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Before

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Toledo 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. 02-3090-El-A1S

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Case No. _____

Applicant, The Toledo 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") equal to 5% of the par value of the other outstanding stocks, bonds, notes and other evidences of indebtedness of the Company (the "Statutory Limit"). At September 30, 2002, the Statutory Limitation for the Company is \$57,704,000. During the period January 1, 2003 through December 31, 2003 (the "2003 Fiscal Year"), the Company estimates that it may need to exceed this Statutory 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 2003 Fiscal Year in an aggregate principal amount up to \$250,000,000 (the "Authorized Principal") (such Authorized Principal to include

the Statutory 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 2003 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 short term. 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, 2002, and
 - b. "Exhibit B," Statement of Income for the Twelve Months Ended September 30, 2002.
6. This Commission, in its Finding and Order in Case No. 01-3185-EL-AIS¹, 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 arrangement, by and among the Company, Ohio Edison Company ("OE") and The Cleveland Electric Illuminating Company ("CEI"), (OE and CEI collectively referred to herein as the "Utility Affiliates"), FirstEnergy Corp., the Company's parent company ("FirstEnergy"), FirstEnergy Service Company, a mutual service company subsidiary of FirstEnergy ("ServeCo"), Northeast Ohio Natural Gas Corp., Jersey Central Power & Light Company, Pennsylvania Electric Company, Metropolitan Edison Company, Pennsylvania Power Company, York Haven Power Company and Waverly Electric Power & Light Company, (collectively referred to as the "Participating Companies"), and the issuance and acquisition of Short-Term Notes of Participating Companies in connection therewith, through June 30, 2003². 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

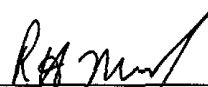
¹ This Commission's approval of the Money Pool was conditioned upon the Company continuing to seek authorization from this Commission to issue short-term debt.


² The Company plans to request authority from the SEC, and further approval from this Commission, to enter into an extension of the current Money Pool during the first quarter of 2003. The Company and the remaining Participating Companies will not lend to, or borrow from, the Money Pool after June 30, 2003 unless such authority and approval have been obtained.

Money Pool and borrowed therefrom by Participating Companies other than the Utility Affiliates shall not exceed in the aggregate at any one time \$150,000,000.

WHEREFORE, the Company prays

(1) That this Commission authorize the Company, during the 2003 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 \$250,000,000 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.


By 
Senior Vice President
and Chief Financial Officer

By 
Treasurer

STATE OF OHIO)
) ss.:
SUMMIT COUNTY)

Richard H. Marsh and Thomas C. Navin, depose and say that they are Senior Vice President and Chief Financial Officer, and Treasurer, respectively, of The Toledo 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.





Subscribed and sworn to before me
this 22nd day of November, 2002.



FRANCINE DANIELS, NOTARY PUBLIC
State of Ohio
My Commission Expires August 25, 2007

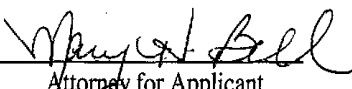

Attorney for Applicant

Exhibit A

THE TOLEDO EDISON COMPANY

(Unaudited)

Balance Sheet (Including Statement of Capitalization)
for the Twelve Months Ended September 30, 2002
(In thousands)

ASSETS

UTILITY PLANT:	\$1,593,929
In service	<u>696,171</u>
Less – Accumulated provision for depreciation	907,758
Construction work in progress	79,868
Electric plant	<u>27,751</u>
Nuclear fuel	<u>107,619</u>
	<u>1,015,377</u>
OTHER PROPERTY AND INVESTMENTS:	
Capital trust investments	242,098
Nuclear plant decommissioning trusts	168,666
Long-term notes receivable from associated companies	162,207
Other	<u>3,395</u>
	<u>576,366</u>
CURRENT ASSETS:	
Cash and cash equivalents	519
Receivables-	
Customers	6,890
Associated companies	46,463
Other	3,326
Notes receivable from associated companies	26,752
Materials and supplies-	
Owned	13,657
Under consignment	21,359
Prepayments and other	<u>1,909</u>
	<u>120,875</u>
DEFERRED CHARGES:	
Regulatory Assets	397,629
Goodwill	445,732
Other	<u>34,209</u>
	<u>877,570</u>
	<u>\$2,590,188</u>

Exhibit A

THE TOLEDO EDISON COMPANY

(Unaudited)

Balance Sheet (including Statement of Capitalization)
for the Twelve Months Ended September 30, 2002
(In thousands)

CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

Common stockholder's equity-	
Common stock, \$5 par value, authorized 60,000,000 shares	
39,133,887 shares outstanding	\$195,670
Other paid-in capital	428,559
Retained earnings	135,638
Total common stockholder's equity	759,867
Preferred stock no subject to mandatory redemption	126,000
Long-term debt	591,600
	<u>1,477,467</u>

CURRENT LIABILITIES:

Currently payable long-term debt	135,830
Accounts payable-	
Associated companies	95,076
Other	6,847
Notes payable to associated companies	147,442
Accrued taxes	52,542
Accrued interest	15,872
Other	34,309
	<u>487,918</u>

DEFERRED CREDITS:

Accumulated deferred income taxes	216,129
Accumulated deferred investment tax credits	29,955
Nuclear plant decommissioning costs	175,008
Pensions and other postretirement benefits	122,271
Other	81,440
	<u>624,803</u>
	<u>\$2,590,188</u>

Exhibit B

THE TOLEDO EDISON COMPANY

(Unaudited)

Statement of Income
Twelve Months Ended September 30, 2002
(In thousands)

OPERATING REVENUES:	<u>\$1,018,084</u>
OPERATING EXPENSES AND TAXES:	
Fuel and purchased power	383,688
Other operation and maintenance expenses	375,231
Provision for depreciation and amortization	101,892
General taxes	55,872
Income taxes	16,371
Total operating expenses and taxes	<u>933,054</u>
OPERATING INCOME	85,030
OTHER INCOME	<u>17,909</u>
INCOME BEFORE NET INTEREST CHARGES	<u>102,939</u>
NET INTEREST CHARGES:	
Interest on long-term debt	62,193
Allowance for borrowed funds used during construction	(1,721)
Other interest expense (credit)	<u>(1,794)</u>
Net interest charges	<u>58,678</u>
NET INCOME	44,261
PREFERRED STOCK DIVIDEND REQUIREMENT	<u>13,175</u>
EARNINGS ON COMMON STOCK	<u>\$31,086</u>