FirstEnergy®

Quarterly Highlights

2Q 2017 Earnings Call

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Forward-Looking Statements

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 management's intents, beliefs and current expectations. These statements typically contain, but are not limited to, the terms “anticipate,” “potential,” “expect,” "forecast," "target," "will," "intend," “believe,” "project," “estimate," "plan" 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, which may include the following: the ability to experience growth in the Regulated Distribution and Regulated Transmission segments and the effectiveness of our strategy to transition to a fully regulated business profile; the accomplishment of our regulatory and operational goals in connection with our transmission investment plan, including, but not limited to, our planned transition to forward-looking formula rates; changes in assumptions regarding economic conditions within our territories, assessment of the reliability of our transmission system, or the availability of capital or other resources supporting identified transmission investment opportunities; the ability to accomplish or realize anticipated benefits from strategic and financial goals, including, but not limited to, the ability to continue to reduce costs and to successfully execute our financial plans designed to improve our credit metrics and strengthen our balance sheet; success of legislative and regulatory solutions for generation assets that recognize their environmental or energy security benefits, including the United States Department of Energy study; the risks and uncertainties associated with the lack of viable alternative strategies regarding the Competitive Energy Services (CES) segment, thereby causing FirstEnergy Solutions Corp. (FES), and likely FirstEnergy Nuclear Operating Company (FENOC), to restructure its debt and other financial obligations with its creditors or seek protection under United States bankruptcy laws and the losses, liabilities and claims arising from such bankruptcy proceeding, including any obligations at FirstEnergy Corp.; the risks and uncertainties at the CES segment, including FES and its subsidiaries and FENOC, related to continued depressed wholesale energy and capacity markets, and the viability and/or success of strategic business alternatives, such as pending and potential CES generating unit asset sales, the potential conversion of the remaining generation fleet from competitive operations to a regulated or regulated-like construct or the potential need to deactivate additional generating units; the substantial uncertainty as to FES’ ability to continue as a going concern and substantial risk that it may be necessary for FES, and likely FENOC, to seek protection under United States bankruptcy laws; the risks and uncertainties associated with litigation, arbitration, mediation and like proceedings, including, but not limited to, any such proceedings related to vendor commitments, such as long-term fuel and transportation agreements; the uncertainties associated with the deactivation of older regulated and competitive units, including the impact on vendor commitments, such as long-term fuel and transportation agreements, and as it relates to the reliability of the transmission grid, the timing thereof; the impact of other future changes to the operational status or availability of our generating units and any capacity performance charges associated with unit unavailability; changing energy, capacity and commodity market prices including, but not limited to, coal, natural gas and oil prices, and their availability and impact on margins; costs being higher than anticipated and the success of our policies to control costs and to mitigate low energy, capacity and market prices; replacement power costs being higher than anticipated or not fully hedged; our ability to improve electric commodity margins and the impact of, among other factors, the increased cost of fuel and fuel transportation on such margins; the uncertainty of the timing and amounts of the capital expenditures that may arise in connection with any litigation, including New Source Review litigation, or potential regulatory initiatives or rulemakings (including that such initiatives or rulemakings could result in our decision to deactivate or idle certain generating units); changes in customers' demand for power, including, but not limited to, changes resulting from the implementation of state and federal energy efficiency and peak demand reduction mandates; economic or weather conditions affecting future sales and margins such as a polar vortex or other significant weather events, and all associated regulatory events or actions; changes in national and regional economic conditions affecting us, our subsidiaries and/or our major industrial and commercial customers, and other counterparties with which we do business, including fuel suppliers; the impact of labor disruptions by our unionized workforce; the risks associated with cyber-attacks and other disruptions to our information technology system that may compromise our generation, transmission and/or distribution services and data security breaches of sensitive data, intellectual property and proprietary or personally identifiable information regarding our business, employees, shareholders, customers, suppliers, business partners and other individuals in our data centers and on our networks; the impact of the regulatory process and resulting outcomes on the matters at the federal level and in the various states in which we do business including, but not limited to, matters related to rates; the impact of the federal regulatory process on Federal Energy Regulatory Commission (FERC)-regulated entities and transactions, in particular FERC regulation of wholesale energy and capacity markets, including PJM Interconnection, L.L.C. (PJM) markets and FERC-jurisdictional wholesale transactions; FERC regulation of cost-of-service rates; and FERC’s compliance and enforcement activity, including compliance and enforcement activity related to North American Electric Reliability Corporation’s mandatory reliability standards; the uncertainties of various cost recovery and cost allocation issues resulting from American Transmission Systems, Incorporated's realignment into PJM; the ability to comply with applicable state and federal reliability standards and energy efficiency and peak demand reduction mandates; other legislative and regulatory changes, including the new federal administration's required review and potential revision of environmental requirements, including, but not limited to, the effects of the United States Environmental Protection Agency’s Clean Power Plan, Coal Combustion Residuals regulations, Cross-State Air Pollution Rule and Mercury and Air Toxics Standards programs, including our estimated costs of compliance, Clean Water Act (CWA) waste water effluent limitations for power plants, and CWA 316(b) water intake regulation; adverse regulatory or legal decisions and outcomes with respect to our nuclear operations (including, but not limited to, the revocation or non-renewal of necessary licenses, approvals or operating permits by the Nuclear Regulatory Commission or as a result of the incident at Japan's Fukushima Daiichi Nuclear Plant); issues arising from the indications of cracking in the shield building at Davis-Besse; changing market conditions that could affect the measurement of certain liabilities and the value of assets held in our Nuclear Decommissioning Trusts, pension trusts and other trust funds, and cause us and/or our subsidiaries to make additional contributions sooner, or in amounts that are larger than currently anticipated; the impact of changes to significant accounting policies; the impact of any changes in tax laws or regulations or adverse tax audit results or rulings; the ability to access the public securities and other capital and credit markets in accordance with our financial plans, the cost of such capital and overall condition of the capital and credit markets affecting us and our subsidiaries; further actions that may be taken by credit rating agencies that could negatively affect us and/or our subsidiaries’ access to financing, increase the costs thereof, increase requirements to post additional collateral to support, or accelerate payments under outstanding commodity positions, letters of credit and other financial guarantees, and the impact of these events on the financial condition and liquidity of FirstEnergy Corp. and/or its subsidiaries, specifically FES and its subsidiaries; issues concerning the stability of domestic and foreign financial institutions and counterparties with which we do business; and the risks and other factors discussed from time to time in our United States Securities and Exchange Commission (SEC) filings, and other similar factors. Dividends declared from time to time on FirstEnergy Corp.'s common stock during any period may in the aggregate vary from prior periods due to circumstances considered by FirstEnergy Corp.'s Board of Directors at the time of the actual declarations. A security rating is not a recommendation to buy or hold securities and is subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating. These forward-looking statements are also qualified by, and should be read in conjunction with the other cautionary statements and risks that are included in our filings with the SEC, including but not limited to the most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q. The foregoing review of factors also 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 our 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. We expressly disclaim any current intention to update, except as required by law, any forward-looking statements contained herein as a result of new information, future events or otherwise.

Non-GAAP Financial Matters

This presentation contains references to non-GAAP financial measures including, among others, Operating earnings (losses) and CES Adjusted EBITDA. In addition, Basic Earnings (Loss) Per Share - Operating, calculated on a segment basis, is also a non-GAAP financial measure. Generally, a non-GAAP financial measure is a numerical measure of a company's historical or future financial performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with accounting principles generally accepted in the United States (GAAP). Operating earnings (losses) are not calculated in accordance with GAAP because they exclude the impact of "special items". Special items represent charges incurred or benefits realized that management believes are not indicative of, or may obscure trends useful in evaluating the company's ongoing core activities and results of operations or otherwise warrant separate classification. Special items are not necessarily non-recurring. Basic Earnings (Loss) Per Share - Operating for each segment is calculated by dividing segment Operating earnings (losses), which exclude special items as discussed above, by the basic weighted average shares outstanding for the period. Management uses non-GAAP financial measures such as Operating earnings (losses) and CES Adjusted EBITDA to evaluate the company's performance and manage its operations and frequently references these non-GAAP financial measures in its decision-making, using them to facilitate historical and ongoing performance comparisons. Additionally, management uses Basic Earnings (Loss) Per Share - Operating by segment to further evaluate the company's performance by segment and references this non-GAAP financial measure in its decision-making. Management believes that the non-GAAP financial measures of Operating earnings (losses) and Basic Earnings (Loss) Per Share - Operating by segment provide consistent and comparable measures of performance of its businesses on an ongoing basis. Management also believes that such measures are useful to shareholders and other interested parties to understand performance trends and evaluate the company against its peer group by presenting period-over-period operating results without the effect of certain charges or benefits that may not be consistent or comparable across periods or across the company's peer group. All of these non-GAAP financial measures are intended to complement, and are not considered as alternatives to, the most directly comparable GAAP financial measures. Also, the non-GAAP financial measures may not be comparable to similarly titled measures used by other entities.

Pursuant to the requirements of Regulation G, FirstEnergy has provided quantitative reconciliations within this presentation of the non-GAAP financial measures to the most directly comparable GAAP financial measures. Refer to appendix slides 13-17 and 26.

2Q 2017 Summary

2Q17 in Review

- Reported solid second quarter results, despite the impact of mild temperatures
- Strong operational and financial performance across the company
- Met or exceeded midpoint of quarterly operating earnings guidance range for 8 consecutive quarters

Transmission Updates

- FERC accepted formula transmission rates subject to refund
  - JCP&L effective June 1, 2017
  - MAIT effective July 1, 2017
- At MAIT, $600M+ in expected transmission investments through 2018 to enhance service to customers in Penelec and Met-Ed service areas
- Expanding grid modernization and reliability investments to our eastern service territories

2Q 2017 Summary (Continued)

Distribution Updates

- In January, new rates went into effect in Ohio, New Jersey, and Pennsylvania
- Continued industrial load growth; fourth consecutive quarterly increase
  - Primarily driven by shale gas, steel, coal mining, and chemical industries
- Load growth in the second half of 2017 is expected to be slightly better than our initial forecast and offsets mild weather in first half of 2017

Regulated strategies are positioning our company for sustained, customer-service oriented growth

Strategic Updates

Competitive Updates

- Successfully completed nuclear refueling outages at Perry and Beaver Valley Unit 2

AE Supply:

- Based on the ongoing status of negotiations, CES recorded a $0.19 per share non-cash impairment charge associated with the pending AE Supply gas/hydro asset sale
  - Targeting transaction to close in the second half of 2017
- Expect final approval of Mon Power's (MP) purchase of AE Supply's Pleasants plant from WVPSC and FERC by early 2018
- Net proceeds of ~$350M are expected after payment of all long-term debt, including make-whole payments

Continue working to exit commodity-exposed generation; focused on the best interest of all constituents

Note: The transactions above are subject to customary and other closing conditions, including regulatory approvals. In addition, the sale of AE Supply's gas and hydro assets is subject to third party consents.

Strategic Updates (Continued)

Competitive Updates

FES:

- Remain engaged in settlement efforts with BNSF and Norfolk Southern on a second coal transportation dispute
- Scheduled to have discussions with FES creditors next week
- In April, bills introduced in the Ohio House and Senate for a proposed Zero-Emission Nuclear (ZEN) resource program
  - We will continue these efforts once legislators return from summer recess
- Looking forward to the release of the study from the Department of Energy (DOE) initiated in April 2017
  - Expected to address economic and security risks associated with the premature closure of nation's fuel-secure baseload generation
  - Optimistic that the final DOE study could offer solutions to address this national concern
  - FES board is closely following this effort, which is expected to help them determine the right path forward for FES

Continue working to exit commodity-exposed generation; focused on the best interest of all constituents

Financial Updates

Competitive Updates

- FES continues to have access to the unregulated money pool
  - As of June 30, 2017, FES, its subsidiaries, and FENOC had net borrowings of $174M, primarily to satisfy:
    - June 1, 2017 bond maturity
    - Lease and interest payments
    - Initial payment on the coal transportation settlement
  - Current expectation that they will have no borrowings by March 2018, even after funding capital expenditures and nuclear fuel

2017 Earnings Guidance

- Revised 2017 GAAP earnings forecast to $1.95 - $2.25 per basic share
- Reaffirmed 2017 Operating (non-GAAP) earnings* guidance range of $2.70 - $3.00 per basic share

Continued progress on regulated growth initiatives and towards exiting commodity-exposed generation

* Refer to the appendix (slide 17) for reconciliation between GAAP and Operating (non-GAAP) earnings

2Q 2017 Results Summary

2Q17 in Review

- Reported solid second quarter results; slightly better than the midpoint of our operating earnings guidance
- Strong operational performance and financial discipline across the company

2Q17 Earnings Summary

- Reported 2Q17 GAAP earnings of $0.39 per basic share
- Reported 2Q17 Operating (non-GAAP) earnings* of $0.61 per basic share
  - Difference between GAAP and operating earnings primarily reflects asset impairment/plant exit costs of $0.19 per share related to the status of negotiations for the pending AE Supply gas/hydro asset sale

* Refer to the appendix (slide 13) for reconciliation between GAAP and Operating (non-GAAP) earnings

2Q 2017 Earnings Drivers

Quarter-over-Quarter (Basic EPS / Operating*)

2Q17 vs. 2Q16 EPS Variance	Basic EPS	Operating*
Regulated Distribution	+$0.13	+$0.13
Regulated Transmission	+$0.02	+$0.02
Corporate / Other	($0.03)	($0.03)
Competitive Energy Services	+$2.83	($0.07)
FE Consolidated	+$2.95	+$0.05

- **Regulated Distribution +$0.13 / +$0.13:**
  - Favorable results primarily from rate increases in Pennsylvania and New Jersey as well as from the Ohio DMR and DCR
  - Mild temperatures drove total distribution deliveries decrease of 0.7% in 2Q17
    - Heating-degree-days were 30% below 2Q16, and 24% below normal
  - On a weather-adjusted basis, overall deliveries across all segments increased 1% in 2Q17
  - Fourth consecutive quarter of sales growth in the industrial class
- **Regulated Transmission +$0.02 / +$0.02:**
  - Favorable results primarily from Energizing the Future program
- **Corporate ($0.03) / ($0.03):**
  - Higher interest expense and a slightly higher effective income tax rate
- **Competitive Energy Services +$2.83 / ($0.07):**
  - Results impacted by lower commodity margin due primarily to the expected decrease in capacity revenues and retail sales, partially offset by lower depreciation expense
  - Customer count was 850,000 at 6/30/2017; down from 1.5M at 6/30/2016 and 920,000 at 3/31/2017

Per share amounts for the special items and earnings drivers above and throughout this report are based on the after-tax effect of each item divided by the weighted average basic shares outstanding for the period. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount. The income tax rates range from 35% to 38%.

* Refer to the appendix (slide 13) for reconciliation between GAAP and Operating (non-GAAP) earnings

Financial Updates

CES Guidance Updates

- 2017 CES Adjusted EBITDA* guidance affirmed at $405M - $475M
- 2018 CES Adjusted EBITDA* guidance increased to $140M - $260M, reflecting additional committed contract sales

FE Corp. Debt Offering

- Successful $3B debt offering completed in June
  - Redeemed FE Corp.'s $650M notes due March 2018 and reduced FE Corp's revolver borrowings
  - Results in stronger corporate liquidity and reduces exposure to rising interest rates

Remain focused on meeting our commitments to the investment community and executing our regulated growth strategy

* Refer to the appendix (slide 26) for reconciliations between CES Net Income (Loss) - GAAP to CES Adjusted EBITDA

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Appendix

Earnings (Loss) Per Share – 2Q 2017 and 2Q 2016

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

Three Months Ended June 30, 2017	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2Q 2017 Net Income (Loss) - GAAP	$ 205	$ 92	$ (56)	$ (67)	$ 174
2Q 2017 Basic Earnings (Loss) per share (avg. shares outstanding 444M)	$ 0.46	$ 0.21	$ (0.13)	$ (0.15)	$ 0.39
Excluding Special Items:					
Regulatory charges	0.01	—	—	—	0.01
Mark-to-market adjustments	—	—	0.01	—	0.01
Asset impairment/Plant exit costs	—	—	0.19	—	0.19
Trust securities impairment	—	—	0.01	—	0.01
Total Special Items	$ 0.01	$ —	$ 0.21	$ —	$ 0.22
Basic Earnings (Loss) per share - Operating (Non-GAAP)	$ 0.47	$ 0.21	$ 0.08	$ (0.15)	$ 0.61

Three Months Ended June 30, 2016	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2Q 2016 Net Income (Loss) - GAAP	$ 139	$ 78	$ (1,259)	$ (47)	$ (1,089)
2Q 2016 Basic Earnings (Loss) per share (avg. shares outstanding 425M)	$ 0.33	$ 0.19	$ (2.96)	$ (0.12)	$ (2.56)
Excluding Special Items:					
Regulatory charges	0.01	—	—	—	0.01
Mark-to-market adjustments	—	—	0.11	—	0.11
Asset impairment/Plant exit costs	—	—	2.99	—	2.99
Merger accounting - commodity contracts	—	—	0.01	—	0.01
Total Special Items	$ 0.01	$ —	$ 3.11	$ —	$ 3.12
Basic Earnings (Loss) per share - Operating (Non-GAAP)	$ 0.34	$ 0.19	$ 0.15	$ (0.12)	$ 0.56

Per share amounts for the special items and earnings drivers above and throughout this report are based on the after-tax effect of each item divided by the weighted average basic shares outstanding for the period. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount. The income tax rates range from 35% to 38%. See slide 15 for details regarding special items.

Earnings (Loss) Per Share – YTD 2017 and YTD 2016

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

Six Months Ended June 30, 2017	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2017 Net Income (Loss) - GAAP	$ 442	$ 180	$ (123)	$ (120)	$ 379
2017 Basic Earnings (Loss) Per Share (avg. shares outstanding 443M)	$ 1.00	$ 0.41	$ (0.28)	$ (0.27)	$ 0.86
Excluding Special Items:					
Regulatory charges	0.02	—	—	—	0.02
Mark-to-market adjustments	—	—	0.08	—	0.08
Asset impairment/Plant exit costs	—	—	0.42	—	0.42
Trust securities impairment	—	—	0.01	—	0.01
Total Special Items	$ 0.02	$ —	$ 0.51	$ —	$ 0.53
Basic Earnings (Loss) Per Share - Operating (Non-GAAP)	$ 1.02	$ 0.41	$ 0.23	$ (0.27)	$ 1.39

Six Months Ended June 30, 2016	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2016 Net Income (Loss) - GAAP	$ 297	$ 159	$ (1,115)	$ (102)	$ (761)
2016 Basic Earnings (Loss) Per Share (avg. shares outstanding 424M)	$ 0.69	$ 0.38	$ (2.62)	$ (0.24)	$ (1.79)
Excluding Special Items:					
Regulatory charges	0.11	—	—	—	0.11
Mark-to-market adjustments	—	—	0.01	—	0.01
Asset impairment/Plant exit costs	—	—	2.99	—	2.99
Trust securities impairment	—	—	0.01	—	0.01
Merger accounting - commodity contracts	—	—	0.02	—	0.02
Total Special Items	$ 0.11	$ —	$ 3.03	$ —	$ 3.14
Basic Earnings (Loss) Per Share - Operating (Non-GAAP)	$ 0.80	$ 0.38	$ 0.41	$ (0.24)	$ 1.35

Per share amounts for the special items and earnings drivers above and throughout this report are based on the after-tax effect of each item divided by the weighted average basic shares outstanding for the period. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount. The income tax rates range from 35% to 38%. See slide 16 for details regarding special items.

FE Corp. Income Statements – 2Q 2017 and 2Q 2016

Consolidated GAAP and Special Items

(In millions, except per share amounts)

		Three Months Ended June 30, 2017		Three Months Ended June 30, 2016	
		GAAP	Special Items	GAAP	Special Items
(1)	**Revenues**	$ 3,309	$ —	$ 3,401	$ —
	Operating Expenses				
(2)	Fuel	343	—	438	(66) (c,e)
(3)	Purchased power	735	—	889	—
(4)	Other operating expenses	957	(15) (a,b)	964	(80) (a,b)
(5)	Provision for depreciation	281	—	334	—
(6)	Amortization of regulatory assets, net	65	—	63	—
(7)	General taxes	253	—	241	—
(8)	Impairment of assets	131	(131) (c)	1,447	(1,447) (c)
(9)	**Total Operating Expenses**	2,765	(146)	4,376	(1,593)
(10)	**Operating Income (Loss)**	544	146	(975)	1,593
	Other Income (Expense)				
(11)	Investment income	17	4 (d)	19	2 (d)
(12)	Interest expense	(290)	—	(289)	2 (f)
(13)	Capitalized financing costs	20	—	26	—
(14)	**Total Other Expense**	(253)	4	(244)	4
(15)	**Income (Loss) Before Income Taxes (Benefits)**	291	150	(1,219)	1,597
(16)	Income taxes (benefits)	117	53	(130)	271 (c)
(17)	**Net Income (Loss)**	$ 174	$ 97	$ (1,089)	$ 1,326

The above special items, if any, provides additional transparency to our disclosures by providing specific line items to which the special items are recorded. Management consistently utilizes these reconciliations to assist in its analysis of historical and ongoing performance. Additionally, the table above summarizes the pre-tax impact of each special item and the cumulative impact to income taxes (benefits) based on the current and deferred income tax expense associated with each special item. slide 13ıe 34 for GAAP to Operating (non-GAAP) EPS Reconciliation.

(a) **Regulatory charges: 2017 ($0.01 per share)**, ($9) million included in "Other operating expenses". **2016 ($0.01 per share)**, ($10) million included in "Other operating expenses".

(b) **Mark-to-market adjustments: 2017 ($0.01 per share)**, ($6) million included in "Other operating expenses". **2016 ($0.11 per share)**, ($70) million included in "Other operating expenses".

(c) **Asset impairment/Plant exit costs: 2017 ($0.19 per share)**, ($131) million included in "Impairment of assets". **2016 ($2.99 per share)**, ($58) million included in "Fuel"; ($1,447) million included in "Impairment of assets"; and $159 million included in "Income taxes (benefits)".

(d) **Trust securities impairment: 2017 ($0.01 per share)**, $4 million included in "Investment income". **2016**, $2 million included in "Investment income".

(e) **Merger accounting - commodity contracts: 2016 ($0.01 per share)**, ($8) million included in "Fuel".

(f) **Loss on debt redemptions: 2016**, $2 million included in "Interest expense".

Per share amounts included above are based on the after-tax effect of the above special items as discusseslide 13ge 1 divided by the weighted average shares outstanding of 444 million shares in the second quarter of 2017 and 425 million shares in the second quarter of 2016.

FE Corp. Income Statements – YTD 2017 and YTD 2016

Consolidated GAAP and Special Items

(In millions, except per share amounts)

	Six Months Ended June 30, 2017			Six Months Ended June 30, 2016		
	GAAP	Special Items		GAAP	Special Items	
(1) **Revenues**	$ 6,861	$ (5)	(c)	$ 7,270	$ —	
Operating Expenses						
(2) Fuel	711	—		819	(74)	(c,e)
(3) Purchased power	1,598	—		2,013	—	
(4) Other operating expenses	2,099	(234)	(a,b,c)	1,882	(77)	(a,b)
(5) Provision for depreciation	556	—		663	—	
(6) Amortization of regulatory assets, net	124	—		124	—	
(7) General taxes	524	—		521	—	
(8) Impairment of assets	131	(131)	(c)	1,447	(1,447)	(c)
(9) **Total Operating Expenses**	5,743	(365)		7,469	(1,598)	
(10) **Operating Income (Loss)**	1,118	360		(199)	1,598	
Other Income (Expense)						
(11) Investment income	41	7	(d)	47	9	(c,d)
(12) Interest expense	(577)	—		(577)	2	(f)
(13) Capitalized financing costs	40	—		51	—	
(14) **Total Other Expense**	(496)	7		(479)	11	
(15) **Income (Loss) Before Income Taxes**	622	367		(678)	1,609	
(16) Income taxes	243	131		83	274	(c)
(17) **Net Income (Loss)**	$ 379	$ 236		$ (761)	$ 1,335	

The above special items, if any, provides additional transparency to our disclosures by providing specific line items to which the special items are recorded. Management consistently utilizes these reconciliations to assist in its analysis of historical and ongoing performance. Additionally, the table above summarizes the pre-tax impact of each special item and the cumulative impact to income taxes (benefits) based on the current and deferred income tax expense associated with each special item. Seslide 14 5 for GAAP to Operating (non-GAAP) EPS Reconciliation.

(a) **Regulatory charges: 2017 ($0.02 per share)**, ($17) million included in "Other operating expenses". **2016 ($0.11 per share)**, ($71) million included in "Other operating expenses".

(b) **Mark-to-market adjustments: 2017 ($0.08 per share)**, ($53) million included in "Other operating expenses". **2016 ($0.01 per share)**, ($6) million included in "Other operating expenses".

(c) **Asset impairment/Plant exit costs: 2017 ($0.42 per share)**, ($5) million included in "Revenues"; ($164) million included in "Other operating expenses"; and ($131) million included in "Impairment of assets". **2016 ($2.99 per share)**, ($58) million included in "Fuel"; ($1,447) million included in "Impairment of assets"; ($2) million included in "Investment income"; and $159 million in "Income taxes (benefits)."

(d) **Trust securities impairment: 2017 ($0.01 per share)**, $7 million included in "Investment income". **2016 ($0.01 per share)**, $11 million included in "Investment income".

(e) **Merger accounting - commodity contracts: 2016 ($0.02 per share)**, ($16) million included in "Fuel".

(f) **Loss on debt redemptions: 2016**, $2 million included in "Interest expense".

Per share amounts included above are based on the after-tax effect of the above special items as discussed cslide 14 1 divided by the weighted average shares outstanding of 443 million shares in the first six months of 2017 and 424 million shares in the first six months of 2016.

Earnings (Loss) Per Share – Forecast for 2017

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

	Estimate for Year 2017*				
(In millions, except per share amounts)	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2017F Net Income (Loss) - GAAP	$980 - $1,025	$360 - $380	$(225) - $(170)	$(250) - $(235)	$865 - $1,000
2017F Basic Earnings (Loss) Per Share (avg. shares outstanding 445M)	$2.20 - $2.30	$0.81 - $0.85	$(0.50) - $(0.38)	$(0.56) - $(0.52)	$1.95 - $2.25
Excluding Special Items:					
Regulatory charges	0.04	—	—	—	0.04
Mark-to-market adjustments	—	—	0.08	—	0.08
Asset impairment/Plant exit costs	—	—	0.42	—	0.42
Trust securities impairment	—	—	0.01	—	0.01
Debt redemption costs	—	—	0.19	0.01	0.20
Total Special Items	0.04	—	0.70	0.01	0.75
2017F Basic Earnings (Loss) Per Share - Operating (Non-GAAP) (avg. shares outstanding 445M)	$2.24 - $2.34	$0.81 - $0.85	$0.20 - $0.32	$(0.55) - $(0.51)	$2.70 - $3.00

	Q3 of 2017*	Q4 of 2017*
(In millions, except per share amounts)	FirstEnergy Corp. Consolidated	FirstEnergy Corp. Consolidated
2017F Net Income (Loss) - GAAP	$325 - $390	$161 - $231
2017F Basic Earnings (Loss) Per Share	$0.73 - $0.88	$0.36 - $0.51
Excluding Special Items:		
Regulatory charges	0.01	—
Mark-to-market adjustments	—	—
Trust securities impairment	—	—
Asset impairment/Plant exit costs	—	—
Debt redemption costs	0.01	0.19
Total Special Items	0.02	0.19
2017F Basic Earnings (Loss) Per Share - Operating (Non-GAAP)	$0.75 - $0.90	$0.55 - $0.70

*Per share amounts for the special items and earnings drivers above are based on the after-tax effect of each item divided by the weighted average basic shares outstanding and assumes up to $600 million of additional equity in 2017, of which ~$100 million relates to employee benefit and other plans. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount. The income tax rates range from 35% to 42%.

West Virginia – Regulatory Update

- MP issued an RFP in December 2016 to address its capacity shortfall
  - Sought to satisfy its capacity shortfall through a combination of approximately 1,300 MW (UCAP) of generation capacity and up to 100 MW of demand resources
  - CRA International retained to manage the RFP; five bids submitted on February 3, 2017
- CRA International recommended AE Supply's Pleasants Power Station as the lowest-cost solution
  - MP and AE Supply signed an asset purchase agreement, subject to customary and other closing conditions, including regulatory approval
  - Filed petition on March 7, 2017 for WVPSC and FERC review/approval of Pleasants transaction
    - WVPSC Hearing scheduled on September 26-28, 2017 and an order is anticipated by early 2018
  - FERC issued a deficiency letter requesting additional information to facilitate FERC's review and MP responded on July 18, 2017
  - Regulatory approvals required:
    - WVPSC: Must demonstrate need for additional capacity, economic and reliable source of supply, reasonable terms and conditions, that neither party is given undue advantage over another, and that there is no adverse impact to the public
    - FERC: Must establish that there is no adverse impact on wholesale rates, competition, or regulatory oversight; no cross-subsidy from MP to AE Supply

MAIT and JCP&L Transmission – Regulatory Update

- MAIT and JCP&L filed to update their respective transmission rates
  - On October 28, 2016, MAIT and JCP&L filed under Federal Power Act section 205 a "forward-looking" formula rate for recovery of MAIT's and JCP&L's transmission costs; requested that rates become effective January 1, 2017, subject to regulatory approval
- FERC Staff issued "Deficiency Letters" to MAIT & JCP&L on December 28, 2016
  - MAIT & JCP&L submitted their responses to the deficiency letters on January 10, 2017
  - MAIT requested rates to be effective February 1, 2017
  - JCP&L requested rates to be effective retroactively to January 1, 2017
- FERC Orders issued on March 10, 2017
  - Issued a 5-month suspension for MAIT's & JCP&L's forward-looking formula rates; MAIT and JCP&L have asked for rehearing of the suspension
  - In each case, settlement negotiations commenced in April 2017 and are ongoing
  - Began collecting forward-looking formula rates on June 1, 2017 for JCP&L and July 1, 2017 for MAIT, subject to refund, pending the outcome of further settlement or hearing proceedings
  - Final rates will be established only after FERC either accepts a negotiated settlement agreement or issues an order in a litigated proceeding

Progress Toward Becoming a Regulated Business

	Preparing to Exit CES	Providing Financial Flexibility to Preserve Options	Exiting Commodity Exposed Generation
2nd Half 2016	**Announced a strategic review of Competitive Generation** **Appointed two new independent board members, John Blickle and James Boland, to the FES Board. Also named Donny Schneider, Don Moul and Sam Belcher as directors, replacing Chuck Jones, Jim Pearson and Jim Lash.** **Retained separate legal and financial advisors for FE and FES**	**Refinanced all credit facilities to provide financial flexibility:** ▪ Extended maturity date to 2021 for $5B of credit facilities for both FE Corp./Utility subsidiaries and FET/subsidiaries and the $1.2B FE Corp. term loan ▪ Terminated FES/AE Supply $1.5B credit facility. Executed $500M secured credit facility and $200M secured surety support agreement between FE Corp. and FES. ▪ Amended FE credit agreement covenants and excluded $5.5B of non-cash write-offs related to asset impairments	**Recorded ~$10.7B of pre-tax asset impairments and plant exit costs:** **2nd Quarter** ▪ Impairment of CES goodwill, $800M ▪ Impairment of W.H. Sammis Units 1-4, $497M ▪ Impairment of Bay Shore Power Plant, $150M ▪ Coal-related settlements and terminations, $58M **Year-End** ▪ Impairment of FES assets of $8.1B and AE Supply assets at $1.1B
2017 Year to Date	**FG entered into a settlement agreement with BNSF and CSX to pay $109M, guaranteed by FE, in three annual installments. FG paid the first installment in May.** **Completed internal implementation of processes allowing for FES and FENOC's transition from the unregulated money pool if necessary** **Scheduled discussions with FES creditors in August**	**Increased liquidity position and reduced exposure to rising interest rates by issuing an aggregate principal amount of $3B in 5-, 10-, and 30-Year Senior Notes at a 4.04% weighted average coupon** ▪ Proceeds used to redeem FE Corp.'s $650M 2.75% notes due March 2018 and to refinance $2.35B of FE Corp.'s revolver borrowings	**AE Supply entered into purchase agreements to sell:** ▪ 1,572MW of natural gas and hydro assets to LS Power (still pending) ▪ A portion of AE Supply's property and certain assets at the Hatfield's Ferry Power Station (still pending) **AE Supply entered into an asset purchase agreement to sell Pleasants to MP for a purchase price of $195M, or $150/KW (still pending)** **Continued education process on benefit of ZEN by hosting a Virtual Town Hall Meeting with Chuck Jones, bill sponsors DeVitis, Eklund, and LaRose, and over 100 legislators and key stakeholders** **Monitoring DOE Study that may provide support for FES fuel-secure baseload generation assets**
Future	**Detailed roadmap to complete exit of commodity-exposed generation focused on the best interest of all constituents, including shareholders, creditors, employees, customers, and the communities where these plants are located**		

Nuclear Facts

	Perry	Davis-Besse	Beaver Valley 1	Beaver Valley 2
License Expiration	2026 License extension expected to be requested to allow for operation until 2046	2037	2036	2047
NDT Funding (As of June 30, 2017: using SAFSTOR Method)	~$530M	~$575M	~$295M	~$390M

- NDT for all units is expected to be fully funded by the license expiration date. Davis-Besse is currently fully funded.

NDT Shortfall (If plant closure is accelerated to the date of the next refueling outage)	~$15M	–	~$90M	~$15M
Next Refueling Outage	Spring 2019	Spring 2018	Spring 2018	Fall 2018

Dry Cask Storage Overview

Current:	If one or more units were to prematurely close:
• Dry cask storage constructed at all three sites • Established settlement agreement in January 2012 with the DOE for reimbursement of the spent fuel handling costs • Agreement is for a 3-year term and has been renewed twice • Expenses are typically recovered in the calendar year following their expenditure	• Option to immediately begin decommissioning or SAFSTOR • Spent Fuel Management cost for all four units estimated at ~$1B with majority of spend in first 7-10 years using SAFSTOR method • NG would seek to recover reimbursement for spent fuel management costs from the DOE (which has ultimate responsibility for spent nuclear fuel) • All activities above are the responsibility of FENOC/FES as the plant owner

2017F Adjusted EBITDA

Competitive Energy Services

		Average $/MWH			2017F ($M)
Closed Q1-Q2 Contract Sales: 21M MWH	×	$51 Contract Rate *less* ($19) Supply Cost *less* ($10) Delivery Cost **$22 avg. net margin**		=	**$460**
Committed Q3-Q4 Contract Sales: 20M MWH	×	$50 Contract Rate *less* ($18) Supply Cost *less* ($14 - $15) Delivery Cost **$17 - $18 avg. net margin**		=	**$330 - $370**
Q1-Q2 Closed: 7M MWH **Q1-Q2 Financially-Hedged:** 3M MWH **Total Q1-Q2 Wholesale: 10M MWH**	×	$29 Wholesale Price *plus* $3 Financial Gain *less* ($19) Supply Cost **$13 avg. net margin**		=	**$130**
Q3-Q4 Open: 13M MWH **Q3-Q4 Financially-Hedged:** 2M MWH **Total Q3-Q4 Wholesale: 15M MWH** (Excludes ~1M MWH of annual distribution losses/pumping)	×	$29-$32 Wholesale Price *plus* $2 - $1 Financial Gain *less* ($18) Supply Cost **$13 - $15 avg. net margin**		=	**$195 - $225**
			Capacity Revenue	=	**$545**
			Other Revenue	=	**$75**
			Other Operating Expenses	=	**($1,330)**
			CES 2017F Adjusted EBITDA[1]	=	**$405 - $475**

See slide 23 for additional notes describing the line items

[1] Total CES 2017F Adjusted EBITDA, a non-GAAP financial measure, is reconciled to 2017F CES Net Income on slide 26, and is based on market prices as of June 30, 2017

Notes on 2017F Adjusted EBITDA

Competitive Energy Services

Closed Q1-Q2 Contract Sales:	▪ Includes actual physical volume of contract sales through 06/30/2017 ▪ Contract Rate represents average realized rate based on actual committed contract prices and customer usage ▪ Supply Cost rate represents the overall realized cost of all supply sources to serve contract sales obligations, including Fuel (coal, natural gas and nuclear generation) and Purchased Power (firm and spot purchased power). Average Fossil fuel rate = $25/MWH and Average Nuclear fuel rate = $7/MWH. ▪ Delivery Cost rate represents the average realized capacity and transmission expenses, including delivery expenses associated with serving loads and net of transmission revenues (including Financial Transmission Rights and ancillary services)
Committed Q3-Q4 Contract Sales:	▪ Expected physical volume and average realized rate of contract sales based on expected power flow for the remainder of 2017 ▪ Volume is subject to fluctuations due to weather and customer behavior
Closed Q1-Q2 Wholesale:	▪ Includes actual volume of physical wholesale spot sales at the average realized price and Financial Gains through 06/30/2017 ▪ Financial Gains represent the impact of realized gains on settlement of forward financially-settled transactions
Total Q3-Q4 Wholesale:	▪ Includes expected volume of physical wholesale spot sales for the remainder of 2017 at a range of expected realized prices at CES' generation resources and based on June 30, 2017 market forwards. Includes volumes that may be sold through incremental Contract Sales. ▪ A portion of the total expected volume of physical spot sales into PJM is price-hedged through forward financial transactions that will settle at Q3-Q4 market prices. Financial Gain range is based on expected settlement value of the notional amount of firm forward financial wholesale sales transactions at a forward AD Hub price range of $29-$32/MWH. ▪ Volume is subject to energy market prices and generating unit performance
Capacity Revenue:	▪ Capacity revenue includes revenues from Base Residual/Capacity Performance auctions, incremental/transitional capacity auctions, bilateral transactions and capacity transmission rights
Other Revenue:	▪ Projected annual non-commodity revenue primarily comprised of lease revenue on sale and leaseback transactions and other affiliated transactions, that is included in "Revenues – Unregulated Businesses" on the Consolidated Statements of Income ▪ Excludes Investment Income that is excluded from Adjusted EBITDA (see slide 26)
Other Operating Expenses:	▪ Projected annual expenses related primarily to generation, retail, corporate support, and general taxes, that are included in "Other Operating Expenses" on the Consolidated Statements of Income ▪ Excludes Income Taxes, Depreciation, Amortization, and Interest Expense, net, that is excluded from Adjusted EBITDA (see slide 26)

2018F Adjusted EBITDA
Competitive Energy Services

		Average $/MWH			2018F ($M)
Committed Contract Sales: 25M MWH	×	$50	Contract Rate	=	**$425 - $445**
		less ($17)	Supply Cost		
		less ($15 - $16)	Delivery Cost		
		$17 - $18 avg. net margin			
2018 Open: 40M MWH	×	$28 - $31	Wholesale Price	=	**$490 - $590**
2018 Financially-Hedged: 1M MWH		*plus* $1 - $0	Financial Gain		
Total 2018 Wholesale: 41M MWH		*less* ($17)	Supply Cost		
(Excludes ~1M MWH of distribution losses)		**$12 - $14 avg. net margin**			
		Capacity Revenue		=	**$545**
		Other Revenue		=	**$20**
		Other Operating Expenses		=	**($1,340)**
		CES 2018F Adjusted EBITDA[(1)]		=	**$140 - $260**

See slide 25 for additional notes describing the line items

(1) Total CES 2018F Adjusted EBITDA, a non-GAAP financial measure, is reconciled to 2018F CES Net Income on slide 26, and is based on market prices as of June 30, 2017

Excludes the contribution of 1,572 MW of AE Supply assets (sale pending)

Notes on 2018F Adjusted EBITDA

Competitive Energy Services

Committed Contract Sales:	▪ Includes expected physical volume of contract sales ▪ Volume is subject to fluctuations due to weather and customer behavior ▪ Contract Rate represents average expected rate based on committed contract prices and customer usage. Portions of "committed" governmental aggregation sales are not priced-fixed as they are indexed to utility price-to-compare. ▪ Supply Cost rate represents the overall average expected cost of all supply sources to serve contract sales obligations, including Fuel (coal, natural gas and nuclear fuel amortization) and Purchased Power (firm and spot purchased power). Average Fossil fuel rate = $25/MWH and Average Nuclear fuel rate = $5/MWH. ▪ Delivery Cost rate represents the average expected capacity and transmission expenses, including delivery expenses associated with serving loads and net of transmission revenues (including Financial Transmission Rights and ancillary services)
Total 2018 Wholesale:	▪ Includes expected physical volume of wholesale spot sales given current Committed Contract Sales. Includes volumes that may be sold through incremental Contract Sales ▪ Volume is subject to energy market prices and generating unit performance
Capacity Revenue:	▪ Capacity revenue includes revenues from Base Residual/Capacity Performance auctions, incremental/transitional capacity auctions, bilateral transactions, and capacity transmission rights
Other Revenue:	▪ Projected annual non-commodity revenue primarily comprised of lease revenue on sale and leaseback transactions and other affiliated transactions, that is included in "Revenues – Unregulated Businesses" on the Consolidated Statements of Income ▪ Excludes Investment Income that is excluded from Adjusted EBITDA (see slide 26)
Other Operating Expenses:	▪ Projected annual expenses related primarily to generation, retail, corporate support, and general taxes, that is included in "Other Operating Expenses" on the Consolidated Statements of Income ▪ Excludes Income Taxes, Depreciation, Amortization, and Interest Expense, net, that is excluded from Adjusted EBITDA (see slide 26)

Net Income (Loss) to Adjusted EBITDA[1] Reconciliation

Competitive Energy Services

($ Millions)	2017F	2018F
Net Income (Loss) – GAAP	($225) – ($170)	($95) - $5
Special Items (after tax)[1]	315	–
Operating Earnings (Loss)	$90 - $145	($95) - $5
Income Taxes[2]	45 - 75	(40) - (5)
Interest Expense, Net	145 - 135	135 - 125
Depreciation	120 - 115	135 - 130
Amortization[3]	55	55
Investment Income	(50)	(50)
Adjusted EBITDA[1]	$405 - $475	$140 - $260

(1) Adjusted EBITDA is a non-GAAP financial measure and represents Net Income (Loss) - GAAP adjusted for special items listed on slide 17 and the addition of Income Taxes; Interest Expense, net; Depreciation, Amortization and Investment Income

(2) Income taxes excluding the tax effect of special items as summarized on slide 17

(3) Amortization expense included in Other Operating Expenses on the Consolidated Statements of Income (Loss). Primarily related to amortization of customer contract intangible assets, as disclosed in Form 10-K Note 8 – Intangible Assets and deferred costs on sale leaseback transaction, net as disclosed in the Consolidated Statements of Cash Flow. Does not include nuclear fuel amortization of approximately $210M, and $160M in 2017, and 2018, respectively.

Financial – Liquidity

Available Liquidity
($M)

	FES[1]	FET	FEU	FE Corp.	FE Consolidated
Revolving Credit Facility	$ 500	$ 1,000	$ 4,000		$ 5,000
Short-Term borrowings	–	(75)	–	(150)	(225)
Letters of Credit (LOC)	–	–	–	(10)	(10)
Total Utilization	–	$ (75)	$ (160)		$ (235)
Available Credit Capacity	$ 500	$ 925	$ 3,840		$ 4,765
Cash & Investments	2	78	2	30	114
Available Liquidity	$ 502	$ 1,003	$ 3,872		$ 4,879

As of June 30, 2017

[1] FES has $500M in available credit capacity from a two-year secured credit facility with FE Corp., which is excluded from the available credit capacity to FE Consolidated.

Financial – Parental Guarantees

	FirstEnergy Corp. Parent					
	Competitive		Regulated		Corp/Other	
	$M	Expiration	$M	Expiration	$M	Expiration
Energy-Related & Retail Contracts	$5	2017	–	–	–	–
Deferred Compensation Arrangements	$143	–	$182	–	$243	–
Fuel Related (Rail Settlement)	$72	2019	–	–	–	–
Other	$1	2017	–	–	$3	–
Total FE Corp. Guarantees on behalf of subsidiaries[1]	$221		$182		$246	
Unfunded Pension/OPEB Obligations[2] As of 12/31/2016	$712		$1,333		$1,458	

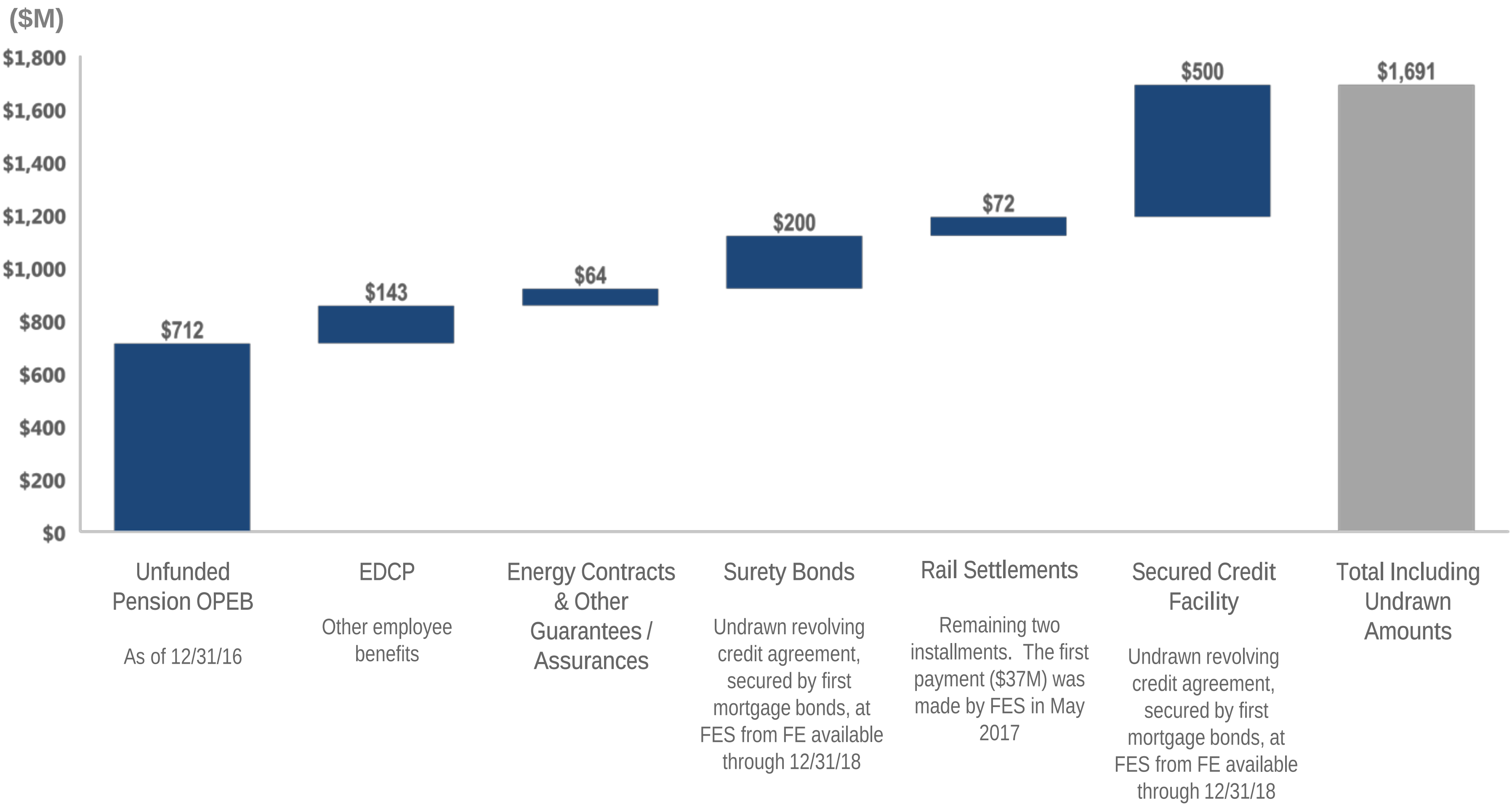
[1] In addition, FE Corp. provides FES with other assurances of $169M related to surety bonds for the benefit of the Pennsylvania Department of Environmental Protection with respect to Little Blue Run, $12 million of FG surety bonds for the benefit of the Ohio Environmental Protection Agency with respect to Hollow Rock landfill, and $58M related to sale-leasebacks

[2] FE Corp. is committed to fund all unfunded pension/OPEB obligations

As of June 30, 2017

Financial – FE Parental Guarantees / Other Assurances

On behalf of Competitive Energy Services



As of June 30, 2017

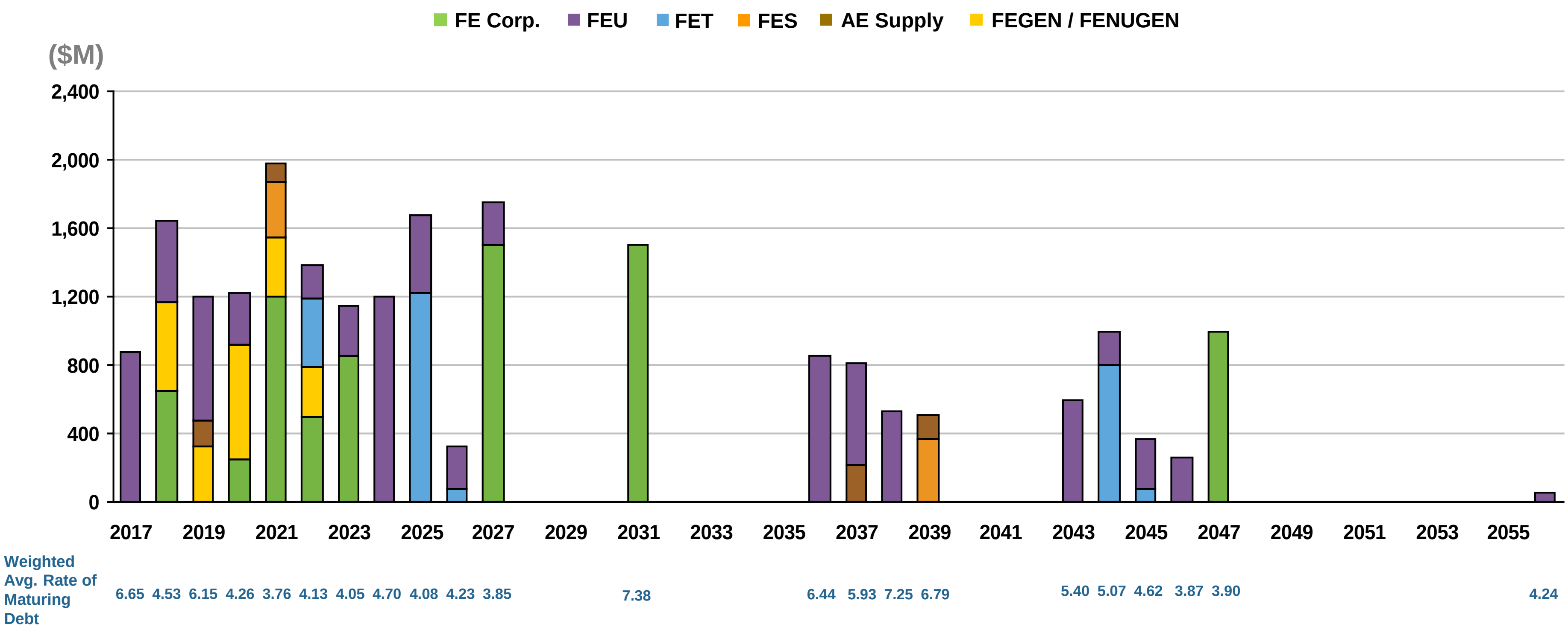
Financial – Potential Collateral Requirements

($M)

Contractual Obligations for Additional Credit As of June 30, 2017	FES	AES	Regulated	FE Corp	Total
At Current Credit Rating	$6	$2	–	–	$8
Upon Further Downgrade	–	–	$43	–	$43
Surety Bonds[1]	$65	$25	$92	$187	$369
Maximum Potential	$71	$27	$135	$187	$420

[1] Surety Bonds are not tied to a credit rating. Surety Bonds impact assumes maximum contractual obligations (typical obligations require 30 days to cure). FE Corp. is a guarantor for $169 million of FG surety bonds for the benefit of the Pennsylvania Department of Environmental Protection with respect to Little Blue Run and $12 million of FG surety bonds for the benefit of the Ohio Environmental Protection Agency with respect to Hollow Rock landfill.

Financial – Consolidated Long-Term Debt Maturities



Excludes securitization bonds

As of June 30, 2017

Note: This does not reflect early redemption on July 25, 2017 of $650M of FE Corp. notes due in 2018 from the proceeds of the $3B of new notes issued in June 2017

Financial – Outstanding Debt by Legal Entity

($M)

Hold Co. At 6/30/2017	FE Hold Co.
Short-term Debt	150
Long-term Debt	7,450
Debt Subtotal	**7,600**
Discounts	(14)
Unamortized Issuance Costs	(36)
Total Balance Sheet Debt	**7,550**

Utilities At 6/30/2017	Ohio Edison	Cleveland Electric	Toledo Edison	Penn Power	Metropolitan Edison	Pennsylvania Electric	Jersey Central	Mon Power	Potomac Edison	West Penn Power
Short-term Debt	-	114	-	10	50	51	156	54	-	119
Long-term Debt	650	1,200	350	152	850	1,125	1,700	1,324	500	625
Securitization Bonds	133	155	39	-	-	-	63	285	95	-
Debt Subtotal	**783**	**1,469**	**389**	**163**	**900**	**1,176**	**1,920**	**1,663**	**595**	**744**
Discounts	(8)	(2)	(1)	-	(1)	(1)	(6)	(1)	-	-
Unamortized Issuance Costs	(2)	(4)	(2)	(1)	(3)	(4)	(7)	(13)	(5)	(2)
Purchase Accounting	-	-	-	-	-	-	-	11	4	2
Capital Leases	16	13	7	3	12	19	8	4	3	6
Total Balance Sheet Debt	**789**	**1,476**	**394**	**165**	**908**	**1,190**	**1,916**	**1,663**	**598**	**751**

Transmission At 6/30/2017	FET Hold Co.	ATSI	TrAIL
Short-term Debt	75	9	-
Long-term Debt	1,000	950	625
Debt Subtotal	**1,075**	**959**	**625**
Discounts	(2)	(4)	-
Unamortized Issuance Costs	(7)	(6)	(4)
Total Balance Sheet Debt	**1,066**	**949**	**621**

Competitive Energy Services At 6/30/2017	FES Hold Co.	FE Generation	FE Nuclear Generation	Allegheny Energy Supply	Allegheny Generating
Short-term Debt	275	-	-	-	12
Long-term Debt	696	1,015	1,126	521	100
Debt Subtotal	**971**	**1,015**	**1,126**	**521**	**112**
Discounts	(1)	-	-	-	-
Unamortized Issuance Costs	(3)	(4)	(6)	-	-
Purchase Accounting	-	-	-	(27)	-
Capital Leases	-	5	-	-	-
Total Balance Sheet Debt	**967**	**1,016**	**1,120**	**494**	**112**

Totals may not foot due to rounding

Financial – Credit Ratings

As of 07/28/2017	Corporate Credit Rating (S&P) / Issuer Rating (Moody's) [1] / Issuer Default (Fitch)			Senior Secured			Senior Unsecured			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
FirstEnergy Corp.	BBB-	Baa3	BBB-	-	-	-	BB+	Baa3	BBB-	negative	stable	stable
FirstEnergy Solutions	CCC	Caa1	CC	B-	B1	-	CCC	Caa1	C	negative	negative	-
Allegheny Energy Supply	B+	B1	B	BB	-	BB	BB-	B1	BB-	cr. watch	negative	stable
Allegheny Generating Co.	B+	Baa3	B+	-	-	-	BB-	Baa3	BB	cr. watch	stable	stable
American Transmission Systems Inc.	BBB-	Baa1	BBB	-	-	-	BBB-	Baa1	BBB+	negative	stable	stable
Cleveland Electric Illuminating	BBB-	Baa3	BBB	BBB+	Baa1	A-	BBB-	Baa3	BBB+	negative	stable	stable
FirstEnergy Transmission	BBB-	Baa2	BBB-	-	-	-	BB+	Baa2	BBB-	negative	stable	stable
Jersey Central Power & Light	BBB-	Baa2	BBB-	-	-	-	BBB-	Baa2	BBB	negative	stable	stable
Metropolitan Edison	BBB-	A3	BBB	-	-	-	BBB-	A3	BBB+	negative	stable	stable
Mid-Atlantic Interstate Transmission	BBB-	Baa1	-	-	-	-	BBB-	Baa1	-	negative	stable	-
Monongahela Power	BBB-	Baa2	BBB-	BBB+	A3	BBB+	-	-	-	negative	stable	stable
Ohio Edison Co.	BBB-	Baa1	BBB	BBB+	A2	A-	BBB-	Baa1	BBB+	negative	stable	stable
Pennsylvania Electric Co.	BBB-	Baa1	BBB	-	-	-	BBB-	Baa1	BBB+	negative	stable	stable
Pennsylvania Power Co.	BBB-	Baa1	BBB	-	A2	A-	-	-	-	negative	stable	stable
Potomac Edison Co.	BBB-	Baa2	BBB-	-	-	-	-	-	-	negative	stable	stable
Toledo Edison Co.	BBB-	Baa3	BBB	BBB+	Baa1	A-	-	-	-	negative	stable	stable
Trans-Allegheny Interstate Line Co.	BBB-	A3	BBB	-	-	-	BBB-	A3	BBB+	negative	stable	stable
West Penn Power Co.	BBB-	A3	BBB	BBB+	A1	A-	-	-	-	negative	stable	stable

[1] Ratings shown for FES and AES reflect Moody's "Corporate Family Rating" (CFR) which are employed for speculative grade issuers

Moody's Investor Services
On May 9, 2017:
- Assigned a Baa1 issuer rating to MAIT
- Upgraded FET issuer and unsecured ratings to Baa2
- Upgraded ATSI issuer and unsecured ratings to Baa1

S&P Global Ratings
On May 2, 2017:
- Assigned BBB- issuer rating to MAIT

On May 10, 2017:
- Downgraded FES issuer and unsecured ratings to CCC
- Downgraded FES unsecured rating to B-
- Maintained a negative outlook on FES

Financial – Credit Providers

26 financial institutions provide ~$6.6B aggregate credit commitment

($M)		
Revolving Credit Facilities		$5,000
Term Loans		1,450
	SUB-TOTAL	$6,450
Vehicle Leases		167
	TOTAL	$6,617

Bank of America	JP Morgan Chase
Bank of New York Mellon	Keybank
Bank of Nova Scotia	Lord Abbett
Barclays Bank	Mizuho
CIBC	Morgan Stanley
Citibank	PNC
Citizens Bank	Sabadell
CoBank	Santander
Fifth Third Bank	Sumitomo Mitsui
First National Bank	TD Bank
Goldman Sachs	Union Bank/Bank of Tokyo Mitsubishi
Huntington National Bank	US Bank
Ind & Comm Bank of China	Wells Fargo

As of June 30, 2017