

TEAMSTERS LOCAL UNION No. 416



INDUSTRIAL, MAINTENANCE & VENDING MACHINE SERVICE EMPLOYEES

Cleveland and Vicinity, Ohio

Nick "Sonny" Nardi President Affiliated With The International Brotherhood of Teamsters 707 Brookpark Road • Suite 416 • Cleveland, Ohio 44109 (216) 485-1522 • Fax (216) 485-1520

Dominic J. Tocco III
Secretary/Treasurer

THE PUBLIC UTILITIES COMMISSION OF OHIO HEARING ON FIRSTENERGY ENERGY SECURITY PLAN IV CLEVELAND CITY HALL COUNCIL CHAMBERS 601 LAKESIDE AVENUE, CLEVELAND OHIO 44114

TESTIMONY OF NICK "SONNY" NARDI PRESIDENTAND PRINCIPAL OFFICER, TEAMSTERS LOCAL NO. 416

JANUARY 20, 2015 6PM

CHAIRMAN AND MEMBERS OF THE COMMISSION, I AM NICK SONNY NARDI, A RESIDENT OF BROADVIEW HIGHTS IN CUYAHOGA COUNTY. PRESIDENT AND PRINCIPAL OFFICER OF TEAMSTERS LOCAL NO. 416 AT 707 BROOKPARK ROAD IN CLEVELAND OHIO. A TEAMSTER SINCE 1981. A TRUSTEE ON THE BOARD OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY SINCE 2006. I WAS ALSO ON GOVERNOR TAFT'S LABOR AVISORY COUNCIL FROM 2003 TO 2006 AND HAVE AND HAD MANY NUMEROUS POSITION AS MY YEARS AS A TEAMSTER.

FIRST, I WOULD LIKE TO TAKE THIS OPPURTUNITY TO THANK YOU FOR LETTING ME TESTIFY IN SUPPORT OF FIRST ENERGY'S PROPOSED ELECTRIC SECURITY PLAN, POWER OHIO'S PROGRSS.

TEAMSTERS LOCOL NO. 416 REPRESENTS INDUSTRIAL, MAINTENANCE AND VENDING SERVICE MACHINE EMPLOYEES. AROUND 1000 UNION MEMBERS IN ALL.

SPEAKING ON BEHALF OF TEAMSTERS LOCAL NO. 416, I AM ASKING FOR THE SUPPORT OF FIRSTENERGY'S PROPOSED ELECTRIC SECURITY PLAN, POWERING OHIO'S PROGRESS.

OHIO'S POWER PLANTS NOT ONLY CREATE THOUSANDS OF GOOD UNION JOBS, EACH PLANT HAS A SECONDARY EFFECT. PAY ROLL TAXES FOR EACH CITY AND COUNTY, FAMILIES BEING ABLE TO LIVE A DECENT LIFE, BUYING FOOD AT SUPERMARKETS, BUYING CLOTHES AT CLOTHING STORES, THE LIST IS ENDLESS WHEN YOUR TALKING ABOUT HAVING A JOB.

A FURTHER DECLINE IN OHIO'S ELECTRIC POWER INDUSTRY COULD NOT ONLY COST THOUSANDS OF GOOD UNION JOBS. IT MAY ALSO COUSE THE STATE OF OHIO, BUSNESSES, CITIES AND COUNTIES AROUND ATHE PLANTS TO RUN INTO AN ECONOMIC DOWNFALL.

POWERING OHIO'S PROGRESS SHOULD PROVIDE UP TO \$21.5 MILLION IN FUNDING FOR ECONIMIC DEVELOPMENT, JOB RETENTION AND ENERGY EFFICIENCY ASSISTANCE, THAT WILL BENEFIT BUSINESSES WHILE HELPING CREATE MORE GOOD SUSTAING OHIO JOBS, ATRACT NEW BUSNESS GROWTH, WHICH NOT ONLY WOULD BENEFIT TEAMSTERS LOCAL NO. 416 MEMBERS, BUT ALL PEOPLE IN THE STATE OF OHIO

TEAMSTERS LOCAL NO. 416 IS IN FAVOR OF THE PLAN, WE THINK IT WILL KEEP ELECTICITY AFFORDABLE AND ALSO KEEP OHIO'S POWER PLANTS OPERATIONABLE. THE PLANTS IN OHIO PROVIDE \$52 MILLION IN TAXES ANNUALLY TO HELP SUPPORT LOCAL SERVICES. A FURTHER DECLINE IN OHIO'S ELECTRIC POWER INDUSTRY COULD COST THOUSANDS OF UNION JOBS AND DISCOURAGE INDUSTRIAL DEVELOPMENT OPPERTUNITIES ACROSS THE STATE OF OHIO.

TEAMSTERS LOCAL NO. 416 IS IN FAVOR OF THE PROPOSED ELECTRIC SECURITY PLAN, POWERING OHIO'S PROGRESS.

WE BELIEVE SECURING THE DAVID-BESSE AND THE WH SAMMIS PLANT WILL BE ONLY A BEBEFIT NOT ONLY FOR THE STATE AND LOCAL GOVERMENTS, BUT FOR ALL PEOPLE OF OHIO

THANK YOU

NICK 'SONNY' NARDI

PUCO hearing

My name is Annie Meder, and I am a First Energy customer. Like most people, I don't want to pay more than I have to for anything, especially bills. I am, however, willing to pay a premium for a better product, but what First Energy is asking me to do is pay a premium for an inferior product; one that dumps thousands of pounds of mercury, arsenic, and lead into the air and water I breathe and drink. Why should I have to pay higher rates to pay for their antiquated, outdated coal fired power plants and just plain old bad business decisions? It might be one thing if the money was going to make better, cleaner, more efficient technology available, but this is the opposite of that. Please deny First Energy's request for a customer bailout.

Katriel Israel 1130 Mercer Ave Akron, Ohio 44320 <u>Katriel.israel@yahoo.com</u>

January 20, 2015

To the Public Utilities Commission,

Hi, my name is Katriel Israel. I am a community organizer for the Northeast Ohio area. I have organized local events in Akron, Ohio and participated in climate events all across the United States of America. I am inspired to make a better world for us to live in.

Increasing consumer's electric bills for unsecured investments is an issue that alternative energy sources can make up for to secure and stabilize the energy markets. If the energy industry increases costs, this will increase residential and business costs, and employers may be required to cut jobs.

From generation to generation, the energy industry in Ohio was always investing in a booming market of endless opportunities. Local communities invested in our energy program to create new jobs and hard working families grew to create an efficient product of energy production.

Over the years we have always found the balance of managing the production of energy and maintaining the environment. With the E.P.A. regulations and the flexibilities of cities creating "Integrated Plans", the energy industry in Ohio was allowed to have options of including "green infrastructure solutions that made our economy more sustainable and more affordable.

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Katriel Israel 1130 Mercer Ave Akron, Ohio 44320 Katriel.israel@yahoo.com

For example, in the City of Akron, we have a city energy project that is regulated and integrated with a green infrastructure solution to stabilize our local economy without costing the hard working taxpayers in our community. In the 3rd Ward that I live in, our councilwoman Margo Sommerville have worked around the clock with our City Planners, contractors, and our Mayor to ensure that not only the project would be clean energy efficient, but the job opportunities for this project would be given to the people in our city. Akron is one of the cities in our State to engage with the U.S. E.P.A., along with other energy companies to create a better environment at

In conclusion, hardworking citizens like Kea Mathis of Akron, shouldn't have to be overwhelmed by increasing energy bills. Ohioans are suffering to keep up with unreasonable energy costs when there are alternative options to better our environment and to sustain our local economies. That being said, for anyone who doesn't think that we cannot make our economy better, I say "Yes We Can Too!" For anyone who says we cannot make our environment better, I say "Yes We Can Too!" And for anyone who says that we cannot make a difference in the lives of our families and communities, I say "Yes We Can Too!"

Thank you, and God Bless.

an affordable cost.

My name is Rachael Belz. Workplace address is 614 W. Superior Ave, Suite 1200, Cleveland Ohio 44113.

I am the Executive Director of Ohio Citizen Action, Ohio's largest environmental and consumer organization with over 30,000 members and supporters located in the FirstEnergy service territory.

Ohio Citizen Action is opposed to FirstEnergy's request for Power Purchase Agreements.

We have a long history with FirstEnergy and their predecessors. When the utilities were pushing hard 15 years ago for deregulation, Ohio Citizen Action researched, organized and successfully lobbied to include the shopping choice for customers through municipal aggregation. Municipal aggregation has been THE BEST outcome to result from Ohio's deregulation. When FirstEnergy wanted a bailout for their Davis-Besse nuclear plant, we fought them and saved millions of dollars for Ohio consumers. We know this company well.

Ohio ratepayers spent billions of dollars to allow utility companies including FirstEnergy to deregulate. Now they want us to spend billions of dollars again to allow them to re-regulate, but only to the extent they desire. What's the motive? Mainly FirstEnergy's financial instability.

The coal plants and nuclear plant they want to be subsidized are and have been struggling financially. FirstEnergy spun off their coal generation assets, and more and more Ohio customers chose to shop around – mostly from FirstEnergy Solutions since they continue to be the most aggressive company bidding on these contracts. When things are good for FirstEnergy's bottom line — no complaints. But as soon as they saw their profits sliding south (especially as natural gas prices plummeted by comparison) they pumped up their years long effort to put a stop to Ohio's successful renewable and efficiency standards and ALMOST IMMEDIATELY stuck their hand out for these bailouts. The Ohio Consumers Counsel estimates just FirstEnergy's part of the bailout scheme will cost us more than \$3 billion dollars.

There is an easy way out of this. Say no. Make them go back to the drawing board. Don't go down this slippery slope. Remember the old saying "if you give an inch, they'll take a mile?" That phrase could have been coined by FirstEnergy. Their PPA request is predicated on precisely two outcomes: 1. A sweeping approval by the PUCO to guarantee profits for their aging and inefficient plants for the next 15 years and 2. Natural gas prices rising, making coal by comparison more competitive.

Don't assist FirstEnergy with their bad business decisions. Say no now. Make them go back to the drawing board and come up with a plan that doesn't once again gouge their customers on behalf of their shareholders.

PUCO Testimony - January 20, 2015



I am here today speaking on behalf of AARP Ohio in opposition to the First Energy Purchased Power agreement request.

AARP, with 1.5 million members in Ohio, is challenging First Energy's effort to force customers like me to subsidize the cost of energy generated by three old, obsolete and dirty power plants. These plants are expensive to operate and output from these outdated plants does not provide First Energy the competitive edge it needs to profit in today's marketplace. They simply do not measure up against newer, cleaner and more efficient energy producers.

But First Energy has a plan. The company proposes adding a fee to every customer's electric bill for the next 15 years so that First Energy can make money ... it's kind of like a bailout. This surcharge will be added even if you live in a NOPEC community like I do or receive electric service from an alternative supplier.

First Energy claims that its 15 year surcharge proposal would benefit consumers in the long run but there is no proof of this and no guarantee. First Energy could back out at any time.

According to NOPEC and the Ohio Consumer's Council the proposal would have "a net cost to consumers of between \$3.1 and \$3.2 billion over 15 years". That's billion with a B.

AARP is fighting against excessive utility rate increases and convoluted pricing schemes like this one.

We're here to help older Ohioans, who spend a disporportionally higher percentage of their income on utility bills, pay only what is fair and reasonable and not one penny more.

As it stands, this First Energy proposal will raise the bills for Ohioans on fixed incomes who already are stretched to make ends meet.

AARP Ohio asks the PUCO to protect Ohio consumers by rejecting this First Energy request for a subsidy.

Thank you.

Statement for Public Utilities Commission of Ohio, January 20, 2015

Last year, the Ohio General Assembly voted to put a freeze on renewable energy requirements in Ohio. The stated reason was that renewable energy cost more, which would result in a loss of jobs for Ohio.

Now it seems that First Energy wants what is in effect a subsidy for two of its inefficient fossil fuel plants, one coal and one nuclear. The logic behind this is completely at odds with their support of the renewable freeze bill last year. Before, First Energy supposedly wanted to save consumers money. This year they want consumers to bail them out of bad economic decisions.

If there are going to be subsidies, they should be for things that are promoting health and the general welfare for state as a whole.

Instead, what First Energy wants is a subsidy for two plants whose safety record and/or emissions are not good for Ohio or the country as a whole.

The Federal Government Environmental Protection Agency (EPA) has required states to come up with plans to limit carbon emissions. For Ohio to comply, the state needs to look at ways to reduce the output of outmoded power plants, not subsidize them! In addition to carbon, the Sammis Plant that First Energy wants us to subsidize also emits particulates and pollutants such as sulfur dioxide and nitrogen oxides. These are unhealthy to people who live around the plants, and should definitely not be subsidized.

The Davis-Besse nuclear plant has had many safety problems over the years, and is reaching the end of its planned life. The risks of a catastrophic accident continue. This is not the type of plant that deserves a taxpayer subsidy.

In short, the state of Ohio should be looking for the future. If these two outmoded plants cannot make it on their own, then let the companies that have made profits from them pay the costs of their failures.

Bob Parker
Brecksville

First Energy 'Electric Security Plan' Testimony to the PUCO, January 20, 2015

My Name is Harold Andrew Pyle, everybody calls me 'Andy'. My Address is 7924 Cleveland-Massillon Road, Clinton, Summit County, Ohio 44216.

I am here to testify against the proposed 'Electric Security Plan'.

I can't very well just invite FirstEnergy over to discuss it over coffee, even though we are both Persons in the eyes of the law. Its hard to conceive of a Person being a Public Utility.

FirstEnergy, what kind of Person are you that you can just ask the Government for Two Billion Dollars aggregated from several million people and expect to get it?

Maybe I should ask for Two Billion Dollars. I'm a Person too. As are you, and you, and you. I'd have a really good time with my Two Billion Dollars. I'd put it right back into the economy and that would make us all more secure. I WANT MY TWO BILLION DOLLARS.

My Friend Rosie, she tells me that by the Fifteenth Year of this Three Year Plan, she can guarantee that I will get

my money back, and more. Rosie, I have trouble believing you. I may be dead, or have moved out-of-state, or the rules of the game may have changed by then, or the money - it might just be gone.

But its hard not to be swept off my feet by your boldness and your beguiling charm. I will never forget you, Rosie Scenario!

I am a retired Steelworker, 32 years in the mill. I am speaking only for myself and not for the Union. As a retired Steelworker, I know the large amounts of Electricity that go into the making of Steel, especially in Electric Arc Furnaces. Its a rough business to be in, and profit margins are low. Sometimes operations run at a loss waiting for better times. The Steel Industy needs for Electricity to be reasonably priced, not to pay inflated costs to subsidize some other industry.

When the Steel Industry was saddled with old obsolete plants, and a lack of foresight about new technologies, nobody bailed it out. There was a wave of bankruptcies, but Steel continues to be made. Why should the Electric Power industry be treated any differently?

In closing, I want to say - this is a self-serving, bad, 'Electric Security Plan' and it should not be adopted.

Jessica Smith-Szabo

January 20, 2015

First Energy Hearing - Cleveland

14-1297-EL-SSO

My name is Jessica Smith-Szabo. I am the Field Canvass Director and community organizer for Ohio Citizen Action, an environmental and consumer rights advocacy group. We use grassroots organizing to inform the public on issues that they may otherwise not become informed of during their day to day lives. Since August we have been running our field campaign on the issue that sits before you today, the First Energy "Bail Out". Our objective in the field is to inform community members and have them take action. This action that I'm referring to is the piling up of public comments have you received of opposition to the docket 14-1297-EL-SSO.

Many of the comments people have made about FirstEnergy's bailout proposal include: "criminal, unbelievable, unjust, and downright crazy." Others included the phrases "go figure, and no surprise there" just fueling the already unfortunate disposition of hopelessness or the lack of say amongst the general public when it comes to big business decision making.

We also get questions like "what can I do?" leading to inspiration to write public comments that have kept them away from the dinner table or kept their children up an hour past bedtime to teach them about taking a stand as a concerned citizen. We've sent in over 2500 letters of opposition that resulted because they learned about FirstEnergy's bad plan when we came to their door.

I ask you to take great heed to the thousands upon thousands of thoughtful public comments you are They are from receiving as you make your decision. Many came from a person, a community members a family members and a concerned citizens who may not have been able to make it here tonight — who took special care and time away from a child's soccer practice or a family movie to voice their say. These people are customers. They do not receive any financial compensation of any kind from FirstEnergy, unlike most of the supporters you've heard from.

I've brought numerous new public comments against the proposed bailout for you to add to the FirstEnergy docket.

I'd like to finish by quoting a concerned Bay Village Resident, Age 7.

"This is to everyone. Please don't do bad for our Earth. It may damage poor people. It may make the Earth not the same. And please! do not set off pollution. All different types of pollution can kills animals and people. My great grandparents got killed by a coal plant factory because it gave them cancer. And if you want to make this land a better place than do this. Don't litter and do good things that you know is good. Some people really care about the Earth. Like policemen, they say don't litter also they help the Earth. You can help the Earth and be a better person now."

Even a 7 year old understands this is a bad deal. Thank you.

PUBLIC UTILITES COMMISSION OF OHIO HEARING ON FIRST ENERGY ENERGY SECURITY PLAN IV CLEVELAND CITY HALL JANUARY 20 2015 6PM

TESTIMONY OF THOMAS J COYNE JR MAYOR CITY OF BROOK PARK

CHAIRMAN AND MEMBERS OR THE COMMISSION . I AM TOM COYNE, MAYOR OF THE CITY BROOK PARK OHIO. I HAVE SERVED AS MAYOR FOR OVER 20YRS.

I HAVE LONG BEEN AN ADVOCATE FOR RELIABLE AND AFFORDABLE ENERGY RESOURCES.IT IS PARAMOUNT TO OUR REGIONS ECONOMIC AND SOCIAL DEVELOPMENT. IT IS VITALTO OUR NATIONAL SECURITY.

ONE OF THE HALLMARKS OF MY PUBLIC CAREER WAS THE FORMATION OF N.O.P.E.C. I WAS A FOUNDING MEMBER OF N.O.P.E.C. AT THAT TIME THE LARGEST AGGREGATION GROUP IN OHIO. THROUGH THAT EXPERIENCE I HAVE DEVELOPED A KEEN UNDERSTANDING OF CONSUMER DEMAND AND PROVIDERS CHALLENGES IN MEETING THOSE DEMANDS.

THAT IS WHY I APPEAR TODAY IN SUPPORT OF FIRST ENERGY'S PROPOSED ELECTRIC SECURITY PLAN,"POWERING OHIO'S PROGRESS".

I BELIEVE ALL PARTIES CAN AGREE THAT RELIABLE AND AFFORDABLE ELECTRIC SERVICE IS CRITICAL TO OHIO'S ECONOMIC SECURITY AND QUALITY OF LIFE.

NO ONE CAN CONTEST THAT OUR SUMMER AND WINTER WEATHER EVENTS HAVE EXPOSED POTENTIAL VULNERABILITIES ON OUR ELECTRICAL GRID SERVING OHIO.

IT SHOULD BE APPARENT THAT THESE PROBLEMS WILL LIKELY INCREASE IN SEVERITY AND MAGNITUDE AS A NUMBER OF BASE LOAD POWER PLANTS ACROSS THE REGION ARE PREMATURALY RETIRED.

IN MY VIEW THIS WOULD PLACE OUR ENERGY FUTURE AT GREATER RISK AS A RESULT BURDENING THE CONSUMER WITH EVER INCREASING COST.

MOST OF US MAY AGREE ON THE PROBLEMS AND RECOGNIZE THER POTENTIAL IMPACT. WHAT IS AT ISSUE TODAY IS WHAT SHOULD DONE TO REMEDY THE PROBLEM AND WHO SHOULD FOR PAY IT.

THAT GETS TO THE HEART OF MY REASONS FOR APPEARING BEFORE YOU TODAY AND OFFERING MY TESTIMONY FOR CONSIDERATION DURING YOUR DELIBERATIONS.



TO ADDRESS THESE RETAIL PRICE VOLATILITY AND RELIABILITY CHALLENGES, FIRSTENGERY'S OHIO UTILITIES ARE SEEKING STATE APPROVAL OF OUR POWERING OHIO'S PROGRESS PLAN. THE PLAN OUTLINES HOW THE COMPANY'S OHIO UTILITIES WILL PROVIDE ELECTRIC SERVICE TO CONSUMERS FOR A THREE YEAR PERIOD BEGINNING JUNE 1, 2016. POWERING OHIO'S PROGRESS ALSO INCLUDES A 15 YEAR ECONOMIC STABILITY PROGRAM THAT SUPPORTS THE STATE'S ECONOMIC FUTURE BY HELPING ENSURE THAT CRITICAL BASELOAD POWER PLANTS REMAIN AVAILABLE TO SERVE ELECTRIC CUSTOMERS.

POWERING OHIO'S PROGRESS DELIVERS SIGNIFICANT BENEFITS AND SAVINGS OPPORTUNITIES TO OUR STATE IN THE YEARS AHEAD, INCLUDING:

- SUPPORTING SERVICE RELIABILITY BY HELPING TO KEEP VITAL BASELOAD POWER PLANTS AVAILABLE IN AND NEAR OHIO TO SERVE OHIO CONSUMERS.
- HELPING SAFEGUARD CONSUMERS FROM VOLATILITY AND RETAIL PRICE INCREASEES IF ENERGY AND CAPACITY PRICES RISE IN FUTURE YEARS.
 - WHILE THE TYPICAL RESIDENTIAL CUSTOMER USING 750 KILOWATT HOURS OF ELECTRICITY PER MONTH COULD EXPECT TO SEE A MODEST INCREASE IN THE INITIAL YEARS, THE ECONOMIC STABILITY PROGRAM IS PROJECTED TO SAVE CUSTOMERS APPROXIMATELY \$2 BILLION OVER 15 YEARS.
- PROMOTING ECONOMIC DEVELOPMENT, RETAINING LOCAL JOBS, PROTECTING LOCAL TAX REVENUES AND POWERING MANUFACTURING AND OTHER INDUSTRIES IN OHIO.
 - PRESERVES MORE THAN \$52 MILLION IN TAX REVENUES FOR OHIO COMMUNITIES.
 - RETAINS APPROXIMATELY 3,000 FAMILY SUSTANING OHIO JOBS.

POWERING OHIO'S PROGRESS REFLECTS THE DIVERSE INTERESTS OF THE CUSTOMERS AND COMMUNITIES THAT KEEP OHIO STRONG AND HELPS PROVIDE A VALUABLE SAFETY NET AGAINST MARKET VOLATILITY WHILE ENHANCING SERVICE RELIABILITY, PROTECTING JOBS AND PROMOTING JOBS AND PROMOTING THE STATE'S ECONOMIC GROWTH AND DEVELOPMENT.

IN CONCLUSION, MY PUBLIC RECORD SHALL REFLECT MY DISAGREEMENT WITH FIRST ENERGY COMPANIES ON MANY ISSUES. I HAVE BEEN IN OPPOSITION TO SOME MATTERS BEFORE THE PUCO. IN THIS CASE, HOWEVER, I SUPPORT FIRST ENERGY'S SECURITY PLAN IV AND THE PROVISIONS OF POWERING OHIO'S PROGRESS. THANK YOU.

THOMAS //. COYNE, JR.

Annual Meeting of Shareholders and Proxy Statement

Annual Meeting of Shareholders May 20, 2014

The Safety KPI is the only measure that will continue to be used in both the STIP and LTIP. Since safety is the number one priority and goal of our Company, your Board and management strongly believe that this goal should be measured in the STIP and LTIP and our discussions with shareholders and other interested parties have supported this logic. These key metrics are independent and equally weighted. Also, the 50 percent minimum RSU payout was eliminated beginning with the 2014 grant and provides for a payout range of 0 to 200 percent of units granted, with a straight-line interpolation within the range based on the actual achievement. For prior year grants, the payout range was a minimum of 50 percent to a maximum of 150 percent of the units granted.

Realized Compensation

We provide this alternative view of compensation paid to the NEOs as a supplement to, not as a substitute for, the Summary Compensation Table (SCT) that appears on page 52 because the realized compensation view reflects the actual compensation provided to our NEOs in 2013 under our STIP and LTIP, and demonstrates the performance-based structure of our executive compensation program. In 2013 our NEOs were paid only a portion of the total compensation opportunity provided under our STIP and LTIP based on performance during 2011 through 2013, as follows:

	Base Salary (Cash)	STIP (Cash)	Performance Shares (Cash)	Total Compensation (Cash)	Performance- Adjusted RSUs (Stock)	Total Compensation (Cash and Stock)
A -th I Alexander	\$1,340,000	\$1,857,641	\$700,428	\$3,898,069	\$3,920,202	\$7,818,271
Anthony J. Alexander	\$500,000		\$32,254	\$969,008	\$180,542	\$1,149,550
James F. Pearson	CONTRACTOR OF CONTRACTOR OF CONTRACTOR		\$166,495	\$1,583,651	\$880,171	\$2,463,822
Mark T. Clark	\$735,000	\$682,156		\$1,419,465	\$761,856	\$2,181,321
Leila L. Vespoli	\$685,000	\$598,352	\$136,113	and an experience of the Control of the Control		\$1,877,919
Charles E. Jones, Jr.	\$600,000	\$449,309	\$125,607	\$1,174,916	\$703,003	\$1,077,919

On December 31, 2013, 25 percent of the restricted stock grant provided to Mr. Alexander in conjunction with the execution of his employment agreement with the Company vested.

Timing of Long-Term Incentive Program Grants (LTIP)

The issuance of grants of performance shares and performance-adjusted RSUs is approved at the regularly scheduled February Committee and Board meetings after target levels are evaluated and determined considering the competitive data and prior-year Company performance. Performance shares have a January 1 effective date. We average high and low stock prices over a full month in computing grants and awards of performance shares in an attempt to minimize stock price volatility that might otherwise distort grant or payout amounts if we looked only at a single computation date, such as, for example, the grant date or the last or first trading day of a relevant year or month. The grant date for performance-adjusted RSUs is the actual grant date on or about March 1. We use the average of the high and low prices of our common stock as of the date of grant for awarding the performance-adjusted RSUs. Any equity grants awarded in proximity to an earnings announcement or other market event are coincidental.

The Grants of Plan-Based Awards table provides the amount of performance shares and performance-adjusted RSUs granted to each NEO in 2013 based on the percentage of base salary provided earlier in this proxy statement. Additional details regarding the 2013-2015 LTIP grants are provided in the narrative following the Grants of Plan-Based Awards table.

Retirement Benefits

We offer retirement benefits to all of our NEOs through our qualified and nonqualified supplemental plans under the FirstEnergy Corp. Pension Plan and the Executive Deferred Compensation Plan (later referred to as the EDCP), respectively. The qualified plan benefit has historically been based on earnings, length of service, and age at retirement and is considered a defined benefit plan under the Internal Revenue Code (later referred to as

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL NO. 860

3334 PROSPECT AVENUE CLEVELAND, OHIO 44115 (216) 432-1022 FAX (216) 432-1025

ANTHONY D. LIBERATORE, JR.
BUSINESS MANAGER & SECRETARY-TREASURER

January 20, 2015

The Public Utilities Commission of Ohio Cleveland City Hall Council Chambers 601 Lakeside Ave.
Cleveland, OH 44114

Re: First Energy Security Plan IV Hearing

Dear Chairman and Members of the Public Utilities Commission:

My name is Anthony D. Liberatore, Jr. I am Business Manager of Laborers' Local 860. I am also Vice-President of Laborers' District Council of Ohio. Thank you for allowing me the opportunity to testify in support of First Energy's proposed Electric Security Plan.

Laborers' Local 860 consists of over 2,500 members working in the Heavy Highway and Utility and various public sector units in Cuyahoga, Lake and Geauga Counties.

Ohio's Power Plants employ thousands of union jobs for residents. They provide middleclass wages to provide for their families. A decline in Ohio's electric power industry would be devastating not only to these families, but to the economy.

Powering Ohio's progress should provide up to \$21.5 million in funding for economic development, job retention and energy efficiency assistance that will benefit businesses. In addition it will create more good jobs, attract new businesses.

Laborers' Local 860 is in favor of the Plan. We believe it will keep electricity affordable and keep Ohio's Power Plants Operable. The Plants in Ohio provide \$52 Million Dollars in taxes annually. The loss of these plants would be devastating to Ohio, it's people and the economy.

Laborers' Local 860 is in favor of the proposed Electric Security Plan, Powering Ohio's Progress. We believe securing the David-Besse and the WH Sammis Plant will benefit the State of Ohio, Businesses and residents.

Thank you.

Anthony D. Liberatore, Jr.

Business Manager/Secretary-Treasurer

UTILITIES CONSTRUCTION CO.

A DIVISION OF UTILITIES EQUIPMENT AND SUPPLY COMPANY 645 SOUTH GREEN ROAD * SOUTH EUCLID, OHIO 44121-2879 PHONE (216) 381-8100 * FAX (216) 381-5422 utilities@ohio.net

PUCO Hearing on FirstEnergy's ESP4 Cleveland City Hall Council Chambers, 2nd Floor, Room 216 601 Lakeside Avenue, Cleveland, OH 44114 Jan. 20, 2015

Testimony of Rick Dolciato
President, Utilities Construction Company

Good evening Commissioner Hague and members of the Commission. My name is Rick Dolciato, and I am the President of Utilities Construction Company, based in South Euclid, Ohio.

Our company was started 61 years ago and we employ approximately 25 hard-working individuals in well-paying construction jobs. We also hire numerous subcontractors to perform our work, which includes installing underground electric service, fiber optics, phone and TV lines in Ohio. Our success is built on our reputation for quality work and promises kept. Our livelihood depends on the state's economic well-being and our ability to anticipate and meet the future needs of customers.

FirstEnergy is one of our valued partners and provides an important source of revenue for our business. In the past year, we have installed a multi-conduit and manhole system encompassing the entire Cleveland Clinic Campus for FirstEnergy. We have also performed upgrades at several of the company's substations. FirstEnergy's continued

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success plays an important part in our success. That's just one of the reasons we are concerned that several Ohio power plants have closed recently and more plant retirements are possible.

These plant closures also are leaving a void in the amount of power available, which causes uncertainty with electricity, reliability and prices. Reliable and affordable electricity is often overlooked as an important attribute to the health, vitality and success of a company, but it is crucial. After all, no one wants to locate their business or build a home in an area where the certainty of available electric power is in question.

Safely producing electricity at plants built to serve Ohio customers 24/7 is in the best interests of all Ohio consumers. Not only will it help preserve local jobs, income and tax revenue and help stimulate economic growth – it will keep electricity affordable.

In addition to helping ensure reliable electric service at prices we can afford, FirstEnergy's plan saves Ohio customers billions of dollars and provides several million dollars in funding for economic development, job retention and energy efficiency. This will benefit businesses like Utilities Construction while helping create more high-quality jobs and attracting new business growth.

I support FirstEnergy's proposed plan because I truly believe it is in the best interests of all Ohioans. I encourage the commission to approve this plan for the sake of our state's energy future.

Thank you for the opportunity to testify tonight.

Rick Dolciato

President

Greetings Commissioners, and thank you for taking the time to hear from me.

My name is Hilary Vogelbaum. I am 16 years old and I live in

Moreland Hills, Ohio. I am a junior at Hawken Upper School, and I am

grateful to have the opportunity to have my voice and opinion heard.

I am extremely disappointed and saddened that anyone at First Energy

would with a straight face ask to keep the Samis Coal Plant and Davis

Besse nuclear power plant operating at full capacity for the next fifteen

years.

I care very deeply about our environment, and facilities like the Sammis Coal Burning Power Plant are exactly the type of facilities we should be seeking to phase out, not facilities we should seek to keep going at full capacity for another 15 years by giving them special financial deals. Two of the most incredible challenges facing my generation will undoubtedly be the challenge of producing and providing energy and the challenge of climate change. It is my greatest

hope that the members of the Public Utilities Commission will remember that it is NOT OK to keep pushing the cost of producing energy today onto future generations by imposing on us terrible environmental costs. Even if you feel you will not be affected by energy policy decisions which are destructive to our environment, your children and their children, and their children, will all suffer the consequences of any decisions you make today which lead to environmental damage.

I have a unique personal experience that I would like to share with you. I have had the privilege of doing research on development of organic solar cells at Case Western Reserve University in the lab of Dr. Genevieve Sauve. I cannot begin to tell you the passion that the researchers in Dr. Sauve's lab and similar labs have for moving our world to a new future of clean energy. But these labs are struggling for survival because of lack of funding. Often, our experiments would be put on hold because of lack of supplies or broken equipment. In a lab,

where the future of clean energy can be born, funds to simply complete the projects are very, very hard to come by! Unlike the executives of First Energy, these researchers are barely making a living. It takes a long time to get meaningful research done because of lack of supplies, equipment and personnel. If we had the same funds for renewable energy research that First energy is asking for as a subsidy for its outdated coal and nuclear plants, we would have innumerable new jobs because we would create a thriving new renewable energy industry.

Let me give you some idea of what I am talking about. The average National Science Foundation grant is about \$150,000 a year to do new research. That will fund two grad students plus supplies for a year. I am begging you not to approve First Energy's request, which will only prolong the life of a dirty old coal plant and an outdated nuclear facility which aren't even naturally profitable. Imagine what we could do if we took the \$3 billion that First Energy wants taxpayers to pay

over 15 years and put that money into renewable energy research. Even if we took just the \$400 million that First Energy admits consumers will lose in 3 years of this deal, and put it towards renewable energy research, we could have a whole new industry, born right here in Ohio. Instead, First Energy is asking that you approve giving them unfathomable amounts of money to prop up old technology, when we could look to the future, to MY future and the future of my generation, and create new, clean technologies right here in Ohio which would not have the same negative environmental impact as the Sammis coal burning power plant and the dangerous risks of the Davis Besse Nuclear Plant.

First Energy may sing some sad song about needing to preserve jobs at the existing plants. Perhaps because I am only 16, I see the future more than the past. But I am asking you to think about it. Think about the enormous number of jobs that would be created if instead of propping up old technologies, we invested in the future of energy by

creating labs like the one I worked in which would create cheap,
efficient solar power and other forms of renewable energy. Every time
a new industry is created, we need new factories, new engineers, new
management positions, new line workers, new marketing efforts and all
kinds of things that create new jobs of every kind. THOSE are the new
jobs we should be creating.

As it is, speaking of jobs, I am myself eager to build a future in the renewable energy industry because I care about our environment and I want to help be part of solving our energy challenges in a way that will also keep our planet earth habitable. And, I want to be sure that there ARE jobs for my generation in the industry...not dirty coal jobs, or dangerous nuclear plant jobs, but clean tech engineering and production and sales jobs. To create these kinds of jobs, we need to let our old technologies die instead of propping them up. I am asking you to turn down First Energy's request to prop up its old energy plants that use old, dirty and dangerous technologies which have huge

environmental impacts and risks, and instead approve only measures which will help invest in a future of clean renewable energy.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/7/2015 10:59:08 AM

in

Case No(s). 14-1297-EL-SSO

Summary: Testimony a portion of the written statements submitted at the public hearing on January 20, 2015 in Cleveland, Ohio electronically filed by Ms. Katrina Dearborn on behalf of Dearborn Reporting Services