EEI Financial Conference

Hollywood, FL • November 1-4, 2009

Anthony J. Alexander
President & Chief Executive Officer

Strong Platform for Growth

NYSE:FE

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This presentation 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 our 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 PUCO's regulatory process on the Ohio Companies associated with the distribution rate case, the impact of the competitive generation procurement process in Ohio, 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, maintenance costs being higher than anticipated, other legislative and regulatory changes, revised environmental requirements, including possible greenhouse gas 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 AQC 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 similar potential 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 (including, but not limited to, the Demand for Information issued to FENOC on May 14, 2007), Met-Ed's and Penelec's transmission service charge 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, 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 FirstEnergy's nuclear decommissioning trusts, pension trusts and other trust funds, and cause it to make additional contributions sooner, or in an amount that is 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 company, the state of the capital and credit markets affecting the company, interest rates and any actions taken by credit rating agencies that could negatively affect FirstEnergy's access to financing or its costs and increase its requirements to post additional collateral to support outstanding commodity positions, letters of credit and other financial guarantees, the continuing decline of the national and regional economy and its impact on FirstEnergy's major industrial and commercial customers, issues concerning the soundness of financial institutions and counterparties with which FirstEnergy does business, and the risks and other factors discussed from time to time in its SEC filings, and other similar factors. Dividends declared from time to time on our common stock during any annual period may in the aggregate vary from the indicated amounts due to circumstances considered by our Board of Directors at the time of the actual declarations. 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 its 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. FirstEnergy expressly disclaims any current intention to update any forward-looking statements contained herein as a result of new information, future events, or otherwise.

Agenda

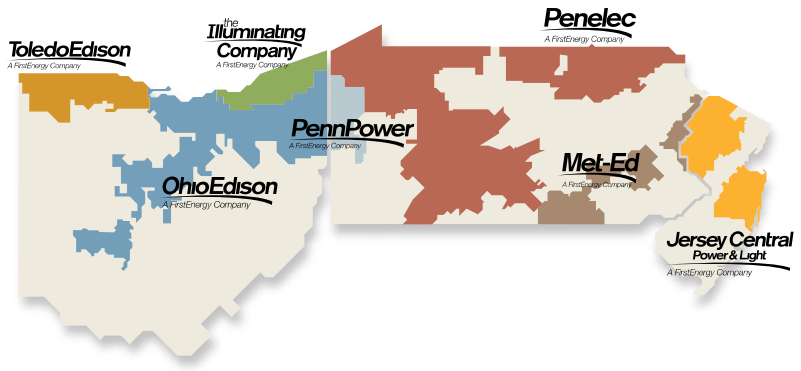
- **FirstEnergy Overview**
  - Regulated Operations
  - Market-Based Operations
- **Market-Based Operations Update**
- **Regulatory Update**
  - PJM Integration
  - Pennsylvania/Ohio Filings
- **Financial Update**

FirstEnergy Corp.

Balanced, Integrated & Diversified

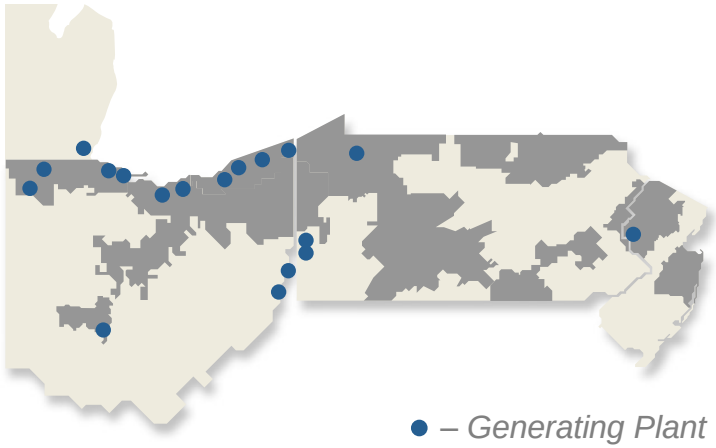
FirstEnergy Utilities

Regulated Operations



FirstEnergy Solutions

Market-Based Operations



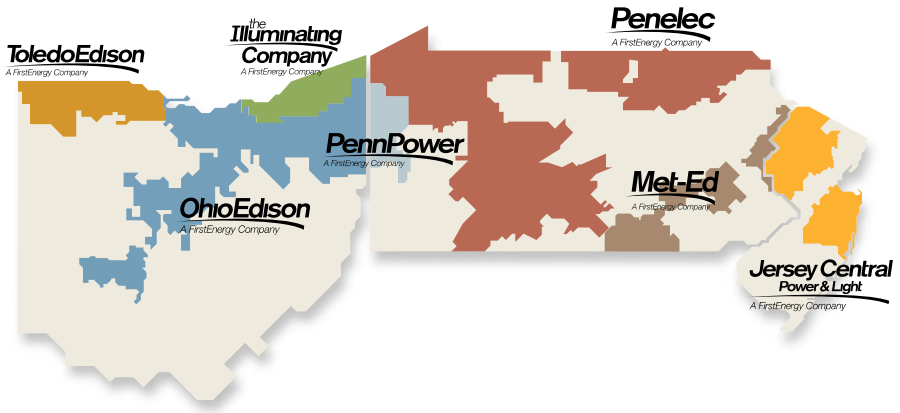
FirstEnergy's strength is the diversity of its assets

FirstEnergy Utilities

Balanced, Integrated, Diversified

Regulated Operations

- **8 Regulated Utilities***
  - 4.5 million customers
  - 3 states (OH, PA and NJ)
  - 36,000 square miles
- **Focus on Fundamentals**
  - Enhance customer service
  - Meet reliability and performance targets
  - Mitigate risk
  - Achieve timely and full cost recovery
  - Control expenditures through continuous improvement culture



Large, balanced customer base
Strong, stable cash flows

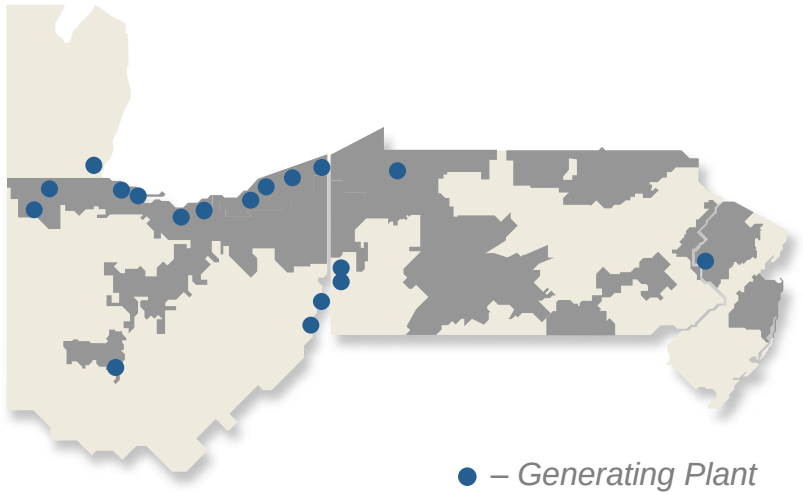
***Includes American Transmission Systems, Inc. (ATSI)**

FirstEnergy Solutions

Balanced, Integrated, Diversified

Market-Based Operations

- **FirstEnergy Solutions (FES)**
  - Unregulated subsidiary established 2005
  - Controls 14,300+ MW of generation capacity
  - 80% of capacity will be low- or non-emitting by year-end 2010*
- **Focus on Fundamentals**
  - Continue transition to market-based generation pricing
  - Maximize generation fleet potential
  - Manage commodity exposures
  - Proven ability to succeed in competitive markets



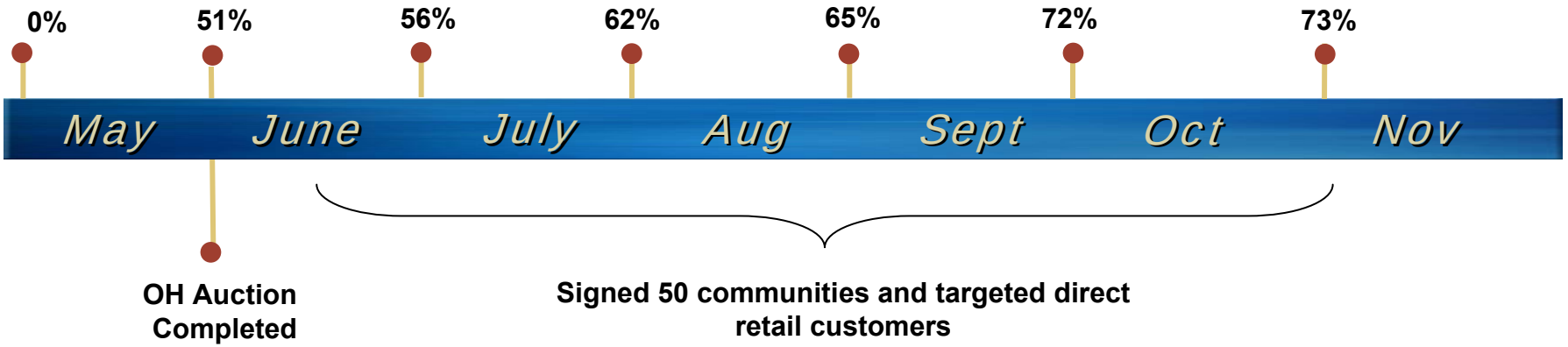
Diversified, cost-effective generation portfolio

***Includes Fremont; low-emitting includes coal units with SO_2 and NOx control equipment and natural gas; non-emitting includes nuclear and wind generation**

Market-Based Operations

2009 Ohio Update

- **Timeline of total market share (%)* of FE-OH load**



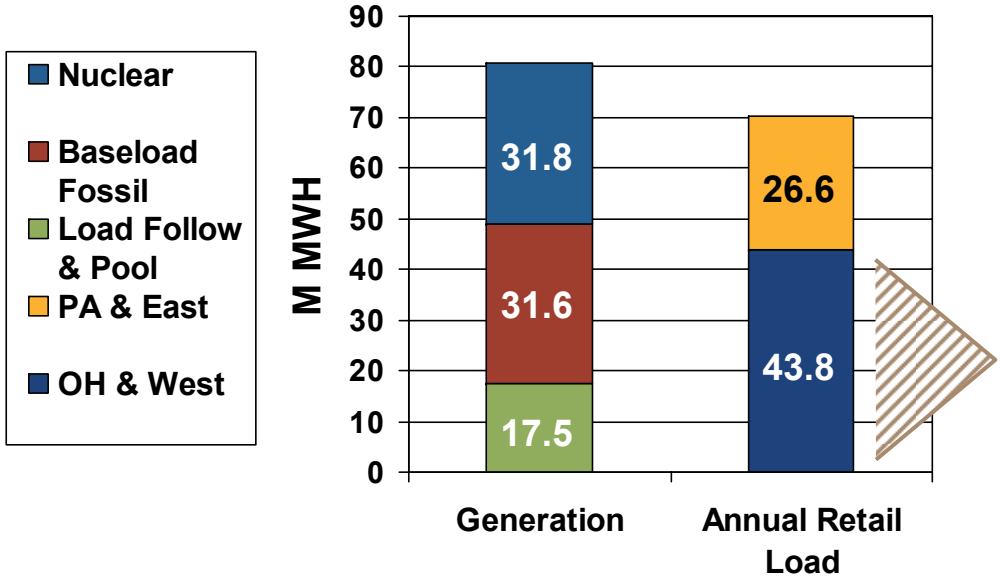
  - **POLR:** Subsequent to May auction, procured 21 incremental tranches
  - **Government Aggregation:** Approximately 500,000 customers under long-term agreements
  - **Direct Retail:** Targeting and signing large commercial and industrial customers

*** Based on 2009 power flow beginning June 1, 2009**

Market-Based Operations Update

Strong Progress in 2009

- **Generation Position**
  - 2009 generation output hedged (committed sales): 100%*
  - 2010 generation output hedged (committed sales): 87%
- **Committed Sales** – 70.4 million MWH**
  - 2010 OH & West annualized direct customer sales: 43.8 million MWH
  - 2010 PA & East annualized direct customer sales: 26.6 million MWH



FE OH Direct & Government Agg.	18.5
FE OH POLR	23.3
Non-Franchise & West	2.0
Total	43.8

*Based on revised 2009 forecasted generation output of 65.5 million MWH as of 10/27/09 vs. original 2009 forecast of 70.1 million MWH

**As of 10/27/09; includes supply of distribution losses to direct retail customers

Market-Based Operations Update

Strong Progress in 2009

- **Sammis Plant (2,220 MW)**
- **Air Quality Control (AQC) Project Recent Milestones**
  - All three scrubbers for Units 1-7 installed and undergoing pre-startup testing
  - All ductwork installed
  - Common systems (conveyors, water treatment) are complete
  - Unit tie-in to new equipment began in September 2009 and will be completed, as required, by the end of 2010

Total Sammis AQC Capital Spend:
Estimated $1.8 Billion

Market-Based Operations Update

Strong Progress in 2009

- **Signal Peak Coal Mine**
- **Located in Montana; reserves of approx. 900 million tons**
  - 35-mile rail spur and wash plant completed
  - Longwall and associated equipment:
    - Installation 70% complete
    - Longwall testing in November 2009
  - Initial coal shipments to FE – Approximately 100,000 tons shipped
  - Test shipments to other domestic utilities
  - Test shipments to Vancouver in October 2009; international test cargos to Asian markets expected during 4Q 2009
  - Full production expected in December 2009

$134 million equity investment – 50% interest

Estimated 2010 output – 10 million tons

Market-Based Operations Update

Fremont Energy Center

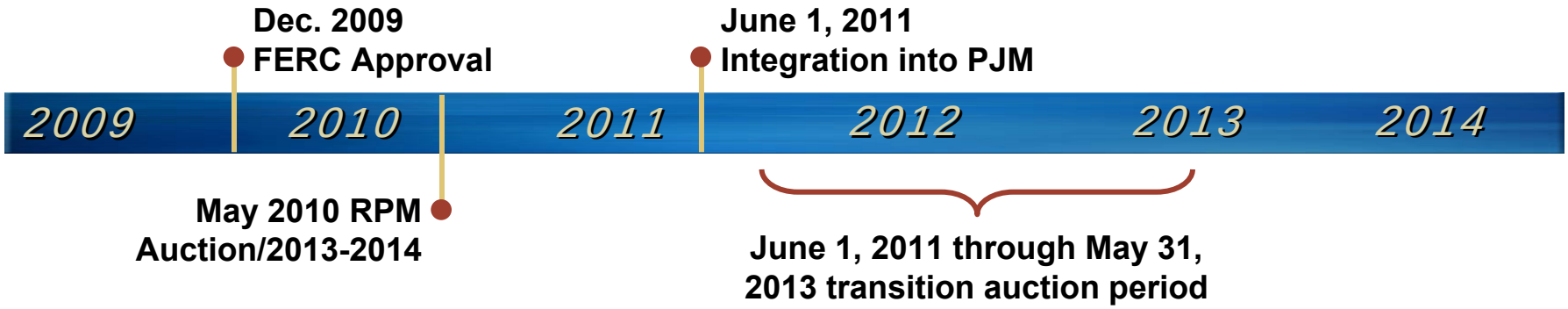
- **Combined cycle, natural gas plant**
- **544 MW load-following; 163 MW peaking capacity**
- **September 2009 announcement to accelerate completion of Fremont Energy Center**
- **Expected completion by year-end 2010**
- **Benefits:**
  - Further diversifies FES generation mix
  - Expands fleet capacity; well-positioned to respond as economy recovers
  - Supports local Northwest Ohio economy by bringing jobs to the region

Cost to Complete Fremont Energy Center:
Estimated $180 Million

Regulatory Update

PJM Consolidation

- **FE application with FERC requesting to consolidate transmission assets and operations into PJM Interconnection – August 2009**
  - Currently, transmission assets and operations are divided between PJM and MISO
- **Rationale for consolidation**
  - Provide customers with benefits of a more fully developed retail choice market
  - Provide FE with the operating efficiencies of a single RTO
  - 32 interconnections with PJM compared to just three with MISO
  - PJM operates within a largely deregulated region and its market structure supports retail choice, as well as energy efficiency and demand response programs
- **Requested Timeline**

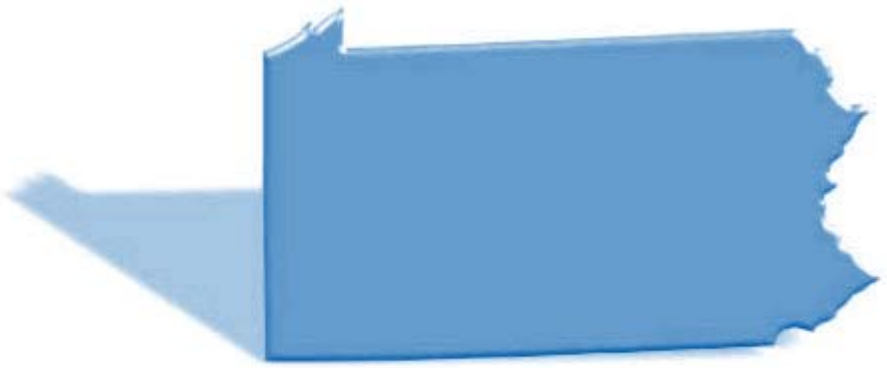


Regulatory Update

Pennsylvania

- **Met-Ed/Penelec Default Service Plan**
  - Settlement Agreement filed August 12, 2009
  - Addresses competitive generation procurement January 1, 2011 through May 31, 2013
  - Proposes descending clock auctions, block and spot purchases
  - Multiple procurements staggered in 2010 and 2011

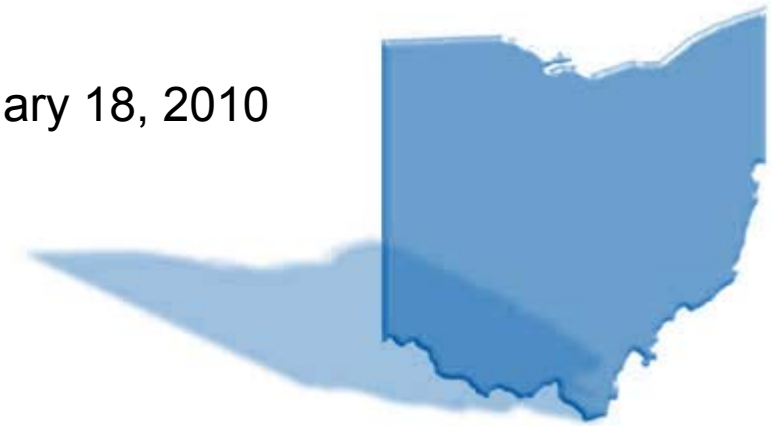
    (January, March, May and October)
  - Anticipate PaPUC approval in November 2009



Regulatory Update

Ohio

- **Market-Rate Offer (MRO)**
  - Filing with the PUCO October 20, 2009
  - Comprehensive proposal for competitive generation procurement process for power flow beginning June 1, 2011
  - Descending-clock slice-of-system auction similar to May 2009
  - Staggered solicitation process: June and October 2010 solicitations for 12, 24 and 36-month products
  - Transition to 1/3 of load procured every year (June, October) for 3-year products
  - Load-following, full requirements product
  - 90-day deadline for MRO decision: January 18, 2010



Financial Update

Building Flexibility for the Future

- **Recent Financing Activities**

FirstEnergy Utilities	Amount
Penelec	$500 million
Cleveland Electric	$300 million
Penn Power	$100 million

– $900 million completed at regulated utilities since June 30, 2009

FirstEnergy Solutions	Amount
FES	$1,500 million
FE Genco (AQC)	$177 million

– $1.7 billion completed at FES and generation company

- **FE Corp. tender offer for Notes due 2011 – $1.2 billion – completed September 1, 2009**
- **Pension contribution of $500 million September 2, 2009**
- **CEI debt maturity of $150 million in November 2009**
- **Short-term debt reduced by $1.05 billion since June 30, 2009**
- **Cash of $827 million as of October 29, 2009**
- **O&M Savings**
  - $242* million achieved through end of third quarter 2009
    - $136 million regulated operations; $106 million market-based operations
  - On track to achieve $330 million annual O&M reduction target vs. 2008

***Incremental $53 million/$0.11 per share accrued in the third quarter for repayment of reduced employee salaries, 401(k) bonus match and incentive compensation payments that may be paid in 2009.**

Continuing to Deliver Investor Value

- **Operational excellence**
- **Financial discipline**
- **Competent, tested management team**
- **Well-positioned for economic recovery**

Commitment to maintain:

- **Strong liquidity position**
- **Investment-grade credit ratings**
- **Secure dividend**

APPENDIX

Strategic Overview

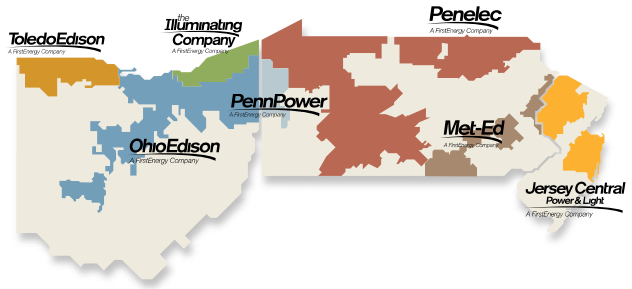
FirstEnergy Corp.

Balanced, Integrated & Diversified

*Our strategy has and will be to build a balanced, integrated and diversified portfolio of **assets** – with each business unit complementing the other – FirstEnergy's strength is the diversity of its assets*

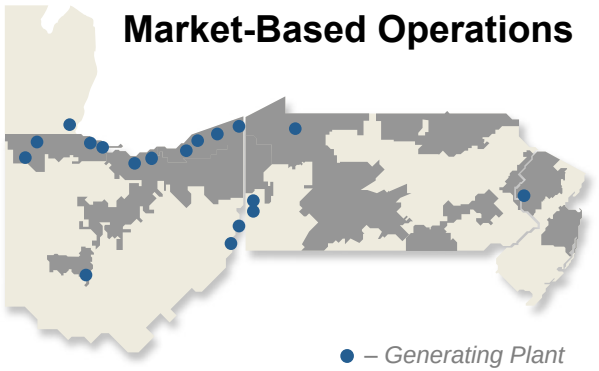
FirstEnergy Utilities

Regulated Operations



FirstEnergy Solutions

Market-Based Operations



We Have Built a Strong Foundation

Strong Progress 2005-2008

- **Generation Performance**
  - 500+ MW additions from “Mining Our Assets” initiative
  - Implemented a long-term commodity contracting strategy
  - Strategic investments
    - Fremont Plant
    - Signal Peak Coal Mine, Rail and Marketing
    - Renewable Portfolio Expansion (Wind, R. E. Burger Biomass)
  - Multi-year, record generation output preceded economic downturn
    - 80.2 million MWH in 2005; 82 million MWH in 2006; 82.4 million MWH in 2008
- **Regulated Utility Performance**
  - Three-year distribution reliability improvement of 34%
  - Top-decile transmission outage performance

We Have Built a Strong Foundation

Strong Progress in 2009

- **Achieved regulatory stability in Ohio in early 2009**
  - Approved distribution rate increase and Amended Electric Security Plan
  - New riders/deferrals eliminate cost recovery uncertainty
- **Completed transition to market-based generation prices in Ohio**
  - May 2009 auction established generation supply and prices for next 2 years
- **Implementing portfolio approach at FirstEnergy Solutions (FES)**
  - Increased retail focus (Ohio government aggregation and expansion outside of Ohio)
  - Targeting firm wholesale sales in regional auctions and RFPs
  - Marketing other structured products
- **Reasoned generation plan adjustments to reflect economic conditions**
  - Optimizing operational choices and outage flexibility
  - Targeted reduction in fuel expenses
- **Market-based generation prices in 2011 in PA; re-pricing in Ohio**

Strategic Outlook

Maximize Future Flexibility for Growth

Strategy	Advantages
No new baseload construction or speculative trading	No big bets
Mining and greening our generation fleet	Proven technology, quick to market, extends asset lives at low cost
Transition to market-based generation pricing	Opportunity to maximize generation margins
Improve regulated utility system reliability; manage costs, risks	Achieve timely and full cost recovery
Manageable capital expenditure plan	Financed primarily through internal cash flow
Build liquidity and cash position, strictly control costs, achieve targeted earnings	Results in financial flexibility and ability to capture future market opportunities

FirstEnergy Solutions

Generation Overview
Environmental & Renewable Energy
Commodity Operations
Retail Operations

Generation Overview

Generation Strategic Approach

Evolving Industry Issues

- Economic Downturn
- Financial Constraints
- Continuing Commodity Market Volatility
- Legislation: Renewables, Energy Efficiency & Climate Change

Consistent Strategic Imperatives

- Optimize the utilization of our generation fleet
- Execute retail strategy
- Achieve financial expectations of generation business
- Re-assess near-term capital priorities and growth expectations
- Manage risks diligently
- Position FES for success on environmental issues

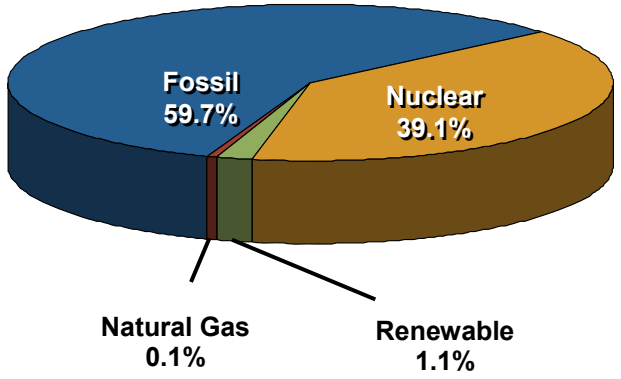
Generation Portfolio to Market

2009	■ **Generation to market – manage portfolio to suit market conditions** ■ **Position for market recovery – plant refurbishment – leverage outage time to improve performance** ■ **Retail strategy – to enhance revenue and reduce risk**
2010	■ **Full year of Ohio generation at market-based rates** ■ **AQC completion and tie-in – major capital program concludes** ■ **Emphasis on managing generation and "product offerings" portfolio, retail and wholesale**
2011	■ **Positioned for market recovery** ■ **Remainder of PA to market, re-pricing in OH** ■ **Reduced capital needs**

FES Generation Fleet Overview

- **Diversified**
  - Balanced fuel mix
  - Delivery into both MISO and PJM markets
- **Market driven**
- **Environmentally well-positioned**
  - CO_2 control: 40% of generation output is non-emitting
  - SO_2 / NOx control: 80% of capacity will be low- or non-emitting by year-end 2010

2008 Output Mix



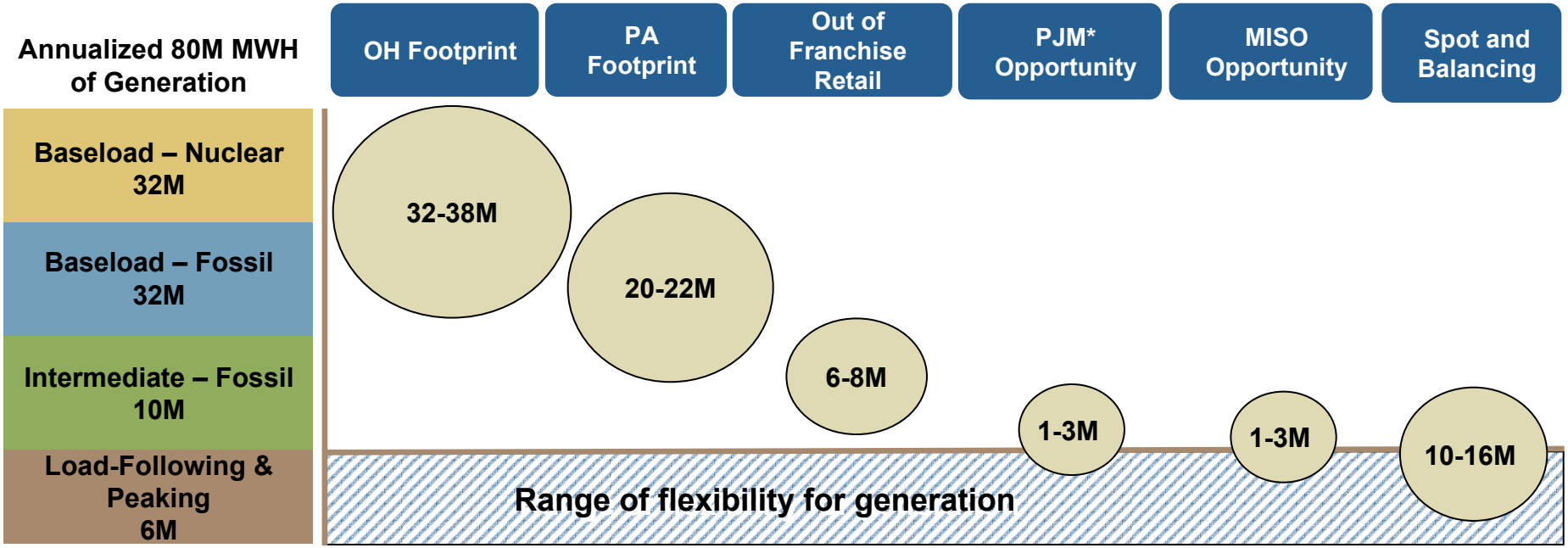
Operational Performance	2005	2006	2007	2008	2009F	2010F
Total Generation (million MWH)	80.2	82.0	81.0	82.4	65.5	80.9
Fossil Reliability						
Capacity Factor (Baseload %)	86.9%	88.6%	80.8%	83.8%	71.5%	77.1%
Equivalent Availability Factor	89.0%	90.2%	86.0%	87.9%	87.5%	89.7%
Nuclear Reliability						
Capability Factor (%)	86.2%	86.8%	88.9%	92.6%	86.1%	92.3%
Forced Loss Rate	3.37%	2.27%	5.07%	0.83%	0.98%	1.00%

***Includes Fremont; low-emitting includes coal units with SO_2 and NOx control equipment and natural gas; non-emitting includes nuclear and wind generation**

Response to Current Economic Conditions

- **Supply strategy**
  - All units available for peak periods
    - Dispatch units daily/hourly to match market conditions
  - Leverage current market conditions to perform critical maintenance
    - Sammis 1-7
    - Eastlake 5
  - Resource sharing across the fleet
- **Continuing focus on cost control**
  - Fuel cost management
  - Investing in our most critical assets
    - Capital and O&M expenditures tied to performance of critical units
  - Re-sequenced and re-scoped outages and online maintenance

FirstEnergy Generation to Market Strategy



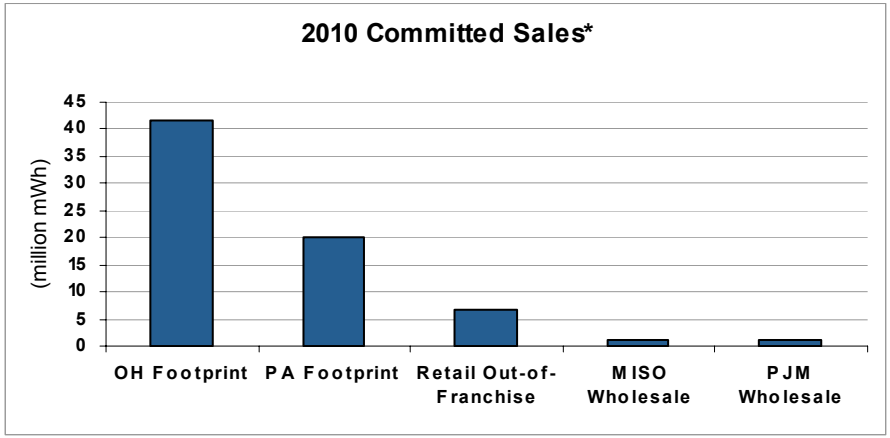
- **Capture substantial retail sales in FirstEnergy footprint**
- **Poised to capture upside of rising market**
- **Operating load-following units in response to market conditions**
- **Targeting structured wholesale opportunities in MISO & PJM**

***On August 17, 2009, FirstEnergy made a filing with FERC to integrate its operations into PJM**

FES Generation Position

2010E

- Total generation hedged (committed sales): 87%*
- Total FES 2010 forecasted generation output: 80.9 million MWH
- Total FES 2010 forecasted sales[1]: 94.7 million MWH
- Total FES 2010 generation revenue[2]: $56/MWH average
  - MISO[2]: $3.9 billion
  - PJM[2]: $1.4 billion



OH Footprint: Includes OH Auction POLR sales (51 tranches); tranches procured from other winning suppliers from other winning suppliers (26 tranches); and committed competitive retail sales (government aggregation and commercial/industrial sales)

PA Footprint: Includes Met-Ed/Penelec POLR sales and competitive retail sales in Penn Power

Retail Out-of-Franchise: Includes competitive retail sales in MISO and PJM (PA, IL, MD, NJ & non-FE Ohio)

MISO Wholesale: Includes contracted bilateral sales

PJM Wholesale: Includes contracted bilateral sales

***As of September 16, 2009; committed sales as a percent of generation output**

[1] Represents total generation sales in MISO and PJM, including purchases made for resale

[2] Includes revenues from the sale of energy, capacity, ancillary services and unregulated transmission-related revenues

Examples of Upcoming Opportunities

	Timing	Delivery Period	Product up for bid	Available Load
Duquesne RFP	Nov 2009	01/10- 5/10	Energy, Capacity, T&D Losses, Green, Congestion and Grid Management Fees	0.4 M MWHs Com
Met-Ed / Penelec	Jan 2010	01/11- 05/11	Energy, Capacity, Ancillaries, Congestion, Green	1.2 M MWHs Res 0.7 M MWHs Com 0.5 M MWHs Ind
Penn Power RFP	Jan 2010	06/10 - 05/11	Energy, Capacity, Ancillaries, Congestion, Green, NITs	0.4 M MWHs Res 0.3 M MWHs Com
PPL RFP	Jan 2010	1/11-11/11	Energy, Capacity, Ancillaries, Congestion, Green	2.0 M MWHs Res 1.4 M MWHs Com
West Penn Power RFP	Jan 2010	1/11-5/12 and 1/11-5/13	Energy, Capacity, Ancillaries, Congestion, Green	0.6 M MWHs Res 2.5 M MWHs Com
NJ BGS	Feb 2010	6/10-5/13	Energy, Capacity, Ancillaries, Congestion, Green, NITs	16.5 M MWHs Com
Met-Ed / Penelec	Mar 2010	1/11-5/11	Energy, Capacity, Ancillaries, Congestion, Green	1.2 M MWHs 0.7 M MWHs

Auction/RFP Components*

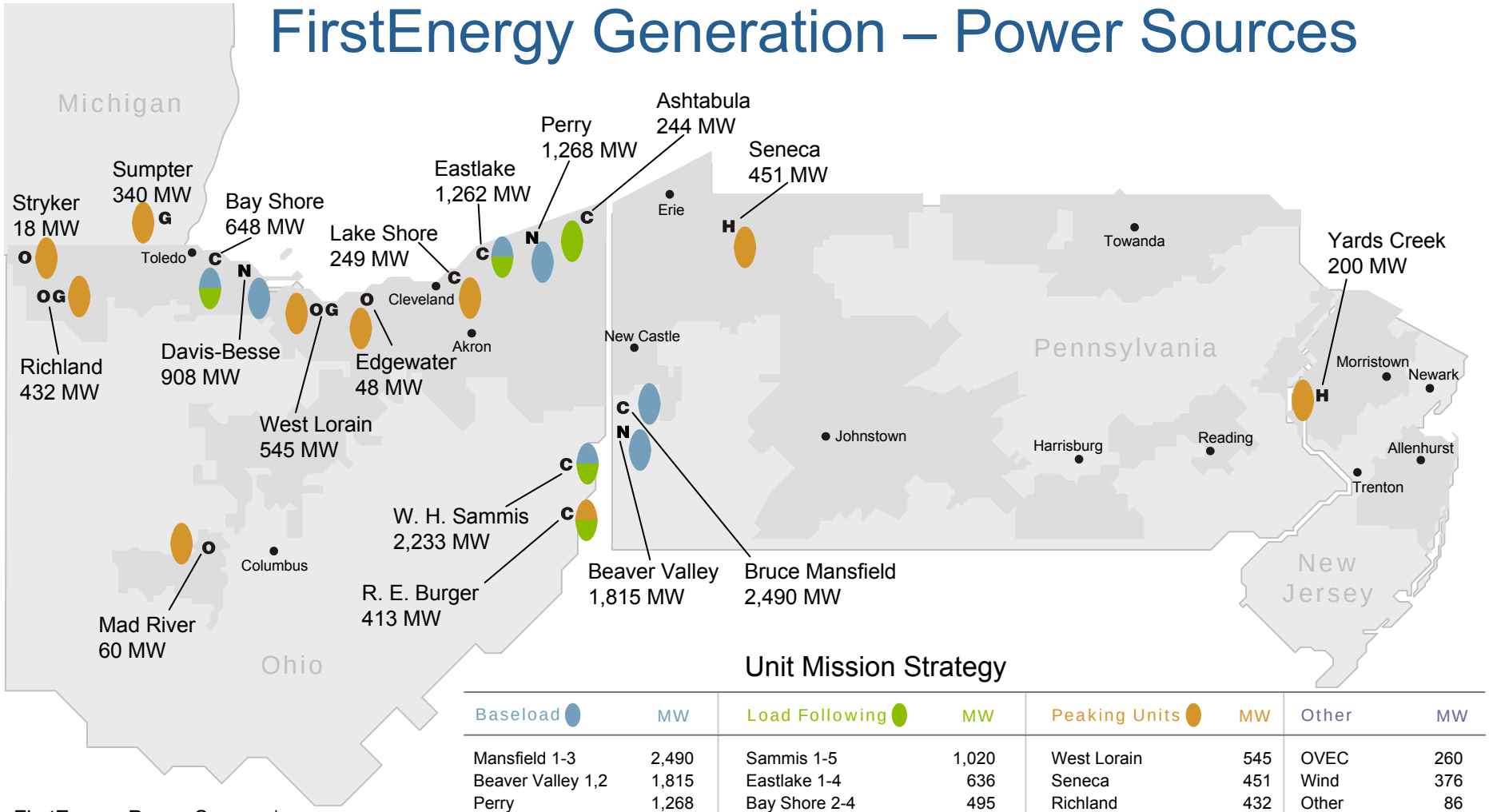
- Energy
- Capacity (DNR in MISO/RPM in PJM)
- Transmission
- Ancillaries
- Losses
- Load Shaping
- Congestion
- Renewable Energy Credits
- Liquidity Premium
- Collateral Costs
- Shopping Risk
- Margin

PJM RPM Capacity Prices				
Capacity Prices	2009-2010	2010-2011	2011-2012	2012-2013
Beaver Valley	$102.04	$174.29	$110.00	$16.46
Seneca (MACC)	$191.32	$174.29	$110.00	$133.37
OVEC	$102.04	$174.29	$110.00	$16.46

Prices are based on Base Residual Auction Prices

*Illustrative; components will vary according to procurement products up for bid and suppliers' view of market conditions

FirstEnergy Generation – Power Sources



Unit Mission Strategy

Baseload	MW	Load Following	MW	Peaking Units	MW	Other	MW
Mansfield 1-3	2,490	Sammis 1-5	1,020	West Lorain	545	OVEC	260
Beaver Valley 1,2	1,815	Eastlake 1-4	636	Seneca	451	Wind	376
Perry	1,268	Bay Shore 2-4	495	Richland	432	Other	86
Sammis 6,7	1,200	Burger 4 -5	312	Sumpter	340	**Total**	**722**
Davis-Besse	908	Lake Shore	245	Yards Creek	200		
Eastlake 5	597	Ashtabula	244	Burger 3 & EMDs	101		
Bay Shore 1	136	**Total Load Following**	**2,952**	Mad River	60		
Total Baseload	**8,414**			Edgewater	48		
				Stryker	18		
				Other	63		
				Total Peaking Units	**2,258**		

FirstEnergy Power Sources*

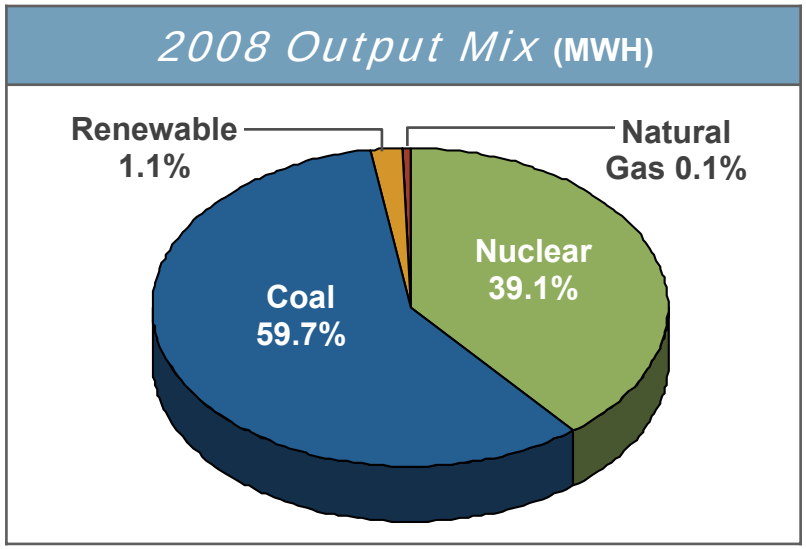
C Coal	7,469 MW
N Nuclear	3,991
H Hydro	651
G Gas & O Oil	1,513
■ Other	722
Total	14,346 MW

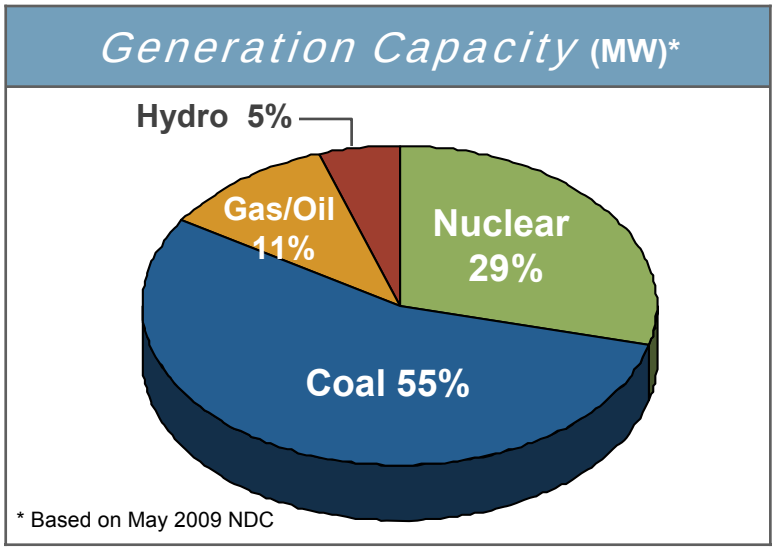
* As of May 31, 2009. Does not reflect the Fremont plant

Generation Fleet

Overview

- **Diversified generating fleet**
  - Balanced fuel mix
  - Participates in both MISO and PJM markets
- **Market-driven strategy**
  - Dispatch strategy optimizes performance and reliability
- **Well-positioned for environmental regulations**
  - CO_2 control – 34% of generation capacity is non-emitting





Realizing Full Potential of Generation Fleet

Mining Our Assets – incremental, low-risk investment approach to fleet expansion

Type of MW Addition	2005–2008	2009F–2011F	Cumulative MW
Fossil baseload uprates	**130**	**100**	**230**
Load following uprates	**0**	**205***	**205**
Pumped-hydro storage uprates	**16**	**0**	**16**
Nuclear baseload uprates	**213**	**21**	**234**
Efficiency and capacity factor improvements	**168****	**0**	**168**
Total MW additions	**527**	**326**	**853**

* Reflects projected recapture of Powder River Basin derates due to Signal Peak coal usage

** Reflects elimination of seasonal reductions in output due to summer temperatures on peaking units

- **Mining Our Assets benefits:**
  - Average capital cost is competitive vs. current market price of new capacity
  - Lower risk than large, long lead-time projects
  - Quicker to market
- **Factors impacting future generation asset decisions:**
  - Capacity and ancillary services market structure
  - Technological advances
  - Environmental regulations

Fossil Operating Performance

2008 Highlights

- Exceeded top-quartile performance in safety
- Achieved continuous improvement through fleet standardization of best practices, benchmarking, and Fossil key performance indicators
- Delivered margin opportunities through optimizing operational flexibility in fuel and dispatch strategies
- Continued to execute mining our assets strategies
- Improved outage performance

2009 Expectations

- Achieve top-decile performance in safety
- Focus on equipment health studies to align with business plans and proactively manage equipment reliability
- Drive outage planning and execution improvements to optimize duration and cost
- Leverage fuel blending strategies to optimize unit output
- Focus on employee development and retention of critical subject matter experts
- Continue to execute mining our assets strategies
- Execute testing, training and operation of AQC systems at Sammis Plant to assure safe and reliable operation

Fossil	2008	2009F
OSHA Incident Rate (per 100 employees)	**1.07**	**1.02**
Total Generation (million MWH)	**50.2**	**35.5**
Capacity Factor (Baseload %)	**83.8%**	**71.5%**

Nuclear Operating Performance

2008 Highlights

- Achieved top-quartile safety performance
  - DB: 9.3 million hours and 5 years without a Lost Time Accident
- Top-quartile INPO Index at three plants
  - BV1 (100), BV2 (98.4) & DB (97.9)
- Record generation, Forced Loss Rate and Capability Factor
  - Uprates at BV2 (5%) and DB (1.6%)
  - Record generation at BV1 (7.9 MMWH) and PY (10.7 MMWH)
  - BV1 achieved top-decile Forced Loss Rate (0.01%) and top-quartile Capability Factor (93.9%) (18-month avg)
- Completed 517 Perry Recovery Plan Actions and more than 22 modifications, refurbishments, repairs or projects under the Major Equipment Reliability Program

2009 Expectations

- Achieve top-quartile safety performance
- Execute all refueling outages efficiently and effectively
- Obtain Beaver Valley License Renewal approval
- Implement new NRC Fatigue Rule
- Continue Dry Cask Fuel Storage project at PY
- Continue Perry Recovery Plan and Major Equipment Reliability Program
- Execute NRC Emergency Preparedness Evaluated Exercise at DB
- Renew training programs' accreditation
- Conduct industry plant evaluations at DB and PY

Nuclear	2008	2009F
OSHA Incident Rate (per 100 employees)	**0.29**	**0.28**
Total Generation (million MWH)	**32.2**	**30.0**
Capability Factor (%)	**92.6**	**86.1**

Nuclear Generation

Refueling Outages Focus on Reliability

Year	Plant	Outage Duration (days)	Scope Driving Duration *(Items with asterisk* denote duration drivers)*
2009	Perry 12R	79 Completed	▪ Refueling* (Full Core Offload) ▪ 10-Year In-Vessel Visual Inspection / Bioshield In-Service Inspection ▪ Recirc Pump Motor Replacement ▪ Chemical Decon ▪ Containment Integrated Leak Rate Testing
	Beaver Valley 1R19	31 Completed	▪ Refueling ▪ Piping Insulation Replacement*
	Beaver Valley 2R14	37	▪ Refueling* ▪ Residual Heat Removal Coupling Modification ▪ Steam Generator Insulation Replacement ▪ Alloy 600 Mitigation ▪ Reactor Vessel Head Inspection / Repair*
2010F	Davis-Besse 16R	42	▪ Refueling* ▪ Alloy 600 – Cold Leg and Core Flood Nozzle – Mitigation ▪ Replace High Pressure Turbine
	Beaver Valley 1R20	37	▪ Refueling ▪ Reactor Coolant System Loop Stop Valves ▪ Low Pressure Turbine Rotor Replacement*

Nuclear Generation

Implementing Plans for the Future

- **Nuclear license renewal**

	Current Expiration	Submit Request (NRC Docket)	Approval Expected	New Expiration
Beaver Valley Unit 1	**2016**	**Submitted 2007***	**2009**	**2036**
Beaver Valley Unit 2	**2027**	**Submitted 2007***	**2009**	**2047**
Davis-Besse	**2017**	**2010**	**2012**	**2037**
Perry	**2026**	**2013**	**2015**	**2046**

* The NRC accepted the application for review.

- **Nuclear steam generator replacements**
  - Davis-Besse in 2014
  - Beaver Valley Unit 2 in 2017

Nuclear Generation

Implementing Plans for the Future

- **Nuclear spent fuel storage**
  - At the federal level, Yucca Mountain has been proposed as a site for long-term storage. If the Yucca Mountain Facility ever opens, FirstEnergy will be eligible to ship fuel starting four years after the opening date.

Beaver Valley Unit 1	▪ **Implement dry storage by the end of 2014**
Beaver Valley Unit 2	▪ **Re-rack before 2011** ▪ **Dry storage could then be implemented**
Davis-Besse	▪ **Continue with wet storage until 2021** ▪ **Switch back to dry storage in 2022**
Perry	▪ **Construction of dry storage facility underway; completion targeted by 2011**

Enhancing our Generation Portfolio

Fremont Plant Investment

- **FirstEnergy Generation Corp. acquired a partially complete 707-MW natural gas, combined-cycle generating plant in Fremont, Ohio**
  - Includes two combined-cycle combustion turbines and a steam turbine
    - 544 MW of load-following capacity and 163 MW of peaking capacity
  - Purchased in bankruptcy auction from Calpine Corporation for $253.6M
  - Calpine construction costs exceeded $300M
  - FirstEnergy has spent $64M through September 2009 and the estimated cost to complete is expected to be an additional $180M
  - Expected completion by year-end 2010
- **Key benefits to FirstEnergy:**
  - Expands fleet capacity and further diversifies generation mix
  - Low-emitting characteristics will further reduce our average CO_2 emission rate

Enhancing our Generation Portfolio

R.E. Burger Plant

- **Repowering of two coal-fired units located in Shadyside, Ohio, to generate electricity principally with biomass**
  - Units 4 and 5 currently provide a combined 312 MW of power
  - Estimated cost to retrofit units is approximately $209M
  - Expected to be complete by December 2012
  - At completion, expected to be one of the largest biomass facilities in the U.S.

Environmental & Renewable Energy

Producing Electricity in an Environmentally Sound Manner

- **FirstEnergy companies have spent more than $7B on environmental projects since the Clean Air Act became law in 1970**
- **Our power plant emissions rates are significantly lower than regional average**
- **Since 1990, we've reconfigured our fleet and avoided approximately 150 million tons of CO_2 emissions**

Environmental issues will continue to impact our fleet…

Carbon Legislation & Renewable Mandates

- **Evaluate impact of economic slowdown and new administration on environmental legislative agenda**
- **Environmental initiatives, regulations, legislation is dynamic and expected to follow view of new administration**

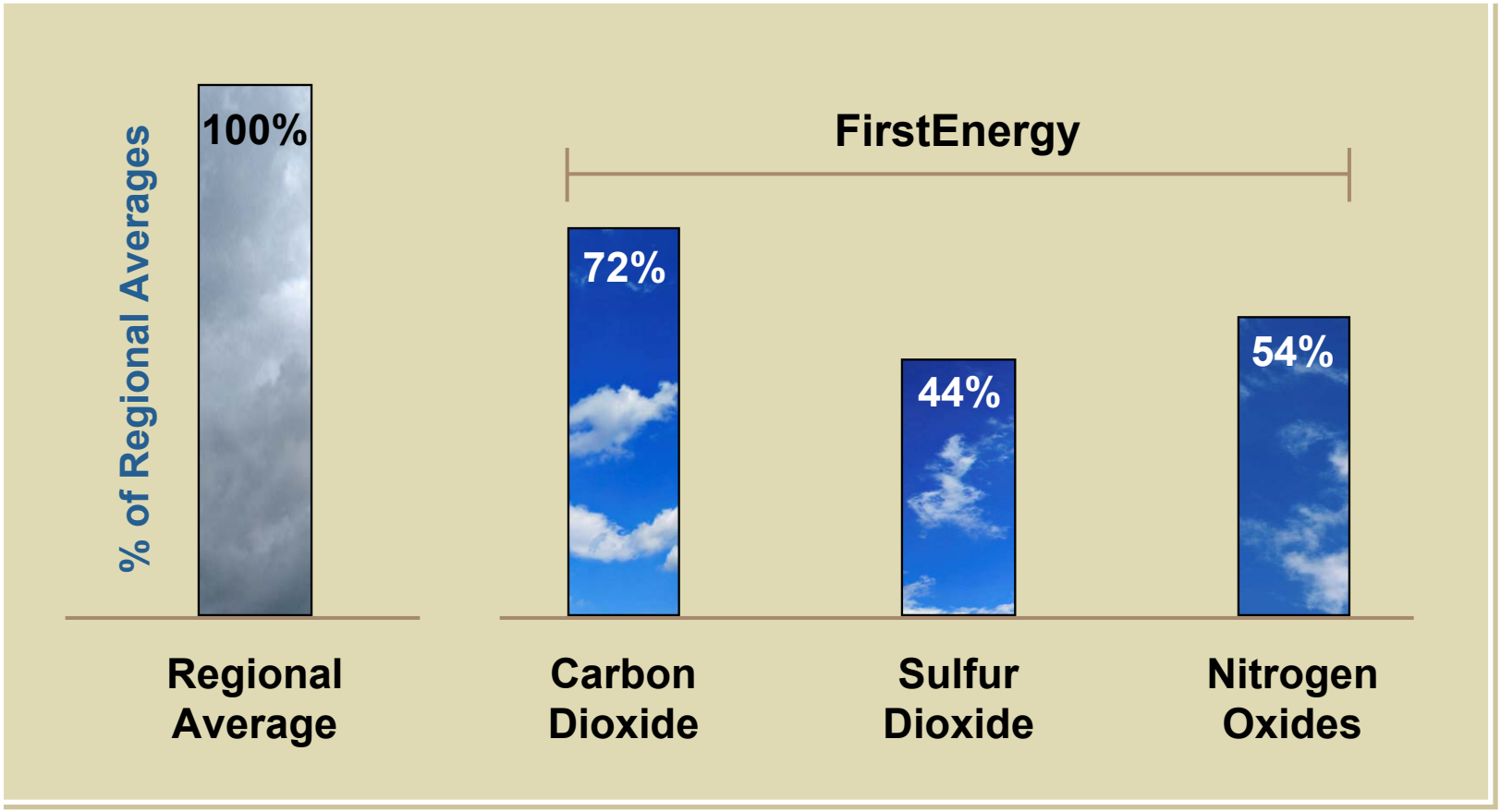
NSR Consent Decree Obligations

- **Sammis AQC Project on track to meet compliance deadlines**
- **R.E. Burger Plant to be repowered to biomass**

CAIR Uncertainty

- **Evaluating emission allowance positions and fleet-wide potential solutions**

FirstEnergy Emission Rates as a Percentage of Regional Generation Averages*



Source: 2008 regional emission rates from the Public Utilities Commission of Ohio (OH, PA, WV, KY, IN, MI)
***includes nuclear**

Environmental Status – Pending CO_2 Legislation

Our generation fleet is well-positioned for the future

- **Approximately 40% of FE's generation output comes from non-emitting nuclear generation**
- **Involved in CO_2 capture and sequestration R&D**
- **Long-term agreements for 376 MW of wind generation**
- **Two pumped-hydro energy storage plants (651 MW) enable improved utilization of wind and other renewable resources**
- **Recently announced conversion of our R. E. Burger Plant to utilize biomass**
- **Developing renewable, conservation and energy efficiency strategies**

Environmental Status – SO_2 and NOx

Our generation fleet is well-positioned for the future

A large percentage of our fleet is low- or non-emitting*

Fleet Emission Control Status				
	2009		2010	
	Net Demonstrated Capacity (MW)	Fleet %	Net Demonstrated Capacity (MW)	Fleet %
Non-Emitting	4,642	34%	4,642	34%
Coal Controlled:				
SO_2/NOx – full control	2,626	19%	3,882**	28%
SO_2/NOx – Scrubbed + SNCR	0	-	1,020***	8%
Natural Gas	1,183	9%	1,890	14%
	8,451	62%	11,434	84%

* Low-emitting includes coal units with SO2 and NOx control equipment and natural gas; non-emitting includes only nuclear generation

**Increase result of the completion of the AQC Project for Sammis Units 6 and 7

***Sammis Units 1-5

FirstEnergy's Position on Global Climate Change

- **FirstEnergy is committed to working with policymakers to develop fair and reasonable climate change legislation**
  - Goal of reducing global emissions of CO_2
  - Minimize economic impact on our customers
- **A market-based mechanism, such as cap and trade, could be used to cost-effectively achieve these reductions**
- **We believe legislators should seek to maintain the global competitiveness of our nation's businesses and industries**
- **We support:**
  - An economy-wide approach
  - Use of interim targets that align with available technology
  - Incentives that promote new technology
  - Cost-containment provisions such as a price collar
  - Federal pre-emption of existing state climate policies

Environmental Commitment

AQC Overview

- **Sammis Plant (2,220 MW) – $1.7B***
  - ✓ NOx control (SNCR) Units 1–5 (1,020 MW) ***completed***
    - – SO_2 control (scrubbers) all units
    - – NOx control (SCRs) Units 6 & 7
- **Mansfield Plant (2,490 MW) – $240M**
  - ✓ SO_2 control (scrubber) upgrades ***completed***
  - ✓ NOx control (SCRs) Units 1-3 ***completed***
- **Eastlake Plant – $6M**
  - ✓ NOx control (SNCR) Unit 5 (597 MW) ***completed***
- **R.E. Burger Plant – $215M**
  - ✓ NOx control (SNCR) Units 4 and 5 ***completed***
    - – Biomass repowering ($209M*)

* Represents projected total completion costs

Environmental Commitment

Sammis AQC

- **End state controls:**
  - SO_2 control (scrubbers) all units
  - NOx control (SCRs) Units 6 & 7
  - NOx control (SNCR) Units 1–5 (1,020 MW)
- **Sammis AQC Capital Spend**
  - 2009F: $410M
  - 2010F: $241M
  - 2011F: $12M

Environmental Commitment – Sammis AQC

Upgrades:

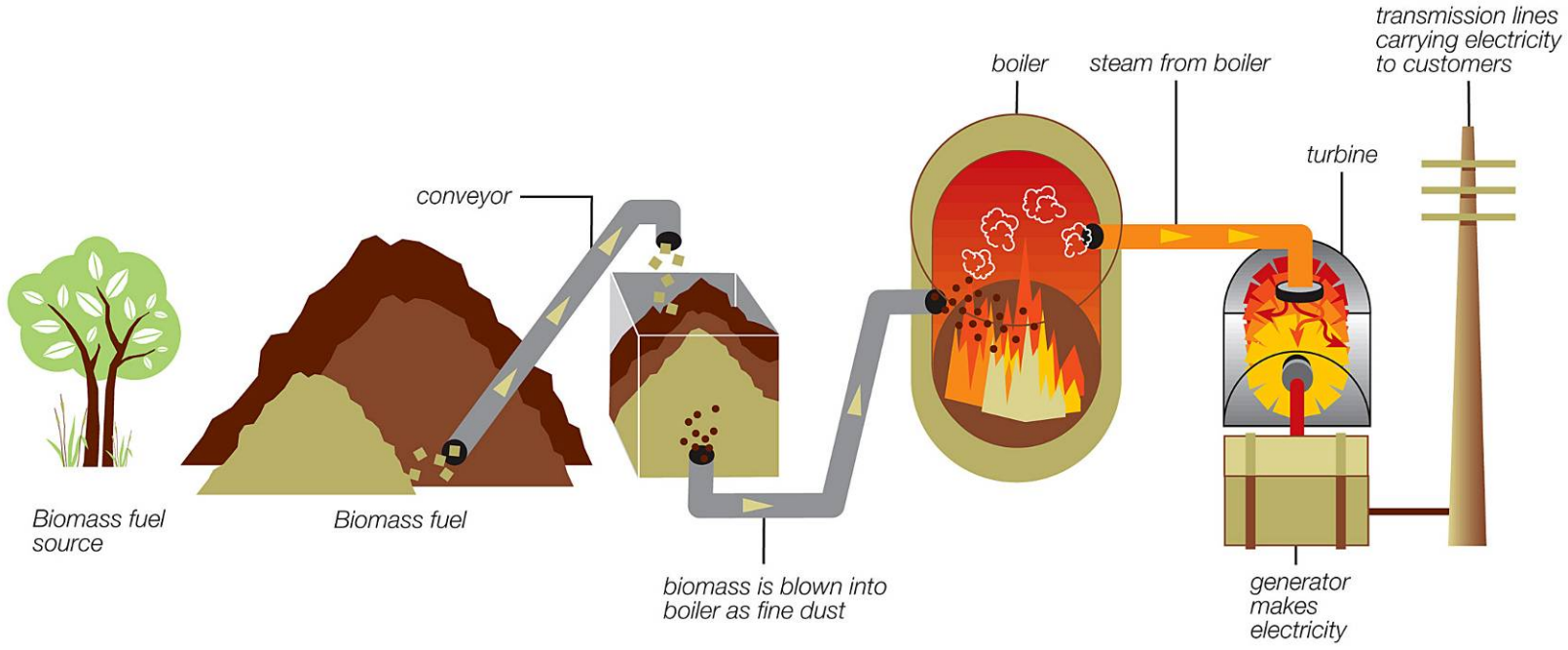
- **Flue Duct Work – 8,900 tons** (9,000 ft.)
- **Electrical Cable – 7,600 circuits** (400 miles)
- **Foundation Piles – 5,000 piles** (80 miles)
- **Concrete – 46,000 cubic yards**
- **Tons of Structural Steel – 14,800 tons**
- **DCS I/O Points – 7,450**
- **Large Bore Pipe – 78,300 ft.** (17 miles)
- **Small Bore Pipe – 22,300 ft.** (4.2 miles)
- **Overland "Pipe" Conveyor – 2.4 miles long**
- **Concrete Chimney – 850-feet tall, 94-feet in diameter with three, 32-foot diameter flues**

Sammis Plant with computer overlay of Wet Flue Gas Desulphurization (WFGD) equipment

Environmental Commitment

R.E. Burger Plant Retrofit

- **Conversion of coal-fired power plant to renewable biomass**
  - Increases fuel diversity
  - No net CO_2 emissions



FirstEnergy's Climate Technology Activities

Participating in Global Climate Change Policy

- EPRI Global Climate Policy Costs & Benefits Research
- EEI Climate Change Policy Subcommittee
- NEI Climate Change Policy Subcommittee

GHG Reduction Technologies & Voluntary Actions

- Asia-Pacific Partnership
- EPA SF_6 Reduction Partnership
- EPRI GHG Reduction and Electric Transportation Research
- Climate Vision
- DOE 1605(b) Voluntary Reporting of GHGs Program
- Powertree Carbon Company

Generation Initiatives

- Fossil plant efficiencies
- Nuclear plant uprates

CO_2 Capture and Storage Technologies

- MRCSP – R.E. Burger Plant Sequestration test well
- ECO_2 Carbon Capture – Powerspan
- EPRI research
- Power Partners
- Oxy Fuel – B&W
- Sorbent Research

End-user Energy Management

- NJ Clean Energy Program
- PA Sustainable Energy Fund
- Ohio Energy-efficiency Programs

Renewable Energy

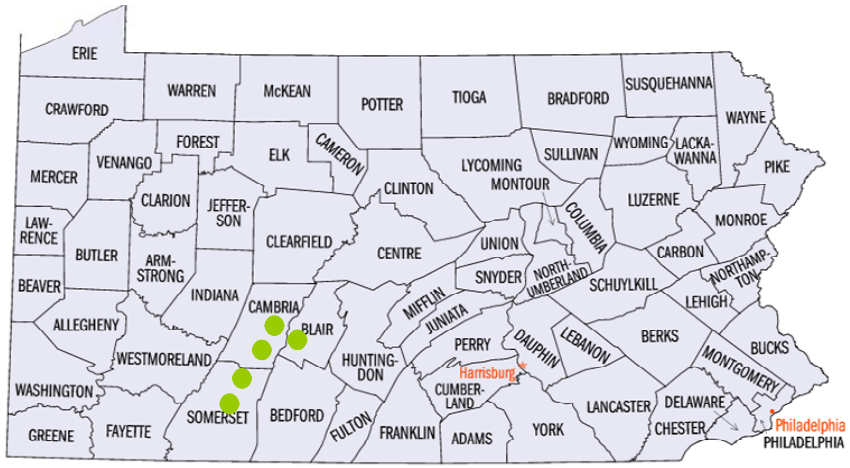
- 651 MWs Hydro
- 376 MWs Wind Purchase Agreements
- Planned Conversion of Burger Plant to biomass

Renewal of Nuclear and Hydro Plant Operating Licenses

- Continued operation of non-emitting generation

FirstEnergy Solutions Renewable Portfolio

Name	Location	Capacity (MW)	RECs/Year (GWh)
Allegheny Ridge	Pennsylvania	80	210
Casselman	Pennsylvania	35	90
Meyersdale	Pennsylvania	30	80
North Allegheny Ridge	Pennsylvania	70	185
Highland	Pennsylvania	62	160
High Trail	Illinois	99	305
Total		376	1,030



- **Leading wind energy supplier in Pennsylvania**
- **Average cost for 2009-2011 is well below current replacement cost**
- **Wind contracts term – generally 20 to 23 years**
- **Currently evaluating expansion of renewable portfolio, including:**
  - Solar
  - Compressed air
  - Biomass
  - Land fill gas
  - Anaerobic digestion
  - Storage technology

Renewable Energy – Ohio

Qualified Resources

Renewable	Solar
Wind	Solar Photovoltaic
Hydroelectric	Solar Thermal
Geothermal	
Solid Waste	
Biomass*	
Fuel Cell*	
Distributed Generation from sources above	

* With restrictions

Compliance Schedule

(as a % of retail sales)

Year	Total Renewable	Solar	Non Solar
2009	0.25%	0.004%	0.246%
2010	0.50%	0.01%	0.49%
2011	1.00%	0.03%	0.97%
2012	1.50%	0.06%	1.44%
2013	2.00%	0.09%	1.91%
2014	2.50%	0.12%	2.38%
2015	3.50%	0.15%	3.35%
2016	4.50%	0.18%	4.32%
2017	5.50%	0.22%	5.28%
2018	6.50%	0.26%	6.24%
2019	7.50%	0.30%	7.20%
2020	8.50%	0.34%	8.16%
2021	9.50%	0.38%	9.12%
2022	10.50%	0.42%	10.08%
2023	11.50%	0.46%	11.04%
2024	12.50%	0.50%	12.00%
2025	12.50%	0.50%	12.00%

Renewable Energy – Pennsylvania

Qualified Resources

Tier I	Tier II	Solar
Wind	Waste coal	Solar Photovoltaic
Low-impact Hydro	Distributed Generation	Solar Thermal
Geothermal	Demand-Side Management	
Biologically derived methane gas	Large-Scale Hydro	
Fuel cells*	Muni Solid Waste	
Biomass*	Generation from wood/pulping byproducts	
Coal mine methane	Integrated Combined Coal Gasification	

* With restrictions

Compliance Schedule

(as a % of retail sales)

Reporting Year (ends 5/31)	Tier I	Tier II	Solar
2007	1.50%	4.20%	0.0013%
2008	1.50%	4.20%	0.0030%
2009	2.00%	4.20%	0.0063%
2010	2.50%	4.20%	0.0120%
2011	3.00%	6.20%	0.0203%
2012	3.50%	6.20%	0.0325%
2013	4.00%	6.20%	0.0510%
2014	4.50%	6.20%	0.0840%
2015	5.00%	6.20%	0.1440%
2016	5.50%	8.20%	0.2500%
2017	6.00%	8.20%	0.2933%
2018	6.50%	8.20%	0.3400%
2019	7.00%	8.20%	0.3900%
2020	7.50%	8.20%	0.4433%
2021	8.00%	10.00%	0.5000%

Renewable Energy – New Jersey

Qualified Resources

Class I	Class II	Solar
Wind	Hydro (< 30 MW)	Solar Photovoltaic
Wave or Tidal	Resource recovery in NJ	Solar Radiation
Geothermal		
Landfill Methane Gas		
Fuel cells *		
Gas from anaerobic digestion of food waste and sewage sludge at biomass facility		
Biomass*		

* With restrictions

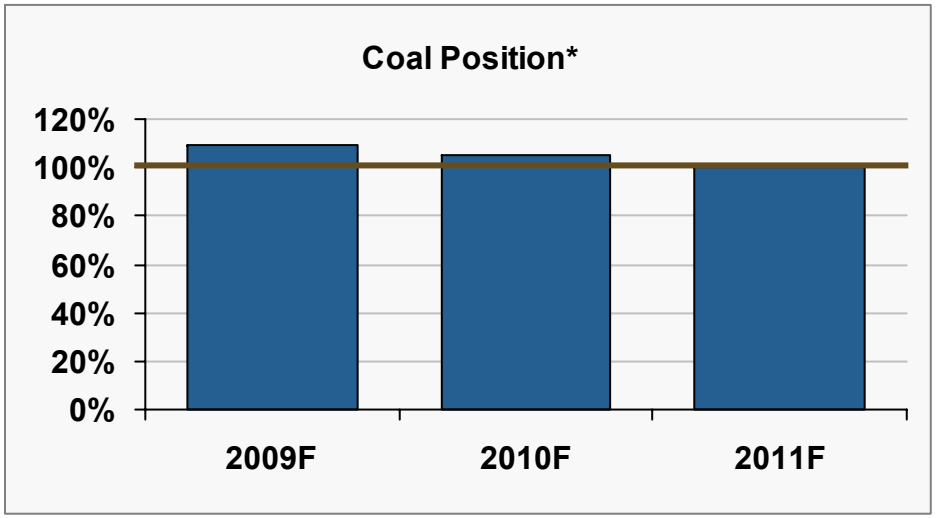
Compliance Schedule

(as a % of retail sales)

Reporting Year (ends 5/31)	Solar	Class I	Class II
2005	0.0100%	0.74%	2.5%
2006	0.0170%	0.983%	2.5%
2007	0.0393%	2.037%	2.5%
2008	0.0817%	2.924%	2.5%
2009	0.1600%	3.840%	2.5%
2010	0.2210%	4.685%	2.5%
2011	0.3050%	5.492%	2.5%
2012	0.3940%	6.320%	2.5%
2013	0.4970%	7.143%	2.5%
2014	0.6210%	7.977%	2.5%
2015	0.7650%	8.807%	2.5%
2016	0.9280%	9.649%	2.5%
2017	1.1180%	10.485%	2.5%
2018	1.3330%	12.325%	2.5%
2019	1.5720%	14.175%	2.5%
2020	1.8360%	16.029%	2.5%
2021	2.1200%	17.880%	2.5%

Commodity Operations

Commodity Position Overview



- **Delivered fuel costs are below current market prices**
- **Flexibility to manage future year emission positions**
- **Includes Signal Peak at year-end 2009**

Commodity Position	2009F	2010F	2011F
Emission Allowances			
SO_2	>100%	>100%	>100%
NOx – Annual	>100%	100%	93%
NOx – Seasonal	>100%	100%	100%
Nuclear Fuel**	100%	100%	100%

* As of 6/3/09, based on original 2009 generation forecast of 70.1 million MWH

**Enrichment, fabrication and uranium

Managing Commodity Risk Exposure

- **Total fossil fuel costs, including transportation, are below current market prices**
  - Coal commodity position:
    - Actively testing alternate fuel blends at various plants to optimize plant economics and flexibility
    - Engaged in fuel flexibility initiative to expand margins and fuel choices
    - Due to the decreased demand for power, we currently have a long coal position; however, we are working with our suppliers to reach a mutually agreeable solution
  - Coal transportation position:
    - Continuing to evaluate additional delivery options to increase both capabilities and flexibility
    - Enhanced rail unloading capabilities in process at Bay Shore and Lake Shore

All coal and coal transportation positions are secured for 2009, 2010, and 2011

- **Nuclear Fuel position is secured for 2009 through 2011**

Managing Commodity Risk Exposure

Investment in Signal Peak Energy

- **Strategic investment in Signal Peak mine operation located in eastern Montana**
- **Estimated annual output up to 12 to 14 million tons and reserves of approximately 440 million tons**
- **Equity investment of $134M; 50% interest in joint venture**
- **15-year coal agreement**
- **Concurrent rail agreements**

Managing Commodity Risk Exposure

Signal Peak Strategic Advantages

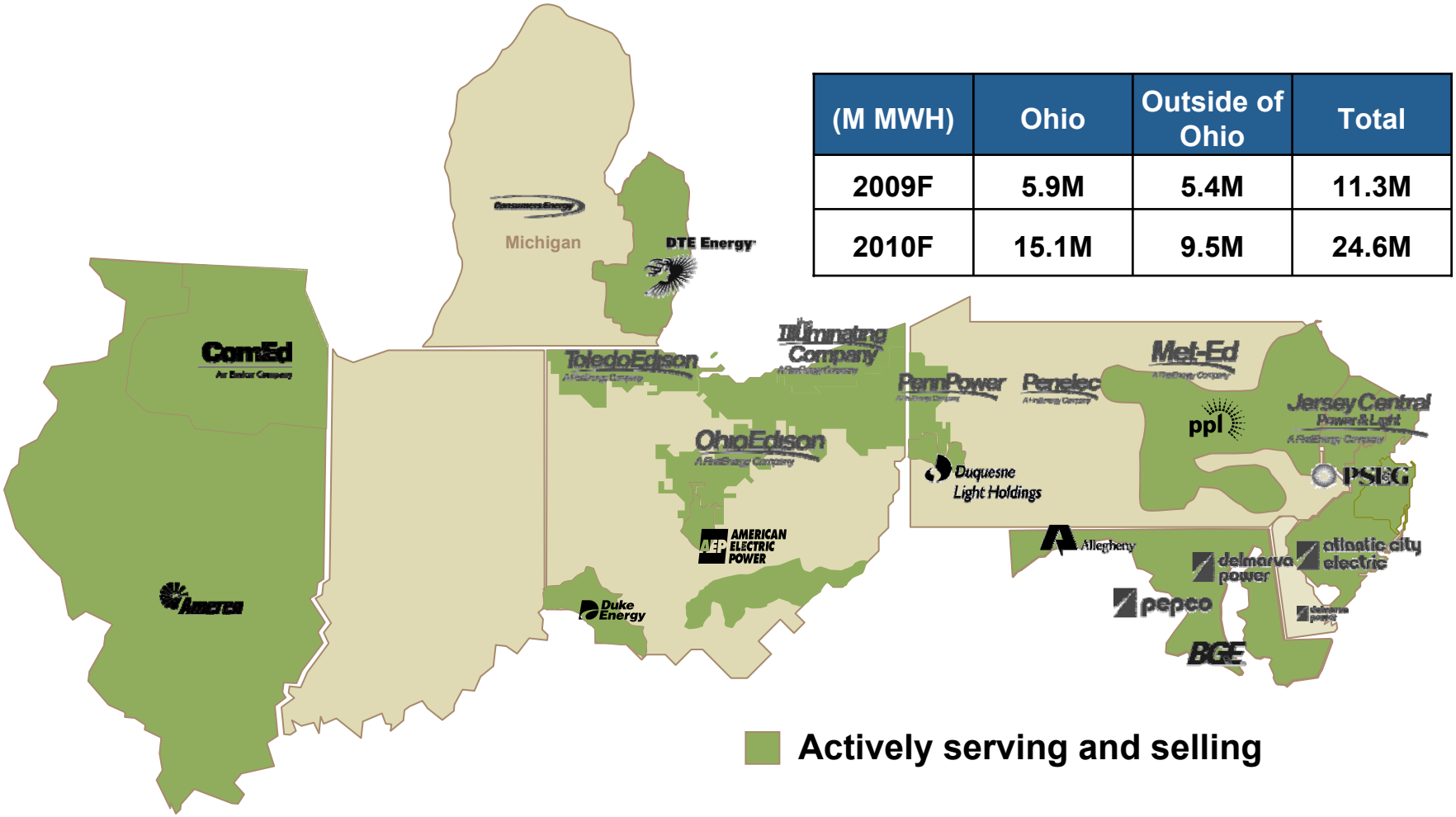
- **Long-term coal supply secured**
  - Delivery of up to 10M tons annually at competitive prices
  - Increased fuel optionality
  - Closes FirstEnergy coal position through 2013
  - Opportunity to resell tonnage not required for FirstEnergy facilities
- **Higher heat content vs. Powder River Basin**
  - 10,300 BTU vs. 8,800 BTU, resulting in higher production at FirstEnergy generating facilities
  - Avoided derates of approximately 170 to 205 MW
- **Environmental advantages**
  - 50% lower sulfur and ash content than eastern coal
  - Lower mercury content

Retail Operations

FES – Direct Customer Retail Strategy

Be the leading retail supplier in the FirstEnergy footprint and provide other complementary opportunities for our generation portfolio

(M MWH)	Ohio	Outside of Ohio	Total
2009F	5.9M	5.4M	11.3M
2010F	15.1M	9.5M	24.6M



Retail Business Overview

- **FES Retail business has successfully grown into one of the leading regional providers over the past decade**
  - Majority of competitive Retail sales are hedged with FES generation (minimizes business liquidity requirements)
  - Policies and Procedures governed by Corporate Risk and Executive Management
- **FES participates in competitive electric markets within MISO and PJM**
  - Targets markets in and around FES generation in Ohio, Illinois and emerging Pennsylvania deregulated electric markets, while having a presence in New Jersey, Maryland, and Michigan
  - Serves all classes of customers through direct contracts with Large Commercial and Industrial Customers (LC&I), Small Commercial & Industrial Customers (SC&I), Government Aggregators and Residential Customers
  - Utilizes a variety of sales channels including direct sales, agents, brokers, consultants, government aggregators and affinity groups
  - Executes an integrated Retail/Wholesale strategy in certain markets (FE Ohio, Penn Power, Duquesne), where FES supplies wholesale default (POLR) load and Retail acts as a hedge by securing customers through direct contracts (i.e., minimizes impact of shopping risk)

Retail Business Overview

Products

- **Fixed Block – A baseload product billing a fixed block in both time and quantity of energy at a pre-determined rate**
- **Fixed Price – A full requirements product billing all kilowatt-hours at a pre-determined rate**
- **Green Power – A voluntary Renewable Energy Credit (REC) product that is sold separately or in addition to electric generation sales**
- **Layered Index – A full requirements product billing all kilowatt-hours at a rate determined by the weighted average of priced layers (%'s of the total load)**
- **Locational Marginal Pricing – A full requirements product that bills based on fixed monthly fees and kilowatt-hour charges based on real-time market prices with fixed adders**
- **On-Peak, Off-peak – A full requirements product billing all kilowatt-hours consumed during specified on-peak or off-peak hours at a pre-determined rate**
- **Percent off Reference Rate – A full requirements product billing all kilowatt-hours at a percent off of a reference rate**
- **Seasonal – A full requirements product billing all kilowatt-hours consumed during meter reads in specified summer or winter months at pre-determined rates**
- **Tolerance – A full requirements product billing all kilowatt-hours within a band of usage at a pre-determined rate**

Retail Business Overview

Governmental Aggregation in Ohio

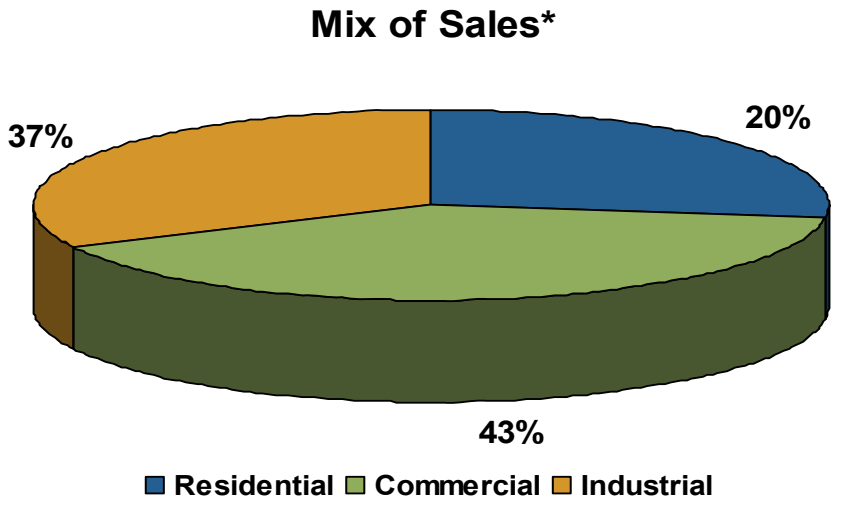
- **A community that has proactively sought and won a ballot issue which authorizes it to make an electric purchase decision on behalf of residents and small commercial customers. Unless customers take action to opt-out, they are enrolled.**
- **Retail transaction where FES provides retail generation service to a large number of residential and commercial customers under a similar agreement negotiated by FES and the community.**
- **50 communities under contract* with FES across OE, CEI and TE service territories**
- **Serving annually 6.0M MWH***
  - 3.3 million MWH Residential
  - 2.7 million MWH Small Commercial
- **500K – 600K customers**
  - Enrollments are in progress*
- **Contract term**
  - Majority run through May 2012
  - NOAC (Toledo group) term ends May 2011
- **Secures FE Ohio load beyond the next FE generation procurement**

***As of 8/31/09**

Retail Business Overview

Sales

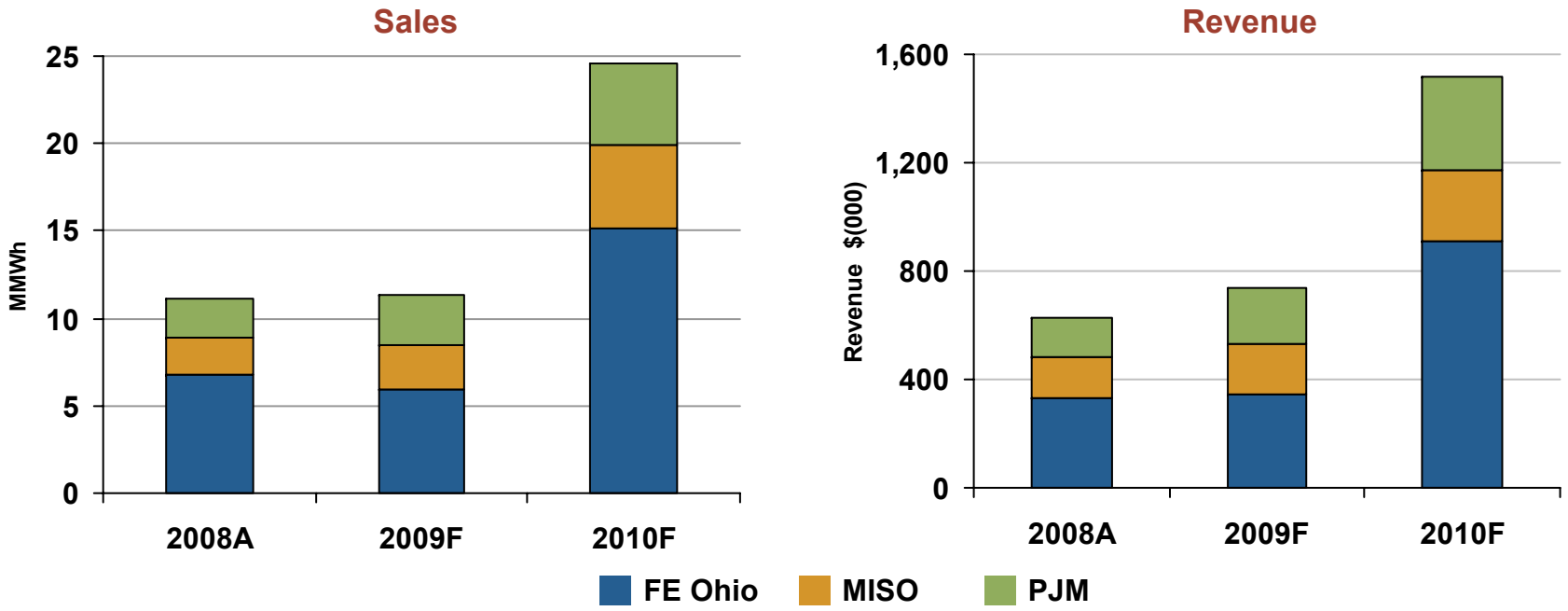
- **Sales & Marketing: 65 employees**
- **Total Backlog of MWH Under Contract***
  - 45.9M MWH retail sales volume
- **Revenue History**
  - 2004: $636.8 Million
  - 2005: $656.0 Million
  - 2006: $589.0 Million
  - 2007: $711.8 Million
  - 2008: $615.6 Million



***As of 8/31/09; represents expected total volume of MWH to be delivered over term of existing contracts**

Retail Business Overview

Forecast



- **All OH Customers returned to FE Utilities end of 2008 as contracts expired; OH customers began to return to FES in June 2009 under new contracts**
- **2009 & 2010 Strategy:**
  - Re-acquire and grow Ohio customer base
  - Continued growth in Illinois (Ameren & ComEd), Pennsylvania (Duquesne, Penn Power and PP&L) and Ohio (Duke, Columbus Southern)

As of August 2009
Total MWH under contract: 45.9M

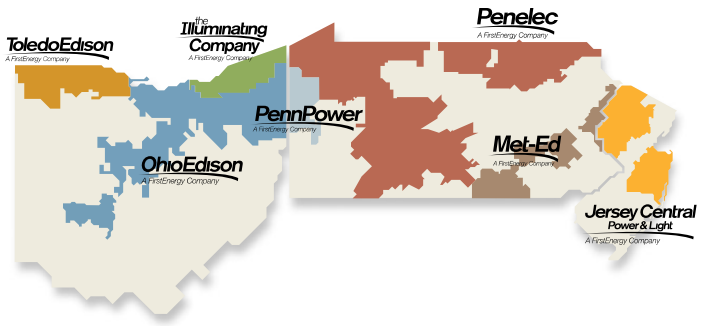
Regulated Operations

Regulated Utilities
Regulatory/Legislative Overview

Regulated Utilities

FirstEnergy Utilities

Strong and Stable Cash Flows



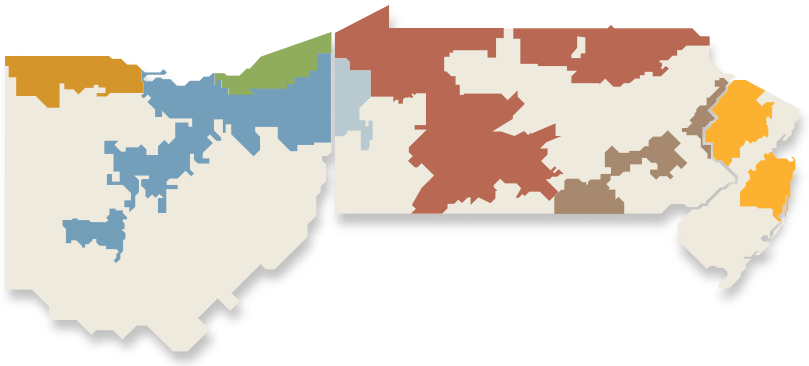
- **Strong, regulated operating companies**
  - Large, balanced customer base
  - Approximately 1/3 residential, 1/3 commercial, 1/3 industrial
  - Stable cash flow from rate plans
- **Transmission and distribution infrastructure upgrades to maintain/enhance system reliability and customer service**
  - 2008 – Average outage duration decreased by 3%
  - 2006-2008 – Outage duration improvement of 34%
  - 2008 – Transmission outage frequency reduced by 9%
- **Increased focus on energy efficiency, demand response and smart grid requirements**
  - Response to new legislation in OH, PA and NJ

FirstEnergy Utilities

8 Regulated Utilities Across Three States*

- **4.5 million customers in Ohio, Pennsylvania and New Jersey**
- **15,000+ miles of transmission and 118,000+ miles of distribution lines**
- **36,000 geographic square miles**

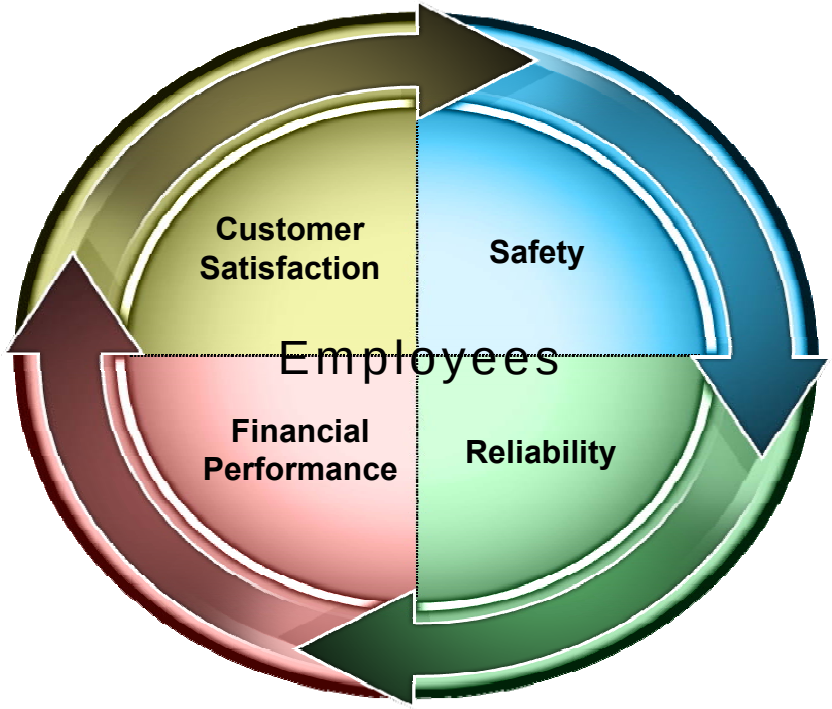
	Customers	Square Miles
Toledo Edison	312,000	2,300
Ohio Edison	1,040,000	7,000
The Illuminating Company	755,000	1,600
Penelec	590,000	17,600
Penn Power	160,000	1,100
Met-Ed	549,000	3,300
Jersey Central Power & Light	1,093,000	3,200
Total	4,499,000	36,100



*Includes American Transmission Systems, Inc. (ATSI)

FirstEnergy Utilities – Business Plan

The Backbone for Continuous Improvement



Focus on Fundamentals

- ✓ Safety
- ✓ Reliability
- ✓ Customer Satisfaction
- ✓ Financial Performance

2009 plan establishes aggressive performance targets

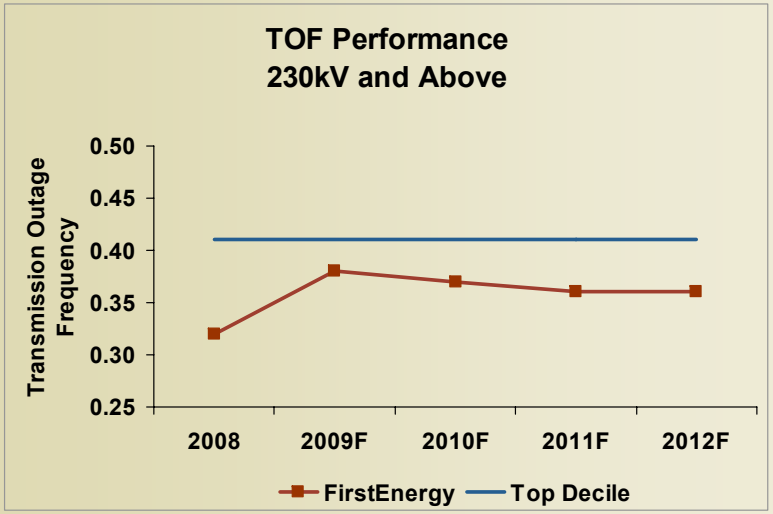
Focus on the Fundamentals

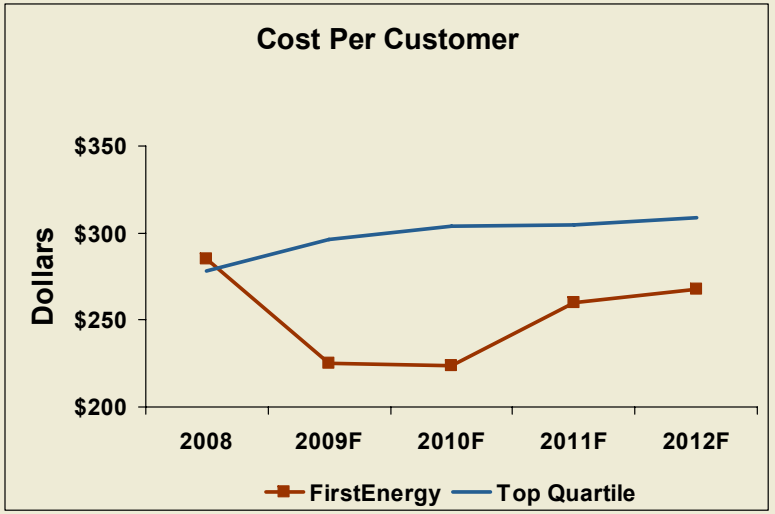
2009

	Goals
Safety	**Strengthen the safety program – personal accountability**
Reliability	**Sustain distribution reliability to meet or exceed regulatory standards and approach top-decile in transmission reliability**
Customer Satisfaction	**Drive towards industry top-performance on key operational measures**
Financial Performance	**Control spend to improve liquidity and enhance earnings in a period of economic uncertainty**

Focus on the Fundamentals

Striving to Achieve Industry Leading Performance





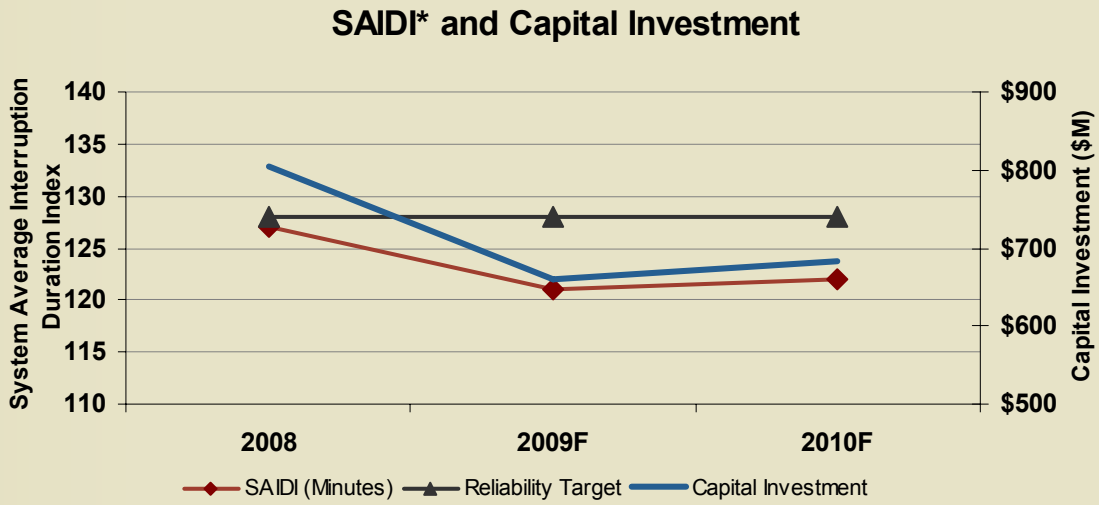
Top decile transmission outage frequency
Top quartile cost per customer

Focus on the Fundamentals

Reliability Goals

In 2009, our T&D investment is curtailed in response to the economic downturn . . .

- ✓ **Manage risks to reliability**
- ✓ **Target spend to provide "more bang for the buck"**



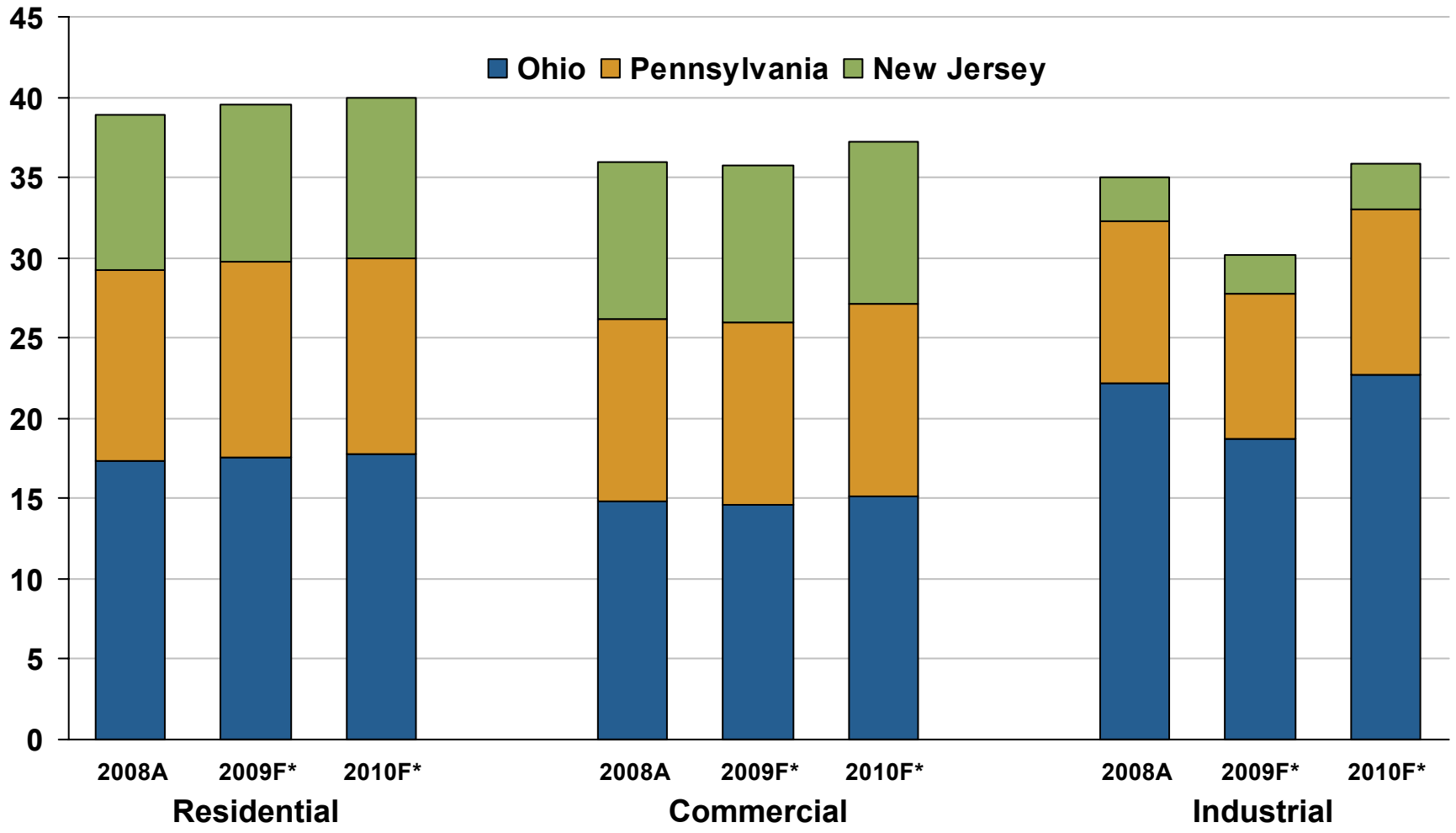
We will target distribution reliability to meet or exceed regulatory standards

Rate Base

Company	Rates Effective	Rate Base ($ millions)	Allowed ROE
Ohio Edison	January 2009	$1,251	10.5%
Cleveland Electric Illuminating	May 2009	$984	10.5%
Toledo Edison	January 2009	$414	10.5%
Jersey Central Power & Light	May 2005	$2,080	9.75%
Met-Ed	January 2007	$969	10.1%
Penelec	January 2007	$1,068	10.1%
Penn Power	May 1998	$654	12.9%

Electric Distribution Deliveries

(in million MWHs)



* As of 6/3/09

Regulatory/Legislative Overview

Regulatory Structure

	Generation	Transmission	Distribution	Transition Costs
Ohio Edison	Competitive Supply (CBP) through May 2011		Rates established 2009	RTC ended Dec. 31, 2008[1]
CEI				
Toledo Edison				
Penn Power	Competitive Supply (RFP)		Rates established May 1998	CTC ended Jan. 2006
Met-Ed	Fixed POLR rates through 2010	Pass through PJM costs	Rates established 2007	CTC through 2010[2]
Penelec				CTC through 2009[2]
JCP&L	BGS Competitive Supply		Rates effective June 2005	MTC through 2018

[1] RTC ended for OE/TE; CEI RTC reduced on June 1, 2009 and continues through December 2010
[2] NUG recovery thru 2020

Transition to Competitive Generation Pricing

Legislative History

- **Ohio**
  - Senate Bill 3 (original restructuring legislation), effective 1999
  - Amended Sub. S.B. 221, effective July 31, 2008
    - Required all utilities to file an Electric Security Plan initially; option to file a Market Rate Offer
    - Contains advanced/renewable energy standards and energy efficiency/demand reduction benchmarks
- **Pennsylvania**
  - Electricity Generation Customer Choice and Competition Act, effective 1997
  - Act 129, effective November 2008
    - Requirements for energy efficiency, demand reduction, smart meters and generation procurement
- **New Jersey**
  - Electric Discount and Energy Competition Act, effective 1999
  - New Jersey Energy Master Plan (EMP), effective 1977
    - Requires new EMP every 10 years and updates every 3 years

Transition to Competitive Generation Pricing

Status

- **Ohio**
  - Transfer of utility generation assets to competitive affiliate (FES) in 2005
  - PUCO approval of Amended Electric Security Plan March 2009
  - Utilities maintain POLR obligation at rates established based upon May 2009 competitive bidding process through May 2011
  - MRO filing with the PUCO October 2009 to establish generation pricing at conclusion of current Amended ESP
- **Pennsylvania**
  - Transition to competitive generation pricing completed for Penn Power in January 2007
  - Met-Ed and Penelec scheduled to transition to competitive generation pricing in January 2011
- **New Jersey**
  - Competitive generation pricing in effect
  - Basic Generation Service auction process (conducted annually in February) began in 2002

Ohio Regulatory Structure

Amended ESP Overview*

- **Generation supplied by FES to Ohio utilities at $66.68 during April and May 2009**
- **Approval for CEI to defer purchased power costs in April and May 2009**
- **December 2008 RFP process was not imprudent**
- **Competitive Bidding Process (CBP) conducted in May 2009 to set generation rates June 1, 2009 through May 31, 2011**
- **Renewable energy resource requirements will be met using a separate RFP process to obtain Renewable Energy Credits**
- **Distribution rate freeze through December 31, 2011, subject to limited exceptions**
- **Delivery Service Improvement Rider**
  - Average rate of $.002 per kWh produces approx. $113 million revenue annually for the Ohio utilities
  - Effective April 1, 2009 through December 31, 2011
- **Write-off of 50% of CEI's RTC balance (as of 5/31/09); reflected as special item in 1Q 2009 ($216 million)**

*ESP Filing in PUCO Case No. 08-935-EL-SSO

Ohio Regulatory Structure

Amended ESP Overview

- **Resolves recovery of all deferral balances that were not resolved in the distribution rate case**
  - Eliminates the need for additional filings to recover post date, certain balances or deferred fuel costs
  - Distribution rate case reduced risk associated with storm costs
- **Provides for the calculation of carrying charges on certain deferrals on a gross-of-tax basis instead of on a net-of-tax basis**
- **Several tariff riders established, many of which are adjusted quarterly, to recover changes in costs during the ESP timeframe**
  - Demand Side Management/Energy Efficiency Rider
  - Delta Revenue Recovery Rider
  - Non-distribution Uncollectible Rider
  - Distribution Uncollectible Rider
  - Generation Cost Reconciliation True-Up Rider

Ohio Regulatory Structure

Amended ESP Deferrals	Recovery	Amount* *(in millions)*			Total
		OE	CEI	TE	
2006/2007 Deferred Fuel Expense (reflects $10M write-off included in ESP)	Jan 2011 – Dec 2035	$116.2	$79.7	$34.0	$229.9
2005 Deferred Transmission Costs	April 2009 – Dec 2010	$23.4	$14.5	$6.0	$43.9
Incremental Line Extension Cost Deferrals (from Jan 2009 through Dec 2011)	Jan 2012 – Dec 2014	—	—	—	—
CEI Purchased Power Deferral (balance as of May 31, 2009)	June 2011 ≤ May 2021	—	$142.6	—	$142.6
Distribution Uncollectible Deferral (incurred after Dec. 31, 2008)	April 2009	—	—	—	—

Accelerated Recovery of Distribution Deferrals (approved by PUCO August 2009)	Recovery	Amount* *(in millions)*			Total
		OE	CEI	TE	
Deferred Distribution Cost Recovery Rider (recovers post-date certain (5/31/07) amounts)	Sept 2009 – May 2011 (Excluding summer months June – Aug 2010)	$139.2	$132.6	$10.1	$281.9
▪ RCP Distribution Deferral		$105.8	$124.1	$5.3	$235.2
▪ ETP Transition Tax Deferral		$19.3	$1.3	$1.6	$22.2
▪ Line Extension Deferral		$14.1	$7.2	$3.2	$24.5

*As of December 31, 2008 unless otherwise noted

Deferrals accrue carrying charges at 8.48% until recovery begins; thereafter at the then-embedded long-term debt rate of the combined companies until recovery is complete

Ohio Regulatory Structure

May 2009 Competitive Bidding Process – Overview

- **Descending clock auction conducted May 13-14, 2009**
- **Slice-of-system; 100 tranches; each tranche representing 1%**
- **Wholesale price resulting from CBP: $61.50/MWH, including transmission**
- **12 registered bidders**
- **9 winning bidders, including FES**
- **51 tranches won by FES**
- **Auction completed in 25 rounds**
- **PUCO Order issued May 14, 2009, certifying auction process**
- **No phase-in of generation rates elected by PUCO**
- **New rates effective June 1, 2009 through May 31, 2011**

Pennsylvania Regulatory Update

Status

- **Competitive generation procurement**
  - Penn Power POLR II case approved by PaPUC for June 2008 through May 2011 period
  - Met-Ed and Penelec competitive procurement proposal pending with PaPUC for generation rates January 1, 2011
- **Transmission service charge (TSC) rider**
  - PaPUC approved the annual updates to the TSC rider for the period June 1, 2008, through May 31, 2009 for Met-Ed and Penelec
  - PaPUC initiated investigation into reasonableness of Met-Ed's TSC
  - Procedural schedule includes:
    - Hearings (mid-January 2009)
    - Briefs filed (February 6); Reply briefs (February 20)
    - ALJ recommended decision agreed with company on all issues; PaPUC decision expected by end of 2009
  - PaPUC approved the annual updates to the TSC rider for the period June 1, 2009, through May 31, 2010 for Met-Ed and Penelec

Pennsylvania Regulatory Update

Penn Power POLR II Overview

- **Penn Power transitioned to competitive generation prices January 1, 2007**
- **Initial Penn Power POLR Plan implemented January 2007 through May 2008**
- **Penn Power POLR II approved by PaPUC for June 2008 through May 2011**
  - Multiple RFPs for residential and small commercial customers
  - Hourly pricing as default service for large commercial and industrial customers

Group	Term	RFP Schedule and Number of Tranches (50 MW each)							
		Feb 08	Mar 08	Apr 08	May 08	Oct 08	Jan 09	Oct 09	Jan 10
Residential	1 year	0	0	2	2	0	0	2	2
Residential	2 year	0	0	2	2	2	2	0	0
Small Commercial	1 year	3	4	0	0	3	4	3	4

Small Commercial

- RFPs held on Feb. 20 and Mar. 18 for June 2008 – May 2009
- Average price of winning bids was $80.49/ MWH (before line losses, administration fees and gross receipt taxes)

Residential

- RFPs held on Apr. 14 and May 14 for June 2008 – May 2010
- Average price of winning bids was $80.48/ MWH (before line losses, administration fees and gross receipt taxes)

Pennsylvania Regulatory Update

Met-Ed/Penelec Default Service Proposal

- **Settlement filed August 2009 with parties to the case; PaPUC order expected November 2009**
- **Covers default service for the period January 1, 2011 through May 31, 2013; uses competitive generation procurement via descending clock auctions**
- **Procurement schedules vary by customer class (residential, commercial, industrial) and will be conducted in:**
  - January, March, May, October 2010, and
  - January, March, May, October 2011
- **Residential procurements include a mix of full requirements, fixed block, and spot purchases; other classes based on full requirements**
- **Includes provisions regarding Retail Market Issues, such as:**
  - Access to customer information
  - Billing
  - Customer education
  - Purchase of receivables program

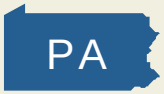
New Jersey Regulatory Update

New Jersey Energy Master Plan (EMP)

- **Governor released NJ EMP goals on October 22, 2008**
  - Reduce energy consumption 20% by 2020
  - Reduce peak electricity demand 5,700 MW by 2020
  - Meet 30% of the state's electricity needs from renewable resources by 2020
  - Examine smart grid technology
  - Invest in innovative clean energy technologies and businesses to stimulate the industry's growth in New Jersey
- **Governor to establish a State Energy Council to review progress on EMP recommendations**
- **JCP&L actively involved in process**

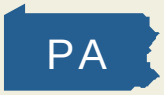
Regulatory Landscape

Energy Efficiency

	Requirements
	■ Senate Bill 221 *(July 31, 2008)* – Energy reductions (0.3% – 2009; 22.5% – 2025) – Peak demand reductions (1.0% – 2009; 7.75% – 2018) – Alternative energy requirements (25% - 2025) – Renewable energy resources (0.25% - 2009; 12.5% - 2024) – Continues to push strongly for AMI to support energy efficiency
	■ House Bill 2200 (Act 129) *(November 14, 2008)* – Energy reductions (1% – May 31, 2011; 3% – May 31, 2013) – Peak demand reductions (4.5% – May 31, 2013) – Full Smart Meter deployment over 15-year lifecycle ■ Alternative Energy Portfolio Standards Act – Alternative energy requirements (18% – 2021)
	■ New Jersey Energy Master Plan *(October 22, 2008)* – Energy reductions (20% – 2020) – Peak demand reductions (5,700 MW for all utilities – 2020) – Alternative energy requirements (30% – 2020) – Required development of "21st Century Energy Infrastructure Master Plan" that supports the goals and action items of the Energy Master Plan: – Identify the necessary upgrades to each utility's infrastructure to ensure the reliability of the system – Identify the Smart Grid technologies that will support the goals and action items in this plan

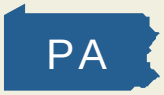
Regulatory Landscape

Advanced Metering Infrastructure (AMI) activity is increasing in all FE territories

	Requirements
	▪ Commission Order to conduct a study of AMI and other modern grid technologies and deployment options for those technologies that will potentially benefit customers – Initial filing June 1, 2009 – Final filing August 14, 2009 ▪ ESP commitment to develop a proposal to pursue Federal Stimulus funding that might be available for smart grid investment.
	▪ Smart Meter deployment required in ACT 129 – Requires new meter technology installations at all new structures, at a customer request, and as replaced in mandated 15-year lifecycle. – All customer meters fall within the replacement requirement mandated 15-year lifecycle – Cost recovery through adjustable rider (net direct benefits) – FE Smart Meter procurement and implementation plan filed August 14, 2009
	▪ Energy Master Plan does not mandate specific technology or method to achieve energy efficiency or demand response – Utilities will be required to pilot technologies and rate structures to achieve energy efficiency and peak reductions and may include “end use technologies such as ….. AMI” – Individual utility master plans are required to contain advanced Smart Grid components

Regulatory Landscape

FE proposed investing $114 million on "smart grid" technologies as part of August 2009 application for economic stimulus funding

	▪ CEI service territory – Smart grid components, including distribution automation, voltage control, and advanced protection equipment will be installed to enhance service reliability. – In addition, 5,000 smart meters will be installed - with the potential to install 39,000 more - and used in conjunction with new information systems and a special pricing program to help customers save money by better managing their electricity use, especially during times of peak demand.
	▪ Met-Ed service territory – A voluntary load control program for 14,000 customers will help reduce peak demand through an integrated system that directly controls air conditioners and other customer appliances during periods of high usage. – In addition, deployment of distribution automation and related technologies will help improve the reliability and efficiency of the system. All of these smart grid improvements will be supported by two-way communications.
	▪ JCP&L service territory – Expanding on smart grid technologies installed earlier this year, the project will use many of the same technologies and features being introduced in Pennsylvania. – This voluntary load control program involving 20,000 customers in New Jersey has the potential to reduce peak load by 30 megawatts.

Smart Grid

Pilots are Under Way

NJ Pilot	■ Integrated Distributed Energy Resource Pilot (8MW – 2009; 15MW – 2010) – Operational and market-based benefits at three substations to provide utility operations with real-time system peak demand reduction control based on pre-defined utility operational rules – New Jersey Board of Public Utilities-approved cost recovery

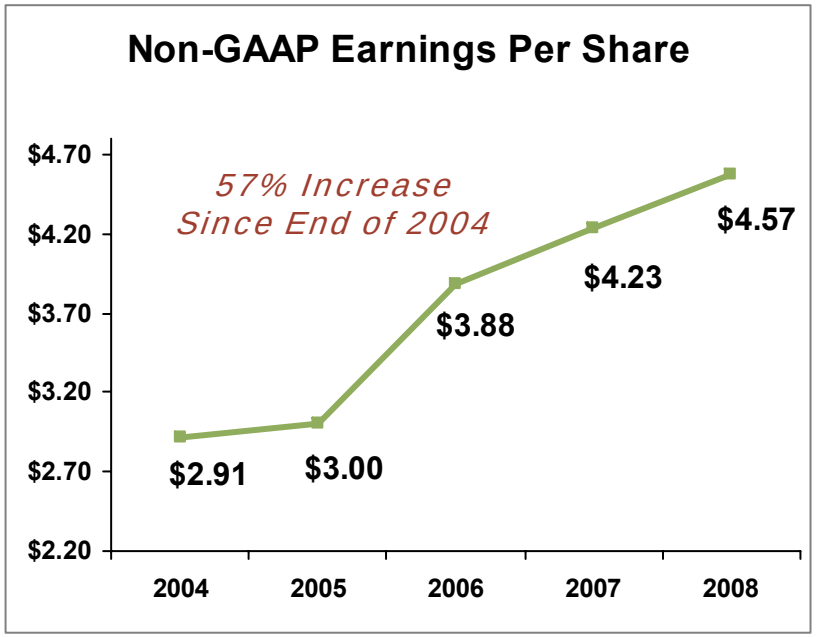
Industry Collaboration	■ EPRI Green Circuits (2008-2010) – T&D loss reduction studies (OH, PA and NJ) – Applicable to OH/NJ requirements; not PA requirements
Reliability Improvement	■ Distribution Automation (2008-2010) ■ Transmission Fault Location (2008-2010) ■ Substation Data Integration (2008-2011)

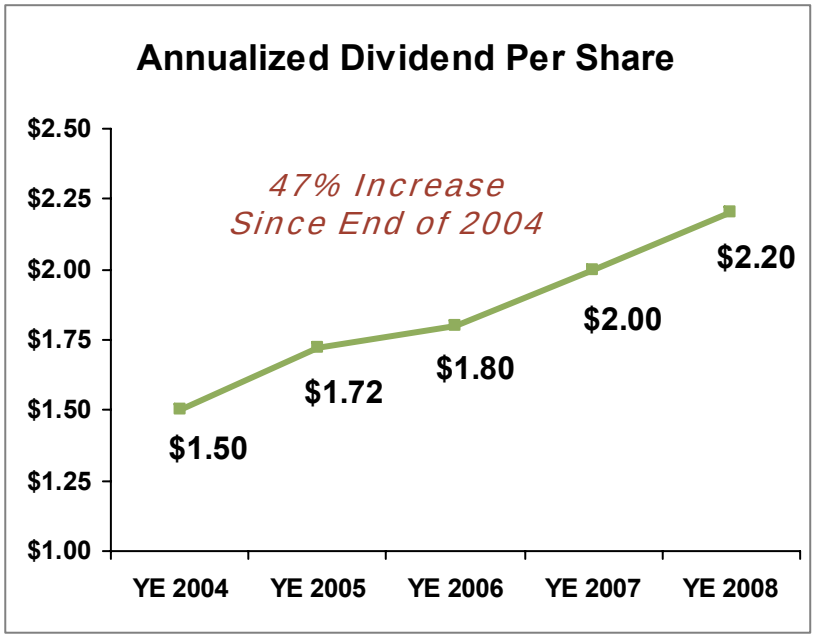
- **Effectiveness of the pilots will guide our future strategy**

Financial Overview

We Have Built a Strong Foundation

- **Financial Performance**
  - Consistent earnings and dividend growth
  - Record 2008 non-GAAP earnings of $4.57 per share
  - $2.2 billion cash from operations in 2008





2008 – Key Accomplishments

- **Record non-GAAP earnings – $4.57 per share**
  - Consistently met FirstEnergy's earnings guidance over the past five years
- **Record generation output – 82.4 million MWH**
- **Improved Energy Delivery reliability metrics**
  - SAIDI
    - 3% improvement in 2008
    - 34% improvement since 2005
  - Transmission Outage Frequency
    - 9% improvement in 2008
    - 26% improvement since 2005
- **Maintained dividend – $2.20 per share**
- **Strengthened liquidity position**
  - Cash from operations – $2.2 billion

We Are on the Right Path

- **Prepared to address impact of recession in 2009 and beyond**
  - 2009 targeted O&M reductions of $330 million
  - Captured $242 million through end of third quarter 2009 (vs. 2008)
    - $106 million market-based operations
    - $136 million regulated operations
- **Aggressive cost controls**
  - Actions targeted to strengthen core competencies will enhance positive momentum as the economy and prices recover

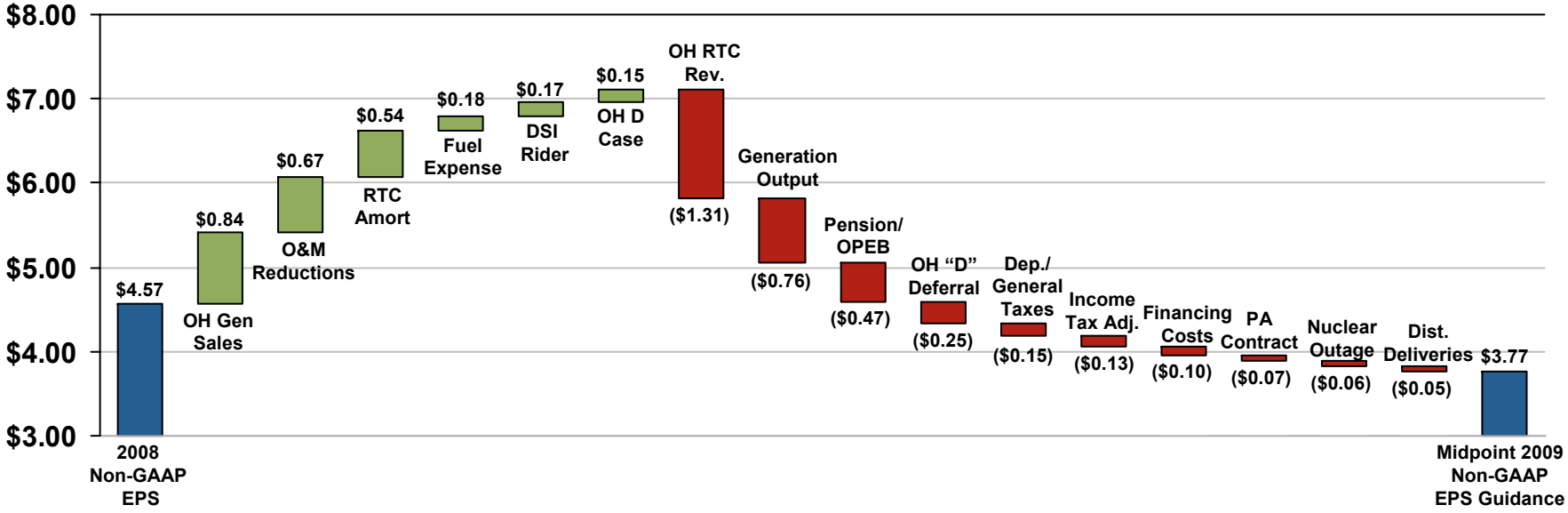
---

*2009 non-GAAP earnings guidance of $3.70 to $3.80 per share**

**** See GAAP to non-GAAP reconciliation in Appendix page 127***

2009 Financial Guidance: Non-GAAP earnings guidance: $3.70-$3.85*

$/share



Capital Expenditures	2008A	2009F
Energy Delivery	$806	$660
FENOC	133	251
Fossil	390	237
Corporate & Other	183	38
Subtotal	$1,512	$1,186
AQC	$638	$412
Total	$2,150	$1,598

Financial Metrics**	FE Corp	FES	Util.
FFO – Interest	3.9x	7.5x	2.9x
FFO – Debt	20%	29%	15%
Debt – Capital ***	58%	56%	59%

- $600M in reduction already completed
- Continue to right-size the organization in recognition of economic conditions
- Pension, RTC amortization and OH deferral – are all non-cash items

* As of 6/3/09; Revised to $3.70 -- $3.80 on 10/27/09; See 2009 GAAP to Non-GAAP reconciliation on page 127 ** As of December 31, 2009 *** Excludes accumulated other comprehensive loss

2009 Waterfall Chart – Positive Earnings Drivers

Positive Drivers*	Amount (in millions)	EPS
Ohio generation sales – Higher prices on generation sales more than offset lower volumes from decreased demand	**$410**	**$0.84**
O&M reductions – Represents anticipated cost savings from staffing adjustments, changes in compensation structure, fossil plant outage schedule changes and general cost-saving measures	**$330**	**$0.67**
Reduced Regulatory Transition Charge (RTC) amortization expense – Reflects the end of transition cost amortization for OE and TE under the Rate Certainty Plan (RCP), offset by an increase in CEI RTC amortization expense	**$267**	**$0.54**
Lower fuel expenses – Resulting from a lower forecasted volume of generation output	**$90**	**$0.18**
Ohio delivery service improvement rider – Resulting from the Ohio Amended ESP - $2/MWH charge for distribution services	**$81**	**$0.17**
Ohio distribution rate increase – Reflects approval by the PUCO on January 21, 2009, of an annual increase of $137 million less amortization of regulatory assets of $53 million, adjusted to reflect partial recovery in 2009 due to January 23, 2009, effective date for OE and TE rates and May 1, 2009, effective date for CEI rates	**$75**	**$0.15**

* As of 6/3/09

2009 Waterfall Chart – Negative Earnings Drivers

Negative Drivers*	Amount (in millions)	EPS
Reduced Ohio RTC recovery – Represents the full-year impact of the end of RTC recovery for OE and TE and reduced recovery at CEI projected to begin in June 2009	**$642**	**($1.31)**
Generation output – 2009 output is projected to be 70.1 million MWH; 2008 output was 82.4 million MWH	**$375**	**($0.76)**
Increased Pension/OPEB expense – Reflects expense of ($0.35) per share in 2009 versus income of $0.12 per share in 2008, due primarily to market-related declines in the value of plan investments	**$230**	**($0.47)**
Reduced Ohio distribution reliability deferral – End of deferral accounting approved under the RCP, net of over-recovery of OE and TE RTC in 2008	**$125**	**($0.25)**
Income tax adjustments – Due to 2008 tax settlements		**($0.13)**
Increased depreciation	**$60**	**($0.12)**
Higher financing costs – Primarily due to increased interest associated with new debt issuances partially offset by lower interest rates	**$50**	**($0.10)**
Change in third-party power supply contracts for Met-Ed/ Penelec totaling 4.5 million MWH – The end of these contracts results in increased purchased power expense of $7.50 per MWH for Met-Ed/Penelec. Additionally, FES is obligated to replace this supply at a price of $41.50, resulting in a lost wholesale sales opportunity	**$34**	**($0.07)**
Additional nuclear refueling outage – One extra nuclear refueling outage in 2009	**$30**	**($0.06)**
Lower distribution deliveries – Approximately 3% load reduction in 2009 driven by the industrial sector	**$25**	**($0.05)**
Increased general taxes	**$15**	**($0.03)**

* As of 6/3/09

The impact to ’09 earnings is not the result of operations, but principally the result of the stock market decline, our ongoing AQC capital project and 2008 income tax adjustments

Ohio Generation Sales	$ 0.84/Share
RTC Amortization	0.54
Ohio RTC Revenue	(1.31)
Distribution Deliveries	(0.05)
Net	$ 0.02/Share

O & M Reductions	$ 0.67/Share
Fuel Expense	0.18
Generation Output	(0.76)
Nuclear Outage	(0.05)
Net	$ 0.04/Share

DSI Rider	$ 0.17/Share
Ohio Distribution Case	0.15
Ohio Deferral	(0.25)
Pennsylvania Contract	(0.07)
Net	$ 0.00/Share

Pension/OPEB	($ 0.47/Share)
Financing Costs	(0.10)
Depreciation/Gen Taxes	(0.15)
2008 Income Tax Adj.	(0.13)
Net	($ 0.85/Share)

2010 – Key Earnings Drivers

Positive Drivers (vs. 2009)*	Amount (in millions)
Generation Margin – Represents increased generation output 80.9 million MWH in 2010 vs. 70.1 million MWH in 2009 (+$435M); reduced sales and $/MWH related to OH POLR (-$740M); increased competitive retail sales in MISO and PJM and increased wholesale sales (+$425M)	**$120**
Signal Peak Margin – Represents full-year gross margin from Signal Peak operations	**$75**
Distribution Sales – Represents increased distribution sales of 113.5 million MWH in 2010 vs. 106 million MWH in 2009	**$50**
Ohio Distribution Revenue – Represents full-year recovery of distribution rate increase effective January 23, 2009 for OE/TE and May 1, 2009 for CEI ($21M) and increase in KWH tax revenue ($21M), which is offset by a general tax increase (see 2010 negative drivers) and amortization of regulatory assets ($13M)	**$42**
O&M Reductions– Represents general corporate O&M reductions and a full-year of certain 2009 reductions	**$35**
Ohio Delivery Service Improvement (DSI) Rider – Represents full year of DSI revenue (Rider effective April 1, 2009) and increased volume in 2010	**$29**

* As of 6/3/09

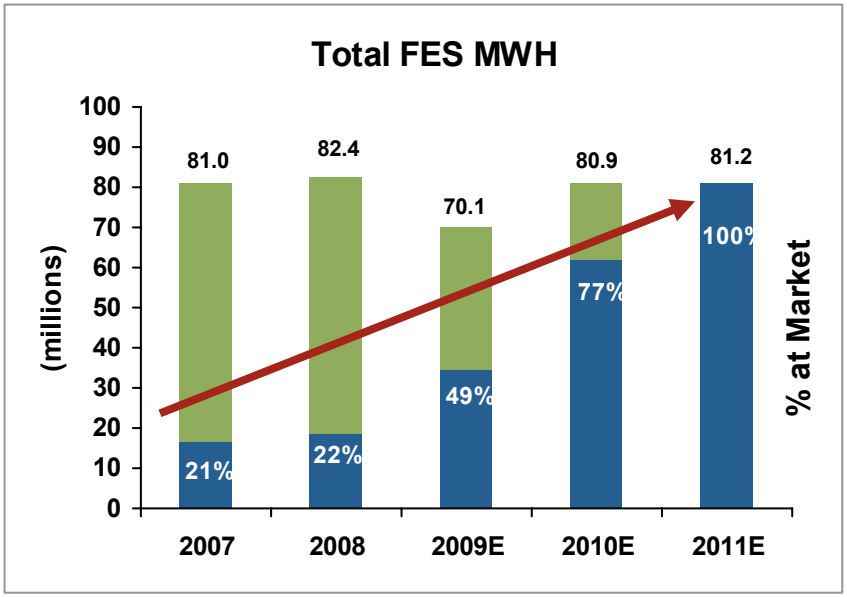
2010 – Key Earnings Drivers

Negative Drivers (vs. 2009)*	Amount (in millions)
Fuel and Purchased Power – Represents increased fuel expense primarily due to higher generation output in 2010 vs. 2009 and capacity purchases	**$200**
Reduced Ohio RTC margin – Represents RTC margin realized in early 2009 at CEI; for the second half of 2009 and in 2010, CEI RTC revenues and amortization expense are projected to be offsetting	**$84**
Financing Costs – Represents increased financing costs related to planned utility debt issuance at CEI and Penelec	**$65**
General Taxes – Represents increases in OH KWH tax, PA gross receipts tax and extractive and other taxes related to Signal Peak ($17M)	**$55**
Depreciation – Represents increased capital expenditures for the wires business, Signal Peak operations and asset retirement obligations	**$50**

* As of 6/3/09

2011 Earnings

- **2011 earnings will be driven by 100% of our generation, and for the first time, be 100% market-based pricing**



Represents 100% of FES' generation fleet production

***On August 17, 2009, FirstEnergy made a filing with FERC to integrate its operations into PJM**

Based on MISO* market forward prices and a shaping multiplier, 2011 upside revenue approaches $1.6 billion

2011 Prices	**$70 – $80 / MWH**
vs.	
2009 Prices	**$60 / MWH**
Increase	**$10 – $20 / MWH @ 80 million MWHs**
Revenue Opportunity	**$800M – $1.6B**

2011 – Key Earnings Drivers

- **Positive drivers**
  - Met-Ed and Penelec RFP – 20 million MWH at market
  - Ohio Auction – 55 million MWH at market
  - Recovery of prior regulatory deferrals in place
  - Economic recovery
  - Commodity prices
- **Negative drivers**
  - O&M expenses
  - Fuel and purchased power

Our Platform for Growth

Solid Financial Position Heading into 2010 and 2011

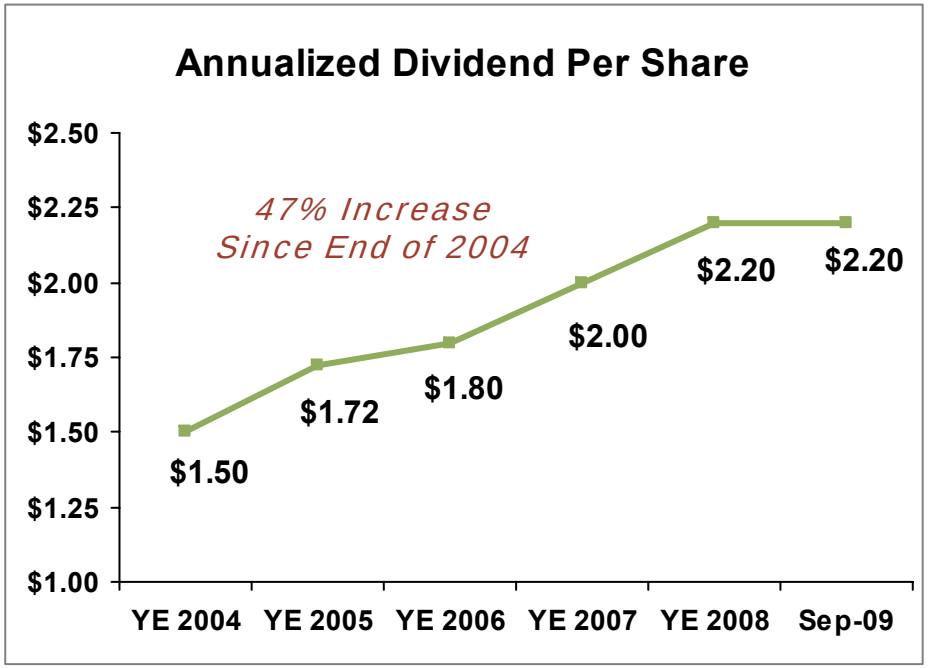
- **Maintain a strong liquidity position**
- **Rigorous focus on strong, stable cash from operations and improving credit metrics**
- **2009 non-GAAP earnings guidance of $3.70 to $3.80 per share***
- **Working to achieve 2010 results similar to 2009, with continued positive cash flow**

2011: Expect Significant Earnings Uplift

*** See GAAP to non-GAAP reconciliation in Appendix page 127***

Common Dividend

- **Attractive yield – approximately 5%**
- **Near-term results are expected to be more than sufficient to support our common dividend with a payout ratio of 50%-60%, in line with historic payout**



Board of Directors will continue to review dividend levels on a quarterly basis

Liquidity

As of October 23, 2009

Company	Type	Maturity	Amount (M)	Available (M)
FirstEnergy[1]	Revolving	Aug. 2012	$2,750	$1,124
FirstEnergy & FirstEnergy Solutions	Bank Lines	Various[2]	120	20
OH & PA Utilities	A/R Fin.	Various[3]	550	306
		Subtotal:	$3,420	$1,450
		Cash:	-	893
		Total:	**$3,420**	**$2,343**

[1] FirstEnergy Corp. and subsidiary borrowers
[2] $100M matures March 31, 2011; $20M uncommitted line of credit with no maturity date
[3] $370M matures February 22, 2010; $180M matures December 18, 2009

O&M Reductions and Capital Savings

O&M Reductions from 2008*	Pre-tax (in millions)	EPS
Energy Delivery O&M	$85	$0.17
Generating Plant O&M	$90	$0.18
Labor and Benefits	$70	$0.15
Corporate Support	$55	$0.11
Retiree Healthcare	$30	$0.06
Total	$330	$0.67

Net Capital Reductions**	(in millions)
Labor cost reduction	$24
Energy Delivery reduction	$17
Information Technology reduction	$20
Generating plant outage schedules	($2)
Total	$59

* As of 6/3/09

**From prior 2009 forecast provided in the 2008 10-K

O&M Reductions

O&M Reductions	2009*	2010*
Sustainable Reductions: Includes employee severance and staffing adjustments, retiree healthcare changes and other employee benefit adjustments	$85	$140
Outage Schedule Adjustments	$45	$80
Non-Recurring O&M Items: Includes reduced travel expenses, hiring freeze, elimination of wage and promotional increases, graduated salary reductions, overtime reductions, and reduced use of contractors in both the wires and unregulated operations.[1]	$200	$140
Total O&M Reductions	$330	$360

[1] Overtime and use of contractors will resume as generation output increases; offset by additional revenue

*As of 6/3/08; pre-tax amount, in millions; reductions compared to 2008

Financing Plan

2009

- **Debt Issuances**
  - Accessed longer-term markets to optimize operating companies' capital structures with additional fixed-rate issuances
  - **Benefits:**
    - Reduces reliance on existing credit facilities
    - Reduces exposure to bank counterparty risk
- **Pollution Control Revenue Bonds (PCRBs)**
  - Utilized longer-term fixed-rate market for new Sammis AQC issuance and planned remarketing of $81 million of PCRBs
  - **Benefits:**
    - Reduces counterparty exposure
    - Minimizes risk associated with short-term market disruptions

Financing Plan

2009

- **Expiring LOCs**
  - Plan to renew a portion of expiring LOCs that credit support PCRBs
  - **Benefits:**
    - Reduces exposure and reliance on banks
    - Reduces potential disruptions in short-term PCRB markets
- **Expiring Credit Facilities and Term Notes**
  - Cancelled Credit Suisse term loan ($300M) – August 2009
  - **Benefits:**
    - Facility not intended to be drawn
    - New financings reduce/eliminate need
  - Extended $100M RBS Credit Facility
  - **Benefits:**
    - Fully drawn loan providing lower-cost financing

Financial Strategy

Financings Completed

Company	Amount *(in millions)*	Rate	Type	Issue Date	Maturity Date
Ohio Edison	$275	8.25%	FMB	10/20/2008	2038
Ohio Edison	$25	8.25%	FMB	10/20/2008	2018
CEI	$300	8.875%	FMB	11/18/2008	2018
Met-Ed	$300	7.70%	Sr. Notes	1/20/2009	2019
JCP&L	$300	7.35%	Sr. Notes	1/27/2009	2019
Toledo Edison	$300	7.25%	Sr. Secured Notes	4/24/2009	2020

Objective: Enhance Liquidity & Flexibility

Financial Strategy

Financings Completed

Company	Amount *(in millions)*	Rate	Type	Issue Date	Maturity Date
Penn Power	$100	6.09%	FMB	6/30/09	2022
FES	$400	4.80%	Sr. Notes	8/7/2009	2015
FES	$600	6.05%	Sr. Notes	8/7/2009	2021
FES	$500	6.80%	Sr. Notes	8/7/2009	2039
FE Genco (AQC)	$177	5.70%	PCRB	8/14/2009	2020
CEI	$300	5.50%	FMB	8/18/2009	2024
Penelec	$250	5.20%	Sr. Notes	9/30/09	2020
Penelec	$250	6.15%	Sr. Notes	9/30/09	2038

Objective: Enhance Liquidity & Flexibility

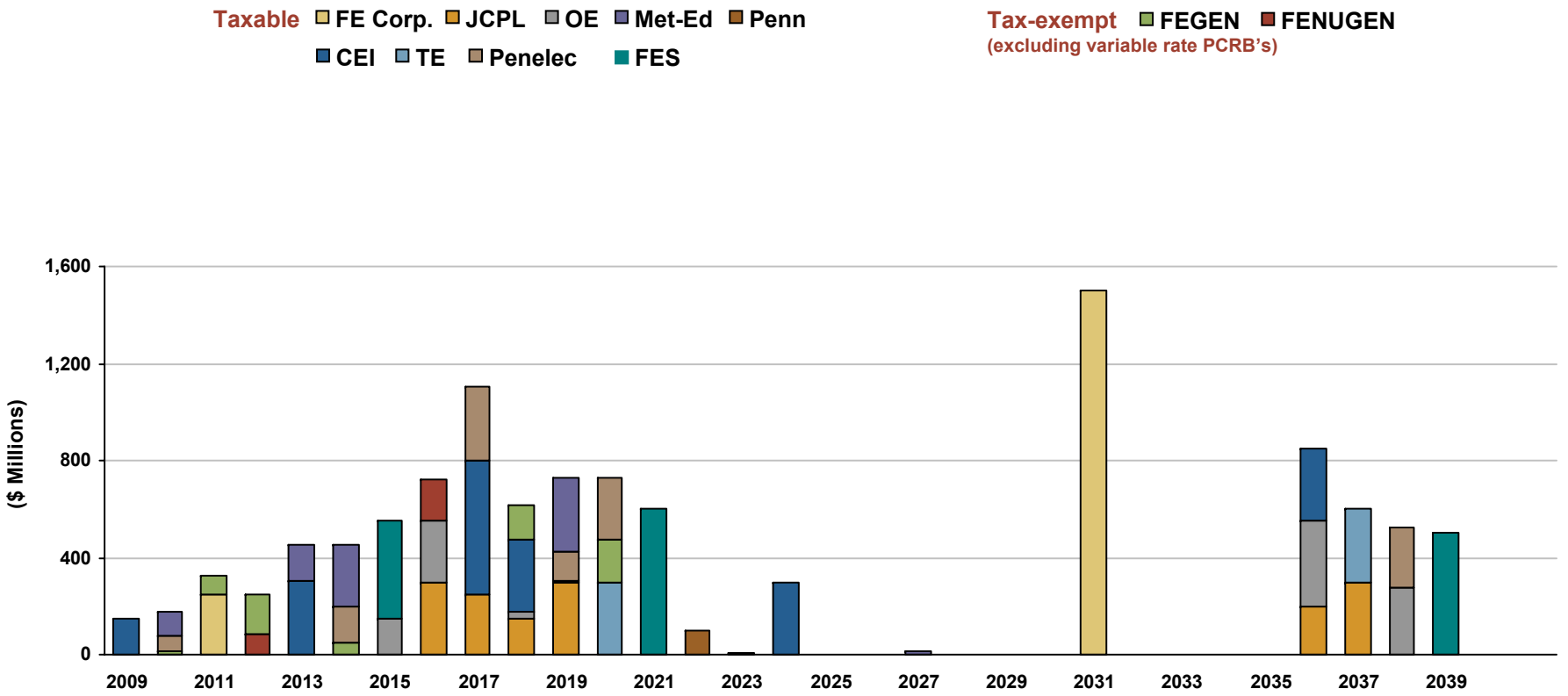
Financial Strategy

Completed

- **Issued $1.8 billion of operating utility company debt in 2009**
- **Secured $100M, two-year term loan with Royal Bank of Scotland Finance Ireland to replace an expiring facility**
- **Replaced Citi sale leaseback LOC with $161M US Bank LOC**
- **Completed $151M of Wachovia/Wells 5-year LOCs supporting PCRBs**
- **Converted $518M of variable-rate PCRBs into fixed rate longer-term mode**
- **Issued $177M Sammis AQC PCRBs**
- **Issued $1.5B FES senior notes (inaugural taxable issuance)**
- **$1.2B tender of FE Corp. Hold Co. note due 2011**
- **Pension contribution of $500 million**

Objective: Enhance Liquidity & Flexibility

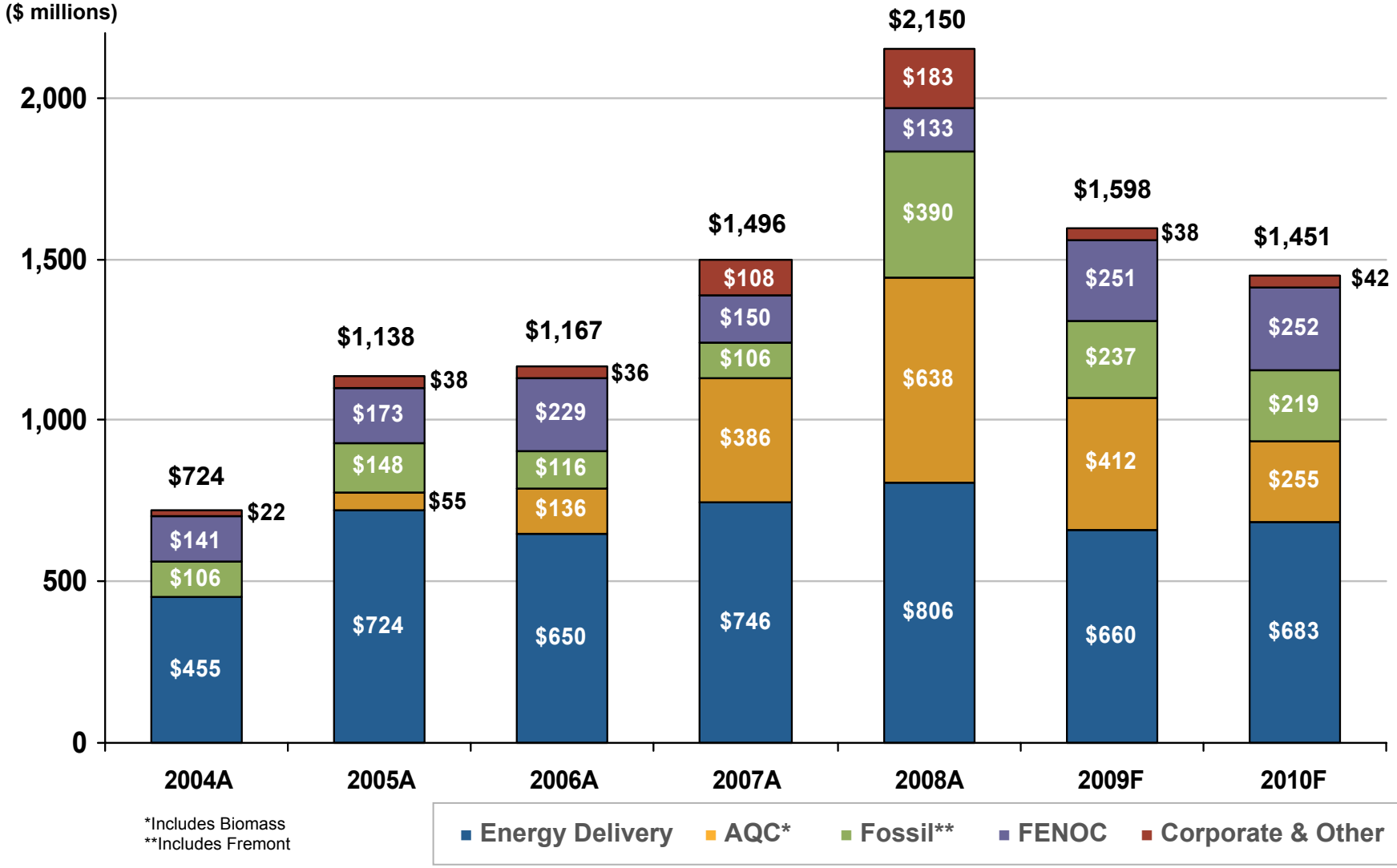
Consolidated Debt Maturities*



*As of 9/30/09

Capital Expenditures

2004 – 2010 By Business Unit



Improving Credit Metrics

Potential Cash Sources

- **OVEC (260 MW)**
- **Fremont Natural Gas Plant (707 MW)**
- **Sumpter Peaking Units (340 MW)**
- **Signal Peak Coal Mine Operations**
- **ATSI Transmission Assets**

Liquidity options total $1+ billion
Additional equity from operations totals $1+ billion 2009/2010

FirstEnergy Credit Ratings

As of September 30, 2009	Corporate Credit Rating (S&P) / Issuer Rating (Moody's)		Senior Secured		Senior Unsecured	
	S&P	Moodys	S&P	Moodys	S&P	Moodys
FirstEnergy Corp.	BBB	Baa3	-	-	BBB-	Baa3
FirstEnergy Solutions	BBB	Baa2	BBB	Baa1	BBB	Baa2
Ohio Edison	BBB	Baa2	BBB+	A3	BBB	Baa2
Cleveland Electric Illuminating	BBB	Baa3	BBB+	Baa1	BBB	Baa3
Toledo Edison	BBB	Baa3	BBB+	Baa1	BBB	Baa3
Pennsylvania Power	BBB	Baa2	A-	A3	BBB	Baa2
Jersey Central Power & Light	BBB	Baa2	BBB+	A3	BBB	Baa2
Metropolitan Edison	BBB	Baa2	BBB+	A3	BBB	Baa2
Pennsylvania Electric	BBB	Baa2	BBB+	A3	BBB	Baa2

* On June 17, 2009 Moody's issued a report affirming FE's Baa3 and FES Baa2 credit ratings and maintained a stable outlook
* On July 9, 2009 S&P reaffirmed ratings on FE and its subsidiaries including its BBB corporate credit rating and maintained the stable outlook
* On August 3, 2009 Moody's upgraded the majority of senior secured debt ratings of investment--grade regulated utilities by one notch

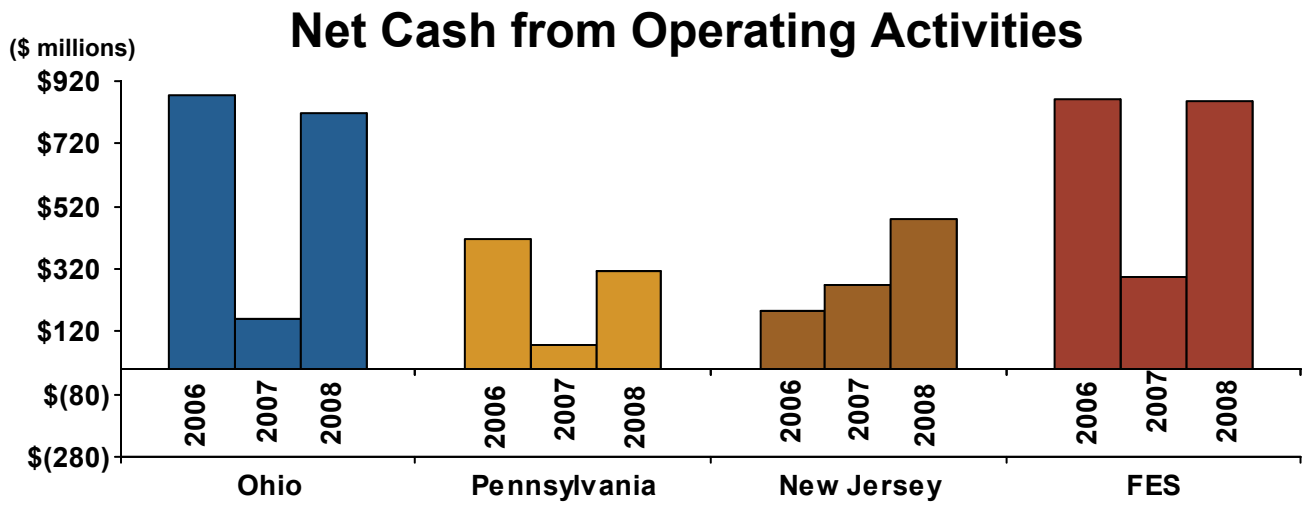
Credit Providers

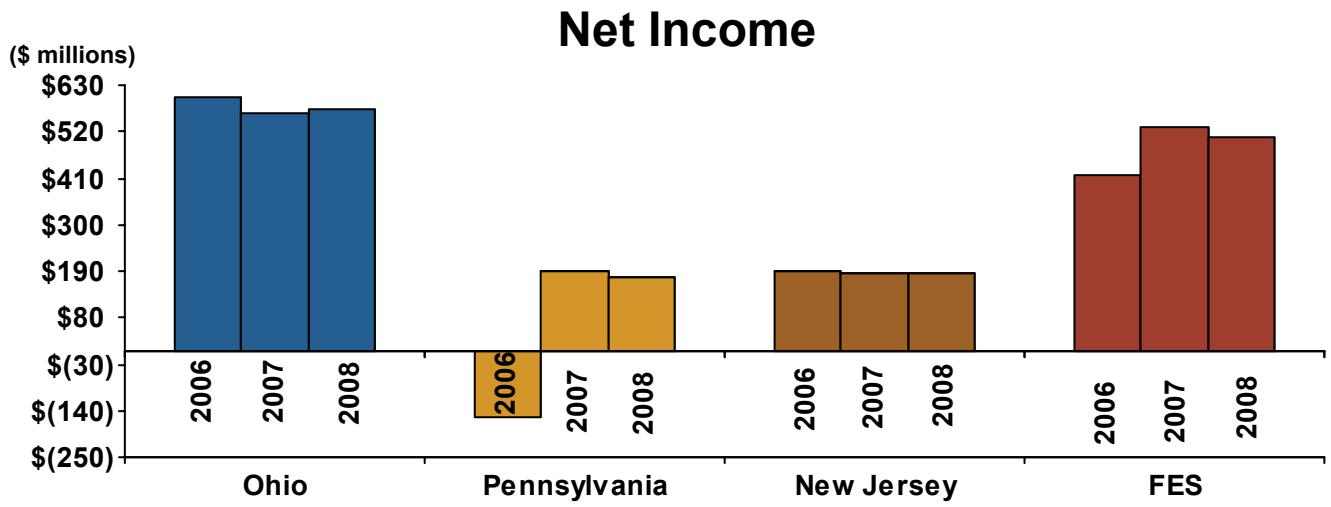
- **31 banks provide $5.4B+ aggregate credit commitment**

	($ millions)
Revolving Credit Facility	$2,750
Term Loan	100
Receivables Financings	550
Bilateral Credit Lines	20
SUB-TOTAL	$ 3,420
Letters of Credit (LOC)	1,568
Vehicle Leases	89
Sale Leaseback LOC's	341
TOTAL	$5,418

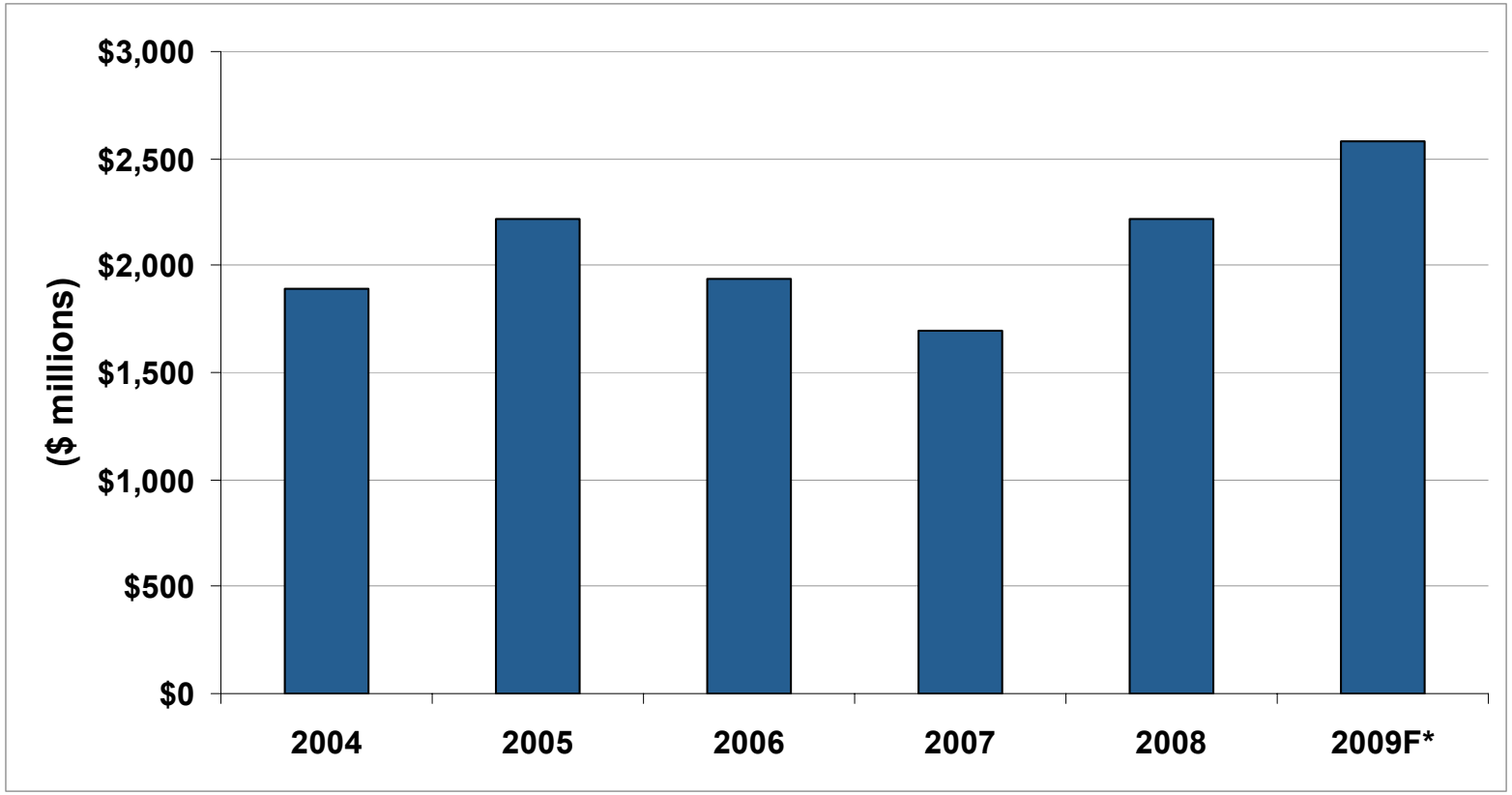
Bank
Bank Hapoalim
Bank of America
Bank of New York Mellon
Bank of Nova Scotia
Barclays
Bayerische Landesbank
Chang Hwa
Citibank
Credit Suisse
Fifth Third
First Commercial
First Merit
G.E. Capital Corp.
Goldman Sachs / Williams Street
Hua Nan Commercial
JP Morgan Chase
KBC
KeyBank
Lehman
Mizuho
Morgan Stanley
Norinchukin
PNC / National City
Royal Bank of Scotland
Sumitomo Mitsui
Suntrust
Taipei Fubon
UBS
Union Bank of California
US Bank
Wells Fargo / Wachovia

Net Cash from Operating Activities and Net Income





Net Cash from Operating Activities



* As of 6/3/09

Collateral Dependent on Investment-Grade Credit Rating

($ millions)	FE Corp	FES	Utilities	Total
Commodity Price Sensitive	**—**	**$136**	**—**	**$136**
Static Amounts	**$175**	**$44**	**$10**	**$229**
Acceleration of Payments	**$80**	**$108**	**$63**	**$251**
Total	**$255**	**$288***	**$73**	**$616**

As of September 30, 2009

*Includes $53 million that would be triggered by a "material adverse event"

Non-GAAP Basic EPS Reconciliation

Twelve Months Ended December 31,	2009F*
Basic EPS (GAAP)	$3.71 – $3.81
Excluding Special Items:	
Regulatory Charges	0.56
Trust Securities Impairment	0.04
Organizational Restructuring/Strike Costs	0.14
Debt Redemption Premiums	0.30
Income Tax Resolution	(0.53)
Gain on Sale of Non-Core Assets	(0.52)
Basic EPS (Non-GAAP)	$3.70 – $3.80

*2009F as of October 27, 2009

FFO Calculation and Coverage Ratios

FFO Calculation
Net Income Add back non-cash items: + Depreciation, amortization (incl. nuclear fuel and lease amortization), and deferral of regulatory assets + Deferred purchased power and other costs + Deferred income taxes and investment tax credits + Investment impairments + Deferred rents and lease market valuation liability + Accrued compensation and retirement benefits - AFUDC
= FFO

FFO Interest Coverage
$= \frac{\text{FFO + Adjusted Interest}}{\text{Adjusted Interest}}$
Adjusted Interest: + Interest Expense (before AFUDC) + Interest portion of leases - JCP&L securitization bond expense
= Adjusted Interest

Debt / Capitalization	
Rating Agency View	*Regulatory View*
Debt: + Short-term borrowings + Long-term debt + Present Value of sale and leasebacks - Securitization bonds	Debt: + Long-term debt
= Rating Agency Debt	= Regulatory Debt
Capitalization: + Rating Agency Debt + Common stockholders' equity	Capitalization: + Regulatory Debt + Common stockholders' equity
= Rating Agency Capitalization	= Regulatory Capitalization

FFO Debt Coverage
FFO Adjusted Debt
Adjusted Debt: + Short-term borrowings + Long-term debt + Present Value of sale and leasebacks - Cash and cash equivalents - JCP&L securitization bonds
= Adjusted Debt

Delivering Exceptional Investor Value

- **Integrated company with market price upside**
  - Diversified asset base
- **Committed to maintaining:**
  - Investment-grade credit ratings
  - Strong funds from operations
  - Strong cash position
  - Declining capital expenditures
  - Secure dividend
- **Strong operating results**
  - Generation
  - Distribution/Transmission
- **Proven performance**

FirstEnergy Investor Relations Contacts

FirstEnergy Investor Relations Contacts

Ronald E. Seeholzer, Vice President
rseeholzer@FirstEnergyCorp.com
330-384-5415

Irene M. Prezelj, Director
prezelji@FirstEnergyCorp.com
330-384-3859

Rey Y. Jimenez, Jr., Manager
ryjimenez@FirstEnergyCorp.com
330-761-4239

For our e-mail distribution list, please contact:

Linda M. Nemeth, Executive Assistant to Vice President
nemethl@FirstEnergyCorp.com
330-384-2509

Shareholder Inquiries:

Shareholder Services (American Stock Transfer and Trust Company, LLC)
firstenergy@amstock.com
1-800-736-3402