shareholders, regulatory groups and/or the general public, in order to ensure the messages are accurate, consistent and timely.

Authority and Responsibility

The Communications Department has responsibility for all external communications about FirstEnergy, including those relating to an emergency situation. The Communications Department will follow the procedures outlined in FirstEnergy's Emergency Communications Plan, Emergency Storm Restoration Plan and emergency plans in place at each non-nuclear generating plant. In the event of a nuclear emergency, communications will be handled in accordance with the Emergency Public Information Organization Plan.

Employees of FirstEnergy are responsible for identifying and reporting emergency situations to their immediate supervisor and taking any appropriate health and safety precautions to protect employees, assets, and property, the environment and the general public. Supervisors and managers will be responsible for reporting emergency situations to the Communications Department as outlined in the appropriate emergency response plan.

Scope

Our emergency notification policies cover any unusual event that could reasonably draw immediate, widespread public interest and media attention, such as extensive damage to a power plant, major storm-related interruption of service, electrical injury, or threat to system reliability.

The emergency notification policies apply to employees of FirstEnergy, contractors, temporary workers, business partners, vendors, or any person engaged by FirstEnergy and granted access to FirstEnergy information.

References

Emergency Communications Plan
Emergency Storm Restoration Plan
Emergency Public Information Organization Plan
Human Resources and Industrial Relations Letter 401 - Health and Safety Policy
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Using the Company Name and Logo

FirstEnergy Business Practices	Business Practice #6.8
Subject: Using the Company Name and Logo	Date: 11/9/04

Business Need

It is important to ensure a consistent and appropriate identity for FirstEnergy and all its operating companies and affiliates.

Business Standards

It is necessary that all external printed communications incorporating the FirstEnergy name and/or logo or those of any subsidiaries or affiliates are consistent with the corporate identification policies developed by the Communications Department and outlined in FirstEnergy's Graphic Standards Manual.

Authority and Responsibility

The Communications Department has responsibility for directing all external use of FirstEnergy companies' names and logos. This includes, but is not limited to, vehicle identification, advertising, collateral material, Internet/Intranet, printed material for mass circulation, FirstEnergy stationery and forms, signage, posters, advertising novelties or premium items, and other merchandise.

Scope

This Business Practice covers employees of FirstEnergy, contractors, temporary workers, business partners, vendors, or any person engaged by FirstEnergy and granted access to FirstEnergy information.

References

Corporate Signature Policy
Graphic Standards Manual (available in Communications)

Advertising and Promotions

FirstEnergy Business Practices	Business Practice #6.9
Subject: Advertising and Promotions	Date: 11/9/04

Business Need

The competitive energy marketplace requires that we engage in advertising and promotions to support the Company initiatives, promote available products and services, increase awareness of its services, recruit employees, and to promote brand recognition and enhance our image to our customers, investors, key opinion leaders, regulators, elected officials and all other constituencies important to FirstEnergy's success.

Business Standards

FirstEnergy promotes its products and services in a fair, truthful and ethical manner.

Authority and Responsibility

The Communications Department has responsibility for developing all advertising and promotional materials and implementing them in all media, including the Internet. The Communications Department also has responsibility for graphic design and copy editing or copy review for all printed materials intended for broad public distribution, including on the Internet and Intranet. In addition, the Communications Department will coordinate the implementation of research designed to measure customer attitudes and focus the messages of any advertising and promotional materials.

Scope

This business practice covers employees of FirstEnergy, contractors, temporary workers, business partners, vendors, or any person engaged by FirstEnergy and granted access to FirstEnergy information.

Political Activity

FirstEnergy Business Practices	Business Practice #7.1
Subject: Political Activity	Date: 06/25/07

Business Need

It is important to separate personal political activity from FirstEnergy's political activities in order to comply with applicable laws and regulations related to lobbying or attempting to influence government officials.

Business Standards

While FirstEnergy encourages employees to participate in the political process as private citizens, employees may not work on behalf of a candidate's campaign during working hours or at any time use FirstEnergy facilities or property for any political purpose. FirstEnergy will not reimburse employees for money or personal time contributed to political campaigns. FirstEnergy's Political Action Committee, through voluntary contributions from eligible employees, contributes to federal and state candidates, office holders and political parties.

Authority and Responsibility

The Governmental Affairs Department is responsible for FirstEnergy's political activities, including contributions, related to state and federal office holders.

Scope

The policies related to political activity apply to employees of FirstEnergy.

References

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**
FE Political Activity Policy Statement

Government Transactions and Relations

FirstEnergy Business Practices	Business Practice #7.2
Subject: Government Transactions/Relations	Date: 11/10/04

Business Need

FirstEnergy's business transactions frequently involve local, state, and federal governments and sometimes foreign governments. The laws and regulations governing transactions with governmental entities impose special rules and may have requirements not usually found in transactions with private parties. For example, a gift that may be acceptable to give to a private party may be prohibited when given to a government employee.

Business Standards

All employees involved in government business activities will adhere to the ethical standards of government rules and regulations as well as our Code of Business Conduct.

The recruitment and employment of former or current government employees is subject to complex rules that change frequently and vary according to type of employment. In some cases, these rules may also apply to the immediate family of the government employee. Each situation should be considered on an individual basis.

Authority and Responsibility

The Legal Department will provide guidance on the appropriate behavior for employees due to any special legal requirements involved in government transactions/relations. Employees of FirstEnergy's U.S. Companies desiring to hire current or former government officials must obtain prior written approval from both the Human Resources and Legal Departments.

Employees whose jobs involve business with any government entity should know and understand the rules applicable to their jobs.

Scope

The policies related to government transactions/relations apply to employees of FirstEnergy.

References

Gifts and Gratuities Business Practice

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Charitable Contributions and Civic Activities

FirstEnergy Business Practices	Business Practice #7.3
Subject: Charitable Contributions and Civic Activity	Date: 11/10/04

Business Need

FirstEnergy is frequently asked to contribute to non-profit organizations to enrich the quality of life in the communities we serve. Civic activities of sharing time and talent are another way we can contribute to the communities where we work and live.

Business Standards

FirstEnergy Foundation is an avenue to engage our stakeholders and invest our resources for the public good, parallel to our business purposes. The FirstEnergy Foundation supports the arts, education, health and human services, civic and cultural areas. Corporate Contributions allow for participation in community based events. We endorse federated giving campaigns, including United Way organizations. The FirstEnergy Foundation also provides Matching Gifts for employee contributions within certain limits.

Decisions for charitable contributions and FirstEnergy Foundation grants are based on established priorities. Those priorities are to ensure the safety and health of the community, to promote economic development, to advance professional development, and to support employee involvement and investment.

Employees may choose to participate in civic activities and volunteer initiatives and are encouraged to do so for their personal benefit. FirstEnergy will inform employees of volunteer opportunities available when requested, and, from time to time, will support specific community volunteer initiatives. Civic activities allow employees to expand their skills, enhance their communities, and derive personal satisfaction from their efforts.

Authority and Responsibility

The Contributions Department will budget, process and review or approve all charitable corporate contributions, levy support and special event participation for non-profit organizations. Contributions decisions will include recommendations from the FirstEnergy operating companies on non-profit organizations located in the companies' service areas. Contributions are not to be budgeted in other areas of FirstEnergy.

On occasion FirstEnergy contributes to nonpartisan committees organized for specific issues, such as school or library levies, or other general-purpose initiatives. FirstEnergy will support such levies only if the campaign and the organization are clearly nonpartisan and the issue addresses a genuine

community need.

All contribution budget requests should be submitted for recommendation to the subsidiary president or regional president where the organization is based, then forwarded to the Contributions Manager for consideration within the normal budget process cycle.

One's civic activities, while voluntary, reflect on the Company. Employees should choose to support organizations that further their own civic and cultural values and are in concert with FirstEnergy values. Employees may engage in volunteer efforts during their routine work schedule only with approval of their supervisor and when the volunteer activity does not impair their work performance.

FirstEnergy Foundation

The Contributions Department will relay all eligible requests to the FirstEnergy Foundation Contributions Committee for consideration and disposition. The FirstEnergy Foundation does not consider funding for organizations that are not tax-exempt under the U.S. Internal Revenue Code Section 501 (c)(3). Generally, the FirstEnergy Foundation will not support direct grants to individuals; political or legislative activities; organizations that receive sizable public tax funding; fraternal, religious, labor, athletic, social or veterans organizations; national or international organizations; research; equipment purchases; elementary or secondary schools; or loans or second party giving such as endowments, debt retirement, or other foundations.

The FirstEnergy Foundation Matching Gifts program encourages employees to increase their generosity. We match employee contributions, at prescribed levels, to qualifying educational, cultural, youth, civic, and health and human services organizations not supported by federated campaigns. Matching Gift forms are available from the Contributions Department.

The award value of each Foundation gift is considered separately. FirstEnergy Foundation contributions for capital or building funds are generally limited to a cap of one percent of the total campaign request. The FirstEnergy Foundation Contributions Committee reserves the right to review and revise the eligibility of organizations and all decisions of the Committee are final.

Scope

This policy applies to FirstEnergy employees.

References

Cost Allocation Manual
Contributing to Our Communities

Corporate Memberships

FirstEnergy Business Practices	Business Practice #7.4
Subject: Corporate Memberships	Date: 11/10/04

Business Need

FirstEnergy holds memberships and employees participate in selected organizations and trade associations to build professional expertise and to establish and maintain relationships with members of those organizations with whom we share common interests.

Authority and Responsibility

The Contributions Department is responsible for budgeting, reviewing, and processing all corporate membership requests, submitted by Senior Management and managerial staff members.

Corporate memberships will include:

- Major state, regional or national organizations representing the energy industry and related technologies
- Major local, regional and national business organizations concerned with economic development
- Organizations that provide standards and expertise related to our business, and
- Other specialized organizations with which we share common interests.

Corporate memberships are distinct from individual memberships. Individual membership dues to professional and technical societies are payable by the employee desiring membership, as are dues to service clubs and other organizations that an employee may choose to join. Dues for an employee's individual membership should not be charged to or otherwise paid for by FirstEnergy and should not be budgeted by the Company, unless the membership is held at the Company's specific request. Individual memberships, and the dues, fees and assessment associated with membership, held at the Company's request are chargeable to FirstEnergy and should be submitted for reimbursement through expense account reporting.

Attending any state, regional, national or international meeting must be approved in advance of the meeting by the supervising Vice President to be eligible for reimbursement. Employees should discuss the obligations with their supervisors before accepting a committee assignment or nomination for office of a state or global organization particularly when the duties of such an external assignment will entail significant amounts of business expense and travel time.

All Corporate memberships will be budgeted and processed through the Corporate Contributions Department.

Scope

This policy applies to memberships held by the electric distribution companies; FirstEnergy Services, and FirstEnergy corporate departments.

References

Cost Allocation Manual



Travel

FirstEnergy Business Practices	Business Practice #7.5
Subject: Travel	Date: 11/10/04

Business Need

FirstEnergy is committed to providing creative and reasonable cost solutions to the Company's business travel needs.

Business Standards

The Supply Chain Department has established the travel policy to provide reasonable oversight and consistency of travel arrangements throughout the Company. Employees need to be aware of the benefits and requirements of the travel policy. FirstEnergy will reimburse individuals for reasonable, properly approved and substantiated travel and expenses in accordance with the travel policy.

Authority and Responsibility

The Supply Chain Department is responsible for providing travel arrangement facilities and Corporate travel contracts. The Supply Chain Department's responsibilities include defining communication methods of the travel policy; advising employees on travel issues; and developing, distributing and modifying the travel policy and procedures. The Controller's Department is responsible for expense reimbursement, and applicable expense reimbursement standards, procedures, and documentation.

Employees' travel and expense reports will be reviewed by their supervisors.

Scope

The policies related to travel apply to employees of FirstEnergy.

References

Travel Policy

Dedicated Aircraft Policy

Human Resources Letter 206 - Temporary Work Assignment Policy

Corporate Policy 301 - FirstEnergy Employee Concerns Line 1-800-683-3625

Employee Expense Accounts

FirstEnergy Business Practices	Business Practice #7.6
Subject: Employee Expense Accounts	Date: 11/10/04

Business Need

Certain employees incur transportation, lodging, meal, entertainment and other expenses as a function of their job at FirstEnergy. Employee expense accounts provide a means for employees to be reimbursed for reasonable business expenses.

Authority and Responsibility

Employees have the responsibility to document all business-related expenses and the business purpose of each. All eligible employees should submit completed expense accounts to their supervisor in a timely manner, promptly after the close of the calendar month in which expenses were incurred. On request of members of Senior Management or their direct reports, the Controller may designate other management employees to approve expense accounts. When approved by a Manager or the assigned designate, properly completed forms are submitted to Transaction Accounting Services for reimbursement.

The Controller establishes and maintains procedures for Employee Expense Accounts as defined in Accounting Bulletin M-1, in accordance with prevailing IRS guidelines.

Expense accounts must document all travel costs, car mileage reimbursement, social/country club dues and expenses, professional fees, business meals/entertainment, meeting fees and related costs, and other reimbursable expenses, even if the cost was paid directly by the Company. Expenses paid directly by the Company must be identified as such on the expense account to avoid inappropriate reimbursement.

Scope

Bargaining Unit employees are covered by separate expense reimbursement policies as defined in pertinent union agreements. Expense account policies apply to all other employees who regularly incur expenses on behalf of the Company.

References

Accounting Bulletin M-1 - Employee Expense Accounts
Accounting Bulletin M-2 - Reimbursement for Meals

Confidential and Proprietary Information

FirstEnergy Business Practices	Business Practice #8.1
Subject: Confidential and Proprietary Information	Date: 11/10/04

Business Need

Information created or gained by FirstEnergy in the conduct of its business, such as customer or vendor information, systems information, employee data, financial data, research data, strategic plans, statistical information or trade secrets, is confidential and proprietary. Confidential information that ends up in the hands of our competitors could cause significant damage to the business of FirstEnergy.

Business Standards

Information of a private and sensitive nature will be controlled and protected to prevent arbitrary and careless disclosure. Confidential information will not be disclosed to persons outside FirstEnergy, including family members, and will be shared only with other FirstEnergy employees who have a "need to know." Confidential or proprietary information gained from FirstEnergy employment will not be used for personal purposes or for the benefit of persons outside FirstEnergy. Confidential information will not be sent over the Internet without proper security measures in place.

All employees, contractors, vendors and any other persons engaged by FirstEnergy (referred to collectively as clients) have an important role to play as well as a responsibility to protect the information entrusted to their care.

Authority and Responsibility

The Legal Department is responsible for developing and administering policies related to confidential and proprietary information. The Senior Management Committee and the Legal Department will determine what actions will be taken regarding the protection, ownership, transfer or use of any intellectual property, confidential information, trade secrets or other property of FirstEnergy.

Scope

The policies related to confidential and proprietary information apply to employees and clients of FirstEnergy using FirstEnergy's information resources. Information may be broadly defined as any document, report, intellectual property, proprietary internal data or third party data regardless of the format (e.g., electronic, printed, or spoken) or storage media.

References

Information Classification Policy

Information Security Policy

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Insider Trading

FirstEnergy Business Practices	Business Practice #8.2
Subject: Insider Trading	Date: 11/10/04

Business Need

FirstEnergy is committed to fully complying with laws and rules applicable to transactions in securities of FirstEnergy or its subsidiaries based on material nonpublic information.

Business Standards

The Company has updated its Insider Trading Policy that is maintained by the Corporate Department. Use the link below to reference this policy.

Authority and Responsibility

All directors, officers and employees of FirstEnergy or its subsidiaries must refrain from buying or selling securities of the Company or its subsidiaries while aware of material information gained in their job or directly or indirectly from an Insider of the Company that is not public knowledge. As allowed under the Securities and Exchange Commission regulations, FirstEnergy employees who are frequently in possession of material nonpublic information may enter into a written 10b5-1 plan to buy or sell securities of the Company or its subsidiaries while not aware of any material nonpublic information. This plan must be approved by the Company.

The Corporate Department is responsible for monitoring the Insider Trading Policy.

Scope

This policy applies to directors, officers, and employees of FirstEnergy or its subsidiaries who engage in buying or selling securities of the Company or its subsidiaries.

Policy References

Laws and regulations applicable to insider trading include: The Securities Act of 1933; the Securities Exchange Act of 1934; The Insider Trading and Securities Fraud Enforcement Act; Regulation FD (Fair Disclosure); and the Sarbanes-Oxley Act of 2002. Additionally, we must comply with various State regulations and the New York Stock Exchange Rules

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**
Insider Trading Policy

Financial Reporting and Records

FirstEnergy Business Practices	Business Practice #8.3
Subject: Financial Reporting and Records	Date: 11/10/04

Business Need

Existing and potential investors, creditors, customers, and other stakeholders rely upon the financial statements of FirstEnergy and its subsidiaries. It is vital that all financial and accounting information be accurate, complete, objective, and in compliance with generally accepted accounting principles (GAAP) in the United States and conform to all regulatory reporting requirements.

Business Standards

Employees of FirstEnergy and its subsidiary companies will record accounting transactions in an objective and timely manner. All accounting transactions will be recognized in the appropriate accounting periods and all financial statements and disclosures will be objectively prepared in accordance with GAAP and applicable laws and regulations. Our integrity will never be compromised in order to achieve targeted financial results.

All employees will fully cooperate with requests for accounting and other informational needs from the Company's internal auditors and its independent public accountants.

Authority and Responsibility

The Controller is the Chief Accounting Officer and has the authority and responsibility for accounting policies and procedures; preparing and reporting the consolidated financial statements and other financial information (external and internal); budgeting; oversight over preparing and reporting of subsidiaries' financial statements; researching, monitoring, and interpreting accounting pronouncements and standards; planning, preparing and timely filing tax returns and reports; and coordinating audits by external auditors.

Scope

FirstEnergy employees must comply with the accounting and financial policies and procedures.

References

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Internal Auditing

FirstEnergy Business Practices	Business Practice #8.4
Subject: Internal Auditing	Date: 11/10/04

Business Need

Management has a fiduciary and legal obligation to provide reasonable oversight over operations, assets, and financial and operational information. The Internal Auditing Department assists management by objectively appraising operations and controls, and recommending innovative solutions to help management achieve their business objectives. The performance of audits does not relieve management of its responsibilities.

Authority and Responsibility

The Internal Auditing Department reports to the Audit Committee of the Board of Directors and the Chief Financial Officer of FirstEnergy. The Internal Auditing Department does not have direct authority over the activities or areas audited. The Internal Auditing Department has the authority and responsibility to select and perform audits; to objectively and independently report audit results and agreed upon corrective actions to appropriate levels of management; to appraise internal control systems and accounting practices as to their soundness, adequacy, and compliance with generally accepted accounting principles, applicable laws and regulations; to assess the efficient and effective purchase and use of corporate assets; to assess the reliability and integrity of systems and software; and to assess the efficiency and effectiveness of operations and compliance with objectives, policies, laws, and contracts.

Scope

The Internal Auditing Department has unrestricted access to all of FirstEnergy's and its subsidiaries' records, property, systems, and personnel necessary to conduct a comprehensive program of financial, operational, information technology, and compliance audits. All employees are expected to cooperate and provide full access to the Internal Auditing Department.

Records Accuracy and Management

FirstEnergy Business Practices	Business Practice #8.5
Subject: Records Accuracy and Management	Date: 11/17/06

Business Need

Accurate and complete records are crucial for operating a successful business and for compliance with legal, regulatory, tax and financial reporting requirements. Employees who enter information into a business record have a responsibility to do so in a truthful, accurate, legible and timely manner.

Business Standards

We will manage all business records, as defined in the Records Retention Policy, in accordance with legal, regulatory, tax and financial reporting requirements. While FirstEnergy prohibits the unauthorized destruction of, or tampering with, any information that constitutes a business record, it will consistently authorize the destruction of business records according to the Company's Retention Schedule, unless FirstEnergy has conducted an internal investigation or has knowledge of, or has reason to know of, threatened or a pending government investigation or litigation relating to the records. In that case, the destruction of business records will be subject to a legal hold until otherwise notified.

Authority and Responsibility

All FirstEnergy employees are responsible for creating, receiving, retaining and disposing of business records in accordance with FirstEnergy's Records Retention Policy. The Records and Information Compliance Department is responsible for maintaining and distributing the FirstEnergy records retention schedule. The Legal Department will provide guidance on the retention periods for records required by law, and for the legal hold process.

FirstEnergy employees are responsible for preparing accurate records and managing them in accordance with FirstEnergy policies. Management will ensure business records maintained by their departments are retained and disposed of in accordance with the records retention schedule. Each FirstEnergy employee is responsible for providing truthful, accurate and timely information to, or on behalf of, FirstEnergy.

Scope

FirstEnergy employees will comply with the records management policies and procedures. These policies and procedures apply to all business records on any media such as paper, electronic, and microfilm.

References

Record Retention Schedule

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Use of Company Assets and Property

FirstEnergy Business Practices	Business Practice #9.1
Subject: Use of FirstEnergy Assets and Property	Date: 11/10/04

Business Need

The proper use of Company assets and property directly impacts financial success.

Business Standards

The use of Company assets and property for individual profit or any unlawful, unauthorized personal or unethical purpose is prohibited. Employees will not falsify documents or make false applications for FirstEnergy benefits.

Authority and Responsibility

The Industrial Relations Department is responsible for developing, implementing and distributing policies related to the use of Company assets and property. The Corporate Security Section will investigate and report on suspected theft and improper use of assets and property. The Corporate Security Section will notify the appropriate authorities if necessary. The Information Services Department is responsible for setting security policies and procedures to safeguard information assets and technology resources. Management at all levels will be responsible for the enforcement and promotion of the proper use of Company assets and property.

All employees are responsible for protecting Company assets and property from potential destruction, theft or misuse. All Company employees will prevent the unauthorized access of assets and property through the use of their passwords or other security codes.

Scope

The policies related to the proper use of FirstEnergy assets and property apply to employees of FirstEnergy.

Employees' use of FirstEnergy communications systems (i.e., Internet, Internal Web, electronic mail, voice mail, instant messaging) is not private. FirstEnergy reserves the right to monitor its communication systems.

References

Human Resources and Industrial Relations Letters 413 - Theft Policy
Information Security Policy

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Enterprise Risk

FirstEnergy Business Practices	Business Practice #9.2
Subject: Enterprise Risk	Date: 11/10/04

Business Need

Effectively managing the risks associated with achieving FirstEnergy's vision is vital, and risk management is an integral part of FirstEnergy's business decisions and culture.

Business Standards

Risks will be taken only after rigorous analysis that reflects a systematic approach to the risk management process. FirstEnergy's management team will identify risks, assess risks and prioritize exposures, control risks, and monitor risks and their effects on the achievement of our business objectives.

Authority and Responsibility

The Audit Committee of the Board of Directors of FirstEnergy, on behalf of the Company and all subsidiary boards of directors, has general oversight responsibility of the activities specified in the Corporate Risk Management Policy.

A Risk Policy Committee (RPC), comprised of members of senior management, exercises an objective risk oversight function. They are responsible for promoting the effective administration of and compliance with the Corporate Risk Management Policy and prudent risk management practices. FirstEnergy's President will appoint RPC members.

The Enterprise-Wide Risk Management Department is responsible for assisting the business units in identifying and monitoring risk exposures, promoting consistency in risk management practices, and reporting aggregate risk and risk issues to the RPC on a timely basis.

FirstEnergy management has primary responsibility for assisting the business units in the risk management process, that is, the identification, measurement, management, monitoring and reporting of risks associated with their business activities. Each subsidiary is responsible for ensuring that the appropriate procedures are in place to effectively and efficiently administer Risk Management Policy responsibilities.

Scope

Policies related to enterprise risk apply to employees and subsidiaries of FirstEnergy.

References

Corporate Risk Management Policy (includes the Risk Management

Framework incorporated within the Integrated Business Planning Process and all other Business Unit Risk Management Policies established by the Risk Policy Committee)



Electronic Security

FirstEnergy Business Practices	Business Practice #9.3
Subject: Electronic Security	Date: 11/10/04

Business Need

Electronic information is a critical resource and should be protected at a level corresponding with its value to FirstEnergy.

Business Standard

Management has fiduciary, regulatory, and legal responsibility to preserve and protect FirstEnergy information and technology resources. FirstEnergy will ensure these assets are reasonably protected from a variety of threats including error, fraud, misuse, improper disclosure, serious disruption of service, and violations of privacy agreements.

Authority and Responsibility

The Information Technology Security Department has a general charge to set security policies and procedures to safeguard FirstEnergy information assets and technology resources; provide direction to other departments for the protection of information and other technology resources; determine the appropriate means to monitor compliance with information security policies and procedures; set the appropriate reporting procedures for actual and suspected instances of information theft, misuse, and threats; and set the procedures for approval of exceptions to these policies.

Individuals' use of FirstEnergy communications systems (i.e., Internet, Internal Web, electronic mail, voice mail, instant messaging) is not private. FirstEnergy reserves the right to monitor its communication systems.

Scope

This policy covers all electronic corporate information, regardless of storage method or media, and applies to all employees of FirstEnergy; contractors; temporary workers; vendors; joint venture companies; and any person engaged by FirstEnergy and granted access to corporate information.

References

Information Classification Policy
FirstEnergy Enterprise Cyber Security Policy

Electronic Mail; Voice Mail; Internet and Internal Web Use

FirstEnergy Business Practices	Business Practice #9.4
Subject: Electronic Mail, Voice Mail, Internet and Internal Web Use	Date: 11/10/04

Business Need

Electronic mail, voice mail, Internet, Internal Web, and instant messaging services are provided as an efficient and effective means to communicate and conduct business.

Business Standards

These services will be used primarily for business purposes and will not be used for any illegal purposes, unauthorized solicitation, private business, or entertainment purposes. Incidental personal use is permissible provided the use consumes a trivial amount of resources, does not interfere with worker productivity, and does not preempt any business activity. We each have a responsibility to maintain and enhance FirstEnergy's public image and to use our communication systems in a productive manner. The nature of these services necessitates strong security mechanisms to ensure the authentication and authorization of users and the reliability and integrity of the services provided.

Individuals' use of FirstEnergy communications systems (i.e., Internet, Internal Web, electronic mail, voice mail, instant messaging) is not private. FirstEnergy reserves the right to monitor its communication systems.

Authority and Responsibility

The Information Technology (IT) Infrastructure Operations Department, in coordination with other departments, is responsible for providing Internet and Internal Web services, issuing policies that promote the proper use of these services, and ensuring the compliance with all policies governing the use and security of these services.

The IT Infrastructure Operations Department is responsible for providing electronic mail services, issuing policies that promote the proper use of electronic mail, and ensuring compliance with the policies.

The IT Network Operations Department is responsible for providing voice mail services, issuing policies that promote the proper use of voice mail, and ensuring compliance with the policies.

In the event a violation of this Business Practice, or its corresponding policies is discovered, the Director of Human Resources shall be promptly notified of

the same, and will work with appropriate business departments to investigate and determine the proper course of action.

Scope

Electronic mail, voice mail, Internet, Internal Web, and instant messaging services policies apply to all employees of FirstEnergy, contractors, consultants, temporary employees, joint partners, etc. who use them, including individuals representing themselves as being connected with these services. Individuals who use these services are expected to comply with all policies related to these services.

References

Network and Internet Privacy and Acceptable Use Policy

FirstEnergy Enterprise Cyber Security Policy

Electronic Mail Policy

Corporate Policy 301 - FirstEnergy Employee Concerns Line 1-800-683-3625

Personal Use of Computer Equipment and Software

FirstEnergy Business Practices	Business Practice #9.5
Subject: Computer Equipment and Software	Date: 11/1/04

Business Need

Computer equipment is a significant capital investment and will be purchased and configured for business purposes.

Business Standards

Only authorized software is permitted to reside on Company computer equipment. Only authorized personnel are permitted to add, modify, or delete software on FirstEnergy computer equipment. Computer equipment that is not owned by FirstEnergy is not permitted to have Company owned software residing on it.

Incidental personal use is permitted as long as the use does not interfere with work productivity, preempt any business activity, or result in the appearance or reality of inappropriate use.

Authority and Responsibility

Information Technology (IT), in coordination with other departments, is responsible for purchasing, maintaining, configuring and connecting computer equipment to the network. IT is also responsible for issuing policies that govern the proper use of computer equipment and software.

Scope

Policies relating to the use of computer equipment and software apply to FirstEnergy employees, contractors, consultants, temporary employees, joint partners, etc. who use FirstEnergy's computers, including any computer equipment owned by FirstEnergy or connected to FirstEnergy's network. Individuals who use FirstEnergy computer equipment will comply with all policies governing the use of these assets.

References

Electronic Security Business Practice
FirstEnergy Enterprise Cyber Security Policy
Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Intellectual Property

FirstEnergy Business Practices	Business Practice #9.6
Subject: Intellectual Property	Date: 11/10/04

Business Need

FirstEnergy identifies, maintains and protects its intellectual property. Our goal is to maximize FirstEnergy's ability to realize the economic potential of its intellectual property.

Business Standards

FirstEnergy intellectual property will only be used for FirstEnergy business purposes and will not be shared with or provided to anyone outside FirstEnergy. The transfer of intellectual property between our regulated and unregulated businesses is governed by affiliate transactions regulatory requirements.

Authority and Responsibility

The Legal Department is responsible for developing and administering policies related to intellectual property. The Senior Management Committee and the Legal Department will determine what actions will be taken regarding the protection, ownership, transfer or use of any intellectual property, confidential information, trade secrets or other property of FirstEnergy (e.g., patents, trademarks, copyright, etc.).

All employees, contractors, vendors and any other person engaged by FirstEnergy are responsible for protecting FirstEnergy's intellectual property. Employees are required to disclose and assign to FirstEnergy all intellectual property they conceive of, develop, modify, or work on related to their job, while at work, or using FirstEnergy personnel, facilities, equipment, knowledge, information, resources or materials.

Scope

The policies related to intellectual property apply to employees of FirstEnergy.

Intellectual property (e.g., ideas, inventions, work product, discoveries, writings, documents, software, works of authorships, etc.) created, modified, conceived, developed or worked on by FirstEnergy employees in connection with their FirstEnergy work, or which in any way deals with the business of FirstEnergy is the property of FirstEnergy.

References

Information Classification Policy

Information Security Policy

Affiliate Transactions Business Practice

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Copyrights

FirstEnergy Business Practices	Business Practice #9.7
Subject: Copyrights	Date: 11/10/04

Business Need

FirstEnergy ensures that all printed material, audio, video, and software are used in the legal and legitimate manner for which they were obtained and that their use does not adversely impact the FirstEnergy's integrity and systems reliability.

Business Standards

Copyrighted materials will not be reproduced, distributed or altered without permission of the copyright owner or its authorized agent. Software used in connection with FirstEnergy's business will be properly licensed and used only in accordance with that license. Using unlicensed software could constitute copyright infringement.

FirstEnergy is a licensee of the Copyright Clearance Center. The Copyright Clearance Center represents many publishers and publications and licenses users to photocopy for internal Company use, all or part of printed documents including chapters of books, or newsletters, newspapers or magazine articles.

Authority and Responsibility

The Legal Department is responsible for developing, administering and disseminating policies related to copyright laws. The Legal Department will assist in gaining FirstEnergy permission from the copyright owner or its authorized agent to copy or use all or any part of a copyrighted work. The Legal Department will determine what actions will be taken regarding potential copyright law violations. The Business Information Center maintains our Copyright Clearance Center license and distributes information regarding employees' proper use of the license. The Business Information Center can advise employees whether a document is covered by our Copyright Clearance Center license.

Employees are responsible for using copyrighted works only as legally permitted. Employees should direct questions regarding whether a work is protected by copyright to the Legal Department.

Scope

The policies related to copyrights apply to employees of FirstEnergy. Works that are extended copyright protection are any original works of authorship and include: printed works such as books, newspapers, and magazines; musical works; motion pictures and other audiovisual works; sound recordings; photographs and other original art works; and software.

References

Personal Use of Company Equipment and Software Business Practice
Copyright Clearance Center website: www.copyright.com



International Business (Foreign Corrupt Practices Act)

FirstEnergy Business Practices	Business Practice #10.1
Subject: International Business	Date: 11/10/04

Business Need

FirstEnergy expects directors, officers, employees and agents of FirstEnergy companies ("FirstEnergy Persons") who conduct international business for a FirstEnergy Company or on its behalf to understand and comply with the Foreign Corrupt Practices Act as well as laws of the countries where FirstEnergy has business operations. FirstEnergy is committed to fostering ethical business conduct by all FirstEnergy Persons.

Business Standards

FirstEnergy expects FirstEnergy persons to ensure that payments made by or on behalf of FirstEnergy are made only for legitimate business purposes. No FirstEnergy Person is permitted to offer or pass, directly or indirectly, anything of value (e.g. gifts, kickbacks, or other payments or consideration) to any third party (e.g. customer, supplier, employer, government official, or any other person) while knowing or having reason to know that it will be used to influence others in any transaction affecting FirstEnergy. No FirstEnergy Person is permitted to ask for or accept, directly or indirectly, any gift, favor, or other improper payment or consideration from a customer, supplier, government official, or from any other person in return for assistance or influence concerning any transaction affecting FirstEnergy. FirstEnergy considers a "Foreign Official" to be any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for on behalf of any such public international organization. No FirstEnergy Person may make a payment of any kind to a Foreign Official, politician, or official of a political party, with a view toward aiding, obtaining, or maintaining a business relationship within or having to do with a foreign country which may constitute a violation of the Foreign Corrupt Practices Act.

Using an expense account to deviate from any of these policies is strictly forbidden.

FirstEnergy Persons must keep financial records that accurately and fairly record business transactions and the disposition of FirstEnergy companies' assets and property, both outside and inside the United States.

Authority and Responsibility

The Legal Department is responsible for developing, administering and disseminating policies related to international business, the Foreign Corrupt

Practices Act and other anti-corruption laws. The General Counsel will determine what actions will be taken to respond to potential violations.

Management at all levels is responsible for enforcement FirstEnergy's international business policies. FirstEnergy Persons are responsible for conducting FirstEnergy business ethically at all times and for avoiding any activities which could involve FirstEnergy in any unlawful practice. In their dealings with people outside of FirstEnergy, FirstEnergy Persons are expected to remain alert to possible international business corruption problems and to bring possible problems to the attention of management and the General Counsel immediately so that FirstEnergy can respond appropriately. FirstEnergy Persons should direct their questions concerning appropriate international business practices to the Legal Department or the Internal Auditing Department.

Scope

The policies related to International Business apply to all FirstEnergy directors, officers, employees and agents. Including all persons acting for, or on behalf of, FirstEnergy Corp. or any of the FirstEnergy companies covered in Business Practice 1.3 - Business Practice Overview.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct
Corporate Policy 201 - Conflicts of Interest
Business Practice 1.3 - Business Practices Overview
Business Practice 6.5 - Gifts and Gratuities
Business Practice 7.6 - Employee Expense Accounts
Business Practice 10.2 - International Gifts, Entertainment and Travel
Business Practice 10.3 - Facilitating Payments
Business Practice 10.4 - International Consultants
Business Practice 10.5 - International Political Contributions

International Gifts, Entertainment and Travel

FirstEnergy Business Practices	Business Practice #10.2
Subject: International Gifts, Entertainment and Travel	Date: 11/16/04

Business Need

Although the FCPA does not ban all gifts to, and entertainment of, Foreign Officials, it imposes strict requirements. FirstEnergy considers a 'Foreign Official' to be any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization. Even a small gift or inexpensive entertainment can violate the FCPA if its purpose is to influence an official improperly to award business to the company. In some countries, any gifts to or entertainment of Foreign Officials is illegal under local law. Care must be exercised to ensure that FirstEnergy and its employees and agents do not violate such local laws. On the other hand, in some cases, payments for travel, entertainment and related expenses, as well as nominal gifts to Foreign Officials may be permissible. If the gift or entertainment is later questioned, FirstEnergy must be able to explain why the payment or gift was made and demonstrate its reasonableness with contemporaneous and complete documentation.

FirstEnergy expects the directors, officers, employees and agents of all FirstEnergy companies ('FirstEnergy Persons') to exercise their good judgment in giving gifts to or entertaining Foreign Officials and not to take any action that might embarrass the company or expose it to legal liability. To decrease the risk of legal liability, FirstEnergy has decided that (i) gifts and entertainment reasonably valued at US\$100 or more may be made by FirstEnergy Persons only with Legal Department pre-authorization, (ii) all gifts to and entertainment of Foreign Officials, of any value, must be correctly recorded in the appropriate accounts, and (iii) all gifts to and entertainment of Foreign Officials must be reported to the Legal Department promptly, even if their value does not exceed US\$100. For purposes of this policy, a gift is defined as a token of esteem or appreciation made with no expectation of receiving anything in return.

Business Standards

Gifts to and entertainment of Foreign Officials reasonably valued at more than US\$100 may not be made without first obtaining written approval from the FirstEnergy Legal Department. Whether or not they are subject to approval under this policy, all expenses associated with gifts to and entertainment of Foreign Officials, in any amount, must be reported promptly to the Legal Department, and must be recorded appropriately in the books and records of the company, identifying the date and nature of the gift or entertainment, the

recipient's name, and the business need for the gift or entertainment. Documentation of the FirstEnergy pre-approval process must also be included if the reasonable value of the gift or entertainment exceeds US\$100.

Authority and Responsibility


- All FirstEnergy Persons are responsible for making gifts and conducting entertainment in accordance with the requirements of the Foreign Corrupt Practices Act and applicable foreign law.
- All FirstEnergy Persons are responsible for giving gifts and conducting entertainment only in ways that are unlikely to improperly influence the recipients, create embarrassment for FirstEnergy or give the appearance of impropriety.
- All FirstEnergy Persons are responsible for (I) obtaining Appropriate Authority approval of any gift to or entertainment of Foreign Official(s) that could reasonable be estimated to exceed US\$100 in value, (ii) recording all such gifts or entertainment properly in the appropriate accounting records, and (iii) promptly reporting all gifts or entertainment of Foreign Official(s) to the Legal Department.
- The Internal Auditing Department is responsible for confirming gifts to and entertainment of Foreign Officials have been recorded in appropriate accounting records, and for confirming these facts to the Legal Department.

Scope

The policies related to International Gifts, Entertainment and Travel apply to all FirstEnergy directors, officers, employees and agents, including all persons acting for, or on behalf of, FirstEnergy Corp. or any of the FirstEnergy companies listed in Business Practice 1.3 - Business Practice Overview.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct
Corporate Policy 201 - Conflicts of Interest
Corporate Policy 301 - FirstEnergy Employee Concerns Line 1-800-683-3625
Business Practice 1.3 - Business Practices Overview
Business Practice 6.5 - Gifts and Gratuities
Business Practice 7.6 - Employee Expense Accounts
Business Practice 10.1 - International Business (Foreign Corrupt Practices Act)
Business Practice 10.3 - Facilitating Payments
Foreign Corrupt Practices Act



Facilitating Payments

FirstEnergy Business Practices	Business Practice #10.3
Subject: Facilitating Payments	Date: 11/16/04

Business Need

In some countries where FirstEnergy does business, low-level government employees may ask for - or expect - small payments in return for expediting 'Routine Governmental Actions.' Such payments are commonly known as 'Facilitating Payments.' FirstEnergy is opposed to making Facilitating Payments, and asks the directors, officers, employees and agents of all FirstEnergy U.S. companies ('FirstEnergy Persons') to make every effort to avoid them. However, we understand that it may not always be possible to do so.

Examples of Routine Governmental Actions could include clearing cargo through customs without unreasonable delay, or promptly issuing a work permit or visa. (Facilitating Payments also differ from gifts, which are tokens of esteem made without any expectation of receiving something in return.) If certain conditions are met, small payments to non-U.S. government officials in return for a Routine Governmental Action may not violate the United States Foreign Corrupt Practices Act ('FCPA'). Such payments must be recorded accurately in the company's accounting records. But deciding whether a particular payment could qualify for an exception under the FCPA is a highly technical and fact-dependent determination. The consequences of violating the FCPA are severe, both for FirstEnergy, and for its employees. Particularly after the fact, it can be difficult to distinguish a Facilitating Payment from an illegal 'bribe.' Even if the Facilitating Payments are legal under the FCPA, they may be in violation of foreign law. To minimize these risks, the Legal Department shall be consulted as to any proposed facilitating payment.

Facilitating Payments made to U.S. government officials are illegal under United States law, and FirstEnergy will never authorize such payments.

Business Standards

No FirstEnergy Person may make or offer to make a Facilitating Payments of any amount or kind to any Foreign Official without first obtaining written approval from the FirstEnergy Legal Department. All Facilitating Payments must be recorded appropriately in the books and records of the company, identifying the date and amount of payment or item of value, the recipient's name, the business need for the Facilitating Payment, and including documentation of the FirstEnergy pre-approval process. No Facilitating Payment of any kind or amount may be made to an official or employee of the U.S. government or U.S. government-related entity.

Authority and Responsibility

The Legal Department is responsible for approving all Facilitating Payments before they are made, and for reviewing the relevant accounting records to


ensure all Facilitating Payments have been properly recorded. The Internal Auditing Department is responsible for confirming all pre-approved Facilitating Payments have been recorded in appropriate accounting records, and for supporting the Legal Department's analysis of those records.

Scope

The policies related to Facilitating Payments apply to all FirstEnergy directors, officers, employees and agents, including all persons acting for, or on behalf of, FirstEnergy Corp. or any of the FirstEnergy U.S. companies listed in Business Practice 1.3 - Business Practice Overview.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct
Corporate Policy 201 - Conflicts of Interest
Corporate Policy 301 - FirstEnergy Employee Concerns Line 1-800-683-3625
Business Practice 1.3 - Business Practices Overview
Business Practice 6.5 - Gifts and Gratuities
Business Practice 7.6 - Employee Expense Accounts
Business Practice 10.1 - International Business (Foreign Corrupt Practices Act)
Business Practice 10.2 International Gifts, Entertainment and Travel
Foreign Corrupt Practices Act



International Consultants

FirstEnergy Business Practices	Business Practice #10.4
Subject: International Consultants	Date: 11/16/04

Business Need

Foreign Corrupt Practices Act ('FCPA') liability often results when companies use International Consultants to perform services for the company that involve interacting with foreign government officials. For purposes of this policy, the term 'Foreign Official' means any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization. An 'International Consultant' is any person or entity providing business, professional, lobbying, technical or similar advice to FirstEnergy and whose services to FirstEnergy involve interacting with Foreign Officials. The term 'International Consultant' expressly includes persons or entities hired to facilitate relationships between FirstEnergy and Foreign Officials.

Contractual protection in consulting agreements is not enough to protect FirstEnergy if a reasonable investigation of the International Consultant would have disclosed circumstances that could have alerted FirstEnergy to a possibility that the International Consultant would offer a bribe to advance FirstEnergy's interests. It is critical that FirstEnergy know the International Consultants it hires, and be able to verify their reputation for honesty. For this reason, FirstEnergy has mandatory procedures that must be followed before an International Consultant is retained by any FirstEnergy Company.

Business Standards

No FirstEnergy U.S. company director, officer, employee or agent ('FirstEnergy Person') may make a written or oral contractual commitment to any prospective or current International Consultant who will interact with Foreign Officials until after the Legal Department has approved the hiring decision in writing. No contract with such an International Consultant is ever considered a 'standard contract agreement' for purposes of Business Practice 6.1: Contacts and Approvals.

Authority and Responsibility

The Legal Department or its designee is responsible for reviewing the due diligence investigation process for all prospective FirstEnergy International Consultants who will interface with Foreign officials to ensure that all internal policies have been properly followed. The Audit Department is to perform periodic reviews for compliance. FirstEnergy Persons are responsible for notifying the Legal Department in all hiring decisions involving International

Consultants, and for following the Legal Department's instructions concerning appropriate due diligence investigations relating to that International Consultant.

Scope

The policies related to International Consultants apply to all FirstEnergy directors, officers, employees and agents, including all persons acting for, or on behalf of, FirstEnergy Corp. or any of the FirstEnergy U.S. companies listed in Business Practice 1.3 - Business Practice Overview.

References

Corporate Policy 101 - FirstEnergy Code of Business Conduct

Corporate Policy 201 - Conflicts of Interest

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

Business Practice 1.3 - Business Practices Overview

Business Practice 10.1 - International Business (Foreign Corrupt Practices Act)

Foreign Corrupt Practices Act

Human Resource Letters

Participating Companies

Human Resources Letter 11 - Participating Companies

Equal Employment Opportunity and Affirmative Action

Human Resources Letter 101 - Equal Employment Opportunity/Affirmative Action Policy

Human Resources Letter 102 - Sexual Harassment Policy

Human Resources Letter 103 - Policy on Harassment Based on Race, Color, Religion, Gender, National Origin, Age, Disability, Ancestry and Veteran Status

Human Resources Letter 104 - Employment of Individuals with Disabilities

Human Resources Letter 105 - Affirmative Action Program for Minorities and Women

Human Resources Letter 106 - Affirmative Action Program for Individuals with Disabilities, Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veteran

Human Resources Letter 107 - Internal Discrimination Complaint Procedure

Employment and Staffing

Human Resources Letter 201 - Employment Relationships and Policy

Human Resources Letter 202 - Hiring Practices

Human Resources Letter 204 - Relocation Program for Current Employees

Human Resources Letter 205 - Relocation Program for New Hires

Human Resources Letter 206 - Temporary Work Assignment (TWA) Policy

Human Resources Letter 207 - Alternative Work Arrangements

Human Resources Letter 208 - Access to Employee Records

Human Resources Letter 209 - Employee Referral Bonus Program

Human Resources Letter 210 - Background Investigation Procedure

Human Resources Letter 211 - Managing Contingent and Project Scope Worker

Employee Relations

Human Resources Letter 301 - Problem Resolution Procedure

Human Resources Letter 302 - Guidelines for Supervisors on Referring Employees to the Employee Assistance Program

Human Resources Letter 303 - Company Position on Use or Possession of Alcohol and Drugs

Human Resources Letter 304 - Company Drug and Alcohol Testing Policy

Human Resources Letter 305 - Employee Clubs

Human Resources Letter 306 - Condolence Expression

Human Resources Letter 307 - Employee Service Recognition

Human Resources Letter 308 - Employee Attendance Policy

Health, Safety and Security

Human Resources Letter 401 - Health and Safety Policy

Human Resources Letter 402 - Physical Examinations

Human Resources Letter 403 - Fire Prevention and Emergencies

Human Resources Letter 404 - No Smoking Policy

Human Resources Letter 405 - Safety Eyewear and Safety Shoes
Human Resources Letter 411 - Handling Bomb Threats
Human Resources Letter 412 - Position Regarding Violence in the Workplace
Human Resources Letter 413 - Theft Policy

Compensation Policies for Management and Administrative Employees

Human Resources Letter 501 - Total Compensation Program
Human Resources Letter 502 - Job Pricing
Human Resources Letter 503 - Base Pay
Human Resources Letter 504 - Employee Incentive Plan
Human Resources Letter 505 - Hiring Rates
Human Resources Letter 506 - Promotions
Human Resources Letter 507 - Temporary Promotion to Supervisor
Human Resources Letter 508 - Transfers & Special Assignments
Human Resources Letter 509 - Exempt Extra Hours Compensation
Human Resources Letter 510 - Non-Exempt Extra Hours Compensation
Human Resources Letter 511 - Shift Premiums
Human Resources Letter 512 - Celebrate Success Awards
Human Resources Letter 513 - Non-Bargaining Discretionary Awards

Disability Management

Human Resources Letter 601 - Administrative Procedures for All Employees
with Extended Injuries or Illnesses
Human Resources Letter 602 - Catastrophic Assistance and Relief for
Employees

Corporate Policies

[REDACTED]

Corporate Policy 101 - FirstEnergy Code of Business Conduct

Corporate Policy 201 - First Energy Conflicts-of-Interest Policy

Corporate Policy 301 - FirstEnergy Employee Concerns Line **1-800-683-3625**

[REDACTED]

10(d)

Prepared Direct Testimony

See Direct Testimony of James M. Murray (Exhibit 2)