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November 18, 2005

The Public Utilities Commission of Ohio  
Attn: Docketing  
Borden Building  
180 E. Broad Street  
Columbus, OH 43215

05-1423-EL-AIS

Gentlemen:

Enclosed for filing are one executed copy and six conformed copies of Applications of American Transmission Systems Incorporated, The Cleveland Electric Illuminating Company, Ohio Edison Company and The Toledo Edison Company for Authority to Issue, Renew or Assume Liability on Notes and Other Evidences of Indebtedness Pursuant to Ohio Revised Code §4905.401.

Also enclosed are one executed and one conformed copy of each of the Applications and a self-addressed, stamped envelope for these copies to be returned with the filing information appropriately reflected.

Your cooperation in this matter is appreciated.

Very truly yours,

*Thomas D. Haer*

Thomas D. Haer  
Business Analyst

cl  
Enclosures

cc: Mr. Shahid Mahmud - PUCO - w/encl.  
JFPearson  
RScilla  
BAFrastaci

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Technician *[Signature]* Date Processed 11-21-05

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PUCO

Before

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
Ohio Edison Company for )  
Authority to Issue, Renew or )  
Assume Liability on Notes and )  
Other Evidences of Indebtedness )  
Pursuant to Ohio Revised )  
Code ("O.R.C.") § 4905.401 )

Case No. 05-1423-EL-AIS

Ebony L. Miller  
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Ohio Edison Company  
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[elmiller@firstenergycorp.com](mailto:elmiller@firstenergycorp.com)

Before

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
Ohio Edison Company for )  
Authority to Issue, Renew or )  
Assume Liability on Notes and )  
Other Evidences of Indebtedness )  
Pursuant to O.R.C. §4905.401 )

Case No. 05-1423-EL-AIS

Applicant, Ohio Edison Company (the "Company") respectfully represents:

1. The Company, an Ohio corporation, is a "public utility" as defined in O.R.C. §4905.02, engaged primarily in the distribution of electric energy for sale, and is subject to the jurisdiction of this Honorable Commission.
2. Under provisions of O.R.C. §4905.401, the Company, without action by this Commission, could issue, renew or assume liability on notes and other evidences of indebtedness maturing not more than twelve months after the date of such issuance, renewal or assumption of liability (collectively, "Short-Term Notes") of not more than 5% of the par value of the other outstanding stocks, bonds, notes and other evidences of indebtedness of the Company (the "Statutory Exemption Limit"). The Statutory Exemption Limit for the Company at September 30, 2005 is \$385,299,711. During the period January 1, 2006 through December 31, 2006 (the "2006 Fiscal Year"), the Company estimates that it may need to exceed this Statutory Exemption Limit.
3. Pursuant to the provisions of O.R.C. §4905.401, the Company requests the Commission to permit the Company to have Short-Term Notes outstanding at any one time during the 2006 Fiscal Year in an aggregate principal amount up to \$500,000,000 (the "Authorized Principal") (such Authorized Principal to include the Statutory Exemption Limit).

4. The Company further requests that the Commission approve that the Authorized Principal, or any part thereof issued, renewed or assumed or to be issued, renewed or assumed, be in addition to any long-term financing that the Company may require during the 2006 Fiscal Year and which this Commission may approve pursuant to O.R.C. §4905.40.
5. The Company respectfully represents that the issuance and renewal of, or assumption of liability on, Short-Term Notes, from time to time, and the money to be procured therefrom, are reasonably required and necessary for the Company's lawful capital purposes. Such Short-Term Notes may be issued to provide funds for regulated utility purposes including: current maturities of existing obligations, retirement of securities through open market purchases, redemption of securities through applicable redemption provisions, loans to the Money Pool (as defined in Paragraph 6 below), working capital and for general corporate purposes. Prior to their use, such funds may be invested in highly liquid short-term investments. Pursuant to O.R.C. §4905.41, the Company incorporates herein by reference the following exhibits:
  - a. "Exhibit A," Balance Sheet including Statement of Capitalization as of September 30, 2005, and
  - b. "Exhibit B," Statement of Income for the Twelve Months Ended September 30, 2005.
6. This Commission, in its Finding and Order in Case No. 04-1757-EL-AIS<sup>1</sup>, and the Securities and Exchange Commission ("SEC") pursuant to the Public Utility Holding Company Act of 1935, as amended, previously approved a utility money pool contract (the "Money Pool") in order to establish an intra-system financing

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<sup>1</sup> This Commission's approval of the Money Pool was conditioned upon the Company continuing to seek authorization from this Commission to issue short-term debt.

arrangement, by and among the Company, The Cleveland Electric Illuminating Company ("CEI"), The Toledo Edison Company ("TE"), and the Company's wholly-owned subsidiary, Pennsylvania Power Company ("Penn Power"), The American Transmission Systems Incorporated ("ATSI"), FirstEnergy Corp., the Company's parent company ("FirstEnergy"), FirstEnergy Service Company, Jersey Central Power & Light Company, Pennsylvania Electric Company, Metropolitan Edison Company, York Haven Power Company, Waverly Electric Power & Light Company (collectively called the "Participating Companies"), and the issuance and acquisition of Short-Term Notes of Participating Companies in connection therewith, through December 31, 2005 (an extension has been filed through February 8, 2006 "the effective date of repeal of the Public Utility Holding Company Act of 1935"). The Company hereby requests that the Commission's approval of the Money Pool be extended through December 31, 2006 and that the Authorized Principal shall include Short-Term Notes of the Company outstanding under the Money Pool by the Company.

7. The Participating Companies may contribute funds to the Money Pool from the following sources: (a) surplus funds from Participating Companies ("Internal Funds"), and (b) proceeds from bank borrowings or the sales of commercial paper by the Participating Companies for loan to the Money Pool ("External Funds"). The Company hereby agrees that Internal or External Funds provided by it to the Money Pool and borrowed therefrom by Participating Companies other than CEI, TE and ATSI, shall not exceed in the aggregate at any one time the Company's Statutory Exemption Limit, to be determined for purposes of this Application based on the Company's most recent financial information reported to the SEC in Form 10-Q or 10-K as applicable. The Company further agrees that such loans to Participating Companies other than CEI, TE and ATSI made through the Money


Pool shall be made only to those Participating Companies that have investment grade or higher credit ratings on their senior secured debt from at least one nationally recognized rating agency, or in the absence of such rating, investment grade or higher credit ratings on their corporate credit rating. The Company agrees to continue to report the details of its participation in the Money Pool on a quarterly basis to the Director of the Utilities Department of the Commission.

WHEREFORE, the Company prays

(1) That this Commission authorize the Company, during the 2006 Fiscal Year, to issue, renew or assume liability on Short-Term Notes, as requested in this Application, provided however, that the aggregate Short-Term Notes do not exceed \$500,000,000 outstanding at any one time, and provided further that such amount is exclusive of any long-term financing the Company may incur during said period with this Commission's approval.

(2) That due to the time sensitive nature of this request, that this Commission issue such Order on or before December 14, 2005.

By

  
Richard H. Marsh

Senior Vice President and Chief Financial Officer


By

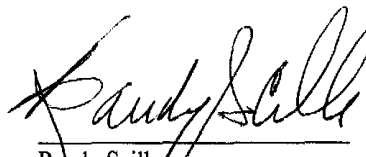
  
Randy Scilla

Assistant Treasurer

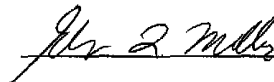
STATE OF OHIO     )  
                                  ) ss.:  
SUMMIT COUNTY    )

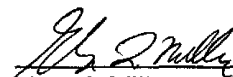
Richard H. Marsh and Randy Scilla, depose and say that they are Senior Vice President and Chief Financial Officer, and Assistant Treasurer, respectively, of Ohio Edison Company, Applicant in the above matter, and that they have read and are fully acquainted and familiar with the contents of the foregoing Application and that the statements therein are true as they verily believe.

  
Richard H. Marsh

  
Randy Scilla

Subscribed and sworn to before me  
this 18 day of November, 2005

  
\_\_\_\_\_

  
Ebony L. Miller  
Attorney for Applicant

EBONY L. MILLER, Attorney-At-Law  
Notary Public – State of Ohio  
My commission has no expiration date.  
Section 147.03 O.R.C.



Exhibit A  
OHIO EDISON COMPANY

CONSOLIDATED BALANCE SHEETS  
(Unaudited)

	September 30, 2005 (In thousands)
<b>ASSETS</b>	
<b>UTILITY PLANT:</b>	
In service	\$ 5,573,996
Less - Accumulated provision for depreciation	2,793,343
	<u>2,780,653</u>
Construction work in progress -	
Electric plant	246,325
Nuclear fuel	17,972
	<u>264,297</u>
	<u>3,044,950</u>
<b>OTHER PROPERTY AND INVESTMENTS:</b>	
Investment in lease obligation bonds	341,335
Nuclear plant decommissioning trusts	462,439
Long-term notes receivable from associated companies	207,089
Other	44,623
	<u>1,055,486</u>
<b>CURRENT ASSETS:</b>	
Cash and cash equivalents	900
Receivables -	
Customers (less accumulated provisions of \$7,312,000 and \$6,302,000, respectively, for uncollectible accounts)	285,462
Associated companies	121,262
Other (less accumulated provisions of \$14,000 and \$64,000, respectively, for uncollectible accounts)	20,653
Notes receivable from associated companies	798,513
Materials and supplies, at average cost	92,610
Prepayments and other	17,336
	<u>1,336,736</u>
<b>DEFERRED CHARGES:</b>	
Regulatory assets	844,590
Property taxes	61,419
Unamortized sale and leaseback costs	56,477
Other	67,093
	<u>1,029,579</u>
	<u>\$ 6,466,751</u>
<b>CAPITALIZATION AND LIABILITIES</b>	
<b>CAPITALIZATION:</b>	
Common stockholder's equity -	
Common stock, without par value, authorized 175,000,000 shares - 100 shares outstanding	\$ 2,099,099
Accumulated other comprehensive loss	(58,484)
Retained earnings	434,473
Total common stockholder's equity	2,475,088
Preferred stock	60,985
Preferred stock of consolidated subsidiary	14,105
Long-term debt and other long-term obligations	1,099,147
	<u>3,649,305</u>
<b>CURRENT LIABILITIES:</b>	
Currently payable long-term debt	273,656
Short-term borrowings -	
Associated companies	120,971
Other	123,584
Accounts payable -	
Associated companies	81,980
Other	11,289
Accrued taxes	213,843
Other	117,288
	<u>942,591</u>
<b>NONCURRENT LIABILITIES:</b>	
Accumulated deferred income taxes	688,702
Accumulated deferred investment tax credits	52,108
Asset retirement obligation	364,525
Retirement benefits	320,044
Other	449,476
	<u>1,874,855</u>
<b>COMMITMENTS AND CONTINGENCIES (Note 13)</b>	
	<u>\$ 6,466,751</u>

The preceding Notes to Consolidated Financial Statements as they relate to Ohio Edison Company are an integral part of these balance sheets.

Exhibit B

OHIO EDISON COMPANY  
(Unaudited)  
Consolidated Statement of Income  
Twelve Months Ended September 30, 2005  
(In thousands)

	<u>Actual</u>
OPERATING REVENUES	<u>\$ 2,986,365</u>
OPERATING EXPENSES AND TAXES:	
Fuel and purchased power	995,268
Other operating costs	<u>758,559</u>
Total operation and maintenance expenses	1,753,827
Provision for depreciation and amortization	423,025
General taxes	190,901
Income taxes	<u>299,193</u>
Total operating expenses and taxes	<u>2,666,946</u>
OPERATING INCOME	319,419
OTHER INCOME	61,144
INCOME BEFORE NET INTEREST CHARGES	<u>380,563</u>
NET INTEREST CHARGES:	
Interest on long-term debt	60,154
Allowance for borrowed funds used during construction	(10,542)
Other interest expense	16,907
Subsidiary's preferred stock dividend requirements	<u>2,175</u>
Net interest charges	<u>68,694</u>
NET INCOME	311,869
PREFERRED STOCK DIVIDEND REQUIREMENTS	<u>2,635</u>
EARNINGS ON COMMON STOCK	<u><u>\$ 309,234</u></u>