

# Large Filing Separator Sheet

CASE NUMBER: 00-1742-EL-CRS

FILE DATE: 9/10/10

SECTION: 3 OF 3

NUMBER OF PAGES: 195

DESCRIPTION OF DOCUMENT:

RENEWAL APP. (CONT.)

**Exhibit C-2 "SEC Filings"**

A copy of the 2009 10-K report follows this page.



Form 10-K

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**ANNUAL  
REPORT  
TO THE  
SECURITIES  
AND  
EXCHANGE  
COMMISSION**

*For the Year Ended December 31, 2009*

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549  
FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2009

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address; and Telephone Number</u>	<u>I.R.S. Employer Identification No.</u>
333-21011	FIRSTENERGY CORP. (An Ohio Corporation) 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	34-1843785
333-145140-01	FIRSTENERGY SOLUTIONS CORP. (An Ohio Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	31-1560186
1-2578	OHIO EDISON COMPANY (An Ohio Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	34-0437786
1-2323	THE CLEVELAND ELECTRIC ILLUMINATING COMPANY (An Ohio Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	34-0150020
1-3583	THE TOLEDO EDISON COMPANY (An Ohio Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	34-4375005
1-3141	JERSEY CENTRAL POWER & LIGHT COMPANY (A New Jersey Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	21-0485010
1-446	METROPOLITAN EDISON COMPANY (A Pennsylvania Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	23-0870160
1-3522	PENNSYLVANIA ELECTRIC COMPANY (A Pennsylvania Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800)736-3402	25-0718085

# SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Registrant	Title of Each Class	Name of Each Exchange on Which Registered
FirstEnergy Corp.	Common Stock, \$0.10 par value	New York Stock Exchange

# SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

Registrant	Title of Each Class
Ohio Edison Company	Common Stock, no par value per share
The Cleveland Electric Illuminating Company	Common Stock, no par value per share
The Toledo Edison Company	Common Stock, \$5.00 par value per share
Jersey Central Power & Light Company	Common Stock, \$10.00 par value per share
Metropolitan Edison Company	Common Stock, no par value per share
Pennsylvania Electric Company	Common Stock, \$20.00 par value per share
FirstEnergy Solutions Corp.	Common Stock, no par value per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐  
 Yes ☐ No ☒

FirstEnergy Corp.  
 FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company,  
 The Toledo Edison Company, Jersey Central Power & Light Company, Metropolitan Edison  
 Company and Pennsylvania Electric Company

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

FirstEnergy Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo  
 Edison Company, Jersey Central Power & Light Company, Metropolitan Edison Company and  
 Pennsylvania Electric Company, FirstEnergy Solutions Corp.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

FirstEnergy Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo  
 Edison Company, Jersey Central Power & Light Company, Metropolitan Edison Company and  
 Pennsylvania Electric Company, FirstEnergy Solutions Corp.

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

☒

FirstEnergy Corp., FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric  
 Illuminating Company, The Toledo Edison Company, Jersey Central Power & Light Company,  
 Metropolitan Edison Company and Pennsylvania Electric Company

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ FirstEnergy Corp.  
 Accelerated filer ☐ N/A  
 Non-accelerated filer ☐  
 (do not check if a smaller reporting company)  
 FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company  
 Smaller reporting company ☒ N/A  
☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☒ FirstEnergy Corp., FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, Jersey Central Power & Light Company, Metropolitan Edison Company, and Pennsylvania Electric Company

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and ask price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

FirstEnergy Corp., \$11,812,372,021 as of June 30, 2009; and for all other registrants, none.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

<u>CLASS</u>	<u>OUTSTANDING AS OF JANUARY 31, 2010</u>
FirstEnergy Corp., \$.10 par value	304,835,407
FirstEnergy Solutions Corp., no par value	7
Ohio Edison Company, no par value	60
The Cleveland Electric Illuminating Company, no par value	67,930,743
The Toledo Edison Company, \$.5 par value	29,402,054
Jersey Central Power & Light Company, \$.10 par value	13,628,447
Metropolitan Edison Company, no par value	859,500
Pennsylvania Electric Company, \$.20 par value	4,427,577

FirstEnergy Corp. is the sole holder of FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, Jersey Central Power & Light Company, Metropolitan Edison Company, and Pennsylvania Electric Company common stock.

Documents incorporated by reference (to the extent indicated herein):

<u>DOCUMENT</u>	<u>PART OF FORM 10-K INTO WHICH DOCUMENT IS INCORPORATED</u>
FirstEnergy Corp. Annual Report to Stockholders for the fiscal year ended December 31, 2009	Part II
Proxy Statement for 2010 Annual Meeting of Stockholders to be held May 18, 2010	Part III
<p>This combined Form 10-K is separately filed by FirstEnergy Corp., FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, Jersey Central Power &amp; Light Company, Metropolitan Edison Company and Pennsylvania Electric Company. Information contained herein relating to any individual registrant is filed by such registrant on its own behalf. No registrant makes any representation as to information relating to any other registrant, except that information relating to any of the FirstEnergy subsidiary registrants is also attributed to FirstEnergy Corp.</p>	
<p><b><u>OMISSION OF CERTAIN INFORMATION</u></b></p> <p>FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, Jersey Central Power &amp; Light Company, Metropolitan Edison Company and Pennsylvania Electric Company meet the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K and are therefore filing this Form 10-K with the reduced disclosure format specified in General Instruction I(2) to Form 10-K.</p>	

**Forward-Looking Statements:** This Form 10-K includes forward-looking statements based on information currently available to management. Such statements are subject to certain risks and uncertainties. These statements include declarations regarding management's intents, beliefs and current expectations. These statements typically contain, but are not limited to, the terms "anticipate," "potential," "expect," "believe," "estimate" and similar words. Forward-looking statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Actual results may differ materially due to:

- The speed and nature of increased competition in the electric utility industry and legislative and regulatory changes affecting how generation rates will be determined following the expiration of existing rate plans in Pennsylvania.
- The impact of the regulatory process on the pending matters in Ohio, Pennsylvania and New Jersey.
- Business and regulatory impacts from ATSI's realignment into PJM.
- Economic or weather conditions affecting future sales and margins.
- Changes in markets for energy services.
- Changing energy and commodity market prices and availability.
- Replacement power costs being higher than anticipated or inadequately hedged.
- The continued ability of FirstEnergy's regulated utilities to collect transition and other charges or to recover increased transmission costs.
- Operation and maintenance costs being higher than anticipated.
- Other legislative and regulatory changes, and revised environmental requirements, including possible GHG emission regulations.
- The potential impacts of the U.S. Court of Appeals' July 11, 2008 decision requiring revisions to the CAIR rules and the scope of any laws, rules or regulations that may ultimately take their place.
- The uncertainty of the timing and amounts of the capital expenditures needed to, among other things, implement the Air Quality Compliance Plan (including that such amounts could be higher than anticipated or that certain generating units may need to be shut down) or levels of emission reductions related to the Consent Decree resolving the NSR litigation or other potential similar regulatory initiatives or actions.
- Adverse regulatory or legal decisions and outcomes (including, but not limited to, the revocation of necessary licenses or operating permits and oversight) by the NRC.
- Ultimate resolution of Met-Ed's and Penelec's TSC filings with the PPUC.
- The continuing availability of generating units and their ability to operate at or near full capacity.
- The ability to comply with applicable state and federal reliability standards and energy efficiency mandates.
- The ability to accomplish or realize anticipated benefits from strategic goals (including employee workforce initiatives).
- The ability to improve electric commodity margins and to experience growth in the distribution business.
- The changing market conditions that could affect the value of assets held in the registrants' nuclear decommissioning trusts, pension trusts and other trust funds, and cause FirstEnergy to make additional contributions sooner, or in amounts that are larger than currently anticipated.
- The ability to access the public securities and other capital and credit markets in accordance with FirstEnergy's financing plan and the cost of such capital.
- Changes in general economic conditions affecting the registrants.
- The state of the capital and credit markets affecting the registrants.
- Interest rates and any actions taken by credit rating agencies that could negatively affect the registrants' access to financing or their costs and increase requirements to post additional collateral to support outstanding commodity positions, LOCs and other financial guarantees.
- The continuing decline of the national and regional economy and its impact on the registrants' major industrial and commercial customers.
- Issues concerning the soundness of financial institutions and counterparties with which the registrants do business.
- The expected timing and likelihood of completion of the proposed merger with Allegheny Energy, Inc., including the timing, receipt and terms and conditions of any required governmental and regulatory approvals of the proposed merger that could reduce anticipated benefits or cause the parties to abandon the merger, the diversion of management's time and attention from our ongoing business during this time period, the ability to maintain relationships with customers, employees or suppliers as well as the ability to successfully integrate the businesses and realize cost savings and any other synergies and the risk that the credit ratings of the combined company or its subsidiaries may be different from what the companies expect.
- The risks and other factors discussed from time to time in the registrants' SEC filings, and other similar factors.

The foregoing review of factors should not be construed as exhaustive. New factors emerge from time to time, and it is not possible for management to predict all such factors, nor assess the impact of any such factor on the registrants' business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statements. A security rating is not a recommendation to buy, sell or hold securities that may be subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating. The registrants expressly disclaim any current intention to update any forward-looking statements contained herein as a result of new information, future events or otherwise.



## GLOSSARY OF TERMS

The following abbreviations and acronyms are used in this report to identify FirstEnergy Corp. and its current and former subsidiaries:

ATSI	American Transmission Systems, Incorporated, owns and operates transmission facilities
CEI	The Cleveland Electric Illuminating Company, an Ohio electric utility operating subsidiary
FENOC	FirstEnergy Nuclear Operating Company, operates nuclear generating facilities
FES	FirstEnergy Solutions Corp., provides energy-related products and services
FESC	FirstEnergy Service Company, provides legal, financial and other corporate support services
FEV	FirstEnergy Ventures Corp., invests in certain unregulated enterprises and business ventures
FGCO	FirstEnergy Generation Corp., owns and operates non-nuclear generating facilities
FirstEnergy	FirstEnergy Corp., a public utility holding company
GPU	GPU, Inc., former parent of JCP&L, Met-Ed and Penelec, which merged with FirstEnergy on November 7, 2001
JCP&L	Jersey Central Power & Light Company, a New Jersey electric utility operating subsidiary
JCP&L Transition Funding	JCP&L Transition Funding LLC, a Delaware limited liability company and issuer of transition bonds
JCP&L Transition Funding II	JCP&L Transition Funding II LLC, a Delaware limited liability company and issuer of transition bonds
Met-Ed	Metropolitan Edison Company, a Pennsylvania electric utility operating subsidiary
NGC	FirstEnergy Nuclear Generation Corp., owns nuclear generating facilities
OE	Ohio Edison Company, an Ohio electric utility operating subsidiary
Ohio Companies	CEI, OE and TE
Penelec	Pennsylvania Electric Company, a Pennsylvania electric utility operating subsidiary
Penn	Pennsylvania Power Company, a Pennsylvania electric utility operating subsidiary of OE
Pennsylvania Companies	Met-Ed, Penelec and Penn
PNBV	PNBV Capital Trust, a special purpose entity created by OE in 1996
Shelf Registrants	FirstEnergy, OE, CEI, TE, JCP&L, Met-Ed and Penelec
Shippingport	Shippingport Capital Trust, a special purpose entity created by CEI and TE in 1997
Signal Peak	A joint venture between FirstEnergy Ventures Corp. and Boich Companies, that owns mining and coal transportation operations near Roundup, Montana
TE	The Toledo Edison Company, an Ohio electric utility operating subsidiary
Utilities	OE, CEI, TE, Penn, JCP&L, Met-Ed and Penelec
Waverly	The Waverly Power and Light Company, a wholly owned subsidiary of Penelec

The following abbreviations and acronyms are used to identify frequently used terms in this report:

AEP	American Electric Power Company, Inc.
ALJ	Administrative Law Judge
AMP-Ohio	American Municipal Power-Ohio, Inc.
AOCL	Accumulated Other Comprehensive Loss
AQC	Air Quality Control
ARO	Asset Retirement Obligation
BGS	Basic Generation Service
CAA	Clean Air Act
CAIR	Clean Air Interstate Rule
CAMR	Clean Air Mercury Rule
CAVR	Clean Air Visibility Rule
CBP	Competitive Bid Process
CMEC	Capacity market Evolution Committee
CO <sub>2</sub>	Carbon dioxide
CTC	Competitive Transition Charge
DOE	United States Department of Energy
DOJ	United States Department of Justice
DCPD	Deferred Compensation Plan for Outside Directors
DPA	Department of the Public Advocate, Division of Rate Counsel (New Jersey)
ECAR	East Central Area Reliability Coordination Agreement
EDCP	Executive Deferred Compensation Plan
EE&C	Energy Efficiency and Conservation
EMP	Energy Master Plan
EPA	United States Environmental Protection Agency
EPACT	Energy Policy Act of 2005
EPRI	Electric Power Research Institute
ESOP	Employee Stock Ownership Plan
ESP	Electric Security Plan
FASB	Financial Accounting Standards Board

## GLOSSARY OF TERMS, Cont'd.

FERC	Federal Energy Regulatory Commission
FMB	First Mortgage Bond
FPA	Federal Power Act
FRR	Fixed Resource Requirement
GAAP	Accounting Principles Generally Accepted in the United States
GHG	Greenhouse Gases
IBEW	International Brotherhood of Electrical Workers
IFRS	International Financial Reporting Standards
IRS	Internal Revenue Service
JCARR	Joint Committee on Agency Review
kV	Kilovolt
KWH	Kilowatt-hours
LED	Light-emitting Diode
LIBOR	London Interbank Offered Rate
LOC	Letter of Credit
LTIP	Long-Term Incentive Plan
MACT	Maximum Achievable Control Technology
MISO	Midwest Independent Transmission System Operator, Inc.
Moody's	Moody's Investors Service, Inc.
MRO	Market Rate Offer
MW	Megawatts
MWH	Megawatt-hours
NAAQS	National Ambient Air Quality Standards
NEIL	Nuclear Electric Insurance Limited
NERC	North American Electric Reliability Corporation
NJBPU	New Jersey Board of Public Utilities
NNSR	Non-Attainment New Source Review
NOPEC	Northeast Ohio Public Energy Council
NOV	Notice of Violation
NO <sub>x</sub>	Nitrogen Oxide
NRC	Nuclear Regulatory Commission
NSR	New Source Review
NUG	Non-Utility Generation
NUGC	Non-Utility Generation Charge
OCC	Ohio Consumers' Counsel
OCI	Other Comprehensive Income
OPEB	Other Post-Employment Benefits
OVEC	Ohio Valley Electric Corporation
PCRB	Pollution Control Revenue Bond
PJM	PJM Interconnection L. L. C.
PLR	Provider of Last Resort; an electric utility's obligation to provide generation service to customers whose alternative supplier fails to deliver service
PPUC	Pennsylvania Public Utility Commission
PSA	Power Supply Agreement
PSD	Prevention of Significant Deterioration
PUCO	Public Utilities Commission of Ohio
QSPE	Qualifying Special-Purpose Entity
RCP	Rate Certainty Plan
RECs	Renewable Energy Credits
RFP	Request for Proposal
RPM	Reliability Pricing Model
RTEP	Regional Transmission Expansion Plan
RTC	Regulatory Transition Charge
RTO	Regional Transmission Organization
S&P	Standard & Poor's Ratings Service
SB221	Amended Substitute Senate Bill 221
SBC	Societal Benefits Charge
SEC	U.S. Securities and Exchange Commission
SECA	Seams Elimination Cost Adjustment
SIP	State Implementation Plan(s) Under the Clean Air Act
SNCR	Selective Non-Catalytic Reduction
SO <sub>2</sub>	Sulfur Dioxide
SRECs	Solar Renewable Energy Credits
TBC	Transition Bond Charge

## **GLOSSARY OF TERMS, Cont'd.**

TMI-2	Three Mile Island Unit 2
TSC	Transmission Service Charge
VERO	Voluntary Enhanced Retirement Option
VIE	Variable Interest Entity

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## PART I

### ITEM 1. BUSINESS

#### Proposed Merger with Allegheny Energy, Inc.

On February 10, 2010, FirstEnergy entered into an Agreement and Plan of Merger (Merger Agreement) with Element Merger Sub, Inc., a Maryland corporation and its wholly-owned subsidiary (Merger Sub) and Allegheny Energy, Inc., a Maryland corporation (Allegheny). Upon the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will merge with and into Allegheny with Allegheny continuing as the surviving corporation and a wholly-owned subsidiary of FirstEnergy. Pursuant to the Merger Agreement, upon the closing of the merger, each issued and outstanding share of Allegheny common stock, including grants of restricted common stock, will automatically be converted into the right to receive 0.667 of a share of common stock of FirstEnergy. Completion of the merger is conditioned upon, among other things, shareholder approval of both companies as well as expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and approval by the FERC, the Maryland Public Service Commission, PPUC, the Virginia State Corporation Commission and the West Virginia Public Service Commission. FirstEnergy anticipates that the necessary approvals will be obtained within 12 to 14 months. The Merger Agreement contains certain termination rights for both FirstEnergy and Allegheny, and further provides for the payment of fees and expenses upon termination under specified circumstances. Further information concerning the proposed merger will be included in a joint proxy statement/prospectus contained in the registration statement on Form S-4 to be filed by FirstEnergy with the SEC in connection with the merger. See Note 21 to the consolidated financial statements.

#### The Company

FirstEnergy Corp. was organized under the laws of the State of Ohio in 1996. FirstEnergy's principal business is the holding, directly or indirectly, of all of the outstanding common stock of its eight principal electric utility operating subsidiaries: OE, CEI, TE, Penn, ATSI, JCP&L, Met-Ed and Penelec; and of its generating and marketing subsidiary, FES. FirstEnergy's consolidated revenues are primarily derived from electric service provided by its utility operating subsidiaries and the revenues of its other principal subsidiary, FES. In addition, FirstEnergy holds all of the outstanding common stock of other direct subsidiaries including: FirstEnergy Properties, Inc., FEV, FENOC, FELHC, Inc., FirstEnergy Facilities Services Group, LLC, FirstEnergy Fiber Holdings Corp., GPU Power, Inc., GPU Nuclear, Inc., MARBEL Energy Corporation, and FESC.

FES was organized under the laws of the State of Ohio in 1997. FES provides energy-related products and services to wholesale and retail customers in the MISO and PJM markets. FES also owns and operates, through its subsidiary, FGCO, FirstEnergy's fossil and hydroelectric generating facilities and owns, through its subsidiary, NGC, FirstEnergy's nuclear generating facilities. FENOC, a separate subsidiary of FirstEnergy, organized under the laws of the State of Ohio in 1998, operates and maintains NGC's nuclear generating facilities. FES purchases the entire output of the generation facilities owned by FGCO and NGC, as well as the output relating to leasehold interests of the Ohio Companies in certain of those facilities that are subject to sale and leaseback arrangements with non-affiliates, pursuant to full output, cost-of-service PSAs.

FirstEnergy's generating portfolio includes 13,970 MW of diversified capacity (FES - 13,770 MW and JCP&L - 200 MW). Within FES' portfolio, approximately 7,469 MW, or 54.2%, consists of coal-fired capacity; 3,991 MW, or 29.0%, consists of nuclear capacity; 1,599 MW, or 11.6%, consists of oil and natural gas peaking units; 451 MW, or 3.3%, consists of hydroelectric capacity; and 260 MW, or 1.9%, consists of capacity from FGCO's current 11.5% entitlement to the generation output owned by the OVEC. FirstEnergy's nuclear and non-nuclear facilities are operated by FENOC and FGCO, respectively, and, except for portions of certain facilities that are subject to the sale and leaseback arrangements with non-affiliates referred to above for which the corresponding output is available to FES through power sale agreements, are all owned directly by NGC and FGCO, respectively. The FES generating assets are concentrated primarily in Ohio, plus the bordering regions of Pennsylvania and Michigan. All FES units are dedicated to MISO except the Beaver Valley Power Station, which is designated as a PJM resource. Additionally, see FERC Matters for RTO Consolidation.

FES, FGCO and NGC comply with the regulations, orders, policies and practices prescribed by the SEC and the FERC. In addition, NGC and FENOC comply with the regulations, orders, policies and practices prescribed by the NRC.

The Utilities' combined service areas encompass approximately 36,100 square miles in Ohio, New Jersey and Pennsylvania. The areas they serve have a combined population of approximately 11.3 million.

OE was organized under the laws of the State of Ohio in 1930 and owns property and does business as an electric public utility in that state. OE engages in the distribution and sale of electric energy to communities in a 7,000 square mile area of central and northeastern Ohio. The area it serves has a population of approximately 2.8 million. OE complies with the regulations, orders, policies and practices prescribed by the SEC, FERC and PUCO.

OE owns all of Penn's outstanding common stock. Penn was organized under the laws of the Commonwealth of Pennsylvania in 1930 and owns property and does business as an electric public utility in that state. Penn is also authorized to do business in the State of Ohio (see Item 2 – Properties). Penn furnishes electric service to communities in 1,100 square miles of western Pennsylvania. The area it serves has a population of approximately 0.4 million. Penn complies with the regulations, orders, policies and practices prescribed by the FERC and PPUC.

CEI was organized under the laws of the State of Ohio in 1892 and does business as an electric public utility in that state. CEI engages in the distribution and sale of electric energy in an area of approximately 1,600 square miles in northeastern Ohio. The area it serves has a population of approximately 1.8 million. CEI complies with the regulations, orders, policies and practices prescribed by the SEC, FERC and PUCO.

TE was organized under the laws of the State of Ohio in 1901 and does business as an electric public utility in that state. TE engages in the distribution and sale of electric energy in an area of approximately 2,300 square miles in northwestern Ohio. The area it serves has a population of approximately 0.8 million. TE complies with the regulations, orders, policies and practices prescribed by the SEC, FERC and PUCO.

ATSI was organized under the laws of the State of Ohio in 1998. ATSI owns transmission assets that were formerly owned by the Ohio Companies and Penn. ATSI owns major, high-voltage transmission facilities, which consist of approximately 5,821 pole miles of transmission lines with nominal voltages of 345 kV, 138 kV and 69 kV. Effective October 1, 2003, ATSI transferred operational control of its transmission facilities to MISO. With its affiliation with MISO, ATSI plans, operates, and maintains its transmission system in accordance with NERC reliability standards, and applicable regulatory agencies to ensure reliable service to customers. Additionally, see FERC Matters for RTO Consolidation.

JCP&L was organized under the laws of the State of New Jersey in 1925 and owns property and does business as an electric public utility in that state. JCP&L provides transmission and distribution services in 3,200 square miles of northern, western and east central New Jersey. The area it serves has a population of approximately 2.6 million. JCP&L complies with the regulations, orders, policies and practices prescribed by the SEC, FERC and the NJBPU.

Met-Ed was organized under the laws of the Commonwealth of Pennsylvania in 1922 and owns property and does business as an electric public utility in that state. Met-Ed provides transmission and distribution services in 3,300 square miles of eastern and south central Pennsylvania. The area it serves has a population of approximately 1.3 million. Met-Ed complies with the regulations, orders, policies and practices prescribed by the SEC, FERC and PPUC.

Penelec was organized under the laws of the Commonwealth of Pennsylvania in 1919 and owns property and does business as an electric public utility in that state. Penelec provides transmission and distribution services in 17,600 square miles of western, northern and south central Pennsylvania. The area it serves has a population of approximately 1.6 million. Penelec, as lessee of the property of its subsidiary, The Waverly Electric Light & Power Company, also serves customers in Waverly, New York and its vicinity. Penelec complies with the regulations, orders, policies and practices prescribed by the SEC, FERC and PPUC.

FESC provides legal, financial and other corporate support services to affiliated FirstEnergy companies.

Reference is made to Note 16, Segment Information, of the Notes to Consolidated Financial Statements contained in Item 8 for information regarding FirstEnergy's reportable segments.

## **Utility Regulation**

### **State Regulation**

Each of the Utilities' retail rates, conditions of service, issuance of securities and other matters are subject to regulation in the state in which each company operates – in Ohio by the PUCO, in New Jersey by the NJBPU and in Pennsylvania by the PPUC. In addition, under Ohio law, municipalities may regulate rates of a public utility, subject to appeal to the PUCO if not acceptable to the utility.

As a competitive retail electric supplier serving retail customers in Ohio, Pennsylvania, New Jersey, Maryland, Michigan, and Illinois, FES is subject to state laws applicable to competitive electric suppliers in those states, including affiliate codes of conduct that apply to FES and its public utility affiliates. In addition, if FES or any of its subsidiaries were to engage in the construction of significant new generation facilities, they would also be subject to state siting authority.

## ***Federal Regulation***

With respect to their wholesale and interstate electric operations and rates, the Utilities, ATSI, FES, FGCO and NGC are subject to regulation by the FERC. Under the FPA, the FERC regulates rates for interstate sales at wholesale, transmission of electric power, accounting and other matters, including construction and operation of hydroelectric projects. The FERC regulations require ATSI, Met-Ed, JCP&L and Penelec to provide open access transmission service at FERC-approved rates, terms and conditions. Transmission service over ATSI's facilities is provided by MISO under its open access transmission tariff, and transmission service over Met-Ed's, JCP&L's and Penelec's facilities is provided by PJM under its open access transmission tariff. The FERC also regulates unbundled transmission service to retail customers. Additionally, see FERC Matters for RTO Consolidation.

The FERC regulates the sale of power for resale in interstate commerce by granting authority to public utilities to sell wholesale power at market-based rates upon a showing that the seller cannot exert market power in generation or transmission. FES, FGCO and NGC have been authorized by the FERC to sell wholesale power in interstate commerce and have a market-based tariff on file with the FERC. By virtue of this tariff and authority to sell wholesale power, each company is regulated as a public utility under the FPA. However, consistent with its historical practice, the FERC has granted FES, FGCO and NGC a waiver from most of the reporting, record-keeping and accounting requirements that typically apply to traditional public utilities. Along with market-based rate authority, the FERC also granted FES, FGCO and NGC blanket authority to issue securities and assume liabilities under Section 204 of the FPA. As a condition to selling electricity on a wholesale basis at market-based rates, FES, FGCO and NGC, like all other entities granted market-based rate authority, must file electronic quarterly reports with the FERC, listing its sales transactions for the prior quarter.

The nuclear generating facilities owned and leased by NGC are subject to extensive regulation by the NRC. The NRC subjects nuclear generating stations to continuing review and regulation covering, among other things, operations, maintenance, emergency planning, security and environmental and radiological aspects of those stations. The NRC may modify, suspend or revoke operating licenses and impose civil penalties for failure to comply with the Atomic Energy Act, the regulations under such Act or the terms of the licenses. FENOC is the licensee for these plants and has direct compliance responsibility for NRC matters. FES controls the economic dispatch of NGC's plants. See Nuclear Regulation below.

## ***Regulatory Accounting***

The Utilities and ATSI recognize, as regulatory assets, costs which the FERC, PUCO, PPUC and NJBPU have authorized for recovery from customers in future periods or for which authorization is probable. Without the probability of such authorization, costs currently recorded as regulatory assets would have been charged to income as incurred. All regulatory assets are expected to be recovered from customers under the Utilities' respective transition and regulatory plans. Based on those plans, the Utilities continue to bill and collect cost-based rates for their transmission and distribution services, which remain regulated; accordingly, it is appropriate that the Utilities continue the application of regulatory accounting to those operations.

FirstEnergy accounts for the effects of regulation through the application of regulatory accounting to its operating utilities since their rates:

- are established by a third-party regulator with the authority to set rates that bind customers;
- are cost-based; and
- can be charged to and collected from customers.

An enterprise meeting all of these criteria capitalizes costs that would otherwise be charged to expense (regulatory assets) if the rate actions of its regulator make it probable that those costs will be recovered in future revenue. Regulatory accounting is applied only to the parts of the business that meet the above criteria. If a portion of the business applying regulatory accounting no longer meets those requirements, previously recorded net regulatory assets are removed from the balance sheet in accordance with GAAP.

In Ohio, New Jersey and Pennsylvania, laws applicable to electric industry restructuring contain similar provisions that are reflected in the Utilities' respective state regulatory plans. These provisions include:

- restructuring the electric generation business and allowing the Utilities' customers to select a competitive electric generation supplier other than the Utilities;
- establishing or defining the PLR obligations to customers in the Utilities' service areas;
- providing the Utilities with the opportunity to recover potentially stranded investment (or transition costs) not otherwise recoverable in a competitive generation market;



- itemizing (unbundling) the price of electricity into its component elements – including generation, transmission, distribution and stranded costs recovery charges;
- continuing regulation of the Utilities' transmission and distribution systems; and
- requiring corporate separation of regulated and unregulated business activities.

#### ***Reliability Initiatives***

In 2005, Congress amended the FPA to provide for federally-enforceable mandatory reliability standards. The mandatory reliability standards apply to the bulk power system and impose certain operating, record-keeping and reporting requirements on the Utilities and ATSI. The NERC is charged with establishing and enforcing these reliability standards, although it has delegated day-to-day implementation and enforcement of its responsibilities to eight regional entities, including ReliabilityFirst Corporation. All of FirstEnergy's facilities are located within the ReliabilityFirst region. FirstEnergy actively participates in the NERC and ReliabilityFirst stakeholder processes, and otherwise monitors and manages its companies in response to the ongoing development, implementation and enforcement of the reliability standards.

FirstEnergy believes that it is in compliance with all currently-effective and enforceable reliability standards. Nevertheless, it is clear that the NERC, ReliabilityFirst and the FERC will continue to refine existing reliability standards as well as to develop and adopt new reliability standards. The financial impact of complying with new or amended standards cannot be determined at this time. However, the 2005 amendments to the FPA provide that all prudent costs incurred to comply with the new reliability standards be recovered in rates. Still, any future inability on FirstEnergy's part to comply with the reliability standards for its bulk power system could result in the imposition of financial penalties that could have a material adverse effect on its financial condition, results of operations and cash flows.

In April 2007, ReliabilityFirst performed a routine compliance audit of FirstEnergy's bulk-power system within the Midwest ISO region and found it to be in full compliance with all audited reliability standards. Similarly, in October 2008, ReliabilityFirst performed a routine compliance audit of FirstEnergy's bulk-power system within the PJM region and found it to be in full compliance with all audited reliability standards. Our MISO facilities are next due for the periodic audit by ReliabilityFirst later this year.

On December 9, 2008, a transformer at JCP&L's Oceanview substation failed, resulting in an outage on certain bulk electric system (transmission voltage) lines out of the Oceanview and Atlantic substations, with customers in the affected area losing power. Power was restored to most customers within a few hours and to all customers within eleven hours. On December 16, 2008, JCP&L provided preliminary information about the event to certain regulatory agencies, including the NERC. On March 31, 2009, the NERC initiated a Compliance Violation Investigation in order to determine JCP&L's contribution to the electrical event and to review any potential violation of NERC Reliability Standards associated with the event. The initial phase of the investigation required JCP&L to respond to the NERC's request for factual data about the outage. JCP&L submitted its written response on May 1, 2009. The NERC conducted on site interviews with personnel involved in responding to the event on June 16-17, 2009. On July 7, 2009, the NERC issued additional questions regarding the event and JCP&L replied as requested on August 6, 2009. JCP&L is not able at this time to predict what actions, if any, that the NERC may take based on the data submittals or interview results.

On June 5, 2009, FirstEnergy self-reported to ReliabilityFirst a potential violation of NERC Standard PRC-005 resulting from its inability to validate maintenance records for 20 protection system relays (out of approximately 20,000 reportable relays) in JCP&L's and Penelec's transmission systems. These potential violations were discovered during a comprehensive field review of all FirstEnergy substations to verify equipment and maintenance database accuracy. FirstEnergy has completed all mitigation actions, including calibrations and maintenance records for the relays. ReliabilityFirst issued an Initial Notice of Alleged Violation on June 22, 2009. The NERC approved FirstEnergy's mitigation plan on August 19, 2009, and submitted it to the FERC for approval on August 19, 2009. FirstEnergy is not able at this time to predict what actions or penalties, if any, that ReliabilityFirst will propose for this self-reported violation.

#### ***Ohio Regulatory Matters***

On June 7, 2007, the Ohio Companies filed an application for an increase in electric distribution rates with the PUCO and, on August 6, 2007, updated their filing. On January 21, 2009, the PUCO granted the Ohio Companies' application in part to increase electric distribution rates by \$136.6 million (OE - \$68.9 million, CEI - \$29.2 million and TE - \$38.5 million). These increases went into effect for OE and TE on January 23, 2009, and for CEI on May 1, 2009. Applications for rehearing of this order were filed by the Ohio Companies and one other party on February 20, 2009. The PUCO granted these applications for rehearing on March 18, 2009 for the purpose of further consideration. The PUCO has not yet issued a substantive Entry on Rehearing.

SB221, which became effective on July 31, 2008, required all electric utilities to file an ESP, and permitted the filing of an MRO. On July 31, 2008, the Ohio Companies filed with the PUCO a comprehensive ESP and a separate MRO. The PUCO denied the MRO application; however, the PUCO later granted the Ohio Companies' application for rehearing for the purpose of further consideration of the matter. The PUCO has not yet issued a substantive Entry on Rehearing. The ESP proposed to phase in new generation rates for customers beginning in 2009 for up to a three-year period and resolve the Ohio Companies' collection of fuel costs deferred in 2006 and 2007, and the distribution rate request described above. In response to the PUCO's December 19, 2008 order, which significantly modified and approved the ESP as modified, the Ohio Companies notified the PUCO that they were withdrawing and terminating the ESP application in addition to continuing their rate plan then in effect as allowed by the terms of SB221. On December 31, 2008, the Ohio Companies conducted a CBP for the procurement of electric generation for retail customers from January 5, 2009 through March 31, 2009. The average winning bid price was equivalent to a retail rate of 6.98 cents per KWH. The power supply obtained through this process provided generation service to the Ohio Companies' retail customers who chose not to shop with alternative suppliers. On January 9, 2009, the Ohio Companies requested the implementation of a new fuel rider to recover the costs resulting from the December 31, 2008 CBP. The PUCO ultimately approved the Ohio Companies' request for a new fuel rider to recover increased costs resulting from the CBP but denied OE's and TE's request to continue collecting RTC and denied the request to allow the Ohio Companies to continue collections pursuant to the two existing fuel riders. The new fuel rider recovered the increased purchased power costs for OE and TE, and recovered a portion of those costs for CEI, with the remainder being deferred for future recovery.

On January 29, 2009, the PUCO ordered its Staff to develop a proposal to establish an ESP for the Ohio Companies. On February 19, 2009, the Ohio Companies filed an Amended ESP application, including an attached Stipulation and Recommendation that was signed by the Ohio Companies, the Staff of the PUCO, and many of the intervening parties. Specifically, the Amended ESP provided that generation would be provided by FES at the average wholesale rate of the CBP described above for April and May 2009 to the Ohio Companies for their non-shopping customers; for the period of June 1, 2009 through May 31, 2011, retail generation prices would be based upon the outcome of a descending clock CBP on a slice-of-system basis. The Amended ESP further provided that the Ohio Companies will not seek a base distribution rate increase, subject to certain exceptions, with an effective date of such increase before January 1, 2012, that CEI would agree to write-off approximately \$216 million of its Extended RTC regulatory asset, and that the Ohio Companies would collect a delivery service improvement rider at an overall average rate of \$.002 per KWH for the period of April 1, 2009 through December 31, 2011. The Amended ESP also addressed a number of other issues, including but not limited to, rate design for various customer classes, and resolution of the prudence review and the collection of deferred costs that were approved in prior proceedings. On February 26, 2009, the Ohio Companies filed a Supplemental Stipulation, which was signed or not opposed by virtually all of the parties to the proceeding, that supplemented and modified certain provisions of the February 19, 2009 Stipulation and Recommendation. Specifically, the Supplemental Stipulation modified the provision relating to governmental aggregation and the Generation Service Uncollectible Rider, provided further detail on the allocation of the economic development funding contained in the Stipulation and Recommendation, and proposed additional provisions related to the collaborative process for the development of energy efficiency programs, among other provisions. The PUCO adopted and approved certain aspects of the Stipulation and Recommendation on March 4, 2009, and adopted and approved the remainder of the Stipulation and Recommendation and Supplemental Stipulation without modification on March 25, 2009. Certain aspects of the Stipulation and Recommendation and Supplemental Stipulation took effect on April 1, 2009 while the remaining provisions took effect on June 1, 2009.

The CBP auction occurred on May 13-14, 2009, and resulted in a weighted average wholesale price for generation and transmission of 6.15 cents per KWH. The bid was for a single, two-year product for the service period from June 1, 2009 through May 31, 2011. FES participated in the auction, winning 51% of the tranches (one tranche equals one percent of the load supply). Subsequent to the signing of the wholesale contracts, four winning bidders reached separate agreements with FES with the result that FES is now responsible for providing 77% of the Ohio Companies' total load supply. The results of the CBP were accepted by the PUCO on May 14, 2009. FES has also separately contracted with numerous communities to provide retail generation service through governmental aggregation programs.

On July 27, 2009, the Ohio Companies filed applications with the PUCO to recover three different categories of deferred distribution costs on an accelerated basis. In the Ohio Companies' Amended ESP, the PUCO approved the recovery of these deferrals, with collection originally set to begin in January 2011 and to continue over a 5 or 25 year period. The principal amount plus carrying charges through August 31, 2009 for these deferrals totaled \$305.1 million. The applications were approved by the PUCO on August 19, 2009. Recovery of this amount, together with carrying charges calculated as approved in the Amended ESP, commenced on September 1, 2009, and will be collected in the 18 non-summer months from September 2009 through May 2011, subject to reconciliation until fully collected, with \$165 million of the above amount being recovered from residential customers, and \$140.1 million being recovered from non-residential customers.

SB221 also requires electric distribution utilities to implement energy efficiency programs. Under the provisions of SB221, the Ohio Companies are required to achieve a total annual energy savings equivalent of approximately 166,000 MWH in 2009, 290,000 MWH in 2010, 410,000 MWH in 2011, 470,000 MWH in 2012 and 530,000 MWH in 2013, with additional savings required through 2025. Utilities are also required to reduce peak demand in 2009 by 1%, with an additional .75% reduction each year thereafter through 2018. The PUCO may amend these benchmarks in certain, limited circumstances, and the Ohio Companies have filed an application with the PUCO seeking such amendments. As discussed below, on January 7, 2010, the PUCO amended the 2009 energy efficiency benchmarks to zero, contingent upon the Ohio Companies meeting the revised benchmarks in a period of not more than three years. The PUCO has not yet acted upon the application seeking a reduction of the peak demand reduction requirements. The Ohio Companies are presently involved in collaborative efforts related to energy efficiency, including filing applications for approval with the PUCO, as well as other implementation efforts arising out of the Supplemental Stipulation. On December 15, 2009, the Ohio Companies filed the required three year portfolio plan seeking approval for the programs they intend to implement to meet the energy efficiency and peak demand reduction requirements for the 2010-2012 period. The PUCO has set the matter for hearing on March 2, 2010. The Ohio Companies expect that all costs associated with compliance will be recoverable from customers.

In October 2009, the PUCO issued additional Entries, modifying certain of its previous rules that set out the manner in which electric utilities, including the Ohio Companies, will be required to comply with benchmarks contained in SB221 related to the employment of alternative energy resources, energy efficiency/peak demand reduction programs as well as greenhouse gas reporting requirements and changes to long term forecast reporting requirements. Applications for rehearing filed in mid-November 2009 were granted on December 9, 2009 for the sole purpose of further consideration of the matters raised in those applications. The PUCO has not yet issued a substantive Entry on Rehearing. The rules implementing the requirements of SB221 went into effect on December 10, 2009. The Ohio Companies, on October 27, 2009, submitted an application to amend their 2009 statutory energy efficiency benchmarks to zero. On January 7, 2010, the PUCO issued an Order granting the Companies' request to amend the energy efficiency benchmarks.

Additionally under SB221, electric utilities and electric service companies are required to serve part of their load from renewable energy resources equivalent to 0.25% of the KWH they serve in 2009. In August and October 2009, the Ohio Companies conducted RFPs to secure RECs. The RFPs sought renewable energy RECs, including solar RECs and RECs generated in Ohio in order to meet the Ohio Companies' alternative energy requirements set forth in SB221. The RECs acquired through these two RFPs will be used to help meet the renewable energy requirements established under SB221 for 2009, 2010 and 2011. On December 7, 2009, the Ohio Companies filed an application with the PUCO seeking a force majeure determination regarding the Ohio Companies' compliance with the 2009 solar energy resources benchmark, and seeking a reduction in the benchmark. The PUCO has not yet ruled on that application.

On October 20, 2009, the Ohio Companies filed an MRO to procure electric generation service for the period beginning June 1, 2011. The proposed MRO would establish a CBP to secure generation supply for customers who do not shop with an alternative supplier and would be similar, in all material respects, to the CBP conducted in May 2009 in that it would procure energy, capacity and certain transmission services on a slice of system basis. Enhancements to the May 2009 CBP, the MRO would include multiple bidding sessions and multiple products with different delivery periods for generation supply features which are designed to reduce potential price volatility and reduce supplier risk and encourage bidder participation. A technical conference was held on October 29, 2009. Hearings took place in December and the matter has been fully briefed. Pursuant to SB221, the PUCO has 90 days from the date of the application to determine whether the MRO meets certain statutory requirements. Although the Ohio Companies requested a PUCO determination by January 18, 2010, on February 3, 2010, the PUCO announced that its determination would be delayed. Under a determination that such statutory requirements are met, the Ohio Companies would be able to implement the MRO and conduct the CBP.

### ***Pennsylvania Regulatory Matters***

Met-Ed and Penelec purchase a portion of their PLR and default service requirements from FES through a fixed-price partial requirements wholesale power sales agreement. The agreement allows Met-Ed and Penelec to sell the output of NUG energy to the market and requires FES to provide energy at fixed prices to replace any NUG energy sold to the extent needed for Met-Ed and Penelec to satisfy their PLR and default service obligations.

On February 20, 2009, Met-Ed and Penelec filed with the PPUC a generation procurement plan covering the period January 1, 2011 through May 31, 2013. The plan is designed to provide adequate and reliable service via a prudent mix of long-term, short-term and spot market generation supply, as required by Act 129. The plan proposed a staggered procurement schedule, which varies by customer class, through the use of a descending clock auction. On August 12, 2009, Met-Ed and Penelec filed a settlement agreement with the PPUC for the generation procurement plan covering the period January 1, 2011, through May 31, 2013, reflecting the settlement on all but two issues. The settlement plan is designed to provide adequate and reliable service as required by Pennsylvania law through a prudent mix of long-term, short-term and spot-market generation supply as required by Act 129. The settlement plan proposes a staggered procurement schedule, which varies by customer class. On September 2, 2009, the ALJ issued a Recommended Decision (RD) approving the settlement and adopted Met-Ed and Penelec's positions on two reserved issues. On November 6, 2009, the PPUC entered an Order approving the settlement and finding in favor of Met-Ed and Penelec on the two reserved issues. Generation procurement began in January 2010.

On May 22, 2008, the PPUC approved Met-Ed and Penelec annual updates to the TSC rider for the period June 1, 2008, through May 31, 2009. The TSCs included a component for under-recovery of actual transmission costs incurred during the prior period (Met-Ed - \$144 million and Penelec - \$4 million) and transmission cost projections for June 2008 through May 2009 (Met-Ed - \$258 million and Penelec - \$92 million). Met-Ed received PPUC approval for a transition approach that would recover past under-recovered costs plus carrying charges through the new TSC over thirty-one months and defer a portion of the projected costs (\$92 million) plus carrying charges for recovery through future TSCs by December 31, 2010. Various intervenors filed complaints against those filings. In addition, the PPUC ordered an investigation to review the reasonableness of Met-Ed's TSC, while at the same time allowing Met-Ed to implement the rider June 1, 2008, subject to refund. On July 15, 2008, the PPUC directed the ALJ to consolidate the complaints against Met-Ed with its investigation and a litigation schedule was adopted. Hearings and briefing for both Met-Ed and Penelec have concluded. On August 11, 2009, the ALJ issued a Recommended Decision to the PPUC approving Met-Ed's and Penelec's TSCs as filed and dismissing all complaints. Exceptions by various intervenors were filed and reply exceptions were filed by Met-Ed and Penelec. On January 28, 2010, the PPUC adopted a motion which denies the recovery of marginal transmission losses through the TSC for the period of June 1, 2007 through March 31, 2008, and instructs Met-Ed and Penelec to work with the parties and file a petition to retain any over-collection, with interest, until 2011 for the purpose of providing mitigation of future rate increases starting in 2011 for their customers. Met-Ed and Penelec are now awaiting an order, which is expected to be consistent with the motion. If so, Met-Ed and Penelec plan to appeal such a decision to the Commonwealth Court of Pennsylvania. Although the ultimate outcome of this matter cannot be determined at this time, it is the belief of the companies that they should prevail in any such appeal and therefore expect to fully recover the approximately \$170.5 million (\$138.7 million for Met-Ed and \$31.8 million for Penelec) in marginal transmission losses for the period prior to January 1, 2011.

On May 28, 2009, the PPUC approved Met-Ed's and Penelec's annual updates to their TSC rider for the period June 1, 2009 through May 31, 2010, subject to the outcome of the proceeding related to the 2008 TSC filing described above. For Penelec's customers the new TSC resulted in an approximate 1% decrease in monthly bills, reflecting projected PJM transmission costs as well as a reconciliation for costs already incurred. The TSC for Met-Ed's customers increased to recover the additional PJM charges paid by Met-Ed in the previous year and to reflect updated projected costs. In order to gradually transition customers to the higher rate, the PPUC approved Met-Ed's proposal to continue to recover the prior period deferrals allowed in the PPUC's May 2008 Order and defer \$57.5 million of projected costs to a future TSC to be fully recovered by December 31, 2010. Under this proposal, monthly bills for Met-Ed's customers would increase approximately 9.4% for the period June 2009 through May 2010.

Act 129 became effective in 2008 and addresses issues such as: energy efficiency and peak load reduction; generation procurement; time-of-use rates; smart meters; and alternative energy. Among other things Act 129 requires each Pennsylvania utility to file with the PPUC an energy efficiency and peak load reduction plan by July 1, 2009, setting forth the utilities' plans to reduce energy consumption by a minimum of 1% and 3% by May 31, 2011 and May 31, 2013, respectively, and to reduce peak demand by a minimum of 4.5% by May 31, 2013. On July 1, 2009, Met-Ed, Penelec, and Penn filed EE&C Plans with the PPUC in accordance with Act 129. The Pennsylvania Companies submitted a supplemental filing on July 31, 2009, to revise the Total Resource Cost test items in the EE&C Plans pursuant to the PPUC's June 23, 2009 Order. Following an evidentiary hearing and briefing, the Pennsylvania Companies filed revised EE&C Plans on September 21, 2009. In an October 28, 2009 Order, the PPUC approved in part, and rejected in part, the Pennsylvania Companies' filing. Following additional filings related to the plans, including modifications as requested by the PPUC. The PPUC issued an order on January 28, 2010, approving, in part, and rejecting, in part the Pennsylvania Companies' modified plans. The Pennsylvania Companies filed final plans and tariff revisions on February 5, 2010 consistent with the minor revisions required by the PPUC. The PPUC must approve or reject the plans within 60 days.

Act 129 also required utilities to file by August 14, 2009 with the PPUC smart meter technology procurement and installation plan to provide for the installation of smart meter technology within 15 years. On August 14, 2009, Met-Ed, Penelec and Penn jointly filed a Smart Meter Technology Procurement and Installation Plan. Consistent with the PPUC's rules, this plan proposes a 24-month assessment period in which the Pennsylvania Companies will assess their needs, select the necessary technology, secure vendors, train personnel, install and test support equipment, and establish a cost effective and strategic deployment schedule, which currently is expected to be completed in fifteen years. Met-Ed, Penelec and Penn estimate assessment period costs at approximately \$29.5 million, which the Pennsylvania Companies, in their plan, proposed to recover through an automatic adjustment clause. A Technical Conference and evidentiary hearings were held in November 2009. Briefs were filed on December 11, 2009, and Reply Briefs were filed on December 31, 2009. An Initial Decision was issued by the presiding ALJ on January 28, 2010. The ALJ's Initial Decision approved the Smart Meter Plan as modified by the ALJ, including: ensuring that the smart meters to be deployed include the capabilities listed in the Commission's Implementation Order; eliminating the provision of interest in the 1307(e) reconciliation; providing for the recovery of reasonable and prudent costs minus resulting savings from installation and use of smart meters; and reflecting that administrative start-up costs be expensed and the costs incurred for research and development in the assessment period be capitalized. Exceptions are due on February 17, 2010, and Reply Exceptions are due on March 1. The Pennsylvania Companies expect the PPUC to act on the plans in early 2010.

Legislation addressing rate mitigation and the expiration of rate caps has been introduced in both the 2008 and 2009 legislative sessions. The final form of such legislation and its possible impact on the Pennsylvania Companies' business and operations are uncertain.

On February 26, 2009, the PPUC approved a Voluntary Prepayment Plan requested by Met-Ed and Penelec that provides an opportunity for residential and small commercial customers to prepay an amount on their monthly electric bills during 2009 and 2010. Customer prepayments earn interest at 7.5% and will be used to reduce electricity charges in 2011 and 2012.

On March 31, 2009, Met-Ed and Penelec submitted their 5-year NUG Statement Compliance filing to the PPUC in accordance with their 1998 Restructuring Settlement originally entered into with the PPUC pursuant to comprehensive electric utility industry restructuring legislation (Customer Choice Act) adopted in Pennsylvania in 1996. In the compliance filing, Met-Ed proposed to reduce its CTC rate for the residential class with a corresponding increase in the generation rate and the shopping credit, and Penelec proposed to reduce its CTC rate to zero for all classes with a corresponding increase in the generation rate and the shopping credit. While these changes would result in additional annual generation revenue (Met-Ed - \$27 million and Penelec - \$59 million), overall rates would remain unchanged. On July 30, 2009, the PPUC entered an order approving the 5-year NUG Statement, approving the reduction of the CTC, and directing Met-Ed and Penelec to file a tariff supplement implementing this change. On July 31, 2009, Met-Ed and Penelec filed tariff supplements decreasing the CTC rate in compliance with the July 30, 2009 order, and increasing the generation rate in compliance with the companies' Restructuring Orders of 1998. On August 14, 2009, the PPUC approved Met-Ed and Penelec's compliance filings.

By Tentative Order entered September 17, 2009, the PPUC provided for an additional 30-day comment period on whether "the Restructuring Settlement allows NUG over-collection for select and isolated months to be used to reduce non-NUG stranded costs when a cumulative NUG stranded cost balance exists." In response to the Tentative Order, the Office of Small Business Advocate, Office of Consumer Advocate, York County Solid Waste and Refuse Authority, ARIPPA, the Met-Ed Industrial Users Group and Penelec Industrial Customer Alliance filed comments objecting to the above accounting method utilized by Met-Ed and Penelec. Met-Ed and Penelec filed reply comments on October 26, 2009. On November 5, 2009, the PPUC issued a Secretarial Letter allowing parties to file reply comments to Met-Ed and Penelec's reply comments by November 16, 2009, and reply comments were filed by the Office of Consumer Advocate, ARIPPA, and the Met-Ed Industrial Users Group and Penelec Industrial Customer Alliance. Met-Ed and Penelec are awaiting further action by the Commission.

On February 8, 2010, Penn filed with the PPUC a generation procurement plan covering the period June 1, 2011 through May 31, 2013. The plan is designed to provide adequate and reliable service through a prudent mix of long-term, short-term and spot market generation supply, as required by Act 129. The plan proposed a staggered procurement schedule, which varies by customer class, through the use of a descending clock auction. The PPUC is required to issue an order on the plan no later than November 8, 2010.

### ***New Jersey Regulatory Matters***

JCP&L is permitted to defer for future collection from customers the amounts by which its costs of supplying BGS to non-shopping customers, costs incurred under NUG agreements, and certain other stranded costs, exceed amounts collected through BGS and NUGC rates and market sales of NUG energy and capacity. As of December 30, 2009, the accumulated deferred cost balance totaled approximately \$98 million.

In accordance with an April 28, 2004 NJBPU order, JCP&L filed testimony on June 7, 2004, supporting continuation of the current level and duration of the funding of TMI-2 decommissioning costs by New Jersey customers without a reduction, termination or capping of the funding. TMI-2 is a retired nuclear facility owned by JCP&L. On September 30, 2004, JCP&L filed an updated TMI-2 decommissioning study. This study resulted in an updated total decommissioning cost estimate of \$729 million (in 2003 dollars) compared to the estimated \$528 million (in 2003 dollars) from the prior 1995 decommissioning study. The DPA filed comments on February 28, 2005 requesting that decommissioning funding be suspended. On March 18, 2005, JCP&L filed a response to those comments. JCP&L responded to additional NJBPU staff discovery requests in May and November 2007 and also submitted comments in the proceeding in November 2007. A schedule for further NJBPU proceedings has not yet been set. On March 13, 2009, JCP&L filed its annual SBC Petition with the NJBPU that includes a request for a reduction in the level of recovery of TMI-2 decommissioning costs based on an updated TMI-2 decommissioning cost analysis dated January 2009. This matter is currently pending before the NJBPU.

New Jersey statutes require that the state periodically undertake a planning process, known as the EMP, to address energy related issues including energy security, economic growth, and environmental impact. The EMP is to be developed with involvement of the Governor's Office and the Governor's Office of Economic Growth, and is to be prepared by a Master Plan Committee, which is chaired by the NJBPU President and includes representatives of several State departments. The EMP was issued on October 22, 2008, establishing five major goals:

- maximize energy efficiency to achieve a 20% reduction in energy consumption by 2020;
- reduce peak demand for electricity by 5,700 MW by 2020;
- meet 30% of the state's electricity needs with renewable energy by 2020;
- examine smart grid technology and develop additional cogeneration and other generation resources consistent with the state's greenhouse gas targets; and
- invest in innovative clean energy technologies and businesses to stimulate the industry's growth in New Jersey.

On January 28, 2009, the NJBPU adopted an order establishing the general process and contents of specific EMP plans that must be filed by New Jersey electric and gas utilities in order to achieve the goals of the EMP. Such utility specific plans are due to be filed with the NJBPU by July 1, 2010. At this time, FirstEnergy and JCP&L cannot determine the impact, if any, the EMP may have on their business or operations.

In support of former New Jersey Governor Corzine's Economic Assistance and Recovery Plan, JCP&L announced a proposal to spend approximately \$98 million on infrastructure and energy efficiency projects in 2009. Under the proposal, an estimated \$40 million would be spent on infrastructure projects, including substation upgrades, new transformers, distribution line reclosers and automated breaker operations. In addition, approximately \$34 million would be spent implementing new demand response programs as well as expanding on existing programs. Another \$11 million would be spent on energy efficiency, specifically replacing transformers and capacitor control systems and installing new LED street lights. The remaining \$13 million would be spent on energy efficiency programs that would complement those currently being offered. The project relating to expansion of the existing demand response programs was approved by the NJBPU on August 19, 2009, and implementation began in 2009. Approval for the \$11 million project related to energy efficiency programs intended to complement those currently being offered was denied by the NJBPU on December 1, 2009. Implementation of the remaining projects is dependent upon resolution of regulatory issues between the NJBPU and JCP&L including recovery of the costs associated with the proposal.

On February 11, 2010, S&P downgraded the senior unsecured debt of FirstEnergy Corp. to BB+. As a result, pursuant to the requirements of a pre-existing NJBPU order, JCP&L filed, on February 17, 2010, a plan addressing the mitigation of any effect of the downgrade and provided an assessment of present and future liquidity necessary to assure JCP&L's continued payment to BGS suppliers. The order also provides that the NJBPU should: 1) within 10 days of that filing, hold a public hearing to review the plan and consider the available options and 2) within 30 days of that filing issue an order with respect to the matter. At this time, the public hearing has not been scheduled and FirstEnergy and JCP&L cannot determine the impact, if any, these proceedings will have on their operations.

### ***FERC Matters***

#### ***Transmission Service between MISO and PJM***

On November 18, 2004, the FERC issued an order eliminating the through and out rate for transmission service between the MISO and PJM regions. The FERC's intent was to eliminate multiple transmission charges for a single transaction between the MISO and PJM regions. The FERC also ordered MISO, PJM and the transmission owners within MISO and PJM to submit compliance filings containing a rate mechanism to recover lost transmission revenues created by elimination of this charge (referred to as the Seams Elimination Cost Adjustment or SECA) during a 16-month transition period. The FERC issued orders in 2005 setting the SECA for hearing. The presiding judge issued an initial decision on August 10, 2006, rejecting the compliance filings made by MISO, PJM and the transmission owners, and directing new compliance filings. This decision is subject to review and approval by the FERC. A final order is pending before the FERC, and in the meantime, FirstEnergy affiliates have been negotiating and entering into settlement agreements with other parties in the docket to mitigate the risk of lower transmission revenue collection associated with an adverse order. On September 26, 2008, the MISO and PJM transmission owners filed a motion requesting that the FERC approve the pending settlements and act on the initial decision. On November 20, 2008, FERC issued an order approving uncontested settlements, but did not rule on the initial decision. On December 19, 2008, an additional order was issued approving two contested settlements. On October 29, 2009, FirstEnergy, with another Company, filed an additional settlement agreement with FERC to resolve their outstanding claims. FirstEnergy is actively pursuing settlement agreements with other parties to the case. On December 8, 2009, certain parties sought a writ of mandamus from the DC Circuit Court of Appeals directing FERC to issue an order on the Initial Decision. The Court agreed to hold this matter in abeyance based upon FERC's representation to use good faith efforts to issue a substantive ruling on the initial decision no later than May 27, 2010. If FERC fails to act, the case will be submitted for briefing in June. The outcome of this matter cannot be predicted.

### *PJM Transmission Rate*

On January 31, 2005, certain PJM transmission owners made filings with the FERC pursuant to a settlement agreement previously approved by the FERC. JCP&L, Met-Ed and Penelec were parties to that proceeding and joined in two of the filings. In the first filing, the settling transmission owners submitted a filing justifying continuation of their existing rate design within the PJM RTO. Hearings were held on the content of the compliance filings and numerous parties appeared and litigated various issues concerning PJM rate design, notably AEP, which proposed to create a "postage stamp," or average rate for all high voltage transmission facilities across PJM and a zonal transmission rate for facilities below 345 kV. AEP's proposal would have the effect of shifting recovery of the costs of high voltage transmission lines to other transmission zones, including those where JCP&L, Met-Ed, and Penelec serve load. On April 19, 2007, the FERC issued an order (Opinion 494) finding that the PJM transmission owners' existing "license plate" or zonal rate design was just and reasonable and ordered that the current license plate rates for existing transmission facilities be retained. On the issue of rates for new transmission facilities, the FERC directed that costs for new transmission facilities that are rated at 500 kV or higher are to be collected from all transmission zones throughout the PJM footprint by means of a postage-stamp rate. Costs for new transmission facilities that are rated at less than 500 kV, however, are to be allocated on a "beneficiary pays" basis. The FERC found that PJM's current beneficiary-pays cost allocation methodology is not sufficiently detailed and, in a related order that also was issued on April 19, 2007, directed that hearings be held for the purpose of establishing a just and reasonable cost allocation methodology for inclusion in PJM's tariff.

On May 18, 2007, certain parties filed for rehearing of the FERC's April 19, 2007 order. On January 31, 2008, the requests for rehearing were denied. On February 11, 2008, the FERC's April 19, 2007, and January 31, 2008, orders were appealed to the federal Court of Appeals for the D.C. Circuit. The Illinois Commerce Commission, the PUCO and another party have also appealed these orders to the Seventh Circuit Court of Appeals. The appeals of these parties and others were consolidated for argument in the Seventh Circuit and the Seventh Circuit Court of Appeals issued a decision on August 6, 2009. The court found that FERC had not marshaled enough evidence to support its decision to allocate cost for new 500+kV facilities on a postage-stamp basis and, based on this finding, remanded the rate design issue back to FERC. A request for rehearing and rehearing en banc by two companies was denied by the Seventh Circuit on October 20, 2009. On October 28, 2009, the Seventh Circuit closed its case dockets and returned the case to FERC for further action on the remand order. In an order dated January 21, 2010, FERC set the matter for "paper hearings" – meaning that FERC called for parties to submit comments or written testimony pursuant to the schedule described in the order. FERC identified nine separate issues for comments, and directed PJM to file the first round of comments on February 22, 2010, with other parties submitting responsive comments on April 8, 2010 and May 10, 2010.

The FERC's orders on PJM rate design prevented the allocation of a portion of the revenue requirement of existing transmission facilities of other utilities to JCP&L, Met-Ed and Penelec. In addition, the FERC's decision to allocate the cost of new 500 kV and above transmission facilities on a postage-stamp basis reduces the cost of future transmission to be recovered from the JCP&L, Met-Ed and Penelec zones. A partial settlement agreement addressing the "beneficiary pays" methodology for below 500 kV facilities, but excluding the issue of allocating new facilities costs to merchant transmission entities, was filed on September 14, 2007. The agreement was supported by the FERC's Trial Staff, and was certified by the Presiding Judge to the FERC. On July 29, 2008, the FERC issued an order conditionally approving the settlement. On November 14, 2008, PJM submitted revisions to its tariff to incorporate cost responsibility assignments for below 500 kV upgrades included in PJM's RTEP process in accordance with the settlement. The remaining merchant transmission cost allocation issues were the subject of a hearing at the FERC in May 2008. On November 19, 2009, FERC issued Opinion 503 agreeing that RTEP costs should be allocated on a pro-rata basis to merchant transmission companies. On December 22, 2009, a request for a rehearing of FERC's Opinion No. 503 was made. On January 19, 2010, the FERC issued a procedural order noting that FERC would address the rehearing requests in a future order.

### *RTO Consolidation*

On August 17, 2009, FirstEnergy filed an application with the FERC requesting to consolidate its transmission assets and operations into PJM. Currently, FirstEnergy's transmission assets and operations are divided between PJM and MISO. The consolidation would make the transmission assets that are part of ATSI, whose footprint includes the Ohio Companies and Penn, part of PJM. Most of FirstEnergy's transmission assets in Pennsylvania and all of the transmission assets in New Jersey already operate as a part of PJM. Key elements of the filing include a Fixed Resource Requirement Plan (FRR Plan) that describes the means whereby capacity will be procured and administered as necessary to satisfy the PJM capacity requirements for the 2011-12 and 2012-13 delivery years; and also a request that ATSI's transmission customers be excused from the costs for regional transmission projects that were approved through PJM's RTEP process prior to ATSI's entry into PJM (legacy RTEP costs). The integration is expected to be complete on June 1, 2011, to coincide with delivery of power under the next competitive generation procurement process for the Ohio Companies and Penn. To ensure a definitive ruling at the same time the FERC rules on its request to integrate ATSI into PJM, on October 19, 2009, FirstEnergy filed a related complaint with the FERC on the issue of exempting the ATSI footprint from the legacy RTEP costs.



On September 4, 2009, the PUCO opened a case to take comments from Ohio's stakeholders regarding the RTO consolidation. FirstEnergy filed extensive comments in the PUCO case on September 25, 2009, and reply comments on October 13, 2009, and attended a public meeting on September 15, 2009 to answer questions regarding the RTO consolidation. Several parties have intervened in the regulatory dockets at the FERC and at the PUCO. Certain interveners have commented and protested particular elements of the proposed RTO consolidation, including an exit fee to MISO, integration costs to PJM, and cost-allocations of future transmission upgrades in PJM and MISO.

On December 17, 2009, FERC issued an order approving, subject to certain future compliance filings, ATSI's move to PJM. FirstEnergy's request to be exempted from legacy RTEP costs was rejected and its complaint dismissed.

On December 17, 2009, ATSI executed the PJM Consolidated Transmission Owners Agreement. On December 18, 2009, the Ohio Companies and Penn executed the PJM Operating Agreement and the PJM Reliability Assurance Agreement. Execution of these agreements committed ATSI and the Ohio Companies and Penn's load to moving into PJM on the schedule described in the application and approved in the FERC Order (June 1, 2011).

On January 15, 2010, the Ohio Companies and Penn submitted a compliance filing describing the process whereby ATSI-zone load serving entities (LSEs) can "opt out" of the Ohio Companies' and Penn's FRR Plan for the 2011-12 and 2012-13 Delivery Years. On January 16, 2010, FirstEnergy filed for clarification or rehearing of certain issues associated with implementing the FRR auctions on the proposed schedule. On January 19, 2010, FirstEnergy filed for rehearing of FERC's decision to impose the legacy RTEP costs on ATSI's transmission customers. Also on January 19, 2010, several parties, including the PUCO and the OCC asked for rehearing of parts of FERC's order. None of the rehearing parties asked FERC to rescind authorization for ATSI to enter PJM. Instead, parties focused on questions of cost and cost allocation or on alleged errors in implementing the move. On February 3, 2010, FirstEnergy filed an answer to the January 19, 2010 rehearing request of other parties. On February 16, 2010, FirstEnergy submitted a second compliance filing to FERC; the filing describes communications protocols and performance deficiency penalties for capacity suppliers that are taken in FRR auctions.

FirstEnergy will conduct FRR auctions on March 15-19, 2010, for the 2011-12 and 2012-13 delivery years. LSE's in the ATSI territory, including the Ohio Companies and Penn, will participate in PJM's next base residual auction for capacity resources for the 2013-2014 delivery years. This auction will be conducted in May of 2010. FirstEnergy expects to integrate into PJM effective June 1, 2011.

#### *Changes ordered for PJM Reliability Pricing Model (RPM) Auction*

On May 30, 2008, a group of PJM load-serving entities, state commissions, consumer advocates, and trade associations (referred to collectively as the RPM Buyers) filed a complaint at the FERC against PJM alleging that three of the four transitional RPM auctions yielded prices that are unjust and unreasonable under the Federal Power Act. On September 19, 2008, the FERC denied the RPM Buyers' complaint. On December 12, 2008, PJM filed proposed tariff amendments that would adjust slightly the RPM program. PJM also requested that the FERC conduct a settlement hearing to address changes to the RPM and suggested that the FERC should rule on the tariff amendments only if settlement could not be reached in January 2009. The request for settlement hearings was granted. Settlement had not been reached by January 9, 2009 and, accordingly, FirstEnergy and other parties submitted comments on PJM's proposed tariff amendments. On January 15, 2009, the Chief Judge issued an order terminating settlement discussions. On February 9, 2009, PJM and a group of stakeholders submitted an offer of settlement, which used the PJM December 12, 2008 filing as its starting point, and stated that unless otherwise specified, provisions filed by PJM on December 12, 2008 apply.

On March 26, 2009, the FERC accepted in part, and rejected in part, tariff provisions submitted by PJM, revising certain parts of its RPM. It ordered changes included making incremental improvements to RPM and clarification on certain aspects of the March 26, 2009 Order. On April 27, 2009, PJM submitted a compliance filing addressing the changes the FERC ordered in the March 26, 2009 Order; subsequently, numerous parties filed requests for rehearing of the March 26, 2009 Order. On June 18, 2009, the FERC denied rehearing and request for oral argument of the March 26, 2009 Order.

PJM has reconvened the CMEC and has scheduled a CMEC Long-Term Issues Symposium to address near-term changes directed by the March 26, 2009 Order and other long-term issues not addressed in the February 2009 settlement. PJM made a compliance filing on September 1, 2009, incorporating tariff changes directed by the March 26, 2009 Order. The tariff changes were approved by the FERC in an order issued on October 30, 2009, and are effective November 1, 2009. The CMEC continues to work to address additional compliance items directed by the March 26, 2009 Order. On December 1, 2009, PJM informed FERC that PJM would file a scarcity-pricing design with the FERC on April 1, 2010.



### *MISO-PJM Billing Dispute*

In September 2009, PJM reported that it had discovered a modeling error in the market-to-market power flow calculations between PJM and the MISO under the Joint Operating Agreement. The error, which dates back to 2005, was a result of the incorrect modeling of certain generation resources that have an impact on power flows across the PJM-MISO border. FERC settlement discussions on this issue have commenced, and FirstEnergy is participating in these discussions. The next settlement conference is set for February 25, 2010. Although the amount of the error is subject to dispute, PJM has estimated the magnitude of the error to be approximately \$77 million in total to all parties. Should a payment by PJM to the MISO relating to the modeling error be required, the method by which PJM would collect such payments from PJM participants, and how MISO would allocate payments received to MISO participants, is uncertain at this time.

### *MISO Resource Adequacy Proposal*

MISO made a filing on December 28, 2007 that would create an enforceable planning reserve requirement in the MISO tariff for load-serving entities such as the Ohio Companies, Penn and FES. This requirement was proposed to become effective for the planning year beginning June 1, 2009. The filing would permit MISO to establish the reserve margin requirement for load-serving entities based upon a one day loss of load in ten years standard, unless the state utility regulatory agency establishes a different planning reserve for load-serving entities in its state. FirstEnergy believes the proposal promotes a mechanism that will result in commitments from both load-serving entities and resources, including both generation and demand side resources that are necessary for reliable resource adequacy and planning in the MISO footprint. The FERC conditionally approved MISO's Resource Adequacy proposal on March 26, 2008. On June 25, 2008, MISO submitted a second compliance filing establishing the enforcement mechanism for the reserve margin requirement which establishes deficiency payments for load-serving entities that do not meet the resource adequacy requirements. Numerous parties, including FirstEnergy, protested this filing.

On October 20, 2008, the FERC issued three orders essentially permitting the MISO Resource Adequacy program to proceed with some modifications. First, the FERC accepted MISO's financial settlement approach for enforcement of Resource Adequacy subject to a compliance filing modifying the cost of new entry penalty. Second, the FERC conditionally accepted MISO's compliance filing on the qualifications for purchased power agreements to be capacity resources, load forecasting, loss of load expectation, and planning reserve zones. Additional compliance filings were directed on accreditation of load modifying resources and price responsive demand. Finally, the FERC largely denied rehearing of its March 26 order with the exception of issues related to behind the meter resources and certain ministerial matters. On April 16, 2009, the FERC issued an additional order on rehearing and compliance, approving MISO's proposed financial settlement provision for Resource Adequacy. The MISO Resource Adequacy program was implemented as planned and became effective on June 1, 2009, the beginning of the MISO planning year. On June 17, 2009, MISO submitted a compliance filing in response to the FERC's April 16, 2009 order directing it to address, among others, various market monitoring and mitigation issues. On July 8, 2009, various parties submitted comments on and protests to MISO's compliance filing. FirstEnergy submitted comments identifying specific aspects of the MISO's and Independent Market Monitor's proposals for market monitoring and mitigation and other issues that it believes the FERC should address and clarify. On October 23, 2009, FERC issued an order approving a MISO compliance filing that revised its tariff to provide for netting of demand resources, but prohibiting the netting of behind-the-meter generation.

### *FES Sales to Affiliates*

FES supplied all of the power requirements for the Ohio Companies pursuant to a PSA that ended on December 31, 2008. On January 2, 2009, FES signed an agreement to provide 75% of the Ohio Companies' power requirements for the period January 5, 2009 through March 31, 2009. Subsequently, FES signed an agreement to provide 100% of the Ohio Companies' power requirements for the period April 1, 2009 through May 31, 2009. On March 4, 2009, the PUCO issued an order approving these two affiliate sales agreements. FERC authorization for these affiliate sales was by means of a December 23, 2008 waiver of restrictions on affiliate sales without prior approval of the FERC. Rehearing was denied on July 31, 2009. On October 19, 2009, the FERC accepted FirstEnergy's revised tariffs.

On May 13-14, 2009, FES participated in a descending clock auction for PLR service administered by the Ohio Companies and their consultant, CRA International. FES won 51 tranches in the auction, and entered into a Master SSO Supply Agreement to provide capacity, energy, ancillary services and transmission to the Ohio Companies for a two-year period beginning June 1, 2009. Other winning suppliers have assigned their Master SSO Supply Agreements to FES, five of which were effective in June, two more in July, four more in August and ten more in September, 2009. FES also supplies power used by Constellation to serve an additional five tranches. As a result of these arrangements, FES serves 77 tranches, or 77% of the PLR load of the Ohio Companies.

On November 3, 2009, FES, Met-Ed, Penelec and Waverly restated their partial requirements power purchase agreement for 2010. The Fourth Restated Partial Requirements Agreement (PRA) continues to limit the amount of capacity resources required to be supplied by FES to 3,544 MW, but requires FES to supply essentially all of Met-Ed, Penelec, and Waverly's energy requirements in 2010. Under the Fourth Restated Partial Requirements Agreement, Met-Ed, Penelec, and Waverly (Buyers) assigned 1,300 MW of existing energy purchases to FES to assist it in supplying Buyers' power supply requirements and managing congestion expenses. FES can either sell the assigned power from the third party into the market or use it to serve the Met-Ed/Penelec load. FES is responsible for obtaining additional power supplies in the event of failure of supply of the assigned energy purchase contracts. Prices for the power sold by FES under the Fourth Restated Partial Requirements Agreement were increased to \$42.77 and \$44.42, respectively for Met-Ed and Penelec. In addition, FES agreed to reimburse Met-Ed and Penelec, respectively, for congestion expenses and marginal losses in excess of \$208 million and \$79 million, respectively, as billed by PJM in 2010, and associated with delivery of power by FES under the Fourth Restated Partial Requirements Agreement. The Fourth Restated Partial Requirements Agreement terminates at the end of 2010.

The Yards Creek Pumped Storage Project is a 400 MW hydroelectric project located in Warren County, New Jersey. JCP&L owns an undivided 50% interest in the project, and JCP&L operates the project. PSEG Fossil, LLC, a subsidiary of Public Service Enterprise Group, owns the remaining interest in the plant. The project was constructed in the early 1960s, and became operational in 1965. Authorization to operate the project is by a license issued by the FERC. The existing license expires on February 28, 2013.

FirstEnergy and PSEG desire to renew the license and, to that end, on January 11, 2008, JCP&L and PSEG Fossil submitted the initial documents necessary to obtain a new license for the project. The process for relicensing (renewing the license for) a hydroelectric project is described in FERC's Integrated Licensing Process (ILP) regulations. The ILP regulations call for numerous environmental, operational, structural and safety and other studies to be conducted as part of the relicensing process. Although some of these studies were initiated in 2009, the bulk of the studies will be performed in 2010 – all for the purpose of submitting the application for a new license on February 28, 2011. The ILP regulations provide for opportunity for public notice and comment as part of many of these study processes; meaning that federal and state regulatory agencies, as well as members of the public, will have ample opportunity to participate in the relicensing process. The ILP regulations provide significant discretion for FERC to set a procedural schedule to act on the license application; meaning that FirstEnergy is not able at this time to predict when FERC will take final action in issuing the new license for the Yards Creek project. To the extent, however that the license proceedings extend beyond the February 28, 2013 expiration date for the current license, the current license will be extended as necessary to permit FERC to issue the new license.

### Capital Requirements

Our capital spending for 2010 is expected to be approximately \$1.65 billion (excluding nuclear fuel), of which \$241 million relates to Sammis AQC system expenditures. Capital spending for 2011 and 2012 is expected to be approximately \$1.0 billion to \$1.2 billion each year. Our capital investments for additional nuclear fuel during 2010 are estimated to be approximately \$203 million.

Anticipated capital expenditures for the Utilities, FES and FirstEnergy's other subsidiaries for 2010, excluding nuclear fuel, are shown in the following table. Such costs include expenditures for the betterment of existing facilities and for the construction of generating capacity, facilities for environmental compliance, transmission lines, distribution lines, substations and other assets.

	2009 Actual <sup>(1)</sup>	Capital Expenditures Forecast 2010
	(In millions)	
OE	\$ 131	\$ 116
Penn	23	19
CET	111	108
TE	46	48
JCP&L	171	170
Met-Ed	100	102
Penelec	132	127
ATSI	34	49
FGCO	724	592
NGC	242	254
Other subsidiaries	58	68
Total	\$ 1,770	\$ 1,651

<sup>(1)</sup> Excludes nuclear fuel.

During the 2010-2014 period, maturities of, and sinking fund requirements for, long-term debt of FirstEnergy and its subsidiaries are:

	Long-Term Debt Redemption Schedule		
	2010	2011-2014 (In millions)	Total
FirstEnergy	\$ 1	\$ 256	\$ 257
FES	52	300	352
OE	1	-	1
Penn	1	5	6
CEI <sup>(1)</sup>	-	300	300
JCP&L	31	140	171
Met-Ed	100	400	500
Penelec	24	150	174
Other <sup>(2)</sup>	58	(28)	30
Total	\$ 268	\$ 1,523	\$ 1,791

<sup>(1)</sup> CEI has an additional \$110 million due to associated companies in 2010-2014.

<sup>(2)</sup> Includes elimination of certain intercompany debt.

The following table displays operating lease commitments, net of capital trust cash receipts for the 2010-2014 period.

	Net Operating Lease Commitments		
	2010	2011-2014 (In millions)	Total
OE	\$ 104	\$ 403	\$ 507
CEI <sup>(1)</sup>	(40)	(194)	(234)
TE	35	138	173
JCP&L	6	19	25
Met-Ed	7	13	20
Penelec	3	9	12
FESC	14	39	53
FGCO	199	888	1,087
NGC <sup>(2)</sup>	(103)	(414)	(517)
Total	\$ 225	\$ 901	\$ 1,126

<sup>(1)</sup> Reflects CEI's investment in Shippingport that purchased lease obligations bonds issued on behalf of lessors in Bruce Mansfield Units 1, 2 and 3 sale and leaseback transactions. Effective October 16, 2007, CEI and TE assigned their leasehold interests in the Bruce Mansfield Plant to FGCO.

<sup>(2)</sup> Reflects NGC's purchase of lessor equity interests in Beaver Valley Unit 2 and Perry in the second quarter of 2008.

FirstEnergy expects its existing sources of liquidity to remain sufficient to meet its anticipated obligations and those of its subsidiaries. FirstEnergy and its subsidiaries' business is capital intensive, requiring significant resources to fund operating expenses, construction expenditures, scheduled debt maturities and interest and dividend payments. During 2009 and in subsequent years, FirstEnergy expects to satisfy these requirements with a combination of cash from operations and funds from the capital markets. FirstEnergy also expects that borrowing capacity under credit facilities will continue to be available to manage working capital requirements during those periods.

FirstEnergy had approximately \$1.2 billion of short-term indebtedness as of December 31, 2009, comprised of \$1.1 billion in borrowings under the \$2.75 billion revolving line of credit described below, \$100 million of other bank borrowings and \$31 million of currently payable notes. Total short-term bank lines of committed credit to FirstEnergy, FES and the Utilities as of January 31, 2010 were approximately \$3.4 billion.

FirstEnergy, along with certain of its subsidiaries, are party to a \$2.75 billion five-year revolving credit facility. FirstEnergy has the ability to request an increase in the total commitments available under this facility up to a maximum of \$3.25 billion, subject to the discretion of each lender to provide additional commitments. Commitments under the facility are available until August 24, 2012, unless the lenders agree, at the request of the borrowers, to an unlimited number of additional one-year extensions. Generally, borrowings under the facility must be repaid within 364 days. Available amounts for each borrower are subject to a specified sub-limit, as well as applicable regulatory and other limitations. The annual facility fee is 0.125%.

As of January 31, 2010, FES had a \$100 million bank credit facility in addition to a \$1 billion credit limit associated with FirstEnergy's \$2.75 billion revolving credit facility. Also, an aggregate of \$515 million of accounts receivable financing facilities through the Ohio and Pennsylvania Companies may be accessed to meet working capital requirements and for other general corporate purposes. FirstEnergy's available liquidity as of January 31, 2010, is described in the following table.

Company	Type	Maturity	Commitment	Available Liquidity as of January 31, 2010	
				(In millions)	
FirstEnergy <sup>(1)</sup>	Revolving	Aug. 2012	\$ 2,750	\$	1,387
FirstEnergy Solutions	Bank line	Mar. 2011	100		-
Ohio and Pennsylvania Companies	Receivables financing	Various <sup>(2)</sup>	515		308
		Subtotal	\$ 3,365	\$	1,695
		Cash	-		764
		Total	\$ 3,365	\$	2,459

<sup>(1)</sup> FirstEnergy Corp. and subsidiary borrowers.

<sup>(2)</sup> \$370 million expires February 22, 2010; \$145 million expires December 17, 2010. The Ohio and Pennsylvania Companies have typically renewed expiring receivables facilities on an annual basis and expect to continue that practice as market conditions and the continued quality of receivables permit.

FirstEnergy's primary source of cash for continuing operations as a holding company is cash from the operations of its subsidiaries. During 2009, the holding company received \$972 million of cash dividends on common stock from its subsidiaries and paid \$670 million in cash dividends to common shareholders.

As of December 31, 2009, the Ohio Companies and Penn had the aggregate capability to issue approximately \$1.4 billion of additional FMBs on the basis of property additions and retired bonds under the terms of their respective mortgage indentures. The issuance of FMBs by the Ohio Companies is also subject to provisions of their senior note indentures generally limiting the incurrence of additional secured debt, subject to certain exceptions that would permit, among other things, the issuance of secured debt (including FMBs) supporting pollution control notes or similar obligations, or as an extension, renewal or replacement of previously outstanding secured debt. In addition, these provisions would permit OE and CEI to incur additional secured debt not otherwise permitted by a specified exception of up to \$127 million and \$36 million, respectively, as of December 31, 2009. In April 2009, TE issued \$300 million of new senior secured notes backed by FMBs. Concurrently with that issuance, and in order to satisfy the limitation on secured debt under its senior note indenture, TE issued an additional \$300 million of FMBs to secure \$300 million of its outstanding unsecured senior notes originally issued in November 2006. As a result, the provisions for TE to incur additional secured debt do not apply. In August 2009 CEI issued \$300 million of FMBs. CEI restricted \$150 million of the proceeds to fund the redemption of \$150 million of secured notes that were paid in November 2009. Based upon FGCO's FMB indenture, net earnings and available bondable property additions as of December 31, 2009, FGCO had the capability to issue \$2.2 billion of additional FMBs under the terms of that indenture. Met-Ed and Penelec had the capability to issue secured debt of approximately \$379 million and \$319 million, respectively, under provisions of their senior note indentures as of December 31, 2009.

To the extent that coverage requirements or market conditions restrict the subsidiaries' abilities to issue desired amounts of FMBs or preferred stock, they may seek other methods of financing. Such financings could include the sale of preferred and/or preference stock or of such other types of securities as might be authorized by applicable regulatory authorities which would not otherwise be sold and could result in annual interest charges and/or dividend requirements in excess of those that would otherwise be incurred.

On September 22, 2008, the Shelf Registrants filed an automatically effective shelf registration statement with the SEC for an unspecified number and amount of securities to be offered thereon. The shelf registration provides FirstEnergy the flexibility to issue and sell various types of securities, including common stock, preferred stock, debt securities, warrants, share purchase contracts, and share purchase units. The Shelf Registrants may utilize the shelf registration statement to offer and sell unsecured, and in some cases, secured debt securities.

#### Nuclear Operating Licenses

In August 2007, FENOC submitted an application to the NRC to renew the operating licenses for the Beaver Valley Power Station (Units 1 and 2) for an additional 20 years. On November 5, 2009, the NRC issued a renewed operating license for Beaver Valley Power Station, Units 1 and 2. The operating licenses for these facilities were extended until 2036 and 2047 for Units 1 and 2, respectively.

Each of the nuclear units in the FES portfolio operates under a 40-year operating license granted by the NRC. The following table summarizes the current operating license expiration dates for FES' nuclear facilities in service.

<b>Station</b>	<b><u>In-Service Date</u></b>	<b>Current License</b>
		<b><u>Expiration</u></b>
Beaver Valley Unit 1	1976	2036
Beaver Valley Unit 2	1987	2047
Perry	1986	2026
Davis-Besse	1977	2017

## **Nuclear Regulation**

Under NRC regulations, FirstEnergy must ensure that adequate funds will be available to decommission its nuclear facilities. As of December 31, 2009, FirstEnergy had approximately \$1.9 billion invested in external trusts to be used for the decommissioning and environmental remediation of Davis-Besse, Beaver Valley, Perry and TMI-2. As part of the application to the NRC to transfer the ownership of Davis-Besse, Beaver Valley and Perry to NGC in 2005, FirstEnergy provided an additional \$80 million parental guarantee associated with the funding of decommissioning costs for these units and indicated that it planned to contribute an additional \$80 million to these trusts by 2010. As required by the NRC, FirstEnergy annually recalculates and adjusts the amount of its parental guarantee, as appropriate. The values of FirstEnergy's nuclear decommissioning trusts fluctuate based on market conditions. If the value of the trusts decline by a material amount, FirstEnergy's obligation to fund the trusts may increase. Disruptions in the capital markets and its effects on particular businesses and the economy in general also affects the values of the nuclear decommissioning trusts. On June 18, 2009, the NRC informed FENOC that its review tentatively concluded that a shortfall existed in the decommissioning trust fund for Beaver Valley Unit 1. On November 24, 2009, FENOC submitted a revised decommissioning funding calculation using the NRC formula method based on the renewed license for Beaver Valley Unit 1, which extended operations until 2036. FENOC's submittal demonstrated that there was a de minimis shortfall. On December 11, 2009, the NRC's review of FirstEnergy's methodology for the funding of decommissioning of this facility concluded that there was reasonable assurance of adequate decommissioning funding at the time permanent termination of operations is expected. FirstEnergy continues to evaluate the status of its funding obligations for the decommissioning of these nuclear facilities.

## **Nuclear Insurance**

The Price-Anderson Act limits the public liability which can be assessed with respect to a nuclear power plant to \$12.6 billion (assuming 104 units licensed to operate) for a single nuclear incident, which amount is covered by: (i) private insurance amounting to \$375 million; and (ii) \$12.2 billion provided by an industry retrospective rating plan required by the NRC pursuant thereto. Under such retrospective rating plan, in the event of a nuclear incident at any unit in the United States resulting in losses in excess of private insurance, up to \$118 million (but not more than \$18 million per unit per year in the event of more than one incident) must be contributed for each nuclear unit licensed to operate in the country by the licensees thereof to cover liabilities arising out of the incident. Based on their present nuclear ownership and leasehold interests, FirstEnergy's maximum potential assessment under these provisions would be \$470 million (OE-\$40 million, NGC-\$408 million, and TE-\$22 million) per incident but not more than \$70 million (OE-\$6 million, NGC-\$61 million, and TE-\$3 million) in any one year for each incident.

In addition to the public liability insurance provided pursuant to the Price-Anderson Act, FirstEnergy has also obtained insurance coverage in limited amounts for economic loss and property damage arising out of nuclear incidents. FirstEnergy is a member of NEIL which provides coverage (NEIL I) for the extra expense of replacement power incurred due to prolonged accidental outages of nuclear units. Under NEIL I, FirstEnergy's subsidiaries have policies, renewable yearly, corresponding to their respective nuclear interests, which provide an aggregate indemnity of up to approximately \$560 million (OE-\$48 million, NGC-\$486 million, TE-\$26 million) for replacement power costs incurred during an outage after an initial 20-week waiting period. Members of NEIL I pay annual premiums and are subject to assessments if losses exceed the accumulated funds available to the insurer. FirstEnergy's present maximum aggregate assessment for incidents at any covered nuclear facility occurring during a policy year would be approximately \$3 million (NGC-\$3 million).

FirstEnergy is insured as to its respective nuclear interests under property damage insurance provided by NEIL to the operating company for each plant. Under these arrangements, up to \$2.8 billion of coverage for decontamination costs, decommissioning costs, debris removal and repair and/or replacement of property is provided. FirstEnergy pays annual premiums for this coverage and is liable for retrospective assessments of up to approximately \$60 million (OE-\$6 million, NGC-\$51 million, TE-\$2 million, Met Ed, Penelec and JCP&L- less than \$1 million in total) during a policy year.

FirstEnergy intends to maintain insurance against nuclear risks as described above as long as it is available. To the extent that replacement power, property damage, decontamination, decommissioning, repair and replacement costs and other such costs arising from a nuclear incident at any of FirstEnergy's plants exceed the policy limits of the insurance in effect with respect to that plant, to the extent a nuclear incident is determined not to be covered by FirstEnergy's insurance policies, or to the extent such insurance becomes unavailable in the future, FirstEnergy would remain at risk for such costs.

The NRC requires nuclear power plant licensees to obtain minimum property insurance coverage of \$1.1 billion or the amount generally available from private sources, whichever is less. The proceeds of this insurance are required to be used first to ensure that the licensed reactor is in a safe and stable condition and can be maintained in that condition so as to prevent any significant risk to the public health and safety. Within 30 days of stabilization, the licensee is required to prepare and submit to the NRC a cleanup plan for approval. The plan is required to identify all cleanup operations necessary to decontaminate the reactor sufficiently to permit the resumption of operations or to commence decommissioning. Any property insurance proceeds not already expended to place the reactor in a safe and stable condition must be used first to complete those decontamination operations that are ordered by the NRC. FirstEnergy is unable to predict what effect these requirements may have on the availability of insurance proceeds.

### **Environmental Matters**

Various federal, state and local authorities regulate FirstEnergy with regard to air and water quality and other environmental matters. The effects of compliance on FirstEnergy with regard to environmental matters could have a material adverse effect on FirstEnergy's earnings and competitive position to the extent that it competes with companies that are not subject to such regulations and, therefore, do not bear the risk of costs associated with compliance, or failure to comply, with such regulations.

FirstEnergy accrues environmental liabilities only when it concludes that it is probable that it has an obligation for such costs and can reasonably estimate the amount of such costs. Unasserted claims are reflected in FirstEnergy's determination of environmental liabilities and are accrued in the period that they become both probable and reasonably estimable.

### **Clean Air Act Compliance**

FirstEnergy is required to meet federally-approved SO<sub>2</sub> emissions regulations. Violations of such regulations can result in the shutdown of the generating unit involved and/or civil or criminal penalties of up to \$37,500 for each day the unit is in violation. The EPA has an interim enforcement policy for SO<sub>2</sub> regulations in Ohio that allows for compliance based on a 30-day averaging period. FirstEnergy believes it is currently in compliance with this policy, but cannot predict what action the EPA may take in the future with respect to the interim enforcement policy.

FirstEnergy complies with SO<sub>2</sub> reduction requirements under the Clean Air Act Amendments of 1990 by burning lower-sulfur fuel, generating more electricity from lower-emitting plants, and/or using emission allowances. NO<sub>x</sub> reductions required by the 1990 Amendments are being achieved through combustion controls, the generation of more electricity at lower-emitting plants, and/or using emission allowances. In September 1998, the EPA finalized regulations requiring additional NO<sub>x</sub> reductions at FirstEnergy's facilities. The EPA's NO<sub>x</sub> Transport Rule imposes uniform reductions of NO<sub>x</sub> emissions (an approximate 85% reduction in utility plant NO<sub>x</sub> emissions from projected 2007 emissions) across a region of nineteen states (including Michigan, New Jersey, Ohio and Pennsylvania) and the District of Columbia based on a conclusion that such NO<sub>x</sub> emissions are contributing significantly to ozone levels in the eastern United States. FirstEnergy believes its facilities are also complying with the NO<sub>x</sub> budgets established under SIPs through combustion controls and post-combustion controls, including Selective Catalytic Reduction and SNCR systems, and/or using emission allowances.

In 1999 and 2000, the EPA issued an NOV and the DOJ filed a civil complaint against OE and Penn based on operation and maintenance of the W. H. Sammis Plant (Sammis NSR Litigation) and filed similar complaints involving 44 other U.S. power plants. This case and seven other similar cases are referred to as the NSR cases. OE's and Penn's settlement with the EPA, the DOJ and three states (Connecticut, New Jersey and New York) that resolved all issues related to the Sammis NSR litigation was approved by the Court on July 11, 2005. This settlement agreement, in the form of a consent decree, requires reductions of NO<sub>x</sub> and SO<sub>2</sub> emissions at the Sammis, Burger, Eastlake and Mansfield coal-fired plants through the installation of pollution control devices or repowering and provides for stipulated penalties for failure to install and operate such pollution controls or complete repowering in accordance with that agreement. Capital expenditures necessary to complete requirements of the Sammis NSR Litigation consent decree, including repowering Burger Units 4 and 5 for biomass fuel consumption, are currently estimated to be \$399 million for 2010-2012.

In October 2007, PennFuture and three of its members filed a citizen suit under the federal CAA, alleging violations of air pollution laws at the Bruce Mansfield Plant, including opacity limitations, in the United States District Court for the Western District of Pennsylvania. In July 2008, three additional complaints were filed against FGCO in the U.S. District Court for the Western District of Pennsylvania seeking damages based on Bruce Mansfield Plant air emissions. In addition to seeking damages, two of the three complaints seek to enjoin the Bruce Mansfield Plant from operating except in a "safe, responsible, prudent and proper manner", one being a complaint filed on behalf of twenty-one individuals and the other being a class action complaint, seeking certification as a class action with the eight named plaintiffs as the class representatives. On October 16, 2009, a settlement reached with PennFuture and one of the three individual complainants was approved by the Court, which dismissed the claims of PennFuture and of the settling individual. The other two non-settling individuals are now represented by counsel handling the three cases filed in July 2008. FGCO believes those claims are without merit and intends to defend itself against the allegations made in those three complaints. The Pennsylvania Department of Health, under a Cooperative Agreement with the Agency for Toxic Substances and Disease Registry, completed a Health Consultation regarding the Mansfield Plant and issued a report dated March 31, 2009, which concluded there is insufficient sampling data to determine if any public health threat exists for area residents due to emissions from the Mansfield Plant. The report recommended additional air monitoring and sample analysis in the vicinity of the Mansfield Plant, which the Pennsylvania Department of Environmental Protection has completed.

In December 2007, the state of New Jersey filed a CAA citizen suit alleging NSR violations at the Portland Generation Station against Reliant (the current owner and operator), Sithe Energy (the purchaser of the Portland Station from Met-Ed in 1999), GPU and Met-Ed. On October 30, 2008, the state of Connecticut filed a Motion to Intervene, which the Court granted on March 24, 2009. Specifically, Connecticut and New Jersey allege that "modifications" at Portland Units 1 and 2 occurred between 1980 and 2005 without preconstruction NSR or permitting under the CAA's PSD program, and seek injunctive relief, penalties, attorney fees and mitigation of the harm caused by excess emissions. The scope of Met-Ed's indemnity obligation to and from Sithe Energy is disputed. Met-Ed filed a Motion to Dismiss the claims in New Jersey's Amended Complaint and Connecticut's Complaint in February and September of 2009, respectively. The Court granted Met-Ed's motion to dismiss New Jersey's and Connecticut's claims for injunctive relief against Met-Ed, but denied Met-Ed's motion to dismiss the claims for civil penalties on statute of limitations grounds in order to allow the states to prove either that the application of the discovery rule or the doctrine of equitable tolling bars application of the statute of limitations.

In January 2009, the EPA issued a NOV to Reliant alleging NSR violations at the Portland Generation Station based on "modifications" dating back to 1986. Met-Ed is unable to predict the outcome of this matter. The EPA's January 2009, NOV also alleged NSR violations at the Keystone and Shawville Stations based on "modifications" dating back to 1984. JCP&L, as the former owner of 16.67% of the Keystone Station, and Penelec, as former owner and operator of the Shawville Station, are unable to predict the outcome of this matter.

In June 2008, the EPA issued a Notice and Finding of Violation to Mission Energy Westside, Inc. alleging that "modifications" at the Homer City Power Station occurred since 1988 to the present without preconstruction NSR or permitting under the CAA's PSD program. Mission Energy is seeking indemnification from Penelec, the co-owner (along with New York State Electric and Gas Company) and operator of the Homer City Power Station prior to its sale in 1999. The scope of Penelec's indemnity obligation to and from Mission Energy is disputed. Penelec is unable to predict the outcome of this matter.

In August 2009, the EPA issued a Finding of Violation and NOV alleging violations of the CAA and Ohio regulations, including the PSD, NNSR, and Title V regulations at the Eastlake, Lakeshore, Bay Shore, and Ashtabula generating plants. The EPA's NOV alleges equipment replacements occurring during maintenance outages dating back to 1990 triggered the pre-construction permitting requirements under the PSD and NNSR programs. In September 2009, FGCO received an information request pursuant to Section 114(a) of the CAA requesting certain operating and maintenance information and planning information regarding the Eastlake, Lake Shore, Bay Shore and Ashtabula generating plants. On November 3, 2009, FGCO received a letter providing notification that the EPA is evaluating whether certain scheduled maintenance at the Eastlake generating plant may constitute a major modification under the NSR provision of the CAA. On December 23, 2009, FGCO received another information request regarding emission projections for the Eastlake generating plant pursuant to Section 114(a) of the CAA. FGCO intends to comply with the CAA, including EPA's information requests, but, at this time, is unable to predict the outcome of this matter. A June 2006 finding of violation and NOV in which EPA alleged CAA violations at the Bay Shore Generating Plant remains unresolved and FGCO is unable to predict the outcome of such matter.

In August 2008, FirstEnergy received a request from the EPA for information pursuant to Section 114(a) of the CAA for certain operating and maintenance information regarding its formerly-owned Avon Lake and Niles generating plants, as well as a copy of a nearly identical request directed to the current owner, Reliant Energy, to allow the EPA to determine whether these generating sources are complying with the NSR provisions of the CAA. FirstEnergy intends to fully comply with the EPA's information request, but, at this time, is unable to predict the outcome of this matter.

## ***National Ambient Air Quality Standards***

In March 2005, the EPA finalized CAIR, covering a total of 28 states (including Michigan, New Jersey, Ohio and Pennsylvania) and the District of Columbia, based on proposed findings that air emissions from 28 eastern states and the District of Columbia significantly contribute to non-attainment of the NAAQS for fine particles and/or the "8-hour" ozone NAAQS in other states. CAIR requires reductions of NO<sub>x</sub> and SO<sub>2</sub> emissions in two phases (Phase I in 2009 for NO<sub>x</sub>, 2010 for SO<sub>2</sub> and Phase II in 2015 for both NO<sub>x</sub> and SO<sub>2</sub>), ultimately capping SO<sub>2</sub> emissions in affected states to 2.5 million tons annually and NO<sub>x</sub> emissions to 1.3 million tons annually. CAIR was challenged in the U.S. Court of Appeals for the District of Columbia and on July 11, 2008, the Court vacated CAIR "in its entirety" and directed the EPA to "redo its analysis from the ground up." In September 2008, the EPA, utility, mining and certain environmental advocacy organizations petitioned the Court for a rehearing to reconsider its ruling vacating CAIR. In December 2008, the Court reconsidered its prior ruling and allowed CAIR to remain in effect to "temporarily preserve its environmental values" until the EPA replaces CAIR with a new rule consistent with the Court's July 11, 2008 opinion. On July 10, 2009, the U.S. Court of Appeals for the District of Columbia ruled in a different case that a cap-and-trade program similar to CAIR, called the "NO<sub>x</sub> SIP Call," cannot be used to satisfy certain CAA requirements (known as reasonably available control technology) for areas in non-attainment under the "8-hour" ozone NAAQS. FGCO's future cost of compliance with these regulations may be substantial and will depend, in part, on the action taken by the EPA in response to the Court's ruling.

## ***Mercury Emissions***

In December 2000, the EPA announced it would proceed with the development of regulations regarding hazardous air pollutants from electric power plants, identifying mercury as the hazardous air pollutant of greatest concern. In March 2005, the EPA finalized the CAMR, which provides a cap-and-trade program to reduce mercury emissions from coal-fired power plants in two phases; initially, capping national mercury emissions at 38 tons by 2010 (as a "co-benefit" from implementation of SO<sub>2</sub> and NO<sub>x</sub> emission caps under the EPA's CAIR program) and 15 tons per year by 2018. Several states and environmental groups appealed the CAMR to the U.S. Court of Appeals for the District of Columbia. On February 8, 2008, the Court vacated the CAMR, ruling that the EPA failed to take the necessary steps to "de-list" coal-fired power plants from its hazardous air pollutant program and, therefore, could not promulgate a cap-and-trade program. The EPA petitioned for rehearing by the entire Court, which denied the petition in May 2008. In October 2008, the EPA (and an industry group) petitioned the U.S. Supreme Court for review of the Court's ruling vacating CAMR. On February 6, 2009, the EPA moved to dismiss its petition for certiorari. On February 23, 2009, the Supreme Court dismissed the EPA's petition and denied the industry group's petition. On October 21, 2009, the EPA opened a 30-day comment period on a proposed consent decree that would obligate the EPA to propose MACT regulations for mercury and other hazardous air pollutants by March 16, 2011, and to finalize the regulations by November 16, 2011. FGCO's future cost of compliance with MACT regulations may be substantial and will depend on the action taken by the EPA and on how any future regulations are ultimately implemented.

Pennsylvania has submitted a new mercury rule for EPA approval that does not provide a cap-and-trade approach as in the CAMR, but rather follows a command-and-control approach imposing emission limits on individual sources. On December 23, 2009, the Supreme Court of Pennsylvania affirmed the Commonwealth Court of Pennsylvania ruling that Pennsylvania's mercury rule is "unlawful, invalid and unenforceable" and enjoined the Commonwealth from continued implementation or enforcement of that rule.

## ***Climate Change***

In December 1997, delegates to the United Nations' climate summit in Japan adopted an agreement, the Kyoto Protocol, to address global warming by reducing, by 2012, the amount of man-made GHG, including CO<sub>2</sub>, emitted by developed countries. The United States signed the Kyoto Protocol in 1998 but it was never submitted for ratification by the United States Senate. The EPACT established a Committee on Climate Change Technology to coordinate federal climate change activities and promote the development and deployment of GHG reducing technologies. President Obama has announced his Administration's "New Energy for America Plan" that includes, among other provisions, ensuring that 10% of electricity used in the United States comes from renewable sources by 2012, increasing to 25% by 2025, and implementing an economy-wide cap-and-trade program to reduce GHG emissions by 80% by 2050.



There are a number of initiatives to reduce GHG emissions under consideration at the federal, state and international level. At the international level, the December 2009 U.N. Climate Change Conference in Copenhagen did not reach a consensus on a successor treaty to the Kyoto Protocol, but did take note of the Copenhagen Accord, a non-binding political agreement which recognized the scientific view that the increase in global temperature should be below two degrees Celsius, included a commitment by developed countries to provide funds, approaching \$30 billion over the next three years with a goal of increasing to \$100 billion by 2020, and established the "Copenhagen Green Climate Fund" to support mitigation, adaptation, and other climate-related activities in developing countries. Once they have become a party to the Copenhagen Accord, developed economies, such as the European Union, Japan, Russia, and the United States, would commit to quantified economy-wide emissions targets from 2020, while developing countries, including Brazil, China, and India, would agree to take mitigation actions, subject to their domestic measurement, reporting, and verification. At the federal level, members of Congress have introduced several bills seeking to reduce emissions of GHG in the United States, and the House of Representatives passed one such bill, the American Clean Energy and Security Act of 2009, on June 26, 2009. The Senate continues to consider a number of measures to regulate GHG emissions. State activities, primarily the northeastern states participating in the Regional Greenhouse Gas Initiative and western states, led by California, have coordinated efforts to develop regional strategies to control emissions of certain GHGs.

On April 2, 2007, the United States Supreme Court found that the EPA has the authority to regulate CO<sub>2</sub> emissions from automobiles as "air pollutants" under the CAA. Although this decision did not address CO<sub>2</sub> emissions from electric generating plants, the EPA has similar authority under the CAA to regulate "air pollutants" from those and other facilities. In December 2009, the EPA released its final "Endangerment and Cause or Contribute Findings for Greenhouse Gases under the Clean Air Act." The EPA's finding concludes that the atmospheric concentrations of several key GHG threaten the health and welfare of future generations and that the combined emissions of these gases by motor vehicles contribute to the atmospheric concentrations of these key GHG and hence to the threat of climate change. Although the EPA's finding does not establish emission requirements for motor vehicles, such requirements are expected to occur through further rulemakings. Additionally, while the EPA's endangerment findings do not specifically address stationary sources, including electric generating plants EPA's expected establishment of emission requirements for motor vehicles would be expected to support the establishment of future emission requirements by the EPA for stationary sources. In September 2009, the EPA finalized a national GHG emissions collection and reporting rule that will require FirstEnergy to measure GHG emissions commencing in 2010 and submit reports commencing in 2011. Also in September 2009, EPA proposed new thresholds for GHG emissions that define when CAA permits under the NSR and Title V operating permits programs would be required. EPA is proposing a major source emissions applicability threshold of 25,000 tons per year (tpy) of carbon dioxide equivalents (CO<sub>2</sub>e) for existing facilities under the Title V operating permits program and the Prevention of Significant Determination (PSD) portion of NSR. EPA is also proposing a significance level between 10,000 and 25,000 tpy CO<sub>2</sub>e to determine if existing major sources making modifications that result in an increase of emissions above the significance level would be required to obtain a PSD permit.

On September 21, 2009, the U.S. Court of Appeals for the Second Circuit and on October 16, 2009, the U.S. Court of Appeals for the Fifth Circuit, reversed and remanded lower court decisions that had dismissed complaints alleging damage from GHG emissions on jurisdictional grounds. These cases involve common law tort claims, including public and private nuisance, alleging that GHG emissions contribute to global warming and result in property damages. While FirstEnergy is not a party to either litigation, should the courts of appeals decisions be affirmed or not subjected to further review, FirstEnergy and/or one or more of its subsidiaries could be named in actions making similar allegations.

FirstEnergy cannot currently estimate the financial impact of climate change policies, although potential legislative or regulatory programs restricting CO<sub>2</sub> emissions, or litigation alleging damages from GHG emissions, could require significant capital and other expenditures or result in changes to its operations. The CO<sub>2</sub> emissions per KWH of electricity generated by FirstEnergy is lower than many regional competitors due to its diversified generation sources, which include low or non-CO<sub>2</sub> emitting gas-fired and nuclear generators.

#### ***Clean Water Act***

Various water quality regulations, the majority of which are the result of the federal Clean Water Act and its amendments, apply to FirstEnergy's plants. In addition, Ohio, New Jersey and Pennsylvania have water quality standards applicable to FirstEnergy's operations. As provided in the Clean Water Act, authority to grant federal National Pollutant Discharge Elimination System water discharge permits can be assumed by a state. Ohio, New Jersey and Pennsylvania have assumed such authority.

On September 7, 2004, the EPA established new performance standards under Section 316(b) of the Clean Water Act for reducing impacts on fish and shellfish from cooling water intake structures at certain existing large electric generating plants. The regulations call for reductions in impingement mortality (when aquatic organisms are pinned against screens or other parts of a cooling water intake system) and entrainment (which occurs when aquatic life is drawn into a facility's cooling water system). On January 26, 2007, the United States Court of Appeals for the Second Circuit remanded portions of the rulemaking dealing with impingement mortality and entrainment back to the EPA for further rulemaking and eliminated the restoration option from the EPA's regulations. On July 9, 2007, the EPA suspended this rule, noting that until further rulemaking occurs, permitting authorities should continue the existing practice of applying their best professional judgment to minimize impacts on fish and shellfish from cooling water intake structures. On April 1, 2009, the Supreme Court of the United States reversed one significant aspect of the Second Circuit Court's opinion and decided that Section 316(b) of the Clean Water Act authorizes the EPA to compare costs with benefits in determining the best technology available for minimizing adverse environmental impact at cooling water intake structures. EPA is developing a new regulation under Section 316(b) of the Clean Water Act consistent with the opinions of the Supreme Court and the Court of Appeals which have created significant uncertainty about the specific nature, scope and timing of the final performance standard. FirstEnergy is studying various control options and their costs and effectiveness. Depending on the results of such studies and the EPA's further rulemaking and any action taken by the states exercising best professional judgment, the future costs of compliance with these standards may require material capital expenditures.

The U.S. Attorney's Office in Cleveland, Ohio has advised FGCO that it is considering prosecution under the Clean Water Act and the Migratory Bird Treaty Act for three petroleum spills at the Edgewater, Lakeshore and Bay Shore plants which occurred on November 1, 2005, January 26, 2007 and February 27, 2007. FGCO is unable to predict the outcome of this matter.

### ***Regulation of Waste Disposal***

As a result of the Resource Conservation and Recovery Act of 1976, as amended, and the Toxic Substances Control Act of 1976, federal and state hazardous waste regulations have been promulgated. Certain fossil-fuel combustion waste products, such as coal ash, were exempted from hazardous waste disposal requirements pending the EPA's evaluation of the need for future regulation. In February 2009, the EPA requested comments from the states on options for regulating coal combustion wastes, including regulation as non-hazardous waste or regulation as a hazardous waste. In March and June 2009, the EPA requested information from FGCO's Bruce Mansfield Plant regarding the management of coal combustion wastes. In December 2009, EPA provided to FGCO the findings of its review of the Bruce Mansfield Plant's coal combustion waste management practices. EPA observed that the waste management structures and the Plant "appeared to be well maintained and in good working order" and recommended only that FGCO "seal and maintain all asphalt surfaces." On December 30, 2009, in an advanced notice of public rulemaking, the EPA said that the large volumes of coal combustion residuals produced by electric utilities pose significant financial risk to the industry. Additional regulations of fossil-fuel combustion waste products could have a significant impact on our management, beneficial use, and disposal, of coal ash. FGCO's future cost of compliance with any coal combustion waste regulations which may be promulgated could be substantial and would depend, in part, on the regulatory action taken by the EPA and implementation by the states.

The Utilities have been named as potentially responsible parties at waste disposal sites, which may require cleanup under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Allegations of disposal of hazardous substances at historical sites and the liability involved are often unsubstantiated and subject to dispute; however, federal law provides that all potentially responsible parties for a particular site may be liable on a joint and several basis. Environmental liabilities that are considered probable have been recognized on the consolidated balance sheet as of December 31, 2009, based on estimates of the total costs of cleanup, the Utilities' proportionate responsibility for such costs and the financial ability of other unaffiliated entities to pay. Total liabilities of approximately \$101 million (JCP&L - \$74 million, TE - \$1 million, CEI - \$1 million, FGCO - \$1 million and FirstEnergy - \$24 million) have been accrued through December 31, 2009. Included in the total are accrued liabilities of approximately \$67 million for environmental remediation of former manufactured gas plants and gas holder facilities in New Jersey, which are being recovered by JCP&L through a non-bypassable SBC.

### **Fuel Supply**

FES currently has long-term coal contracts with various terms to acquire approximately 22.7 million tons of coal for the year 2010, approximately 109% of its 2010 coal requirements of 20.8 million tons. This contract coal is produced primarily from mines located in Ohio, Pennsylvania, Kentucky, West Virginia, Montana and Wyoming. The contracts expire at various times through December 31, 2030. See "Environmental Matters" for factors pertaining to meeting environmental regulations affecting coal-fired generating units.

In July 2008, FEV entered into a joint venture with the Boich Companies, a Columbus, Ohio-based coal company, to acquire a majority stake in the Bull Mountain Mine Operations, now called Signal Peak, near Roundup, Montana. This joint venture is part of FirstEnergy's strategy to secure high-quality fuel supplies at attractive prices to maximize the capacity of its fossil generating plants. In a related transaction, FGCO entered into a 15-year agreement to purchase up to 10 million tons of bituminous western coal annually from the mine. FirstEnergy also entered into agreements with the rail carriers associated with transporting coal from the mine to its generating stations, and began taking delivery of the coal in late 2009. The joint venture has the right to resell Signal Peak coal tonnage not used at FirstEnergy facilities and has call rights on such coal above certain levels.

FirstEnergy has contracts for all uranium requirements through 2011 and a portion of uranium material requirements through 2016. Conversion services contracts fully cover requirements through 2011 and partially fill requirements through 2016. Enrichment services are contracted for essentially all of the enrichment requirements for nuclear fuel through 2017. A portion of enrichment requirements is also contracted for through 2024. Fabrication services for fuel assemblies are contracted for both Beaver Valley units and Davis Besse through 2013 and through the current operating license period for Perry (through approximately 2026). The Davis-Besse fabrication contract also has an extension provision for services for additional consecutive reload batches through the current operating license period (approximately 2017). In addition to the existing commitments, FirstEnergy intends to make additional arrangements for the supply of uranium and for the subsequent conversion, enrichment, fabrication, and waste disposal services.

On-site spent fuel storage facilities are expected to be adequate for Perry through 2010; facilities at Beaver Valley Units 1 and 2 are expected to be adequate through 2015 and 2010, respectively. Davis-Besse has adequate storage through 2017. After current on-site storage capacity at the plants is exhausted, additional storage capacity will have to be obtained either through plant modifications, interim off-site disposal, or permanent waste disposal facilities. FENOC is currently taking actions to extend the spent fuel storage capacity for Perry and Beaver Valley. Plant modifications to increase the storage capacity of the existing spent fuel storage pool at Beaver Valley Unit 2 were submitted to the NRC for approval during the second quarter of 2009. The NRC has requested additional information to complete the license review process and this information will be provided in early 2010. Dry fuel storage is also being pursued at Perry and Beaver Valley, with Perry implementation scheduled to complete by the end of 2010 and Beaver Valley to be complete by the end of 2014.

The Federal Nuclear Waste Policy Act of 1982 provided for the construction of facilities for the permanent disposal of high-level nuclear wastes, including spent fuel from nuclear power plants operated by electric utilities. NGC has contracts with the DOE for the disposal of spent fuel for Beaver Valley, Davis-Besse and Perry. Yucca Mountain was approved in 2002 as a repository for underground disposal of spent nuclear fuel from nuclear power plants and high level waste from U.S. defense programs. The DOE submitted the license application for Yucca Mountain to the NRC on June 3, 2008. However, the current Administration has stated the Yucca Mountain repository will not be completed and a Federal review of potential alternative strategies will be performed. FirstEnergy intends to make additional arrangements for storage capacity as a contingency for the continuing delays with the DOE acceptance of spent fuel for disposal.

Fuel oil and natural gas are used primarily to fuel peaking units and/or to ignite the burners prior to burning coal when a coal-fired plant is restarted. Fuel oil requirements have historically been low and are forecasted to remain so; requirements are expected to average approximately 5 million gallons per year over the next five years. Due to the volatility of fuel oil prices, FirstEnergy has adopted a strategy of either purchasing fixed-priced oil for inventory or using financial instruments to hedge against price risk. Natural gas is currently consumed primarily by peaking units, and no natural gas demand is forecasted in 2010. First Energy purchased a partially completed combined cycle combustion turbine plant in Fremont Ohio. Construction is scheduled to be completed in late 2010 and generation is forecasted for 2011. Because of high price volatility and the unpredictability of unit dispatch, natural gas futures are purchased based on forecasted demand to hedge against price movements.

### **System Demand**

The 2009 net maximum hourly demand for each of the Utilities was:

- OE-5,156 MW on June 25, 2009;
- Penn-879 MW on June 25, 2009;
- CEI-3,843 MW on June 25, 2009;
- TE-2,009 MW on June 25, 2009;

- JCP&L—5,738 MW on August 10, 2009;
- Met-Ed—2,839 MW on August 10, 2009; and
- Penelec—2,679 MW on August 10, 2009.

## Supply Plan

### *Regulated Commodity Sourcing*

The Utilities have a default service obligation to provide the required power supply to non-shopping customers who have elected to continue to receive service under regulated retail tariffs. The volume of these sales can vary depending on the level of shopping that occurs. Supply plans vary by state and by service territory. JCP&L's default service supply is secured through a statewide competitive procurement process approved by the NJBPU. The Ohio Utilities and Penn's default service supplies are provided through a competitive procurement process approved by the PUCO and PPUC, respectively. The default service supply for Met-Ed and Penelec is secured through a FERC-approved agreement with FES, but will move to a competitive procurement process in 2011. If any unaffiliated suppliers fail to deliver power to any one of the Utilities' service areas, the Utility serving that area may need to procure the required power in the market in their role as a PLR.

### *Unregulated Commodity Sourcing*

FES has retail and wholesale competitive load-serving obligations in Ohio, New Jersey, Maryland, Pennsylvania, Michigan and Illinois serving both affiliated and non-affiliated companies. FES provides energy products and services to customers under various PLR, shopping, competitive-bid and non-affiliated contractual obligations. In 2009, FES' generation was used to serve two main obligations. Affiliated companies utilized approximately 76% of FES' total generation. Direct retail customers utilized approximately 18% of FES' total generation. Geographically, approximately 67% of FES' obligation is located in the MISO market area and 33% is located in the PJM market area.

FES provides energy and energy related services, including the generation and sale of electricity and energy planning and procurement through retail and wholesale competitive supply arrangements. FES controls (either through ownership, lease, affiliated power contracts or participation in OVEC) 14,346 MW of installed generating capacity. FES supplies the power requirements of its competitive load-serving obligations through a combination of subsidiary-owned generation, non-affiliated contracts and spot market transactions.

## Regional Reliability

FirstEnergy's operating companies are located within MISO and PJM and operate under the reliability oversight of a regional entity known as ReliabilityFirst. This regional entity operates under the oversight of the NERC in accordance with a Delegation Agreement approved by the FERC. ReliabilityFirst began operations under the NERC on January 1, 2006. On July 20, 2006, the NERC was certified by the FERC as the ERO in the United States pursuant to Section 215 of the FPA and ReliabilityFirst was certified as a regional entity. ReliabilityFirst represents the consolidation of the ECAR, Mid-Atlantic Area Council, and Mid-American Interconnected Network reliability councils into a single regional reliability organization.

## Competition

As a result of actions taken by state legislative bodies, major changes in the electric utility business have occurred in portions of the United States, including Ohio, New Jersey and Pennsylvania where FirstEnergy's utility subsidiaries operate. These changes have altered the way traditional integrated utilities conduct their business. FirstEnergy has aligned its business units to accommodate its retail strategy and participate in the competitive electricity marketplace (see Management's Discussion and Analysis). FirstEnergy's Competitive Energy Services segment participates in deregulated energy markets in Ohio, Pennsylvania, Maryland, Michigan, and Illinois through FES.

In New Jersey, JCP&L has procured electric generation supply to serve its BGS customers since 2002 through a statewide auction process approved by the NJBPU. The auction is designed to procure supply for BGS customers at a cost reflective of market conditions. On May 1, 2008, the Governor of Ohio signed SB221 into law, which became effective July 31, 2008. The new law provides two options for pricing generation in 2009 and beyond – through a negotiated rate plan or a competitive bidding process (see PUCO Rate Matters above). In Pennsylvania, all electric distribution companies will be required to secure generation for customers in competitive markets by 2011.

FirstEnergy remains focused on managing the transition to competitive markets for electricity in Pennsylvania. On October 15, 2008, the Governor of Pennsylvania signed House Bill 2200 into law, which became effective on November 14, 2008, as Act 129 of 2008. The new law outlines a competitive procurement process and sets targets for energy efficiency and conservation (see PPUC Rate Matters above).

#### **Research and Development**

The Utilities, FES, and FENOC participate in the funding of EPRI, which was formed for the purpose of expanding electric research and development (R&D) under the voluntary sponsorship of the nation's electric utility industry - public, private and cooperative. Its goal is to mutually benefit utilities and their customers by promoting the development of new and improved technologies to help the utility industry meet present and future electric energy needs in environmentally and economically acceptable ways. EPRI conducts research on all aspects of electric power production and use, including fuels, generation, delivery, energy management and conservation, environmental effects and energy analysis. The majority of EPRI's research and development projects are directed toward practical solutions and their applications to problems currently facing the electric utility industry.

FirstEnergy participates in other initiatives with industry R&D consortiums and universities to address technology needs for its various business units. Participation in these consortiums helps the company address research needs in areas such as plant operations and maintenance, major component reliability, environmental controls, advanced energy technologies, and T&D System infrastructure to improve performance, and develop new technologies for advanced energy and grid applications.

## Executive Officers

Name	Age	Positions Held During Past Five Years	Dates
A. J. Alexander (A)(G)	58	President and Chief Executive Officer	*-present
W. D. Byrd (B)	55	Vice President, Corporate Risk & Chief Risk Officer	2007-present
L. M. Cavalier (B)	58	Senior Vice President – Human Resources Vice President	2005-present *-2005
M. T. Clark (A)(B)(C)(D)(F)(G)	59	Executive Vice President and Chief Financial Officer Executive Vice President – Strategic Planning & Operations Senior Vice President – Strategic Planning & Operations	2009-present 2008-2009 *-2008
D. S. Elliott (B)(D)	55	President – Pennsylvania Operations Executive Vice President Senior Vice President	2005-present 2005-present *-2005
R. R. Grigg (A)(B)(C)(D)(H)	61	Executive Vice President and President-FirstEnergy Utilities Executive Vice President and Chief Operating Officer	2008-present *-2008
J. J. Hagan (G)	59	President and Chief Nuclear Officer Senior Vice President and Chief Operating Officer Senior Vice President	2007-present 2005-2007 *-2005
C. E. Jones (B)(C)(D)(I)	54	Senior Vice President – Energy Delivery & Customer Service President – FirstEnergy Solutions Senior Vice President – Energy Delivery & Customer Service	2009-present 2007-2009 *-2007
C. D. Lasky (F)	47	Vice President – Fossil Operations Vice President – Fossil Operations & Air Quality Compliance Vice President	2008-present 2007-2008 *-2007
G. R. Leidich (A)(B)	59	Executive Vice President & President – FirstEnergy Generation Senior Vice President – Operations (B) President and Chief Nuclear Officer (G)	2008-present 2007-2008 *-2007
D. C. Luff (B)	62	Senior Vice President – Governmental Affairs Vice President	2007-present *-2007
D. M. Lynch (E)	55	President – JCP&L Regional President	2009-present *-2009
J. F. Pearson (A)(B)(C)(D)(F)(G)	55	Vice President and Treasurer Treasurer Group Controller – Strategic Planning and Operations	2006-present 2005-2006 *-2005
D. R. Schneider (F)	48	President Senior Vice President – Energy Delivery & Customer Service (B) Vice President (B) Vice President (F)	2009-present 2007-2009 2006-2007 *-2006
L.L. Vespoli (A)(B)(C)(D)(F)(G)	50	Executive Vice President and General Counsel Senior Vice President and General Counsel	2008-present *-2008
H. L. Wagner (A)(B)(C)(D)(F)(G)	57	Vice President, Controller and Chief Accounting Officer	*-present

(A) Denotes executive officer of FE Corp.

(B) Denotes executive officer of FE Service

(C) Denotes executive officers of OE, CEI and TE.

(D) Denotes executive officer of Met-Ed, Penelec and Penn.

(E) Denotes executive officer of JCP&L

(F) Denotes executive officer of FES.

(G) Denotes executive officer of FENOC.

(H) Retiring March 31, 2010.

(I) Named Senior Vice President and President, FirstEnergy Utilities, effective April 1, 2010

\* Indicates position held at least since January 1, 2005.

## Employees

As of December 31, 2009, FirstEnergy's subsidiaries had a total of 13,379 employees located in the United States as follows:

	<b>Total Employees</b>	<b>Bargaining Unit Employees</b>
FESC	2,910	284
OE	1,191	709
CEI	873	584
TE	396	294
Penn	200	147
JCP&L	1,432	1,092
Met-Ed	708	508
Penelec	902	632
ATSI	38	-
FES	247	-
FGCO	1,784	1,154
FENOC	2,700	1,014
Total	13,379	6,419

JCP&L's bargaining unit employees filed a grievance challenging JCP&L's 2002 call-out procedure that required bargaining unit employees to respond to emergency power outages. On May 20, 2004, an arbitration panel concluded that the call-out procedure violated the parties' collective bargaining agreement. On September 9, 2005, the arbitration panel issued an opinion to award approximately \$16 million to the bargaining unit employees. A final order identifying the individual damage amounts was issued on October 31, 2007 and the award appeal process was initiated. The union filed a motion with the federal Court to confirm the award and JCP&L filed its answer and counterclaim to vacate the award on December 31, 2007. JCP&L and the union filed briefs in June and July of 2008 and oral arguments were held in the fall. On February 25, 2009, the federal district court denied JCP&L's motion to vacate the arbitration decision and granted the union's motion to confirm the award. JCP&L filed a Notice of Appeal to the Third Circuit and a Motion to Stay Enforcement of the Judgment on March 6, 2009. The appeal process could take as long as 24 months. The parties are participating in the federal court's mediation programs and have held private settlement discussions. JCP&L recognized a liability for the potential \$16 million award in 2005. Post-judgment interest began to accrue as of February 25, 2009, and the liability will be adjusted accordingly.

## FirstEnergy Web Site

Each of the registrant's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed with or furnished to the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are also made available free of charge on or through FirstEnergy's internet Web site at [www.firstenergycorp.com](http://www.firstenergycorp.com). These reports are posted on the Web site as soon as reasonably practicable after they are electronically filed with the SEC. Additionally, we routinely post important information on our Web site and recognize our Web site is a channel of distribution to reach public investors and as a means of disclosing material non-public information for complying with disclosure obligations under SEC Regulation FD. Information contained on FirstEnergy's Web site shall not be deemed incorporated into, or to be part of, this report.

## ITEM 1A. RISK FACTORS

We operate in a business environment that involves significant risks, many of which are beyond our control. Management of each Registrant regularly evaluates the most significant risks of the Registrant's businesses and reviews those risks with the FirstEnergy Board of Directors or appropriate Committees of the Board. The following risk factors and all other information contained in this report should be considered carefully when evaluating FirstEnergy and our subsidiaries. These risk factors could affect our financial results and cause such results to differ materially from those expressed in any forward-looking statements made by or on behalf of us. Below, we have identified risks we currently consider material. However, our business, financial condition, cash flows or results of operations could be affected materially and adversely by additional risks not currently known to us or that we deem immaterial at this time. Additional information on risk factors is included in "Item 1. Business" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and in other sections of this Form 10-K that include forward-looking and other statements involving risks and uncertainties that could impact our business and financial results.

### Risks Related to Business Operations

#### *Risks Arising from the Reliability of Our Power Plants and Transmission and Distribution Equipment*

Operation of generation, transmission and distribution facilities involves risk, including, the risk of potential breakdown or failure of equipment or processes, due to aging infrastructure, fuel supply or transportation disruptions, accidents, labor disputes or work stoppages by employees, acts of terrorism or sabotage, construction delays or cost overruns, shortages of or delays in obtaining equipment, material and labor, operational restrictions resulting from environmental limitations and governmental interventions, and performance below expected levels. In addition, weather-related incidents and other natural disasters can disrupt generation, transmission and distribution delivery systems. Because our transmission facilities are interconnected with those of third parties, the operation of our facilities could be adversely affected by unexpected or uncontrollable events occurring on the systems of such third parties.

Operation of our power plants below expected capacity levels could result in lost revenues and increased expenses, including higher maintenance costs. Unplanned outages of generating units and extensions of scheduled outages due to mechanical failures or other problems occur from time to time and are an inherent risk of our business. Unplanned outages typically increase our operation and maintenance expenses and may reduce our revenues as a result of selling fewer MWH or may require us to incur significant costs as a result of operating our higher cost units or obtaining replacement power from third parties in the open market to satisfy our forward power sales obligations. Moreover, if we were unable to perform under contractual obligations, penalties or liability for damages could result. FES, FGCO and the Ohio Companies are exposed to losses under their applicable sale-leaseback arrangements for generating facilities upon the occurrence of certain contingent events that could render those facilities worthless. Although we believe these types of events are unlikely to occur, FES, FGCO and the Ohio Companies have a maximum exposure to loss under those provisions of approximately \$1.3 billion for FES, \$800 million for OE and an aggregate of \$700 million for TE and CEI as co-lessees.

We remain obligated to provide safe and reliable service to customers within our franchised service territories. Meeting this commitment requires the expenditure of significant capital resources. Failure to provide safe and reliable service and failure to meet regulatory reliability standards due to a number of factors, including, but not limited to, equipment failure and weather, could adversely affect our operating results through reduced revenues and increased capital and operating costs and the imposition of penalties/fines or other adverse regulatory outcomes.

#### *Changes in Commodity Prices Could Adversely Affect Our Profit Margins*

We purchase and sell electricity in the competitive wholesale and retail markets. Increases in the costs of fuel for our generation facilities (particularly coal, uranium and natural gas) can affect our profit margins. Changes in the market price of electricity, which are affected by changes in other commodity costs and other factors, may impact our results of operations and financial position by increasing the amount we pay to purchase power to supply PLR and default service obligations in Ohio and Pennsylvania. In addition, the weakening global economy could lead to lower international demand for coal, oil and natural gas, which may lower fossil fuel prices and put downward pressure on electricity prices.

Electricity and fuel prices may fluctuate substantially over relatively short periods of time for a variety of reasons, including:

- changing weather conditions or seasonality;
- changes in electricity usage by our customers;
- illiquidity in wholesale power and other markets;



- transmission congestion or transportation constraints, inoperability or inefficiencies;
- availability of competitively priced alternative energy sources;
- changes in supply and demand for energy commodities;
- changes in power production capacity;
- outages at our power production facilities or those of our competitors;
- changes in production and storage levels of natural gas, lignite, coal, crude oil and refined products;
- changes in legislation and regulation; and
- natural disasters, wars, acts of sabotage, terrorist acts, embargoes and other catastrophic events.

*We Are Exposed to Operational, Price and Credit Risks Associated With Selling and Marketing Products in the Power Markets That We Do Not Always Completely Hedge Against*

We purchase and sell power at the wholesale level under market-based tariffs authorized by the FERC, and also enter into short-term agreements to sell available energy and capacity from our generation assets. If we are unable to deliver firm capacity and energy under these agreements, we may be required to pay damages. These damages would generally be based on the difference between the market price to acquire replacement capacity or energy and the contract price of the undelivered capacity or energy. Depending on price volatility in the wholesale energy markets, such damages could be significant. Extreme weather conditions, unplanned power plant outages, transmission disruptions, and other factors could affect our ability to meet our obligations, or cause increases in the market price of replacement capacity and energy.

We attempt to mitigate risks associated with satisfying our contractual power sales arrangements by reserving generation capacity to deliver electricity to satisfy our net firm sales contracts and, when necessary, by purchasing firm transmission service. We also routinely enter into contracts, such as fuel and power purchase and sale commitments, to hedge our exposure to fuel requirements and other energy-related commodities. We may not, however, hedge the entire exposure of our operations from commodity price volatility. To the extent we do not hedge against commodity price volatility, our results of operations and financial position could be negatively affected.

*The Use of Derivative Contracts by Us to Mitigate Risks Could Result in Financial Losses That May Negatively Impact our Financial Results*

We use a variety of non-derivative and derivative instruments, such as swaps, options, futures and forwards, to manage our commodity and financial market risks. In the absence of actively quoted market prices and pricing information from external sources, the valuation of some of these derivative instruments involves management's judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of some of these contracts. Also, we could recognize financial losses as a result of volatility in the market values of these contracts or if a counterparty fails to perform.

*Our Risk Management Policies Relating to Energy and Fuel Prices, and Counterparty Credit, Are by Their Very Nature Risk Related, and We Could Suffer Economic Losses Despite Such Policies*

We attempt to mitigate the market risk inherent in our energy, fuel and debt positions. Procedures have been implemented to enhance and monitor compliance with our risk management policies, including validation of transaction and market prices, verification of risk and transaction limits, sensitivity analysis and daily portfolio reporting of various risk measurement metrics. Nonetheless, we cannot economically hedge all of our exposures in these areas and our risk management program may not operate as planned. For example, actual electricity and fuel prices may be significantly different or more volatile than the historical trends and assumptions reflected in our analyses. Also, our power plants might not produce the expected amount of power during a given day or time period due to weather conditions, technical problems or other unanticipated events, which could require us to make energy purchases at higher prices than the prices under our energy supply contracts. In addition, the amount of fuel required for our power plants during a given day or time period could be more than expected, which could require us to buy additional fuel at prices less favorable than the prices under our fuel contracts. As a result, we cannot always predict the impact that our risk management decisions may have on us if actual events lead to greater losses or costs than our risk management positions were intended to hedge.

Our risk management activities, including our power sales agreements with counterparties, rely on projections that depend heavily on judgments and assumptions by management of factors such as future market prices and demand for power and other energy-related commodities. These factors become more difficult to predict and the calculations become less reliable the further into the future these estimates are made. Even when our policies and procedures are followed and decisions are made based on these estimates, results of operations may be diminished if the judgments and assumptions underlying those calculations prove to be inaccurate.

We also face credit risks from parties with whom we contract who could default in their performance, in which cases we could be forced to sell our power into a lower-priced market or make purchases in a higher-priced market than existed at the time of executing the contract. Although we have established risk management policies and programs, including credit policies to evaluate counterparty credit risk, there can be no assurance that we will be able to fully meet our obligations, that we will not be required to pay damages for failure to perform or that we will not experience counterparty non-performance or that we will collect for voided contracts. If counterparties to these arrangements fail to perform, we may be forced to enter into alternative hedging arrangements or honor underlying commitments at then-current market prices. In that event, our financial results could be adversely affected.

*Nuclear Generation Involves Risks that Include Uncertainties Relating to Health and Safety, Additional Capital Costs, the Adequacy of Insurance Coverage and Nuclear Plant Decommissioning*

We are subject to the risks of nuclear generation, including but not limited to the following:

- the potential harmful effects on the environment and human health resulting from unplanned radiological releases associated with the operation of our nuclear facilities and the storage, handling and disposal of radioactive materials;
- limitations on the amounts and types of insurance commercially available to cover losses that might arise in connection with our nuclear operations or those of others in the United States;
- uncertainties with respect to contingencies and assessments if insurance coverage is inadequate; and
- uncertainties with respect to the technological and financial aspects of decommissioning nuclear plants at the end of their licensed operation including increases in minimum funding requirements or costs of completion.

The NRC has broad authority under federal law to impose licensing security and safety-related requirements for the operation of nuclear generation facilities. In the event of non-compliance, the NRC has the authority to impose fines and/or shut down a unit, depending upon its assessment of the severity of the situation, until compliance is achieved. Revised safety requirements promulgated by the NRC could necessitate substantial capital expenditures at nuclear plants, including ours. Also, a serious nuclear incident at a nuclear facility anywhere in the world could cause the NRC to limit or prohibit the operation or relicensing of any domestic nuclear unit.

Our nuclear facilities are insured under NEIL policies issued for each plant. Under these policies, up to \$2.8 billion of insurance coverage is provided for property damage and decontamination and decommissioning costs. We have also obtained approximately \$2.0 billion of insurance coverage for replacement power costs. Under these policies, we can be assessed a maximum of approximately \$79 million for incidents at any covered nuclear facility occurring during a policy year that are in excess of accumulated funds available to the insurer for paying losses.

The Price-Anderson Act limits the public liability that can be assessed with respect to a nuclear power plant to \$12.5 billion (assuming 104 units licensed to operate in the United States) for a single nuclear incident, which amount is covered by: (i) private insurance amounting to \$300.0 million; and (ii) \$12.2 billion provided by an industry retrospective rating plan. Under such retrospective rating plan, in the event of a nuclear incident at any unit in the United States resulting in losses in excess of private insurance, up to \$117.5 million (but not more than \$17.5 million per year) must be contributed for each nuclear unit licensed to operate in the country by the licensees thereof to cover liabilities arising out of the incident. Our maximum potential exposure under these provisions would be \$470.0 million per incident but not more than \$70.0 million in any one year.

***Capital Market Performance and Other Changes May Decrease the Value of Decommissioning Trust Fund, Pension Fund Assets and Other Trust Funds Which Then Could Require Significant Additional Funding***

Our financial statements reflect the values of the assets held in trust to satisfy our obligations to decommission our nuclear generation facilities and under pension and other post-retirement benefit plans. The value of certain of the assets held in these trusts do not have readily determinable market values. Changes in the estimates and assumptions inherent in the value of these assets could affect the value of the trusts. If the value of the assets held by the trusts declines by a material amount, our funding obligation to the trusts could materially increase. The recent disruption in the capital markets and its effects on particular businesses and the economy in general also affects the values of the assets that are held in trust to satisfy future obligations to decommission our nuclear plants, to pay pensions to our retired employees and to pay other funded obligations. These assets are subject to market fluctuations and will yield uncertain returns, which may fall below our projected return rates. Forecasting investment earnings and costs to decommission nuclear generating stations, to pay future pensions and other obligations requires significant judgment, and actual results may differ significantly from current estimates. Capital market conditions that generate investment losses or greater liability levels can negatively impact our results of operations and financial position.

***We Could be Subject to Higher Costs and/or Penalties Related to Mandatory Reliability Standards Set by NERC/FERC or Changes in the Rules of Organized Markets and the States in Which we do Business***

As a result of the EPACT, owners, operators, and users of the bulk electric system are subject to mandatory reliability standards promulgated by the NERC and approved by FERC as well as mandatory reliability standards imposed by each of the states in which we operate. The standards are based on the functions that need to be performed to ensure that the bulk electric system operates reliably. Compliance with modified or new reliability standards may subject us to higher operating costs and/or increased capital expenditures. If we were found not to be in compliance with the mandatory reliability standards, we could be subject to sanctions, including substantial monetary penalties.

Reliability standards that were historically subject to voluntary compliance are now mandatory and could subject us to potential civil penalties for violations which could negatively impact our business. The FERC can now impose penalties of \$1.0 million per day for failure to comply with these mandatory electric reliability standards.

In addition to direct regulation by the FERC and the states, we are also subject to rules and terms of participation imposed and administered by various RTOs and ISOs. Although these entities are themselves ultimately regulated by the FERC, they can impose rules, restrictions and terms of service that are quasi-regulatory in nature and can have a material adverse impact on our business. For example, the independent market monitors of ISOs and RTOs may impose bidding and scheduling rules to curb the potential exercise of market power and to ensure the market functions. Such actions may materially affect our ability to sell, and the price we receive for, our energy and capacity. In addition, the RTOs may direct our transmission owning affiliates to build new transmission facilities to meet the reliability requirements of the RTO or to provide new or expanded transmission service under the RTO tariffs.

***We Rely on Transmission and Distribution Assets That We Do Not Own or Control to Deliver Our Wholesale Electricity. If Transmission Is Disrupted Including Our Own Transmission, or Not Operated Efficiently, or if Capacity Is Inadequate, Our Ability to Sell and Deliver Power May Be Hindered***

We depend on transmission and distribution facilities owned and operated by utilities and other energy companies to deliver the electricity we sell. If transmission is disrupted (as a result of weather, natural disasters or other reasons) or not operated efficiently by independent system operators, in applicable markets, or if capacity is inadequate, our ability to sell and deliver products and satisfy our contractual obligations may be hindered, or we may be unable to sell products on the most favorable terms. In addition, in certain of the markets in which we operate, we may be required to pay for congestion costs if we schedule delivery of power between congestion zones during periods of high demand. If we are unable to hedge or recover for such congestion costs in retail rates, our financial results could be adversely affected.

Demand for electricity within our utilities' service areas could stress available transmission capacity requiring alternative routing or curtailing electricity usage that may increase operating costs or reduce revenues with adverse impacts to results of operations. In addition, as with all utilities, potential concerns over transmission capacity could result in MISO, PJM or the FERC requiring us to upgrade or expand our transmission system, requiring additional capital expenditures.

The FERC requires wholesale electric transmission services to be offered on an open-access, non-discriminatory basis. Although these regulations are designed to encourage competition in wholesale market transactions for electricity, it is possible that fair and equal access to transmission systems will not be available or that sufficient transmission capacity will not be available to transmit electricity as we desire. We cannot predict the timing of industry changes as a result of these initiatives or the adequacy of transmission facilities in specific markets or whether independent system operators in applicable markets will operate the transmission networks, and provide related services, efficiently.

*Disruptions in Our Fuel Supplies Could Occur, Which Could Adversely Affect Our Ability to Operate Our Generation Facilities and Impact Financial Results*

We purchase fuel from a number of suppliers. The lack of availability of fuel at expected prices, or a disruption in the delivery of fuel which exceeds the duration of our on-site fuel inventories, including disruptions as a result of weather, increased transportation costs or other difficulties, labor relations or environmental or other regulations affecting our fuel suppliers, could cause an adverse impact on our ability to operate our facilities, possibly resulting in lower sales and/or higher costs and thereby adversely affect our results of operations. Operation of our coal-fired generation facilities is highly dependent on our ability to procure coal. Although we have long-term contracts in place for our coal and coal transportation needs, power generators in the Midwest and the Northeast have experienced significant pressures on available coal supplies that are either transportation or supply related. If prices for physical delivery are unfavorable, our financial condition, results of operations and cash flows could be materially adversely affected.

*Temperature Variations as well as Weather Conditions or other Natural Disasters Could Have a Negative Impact on Our Results of Operations and Demand Significantly Below or Above our Forecasts Could Adversely Affect our Energy Margins*

Weather conditions directly influence the demand for electric power. Demand for power generally peaks during the summer months, with market prices also typically peaking at that time. Overall operating results may fluctuate based on weather conditions. In addition, we have historically sold less power, and consequently received less revenue, when weather conditions are milder. Severe weather, such as tornadoes, hurricanes, ice or snow storms, or droughts or other natural disasters, may cause outages and property damage that may require us to incur additional costs that are generally not insured and that may not be recoverable from customers. The effect of the failure of our facilities to operate as planned under these conditions would be particularly burdensome during a peak demand period.

Customer demand could change as a result of severe weather conditions or other circumstances over which we have no control. We satisfy our electricity supply obligations through a portfolio approach of providing electricity from our generation assets, contractual relationships and market purchases. A significant increase in demand could adversely affect our energy margins if we are required under the terms of the default service tariffs to provide the energy supply to fulfill this increased demand at capped rates, which we expect would remain below the wholesale prices at which we would have to purchase the additional supply if needed or, if we had available capacity, the prices at which we could otherwise sell the additional supply. Accordingly, any significant change in demand could have a material adverse effect on our results of operations and financial position.

*We Are Subject to Financial Performance Risks Related to Regional and General Economic Cycles and also Related to Heavy Manufacturing Industries such as Automotive and Steel*

Our business follows the economic cycles of our customers. As our retail strategy is centered around the sale of output from our generating plants generally where that power will reach, therefore, we are more directly impacted by the economic conditions in our primary markets (i.e., Western Pennsylvania, Ohio, Maryland, New Jersey, Michigan and Illinois). Declines in demand for electricity as a result of a regional economic downturn would be expected to reduce overall electricity sales and reduce our revenues. A decrease in electric generation sales volume has been, and is expected to continue to be, influenced by circumstances in automotive, steel and other heavy industries.

*Increases in Customer Electric Rates and the Impact of the Economic Downturn May Lead to a Greater Amount of Uncollectible Customer Accounts*

Our operations are impacted by the economic conditions in our service territories and those conditions could negatively impact the rate of delinquent customer accounts and our collections of accounts receivable which could adversely impact our financial condition, results of operations and cash flows.

*The Goodwill of One or More of Our Operating Subsidiaries May Become Impaired, Which Would Result in Write-Offs of the Impaired Amounts*

Goodwill could become impaired at one or more of our operating subsidiaries. The actual timing and amounts of any goodwill impairments in future years would depend on many uncertainties, including changing interest rates, utility sector market performance, our capital structure, market prices for power, results of future rate proceedings, operating and capital expenditure requirements, the value of comparable utility acquisitions, environmental regulations and other factors.

***We Face Certain Human Resource Risks Associated with the Availability of Trained and Qualified Labor to Meet Our Future Staffing Requirements***

We must find ways to retain our aging skilled workforce while recruiting new talent to mitigate losses in critical knowledge and skills due to retirements. Mitigating these risks could require additional financial commitments.

***Significant Increases in Our Operation and Maintenance Expenses, Including Our Health Care and Pension Costs, Could Adversely Affect Our Future Earnings and Liquidity***

We continually focus on limiting, and reducing where possible, our operation and maintenance expenses. However, we expect cost pressures could increase as we continue to implement our retail sales strategy. We expect to continue to face increased cost pressures in the areas of health care and pension costs. We have experienced significant health care cost inflation in the last few years, and we expect our cash outlay for health care costs, including prescription drug coverage, to continue to increase despite measures that we have taken and expect to take requiring employees and retirees to bear a higher portion of the costs of their health care benefits. The measurement of our expected future health care and pension obligations and costs is highly dependent on a variety of assumptions, many of which relate to factors beyond our control. These assumptions include investment returns, interest rates, health care cost trends, benefit design changes, salary increases, the demographics of plan participants and regulatory requirements. If actual results differ materially from our assumptions, our costs could be significantly increased.

***Our Business is Subject to the Risk that Sensitive Customer Data May be Compromised, Which Could Result in an Adverse Impact to Our Reputation and/or Results of Operations***

Our business requires access to sensitive customer data, including personal and credit information, in the ordinary course of business. A security breach may occur, despite security measures taken by us and required of vendors. If a significant or widely publicized breach occurred, our business reputation may be adversely affected, customer confidence may be diminished, or we may become subject to legal claims, fines or penalties, any of which could have a negative impact on our business and/or results of operations.

***Acts of War or Terrorism Could Negatively Impact Our Business***

The possibility that our infrastructure, such as electric generation, transmission and distribution facilities, or that of an interconnected company, could be direct targets of, or indirect casualties of, an act of war or terrorism, could result in disruption of our ability to generate, purchase, transmit or distribute electricity. Any such disruption could result in a decrease in revenues and additional costs to purchase electricity and to replace or repair our assets, which could have a material adverse impact on our results of operations and financial condition.

***Capital Improvements and Construction Projects May Not be Completed Within Forecasted Budget, Schedule or Scope Parameters***

Our business plan calls for extensive capital investments, including the installation of environmental control equipment, as well as other initiatives. We may be exposed to the risk of substantial price increases in the costs of labor and materials used in construction. We have engaged numerous contractors and entered into a large number of agreements to acquire the necessary materials and/or obtain the required construction-related services. As a result, we are also exposed to the risk that these contractors and other counterparties could breach their obligations to us. Such risk could include our contractors' inability to procure sufficient skilled labor as well as potential work stoppages by that labor force. Should the counterparties to these arrangements fail to perform, we may be forced to enter into alternative arrangements at then-current market prices that may exceed our contractual prices, with resulting delays in those and other projects. Although our agreements are designed to mitigate the consequences of a potential default by the counterparty, our actual exposure may be greater than these mitigation provisions. This could have negative financial impacts such as incurring losses or delays in completing construction projects.

***Changes in Technology May Significantly Affect Our Generation Business by Making Our Generating Facilities Less Competitive***

We primarily generate electricity at large central facilities. This method results in economies of scale and lower costs than newer technologies such as fuel cells, microturbines, windmills and photovoltaic solar cells. It is possible that advances in technologies will reduce their costs to levels that are equal to or below that of most central station electricity production, which could have a material adverse effect on our results of operations.

***We May Acquire Assets That Could Present Unanticipated Issues for our Business in the Future, Which Could Adversely Affect Our Ability to Realize Anticipated Benefits of Those Acquisitions***

Asset acquisitions involve a number of risks and challenges, including: management attention; integration with existing assets; difficulty in evaluating the requirements associated with the assets prior to acquisition, operating costs, potential environmental and other liabilities, and other factors beyond our control; and an increase in our expenses and working capital requirements. Any of these factors could adversely affect our ability to achieve anticipated levels of cash flows or realize other anticipated benefits from any such asset acquisition.

***Ability of Certain FirstEnergy Companies to Meet Their Obligations to Other FirstEnergy Companies***

Certain of the FirstEnergy companies have obligations to other FirstEnergy companies because of transactions involving energy, coal, other commodities, services, and because of hedging transactions. If one FirstEnergy entity failed to perform under any of these arrangements, other FirstEnergy entities could incur losses. Their results of operations, financial position, or liquidity could be adversely affected, resulting in the nondefaulting FirstEnergy entity being unable to meet its obligations to unrelated third parties. Our hedging activities are generally undertaken with a view to overall FirstEnergy exposures. Some FirstEnergy companies may therefore be more or less hedged than if they were to engage in such transactions alone.

**Risks Associated With our Proposed Merger With Allegheny**

***We May be Unable to Obtain the Approvals Required to Complete our Merger with Allegheny or, in Order to do so, the Combined Company May be Required to Comply With Material Restrictions or Conditions.***

On February 11, 2010, we announced the execution of a merger agreement with Allegheny. Before the merger may be completed, shareholder approval will have to be obtained by us and by Allegheny. In addition, various filings must be made with the FERC and various state utility, regulatory, antitrust and other authorities in the United States. These governmental authorities may impose conditions on the completion, or require changes to the terms, of the merger, including restrictions or conditions on the business, operations, or financial performance of the combined company following completion of the merger. These conditions or changes could have the effect of delaying completion of the merger or imposing additional costs on or limiting the revenues of the combined company following the merger, which could have a material adverse effect on the financial results of the combined company and/or cause either us or Allegheny to abandon the merger.

***If Completed, Our Merger with Allegheny May Not Achieve Its Intended Results.***

We and Allegheny entered into the merger agreement with the expectation that the merger would result in various benefits, including, among other things, cost savings and operating efficiencies relating to both the regulated utility operations and the generation business. Achieving the anticipated benefits of the merger is subject to a number of uncertainties, including whether the business of Allegheny is integrated in an efficient and effective manner. Failure to achieve these anticipated benefits could result in increased costs, decreases in the amount of expected revenues generated by the combined company and diversion of management's time and energy and could have an adverse effect on the combined company's business, financial results and prospects.

***We Will be Subject to Business Uncertainties and Contractual Restrictions While the Merger with Allegheny is Pending That Could Adversely Affect Our Financial Results.***

Uncertainty about the effect of the merger with Allegheny on employees and customers may have an adverse effect on us. Although we intend to take steps designed to reduce any adverse effects, these uncertainties may impair our ability to attract, retain and motivate key personnel until the merger is completed and for a period of time thereafter, and could cause customers, suppliers and others that deal with us to seek to change existing business relationships.

Employee retention and recruitment may be particularly challenging prior to the completion of the merger, as employees and prospective employees may experience uncertainty about their future roles with the combined company. If, despite our retention and recruiting efforts, key employees depart or fail to accept employment with us because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company, our financial results could be affected.

The pursuit of the merger and the preparation for the integration of Allegheny into our company may place a significant burden on management and internal resources. The diversion of management attention away from day-to-day business concerns and any difficulties encountered in the transition and integration process could affect our financial results.

In addition, the merger agreement restricts us, without Allegheny's consent, from making certain acquisitions and taking other specified actions until the merger occurs or the merger agreement terminates. These restrictions may prevent us from pursuing otherwise attractive business opportunities and making other changes to our business prior to completion of the merger or termination of the merger agreement.

***Failure to Complete Our Merger with Allegheny Could Negatively Impact Our Stock Price and Our Future Business and Financial Results***

If our merger with Allegheny is not completed, our ongoing business and financial results may be adversely affected and we will be subject to a number of risks, including the following:

- We may be required, under specified circumstances set forth in the Merger Agreement, to pay Allegheny a termination fee of \$350 million and/or Allegheny's reasonable out-of-pocket transaction expenses up to \$45 million;
- we will be required to pay costs relating to the merger, including legal, accounting, financial advisory, filing and printing costs, whether or not the merger is completed; and
- matters relating to our merger with Allegheny (including integration planning) may require substantial commitments of time and resources by our management, which could otherwise have been devoted to other opportunities that may have been beneficial to us.

We could also be subject to litigation related to any failure to complete our merger with Allegheny. If our merger is not completed, these risks may materialize and may adversely affect our business, financial results and stock price.

**Risks Associated With Regulation**

***Complex and Changing Government Regulations Could Have a Negative Impact on Our Results of Operations***

We are subject to comprehensive regulation by various federal, state and local regulatory agencies that significantly influence our operating environment. Changes in, or reinterpretations of, existing laws or regulations, or the imposition of new laws or regulations, could require us to incur additional costs or change the way we conduct our business, and therefore could have an adverse impact on our results of operations.

Our utility subsidiaries currently provide service at rates approved by one or more regulatory commissions. Thus, the rates a utility is allowed to charge may or may not be set to recover its expenses at any given time. Additionally, there may also be a delay between the timing of when costs are incurred and when costs are recovered. For example, we may be unable to timely recover the costs for our energy efficiency investments, expenses and additional capital or lost revenues resulting from the implementation of aggressive energy efficiency programs. While rate regulation is premised on providing an opportunity to earn a reasonable return on invested capital and recovery of operating expenses, there can be no assurance that the applicable regulatory commission will determine that all of our costs have been prudently incurred or that the regulatory process in which rates are determined will always result in rates that will produce full recovery of our costs in a timely manner. For example, our utility subsidiaries' ability to timely recover rates and charges associated with integration of the ATSI footprint into PJM is uncertain.

***Regulatory Changes in the Electric Industry, Including a Reversal, Discontinuance or Delay of the Present Trend Toward Competitive Markets, Could Affect Our Competitive Position and Result in Unrecoverable Costs Adversely Affecting Our Business and Results of Operations***

As a result of restructuring initiatives, changes in the electric utility business have occurred, and are continuing to take place throughout the United States, including Ohio, Pennsylvania and New Jersey. These changes have resulted, and are expected to continue to result, in fundamental alterations in the way utilities conduct their business.

Some states that have deregulated generation service have experienced difficulty in transitioning to market-based pricing. In some instances, state and federal government agencies and other interested parties have made proposals to impose rate cap extensions or otherwise delay market restructuring or even re-regulate areas of these markets that have previously been deregulated. Although we expect wholesale electricity markets to continue to be competitive, proposals to re-regulate our industry may be made, and legislative or other action affecting the electric power restructuring process may cause the process to be delayed, discontinued or reversed in the states in which we currently, or may in the future, operate. Such delays, discontinuations or reversals of electricity market restructuring in the markets in which we operate could have an adverse impact on our results of operations and financial condition.

The FERC and the U.S. Congress propose changes from time to time in the structure and conduct of the electric utility industry. If the restructuring, deregulation or re-regulation efforts result in decreased margins or unrecoverable costs, our business and results of operations would be adversely affected. We cannot predict the extent or timing of further efforts to restructure, deregulate or re-regulate our business or the industry.

*The Prospect of Rising Rates Could Prompt Legislative or Regulatory Action to Restrict or Control Such Rate Increases. This In Turn Could Create Uncertainty Affecting Planning, Costs and Results of Operations and May Adversely Affect the Utilities' Ability to Recover Their Costs, Maintain Adequate Liquidity and Address Capital Requirements*

Increases in utility rates, such as may follow a period of frozen or capped rates, can generate pressure on legislators and regulators to take steps to control those increases. Such efforts can include some form of rate increase moderation, reduction or freeze. The public discourse and debate can increase uncertainty associated with the regulatory process, the level of rates and revenues, and the ability to recover costs. Such uncertainty restricts flexibility and resources, given the need to plan and ensure available financial resources. Such uncertainty also affects the costs of doing business. Such costs could ultimately reduce liquidity, as suppliers tighten payment terms, and increase costs of financing, as lenders demand increased compensation or collateral security to accept such risks.

*Our Profitability is Impacted by Our Affiliated Companies' Continued Authorization to Sell Power at Market-Based Rates*

The FERC granted FES, FGCO and NGC authority to sell electricity at market-based rates. These orders also granted them waivers of certain FERC accounting, record-keeping and reporting requirements. The Utilities also have market-based rate authority. The FERC's orders that grant this market-based rate authority reserve the right to revoke or revise that authority if the FERC subsequently determines that these companies can exercise market power in transmission or generation, create barriers to entry or engage in abusive affiliate transactions. As a condition to the orders granting the generating companies market-based rate authority, every three years they are required to file a market power update to show that they continue to meet the FERC's standards with respect to generation market power and other criteria used to evaluate whether entities qualify for market-based rates. FES, FGCO, NGC and the Utilities renewed this authority for PJM in 2008 and MISO in 2009. FES, FGCO, NGC and the Utilities must file to renew this authority for PJM in 2010. If any of these companies were to lose their market-based rate authority, they would be required to obtain the FERC's acceptance to sell power at cost-based rates. FES, FGCO and NGC could also lose their waivers, and become subject to the accounting, record-keeping and reporting requirements that are imposed on utilities with cost-based rate schedules.

*There Are Uncertainties Relating to Our Participation in Regional Transmission Organizations (RTOs)*

RTO rules could affect our ability to sell power produced by our generating facilities to users in certain markets due to transmission constraints and attendant congestion costs. The prices in day-ahead and real-time energy markets and RTO capacity markets have been subject to price volatility. Administrative costs imposed by RTOs, including the cost of administering energy markets, have also increased. The rules governing the various regional power markets may also change from time to time, which could affect our costs or revenues. To the degree we incur significant additional fees and increased costs to participate in an RTO, and we are limited with respect to recovery of such costs from retail customers, we may suffer financial harm. While RTO rates for transmission service are cost based, our revenues from customers to whom we currently provide transmission services may not reflect all of the administrative and market-related costs imposed under the RTO tariff. In addition, we may be allocated a portion of the cost of transmission facilities built by others due to changes in RTO transmission rate design. Finally, we may be required to expand our transmission system according to decisions made by an RTO rather than our internal planning process. As a member of an RTO, we are subject to certain additional risks, including those associated with the allocation among members of losses caused by unreimbursed defaults of other participants in that RTO's market, and those associated with complaint cases filed against the RTO that may seek refunds of revenues previously earned by its members.

MISO implemented an ancillary services market for operating reserves that would be simultaneously co-optimized with MISO's existing energy markets. The implementation of these and other new market designs has the potential to increase our costs of transmission, costs associated with inefficient generation dispatching, costs of participation in the market and costs associated with estimated payment settlements.

Because it remains unclear which companies will be participating in the various regional power markets, or how RTOs will ultimately develop and operate, or what region they will cover, we cannot fully assess the impact that these power markets or other ongoing RTO developments may have.



*A Significant Delay in or Challenges to Various Elements of ATSI's Consolidation into PJM, including but not Limited to, the Intervention of Parties to the Regulatory Proceedings, Could have a Negative Impact on Our Results of Operations and Financial Condition*

On December 17, 2009, FERC authorized, subject to certain conditions, FirstEnergy to consolidate its transmission assets and operations that currently are located in MISO into PJM; such consolidation to be effective on June 1, 2011. The consolidation will make the transmission assets that are part of ATSI, whose footprint includes the Ohio Companies and Penn, part of PJM. Consolidation on June 1, 2011 will coincide with delivery of power under the next competitive generation procurement process for the Ohio Companies. On December 17, 2009, and after FERC issued the order, ATSI executed and delivered to PJM those legal documents necessary to implement its consolidation into PJM. On December 18, 2009, the Ohio Companies and Penn executed and delivered to PJM those legal documents necessary to follow ATSI into PJM. Currently, ATSI, the Ohio Companies and Penn are expected to consolidate into PJM as planned on June 1, 2011.

Certain parties have objected to various aspects of the planned consolidation into PJM. On September 4, 2009, the PUCO opened a case to take comments from Ohio's stakeholders regarding the RTO consolidation. Certain parties have intervened and filed comments or protests in the FERC and PUCO dockets regarding particular elements of the proposed RTO consolidation. The disputed elements include, but are not limited to, recovery of integration costs to PJM and exit fees to MISO and cost-allocations of transmission upgrades that originate under the PJM and MISO tariffs. A ruling by FERC or the PUCO or any other regulator with jurisdiction in favor of one or more of the intervening or protesting parties (and against FirstEnergy) on one or more of the disputed issues could result in a negative impact on our results of operations and financial condition.

*Energy Conservation and Energy Price Increases Could Negatively Impact Our Financial Results*

A number of regulatory and legislative bodies have introduced requirements and/or incentives to reduce energy consumption by certain dates. Conservation programs could impact our financial results in different ways. To the extent conservation resulted in reduced energy demand or significantly slowed the growth in demand, the value of our merchant generation and other unregulated business activities could be adversely impacted. While we currently have energy efficiency riders in place to recover the cost of these programs either at or near a current recovery timeframe in all three states, currently only Ohio allows us to recover lost revenues. In our regulated operations, conservation could negatively impact us depending on the regulatory treatment of the associated impacts. Should we be required to invest in conservation measures that result in reduced sales from effective conservation, regulatory lag in adjusting rates for the impact of these measures could have a negative financial impact. We could also be impacted if any future energy price increases result in a decrease in customer usage. Our results could be affected if we are unable to increase our customer's participation in our energy efficiency programs. We are unable to determine what impact, if any, conservation and increases in energy prices will have on our financial condition or results of operations.

*Our Business and Activities are Subject to Extensive Environmental Requirements and Could be Adversely Affected by such Requirements*

We may be forced to shut down facilities, either temporarily or permanently, if we are unable to comply with certain environmental requirements, or if we make a determination that the expenditures required to comply with such requirements are uneconomical. In fact, we are exposed to the risk that such electric generating plants would not be permitted to continue to operate if pollution control equipment is not installed by prescribed deadlines.

*The EPA is Conducting NSR Investigations at a Number of our Generating Plants, the Results of Which Could Negatively Impact our Results of Operations and Financial Condition*

In August 2009, the EPA issued a Finding of Violation and NOV alleging violations of the CAA and Ohio regulations, including the PSD, NNSR, and Title V regulations at the Eastlake, Lakeshore, Bay Shore, and Ashtabula generating plants. The EPA's NOV alleges equipment replacements occurring during maintenance outages dating back to 1990 triggered the pre-construction permitting requirements under the PSD and NNSR programs. In September 2009, FGCO received an information request pursuant to Section 114(a) of the CAA requesting certain operating and maintenance information and planning information regarding the Eastlake, Lake Shore, Bay Shore and Ashtabula generating plants. On November 3, 2009, FGCO received a letter providing notification that the EPA is evaluating whether certain scheduled maintenance at the Eastlake generating plant may constitute a major modification under the NSR provision of the CAA. On December 23, 2009, FGCO received another information request regarding emission projections for the Eastlake generating plant pursuant to Section 114(a) of the CAA. FGCO intends to comply with the CAA, including EPA's information requests, but, at this time, is unable to predict the outcome of this matter. A June 2006 finding of violation and NOV in which EPA alleged CAA violations at the Bay Shore Generating Plant remains unresolved and FGCO is unable to predict the outcome of such matter.

In August 2008, FirstEnergy received a request from the EPA for information pursuant to Section 114(a) of the CAA for certain operating and maintenance information regarding its formerly-owned Avon Lake and Niles generating plants, as well as a copy of a nearly identical request directed to the current owner, Reliant Energy, to allow the EPA to determine whether these generating sources are complying with the NSR provisions of the CAA. FirstEnergy intends to fully comply with the Section 114(a) information request. An adverse result in the above referenced matters could have a negative impact on our results of operations and financial condition.

*Costs of Compliance with Environmental Laws are Significant, and the Cost of Compliance with Future Environmental Laws, Including Limitations on GHG Emissions, Could Adversely Affect Cash Flow and Profitability*

Our operations are subject to extensive federal, state and local environmental statutes, rules and regulations. Compliance with these legal requirements requires us to incur costs for environmental monitoring, installation of pollution control equipment, emission fees, maintenance, upgrading, remediation and permitting at our facilities. These expenditures have been significant in the past and may increase in the future. If the cost of compliance with existing environmental laws and regulations does increase, it could adversely affect our business and results of operations, financial position and cash flows. Moreover, changes in environmental laws or regulations may materially increase our costs of compliance or accelerate the timing of capital expenditures. Because of the deregulation of generation, we may not directly recover through rates additional costs incurred for such compliance. Our compliance strategy, although reasonably based on available information, may not successfully address future relevant standards and interpretations. If we fail to comply with environmental laws and regulations, even if caused by factors beyond our control or new interpretations of longstanding requirements, that failure could result in the assessment of civil or criminal liability and fines. In addition, any alleged violation of environmental laws and regulations may require us to expend significant resources to defend against any such alleged violations.

There are a number of initiatives to reduce GHG emissions under consideration at the federal, state and international level. Environmental advocacy groups, other organizations and some agencies in the United States are focusing considerable attention on carbon dioxide emissions from power generation facilities and their potential role in climate change. Many states and environmental groups have also challenged certain of the federal laws and regulations relating to air emissions as not being sufficiently strict. Also, claims have been made alleging that CO<sub>2</sub> emissions from power generating facilities constitute a public nuisance under federal and/or state common law. Private individuals may seek to enforce environmental laws and regulations against us and could allege personal injury or property damage from exposure to hazardous materials. Recently the courts have begun to acknowledge these claims and may order us to reduce GHG emissions in the future. There is a growing consensus in the United States and globally that GHG emissions are a major cause of global warming and that some form of regulation will be forthcoming at the federal level with respect to GHG emissions (including carbon dioxide) and such regulation could result in the creation of substantial additional costs in the form of taxes or emission allowances. As a result, it is possible that state and federal regulations will be developed that will impose more stringent limitations on emissions than are currently in effect. In December 2009, the EPA issued an "endangerment and cause or contributing finding" for GHG under the CAA, which will allow the EPA to craft rules that directly regulate GHG. Although several bills have been introduced at the state and federal level that would compel carbon dioxide emission reductions, none have advanced through the legislature. Due to the uncertainty of control technologies available to reduce greenhouse gas emissions including CO<sub>2</sub>, as well as the unknown nature of potential compliance obligations should climate change regulations be enacted, we cannot provide any assurance regarding the potential impacts these future regulations would have on our operations. In addition, any legal obligation that would require us to substantially reduce our emissions could require extensive mitigation efforts and, in the case of carbon dioxide legislation, would raise uncertainty about the future viability of fossil fuels, particularly coal, as an energy source for new and existing electric generation facilities. Until specific regulations are promulgated, the impact that any new environmental regulations, voluntary compliance guidelines, enforcement initiatives, or legislation may have on our results of operations, financial condition or liquidity is not determinable.

The EPA's current CAIR and CAVR require significant reductions beginning in 2009 in air emissions from coal-fired power plants and the states have been given substantial discretion in developing their own rules to implement these programs. On December 23, 2008, the United States Court of Appeals for the District of Columbia remanded CAIR to EPA but allowed the current CAIR regulations to remain in effect while EPA works to remedy flaws in the CAIR regulations identified by the court in a July 11, 2008 opinion. As a result, the ultimate requirements under CAIR may not be known for several years and may differ significantly from the current CAIR regulations. If the EPA significantly changes CAIR, or if the states elect to impose additional requirements on individual units that are already subject to CAIR, the cost of compliance could increase significantly and could have an adverse effect on future results of operations, cash flows and financial condition.

The EPA's final CAMR was vacated by the United States Court of Appeals for the District Court of Columbia on February 8, 2008 because the EPA failed to take the necessary steps to "de-list" coal-fired power plants from its hazardous air pollution program and therefore could not promulgate a cap and trade air emissions reduction program. On October 21, 2009, the EPA opened a 30-day comment period on a proposed consent decree that would obligate the EPA to propose MACT regulations for mercury and other hazardous air pollutants by March 16, 2011, and to finalize the regulations by November 16, 2011. FGC's future cost of compliance with MACT regulations may be substantial and could have a material adverse effect on future results of operations, cash flows and financial condition.

Various water quality regulations, the majority of which are the result of the federal Clean Water Act and its amendments, apply to our generating plants. In addition, Ohio, New Jersey and Pennsylvania have water quality standards applicable to our operations. As provided in the Clean Water Act, authority to grant federal National Pollutant Discharge Elimination System water discharge permits can be assumed by a state. Ohio, New Jersey and Pennsylvania have assumed such authority.

There is substantial uncertainty concerning the final form of federal and state regulations to implement Section 316(b) of the Clean Water Act. On January 26, 2007, the United States Court of Appeals for the Second Circuit remanded back to the EPA portions of its rulemaking pursuant to Section 316(b). The EPA subsequently suspended its rule, noting that until further rulemaking occurs, permitting authorities should continue the existing practice of applying their best professional judgment to minimize impacts on fish and shellfish from cooling water intake structures. On July 9, 2007, the EPA suspended this rule, noting that until further rulemaking occurs, permitting authorities should continue the existing practice of applying their best professional judgment to minimize impacts on fish and shellfish from cooling water intake structures. On April 1, 2009, the Supreme Court of the United States reversed one significant aspect of the Second Circuit Court's opinion and decided that Section 316(b) of the Clean Water Act authorizes the EPA to compare costs with benefits in determining the best technology available for minimizing adverse environmental impact at cooling water intake structures. The EPA is developing a new regulation under Section 316(b) of the Clean Water Act consistent with the opinions of the Supreme Court and the Court of Appeals which have created significant uncertainty about the specific nature, scope and timing of the final performance standard. We may incur significant capital costs to comply with the final regulations. If either the federal or state final regulations require retrofitting of cooling water intake structures (cooling towers) at any of our power plants, and if installation of such cooling towers is not technically or economically feasible, we may be forced to take actions which could adversely impact our results of operations and financial condition.

Certain fossil-fuel combustion waste products, such as coal ash, have been exempt from hazardous waste disposal requirements pending the EPA's evaluation of the need for future regulation. In February 2009, the EPA requested comments from the states on options for regulating coal combustion wastes, including regulation as non-hazardous waste or regulation as a hazardous waste. On December 30, 2009, in an advanced notice of public rulemaking, the EPA said that the large volumes of coal combustion residuals produced by electric utilities pose significant financial risk to the industry. Additional regulation of fossil-fuel combustion waste products could have a significant impact on our management, beneficial use, and disposal of coal ash and our cost of compliance could increase significantly which could have a material adverse effect on future results of operations, cash flows and financial condition.

#### *The Physical Risks Associated with Climate Change May Impact Our Results of Operations and Cash Flows.*

Physical risks of climate change, such as more frequent or more extreme weather events, changes in temperature and precipitation patterns, changes to ground and surface water availability, and other related phenomena, could affect some, or all, of our operations. Severe weather or other natural disasters could be destructive, which could result in increased costs, including supply chain costs. An extreme weather event within the Utilities' service areas can also directly affect their capital assets, causing disruption in service to customers due to downed wires and poles or damage to other operating equipment. Finally, climate change could affect the availability of a secure and economical supply of water in some locations, which is essential for FirstEnergy's and FES's continued operation, particularly the cooling of generating units.

#### *Remediation of Environmental Contamination at Current or Formerly Owned Facilities*

We are subject to liability under environmental laws for the costs of remediating environmental contamination of property now or formerly owned by us and of property contaminated by hazardous substances that we may have generated regardless of whether the liabilities arose before, during or after the time we owned or operated the facilities. Remediation activities associated with our former MGP operations are one source of such costs. We are currently involved in a number of proceedings relating to sites where other hazardous substances have been deposited and may be subject to additional proceedings in the future. We also have current or previous ownership interests in sites associated with the production of gas and the production and delivery of electricity for which we may be liable for additional costs related to investigation, remediation and monitoring of these sites. Citizen groups or others may bring litigation over environmental issues including claims of various types, such as property damage, personal injury, and citizen challenges to compliance decisions on the enforcement of environmental requirements, such as opacity and other air quality standards, which could subject us to penalties, injunctive relief and the cost of litigation. We cannot predict the amount and timing of all future expenditures (including the potential or magnitude of fines or penalties) related to such environmental matters, although we expect that they could be material.

In some cases, a third party who has acquired assets from us has assumed the liability we may otherwise have for environmental matters related to the transferred property. If the transferee fails to discharge the assumed liability or disputes its responsibility, a regulatory authority or injured person could attempt to hold us responsible, and our remedies against the transferee may be limited by the financial resources of the transferee.

#### *Availability and Cost of Emission Credits Could Materially Impact Our Costs of Operations*

We are required to maintain, either by allocation or purchase, sufficient emission credits to support our operations in the ordinary course of operating our power generation facilities. These credits are used to meet our obligations imposed by various applicable environmental laws. If our operational needs require more than our allocated allowances of emission credits, we may be forced to purchase such credits on the open market, which could be costly. If we are unable to maintain sufficient emission credits to match our operational needs, we may have to curtail our operations so as not to exceed our available emission credits, or install costly new emissions controls. As we use the emissions credits that we have purchased on the open market, costs associated with such purchases will be recognized as operating expense. If such credits are available for purchase, but only at significantly higher prices, the purchase of such credits could materially increase our costs of operations in the affected markets. Laws and regulations such as CAIR may, and are, being revised and as CAIR is being rewritten it is creating uncertainty in many areas, including but not limited to, the annual NOx emission allowances beyond 2010.

#### *Mandatory Renewable Portfolio Requirements Could Negatively Affect Our Costs*

If federal or state legislation mandates the use of renewable and alternative fuel sources, such as wind, solar, biomass and geothermal, and such legislation would not also provide for adequate cost recovery, it could result in significant changes in our business, including renewable energy credit purchase costs, purchased power and potentially renewable energy credit costs and capital expenditures. We are unable to predict what impact, if any, these changes may have on our financial condition or results of operations.

#### *We Are and May Become Subject to Legal Claims Arising from the Presence of Asbestos or Other Regulated Substances at Some of our Facilities*

We have been named as a defendant in pending asbestos litigation involving multiple plaintiffs and multiple defendants. In addition, asbestos and other regulated substances are, and may continue to be, present at our facilities where suitable alternative materials are not available. We believe that any remaining asbestos at our facilities is contained. The continued presence of asbestos and other regulated substances at these facilities, however, could result in additional actions being brought against us.

#### *The Continuing Availability and Operation of Generating Units is Dependent on Retaining the Necessary Licenses, Permits, and Operating Authority from Governmental Entities, Including the NRC*

We are required to have numerous permits, approvals and certificates from the agencies that regulate our business. We believe the necessary permits, approvals and certificates have been obtained for our existing operations and that our business is conducted in accordance with applicable laws; however, we are unable to predict the impact on our operating results from future regulatory activities of any of these agencies and we are not assured that any such permits, approvals or certifications will be renewed.

#### *Future Changes in Financial Accounting Standards May Affect Our Reported Financial Results*

The SEC, FASB or other authoritative bodies or governmental entities may issue new pronouncements or new interpretations of existing accounting standards that may require us to change our accounting policies. These changes are beyond our control, can be difficult to predict and could materially impact how we report our financial condition and results of operations. We could be required to apply a new or revised standard retroactively, which could adversely affect our financial position. The SEC has issued a roadmap for the transition by U.S. public companies to the use of IFRS promulgated by the International Accounting Standards Board. Under the SEC's proposed roadmap, we could be required in 2014 to prepare financial statements in accordance with IFRS. The SEC expects to make a determination in 2011 regarding the mandatory adoption of IFRS. We are currently assessing the impact that this potential change would have on our consolidated financial statements and we will continue to monitor the development of the potential implementation of IFRS.

#### *Increases in Taxes and Fees.*

Due to the revenue needs of the United States and the states and jurisdictions in which we operate, various tax and fee increases may be proposed or considered. We cannot predict whether legislation or regulation will be introduced, the form of any legislation or regulation, whether any such legislation or regulation will be passed by the state legislatures or regulatory bodies. If enacted, these changes could increase tax costs and could have a negative impact on our results of operations, financial condition and cash flows.

## **Risks Associated With Financing and Capital Structure**

### ***Interest Rates and/or a Credit Rating Downgrade Could Negatively Affect Our Financing Costs, Our Ability to Access Capital and Our Requirement to Post Collateral***

We have near-term exposure to interest rates from outstanding indebtedness indexed to variable interest rates, and we have exposure to future interest rates to the extent we seek to raise debt in the capital markets to meet maturing debt obligations and fund construction or other investment opportunities. The recent disruptions in capital and credit markets have resulted in higher interest rates on new publicly issued debt securities, increased costs for certain of our variable interest rate debt securities and failed remarketings (all of which were eventually remarketed) of variable interest rate tax-exempt debt issued to finance certain of our facilities. Continuation of these disruptions could increase our financing costs and adversely affect our results of operations. Also, interest rates could change as a result of economic or other events that our risk management processes were not established to address. As a result, we cannot always predict the impact that our risk management decisions may have on us if actual events lead to greater losses or costs than our risk management positions were intended to hedge. Although we employ risk management techniques to hedge against interest rate volatility, significant and sustained increases in market interest rates could materially increase our financing costs and negatively impact our reported results of operations.

We rely on access to bank and capital markets as sources of liquidity for cash requirements not satisfied by cash from operations. A downgrade in our credit ratings from the nationally recognized credit rating agencies, particularly to a level below investment grade, could negatively affect our ability to access the bank and capital markets, especially in a time of uncertainty in either of those markets, and may require us to post cash collateral to support outstanding commodity positions in the wholesale market, as well as available letters of credit and other guarantees. A rating downgrade would also increase the fees we pay on our various credit facilities, thus increasing the cost of our working capital. A rating downgrade could also impact our ability to grow our businesses by substantially increasing the cost of, or limiting access to, capital. On February 11, 2010, S&P issued a report lowering FirstEnergy's and its subsidiaries' credit ratings by one notch, while maintaining its stable outlook. As a result, FirstEnergy may be required to post up to \$48 million of collateral. Moody's and Fitch affirmed the ratings and stable outlook of FirstEnergy and its subsidiaries on February 11, 2010.

A rating is not a recommendation to buy, sell or hold debt, inasmuch as such rating does not comment as to market price or suitability for a particular investor. The ratings assigned to our debt address the likelihood of payment of principal and interest pursuant to their terms. A rating may be subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating that may be assigned to our securities. Also, we cannot predict how rating agencies may modify their evaluation process or the impact such a modification may have on our ratings.

Our credit ratings also govern the collateral provisions of certain contract guarantees. Subsequent to the occurrence of a credit rating downgrade to below investment grade or a "material adverse event," the immediate posting of cash collateral may be required. See Note 15(B) of the Notes to the Consolidated Financial Statements for more information associated with a credit ratings downgrade leading to the posting of cash collateral.

### ***We Must Rely on Cash from Our Subsidiaries and Any Restrictions on Our Utility Subsidiaries' Ability to Pay Dividends or Make Cash Payments to Us May Adversely Affect Our Financial Condition***

We are a holding company and our investments in our subsidiaries are our primary assets. Substantially all of our business is conducted by our subsidiaries. Consequently, our cash flow is dependent on the operating cash flows of our subsidiaries and their ability to upstream cash to the holding company. Our utility subsidiaries are regulated by various state utility commissions that generally possess broad powers to ensure that the needs of utility customers are being met. Those state commissions could attempt to impose restrictions on the ability of our utility subsidiaries to pay dividends or otherwise restrict cash payments to us.

### ***We Cannot Assure Common Shareholders that Future Dividend Payments Will be Made, or if Made, in What Amounts they May be Paid***

Our Board of Directors regularly evaluates our common stock dividend policy and determines the dividend rate each quarter. The level of dividends will continue to be influenced by many factors, including, among other things, our earnings, financial condition and cash flows from subsidiaries, as well as general economic and competitive conditions. We cannot assure common shareholders that dividends will be paid in the future, or that, if paid, dividends will be at the same amount or with the same frequency as in the past.

*Disruptions in the Capital and Credit Markets May Adversely Affect our Business, Including the Availability and Cost of Short-Term Funds for Liquidity Requirements, Our Ability to Meet Long-Term Commitments, our Ability to Hedge Effectively our Generation Portfolio, and the Competitiveness and Liquidity of Energy Markets; Each Could Adversely Affect our Results of Operations, Cash Flows and Financial Condition*

We rely on the capital markets to meet our financial commitments and short-term liquidity needs if internal funds are not available from our operations. We also use letters of credit provided by various financial institutions to support our hedging operations. Disruptions in the capital and credit markets, as have been experienced during 2008, could adversely affect our ability to draw on our respective credit facilities. Our access to funds under those credit facilities is dependent on the ability of the financial institutions that are parties to the facilities to meet their funding commitments. Those institutions may not be able to meet their funding commitments if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests within a short period of time.

Longer-term disruptions in the capital and credit markets as a result of uncertainty, changing or increased regulation, reduced alternatives or failures of significant financial institutions could adversely affect our access to liquidity needed for our business. Any disruption could require us to take measures to conserve cash until the markets stabilize or until alternative credit arrangements or other funding for our business needs can be arranged. Such measures could include deferring capital expenditures, changing hedging strategies to reduce collateral-posting requirements, and reducing or eliminating future dividend payments or other discretionary uses of cash.

The strength and depth of competition in energy markets depends heavily on active participation by multiple counterparties, which could be adversely affected by disruptions in the capital and credit markets. Reduced capital and liquidity and failures of significant institutions that participate in the energy markets could diminish the liquidity and competitiveness of energy markets that are important to our business. Perceived weaknesses in the competitive strength of the energy markets could lead to pressures for greater regulation of those markets or attempts to replace those market structures with other mechanisms for the sale of power, including the requirement of long-term contracts, which could have a material adverse effect on our results of operations and cash flows.

*Questions Regarding the Soundness of Financial Institutions or Counterparties Could Adversely Affect Us*

We have exposure to many different financial institutions and counterparties and we routinely execute transactions with counterparties in connection with our hedging activities, including brokers and dealers, commercial banks, investment banks and other institutions and industry participants. Many of these transactions expose us to credit risk in the event that any of our lenders or counterparties are unable to honor their commitments or otherwise default under a financing agreement. We also deposit cash balances in short-term investments. Our ability to access our cash quickly depends on the soundness of the financial institutions in which those funds reside. Any delay in our ability to access those funds, even for a short period of time, could have a material adverse effect on our results of operations and financial condition.

**ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

**ITEM 2. PROPERTIES**

The Utilities' (other than ATSI and JCP&L) and FGCO's respective first mortgage indentures constitute, in the opinion of their counsel, direct first liens on substantially all of the respective Utilities', FGCO's and NGC's physical property, subject only to excepted encumbrances, as defined in the first mortgage indentures. See the "Leases" and "Capitalization" notes to the respective financial statements for information concerning leases and financing encumbrances affecting certain of the Utilities', FGCO's and NGC's properties.

FirstEnergy has access, either through ownership or lease, to the following generation sources as of January 31, 2010, shown in the table below. Except for the leasehold interests and OVEC participation referenced in the footnotes to the table, substantially all of the generating units are owned by NGC (nuclear) and FGCO (non-nuclear).

<u>Plant-Location</u>	<u>Unit</u>	<u>Net Demonstrated Capacity (MW)</u>
<u>Coal-Fired Units</u>		
Ashtabula-		
Ashtabula, OH	5	244
Bay Shore-		
Toledo, OH	1-4	631
R. E. Burger-		
Shadyside, OH	3-6	406
Eastlake-Eastlake, OH	1-5	1,233
Lakeshore-		
Cleveland, OH	18	245
Bruce Mansfield-	1	830 (a)
Shippingport, PA	2	830 (b)
	3	830 (c)
W. H. Sammis - Stratton, OH	1-7	2,220
Kyger Creek - Cheshire, OH	1-5	118 (d)
Clifty Creek - Madison, IN	1-6	142 (d)
Total		7,729
<u>Nuclear Units</u>		
Beaver Valley-	1	911
Shippingport, PA	2	904 (e)
Davis-Besse-		
Oak Harbor, OH	1	908
Perry-		
N. Perry Village, OH	1	1,268 (f)
Total		3,991
<u>Oil/Gas - Fired/ Pumped Storage Units</u>		
Richland - Defiance, OH	1-6	432
Seneca - Warren, PA	1-3	451
Sumpter - Sumpter Twp, MI	1-4	340
West Lorain - Lorain, OH	1-6	545
Yard's Creek - Blairstown Twp., NJ	1-3	200 (g)
Other		282
Total		2,250
Total		13,970

- Notes: (a) Includes FGCO's leasehold interest of 93.825% (779 MW) and CEI's leasehold interest of 6.175% (51 MW), which has been assigned to FGCO.
- (b) Includes CEI's and TE's leasehold interests of 27.17% (226 MW) and 16.435% (136 MW), respectively, which have been assigned to FGCO.
- (c) Includes CEI's and TE's leasehold interests of 23.247% (193 MW) and 18.915% (157 MW), respectively, which have been assigned to FGCO.
- (d) Represents FGCO's 11.5% entitlement based on its participation in OVEC.
- (e) Includes OE's leasehold interest of 18.65% (151 MW) from non-affiliates.
- (f) Includes OE's leasehold interest of 8.11% (103 MW) from non-affiliates.
- (g) Represents JCP&L's 50% ownership interest.

The above generating plants and load centers are connected by a transmission system consisting of elements having various voltage ratings ranging from 23 kV to 500 kV. The Utilities' overhead and underground transmission lines aggregate 15,065 pole miles.

The Utilities' electric distribution systems include 119,024 miles of overhead pole line and underground conduit carrying primary, secondary and street lighting circuits. They own substations with a total installed transformer capacity of 91,048,000 kV-amperes.

The transmission facilities that are owned by ATSI are currently operated on an integrated basis as part of MISO and are interconnected with facilities operated by PJM. In December 2009, however, the FERC approved ATSI's realignment into PJM, subject to certain conditions. The transmission facilities of JCP&L, Met-Ed and Penelec are physically interconnected and are operated on an integrated basis as part of PJM.

FirstEnergy's distribution and transmission systems as of December 31, 2009, consist of the following:

	Distribution Lines	Transmission Lines	Substation Transformer Capacity
	(Miles)		(kV-amperes)
OE	30,465	550	9,503,000
Penn	5,945	44	1,057,000
CEI	25,366	2,144	7,830,000
TE	2,122	223	2,973,000
JCP&L	18,775	2,160	21,967,000
Met-Ed	15,128	1,422	10,353,000
Penelec	20,223	2,701	13,978,000
ATSI*	-	5,821	23,387,000
Total	119,024	15,065	91,048,000

\* Represents transmission lines of 69kV and above located in the service areas of OE, Penn, CEI and TE.

### ITEM 3. LEGAL PROCEEDINGS

On February 16, 2010, a class action lawsuit was filed in Geauga County Court of Common Pleas against FirstEnergy, CEI and OE seeking declaratory judgment and injunctive relief, as well as compensatory, incidental and consequential damages, on behalf of a class of customers related to the reduction of a discount that had previously been in place for residential customers with electric heating, electric water heating, or load management systems. The reduction in the discount was approved by the PUCO. The named-defendant companies intend to assert all applicable defenses, including the lack of jurisdiction of the court of common pleas, and to challenge any class certification.

Reference is made to Note 15, Commitments, Guarantees and Contingencies, of FirstEnergy's Notes to Consolidated Financial Statements contained in Item 8 for a description of certain legal proceedings involving FirstEnergy, FES, OE, CEI, TE, JCP&L, Met-Ed and Penelec.

### ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The information required by Item 5 regarding FirstEnergy's market information, including stock exchange listings and quarterly stock market prices, dividends and holders of common stock is included on page 1 of FirstEnergy's 2009 Annual Report to Stockholders (Exhibit 13.1). Pursuant to General Instruction I of Form 10-K, information for FES, OE, CEI, TE, JCP&L, Met-Ed and Penelec is not required to be disclosed because they are wholly owned subsidiaries.

Information regarding compensation plans for which shares of FirstEnergy common stock may be issued is incorporated herein by reference to FirstEnergy's 2010 proxy statement filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934.



The table below includes information on a monthly basis regarding purchases made by FirstEnergy of its common stock during the fourth quarter of 2009.

	Period			
	October	November	December	Fourth Quarter
Total Number of Shares Purchased <sup>(a)</sup>	15,928	29,860	388,426	434,214
Average Price Paid per Share	\$45.84	\$42.99	\$43.28	\$43.36
Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	-	-	-	-
Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs	-	-	-	-

(a) Share amounts reflect purchases on the open market to satisfy FirstEnergy's obligations to deliver common stock under its 2007 Incentive Plan, Deferred Compensation Plan for Outside Directors, Executive Deferred Compensation Plan, Savings Plan and Stock Investment Plan. In addition, such amounts reflect shares tendered by employees to pay the exercise price or withholding taxes under the 2007 Incentive Plan and the Executive Deferred Compensation Plan, and any shares that may have been purchased as part of publicly announced plans.

## ITEM 6. SELECTED FINANCIAL DATA

### FIRSTENERGY CORP. SELECTED FINANCIAL DATA

For the Years Ended December 31,	2009	2008	2007	2006	2005
	<i>(In millions, except per share amounts)</i>				
Revenues	\$ 12,967	\$ 13,627	\$ 12,802	\$ 11,501	\$ 11,358
Income From Continuing Operations	\$ 1,006	\$ 1,342	\$ 1,309	\$ 1,258	\$ 879
Earnings Available to FirstEnergy Corp.	\$ 1,006	\$ 1,342	\$ 1,309	\$ 1,254	\$ 861
Basic Earnings per Share of Common Stock:					
Income from continuing operations	\$ 3.31	\$ 4.41	\$ 4.27	\$ 3.85	\$ 2.68
Earnings per basic share	\$ 3.31	\$ 4.41	\$ 4.27	\$ 3.84	\$ 2.62
Diluted Earnings per Share of Common Stock:					
Income from continuing operations	\$ 3.29	\$ 4.38	\$ 4.22	\$ 3.82	\$ 2.67
Earnings per diluted share	\$ 3.29	\$ 4.38	\$ 4.22	\$ 3.81	\$ 2.61
Dividends Declared per Share of Common Stock <sup>(1)</sup>	\$ 2.20	\$ 2.20	\$ 2.05	\$ 1.85	\$ 1.705
Total Assets	\$ 34,304	\$ 33,521	\$ 32,311	\$ 31,196	\$ 31,841
Capitalization as of December 31:					
Total Equity	\$ 8,557	\$ 8,315	\$ 9,007	\$ 9,069	\$ 9,225
Preferred Stock	-	-	-	-	184
Long-Term Debt and Other Long-Term Obligations	11,908	9,100	8,869	8,535	8,155
Total Capitalization	\$ 20,465	\$ 17,415	\$ 17,876	\$ 17,604	\$ 17,564
Weighted Average Number of Basic Shares Outstanding	304	304	306	324	328
Weighted Average Number of Diluted Shares Outstanding	306	307	310	327	330

(1) Dividends declared in 2009 and 2008 include four quarterly dividends of \$0.55 per share. Dividends declared in 2007 include three quarterly payments of \$0.50 per share in 2007 and one quarterly payment of \$0.55 per share in 2008. Dividends declared in 2006 include three quarterly payments of \$0.45 per share in 2006 and one quarterly payment of \$0.50 per share in 2007. Dividends declared in 2005 include two quarterly payments of \$0.4125 per share in 2005, one quarterly payment of \$0.43 per share in 2005 and one quarterly payment of \$0.45 per share in 2006. Dividends declared in 2004 include four quarterly dividends of \$0.375 per share paid in 2004 and a quarterly dividend of \$0.4125 per share paid in 2005.

## PRICE RANGE OF COMMON STOCK

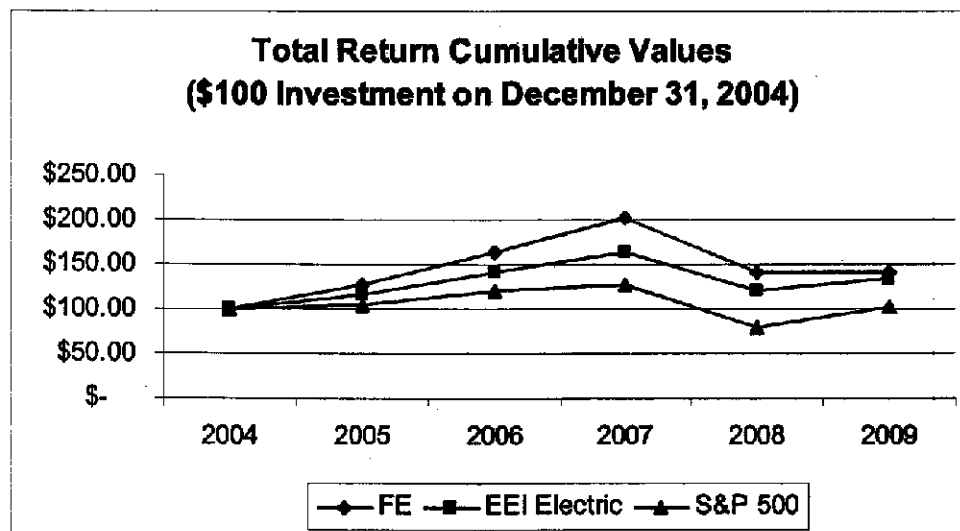
The common stock of FirstEnergy Corp. is listed on the New York Stock Exchange under the symbol "FE" and is traded on other registered exchanges.

	2009		2008	
First Quarter High-Low	\$ 53.63	\$ 35.63	\$ 78.51	\$ 64.44
Second Quarter High-Low	\$ 43.29	\$ 35.26	\$ 83.49	\$ 69.20
Third Quarter High-Low	\$ 47.82	\$ 36.73	\$ 84.00	\$ 63.03
Fourth Quarter High-Low	\$ 47.77	\$ 41.57	\$ 66.69	\$ 41.20
Yearly High-Low	\$ 53.63	\$ 35.26	\$ 84.00	\$ 41.20

Prices are from <http://finance.yahoo.com>.

## SHAREHOLDER RETURN

The following graph shows the total cumulative return from a \$100 investment on December 31, 2004 in FirstEnergy's common stock compared with the total cumulative returns of EEI's Index of Investor-Owned Electric Utility Companies and the S&P 500.



## HOLDERS OF COMMON STOCK

There were 110,712 and 110,365 holders of 304,835,407 shares of FirstEnergy's common stock as of December 31, 2009 and January 31, 2010, respectively. Information regarding retained earnings available for payment of cash dividends is given in Note 12 to the consolidated financial statements.

## ITEM 7. Management's Discussion and Analysis of Registrant and Subsidiaries

### ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

### ITEM 8. Financial Statements and Supplementary Data

### ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

## **ITEM 9A. CONTROLS AND PROCEDURES – FIRSTENERGY**

### **Evaluation of Disclosure Controls and Procedures**

FirstEnergy's Chief Executive Officer and Chief Financial Officer have reviewed and evaluated such registrant's disclosure controls and procedures, as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e), as of the end date covered by this report. Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that FirstEnergy's disclosure controls and procedures were effective as of December 31, 2009.

### **Management's Report on Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. Using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework, management conducted an evaluation of the effectiveness of FirstEnergy's internal control over financial reporting under the supervision of FirstEnergy's Chief Executive Officer and Chief Financial Officer. Based on that evaluation, management concluded that FirstEnergy's internal control over financial reporting was effective as of December 31, 2009. The effectiveness of FirstEnergy's internal control over financial reporting, as of December 31, 2009, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report included herein.

### **Changes in Internal Control over Financial Reporting**

There were no changes in FirstEnergy's internal control over financial reporting during the fourth quarter of 2009 that have materially affected, or are reasonably likely to materially affect, FirstEnergy's internal control over financial reporting.

## **ITEM 9A(T). CONTROLS AND PROCEDURES –FES, OE, CEI, TE, JCP&L, Met-Ed and Penelec**

### **Evaluation of Disclosure Controls and Procedures**

Each registrant's Chief Executive Officer and Chief Financial Officer have reviewed and evaluated such registrant's disclosure controls and procedures, as defined in the Securities Exchange Act of 1934 rules 13a-15(e) and 15d-15(e), as of the end date covered by this report. Based upon this evaluation, the respective Chief Executive Officer and Chief Financial Officer concluded that such registrant's disclosure controls and procedures were effective as of December 31, 2009.

### **Management's Report on Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. Using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework, management conducted an evaluation of the effectiveness of each registrant's internal control over financial reporting under the supervision of such registrant's Chief Executive Officer and Chief Financial Officer. Based on that evaluation, management concluded that each registrant's internal control over financial reporting was effective as of December 31, 2009. The effectiveness of each registrant's internal control over financial reporting, as of December 31, 2009, has not been audited by such registrant's independent registered public accounting firm.

### **Changes in Internal Control over Financial Reporting**

There were no changes in internal control over financial reporting during the fourth quarter of 2009 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting for each registrant.

## **ITEM 9B. OTHER INFORMATION**

None.

## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by Item 10, with respect to identification of FirstEnergy's directors and with respect to reports required to be filed under Section 16 of the Securities Exchange Act of 1934, is incorporated herein by reference to FirstEnergy's 2010 Proxy Statement filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934 and, with respect to identification of executive officers, to "Part I, Item 1. Business – Executive Officers" herein.

The Board of Directors, upon recommendation of the Corporate Governance and Audit Committees, has determined that Ernest J. Novak, Jr., an independent director, is the audit committee financial expert.

FirstEnergy makes available on its Web site at <http://www.firstenergycorp.com/ir> its Corporate Governance Policies and the charters for each of the following committees of the Board of Directors: Audit; Corporate Governance; Compensation; Finance; and Nuclear.

FirstEnergy has adopted a Code of Business Conduct, which applies to all employees, including the Chief Executive Officer, the Chief Financial Officer and the Chief Accounting Officer. In addition, the Board of Directors has its own Code of Business Conduct. These Codes can be found on the Web site provided in the previous paragraph.

### ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 is incorporated herein by reference to FirstEnergy's 2010 Proxy Statement filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934.

### ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by Item 12 is incorporated herein by reference to FirstEnergy's 2010 Proxy Statement filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934.

### ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by Item 13 is incorporated herein by reference to FirstEnergy's 2010 Proxy Statement filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934.

### ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

A summary of the audit and audit-related fees rendered by PricewaterhouseCoopers LLP for the years ended December 31, 2009 and 2008 are as follows:

Company	Audit Fees <sup>(1)</sup>		Audit-Related Fees	
	2009	2008	2009	2008
	<i>(In thousands)</i>			
FES	\$ 991	\$ 835	\$ -	\$ -
OE	1,019	1,155	-	-
CEI	734	764	-	-
TE	626	598	-	-
JCP&L	715	682	-	-
Met-Ed	807	583	-	-
Penelec	613	595	-	-
Other subsidiaries	690	607	-	-
Total FirstEnergy	\$ 5,995	\$ 5,819	\$ -	\$ -

<sup>(1)</sup> Professional services rendered for the audits of FirstEnergy's annual financial statements and reviews of financial statements included in FirstEnergy's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.

#### Tax and Other Fees

There were no other fees billed to FirstEnergy for tax or other services for the years ended December 31, 2009 and 2008.

Additional information required by this item is incorporated herein by reference to FirstEnergy's 2010 Proxy Statement filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934.

## PART IV

### ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as a part of this report on Form 10-K:

#### 1. Financial Statements:

Management's Report on Internal Control Over Financial Reporting for FirstEnergy Corp., FES, OE, CEI, TE, JCP&L, Met-Ed, and Penelec is listed under Item 8 herein.

Reports of Independent Registered Public Accounting Firm for FirstEnergy Corp., FES, OE, CEI, TE, JCP&L, Met-Ed, and Penelec are listed under Item 8 herein.

The financial statements filed as a part of this report for FirstEnergy Corp., FES, OE, CEI, TE, JCP&L, Met-Ed, and Penelec are listed under Item 8 herein.

#### 2. Financial Statement Schedules:

Reports of Independent Registered Public Accounting Firm as to Schedules for FirstEnergy Corp., FES, OE, CEI, TE, JCP&L, Met-Ed, and Penelec are included herein on pages 140, 141, 142, 143, 144, 145, 146 and 147.

Schedule II – Consolidated Valuation and Qualifying Accounts for FirstEnergy Corp., FES, OE, CEI, TE, JCP&L, Met-Ed, and Penelec are included herein on pages 302, 303, 304, 305, 306, 307, 308 and 309.

#### 3. Exhibits – FirstEnergy

##### Exhibit Number

- |          |   |
|----------|---|
| 2-1      | Agreement and Plan of Merger, dated as of February 10, 2010, by and among FirstEnergy Corp., Element Merger Sub, Inc. and Allegheny Energy, Inc. (incorporated by reference to FE's Form 8-K filed February 11, 2010, Exhibit 2.1, File No. 333-21011)                |
| (A) 3-1  | Amended Articles of Incorporation of FirstEnergy Corp.  |
| 3-2      | FirstEnergy Corp. Amended Code of Regulations. (incorporated by reference to FE's Form 10-K filed February 25, 2009, Exhibit 3.1, File No. 333-21011)   |
| 4-1      | Indenture, dated November 15, 2001, between FirstEnergy Corp. and The Bank of New York Mellon, as Trustee. (incorporated by reference to FE's Form S-3 filed September 21, 2001, Exhibit 4(a), File No. 333-69856)  |
| (B) 10-1 | FirstEnergy Corp. 2007 Incentive Plan, effective May 15, 2007. (incorporated by reference to FE's Form 10-K filed February 25, 2009, Exhibit 10.1, File No. 333-21011)  |
| (B) 10-2 | Amended FirstEnergy Corp. Deferred Compensation Plan for Outside Directors, amended and restated as of January 1, 2005 and ratified as of September 18, 2007. (incorporated by reference to FE's Form 10-K filed February 25, 2009, Exhibit 10.2, File No. 333-21011) |
| (B) 10-3 | FirstEnergy Corp. Supplemental Executive Retirement Plan, amended January 1, 1999. (incorporated by reference to FE's Form 10-K filed March 20, 2000, Exhibit 10-4, File No. 333-21011)   |
| (B) 10-4 | Stock Option Agreement between FirstEnergy Corp. and officers dated November 22, 2000. (incorporated by reference to FE's Form 10-K filed March 28, 2001, Exhibit 10-3, File No. 333-21011)   |
| (B) 10-5 | Stock Option Agreement between FirstEnergy Corp. and officers dated March 1, 2000. (incorporated by reference to FE's Form 10-K filed March 28, 2001, Exhibit 10-4, File No. 333-21011)   |
| (B) 10-6 | Stock Option Agreement between FirstEnergy Corp. and director dated January 1, 2000. (incorporated by reference to FE's Form 10-K filed March 28, 2001, Exhibit 10-5, File No. 333-21011)   |

- (B) 10-7 Stock Option Agreement between FirstEnergy Corp. and two directors dated January 1, 2001. (incorporated by reference to FE's Form 10-K filed March 28, 2001, Exhibit 10-6, File No. 333-21011)
- (B) 10-8 Stock Option Agreements between FirstEnergy Corp. and One Director dated January 1, 2002. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-5, File No. 333-21011)
- (B) 10-9 FirstEnergy Corp. Executive Deferred Compensation Plan, amended and restated as of January 1, 2005 and ratified as of September 18, 2007. (incorporated by reference to FE's 10-Q filed October 31, 2007, Exhibit 10.2, File No. 333-21011)
- (B) 10-10 Executive Incentive Compensation Plan-Tier 2. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-7, File No. 333-21011)
- (B) 10-11 Executive Incentive Compensation Plan-Tier 3. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-8, File No. 333-21011)
- (B) 10-12 Executive Incentive Compensation Plan-Tier 4. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-9, File No. 333-21011)
- (B) 10-13 Executive Incentive Compensation Plan-Tier 5. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-10, File No. 333-21011)
- (B) 10-14 Amendment to GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries, effective April 5, 2001. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-11, File No. 333-21011)
- (B) 10-15 Form of Amendment, effective November 7, 2001, to GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries, Deferred Remuneration Plan for Outside Directors of GPU, Inc., and Retirement Plan for Outside Directors of GPU, Inc. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-12, File No. 333-21011)
- (B) 10-16 GPU, Inc. Stock Option and Restricted Stock Plan for MYR Group, Inc. Employees. (incorporated by reference to FE's Form 10-K filed April 1, 2002, Exhibit 10-13, File No. 333-21011, File No. 333-21011)
- (B) 10-17 Executive and Director Stock Option Agreement dated June 11, 2002. (incorporated by reference to FE's Form 10-K, Exhibit 10-1, File No. 333-21011)
- (B) 10-18 Director Stock Option Agreement. (incorporated by reference to FE's Form 10-K filed March 26, 2003, Exhibit 10-2, File No. 333-21011)
- (B) 10-19 Executive Incentive Compensation Plan 2002. (incorporated by reference to FE's Form 10-K filed March 26, 2003, Exhibit 10-28, File No. 333-21011)
- (B) 10-20 GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries as amended and restated to reflect amendments through June 3, 1999. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-V, File No. 001-06047)
- (B) 10-21 Form of 1998 Stock Option Agreement under the GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-Q, File No. 001-06047)
- (B) 10-22 Form of 1999 Stock Option Agreement under the GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-W, File No. 001-06047)
- (B) 10-23 Form of 2000 Stock Option Agreement under the GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-W, File No. 001-06047)

- (B) 10-24      Deferred Remuneration Plan for Outside Directors of GPU, Inc. as amended and restated effective August 8, 2000. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-O, File No. 001-06047)
- (B) 10-25      Retirement Plan for Outside Directors of GPU, Inc. as amended and restated as of August 8, 2000. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-N, File No. 001-06047)
- (B) 10-26      Forms of Estate Enhancement Program Agreements entered into by certain former GPU directors. (incorporated by reference to GPU, Inc. Form 10-K filed March 20, 2000, Exhibit 10-JJ, File No. 001-06047)
- (A)(B) 10-27    Employment Agreement for Richard R. Grigg dated February 26, 2008, (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10.5, File No. 333-21011), as amended on January 29, 2010.
- (B) 10-28      Stock Option Agreement between FirstEnergy Corp. and an officer dated August 20, 2004. (incorporated by reference to FE's Form 10-Q filed November 4, 2004, Exhibit 10-42, File No. 333-21011)
- (B) 10-29      Executive Bonus Plan between FirstEnergy Corp. and Officers effective November 3, 2004. (incorporated by reference to FE's Form 10-Q filed November 4, 2004, Exhibit 10-44, File No. 333-21011)
- 10-30          Consent Decree dated March 18, 2005. (incorporated by reference to FE's Form 8-K filed March 18, 2005, Exhibit 10-1, File No. 333-21011)
- (C) 10-31      Form of Guaranty Agreement dated as of December 16, 2005 between FirstEnergy Corp. and FirstEnergy Solutions Corp. in Favor of Barclays Bank PLC as Administrative Agent for the Banks. (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-1, File No. 333-21011)
- (D) 10-32      Form of Guaranty Agreement dated as of April 3, 2006 by FirstEnergy Corp. in favor of the Participating Banks, Barclays Bank PLC, as administrative agent and fronting bank, and KeyBank National Association, as syndication agent, under the related Letter of Credit and Reimbursement Agreement. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-1, File No. 333-21011)
- (B) 10-33      Form of Restricted Stock Agreement between FirstEnergy Corp. and A. J. Alexander, dated February 27, 2006. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-6, File No. 333-21011)
- (B) 10-34      Form of Restricted Stock Unit Agreement (Performance Adjusted) between FirstEnergy Corp. and A. J. Alexander, dated March 1, 2006. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-7, File No. 333-21011)
- (B) 10-35      Form of Restricted Stock Unit Agreement (Performance Adjusted) between FirstEnergy Corp. and named executive officers, dated March 1, 2006. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-8, File No. 333-21011)
- (B) 10-36      Form of Restricted Stock Unit Agreement (Performance Adjusted) between FirstEnergy Corp. and R. H. Marsh, dated March 1, 2006. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-9, File No. 333-21011)
- 10-37          Confirmation dated March 1, 2007 between FirstEnergy Corp. and Morgan Stanley and Co., International Limited. (incorporated by reference to FE's Form 10-Q filed May 9, 2007, Exhibit 10.1, File No. 333-21011)
- (B) 10-38      FirstEnergy Corp. Supplemental Executive Retirement Plan as amended September 18, 2007. (incorporated by reference to FE's Form 10-Q filed October 31, 2007, Exhibit 10.2, File No. 333-21011)

- (A)(B) 10-39 Employment Agreement between FirstEnergy Corp. and Gary R. Leidich, dated February 26, 2008 (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-88, File No. 333-21011), as amended on January 29, 2010.
- (B) 10-40 Form of Restricted Stock Unit Agreement for Gary R. Leidich (per Employment Agreement dated February 26, 2008). (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-90, File No. 333-21011)
- (B) 10-41 Form of Restricted Stock Agreement Amendment for Gary R. Leidich dated February 26, 2008. (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-91, File No. 333-21011)
- (B) 10-42 Form of Restricted Stock Unit Agreement for Richard R. Grigg (per Employment Agreement dated February 26, 2008). (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-92, File No. 333-21011)
- (B) 10-43 Form of Performance-Adjusted Restricted Stock Unit Award Agreement as of March 3, 2008. (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-93, File No. 333-21011)
- (B) 10-44 Form of 2008-2010 Performance Share Award Agreement effective January 1, 2008. (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-94, File No. 333-21011)
- 10-45 U.S. \$300,000,000 Credit Agreement, dated as of October 8, 2008, among FirstEnergy Generation Corp., as Borrower, FirstEnergy Corp. and FirstEnergy Solutions Corp., as Guarantors, Credit Suisse and the other Banks parties thereto from time to time, as Banks and Credit Suisse, as Administrative Agent. (incorporated by reference to FE's Form 10-Q filed November 7, 2008, Exhibit 10.1, File No. 333-21011)
- (B) 10-46 Form of 2009-2011 Performance Share Award Agreement effective January 1, 2009 (incorporated by reference to FE's Form 10-K filed February 25, 2009, Exhibit 10-48, File No. 333-21011)
- (B) 10-47 Form of Performance-Adjusted Restricted Stock Unit Award Agreement as of March 2, 2009 (incorporated by reference to FE's Form 10-K filed February 25, 2009, Exhibit 10-49, File No. 333-21011)
- (A)(B) 10-48 Form of 2010-2012 Performance Share Award Agreement effective January 1, 2010
- (A)(B) 10-49 Form of Performance-Adjusted Restricted Stock Unit Award Agreement as of March 8, 2010
- (B) 10-50 Form of Director Indemnification Agreement (incorporated by reference to FE's 10-Q filed May 7, 2009, Exhibit 10.1, File No. 333-21011)
- (B) 10-51 Form of Management Director Indemnification Agreement (incorporated by reference to FE's 10-Q filed May 7, 2009, Exhibit 10.2, File No. 333-21011)
- (A) 12-1 Consolidated ratios of earnings to fixed charges.
- (A) 21 List of Subsidiaries of the Registrant at December 31, 2009.
- (A) 23-1 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.



- (A) Provided herein in electronic format as an exhibit.
- (B) Management contract or compensatory plan contract or arrangement filed pursuant to Item 601 of Regulation S-K.
- (C) Four substantially similar agreements, each dated as of the same date, were executed and delivered by the registrant and its affiliates with respect to four other series of pollution control revenue refunding bonds issued by the Ohio Water Development Authority, the Ohio Air Quality Authority and Beaver County Industrial Development Authority, Pennsylvania, relating to pollution control notes of FirstEnergy Nuclear Generation Corp.
- (D) Three substantially similar agreements, each dated as of the same date, were executed and delivered by the registrant and its affiliates with respect to three other series of pollution control revenue refunding bonds issued by the Ohio Water Development Authority and the Beaver County Industrial Development Authority relating to pollution control notes of FirstEnergy Generation Corp. and FirstEnergy Nuclear Generation Corp.

### 3. Exhibits – FES

- 3-1 Articles of Incorporation of FirstEnergy Solutions Corp., as amended August 31, 2001. (incorporated by reference to FES' Form S-4 filed August 6, 2007, Exhibit 3.1, File No. 333-145140-01)
- 3-2 Amended and Restated Code of Regulations of FirstEnergy Solutions Corp. effective as of August 26, 2009 (incorporated by reference to FES' Form 8-K filed August 7, 2009, Exhibit 3.4, File No. 000-53742)
- 4-1 Open-End Mortgage, General Mortgage Indenture and Deed of Trust, dated as of June 19, 2008, of FirstEnergy Generation Corp. to The Bank of New York Trust Company, N.A., as Trustee (incorporated by reference to FES' 10-Q filed May 7, 2009, Exhibit 4.1, File No. 333-145140-01)
- 4-1(a) First Supplemental Indenture dated as of June 25, 2008 (including Form of First Mortgage Bonds, Guarantee Series A of 2008 due 2009 and Form First Mortgage Bonds, Guarantee Series B of 2008 due 2009). (incorporated by reference to FES' 10-Q filed May 7, 2009, Exhibit 4.1(a), File No. 333-145140-01)
- 4-1(b) Second Supplemental Indenture dated as of March 1, 2009 (including Form of First Mortgage Bonds, Guarantee Series A of 2009 due 2014 and Form of First Mortgage Bonds, Guarantee Series B of 2009 due 2023). (incorporated by reference to FES' 10-Q filed May 7, 2009, Exhibit 4.1(b), File No. 333-145140-01)
- 4-1(c) Third Supplemental Indenture dated as of March 31, 2009 (including Form of First Mortgage Bonds, Collateral Series A of 2009 due 2011). (incorporated by reference to FES' 10-Q filed May 7, 2009, Exhibit 4.1(c), File No. 333-145140-01)
- 4-1(d) Fourth Supplemental Indenture, dated as of June 1, 2009 (including Form of First Mortgage Bonds, Guarantee Series C of 2009 due 2018, Form of First Mortgage Bonds, Guarantee Series D of 2009 due 2029, Form of First Mortgage Bonds, Guarantee Series E of 2009 due 2029, Form of First Mortgage Bonds, Collateral Series B of 2009 due 2011 and Form of First Mortgage Bonds, Collateral Series C of 2009 due 2011). (incorporated by reference to FES' Form 8-K filed June 19, 2009, Exhibit 4.3, File No. 333-145140-01)
- 4-1(e) Fifth Supplemental Indenture, dated as of June 30, 2009 (including Form of First Mortgage Bonds, Guarantee Series F of 2009 due 2047, Form of First Mortgage Bonds, Guarantee Series G of 2009 due 2018 and Form of First Mortgage Bonds, Guarantee Series H of 2009 due 2018). (incorporated by reference to FES' Form 8-K filed July 6, 2009, Exhibit 4.2, File No. 333-145140-01)
- 4-1(f) Sixth Supplemental Indenture, dated as of December 1, 2009 (including Form of First Mortgage Bonds, Collateral Series D of 2009 due 2012 (incorporated by reference to FES' Form 8-K filed December 4, 2009, Exhibit 4.2, File No. 000-53742)

- 4-2 Open-End Mortgage, General Mortgage Indenture and Deed of Trust, dated as of June 1, 2009, by and between FirstEnergy Nuclear Generation Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to FES' Form 8-K filed June 19, 2009, Exhibit 4.1, File No. 333-145140-01)
- 4-2(a) First Supplemental Indenture, dated as of June 15, 2009 (including Form of First Mortgage Bonds, Guarantee Series A of 2009 due 2033, Form of First Mortgage Bonds, Guarantee Series B of 2009 due 2011, Form of First Mortgage Bonds, Collateral Series A of 2009 due 2010, Form of First Mortgage Bonds, Collateral Series B of 2009 due 2010, Form of First Mortgage Bonds, Collateral Series C of 2009 due 2010, Form of First Mortgage Bonds, Collateral Series D of 2009 due 2010, Form of First Mortgage Bonds, Collateral Series E of 2009 due 2010, Form of First Mortgage Bonds, Collateral Series F of 2009 due 2011 and Form of First Mortgage Bonds, Collateral Series G of 2009 due 2011). (incorporated by reference to FES' Form 8-K filed June 19, 2009, Exhibit 4.2(i), File No. 333-145140-01)
- 4-2(b) Second Supplemental Indenture, dated as of June 30, 2009 (including Form of First Mortgage Bonds, Guarantee Series C of 2009 due 2033, Form of First Mortgage Bonds, Guarantee Series D of 2009 due 2033, Form of First Mortgage Bonds, Guarantee Series E of 2009 due 2033, Form of First Mortgage Bonds, Collateral Series H of 2009 due 2011, Form of First Mortgage Bonds, Collateral Series I of 2009 due 2011 and Form of First Mortgage Bonds, Collateral Series J of 2009 due 2010). (incorporated by reference to FES' Form 8-K filed July 6, 2009, Exhibit 4.1(f), File No. 333-145140-01)
- 4-2(c) Third Supplemental Indenture, dated as of December 1, 2009 (including Form of First Mortgage Bonds, Collateral Series K of 2009 due 2012). (incorporated by reference to FES' Form 8-K filed December 4, 2009, Exhibit 4.1, File No. 000-53742)
- 4-3 Indenture, dated as of August 1, 2009, between FirstEnergy Solutions Corp. and The Bank of New York Mellon Trust Company, N.A. (incorporated by reference to FES' Form 8-K filed August 7, 2009, Exhibit 4.1, File No. 000-53742)
- 4-3(a) First Supplemental Indenture, dated as of August 1, 2009 (including Form of 4.80% Senior Notes due 2015, Form of 6.05% Senior Notes due 2021 and Form of 6.80% Senior Notes due 2039). (incorporated by reference to FES' Form 8-K filed August 7, 2009, Exhibit 4.2, File No. 000-53742)
- 10-1 Form of 6.85% Exchange Certificate due 2034. (incorporated by reference to FES' Form S-4 filed August 6, 2007, Exhibit 4.1, File No. 333-145140-01)
- 10-2 Guaranty of FirstEnergy Solutions Corp., dated as of July 1, 2007. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-9, File No. 333-21011)
- 10-3 Indenture of Trust, Open-End Mortgage and Security Agreement, dated as of July 1, 2007, between the applicable Lessor and The Bank of New York Trust Company, N.A., as Indenture Trustee. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-3, File No. 333-21011)
- 10-4 6.85% Lessor Note due 2034. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-3, File No. 333-21011)
- 10-5 Registration Rights Agreement, dated as of July 13, 2007, among FirstEnergy Generation Corp., FirstEnergy Solutions Corp., The Bank of New York Trust Company, N.A., as Pass Through Trustee, Morgan Stanley & Co. Incorporated, and Credit Suisse Securities (USA) LLC, as representatives of the several initial purchasers named in the Purchase Agreement. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-14, File No. 333-21011)

- 10-6 Participation Agreement, dated as of June 26, 2007, among FirstEnergy Generation Corp., as Lessee, FirstEnergy Solutions Corp., as Guarantor, the applicable Lessor, U.S. Bank Trust National Association, as Trust Company, the applicable Owner Participant, The Bank of New York Trust Company, N.A., as Indenture Trustee, and The Bank of New York Trust Company, N.A., as Pass Through Trustee. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-1, File No. 333-21011)
- 10-7 Trust Agreement, dated as of June 26, 2007, between the applicable Owner Participant and U.S. Bank Trust National Association, as Owner Trustee. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-2, File No. 333-21011)
- 10-8 Pass Through Trust Agreement, dated as of June 26, 2007, among FirstEnergy Generation Corp., FirstEnergy Solutions Corp., and The Bank of New York Trust Company, N.A., as Pass Through Trustee. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-12, File No. 333-21011)
- 10-9 Bill of Sale and Transfer, dated as of July 1, 2007, between FirstEnergy Generation Corp. and the applicable Lessor. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-5, File No. 333-21011)
- 10-10 Facility Lease Agreement, dated as of July 1, 2007, between FirstEnergy Generation Corp. and the applicable Lessor. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-6, File No. 333-21011)
- 10-11 Site Lease, dated as of July 1, 2007, between FirstEnergy Generation Corp. and the applicable Lessor. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-7, File No. 333-21011)
- 10-12 Site Sublease, dated as of July 1, 2007, between FirstEnergy Generation Corp. and the applicable Lessor. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-8, File No. 333-21011)
- 10-13 Support Agreement, dated as of July 1, 2007, between FirstEnergy Generation Corp. and the applicable Lessor. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-10, File No. 333-21011)
- 10-14 Second Amendment to the Bruce Mansfield Units 1, 2, and 3 Operating Agreement, dated as of July 1, 2007, between FirstEnergy Generation Corp., The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-11, File No. 333-21011)
- 10-15 OE Fossil Purchase and Sale Agreement by and between Ohio Edison Company (Seller) and FirstEnergy Generation Corp. (Purchaser). (incorporated by reference to FE's Form 10-Q filed August 1, 2005, Exhibit 10.2, File No. 333-21011)
- 10-16 CEI Fossil Purchase and Sale Agreement by and between The Cleveland Electric Illuminating Company (Seller) and FirstEnergy Generation Corp. (Purchaser). (incorporated by reference to FE's Form 10-Q filed August 1, 2005, Exhibit 10.6, File No. 333-21011)
- 10-17 TE Fossil Purchase and Sale Agreement by and between The Toledo Edison Company (Seller) and FirstEnergy Generation Corp. (Purchaser). (incorporated by reference to FE's Form 10-Q filed August 1, 2005, Exhibit 10.2, File No. 333-21011)
- 10-18 Agreement, dated August 26, 2005, by and between FirstEnergy Generation Corp. and Bachtel Power Corporation. (incorporated by reference to FE's Form 10-Q filed November 2, 2005, Exhibit 10-2, File No. 333-21011)
- 10-19 CEI Fossil Note, dated October 24, 2005, of FirstEnergy Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.15, File No. 333-145140-01)
- 10-20 CEI Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and The Cleveland Electric Illuminating Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.16, File No. 333-145140-01)

- 10-21 OE Fossil Note, dated October 24, 2005, of FirstEnergy Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.17, File No. 333-145140-01)
- 10-22 OE Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and Ohio Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.18, File No. 333-145140-01)
- 10-23 Amendment No. 1 to OE Fossil Security Agreement, dated as of June 30, 2007, between FirstEnergy Generation Corp. and Ohio Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.19, File No. 333-145140-01)
- 10-24 PP Fossil Note, dated October 24, 2005, of FirstEnergy Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.20, File No. 333-145140-01)
- 10-25 PP Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and Pennsylvania Power Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.21, File No. 333-145140-01)
- 10-26 Amendment No. 1 to PP Fossil Security Agreement, dated as of June 30, 2007, between FirstEnergy Generation Corp. and Pennsylvania Power Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.22, File No. 333-145140-01)
- 10-27 TE Fossil Note, dated October 24, 2005, of FirstEnergy Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.23, File No. 333-145140-01)
- 10-28 TE Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and The Toledo Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.24, File No. 333-145140-01)
- 10-29 CEI Nuclear Note, dated December 16, 2005, of FirstEnergy Nuclear Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.25, File No. 333-145140-01)
- 10-30 CEI Nuclear Security Agreement, dated December 16, 2005, by and between FirstEnergy Nuclear Generation Corp. and The Cleveland Electric Illuminating Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.26, File No. 333-145140-01)
- 10-31 OE Nuclear Note, dated December 16, 2005, of FirstEnergy Nuclear Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.27, File No. 333-145140-01)
- 10-32 PP Nuclear Note, dated December 16, 2005, of FirstEnergy Nuclear Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.28, File No. 333-145140-01)
- 10-33 TE Nuclear Note, dated December 16, 2005, of FirstEnergy Nuclear Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.29, File No. 333-145140-01)
- 10-34 TE Nuclear Security Agreement, dated December 16, 2005, by and between FirstEnergy Nuclear Generation Corp. and The Toledo Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.30, File No. 333-145140-01)
- 10-35 Mansfield Power Supply Agreement, dated August 10, 2006, among The Cleveland Electric Illuminating Company, The Toledo Edison Company and FirstEnergy Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.31, File No. 333-145140-01)
- 10-36 Nuclear Power Supply Agreement, dated August 10, 2006, between FirstEnergy Nuclear Generation Corp. and FirstEnergy Solutions Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.32, File No. 333-145140-01)

- 10-37 Revised Power Supply Agreement, dated December 8, 2006, among FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.34, File No. 333-145140-01)
- 10-38 GENCO Power Supply Agreement, dated January 1, 2007, between FirstEnergy Generation Corp. and FirstEnergy Solutions Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.36, File No. 333-145140-01)
- 10-39 Form of Guaranty dated as of March 2, 2007, between FirstEnergy Corp., as Guarantor, and Morgan Stanley Senior Funding, Inc., as Lender under the U.S. \$250,000,000 Credit Agreement, dated as of March 2, 2007, with FirstEnergy Solutions Corp., as Borrower. (incorporated by reference to FE's Form 10-Q filed May 9, 2007, Exhibit 10-23, File No. 333-145140-01)
- 10-40 Guaranty, dated as of March 26, 2007, by FirstEnergy Generation Corp. on behalf of FirstEnergy Solutions Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.39, File No. 333-145140-01)
- 10-41 Guaranty, dated as of March 26, 2007, by FirstEnergy Solutions Corp. on behalf of FirstEnergy Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.40, File No. 333-145140-01)
- 10-42 Guaranty, dated as of March 26, 2007, by FirstEnergy Solutions Corp. on behalf of FirstEnergy Nuclear Generation Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.41, File No. 333-145140-01)
- 10-43 Guaranty, dated as of March 26, 2007, by FirstEnergy Nuclear Generation Corp. on behalf of FirstEnergy Solutions Corp. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.42, File No. 333-145140-01)
- (B) 10-44 Form of Guaranty Agreement dated as of December 16, 2005 between FirstEnergy Corp. and FirstEnergy Solutions Corp. in Favor of Barclays Bank PLC as Administrative Agent for the Banks. (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-58, File No. 333-21011)
- (B) 10-45 Form of Trust Indenture dated as of December 1, 2005 between Ohio Water Development Authority and JP Morgan Trust Company related to issuance of FirstEnergy Nuclear Generation Corp. pollution control revenue refunding bonds. (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-59, File No. 333-21011)
- 10-46 GENCO Power Supply Agreement dated as of October 14, 2005 between FirstEnergy Generation Corp. (Seller) and FirstEnergy Solutions Corp. (Buyer). (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-60, File No. 333-21011)
- 10-47 Nuclear Power Supply Agreement dated as of October 14, 2005 between FirstEnergy Nuclear Generation Corp. (Seller) and FirstEnergy Solutions Corp. (Buyer). (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-61, File No. 333-21011)
- (B) 10-48 Form of Letter of Credit and Reimbursement Agreement Dated as of December 16, 2005 among FirstEnergy Nuclear Generation Corp., and the Participating Banks and Barclays Bank PLC. (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-62, File No. 333-21011)
- (B) 10-49 Form of Waste Water Facilities and Solid Waste Facilities Loan Agreement between Ohio Water Development Authority and FirstEnergy Nuclear Generation Corp., dated as of December 1, 2005. (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-63, File No. 333-21011)

- 10-50 Nuclear Sale/Leaseback Power Supply Agreement dated as of October 14, 2005 between Ohio Edison Company and the Toledo Edison Company (Sellers) and FirstEnergy Nuclear Generation Corp. (Buyer). (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-64, File No. 333-21011)
- 10-51 Mansfield Power Supply Agreement dated as of October 14, 2005 between Cleveland Electric Illuminating Company and The Toledo Edison Company (Sellers) and FirstEnergy Generation Corp. (Buyer). (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-65, File No. 333-21011)
- 10-52 Power Supply Agreement dated as of October 31, 2005 between FirstEnergy Solutions Corp. (Seller) and the FirstEnergy Operating Companies – Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (Buyers). (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-66, File No. 333-21011)
- 10-53 Electric Power Supply Agreement dated as of October 3, 2005 between FirstEnergy Solutions Corp. (Seller) and Pennsylvania Power Company (Buyer). (incorporated by reference to FE's Form 10-K filed March 3, 2006, Exhibit 10-67, File No. 333-21011)
- (C) 10-54 Form of Letter of Credit and Reimbursement Agreement dated as of April 3, 2006 among FirstEnergy Generation Corp., the Participating Banks, Barclays Bank PLC, as administrative agent and fronting bank, and KeyBank National Association, as syndication agent. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-2, File No. 333-21011)
- (C) 10-54(a) Form of Amendment No. 2 to Letter of Credit and Reimbursement Agreement, dated as of June 12, 2009, by and among FirstEnergy Generation Corp., FirstEnergy Corp. and FirstEnergy Solutions Corp., as guarantors, the banks party thereto, Barclays Bank PLC, as fronting Bank and administrative agent and KeyBank National Association, as syndication agent, to Letter of Credit and Reimbursement Agreement dated as of April 3, 2006 (incorporated by reference to FES' Form 8-K filed June 19, 2009, Exhibit 10.2, File No. 333-145140-01)
- (C) 10-55 Form of Trust Indenture dated as of April 1, 2006 between the Ohio Water Development Authority and The Bank of New York Trust Company, N.A. as Trustee securing pollution control revenue refunding bonds issued on behalf of FirstEnergy Generation Corp. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-3, File No. 333-21011)
- (C) 10-56 Form of Waste Water Facilities Loan Agreement between the Ohio Water Development Authority and FirstEnergy Generation Corp. dated as of April 1, 2006. (incorporated by reference to FE's Form 10-Q filed May 9, 2006, Exhibit 10-4, File No. 333-21011)
- (D) 10-57 Form of Trust Indenture dated as of December 1, 2006 between the Ohio Water Development Authority and The Bank of New York Trust Company, N.A. as Trustee securing State of Ohio Pollution Control Revenue Refunding Bonds (FirstEnergy Nuclear Generation Corp. Project). (incorporated by reference to FE's Form 10-K filed February 28, 2007, Exhibit 10-77, File No. 333-21011)
- (D) 10-58 Form of Waste Water Facilities and Solid Waste Facilities Loan Agreement between the Ohio Water Development Authority and FirstEnergy Nuclear Generation Corp. dated as of December 1, 2006. (incorporated by reference to FE's Form 10-K filed February 28, 2007, Exhibit 10-80, File No. 333-21011)
- 10-59 Consent Decree dated March 18, 2005. (incorporated by reference to FE's Form 8-K filed March 18, 2005, Exhibit 10.1, File No. 333-21011)
- 10-61 Amendment to Agreement for Engineering, Procurement and Construction of Air Quality Control Systems by and between FirstEnergy Generation Corp. and Bechtel Power Corporation dated September 14, 2007. (incorporated by reference to FE's Form 10-Q filed October 31, 2007, Exhibit 10.1, File No. 333-21011)
- 10-61 Asset Purchase Agreement by and between Calpine Corporation, as Seller, and FirstEnergy Generation Corp., as Buyer, dated as of January 28, 2008. (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-48, File No. 333-21011)

- 10-62 U.S. \$300,000,000 Credit Agreement, dated as of October 8, 2008, among FirstEnergy Generation Corp., as Borrower, FirstEnergy Corp. and FirstEnergy Solutions Corp., as Guarantors, Credit Suisse and the other Banks parties thereto from time to time, as Banks and Credit Suisse, as Administrative Agent. (Incorporated by reference to FE's Form 10-Q filed November 7, 2008, Exhibit 10.1, File No. 333-21011)
- 10-63 Master SSO Supply Agreement, entered into May 18, 2009, by and between The Cleveland Electric Illuminating Company, the Toledo Edison Company and Ohio Edison Company and FirstEnergy Solutions Corp. (Incorporated by reference to FE's Form 10-Q filed August 3, 2009, Exhibit 10.2, File No. 333-21011)
- 10-64 Surplus Margin Guaranty, dated as of June 16, 2009, made by FirstEnergy Nuclear Generation Corp. in favor of The Cleveland Electric Illuminating Company, The Toledo Edison Company and Ohio Edison Company (Incorporated by reference to FES' Form 8-K filed June 19, 2009, Exhibit 10.3, File No. 333-145140-01)
- 10-65 Registration Rights Agreement, dated August 7, 2009, among FirstEnergy Solutions Corp., and Morgan Stanley & Co. Incorporated, Barclays Capital Inc., Credit Suisse Securities (USA) LLC and RBS Securities Inc., as representatives of the initial purchasers (Incorporated by reference to FES' Form 8-K filed August 7, 2009, Exhibit 10.1, File No. 000-53742)
- (A) 12-2 Consolidated ratios of earnings to fixed charges.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.
- (A) Provided herein in electronic format as an exhibit.
- (B) Four substantially similar agreements, each dated as of the same date, were executed and delivered by the registrant and its affiliates with respect to four other series of pollution control revenue refunding bonds issued by the Ohio Water Development Authority, the Ohio Air Quality Authority and Beaver County Industrial Development Authority, Pennsylvania, relating to pollution control notes of FirstEnergy Nuclear Generation Corp.
- (C) Three substantially similar agreements, each dated as of the same date, were executed and delivered by the registrant and its affiliates with respect to three other series of pollution control revenue refunding bonds issued by the Ohio Water Development Authority and the Beaver County Industrial Development Authority relating to pollution control notes of FirstEnergy Generation Corp. and FirstEnergy Nuclear Generation Corp.
- (D) Seven substantially similar agreements, each dated as of the same date, were executed and delivered by the registrant and its affiliates with respect to one other series of pollution control revenue refunding bonds issued by the Ohio Water Development Authority, three other series of pollution control bonds issued by the Ohio Air Quality Development Authority and the three other series of pollution control bonds issued by the Beaver County Industrial Development Authority, relating to pollution control notes of FirstEnergy Generation Corp. and FirstEnergy Nuclear Generation Corp.

### 3. Exhibits – OE

- 2-1 Agreement and Plan of Merger, dated as of September 13, 1996, between Ohio Edison Company and Centerior Energy Corporation. (Incorporated by reference to OE's Form 8-K filed September 17, 1996, Exhibit 2-1, File No. 001-02578)

- 3-1 Amended and Restated Articles of Incorporation of Ohio Edison Company, Effective December 18, 2007. (incorporated by reference to OE's Form 10-K filed February 29, 2008, Exhibit 3-4, File No. 001-02578)
- 3-2 Amended and Restated Code of Regulations of Ohio Edison Company, dated December 14, 2007. (incorporated by reference to OE's Form 10-K filed February 29, 2008, Exhibit 3-5, File No. 001-02578)
- 4-1 General Mortgage Indenture and Deed of Trust dated as of January 1, 1998 between Ohio Edison Company and the Bank of New York, as Trustee, as amended and supplemented by Supplemental Indentures: (incorporated by reference to OE's Form S-3 filed June 5, 1996, Exhibit 4(b), File No. 333-05277)
- 4-1(a) February 1, 2003 (incorporated by reference to OE's Form 10-K filed March 15, 2004, Exhibit 4-4, File No. 001-02578)
- 4-1(b) March 1, 2003 (incorporated by reference to OE's Form 10-K filed March 15, 2004, Exhibit 4-5, File No. 001-02578)
- 4-1(c) August 1, 2003 (incorporated by reference to OE's Form 10-K filed March 15, 2004, Exhibit 4-6, File No. 001-02578)
- 4-1(d) June 1, 2004 (incorporated by reference to OE's Form 10-K filed March 10, 2005, Exhibit 4-4, File No. 001-02578)
- 4-1(e) December 1, 2004 (incorporated by reference to OE's Form 10-K filed March 10, 2005, Exhibit 4-4, File No. 001-02578)
- 4-1(f) April 1, 2005 (incorporated by reference to OE's Form 10-Q filed August 1, 2005, Exhibit 4-4, File No. 001-02578)
- 4-1(g) April 15, 2005 (incorporated by reference to OE's Form 10-Q filed August 1, 2005, Exhibit 4-5, File No. 001-02578)
- 4-1(h) June 1, 2005 (incorporated by reference to OE's Form 10-Q filed August 1, 2005, Exhibit 4-6, File No. 001-02578)
- 4-1(i) October 1, 2008 (incorporated by reference to OE's Form 8-K filed October 22, 2008, Exhibit 4.1, File No. 001-02578)
- 4-2 Indenture dated as of April 1, 2003 between Ohio Edison Company and The Bank of New York, as Trustee. (incorporated by reference to OE's Form 10-K filed March 15, 2004, Exhibit 4-3, File No. 001-02578)
- 4-2(a) Officer's Certificate (including the forms of the 6.40% Senior Notes due 2016 and the 6.875% Senior Notes due 2036), dated June 21, 2006. (incorporated by reference to OE's Form 8-K filed June 27, 2006, Exhibit 4, File No. 001-02578)
- 10-1 Amendment No. 4 dated as of July 1, 1985 to the Bond Guaranty dated as of October 1, 1973, as amended, by the CAPCO Companies to National City Bank as Bond Trustee. (incorporated by reference to 1985 Form 10-K, Exhibit 10-30)
- 10-2 Amendment No. 5 dated as of May 1, 1986, to the Bond Guaranty by the CAPCO Companies to National City Bank as Bond Trustee. (incorporated by reference to 1986 Form 10-K, Exhibit 10-33)
- 10-3 Amendment No. 6A dated as of December 1, 1991, to the Bond Guaranty dated as of October 1, 1973, by The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company, The Toledo Edison Company to National City Bank, as Bond Trustee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-33)
- 10-4 Amendment No. 6B dated as of December 30, 1991, to the Bond Guaranty dated as of October 1, 1973 by The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company, The Toledo Edison Company to National City Bank, as Bond Trustee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-34)
- (B) 10-5 Ohio Edison System Executive Supplemental Life Insurance Plan. (incorporated by reference to OE's Form 10-K filed March 19, 1996, Exhibit 10-44, File No. 001-02578)



- (B) 10-6 Ohio Edison System Executive Incentive Compensation Plan. (incorporated by reference to OE's Form 10-K filed March 19, 1996, Exhibit 10-45, File No. 001-02578)
- (B) 10-7 Ohio Edison System Restated and Amended Supplemental Executive Retirement Plan. (incorporated by reference to OE's Form 10-K filed March 19, 1996, Exhibit 10-47, File No. 001-02578)
- (B) 10-8 Form of Amendment, effective November 7, 2001, to GPU, Inc. 1990 Stock Plan for Employees of GPU, Inc. and Subsidiaries, Deferred Remuneration Plan for Outside Directors of GPU, Inc., and Retirement Plan for Outside Directors of GPU, Inc. (incorporated by reference to OE's Form 10-K filed April 1, 2002, Exhibit 10-26, File No. 001-02578)
- (B) 10-9 GPU, Inc. Stock Option and Restricted Stock Plan for MYR Group, Inc. Employees. (incorporated by reference to OE's Form 10-K filed April 1, 2002, Exhibit 10-27, File No. 001-02578))
- (B) 10-10 Severance pay agreement between Ohio Edison Company and A. J. Alexander. (incorporated by reference to OE's Form 10-K filed March 19, 1996, Exhibit 10-50, File No. 001-02578)
- (C) 10-11 Participation Agreement dated as of March 16, 1987 among Perry One Alpha Limited Partnership, as Owner Participant, the Original Loan Participants listed in Schedule 1 Hereto, as Original Loan Participants, PNPP Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-1)
- (C) 10-12 Amendment No. 1 dated as of September 1, 1987 to Participation Agreement dated as of March 16, 1987 among Perry One Alpha Limited Partnership, as Owner Participant, the Original Loan Participants listed in Schedule 1 thereto, as Original Loan Participants, PNPP Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company (now The Bank of New York), as Indenture Trustee, and Ohio Edison Company, as Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-46)
- (C) 10-13 Amendment No. 3 dated as of May 16, 1988 to Participation Agreement dated as of March 16, 1987, as amended among Perry One Alpha Limited Partnership, as Owner Participant, PNPP Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee, and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-47)
- (C) 10-14 Amendment No. 4 dated as of November 1, 1991 to Participation Agreement dated as of March 16, 1987 among Perry One Alpha Limited Partnership, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-47)
- (C) 10-15 Amendment No. 5 dated as of November 24, 1992 to Participation Agreement dated as of March 16, 1987, as amended, among Perry One Alpha Limited Partnership, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-49)
- (C) 10-16 Amendment No. 6 dated as of January 12, 1993 to Participation Agreement dated as of March 16, 1987 among Perry One Alpha Limited Partnership, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-50)

- (C) 10-17      Amendment No. 7 dated as of October 12, 1994 to Participation Agreement dated as of March 16, 1987 as amended, among Perry One Alpha Limited Partnership, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-54, File No. 001-02578))
- (C) 10-18      Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee, with Perry One Alpha Limited Partnership, Lessor, and Ohio Edison Company, Lessee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-2)
- (C) 10-19      Amendment No. 1 dated as of September 1, 1987 to Facility Lease dated as of March 16, 1997 between The First National Bank of Boston, as Owner Trustee, Lessor and Ohio Edison Company, Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-49)
- (C) 10-20      Amendment No. 2 dated as of November 1, 1991, to Facility Lease dated as of March 16, 1987, between The First National Bank of Boston, as Owner Trustee, Lessor and Ohio Edison Company, Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-50)
- (C) 10-21      Amendment No. 3 dated as of November 24, 1992 to Facility Lease dated as March 16, 1987 as amended, between The First National Bank of Boston, as Owner Trustee, with Perry One Alpha Limited partnership, as Owner Participant and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-54)
- (C) 10-22      Amendment No. 4 dated as of January 12, 1993 to Facility Lease dated as of March 16, 1987 as amended, between, The First National Bank of Boston, as Owner Trustee, with Perry One Alpha Limited Partnership, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-59, File No. 001-02578))
- (C) 10-23      Amendment No. 5 dated as of October 12, 1994 to Facility Lease dated as of March 16, 1987 as amended, between, The First National Bank of Boston, as Owner Trustee, with Perry One Alpha Limited Partnership, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-60, File No. 001-02578)
- (C) 10-24      Letter Agreement dated as of March 19, 1987 between Ohio Edison Company, Lessee, and The First National Bank of Boston, Owner Trustee under a Trust dated March 16, 1987 with Chase Manhattan Realty Leasing Corporation, required by Section 3(d) of the Facility Lease. (incorporated by reference to 1986 Form 10-K, Exhibit 28-3)
- (C) 10-25      Ground Lease dated as of March 16, 1987 between Ohio Edison Company, Ground Lessor, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with the Owner Participant, Tenant. (incorporated by reference to 1986 Form 10-K, Exhibit 28-4)
- (C) 10-26      Trust Agreement dated as of March 16, 1987 between Perry One Alpha Limited Partnership, as Owner Participant, and The First National Bank of Boston. (incorporated by reference to 1986 Form 10-K, Exhibit 28-5)
- (C) 10-27      Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of March 16, 1987 with Perry One Alpha Limited Partnership, and Irving Trust Company, as Indenture Trustee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-6)
- (C) 10-28      Supplemental Indenture No. 1 dated as of September 1, 1987 to Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of March 16, 1987 between The First National Bank of Boston as Owner Trustee and Irving Trust Company (now The Bank of New York), as Indenture Trustee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-55)
- (C) 10-29      Supplemental Indenture No. 2 dated as of November 1, 1991 to Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee and The Bank of New York, as Indenture Trustee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-56)

- (C) 10-30 Tax Indemnification Agreement dated as of March 16, 1987 between Perry One, Inc. and PARock Limited Partnership as General Partners and Ohio Edison Company, as Lessee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-7)
- (C) 10-31 Amendment No. 1 dated as of November 1, 1991 to Tax Indemnification Agreement dated as of March 16, 1987 between Perry One, Inc. and PARock Limited Partnership and Ohio Edison Company. (incorporated by reference to 1991 Form 10-K, Exhibit 10-58)
- (C) 10-32 Amendment No. 2 dated as of January 12, 1993 to Tax Indemnification Agreement dated as of March 16, 1987 between Perry One, Inc. and PARock Limited Partnership and Ohio Edison Company. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-69, File No. 001-02578)
- (C) 10-33 Amendment No. 3 dated as of October 12, 1994 to Tax Indemnification Agreement dated as of March 16, 1987 between Perry One, Inc. and PARock Limited Partnership and Ohio Edison Company. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-70, File No. 001-02578)
- (C) 10-34 Partial Mortgage Release dated as of March 19, 1987 under the Indenture between Ohio Edison Company and Bankers Trust Company, as Trustee, dated as of the 1st day of August 1930. (incorporated by reference to 1986 Form 10-K, Exhibit 28-8)
- (C) 10-35 Assignment, Assumption and Further Agreement dated as of March 16, 1987 among The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Perry One Alpha Limited Partnership, The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company and Toledo Edison Company. (incorporated by reference to 1986 Form 10-K, Exhibit 28-9)
- (C) 10-36 Additional Support Agreement dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Perry One Alpha Limited Partnership, and Ohio Edison Company. (incorporated by reference to 1986 Form 10-K, Exhibit 28-10)
- (C) 10-37 Bill of Sale, Instrument of Transfer and Severance Agreement dated as of March 19, 1987 between Ohio Edison Company, Seller, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Perry One Alpha Limited Partnership. (incorporated by reference to 1986 Form 10-K, Exhibit 28-11)
- (C) 10-38 Easement dated as of March 16, 1987 from Ohio Edison Company, Grantor, to The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Perry One Alpha Limited Partnership, Grantee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-12)
- 10-39 Participation Agreement dated as of March 16, 1987 among Security Pacific Capital Leasing Corporation, as Owner Participant, the Original Loan Participants listed in Schedule 1 Hereto, as Original Loan Participants, PNPP Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-13)
- 10-40 Amendment No. 1 dated as of September 1, 1987 to Participation Agreement dated as of March 16, 1987 among Security Pacific Capital Leasing Corporation, as Owner Participant, The Original Loan Participants Listed in Schedule 1 thereto, as Original Loan Participants, PNPP Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-65)

- 10-41 Amendment No. 4 dated as of November 1, 1991, to Participation Agreement dated as of March 16, 1987 among Security Pacific Capital Leasing Corporation, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-66)
- 10-42 Amendment No. 5 dated as of November 24, 1992 to Participation Agreement dated as of March 16, 1987 as amended among Security Pacific Capital Leasing Corporation, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-71)
- 10-43 Amendment No. 6 dated as of January 12, 1993 to Participation Agreement dated as of March 16, 1987 as amended among Security Pacific Capital Leasing Corporation, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-80, File No. 001-02578)
- 10-44 Amendment No. 7 dated as of October 12, 1994 to Participation Agreement dated as of March 16, 1987 as amended among Security Pacific Capital Leasing Corporation, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, File No. 001-02578)
- 10-45 Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee, with Security Pacific Capital Leasing Corporation, Lessor, and Ohio Edison Company, as Lessee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-14)
- 10-46 Amendment No. 1 dated as of September 1, 1987 to Facility Lease dated as of March 16, 1987 between The First National Bank of Boston as Owner Trustee, Lessor and Ohio Edison Company, Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-68)
- 10-47 Amendment No. 2 dated as of November 1, 1991 to Facility Lease dated as of March 16, 1987 between The First National Bank of Boston as Owner Trustee, Lessor and Ohio Edison Company, Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-69)
- 10-48 Amendment No. 3 dated as of November 24, 1992 to Facility Lease dated as of March 16, 1987, as amended, between, The First National Bank of Boston, as Owner Trustee, with Security Pacific Capital Leasing Corporation, as Owner Participant and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-75)
- 10-49 Amendment No. 4 dated as of January 12, 1993 to Facility Lease dated as of March 16, 1987 as amended between, The First National Bank of Boston, as Owner Trustee, with Security Pacific Capital Leasing Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-76)
- 10-50 Amendment No. 5 dated as of October 12, 1994 to Facility Lease dated as of March 16, 1987 as amended between, The First National Bank of Boston, as Owner Trustee, with Security Pacific Capital Leasing Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-87, File No. 001-02578)
- 10-51 Letter Agreement dated as of March 19, 1987 between Ohio Edison Company, as Lessee, and The First National Bank of Boston, as Owner Trustee under a Trust, dated as of March 16, 1987, with Security Pacific Capital Leasing Corporation, required by Section 3(d) of the Facility Lease. (incorporated by reference to 1986 Form 10-K, Exhibit 28-15)

- 10-52      Ground Lease dated as of March 16, 1987 between Ohio Edison Company, Ground Lessor, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Perry One Alpha Limited Partnership, Tenant. (incorporated by reference to 1986 Form 10-K, Exhibit 28-16)
- 10-53      Trust Agreement dated as of March 16, 1987 between Security Pacific Capital Leasing Corporation, as Owner Participant, and The First National Bank of Boston. (incorporated by reference to 1986 Form 10-K, Exhibit 28-17)
- 10-54      Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Security Pacific Capital Leasing Corporation, and Irving Trust Company, as Indenture Trustee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-18)
- 10-55      Supplemental Indenture No. 1 dated as of September 1, 1987 to Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee and Irving Trust Company (now The Bank of New York), as Indenture Trustee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-74)
- 10-56      Supplemental Indenture No. 2 dated as of November 1, 1991 to Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee and The Bank of New York, as Indenture Trustee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-75)
- 10-57      Tax Indemnification Agreement dated as of March 16, 1987 between Security Pacific Capital Leasing Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-19)
- 10-58      Amendment No. 1 dated as of November 1, 1991 to Tax Indemnification Agreement dated as of March 16, 1987 between Security Pacific Capital Leasing Corporation and Ohio Edison Company. (incorporated by reference to 1991 Form 10-K, Exhibit 10-77)
- 10-59      Amendment No. 2 dated as of January 12, 1993 to Tax Indemnification Agreement dated as of March 16, 1987 between Security Pacific Capital Leasing Corporation and Ohio Edison Company. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-96, File No. 001-02578)
- 10-60      Amendment No. 3 dated as of October 12, 1994 to Tax Indemnification Agreement dated as of March 16, 1987 between Security Pacific Capital Leasing Corporation and Ohio Edison Company. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-97, File No. 001-02578)
- 10-61      Assignment, Assumption and Further Agreement dated as of March 16, 1987 among The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Security Pacific Capital Leasing Corporation, The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company and Toledo Edison Company. (incorporated by reference to 1986 Form 10-K, Exhibit 28-20)
- 10-62      Additional Support Agreement dated as of March 16, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Security Pacific Capital Leasing Corporation, and Ohio Edison Company. (incorporated by reference to 1986 Form 10-K, Exhibit 28-21)
- 10-63      Bill of Sale, Instrument of Transfer and Severance Agreement dated as of March 19, 1987 between Ohio Edison Company, Seller, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Security Pacific Capital Leasing Corporation, Buyer. (incorporated by reference to 1986 Form 10-K, Exhibit 28-22)
- 10-64      Easement dated as of March 16, 1987 from Ohio Edison Company, Grantor, to The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of March 16, 1987, with Security Pacific Capital Leasing Corporation, Grantee. (incorporated by reference to 1986 Form 10-K, Exhibit 28-23)

- 10-65      Refinancing Agreement dated as of November 1, 1991 among Perry One Alpha Limited Partnership, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee, The Bank of New York, as Collateral Trust Trustee, The Bank of New York, as New Collateral Trust Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-82)
- 10-66      Refinancing Agreement dated as of November 1, 1991 among Security Pacific Leasing Corporation, as Owner Participant, PNPP Funding Corporation, as Funding Corporation, PNPP II Funding Corporation, as New Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee, The Bank of New York, as Collateral Trust Trustee, The Bank of New York as New Collateral Trust Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1991 Form 10-K, Exhibit 10-83)
- 10-67      Ohio Edison Company Master Decommissioning Trust Agreement for Perry Nuclear Power Plant Unit One, Perry Nuclear Power Plant Unit Two, Beaver Valley Power Station Unit One and Beaver Valley Power Station Unit Two dated July 1, 1993. (1993 Form 10-K, Exhibit 10-94)
- (D) 10-68      Participation Agreement dated as of September 15, 1987, among Beaver Valley Two Pi Limited Partnership, as Owner Participant, the Original Loan Participants listed in Schedule 1 Thereto, as Original Loan Participants, BVPS Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company as Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-1)
- (D) 10-69      Amendment No. 1 dated as of February 1, 1988, to Participation Agreement dated as of September 15, 1987, among Beaver Valley Two Pi Limited Partnership, as Owner Participant, the Original Loan Participants listed in Schedule 1 Thereto, as Original Loan Participants, BVPS Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-2)
- (D) 10-70      Amendment No. 3 dated as of March 16, 1988 to Participation Agreement dated as of September 15, 1987, as amended, among Beaver Valley Two Pi Limited Partnership, as Owner Participant, BVPS Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-99)
- (D) 10-71      Amendment No. 4 dated as of November 5, 1992 to Participation Agreement dated as of September 15, 1987, as amended, among Beaver Valley Two Pi Limited Partnership, as Owner Participant, BVPS Funding Corporation, BVPS II Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-100)
- (D) 10-72      Amendment No. 5 dated as of September 30, 1994 to Participation Agreement dated as of September 15, 1987, as amended, among Beaver Valley Two Pi Limited Partnership, as Owner Participant, BVPS Funding Corporation, BVPS II Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-118, File No. 001-02578)
- (D) 10-73      Facility Lease dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee, with Beaver Valley Two Pi Limited Partnership, Lessor, and Ohio Edison Company, Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-3)
- (D) 10-74      Amendment No. 1 dated as of February 1, 1988, to Facility Lease dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee, with Beaver Valley Two Pi Limited Partnership, Lessor, and Ohio Edison Company, Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-4)

- (D) 10-75      Amendment No. 2 dated as of November 5, 1992, to Facility Lease dated as of September 15, 1987, as amended, between The First National Bank of Boston, as Owner Trustee, with Beaver Valley Two Pi Limited Partnership, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-103)
  
- (D) 10-76      Amendment No. 3 dated as of September 30, 1994 to Facility Lease dated as of September 15, 1987, as amended, between The First National Bank of Boston, as Owner Trustee, with Beaver Valley Two Pi Limited Partnership, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-122, File No. 001-02578)
  
- (D) 10-77      Ground Lease and Easement Agreement dated as of September 15, 1987, between Ohio Edison Company, Ground Lessor, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Beaver Valley Two Pi Limited Partnership, Tenant. (incorporated by reference to 1987 Form 10-K, Exhibit 28-5)
  
- (D) 10-78      Trust Agreement dated as of September 15, 1987, between Beaver Valley Two Pi Limited Partnership, as Owner Participant, and The First National Bank of Boston. (incorporated by reference to 1987 Form 10-K, Exhibit 28-6)
  
- (D) 10-79      Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987, with Beaver Valley Two Pi Limited Partnership, and Irving Trust Company, as Indenture Trustee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-7)
  
- (D) 10-80      Supplemental Indenture No. 1 dated as of February 1, 1988 to Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of September 15, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with Beaver Valley Two Pi Limited Partnership and Irving Trust Company, as Indenture Trustee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-8)
  
- (D) 10-81      Tax Indemnification Agreement dated as of September 15, 1987, between Beaver Valley Two Pi Inc. and PARock Limited Partnership as General Partners and Ohio Edison Company, as Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-9)
  
- (D) 10-82      Amendment No. 1 dated as of November 5, 1992 to Tax Indemnification Agreement dated as of September 15, 1987, between Beaver Valley Two Pi Inc. and PARock Limited Partnership as General Partners and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-128, File No. 001-02578)
  
- (D) 10-83      Amendment No. 2 dated as of September 30, 1994 to Tax Indemnification Agreement dated as of September 15, 1987, between Beaver Valley Two Pi Inc. and PARock Limited Partnership as General Partners and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-129, File No. 001-02578)
  
- (D) 10-84      Tax Indemnification Agreement dated as of September 15, 1987, between HG Power Plant, Inc., as Limited Partner and Ohio Edison Company, as Lessee. (1987 Form 10-K, Exhibit 28-10)
  
- (D) 10-85      Amendment No. 1 dated as of November 5, 1992 to Tax Indemnification Agreement dated as of September 15, 1987, between HG Power Plant, Inc., as Limited Partner and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-131, File No. 001-02578)
  
- (D) 10-86      Amendment No. 2 dated as of September 30, 1994 to Tax Indemnification Agreement dated as of September 15, 1987, between HG Power Plant, Inc., as Limited Partner and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-132, File No. 001-02578)

- (D) 10-87 Assignment, Assumption and Further Agreement dated as of September 15, 1987, among The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Beaver Valley Two Pi Limited Partnership, The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company and Toledo Edison Company. (incorporated by reference to 1987 Form 10-K, Exhibit 28-11)
- (D) 10-88 Additional Support Agreement dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Beaver Valley Two Pi Limited Partnership, and Ohio Edison Company. (incorporated by reference to 1987 Form 10-K, Exhibit 28-12)
- (E) 10-89 Participation Agreement dated as of September 15, 1987, among Chrysler Consortium Corporation, as Owner Participant, the Original Loan Participants listed in Schedule 1 Thereto, as Original Loan Participants, BVPS Funding Corporation as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-13)
- (E) 10-90 Amendment No. 1 dated as of February 1, 1988, to Participation Agreement dated as of September 15, 1987, among Chrysler Consortium Corporation, as Owner Participant, the Original Loan Participants listed in Schedule 1 Thereto, as Original Loan Participants, BVPS Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee, and Ohio Edison Company, as Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-14)
- (E) 10-91 Amendment No. 3 dated as of March 16, 1988 to Participation Agreement dated as of September 15, 1987, as amended, among Chrysler Consortium Corporation, as Owner Participant, BVPS Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee, and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-114)
- (E) 10-92 Amendment No. 4 dated as of November 5, 1992 to Participation Agreement dated as of September 15, 1987, as amended, among Chrysler Consortium Corporation, as Owner Participant, BVPS Funding Corporation, BVPS II Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-115)
- (E) 10-93 Amendment No. 5 dated as of January 12, 1993 to Participation Agreement dated as of September 15, 1987, as amended, among Chrysler Consortium Corporation, as Owner Participant, BVPS Funding Corporation, BVPS II Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-139, File No. 001-02578)
- (E) 10-94 Amendment No. 6 dated as of September 30, 1994 to Participation Agreement dated as of September 15, 1987, as amended, among Chrysler Consortium Corporation, as Owner Participant, BVPS Funding Corporation, BVPS II Funding Corporation, The First National Bank of Boston, as Owner Trustee, The Bank of New York, as Indenture Trustee and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-140, File No. 001-02578)
- (E) 10-95 Facility Lease dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee, with Chrysler Consortium Corporation, Lessor, and Ohio Edison Company, as Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-15)
- (E) 10-96 Amendment No. 1 dated as of February 1, 1988, to Facility Lease dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee, with Chrysler Consortium Corporation, Lessor, and Ohio Edison Company, Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-16)



- (E) 10-97      Amendment No. 2 dated as of November 5, 1992 to Facility Lease dated as of September 15, 1987, as amended, between The First National Bank of Boston, as Owner Trustee, with Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-118)
- (E) 10-98      Amendment No. 3 dated as of January 12, 1993 to Facility Lease dated as of September 15, 1987, as amended, between The First National Bank of Boston, as Owner Trustee, with Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to 1992 Form 10-K, Exhibit 10-119)
- (E) 10-99      Amendment No. 4 dated as of September 30, 1994 to Facility Lease dated as of September 15, 1987, as amended, between The First National Bank of Boston, as Owner Trustee, with Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-145, File No. 001-02578)
- (E) 10-100      Ground Lease and Easement Agreement dated as of September 15, 1987, between Ohio Edison Company, Ground Lessor, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Chrysler Consortium Corporation, Tenant. (incorporated by reference to 1987 Form 10-K, Exhibit 28-17)
- (E) 10-101      Trust Agreement dated as of September 15, 1987, between Chrysler Consortium Corporation, as Owner Participant, and The First National Bank of Boston. (incorporated by reference to 1987 Form 10-K, Exhibit 28-18)
- (E) 10-102      Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Chrysler Consortium Corporation and Irving Trust Company, as Indenture Trustee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-19)
- (E) 10-103      Supplemental Indenture No. 1 dated as of February 1, 1988 to Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Lease dated as of September 15, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with Chrysler Consortium Corporation and Irving Trust Company, as Indenture Trustee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-20)
- (E) 10-104      Tax Indemnification Agreement dated as of September 15, 1987, between Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, Lessee. (incorporated by reference to 1987 Form 10-K, Exhibit 28-21)
- (E) 10-105      Amendment No. 1 dated as of November 5, 1992 to Tax Indemnification Agreement dated as of September 15, 1987, between Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-151, File No. 001-02578)
- (E) 10-106      Amendment No. 2 dated as of January 12, 1993 to Tax Indemnification Agreement dated as of September 15, 1987, between Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-152, File No. 001-02578)
- (E) 10-107      Amendment No. 3 dated as of September 30, 1994 to Tax Indemnification Agreement dated as of September 15, 1987, between Chrysler Consortium Corporation, as Owner Participant, and Ohio Edison Company, as Lessee. (incorporated by reference to OE's Form 10-K filed March 21, 1995, Exhibit 10-153, File No. 001-02578)
- (E) 10-108      Assignment, Assumption and Further Agreement dated as of September 15, 1987, among The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Chrysler Consortium Corporation, The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company, and Toledo Edison Company. (incorporated by reference to 1987 Form 10-K, Exhibit 28-22)

- (E) 10-109 Additional Support Agreement dated as of September 15, 1987, between The First National Bank of Boston, as Owner Trustee under a Trust Agreement, dated as of September 15, 1987, with Chrysler Consortium Corporation, and Ohio Edison Company. (incorporated by reference to 1987 Form 10-K, Exhibit 28-23)
- 10-110 Operating Agreement for Bruce Mansfield Units Nos. 1, 2 and 3 dated as of June 1, 1976, and executed on September 15, 1987, by and between the CAPCO Companies. (incorporated by reference to 1987 Form 10-K, Exhibit 28-25)
- 10-111 OE Nuclear Capital Contribution Agreement by and between Ohio Edison Company and FirstEnergy Nuclear Generation Corp. (incorporated by reference to OE's Form 10-Q filed August 1, 2005, Exhibit 10.1, File No. 001-02578)
- 10-112 OE Fossil Purchase and Sale Agreement by and between Ohio Edison Company (Seller) and FirstEnergy Generation Corp. (Purchaser). (incorporated by reference to OE's Form 10-Q filed August 1, 2005, Exhibit 10.2, File No. 001-02578)
- 10-113 OE Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and Ohio Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.18, File No. 333-145140-01)
- 10-114 Consent Decree dated March 18, 2005. (incorporated by reference to FE's Form 8-K filed March 18, 2005, Exhibit 10.1, File No. 333-21011)
- 10-115 Nuclear Sale/Leaseback Power Supply Agreement dated as of October 14, 2005 between Ohio Edison Company and The Toledo Edison Company (Sellers) and FirstEnergy Nuclear Generation Corp. (Buyer). (incorporated by reference to OE's Form 10-K filed March 2, 2006, Exhibit 10-64, File No. 001-02578)
- 10-116 Power Supply Agreement dated as of October 31, 2005 between FirstEnergy Solutions Corp. (Seller) and the FirstEnergy Operating Companies – Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company (Buyers). (incorporated by reference to OE's Form 10-K filed March 2, 2006, Exhibit 10-65, File No. 001-02578)
- 10-117 Revised Power Supply Agreement, dated December 8, 2006, among FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.34, File No. 333-145140-01)
- 10-118 Master SSO Supply Agreement, entered into May 18, 2009, by and between The Cleveland Electric Illuminating Company, the Toledo Edison Company and Ohio Edison Company and FirstEnergy Solutions Corp. (incorporated by reference to OE's Form 10-Q filed August 3, 2009, Exhibit 10.2, File No. 001-02578)
- (A) 12-3 Consolidated ratios of earnings to fixed charges.
- (A) 23-2 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.
- (A) Provided herein in electronic format as an exhibit.
- (B) Management contract or compensatory plan contract or arrangement filed pursuant to Item 601 of Regulation S-K.

- (C) Substantially similar documents have been entered into relating to three additional Owner Participants.
- (D) Substantially similar documents have been entered into relating to five additional Owner Participants.
- (E) Substantially similar documents have been entered into relating to two additional Owner Participants.

### **3. Exhibits – Common Exhibits for CEI and TE**

#### **Exhibit Number**

- 2-1 Agreement and Plan of Merger between Ohio Edison Company and Centerior Energy dated as of September 13, 1996. (incorporated by reference to FE's Form S-4 filed February 3, 1997, Exhibit (2)-1, File No. 333-21011)
- 2-2 Merger Agreement by and among Centerior Acquisition Corp., FirstEnergy Corp and Centerior Energy Corp. (incorporated by reference to FE's Form S-4 filed February 3, 1997, Exhibit (2)-3, File No. 333-21011)
- 10-1 CAPCO Administration Agreement dated November 1, 1971, as of September 14, 1967, among the CAPCO Group members regarding the organization and procedures for implementing the objectives of the CAPCO Group. (incorporated by reference to Amendment No. 1, Exhibit 5(p), File No. 2-42230)
- 10-2 Amendment No. 1, dated January 4, 1974, to CAPCO Administration Agreement among the CAPCO Group members. (incorporated by reference to OE's File No. 2-68906, Exhibit 5(c)(3))
- 10-3 Agreement for the Termination or Construction of Certain Agreement By and Among the CAPCO Group members, dated December 23, 1993 and effective as of September 1, 1980. (incorporated by reference to CEI's Form 10-K filed on March 31, 1994, Exhibit 10b(4), File No. 001-02323)
- 10-4 Second Amendment to the Bruce Mansfield Units 1, 2, and 3 Operating Agreement, dated as of July 1, 2007, between FirstEnergy Generation Corp., The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to FE's Form 8-K/A filed August 2, 2007, Exhibit 10-11, File No. 333-21011)
- 10-5 Amendment No. 6A dated as of December 1, 1991, to the Bond Guaranty dated as of October 1, 1973, by The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company, The Toledo Edison Company to National City Bank, as Bond Trustee. (incorporated by reference to OE's 1991 Form 10-K, Exhibit 10-33)
- 10-6 Amendment No. 6B dated as of December 30, 1991, to the Bond Guaranty dated as of October 1, 1973 by The Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company, The Toledo Edison Company to National City Bank, as Bond Trustee. (incorporated by reference to OE's 1991 Form 10-K, Exhibit 10-34)
- 10-7 Form of Collateral Trust Indenture among CTC Beaver Valley Funding Corporation, The Cleveland Electric Illuminating Company, The Toledo Edison Company and Irving Trust Company, as Trustee. (incorporated by reference to File No. 33-18755, Exhibit 4(a))
- 10-8 Form of Supplemental Indenture to Collateral Trust Indenture constituting Exhibit 10-10 above, including form of Secured Lease Obligation bond. (incorporated by reference to File No. 33-18755, Exhibit 4(b))
- 10-9 Form of Collateral Trust Indenture among Beaver Valley II Funding Corporation, The Cleveland Electric Illuminating Company and The Toledo Edison Company and The Bank of New York, as Trustee. (incorporated by reference to File No. 33-46665, Exhibit (4)(a))

- 10-10 Form of Supplemental Indenture to Collateral Trust Indenture constituting Exhibit 10-12 above, including form of Secured Lease Obligation Bond. (incorporated by reference to File No. 33-46865, Exhibit 4(b))
- 10-11 Form of Collateral Trust Indenture among CTC Mansfield Funding Corporation, Cleveland Electric, Toledo Edison and IBJ Schroder Bank & Trust Company, as Trustee. (incorporated by reference to File No. 33-20128, Exhibit 4(a))
- 10-12 Form of Supplemental Indenture to Collateral Trust Indenture constituting Exhibit 10-14 above, including forms of Secured Lease Obligation bonds. (incorporated by reference to File No. 33-20128, Exhibit 4(b))
- 10-13 Form of Facility Lease dated as of September 15, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with the limited partnership Owner Participant named therein, Lessor, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, Lessee. (incorporated by reference to File No. 33-18755, Exhibit 4(c))
- 10-14 Form of Amendment No. 1 to Facility Lease constituting Exhibit 10-16 above. (incorporated by reference to File No. 33-18755, Exhibit 4(e))
- 10-15 Form of Facility Lease dated as of September 15, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with the corporate Owner Participant named therein, Lessor, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, Lessees. (incorporated by reference to File No. 33-18755, Exhibit 4(d))
- 10-16 Form of Amendment No. 1 to Facility Lease constituting Exhibit 10-18 above. (incorporated by reference to File No. 33-18755, Exhibit 4(f))
- 10-17 Form of Facility Lease dated as of September 30, 1987 between Meridian Trust Company, as Owner Trustee under a Trust Agreement dated as of September 30, 1987 with the Owner Participant named therein, Lessor, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, Lessees. (incorporated by reference to File No. 33-20128, Exhibit 4(c))
- 10-18 Form of Amendment No. 1 to the Facility Lease constituting Exhibit 10-20 above. (incorporated by reference to File No. 33-20128, Exhibit 4(f))
- 10-19 Form of Participation Agreement dated as of September 15, 1987 among the limited partnership Owner Participant named therein, the Original Loan Participants listed in Schedule 1 thereto, as Original Loan Participants, CTC Beaver Valley Fund Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, as Lessees. (incorporated by reference to File No. 33-18755, Exhibit 28(a))
- 10-20 Form of Amendment No. 1 to Participation Agreement constituting Exhibit 10-22 above (incorporated by reference to File No. 33-18755, Exhibit 28(c))
- 10-21 Form of Participation Agreement dated as of September 15, 1987 among the corporate Owner Participant named therein, the Original Loan Participants listed in Schedule 1 thereto, as Owner Loan Participants, CTC Beaver Valley Funding Corporation, as Funding Corporation, The First National Bank of Boston, as Owner Trustee, Irving Trust Company, as Indenture Trustee, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, as Lessees. (incorporated by reference to File No. 33-18755, Exhibit 28(b))
- 10-22 Form of Amendment No. 1 to Participation Agreement constituting Exhibit 10-24 above (incorporated by reference to File No. 33-18755, Exhibit 28(d))

- 10-23 Form of Participation Agreement dated as of September 30, 1987 among the Owner Participant named therein, the Original Loan Participants listed in Schedule II thereto, as Owner Loan Participants, CTC Mansfield Funding Corporation, Meridian Trust Company, as Owner Trustee, IBJ Schroder Bank & Trust Company, as Indenture Trustee, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, as Lessees. (incorporated by reference to File No. 33-0128, Exhibit 28(a))
- 10-24 Form of Amendment No. 1 to the Participation Agreement constituting Exhibit 10-26 above (incorporated by reference to File No. 33-20128, Exhibit 28(b))
- 10-25 Form of Ground Lease dated as of September 15, 1987 between Toledo Edison, Ground Lessor, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with the Owner Participant named therein, Tenant. (incorporated by reference to File No. 33-18755, Exhibit 28(e))
- 10-26 Form of Site Lease dated as of September 30, 1987 between Toledo Edison, Lessor, and Meridian Trust Company, as Owner Trustee under a Trust Agreement dated as of September 30, 1987 with the Owner Participant named therein, Tenant. (incorporated by reference to File No. 33-20128, Exhibit 28(c))
- 10-27 Form of Site Lease dated as of September 30, 1987 between The Cleveland Electric Illuminating Company, Lessor, and Meridian Trust Company, as Owner Trustee under a Trust Agreement dated as of September 30, 1987 with the Owner Participant named therein, Tenant. (incorporated by reference to File No. 33-20128, Exhibit 28(d))
- 10-28 Form of Amendment No. 1 to the Site Leases constituting Exhibits 10-29 and 10-30 above (incorporated by reference to File No. 33-20128, Exhibit 4(f))
- 10-29 Form of Assignment, Assumption and Further Agreement dated as of September 15, 1987 among The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with the Owner Participant named therein, The Cleveland Electric Illuminating Company, Duquesne, Ohio Edison Company, Pennsylvania Power Company and The Toledo Edison Company. (incorporated by reference to File No. 33-18755, Exhibit 28(f))
- 10-30 Form of Additional Support Agreement dated as of September 15, 1987 between The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with the Owner Participant named therein and The Toledo Edison Company. (incorporated by reference to File No. 33-18755, Exhibit 28(g))
- 10-31 Form of Support Agreement dated as of September 30, 1987 between Meridian Trust Company, as Owner Trustee under a Trust Agreement dated as of September 30, 1987 with the Owner Participant named therein, The Toledo Edison Company, The Cleveland Electric Illuminating Company, Duquesne, Ohio Edison Company and Pennsylvania Power Company. (incorporated by reference to File No. 33-20128, Exhibit 28(e))
- 10-32 Form of Indenture, Bill of Sale, Instrument of Transfer and Severance Agreement dated as of September 30, 1987 between The Toledo Edison Company, Seller, and The First National Bank of Boston, as Owner Trustee under a Trust Agreement dated as of September 15, 1987 with the Owner Participant named therein, Buyer. (incorporated by reference to File No. 33-18755, Exhibit 28(h))
- 10-33 Form of Bill of Sale, Instrument of Transfer and Severance Agreement dated as of September 30, 1987 between The Toledo Edison Company, Seller, and Meridian Trust Company, as Owner Trustee under a Trust Agreement dated as of September 30, 1987 with the Owner Participant named therein, Buyer. (incorporated by reference to File No. 33-20128, Exhibit 28(f))
- 10-34 Form of Bill of Sale, Instrument of Transfer and Severance Agreement dated as of September 30, 1987 between The Cleveland Electric Illuminating Company, Seller, and Meridian Trust Company, as Owner Trustee under a Trust Agreement dated as of September 30, 1987 with the Owner Participant named therein, Buyer. (incorporated by reference to File No. 33-20128, Exhibit 28(g))

- 10-35 Forms of Refinancing Agreement, including exhibits thereto, among the Owner Participant named therein, as Owner Participant, CTC Beaver Valley Funding Corporation, as Funding Corporation, Beaver Valley II Funding Corporation, as New Funding Corporation, The Bank of New York, as Indenture Trustee, The Bank of New York, as New Collateral Trust Trustee, and The Cleveland Electric Illuminating Company and The Toledo Edison Company, as Lessees. (incorporated by reference to File No. 33-46665, Exhibit (28)(e)(i))
- 10-36 Form of Amendment No. 2 to Facility Lease among Citicorp Lescaman, Inc., The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 10(a), File No. 333-47651)
- 10-37 Form of Amendment No. 3 to Facility Lease among Citicorp Lescaman, Inc., The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 10(b), File No. 333-47651)
- 10-38 Form of Amendment No. 2 to Facility Lease among US West Financial Services, Inc., The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 10(c), File No. 333-47651)
- 10-39 Form of Amendment No. 3 to Facility Lease among US West Financial Services, Inc., The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 10(d), File No. 333-47651)
- 10-40 Form of Amendment No. 2 to Facility Lease among Midwest Power Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 10(e), File No. 333-47651)
- 10-41 Centerior Energy Corporation Equity Compensation Plan. (incorporated by reference to Centerior Energy Corporation's Form S-8 filed May 26, 1995, Exhibit 99, File No. 33-59635)
- 10-42 Revised Power Supply Agreement, dated December 8, 2006, among FirstEnergy Solutions Corp., Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.34, File No. 333-145140-01)

### 3. Exhibits – CEI

- 3-1 Amended and Restated Articles of Incorporation of The Cleveland Electric Illuminating Company, Effective December 21, 2007. (incorporated by reference to CEI's Form 10-K filed February 29, 2008, Exhibit 3.3, File No. 001-02323)
- 3-2 Amended and Restated Code of Regulations of The Cleveland Electric Illuminating Company, dated December 14, 2007. (incorporated by reference to CEI's Form 10-K filed February 29, 2008, Exhibit 3.4, File No. 001-02323)
- (B) 4-1 Mortgage and Deed of Trust between The Cleveland Electric Illuminating Company and Guaranty Trust Company of New York (now The Chase Manhattan Bank (National Association)), as Trustee, dated July 1, 1940. (incorporated by reference to File No. 2-4450, Exhibit 7(a))  
  
 Supplemental Indentures between The Cleveland Electric Illuminating Company and the Trustee, supplemental to Exhibit 4-1, dated as follows:
  - 4-1(a) July 1, 1940 (incorporated by reference to File No. 2-4450, Exhibit 7(b))
  - 4-1(b) August 18, 1944 (incorporated by reference to File No. 2-9887, Exhibit 4(c))
  - 4-1(c) December 1, 1947 (incorporated by reference to File No. 2-7306, Exhibit 7(d))
  - 4-1(d) September 1, 1950 (incorporated by reference to File No. 2-8587, Exhibit 7(c))
  - 4-1(e) June 1, 1951 (incorporated by reference to File No. 2-8994, Exhibit 7(f))
  - 4-1(f) May 1, 1954 (incorporated by reference to File No. 2-10830, Exhibit 4(d))
  - 4-1(g) March 1, 1958 (incorporated by reference to File No. 2-13839, Exhibit 2(a)(4))
  - 4-1(h) April 1, 1959 (incorporated by reference to File No. 2-14753, Exhibit 2(a)(4))
  - 4-1(i) December 20, 1967 (incorporated by reference to File No. 2-30759, Exhibit 2(a)(4))
  - 4-1(j) January 15, 1969 (incorporated by reference to File No. 2-30759, Exhibit 2(a)(5))
  - 4-1(k) November 1, 1969 (incorporated by reference to File No. 2-35008, Exhibit 2(a)(4))
  - 4-1(l) June 1, 1970 (incorporated by reference to File No. 2-37235, Exhibit 2(a)(4))

4-1(m) November 15, 1970 (incorporated by reference to File No. 2-38460, Exhibit 2(a)(4))  
 4-1(n) May 1, 1974 (incorporated by reference to File No. 2-50537, Exhibit 2(a)(4))  
 4-1(o) April 15, 1975 (incorporated by reference to File No. 2-52995, Exhibit 2(a)(4))  
 4-1(p) April 18, 1975 (incorporated by reference to File No. 2-53309, Exhibit 2(a)(4))  
 4-1(q) May 28, 1975 (incorporated by reference to Form 8-A filed June 5, 1975, Exhibit 2(c), File No. 1-2323)  
 4-1(r) February 1, 1976 (incorporated by reference to 1975 Form 10-K, Exhibit 3(d)(6), File No. 1-2323)  
 4-1(s) November 23, 1976 (incorporated by reference to File No. 2-57375, Exhibit 2(a)(4))  
 4-1(t) July 26, 1977 (incorporated by reference to File No. 2-59401, Exhibit 2(a)(4))  
 4-1(u) September 7, 1977 (incorporated by reference to File No. 2-67221, Exhibit 2(a)(5))  
 4-1(v) May 1, 1978 (incorporated by reference to June 1978 Form 10-Q, Exhibit 2(b), File No. 1-2323)  
 4-1(w) September 1, 1979 (incorporated by reference to September 1979 Form 10-Q, Exhibit 2(a), File No. 1-2323)  
 4-1(x) April 1, 1980 (incorporated by reference to September 1980 Form 10-Q, Exhibit 4(a)(2), File No. 1-2323)  
 4-1(y) April 15, 1980 (incorporated by reference to September 1980 Form 10-Q, Exhibit 4(b), File No. 1-2323)  
 4-1(z) May 28, 1980 (incorporated by reference to Amendment No. 1, Exhibit 2(a)(4), File No. 2-67221)  
 4-1(aa) June 9, 1980 (incorporated by reference to September 1980 Form 10-Q, Exhibit 4(d), File No. 1-2323)  
 4-1(bb) December 1, 1980 (incorporated by reference to 1980 Form 10-K, Exhibit 4(b)(29), File No. 1-2323)  
 4-1(cc) July 28, 1981 (incorporated by reference to September 1981 Form 10-Q, Exhibit 4(a), File No. 1-2323)  
 4-1(dd) August 1, 1981 (incorporated by reference to September 1981 Form 10-Q, Exhibit 4(b), File No. 1-2323)  
 4-1(ee) March 1, 1982 (incorporated by reference to Amendment No. 1, Exhibit 4(b)(3), File No. 2-76029)  
 4-1(ff) July 15, 1982 (incorporated by reference to September 1982 Form 10-Q, Exhibit 4(a), File No. 1-2323)  
 4-1(gg) September 1, 1982 (incorporated by reference to September 1982 Form 10-Q, Exhibit 4(a)(1), File No. 1-2323)  
 4-1(hh) November 1, 1982 (incorporated by reference to September 1982 Form 10-Q, Exhibit (a)(2), File No. 1-2323)  
 4-1(ii) November 15, 1982 (incorporated by reference to 1982 Form 10-K, Exhibit 4(b)(36), File No. 1-2323)  
 4-1(jj) May 24, 1983 (incorporated by reference to June 1983 Form 10-Q, Exhibit 4(a), File No. 1-2323)  
 4-1(kk) May 1, 1984 (incorporated by reference to June 1984 Form 10-Q, Exhibit 4, File No. 1-2323)  
 4-1(ll) May 23, 1984 (incorporated by reference to Form 8-K dated May 22, 1984, Exhibit 4, File No. 1-2323)  
 4-1(mm) June 27, 1984 (incorporated by reference to Form 8-K dated June 11, 1984, Exhibit 4, File No. 1-2323)  
 4-1(nn) September 4, 1984 (incorporated by reference to 1984 Form 10-K, Exhibit 4b(41), File No. 1-2323)  
 4-1(oo) November 14, 1984 (incorporated by reference to 1984 Form 10 K, Exhibit 4b(42), File No. 1-2323)  
 4-1(pp) November 15, 1984 (incorporated by reference to 1984 Form 10-K, Exhibit 4b(43), File No. 1-2323)  
 4-1(qq) April 15, 1985 (incorporated by reference to (Form 8-K dated May 8, 1985, Exhibit 4(a), File No. 1-2323)  
 4-1(rr) May 28, 1985 (incorporated by reference to Form 8-K dated May 8, 1985, Exhibit 4(b), File No. 1-2323)  
 4-1(ss) August 1, 1985 (incorporated by reference to September 1985 Form 10-Q, Exhibit 4, File No. 1-2323)  
 4-1(tt) September 1, 1985 (incorporated by reference to Form 8-K dated September 30, 1985, Exhibit 4, File No. 1-2323)  
 4-1(uu) November 1, 1985 (incorporated by reference to Form 8-K dated January 31, 1986, Exhibit 4, File No. 1-2323)  
 4-1(vv) April 15, 1986 (incorporated by reference to March 1986 Form 10-Q, Exhibit 4, File No. 1-2323)  
 4-1(ww) May 14, 1986 (incorporated by reference to June 1986 Form 10-Q, Exhibit 4(a), File No. 1-2323)  
 4-1(xx) May 15, 1986 (incorporated by reference to June 1986 Form 10-Q, Exhibit 4(b), File No. 1-2323)  
 4-1(yy) February 25, 1987 (incorporated by reference to 1986 Form 10-K, Exhibit 4b(52), File No. 1-2323)

4-1(zz) October 15, 1987 (incorporated by reference to September 1987 Form 10-Q, Exhibit 4, File No. 1-2323)

4-1(aaa) February 24, 1988 (incorporated by reference to 1987 Form 10-K, Exhibit 4b(54), File No. 1-2323)

4-1(bbb) September 15, 1988 (incorporated by reference to 1988 Form 10-K, Exhibit 4b(55), File No. 1-2323)

4-1(ccc) May 15, 1989 (incorporated by reference to File No. 33-32724, Exhibit 4(a)(2)(i))

4-1(ddd) June 13, 1989 (incorporated by reference to File No. 33-32724, Exhibit 4(a)(2)(ii))

4-1(eee) October 15, 1989 (incorporated by reference to File No. 33-32724, Exhibit 4(a)(2)(iii))

4-1(fff) January 1, 1990 (incorporated by reference to 1989 Form 10-K, Exhibit 4b(59), File No. 1-2323)

4-1(ggg) June 1, 1990 (incorporated by reference to September 1990 Form 10-Q, Exhibit 4(a), File No. 1-2323)

4-1(hhh) August 1, 1990 (incorporated by reference to September 1990 Form 10-Q, Exhibit 4(b), File No. 1-2323)

4-1(iii) May 1, 1991 (incorporated by reference to June 1991 Form 10-Q, Exhibit 4(a), File No. 1-2323)

4-1(jjj) May 1, 1992 (incorporated by reference to File No. 33-48845, Exhibit 4(a)(3))

4-1(kkk) July 31, 1992 (incorporated by reference to File No. 33-57292, Exhibit 4(a)(3))

4-1(lll) January 1, 1993 (incorporated by reference to 1992 Form 10-K, Exhibit 4b(65), File No. 1-2323)

4-1(mmm) February 1, 1993 (incorporated by reference to 1992 Form 10-K, Exhibit 4b(66), File No. 1-2323)

4-1(nnn) May 20, 1993 (incorporated by reference to Form 8-K dated July 14, 1993, Exhibit 4(a), File No. 1-2323)

4-1(ooo) June 1, 1993 (incorporated by reference to Form 8-K dated July 14, 1993, Exhibit 4(b), File No. 1-2323)

4-1(ppp) September 15, 1994 (incorporated by reference to CEI's Form 10-Q filed November 14, 1994, Exhibit 4(a), File No. 001-02323)

4-1(qqq) May 1, 1995 (incorporated by reference to CEI's Form 10-Q filed November 13, 1995, Exhibit 4(a), File No. 001-02323)

4-1(rrr) May 2, 1995 (incorporated by reference to CEI's Form 10-Q filed November 13, 1995, Exhibit 4(b), File No. 001-02323)

4-1(sss) June 1, 1995 (incorporated by reference to CEI's Form 10-Q filed November 13, 1995, Exhibit 4(c), File No. 001-02323)

4-1(ttt) July 15, 1995 (incorporated by reference to CEI's Form 10-K filed March 29, 1996, Exhibit 4b(73), File No. 001-02323)

4-1(uuu) August 1, 1995 (incorporated by reference to CEI's Form 10-K filed March 29, 1996, Exhibit 4b(74), File No. 001-02323)

4-1(vvv) June 15, 1997 (incorporated by reference to CEI's Form S-4 filed September 18, 2007, Exhibit 4(a), File No. 333-35931)

4-1(www) October 15, 1997 (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 4(a), File No. 333-47651)

4-1(xxx) June 1, 1998 (incorporated by reference to CEI's Form S-4, Exhibit 4b(77), File No. 333-72891)

4-1(yyy) October 1, 1998 (incorporated by reference to CEI's Form S-4 filed February 24, 1999, Exhibit 4b(78), File No. 333-72891)

4-1(zzz) October 1, 1998 (incorporated by reference to CEI's Form S-4 filed February 24, 1999, Exhibit 4b(79), File No. 333-72891)

4-1(aaaa) February 24, 1999 (incorporated by reference to CEI's Form S-4 filed February 24, 1999, Exhibit 4b(80), File No. 333-72891)

4-1(bbbb) September 29, 1999 (incorporated by reference to CEI's Form 10-K filed March 29, 2000, Exhibit 4b(81), File No. 001-02323)

4-1(cccc) January 15, 2000 (incorporated by reference to CEI's Form 10-K filed March 29, 2000, Exhibit 4b(82), File No. 001-02323)

4-1(dddd) May 15, 2002 (incorporated by reference to CEI's Form 10-K filed March 26, 2003, Exhibit 4b(83), File No. 001-02323)

4-1(eeee) October 1, 2002 (incorporated by reference to CEI's Form 10-K filed March 26, 2003, Exhibit 4b(84), File No. 001-02323)

4-1(ffff) Supplemental Indenture dated as of September 1, 2004 (incorporated by reference to CEI's Form 10-Q filed November 4, 2004, Exhibit 4-1(85), File No. 001-02323)

4-1(gggg) Supplemental Indenture dated as of October 1, 2004 (incorporated by reference to CEI's Form 10-Q filed November 4, 2004, Exhibit 4-1(86), File No. 001-02323)

4-1(hhhh) Supplemental Indenture dated as of April 1, 2005 (incorporated by reference to CEI's Form 10-Q filed August 1, 2005, Exhibit 4.1, File No. 001-02323)

4-1(iiii) Supplemental Indenture dated as of July 1, 2005 (incorporated by reference to CEI's Form 10-Q filed August 1, 2005, Exhibit 4.2, File No. 001-02323)



- 4-1(iii) Eighty-Ninth Supplemental Indenture, dated as of November 1, 2008 (relating to First Mortgage Bonds, 8.875% Series due 2018). (incorporated by reference to CEI's Form 8-K filed November 19, 2008, Exhibit 4.1, File No. 001-02323)
- 4-1(kkk) Ninetieth Supplemental Indenture, dated as of August 1, 2009 (including Form of First Mortgage Bonds, 5.50% Series due 2024). (incorporated by reference to CEI's Form 8-K filed on August 18, 2009, Exhibit 4.1, File No. 001-02323)
- 4-2 Form of Note Indenture between The Cleveland Electric Illuminating Company and The Chase Manhattan Bank, as Trustee dated as of October 24, 1997. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 4(b), File No. 333-47651)
- 4-2(a) Form of Supplemental Note Indenture between The Cleveland Electric Illuminating Company and The Chase Manhattan Bank, as Trustee dated as of October 24, 1997. (incorporated by reference to CEI's Form S-4 filed March 10, 1998, Exhibit 4(c), File No. 333-47651)
- 4-3 Indenture dated as of December 1, 2003 between The Cleveland Electric Illuminating Company and JPMorgan Chase Bank, as Trustee. (incorporated by reference to CEI's Form 10-K filed March 15, 2004, Exhibit 4-1, File No. 001-02323)
- 4-3(a) Officer's Certificate (including the form of 5.95% Senior Notes due 2036), dated as of December 11, 2006. (incorporated by reference to CEI's Form 8-K filed December 12, 2006, Exhibit 4, File No. 001-02323)
- 4-3(b) Officer's Certificate (including the form of 5.70% Senior Notes due 2017), dated as of March 27, 2007. (incorporated by reference to CEI's Form 8-K filed March 28, 2007, Exhibit 4, File No. 001-02323)
- 10-1 CEI Nuclear Purchase and Sale Agreement by and between The Cleveland Electric Illuminating Company and FirstEnergy Nuclear Generation Corp. (incorporated by reference to CEI's Form 10-Q filed August 1, 2005, Exhibit 10.1, File No. 001-02323)
- 10-2 CEI Fossil Purchase and Sale Agreement by and between The Cleveland Electric Illuminating Company (Seller) and FirstEnergy Generation Corp. (Purchaser). (incorporated by reference to CEI's Form 10-Q filed August 1, 2005, Exhibit 10.2, File No. 001-02323)
- 10-3 CEI Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and The Cleveland Electric Illuminating Company. (Form S-4/A filed August 20, 2007, Exhibit 10.16, File No. 333-145140-01)
- 10-4 CEI Nuclear Security Agreement, dated December 16, 2005, by and between FirstEnergy Nuclear Generation Corp. and The Cleveland Electric Illuminating Company. (incorporated by reference to FE's Form S-4/A filed August 20, 2007, Exhibit 10.26, File No. 333-145140-01)
- 10-5 Nuclear Sale/Leaseback Power Supply Agreement dated as of October 14, 2005 between Ohio Edison Company and The Toledo Edison Company (Sellers) and FirstEnergy Nuclear Generation Corp. (Buyer). (incorporated by reference to CEI's Form 10-K filed March 2, 2006, Exhibit 10-64, File No. 001-02323)
- 10-6 Power Supply Agreement dated as of October 31, 2005 between FirstEnergy Solutions Corp. (Seller) and the FirstEnergy Operating Companies – Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company (Buyers). (incorporated by reference to CEI's Form 10-K filed March 2, 2006, Exhibit 10-66, File No. 001-02323)
- 10-7 Mansfield Power Supply Agreement dated as of October 14, 2005 between The Cleveland Electric Illuminating Company and The Toledo Edison Company (Sellers) and FirstEnergy Generation Corp. (Buyer). (incorporated by reference to CEI's Form 10-K filed March 2, 2006, Exhibit 10-65, File No. 001-02323)
- 10-8 Master SSO Supply Agreement, entered into May 18, 2009, by and between The Cleveland Electric Illuminating Company, the Toledo Edison Company and Ohio Edison Company and FirstEnergy Solutions Corp. (incorporated by reference to CEI's Form 10-Q filed August 3, 2009, Exhibit 10.2, File No. 001-02323)

- (A) 12-4 Consolidated ratios of earnings to fixed charges.
- (A) 23-3 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.
- (A) Provided herein in electronic format as an exhibit.
- (B) Pursuant to paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K, CEI has not filed as an exhibit to this Form 10-K any instrument with respect to long-term debt if the total amount of securities authorized thereunder does not exceed 10% of the total assets of CEI, but hereby agrees to furnish to the Commission on request any such instruments.

### 3. Exhibits – TE

- 3-1 Amended and Restated Articles of Incorporation of The Toledo Edison Company, effective December 18, 2007. (incorporated by reference to TE's Form 10-K filed February 29, 2008, Exhibit 3c, File No. 001-03583)
- 3-2 Amended and Restated Code of Regulations of The Toledo Edison Company, dated December 14, 2007. (incorporated by reference to TE's Form 10-K filed February 29, 2008, Exhibit 3d, File No. 001-03583)
- (B) 4-1 Indenture, dated as of April 1, 1947, between The Toledo Edison Company and The Chase National Bank of the City of New York (now The Chase Manhattan Bank (National Association)), as Trustee. (incorporated by reference to File No. 2-26908, Exhibit 2(b))  
  
Supplemental Indentures between The Toledo Edison Company and the Trustee, supplemental to Exhibit 4-1, dated as follows:  
  - 4-1(a) September 1, 1948 (incorporated by reference to File No. 2-26908, Exhibit 2(d))
  - 4-1(b) April 1, 1949 (incorporated by reference to File No. 2-26908, Exhibit 2(e))
  - 4-1(c) December 1, 1950 (incorporated by reference to File No. 2-26908, Exhibit 2(f))
  - 4-1(d) March 1, 1954 (incorporated by reference to File No. 2-26908, Exhibit 2(g))
  - 4-1(e) February 1, 1956 (incorporated by reference to File No. 2-26908, Exhibit 2(h))
  - 4-1(f) May 1, 1958 (incorporated by reference to File No. 2-59794, Exhibit 5(g))
  - 4-1(g) August 1, 1967 (incorporated by reference to File No. 2-26908, Exhibit 2(c))
  - 4-1(h) November 1, 1970 (incorporated by reference to File No. 2-38569, Exhibit 2(c))
  - 4-1(i) August 1, 1972 (incorporated by reference to File No. 2-44873, Exhibit 2(c))
  - 4-1(j) November 1, 1973 (incorporated by reference to File No. 2-49428, Exhibit 2(c))
  - 4-1(k) July 1, 1974 (incorporated by reference to File No. 2-51429, Exhibit 2(c))
  - 4-1(l) October 1, 1975 (incorporated by reference to File No. 2-54627, Exhibit 2(c))
  - 4-1(m) June 1, 1976 (incorporated by reference to File No. 2-56396, Exhibit 2(c))
  - 4-1(n) October 1, 1978 (incorporated by reference to File No. 2-62568, Exhibit 2(c))
  - 4-1(o) September 1, 1979 (incorporated by reference to File No. 2-65350, Exhibit 2(c))
  - 4-1(p) September 1, 1980 (incorporated by reference to File No. 2-69190, Exhibit 4(s))
  - 4-1(q) October 1, 1980 (incorporated by reference to File No. 2-69190, Exhibit 4(c))
  - 4-1(r) April 1, 1981 (incorporated by reference to File No. 2-71580, Exhibit 4(c))
  - 4-1(s) November 1, 1981 (incorporated by reference to File No. 2-74485, Exhibit 4(c))
  - 4-1(t) June 1, 1982 (incorporated by reference to File No. 2-77763, Exhibit 4(c))
  - 4-1(u) September 1, 1982 (incorporated by reference to File No. 2-87323, Exhibit 4(x))
  - 4-1(v) April 1, 1983 (incorporated by reference to March 1983 Form 10-Q, Exhibit 4(c), File No. 1-3583)
  - 4-1(w) December 1, 1983 (incorporated by reference to 1983 Form 10-K, Exhibit 4(x), File No. 1-3583)
  - 4-1(x) April 1, 1984 (incorporated by reference to File No. 2-90059, Exhibit 4(c))
  - 4-1(y) October 15, 1984 (incorporated by reference to 1984 Form 10-K, Exhibit 4(z), File No. 1-3583)
  - 4-1(z) October 15, 1984 (incorporated by reference to 1984 Form 10-K, Exhibit 4(aa), File No. 1-3583)
  - 4-1(aa) August 1, 1985 (incorporated by reference to File No. 33-1689, Exhibit 4(dd))
  - 4-1(bb) August 1, 1985 (incorporated by reference to File No. 33-1689, Exhibit 4(ee))

- 4-1(cc) December 1, 1985 (incorporated by reference to File No. 33-1689, Exhibit 4(c))
- 4-1(dd) March 1, 1986 (incorporated by reference to 1986 Form 10-K, Exhibit 4b(31), File No. 1-3583)
- 4-1(ee) October 15, 1987 (incorporated by reference to September 30, 1987 Form 10-Q, Exhibit 4, File No. 1-3583)
- 4-1(ff) September 15, 1988 (incorporated by reference to 1988 Form 10-K, Exhibit 4b(33), File No. 1-3583)
- 4-1(gg) June 15, 1989 (incorporated by reference to 1989 Form 10-K, Exhibit 4b(34), File No. 1-3583)
- 4-1(hh) October 15, 1989 (incorporated by reference to 1989 Form 10-K, Exhibit 4b(35), File No. 1-3583)
- 4-1(ii) May 15, 1990 (incorporated by reference to June 30, 1990 Form 10-Q, Exhibit 4, File No. 1-3583)
- 4-1(jj) March 1, 1991 (incorporated by reference to June 30, 1991 Form 10-Q, Exhibit 4(b), File No. 1-3583)
- 4-1(kk) May 1, 1992 (incorporated by reference to File No. 33-48844, Exhibit 4(a)(3))
- 4-1(ll) August 1, 1992 (incorporated by reference to 1992 Form 10-K, Exhibit 4b(39), File No. 1-3583)
- 4-1(mm) October 1, 1992 (incorporated by reference to 1992 Form 10-K, Exhibit 4b(40), File No. 1-3583)
- 4-1(nn) January 1, 1993 (incorporated by reference to 1992 Form 10-K, Exhibit 4b(41), File No. 1-3583)
- 4-1(oo) September 15, 1994 (incorporated by reference to TE's Form 10-Q filed November 14, 1994, Exhibit 4(b), File No. 001-03583)
- 4-1(pp) May 1, 1995 (incorporated by reference to TE's Form 10-Q filed November 14, 1994, Exhibit 4(d), File No. 001-03583)
- 4-1(qq) June 1, 1995 (incorporated by reference to TE's Form 10-Q filed November 14, 1994, Exhibit 4(e), File No. 001-03583)
- 4-1(rr) July 14, 1995 (incorporated by reference to TE's Form 10-Q filed November 14, 1994, Exhibit 4(f), File No. 001-03583)
- 4-1(ss) July 15, 1995 (incorporated by reference to TE's Form 10-Q filed November 14, 1994, Exhibit 4(g), File No. 1-3583)
- 4-1(tt) August 1, 1997 (incorporated by reference to TE's Form 10-K filed March 29, 1999, Exhibit 4b(47), File No. 001-03583)
- 4-1(uu) June 1, 1998 (incorporated by reference to TE's Form 10-K filed March 29, 1999, Exhibit 4b(48), File No. 001-03583)
- 4-1(vv) January 15, 2000 (incorporated by reference to TE's Form 10-K filed March 29, 1999, Exhibit 4b(49), File No. 001-03583)
- 4-1(ww) May 1, 2000 (incorporated by reference to TE's Form 10-K filed April 16, 2000, Exhibit 4b(50), File No. 001-03583)
- 4-1(xx) September 1, 2000 (incorporated by reference to TE's Form 10-K filed April 16, 2001, Exhibit 4b(51), File No. 001-03583)
- 4-1(yy) October 1, 2002 (incorporated by reference to TE's Form 10-K filed March 26, 2003, Exhibit 4b(52), File No. 001-03583)
- 4-1(zz) April 1, 2003 (incorporated by reference to TE's Form 10-K filed March 15, 2004, Exhibit 4b(53), File No. 001-03583)
- 4-1(aaa) September 1, 2004 (incorporated by reference to TE's 10-Q filed November 4, 2004, Exhibit 4.2.56, File No. 001-03583)
- 4-1(bbb) April 1, 2005 (incorporated by reference to TE's June 2005 10-Q, Exhibit 4.1, File No. 001-03583)
- 4-1(ccc) April 23, 2009 (incorporated by reference to TE's Form 8-K filed April 24, 2009, Exhibit 4.3, File No. 001-03583)
- 4-1(ddd) April 24, 2009 (incorporated by reference to TE's Form 8-K filed April 24, 2009, Exhibit 4.4, File No. 001-03583)
  
- 4-2 Indenture dated as of November 1, 2006, between The Toledo Edison Company and The Bank of New York Trust Company, N.A. (incorporated by reference to TE's Form 10-K filed February 28, 2007, Exhibit 4-2, File No. 001-03583)
  
- 4-2(a) Officer's Certificate (including the form of 6.15% Senior Notes due 2037), dated November 16, 2006. (incorporated by reference to TE's Form 8-K filed November 17, 2006, Exhibit 4, File No. 001-03583)
- 4-2(b) First Supplemental Indenture, dated as of April 24, 2009, between the Toledo Edison Company and The Bank of New York Mellon Trust Company, N.A., as trustee to the Indenture dated as of November 1, 2006 (incorporated by reference to TE's Form 8-K filed April 24, 2009, Exhibit 4.1, File No. 001-03583)

- 4-2(c) Officer's Certificate (including the Form of the 7.25% Senior Secured Notes due 2020), dated April 24, 2009 (incorporated by reference to TE's Form 8-K filed April 24, 2009, Exhibit 4.2, File No. 001-03583)
- 10-1 TE Nuclear Purchase and Sale Agreement by and between The Toledo Edison Company (Seller) and FirstEnergy Nuclear Generation Corp. (Purchaser). (incorporated by reference to TE's Form 10-Q filed August 1, 2005, Exhibit 10.1, File No. 001-03583)
- 10-2 TE Fossil Purchase and Sale Agreement by and between The Toledo Edison Company (Seller) and FirstEnergy Generation Corp. (Purchaser). (incorporated by reference to TE's Form 10-Q filed August 1, 2005, Exhibit 10.2, File No. 001-03583)
- 10-3 TE Fossil Security Agreement, dated October 24, 2005, by and between FirstEnergy Generation Corp. and The Toledo Edison Company. (incorporated by reference to FES' Form S-4/A filed August 20, 2007, Exhibit 10.24, File No. 333-145140-01)
- 10-4 Nuclear Sale/Leaseback Power Supply Agreement dated as of October 14, 2005 between Ohio Edison Company and The Toledo Edison Company (Sellers) and FirstEnergy Nuclear Generation Corp. (Buyer). (incorporated by reference to TE's Form 10-K filed March 2, 2006, Exhibit 10-64, File No. 001-03583)
- 10-5 Power Supply Agreement dated as of October 31, 2005 between FirstEnergy Solutions Corp. (Seller) and the FirstEnergy Operating Companies – Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company (Buyers). (incorporated by reference to TE's Form 10-K, Exhibit 10-6, File No. 001-03583)
- 10-6 Mansfield Power Supply Agreement dated as of October 14, 2005 between The Cleveland Electric Illuminating Company and The Toledo Edison Company (Sellers) and FirstEnergy Generation Corp. (Buyer). (incorporated by reference to TE's Form 10-K, Exhibit 10-65, File No. 001-03583)
- 10-7 Master SSO Supply Agreement, entered into May 18, 2009, by and between The Cleveland Electric Illuminating Company, the Toledo Edison Company and Ohio Edison Company and FirstEnergy Solutions Corp. (incorporated by reference to TE's Form 10-Q filed August 3, 2009, Exhibit 10.2, File No. 001-03583)
- (A) 12-5 Consolidated ratios of earnings to fixed charges.
- (A) 23-4 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.
- (A) Provided herein in electronic format as an exhibit.
- (B) Pursuant to paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K, TE has not filed as an exhibit to this Form 10-K any instrument with respect to long-term debt if the total amount of securities authorized thereunder does not exceed 10% of the total assets of TE, but hereby agrees to furnish to the Commission on request any such instruments.

### 3. Exhibits – JCP&L

- 3-1 Amended and Restated Certificate of Incorporation of Jersey Central Power & Light Company, filed February 14, 2008. (incorporated by reference to JCP&L's Form 10-K filed February 29, 2008, Exhibit 3-D, File No. 001-03141)

- 3-2 Amended and Restated Bylaws of Jersey Central Power & Light Company, dated January 9, 2008. (incorporated by reference to JCP&L's Form 10-K filed February 29, 2008, Exhibit 3-E, File No. 001-03141)
- 4-1 Senior Note Indenture, dated as of July 1, 1999, between Jersey Central Power & Light Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee to United States Trust Company of New York. (incorporated by reference to JCP&L's Form S-3 filed May 18, 1999, Exhibit 4-A, File No. 333-78717)
- 4-1(a) First Supplemental Indenture, dated October 31, 2007, between Jersey Central Power & Light Company, The Bank of New York, as resigning trustee, and The Bank of New York Trust Company, N.A., as successor trustee. (incorporated by reference to JCP&L's Form S-4/A filed November 11, 2007, Exhibit 4-2, File No. 333-146968)
- 4-1(b) Form of Jersey Central Power & Light Company 6.40% Senior Note due 2036. (incorporated by reference to JCP&L's Form 8-K filed May 12, 2006, Exhibit 10-1, File No. 001-03141)
- 4-1(c) Form of 7.35% Senior Notes due 2019. (incorporated by reference to JCP&L's Form 8-K filed January 27, 2009, Exhibit 4.1, File No. 001-03141)
- 10-1 Indenture dated as of August 10, 2006 between JCP&L Transition Funding II LLC as Issuer and The Bank of New York as Trustee. (incorporated by reference to JCP&L's Form 8-K filed August 10, 2006, Exhibit 4-1, File No. 001-03141)
- 10-2 2006-A Series Supplement dated as of August 10, 2006 between JCP&L Transition Funding II LLC as Issuer and The Bank of New York as Trustee. (incorporated by reference to JCP&L's Form 8-K filed August 10, 2006, Exhibit 4-2)
- 10-3 Bondable Transition Property Sale Agreement dated as of August 10, 2006 between JCP&L Transition Funding II LLC as Issuer and Jersey Central Power & Light Company as Seller. (incorporated by reference to JCP&L's Form 8-K filed August 10, 2006, Exhibit 10-1, File No. 001-03141)
- 10-4 Bondable Transition Property Service Agreement dated as of August 10, 2006 between JCP&L Transition Funding II LLC as Issuer and Jersey Central Power & Light Company as Servicer. (incorporated by reference to JCP&L's Form 8-K filed August 10, 2006, Exhibit 10-2, File No. 001-03141)
- 10-5 Administration Agreement dated as of August 10, 2006 between JCP&L Transition Funding II LLC as Issuer and FirstEnergy Service Company as Administrator. (incorporated by reference to JCP&L's Form 8-K filed August 10, 2006, Exhibit 10-3, File No. 001-03141)
- (A) 12-6 Consolidated ratios of earnings to fixed charges.
- (A) 23-5 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.
- (A) Provided herein electronic format as an exhibit.

### 3. Exhibits – Met-Ed

- 3-1 Amended and Restated Articles of Incorporation of Metropolitan Edison Company, effective December 19, 2007. (incorporated by reference to Met-Ed's Form 10-K filed February 29, 2008, Exhibit 3.9, File No. 001-00446)
- 3-2 Amended and Restated Bylaws of Metropolitan Edison Company, dated December 14, 2007. (incorporated by reference to Met-Ed's Form 10-K filed February 29, 2008, Exhibit 3.10, File No. 001-00446)

- 4-1 Indenture of Metropolitan Edison Company, dated November 1, 1944, between Metropolitan Edison Company and United States Trust Company of New York, Successor Trustee, as amended and supplemented by fourteen supplemental indentures dated February 1, 1947 through May 1, 1960. (Metropolitan Edison Company's Instruments of Indebtedness Nos. 1 to 14 inclusive, and 16, incorporated by reference to Amendment No. 1 to 1959 Annual Report of GPU, Inc. on Form U5S, File Nos. 30-126 and 1-3292)
- 4-1(a) Supplemental Indenture of Metropolitan Edison Company, dated December 1, 1962. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(1))
- 4-1(b) Supplemental Indenture of Metropolitan Edison Company, dated March 20, 1964. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(2))
- 4-1(c) Supplemental Indenture of Metropolitan Edison Company, dated July 1, 1965. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(3))
- 4-1(d) Supplemental Indenture of Metropolitan Edison Company, dated June 1, 1966. (incorporated by reference to Registration No. 2-24883, Exhibit 2-B-4))
- 4-1(e) Supplemental Indenture of Metropolitan Edison Company, dated March 22, 1968. (incorporated by reference to Registration No. 2-29644, Exhibit 4-C-5)
- 4-1(f) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1968. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(6))
- 4-1(g) Supplemental Indenture of Metropolitan Edison Company, dated August 1, 1969. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(7))
- 4-1(h) Supplemental Indenture of Metropolitan Edison Company, dated November 1, 1971. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(8))
- 4-1(i) Supplemental Indenture of Metropolitan Edison Company, dated May 1, 1972. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(9))
- 4-1(j) Supplemental Indenture of Metropolitan Edison Company, dated December 1, 1973. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(10))
- 4-1(k) Supplemental Indenture of Metropolitan Edison Company, dated October 30, 1974. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(11))
- 4-1(l) Supplemental Indenture of Metropolitan Edison Company, dated October 31, 1974. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(12))
- 4-1(m) Supplemental Indenture of Metropolitan Edison Company, dated March 20, 1975. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(13))
- 4-1(n) Supplemental Indenture of Metropolitan Edison Company, dated September 25, 1975. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(15))
- 4-1(o) Supplemental Indenture of Metropolitan Edison Company, dated January 12, 1976. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(16))
- 4-1(p) Supplemental Indenture of Metropolitan Edison Company, dated March 1, 1976. (incorporated by reference to Registration No. 2-59678, Exhibit 2-E(17))
- 4-1(q) Supplemental Indenture of Metropolitan Edison Company, dated September 28, 1977. (incorporated by reference to Registration No. 2-62212, Exhibit 2-E(18))
- 4-1(r) Supplemental Indenture of Metropolitan Edison Company, dated January 1, 1978. (incorporated by reference to Registration No. 2-62212, Exhibit 2-E(19))
- 4-1(s) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1978. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(19))
- 4-1(t) Supplemental Indenture of Metropolitan Edison Company, dated June 1, 1979. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(20))
- 4-1(u) Supplemental Indenture of Metropolitan Edison Company, dated January 1, 1980. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(21))
- 4-1(v) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1981. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(22))
- 4-1(w) Supplemental Indenture of Metropolitan Edison Company, dated September 10, 1981. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(23))
- 4-1(x) Supplemental Indenture of Metropolitan Edison Company, dated December 1, 1982. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(24))
- 4-1(y) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1983. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(25))
- 4-1(z) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1984. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(26))
- 4-1(aa) Supplemental Indenture of Metropolitan Edison Company, dated March 1, 1985. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(27))
- 4-1(bb) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1985. (Registration No. 33-48937, Exhibit 4-A(28))

- 4-1(cc) Supplemental Indenture of Metropolitan Edison Company, dated June 1, 1988. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(29))
- 4-1(dd) Supplemental Indenture of Metropolitan Edison Company, dated April 1, 1990. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(30))
- 4-1(ee) Amendment dated May 22, 1990 to Supplemental Indenture of Metropolitan Edison Company, dated April 1, 1990. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(31))
- 4-1(ff) Supplemental Indenture of Metropolitan Edison Company, dated September 1, 1992. (incorporated by reference to Registration No. 33-48937, Exhibit 4-A(32)(a))
- 4-1(gg) Supplemental Indenture of Metropolitan Edison Company, dated December 1, 1993. (incorporated by reference to GPU, Inc.'s Form U5S filed May 2, 1994, Exhibit C-58, File No. 30-126)
- 4-1(hh) Supplemental Indenture of Metropolitan Edison Company, dated July 15, 1995. (incorporated by reference to 1995 Form 10-K, Exhibit 4-B-35, File No. 1-446)
- 4-1(ii) Supplemental Indenture of Metropolitan Edison Company, dated August 15, 1996. (incorporated by reference to Met-Ed's Form 10-K filed March 10, 1997, Exhibit 4-B-35, File No. 033-51001)
- 4-1(jj) Supplemental Indenture of Metropolitan Edison Company, dated May 1, 1997. (incorporated by reference to Met-Ed's Form 10-K filed March 13, 1998, Exhibit 4-B-36, File No. 033-51001)
- 4-1(kk) Supplemental Indenture of Metropolitan Edison Company, dated July 1, 1999. (incorporated by reference to Met-Ed's Form 10-K filed March 20, 2000, Exhibit 4-B-38, File No. 033-51001)
- 4-1(ll) Supplemental Indenture of Metropolitan Edison Company, dated May 1, 2001. (incorporated by reference to Met-Ed's Form 10-K filed April 1, 2002, Exhibit 4-5, File No. 033-51001)
- 4-1(mm) Supplemental Indenture of Metropolitan Edison Company, dated March 1, 2003. (incorporated by reference to Met-Ed's Form 10-K filed March 15, 2004, Exhibit 4-10, File No. 033-51001)
  
- 4-2 Senior Note Indenture between Metropolitan Edison Company and United States Trust Company of New York, dated July 1, 1999. (incorporated by reference to GPU, Inc.'s Form U5S filed May 2, 2002, Exhibit C-154, File No. 001-06047)
  
- 4-2(a) Form of Metropolitan Edison Company 7.70% Senior Notes due 2019. (incorporated by reference to Met-Ed's Form 8-K filed January 21, 2009, Exhibit 4.1, File No. 001-00446)
  
- (A) 12-7 Consolidated ratios of earnings to fixed charges.
- (A) 23-6 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.
- (A) Provided herein electronic format as an exhibit.

### **3. Exhibits – Penelec**

- 3-1 Amended and Restated Articles of Incorporation of Pennsylvania Electric Company, effective December 19, 2007. (incorporated by reference to Penelec's Form 10-K filed February 29, 2008, Exhibit 3.11, File No. 001-03522)
- 3-2 Amended and Restated Bylaws of Pennsylvania Electric Company, dated December 14, 2007. (incorporated by reference to Penelec's Form 10-K filed February 29, 2008, Exhibit 3.12, File No. 001-03522)
- 4-1 Mortgage and Deed of Trust of Pennsylvania Electric Company, dated January 1, 1942, between Pennsylvania Electric Company and United States Trust Company of New York, Successor Trustee, and indentures supplemental thereto dated March 7, 1942 through May 1, 1960 – (Pennsylvania Electric Company's Instruments of Indebtedness Nos. 1-20, inclusive, incorporated by reference to Amendment No. 1 to 1959 Annual Report of GPU on Form U5S, File Nos. 30-126 and 1-3292)

- 4-1(a) Supplemental Indentures to Mortgage and Deed of Trust of Pennsylvania Electric Company, dated May 1, 1961 through December 1, 1977. (incorporated by reference to Registration No. 2-61502, Exhibit 2-D(1) to 2-D(19))
- 4-1(b) Supplemental Indenture of Pennsylvania Electric Company, dated June 1, 1978. (incorporated by reference to Registration No. 33-49669, Exhibit 4-A(2))
- 4-1(c) Supplemental Indenture of Pennsylvania Electric Company dated June 1, 1979. (incorporated by reference to Registration No. 33-49669, Exhibit 4-A(3))
- 4-1(d) Supplemental Indenture of Pennsylvania Electric Company, dated September 1, 1984. (incorporated by reference to Registration No. 33-49669, Exhibit 4-A(4))
- 4-1(e) Supplemental Indenture of Pennsylvania Electric Company, dated December 1, 1985. (incorporated by reference to Registration No. 33-49669, Exhibit 4-A(5))
- 4-1(f) Supplemental Indenture of Pennsylvania Electric Company, dated December 1, 1986. (incorporated by reference to Registration No. 33-49669, Exhibit 4-A(6))
- 4-1(g) Supplemental Indenture of Pennsylvania Electric Company, dated May 1, 1989. (incorporated by reference to Registration No. 33-49669, Exhibit 4-A(7))
- 4-1(h) Supplemental Indenture of Pennsylvania Electric Company, dated December 1, 1990. (incorporated by reference to Registration No. 33-45312, Exhibit 4-A(8))
- 4-1(i) Supplemental Indenture of Pennsylvania Electric Company, dated March 1, 1992. (incorporated by reference to Registration No. 33-45312, Exhibit 4-A(9))
- 4-1(j) Supplemental Indenture of Pennsylvania Electric Company, dated June 1, 1993. (incorporated by reference to GPU, Inc.'s Form U5S filed May 2, 1994, Exhibit C-73, File No. 001-06047)
- 4-1(k) Supplemental Indenture of Pennsylvania Electric Company, dated November 1, 1995. (incorporated by reference to 1995 Form 10-K, Exhibit 4-C-11, File No. 1-3522)
- 4-1(l) Supplemental Indenture of Pennsylvania Electric Company, dated August 15, 1996. (incorporated by reference to Penelec's Form 10-K filed March 10, 1997, Exhibit 4-C-12, File No. 001-03522)
- 4-1(m) Supplemental Indenture of Pennsylvania Electric Company, dated May 1, 2001. (incorporated by reference to Penelec's Form 10-K filed April 1, 2002, Exhibit 4-C-16, File No. 001-03522)
  
- 4-2 Senior Note Indenture between Pennsylvania Electric Company and United States Trust Company of New York, dated April 1, 1999. (incorporated by reference to Penelec's Form 10-K filed March 20, 2000, Exhibit 4-C-13, File No. 001-03522)
  
- 4-2(a) Form of Pennsylvania Electric Company 6.05% Senior Notes due 2017. (incorporated by reference to Penelec's Form 8-K filed August 31, 2007, Exhibit 4.1, File No. 001-03522)
- 4-2(b) Company Order, dated as of September 30, 2009 establishing the terms of the 5.20% Senior Notes due 2020 and 6.15% Senior Notes due 2038 (incorporated by reference to Penelec's Form 8-K filed October 6, 2009, Exhibit 4.1, File No. 001-03522)
  
- 4-2(c) Supplemental Indenture No. 2, dated as of October 1, 2009, to the Indenture dated as of April 1, 2009, as amended, between Pennsylvania Electric Company and The Bank of New York Mellon, as successor trustee (incorporated by reference to Penelec's Form 8-K filed October 6, 2009, Exhibit 4.4, File No. 001-03522)
  
- 4-2(d) Agreement of Resignation, Appointment and Acceptance among The Bank of New York Mellon, as Resigning Trustee, The Bank of New York Mellon Trust Company, N.A., as Successor Trustee and Pennsylvania Electric Company, dated October 1, 2009 (incorporated by reference to Penelec's Form 8-K filed on October 6, 2009, Exhibit 4.5, File No. 001-03522)
  
- (A) 12-8 Consolidated ratios of earnings to fixed charges.
- (A) 23-7 Consent of Independent Registered Public Accounting Firm.
- (A) 31-1 Certification of chief executive officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).
- (A) 31-2 Certification of chief financial officer, as adopted pursuant to Rule 13a-15(e)/15d-15(e).



(A) 32 Certification of chief executive officer and chief financial officer, pursuant to 18 U.S.C. §1350.

(A) Provided here in electronic format as an exhibit.

**3. Exhibits - Common Exhibits for FES, Met-Ed and Penelec**

- 10-1 Notice of Termination Tolling Agreement dated as of April 7, 2006; Restated Partial Requirements Agreement, dated January 1, 2003, by and among, Metropolitan Edison Company, Pennsylvania Electric Company, The Waverly Electric Power and Light Company and FirstEnergy Solutions Corp., as amended by a First Amendment to Restated Requirements Agreement, dated August 29, 2003 and by a Second Amendment to Restated Requirements Agreement, dated June 8, 2004 ("Partial Requirements Agreement"). (incorporated by reference to Met-Ed's Form 10-Q filed May 9, 2006, Exhibit 10-5, File No. 001-00446)
- 10-2 Third Restated Partial Requirements Agreement, among Metropolitan Edison Company, Pennsylvania Electric Company, a Pennsylvania corporation, The Waverly Electric Power and Light Company and FirstEnergy Solutions Corp., dated November 1, 2008. (incorporated by reference to Met-Ed's Form 10-Q filed November 7, 2008, Exhibit 10-2, File No. 001-00446)
- 10-3 Fourth Restated Partial Requirements Agreement, among Metropolitan Edison Company, Pennsylvania Electric Company, a Pennsylvania corporation, The Waverly Electric Power and Light Company and FirstEnergy Solutions Corp., dated November 1, 2008. (incorporated by reference to Met-Ed's Form 10-Q filed November 9, 2009, Exhibit 10.2, File No. 001-00446)

**3. Exhibits - Common Exhibits for FirstEnergy, FES, OE, CEI, TE, JCP&L, Met-Ed and Penelec**

- 10-1 \$2,750,000,000 Credit Agreement dated as of August 24, 2006 among FirstEnergy Corp., FirstEnergy Solutions Corp., American Transmission Systems, Inc., Ohio Edison Company, Pennsylvania Power Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company, as Borrowers, the banks party thereto, the fronting banks party thereto and the swing line lenders party thereto. (incorporated by reference to FE's Form 8-K filed August 24, 2006, Exhibit 10-1, File No. 333-21011)
- 10-2 Consent and Amendment to \$2,750,000,000 Credit Agreement dated November 2, 2007. (incorporated by reference to FE's Form 10-K filed February 29, 2008, Exhibit 10-2, File No. 333-21011)

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholders and Board of Directors of  
FirstEnergy Corp.:

Our audits of the consolidated financial statements and of the effectiveness of internal control over financial reporting referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
FirstEnergy Solutions Corp.:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
Ohio Edison Company:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
The Cleveland Electric Illuminating Company:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
The Toledo Edison Company:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
Jersey Central Power & Light Company:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
Metropolitan Edison Company:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010



**Report of Independent Registered Public Accounting Firm  
on  
Financial Statement Schedule**

To the Stockholder and Board of Directors of  
Pennsylvania Electric Company:

Our audits of the consolidated financial statements referred to in our report dated February 18, 2010 also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP  
Cleveland, Ohio  
February 18, 2010

FIRSTENERGY CORP.

CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS  
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (in thousands)		
Year Ended December 31, 2009:					
Accumulated provision for uncollectible accounts – customers	\$ 27,847	\$ 67,503	\$ 32,975 (a)	\$ 94,894 (b)	\$ 33,431
– other	\$ 9,167	\$ (405)	\$ 10,457 (a)	\$ 12,250 (b)	\$ 6,969
Loss carryforward tax valuation reserve	\$ 27,294	\$ (1,091)	\$ (4,921)	\$ -	\$ 21,282
Year Ended December 31, 2008:					
Accumulated provision for uncollectible accounts – customers	\$ 35,567	\$ 48,297	\$ 31,308 (a)	\$ 87,325 (b)	\$ 27,847
– other	\$ 21,924	\$ 11,339	\$ 3,189 (a)	\$ 27,285 (b)	\$ 9,167
Loss carryforward tax valuation reserve	\$ 30,616	\$ 1,435	\$ (4,757)	\$ -	\$ 27,294
Year Ended December 31, 2007:					
Accumulated provision for uncollectible accounts – customers	\$ 43,214	\$ 53,522	\$ 50,165 (a)	\$ 111,334 (b)	\$ 35,567
– other	\$ 23,964	\$ 4,933	\$ 406 (a)	\$ 7,379 (b)	\$ 21,924
Loss carryforward tax valuation reserve	\$ 415,531	\$ 8,819	\$ (393,734)	\$ -	\$ 30,616

(a) Represents recoveries and reinstatements of accounts previously written off.

(b) Represents the write-off of accounts considered to be uncollectible.

**SCHEDULE II**

**FIRSTENERGY SOLUTIONS CORP.**  
**CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007**

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (In thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 5,899	\$ 6,142	\$ -	\$ -	\$ 12,041
– other	\$ 6,815	\$ (161)	\$ 57	\$ 9	\$ 6,702
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 8,072	\$ (2,174)	\$ 110	\$ 109	\$ 5,899
– other	\$ 9	\$ 4,374	\$ 2,341	\$ 109	\$ 6,815
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 7,938	\$ 94	\$ 532	\$ 492	\$ 8,072
– other	\$ 5,593	\$ 9	\$ -	\$ 5,593	\$ 9

- (a) Represents recoveries and reinstatements of accounts previously written off.  
(b) Represents the write-off of accounts considered to be uncollectible.

SCHEDULE II

OHIO EDISON COMPANY

CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS  
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (in thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 6,085	\$ 18,230	\$ 11,252 (a)	\$ 28,428 (b)	\$ 5,119
– other	7	17	326 (a)	332 (b)	18
	<u>\$ 6,085</u>	<u>\$ 18,230</u>	<u>\$ 11,252</u>	<u>\$ 28,428</u>	<u>\$ 5,119</u>
	<u>\$ 7</u>	<u>\$ 17</u>	<u>\$ 326</u>	<u>\$ 332</u>	<u>\$ 18</u>
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 8,032	\$ 12,179	\$ 10,027 (a)	\$ 24,173 (b)	\$ 6,085
– other	5,639	16,618	394 (a)	22,644 (b)	7
	<u>\$ 8,032</u>	<u>\$ 12,179</u>	<u>\$ 10,027</u>	<u>\$ 24,173</u>	<u>\$ 6,085</u>
	<u>\$ 5,639</u>	<u>\$ 16,618</u>	<u>\$ 394</u>	<u>\$ 22,644</u>	<u>\$ 7</u>
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 15,033	\$ 10,513	\$ 30,234 (a)	\$ 47,748 (b)	\$ 8,032
– other	1,985	4,117	(240) (a)	223 (b)	5,639
	<u>\$ 15,033</u>	<u>\$ 10,513</u>	<u>\$ 30,234</u>	<u>\$ 47,748</u>	<u>\$ 8,032</u>
	<u>\$ 1,985</u>	<u>\$ 4,117</u>	<u>\$ (240)</u>	<u>\$ 223</u>	<u>\$ 5,639</u>

(a) Represents recoveries and reinstatements of accounts previously written off.  
(b) Represents the write-off of accounts considered to be uncollectible.

**SCHEDULE II**

**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY**  
**CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007**

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (in thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 5,916	\$ 16,764	\$ 8,942 (a)	\$ 26,383 (b)	\$ 5,239
– other	\$ 11	\$ 50	\$ 51 (a)	\$ 91 (b)	\$ 21
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 7,540	\$ 11,323	\$ 9,179 (a)	\$ 22,126 (b)	\$ 5,916
– other	\$ 433	\$ (183)	\$ 30 (a)	\$ 269 (b)	\$ 11
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 6,783	\$ 17,998	\$ 7,842 (a)	\$ 25,083 (b)	\$ 7,540
– other	\$ -	\$ 431	\$ 124 (a)	\$ 122 (b)	\$ 433

(a) Represents recoveries and reinstatements of accounts previously written off.

(b) Represents the write-off of accounts considered to be uncollectible.

SCHEDULE II

THE TOLEDO EDISON COMPANY

CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS  
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (In thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts	\$ 203	\$ (115)	\$ 165 (a)	\$ 45 (b)	\$ 208
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts	\$ 615	\$ (247)	\$ 121 (a)	\$ 288 (b)	\$ 203
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts	\$ 430	\$ 381	\$ 13 (a)	\$ 189 (b)	\$ 615

- (a) Represents recoveries and reinstatements of accounts previously written off.  
(b) Represents the write-off of accounts considered to be uncollectible.

SCHEDULE II

JERSEY CENTRAL POWER & LIGHT COMPANY  
CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS  
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (In thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,230	\$ 11,519	\$ 5,424 (a)	\$ 18,667 (b)	\$ 3,506
– other	\$ 45	\$ (37)	\$ 380 (a)	\$ 388 (b)	\$ -
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,691	\$ 10,377	\$ 3,504 (a)	\$ 14,342 (b)	\$ 3,230
– other	\$ -	\$ 44	\$ 24 (a)	\$ 23 (b)	\$ 45
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,524	\$ 8,563	\$ 4,049 (a)	\$ 12,445 (b)	\$ 3,691
– other	\$ -	\$ -	\$ - (a)	\$ - (b)	\$ -

- (a) Represents recoveries and reinstatements of accounts previously written off.  
(b) Represents the write-off of accounts considered to be uncollectible.

SCHEDULE II

**METROPOLITAN EDISON COMPANY**  
**CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007**

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (in thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,616	\$ 9,583	\$ 3,926 (a)	\$ 13,081 (b)	\$ 4,044
– other	-	8	28 (a)	34 (b)	-
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 4,327	\$ 9,004	\$ 3,729 (a)	\$ 13,444 (b)	\$ 3,618
– other	1	19	21 (a)	41 (b)	-
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 4,153	\$ 9,971	\$ 3,548 (a)	\$ 13,345 (b)	\$ 4,327
– other	2	245	18 (a)	264 (b)	1

(a) Represents recoveries and reinstatements of accounts previously written off.  
(b) Represents the write-off of accounts considered to be uncollectible.



**SCHEDULE II**

**PENNSYLVANIA ELECTRIC COMPANY**  
**CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007**

Description	Beginning Balance	Additions		Deductions	Ending Balance
		Charged to Income	Charged to Other Accounts (In thousands)		
<b>Year Ended December 31, 2009:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,121	\$ 7,264	\$ 3,431 (a)	\$ 10,333 (b)	\$ 3,483
– other	\$ 65	\$ (57)	\$ 7,557 (a)	\$ 7,562 (b)	\$ 3
<b>Year Ended December 31, 2008:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,905	\$ 7,589	\$ 4,758 (a)	\$ 13,131 (b)	\$ 3,121
– other	\$ 105	\$ 57	\$ 36 (a)	\$ 133 (b)	\$ 66
<b>Year Ended December 31, 2007:</b>					
Accumulated provision for uncollectible accounts – customers	\$ 3,814	\$ 8,351	\$ 3,958 (a)	\$ 12,218 (b)	\$ 3,905
– other	\$ 3	\$ 181	\$ 3 (a)	\$ 82 (b)	\$ 105

(a) Represents recoveries and reinstatements of accounts previously written off.  
(b) Represents the write-off of accounts considered to be uncollectible.

## **SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**FIRSTENERGY CORP.**

BY: /s/ Anthony J. Alexander

Anthony J. Alexander

President and Chief Executive Officer

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ George M. Smart  
George M. Smart  
Chairman of the Board

/s/ Anthony J. Alexander  
Anthony J. Alexander  
President and Chief Executive Officer  
and Director (Principal Executive Officer)

/s/ Mark T. Clark  
Mark T. Clark  
Executive Vice President and Chief Financial  
Officer (Principal Financial Officer)

/s/ Harvey L. Wagner  
Harvey L. Wagner  
Vice President, Controller and Chief Accounting  
Officer (Principal Accounting Officer)

/s/ Paul T. Addison  
Paul T. Addison  
Director

/s/ Ernest J. Novak, Jr.  
Ernest J. Novak, Jr.  
Director

/s/ Michael J. Anderson  
Michael J. Anderson  
Director

/s/ Catherine A. Rein  
Catherine A. Rein  
Director

/s/ Carol A. Cartwright  
Carol A. Cartwright  
Director

/s/ Wes M. Taylor  
Wes M. Taylor  
Director

/s/ William T. Cottle  
William T. Cottle  
Director

/s/ Jesse T. Williams, Sr.  
Jesse T. Williams, Sr.  
Director

/s/ Robert B. Heisler, Jr.  
Robert B. Heisler, Jr.  
Director

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### FIRSTENERGY SOLUTIONS CORP.

BY: /s/ Donald R. Schneider

Donald R. Schneider  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Donald R. Schneider

Donald R. Schneider  
President  
(Principal Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Executive Vice President and Chief  
Financial Officer and Director  
(Principal Financial Officer)

/s/ Anthony J. Alexander

Anthony J. Alexander  
Director

/s/ Harvey L. Wagner

Harvey L. Wagner  
Vice President and Controller  
(Principal Accounting Officer)

/s/ Gary R. Leidich

Gary R. Leidich  
Director

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### OHIO EDISON COMPANY

BY: /s/ Richard R. Grigg

Richard R. Grigg  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Anthony J. Alexander

Anthony J. Alexander  
Director

/s/ Richard R. Grigg

Richard R. Grigg  
President and Director  
(Principal Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Executive Vice President and Chief  
Financial Officer and Director  
(Principal Financial Officer)

/s/ Harvey L. Wagner

Harvey L. Wagner  
Vice President and Controller  
(Principal Accounting Officer)

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

BY: /s/ Richard R. Grigg

Richard R. Grigg  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Anthony J. Alexander

Anthony J. Alexander  
Director

/s/ Richard R. Grigg

Richard R. Grigg  
President and Director  
(Principal Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Executive Vice President and Chief  
Financial Officer and Director  
(Principal Financial Officer)

/s/ Harvey L. Wagner

Harvey L. Wagner  
Vice President and Controller  
(Principal Accounting Officer)

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### THE TOLEDO EDISON COMPANY

BY: /s/ Richard R. Grigg

Richard R. Grigg  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Anthony J. Alexander

Anthony J. Alexander  
Director

/s/ Richard R. Grigg

Richard R. Grigg  
President and Director  
(Principal Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Executive Vice President and Chief  
Financial Officer and Director  
(Principal Financial Officer)

/s/ Harvey L. Wagner

Harvey L. Wagner  
Vice President and Controller  
(Principal Accounting Officer)

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### JERSEY CENTRAL POWER & LIGHT COMPANY

BY: /s/ Donald M. Lynch  
Donald M. Lynch  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Donald M. Lynch  
Donald M. Lynch  
President and Director  
(Principal Executive Officer)

/s/ Kevin R. Burgess  
Kevin R. Burgess  
Controller  
(Principal Financial and Accounting Officer)

/s/ Richard R. Grigg  
Richard R. Grigg  
Director

/s/ Gelorma E. Persson  
Gelorma E. Persson  
Director

/s/ Charles E. Jones  
Charles E. Jones  
Director

/s/ Jesse T. Williams, Sr.  
Jesse T. Williams, Sr.  
Director

/s/ Mark A. Julian  
Mark A. Julian  
Director

Date: February 18, 2010



## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### METROPOLITAN EDISON COMPANY

BY: /s/ Richard R. Grigg

Richard R. Grigg  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Richard R. Grigg

Richard R. Grigg  
President and Director  
(Principal Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Executive Vice President and Chief  
Financial Officer  
(Principal Financial Officer)

/s/ Donald A. Brennan

Donald A. Brennan  
Regional President and Director

/s/ Harvey L. Wagner

Harvey L. Wagner  
Vice President and Controller  
(Principal Accounting Officer)

/s/ Randy Scilla

Randy Scilla  
Assistant Treasurer and Director

Date: February 18, 2010

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### PENNSYLVANIA ELECTRIC COMPANY

BY: /s/ Richard R. Grigg

Richard R. Grigg  
President

Date: February 18, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

/s/ Richard R. Grigg

Richard R. Grigg  
President and Director  
(Principal Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Executive Vice President and Chief  
Financial Officer  
(Principal Financial Officer)

/s/ James R. Napier, Jr.

James R. Napier, Jr.  
Regional President and Director

/s/ Harvey L. Wagner

Harvey L. Wagner  
Vice President and Controller  
(Principal Accounting Officer)

/s/ Randy Scilla

Randy Scilla  
Assistant Treasurer and Director

Date: February 18, 2010

## FIRSTENERGY CORP.

## CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 882,077	\$ 1,260,452	\$ 1,311,294	\$ 1,339,291
Interest and other charges, before reduction for amounts capitalized and deferred	675,424	727,956	785,539	761,291
Provision for income taxes	748,794	794,595	883,033	776,915
Interest element of rentals charged to income (a)	241,460	226,168	206,073	171,229
Earnings as defined	\$ 2,547,755	\$ 3,009,171	\$ 3,185,939	\$ 3,048,726
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 659,888	\$ 721,088	\$ 785,539	\$ 761,291
Subsidiaries' preferred stock dividend requirements	15,538	6,888	-	-
Adjustments to subsidiaries' preferred stock dividends to state on a pre-income tax basis	13,236	4,351	-	-
Interest element of rentals charged to income (a)	241,460	226,168	206,073	171,229
Fixed charges as defined	\$ 930,120	\$ 958,475	\$ 991,612	\$ 932,520
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<u>2.74</u>	<u>3.14</u>	<u>3.21</u>	<u>3.27</u>
				<u>2.08</u>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

## FIRSTENERGY SOLUTIONS CORP.

## CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 208,560	\$ 418,653	\$ 528,864	\$ 505,410
Interest and other charges, before reduction for amounts capitalized and deferred	196,355	189,141	157,700	141,511
Provision for income taxes	124,499	236,348	304,608	293,181
Interest element of rentals charged to income (a)	1,434	1,797	24,669	99,360
Earnings as defined	\$ 530,848	\$ 845,939	\$ 1,015,841	\$ 1,040,462
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 196,355	\$ 189,141	\$ 157,700	\$ 141,511
Interest element of rentals charged to income (a)	1,434	1,797	24,669	99,360
Fixed charges as defined	\$ 197,789	\$ 190,938	\$ 182,369	\$ 240,871
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>2.68</b>	<b>4.43</b>	<b>5.57</b>	<b>4.32</b>
				<b>4.61</b>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

## OHIO EDISON COMPANY

## CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 331,214	\$ 212,384	\$ 197,830	\$ 212,359
Interest and other charges, before reduction for amounts capitalized and deferred	77,077	90,962	83,343	76,058
Provision for income taxes	309,996	123,343	101,273	98,584
Interest element of rentals charged to income (a)	101,882	89,354	79,954	74,962
Earnings as defined	\$ 820,148	\$ 516,033	\$ 462,400	\$ 460,963
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 75,388	\$ 90,356	\$ 83,343	\$ 75,058
Subsidiaries' preferred stock dividend requirements	1,689	597	-	-
Adjustments to subsidiaries' preferred stock dividends to state on a pre-income tax basis	1,351	651	-	-
Interest element of rentals charged to income (a)	101,862	89,354	79,954	74,962
Fixed charges as defined	\$ 180,290	\$ 180,958	\$ 163,297	\$ 150,020
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>4.55</b>	<b>2.85</b>	<b>2.83</b>	<b>3.07</b>
				<b>2.18</b>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

OHIO EDISON COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS  
PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 331,214	\$ 212,384	\$ 197,830	\$ 212,359
Interest and other charges, before reduction for amounts capitalized and deferred	77,077	90,952	83,343	75,058
Provision for income taxes	309,995	123,343	101,273	98,584
Interest element of rentals charged to income (a)	101,862	89,354	79,954	74,962
Earnings as defined	\$ 820,148	\$ 516,033	\$ 462,400	\$ 460,963
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS):</b>				
Interest before reduction for amounts capitalized and deferred	\$ 75,388	\$ 90,356	\$ 83,343	\$ 75,058
Preferred stock dividend requirements	4,324	5,149	-	-
Adjustments to preferred stock dividends to state on a pre-income tax basis	3,758	3,263	-	-
Interest element of rentals charged to income (a)	101,862	89,354	79,954	74,962
Fixed charges as defined plus preferred stock dividend requirements (pre-income tax basis)	\$ 185,332	\$ 188,122	\$ 163,297	\$ 150,020
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)</b>	4.43	2.74	2.83	3.07
				2.18

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,				
	2005	2006	2007	2008	2009 (b)
	(Dollars in thousands)				
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>					
Income before extraordinary items	\$ 233,101	\$ 307,946	\$ 278,283	\$ 286,486	\$ (10,992)
Interest and other charges, before reduction for amounts capitalized and deferred	132,226	141,710	138,977	125,976	137,171
Provision for income taxes	153,014	188,662	163,363	136,786	(10,183)
Interest element of rentals charged to income (a)	47,843	45,955	29,829	1,919	2,380
Earnings as defined	\$ 565,984	\$ 684,273	\$ 610,452	\$ 551,167	\$ 118,378
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>					
Interest before reduction for amounts capitalized and deferred	\$ 132,226	\$ 141,710	\$ 138,977	\$ 125,976	\$ 137,171
Interest element of rentals charged to income (a)	47,843	45,955	29,829	1,919	2,380
Fixed charges as defined	\$ 179,869	\$ 187,665	\$ 168,806	\$ 127,895	\$ 139,551
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<u>3.15</u>	<u>3.65</u>	<u>3.62</u>	<u>4.31</u>	<u>0.85</u>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

(b) The earnings as defined in 2009 would need to increase \$21,175,000 for the fixed charge ratio to be 1.0.

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS  
PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)

	Year Ended December 31,				
	2005	2006	2007	2008	2009 (b)
	(Dollars in thousands)				
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>					
Income before extraordinary items	\$ 233,101	\$ 307,948	\$ 278,283	\$ 286,486	\$ (10,992)
Interest and other charges, before reduction for amounts capitalized and deferred	132,226	141,710	138,977	125,976	137,171
Provision for income taxes	153,014	188,682	183,383	136,786	(10,183)
Interest element of rentals charged to income (a)	47,643	45,955	29,829	1,919	2,380
Earnings as defined	\$ 565,984	\$ 684,273	\$ 610,452	\$ 551,167	\$ 118,376
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS):</b>					
Interest before reduction for amounts capitalized and deferred	\$ 132,226	\$ 141,710	\$ 138,977	\$ 125,976	\$ 137,171
Preferred stock dividend requirements	2,918	-	-	-	-
Adjustments to preferred stock dividends to state on a pre-income tax basis	1,932	-	-	-	-
Interest element of rentals charged to income (a)	47,643	45,955	29,829	1,919	2,380
Fixed charges as defined plus preferred stock dividend requirements (pre-income tax basis)	\$ 184,719	\$ 187,665	\$ 168,806	\$ 127,895	\$ 139,551
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)</b>	<u>3.08</u>	<u>3.65</u>	<u>3.62</u>	<u>4.31</u>	<u>0.85</u>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

(b) The earnings as defined in 2009 would need to increase \$21,175,000 for the fixed charge ratio to be 1.0.



THE TOLEDO EDISON COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 76,170	\$ 99,410	\$ 91,242	\$ 74,927
Interest and other charges, before reduction for amounts capitalized and deferred	21,489	23,179	34,135	23,286
Provision for income taxes	73,931	59,869	53,736	29,824
Interest element of rentals charged to income (a)	80,042	77,158	57,393	37,172
Earnings as defined	\$ 251,632	\$ 259,616	\$ 236,506	\$ 165,209
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 21,489	\$ 23,179	\$ 34,135	\$ 23,286
Interest element of rentals charged to income (a)	80,042	77,158	57,393	37,172
Fixed charges as defined	\$ 101,531	\$ 100,337	\$ 91,528	\$ 60,458
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>2.48</b>	<b>2.59</b>	<b>2.58</b>	<b>2.73</b>
				<b>1.45</b>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

THE TOLEDO EDISON COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS  
PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 76,170	\$ 99,410	\$ 91,242	\$ 74,927
Interest and other charges, before reduction for amounts capitalized and deferred				
Provision for income taxes	21,489	23,179	34,135	23,286
Interest element of rentals charged to income (a)	73,931	59,869	53,738	29,824
	80,042	77,158	57,393	37,172
Earnings as defined	\$ 251,632	\$ 259,816	\$ 236,506	\$ 165,209
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS):</b>				
Interest before reduction for amounts capitalized and deferred	\$ 21,489	\$ 23,179	\$ 34,135	\$ 23,286
Preferred stock dividend requirements	7,795	9,409	-	-
Adjustments to preferred stock dividends to state on a pre-income tax basis	7,561	5,667	-	-
Interest element of rentals charged to income (a)	80,042	77,158	57,393	37,172
Fixed charges as defined plus preferred stock dividend requirements (pre-income tax basis)	\$ 116,887	\$ 115,413	\$ 91,528	\$ 80,458
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)</b>	2.16	2.25	2.58	2.73
				1.45

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

JERSEY CENTRAL POWER & LIGHT COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 182,927	\$ 190,607	\$ 186,108	\$ 186,988
Interest and other charges, before reduction for amounts capitalized and deferred	85,519	94,035	107,232	106,316
Provision for income taxes	135,846	146,731	149,066	148,231
Interest element of rentals charged to income (a)	7,091	8,838	7,976	7,702
Earnings as defined	\$ 411,383	\$ 440,211	\$ 450,372	\$ 449,237
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 85,519	\$ 94,035	\$ 107,232	\$ 106,316
Interest element of rentals charged to income (a)	7,091	8,838	7,978	7,702
Fixed charges as defined	\$ 92,610	\$ 102,873	\$ 115,208	\$ 114,018
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>4.44</b>	<b>4.28</b>	<b>3.91</b>	<b>3.94</b>
				<b>3.18</b>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

JERSEY CENTRAL POWER & LIGHT COMPANY

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS  
PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)

	Year Ended December 31,			
	2005	2006	2007	2008
	(Dollars in thousands)			
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 182,927	\$ 190,807	\$ 186,108	\$ 186,988
Interest and other charges, before reduction for amounts capitalized and deferred	85,519	94,035	107,232	106,316
Provision for income taxes	135,846	146,731	149,056	148,231
Interest element of rentals charged to income (a)	7,091	8,838	7,976	7,702
Earnings as defined	\$ 411,383	\$ 440,211	\$ 450,372	\$ 449,237
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS):</b>				
Interest before reduction for amounts capitalized and deferred	\$ 85,519	\$ 94,035	\$ 107,232	\$ 106,316
Preferred stock dividend requirements	500	1,018	-	-
Adjustments to preferred stock dividends to state on a pre-income tax basis	371	784	-	-
Interest element of rentals charged to income (a)	7,091	8,838	7,976	7,702
Fixed charges as defined plus preferred stock dividend requirements (pre-income tax basis)	\$ 93,481	\$ 104,675	\$ 115,208	\$ 114,018
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES PLUS PREFERRED STOCK DIVIDEND REQUIREMENTS (PRE-INCOME TAX BASIS)</b>	4.40	4.21	3.91	3.94
				3.18

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

## METROPOLITAN EDISON COMPANY

## CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006 (b)	2007	2008
			(Dollars in thousands)	
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 45,919	\$ (240,195)	\$ 95,483	\$ 88,033
Interest and other charges, before reduction for amounts capitalized and deferred	44,655	47,385	51,022	43,651
Provision for income taxes	30,084	77,326	68,270	60,898
Interest element of rentals charged to income (a)	1,597	1,616	2,160	2,132
Earnings as defined	\$ 122,255	\$ (113,868)	\$ 216,915	\$ 194,714
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 44,655	\$ 47,385	\$ 51,022	\$ 43,651
Interest element of rentals charged to income (a)	1,597	1,616	2,160	2,132
Fixed charges as defined	\$ 46,252	\$ 49,001	\$ 53,182	\$ 45,783
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>2.64</b>	<b>(2.32)</b>	<b>4.08</b>	<b>4.25</b>
				<b>2.43</b>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

(b) The earnings as defined in 2006 would need to increase \$162,888,000 for the fixed charge ratios to be 1.0.

## PENNSYLVANIA ELECTRIC COMPANY

## CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,			
	2005	2006	2007	2008
				2009
(Dollars in thousands)				
<b>EARNINGS AS DEFINED IN REGULATION S-K:</b>				
Income before extraordinary items	\$ 27,553	\$ 84,182	\$ 92,938	\$ 88,170
Interest and other charges, before reduction for amounts capitalized and deferred	39,900	45,278	54,840	59,424
Provision for income taxes	16,613	56,539	64,015	57,647
Interest element of rentals charged to income (a)	3,225	3,247	3,214	3,319
Earnings as defined	\$ 87,291	\$ 189,246	\$ 215,007	\$ 208,560
<b>FIXED CHARGES AS DEFINED IN REGULATION S-K:</b>				
Interest before reduction for amounts capitalized and deferred	\$ 39,900	\$ 45,278	\$ 54,840	\$ 59,424
Interest element of rentals charged to income (a)	3,225	3,247	3,214	3,319
Fixed charges as defined	\$ 43,125	\$ 48,525	\$ 58,054	\$ 62,743
<b>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>2.02</b>	<b>3.90</b>	<b>3.70</b>	<b>3.32</b>
				<b>2.92</b>

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

**EXHIBIT 23.1**

**FIRSTENERGY CORP.**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-48587, 333-102074, 333-153131, and 333-153608) and Form S-8 (Nos. 333-56094, 333-58279, 333-67798, 333-72766, 333-72768, 333-81183, 333-89356, 333-101472, 333-110662, and 333-146170) of FirstEnergy Corp. of our reports dated February 18, 2010 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010

**EXHIBIT 23.2**

**OHIO EDISON COMPANY**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153608-06) of Ohio Edison Company of our reports dated February 18, 2010 relating to the financial statements and the financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010



**EXHIBIT 23.3**

**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY  
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153608-05) of The Cleveland Illuminating Company of our reports dated February 18, 2010 relating to the financial statements and the financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010

**EXHIBIT 23.4**

**THE TOLEDO EDISON COMPANY**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153608-04) of The Toledo Edison Company of our reports dated February 18, 2010 relating to the financial statements and the financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010

**EXHIBIT 23.5**

**JERSEY CENTRAL POWER & LIGHT COMPANY**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153608-03) of Jersey Central Power & Light Company of our reports dated February 18, 2010 relating to the financial statements and the financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010

**EXHIBIT 23.6**

**METROPOLITAN EDISON COMPANY**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153808-02) of Metropolitan Edison Company of our reports dated February 18, 2010 relating to the financial statements and the financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010

**EXHIBIT 23.7**

**PENNSYLVANIA ELECTRIC COMPANY**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153608-01) of Pennsylvania Electric Company of our reports dated February 18, 2010 relating to the financial statements and the financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP  
Cleveland, OH  
February 18, 2010

**Certification**

I, Anthony J. Alexander, certify that:

1. I have reviewed this report on Form 10-K of FirstEnergy Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Anthony J. Alexander

Anthony J. Alexander  
Chief Executive Officer

**Certification**

I, Donald R. Schneider, certify that:

1. I have reviewed this report on Form 10-K of FirstEnergy Solutions Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Donald R. Schneider

Donald R. Schneider  
Chief Executive Officer

### Certification

I, Richard R. Grigg, certify that:

1. I have reviewed this report on Form 10-K of Ohio Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Richard R. Grigg  
Richard R. Grigg  
Chief Executive Officer



**Certification**

I, Richard R. Grigg, certify that:

1. I have reviewed this report on Form 10-K of The Cleveland Electric Illuminating Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Richard R. Grigg  
Richard R. Grigg  
Chief Executive Officer

## Certification

I, Richard R. Grigg, certify that:

1. I have reviewed this report on Form 10-K of The Toledo Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Richard R. Grigg  
Richard R. Grigg  
Chief Executive Officer

**Certification**

I, Donald M. Lynch, certify that:

1. I have reviewed this report on Form 10-K of Jersey Central Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Donald M. Lynch  
Donald M. Lynch  
Chief Executive Officer

**Certification**

I, Richard R. Grigg, certify that:

1. I have reviewed this report on Form 10-K of Metropolitan Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Richard R. Grigg  
Richard R. Grigg  
Chief Executive Officer

**Certification**

I, Richard R. Grigg, certify that:

1. I have reviewed this report on Form 10-K of Pennsylvania Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Richard R. Grigg  
Richard R. Grigg  
Chief Executive Officer

**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of FirstEnergy Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer

**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of FirstEnergy Solutions Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer

**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of Ohio Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer



**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of The Cleveland Electric Illuminating Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer

**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of The Toledo Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer

**Certification**

I, Kevin R. Burgess, certify that:

1. I have reviewed this report on Form 10-K of Jersey Central Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Kevin R. Burgess

Kevin R. Burgess  
Chief Financial Officer

**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of Metropolitan Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer

**Certification**

I, Mark T. Clark, certify that:

1. I have reviewed this report on Form 10-K of Pennsylvania Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2010

/s/ Mark T. Clark  
Mark T. Clark  
Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of FirstEnergy Corp. (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Anthony J. Alexander

Anthony J. Alexander  
Chief Executive Officer

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of FirstEnergy Solutions Corp. (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Donald R. Schneider

Donald R. Schneider  
President  
(Chief Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of Ohio Edison Company (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard R. Grigg

Richard R. Grigg  
President  
(Chief Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of The Cleveland Electric Illuminating Company (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard R. Grigg

Richard R. Grigg  
President  
(Chief Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of The Toledo Edison Company (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard R. Grigg

Richard R. Grigg  
President  
(Chief Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of Jersey Central Power & Light Company (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Donald M. Lynch

Donald M. Lynch  
President  
(Chief Executive Officer)

/s/ Kevin R. Burgess

Kevin R. Burgess  
Controller  
(Chief Financial Officer)

Date: February 18, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of Metropolitan Edison Company (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard R. Grigg

Richard R. Grigg  
President  
(Chief Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350**

In connection with the Report of Pennsylvania Electric Company (the "Company") on Form 10-K for the year ending December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each undersigned officer of the Company does hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard R. Grigg

Richard R. Grigg  
President  
(Chief Executive Officer)

/s/ Mark T. Clark

Mark T. Clark  
Chief Financial Officer

Date: February 18, 2010



76 South Main Street  
Akron, Ohio 44308-1890  
(330) 384-5100  
2009 Form 10-K



**Exhibit C-3 "Financial Statements"**

FirstEnergy Solutions' financial and business information can be found in the enclosed 2008 and 2009 FirstEnergy annual reports. These reports also contain audited financial statements prepared by a certified public accountant, income statements and balance sheets, credit reports or ratings prepared by an established credit reporting agency, financial statements for the last two years of operations in the electric power business, as well as operating personnel, such as officers. Unaudited pro forma statements covering only the financials of FirstEnergy Solutions are available upon request.

**Exhibit C-4 "Financial Arrangements"**

FirstEnergy Solutions has an investment grade rating of "BBB-" by Standard & Poor's and "Baa2" by Moody's for its' Corporate Credit Rating. As such, FirstEnergy Solutions no longer needs to provide a parent guaranty from FirstEnergy Corp. Copies of each report can be found with Exhibit C-6.



**Exhibit C-5 “Forecasted Financial Statements”**

Forecasted financial statements have been filed on a confidential basis under seal.

**Exhibit C-6 "Credit Ratings"**

FirstEnergy Solutions' credit ratings are as follows:

Standard & Poor's: BBB-  
Moody's: Baa2

Copies of each report follows.

**FirstEnergy Corp.  
Credit Ratings Summary**

As of June 30, 2010	Corporate Credit Rating (S&P) / Issuer Rating (Moody's) / Issuer Default (Fitch)				Senior Secured				Senior Unsecured			
	S&P	Moody's	Fitch		S&P	Moody's	Fitch		S&P	Moody's	Fitch	
FirstEnergy Corp.	BBB-	Baa3	BBB		-	-	-		BB+	Baa3	BBB	
FirstEnergy Solutions	BBB-	Baa2	BBB		-	-	-		BBB-	Baa2	BBB	
ATSI	BBB-	Baa1	-		-	-	-		BBB-	Baa1	-	
Cleveland Electric Illuminating	BBB-	Baa3	BB+		BBB	Baa1	BBB		BBB-	Baa3	BBB-	
Jersey Central Power & Light	BBB-	Baa2	BBB		-	-	-		BBB-	Baa2	BBB+	
Metropolitan Edison	BBB-	Baa2	BBB-		BBB	A3	BBB+		BBB-	Baa2	BBB	
Ohio Edison	BBB-	Baa2	BBB-		BBB	A3	BBB+		BBB-	Baa2	BBB	
Pennsylvania Electric	BBB-	Baa2	BBB-		BBB	A3	BBB+		BBB-	Baa2	BBB	
Pennsylvania Power	BBB-	Baa2	BBB-		BBB+	A3	BBB+		-	-	-	
Toledo Edison	BBB-	Baa3	BB+		BBB	Baa1	BBB		-	-	-	

On February 11, 2010 S&P lowered its ratings on FE and subsidiaries with outlook stable in response to the merger announcement.  
On February 11, 2010 Moody's and Fitch affirmed the ratings and stable outlook of FE and its subsidiaries.

Preparer: Justin Shaub  
Reviewer: Barb Frastaci  
Approver: Randy Scilla  
Date Prepared: 7/6/10  
C:\Users\47586\AppData\Local\Temp\notes97E53A\FE Credit Ratings June 30, 2010.xls\Security Ratings



## Global Credit Portal

This print copy displays all available data for the print sections, including filtered data that may not currently appear on the screen.

### FirstEnergy Solutions Corp.

#### Analysts

Role	Name	Location	Phone	E-Mail
Primary Analyst	Todd A Shipman, CFA	New York	(1) 212-438-7676	todd_shipman@standardandpoors.com
Back-up Analyst	Dimitri Nikas	New York	(1) 212-438-7807	Dimitri_Nikas@standardandpoors.com

#### CREDIT MEASURES

##### Current

##### Entity

	Rating Date	Rating	Creditwatch/ Outlook	Creditwatch/ Outlook Date
<b>Issuer Credit Rating</b>				
Foreign Long-Term	11-Feb-2010	BBB-	Stable	11-Feb-2010
Local Long-Term	11-Feb-2010	BBB-	Stable	11-Feb-2010

##### Recent Research

Date	Description	Source
25-Mar-2010	Summary: FirstEnergy Solutions Corp.	S&P Ratings
25-Mar-2010	FirstEnergy Solutions Corp.	S&P Ratings
20-Nov-2009	Summary: FirstEnergy Solutions Corp.	S&P Ratings

##### Securities

Rating Type	Rating Date	Rating	Creditwatch/ Outlook	Creditwatch/ Outlook Date
<b>US\$177 mil air qual dev rev bnds (First Energy Generations Corp. Proj) (Non-AMT) ser 2009-A due 08/01/2020 (Obligor: FirstEnergy Solutions Corp.)</b> <b>Debt Type: Senior Unsecured , Issue/Program Type: Unsecured IRB , Coupon Rate: 5.7% , Original Principal Balance: USD 177,000,000 , Placement: Public</b> Maturity Date: 01-Aug-2020, CUSIP: 677525TK3, ISIN: US677525TK30				
Local Long-Term	11-Feb-2010	BBB-		
<b>US\$2.805 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2018 (Obligor: FirstEnergy Solutions Corp.)</b> <b>Debt Type: Senior Unsecured , Issue/Program Type: Unsecured IRB , Original Principal Balance: USD 2,805,000 , Placement: Public</b> Maturity Date: 01-Oct-2018, CUSIP: 677660TH5, ISIN: US677660TH55				
Local Long-Term	11-Feb-2010	BBB-		
<b>US\$2.985 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-C due 10/01/2018 (Obligor: FirstEnergy Solutions Corp.)</b> <b>Debt Type: Senior Unsecured , Issue/Program Type: Unsecured IRB , Original Principal Balance: USD 2,985,000 , Placement: Public</b> Maturity Date: 01-Oct-2018, CUSIP: 677525SR9, ISIN: US677525SR91				
Local Long-Term	11-Feb-2010	BBB-		
<b>US\$20.45 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2033 (Obligor: FirstEnergy Solutions Corp.)</b> <b>Debt Type: Senior Unsecured , Issue/Program Type: Unsecured IRB , Original Principal Balance: USD 20,450,000 , Placement: Public</b> Maturity Date: 01-Oct-2033, CUSIP: 677660TJ1				
Local Long-Term	11-Feb-2010	BBB-		
<b>US\$400 mil 4.8% exch sr nts due 02/15/2015</b>				

**Debt Type: Senior Unsecured , Issue/Program Type: Notes , Coupon Rate: 4.8% , Original Principal Balance: USD 400,000,000 , Placement: 144a W/ Registration**

Maturity Date: 15-Feb-2015, CUSIP: 33766JAB9, ISIN: US33766JAB98

Local Long-Term 11-Feb-2010 BBB-

**US\$46.3 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2047 (Obligor: FirstEnergy Solutions Corp.)**

**Debt Type: Senior Unsecured , Issue/Program Type: Unsecured IRB , Coupon Rate: 3% , Original Principal Balance: USD 46,300,000 , Placement: Public**

Maturity Date: 01-Oct-2047, CUSIP: 074876GW7

Local Long-Term 11-Feb-2010 BBB-

**US\$50 mil poll cntl rev rfdg bnds (FirstEnergy Generation Corp. Proj) ser 2009-A due 02/01/2014 (Obligor: FirstEnergy Solutions Corp.)**

**Debt Type: Senior Secured , Issue/Program Type: Secured IRB , Coupon Rate: 5.7% , Original Principal Balance: USD 50,000,000 , Placement: Public**

Maturity Date: 01-Feb-2014, CUSIP: 677525TC1, ISIN: US877525TC14

Local Long-Term 11-Feb-2010 BBB-

**US\$50 mil poll cntl rev rfdg bnds (FirstEnergy Generations Corp. Proj) ser 2009-B due 03/01/2011 (Obligor: FirstEnergy Solutions Corp.)**

**Debt Type: Senior Secured , Issue/Program Type: Secured IRB , Original Principal Balance: USD 50,000,000 , Placement: Public**

Maturity Date: 01-Mar-2011, CUSIP: 677525TD9, ISIN: US677525TD96

Local Long-Term 11-Feb-2010 BBB-

**US\$500 mil 6.8% exch sr nts due 08/15/2039**

**Debt Type: Senior Unsecured , Issue/Program Type: Notes , Coupon Rate: 6.8% , Original Principal Balance: USD 500,000,000 , Placement: 144a W/ Registration**

Maturity Date: 15-Aug-2039, CUSIP: 33766JAF0, ISIN: US33766JAF03

Local Long-Term 11-Feb-2010 BBB-

**US\$600 mil 6.05% sr nts due 08/15/2021 (Guarantor: FirstEnergy Generation Corp, Guarantor: FirstEnergy Nuclear Generation Corp.)**

**Debt Type: Senior Unsecured , Issue/Program Type: Notes , Coupon Rate: 6.05% , Original Principal Balance: USD 600,000,000 , Placement: 144a W/ Registration**

Maturity Date: 15-Aug-2021, CUSIP: 33766JAC7, CINS: 33766JAC7, ISIN: US33766JAC71

Local Long-Term 04-Jan-2010 NR

**US\$600 mil 6.05% exch sr nts due 08/15/2021**

**Debt Type: Senior Unsecured , Issue/Program Type: Notes , Coupon Rate: 6.05% , Original Principal Balance: USD 600,000,000 , Placement: 144a W/ Registration**

Maturity Date: 15-Aug-2021, CUSIP: 33766JAD5, CINS: 33766JAD5, ISIN: US33766JAD54

Local Long-Term 11-Feb-2010 BBB-

**US\$9.1 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2033 (Obligor: FirstEnergy Solutions Corp.)**

**Debt Type: Senior Unsecured , Issue/Program Type: Unsecured IRB , Original Principal Balance: USD 9,100,000 , Placement: Public**

Maturity Date: 01-Oct-2033, CUSIP: 677525SQ1, ISIN: US677525SQ19

Local Long-Term 11-Feb-2010 BBB-

## History

### Entity Ratings History

	Rating Date	Action	Rating	Creditwatch/ Outlook	Creditwatch/ Outlook Date
<b>Issuer Credit Rating</b>					
Foreign Long-Term	11-Feb-2010		BBB-	Stable	11-Feb-2010
	26-Mar-2007		BBB	Stable	01-Aug-2008
	26-Mar-2007		BBB	Negative	18-Oct-2007
	26-Mar-2007		BBB	Stable	26-Mar-2007
Local Long-Term	11-Feb-2010		BBB-	Stable	11-Feb-2010
	26-Mar-2007		BBB	Stable	01-Aug-2008
	26-Mar-2007		BBB	Negative	18-Oct-2007
	26-Mar-2007		BBB	Stable	26-Mar-2007

## Security Ratings History

Maturity Date	Identifier	Rating Type	Rating Date	Action	Rating	Creditwatch/ Outlook	Creditwatch/ Outlook Date
			11-Mar-2009		BBB		
<b>US\$50 mil poll cntl rev rfdg bnds (FirstEnergy Generation Corp. Proj) ser 2009-A due 02/01/2014 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Secured</b>							
01-Feb-2014	CUSIP: 677525TC1	Local Long-Term	11-Feb-2010		BBB-		
			11-Mar-2009		BBB		
<b>US\$50 mil poll cntl rev rfdg bnds (FirstEnergy Generations Corp. Proj) ser 2008-B due 03/01/2011 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Secured</b>							
01-Mar-2011	CUSIP: 677525TD9	Local Long-Term	11-Feb-2010		BBB-		
			20-Aug-2009		BBB		
<b>US\$177 mil air qual dev rev bnds (First Energy Generations Corp. Proj) (Non-AMT) ser 2009-A due 08/01/2020 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Unsecured</b>							
01-Aug-2020	CUSIP: 677525TK3	Local Long-Term	11-Feb-2010		BBB-		
			12-Sep-2008		BBB		
<b>US\$2.805 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2018 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Unsecured</b>							
01-Oct-2018	CUSIP: 677660TH5	Local Long-Term	11-Feb-2010		BBB-		
			12-Sep-2008		BBB		
<b>US\$2.985 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-C due 10/01/2018 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Unsecured</b>							
01-Oct-2018	CUSIP: 677525SR9	Local Long-Term	11-Feb-2010		BBB-		
			12-Sep-2008		BBB		
<b>US\$20.45 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2033 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Unsecured</b>							
01-Oct-2033	CUSIP: 677660TJ1	Local Long-Term	11-Feb-2010		BBB-		
			04-Jan-2010		BBB		
<b>US\$400 mil 4.8% exch sr nts due 02/15/2015</b>							
<b>Debt Type: Senior Unsecured</b>							
15-Feb-2015	CUSIP: 33766JAB9	Local Long-Term	11-Feb-2010		BBB-		
			12-Sep-2008		BBB		
<b>US\$48.3 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2047 (Obligor: FirstEnergy Solutions Corp.)</b>							
<b>Debt Type: Senior Unsecured</b>							
01-Oct-2047	CUSIP: 074876GW7	Local Long-Term	11-Feb-2010		BBB-		
			04-Jan-2010		BBB		
<b>US\$500 mil 6.8% exch sr nts due 08/15/2039</b>							
<b>Debt Type: Senior Unsecured</b>							
15-Aug-2039	CUSIP: 33766JAF0	Local Long-Term	11-Feb-2010		BBB-		
			26-Aug-2009		BBB		
<b>US\$600 mil 6.05% sr nts due 08/15/2021 (Guarantor: FirstEnergy Generation Corp, Guarantor: FirstEnergy Nuclear Generation Corp.)</b>							
<b>Debt Type: Senior Unsecured</b>							
15-Aug-2021	CUSIP: 33766JAC7	Local Long-Term	04-Jan-2010		NR		
			04-Jan-2010		BBB		
<b>US\$600 mil 6.05% exch sr nts due 08/15/2021</b>							
<b>Debt Type: Senior Unsecured</b>							
15-Aug-2021	CUSIP: 33766JAD5	Local Long-Term	11-Feb-2010		BBB-		

		12-Sep-2008	BBB	
US\$9.1 mil poll cntl rev refun bnds (FirstEnergy Generation Corp. Proj.) Non-AMT ser 2008-B due 10/01/2033 (Obligor: FirstEnergy Solutions Corp.)				
Debt Type: Senior Unsecured				
01-Oct-2033	CUSIP: 677525SQ1	Local Long-Term	11-Feb-2010	BBB-

## ENTITY PROFILE

Legal Name:	FirstEnergy Solutions Corp.
Sector:	Corporates
Subsector:	Utilities
Country:	United States
State/Province:	Ohio
Industries:	Electric
GICS:	Electric Utilities (55101010)
CINS:	U3198T
CUSIP:	33766J
NAICS:	Elec Pwr Generation, Transmsn & Distribution (2211)
SIC:	Electric Services (4911)

## S&P RATINGSDIRECT RESEARCH

Date	Type	Description	Source
20-Aug-2010	Commentary	CreditStats: Electric Utilities--U.S.	S&P Ratings
16-Aug-2010	Commentary	Global Nuclear Power Development Offers Lessons For New U.S. Construction	S&P Ratings
16-Aug-2010	Commentary	Construction Track Records For New Nuclear Plants Around The World So Far Are Mixed	S&P Ratings
04-Aug-2010	Commentary	Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest	S&P Ratings
15-Jul-2010	Commentary	Ratings Roundup: Strongly Positive Rating Changes In U.S. Electric Utility Sector In Second-Quarter 2010; No Downgrades	S&P Ratings
15-Jul-2010	Commentary	2010 Midyear Outlook: Global Credit Markets May Be At An Inflection Point	S&P Ratings
06-Jul-2010	Commentary	Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest	S&P Ratings
18-Jun-2010	Commentary	Industry Report Card: Amid Low Natural Gas Prices, U.S. Regulated Electric Sector Maintains Stable Momentum In The First Half Of 2010	S&P Ratings
01-Jun-2010	Commentary	Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest	S&P Ratings
13-May-2010	Commentary	Sustained Lower Natural Gas Prices Are Unlikely To Change U.S. Electric Utilities' Credit Quality	S&P Ratings
06-May-2010	Commentary	Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest	S&P Ratings
16-Apr-2010	Commentary	Ratings Roundup: Ratings Trend In U.S. Electric Utility Sector Turns More Negative In First Quarter Of 2010	S&P Ratings
01-Apr-2010	Commentary	Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest	S&P Ratings
25-Mar-2010	Full Analysis	Toledo Edison Co.	S&P Ratings
25-Mar-2010	Full Analysis	Pennsylvania Power Co.	S&P Ratings
25-Mar-2010	Full Analysis	Pennsylvania Electric Co.	S&P Ratings
25-Mar-2010	Full Analysis	Ohio Edison Co.	S&P Ratings
25-Mar-2010	Full Analysis	Metropolitan Edison Co.	S&P Ratings

25-Mar-2010	Full Analysis	Jersey Central Power & Light Co.	S&P Ratings
25-Mar-2010	Summary Analysis	Summary: FirstEnergy Solutions Corp.	S&P Ratings
25-Mar-2010	Full Analysis	FirstEnergy Solutions Corp.	S&P Ratings
25-Mar-2010	Full Analysis	Cleveland Electric Illuminating Co.	S&P Ratings
25-Mar-2010	Full Analysis	FirstEnergy Corp.	S&P Ratings
15-Mar-2010	Commentary	Industry Report Card: U.S. Regulated Electric Utilities Continue On Stable Trajectory	S&P Ratings
09-Mar-2010	News Comments	S&P Announcement: 17th Annual Electric Utilities Conference What's Blooming In Washington? Is On March 18	S&P Ratings
02-Mar-2010	Commentary	Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest	S&P Ratings
11-Feb-2010	Research Update	Research Update: FirstEnergy Corp. Downgraded To 'BBB-' On Planned Merger With Allegheny Energy Inc.	S&P Ratings
28-Jan-2010	Commentary	U.S. Government Lights A Fire Under Alternative Energy Financing	S&P Ratings
26-Jan-2010	Commentary	Ratings Roundup: U.S. Electric Utility Sector Maintained Strong Credit Quality In A Gloomy 2009	S&P Ratings
22-Jan-2010	Commentary	Top 10 Investor Questions: U.S. Regulated Electric Utilities	S&P Ratings
28-Dec-2009	Commentary	Industry Report Card: U.S. Regulated Electric Utilities Head Into 2010 With Familiar Concerns	S&P Ratings
20-Nov-2009	Full Analysis	Toledo Edison Co.	S&P Ratings
20-Nov-2009	Full Analysis	Pennsylvania Power Co.	S&P Ratings
20-Nov-2009	Full Analysis	Pennsylvania Electric Co.	S&P Ratings
20-Nov-2009	Full Analysis	Ohio Edison Co.	S&P Ratings
20-Nov-2009	Full Analysis	Metropolitan Edison Co.	S&P Ratings
20-Nov-2009	Full Analysis	Jersey Central Power & Light Co.	S&P Ratings
20-Nov-2009	Summary Analysis	Summary: FirstEnergy Solutions Corp.	S&P Ratings
20-Nov-2009	Full Analysis	FirstEnergy Solutions Corp.	S&P Ratings
20-Nov-2009	Full Analysis	FirstEnergy Corp.	S&P Ratings
20-Nov-2009	Full Analysis	Cleveland Electric Illuminating Co.	S&P Ratings
21-Sep-2009	Commentary	Industry Report Card: U.S. Electric Utility Sector's Liquidity Remains Adequate In Third-Quarter 2009	S&P Ratings
24-Aug-2009	Commentary	CreditStats: Electric Utilities--U.S.	S&P Ratings
09-Jul-2009	Research Update	Research Update: FirstEnergy Corp. 'BBB' Credit Rating Affirmed As Company Seeks To Improve Business Risk Profile; Outlook Stable	S&P Ratings
26-Jun-2009	Rating Action News	Ratings On 25 KeyBank N.A. Cleveland LOC-Supported Bonds Lowered; Two Ratings Affirmed	S&P Ratings
16-Jun-2009	Commentary	Industry Report Card: Amid Recession And Energy Policy Debate, U.S. Electric Utility Sector Holds Steady In Second-Quarter 2009	S&P Ratings
14-May-2009	Rating Action News	Ratings On 28 KeyBank N.A. Cleveland LOC-Supported Bonds Placed On CreditWatch Negative	S&P Ratings
30-Mar-2009	Commentary	Industry Report Card: U.S. Electric Utility Sector Performed Well In First Quarter Of 2009	S&P Ratings
19-Dec-2008	Commentary	Industry Report Card: U.S. Electric Utility Credit Quality Remains Strong Amid	S&P



		Continuing Economic Downturn	Ratings
01-Oct-2008	Full Analysis	Toledo Edison Co.	S&P Ratings
01-Oct-2008	Full Analysis	Pennsylvania Power Co.	S&P Ratings
01-Oct-2008	Full Analysis	Pennsylvania Electric Co.	S&P Ratings
01-Oct-2008	Full Analysis	Ohio Edison Co.	S&P Ratings
01-Oct-2008	Full Analysis	Metropolitan Edison Co.	S&P Ratings
01-Oct-2008	Full Analysis	Jersey Central Power & Light Co.	S&P Ratings
01-Oct-2008	Full Analysis	FirstEnergy Corp.	S&P Ratings
01-Oct-2008	Full Analysis	Cleveland Electric Illuminating Co.	S&P Ratings
17-Sep-2008	Commentary	Industry Report Card: U.S. Electric Utility Sector Continues To Perform Well In Second-Quarter 2008	S&P Ratings
28-Aug-2008	Commentary	CreditStats: Electric Utilities--U.S.	S&P Ratings
01-Aug-2008	Research Update	Research Update: FirstEnergy Corp. Outlook Revised To Stable From Negative, 'BBB' Credit Rating Affirmed	S&P Ratings
19-Jun-2008	Summary Analysis	Summary: First Energy Solutions Corp.	S&P Ratings
10-Jun-2008	Commentary	Industry Report Card: Credit Quality For U.S. Electric Utilities Remains Strong Despite Rising Fuel And Construction Costs	S&P Ratings
27-Mar-2008	Commentary	Industry Report Card: U.S. Electric Utility Sector Continues To Benefit From Strong Liquidity Amid Current Credit Crunch	S&P Ratings
31-Jan-2008	Full Analysis	FirstEnergy Corp.	S&P Ratings
24-Oct-2007	Summary Analysis	Summary: First Energy Solutions Corp.	S&P Ratings
18-Oct-2007	Research Update	Research Update: FirstEnergy, Subs Corp. Ratings Are Affirmed At 'BBB'; Outlook Revised To Negative From Stable	S&P Ratings
24-Aug-2007	Full Analysis	Toledo Edison Co.	S&P Ratings
24-Aug-2007	Full Analysis	Pennsylvania Power Co.	S&P Ratings
24-Aug-2007	Full Analysis	Pennsylvania Electric Co.	S&P Ratings
24-Aug-2007	Full Analysis	Ohio Edison Co.	S&P Ratings
24-Aug-2007	Full Analysis	Metropolitan Edison Co.	S&P Ratings
24-Aug-2007	Full Analysis	Jersey Central Power & Light Co.	S&P Ratings
24-Aug-2007	Full Analysis	Cleveland Electric Illuminating Co.	S&P Ratings
26-Mar-2007	Research Update	Research Update: FirstEnergy Solutions Assigned 'BBB' Rating; Outlook Stable	S&P Ratings

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The McGraw-Hill Companies

# MOODY'S

## INVESTORS SERVICE

Credit Opinion: FirstEnergy Solutions Corp.

Global Credit Research - 16 Jun 2010

Akron, Ohio, United States

### Ratings

Category	Moody's Rating
Outlook	Stable
Issuer Rating	Baa2
Bkd Senior Unsecured	Baa2
Parent: FirstEnergy Corp.	
Outlook	Stable
Issuer Rating	Baa3
Sr Unsec Bank Credit Facility	Baa3
Senior Unsecured	Baa3

### Contacts

Analyst	Phone
Scott Solomon/New York	212.553.4358
William L. Hess/New York	212.553.3837

### Key Indicators

[1] FirstEnergy Solutions Corp.

	LTM 3/31/2010	2009	2008	2007
(CFO Pre-W/C + Interest) / Interest Expense	6.1x	6.8x	6.1x	6.4x
(CFO Pre-W/C) / Debt	19.5%	20.5%	18.2%	20.3%
(CFO Pre-W/C - Dividends) / Debt	19.5%	20.5%	17.4%	17.7%
FCF / Debt	-2.8%	2.2%	-17.9%	-2.0%

[1] All ratios calculated in accordance with the Unregulated Utilities and Power Companies Rating Methodology using Moody's standard adjustments

Note: For definitions of Moody's most common ratio terms please see the accompanying User's Guide.

### Opinion

#### Rating Drivers

Diverse, competitive generating portfolio

Conservative hedging strategy focused on selling forward 90% of its generation

Near completion of a multi-year construction program involving the installation of pollution control devices

Expectation for improving financial metrics beginning 2011

Shift in the company's business risk profile as it transitions to market-based generation rates

Concern surrounding the operating performance of Davis-Besse until a new reactor head is installed in 2014

Exposure to future potential legislative or regulatory policies aimed at reducing CO2 emissions

#### Corporate Profile

FirstEnergy Solutions Corp. (FES; Baa2 senior unsecured, stable outlook), a wholly owned subsidiary of FirstEnergy Corp. (FE; Baa3 senior unsecured, stable outlook), is a regional competitive electric provider whose primary markets are Pennsylvania, Ohio, Michigan and Illinois.

FES owns and operates fossil and hydroelectric generating facilities through its FirstEnergy Generation Corp. (FGCO) subsidiary and three nuclear plants through its FirstEnergy Nuclear Generation Corp. (NGC) subsidiary. FES accounted for approximately 36% of FE's consolidated

revenues, 34% of consolidated assets and 48% of consolidated cash from operations pre-changes in working capital (CFO pre-WC) at December 31, 2009.

FES' generating portfolio includes 14,006 MW of capacity consisting of coal-fired (7,375 MW or 53% of the portfolio), nuclear (3,991 MW or 28%), gas/oil-fired (1,267 MW or 9%), hydro (651 MW or 5%) and other (722 MW or 5%) generating capacity. Most of FES' assets are located in PJM and MISO within Ohio and in the bordering regions of Pennsylvania and New Jersey.

FES's generation is sold to various counterparties under contractual arrangements. Offtakers include its Ohio affiliate utilities at prices determined through an auction process completed in May 2009 that runs through mid-2011 and its Pennsylvania affiliate transmission and distribution utilities through a fixed-price partial requirement power sales agreement that runs through 2010.

#### Recent Events

##### Pending merger with AYE

FE and smaller-sized Allegheny Energy, Inc. (AYE: Ba1 senior unsecured) announced on February 11, 2010 that their respective boards had agreed to combine in a stock-for-stock transaction that values AYE's equity at \$4.7 billion. FE will be the surviving parent company upon consummation of the transaction albeit a larger and more diversified company than it is today. The merger is conditioned upon shareholder approvals and various regulatory approvals. FE anticipates that the necessary approvals may be obtained within 12 months.

Moody's viewed the financing structure for the proposed structure as neutral to FE's credit profile due in large part to the use of stock as currency and affirmed the ratings of FE and its subsidiaries. This rating action also acknowledged an opportunity for the merged entity to realize significant cost savings.

AYE has a sizable electric generating portfolio. Specifically, Allegheny Energy Supply Company, LLC (AYE Supply: Baa3 senior unsecured debt; stable outlook) owns, operates, and manages more than 7,000 megawatts of predominantly coal based generation capacity that is connected to the PJM Power Pool.

FE and AYE have yet to provide transparency around legal structures, integration plans and synergy benefits, particularly as it relates to the unregulated power businesses, of the merged entities.

##### Davis-Besse Nuclear Power Station

An inspection of the reactor head at the 908 megawatt Davis-Besse Nuclear Power Station during a planned refueling outage that began on February 28, 2010 revealed cracks in 24 of 69 drive rod nozzles. FE has worked under NRC supervision to repair these cracks and announced in June 2010 that modifications to the reactor head nozzles was complete and the plant is expected to return to operation in July 2010. FE plans to manage potential future cracking by reducing the reactor core temperatures and shortening its operating cycle. A new reactor head with improved nozzles is expected to be installed in 2014.

The ongoing operation of Davis-Besse has been a concern since it was discovered in March 2002 that boric acid had eaten through the majority of the reactor's pressure vessel head. The resulting corrective maintenance took two years and cost approximately \$600 million before the plant was restarted in March 2004.

#### Rating Rationale

The Baa2 senior unsecured rating and stable outlook for FES recognizes that 2009 was the first year the company was able to sell power in Ohio at market rates and that 2011 will be the first year it is able to sell power in Pennsylvania at market rates. Historically, FES sold the majority of its electric production to its various utility affiliates at fixed prices. Going forward, we anticipate increased cash flow volatility and a higher business risk profile as FES moves to selling all its power at market pricing although this should be offset in part by FES' conservative hedging strategy.

Moody's evaluates FES' consolidated financial performance relative to the Methodology for Unregulated Utilities and Power Companies (the Wholesale Methodology) published in August 2009. As depicted in the grid below, FES' indicated rating under this methodology is Baa3 compared to its current Baa2 senior unsecured rating. The indicated rating under the methodology considers FES' consolidated financial performance based on a three-year historical average.

FES' Baa2 Issuer Rating considers the diversity and scale of its generating capacity, the generating fleet's operating performance, its position as a relatively low-cost provider of electricity, sound financial metrics and near-term hedge profile tempered by a fundamental shift in the company's business risk profile as it transitions to market-based generation rates, a weak power price environment and possible federal legislation relating to the emission of greenhouse gases. A material reduction in industrial demand for power due to the weak Midwest economy continues to present a challenge.

While some overhang issues are expected to be resolved in the near-term, specifically the market price for power in Pennsylvania beginning January 2011, other issues, such as approval of the proposed merger with AYE and integration plans between FES and AYE Supply, if any, are not expected to be known until early-to-mid 2011.

The primary drivers for the ratings and outlook are as follows:

##### Factor 1: Market Assessment, Scale & Competitive Position

FES' generating portfolio consists of low-cost generating assets with a diverse mix of fuel types that are competitively positioned within the liquid multi-state PJM and MISO power markets. Geographically, approximately two-thirds of FES' generating portfolio is located in MISO with the remainder located in PJM. The portfolio is well-balanced, consisting of approximately 60% baseload generating capacity, slightly more than 20% intermediate load-following capacity and approaching 20% peaking capacity. The baseload component is split fairly evenly between coal-fired and nuclear generating capacity.

Capacity factors for FES' baseload fossil fuel fleet have averaged in the low-80% range over the past five years compared to the national average of approximately 70%. FES' nuclear fleet has averaged in the high-80% range, on par with the national average of approximately 90%. Generation fleets with higher capacity factors tend to indicate a stronger competitive position as they typically have an opportunity to earn a

positive margin during more hours of the day.

Within the framework of the Methodology, for Factor 1 Sub-factor: Market and Competitive Position, FES is scored to the Baa range. The fact that FES operates in a single economic region that has significant exposure to industrial demand is reflected with a score in the Ba range for Sub-factor: Geographic Diversity.

## Factor 2: Cash Flow Predictability of Business Model

### Sub-factor: Hedging Strategy

FES is nearing completion of its transition to market based pricing. At year end 2009, 78% of FES' electric generation was priced through competitive markets compared to approximately 20% in 2007. This percentage is expected to increase to 100% in 2011 as utilities operating in Pennsylvania (including Metropolitan Edison Company or Met-Ed and Pennsylvania Electric Company or Penelec, subsidiaries of FE) transition to procuring their generation requirements at competitive market prices. As a result, FES plans to redeploy the power currently sold to Met-Ed and Penelec under fixed price contracts to retail customers located within its generation footprint and into local region auctions.

FES has hedged or sold forward approximately 95% of its firm electric supply of approximately 92.2 million MWh for 2010 and approximately 50% for 2011. FES has contracted for nearly 100% of its coal requirements for the next three years with 100% of transportation needs contracted as well.

The largest component of its hedged position in 2010 (approximately 52%) is with counterparties (a combination of industrial and commercial customers, government aggregation customers and distribution utilities through auctions) located within the footprint of its Ohio-based affiliate distribution utilities followed by approximately 34% to FE's Pennsylvania-based affiliate transmission and distribution utilities. The remainder of its hedge positions is through competitive retail sales in Illinois, Maryland and New Jersey and various contracted bilateral sales. Government aggregation is when local communities join their citizens together to buy natural gas and/or electricity as a group.

Ohio completed its transition to competitive pricing with pricing through mid-2011 determined by an auction. FES currently provides approximately 77% of the Provider of Last Resort (PoLR) load (approximately 16 million MWh) to FE's three Ohio based utilities through May 31, 2011 at approximately \$57 MWh. The current expectation is that auctions will be held in 2010 and 2011 to determine pricing beyond mid-2011. FES provided its Ohio affiliate utilities with their full electric requirements at a price of approximately \$46.50 MWh in 2008.

FES provides its two largest Pennsylvania affiliate transmission and distribution utilities (Met-Ed and Penelec) 100% of their respective electric requirements (estimated to be approximately 29 million MWh) through fixed-price power sales agreements that run through 2010; these utilities, however, are scheduled to transition to competitive generation pricing beginning January 2011. FES' pricing under the power sales agreement is approximately \$42.77 MWh for Met-Ed and \$44.42 MWh for Penelec, prices considered to be below market.

The drop-off in FES' hedged position in 2011 is driven by Met-Ed and Penelec's transition to market based rates effective January 1, 2011. An independent consultant has completed three default service auctions on behalf of Met-Ed and Penelec for power procurement beginning January 1, 2011 and will conduct a fourth auction in October 2010. The average resulting price from the auctions, which were approved by the Pennsylvania Public Utility Commission, has exceeded \$70 MWh for residential customers in Met-Ed's service territory and \$60 MWh for Penelec. While FES has bid in these auctions the company has not yet disclosed its award, if any.

FES' long-term sales strategy is fairly conservative and focused on selling at least 90% of its generation forward to three key retail sales channels primarily within the footprint of FE's regulated utilities: industrial and large commercial customers, to which the company targets selling 45% of its generation; government aggregation (20%); and PoLR load (35%). FES views these sales channels positively as they provide the highest operating margins given that FES has control over prices and duration. Going forward, FES intends to have no more than 10% of its generation exposed to the wholesale power market at any time and expects to have a laddered 3-4 year hedging approach to mitigate cash flow volatility.

Within the framework of the Methodology, for Factor 2 Sub-factor: Effectiveness of Hedging Strategy, FES is scored in the Baa range.

### Sub-factor: Fleet Efficiency and Operating Characteristics and Fuel Strategy

FES benefits from a balanced electric generating portfolio. In 2009 the company generated approximately 55% of its electric requirements from fossil fuel generation and 45% from its nuclear fleet. This output mix is expected to shift slightly in 2010 to approximately 57% fossil, 41% nuclear and 2% renewable sources due primarily to the outage at Davis-Besse.

FES is nearing completion of a multi-year construction program that has involved the installation of pollution control devices at four of its largest coal-fired plants. This is the final year for installation of pollution control devices at the largest of these plants, the 2,220 megawatt W.H Sammis plant. To date, the initiative at the Sammis plant has cost \$1.6 billion with an additional \$200 million of expenditures planned in 2010. As a result, by year-end more than 50% of FES' coal-fired generating fleet is expected to have full NOx and SO2 equipment controls. Including its nuclear generation, 80% of FES' generating fleet by year-end is expected to be non-or-low emitter of NOx and SO2.

Given the near-term completion of FES' environmental spending program, an expected reduction in environmental capital expenditures beginning 2011, and a relatively strong operating performance of its generating fleet, for Factor 2 Sub-factor: Fleet Efficiency and Operating Characteristics, FES is scored in the Baa range. Moody's would likely revisit this rating factor, however, should operating problems continue to reoccur at Davis-Besse.

While fuel diversity and the installation of pollution control devices is viewed positively, FES' significant amount of coal-fired generation exposes it to future potential legislative or regulatory policies aimed at reducing CO2 emissions (CO2 emissions are not impacted by the pollution control devices). However the reduction targets are structured, whether through a carbon tax or cap and trade system, the results are likely to cause FES' cost structure to increase. Given that FES is an unregulated entity, such an increase in its cost structure may not be entirely passed through to end users as with regulated utility operators. It can't be assumed that the price of power in the PJM and MSO markets will automatically adjust to cover those higher costs. For these reasons, within the framework of the Methodology, for Factor 2 Sub-factor: Fuel Strategy, FES maps to a rating factor in the Ba range.

Reduced demand and market price for power remain a near-term challenge

Reduced customer demand for electricity, particularly in the automotive and steel industries, due in large part to the economic recession has negatively impacted FES. Specifically, its generation output for 2009 declined 20% to 65.9 million megawatt hours (MWh) from 82.4 million MWh in 2008. Higher prices on generation sales in Ohio relative to 2008 pricing and cost savings measures that included staff cuts, salary reductions and early retirements offset in part the financial impact associated with FES' reduced generation output for 2009. While FES forecasts a improvement in generation output in 2010 to an estimated 77 million MWh, the market price for power is expected to remain soft.

#### Factor 4: Financial Metrics

FES' financial performance, which incorporates adjustments by Moody's, remained relatively in line with its rating level in 2009. Cash flow from operations (CFO) pre-working capital interest coverage was approximately 6.6 times for the twelve months ended December 31, 2009 compared to 6.0 times the previous year, while CFO pre-working capital to debt was approximately 20% compared to 18% in 2008. The slightly year-over-year increase in financial metrics was driven by an increased price paid for electricity in Ohio and cost management efforts offset in part by increased debt levels.

Credit metrics in 2010, however, are expected to weaken from 2009 levels due to continuing weak electric demand and reduced market prices for power driven by the ongoing recessionary environment and lower year-over-year electric prices (FES provided FE's Ohio transmission utilities 75% of their electric requirement for the period 1/5/09 through 3/31/09 and 100% through 5/31/09 at approximately \$66 MWh. The pricing declined to approximately \$54.50 MWh effective 6/1/09 through an auction process and remains at this level through 5/31/11). Prospectively, FES' ratio of CFO pre-working capital to debt and interest coverage should be approximately 18% and 6 times for 2010.

Credit metrics could improve from the above cited levels should FES sell non-core assets and use proceeds to repay debt. The company has stated a willingness to monetize certain non-core assets including its remaining interest in the Ohio Valley Electric Corporation and its Ohio-based Fremont plant. FES completed the sale of its 340-MW Sumpter plant during the first quarter of 2010.

FES' financial metrics should improve beginning 2011 due to Penalec and Met-Ed transferring to market pricing so that FES would no longer be required to provide power to these subsidiaries at below market prices. Furthermore, a new market clearing price will be effective in Ohio in mid-2011 through a new auction process which, should it exceed the existing price of \$54.50 MWh, would likely positively impact FES cash flow. Lastly, a reduction in the company's capital expenditure program beginning 2011 should allow FES to reduce debt.

#### Liquidity Profile

FES' liquidity profile has been relatively stable as FE has not required the subsidiary to provide a significant dividend; instead, FES' cash flow has been used to fund capital expenditures. Liquidity is enhanced by a sizable and currently unused liquidity facility.

In 2009, FES' cash flow from operations of approximately \$1.4 billion exceeded capital expenditures (\$1.2 billion). FES did not pay a dividend in 2009 (its 2008 dividend was \$43 million) and free cash flow was used to reduce short-term debt. Moody's expects a similar trend in 2010 with FES' cash from operations slightly exceeding capital expenditures and for no dividend to be paid to FE. Short-term debt, which stood at approximately \$100 million at March 31, 2010, is expected to remain relatively constant throughout 2010.

FES has a \$1 billion sub-limit under FE's \$2.75 billion credit facility expiring in August 2012. The facility contains a 65% debt to capitalization covenant, applicable to all borrowers. FES' debt to capitalization, as defined by the loan document, was 54% at March 31, 2010 and there were no borrowings under its sub-limit. Separately, FES is party to a \$100 million bilateral line of credit expiring March 2011 that is fully drawn. FES also has access to FE's unregulated-entities money pool. FES had no borrowings under the money pool arrangement at March 31, 2010 and had notes receivable from associated companies totaling \$483 million as of that date.

FES has approximately \$1.5 billion in variable rate tax-exempt debt whose interest rates are reset daily or weekly. Holders of this tax-exempt debt can tender their bonds to FES for mandatory purchase at the time of reset. External liquidity for this program is provided in the form of \$1,569 million in aggregate letters of credit (LOC) provided by various banks with various maturities. In April 2010, FES purchased approximately \$235 million of this tax-exempt debt and canceled a like-amount LOC that were scheduled to terminate in June 2010. FES funded this purchase with a combination of available cash and money pool borrowings and intends to remarket these securities into a long-term fixed rate mode beginning August 2010. Tax-exempt bonds in long-term fixed rate mode do not typically require liquidity support. An additional \$313 million in LOC's is scheduled to terminate in November and December 2010. It is not clear whether the company will renew the LOCs or attempt to purchase the bonds and remarket them as long term fixed securities.

As part of normal business activities, FES enters into various agreements that contain collateral provisions that are contingent upon its credit ratings. As of 3/31/10, FES' maximum exposure under collateral provisions was \$370 million, of which \$318 million would be triggered by a credit rating downgrade to below investment grade.

Within the framework of the methodology, FES is scored at a rating factor in the low Baa range for Factor 3: Financial Policy. This rating is principally driven by its participation in FE's money pool.

#### Rating Outlook

The stable rating outlook reflects the stability of FES' contracted revenue, the low-cost, diverse nature of the generating assets, the importance of these assets within the FE family and a expectation for improved financial metrics beginning 2011.

#### What Could Change the Rating - Up

Upward rating movement is not expected in the medium-term. Longer term, we would likely need to see FES' consolidated ratio of CFO pre-W/C to debt exceed 26% on a sustainable basis to consider an upgrade. An upgrade of FE could also be a catalyst for an upgrade.

#### What Could Change the Rating - Down

Failure to meet and exceed historical financial metrics, including a ratio of CFO pre-W/C to debt of 18% on a sustainable basis, would likely pressure ratings.

#### Rating Factors

FirstEnergy Solutions Corp.

Power Companies						
<b>Factor 1: Market Assessment, Scale and Competitive Position (20%)</b>						
a) Market and Competitive Position (15%)				X		
b) Geographic Diversity (5%)					X	
<b>Factor 2: Cash Flow Predictability of Business Model (20%)</b>						
a) Effectiveness of hedging strategy (10%)				X		
b) Fuel Strategy and mix (5%)					X	
c) Capital requirements and operating performance (5%)				X		
<b>Factor 3: Financial policy (10%)</b>						
				X		
<b>Factor 4: Financial Strength - Key Financial Metrics (50%)</b>						
a) CFO pre-WC + Interest / Interest (15%) (3yr Avg)				X		
b) CFO pre-WC / Debt (20%) (3yr Avg)					X	
c) RCF / Debt (7.5%) (3yr Avg)				X		
d) FCF / Debt (7.5%) (3yr Avg)						X
<b>Rating:</b>						
a) Methodology Implied Senior Unsecured Rating				Baa3		
b) Actual Senior Unsecured Rating				Baa2		

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**Exhibit C-7 "Credit Report"**

FirstEnergy Solutions' D&B credit report follows.



ATTN:Carol Hunt

Report Printed:August 31, 2010

## Application : FIRSTENERGY SOLUTIONS CORP.

**D-U-N-S® Number:** 19-247-2751 - Firstenergy Solutions Corp.

**Application Number:** FCKWD65BX

**Endorsement/Billing Reference:** huntc@firstenergycorp.com

### D&B Address

**Address** 76 S Main St  
Akron, OH - 44308

**Phone** 800 736-3402

**Fax** 330-384-3866

**Location Type** Headquarters (Subsidiary)

**Web** www.firstenergysolutions.com

### Application Address

**Address** 76 S MAIN ST BSMT  
AKRON, OH - 443081817

**Phone** 330-384-5100

**Fax**

**Assigned to:** Credit Department

**Application Submitted:** 08/21/2008

**Last View Date:** 06/18/2010

**Endorsement :** huntc@firstenergycorp.com

## Company Summary

Currency: Shown in USD unless otherwise indicated

### Application Decision Reasons

**Status:** Approved **Approved:** An automated decision resulted in a "Approved" outcome on 05/18/2010.

The "Approved with Financials" rule triggered this review because of the following conditions:

Condition	Value
-----------	-------

FE w/ Financial Scorecard Is Greater Than or Equal To 6	7.75
---	------

Sales Is Greater Than 0	4,728,337,000.00
-------------------------	------------------

Return on Sales Ratio (%) Is Not Blank	12.2
--	------

And the following conditions were not met:

Condition	Value
-----------	-------

FE Non-Financial Scorecard Is Equal To 100	8.8
--	-----

FE w/ Financial Scorecard Is Equal To 100	7.75
---	------

Test Generic DM Scorecard Is Equal To 100	9.6
---	-----

Based on the "Approved" rule the credit terms recommended are :

Credit Limit	0.00
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Payment Terms	Net 30
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Early Payment Discount	Not Set
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Analyst Instructions	No instructions provided for this Decision.
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### Public Filings

The following data includes both open and closed filings found in D&B's database on this company.

Bankruptcies	0	-
Judgments	0	-
Liens	1	01/17/08
Suits	1	10/06/08
UCCs	18	10/23/09

The public record items contained herein may have been paid, terminated, vacated or released prior to today's date.

### Corporate Linkage

This is a **Headquarters (Subsidiary)** location

**FIRSTENERGY SOLUTIONS CORP.**  
Akron , OH  
D-U-N-S® Number 19-247-2751

**The Parent Company is**  
**FIRSTENERGY CORP.**  
Ohio  
D-U-N-S® Number 79-924-9461

**Score Bar**

Commercial Credit Score Class	↑ 1
PAYDEX®	↓ 74
Financial Stress Class	2
D&B Rating	5A3

**Approved Credit Terms**

Approved Credit Limit	0.0
Approved Payment Terms	Net 30
Approved Early Payment Discount	Not Set
Approved Term Status	Active

**Company Overview**

This is a headquarters (subsidiary) location

Branch(es) or Division(s) exist	Y
Chief Executive	DONALD R SCHNEIDER, PRES-CEO
Year Started	1997
Employees	2031 (UNDETERMINED Here)
Financing	SECURED
SIC	4911
Line of business	Provides energy related services
NAICS	221119
History Status	CLEAR
Financial Condition	FAIR

**Exhibit C-8 "Bankruptcy Information"**

Not applicable.

**Exhibit C-9 "Merger Information"**

Merger (3/13/2007) -- Fiber Venture Equity, Inc., merged with FirstEnergy Solutions Corp., with FirstEnergy Solutions Corp. as the surviving entity.

Merger (10/13/2005) -- Centerior Energy Services, Inc., Centerior Power Enterprises, Inc., and Centerior Service Company merged with FirstEnergy Solutions Corp., with FirstEnergy Solutions Corp. as the surviving entity.

FES has formed two new wholly-owned subsidiaries and acquired their stock: FE Aircraft Leasing Corp. (6/6/2008) and FirstEnergy Nuclear Generation Corp. (4/15/2005).

Acquisition of 50% interest in each of Global Mining Group, LLC, Global Rail Group, LLC, and Global Coal Sales Group LLC (6/16/2008 and 3/18/2009).

Formation of Element Merger Sub, Inc. (2/5/2010).

### **Exhibit D-1 "Operations"**

#### **States FES Serve**

FirstEnergy Solutions Corp (FES) has been providing electric generation to businesses since the inception of retail competition in the late 1990s. FirstEnergy Solutions is one of the largest electric generation suppliers in the country to commercial and industrial and government aggregation customers, and is licensed to provide electric generation to customers in Illinois, Maryland, Michigan, New Jersey, Ohio and Pennsylvania.

#### **Customers FES Serve**

FirstEnergy Solutions Corp. (FES) offers a wide range of electric generation supply and related products and services to commercial and industrial customers in Ohio, Pennsylvania, Illinois, Michigan, Maryland and New Jersey.

Although FES focus on commercial and industrial customers, FES also supply some residential and small commercial customers in Pennsylvania and in Ohio as a certified retail supplier of community government aggregation programs.

#### **Generation plants**

FirstEnergy Solutions Corp.'s electric supply is supported by a generation fleet of more than a dozen plants spread across Ohio, Michigan, Pennsylvania, and New Jersey.

The generation supply we provides is a diversified mix of coal, nuclear, hydro, and wind generation, helping customer meet their green requirements and reducing overexposure to price volatility.

**Exhibit D-2 “Operations Expertise”**

FirstEnergy Solutions (FES) began serving retail electric customers in Pennsylvania in 1998. Since then, FES has expanded its’ operations to serve customers in Ohio, New Jersey, Maryland, Michigan, Washington D.C. and Illinois.

FirstEnergy Solutions utilizes a scheduling desk manned 24 hours a day to ensure its’ customers are served properly. FES maintains a staff of in-house experts in the fields of power trading, energy management, operations and customer care. These professionals are trained to handle the most demanding customer requirements.

**Exhibit D-3 "Key Technical Personnel"**

**Robert Rose - Manager, Short Term Portfolio Balancing (FirstEnergy Solutions Corp.)**

**[rarose@firstenergycorp.com](mailto:rarose@firstenergycorp.com)**

**(330) 315-7319**

Robert has fifteen years electric system operational experience, ten years experience with OASIS reservation processes, 10 years experience with NERC tagging processes, and 15 years experience working with rules and practices established by NERC and MAIN and/or MAPP. Robert's biography follows this page.

**David Sensius – Director, Asset Utilization (FirstEnergy Solutions Corp.)**

**[sensiusd@firstenergycorp.com](mailto:sensiusd@firstenergycorp.com)**

**(330) 315-7344**

David has nineteen years electric system operational experience, nine years experience with OASIS reservation processes, nine years experience with NERC tagging processes, and ten years experience working with rules and practices established by NERC and MAIN and/or MAPP. David has 10 years experience in System Control Center Operations, 3 years experience as Real Time Energy Trader for FirstEnergy Solutions, and 4 years experience managing portfolio operations for FirstEnergy Solutions. David's biography follows this page.



**Robert A. Rose**

Manager, Short Term Portfolio Balancing  
FirstEnergy Solutions Corp.

Robert Rose is Manager of Short Term Portfolio Balancing for FirstEnergy Solutions, a subsidiary of FirstEnergy Corp.

Currently, Bob manages the day-to-day balancing operation for FirstEnergy Solutions in the MISO and PJM regional transmission organizations (RTOs), which includes creating and executing strategies and hedging to cover daily, weekly and monthly load obligations in both RTOs.

Bob joined the Company in 1982 as a substation equipment outage coordinator, and has held positions of increasing responsibility in the area operations. Bob assumed a leadership role in 1992 as a transmission and distribution dispatcher and continued to advance into other management positions. In 1999 he was promoted to his current position, where he uses his 27 years of operational experience to provide uninterrupted energy delivery to load obligations in MISO and PJM power pools.

Bob has an Associates degree in Business Management from the University of Akron.

**David J. Sensius**

Director, Asset Utilization  
FirstEnergy Solutions Corp.

Dave is the Director of Asset Utilization for FirstEnergy Solutions, the competitive subsidiary of FirstEnergy Corp. He is responsible for real time market operations and dispatch of generation assets. In addition, he manages day ahead market operations, short term portfolio balancing and scheduling, development of portfolio strategies and short term hedging strategies as well as trading systems support.

Dave joined the Company in 1988, working in Ohio Edison's system control center, and has held various positions of increasing responsibility in transmission and generation operations, and later, energy trading. In 2004, he took on a leadership role as Manager, Portfolio Readiness – Conversion Economics. Dave was promoted to Interim Director of Asset Utilization in 2007 and then named to his current position in 2009.

Dave earned a bachelor of science degree in computer science math from The University of Akron.

FirstEnergy Solutions Corp.  
Ohio CRES Renewal Application

**Exhibit D-4 "FERC Power Marketer License Number"**

FirstEnergy Solutions' FERC power marketer license number: ER01-2968-000