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FirstSouthwest 
A PlainsCapital Company.

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Randall Finken
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June 12, 2013

The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Re: Financing Order – Case No. 12-1465-EL-ATS

Dear Commissioners:

First Southwest Company ("FirstSouthwest") has been engaged to serve The Public Utilities Commission of Ohio ("PUCO" or the "Commission") as its independent financial advisor pursuant to the terms of Financing Order – Case No. 12-1465-EL-ATS, dated October 12, 2012, as amended by Entry on Rehearing, dated December 19, 2012 and the Entry Nunc Pro Tunc, dated January 9, 2012 (the "Financing Order"). In such capacity and in compliance with the terms and conditions of the Financing Order, FirstSouthwest makes certifications in this letter related to the issuance of PIR Bonds by Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (the "Companies" and the "Applicants") to the special purpose entities created by the Companies and the pledge of the PIR Bonds to the Certificate Trustee to secure \$444,922,000 FirstEnergy PIRB Special Purpose Trust 2013, Pass-Through Trust Certificates, Tranches A-1, A-2 and A-3 (the "A-1's", the A-2's" and the "A-3's" and, collectively, the "Certificates").

FirstSouthwest's certifications relate to:

- Confirmation of whether issuance of the Certificates results in measurably enhancing cost savings and mitigating rate impacts to customers compared with traditional financing mechanisms or traditional cost-recovery methods available to the Companies
- Review of the financial terms and conditions of the proposed Certificate issuance and attestation that the Certificate issuance transaction as proposed is consistent with the Financing Order and requisite statutory provisions of Ohio Revised Code Sections 4928.231 through 4928.2318 (the "Securitization Law")
- Confirmation that the structuring and pricing of the PIR Bonds and related Certificates, as proposed, will result in charges consistent with market conditions and the terms of the Financing Order and will protect the competitiveness of the retail electric market in the State of Ohio as a result of lowering the debt service cost to rate payers in Ohio
- Attestation that the PIR Bonds and related Certificates reflect a market price of most recently issued comparable securities
- Confirmation that FirstSouthwest has participated fully with the Applicants as a co-equal in all plans and decisions related to the pricing, marketing and structuring of the Certificates and that we provided timely information as necessary to fulfill our obligation to advise the Commission in a timely manner
- Determination that the estimated debt retirement costs provided by the Companies are reasonable
- Determination that the costs of the transaction conform to the terms and conditions of debt securities commonly accepted in the financial industry

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The Certificates were offered in three tranches (A-1's, A-2's and A-3's) by the Underwriters (as defined below) under a registration statement on Form S-3 (File Nos. 333-187692, 333-187692-01, 333-187692-02, 333-187692-03, 333-187692-04 and 333-187692-05) on April 2, 2013, as amended by Amendment No. 1 thereto filed May 7, 2013, as further amended by Amendment No. 2 thereto filed May 24, 2013 and as further amended by Amendment No. 3 thereto filed June 4, 2013, including a prospectus and a form of prospectus supplement, for the registration under the Securities Act of up to \$505,000,000 aggregate principal amount of the Certificates and a like aggregate principal amount of the Bonds. The Registration Statement became effective on June 7, 2013. FirstSouthwest utilized the Prospectus Supplement to the Prospectus dated June 7, 2013, "Subject to Completion, dated June 10, 2013" and the final Prospectus Supplement to the Prospectus, dated June 12, 2013. The underwriting group serving the Applicants consists of Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc., Goldman Sachs & Co., Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, and RBS Securities Inc. (the "Underwriters") The Underwriters "announced" the Certificates transaction at approximately 9:45 a.m. EDT on Monday, June 10, 2013 and provided "whisper" information to the investing public of potential spreads over the US Dollar LIBOR swap curve ("iswaps") with such spreads stated in basis points greater than the each point on the iswaps curve related to the weighted average life ("WAL") of the A-1's, A-2's and A-3's.

The Certificates were offered by the Underwriters by way of a negotiated sale consistent with the provisions of the Financing Order. FirstSouthwest makes reference to and hereby incorporates information contained in the Compliance Certificate of the Underwriters (attached hereto). The PIR Bonds and related Certificates were priced at approximately 12:15 p.m. EDT, on June 12, 2013 (the "Pricing Time").

The Financing Order requires each Company to file an Issuance Advice Letter and the Companies to file a certification after pricing but before issuance of the PIR Bonds and the related Certificates.

In their Issuance Advice Letters, filed with the PUCO on June 13, 2013, the Companies have set forth the following terms of the PIR Bonds and the related Certificates, amongst others which were effective at the Pricing Time:

PIR Bonds			
PIR Bond Issuer:	CEI Funding, LLC	OE Funding LLC	TE Funding LLC
Trustee:	U.S. Bank Trust National Association		
Closing Date:	June 20, 2013		
Expected PIR Bond Ratings:	Aaa/AAA/AAA (Moody's / S&P / Fitch)		
Amount Issued:	\$232,046,000	\$169,504,000	\$43,372,000
Coupon Rates:	A-1:0.679% A-2:1.726% A-3:3.450%	A-1:0.679% A-2:1.726% A-3:3.450%	A-1:0.679% A-2:1.726% A-3:3.450%
Distributions to Investors:	Semi-annually		

FirstSouthwest confirms that the PIR Bonds to be issued by the Companies consistent with the terms set forth in the Companies' Issuance Advice Letters, will result in the issuance of Certificates in the amounts and with the coupon interest rates identified in the table immediately below. The effective weighted average annual coupon rate and yield of the PIR Bonds and the Certificates is 3.14%.

Certificate Tranche Amount Issued:	A-1: \$111,971,000	A-2: \$70,468,000	A-3: \$262,483,000
Tranche Coupon Rates:	A-1: 0.679%	A-2: 1.726%	A-3: 3.45%

Based upon the final results of the structuring, marketing and pricing of the Certificates which were completed at the Pricing Time, FirstSouthwest states to the Commission that issuance of the Certificates on the terms set forth above will result in measurably enhancing cost savings and mitigating rate impacts to customers as compared with traditional financing mechanisms or traditional cost-recovery methods available to the Companies.

FirstSouthwest attests that the financial terms of the Certificate issuance transaction as described above are consistent with the final terms and conditions of the Financing Order and requisite statutory provisions of Securitization Law.

FirstSouthwest further attests that the structuring and pricing of the PIR Bonds and related Certificates issued on the terms set forth above will result in charges consistent with market conditions and the terms of the Financing Order and that it protects the competitiveness of the retail electric market in the State of Ohio.

FirstSouthwest attests that the PIR Bonds and related Certificates on the terms set forth above reflect a market price of most recently issued comparable securities and makes specific references to:

- The A-1's pricing at a spread of + 25 basis points conforms to the broader Asset Backed Securities ("ABS") new issuance market of prime auto and student loan ABS where [the short tranche of] such Aaa/AAA rated securities typically with a WAL of less than 0.99 years have priced within the last two weeks in the range of + 17 to + 26 basis points greater than the interpolated iswaps curve.
- A-2's pricing at a spread of + 40 basis points conforms to the broader ABS new issuance market of auto dealer floor plan, auto lease and FFELP student loan ABS where such Aaa/AAA rated securities of comparable WAL priced in the range of + 40 to + 55 basis points greater than the interpolated iswaps curve. An additional data point was the 5-year fixed rate Ford Auto Floor Plan offering which was pulled from the market on June 11th after not being able to build an investor book of orders at swaps + 55 basis points
- A-3's pricing at a spread of + 70 basis points conforms to the broader ABS new issuance of where such Aaa/AAA ABS of both commercial and structured residential mortgage-backed and FFLEP student loan transactions of comparable WAL have priced in the range of + 65 to + 125 basis points greater than the interpolated iswap curve. There has been no new issuance of electric utility tariff securitization bonds since March 2012 (the issuance of which FirstSouthwest served as financial advisor to the Public Utilities Commission of Texas). The consensus secondary market spreads for \$1 million to \$10 million trade size, among the dealers who regularly quote utility tariff ABS bond spreads as of June 7th end of day for 10-year WAL bonds was + 55 to + 65 basis points greater the interpolated iswaps curve. The last data point of information available was the Markit North American Investment Grade 10-year Top 20 Credit Default Swap Index ("CDX IG NA 20") which during the two weeks leading up to the pricing traded in a range of + 115 to + 129 basis points greater than the interpolated iswaps curve.

FirstSouthwest has participated fully with the Applicants as a co-equal in all plans and decisions related to the pricing, marketing and structuring of the Certificates and all matters relating to the structuring and pricing of the Certificates were determined through joint decisions with the Applicants. We were provided timely information by the Underwriters as was necessary to fulfill our obligation to advise the Commission in a timely manner. We did not participate in the underwriting of the Certificates. The price discovery process began on April 10, 2013 with weekly "Market Update" calls with the three bookrunning underwriters. FirstSouthwest and PUCO staff attended the "Market Update" calls. The frequency of the Market Update calls increased to two calls in the week of May 26th, and three calls took place during the week of June 3rd. FirstSouthwest participated in the decision to pre-market the Certificates on June 7th, (if Underwriter approval was received), to "Announce" the transaction on June 10th, to provide price guidance during the afternoon of June 11th, to provide "end of day" transaction status to the institutional investor market at approximately 5:00 p.m., June 11th, to close the book on the A-2's and A-3's at approximately 9:15 a.m., June 12th, to provide "revised guidance" on the A-1's at approximately 10:00 a.m., June 12th, and to "price" the A-1, A-2 and A-3 Certificates at approximately 12:15 p.m., June 12th. All of these events were communicated to PUCO staff and, beginning on June 11th, to PUCO Commissioners.

FirstSouthwest has determined that the estimated debt retirement costs provided by the Companies to Goldman Sachs & Co. ("Goldman Sachs") (in its role as structuring advisor to the Companies) are reasonable. FirstSouthwest

reviewed Goldman Sachs' model used to develop the required inputs to the Companies' Issuance Advice Letters to make this determination.

FirstSouthwest determined that the costs of the transaction conform to the terms and conditions of debt securities commonly accepted in the financial industry. FirstSouthwest made this determination based upon its broad participation as financial advisor in the debt capital markets. This determination relates to both Up-Front Financing Costs and On-Going Financing Costs as those terms are used in the Financing Order.

The nominal savings that will result from the Certificate issuance transaction, upon the terms set forth above, will be approximately \$106.278 million, which exceeds the \$104 million nominal cost savings target that is included in the Financing Order. FirstSouthwest independently verified the calculation of the savings using its own financial model. That verification process confirmed the expected nominal savings calculation derived from the model used by Goldman Sachs, the Companies' structuring advisor, using revenue assumptions based on the Goldman Sachs rate model, when it performed its savings calculation.

FirstSouthwest hereby files this attestation concurrently with the Issuance Advice Letters and affirmatively states that this certification letter is consistent with the Financing Order.

This letter is exclusively for your information and may not be used, circulated, quoted or otherwise referred to for any other purpose, except in each case in accordance with the prior written consent of the undersigned. In addition, the information and views provided herein are being furnished to you for the purpose described herein and may not be used or relied upon (i) by you for any other purpose, or (ii) by any other person other than you, in each case without the prior written consent of the undersigned. FirstSouthwest acknowledges that, under the Financing Order, all reports issued by FirstSouthwest (as the PUCO's financial advisor) shall be docketed.

This Certification speaks only as of the date thereof, and FirstSouthwest will have no responsibility or obligation to update this Certification. Further, FirstSouthwest will have no responsibility to consider its applicability or correctness as to any person or entity other than the PUCO.

The undersigned specifically disclaims any responsibility or liability to any other person for the content of this letter, whether such person claims rights directly or as a third-party beneficiary. The undersigned do not provide accounting, tax or legal advice, and we make no representations or assurance as to the appropriateness or adequacy of the information contained herein for your purposes and express no view as to the accounting, tax or legal treatment of any such matters.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randall Finken", with a stylized flourish at the end.

Randall Finken
Senior Vice President